Remarks to the Southern States Energy Board On Election as Chairman September 10, 2001

Thank you, Governor Hodges and members of the Southern States Energy Board, for electing me to serve as your chairman for the coming year.

I am honored by your confidence in me, and look forward to leading such an outstanding regional organization.

This year has brought energy issues to the attention of our political leaders and the public like never before. As mentioned earlier, the short-term energy shortages in California and other western states focused our attention on an impending energy crisis.

Energy Secretary Spencer Abraham informed the country that we would need to build 65 power plants per year for the next 20 years, or face an eroding of the quality of life that has made our nation so great.

The Bush administration responded with the formation of a National Energy Policy Development Group, and their report was issued in May 2001.

The Southern States Energy Board and the Southern Governors Association have joined in a cooperative endeavor this year to construct our own regional energy strategy, and this meeting has served as a forum in which to conduct a dialogue on those energy issues that are so vital to our future.

Since the Arab oil embargo of 1973, the federal government has proposed at least six plans to implement a National Energy Policy. Despite these efforts, our nation is increasingly depended on imported energy supplies.

We are lacking in the infrastructure necessary to drive our growing technology-based economy with reliable, high-quality, affordable energy supplies.

And, unfortunately, we still remain deficient in technology efficiency improvements that enable the balance of supply and demand. This foreboding and continuing scenario is responsible for our vulnerability to the volatility of energy prices.

Our southern region has not as yet suffered a shortfall in base-load or peaking energy capacity, but we need to learn from the experience of other regions and develop policies that ensure a stable supply, protect the environment and continue a strong economy.

"Energy Policy in the South," the document that is before you, calls for your support in the development of policies and technologies that enable a diversity of domestic energy resources to be utilized throughout the region.

Southern states produce over 50 percent of our nation's coal, over half of our natural gas and oil, and maintain over 40 percent of the country's nuclear capacity.

Our indigenous biomass resources also are considerable and I commend Governor Hodges for his leadership this year in the formation of our Southern States Biobased Alliance.

One of the themes of my administration in Mississippi is "Unprecedented Goals, Unparalleled Progress." I plan to continue this action-oriented philosophy as chairman of the Southern States Energy Board through several initiatives.

Our first priority will be to examine how to implement the cross-cutting programs that are recommended in our "Energy Policy in the South" strategy. Energy infrastructure, expansion of domestic production, conservation, energy efficiency, technology advancement and the balancing of supply and demand will be our key areas of interest.

At the same time, I want to keep the momentum that has been created through the formation of the Southern States Biobased Alliance.

We need to develop policies and strategies that will foster a biobased industry and boost our rural economies in the South.

I will be asking that our Alliance co-chairs, Representative Charlie Sharpe of South Carolina and Environment Secretary Brian Griffin of Oklahoma, take the lead in this endeavor.

If we are to build infrastructure and properly focus on energy security, we must form partnerships that can provide regional advantages.

To achieve this goal, I will convene a
Leadership Summit on Best Practices for
state energy, environment and economic
development policy.

To assist in this effort, I will call on the Board's Electricity Restructuring Task Force, Associate Members, the Committee on Coal and Advanced Power Systems, and other SSEB committees.

In addition, I will look to similar national efforts and how we can enhance those activities at a regional level.

Federal energy legislation, once again, is before the Congress. We will examine the impact of these proposed new laws on the southern states, and I will be calling on the members of this Board if a regional response is needed.

We already know the southern region is inequitably treated in the low-income energy assistance and weatherization programs. We also will be seeking increases in the authorization for State Energy Programs and the Regional Biomass Energy Program.

There are many challenges before us in the coming year, and I look forward to taking them on and turning those challenges into opportunities.

Thank you.