

## 2007 State of the Union Address: “20 in 10”

*It's in our vital interest to diversify America's energy supply -- the way forward is through technology. We must continue changing the way America generates electric power, by even greater use of clean coal technology, solar and wind energy, and clean, safe nuclear power. (Applause.) We need to press on with battery research for plug-in and hybrid vehicles, and expand the use of clean diesel vehicles and biodiesel fuel. (Applause.) We must continue investing in new methods of producing ethanol -- (applause) -- using everything from wood chips to grasses, to agricultural wastes.*

*We made a lot of progress, thanks to good policies here in Washington and the strong response of the market. And now even more dramatic advances are within reach. Tonight, I ask Congress to join me in pursuing a great goal. **Let us build on the work we've done and reduce gasoline usage in the United States by 20 percent in the next 10 years. (Applause.) When we do that we will have cut our total imports by the equivalent of three-quarters of all the oil we now import from the Middle East.***

***To reach this goal, we must increase the supply of alternative fuels, by setting a mandatory fuels standard to require 35 billion gallons of renewable and alternative fuels in 2017 -- and that is nearly five times the current target. (Applause.) At the same time, we need to reform and modernize fuel economy standards for cars the way we did for light trucks -- and conserve up to 8.5 billion more gallons of gasoline by 2017.***

*Achieving these ambitious goals will dramatically reduce our dependence on foreign oil, but it's not going to eliminate it. And so as we continue to diversify our fuel supply, we must step up domestic oil production in environmentally sensitive ways. (Applause.) And to further protect America against severe disruptions to our oil supply, I ask Congress to double the current capacity of the Strategic Petroleum Reserve. (Applause.)*



***America is on the verge of technological breakthroughs that will enable us to live our lives less dependent on oil. And these technologies will help us be better stewards of the environment, and they will help us to confront the serious challenge of global climate change. (Applause.)***

President George W. Bush, January 23, 2007

The President's State of the Union was accompanied by detailed policy initiatives, which are reprinted below as they relate to renewable and alternative fuels, including biodiesel and cellulosic ethanol:

## STATE OF THE UNION POLICY INITIATIVES:

### Twenty In Ten: Strengthening America's Energy Security

**Tonight, President Bush Will Ask Congress And America's Scientists, Farmers, Industry Leaders, And Entrepreneurs To Join Him In Pursuing The Goal Of Reducing U.S. Gasoline Usage By 20 Percent In The Next Ten Years – Twenty In Ten.** For too long, our Nation has been dependent on oil. America's dependence leaves us more vulnerable to hostile regimes, and to terrorists – who could cause huge disruptions of oil shipments, raise the price of oil, and do great harm to our economy.

#### America Will Reach The President's Twenty In Ten Goal By:

- **Increasing The Supply Of Renewable And Alternative Fuels By Setting A Mandatory Fuels Standard To Require 35 Billion Gallons Of Renewable And Alternative Fuels In 2017 – Nearly Five Times The 2012 Target Now In Law.** In 2017, this will displace 15 percent of projected annual gasoline use.
- **Reforming And Modernizing Corporate Average Fuel Economy (CAFE) Standards For Cars And Extending The Current Light Truck Rule.** In 2017, this will reduce projected annual gasoline use by up to 8.5 billion gallons, a further 5 percent reduction that, in combination with increasing the supply of renewable and alternative fuels, will bring the total reduction in projected annual gasoline use to 20 percent.

**The President's Plan Will Help Confront Climate Change By Stopping The Projected Growth Of Carbon Dioxide Emissions From Cars, Light Trucks, And SUVs Within 10 Years.**

The President's Plan To Strengthen America's Energy Security Also Includes:

- Stepping Up Domestic Oil Production In Environmentally Sensitive Ways.
- Doubling The Current Capacity Of The Strategic Petroleum Reserve (SPR) To 1.5 Billion Barrels By 2027.

#### **Reducing Gasoline Consumption Through The Growth Of Alternative Fuel Sources**

**The President's Plan Calls For Facilitating The Growth Of Renewable And Alternative Fuel Sources By Increasing The Size And Expanding The Scope Of The Current Renewable Fuel Standard (RFS).**

- The RFS, established by the President and Congress in the Energy Policy Act of 2005, has contributed to the rapid acceleration of the development and use of renewable fuels. Significant ongoing technological advances have made it possible to increase and expand the standard to displace even larger volumes of gasoline.
- Under current law, fuel blenders must use 7.5 billion gallons of renewable fuels in 2012.
- Under the President's proposal, the fuel standard will be set at **35 billion gallons of renewable and alternative fuels in 2017**. This will displace 15 percent of projected annual gasoline use in 2017. The President's proposal will also increase the scope of the current Renewable Fuel Standard (RFS), expanding it to an Alternative Fuel Standard (AFS).

- The Alternative Fuel Standard will include sources such as corn ethanol, cellulosic ethanol, biodiesel, methanol, butanol, hydrogen, and alternative fuels.
- The increased standard will contain multiple "safety valves."
  - The EPA Administrator and the Secretaries of Agriculture and Energy will have authority to waive or modify the standard if they deem it necessary, and the new fuel standard will include an automatic "safety valve" to protect against unforeseen increases in the prices of alternative fuels or their feedstocks.
- **American Technology And Innovation Will Lead To Energy Security.** President Bush believes our scientists, farmers, entrepreneurs, and industry leaders will continue to lead the world in developing and investing in cutting-edge technology, infrastructure, and farming methods. Advances in many fields will play an important role, such as continued improvement in crop yields, optimization of crops and cellulosic materials as fuel feedstock, and cost reduction in the production of cellulosic ethanol and other alternative fuels. The increased and expanded fuel standard creates a tremendous incentive for research, development, and private investment into alternatives to oil.
- **Global Production Of Alternative Fuels Helps Us Reach Our Goal And Increases Our Energy Security.** The President expects most of the expanded fuel standard to be met with domestically-produced alternative fuels. However, importing alternative fuels also increases the diversity of fuel sources, which further increases our energy security.
- **The President's Plan Enables America To Lead The World To Energy Security.** By establishing such a visible and ambitious fuel standard, America's global leadership will help encourage our friends and allies to consider similar policies. Actions by America's friends and allies to increase their production of oil and oil alternatives, diversify their supplies, reduce their consumption, and increase their oil reserves will enhance the energy security of America and the rest of the world. Conversely, foreign actions that undermine free, open, and competitive markets for trade and investment in energy supplies diminish the energy security of America and the world. This is why America opposes the political manipulation of oil and gas exports.

The White House January 23, 2007