



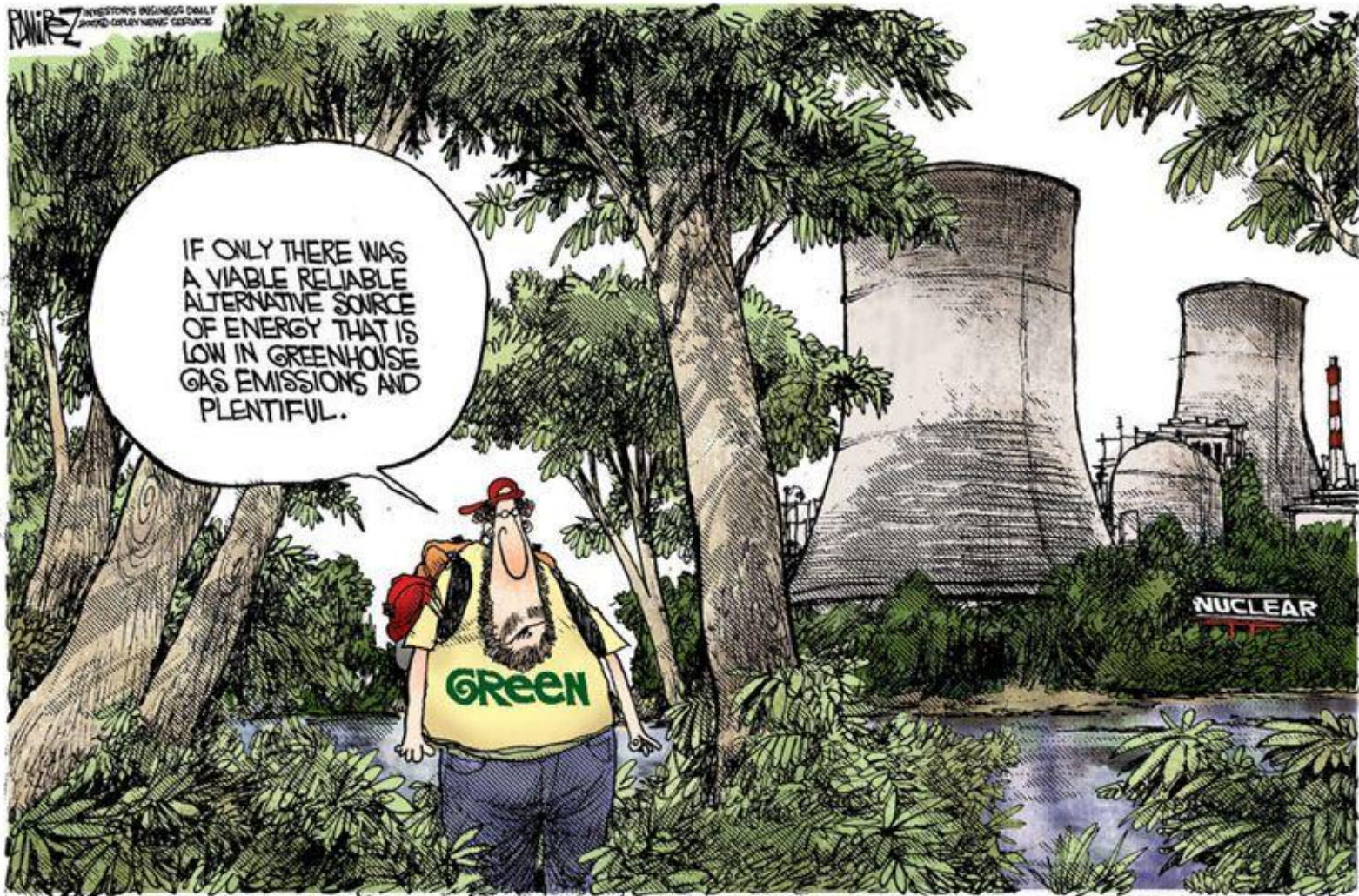
Address to the
Midtown Business Network
15 July 2010

Alternative Energy: Mechanisms for Advancing Infrastructure Investment

-or-

How to Find a Balance Between Traditional Energy Sources
and all this
“Tree-Huggin’-Hippy-Crap”

Can't We All Just Get Along?



What Do We Mean by Alternative Energy?

