

E3
ENGAGE
EMPOWER
ENHANCE

Advising Greentech companies
to help maximize growth

Why the Current Climate Strategy was Doomed to Fail



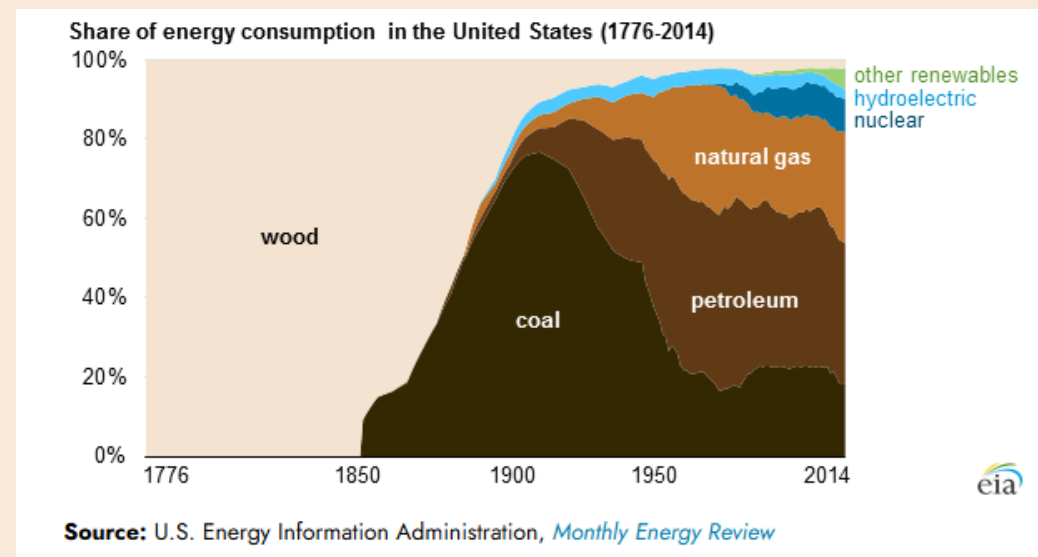
Part 1: The history of energy transitions



This post is based on a must-read article titled *The Troubled Energy Transition* in Foreign Affairs magazine.

It provides the foundational assumptions necessary to properly reset the net-zero strategy.

It's happened before



- The first energy transition began in 1709, when Abraham Darby, a metalworker, discovered that coal was a more efficient fuel than wood to produce iron.
- One would think that transitioning from wood to coal would be relatively quick and easy.
- The industrial age was nascent and the benefits of coal were obvious, prompting some to dub the 19th century as “the century of coal.”
- But coal did not overtake biomass energy sources including wood until the early 1900s.

Wood to coal took 200 hundred years!

Second time's the charm



A gilded bronze oil lamp dated 2nd century BCE



Edwin Drake: The first man to drill for oil

- Oil was first discovered in China in 600 B.C. but it was Colonel Drake's discovery of oil in Pennsylvania in 1859 that ignited the oil economy.
- With oil being more adaptable and flexible than coal, you might think the transition would be relative quick. And it was compared to the wood to coal transition.
- Oil became the world's top energy source in the 1960s.

It only took 100 years to move from coal to oil!

- Oh right, oil had one minor drawback: it didn't become more cost-effective until the mid-1950s.

It's not coincidental that oil achieved cost parity and became the world's top energy source within a span of 10 years.

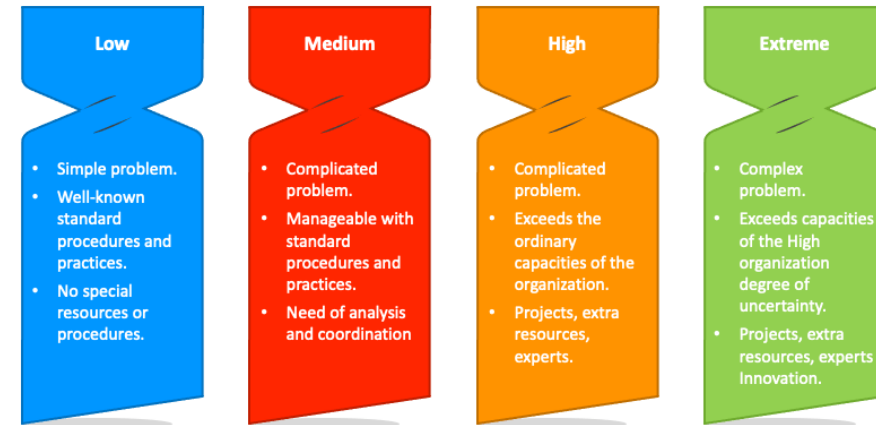
Economics is obvious factor to any transition, but it has been trivialized by the climate movement.

