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# From Washington

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## Cogeneration encouraged

A Department of Energy rule issued in late March is designed to encourage development of relatively small cogeneration units—facilities that produce electricity and useful thermal energy (e.g., heat and steam). The rule is designed to help firms using cogeneration to sell their surplus production to utilities and to pay reasonable rates when purchasing energy from utilities to backup the cogeneration system. An Arthur D. Little study last year identified fats and oils processing as one industry that looked favorable for cogeneration. Details on the new Department of Energy rule: *Federal Register*, Thursday, March 20, 1980, p. 17959.

## Oilseeds forecast revised upward

World production of oilseeds for 1979/80 was forecast at 180 million tons by the USDA's world outlook panel as of March—a slight move upward from the February projection. Oilseed production for 1978/79 was estimated at 158 million tons. The outlook board said soybean harvest acreage in Argentina was smaller than estimated, because of a lack of moisture leading to reduced second crop plantings. In Brazil, yields were higher than forecast because of excellent growing conditions. Sunflower seed production was revised upward based on expected larger yields in Argentina through increased use of hybrid seed.

The board also forecast domestic use of soybean meal would rise about 7% and exports would rise 9% during 1979/80. Domestic crush should reach 1.1 billion bushels, the USDA panel forecast, creating additional supplies of soybean oil. Large supplies of competing fats and oils have curbed expansion in soy oil usage, the board said, but lower soy oil prices for the rest of the marketing year should encourage more use. □

## Crude oil production rises

United States production of crude soy, cottonseed, peanut and corn oils rose approximately 5.3% to 13,684.9 million pounds (seasonally adjusted basis) during calendar year 1979, according to Department of Census figures. (Not seasonally adjusted figures are shown in parentheses.)

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	1979 (million pounds)	1978 (million pounds)
Soybean	11,516.9 (11,504.3)	10,620.7 (10,623.9)
Cottonseed	1,291.4 (1,259.1)	1,513.2 (1,417.7)
Peanut <sup>a</sup>	139 (139.6)	149 (148.7)
Corn	737.6 (741.8)	715.5 (715.8)

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<sup>a</sup>Data for peanut oil production does not include December 1979 production figures which were not available.

Linseed crude oil production for 1979 was 245.7 million pounds, compared to 215.3 million pounds for calendar year 1978 on a seasonally adjusted basis. Nonseasonally adjusted figures for linseed oil were 240.6 million pounds for 1979 and 206.8 million pounds for 1978.