

**XI.           THE ROAD FROM HERE  
BY UNDER SECRETARY THOMAS DORR**

UNDER SECRETARY DORR:    Thank you very much, Randy. Our speakers this morning have done such a terrific job of staying on track and on schedule we are a bit ahead of schedule. So, what I would like to do is for the farmers who are in the crowd, take just a minute to let you know there was a crop report today. And if you're interested, old crop corn is up .18 cents, November beans are up .12 1/2 cents, and for those of you that have got wheat, it's down .08 cents, but it's still at a record price I think, of \$5.32.

Randy has done a great job today and I would like all of you to give Randy and Rick Tolman, who worked this podium yesterday, a great big round of applause. I really appreciate their help.

You know we have a very special guest that's going to join us in a few moments. And I know that once the President has given his speech we ought not to keep you here any longer than necessary, because you're all going to want to get back to doing the things that you do best.

But I would like to take a moment right now, therefore, to once again thank our distinguished speakers, our sponsors and our sponsor organizations, Secretary Johanns and Bodman, also, Commissioner Johnson, for their generous support for this Conference. I would like to, kind of in an adjunct manner, because we didn't have an opportunity to do it last night, thank the Renewable Fuels Association, Bob Dinneen and his staff, for sponsoring the wonderful reception that we had in the exhibit hall adjoining us. We just didn't have an opportunity or the right forum, to make a couple of public comments. But without that networking reception the conference wouldn't have been as good as it is. So thank you to the Renewable Fuels Association, as well.

You know, I have to take just a moment to pay a special tribute to a dear friend of mine, to Al Johnson, former Deputy Under Secretary for Rural Development, who has spearheaded this conference for us from the very beginning, all the way to the end, and in my view he's done a remarkable job. Al, you know, I really believe this has been a great two days and a very

solid contribution to an important cause. And once again, you've proven my dear departed father correct when he told me once you never whip the slow horse. Al you ain't the slow horse.

As we leave here today and take with us a question of what next, I believe it's important to remember that we are in the very early stages of a profound, -- a profound transformation. We've come a long, long way. The Chinese proverb says, "*A journey of a thousand miles begins with the first step*". We're beyond that first step, but we may be at mile post ten. There is a long road ahead and it's going to take many, many different directions.

Renewable energy today, provides, -- and I'm going to say some numbers in these closing comments, most of which you've heard several times in the last day and a half and I apologize, but they make some context. But renewable energy today, provides 6 percent of America's power. One can look at the statistics as the glass full or a glass half empty. I prefer to see it as half full. The existing production base is still relatively small. But, the growth potential, as I think

we all understand, is open-ended.

Different technologies are at different points of development, they are moving at different rates. *The growth* curves we see today in ethanol, biodiesel and wind, illustrate clearly what is possible. Today, ethanol makes about 3 percent of our gasoline consumption, maybe four. From 2000 through 2006, however ethanol has met, as Dr. Collins pointed out earlier, over 30 percent of the increase demand for gasoline in the United States. That's not a projection, that's the current track record even before cellulosic ethanol becomes available. Wind energy is still relatively small, less than 1 percent of total U.S. electrical generation. But, you know, it has grown an average of 29 percent every year since 2000.

We produced 2 million gallons of biodiesel in 2000 and will probably hit 245 million gallons this year. You know if it were weed, USDA would be in a crisis mode to kill it before it takes over. But it's a fuel, so we're going to grow it. Clearly the energy economy is changing fast. As it does, we will face a transition in the roles of government and the private

sector as well.

Last year for example, I was giving speeches in which I pointed out that USDA rural development had helped launch over half the biodiesel plants in the country. Now that was typically true, something we call our "*Value-Added Producer Grants*," which were largely grants given at the feasibility study stage of these plants. But we've also supported biodiesel development through six separate business programs and renewable energy more generally, through ten separate business and utility programs throughout rural development. Now, when I was making those speeches, however, biodiesel was a 75 million gallon proposition on a fiscal year basis, which is the way the National Biodiesel Board calculates it, and a 91 million gallon a year proposition on a calendar year basis, which is the way our USDA number crunchers keep track. But that was just last year. And I can't give that same speech today, because today our economists, as I've already indicated, are projecting 245 million gallons with eighty-six plants and another sixty-five plants under construction. My boasting rights are shrinking by the hour. But, that's good,

**CARTER TRANSCRIPTION & REPORTING**  
**ST. LOUIS, MISSOURI 63136**

[ctreports@aol.com](mailto:ctreports@aol.com)

**(314) 868-9171**

because the private sector is taking over and that's what it should be doing.

