



**SPECIAL PRESENTATION**

**“GREEN RECOVERY”**

**INTRODUCTORY REMARKS:**

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**FEATURED PANELISTS:**

**GOVERNOR ED RENDELL (D - PA)**

**THOMAS FRIEDMAN, COLUMNIST, NEW YORK TIMES;  
AUTHOR, HOT, FLAT, AND CROWDED: WHY WE NEED A  
GREEN REVOLUTION -- AND HOW IT CAN RENEW AMERICA**

**CAROL BROWNER, PRINCIPAL, THE ALBRIGHT GROUP LLC**

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MR. JOSEPH ROMM: I'd like to welcome everyone to the Green Recovery event at the Center for American Progress. I'm Joseph Romm, senior fellow and editor of the blog, [ClimateProgress.org](http://ClimateProgress.org). And I am addicted to oil, like everyone else in this room, but recovery is possible – green recovery.

As President-elect Obama said, “Our pattern has been that we go from shock to trance and as a consequence, we never make any progress. It's part of the addiction, all right, that has to be broken. Now is the time to break it.”

The International Energy Agency warns that oil prices will rebound to \$100 when the economy recovers, then soar to \$200 by 2030, at which time the world will begin a quote, “permanent oil crunch that will make the recent squeeze look like a picnic.” And that is the good news.

The bad news is that existing global oil fields are declining so fast that the IEA says we need to find six new Saudi Arabias to hold off the peak in oil just to 2030, but six super giant sources of energy don't exist underground. Fortunately, America is a Saudi Arabia of wasted energy. and \$115 billion green recovery plan spelled out by the Center for American Progress can jump-start the effort to make our homes, buildings, farms, power plants, factories – and most especially, our cars and trucks – more efficient and less polluting.

The time to break our addiction to oil is now or we'll see \$200 oil and \$5 gasoline within a decade. And our addiction to oil isn't even our biggest problem. Our addiction to oil and coal is. On our current path of unrestricted greenhouse gas emissions, the planet will warm 10 degrees Fahrenheit and sea levels will rise three to six feet by the end of the century.

The southwest will turn to desert from Texas to California and the oceans will become one large hot acidic dead zone. To prevent those tragedies, we must, as Barack Obama has said, replace our entire energy system by mid-century. Starting very soon, the entire world will be spending one trillion to two trillion dollars on energy efficiency and clean energy every year for the rest of the century.

We must restore America's leadership in green technology because that is where the jobs are. The Green Recovery will create millions of jobs, while starting to break our oil addiction and slow global warming.

Barack Obama recently said, “The science is beyond dispute. Delay is no longer an option. Denial is no longer an acceptable response.” Obama makes it easy to be smart and eloquent. You just have to quote him.

And speaking of smart and eloquent, we are fortunate to have three of the best on this subject, Carol Browner, Governor Ed Rendell, and Tom Friedman, who will sign books at the end of this. So please, do stick around for the whole thing.

Carole Browner served as EPA administrator for eight years, longer than any other in EPA history. She is playing a senior role in advising the Obama transition, but is not speaking in that capacity here today. She is on the board of the Center for American Progress and has played a key role in shaping this organization, reminding us always that the environment and global warming are first-tier issues. She's a key reason the center has been a leader on issues of clean energy and green recovery. It is my great pleasure to introduce Carol Browner. (Applause.)

MS. CAROL BROWNER: Tom is suggesting if you'd like to come sit on the floor, there's room up here, to those of you who are standing in the back. Here we go.

Good afternoon, and let me thank you all for joining us here today and a special thanks to those of you who are actually standing. We appreciate the large audiences. As Joe mentioned, I am on the board, and have been on the board, of the Center for American Progress since its inception and there are any number of wonderful things that the center does, but among them are these sorts of forums where we open it up to the public. We open it up to the media and we take some time first to hear from our presenters and then to answer questions that people may have.

One of the other great things about the center are the reports that we are constantly producing and making available, and I think there are some of them in the back, but two that I specifically want to recommend to those of you who join us here today. One is the one-year \$350 billion plan for stimulus and recovery and the other is "A Strategy for Green Recovery."

I think much of the conversation in town in Washington these days is, in fact, about a stimulus and I think both of these provide lots of interesting ideas and thoughts about what we can do, what the Congress can do, and ultimately, the president-elect can do in terms of stimulating our economy.

I want to thank Joe for your introduction and I also want to just thank you for all of the work you do. If you've never been to the blog that he oversees, I highly recommend it, [ClimateProgress.org](http://ClimateProgress.org). It's really full of very, very timely and very valuable information. And we thank you for joining us here today.

So what we're going to do is I'm going to make some quick introductions of people who really don't need a lot of introduction. We're then going to hear briefly from each of them and then, as I said, we will open it up for questions from you all and answers from our participants.

Let me start by introducing the Governor of Pennsylvania, Ed Rendell. He is currently serving his second term as governor of Pennsylvania, after winning a landslide

reelection in 2006. He has been at the forefront of energy issues throughout his tenure as governor. There's a long list of things that you have done, but the one that I think is most noteworthy is the \$650 million alternative energy investment fund that you recently set up, and the fact that you've made that kind of commitment that you're all going to be making those sorts of investments, I think is very, very important.

He also serves as the head of the National Governors Association, and I think he's actually in town today because of an NGA meeting. Prior to being governor, some of you may have known him as the mayor of Philadelphia. I first had the honor of getting to know Governor Rendell when he served as the chair of the Democratic Party. So we welcome you here today and we thank you for joining us.

Next, let me introduce Tom Friedman, the columnist, *New York Times*, author of *Hot, Flat, and Crowded*. I don't know what my morning coffee would be like without Tom's column. To read it on the mornings it's not varied, it just doesn't seem right. As you heard, he will be signing books at the end of this session, and I recommend to all of you who haven't had a chance to read his most recent book – I recommend it to you. I think it is one of the best I've ever seen on sort of the state of the world and what it is we need to do. I think you've called for a green recovery, a green president, green leadership. And I think it's fair to say, Tom, that you have been at the forefront of green leadership and we thank you for joining us here today.

And so with that, Governor Rendell, we will start with you.

GOV. ED RENDELL (D-PA): Good afternoon, everyone. It's a pleasure to be here. At one time during the last couple of years, I envisioned this as the last place on earth that would be safe, but thanks to the wisdom of the electorate, that's not so, but it's a pleasure to be back anyway.

And this has been an ongoing battle and, as Carol said, thanks to Tom Friedman, we've gotten a real push in the last couple of years, but it's been an ongoing battle to get America, and the American government to concentrate on renewable energy and alternative sources of energy as the key to our future.

When I go around Pennsylvania, when I was talking about the things that we wanted to adopt and get the legislature to adopt, I would tell the citizens of Pennsylvania, if I had one idea that could be a tremendous boost to our economy, number one; number two would improve our environment; number three would make us better able to withstand natural disasters like the incredible price spike that happened in Pennsylvania and throughout the country post-Katrina; and number four would help us in foreign affairs, so that the United States of American would never have to make a decision of placing Americans in the line of fire because of our need for energy.

Do you think that was a good idea? And obviously, the answer was a resounding yes. And that is, there is one thing that can do all of those things and it's developing a green energy economy, developing a green country, using renewable and alternative

sources to replace the fuels that we rely on today and I don't believe it is a difficult challenge. I believe this is a question of will, both political will of the Congress and the president, and the will of the American people. It goes both ways.

And I was glad to hear President-elect Obama on "60 Minutes" make the same point you made, Carol, about how the Arabs play this game. Whenever there seems to be a movement towards renewables and alternatives, they drop the price of oil and try to lull us back to sleep, and the American people cannot be lulled back to sleep again.

