

2008 New Jersey Clean Energy Conference

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Dr. Jeffrey Leonard

President and Chief Executive Officer,
Global Environment Fund



**GLOBAL
ENVIRONMENT
FUND**

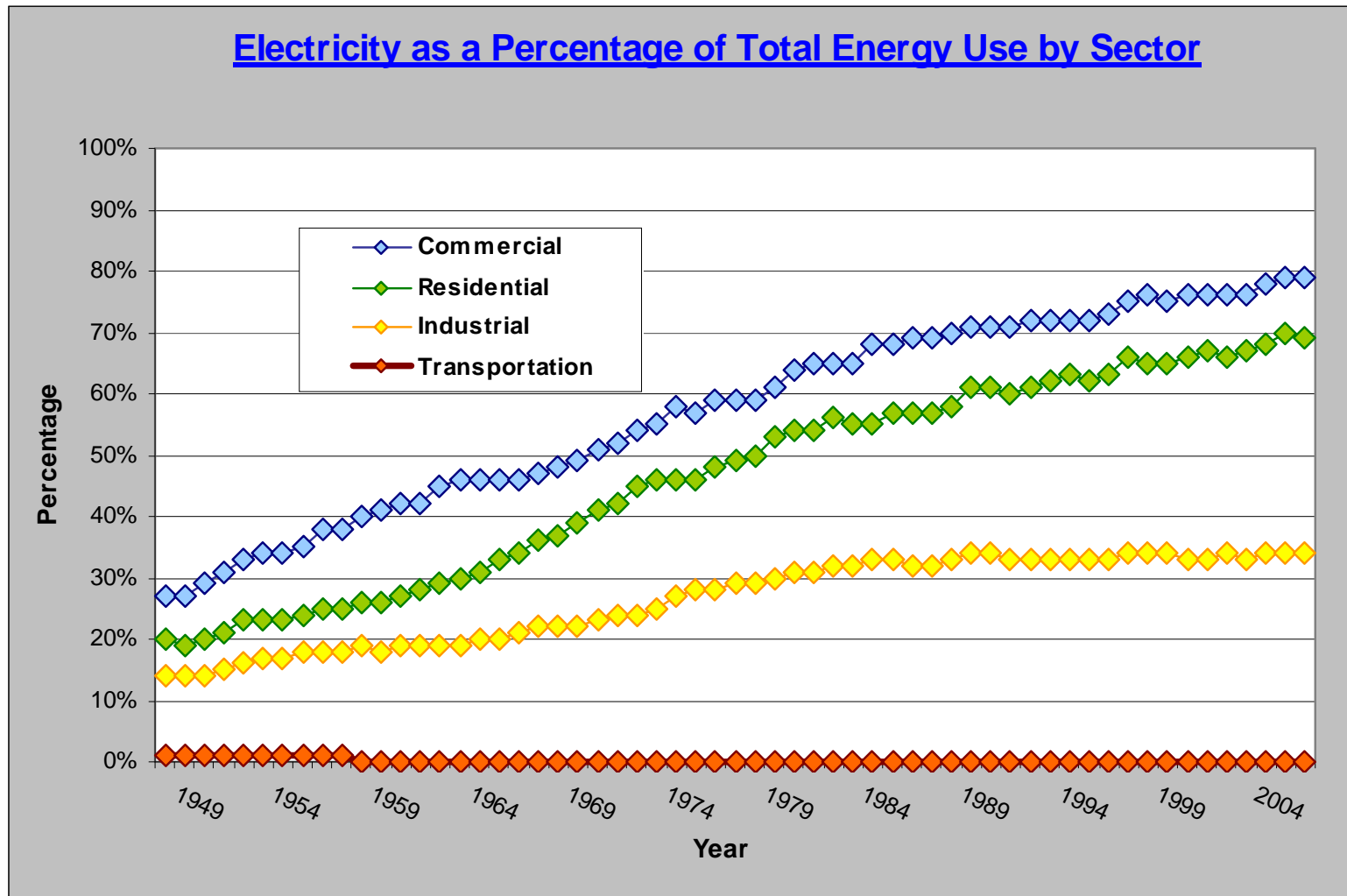
Energy Plans Have Flaws from National Policy Perspective

Plan	Energy Sources						
	Oil	Ethanol	Coal	Natural Gas	Nuclear	Renewable	Efficiency
GORE: → Replace coal as fuel → Switch to wind → 10-year program			OUT			↑	
PICKENS: → Substitute gas for oil in vehicles → Wind power	OUT			↑		↑	
DASCHLE/KHOSLA: → Offset oil in vehicles with 36 billion gallons of ethanol		↑					
LESTER: → Carbon sequestered coal → Favor nuclear technologies			↑		↑		
CALIFORNIA PLAN: → Energy efficiency for industrial and built environments							↑
MCCAIN: → Domestic oil & gas → Increased ethanol → Nuclear + renewables	↑	↑	↑	↑	↑	↑	
OBAMA: → Increased ethanol → Renewables + energy efficiency		↑	↑	↑	↑	↑	↑

