

Southern States Energy Board: Leadership for Solutions in Developing Our Energy Future

Biomass South 2008
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Biomass South 2008

- Regional interaction to develop solutions
- Blending of the biomass research, policy and business community for knowledge sharing
- Developing regional strategies for a southern bioeconomy
- Sharing ideas for developing a cleaner energy future



HR 6049: \$18.5 billion

- Extends production tax credits through 2009 for wind and through 2011 for biomass, geothermal, small irrigation, hydropower, landfill gas and WtE facilities
- Continues the existing commercial solar and fuel cell investment tax credit through 2016
- Authorizes \$1.7 billion for new Clean Renewable Energy Bonds to help local governments and electric cooperatives finance renewable electric generating facilities
- Requires electric utilities to rely on renewables for 15% of their production by 2020



Senate \$17 Billion Tax Package

- Part of larger economic stimulus package
- Extends tax credit for wind for one year
- Extends tax credit for solar power for eight years
- Tax credit through 2020 for new biomass
- \$800 million in new Clean Renewable Energy Bonds for projects that would generate electricity from wind, biomass, marine renewables, trash combustion, landfill gas and other resources



Southern States Energy Board

Through innovations in energy and environmental policies, programs and technologies, the Southern States Energy Board enhances economic development and the quality of life in the South.

- SSEB Mission Statement

- Established 1960, expanded in 1978
- 16 U.S. States and Two Territories
- Each jurisdiction represented by the governor, a legislator from the House and Senate and a governor's alternate
- Federal Representative Appointed by U.S. President



American Energy Security Study

- ◆ Study unanimously approved by the Board on August 29, 2005
- ◆ AES Phase II approved by Board on September 11, 2008
- ◆ Partnership of experts assembled and approach defined
- ◆ Research and outreach
- ◆ Results
 - ◆ Statistics and scenarios
 - ◆ Recommendations



A Leadership Initiative

- ✦ Establish an ambitious goal for the Nation
- ✦ Frame a plan for success
- ✦ Model the benefits of achievement v. the greater costs of inaction
- ✦ Formulate legislative recommendations to support the plan



Serious Oil Risks to America

- ✦ Excessive dependence on imported oil from OPEC and others.
- ✦ Tremendous transfer of wealth to other nations.
- ✦ World oil supply is not keeping up with demand.
- ✦ Increased global competition from China, India and others.
- ✦ Supply disruptions by natural disasters or terrorism.
- ✦ Environmental consequences.



AES Response to Serious Oil Risks

- ✦ AES plan provides national security through consistent, domestic supplies
- ✦ AES plan allows us to make our own fuels and control our own destiny (stable fuel prices)
- ✦ AES plan employs existing and rapidly emerging technologies, creating fuels that have a long shelf life, compared to gasoline, and are environmentally sound

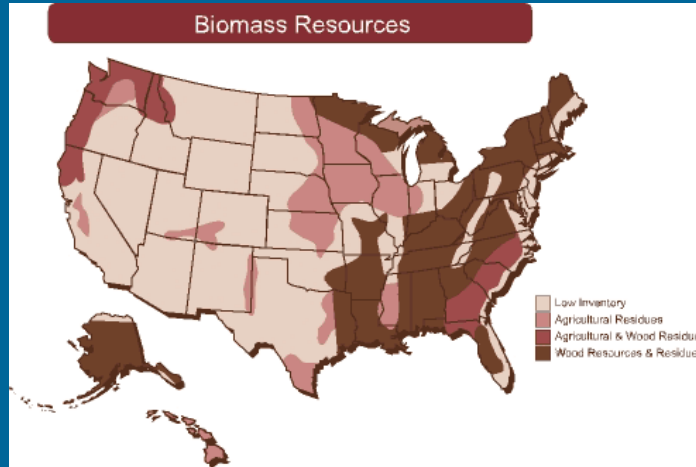


Biomass Utilization Integral to Energy Independence

- Assuring **affordable, reliable and environmentally sustainable energy supply** for all citizens
- Developing domestic abundant **biomass resources** to mitigate future energy needs and revitalize rural economies
- Building **public-private partnerships** to advance research and demonstrate biomass technologies



Biomass in the Southeast



Source: www.eere.energy.gov



Biomass Feedstock Potential



U.S. Multifaceted Biofuels Strategy

- U.S. should treat the commercialization of cellulosic technologies as a matter of national security
- U.S. must have PTC and ITC for long-term
- U.S. should pursue closer energy integration with Latin America through regulatory convergence and open biofuels trade
- U.S. should provide education/outreach and financial incentives to switch to flexible fuel vehicles



U.S. Biopower Generation

- Biopower facilities have existed in region for a long time
- Biomass co-firing allows existing power plants to produce renewable energy while replacing a portion of fossil fuel
- Biorepowering offers an opportunity to add value to an existing facility
 - Georgia Power recently submitted request to PSC for approval to convert Plant Mitchell to run on wood fuel for operation by 2012



How State/Federal Partnerships Help to Implement Federal Policies

- Represent established network of key stakeholders at state and regional level
- Leverage federal and state resources including technical expertise to achieve maximum results
- Facilitate the advancement of technology research, development and deployment
- Critical to addressing the “energy independence”



The National Biomass Partnership

- Collaboration of four regional governors' organizations
- Creates awareness of and support among states for federal programs related to bioenergy and biobased products
- Provides technical and program development assistance to states on biomass issues
- Increases coordination among federal, regional and state bioenergy agencies and activities



Southeast Regional Biomass Partnership

- The Southern States Energy Board (SSEB) responded to a competitive solicitation and won award for Southeast Regional Biomass Energy Program in 1999
- SE regional program previously administered through TVA
- Over \$5 million passed through to states for specific biomass activities during this period
- SSEB's unique structure offers opportunity to elevate program to policymaker level and engage key state officials and leadership



Southern States Biobased Alliance

- Formed in 2000 as an initiative of SSEB's chairman, Governor Jim Hodges of South Carolina
- Alliance membership comprised of Governors' appointees including one state official and one state legislator with interest in energy, environment, agriculture and/or forestry or related area
- Functions in an advisory capacity to the Board
- Mission: to provide leadership and develop strategies that will foster a biobased industry and boost rural economies in the southern states



Public-Private Partnerships Can Help

- Partnerships needed to develop, evaluate and deploy reliable biomass-based resources in an economically and environmentally sustainable manner
- Partnerships best approach to evaluating specific regional barriers (technical and non-technical)
- Partnerships can accelerate advancing technology, policy and investment



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