We'll summarize the article's economic component tomorrow.

Will the third time be quicker yet?



COMPLEXITY LEVELS



The world is infinitely more complicated and the global population is growing much more rapidly.

Additionally, there is greater variation in the economic develop of countries, and geopolitical issues have become more diverse.

In other words: the base case for the demise of fossil fuels should be at least 100 years.

- Biomass (wood) to coal took 200 years.
- Coal to oil took 100 years.
- Ipso facto: oil to renewables should take what - 50 years.

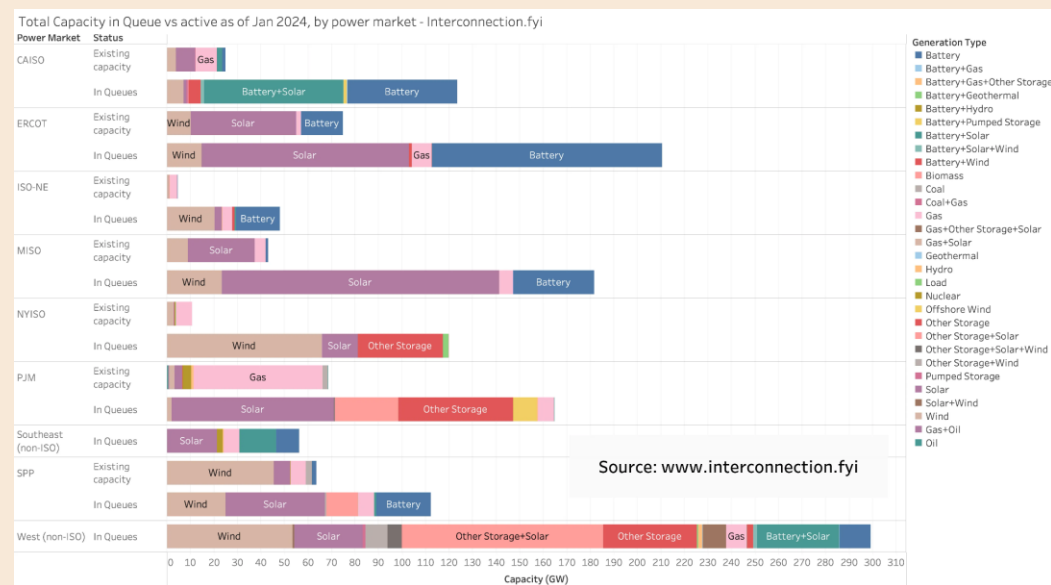
In your dreams.

- Unlike wood or coal, oil permeates every aspect of our lives. The vast majority of products made today have a petroleum component.

This transition isn't just about energy – it's about everything.



Gas gets gassed?

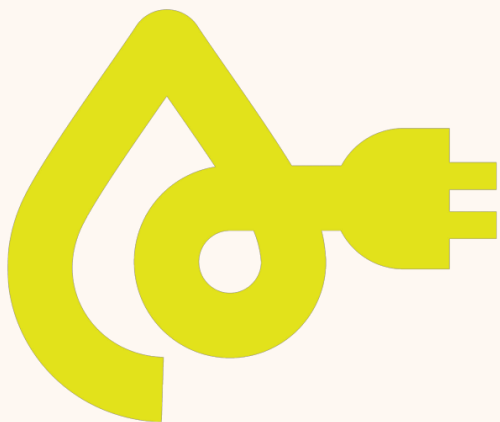


A potential silver lining: the president won't be able to get a Republican majority until June 30, 2026 when Commissioner Phillip's term expires.

But can he fire a commissioner?

That's unlikely, as the Supreme Court has previously ruled that commissioners at independent agencies can be removed "only for inefficiency, neglect of duty, or malfeasance in office."

- The president wants to "drill baby drill." That desire is likely to have greater success for natural gas than for oil.
- Trump tried to strongarm FERC in his first term without much success, but he's more prepared this time around.
- It would be foolish to think that FERC won't tip the scales toward fossil fuels.
- We know wind projects have a snowball's chance in hell of getting approved.
- The only question that remains is how badly solar projects get squeezed.



E3
ENGAGE
EMPOWER
ENHANCE



Advising Greentech
companies to help
maximize growth

Unbiased and Unfiltered

- An honest assessment of the climate change effort.
- I cover what's working – but more important - the issues/roadblocks that the industry would prefer to ignore.
- A must-read for anyone with a desire to understand what's really going on with renewable energy and climate change.



If you find my posts informative,
please follow and connect with me,
and share these posts.

in

SHARE

Follow

OR

Connect