## WIREC Opening Plenary Session Washington, D.C. March 4, 2008

Thomas C. Dorr Under Secretary for Rural Development Opening Plenary Session

Good morning, and again welcome.

We are gathering this week because renewable energy has come of age. There are many technologies in play. These are at different stages of development. National circumstances and strategies vary. In this, as in so many other arenas, diversity is to be anticipated ... and <u>respected</u>.

But for all of us ... for all our nations ... renewable energy is both an urgent <u>challenge</u> ... and an historic <u>opportunity</u>.

First the challenge. Since the fall of the Berlin Wall, between two and three billion people have joined the world market system. The world is an immensely more productive, wealthier, and vastly more competitive place. Hundreds of millions of people have already moved into the global middle class, with energy footprints to match. This is a good

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thing ... but the surge in global energy demand ... the revaluation of energy and other commodities in world markets ... and growing environmental concerns about carbon emissions require that we adapt.

In this new world order, renewable energy has profound national security and economic security implications. It is a high environmental priority. It is creating new markets for farmers, generating new jobs, and increasing economic opportunity in rural areas around the world.

For all these reasons, the time to act is now. All of us recognize this imperative. That is why we are here. We may be on different paths, pursuing different strategies, but we seek the same goal.

The United States, by some measures, has come late to this effort. We acknowledge this. The United States is a continental nation with an abundance of resources and the luxury of many choices. Renewables, until relatively recently, suffered as a result.

But if that is the historical record, the reality today is very different. The United States, at the beginning of this decade, began a new chapter. Old perceptions sometimes die hard ... but the old perception that the United States is a laggard on renewable energy needs to die here and now.

- The United States today is one of the world's leading producers of renewable energy, measured across all sectors.
- Since the beginning of this decade, installed wind capacity in the United States has increased sevenfold. We have led the world in new capacity-added for three years running.
- The State of Texas alone, were it a nation, would rank seventh in the world in wind energy. Texas is today America's leading wind energy State because of a Renewable Portfolio Standard signed into law by then-Governor George Bush in 1999. The President's commitment to this cause is longstanding, and continues today.
- The United States today ranks third in the world in solar photovoltaics behind Germany and Japan. Annual domestic shipments of photovoltaic cells and modules have increased more than 10-fold, again since the beginning of this decade.

- The United States is also a leader in geothermal ... in waste to energy ... and in solar thermal power as well.
- Turning to biofuels, U.S. ethanol production has quadrupled since 2000. We are now the world leader in this sector ... and a leader as well in bringing cellulosic ethanol to market.
- And at the beginning of the decade, U.S. production of biodiesel was virtually zero ... 2 million gallons. Last year the U.S. produced 450 million gallons, placing us second in the world behind Germany. This has been done in just seven years.

The development of renewable energy is not a race against other nations ... it is a race against our own capacity. But it is a race to which the United States is today fully committed. While we may have come late to the game, we have in fact ... in terms of the U.S. record ... achieved more in the last eight years than in the previous 30 years combined.

So this <u>is</u> a new day. In that spirit, we look forward to learning from you ... and we are eager to share our own experiences as well. We recognize that there are challenges ahead and that national responses may differ. The potential of biofuels, for example, is already being multiplied by advances in genomics. But not all nations share the readiness of the U.S. to adopt these new techniques. That is their privilege.

On another front, sustainability is a universally desired goal. But sustainability means different things to different people. Thanks to ongoing advances in science and to improved farming techniques, American farmers have steadily increased yields while at the same time reducing erosion ... reducing the need for irrigation ... reducing fertilizer, herbicide, and pesticide intensity ... and protecting habitat.

We have done all this <u>without</u> infringing on the private property rights of farmers as they seek new markets and to convert acreage to higher valueadded crops. Producers will continue to apply these skills to the many issues that will arise as we build out the biofuels industry ... provided that we do not place artificial barriers in the way. Sustainability can be dynamic, as well as static; we must not be paralyzed by a fear of change.

Nations differ also in their openness to markets. The United States is committed to the rapid build-out of renewable energy ... but we are

committed as well to minimizing costs to consumers ... to a strong, progrowth economic policy ... and to moving renewable energy industries from subsidies to the market as rapidly as possible. Other nations may strike a different balance. Let us respect our differences ... and learn from each other ... while not constraining the ability of the world market to trade in these new energy resources.

Over the next three days, we will have the opportunity to discuss problems, opportunities, and best practices. We will receive pledges, both from governments and from the private sector.

We will leave Thursday with a renewed appreciation of the global scope of this cause ... hopefully with a deepened understanding of the choices we face and the diversity of the strategies open to us ... and with new enthusiasm for the work ahead.

Nearly 30 years ago, the late Julian Simon argued that the human imagination coupled with the human spirit was, indeed, the ultimate resource." I believe that this is true. Together we can build a cleaner, more sustainable, and more productive energy future. That is the goal of WIREC 2008. So welcome to Washington. Welcome to WIREC. Let's get to work. Thank you.