

Policy Keynote Address by Minnesota Governor Tim Pawlenty
to the 10th Annual National Ethanol Conference
February 9, 2005

(As delivered via video)

Greetings from what we call the “renewable fuel capital of America” — Minnesota. I’m Governor Tim Pawlenty. I apologize that I couldn’t be with you in person, but the weather right now in our state is perfect for ice-fishing and I just couldn’t drag myself away from our winter paradise.

I don’t need to tell you that we are part of something huge. What we’re doing isn’t an industry, it’s a movement. We’re energy producers. We’re rural economic developers. We’re environmentalists. We’re national security enhancers. We’re trade deficit reducers and job creators.

In Minnesota, we are challenging our state to lead the nation in the production and use of ethanol. I have proposed that Minnesota go from our current 10 percent ethanol blend to 20 percent by 2012. I signed an executive order that requires state government to buy more renewable fuel. We will lead by example.

Greater use of renewable fuels requires us to think big, be bold and work aggressively to constantly push the horizon.

Energy is the life-blood of the national economy. That’s why it’s important that the energy that makes up our lifeblood is good for us.

You don’t need to drill to get renewables.

Renewables reduce our dependence on foreign oil.

They help reduce pollution.

They don’t make the trade deficit worse, they make it better.

Renewables are cleaner, cheaper and homegrown. They use crops and elements that are in surplus. And they create jobs here at home.

The Minnesota Plan of Action

Here in Minnesota, we've built an impressive renewable fuels industry that includes 13 ethanol plants producing more than 400 million gallons of ethanol. All together, those plants process about 150 million bushels of Minnesota-grown corn every year.

And the industry continues to grow. Thanks in part to a rural economic development program we began 2 years ago, there are 3 new ethanol plants under construction right now.

When those plants are online, about 200 million bushels across the state will be used for ethanol. That's about 20 percent of the state's corn crop.

As you know, the economic benefits go far beyond the farm. This ethanol industry generates more than \$1.3 billion in economic activity and 5,300 jobs in Minnesota.

Innovation often happens in bursts of activity, not gradual steps. Right now, I think the stars are aligned for a burst of activity in renewable energy. We have a chance to be even smarter, faster, more creative and more aggressive to seize the opportunities this moment in history creates.

Last fall I rolled out a plan to help Minnesota get there. That plan includes:

* Breaking new ground on biodiesel, which in Minnesota is produced using soybeans. As a state representative, I co-authored the requirement that we replace 2 percent of our conventional diesel supply with bio diesel by July 2005, once we could produce 8 million gallons a year. Right now we're on target for the mandate to take effect as scheduled.

GEC Activities

In January, I became chair of the Governor's Ethanol Coalition. I am using that forum to raise the visibility of the E-20 option and work for federal energy policies that benefit expanded production and use of renewable energy.

My immediate goal as GEC chairman will be to do what I can to get all 50 states in the nation to E-10 as soon as possible.

Summary

You know, as a lifelong resident of America's so-called "fly-over land," I've often heard that national trends start on the coasts and work their way into the middle of the country. That may be the case in fashion, but it's certainly not the case in renewable energy.

Minnesota was the first state in the nation to require 10 percent ethanol content in its gasoline. I understand a number of other states are picking up on this, but we are still the only state with an active requirement in place.

There's no reason why we can't expand the benefits of ethanol to the other 49 states.

But as much as we have accomplished, and as much as we stand to gain from future work with renewable energy, there are always critics. Since I announced my E-20 initiative, we've had quite a few people from both ends of the political spectrum come forward to offer any number of reasons why our plan can't work.

I've found the criticism of good public policy ideas comes in the three stages:

1. It'll never work.
2. It'll cost too much. And
3. I thought it was a good idea all along. We need to be sales people all the time: countering the myths and sharing the affirmative message everywhere we go.

90% of life is showing up and wanting it more. We all need to commit to do that if we are to fulfill the promise renewable fuels have for the whole country.

Close

Let me close with a few words from Henry Ford, who started an industry that became a huge social and economic force around the world. Did you know that his first car ran on ethanol?

Here is what Ford said, "What we need is a whole lot of people who are not experts in what can't be done."

We are building a transformational technology that is a pure positive. It is the ultimate win-win-win.

We need to think like Bill Gates, inspire like Tony Robbins and promote like Oprah Winfrey.

And we can do so with a full head of steam because we're not selling computers, entertainment, seminars or politics. We're providing freedom, jobs, a better economy and a cleaner planet.

Thank you for everything you're doing to promote ethanol and renewable fuels. Have a good meeting and then ... go out and sell the future.