International Energy Agency accused of blocking switch to renewables

The international body that advises most major governments across the world on energy policy is obstructing a global switch to renewable power because of its ties to the oil, gas and nuclear sectors, a group of politicians and scientists claims today.

The experts, from the Energy Watch group, say the International Energy Agency (IEA) publishes misleading data on renewables, and that it has consistently underestimated the amount of electricity generated by wind power in its advice to governments. They say the IEA shows "ignorance and contempt" towards wind energy, while promoting oil, coal and nuclear as "irreplaceable" technologies.

In a report to be published today, the Energy Watch experts say wind-power capacity has rocketed since the early 90s and that if current trends continue, wind and solar power-generation combined are on track to match conventional generation by 2025.

Rudolf Rechsteiner, a member of the Swiss parliament who sits on its energy and environment committee, and wrote today's report, said the IEA suffered from "institutional blindness" on renewable energy. He said: "They are delaying the change to a renewable world. They continue touting nuclear and carboncapture-and-storage, classical central solutions, instead of a more neutral approach, which would favour new solutions."

Today's report compares past predictions about the growth of wind power, made by the IEA and others, with the capacity of wind turbines actually installed. It says: "By comparing historic forecasts on wind power with reality, we find that all official forecasts were much too low."

In 1998, the IEA predicted that global wind electricity generation would total 47.4GW by 2020. This figure was reached in December 2004, the report says. In 2002, the IEA revised its estimate to 104GW wind by 2020 – a capacity that had been exceeded by last summer.

In 2007, net additions of wind power across the world were more than four-fold the average IEA estimate from its 1995-2004 predictions, the report says. "The

IEA numbers were neither empirically nor theoretically based," it says.

The IEA's most recent forecast, in its 2008 World Energy Outlook, predicts a fivefold increase in wind energy from 2006-2015, but then assumes a rapid slowdown in deployment over the following decade. The Energy Watch report calls this a "virtual stagnation" and says "no arguments are given why the wind sector should suffer such a crisis by 2015 and after".

The report concludes: "The IEA outlook remains attached to oil, gas, coal and nuclear, and renewables seem to have no chance to reverse this trend. This organisation... has been deploying misleading data on renewables for many years [and is still doing so]."

It adds: "One has to ask if the ignorance and contempt of IEA toward wind power and renewables in general is done within a structure of intent."

Mr Rechsteiner, who says he has investments in a handful of wind turbines, said the IEA routinely drew senior staff from the fossil-fuel industry. "The oil business is very skilful in keeping its energy access exclusive," he says.

The IEA describes itself as an "intergovernmental organisation which acts as energy policy advisor to 28 member countries in their effort to ensure reliable, affordable and clean energy for their citizens". It refused to comment on today's report. The Energy Watch group is run by the Ludwig Bölkow Foundation in Germany.

John Hemming, the Liberal Democrat MP for Birmingham Yardley and a member of the Energy Watch group, said: "The IEA has been complacent, and part of the conventional wisdom that the solution is more oil and gas. The British government relies on the IEA. In the land of the blind, the one-eyed man is king — but the IEA's one eye has a cataract."

Today's report says the number of wind turbines installed over the last decade has grown by 30% annually, and total windpower capacity is more than 90GW – the equivalent of 90 conventional coal or nuclear power stations. It adds that the boom in wind energy is "so far barely touched by any sign of recession or financial crisis".

If current trends continue, the report claims wind capacity could reach 7,500GW by 2025 – making half of all new power projects wind or solar. Conventional power stations could be phased out completely by 2037, it claims.

Werner Zittel of the Energy Watch group, said: "It is time to realise that the many detractors of wind energy have got it wrong. We have seen more than 10 years of unprecedented growth in this sector... This is not about morals or environment but the commercial reality that wind, coupled with hydro, solar,

biomass and geothermal energy is not only a rapid and cost-effective alternative, but one that could deliver all our energy requirements within the first half of the century."

