

Guest Commentary

Our new energy economy

By J. Thomas McKinnon
and Gary Hart

What if there was an investment opportunity guaranteed to jumpstart the local economy, enhance national security, expand Colorado's energy portfolio and promote the health of the planet for future generations? It also would earn your household a 286 percent return. Would you take it?

You'll have the option to do so this November.

Colorado is a state rich in natural assets, including the renewable energy resources that will rise considerably in value as the nation addresses the pressing issues of energy insecurity and climate change. This has not been lost on the state's voters.

In 2004, Colorado was the first state in the nation to pass an initiative requiring energy providers to generate significant portions of the power they sell through renewable energy sources. At the time, Amendment 37 was soundly ridiculed by some in the energy industry for setting unrealistic goals.

Four years later, the goals for providing energy through wind and solar power have been met or exceeded, and the energy industry has proposed more ambitious renewable energy goals in the years to come. The measure is a national model for stimulating the development of renewable energy through a combination of strong mandates and ambitious public-private partnerships. It is only a beginning.

A key next step is to create the Colorado Clean Energy Progress Fund, which will be offered in a ballot measure in November. It would levy a charge of \$3 for every ton of carbon dioxide emitted in energy production. The revenues would be used to promote the development of renewable energy, provide incentives for enhanced energy efficiency of homes and buildings, and develop the means for sequestering carbon dioxide instead of releasing it into the atmosphere.

The fund would cost the average Colorado household about \$3.50 per month. The estimated return on that investment is \$10 a month in reduced energy costs for each household. In addition, the Clean Energy Progress Fund will provide the initial boost needed to build the infrastructure necessary for the new energy economy. That infrastructure will connect the abundant energy harvested from wind farms on the Eastern Plains and from solar power sources in the Alamosa Valley to the cities along the Front Range and the Western Slope. It will generate the resources needed to help Coloradans reduce their energy costs by upgrading their homes with insulation and energy-efficient appliances. And it will help create a market for innovations by Colorado industries that are leading the way in developing biofuels as well as solar, wind and geothermal technologies.

In Colorado, the evidence of climate change is undeniable. Native species are increasingly endangered, and invasive pests such as the mountain pine beetle are spreading rapidly. State and federal foresters predict that all of Colorado's mature lodgepole pine forests will be dead in three to five years. Drought — harming farmers and ranchers, devastating the skiing industry and depleting rivers and reservoirs that feed both the cities and the plains — is an ominous and growing threat to our way of life.

Our dependence on fossil energy is a national security issue, too — not only because of the need to protect our access to foreign sources of oil and gas, but because part of every dollar we spend to fill our vehicles with gas goes to nations that support terrorist organizations.

Clean and renewable sources are poised to deliver dependable power at known and fixed costs sustainably for generations. Nineteen other states already have implemented some form of public benefit funds to provide seed money for energy efficiency and renewable energy investments. But with its rich natural resources and enlightened voters, and with the prospect of a Clean Energy Progress Fund, Colorado is poised to become one of the nation's true pioneers in building the new energy economy.



J. Thomas McKinnon is professor of chemical engineering at Colorado School of Mines. **U.S. Sen. Gary Hart** (retired) holds the



Wirth Chair for Environmental and Community Development Policy at the School of Public Affairs at the University of Colorado Denver.