

Bumps in solar road obscure its success

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What was once touted as the world's biggest solar project – a \$5 billion, 1,000-megawatt project in Blythe – has stalled.

That follows the demise of Fremont-based Solyndra, a solar-panel manufacturer that filed for bankruptcy protection last year after securing a half-billion dollars in federal loan guarantees. In addition, the Sacramento Municipal Utility District spent \$500,000 of ratepayer funds and another \$1.6 million more in federal and state grants before it finally pulled the plug on a project to install solar panels along Highway 50.

If you read all these accounts of failure – and there are lots of them; 40 percent of projects fail according to one estimate – it may sound like California's push for more renewable energy is headed in the wrong direction. Not so. In fact, California is on track to meet or even exceed a state law, signed by Gov. Jerry Brown last year, that requires utilities to generate one-third of their energy from renewable sources by 2020.

Part of the credit goes to the Obama administration's financial incentives for states to diversify their energy sources. California is taking advantage of these funds, not only to jump-start solar but build a renewable portfolio that includes wind, geothermal and biogas.

Sure, individual failures abound. Some projects never get off the ground; others go bankrupt. Yet the governor's adviser on renewable energy, Michael Picker, argues persuasively that the failures are a sign of "a robust market at work." Some companies will fall by the wayside because they were too slow to adapt to rapid technological advances or because their business model was wrong or because they were mismanaged.

For renewable energy to continue to grow, state and local governments will need to work to ease regulatory burdens and resolve tensions over energy projects conflicting with habitat and agriculture. Picker says local governments can be the biggest impediments and the biggest catalyst for moving well planned projects forward.

Kern County is a model for the nation on how to do it right. The county has created a special unit in its planning department that has permitted more solar and wind projects than any other jurisdiction in the country. The local community college has created special courses for green technology jobs.

Of course, no amount of renewable power will matter if there aren't ways to transmit the energy to users. Concerned about a potential glut, Kern County worked with Southern California Edison to upgrade transmission lines to deliver electricity generated by new wind farms to millions of homes in the Los Angeles basin.

Each innovation has generated jobs and more property taxes. Other local governments are flocking to Kern to learn how to do it. Sacramento should pay attention.

Finally, it's important to recognize that not every failure is wasted time or money. SMUD General Manager John DiStasio says the utility learned a lot from its Highway 50 solar project that was shelved. He believes it will happen eventually but at "a more suitable site."

Like a lot of renewable energy projects, it was a bump in the road, not the end of the journey.