

# A Bigger, "Renewable" Boondoggle

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Published 12-10-04

<http://techcentralstation.com/121004G.html>

In Washington, sometimes all you need to do to find out lobbyists' latest schemes to bilk the unwary taxpayer is attend a public meeting. What brings this to mind is *Greenwire* reporter Ben Geman's December 7 story recounting a recent Capitol Hill conference for journalists and congressional staff, sponsored by the American Council on Renewable Energy (ACORE).

Geman's straight, just-the-facts-M'am reporting, by letting the lobbyists speak for themselves, quickly makes one thing apparent: The renewable-energy lobby is just another oinker with its snout in the trough -- a special interest group slaving after corporate welfare subsidies, special tax breaks, and market rigging rules.

Geman begins by observing that, "Renewable energy advocates are launching a major effort to steer federal and state policies towards far greater utilization of renewable technologies, arguing that decades of research and development have generated mature technologies poised for wider adoption." Now, wait a minute. If those technologies are "mature" and "poised for wider adoption" -- wind turbines, after all, have been around for centuries -- then why is government intervention needed to ensure their "utilization"? If renewable energy technologies cannot succeed on their own despite "decades of research and development," why should we taxpayers be compelled to keep subsidizing them?

According to an ACORE paper distributed prior to the conference, "It is time to declare an interim success on the 30-year, \$14 billion investment in renewable energy technologies, and chart a new course for widespread utilization ('Phase II') of renewable energy in America." But hold on again. When environmentalists enthuse about "renewable energy technologies," they refer chiefly to wind and solar power and biomass fuels, which together supply only 3 percent of all the electricity Americans use -- with wind and solar providing less than two-tenths of one percent. If that is all 30 years and \$14 billion have accomplished, then isn't it time declare failure and abolish coerced taxpayer support for such techno-underachievers?

Not according to the renewable energy industry luminaries Geman cites.

Steve Zwolinski, president of GE Wind Energy, laments that U.S. policy lags behind that of Europe in growing the renewable energy sector: "U.S. policy is not conducive to developing the industry." Yes, and a good thing, too! In America, it is the job of industry to develop itself, not the job of government. What Zwolinski really wants is a government-guaranteed market share for wind-generated electricity, regardless of performance, cost, or efficiency. That may be the European way; it is not the American way.

ACORE President Michael Eckhart advocates federal funding for state renewable energy programs and repeal of the sunset

provisions in the current crop of renewable energy tax breaks: "We want renewable energy to be in the tax code." What a noble agenda for the environmental movement! Hide the cost of uneconomic wind farms from local ratepayers (the inevitable effect of federal funding), and, at the same time, further convolute a federal tax code already overloaded with special-interest preferences and loopholes.

Jack Robinson, president of Winslow Management Company, a firm that specializes in "green" investing, said renewable energy has strong "grassroots" appeal, citing Colorado's recent ballot initiative establishing a renewable portfolio standard (RPS) -- a law requiring the state's utilities to obtain 10 percent of their electricity from renewable sources by 2015. Robinson opined that "if the federal government got on the bandwagon" by, for example, enacting longer-term renewable energy tax credits, then more states would adopt RPS programs. Of course, more RPS programs would mean more business for "green" firms manufacturing renewable energy technologies, more investment opportunities for Robinson's clients, and, thus, more commissions for Winslow Management Company. Sweet!

Ken Bossong of the Sustainable Energy Coalition, apparently unsatisfied with just federal fiscal support, advocates a "federal renewable portfolio standard" to "spur greater commercialization" of renewable energy. History suggests, however, that even a federal RPS would fail to commercialize these politically correct technologies. As MIT's Thomas Lee, Ben Ball, Jr., and Richard Tabors caution in their book, *Energy Aftermath: How We Can Learn From the Blunders of the Past to Create a Hopeful Energy Future* (p. 167):

"The experience of the 1970s and 1980s taught us that *if a technology is commercially viable, then government support is not needed and if a technology is not commercially viable, no amount of government support will make it so.*" [emphasis added]

Absent special political privileges -- federal research and development subsidies, tax breaks, and state RPS programs - - today's renewable-energy industry, or most of it, would not even exist. Three decades and \$14 billion in direct federal support and untold billions in state taxpayer and ratepayer subsidies have failed to make "green" energy economically self-sustaining. Enough is enough. Congress should terminate, not expand, its patronage of this boondoggle.

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