I think that's the job of not only the great columnist like Tom Friedman, but it's the job of elected officials, and particularly the president, to make sure that doesn't happen. And I think Americans are not going to be lulled back to sleep this time, regardless of the short-term bonanza that we're all realizing.

Back in 2004, after President Bush was reelected, I wrote him a note and I said, "I heard you talk about clean energy and specifically, clean coal, and you ought to convene a Manhattan Project for this country. You ought to get moving. This can be a legacy of something great that you can do for the country and it would be like Richard Nixon going to Red China, the oil man developing a renewable energy economy for this country and you ought to be able to do it." I never got a response.

So I went down to the National Press Club in the following year and laid out my plan for a Manhattan Project, which I called The American Energy Harvest Program. Tom, I liked your name a little bit better, but I called it The American Energy Harvest Program and I laid it out, hoping that this would get the White House's attention and I never got a response.

Fortunately, we started to get some interesting capital and in 2006, the Democratic senators put together a decent plan and advanced that decent plan. Well, we still – we've lost some valuable time and we still need that plan. And it is my hope that the short-term economic recovery plan that President-elect Obama is fashioning will include some key components of what I think we need in renewable energy, but it can't stop there.

We have to make this a major effort. We cannot get sticker-shocked. Paul Krugman said about the New Deal – and it was a very interesting quote; I wrote it down. He said that "FDR had the broad vision necessary, but that he got scared about essentially the price tag, and didn't follow through on all the things needed to help the American economy, and as result, for years after the Great Depression was technically ended, American businesses and American families suffered, and we can't make that same mistake again." And we can't let the financial crisis that we're in deter us from doing the things we need to develop this new green energy economy and fortunately, a lot of it doesn't require money.

I wrote down just five things that I think the federal government could do, and really only one of them requires money. Number one, they could make the tax credits for

renewable energy permanent. Now, you may say to yourself, tax credits – nobody’s making any money. Why would tax credits be important? Well, tax credits will be important some day – hopefully, sooner than later – and without them, renewable energy cannot compete.

There are so many – even before the bailout, before the collapse happened – there are so many renewable energy companies that were on the cusp of going out of business because they couldn’t get financing, and the major reason they couldn’t get financing, despite all of the green tech that’s out there, is that tax credits were always in doubt.

We spoon-feed those tax credits, but we make tax credits for oil and gas exploration permanent. That could be done without costing the federal government a dime.

Secondly, portfolio standards – Pennsylvania adopted Advanced Energy Portfolio Standards for our electricity back in 2004. At that time, we were the leading state east of the Mississippi in the production of wind energy with a paltry 153 megawatts, but we adopted these standards, which were 2019 standards. That was the time when the electric companies had to be taking 20 percent of the energy they sell us at retail, had to come from renewable and alternative sources and we spelled it out.

As soon as we passed that bill, our great then-Secretary of DEP, Katie McGinty, brought a Spanish company into Pennsylvania and I spent time with them. Gamesa, they were called the second-largest vertical wind energy company in the world. And Gamesa not only came to Pennsylvania, set up two manufacturing operations – ironically, one in a closed-down steel mill that had been closed for 15 years. Actually, some of the steel workers got jobs producing those huge 65-foot blades and the turbines, and produced 1,100 new jobs for us, but even more important, signed up contracts to produce 1,400 megawatts of wind energy.

We increased our wind energy tenfold in less than six months after passing the portfolio standards. We believe we can produce over 5,000 megawatts of wind energy from Pennsylvania, particularly if we do good work on the grid and make the grid go to all parts of Pennsylvania. We think we can do between 5,000 and maybe 6,000 megawatts, which would take care of producing energy for two-thirds of Pennsylvania’s houses – two-thirds of the houses of the sixth largest state in the union. That’s pretty impressive.

But in addition to energy portfolio standards, electricity portfolio standards, we went further and adopted something that we call by a fancy name, but it’s essentially fuel portfolio standards. We said when the distribution network reaches a certain point, one billion gallons of gasoline sold at the pump in Pennsylvania have to come from non-fossil fuels, and that could be diesel fuel, biofuels; it could be ethanol; it could be any new invention that comes in and fits that definition.

We think the distribution system can reach that, certainly for biofuels, probably by 2012 and for ethanol, depending on how fast we develop cellulosic ethanol, and we have three pilot projects underway. We think we can do it for ethanol by 2015 – one billion of the 11 billion gallons that we sell at the pump.

What are we doing here? We're obviously using portfolio standards to create the market – to create the market that will spur investment in these types of energy companies.

I also think the federal government should become an off-taker. Pennsylvania became an off-taker to several renewable energy and alternative energy projects and helped them get financed. Think about the fact, if the federal government took all of its fleet – all of its fleet with the possible exception of some multi-terrain vehicles – took all of its fleet and said, we're only buying electric cars; we're only buying hybrids.

That would produce a mass market, which would drive the price down for ordinary consumers. I think that – I forget the exact – I used to know the exact number of cars the federal government buys. Carol do you know? It's a huge number of cars and trucks and just by becoming an off-taker, we create the marketplace to make this done.

Next, federal investment – and there has to be investment. Just as Carol said, Pennsylvania has a \$650 million fund to not only – and this fund can be used for early-stage venture for – there is a company – Jefferson Medical Center, one of the best hospitals and medical centers in America, is working on a project to take a portion of the tobacco leaf and turn it into fuel. And we have given them a million dollars a year over the last two years to help in the research of that technology. So some of that money's going to go to early stage. Some of it's going to go for infrastructure of the companies who are ready to go, ready to roll, and just need additional money to get started.

California has three billion dollars in a fund; Iowa, over one billion dollars; Pennsylvania, \$650; Massachusetts, pretty close to us. The states have done it. Can you imagine if we do what President-elect Obama proposed in the campaign to put \$15 billion a year into a fund to promote the development of renewable and alternative energy? Bingo.

And lastly, I'm going to say something that you all probably aren't going to like, but you've got to live with it. No matter how fast – and Boone Pickens has alerted us to this – no matter how fast we transfer our energy production to renewables and alternatives, it's going to be a while before we can take most of our electricity and have it produced by renewables and alternatives. It's going to be a while, if ever. We can certainly do a significant chunk of it, maybe by as early as 2020, but it's going to be a while. So we can't turn our back on coal, but we also can't produce any more coal-burning power plants. That would be a disaster.

Carol used the term that we're the Saudi Arabia of renewable energy and that's true, God, just all of the landfills in America. We're producing energy from landfill

gases and methane from coal. There are so many things. But the big mother lode – the big mother lode – is still coal. We are truly the Saudi Arabia of coal.

You don't like burning coal because it produces so much harmful carbon emissions, no matter how much money we spend on scrubbing and scrubbing techniques. But if we could find a way to capture carbon during the production of coal energy, and sequester carbon – and I know that's a big if – but if we could, it would unlock an energy source for this country that's ours, that comes from the ground, that produces literally millions of jobs across the length and breadth of America. Coal goes from Pennsylvania to West Virginia, Ohio, Illinois, to Wyoming, to Montana, all across this country. And we could truly become energy independent.

Now, is that a stretch? Well, I've heard a lot of people smarter than I say that we ought to be able to do that, that the scientists of this world and the research in this world, ought to be able to do that. And interestingly the federal government, under the Bush administration, took a step towards doing that in a project called FutureGen. FutureGen was a competitive project and the State of Illinois actually won the grant. So Senator Obama knows a lot about this, and then the Bush administration cancelled FutureGen for monetary reasons.

