Columbia Energy Conference

I was up at Columbia University Thursday for the *Spring 2014 Energy Policy Conference* convened by the Center on Global Energy Policy. The very interesting line up of experts included the head of Statoil, Helge Lund; the former head of Duke Energy (the nation's largest electric power utility), Jim Rogers; and superstar energy analyst and author, Dan Yergin, among a number of other worthies. I came to hear John Podesta, Counselor to President Obama, and the White House point man on climate and energy.

I came for Podesta primarily because I wanted to hear firsthand the fire and resolve that the White House is building on climate, renewables, efficiency and transportation. I was not disappointed.

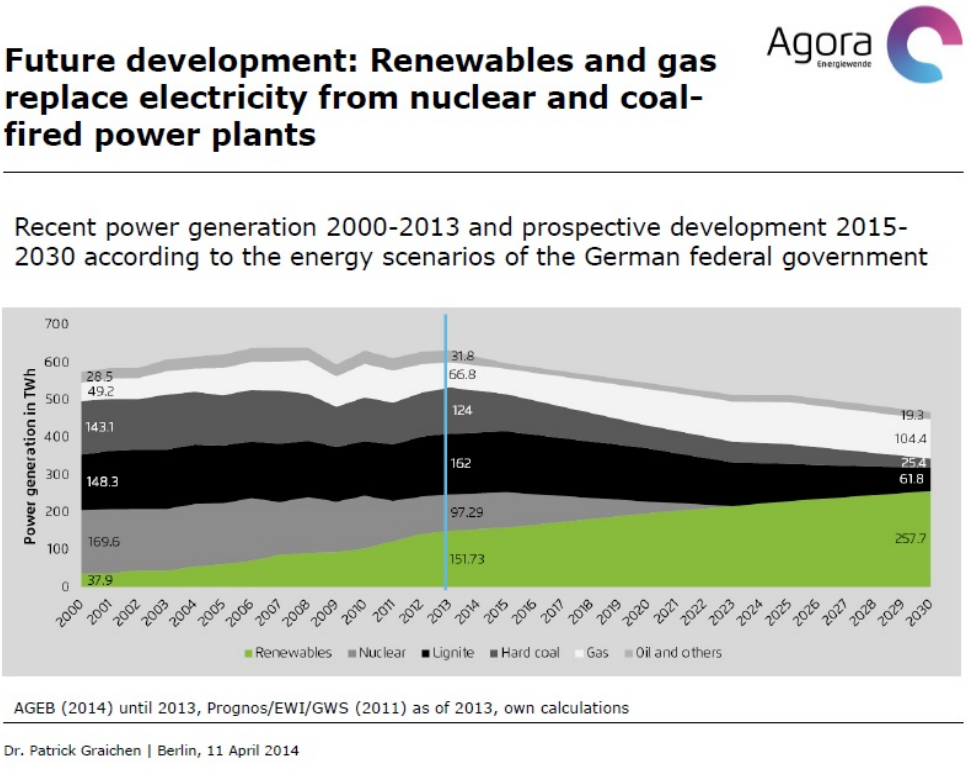
Prior to Podesta's address and subsequent discussion with Center director Jason Bordoff, there was rather more fawning over oil, gas and nuclear than is my wont to hear. The Statoil chief touted his company's activities in North Dakota's oil fields in recovering natural gas that would otherwise be flared, and in working to capture the fugitive methane in oil and gas operations and transportation. He talked about being "carbon efficient" meaning, primarily, replacing gas for coal in power production. All good things. He also showed a stunning indifference to the negative environmental implications of drilling in the Arctic and in the Canadian tar sands. In a conversation with Yergin, he stressed the importance of "unconventional" hydrocarbon resources. This means, by and large, fracked out of the ground, as you do to extract shale oil and gas, or scraped out, as with the tar sands. Lund said that the risks are increasing in oil and gas extraction and that they needed a 10% return on investment in order to stay above water. That's getting harder to do. (Yeah!)

David Sandalow, the Inaugural Fellow for the Center on Global Energy Policy, sat down with Jim Rogers for some interesting Q & A. Rogers has moved on from his old day job running one of the biggest power companies in the world to both be a Wise Old Man commenting on the sector and to promoting the growth of electricity access where it lacks. In the first role, he identified the efficacy of microgrids as a model for our energy future, one important reason being that they increase the security of our power. He sees the brave new world of power as being *technology driven*. (This is entirely in accord with the wisdom of the late Hermann Scheer

.) He sees the role of utilities in the future as "optimizers," making millions of decisions daily on the grid with increased distributed generation, storage, demand response, and the like. (I do think that Rogers's view of Google's acquisition of Nest as being driven by a desire to sell ads based on home energy use data is more-than-a-little cynical.) His take on the new, blockbuster National Climate Assessment that hit this week is that it will serve to educate more Americans to the clear and present dangers we're facing and thus will help drive the politics in the right direction. (I don't know if he's right, but it's a lovely thought. More from me soon on the NCA.) The other new hat that Rogers is wearing is to help alleviate energy poverty. He's got projects going in Africa and he's writing a book. Laudable!

But Rogers has the increasingly irrelevant Big Power view on nuclear. First of all, he and others love to say nuclear is carbon-free. Nope. Sorry. Not even close. Put on your life-cycle analysis lenses, Mr. Rogers. See this excellent, seminal paper from Benjamin Sovacool. Then there's some of the myths that have been arising around the renewable energy transition in Germany: Rogers intimated that there's not enough power for German industry as a result of the closing out of nuclear power. Piffle.

Also, the Germans are in a carbon death spiral as a result of the transition, we're told - and by people who should know better. There's *something* of an argument to be made for the fact that emissions have been going up, but here's more of the picture: Renewables have more than made up for the phasing out of nuclear so far, but the rise in coal's use - temporary as it is - is attributable to less gas in the power mix, and an insufficient amount of attention, as of now, to transitioning to clean, renewable resources in the heating and transportation sectors. See this analysis from the leading German think tank on the transition. Note where they're headed by 2030.



I'll get to Podesta and where the US is headed in our "energy transition" in the next post. Stay tuned.