(c) The Guardian

Exclusive: IEA refutes bias accusations

International Energy Agency insists that contrary to recent criticism its calls for increase in renewables capacity are entirely unequivocal

James Murray, BusinessGreen, 13 Jan 2009



The IEA has hit back at claims the organisation has underestimated low carbon energy sources The <u>International Energy Agency</u> (IEA) has hit back at <u>accusations</u> that it is guilty of "deliberately" undermining the development of the renewables industry and favouring traditional energy industries such as fossil fuels and nuclear, arguing that it has been unequivocal in its calls for a huge increase in renewables capacity.

A <u>report</u> from the <u>Energy Watch Group</u> released last week accused the IEA of systematically underestimating the potential of the renewables industry to provide energy capacity, noting that last year net additions of wind power globally were four times greater than the average IEA estimate from its 1995-2004 predictions.

But speaking to *BusinessGreen.com*, Dr Fatih Birol chief author of the IEA's Annual <u>World Energy</u> <u>Outlook</u> report said there was a logical explanation for the IEA's apparent underestimating of renewables capacity.

"Each year the IEA publishes a reference scenario looking at projections based on legally enacted policies to show policy makers what will happen without any change in policy," he explained. "If in following years new policies are put in place to promote renewables this would definitely mean that our reference scenario projections do not hold anymore."

According to Birol, the IEA's projections showing renewables making rela tively slow progress are not meant to discourage governments from supporting the sector, as the Energy Watch Group has alleged, but rather warn them to change their policies to offer greater support to renewables.

He also refuted the Energy Watch Group's accusation that the IEA was guilty of bias in favour of traditional energy sources such as fossil fuels and nuclear, and had in fact been clearly calling for a massive increase in renewables capacity for a number of years.

"Anyone looking at our latest World Energy Outlook report from an unbiased position will see that the [business as usual] reference scenario points to a six degree increase in average temperatures and increased energy insecurity that would make life very difficult," he said. "We clearly state that that should not be done and we set out two scenarios to curb emissions that call for more energy

efficiency, more renewables and an increase in low carbon energy sources such as CCS [carbon capture and storage] and nuclear."

He added that even based on its reference scenario the IEA is now predicting that renewables will overtake natural gas as the second largest source of electricity generation after coal soon after 2010.

But he also said that even this rate of growth will prove insufficient to tackle climate change and that the IEA was advocating greater investment and new policy frameworks to support the sector. "We are clearly saying that if governments go with these current policies for renewables it is not enough and you are going to screw up with carbon emissions and energy security you need to change the policies," he said.

Birol also reiterated the crucial role the UN's climate change negotiations in Copenhagen later this year will have in determining whether or not carbon emissions can be successfully curbed, particularly in the emerging economies of China and India.

"More than two thirds of the expected CO2 increase up to 2030 will come from China and India we are underlining that if we want renewables to become a worldwide energy form we need to get it used in those countries," he said. "We have one chance to address that problem and that is at Copenhagen. If we can get a deal that gives China and India financial incentive to use renewables then we have a chance."

Source: http://www.businessgreen.com/business-green/news/2233816/exclusive-iea-refutes-bias

IEA accused of "deliberately" undermining global renewables industry

Report claims International Energy Agency's close links to oil, gas and nuclear have led to systematic underestimating of renewables role

James Murray, BusinessGreen, 12 Jan 2009



The International Energy Agency has come under attack for underestimating the energy generated by low carbon technology such as wind power

The <u>International Energy Agency</u> has been accused of deliberately delaying the shift to a low carbon economy and systematically underestimating the energy that can be generated from renewable sources as a result of its on-going ties to the oil, gas and nuclear industries.

That is the stark conclusion of a <u>new report</u> released last week by the <u>Energy Watch Group</u>, a coalition of scientists and politicians set up to analyse official energy industry predictions, which said that the IEA was guilty of institutional bias towards traditional sources of energy and using "misleading" data to undermine the case for alternative sources of energy, such as wind and solar.

The report compares the IEA's previous projections about the growth of wind capacity and finds that it has consistently underestimated the amount of energy the wind industry can deliver.

