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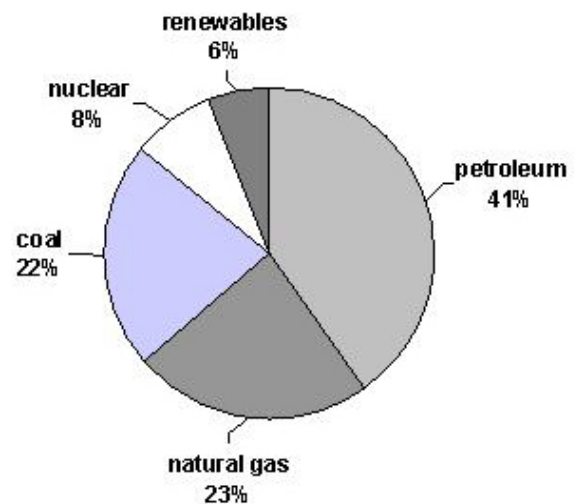
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Renewable Energy – A Better Option

By Michael Noble, Executive Director of Minnesotans for an Energy Efficient Economy (ME3)

American innovation and Midwestern resources can meet tomorrow's electricity needs—at a lower cost

Energy issues have become increasingly prominent at both state and national levels. Reliability and national security, affordability and economic prosperity, and public health and global warming are on the radar of politicians as well as your neighbors. The disruption of oil and natural gas supplies by hurricanes Katrina and Rita are causing real pain in the pocketbook, but long-term higher costs can be tempered by big increases in renewable energy and efficiency. Right now, America's lawmakers and regulators are deciding how the country's energy will be produced in the 21st century. Over 90 percent of the energy used in the United States currently comes from petroleum, natural gas, coal, and nuclear energy. Will America continue to rely on the leftover, out-of-date technologies of the past that leave us exposed to ever-rising costs?



Petroleum, natural gas, coal, and nuclear power are the source of over 90 percent of the energy used in the United States.

Source: Energy Information Administration, 2005

Minnesota communities are growing—there's a need for new power. Inevitably, Minnesota and all of America will rely more on electricity as we decrease our reliance on natural gas and oil—both are volatile in price and can easily be disrupted by political

events and natural disasters. Expect your next car (or the one after that, if the auto industry continues to drag its feet) to be a hybrid different than those currently available. By the time she gets her drivers license, a daughter born today will drive a hybrid that she'll plug in to recharge. It will be fueled by ethanol and electricity instead of ethanol and gasoline.

We must meet our growing electricity needs without increasing the fossil-fuel pollution that drives global warming. It's now clear that building old-fashioned, plain-vanilla coal plants will be financially risky. Experts differ on whether nuclear power will experience a resurgence and on how soon we'll see a coal plant that doesn't produce global warming pollution. But while those options are explored, we must expand cost-effective, pollution-free electricity technologies as quickly as we can.

Today, renewable energies like wind power are the only cost-effective, market-ready, proven ways to produce electricity without global warming pollution. Solar energy is broadly embraced by the public and would see a more aggressive price decline with strong policy support.

Wind power is truly clean and efficient. You already know that it's a great midwestern resource: the state has already installed about half a billion dollars' worth. You may not know the numbers, but they won't surprise you:

In Germany, the wind energy industry has created nearly 40 thousand jobs—good jobs in manufacturing and technology (here in Minnesota, we have five times more wind energy potential than Germany). The legislature in Texas recently raised the state's renewable energy requirement by 5,000 megawatts of new wind, a \$5 billion economic opportunity. Wind power is growing at a rate of 20-30 percent every year. Although Minnesota is fourth in the nation, we are falling behind rapidly. Five years ago we were number two; six states installed more wind power than we have since 2003.

When you hear that we can't rely more on wind because it doesn't blow all the time, tell 'em you know that's not true. The answer lies in the electric grid itself—it is a big, multi-state system that can already easily handle fluctuations in wind energy with no loss in reliability. The General Electric Company, who ought to know, testified in Minnesota's legislature this year that “wind power is now a good citizen of the electric grid.” In fact, a 2004 Xcel Energy study found that blending over 1,500 megawatts of wind power did not hurt reliability, nor did the small extra cost hurt wind power's cost-effective economics. Great River Energy's new CEO says that he can add 500 megawatts of wind power to the co-op mix (that's a \$700 million investment!) and “reduce our overall power supply cost.” This fall, the Minnesota Department of Commerce urged Xcel to add 2,800 megawatts of wind power (that's more than \$3-4 billion!) to—get this—keep rates **down**, because fossil fuel prices are unpredictable and rising fast.

One leading idea in southwest Minnesota—an idea being watched closely all over America—is a collaboration among utilities, wind developers, and local ownership

groups to build turbine projects that are at least partly locally owned. This movement for “community-based energy development” is gaining real momentum.

It’s time to let American innovation chart the course for a new energy economy. Combining the country’s technological know-how with abundant Midwestern wind and bio-energy resources can create new energy systems, bringing new industry, jobs, and economic opportunities. The United States must have new energy for the new century, and the Midwest has what it takes to lead the way.

This monthly column is brought to you by the Southwest Minnesota Foundation as part of its initiative to advance renewable energy as an economic asset in southwest Minnesota by branding and promoting the region as The Renewable Energy Marketplace™. For more information on the Renewable Energy Marketplace™, log onto www.renewableenergymarketplace.org and for more information on the Southwest Minnesota Foundation, log onto www.swmnfoundation.org.

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