We ought to be pouring money into the exploration of whether we can use coal as an energy source in a clean way. Capturing carbon and finding a way to successfully sequester carbon has to be part of what we look at. Maybe we won't get there, but it has to be a part.

The last thing I want to say is something that's near and dear to my heart, and that's infrastructure, and obviously, infrastructure is going to be a big part of the economic development and recovery. But as we are promoting rebuilding this nation's infrastructure, we have to be sensitive to doing infrastructure in a way that helps us become greener, and we can do it. Infrastructure and a green America are not mutually exclusive. We're not mutually exclusive.

One of the most effective commercials I have ever seen on TV is the commercial that's run by the Rail Freight Association, where they say for one gallon of gas, they can move one ton of freight 400 miles, for one gallon of gas. Think about that. And yet we have 52,000 miles of freight lines that are in disrepair and can't support high-speed freight trains, high-speed heavy load freight trains.

It would cost an estimate of \$150 billion to make this nation's freight capacity to where it should be, to move freight quickly and to move heavy loads at one time. What that would do for our economy is tremendous, for our economic competitiveness, because how fast and how quickly you can move goods is going to be one of the things that determines the strength of our economy. And think what that would do for the environment, just a simple thing like that.

Of course, mass transit and light rail, and then intercity rail, would be a bonanza for our environment, for controlling carbon emissions, for making this a green country. We're the only developed nation in the world that doesn't have a city-to-city high-speed rail system. It's a disgrace. In Europe, you can't get a flight that's under 500 miles because you're expected to take the train and we should be here too. We should take that shuttle and put it of business – put it out to business.

We have the Amtrak line, the Acela. If we had the right type of track-bed in electrification for the Acela, you could make New York to Washington in an hour and 35 minutes. Anybody here want to take the shuttle after that? Of course not. And getting rid of the shuttle is a bonanza for LaGuardia, New York, Philadelphia, PWI. It relieves so much airport congestion.

There are so many things that we can do with our infrastructure in the future to help build this green economy and green America. We can't forget that in the rush to have infrastructure. First of all, we should fix it, rather than build it new. The only time we should build new roads or bridges is when there's an absolute imperative. We ought to be fixing what we have first and that's crucial. We ought to spend money on our water and waste-water systems because that's essential to the environment, to our economy and to a green America.

So as we're putting the emphasis on renewable energy and building the green economy, we're going to be, I think, on parallel tracks rebuilding our nation's infrastructure, and I hope not just in the economic recovery plan, I hope in a long-term plan that's financed by federal capital budgeting. And if we do that, it's very, very important that who's ever responsible for doing that, does it in an environmentally sound and safe way.

I think the Congress understands that. I think Senator Boxer will have a lot to say about that and I think she's very keenly aware of that challenge. But those are the challenges that are facing us, and the federal government can do this. I believe, as you heard a lot of campaign rhetoric, that America can do anything it sets its mind to. I believe that's correct and I believe it starts with leadership. It starts getting the buy-in from the American people. I think we can do it.

Let me close by telling you I'm not a *Parade Magazine* reader. I say that as a disclaimer. But – not that there's anything wrong with people who read *Parade Magazine*. (Laughter.) But I don't know if you noticed this weekend, *Parade* took a poll. And the question was, "Do you think – which would you rather have: money spent on rebuilding our roads and bridges" – not building new ones, on rebuilding our roads and bridges – "or a tax rebate check as part of the federal bailout." And by two to one – 66 to 33 percent – Americans said, spend the money on rebuilding roads and bridges.

So there is hope and we've got to keep it going and we can't lose the moment. We can't get sticker-shocked. We can't do this in a smaller way. We have to do it in a

big way and fortunately, I believe we have a president-elect who's ready to lead, ready to do big things, and ready to do great things for each of these goals.

MR. TOM FRIEDMAN: Thank you very much. It's a treat to be here. Center for American Progress, I think, has been one of the great organizations in Washington bringing together both the science and policy around these issues.

Joe, thank you for having me. Joe was one of my readers and tutors for my book, so it's great to be able to repay the favor a little bit. And any Washington, D.C. that's going to have Ed Rendell and Carol Browner in key policy positions is a city I'm excited to be living in. So I think we're starting into a new era and I'm excited about it.

Let me take just 10 minutes to try to give you a sense of where I'm coming from because I'm new – reasonably new, that is, five years ago – I would say to the energy environment story. And for me, although my book is about energy environment, it's really not. It's – that's an allegory. The book is really about America and the book grew out of a deep sense of my own that we've lost our groove as a country somewhere along the way and we need to get our groove back. And for me, energy and environment was really the vehicle to do that. It's the vehicle around which I organize my own thinking about what I think we need most, which is nation-building at home right now. And so that's really where I'm coming from.

I've been on book tour for the last three months, it seems, every day. And one of the things that struck me – and I've been all over this country, the universities, big towns, small towns – is every night, I come back to my hotel and my pockets are full of business cards. Rock stars get room keys; I get business cards. (Laughter.) And there are business cards from energy innovators.

And it's quite amazing, when you go around this country, the number of people doing stuff. I've got a wind project; I've got a cellulosic project; I've got a solar project; I've got a dock. It paddles a wheel, blows up a balloon, issues methane, turns a turbine. I hear the craziest stuff, okay?

This country is exploding with innovation from the ground up. The problem is that we have not had in Washington a government that is enabling empowering and nurturing that innovation at the speed, scope, and scale that we need, which is why I've been saying that if I could draw a picture of America today, the picture would be of the space shuttle taking off. You've all see the space shuttle take off – all this incredible thrust coming from below and that's that incredible entrepreneurial innovative prowess that is still out there.

But the booster rocket, Washington, D.C., has been cracked and leaking energy and the pilots in the cockpit have been fighting over the flight plan. And as a result, we, as a society, have not been able to achieve escape velocity to get into the next orbit. And the next orbit to me is a revolution I call ET, the energy technology revolution, which I

think is critical for the climate, critical for energy, and I think the source of nation-building in America.

Now, my simple argument is that the world's getting hot, flat, and crowded. Hot refers to global warming. I don't need to go into that here. Crowded refers to the fact that I was born in 1953. You go to Google, you can put in your birthday now, find out how many people were born the year – on the earth the year you were born. I was born July 20, 1953. Google tells me there were 2.681 billion people on the planet the year I was born. There are 6.2 billion today.

If I go to the UN population chart, go out to 2053, if I keep working out, eating yogurt and live to be 100, it tells me there will be 9.2 billion people on the planet. That means in my lifetime alone, the population of this planet will have more than tripled, and more people will be born between now and when I die than were here when I was born.

So the world's getting hot and crowded. It's also getting flat. Flat, for me, is simply a metaphor for the rise of middle classes all over the world, from Russia to Brazil, from India to China, who are producing and consuming like Americans.

And so the world population is not only growing, but the much more relevant metric is the number of Americans. People consuming and producing like Americans is growing even faster and the energy and natural resource implications of that are enormous.

My friend Tom Burke, who runs a wonderful environmental NGO in England called E2 (sp), invented a metric, which I'd like to quote. He calls it the Americum, and an Americum is any 300 million people living like Americans. Now, when I was born in 1953, there were two and a half Americums in the world – America, Western Europe and Japan. Today, there are nine. There's an Americum in America; there's the Americum in Western Europe; there's an Americum in Eastern Europe and Russia; there is one in India, giving birth to another; one in China, giving birth to another; one in Japan and East Asia, one in South America.

We've gone from a world of two and a half Americums, units of 300 million people living like Americans, to a world of nine Americums.

