

**Remarks as Prepared for Delivery by  
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**Plenary Session on Renewable Energy Collaboration Opportunities: Creating  
National and Sub-National Partnerships**

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My group is focused on the supply and use of energy to and by our facilities around the world. The following remarks may be a little varied from what you will hear from others at this conference, in that they will come from a direct end user position rather than a developer, government policy maker, renewable coalition or other key stakeholder who may have different focus, risks or hurdles to execution. But there is one important element that is consistent to the theme we're discussing today: Partnership. The closer we can align, strategize and agree on end goals, the higher the success for all will be.

Intel has a long history of environmental focus going back to Gordon Moore, one of our founders. Gordon instilled in our company a philosophy of reduce-reuse-and recycle, a principle that still guides our actions today. We were among the first companies to start an annual environmental report, back in 1994 and I like to think we were doing a lot of solid environmental work before 'green' became trendy. We just didn't talk about it that much.

We continue to take our responsibilities to the environment seriously and from a product perspective have made energy efficiency one of the key vectors, from design to manufacturing. Our manufacturing operations are focused on environmental performance, we have extensive water conservation programs, and we're removing lead and halogen from all of our products. Intel has a dedicated energy conservation funding program which ensures capital is spent annually on energy efficiency and capital projects. Environmental actions have been treated as a responsibility and representation of company character. We do all of this because it's the right thing to do and it makes good business sense.

It should be noted that, ultimately, the consumer or the general public will be responsible for all financial support of programs and policy and, as such, our intentions are to create and support the best policies, programs and actions that result in the most efficient value add results.

This conference is really focused on renewable energy and the efforts needed to enhance and grow its success. More specifically, this panel is concentrated on the National/ sub

national policy/programs and the task is to give some thought from a private sector on how we might collaborate and what we think is required for success.

With that in mind, I want to talk briefly about a specific example that is pertinent to our discussion today.

Intel recently announced that it will purchase 1.3B kWh of green energy (nearly 50% of its US electric usage) , annually, under a multi year contract. This makes Intel the largest voluntary purchaser of green energy in the US, per the EPA Green Partnership Program and its top 25 listing. Intel has committed to buying multiple technologies (wind, solar, biomass, etc) and from a varied set of geographic locations within in the US. I mention this because this is an example of the success of a national program, that without its existence, we may never have implemented the action we did. Moreover, this was a fully voluntary program that, by design, brought positive voluntary actions.

Intel went through a very detailed and a very rigorous review of options and actions, before settling on our final package. Of the many key factors considered, we wanted first and foremost to be credible in our actions and secondly, to make a difference. We have a consistent policy at Intel that we do things the right way. The best way to do the right thing and ensure credibility was through key partnerships. In particular, this was done in partnership with the EPA through the Green Power Program and the Center for Resource Solutions Green-e certification program and Sterling Planet. The Green-e program validates the credibility of the generation sources, ensures the generated power, and ensures it is only sold once. However, it should be noted that although we focused some of the purchases in specific regions where we have operations, there are no state or regional programs that were available to take advantage of this type of action. Consistent sub national or state programs may have helped facilitate the approval and implementation, as well as, additional potential market stimulation.

We have a long history of working closely with the EPA on a variety of programs, and it has been critical to a successful environmental relationship. In this case, we worked closely with the Federal Green Power Partner program with a mutual goal in mind, raising awareness of renewable energy: fostering additional investment in, and promoting, green power.

These partnerships with trusted institutions help ensure the actions taken have structure, merit, value and credibility. Additionally, these partnerships help spread the word to bring recognition to companies for actions but more importantly, challenge new ones to participate. Programs, and resulting recognition, can help spur competition. Competition tends to grow new interests, technology advancements, financial support and ultimately a potential a self sustaining environment. And this is an ultimate goal for renewable energy.

Another key element in creating new programs and policy is that they provide acknowledgement for implementation. The decision for a company to commit to an energy source at a typically higher cost has many hurdles, and is scrutinized as to value

proposition to the company, shareholders, employees and stakeholders, etc. Intel's purchase certainly had value add from the EPA program but there was little to no state or regional recognition as no programs exist to encourage private purchase of green power. Even worse, is the instance when there are conflicting policies, regulations, and even facts, as it only creates more confusion and impacts the potential success of any project. When National, sub national, states, utilities and others, create competing and conflicting renewable policies (like renewable portfolio standards, varied cap and trade, etc) and with varied timelines for implementation, it becomes even more difficult to establish a strategy and direction that will satisfy everyone and enable compliance. In order to achieve the highest success, there needs to be a clear, concise rules and structure, with common strategic action plans that national/ sub national, and key stakeholders have created and committed together. Programs/policy, National/sub-national/states and consumers, should not compete for credit, but work with teamwork to a common solution or goal.

Most climate change policies have recently concentrated on bringing new sustainable energy sources on line. However, many forget to include or even address energy conservation and efficiency. We need to all remember that the ultimate positive impact to reducing carbon footprint is reducing our use. If the demand is reduced through good conservation measures, the clean generation sources brought on line will have a bigger percentage impact to the overall demand. Additionally, conservation can be done economically, quickly and fill the short term and long term gap during which green energy facilities are planned, sited and built. As such, subsidies or credits for conservation and energy efficiently actions should be included in any program to make it comprehensive. Early adoption credit, to companies, for conservation measures and green energy solutions are required to eliminate the risk to companies for early, strategic actions.

I would like to raise one caution in my remarks, "Unintended Consequences". I think most people can see the value and necessity for renewable energy and most can support and commit to programs and actions. However, we need to be careful as we put policy and programs in place and as we develop/support new regulations, that the actions will have the "intended" results. We need to be cognizant of all potential short and long term economic implications, such as: large electric rate increases, increasing cost of infrastructure due to supply demand and profit taking to ensure the sustainability of the plans, programs or actions... otherwise; we will get what we get and not necessarily what we want. Potentially, policy and programs not well thought out, can create more harm than good by not supporting the development of a "sustainable" renewable business environment.

In summary, I believe that voluntary partnerships/programs, allowing companies to customize and take credit, are essential to creating a healthy, "self sustaining" renewable business, which would truly be good for all.