

The Daily TITAN

Professor goes in depth on renewable energy

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Robert J. Michaels, Cal State Fullerton professor of economics, was appointed to testify at the U.S. House of Representatives Committee on [Natural Resources](#) Sept. 22. In addition to being a professor at CSUF, Michaels is an independent consultant, senior fellow at the Institute for Energy and Research and an adjunct scholar at the Cato Institute.

He has worked in Texas, Washington, Oregon, Mississippi, Vermont and California for various companies in the [energy](#) and power field, including environmental organizations, producers of power, utility companies and large power/gas users. Michaels has testified before the House of Representatives four times.

With more than 20 years of research experience on regulation and the emergence of markets in the electricity and gas industries, Michaels shares his thoughts on energy and power.

Q: What was the main idea of your testimony?

A: The actual occasion for it was that it wants to deauthorize the ... \$3.5 billion of bonding authority from a federal agency. My testimony is about, first off, what [renewable energies](#) actual are, what they do, why they are unnecessarily costly. Then from there we go on to the second topic, on the sizes of subsidy that are (received) by the different sources of power. Then we have the question, 'Well, do they give green jobs, and the green jobs are complete scam?' They are responsible for negligible amounts of employment. Most of it's in construction, it's short-lived jobs. In other words, there aren't people around who operate the plants. There are very few people who do that. Renewable jobs are a complete bust in every way.

Q: What did you do while you were testifying for the U.S. House of Representatives Committee?

A: I have a long history of working in these areas ... I work in a variety of areas involving (power and energy). Above and beyond what I teach and do research, I also work as a consultant for people who are tied up in regulatory processes, other dockets that have renewable energy, that are about renewable power. Most precisely, renewable power, it's a code word for wind now. That's the only kind of renewable power that is making any headway at all. It lives on subsidies that I don't think are justifiable.

Q: Do you see any progress coming in response to your testimony?

A: I think there should be a drastic reduction in subsidy any tax breaks for producers of renewable energy—to the extent that it gets noticed.

Q: Why does this topic matter to the students or to you?

A: It's folded into everybody's light bills, first of all. The amount that is getting folded into your light bills is starting to become very substantial. There's absolutely no reason to have it except there's a legal requirement that the state put into effect that says you are supposed to have it. There's no good economic reason for it anymore, there's no good environmental reasons for it anymore. It's basically just special interest legislation.

Q: Do you have any future projects you are working on (with energy, electricity and gas)?

A: I have zillions. There's my personal research, which is the academic side of me. I always work on that. My peer review journal. I've got all the academic stuff.

Q: Do you think using natural energy is something people should start considering?

A: No, it's a technology. No, there's absolutely no reason I could think of for it. First off, it's not even clean. Remember that wind requires that you have all sorts of conventional power plants that burn fuel and emit pollutants; they have to be operating. A power system is an incredibly clever, fragile and complex thing and essentially, if the amount of power people want doesn't instantly match the amount of power that is being produced, you'll have an episode like you had in San Diego a couple of weeks ago. Basically you've got about a quarter of a second, you have no time to speak. That's why it's all computer controlled. But that means you've got to have generators that are running to make up instantly for the loss of wind that can happen at any time. (With) solar you've got the same problem. (If there is) a cloud passing between the sun and the collector, useful power (will drop) by ... 50 percent.

Q: Do you teach courses here on campus?

A: Yeah, I teach economics classes. I teach the intermediate classes in what's called managerial economics. It's industrial analysis for the business majors and for MBA students. I am also author of my book (Transactions and Strategies Economics for

Management) that came out last year. It's published by Cengage, the second biggest publisher in the country.

Q: Do you think the future of energy and power is moving toward using wind?

A: No, it's dying. It would be dying were it not for the fact that the industry gets all sorts of subsidies and tax breaks. It gets far heavier subsidies than any other energy sources ... You're talking about nothing but incredibly expensive technologies that produce low-quality power.

Q: What would you suggest for energy and power?

A: I think it's very simple. The most incredible thing has happened over the last several years. Everybody is talking about running out of everything ... Oil is going to become less and less important for a variety of reasons. You are moving from an oil economy to a natural gas economy and the U.S. has basically centuries worth of accessible, clean, natural gas resources that we now know how to get at. We didn't know how to do it until a few years ago. The future is basically still going to be fossil fuels and that's a matter of fact