

Chu: Energy Standard Would Broaden Market

Susan Montoya Bryan, Associated Press

ALBUQUERQUE, N.M. (AP) — Energy Secretary Steven Chu said Thursday that the creation of a federal clean energy standard would serve as a big step toward creating a nationwide market that would spur more innovation in renewable energy technology.

Many states already require a certain percentage of a utility's electricity to come from solar, wind and other renewable resources, but Chu said the nationalizing of those efforts could pay off with hundreds of millions of dollars more in investments by private companies.

"In the end, it's about what is going to drive the private investment forward," Chu said. "With a clean energy standard, you actually don't need much more than that."

Chu toured the National Solar Thermal Test Facility at Sandia National Laboratories on Thursday before hosting a town hall with students at the University of New Mexico. His visit comes on the heels of President Barack Obama's State of the Union address, in which he touted the potential for more domestic energy production, from natural gas development to solar and wind.

New Mexico Republicans said it was shameful that the Obama administration would send the secretary on a "taxpayer-funded campaign stop" to plug the president's energy message.

Monty Newman, chairman of the Republican Party of New Mexico, said the administration's efforts to develop renewable energy are questionable. He pointed to Solyndra, the California solar panel manufacturer that received a half-billion dollar loan from the federal government before declaring bankruptcy.

During his visit to Sandia, Chu said the key is encouraging private investment in proven clean energy technologies rather than relying on a "big government program."

"There's a huge chunk of capital out there in pension funds, in university endowments, in you and I as individual investors who would love this," he said of the potential for a high return on low-risk investments. "A little tweak in the tax code would allow these things to occur."

Having a federal clean energy standard, Chu said would start the ball rolling by creating a market for companies that manufacture products that would help utilities and developers build solar and wind farms to meet the mandates.

"That means they would have customers, and that's the thing that keeps a lot of this innovation going," he said.

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There are about two dozen states that have renewable energy standards and another handful that have established nonbinding goals for adopting more renewable energy. In New Mexico, the standard calls for 15 percent of electricity to come from renewable sources by 2015.

The Obama administration has said it wants to double the share of electricity from clean energy sources by 2035.

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