Now, you put all those together – hot, flat, and crowded – what you get, I believe, are three separate flames that have converged into a raging fire, and this fire is driving five global trends that I think are going to define the 21<sup>st</sup> century, or I should say, how we – and whether we meet these challenges – will define the 21<sup>st</sup> century. They are, first of all, energy and natural resource supply and demand. That's the demand for food and fuel and cement and steel, water, and all forms of energy. It's going through the roof.

Second is petro-dictatorship, the rise of the Irans, the Putins, the Ahmadinejads, the Chavezs, which are polluting and fundamentally transforming global geopolitics.

Third is climate change.

The fourth is something I call energy poverty. The 1.6 billion people around the world who have no on-off switch in their lives because they are not connected to an electric grid. Let's not forget that one out of four people on the planet do not have regular grid electricity. And to be energy poor in a world that's hot, flat, and crowded, which means you will not have the energy to dig a deeper well when the hot gets hotter, you will not have the energy to turn that fan. You will not have the energy, most importantly, to get to Google, which means you will not be able to connect to all the world's knowledge. In a world that's hot, flat, and crowded, being energy poor will be devastating.

And the fifth mega-trend is biodiversity, the loss effects. We are in the midst of a massive extinction of biodiversity akin to when the meteorite – basically, the asteroid wiped out the dinosaurs. According to Conservation International, one new species now goes extinct every 20 minutes.

Now, you put those five together – energy and natural resource, supply and demand, petrodicatorship, climate change, biodiversity loss, and energy poverty – and there's two ways to look at that list. One way is to look at it the way, I think, a lot of us want to look at it, or lapse into looking at, and that's to look at that list and say we're cooked; we're completely fried. We are toast. Let's party, okay? (Laughter.) That's one way to look at that list.

I look at it the way John Gardner looked at a similar list and he said, "That list, that's a list of incredible opportunities masquerading as insoluble problems," because what's really cool about that list, those five mega-problems driven by hot, flat and crowded, is that they all have the same solution. Now, how neat is that? They all have the same solution.

Whoever can invent a source of abundant, cheap, clean, reliable electrons and molecules, whoever can invent a source through innovation, energy efficiency and conservation of abundant, cheap, clean, reliable electrons and molecules will have the answer for energy and natural resource supply and demand, will be able to undermine petro-dictatorship, will be able to mitigate climate change, will be able to eliminate energy poverty, will be able to dramatically ease biodiversity loss.

That says to me one thing. That's the list of the mega problems and they all have that single solution. I know one thing. The next great global industry has to be the search for abundant, cheap, clean, reliable electrons and molecules through the combination of innovation, energy efficiency, and conservation.

And I am convinced that the country that gets there first, or gets there most, will have the most energy security, economic security, national security, competitive industries, clean environment and global respect. That country has to be the United States of America. That country has to be the United States of America. If it is not the

United States of America, the chance of our children having and enjoying the standard of living we have, and enjoyed, is zero.

My friend Jeff Immelt of GE says – I think very rightly – “If you want to be big, you’ve got to be big in big things.” If you want to be big, you’ve got to be big in big things. And if we want to be big as a country, we’ve got to be big in big things and there will be nothing bigger than ET, the search through innovation, energy efficiency, and conservation for abundant, cheap, clean, reliable electrons.

So the method to my madness is very simple. What I’ve been out to do – I’m not a climate scientist. I have great tutors like Joe, who can lead me through that. I’m not an energy expert. I’m out really for one thing, to redefine green, as I think a pathway and a tool to rebuild, renew, and energize America. That’s what I’m about, okay? And we need to take green away from those who have, I believe, perverted and distorted and exaggerated what it means, and we need to reclaim green because this is not just a source of electric power, friends.

In a world that’s hot, flat, and crowded, it will be source of national power. Now, as many of you have heard me say I’m big believer that to name something is to own it. If you can name an issue, you can own the issue. The world is flat, okay?

Well, the problem with green all these years is that the people who named were actually its opponents. They owned the definition and they named it liberal, tree-hugging, sissy, girly-man, unpatriotic vaguely European – vaguely European. (Laughter.) Mr. Gore, you’re looking a little European.

Well, I’m here to tell you that green is geopolitical, geostrategic, geo-economic, capitalistic, patriotic. Green is the new red, white and blue. And this argument I’m trying to make – avowedly, openly, and unapologetically – speaks out of both sides of its mouth. To Rush Limbaugh, I say, “Rush, I got a plan to make America stronger. Oh, and by the way, as a by-product, we’ll take care of all those things Al Gore is worried about.”

And to greens I say, “I have a plan to make America greener. Oh, and by the way, as a by-product, we’ll take care of all those things Dick Cheney is worried about.” This is a source of environmental power and a source of national power, and unless you bring the two together, you will not have a coalition, a broad enough coalition, to give you the speed, scope, and scale we need to lick this problem in the timeframe we have.

That’s what I’m about. That’s the method of my madness and that’s why green is the new red, white and blue. Thank you very much. (Applause.)

MS. BROWNER: Well, let me start by thanking both of you for those very provocative and insightful comments. I want to start with a question about political will and I think, Tom, you talked about how we – about engaging people and defining the issue and I think that I couldn’t agree more with you.

One of the things I tried to do when I was at EPA was say that EPA wasn't just about the tree-huggers and the pretty places you visit on vacation. It's about where we live our lives and how we live our lives and that should be the focus of our work.

But having said that, there still is this Congress up there, and the last time we debated cap and trade legislation, climate change legislation, we got to 48 votes, depending on sort of how you count things. We clearly didn't get to enough votes.

And so we just – we're in the middle of a very difficult economic time. Your state obviously is confronting it as our many, many governors. We have new economic numbers out today – I think new unemployment numbers out today. I presume they're worse than what we've already seen. We have Treasury spending \$700 billion, and yet we are having a hard time understanding to what quick benefit that is occurring.

And so to both of you, how do we engage the Congress particularly on this issue of green, of new energy sources, of renewables, of climate change, because I'm a very optimistic person, it sounds like all of us. So I think we'll ultimately get this right because I don't think we'll be the first generation to leave to another a world they cannot fix, but time is so of the essence. The scientists are telling us we do not have the luxury of time. We wasted at least eight years and that we've got to get going quickly.

So how do we create a political will? Governor, let me start with you.

GOV. RENDELL: Well, when I would make that speech around the state about what we need to get done, and the four things that get solved by renewable energy, the biggest applause line was not having to buy oil from the Arabs – the biggest applause line of all – better than a clean environment, better than even jobs and new economic growth, better than our ability to withstand natural disasters.

That was the big applause line and we should ride that, baby, because in America – as I think is true around the world – dislike and hate can be a stronger emotion than love, but the second-best thing is jobs. And we have to translate – we have to translate for people quite clearly where those jobs are coming from, because the American people, they want a clean environment, and they do sort of understand global warming, but when you tell them that global warming is going to be a disastrous problem 50 years down the road, they're worrying about what happens – can they make ends meet next month?

So those are the two issues that I think we coalesce around most of all and that's the way to get the national consensus on this and I think it comes from presidential leadership. I really believe that and that's why this election was so important. This was an election that we couldn't afford to lose – the people who wanted to develop this energy technology revolution couldn't afford to lose.

And the question for President Obama right now – and this is true in infrastructure too – is – and Tom ended on this and interestingly, I ended on it. It has to be big; it has to

be big. If we try to do this, if we pay lip service to it, if we try to do it in small increments, I don't think we're going to get there, or I don't think we're going to get there first, for sure.

