

TLU-1

1. To the full extent available, require the purchase of all fuel ethanol (or other alcohols) produced from agricultural, forestry, or municipal residues, trees and cellulosic crops, and from energy crops that are not currently used as primary food crops in Florida.

2. Require that fuel ethanol produced in accordance with item 1 be purchased at the full value of the displaced petroleum (wholesale gasoline) on a volume basis.

With Federal tax incentives, this will place the market value of ethanol to around \$1 above wholesale gasoline prices until this is phased out.

As gasoline increases, so will the value of fuel ethanol. This coupling of fair value will provide a tremendous incentive to invest in the production of renewable alternative fuels.

Automotive fuel is sold on a volume basis and it is important that ethanol providers receive full value for the renewable fuel to push economic development.

Let the market sort out the production costs and values of imported gasoline and home grown ethanol fuel.

3. Establish incremental mandates for minimum levels for fuel ethanol use in Florida automotive fuels.

4. Establish a program to replace mid range gasoline pumps with either E85 pumps or pumps which can provide user specified blends of gasoline and ethanol similar to those used for many years in Brazil.

5. Provide the opportunity to lease public lands for the production of nonfood energy crops at favorable rates.

6. Provide the opportunity for public bonds to be used in the financing of the first 200 million gal/year of ethanol production in Florida.

7. Provide favorable land taxation for the production of nonfood energy crops during the first 5 years of production.