Alternative Energy Source: Moonshine

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Ethanol is receiving more consideration recently as a substitute for gasoline. One advantage of the fuel is that it can be produced by small home or farm plants. Another advantage is that under current federal regulations, alcohol produced for fuel is not taxed, regardless of the size of the operation. The production process is already known to moonshiners, but there are some governmental regulations to meet before initiating legal production of ethanol.

Both state and federal permits are required to operate a distillery in Virginia. In general, the federal permitting process is less involved than the state process.

Federal procedures are found in 27 CFR sections 201.64 and 201.65. The time required to process a federal permit application is greatly reduced for farm alcohol producing plants which are classed as experimental. For larger commercial plants such as the facility once proposed at the Virginia Gentleman distillery in Reston, Virginia, the permitting process is more complicated and beyond the scope of this article. To apply for a federal permit, contact: Chief, Industry Control Division, Department of the Treasury, Bureau of Alcohol, Tobacco and Firearms, Two Penn Center Plaza, Philadelphia, Pennsylvania 19102.

The Virginia Code, unlike the federal regulations, does not differentiate between small and large operations. Virginia law requires full detailed plans to be submitted with the application to the state Attorney General in Richmond. Plan details must include the size and capacity of all pipes, joints and vessels. If changes are made during construction, they must be filed with the Attorney General's office. Finally, a $10,000 bond is required with each permit application. See VA. CODE ANN. §§4-119 to 4-126.

Farm-based production of ethanol is a practical technology available today. By encouraging alternative fuel use for farm operations, "moonshine" may be one way to ease the bite of soaring fuel costs on Virginia's agricultural industry.