And I remember hearing Senator Obama say on the campaign trail in the fall campaign – I didn't hear him say much in the spring campaign – (laughter) – but in the fall campaign, I remember hearing him say that he wants to export – he wants to export – clean energy technology to China. He wants to send it to China – after us doing things the other way, wants to send it to China. Well, it has to be big and bold, and big and bold is sometimes tough in a crisis, but sometimes, a crisis lays the groundwork to be big and bold. So I think it really stems from there.

MR. FRIEDMAN: I'd say a couple of things, Joe. One is that I think where you started on the climate issue is worth reminding people. One of my really most cherished teachers, Rob Watson, the guy who invented LEED buildings, Rob likes to say that Mother Nature, she's just chemistry, biology, and physics. That's all she is. You can't spin her; you can't sweet-talk her; you can't tell her to slow down. You can't tell her, sorry, Mother Nature, we're having a recession now, maybe the biggest depression since 1929. Could you take a break?

She's just chemistry, biology, and physics, and she's going to do whatever chemistry, biology, and physics dictate, and Mother Nature always bats last and she always bats 1,000. So she didn't take the last eight years off. So I think we do have to remind people that while the Bush administration took the last eight years off, in terms of fighting climate change, Mother Nature didn't. So we're in an even deeper hole than before.

Where I kind of like to begin that conversation, with the mythical congressman or woman on that issue, is by saying that we had a boom, bubble and bust in this country on railroads in the 19<sup>th</sup> century. Everyone went out and bought railroad stocks. We had hundreds of railroads. Almost all of them went bust. If you bought railroad stocks, they're now wallpaper on your wall, but the amazing thing about that bubble is that it left us with an incredible national railroad system that actually helped knit our country together.

We all know – many of us lived through it here in this room – we had a boom, bubble and bust around dot.coms in the 20<sup>th</sup> century. We all went out and bought pets.com and groceries.com and most of us lost money, but that bubble left us with an incredible infrastructure of internet bandwidth on which Google and Microsoft really built the internet 2.0 revolution.

Well, we just had – we haven't really understood it at the time, but we now understand, we've just been through a financial services boom, bubble and now, bust. And if we don't watch out, it's going to leave us with a bunch of half-built condos in Florida, dead derivative contracts that nobody understands, and used Gulfstream jets.

And the worst thing about this bubble is that we borrowed all the money for it from China.

And as a result, if we don't – we are now charging this bailout on our kids' Visa cards. That's where this money is coming from. We are charging it on our kids' Visa cards, and we owe to them to make sure we spend every dollar, every penny, wisely. And to me, that begins with making sure that whatever we do with this bailout, we are laying the foundation for another great export industry that will vault us, and vault our country, into the 21<sup>st</sup> century.

MS. BROWNER: (Inaudible) – you mentioned cars and the automobile. Did you mention cars? You mentioned trains.

GOV. RENDELL: The portfolio standard for –

MS. BROWNER: Oh, that fuel standard.

GOV. RENDELL: For the fuel standard, right.

MS. BROWNER: We look at our automotive industry, we look at the impact on our environment. Cars are a tough part of this puzzle. What should we do?

MR. FRIEDMAN: I just want to add one other thought to that Ed raised, that I think is so important, and I think you both alluded to and you cannot underestimate this. I covered the State Department for four years and then I covered the presidency, and as a reporter, I really saw the difference between the bully pulpit of a secretary of state and the bully pulpit of a president and it's really – it's remarkable.

And we've had a president who, for eight years, couldn't get the word c-c-c-conservation out of his mouth. Now we are going to have a president who I think is going to talk about this openly and unabashedly every day. You can't imagine the difference that makes. Let's remember that tens of thousands of people went out and bought Sarah Palin Chinese designer glasses after the St. Paul convention.

So imagine what people will do if you had a president who actually rode his bike, who actually walked places, who actually said, I'm not going to have a presidential motorcade that doesn't have American-made plug-in electric vehicles in it. And I think the power of the bully pulpit will just be enormous, and I think we can't even begin to appreciate the educational value of that and how much we have to look into.

I mean, think about it, Carol. Your predecessor – your successor, excuse me, at EPA for the last – he's been in the witness protection program. How many people in this country know – more people know your name as head of the EPA than could ever identify him on any "Jeopardy" show as head of the EPA. So to actually have a head of EPA who people knew – you know, in Europe, if you're like head of the EPA, you're in

line to be the next prime minister. And here we've had someone who has basically diminished the bully pulpit.

So as far as the auto companies go, I'm so disgusted with these people and the people who run these companies. It's just hard for me to be in any way rational about this. I think the term bail, more than bailout, actually, applies to how we should be thinking about them, but the fact is they represent big companies and they represent a lot of jobs, and so we cannot be glib about this.

But God in heaven, if you're going to come here for a bailout, don't fly here on three separate private jets. Maybe come together on one private jet; carpool, as it were. But if you're going to come to Washington and ask for a bailout at this time, at least come with an inspirational message.

Come to Washington and say, I have a plan. I have a plan to beat Toyota into the dust in five years. We are going to make the most fuel efficient, clean, great quality cars that every college student is going to want to buy. I have a dream. Don't come to Washington and say, if you don't bail me out, I'm going to bleed to death on your doorstep. And that's basically what these people did.

MS. BROWNER: Governor, do you want to follow? (Laughter.)

GOV. RENDELL: Just basically, there are things we can do. There are things we can do and we can do them swiftly – as I said, buying power. If the federal government in every state in the union bought all of its cars, whether they be electric car or hybrids, et cetera, think of the impact that makes on the industry and makes on the ordinary consumer. And as Tom says, it's right. You know, people see those cars around in abundance, all of a sudden, they get the idea.

We have a fairly significant tax credit, refundable tax credit, if you buy a hybrid vehicle in Pennsylvania. We should have a federal tax credit for doing that. Bill the industry – bill the industry at the beginning, at the inception, and then it takes off. There's no ifs, ands and buts about it.

And of course, following up what Tom says, don't give those guys a dime unless you get commitments from them about how they are going to restructure and how they're going to be part of the new green economy. Don't give them a dime.

We should have done that with the banks and the financial institutions – why we didn't put conditions on those dollars. They're sitting there and there's no money going out into the economy. In a condition, there should have been – just like with the economic recovery infrastructure portion, we're going to have a use-it or lose-it component to it. They should have had a use-it or lose-it. Lend-it or end-it, how's that? Lend-it or end-it.

MR. FRIEDMAN: That's good.

MS. BROWNER: We're going to start now with a few questions from the press and then we're going to open it up. They're going to have to hand you microphones. Right behind you.

Q: Hi.

MS. BROWNER: Please identify yourself.

Q: Jeff Young. I work for a Public Radio program called "Living on Earth." And my question is actually for you, Ms. Browner, our moderator. Looking ahead to the next person who's going to be in charge of the Environmental Protection Agency, what are the big challenges that person is going to face to turn around the agency after what it's been through under the past three administrators in the past eight years?

MS. BROWNER: So there have been three. Well, the good news for the next administrator is there are a huge number, 18,000, 17,000, people at EPA who come to work every day and they want to do their job. They are the finest of public servants and they are ready, I think, to do their job. As you know, the transition has people actually now in the departments. In every department there's a team talking to people, understanding sort of what are the opportunities, what are some of the challenges that will be faced?

There are some enormous challenges. I think that the last eight years was not just about inattention. It wasn't like they were just sort of not doing anything. They were actively looking at how to change the decision-making paradigm to move it away from the historic – protect the public health, protect the public welfare, make it a cost benefit analysis, protect the – whatever the different statutes are that EPA has responsibility for. They've managed to really change the fundamentals of virtually every single one of them.