Policy Objective			
National Security	Trade Deficit	Energy Security	Lower CO ₂ Emissions
●	●	●	●
●	●	●	●
●	●	●	●
●	●	●	●
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●	●	●	●


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 Increase domestic production
  Eliminate as energy source
  Positive impact
  Not Sufficient
  Negative impact

The U.S. Economy is Increasingly Electricity Dependent



Source: U.S. DOE Energy Information Agency, *Annual Energy Review 2007*

Electrification is the Most Flexible and Effective Path To A Secure, Affordable, Green Energy Future

The Case for Electricity

- First Focus on “Baddest” of All Fuels: Oil
 - Transportation is only sector of US economy not electrified
 - Electric Vehicle Technologies are Maturing
 - Urban transportation strategies favor electricity
- Ultimate Flex Fuel: All “homegrown” generation sources
- Easier to transmit electrons than liquids
- Government need not choose winning technologies
- Addresses all major policy priorities
- Focus on long-term incremental progress
 - Add more renewables every year
 - Clean up dirty fuels over coming decades

ELECTRICITY INVESTMENT PLAN FOR AMERICA 2009-2040

1. ELECTRIFY THE TRANSPORTATION SYSTEM

- Federal R+D and incentives for battery and drive train technologies
- Re-electrify urban transport systems (light rail, buses, trolleys)
- Electrify long-haul railroad lines
- Long term R+D for electrification of shipping and air transport

2. MODERNIZE + EXTEND THE ELECTRICAL TRANSMISSION GRID

- Investments in new transmission lines along renewable energy corridors
- Re-invest in smart, digital grid

3. ELECTRICITY EFFICIENCY INVESTMENTS AND INCENTIVES

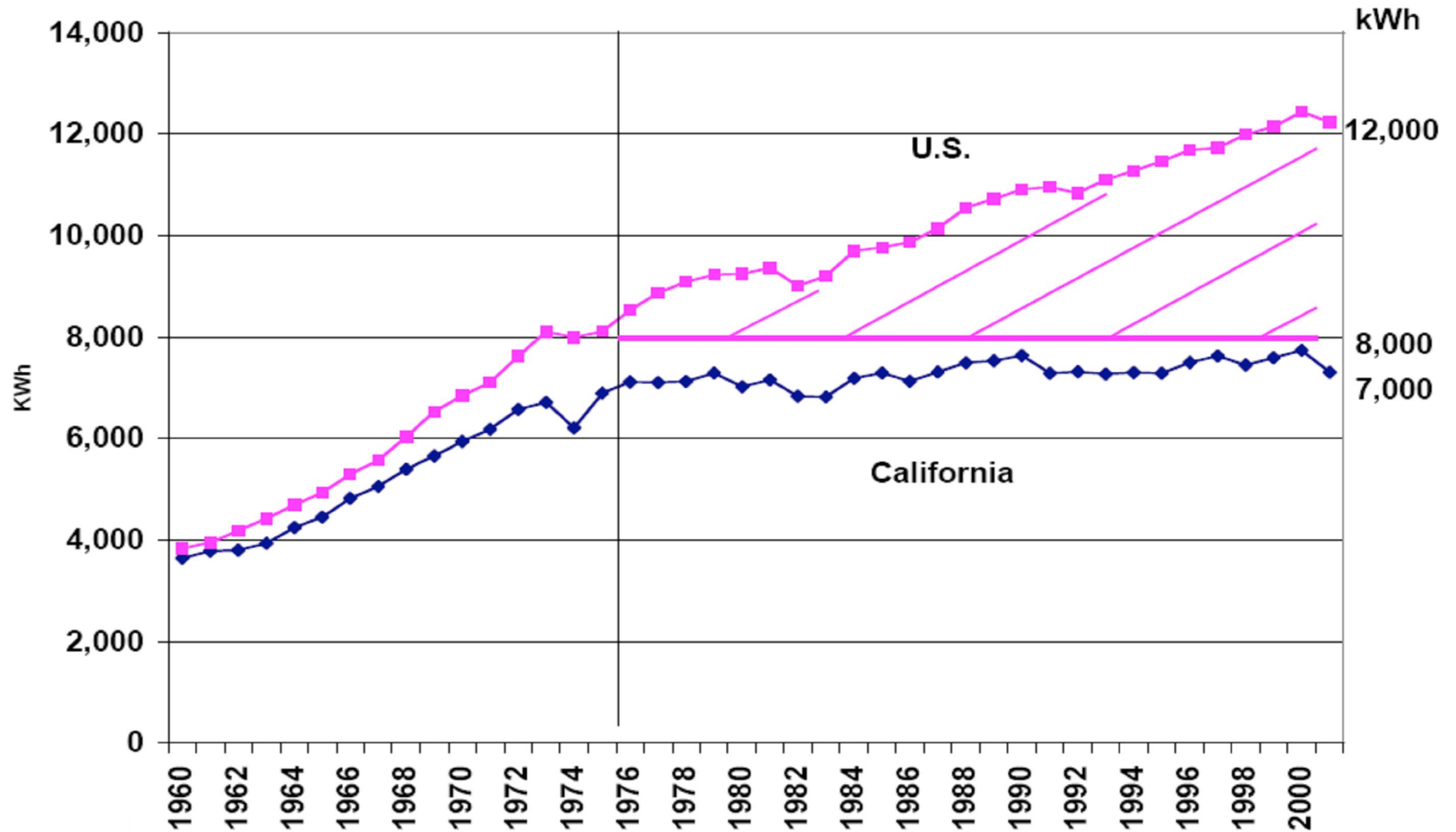
- Real-time and peak load pricing
- Incentives for demand management and peak load shedding
- Smart building management technologies
- Appliance Standards

