

**REMARKS FOR
AJC BOARD OF DIRECTORS MEETING
MARCH 19, 2008**

TOPIC: ENERGY SECURITY FORUM IN SACRAMENTO

Hi everyone. I'm reporting today on the Energy Security Forum we had in Sacramento on March 2nd and 3d.

First of all, I would like to mention Eli Lipmen's extraordinary effort in putting this event together. Without Eli's organizational and managerial skills, this Forum would have not taken place. Our time was packed and very efficiently utilized.

The Energy Security Forum was a joint event between the four California chapters: Los Angeles, San Francisco, Orange County and San Diego. Eli did an incredible job coordinating all four chapters. Not only did he send us great material days before the Forum, so that we could be well prepared, but Eli also put together the keynote speakers, the panels, and the lobbying sessions at the State Capitol. The feedback I have heard from the other chapters, is extremely positive.

First, I will briefly describe the program, and I will continue with a discussion of the results of the Energy Security Forum.

1) Description of the Energy Security Forum.

We had two excellent keynote speakers in Sacramento: Jim Woolsey, former CIA Director, who many of you heard last year at the Annual Meeting in Washington, D.C. and Bob Hertzberg, former speaker of the house of the State of California who now is an entrepreneur in the clean energy businesses.

Jim Woolsey talked about Energy Security. I will briefly summarize what he said, and I hope that I give justice to his extraordinary presentation. One of the most interesting points Jim made, is that unlike the cold war, where the US was up against a dead ideology in communism, we are today up against a live ideology, that of the Muslim fundamentalists, who are not only alive in their ideology, but ironically, are willing to die for it. Jim continued by saying that while we are spending one billion dollars a day on oil, the head Sheik Kabani of the Sufis in the US, says that 80% of the Mosques are controlled by Saudi Arabia. The Saudis furthermore, control about 90% of the Muslim institutions, so Saudi money, or rather, our oil money, is funding just about everything.

That is why we need to get off of our use of oil, Jim continued, as quickly as possible. In order to fulfill this, Jim thinks we should give a big push to Plug-in Hybrids, in addition to modernizing our electric grid, and having incentives for cellulosic ethanol. Speaking of Hybrid Plug-ins, Eli organized for us a demonstration which we will shortly see.

Bob Hertzberg, who was speaker of the house in Sacramento, was also excellent. He gave us a broad perspective of the business and venture capital aspects of energy and also some very useful pointers for our next day lobbying sessions. Bob said that our policy is chaotic, and that the proliferation of energy and environmental bills is contradictory to the development of a comprehensive energy strategy, which our State and our Country need to arrive at. All in all, his presentation had the richness of Bob having been on both the public and the private sides of this issue.

The next day, Monday March 3, was a fully packed day. Eli put together two panels which informed us on the current thinking about energy and the environment in California. Both panels were composed of experts at the State level, for example, the Executive Director of the California Transportation Commission, and the Vice chair of the California Energy Commission.

After lunch, we had break-out training sessions by chapter, in preparation for the meetings at the State Capitol with legislators. The impact that AJC had that afternoon was enormous. We met with 21 out of the 120 legislators in the State Capitol or 17% of the legislature.

2) Results of the Energy Security Forum.

Now, I will discuss the results of the Forum. The Sacramento Energy Forum had strategic results for Energy Security, for our chapter, and for AJC throughout California. These are the results:

- 1) The Forum established an AJC presence at the State Level**
- 2) It helped forge unity among the four California chapters in a relevant program for all of them, which opened the door for further work together.**
- 3) And finally, it set a blueprint for future legislative trips to Sacramento to deal in areas other than Energy Security**

Several months ago, Eli and I concluded that one of the primary objectives of the Energy Security task force for this year was to get closer to the State Government and to add its legislators to our list of local legislators and officials. In addition, in his remarks in Sacramento, Eli said that since the first days when he joined AJC he was interested in setting up a program in Sacramento. I consider this objective to have been fulfilled, leaving us now with a great deal of follow up work, and plans for the next year. The question these results leave me with and which I want to pose to you is: what future path does the LA Chapter want to follow in Energy Security? I would love to hear feedback from any of you present here, or any other members of our chapter that you may think have interesting ideas.

In summary, the Energy Forum in Sacramento, on March 2nd and 3d was eventful and impactful. I am truly looking forward with great excitement to this coming year of Energy Security events.