

**Testimony of Bill Greving before the
U.S. Senate Committee on Agriculture, Nutrition & Forestry**

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Washington DC

Madam Chairwoman, Ranking Member Roberts and members of the Committee, I would like to thank you on behalf of Kansas grain sorghum farmers for the opportunity to share my insights into sorghum, ethanol and energy.

Greving Farms is a diversified family farm near Prairie View, Kansas. My wife Diana and I operate the farm with our son Colby and his wife Cher. We are located in north central Kansas, about 15 miles west of Phillipsburg. We primarily grow wheat and grain sorghum on our farm and also grow corn and alfalfa under irrigation. In addition to crops, we operate a cow/calf operation with approximately 500 head of cows and also have a licensed feedlot with 950 head of age and source verified cattle we sell to U.S. Premium Beef.

Kansas is the nation's leading producer of grain sorghum, accounting for 51 percent of U.S. production in 2011. Although growing conditions in Kansas can often be challenging, sorghum works and is one of the few crops we can grow with limited rainfall. It is naturally drought tolerant, heat resistant and does well on marginal land. With limited rainfall (less than 21 inches per year), and a declining Ogallala Aquifer, sorghum is becoming even more valuable in our crop rotation.

The renewable fuels sector is the fastest growing value-added market for the sorghum industry, and ethanol production now accounts for more than 30 percent of domestic grain sorghum use. Sorghum is used in most Kansas ethanol plants and has proven itself as a viable feedstock of choice. Sorghum and corn are interchangeable in these plants, which has greatly benefited Kansas ethanol, farmers and cattlemen alike.

My wife and I own shares in the Prairie Horizon Agri-Energy ethanol plant in Phillipsburg and were among the original investors because we believe in providing value to our community as well as rural

economic growth. Not only do we sell grain sorghum to the plant to make ethanol, but we also buy wet distillers grains from the plant, which provide a high nutrient feed additive for our own cattle to eat.

As a cattle producer, Greving Farms is seeing significant savings due to the availability of wet distillers grains from the ethanol plant. More than a third of the sorghum used at the plant returns to the livestock feeding stream as high protein distillers grains. The nutritionist we work with estimates a savings of 10 cents per head per day using wet distillers grains in our feedlot. That is how much we save in protein costs. The cost of gain savings is about 2 to 3 cents per pound of gain on a finished animal. That's 19 to 20 dollars per animal in feed ration savings. Farms like ours are proof that ethanol production, grain production and meat production work together. In this synergistic system we are growing feed, fuel and food on my farm.

The Phillipsburg ethanol plant created competition and generated a domestic market that added value to our sorghum crop. We estimate the Phillipsburg plant has increased the price of sorghum by about 30 cents per bushel to those selling to the plant. In addition, Prairie Horizon Agri-Energy is a major employer in our town, providing 33 good paying jobs. This figure doesn't include many other jobs created by the plant like the truck drivers who haul grain, ethanol, and distillers grains. At our plant, 100 to 150 trucks come through on a daily basis. The jobs, the economic activity created, and the tax revenue generated by the plant has a large economic impact on Phillipsburg, a town with a population of 2,500. In addition, our plant is an active member of the community and sponsors many community activities in our area. On a state-wide basis, Kansas ethanol plants directly employ more than 325 people in ten rural communities, and create many more jobs in related businesses.

Our farm has been in the family for 121 years. The migration of young people away from rural areas is a known fact. Phillips County has seen a 6 percent decline in population in the last 10 years, according to the census. It is crucial to our farm and to our communities that we support industries in our rural areas that will help keep young people and young families in rural Kansas. Homegrown fuels like ethanol are a perfect fit for rural communities, with a wide range of benefits.

The Bioenergy Program for Advanced Biofuels, Section 9005 of the Farm Bill Energy Title provides payments to energy producers to support expanding production of advanced biofuels, which are derived from renewable biomass other than corn-kernel starch. Grain sorghum is an eligible feedstock for the

production of advanced biofuels, and sorghum based ethanol is supplying several hundred million gallons of advanced biofuels today.

Eight ethanol plants in Kansas benefited from payments under this program in 2011, which provided incentives to ethanol plants that used grain sorghum. The 2011 payments from the 9005 program to Kansas ethanol plants accounted for 69 million bushels of grain sorghum, over 40 percent of the 2010 Kansas grain sorghum crop.

The 9005 program is a program that works and encourages alternative feedstocks for ethanol. This program has encouraged the use of grain sorghum in Kansas ethanol at a time when we are all paying more attention to water conservation. Sorghum makes sense in Kansas and growers will plant it if they have strong markets for their crop. The 9005 program helps to ensure that our ethanol plants will remain committed to using grain sorghum as a feedstock.

When we are talking about job growth and economic growth, programs like the 9005 program that encourage ethanol production with sorghum are important to our ethanol plants and communities. Farmers aren't the only ones who benefit—schools, restaurants, hotels, stores and other local businesses all get an economic boost from the ethanol plants.

I'd also like to mention the potential for sweet sorghum and high biomass forage sorghum. The 2008 Farm Bill defined an advanced biofuel as a fuel made from renewable biomass other than corn starch. Grain, sweet and forage sorghum all qualify as an advanced biofuel, and currently only grain sorghum is being made into ethanol on a commercial scale. However, the first commercial-scale sweet sorghum-to-ethanol plant is expected to break ground in Florida for construction sometime this year.

Sweet sorghum is the next logical step for ethanol production in the U.S., and the continuation of 9005 is essential in supporting the development of commercial production of sweet sorghum ethanol. Sweet sorghum can also help diversify the geographic distribution of ethanol in the U.S. by expanding production from the Midwest to locations such as Florida and California.

I understand sweet sorghum can be grown in a variety of climates and is naturally drought tolerant, like grain sorghum. I've long thought that sweet sorghum can be successfully grown in Kansas, and I think it

has a lot of potential if the syrup can be incorporated into the feedstock stream of our Kansas ethanol plants. This would allow for more diversification in advanced biofuel feedstocks.

Another point to consider when discussing sweet sorghum is the need to develop a viable crop insurance program that will guard against production losses due to weather. Until producers can build production history, it will make sense to use a rainfall index product, but the industry will need protection from excessive rainfall, as well as inadequate rainfall, because the first growers will be in areas where weather events like hurricanes could potentially damage production.

In conclusion, I would thank Chairwoman Stabenow and Ranking Member Roberts for inviting a farmer to appear before you today to talk about agriculture and energy. While those who have spoken before me are focused on policy, I am focused on production, and building a farming business that will sustain my family for generations to come. Economic growth brought by ethanol plants has been a benefit to agricultural producers and communities, as well as our state and local economies. Programs that bolster rural economies benefit us all.