

**STATE OF TENNESSEE****PHIL BREDESEN**
GOVERNOR

4 May 2007

Mr. J. Read Smith
Mr. William Richards
Co-Chairs, 25x'25 Work Group
c/o Mr. Ernest C. Shea
208 Melanchton Avenue
Lutherville, MD 21093

Dear Mr. Smith and Mr. Richards:

On behalf of the State of Tennessee, I am pleased to endorse the 25x'25 initiative and its vision to provide 25 percent of our nation's energy from renewable resources by the year 2025. Tennessee's agricultural and forest products industry looks forward to helping our society meet this goal.

Increasing the use of renewable energy resources not only promotes cleaner air and better health for our citizens, it also creates economic opportunities for farmers and rural communities. Increasing the production and use of biofuels also has great potential to reduce our dependence on oil and enhance energy security.

The State of Tennessee supports these goals and has implemented several significant initiatives targeted at development of alternative fuels. In February 2006, I issued Executive Order 33 establishing a multi-agency Alternative Fuels Working Group charged with developing a comprehensive alternative fuels strategy for Tennessee. Executive Order 33 also makes the production, distribution, and use of biofuels an economic development priority for the state. The Tennessee General Assembly supported the Executive Order with a \$4 million appropriation for use as incentives to develop agricultural feedstock processing facilities, alternative fuels infrastructure, and local government biofuel innovations.

Another major project is the Tennessee Biofuels Initiative. This partnership between the University of Tennessee and the Oak Ridge National Laboratory seeks to provide innovative science and practical technology for the production of ethanol from agricultural products such as switchgrass, trees, and other woody material. These distinguished institutions are working jointly to develop a process that is economically viable for farmers, producers, and fuel distributors. I have asked the Tennessee General Assembly to support this initiative with an investment of approximately \$71 million.

I am pleased to support the 25x'25 Alliance and look forward to working with other states across the nation in achieving energy independence.

Warmest regards,

Phil Bredesen