For example, in 1998, the IEA predicted global wind electricity generation would total 47.4GW by 2020, but Energy Watch's report said this level was reached by the end of 2004. The report also said that the IEA has not learnt the lesson of previous underestimates, and last year net additions of wind power globally were four times greater than the average IEA estimate from its 1995-2004 predictions.

It adds that based on current growth rates wind and solar energy could actually account for 50 per cent of the world's energy mix by 2025.

The report concludes that the IEA's predictions for wind energy "were neither empirically nor theoretically based" and argues that the systematic underestimating of the wind industry's success is a result of the Agency's close links to traditional energy industries.

"The IEA outlook remains attached to oil, gas, coal and nuclear, and renewables seem to have no chance to reverse this trend," it says. "This organisation has been deploying misleading data on renewables for many years [and is still doing so] One has to ask if the ignorance and contempt of IEA toward wind power and renewables in general is done within a structure of intent."

Speaking to BusinessGreen.com, Rudolf Rechsteiner ,report author and Swiss MP, said that as well as underestimating the role renewables can play the IEA also over-stated the availability of fossil fuels. "The numbers speak for themselves, " he said. "They overestimate all the time the availability of oil and as a result they completely failed to predict the current oil price volatility."

He added that while the global renewable energy industry had continued to record exponential growth in recent years the lack of support from the IEA was making it difficult to establish renewables as a mainstream energy source. "The fact the IEAs predictions were so badly underestimated means that much of the auxiliary infrastructure that starts with improvements to the grid and energy storage capacity is now missing," he said.

The founder of the Energy Watch Group, German MP Hans-Josef Fell, said there was no doubt that the IEA was deliberately attempting to hamper the development of the renewable energy sector.

"The permanent overestimation of the availability of conventional energies and the underestimation of the renewable energy possibilities is a deliberate method to hedge ever increasing profits for the conventional energy sector," he said. "The disregard of renewable energy possibilities, despite meanwhile vast positive experiences, is at the origin of a lack of political actions for renewable energies by politicians. The classic example is the recently settled target of 20 per cent renewable energies until 2020 by the European Union. So far the growth patterns lead us to expect a significantly higher share until 2020, even without increased political support."

One wind industry insider, who asked to remain anonymous, said that the allegation that the IEA is biased in favour of fossil fuel industries should be investigated immediately. "What we do know is that it is consistently getting projections for the industry badly wrong and at the very least there should be a shake up of its forecasting department," the insider said.

He added that the scale of the IEAs influence meant any suggestion of bias needed to be treated seriously by the governments who use its figures. " Politicians and civil servants name check the IEAs figures all the time and use them to justify policies, so if there are grounds to these allegations it needs to be investigated," he said.

The IEA declined to comment on the report. However, over the past year it has sought to signal its support for the renewable energy industry and only last month at the UN's climate change conference in Poznan IEA executive director Nobuo Tanaka called for a global "Clean Energy New Deal" designed to deliver a huge increase in renewables investment.

1. <u>Watchdog Group Bashes International</u> <u>Energy Agency on Renewables</u>

Written by <u>David Ehrlich</u> <u>No Comments</u> Posted January 9th, 2009 at 1:00 pm in Big Green, Energy, Policy

It's hard to ignore the massive growth of the wind industry over the past decade, but a German watchdog group says that's just what the <u>International Energy Agency</u> has been doing. The IEA is an intergovernmental organization that acts as an energy policy adviser to most major governments around the world.

In a <u>report released today</u>, the <u>Energy Watch Group</u>, backed by the nonprofit Ludwig Bölkow Foundation, accuses the IEA of showing "ignorance and contempt" toward wind power — and renewables in general — and said the IEA has consistently under-estimated the growth of renewable energy.

The IEA releases a yearly <u>World Energy Outlook</u> report covering energy demand and supply projections. Back in 1998, IEA's outlook predicted cumulative installations of 47.4 gigawatts of wind power by 2020, but the Energy Watch Group said that prediction was exceeded in December 2004. In its 2002 outlook, the IEA upped its prediction to 104 GW of wind power by 2020, but that number was surpassed just this past summer, according to the watchdog group.