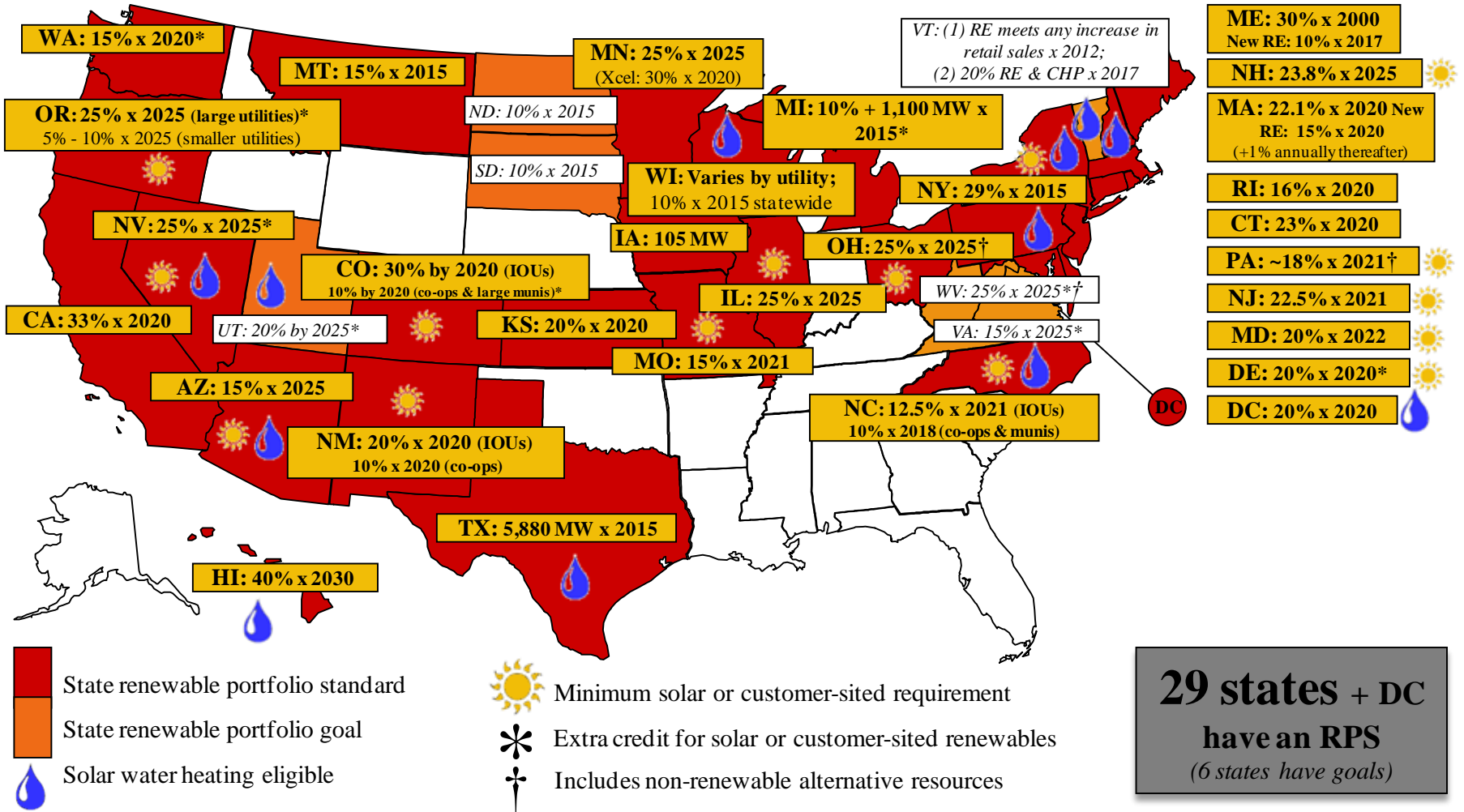
- Alternative Power
 - Wind
 - Solar
 - Landfill Gas
 - Biomass
 - Geothermal
 - Wave/Tidal
 - Nuclear (?)
- Alternative Fuels
 - Ethanol
 - Food-based
 - Cellulosic
 - Biodiesel
 - Bio-crude
 - Algae



How Do We Encourage Alternative Energy?

- Tax Credits
 - Production Tax Credit
 - Investment Tax Credit
- Renewable Energy Credits
 - Represent 1 MWh of Electricity
 - State Level
- Renewable Portfolio Standards
 - State Level
 - Federal Level
- ARRA (Stimulus Bill) Changes
 - PTC vs ITC
 - Fed Window Cash Out

US Renewable Portfolio Standard



29 states + DC
have an RPS
(6 states have goals)

Why Do Alternative Energy Companies Fail?

- No Focus on Profitability
- Reliance Upon State & Federal Economic/Tax Incentives
- Refusing to Accept Market Forces
- Belief in a 100% Displacement in Traditional Energy Sources
- Newer Technology Cash Needs Do Not Yet Mirror Return Expectations of Energy Investors

What Does the Future Look Like?

- Portfolio Approach
 - Traditional Hydrocarbons are NOT Going Away
 - Blending of Need and Sourcing
- Continued Regulatory Push
 - Well Reasoned
 - Market Driven

What Should We Watch For?

- Alternative Power
 - Increased Demand
 - Baseload is Better Than Intermittent
 - Portfolio Approach
- Alternative Fuel
 - Traditional Hydrocarbons Combined with Efficiency
 - Avoid the “Food or Fuel” Fight
 - Algae
 - Cellulosic Ethanol



QUESTIONS & (POSSIBLY) ANSWERS

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