
National Capital Area Chapter

United States Association for

Energy Economics

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news

An Assessment of the Potential Resource Base and Technological Advances for Biofuels

Presented by: Zia Haq

U. S. Department of Energy, Office of the Biomass Program

Our Next Luncheon at the Library of Congress

WHEN: Noon, Friday, June 15
WHERE: 6th Floor, Madison Building—Montpelier Dining Room
Library of Congress (enter from Independence Ave)
1st Street & Independence Avenue, SE
Washington, DC

Zia Haq will be sharing ideas with us on a very timely and interesting topic, namely what constraints on biofuels are imposed by the resource base and the likely state of technology for these fuels. Is President Bush's stated goal of 35 billion gallons per year by 2017 practically doable in the light of these constraints? What might be the costs?

Mr. Haq is in a good position to enlighten us on this topic. He is a chemical engineer who manages analytical activities conducted by the Office of the Biomass Program (OBP) at the Department of Energy. Mr. Haq previously worked as an operations research analyst at the Energy Information Administration (EIA) and for various energy consulting organizations and at Southern Company Services. Mr. Haq has a Bachelor of Science degree in Chemical Engineering from Northwestern University and a Master of Science in Chemical Engineering from the Johns Hopkins University.

Join us on Friday, June 15, at noon for networking with the lunch-line forming promptly at 12:25 and the presentation beginning at 1 pm so we are done by 2 pm.

COST: \$20.00 for members and their guests (\$5.00 for student members) and \$25.00 for non-members and their guests. Make checks payable to NCAC-USAEE.

RSVP: By COB Wednesday, June 13 to Sara Banaszak by phone at (202) 682-8398 or email at

Notes from the May 18 Lunch Meeting

Dr. Lawrence Jones spoke on “Africa's Energy Sector: Investment Opportunities, Sustainability, and Energy Security.” He is a native Liberian with a keen interest in exploring trends and strategies for developing energy resources in Africa.

His remarks included the following:

- Just as the U.S. has many lawyers, in Africa there are many politicians who complicate energy matters by keeping economists and engineers out of the equation. This allows them to appeal to people’s emotions instead of their reason, with adverse consequences for resource development.
- Africa has changed in the past few years, but how it is perceived in the West has not. Although it plays an important role in U.S. foreign policy, this role gets downplayed in the media, which in turn affects public opinion and how investors view the area.
- Africa today has a booming economy; many countries have democratic systems, improved business environments, strong participation by women in society, and regulatory certainty.
- The West refers to Africa as if it were a single entity, but in fact it includes over 40 countries in an area that is larger than the U.S., China, India, Western Europe, and Argentina combined. It has a relatively small population, which means a greater natural resources to population ratio.
- Lack of access to energy for people results in poverty, which can lead to political instability. Such poverty also can have environmental consequences including deforestation, which is one of the causes of global warming.
- If one assumes that by 2030 the electricity grid in Africa is all-inclusive covering all the countries, what fuels will it be using and what impact will the choice of fuels have on the global economy and the environment?
- Few sub-Saharan countries have oil. Natural resources are for the most part not being tapped at the rate needed. The oil producing countries export their oil out of the region, so poor non-oil producing neighboring countries must buy at international prices. This is a big reason for the large international debt in the area.
- Africa’s industrial evolution depends on energy, water, and food, which are directly related to stability and investments.
- African countries need to look at all of their energy options and try to attract investments that will allow them to tap the resources that make the most sense, including hydro, solar, wind, biomass, oil, or if possible, nuclear.
- There are many positive trends that point to Africa advancing in the 21st century. Today it plays an interesting role in the world’s economy: It has many suitors (including China, the U.S., and Europe), but it has not found a way to maximize the benefits of this interest.
- Balancing energy security, sustainability, and wealth must go hand in hand with social development. Otherwise there is the threat of social unrest.
- Dr. Jones hopes that Africa can learn from the past, including from the energy and environmental lessons of other countries, as it develops future energy solutions.

During Dr. Jones presentation there were several questions from the audience. Many of these involved governance issues including corruption and how it affects investments and the business environment in the area. Dr. Jones said that although there is corruption, the level today is less than often perceived in the West. Also, he sees this issue diminishing as new leaders educated in the West take over, and as the population in general demands an end to corrupt systems.

Items of Interest

- The upcoming luncheon meeting on June 15 concludes the NCAC program for the 2006-2007 year. No luncheons will be held in July and August. The lunch meetings resume in September 2007.
- Please take a look at the NCAC new and revised website, at www.ncac-usaee.org. Its continual evolution and improvement are the products of much hard work by members of your Council. Posted there are all the 2006-2007 luncheon presentations with speaker-provided slides, as well as NCAC Annual Conference presentations. In due course, a summary of the Conference papers will also be posted on our website.
- The annual Treasurer's report is available to any member of the Chapter and can be provided by any member of the Council. We have a surplus, which is why we are able to offer student scholarships.
- **Student Scholarships Available:** We hope all student NCAC members are aware of the scholarship opportunities that exist for attending upcoming USAEE and IAEE conferences. Those NCAC members who are on university faculties – please urge your student members to apply. NCAC will provide travel and hotel scholarships of \$500 each for up to three students to participate in the USAEE conference in Houston, September 16 – 19, 2007. To qualify for the NCAC scholarship, send a letter by **August 1** to **Mark Lively** (mbelively@aol.com) (1) stating that you were a student NCAC member for 2006 and 2007; (2) showing you have applied for and received the student waiver of the conference fee; and (3) briefly describing your interests in energy economics. To the extent that more than three students apply for the scholarship, the council (a) shall use the description of interest to select among the applicants or (b) may decide to award additional scholarships. We provided a comparable scholarship on an impromptu basis to the February 2007 IAEE conference in Wellington, New Zealand, to Sharath Rao, of the University of Delaware.
- Post-NCAC Annual Conference, Survey Questions

For purposes of planning future annual conferences (normally held in April) that meet your interests, we solicit your answers to a few questions, attached at the end of this newsletter. Please take a moment to copy and paste your answers into an email to Omar Cabrales at rcabrales@crownci.com. Put an X by the Yes or No options, and highlight your ratings of from 1 to 5. We solicit your thoughtful comments, with the idea of using them to improving our programming for you!

ANNUAL NCAC/USAEE CONFERENCE FEEDBACK FORM

To help us better plan for future conferences, please take a minute to fill out the questions below, and email your responses to Omar Cabrales at rcabrales@crownci.com.

1. Did you attend this year's conference? Yes ____ No ____
If Yes, continue with question #2. If "No" please go to question 9

2. Conference Registration Process Poor 2 3 Excellent
1 4 5

Comments _____

3. General Relevance of Topics Covered 1 2 3 4 5

Comments _____

4. Lunch Choices and Quality 1 2 3 4 5

Comments _____

5. Was the purpose of the conference clear to you when you registered?

Yes ____ No ____ Somewhat ____

Comments _____

6. What did you enjoy most about the conference? _____

7. What did you enjoy least? _____

8. Is there anything else you would like us to know about the conference?

9. What topics would you like to see covered in next year's conference?

10. If you did not attend (or know members who did not attend), what were the major factors that kept you or your colleagues from attending?
