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VIEWPOINT:

BlueEarth model of sustainable energy, work force relations, farm contracts

By DAIN KANE

There are a few things on which almost all reasonable people can agree. Three of them are: 1) The urgent need to develop an energy policy that isn't held hostage to how the oil industry works. 2) The growing obligation to build a sustainable, productive and viable agricultural base. 3) The critical need to switch from toxic and greenhouse gas-emitting fossil fuels to proven renewable and sustainable energy sources.

That is why the way BlueEarth and Hawaiian Electric Co., parent company of Maui Electric Co., plan to produce biodiesel on Maui holds so much promise. It is good news, not just for these islands but for the nation and for the world in general.

In simple terms, we are creating a radically different paradigm – one that departs from the traditional practices of the oil industry and other biofuel producers. In its place the biodiesel project as conceived by BlueEarth Biofuels is one that operates with open-book cost and pricing, a cap on profit margins, commitment to local agriculture with shared profits and purchase guarantees, a bargaining unit represented work force and a commitment to ensure that this new phase of energy development delivers long-term value to everyone in the community.

Because the biofuels industry has kept its pricing in lock step with petroleum pricing for more than six years throughout the United States, the notion of a different approach that benefits everyone may be hard to really understand or even believe. It is especially hard to understand when there is so much misinformation being bandied around. But it has not been hard for organized labor to understand it. The fact that BlueEarth believes that workers involved in this new industry should be guaranteed safe and clean working conditions, good benefits, secure, well-paying jobs and bargaining unit representation has won the company strong support from several key labor unions in Hawaii – the ILWU, IBEW, MILA and HI Building Trades Council.

The fact that BlueEarth Biofuels and Hawaiian Electric have committed to ensuring that their Maui plant will adhere to groundbreaking new industry sustainability standards makes this a global bar-setting effort. The biodiesel sustainability standards that the project will adhere to have been developed by the nation's top environmental watchdog and policymaking organization, the National Resources Defense Council. This attests to the fact that this is a project that is kind to the environment and respectful of farming traditions, and in particular looks to revive farming in Hawaii by creating a need for local feedstock.

The fact that the clean, safe, ultra efficient, modern facility being built by BlueEarth's experienced engineering and construction team will be the first biodiesel plant in the Pacific to fully meet stringent federal and industry biodiesel fuel manufacturing and quality specifications means that Hawaii will be setting biodiesel quality, manufacturing and product performance standards that are without peer within the Pacific.

The biodiesel plant is scheduled to begin operations on Maui in 2009 on land owned by Maui Electric Company, the biodiesel produced will replace MECO's current petroleum diesel consumption.

The fact that farmers will have the assurance of signed long-term sales contracts before they plant their biocrops, along with an ongoing commitment to buying locally produced feedstock, has received strong support from the agricultural community.

And finally, the fact that a Biofuels Trust Fund is being established means that HECO's net profits earned through the partial equity it holds in the project will be reinvested in Hawaii's agricultural future. These funds will be used to enhance, promote and develop biocrops and local agriculture infrastructure. Farmers understand what this means. It is important that everyone does.

Biodiesel is not the only answer to the energy challenge we face here in Hawaii, but at 20-plus megawatt per acre energy yields, agricultural-based energy is one of the most efficient, effective and community value adding approaches to reducing our dangerous vulnerability to the geopolitics of the Middle East and the voracious profit appetites of the traditional oil companies.

It also allows us to take truly meaningful steps toward reducing Hawaii's greenhouse gas and toxic pollutant emissions while reinvigorating our most treasured and respected of heritages, farming the land.

This is a groundbreaking new model for sustainable energy development within the state and the nation – a model that makes a giant leap toward ultimately freeing Hawaii from our fossil fuel dependence and the greenhouse gas and toxic pollutant legacy that petroleum has produced. We have a real shot here at putting Hawaii in an energy leadership position in the eyes of the world. And that's a fact.

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