



Overseer's Undercurrent Intersecting Circles

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Sometimes you have to be in several places at once, just to know where you are.

After more than 20 years of covering this corner of the energy industry, I'm still surprised by the fact that so many power professionals - working in the same field and in the same region - have never met each other. Often at meetings or conferences, I get to introduce people whom I've known for years to others I've known just as long.

Equally surprising are the times when I go to an industry event and discover that I know hardly anyone in a room filled with 300 people.

I experienced both of these scenarios on the same day earlier this week, when I needed to take a few hours away from serving as co-chair of the annual "Energy in California" seminar in order to cover an awards ceremony for the "California Clean Tech Open" at San Francisco City Hall.

Because I've been helping the Law Seminars International folks organize the yearly San Francisco energy program for nearly a decade, I've become a de facto hometown host to attendees; many are repeat customers or returning faculty ("Come for the CLE credits and stay for the social networking" could be our motto). In this role, I frequently find myself introducing one long-time associate to another with the phrase, "I'm amazed you've never met before, you have so much in common."

On the other hand, after finding a seat in the crowded North Court at City Hall, I looked around to realize that the only folks I knew even in passing were some of the speakers. This group of familiars included Ralph Cavanagh of the Natural Resources Defense Council. Coincidentally, he was also a speaker at the LSI conference the day before.

This called to mind the Venn diagrams we were taught in grammar school mathematics. Venn diagrams are the graphic tool used to illustrate how one cohesive circle of people or objects might intersect to a greater or lesser degree with another, equally distinct circle, creating a subset of commonality.

Finding myself briefly as a member of the overlapping set, I also thought about the distinctions between the groups. On one hand, the LSI attendees seemed to represent the energy industry that I've covered as a reporter for these many years - a group whose interests focus on evolving but well-defined areas of regulatory policy, competitive energy markets, utility procurement programs, litigation, and law.

On the other hand, the Clean Tech gathering group was concerned with the "novel" rather than the established. These were Silicon Valley venture capitalists, start-up entrepreneurs, and garage innovators who appear to be migrating from other fields of high technology, finance, and communications. They now see opportunities in the energy industry that may or may not fit comfortably within the existing scheme of regulatory policies and power markets. In fact, I doubt that many of the people at the awards ceremony had ever set foot in the California Public Utilities Commission building just across the street.

As leader of the LSI conferences, I try very much to incorporate new ideas and influences into the discussions. Attendees got to learn about the latest developments in solar power from Julie Blunden, SunPower vice-president of external affairs, one of the emerging "blue chip" companies

in the clean tech space. How innovations are adopted into the mainstream was explained by P.S. Reilly, Athena Institute chief executive officer. Jan Hamrin, Center for Resource Solutions executive director, tackled how new markets are being created for renewable energy credits and greenhouse gas offsets (among other new ideas and issues).

Conversely, besides Cavanagh and myself, there was solid representation from the traditional energy firmament at the clean tech ceremony, in the persons of California Energy Commission member Art Rosenfeld and Pacific Gas & Electric executives (including new utility president and chief operating officer Bill Morrow), who in part sponsored the awards for energy efficiency and renewable energy ideas.

The event's keynote speaker, Vinod Khosla, founder of Khosla Ventures, is someone who would more likely be profiled in a magazine like Red Herring than in Public Utilities Fortnightly. Considered an "ethanol entrepreneur" by the high-tech writers, Khosla is among those responsible for expanding that intersecting space occupied by these two distinct circles of the energy business. Currently, he is applying some of his venture capital profits to supporting Proposition 87, which would tax the most conventional component of the energy industry, oil and gas producers, in order to fund the next generation of research into alternative fuels and new technology developments.

Politics aside, I think introducing new blood is a healthy and necessary development in the energy business, which, despite its reputation as a dead zone of innovation, must be reinvented and redefined periodically by a new generation if we are going to solve some of the biggest issues of our time.

"Most of us realize we have a climate-change crisis, an energy crisis, a pollution crisis, and a terrorism crisis," Khosla told the group. "Once the best brains in the country are interested in working on these problems, every single one of these problems is solvable, and more easily than imagined."

That's the same kind of optimism that marked a previous generation of energy and utility professionals, who first came into the business in the 1970s and 1980s as a result of their concerns about ecology, efficiency, high oil prices, and air pollution. That generation helped turn "alternative" energy like wind and solar into the mainstream technologies they are today. And certainly Rosenfeld is living proof that energy-efficiency ideas are both widely accepted and a continuing source of innovation.

The lesson for all is that progress is possible but patience is necessary.

I predict that it won't be very long at all before I get to introduce some venture capitalist to an independent power project developer, or an energy-efficiency entrepreneur to a utility attorney, and say, "I'm surprised you've never met before, you have so much in common."

[Arthur O'Donnell](#)