So reasserting the agency's historical focus on protecting our air or water, the land that we live on, the communities where we raise our children, will be very, very important, but they will get to do it with some really phenomenal individuals.

Q: (Off mike.) One for Governor Rendell. Is this not your preparatory acceptance speech for secretary of energy? Is that a categorical no?

GOV. RENDELL: Yes, it's a categorical no. First of all, I have this strange belief that when you run for office, it's an implied contract between you and the voters. Vote for me and, Lord willing, I'm going to be your governor for four years. That's number one.

Number two, this is the worst financial time. Pennsylvania's had a good economy, in great part to some of the stimulus things we did in '03. This is the first

challenge we've had. To run out when the challenge is the greatest, I wouldn't feel very good about.

Thirdly, I had a lieutenant governor who was battling cancer and she died very recently. And under Pennsylvania law, the state Senate president becomes the lieutenant governor, and he's a good man, but he's a very conservative no-spend, no-borrow, Right Wing Republican and I couldn't leave the 19<sup>th</sup> largest economy in the world in his hands.

If it's going to be for me, it will be – (laughter) – if it's going to be for me, it will be down the road, but there are some great people who could do this job. Of course, I don't know if we get any –

MS. BROWNER: Do you endorse somebody?

GOV. RENDELL: I don't know if we'd get anything done, but Brian Schweitzer would have the nation laughing all the time – (laughter) – if he was secretary of energy. There are some – even among my fellow governors, there are people who could do the job equally as well and maybe better than I could.

MS. BROWNER: Well, one of them today, Governor Napolitano.

GOV. RENDELL: Well, of course, we took Governor Napolitano off the roster for potential secretary of energy. She's now our homeland security secretary, but there are plenty of governors who are on the cutting edge of this issue. Ironically, in the last eight years, the only cutting edge stuff was going on in the states – was going on in the states. So there are other candidates. It's not a national emergency that I become secretary of energy.

Q: Just a policy question: 2020 is the earliest that many CCS, carbon sequestration experts have said that they can bring that technology commercially forward. That's also approximate date for build the transition needed for the large renewables. So what's the interim energy source that will meet the growing demand? Is it conservation solely or natural gas?

GOV. RENDELL: No. It's certainly conservation and efficiency. Natural gas can play a role in this. By the way, I'm not ready to assume that carbon sequestration and carbon capture will take to 2020. When Jack Kennedy said we'd put a man on the moon by the end of the decade, a lot of people thought he was wildly optimistic, wildly optimistic. I'm not sure if we did ever have a project and Tom's right. It's unbelievable. I get the same cards, except I only get them – actually, I get them when I go outside of Pennsylvania too. There are ideas, just – do you know we can microwave tires and produce energy? I didn't know there were microwaves –

MS. BROWNER: Don't do it at home. (Laughter.)

GOV. RENDELL: I didn't know there were microwaves bigger than the thing you put on your kitchen counter, but there are giant microwaves. There are so many ideas and sure, a lot of them are crackpot ideas, but a lot of them – (laughter) – of course, but a lot of them are smart, good ideas.

You don't get – Jefferson Medical Center is not investing its time and resources looking at the tobacco leaf without reason and there are so many good ideas. Would you have ever thought that landfills could produce power? We have a landfill in Lancaster that is generating enough electricity to power 45,000 homes. Think about that. The sky is the limit on this if we could find a way to nurture those companies, glean the good ideas from the bad ideas, and we might be able to move a whole lot quicker, a whole lot quicker.

As far as carbon sequestration and carbon capture, we should have a project on that right away. We should have had it five years ago. So I'm not ready to accept it, but you're right. In the interim, the natural gas is a possibility. I think what Boone Pickens says is absolutely right. I don't know if you're aware. We have found this – I don't know if you're aware. We have found this – I don't know, found it, but it is now feasible financially to drill at something called the Marcellus Shale which really tracks the Appalachians all the way, Pennsylvania just in the middle of all this bad economy news.

I allowed drilling in 75,000 acres of our state forest lands. We have more forest lands than Connecticut and Rhode Island combined, the entire state, so that's not very much. We've got \$200 million from the drilling rights. The Marcellus Shale may have enough natural gas to do a lot of things, but I wouldn't accept 2020. You can't accept – when you think big, you can't accept. You put in goals that are tough to reach and then you reach them and then you reach them. It's what we've always done.

MS. BROWNER: Let me just put a finer point on what the governor just said as a former regulator. And I can cite you any number of stories, but when the government steps up and it says that there is a requirement that you're going to have to take sulphur out of diesel fuel, you're going to get rid of CFCs, chlorofluorocarbons, by a date certain, what the government is doing is creating a market opportunity. And American innovation and American ingenuity, time and time again, has risen to that challenge and inevitably, more quickly, and for at less cost, than was anticipated.

And so while the governor has been talking, I think very importantly, about we need to make investments, those investments, when they are partnered with a government requirement, a regulation that we're going to reduce our greenhouse gas emissions, that we're going to reduce this kind of pollutant, the upside of this will be, I think, just phenomenal, more than we can possibly imagine in this room. Tom.

MR. FRIEDMAN: One thing. I'd be actually willing to bet that not a single carbon capture sequestration project will be built in this country by 2020 because I think we'll come up with better solutions. I know two people working on projects to turn CO<sub>2</sub> into building materials and these are really exciting. You could actually do everything

you did; strip it off and turn these into bricks and siding and concrete and I think that is a far cheaper and far more exciting alternative than CCS.

MS. BROWNER: If we put a price on carbon through a cap and trade system, the kind of inventions we will see – we're going to go to another reporter and then we're going to open it up to the public. Reporter?

Q: Alexander Duncan. I'm a reporter with *Platts*. This is a question for Ms. Browner. What kind of role will you be having in an Obama administration, potentially a climate advisor? And furthermore, you mentioned the cap and trade system. At what point does President Obama start pushing for that?

MS. BROWNER: Someone asked me recently if I was going to be a czarina, the energy czarina, and I looked up the word czarina and it's defined as wife of the czar. (Laughter.) As far as I know, my husband is not about to become a czar. Cap and trade – I'm sorry. What was the question on cap and trade? (Laughter.)

Q: (Off mike.) At what point does President Obama start pushing for a cap and trade? Is this something, first 100 days, laying out the groundwork, or is this something perhaps after a larger energy package, perhaps the second half of the year?

MS. BROWNER: As is going to be the case on a lot of issues, this is something that you work with Congress on. Congress has been engaged on this issue for some time. You've got any number of committees that are engaged. You just had a change in the leadership of the energy and commerce committee in the House, Mr. Waxman taking over there. So I think this is something that needs to be, and will be, discussed with the Congress in terms of what is the right schedule.

Having said that, I think it's important to note that the Environmental Protection Agency, under the existing Clean Air Act, is sitting on some authorities. The Supreme Court decision of two years ago gives them some authorities. I think most of us who have worked on these issues for a long time would agree that it's not the most refined authority. You can't get to cap and trade through this authority, but nevertheless, the president-elect will have some tools available, should he decide to use those, in the event that perhaps there can't be some sort of agreement reached with Congress on how to move legislation.

We'll take the next question. Thank you. Yes. You have to use a mike because we're recording. Thank you.

Q: Okay. Energy is just – yes.

MS. BROWNER: Who are you?

Q: Yes, Victor (Lodberg?), a member of the public. Energy is just one item in a long list of consumables, like diverse foods, metals, oxygen, and the ultimate consumable

is planet earth, and earth is a limited resource and we are the worst parasites in this resource. So the equation of consumables on one hand has, on the other hand, people. And one way to better manage the consumables is to manage the people, and the older population is a problem, so it would be a good idea to think in terms how to reduce the population.

