

Assignment for Monday Ap. 22

In Monday's class we will be discussing strategies for overcoming the problems that are making it so difficult for biofuels and bioenergy companies to obtain the funding they need to commercialize their technologies – and undermining prospects for preventing climate change more generally. We will be paying particular attention to the problem that Craig Vaughn, our guest speaker from BP, brought to our attention: how lower oil and gas prices are discouraging investment in biofuels development.

I will ask you to not only discuss policy (and non-policy) solutions to this (and other) problems, but also the strategies that biofuels and bioenergy companies could use to get the policies they need to survive implemented. Can the firms and entrepreneurs in the diverse sectors of this emerging industry mobilize effectively to move public opinion and public policy forward? If so how? Is this something that the industry can handle through voluntary, industry run programs? Or must these efforts be directed toward reforming public policies?

To prepare for this class, please read:

1) On the market and political problems:

Fracking Success Hits Biofuels Investment

<http://world.einnews.com/article/137134529/wdmyKS0MTLjr8qM7>

Chevron Defies California on Carbon Emissions

<http://www.bloomberg.com/news/2013-04-18/chevron-defies-california-on-carbon-emissions.html>

For more on this problem see:

<http://www.biofuelsdigest.com/bdigest/2013/04/19/who-killed-2-18-gasoline/>

Who Killed \$2.18 gasoline?

Biofuels Companies Drop Biomass and Turn to Natural Gas

<http://www.technologyreview.com/news/506561/biofuels-companies-drop-biomass-and-turn-to-natural-gas/>

If you have time, you should also take a look at the articles I've placed on B-space for Class 23 – Moving Markets: Strategies for Biofuels Activism 4/22.

- 2) In the “*Activist Vision for Biofuels*” folder - the Elkington article is most pertinent as it focuses on how industry-stakeholder- public sector partnerships can speed the transition to environmental sustainability. We'll be discussing these sorts of strategies in class.

The other article, by Michael Porter, a Harvard B-School management strategy guru, is much more general, but it is interesting to see how he is starting to wake

up to the need for business leaders to embrace more activist, collaborative roles to promote public welfare.

- 3) Then, if you have more time, take a look at the materials in the “Voluntary Initiative” folder. Start with the SCSGlobalServices link – which will take you to voluntary standards programs that this firm helps biofuels companies get certified in order to brand themselves as certifiably green. Amyris recently achieved certification through the Bonsucro sustainable sugarcane production program. This site also provides information regarding other programs in its portfolio that might be relevant to biofuels companies. The Scarlet Dallemund article is a scholarly overview of a wide variety of certification programs relevant to biofuels that exist worldwide.

What use are these programs?