4. CLEANER SOURCES OF ELECTRICITY GENERATION

- Coal: Clean up, sequester by 2030 or planned shut down
- Nuclear: Address waste and proliferation issues
- Renewables: Phased-down tax credits and renewable portfolio standards
- Combined Heat and Power, with incentives for industrial users of “recycled” energy

California: A Laboratory for Electricity Efficiency Measures

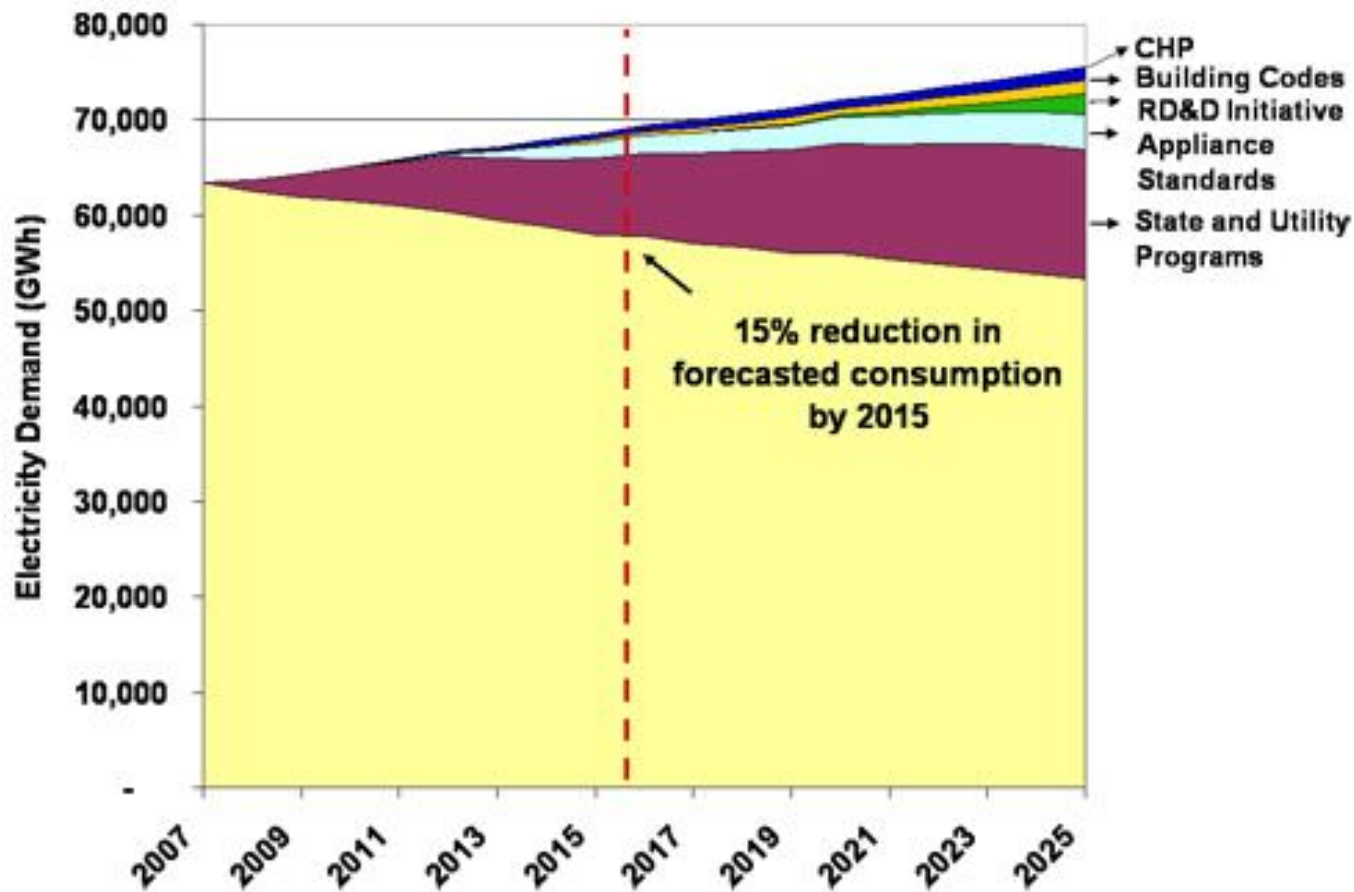
Total Electricity Use, per capita, 1960 - 2001



Source: California Energy Commission

“The First Fuel for a Clean Energy Future”

Electricity Efficiency: Maryland Scenario



Source: American Council for an Energy Efficient Economy