2020 ENERGY ISSUES AND POLICY DISCUSSION

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Energy Committee Chairman

CIBO AT THE CROSSROADS

- 2020 has been a singular year in so many respects!
- The historic changes here in CIBO
- The Pandemic
- Political Changes inside the Beltline in 2020
- The continuing increase in importance of Carbon in Manufacturing
- No Longer is it assumed that the US needs Industry
- The argument that it takes energy to make things is losing potency
- Natural Gas, once seen as a clean alternative, and a fuel of choice is likely the next target for environmentalists

DOW IN THE PRESS

- **"Climate change presents a critical challenge to businesses and society. Voluntary, consistent, climate related disclosures are an important step in enabling integration of sustainability in business and better-informed investment decisions."**

    Howard Ungerleider, Dow CFO commenting on Dow's commitment to the recommendations of the Task Force for Climate Related Financial Disclosures.
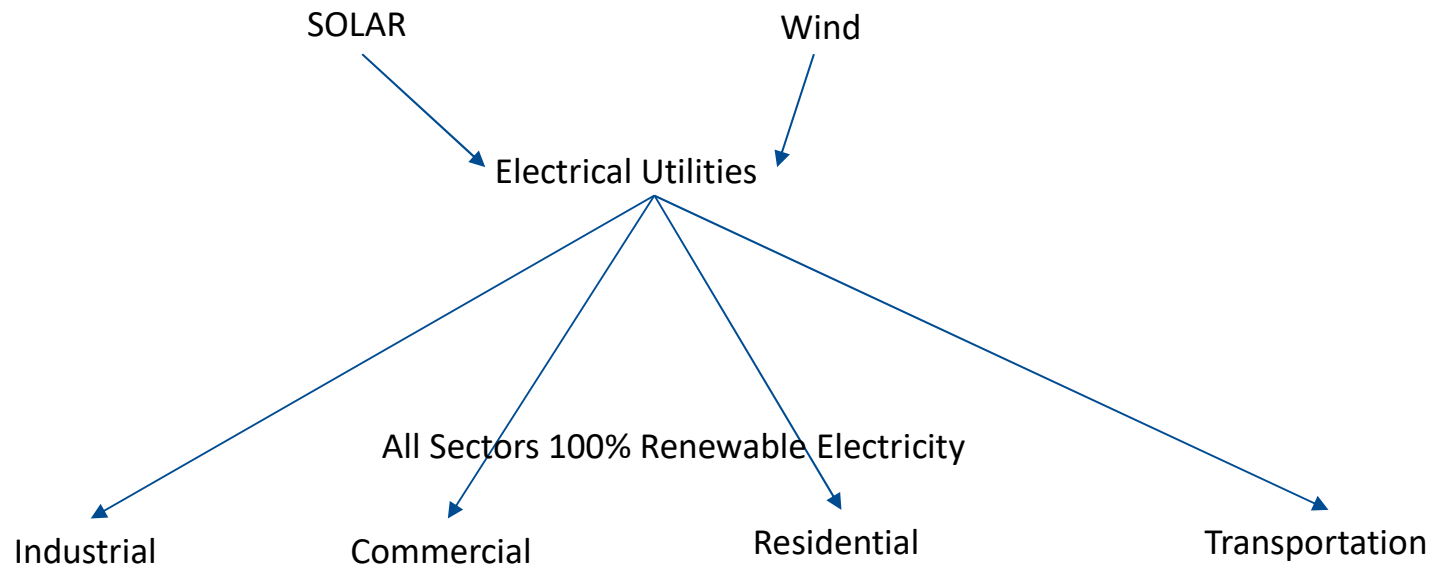
"Dow, the chemical manufacturing giant based in Midland, Michigan, will reduce carbon emissions, make products reusable or recyclable, and increase recycling with the goal of being carbon neutral by 2050."

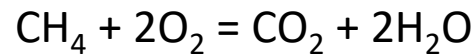An article about Dow's recent Carbon Goals announcement

ENVIRONMENTALIST'S VISION

SOLAR   Wind

                    Electrical Utilities

        All Sectors 100% Renewable Electricity

Industrial   Commercial   Residential   Transportation

So, what's it likely to cost me?

$$CH_4 + 2O_2 = CO_2 + 2H_2O$$

16 ➡ 44

42 Lbs CH4/MMBTU ➡ 115.5 Lbs CO2/MMBTU CH4
OR 0.05238 MT CO2 / MMBTU CH4

So…

$40/MT CO2e adds about $2.50/MMBTU for NG

$200/MT CO2e adds about $12.50/MMBTU for NG

OPPORTUNITY FOR CIBO

To be the voice of Industrial Energy in Washington, D.C.

- This is all going to happen **FAST**.
- Industrial Energy Users **NEED** a voice in DC
- CIBO is well positioned with a good reputation for technically solid, industry wide information.
- We need to make sure CIBO has a seat at the table.
- I believe this means a refocus back on Energy Policy and Technical Issues and less strictly on Environmental Policy.
- We need to educate ourselves on the technical issues at play.
- I believe this is the policy issue that keeps CIBO relevant for another two decades.
- If we miss being a voice on this, I don't know who fills the gap.

DOW

Seek Together™