Since 2001, USDA World Development has invested over 460 million dollars in biodiesel, wind, ethanol and aerobic digesters, geothermal and other energy and energy efficiency projects. The investment has leveraged over 1 1/2 billion in additional private investment. In the same period as a whole, USDA, including Forest Service, the Agricultural Research Service, the Research Education Extension Service, the Natural Resource and Conservation Service have committed collectively, over 1.7 billion dollars to renewable energy, bio-based products and energy efficiency investments. And on top of that, as was noted earlier, we formed an energy council to facilitate the collaboration amongst all of our USDA agencies on the research initiatives, on the outreach initiatives and the commercialization efforts. And, at the direction of Secretary Johanns, we've been reaching out to other agencies, particularly DOE, Department of Interior, EPA and others, to join us in these discussions.

You know, along with the Department of

Energy's many efforts, we have played a role and we will continue to play a role in nurturing these technologies to the lift off, the lift off point. And we are committed to this whole entire effort going forward. But very clearly, in the long run, -- in the long run, private investment will make this happen. This is an opportunity of immense proportions so great, that I'm not even going to attempt to put a number on it. Some have argued that this may be, in fact, the greatest opportunity for wealth creation in history. I don't know. That may be right. But it is certainly the greatest opportunity for investment, economic growth, new jobs and wealth creation in rural America in our lifetimes.

So what next? What next will therefore, involve some surprises. You know I said yesterday that renewable energy today is where the airplane was in 1912; computers were thirty or forty years ago; internal combustion engine was a century ago, and I meant that. We are reinventing a basic part of the American economy. And along the way, we will overcome problems and discover opportunities that we do not now foresee. Not

every technology is going to meet the test of the market. Some that we have discussed here will be in direct competition with one another. And clearly, not all will be winners. But that means there's good news and bad news. The bad news is, as much as I hate to tell you this that not everyone in this room is going to get rich, that there is uncertainty and there is risk involved. But the good news is, -- the good news is, there is an abundance, -- there is an abundance, of new energy sources to meet America's needs and we are working aggressively to bring them on-line.

America has the most open, the most creative, dynamic economy in the world. We are in fact, the epicenter of entrepreneurialism. We are an entrepreneurial culture. We are a magnet for talent and investment from around the world. We have a capacity for renovation and change, unmatched by any other advanced economy in the world today. We have the financial capacity in both, public and especially the private sector, to make it happen. I am confident, I really am, to the very core of my being, confident that we will succeed at this effort.



You know, since President Bush will be here in a bit, I would like to conclude by simply saying this, that I had the privilege of standing with then, Governor Bush, in mid 1999 in Iowa, when he made renewable energy a centerpiece of his campaign. And I would like to make an observation today. This is a remarkable two days in the sense that for the first time that I am aware of, the first time in the thirty years, the thirty plus years, those of you have been involved in this industry, who have had a President, three Cabinet Secretaries, major corporate investors and an array of entrepreneurs, in the same venue, in the same community, on the same stage, at the same time, committing to this new industry. That is in fact, a remarkable accomplishment and it attests to the success of those of you who have driven this for thirty years. You are to be congratulated.

With that commitment, allow me to suggest, that the President's commitment in mid 1999, has guided his energy initiatives in 2001, the energy title of the 2002 Farm Bill, the Energy Policy Act of 2005, The Advanced Energy Initiative of today. Because this

President has been willing to lead, we have made enormous progress on renewable energy since 2001. And because Secretaries, like Johanns and Bodman, Commissioner Johnson, have been willing to collaborate with their peers in this leadership, I submit that we will reap the harvest for many years to come. This is truly, in my view, a historic moment. This is an historic opportunity, in which this country. in making a commitment to re-transformational technology, will ultimately make something that our kids and our grand-kids will be proud of, and ultimately, in which they will be more secure.

Therefore, it is a privilege to be a partner with all of them, but particularly, with you in this great transformation. We do look forward to working with you. So, on behalf of all of us at USDA, the Department of Energy, thank you for your leadership, your vision and your commitment to this cause. And I am mindful, again, to those of you who have been at this for thirty plus years, I do thank you all for your passionate perseverance. I hope that you all have safe journeys home at the end of the conference. I again,

**CARTER TRANSCRIPTION & REPORTING  
ST. LOUIS, MISSOURI 63136**

[ctreports@aol.com](mailto:ctreports@aol.com)

**(314) 868-9171**

thank you all for coming.

And I believe I have just received kind of a high sign that says that they have heard that the airplane and the President are within range, and so as I understand it, they would like me to tell you that you have about fifteen or twenty minutes to make a quick beeline to the rest rooms, but stay inside the secure area. If you get back here in your seats in the next fifteen minutes or so, the President will be here and we'll conclude with the President's remarks.

But once again, thank you all very, very much for your confidence in this conference, for joining us and providing your leadership. Thank you again.

MR. SWISHER: Mr. Under Secretary, thank you. You know, Bob Dinneen at Renewable Fuels and I, have been doing our thing for a lot of years now, and I don't remember any time, certainly in my career, that we have seen anything quite like this, in terms of these two agencies coming together at the Secretarial level and bringing to us the President of the United States to talk about the importance of the agenda that we are all working on.