

Remarks submitted by William Ball

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2007 SEP 10 P 1:13

As a young man, I was not much of a history buff, however the older one gets, the more history one experiences first hand. I was just out of college when the OPEC oil embargo was thrust upon the US in 1973. We were in the throws of a true energy crisis and forced to evaluate our options. President Carter started the country down what was called the "soft path" of developing our renewable energy resources, as opposed to what was referred to as the "hard path" of more aggressive use of fossil fuels. We had barely begun our journey when the embargo was lifted and the new President, Ronald Reagan, removed the solar panels installed on the White House by Carter.

A study of our "soft path" vs "hard path" options was commissioned by Carter, however, because he was not re-elected, the study had to be completed by the Solar Energy Research Institute and was published by Brick House under the title of "A New Prosperity". Some of the best minds in the country, including people from Lawrence Berkeley Laboratory, the Environmental Protection Agency, the Department of Energy, the Carnegie Mellon Institute, Princeton University and others collaborated to produce the study. The conclusions were based on our renewable technologies that existed at the time, with assumptions regarding potential improvements that, for the most, have come to pass. So, what were some of the conclusions reached by this study published in 1981?

With regard to oil, "...the United States could achieve independence from imported oil by the year 2000 by promoting energy efficiencies and renewable energy alone, and do so far quicker, cheaper and cleaner than any other means of oil displacement." And what is today's reality? We have gone from importing 30% of our oil to 60% and instead of investing in our transportation efficiency, we have invested some 50 Billion dollars a year in protecting the Persian Gulf. That is, 50 Billion a year up until 2003, at which time we raised the stakes.

With regard to electricity the study concluded that the demand for electricity during the next two decades (the 80's and 90's) could actually decrease if programs designed to encourage cost-effective energy efficiency and the use of solar equipment proved to be successful. This, at the same time the nations ability to supply electricity would increase even if no new plants were brought on line after 1985. And what is today's reality? We are facing the need for hundreds of new power plants.

The longest journey begins with the first step and while the numbers have changed, the conclusions remain the same. If anything, the reasons for undertaking the development of our renewable energy resources and improving our efficiencies both in energy and transportation have become much more pressing.

Now we witness the history of approving another coal fired power plant in Arkansas. The supporters point out the need for more capacity and note the economic benefits. They speak of elusive clean technology, the so-called "new coal" and of carbon sequestration and other breakthroughs that will prove the decision to build a new plant to be the right move. When the costs are calculated, they avoid the costs of health impacts, adding more carbon to the air, increased corrosion and negative agricultural impacts. They prefer to deal with other logistical concerns such as transmission infrastructure at a later date. Is it already later than we think?

Imagine if the "system" allowed SWEPCO to invest the costs of a new plant into increasing the efficiency of homes and businesses. There would be far more than 110 jobs created for the region. Jobs adding insulation to attics, sealing leaky duct work, replacing old inefficient heating and cooling equipment, and numerous others would keep unemployment low for decades. At the same time the demand for electricity would slowly be reduced. Additional jobs installing clean renewable energy technologies such as solar water heating, solar electric, wind energy and biomass would begin to decrease the demand from fossil fuel sources to levels below today's requirements. Imagine, if for such an investment, SWEPCO could make a return on kWh they did not have to produce from coal.

As we evaluate our energy options, let us not forget that those promoting nuclear power as a carbon-free alternative are waiting for the opportunity to build the next nuclear power plant. There are several solid reasons that no nuclear plants have been built in the US over the last decades. One, economically they do not make sense. Today, solar electricity has a better return on investment than nuclear power. We don't perceive this truth however because nuclear power is heavily subsidized and costs are spread over the rate base and over a long period of time. While some decommissioning costs are included in the cost of nuclear power, the cost of indenturing future generations for a minimum of 10,000 years of stewardship over the waste is not. As individuals, we get to use that power this month and pay for it next month. On the other hand, if you want to use solar electric power you must purchase, up front, the electricity the system will produce over the next several decades. It is like buying a vehicle and paying for the fuel it will use over its' life at the time of purchase.

The prospect of most of our energy coming from renewable energy is not an unattainable goal. It is, however, a goal we will not attain if we do not choose to do so. I and others are choosing and there are several solar homes in Arkansas that produce most of the energy they need. A new solar sub-division in Little Rock is set to begin building more homes that will do the same. Maybe it is too late to meet the immediate need for SWEPCO's coal plant with energy efficiency and renewable energy. If the plant is permitted, we should view it as a failure to meet our needs with the cheapest, cleanest energy alternatives that are ready now. One thing that history has taught me, if you keep making the same choices, the results will never change.

William Ball is chairman of the Arkansas Renewable Energy Association and owner of Stellar Sun, a renewable energy company in Little Rock. Mr. Ball has intervened in a number of Dockets at the PSC representing renewable energy. He was the author of the Arkansas Renewable Energy Development Act of 2001, an Act that created net-metering in Arkansas. Net-metering allows an owner of a renewable energy system can put excess energy back onto the utility grid for credit.