

THE PATH TO A CLEAN, RENEWABLE AND SUSTAINABLE FUTURE
by Ronald H. Miller

Twenty-five percent of our gasoline from renewable sources by 2022. Eighty percent of our electricity from renewable sources by 2036. Is this a trip to Fantasy Island or a challenge worthy of America's innovative prowess? Your answer probably depends whether you support "old" energy or "new" energy.

In 2007, Congress and President Bush codified the Renewable Fuels Standard requiring 36 billion gallons of renewable fuels in our motor fuels by 2022. Now President Obama has laid down a gauntlet reminiscent of the 1960's moon race by calling for a near universal use of renewable power within twenty-five years. Whether America will achieve a clean, sustainable and independent energy future will depend on whether we as a nation can coalesce around this achievable goal. We have the innovative prowess but do we have the necessary commitment? That remains to be seen.

Already some "old" energy pundits are suggesting we go slow. Five days after the State of the Union address, George Will was complaining about the EPA's decision to approve up to 15% ethanol in gasoline for 2001 and newer automobiles. Ironically it was the same day Chevron Corporation posted a 72% profit increase "on higher prices and improved refining margins". Now we have unrest in the Middle East that some are blaming on higher commodity prices, especially corn, due to ethanol production. It seems ludicrous that demand for less than 3% of the world's rapidly growing coarse grain production can create unrest on the streets of Cairo but some in the elite media would have you believe that is the case.

The Wall Street Journal, no fan of ethanol, ran an article on January 31st entitled "Oil Prices Pose a Risk, Unrest Stirs Concerns That Risking Crude Costs Will Hamstring the Global Economy". The article noted that closing the Suez Canal would add 10 days delivery time from the Middle East to the U.S. which alone would push crude oil prices up even though we have emergency reserves. This, according to the article, would have a damaging effect on our economic recovery. Ten days and we're in trouble? That's pretty scary.

It is time we end this cycle of uncertainty and dependence. How many embargoes, Gulf Wars, acts of terrorism and regime change will it take before we say enough? We are making some headway. According to the Energy Information Administration, U.S. dependence on imported liquid fuels as a percentage of total liquid fuel use dropped from a peak of 60% in 2005-6 to 52% in 2009 due in part to increased biofuel use. Today roughly 10% of our gasoline is biofuel, thirty years ago it was virtually zero. And it is still not enough. We need to set the new path forward now.

Specifically we need to implement the following if we are to meet the goals laid down by President Obama:

1. Eliminate all oil and gas subsidies now. 120 years is enough.
2. Strengthen the Renewable Fuels Standard by imposing severe economic penalties on obligated parties who do not meet the standard. Eliminate the

option of reducing the standard in any given year based on available supply. Economic stress is the mother of invention and will move Exxon's production of algae biofuel from "someday" to "now".

3. Apply the same policy direction and financial support for advanced biofuels that we supplied to the Manhattan Project and Space Race, without the red tape we have now.
4. Apply the same effort to Renewable Electricity as we are to Renewable Fuels with market share benchmarks by year up to 2036 and the appropriate economic incentives and disincentives for obligated parties who achieve or fail to achieve the established benchmarks.

Energy independence, clean energy, sustainable energy. These are all within our capability to achieve if we have the will. Now is the tipping point. Do you have the will?

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