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Granholt Touts Clean-Energy Jobs

Green experts, entrepreneurs say state policies, silence on coal rush slow her goals

By [Andy Guy](#)

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Michigan Governor Jennifer Granholm presented a high-minded vision for the future of the energy industry in her 2008 State of the State Address Tuesday night, and she put the onus for getting something done squarely on the state Legislature.

If only Lansing lawmakers would quickly embrace wind, solar, bio-diesel, and even water-wave energy, Governor Granholm said, Michigan could leverage billions of dollars in private investment, generate tens of thousands of jobs, and make Michigan "the alternative energy capital of North America."

During her address, however, the governor said nothing about Michigan's "coal rush"—[the push by several energy companies to invest billions of dollars in seven new or expanded coal-fired power plants](#). Many green energy advocates say that building more coal plants in Michigan could stall the state's efforts to attract clean-energy capital that would grow more jobs than coal can and harm Michigan's chances to profit from what they say is one of the century's greatest economic opportunities—carbon-free energy production.

Executives at companies aiming to manufacture alternative energy devices are speaking up too. Mike Ford, a sharp, young executive at Cascade Engineering Inc., in Grand Rapids, is one of them. He told the *Great Lakes Bulletin News Service* that the state should first invest in energy efficiency and green power before building new coal plants.

His point of view could attract some attention from the Granholm administration and Lansing lawmakers: At a time when most company managers talk about firing Michigan workers, Mr. Ford talks about hiring them. His company got its start in 1973 molding plastic parts for the auto industry, but with that work so hard to come by these days, Cascade has Mr. Ford pursuing opportunities in the promising wind-energy business.

So this spring, Cascade will begin manufacturing propellers for state-of-the-art rooftop wind turbines. Renewable Devices LLC, a partner in Scotland, will sell the turbines to home and business owners worldwide. The two companies hope to win big in the growing, multi-billion-dollar market for zero-emission energy sources.

"There are approximately 10 people on the payroll right now who every day come to work thinking about renewable energy," Mr. Ford said in an interview with the *Great Lakes Bulletin News Service*. "We'll be



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Cascade Engineering of Grand Rapids is teaming up with Renewable Devices, a Scottish company, to manufacture roof-mounted wind turbines.

hiring two or three marketers in March and we'll hire at least another two to three people on the manufacturing side in the next six months. After that, it's all about how quickly the business grows."

"If we sell 500 units in the first twelve months we'd be pretty darn happy," Mr. Ford added. "1,000 would be a home run."

Mr. Ford's boss, Cascade's CEO Fred Keller, is pitching the company's policy needs, too. He is scheduled to appear before the Michigan Senate Energy Policy and Public Utilities Committee this afternoon at 1 p.m., joined by executives from three other firms that are trying to grow the booming green-power industry in Michigan.

"Best Opportunity for Growth"

There is consensus that wind turbines, like the automobile 100 years ago, could be big business in Michigan. In fact, the alternative and renewable energy sector represents "the best opportunity for growth over the next five years" in midwest Michigan, according to a December 2007 report published by a coalition of the region's economic leaders.

Mounting concerns about fuel prices, pollution, and unstable energy supplies are driving incredible worldwide interest and investment in the industry, the report confirmed. The national market is expected to burn \$170 billion between now and 2015 in the pursuit of smarter energy technologies and services. It's also expected to generate an estimated 850,000 new jobs doing everything from stringing new power lines to patenting a better solar panel.

Governor Granholm said in her speech that Michigan is well positioned to capture a significant share of that action. The state boasts the skilled workforce, a robust manufacturing infrastructure, and the globally connected transportation routes necessary to be a major player in the modern energy economy.

She also noted that Michigan is one of the windier states in the Union.

Yet clean-energy advocates point out that the amount of wind-generated electricity in Michigan is miniscule compared with leading states, which, those advocates say, means that there's real and lucrative potential to convert the state's rich wind resources into lots of megawatts.

"Sometimes the debate gets painted as everything should be renewable energy," Mr. Ford said. "I don't agree with that. We need a balanced portfolio that includes coal, nuclear, natural gas, and a variety of renewables. There's the potential for a well thought-out strategy that most people, if they set aside their political or industrial affiliation, would say 'Yes, that mix makes sense.'"

"But it certainly doesn't strike me that we should add [a relatively small amount] of wind power and build seven new coal plants," Mr. Ford added. "That's the difficult discussion the state's in the middle of. We're fighting the economics and the conservatism of people who don't want to change."

Cascade Engineering isn't the only firm in Michigan looking to diversify into the alternative and renewable energy industry. Twenty-six companies across the state currently produce bearings, gears, blades, and other parts for the wind industry alone, according to a recent analysis sponsored by the Michigan Economic Development Corporation. The agency also documents nearly 50 more firms interested in or actively pursuing leads into the supply chain.

Cities like Grand Rapids, Muskegon, and Holland could capture more than \$1.2 billion in private investment and generate more than 4,300 jobs in five years by ramping up the research, development, and manufacture of modern energy equipment and services, according to a study led by the West

Michigan Strategic Alliance and the Right Place Inc., a regional economic development agency based in Grand Rapids. Several other studies project similar economic benefits on a statewide scale.

"There is tremendous desire to replace manufacturing components for the auto industry with alternative energy components," said Bill Stough, the CEO of Sustainable Research Group, who participated in the West Michigan market analysis. "But not being on the leading edge of energy policy in Michigan is taking opportunities to the other states that have a more progressive approach."

Too Many Questions

Cascade Engineering is a case and point. The company is headquartered in Michigan, but Mr. Ford admits that the state is not a target for its fledgling wind business.

There's too many questions, he said, about whether the state will come through with "the nuts and bolts" policies and investments—which range from statewide standards for where to locate wind turbines, to tax and market incentives that encourage companies to set up shop here.

Until the state puts green power technologies on a more level playing field with coal and natural gas, he said, his company would look for new markets in places like Massachusetts, California, and New Jersey. Those are states, he said, that not only require a certain percentage of their electricity to come from renewable sources, but also back up the requirement with policies such as financial credits for companies and citizens that install windmills, and guaranteeing fair payment for sending their unneeded green energy back onto the electrical grid.

"Michigan has an advantage because we have the manufacturing capability," Ford said. But he cautioned that this does not automatically mean "we're going to build new wind and other renewable power facilities in the state. I guarantee you'll have more people manufacturing great products in states where you have these kinds of policies and incentives."

"You will also see a lot more people buying," he added.

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