And it was shown that as education goes up, the equation will be – what do you think? Wait, it was – one second, one second – it was shown that as education goes up, population goes down – population goes down. So I think that an important element of exportation is education. That should be done for egoistic purposes, not necessarily for the benefit of others, because it benefits all of us.

MS. BROWNER: Thank you very, very much. I don't think you're going to get any disagreement from any of us. Obviously, particularly educating women makes it more likely they'll have fewer children that can be a part of the workforce. Good question. Thank you.

GOV. RENDELL: It's the right answer.

MS. BROWNER: Oh, I'm sorry. In the back. We'll work our way forward.

Q: This question is for Governor Rendell. Sorry? Oh, sorry. Coral Davenport at *Congressional Quarterly*. Even if you won't be the new secretary of energy, is it possible that you would take an energy policy advisory role, possibly as part of a National Energy Council that would be in the White House? And I'm wondering if both of you can sort of talk about that idea, the idea of the creation of a National Energy Council and what we might see on that?

GOV. RENDELL: Well, it's interesting. The energy and infrastructure are two issues that cut across so many federal departments, but I do think you probably need some form of council to try to tie them together because just think about infrastructure. Infrastructure involves energy, it involves DEP, it involves, of course, transportation. It involves the military. There are so many things that are involved in it, and the same thing with energy. And if there were councils, advisory councils or things like that, like the Economic Advisory Council, would I serve on it? Yes, I'd be honored to serve on it, especially if Carol was on it.

MS. BROWNER: We have another question in the back. You can just choose someone. All I see are hands.

Q: Jonathan Strong from *Inside EPA*. Ms. Browner, do you support elevating EPA to cabinet status? Your suggestions in *Change for America* were silent on that point.

MS. BROWNER: Well, under President Clinton, I was a member of the cabinet. I had the same chair at the same table as the secretary of state, the secretary of Treasury.

I think that has been – somebody is going to correct me if I’m wrong. I think that has been continued under President Bush and I certainly believe it would be continued under President-elect Obama.

You may remember in the early days, we tried to change EPA from the Environmental Protection Agency to the Department of Environmental Protection. The quid pro quo for that legislation – this was in the days leading up to the “Contract with America” – was something that we found unacceptable, and so, at one point, Vice President Gore and myself actually went to the Hill and told the Democratic caucus that we no longer supported the legislation.

It would be nice – it would be very, very nice, but the most important thing is to put someone into these agencies and departments who understands the tools that are available to them and to get the job done. That’s the single most important thing. And using up valuable time trying to push through legislation that changes it from an administrator to a secretary, as I said, it would be fabulous if it could happen with a snap of your finger, but if I were the next EPA administrator, I’d want to spend my time on making sure I was using the Clean Air Act, using the Safe Drinking Water Act, using the Clean Water Act to do all of the things that need to be done and haven’t been done in the last eight years.

Q: My name is Susan Buffon (ph). I work for the Montgomery County Council. And I think that local governments have a unique role to play in this whole process. We have adopted a very aggressive greenhouse gas emission reduction goal in Montgomery County and we’re looking to our residential sector as the place for the easiest, least expensive emission reductions.

And we would like to have a loan program where a homeowner could get their energy audit, identify the savings that they would get in their utility bill, and then be able to use those savings to pay for a low cost loan of, say, \$5,000, \$10,000 stretched out over maybe 15 years and linking that, as to the property, through a special assessment on their property tax.

And we think that that unique role that local governments could play in linking it to the property is one that would create a win-win situation, particularly in creating green jobs. But all of these local communities like Berkeley and Boulder and others that are looking into this, we can’t all go out and raise the money ourselves.

So is there any talk among the transition team, or in the stimulus package, of making these kinds of monies available to local taxing authorities?

MS. BROWNER: I’m not going to actually comment on what’s under consideration within the transition team today, but outside of those conversations, there’s a lot of people who have looked at this and given a lot of, I think, very important and critical thought. Do you want to comment here, governor?

GOV. RENDELL: I would just say that the City of Philadelphia, which certainly doesn't have the property tax base of Montgomery County, Maryland, we had a program like this. We'd come in and do the energy assessment and then we would loan or grant, depending on the family's financial situation. If Philadelphia could afford it, Montgomery County should be able to afford it.

MS. BROWNER: Do you want to comment on Montgomery County as a resident?

GOV. RENDELL: It raised Tom's tax.

MS. BROWNER: Where's the gentleman with – come up here. That's fine. As I said, all I see are hands.

Q: Okay. Thank you. My name is Annabelle Fisher. I am a taxpayer. First, I need to say, Thomas Friedman, you're the best, because he tells us what it is and the truth, whether – no matter what your political affiliation.

The question I have – I don't know, I thought this would be for Governor Rendell and Mr. Friedman. It has to do with ethanol transloading. You mentioned that. In Alexandria, Virginia, where I live – no, I don't live in Old Town. I'm a renter. I don't have a mortgage. I live in the West End. There's an ethanol transloading facility located near a very high-end condo neighborhood. There's also one in Baltimore where I am from. There's a bill in front of Congress as a result of this ethanol transloading site in Alexandria trying to limit or change the location for ethanol transloading.

Are you looking at ethanol transloading as a means of cutting down on natural gas? Ethanol transloading is combustible. They take the ethanol, they transfer it from the trains – from the trains into trucks. They transfer that to a location in Virginia, in Chantilly, but it's combustible. It could blow up. It's like it's gas that's transloaded onto a train that's shipped to whatever. You mentioned ethanol transloading. That's why I'm asking you, Governor Rendell, and either – wanted to comment.

Are you looking at this as a way of reducing energy? I know in Alexandria, Virginia, paving which makes asphalt, wants to get more natural gas involved in asphalt making. So is ethanol transloading or asphalt something you all want to look at in terms of the future? And I agree, it's not going to happen today and maybe, in 20, 30 years when I'm under the daises. So thank you.

GOV. RENDELL: Well, we have developed – not we, but the private sector in Pennsylvania have found a way to mix diesel, biodiesel and regular diesel gas by computer and we don't have to splash-load it. You know, ethanol plants, siting is a problem like siting anything.

You know, you all heard of NIMBY. I had a person who worked for me who coined the phrase BANANA, which is Build Absolutely Nothing Anywhere Near

Anybody. And we have problems, there's no question because the LCN – not LCN – the liquid natural gas, you have to bring it into the Boston Harbor. Nobody in their right mind would try to do that in today's atmosphere if you were starting over anew. But it's a question of you have to site – there are a lot of things that you have to site and you have to site it, you have to control it, you can do it by zoning. You can do it a lot of different ways.

MS. BROWNER: There are going to be some difficult siting issues as we try and – whether it's bringing transmission lines to where the wind is generated – that is not going to be as simple as – okay, Tom, did you want to comment? Up here. I don't know where the mike is now. Over here.

Q: Thank you. (Tracy Watts?), *USA Today* for Ms. Browner. As someone who's been in Washington a long time, how do you game out the chances that Congress will approve a big slug of alternative energy money in the stimulus bill? Will they really be happy to devote money to alternative energy, as opposed to the traditional roads and bridges kinds of projects?

MS. BROWNER: I've been up on the Hill in the last couple of weeks and the sense I get is that there's tremendous interest in a green portion of the stimulus and I'm encouraged. I see the governor shaking his head. The president-elect will be with the governors tomorrow in Philadelphia and I'm sure this will be an important part of their agenda, but every indication I am getting on the Hill, certainly, the president-elect is there. He has talked repeatedly about the need for green investments or green recovery. I think it's just a question of how big the stimulus turns out to be and then how you sort of divvy that up within the various areas that are important.

