

America's Needs: New Energy Policy Doesn't Go Far Enough RICHARD HIRSH TIMES-DISPATCH GUEST COLUMNIST Friday, September 2, 2005

Blacksburg. Congress has passed new energy legislation, and President Bush has signed it into law. As expected, the Energy Policy Act seeks largely to increase the supply of fossil and nuclear fuels. The law puts less emphasis on energy efficiency and renewable energy technologies -- de- spite excellent evidence suggesting their value.

Americans sometimes forget that our current energy problems are nothing new: During the 1970s, a set of crises caused skyrocketing energy prices and a worldwide recession. To mitigate the calamity, President Carter proposed comprehensive energy legislation that included higher gasoline taxes as a way to reduce demand for oil.

Congress quickly killed that tax proposal along with other aggressive measures. Many people viewed energy shortages as a conspiracy by multinational companies that profited from the crises. They also hoped that new sources of oil from Alaska and elsewhere would enable Americans to resume their wasteful patterns of consumption.

Despite failing to implement much of his policy, Carter correctly argued that energy efficiency constituted the best approach for reducing dependence on insecure fuel supplies. Partly due to higher energy costs -- but also because of government mandates for more efficient equipment -- Americans became more miserly with some types of energy. Even today's least efficient refrigerator, for example, uses about one-third the electricity of a typical 1970s unit and without compromising performance. Other appliances and industrial equipment show similar improvement. Consequently, the U.S. economy today produces one dollar of gross domestic product with about half the energy needed in 1970.

THIS EXPERIENCE demonstrates that people can obtain desired services (such as cooling, heating, lighting, and mechanical motion) with lower energy expenditures. Energy efficiency is not synonymous with sacrifice. A real and tested option, it should always be the first choice in energy policy.

The new energy law offers incentives for increasing efficiency, but significantly, it does not mandate improved automobile gasoline mileage, even though the transportation sector uses more oil than any other. Vehicles today obtain about the same mileage as they did in 1980, a fact that contributes to high demand and expensive prices at the pump.

Of course, energy efficiency alone may not eliminate the need for new power supplies. The new energy law provides some enticements for renewable energy technologies, which can help meet new demand.

But Congress did not go far enough. In their final deliberations, lawmakers nixed the renewable portfolio standard (RPS) -- a requirement that a certain amount of power comes from environmentally friendlier technologies. Nothing new; 18 states (and the District of Columbia) have already passed laws establishing the RPS. The states include Texas, where former Governor George Bush signed the standard into law. Because of its wind resources and the cost competitiveness of wind turbines, Texas is ahead of schedule for meeting the

requirement. In contrast, Virginia has no RPS.

The debates over a proposed 39-megawatt wind-turbine project in Highland County illustrate that renewables have drawbacks. They can appear unsightly and can damage ecosystems by destroying habitats and by killing flying wildlife. But before condemning wind turbines and other renewable energy technologies, one must balance the costs and consequences of alternatives, such as fossil-fuel-burning and nuclear power plants. All energy supply systems have downsides. (These downsides, by the way, make energy efficiency more attractive.)

OPPONENTS OF renewable energy technologies sometimes argue that the small power output isn't worth the environmental and aesthetic damage. But the limited generation offers advantages. Traditional generators produce up to 1,300 megawatts each. If one of these huge units goes down or if the transmission network connected to them fails (by accident or because of terrorist actions), much of the grid can collapse. The August, 2003, blackout in the Northeast and Midwest reminds us that the electricity grid remains fragile.

But small, decentralized, "distributed generators" can minimize the effects of blackouts caused by accidental or deliberate malfunctions. If configured properly, the seemingly minuscule amount of power from the Highland County project could meet peak demands of between 10,000 and 25,000 average American homes, even when other customers languish in darkness.

We should not become complacent now that we have a new energy law. While providing some incentives for long-term production of traditional energy supplies, the legislation does less to stimulate work on efficiency and renewable power technologies. These technologies offer the most attractive ways to overcome our nation's energy woes, and they need to be more fully addressed by federal and state legislators.

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