"The worst forecasts on wind regularly came and still do come from the International Energy Agency," said the Energy Watch Group in its report. "Renewables tend to look ever expensive and close to irrelevant while oil, coal and nuclear look irreplaceable in the IEA World Energy Outlook reference scenarios."

But why are IEA's reports so far off the mark? Rudolf Rechsteiner, the author of the Energy Watch Group report, and a <u>member of the Swiss Parliament</u> who sits on its energy and environment committee, <u>told the Guardian</u> that the IEA has close ties to the traditional energy market, and that it routinely fills its senior staff with recruits from the fossil-fuel industry.

"The oil business is very skillful in keeping its energy access exclusive," he told the Guardian.

The Energy Watch Group makes its own bold predictions in today's report, with one scenario forecasting that wind capacity could reach 7,500 GW by 2025, with wind and solar accounting for half of all new power projects. Under that scenario, which predicts high power consumption and high wind power growth, the group said non-renewable power generation will peak in 2018 and could be phased out completely by 2037.

RENEWABLES: Energy watchdog group claims IEA has underestimated renewable energy's role (*ClimateWire*,

01/12/2009)

John J. Fialka, E&E reporter

An international energy monitoring and planning group has criticized the International Energy Agency for producing "misleading data" over the last decade that repeatedly underestimated the growth of wind power as an electricity source.

A leader of the organization of scientists and parliamentarians, called Energy Watch Group, asserted Friday in London that the growth of wind farms to produce electricity in 2007 was 417 percent greater than the IEA projected in its annual reports between 1995 and 2004.

Rudolf Rechsteiner, a member of the Swiss Parliament, accused the Paris-based IEA of delivering "misleading data and failing forecasts." He also questioned the IEA's future wind power forecasts, for the period 2016-30, which suggest the growth of wind power would slow down.

Rechsteiner gave a much more bullish forecast, asserting that wind power will continue to grow rapidly over the next two decades. "The driving force for this growth is not ecological or moral motivations, but the demonstrable economic advantages and supply security of wind power." He noted that the basic resource is essentially free.

The group's statement came as Europeans shivered in an unusual cold wave, an annoyance that has been exacerbated by Russian moves to cut natural gas shipments. The IEA had no immediate reaction to the group's assertions; however, its attention to "green" power issues has increased recently.

Nobuo Tanaka, executive director of the IEA, addressed the recent international climate conference in Poznan, Poland, by calling for a "green infrastructure that will enable the sustainable economy going forward." He called for cleaner power plants and greater promotion of energy efficiency as part of what he called a "clean energy New Deal."

2. 'Timely planning' seen as solving problems scaling up wind power

At the London press conference, another member of Energy Watch Group, Hans-Josef Fell, a member of the German Parliament, issued a statement asserting that in the IEA's forecasts the availability of conventional energy supplies "is terribly overestimated and the potentials and growing speed of the renewable energies is terribly underestimated."

In 2007, according to the World Wind Energy Association, wind power provided slightly more than 1.5 percent of the planet's electricity. Energy Watch Group projected four future power scenarios. The most conservative one predicted that wind, solar and other renewables would provide more than 31 percent of the globe's electricity in 2025.

Werner Zittel, one of the group's energy experts, acknowledged that engineers face several large hurdles in scaling up wind power, including matching the ever-fluctuating supply of wind to the rigid demands of power grids and finding new ways to store electric energy. He predicted that "timely planning" will overcome these obstacles and that wind, along with hydro, solar, biomass and geothermal energy, "could deliver all our energy requirements within the first half of this century."

Energy Watch Group is supported by the Ludwig-Bölkow Foundation, located near Munich, Germany. It says its mission is to promote long-term energy research and planning.

The IEA was founded in 1973 after the Arab oil embargo to coordinate oil supplies in times of emergencies. The agency, which acts as energy policy adviser to 28 industrial countries, has since broadened its mandate to cover other energy sources as well as environmental protection and energy technology.

