

Great River Greening

Greening the Economy: Future Policy and Investment Trends

Presented by:

Kevin D. Johnson
Stoel Rives LLP
kdjohnson@stoel.com
612-373-8803

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70295360



Recent Growth of Renewable Electricity/Biofuels

- Significant Private Investment and Technological Development in Past Decade
- Prompted To Large Degree by Government Mandates and Financial Incentives



Biofuels Mandates and Incentives

- Minnesota Ethanol and Biodiesel Mandates
- Federal Renewable Fuel Standards
- Minnesota Ethanol Producer Payments
- Federal Ethanol Blenders Credit and Biodiesel Tax Credit
- Mandates Remain Intact, But Incentives in Jeopardy



Renewable Electricity Mandates and Incentives

- Minnesota Renewable Energy Standards
- State Policies and Rebates Favoring Renewables
- Federal Incentives: Investment Tax Credit/Grant and Production Tax Credit
- Federal Mandates Proposed; No Action This Year



Recent Trends

- Recession Has Significantly Impacted Role of Private Investment and Project Financing
- 2009 Stimulus Legislation Included Many Incentive Programs That Will Wind Down
- Government Incentives Have Helped Maintain Progress; But Financing Has Been Difficult
- Continued Uncertain State and Federal Policy and Funding Could Hamper Stable Growth



What's Needed

- Consistent Federal Approach with National Standards and Predictable Incentives
- Alternatively, Stronger Regional State Compacts
- Infrastructure for Delivery: Improved Transmission; Dedicated Biofuels Pipelines
- Focus on Electricity Storage

