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# Portland's energy credits: The trouble with buying 'green'

 (http://connect.oregonlive.com/user/oliveguestop/index.html) By **Guest Columnist**  
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By **Robert McCullough**

As with a number of his other energy initiatives, Portland Mayor Sam Adams has made a fundamental error in his understanding of energy markets ("**Just say 'no' to Sam Adams,**" editorial, Nov. 28)

(http://www.oregonlive.com/opinion/index.ssf/2012/11/just\_say\_no\_to\_sam) State legislatures have recently passed laws in a number of states, including Oregon, to require utilities to serve a portion of their loads with renewable energy. Since all electrons look alike, owners of renewable resources -- mainly wind -- can apply for renewable energy credits (RECs) to sell to utilities to meet this requirement.

What the mayor doesn't understand is that having the city of Portland hold a REC doesn't necessarily build a wind farm or even address our energy problems. The West Coast markets are currently enjoying a surplus of electricity and natural gas. Electricity has been so plentiful this year that the price has frequently fallen below zero -- wholesalers are paying consumers to buy the energy -- and the Bonneville Power Administration has been forced to curtail wind production for fear that a surplus during some hours of the day might destabilize the electric system.

Our energy problem isn't electricity, but oil and gasoline. We are importing oil at unprecedented prices -- \$110 a barrel -- and paying equally unprecedented retail prices at the gas pump. Spending scarce city funds to purchase RECs might benefit traders with a surplus of the credits, but it won't save a single drop of oil.

If the mayor really wants to make a difference, he should be spending the money replacing expensive petroleum-fueled vehicles with their less expensive electric alternatives. Any complete analysis shows that electric vehicles (EVs) are now cheaper to purchase, fuel and maintain than their gas-fueled competitors. By switching to EVs the city of Portland could enjoy a good reputation for energy efficiency and save money at the same time.

Since electric vehicles are refueled at night, expanding our fleet of EVs also helps utilize existing wind projects more efficiently. And a good negotiator might even enjoy a portion of the negative prices -- allowing Portland to reduce oil imports while helping the BPA balance the electric system during periods of overgeneration. This would be good public relations that actually helps the environment and the economy.

*Robert McCullough is a Portland-based energy consultant who advises on energy issues nationally.*

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