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Ethanol efforts worth the pitfalls

NOT even the top economists can predict the effect a swing toward ethanol fuel will have on corn futures. But with corn farmers planning to boost production for next year regardless, the game is afoot.

We put ourselves in the same category as many economists: we're optimistic, about corn, and energy futures. Sure, there may be a rise in milk prices or the price of corn-on-the-cob at the grocery store, but chalk all of that up to the cost of changing business. Changing the energy business, that is. If ethanol can help move American motorists away from fossil fuels, we welcome the unsteady markets and the bumps and pitfalls along the way.

What's truly important is this: A move toward harvesting corn to make an alcohol-

gasoline fuel mixture - to run what the president says could be half the cars in the nation by 2012 - represents

a paradigm shift away from fossil fuels. The Iowa-driven ethanol program, though not grand in the Big Oil scheme of things, could be the start of America's rehab from oil addiction.

We don't agree with the petroleum companies who pay lip service to the president's ethanol plan by dousing the idea with polite rhetoric, even though their numbers are hard to argue against. According to an article in Reason Magazine, today America produces about 4.5 billion gallons of ethanol, but that number is on the rise. However, when compared to

a U.S. gasoline appetite of

150 billion gallons per year, the ethanol output is minuscule (about 3 percent of the U.S. transportation needs). The American Petroleum Institute told our editorial board the most ethanol American farmers can make is about 12 billion to 15 billion gallons per year. API predicts oil, which represents about 40 percent of America's energy today, will remain at 40 percent in 2030, while renewables

will increase from 6 percent to 7 percent.

Still, there are other possibilities, other alternatives that can move the renewables

needle up the scale.

For instance, the United States should get over its

distaste for Latin American dictators and start negotiating some Brazilian ethanol imports. Brazilian President Luiz Inacio Lula da Silva asked President Bush recently to drop a \$0.54 cent per gallon tariff on his country's ethanol. His stance will

promote free trade and help the U.S. lessen dependence on fossil fuel, both Bush administration goals.

Second, and this is where the petroleum folks are correct, the federal government must incentivize research into new technologies that would allow ethanol to be made from grass clippings and wood chips. Making energy out of so-called "green waste" (known as cellulosic ethanol) is better than what it is currently used for in Los Angeles County: as landfill cover.

Yes, Big Oil is correct that in the short term, ethanol will not cure America of her addiction to oil. But the bigger point is that such a paradigm shift, when supported by emerging technologies, better trade agreements with other countries for energy products, and increased energy efficiencies in new automobiles and other products, it can continue that shift toward cleaner, more renewable energy.

Even if it means paying more for that roasted, garlic-sprinkled corn-on-the-cob.