

Writing on the wall when comes to renewables

By: Joseph P. Smith – May 31, 2013

It is becoming apparent that a major switch to “renewable energy” is not one that will happen quickly, if ever.

If you want to look at what the future holds for renewables in the United States you need only to look as far as the European Union. We can save a great deal of time and money by looking to the east.

The Euro-zone is experiencing its longest economic slump since World War II with no recovery in sight.

A recent article in the Wall Street Journal by Marcus Walker in Berlin and Brian Blackstone in Frankfurt, Germany said that, “The 17-nation Euro-zone, which accounts for 17 percent of world GDP, remains the weakest link in the global economy.

Another WSJ article, “Europe’s Sinking Feeling” discloses that:

- > Euro-zone unemployment stands at 12.1 percent, a record high
- > Italy’s economy shrank for the seventh quarter in a row
- > France is in recession
- > The Euro currency bloc as a whole shrank for the sixth straight quarter
- > The Euro-zone is expected to shrink overall in 2013
- > If borrowing money for the government to spend on “growth” worked, Europe wouldn’t be in this mess

In “Europe’s Manufacturers Feel Squeezed” Stephen Fidler writes, “continents efforts to curb carbon emissions are viewed as further hampering the competitiveness of EU companies and have led to unintended consequences. Higher energy prices are encouraging the closure in Europe of energy-intensive plants, while importing from less energy-efficient manufacturers. This process, known as carbon leakage, may increase overall global carbon emissions since more efficient plants in Europe are closed in favor of less efficient plants outside.”

The high cost of energy is becoming increasingly important in the European Union. Energy prices have “increased 27 percent between 2005 and early 2012.” The lower cost of coal has increased its consumption, rather than other lower-carbon alternatives.

T. Boone Pickens, American business magnate and financier, made the following statements during an interview on MSNBC. “I’ve lost my ass in wind power.” When asked if there were “green jobs” in America, Pickens answered, “Sure if you go out and subsidize them some of these things develop them — yeah, you get jobs out of them.”

In March of 2013 Bob Dudley, CEO of BP, said, “we have thrown in the towel on the solar industry for good.” BP had been involved in the solar industry for 40 years.

A vice president of the research firm NPD Solarbuzz made the comment, “the business now is all about efficient production and low prices, something more suited to the Asian Companies taking a lead role in the solar panel business.

President of Solar Energy Industries Association, Rhone Resch, said, “for the solar industry it’s going to take a few decades before we make a significant dent.”

In an article by Robert L. Bradley Jr. titled “Renewable Energy: Not Cheap, Not ‘Green’” he states, “Even improved new generation renewable capacity is, on average, twice as expensive as new capacity from the most economical fossil-fuel alternative and triple the cost of surplus electricity.

Mr. Bradley goes on to say, “Current state and federal efforts to restructure the electricity industry are being politicized to foist a new round of involuntary commitments on ratepayers and taxpayers for politically forward renewables.

Robert L. Bradley Jr. is president of the Institute for Energy Research in Houston, Texas, the author of the two-volume Oil, Gas, and Government: the U.S. Experience, and an adjunct scholar of the Cato Institute.

For those who are not too blind to see, the writing is on the wall. More to come...

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