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## The Future of Renewables Predicted with a Snow Globe

As a business with a stake in renewable energy development, preparing for a successful future requires an understanding of where the industry is headed. When it comes to predicting the future of renewable energy in the United States, it can feel more like looking into a snow globe than gazing into a crystal ball. Sometimes, the image is fairly clear. Other times, something shakes it up and the vision gets murky.

I recently found clarity in learning the degree to which the extended federal tax incentives would help my clients continue to develop renewable energy projects. However, the optimism afforded by the current support of our federal government is countered by the reduction of overall energy consumption, a rhetorical shift toward government fiscal austerity, and the morphing of a Renewable Energy Standard (RES) into a Clean Energy Standard (CES); the latter paving the way for greater federal support of coal and nuclear energy.

The recent turmoil in the Middle East and North Africa and the earthquake devastation wrought upon Japan and its ailing nuclear facility has again turned the spotlight on the United States' reliance on fossil fuels and intentions to resurrect a stalled nuclear reactor construction program. While the consequences of world events may cause adverse reactions to fossil fuels and nuclear energy, they should remind us of the need to take a serious look at our country's long-term energy generation portfolio.

Certain political regimes and natural disasters are unpredictable and must be countered by a portfolio that is diverse and designed to withstand the inevitable shocks to components within its system. Just as the transmission grid failure of 2003 cast light on the inadequacy of our country's infrastructure, recent world events should serve as reinforcement for further diversification of energy resources.

For businesses with a focus on renewable energy development, attempts to accurately predict the outcome can be futile. Still, we must be prepared to thrive in any resulting scenario. Just as we might opt for an energy portfolio that is diverse and flexible, the same might apply to our business portfolios. Diversification and flexibility are critical to survive such a tumultuous business climate, as are an unrelenting focus on service and quality. When the snow finally settles and the globe is clear, our success will greatly depend on the efforts we made when the vision was murky.

*Author: Aaron Tippie*



For more information, please contact

**Jay Wittstock, Office Manager, St. Cloud**  
jay.wittstock@westwoodps.com, 320-229-2325, or

**Tim Ramerth, Office Manager, Brainerd**  
tim.ramerth@westwoodps.com, 218-822-4204

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