

With Billions at Stake, Trying to Expand the Meaning of 'Renewable Energy'

By FELICITY BARRINGER *The New York Times* May 24, 2009

The definition of renewable energy seems clear cut: The sun continues to shine, so solar energy is renewable. The wind continues to blow, so wind turbines churn out renewable power. But industries are now pushing to have a growing number of other technologies categorized as renewable — or at least as environmentally advantageous. They include nuclear power plants and the burning of garbage and even the waste from coal mines.

The lure of the renewable label is understandable. Federal tax breaks for renewable energy have been reauthorized, and quotas for renewable energy production have been set in 28 states, accompanied by extensive new grants, loans and other economic advantages. And legislation is moving through both houses of Congress to establish national quotas for renewable energy sources, including the climate bill passed by the House Energy and Commerce Committee on Thursday.

With billions of dollars at stake, legislators have been besieged by lobbyists eager to share in the wealth. "They've been queuing up outside staff offices, everyone with all their ideas as to what should be included," said Bill Wicker, the spokesman for the Democratic majority on the Senate energy committee, which is considering a national quota.

In some states, the definition of "renewable" or "alternative" has already expanded. In Pennsylvania, waste coal and methane from coal mines receive the same treatment as solar panels and wind turbines. In Nevada, old tires can count as a renewable fuel, provided microwaves are used to break down their chemical structure.

About half of the 28 states with renewable mandates include electricity generated by burning garbage (the District of Columbia also has a quota for renewable energy). In Florida, the nuclear power industry is lobbying to be included but has not yet succeeded.

Government incentives for renewable energy were intended to give an economic boost to technologies like wind and solar power that were not yet economically competitive with coal and natural gas, which together provide more than two-thirds of the country's electricity.

The benefits that go with the designation include renewable energy credits, which promise to be a valuable commodity if a national renewable energy standard becomes law and utilities with high levels of renewable sources can sell credits to those with less.

If a source of electricity already widely used by some utilities —

hydropower or nuclear power, for example — is deemed renewable, it allows utilities to meet the new renewable-energy requirements while doing little to add wind or solar power to the electrical grid. House Republicans tried unsuccessfully last week to have nuclear energy included under the climate bill passed by the House committee. Environmental groups like the Union of Concerned Scientists, Environment America and the Natural Resources Defense Council say they are frustrated by the increasing elasticity of the word “renewable” in legislators’ hands.

“Usually this is a very political process, and not driven in any way, shape or form by any strict scientific or ecological definition of renewables,” said Nathanael Greene of the N.R.D.C. But some of the industries that have claimed the renewable mantle argue that they deserve it. “A banana is renewable — you can grow them forever,” said Bob Eisenbud, a vice president for government affairs at Waste Management, which receives about 10 percent of its annual revenues of \$13.3 billion from waste and landfill energy generation. “A banana that goes into garbage and gets burned,” he added, is “a renewable resource and producing renewable energy.”

But environmentalists argue that one of the goals of renewable energy is to cut back on the heat-trapping gases emitted from burning most things, whether fossil fuels or bananas. When there is no fire, there are no emissions. The waste-to-energy technology described by Mr. Eisenbud was not included in the original draft of the climate legislation that received House committee approval, but it was contained in the version that moved out of the committee, thanks to language inserted by Representative Baron P. Hill, Democrat of Indiana. A new \$227 million waste-to-energy plant was already planned in northern Indiana, outside his district.

On the Senate side, an effort to get the benefits of the renewable designation for advanced coal-burning technologies failed, however. Senator Jeff Bingaman, Democrat of New Mexico and chairman of the Senate energy committee, said that if too many new technologies beyond core renewable sources like wind and solar were to be included, “the whole purpose of the renewable electricity standard is defeated.” The goal, he said, is “to encourage the development of some of these newer technologies and bring the price down.” He added, “If you throw in everything else” and call it renewable, “then your numbers get way out of whack.”

Leon Lowery, a Democratic staff member for the committee, said that both environmentalists and industry had tinkered with the common-sense understanding of renewable sources to make definitions fit policy

goals.

“If you try to assign a sort of conceptual definition, you find yourself in strange places,” Mr. Lowery said. “Anyone would acknowledge that hydropower is renewable, but do we want to give credits to the Grand Coulee Dam?” To do so, he added, would give hydropower — which already benefits from rich federal subsidies that make it some of the cheapest energy available — the same status as solar or wind technologies.

Among states that have already adopted quotas for renewable energy, the standards vary from Wisconsin’s, which requires that 10 percent of all power come from renewable sources by 2015, to those of Oregon and Minnesota, which call for 25 percent from renewable sources by 2025. California is raising its mandate to 33 percent by 2020, though its utilities have already indicated that the existing quota — 20 percent by 2010 — will be difficult to meet.

In some states, quotas for renewable energy are paired with mandates for advanced technologies that are not necessarily renewable. For example, Ohio, which currently receives nearly two-thirds of its electricity from burning coal, requires that 25 percent of the state’s electricity must come from renewable or advanced technologies by 2025, but of that, half must come from core renewable sources, and some of the remainder can come from burning chemically treated coal.

Graham Mathews, a lobbyist representing Covanta Energy, another waste-to-energy company, said the political horse-trading on renewable energy legislation was typical of all energy measures. “Energy policy is balkanized by region, and that dictates the debate. The politics become incredibly complicated,” he said. “Stepping back and looking at it,” Mr. Mathews added, “it sometimes doesn’t make a lot of sense.”