In Washington, leaders of two of the nation's renewable energy associations, the American Wind Energy Association and the Solar Energy Industries Association, held a joint press conference on Friday to say that growth in their industries could face "a dramatic reduction in 2009" unless Congress and the incoming Obama administration create more tax incentives for renewable energy.

3. Wind energy supply dips during cold snap

1. Britain's wind farms have stopped working during the cold snap due to lack of wind, it has emerged, as scientists claimed half the world's energy could soon be from renewables.

By Louise Gray, Environment Correspondent Last Updated: 1:10AM GMT 10 Jan 2009

The Met Office said there has been an unusually long period of high pressure across the UK for the last couple of weeks, causing the cold snap and very little wind.

Since Boxing Day much of the country has suffered sub-zero conditions with frozen rivers and lakes and even the sea in the south of England, at Sandbanks in Dorset. In the last few days temperatures in southern England plunged as low as 17.6F (-8C). However the weather is expected to warm up over the weekend, with wind speeds also picking up.

But sources in the energy industry say that the lack of wind has caused the country's wind farms to grind to a halt when more electricity than ever is needed for heating, forcing the grid to rely on back up from fossil fuels or other renewable energy sources.

In the long term, experts fear that the intermittent nature of wind will force the UK to rely on insecure energy supplies, for example gas from Russia, and are calling for a greater energy mix including controversial nuclear and coal-fired power stations.

The continuing row between Russia and the Ukraine over gas supplies mean that Moscow cut supplies to the rest of Europe, sparking shortages that have hit 18 countries so far.

John Constable, research director at the Renewable Energy Foundation, said wind has been generating at a sixth of total capacity for much of the last couple of weeks, dropping to almost zero at times.

"This shows that wind provides very little firm, reliable capacity," he said. "At times of high demand in cold weather there is a tendency for there to be no wind."

Power generator E.On said wind energy supplies have dipped 60 per cent in the last couple of weeks, when compared to the last fortnight in December

A spokesman said: "As a country we need to keep the lights on, reduce our environmental impact, and do that in the most affordable way for our customers. Sadly there is no single miracle cure to do that.

"Renewables, such as wind, have a big part to play now and in the future but in order to guarantee a secure electricity supply it's clear we need a mix of power stations including cleaner coal, new nuclear and gas."

Europe has pledged to source 20 per cent of energy from renewable sources by 2020. Dr Constable said the current crisis in European gas supplies highlighted the danger of relying on an energy supply that needs to be backed up with other sources and called for a mix of alternatives.

"At the moment it is not a problem because we have supplies of oil and gas from the North Sea but when we go 11 years down the line when we have 20 per cent from renewables and we have a similar weather pattern then we have a problem."

The Met Office said high pressure coming in from the east can cause long periods of cold or heat waves. For wind there is a need for differences in pressure and there is expected to be strong winds over this weekend.

Hazel Thornton, from the climate change adaptation team, said observational evidence has shown a fall in wind over the last 30 years – although further research is needed. The Met Office is currently working with energy companies to predict how global warming will affect wind patterns in the UK.

"For energy companies, high pressures are problematic because we do not get so much wind over a lot of the UK," she added.

However advocates of renewables said the intermittent nature of wind will not be a problem in the long run because supplies could be shared worldwide, enabling a constant source of energy.

A new report from Energy Watch Group claimed that half of the world's electricity needs could be generated from wind or solar by 2025, with fossil fuels phased out completely by 2037.

The independent research group based their calculations on the current 30 per cent growth in the energy sector and continuing demand for electricity.

Even if growth in the wind sector slows down, the world will be sourcing 23 per cent of electricity from wind by 2025.

Dr Rudolph Rechsteiner, author of the report, said that wind energy will continue to grow as fossil fuels become more expensive, technology improves and the grid is updated.

He said the US and China are already expanding the sector massively and other countries will also be investing in the technology, which is the most viable renewable energy source at the moment.

He said: "In times of rising supply disruption risks and rising cost renewable energy technologies are the only source which provides predictable electricity in terms of economics and in terms of supply."