GOV. RENDELL: (Inaudible) – the campaign he talked about \$15 billion a year for 10 years. Well, \$15 billion is not a huge amount, not a huge percentage of the package and I think they'll be very receptive to that.

MS. BROWNER: And that 15 billion was actually in the research and development arena. So you could get a down payment on that, but also looking at some of the areas we've talked about different ideas here today, where you actually can sort of meet the requirements of the stimulus, which means you have to actually create jobs, in the near term, it has to be measurable benefits, whether it's weatherization. There's all sort of ideas that have been talked about broadly that I think will have a lot of interest both from the governors and on the Hill.

We're going to take one last question and then – oh, God, right here. She sat on the floor, so at least she should get a question.

Q: Thank you. Well, it seems that if you're going to do something big, you have to be successful at animating the imagination of many, many, many small players that, in addition to the bully pulpit and new initiatives, energy council, there's going to be a

challenge of getting information to entrepreneurs, local government leaders, et cetera, et cetera, et cetera, locally. Is anybody talking about how to do that?

And two, just related to that, it seems to me, a lot of this is going to end up at the state level, and has any state got what you could characterize as a comprehensive sustainable economic development strategy?

I'm sorry. Anne (sp) Hield (ph), Forum for Leadership Innovation, a Sustainable Economy.

MS. BROWNER: I'll make a brief answer and then – one of the, I think, really amazing things about the Obama campaign, and now the transition, is the commitment to really engage the American people. And I don't usually go around giving out website addresses, but I would really encourage people to go to [Change.gov](http://Change.gov).

I mean, already, we're taking questions from people, we're taking ideas from people and really trying to create the opportunity for a kind of dialogue, a sort of participatory democracy – small “d,” democracy in this country – whether it be at the local level, at the state level, at the federal level, at the private level, people sharing ideas and learning from each other. So the first thing we put up on there was about actually energy issues, so I would recommend that to you.

GOV. RENDELL: You make an excellent point. One of the things we're going to say to the president-elect tomorrow is we're glad he's come here to hear our concerns and he said that's why he wanted to be with us, but we want to do more than just voice our concerns. We want to offer our help and I think our help comes in many ways in how to implement this plan, number one, but it also comes in how to sell it to the American people. And I think it's very important because governors are out there in the front line. Hopefully, the president will get out and sell and sell and sell and I think he's going to be very good at that.

But governors can be enormously helpful in developing that idea and there's no question about it. And you can sell ideas by translating them into workable bites that your folks understand. You know, Senator Obama got criticized during the campaign talking about conservation when he said we should all get our air pressure checked in our tires.

Well, in fact, when Katrina hit, citizens – I'm not a big guy for security. It drives the state police crazy, but I walk a lot of places not to save gas. I just like to walk. And citizens would literally come up to me and grab me by the jacket and say, you've got to do something about these gas prices, because remember, after Katrina, we went up to \$3 for the first time. And they said, suspend the state gas tax for the rest of the year, and I'd say to them as calmly as I could – said, well, that will save you, if you're the average driver, \$45. It would cost us \$500 to \$600 million that we desperately need to build better and safer roads, to fix up our roads or bridges, et cetera.

And I said, by the way, I can save you \$45 right now. Just listen to me for two seconds. One, go check your tire pressure. Two, clean out your car's filter and make sure your car's filter is working properly, and three – and I'm a bad guy to talk about this because the newspapers caught us once going 100 miles an hour – (laughter) – but I said, the next time you're on the highway, don't drive 75 miles, even if you can get away with it. Drive 60. You'll get there seven minutes later.

And those three things, if you practice them over the next four months, will save you a whole lot more than \$45, and I never got a citizen who'd get back. They would say, is that right? Well, maybe I should try those things.

You can do it; you can do it. And it's something that has to become a national imperative – it has to become a national imperative. We have to get to the point where citizens are almost saying to their neighbor, get rid of that Hummer; that's a disgrace. We ought to – no, seriously, we all ought to buy into this because it is the nation's future.

Tom is not just writing a book to sell books. That's correct. It is the nation's future. It's our best way. American innovation can still get this done, I believe, better than anybody else in the world. If we have the right type of leadership, we'll get this done. It will spur our economy. It will be great for our environment. It will be wonderful to leave it for our kids. It's just a great thing that can do so much, but we all have to buy into it. We all have to be soldiers in this war.

Obviously, governors do, and senators do, but so do newspaper people and the public and everybody else. I mean, let's get it going. And we've wasted eight years for sure. We should have been doing this a long time ago and I believe we can get it done.

MS. BROWNER: So Tom, what if you had the chance to visit with the president-elect, what are the three things you would tell him to do?

MR. FRIEDMAN: Well, I said it all in my column. One, unfortunately, is one we probably can't do right now and that is we have to a price signal. Price really matters. At \$4 a gallon gasoline, people change their behavior and without a price signal, either a gasoline tax, cap and trade, or carbon tax, our chances of getting the kind of green revolution we need at the speed, scope and scale we need is really de minimus.

You'll get a lot of people doing this and that, and it will make the United Sky Miles magazine, but it's a hobby and I like hobbies. I used to build model airplanes. I don't try to change the climate as a hobby. And so I think that would really be one two and three. Without a price signal, and how he can sell that, I think is really, really vital.

But I wanted to take a crack also at your question because I think is very important. I get asked this. I have two daughters in their 20s and I get asked this at a lot of college campuses. Young people really want to get involved and I think more than ever with President Obama, they're going to want to get involved, and I have a chapter in

the book called “If It Isn’t Boring, It Isn’t Green.” And I’m a really big believer, if it isn’t boring, it isn’t green.

We need an eco superstar, like Al Gore, because he can go globally and really draw attention to this issue and he’s done it, I think, heroically, but not everyone can be an eco superstar and win an academy award or a Nobel Prize or an Emmy.

And we need people who know the rules, and I just constantly try to remind young people that Exxon Mobil, they don’t have a Facebook page. They’re just in your face. And Exxon Mobil, they don’t have a chat room. They’re in the cloakroom where the rules get written, and if you are not in the cloakroom where the rules get written, you are nowhere.

So I personally, I’m off Earth Day. I’ve had enough Earth Day concerts; I’ve had enough consciousness raising. I don’t need people in my chat room; I don’t have a Facebook page. I want to be in people’s face, in the cloakroom where the rules get written. You change one degree of SEER standards on air conditioner regulations in this country, and you will do more to affect global warming, okay, than 1,000 Earth Day concerts on seven continents simultaneously that all were offset by carbon emissions, blah, blah, blah. You change the regulations around soda pop machines around America, you will be changing the world.

So if it isn’t boring, it isn’t green. Learn the rules, get in the cloakroom and get in somebody’s face, get out of Facebook.

GOV. RENDELL: And just to sort of end on an upbeat note, that’s why I think President Obama has a tremendous opportunity because he has a list to end all lists. He has a list to end all lists and he ought to be using that list. Forget about raising money. He doesn’t have to raise another dime. If he does a good job, he’ll get elected overwhelmingly. He ought to use that list to get in the cloakroom, to get in the cloakroom like the American people has never done before. That list is as powerful as all the contributions in the world if they stay motivated. To me, that’s the crucial part of what we’re going to have to fight.

MS. BROWNER: So what I’m hearing is rather than drill, baby, drill, it’s regulate, baby, regulate? (Laughter.)

GOV. RENDELL: Innovate, baby, innovate.

MS. BROWNER: Innovate. Let me thank the governor and Tom Friedman for joining us all and thank you all for being a part of today. Thank.

(END)