

BP says transition from fossil fuels presents 'huge business opportunity'

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ANCHORAGE, Alaska Skeptics doubt that the U.S. should respond to global warming, but do not count petroleum giant BP PLC among them.

A company official told a mayor's conference that BP is reacting the old fashion way — by looking to make money.

"We think this is a huge business opportunity," said Charles A. Christopher, carbon dioxide program manager for BP in Houston.

Energy can be provided in a way that is economically responsible and secure during the transition away from fossil fuels, Christopher said.

"The transition will provide many business opportunities," he said. "A lot of people are going to make a lot of money during this transition and it won't be the same people that you're familiar with."

More than 30 U.S. mayors from 17 states on Monday wrapped up the three-day conference "Strengthening Our Cities: Mayors Responding to Global Climate Change" sponsored by the U.S. Conference of Mayors, the International Council for Local Environmental Initiatives and the municipality of Anchorage.

A continuing conference theme has been that cities can save money by cutting their greenhouse gas emissions. BP intends to take that a step further during the transition from a fossil fuel-driven system to alternatives.

The burning of carbon-based fuels adds to naturally occurring greenhouse gases that retain Earth's heat. Accelerated warming has been most apparent near the Earth's poles, including Alaska, in shrinking glaciers, thawing sea ice and other changes in natural systems.

BP believes the risks from climate change are real and the science valid, Christopher said.

"In the peer review journals, the opinion is essentially 100 percent that this thing is happening, that it's caused primarily by CO₂, and it's caused primarily by the CO₂ that man is putting into the atmosphere."

The reduction of greenhouse gases is important but energy security could drive changes in the near future, he said. Alternatives to coal-generating power plants are more expensive, but that could change with a carbon dioxide tax.

"Most people believe that something like that is going to happen, soon, in the U.S.," he said. "The utilities have been watching this and staying as far away from it as they could. But they've got their ear on the rail and they can hear the rumbling and they believe something is going to happen."

BP is creating a new businesses, he said. The company is the third largest producer of solar cells and plans to expand.

"We're going to triple the amount of solar cells we produce in three years," he said.

By 2008, BP will have two wind turbine farms and plans for more in Europe and the United States. BP also by that year will build the world's first two commercial plants generating electricity from hydrogen.

"Our commitment is to show that the set of technologies being used are commercially available, can be used at scale and will produce pollution-free free electricity," he said.

Mayors applauded the company's plans.

"I think it's a remarkable commitment on BP's part," said Don Plusquellic, mayor of Akron, Ohio. "I happen to think most of these problems need to be addressed by CEOs and other top business leaders in the country."

It's a contrast to businesses that choose to hunker down and continue on with business as usual in response to global warming, he said.

"This is a real great opportunity for a lot of companies, and they ought to look at BP as one that has a vested interest in oil and gas, oil in particular, and they're already looking how to change and trying to evolve and trying to make smart investments in the future."

Salt Lake City Mayor Rocky Anderson said BP's action contrasts with skeptics who say responding to global warming will ruin the nation's economy.

"I think a lot of it is said in the fact that they've gone from British Petroleum to marketing themselves as 'Beyond Petroleum'," Anderson said. "They see the writing on the wall. They know there's going to be an interim period of adjusting to things. They're trying to get out in front of it by moving toward clean, renewable sources of energy. They also know that there are huge cost savings by reducing greenhouse gas emissions."

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Source -- International Herald Tribune:

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