



STATE OF WASHINGTON

DEPARTMENT OF AGRICULTURE

P.O. Box 42560 • Olympia, Washington 98504-2560 • (360) 902-1800

November 25, 2008

Honorable Members of the Washington State Legislature

The Honorable Christine Gregoire
Washington State Governor
Legislative Building
P.O. Box 40002
Olympia, WA 98504-0002

Dear Governor Gregoire and Members of the Legislature:

Legislation enacted in 2006 (RCW 19.112.170) requires the Director of Agriculture, by November 30, 2008, to determine:

1. Whether the state's diesel fuel supply is comprised of at least 10 percent biodiesel made predominantly from Washington feedstock; and,
2. Whether the state's gasoline fuel supply is comprised of at least 20 percent ethanol made predominantly from Washington feedstock

The Director is to then notify the Governor and the Legislature of these findings.

With this letter, I am notifying you that:

1. The state's diesel fuel supply is comprised of less than 10 percent biodiesel made predominantly from Washington feedstock.
2. The state's gasoline fuel supply is comprised of less than 20 percent ethanol made predominantly from Washington feedstock.

As required, the Department of Agriculture will continue to monitor the state's fuel supply and state production of feedstock that could be used in biodiesel and ethanol.

For your information, the USDA Farm Service Agency reports that Washington production of oilseeds (canola, mustard, rapeseed and camelina) increased from 7,314 acres in 2006 to 13,324 acres in 2008. This increase in production is due in large part to your efforts to support feedstock research and oilseed crushing infrastructure in Washington. The feedstock research at WSU shows that oilseeds may play an important beneficial role in Washington's food production systems and Washington producers continue to show interest in adding oilseeds to their crop rotations. If all oilseed production in 2008 were used in fuel production, it would comprise 0.1% of the state's diesel supply. At this time, a portion of the state's oilseed production is used for producing biodiesel in the state.

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The USDA National Agricultural Statistics Service estimates Washington production of corn for grain to be 75,000 acres in 2008. If all corn for grain production in 2008 were used in fuel production, it would comprise 1.5% of the state's gasoline fuel supply. Since corn is an important livestock feed and there are no ethanol production facilities in Washington, little, if any, of the state's corn production is used for ethanol. The state, however, appears to have significant opportunity for future ethanol production from cellulosic materials such as wheat and grass straw.

If you have any questions, don't hesitate to give me a call.

Sincerely,

A handwritten signature in blue ink, appearing to read "Robert W. Gore". The signature is fluid and cursive, with the first name being the most prominent.

Robert W. Gore
Acting Director