

- For your health
- In the kitchen

RESOURCE GUIDE

- Personals with PerfectMatch.com
- Find your dream home today!
- Buy Life Insurance
- Shopping

Sponsors:

[MSNBC Home](#) » [Business](#) » [CNBC TV](#) » [CNBC Special Report: Going Green](#)

CNBC SPECIAL REPORT **goinggreen**

Companies going green with energy alternatives

High cost of fossil fuels sparks efforts to identify savings, new markets



A wind turbine nearing completion at a General Electric manufacturing facility is destined for a wind farm in Washington state. Demand for wind turbines is so brisk that GE has sold out all of its 2006 production and is at 80 percent of capacity for 2007.

CNBC VIDEO



• **Getting green**
 March 29: CNBC asked Robert Wilder, CEO of the Wilderhill Clean Energy Index, which green energy sectors are hottest for investors.

Launch CNBC

Most Popular

- Most Viewed
- Top Rated
- Most E-mailed
- Total solar eclipse streaks across Earth
- And who says I want to be rescued?
- 'Idol' wannabes get 21st century blues
- 'Love child', mother lambaste Big Unit
- New fuel economy rules issued to auto industry
- **Most viewed on MSNBC.com**
- Beverly Cleary, Age 90
- Pug lovers unite online to save injured dog
- Chinese peasant farmers bulldozed by growth
- Swimming With Sharks
- Former DeLay aide enriched by nonprofit
- **Most viewed on MSNBC.com**
- And who says I want to be rescued?
- Psycho kitty terrorizes Connecticut neighbors
- Total solar eclipse streaks across Earth
- Surgeons remove two fetuses from infant
- Sinkhole swallows up SUV in New York street
- **Most viewed on MSNBC.com**

CNBC and MSNBC

Updated: 1:05 p.m. ET March 29, 2006

With rising energy prices squeezing profits, corporate managers are looking for alternatives. And there are signs that conservation measures – even those that don't cost a lot of money – are beginning to pay off.

As CNBC reports this week, companies are finding new ways to save money and expand their markets by looking for ways to

use less fossil fuel.

The potential savings are huge. Industrial use accounts for about a third of energy consumed in the U.S., according to Energy Dept. estimates. And by cutting back on just 20 percent of that consumption, American businesses could save close to \$19 billion a year at 2004 energy prices, according to [a recent report](#) by the National Association of Manufacturers. About 30 percent of those savings can be achieved with no capital investment, the report said.

[Story continues below ↓](#)

advertisement

Company managers are apparently already looking hard for savings. Last fall, some 30 percent of those [surveyed by the Alliance to Save Energy](#) said they had made energy management a critical part of their business plan. A third said that were undertaking major capital projects to cut energy costs. And a quarter said they were at least working on low-cost, one-time fixes to try to cut energy bills.

With energy prices trending higher, the threat to the bottom line continues to grow. That's made the motivation for conserving fuel more compelling. Some 65 percent of U.S. companies think that escalating energy prices pose a potential roadblock to their company's growth over the next 12 months, according to a survey by PricewaterhouseCoopers in the fourth quarter of 2005.

Companies like Cargill, the global food processor, are turning waste to energy -- using meat scraps to make methane and replace high-cost natural gas.

Beyond cutting their own energy use, high energy prices are creating new markets for companies that make and sell equipment and services that offer alternatives to fossil fuel. Investment in alternate energy is also getting a lift from a fresh round of government incentives and subsidies for both consumers and producers of alternative energy.

Flexible fuel vehicles and gas-electric hybrids are among the highest profile targets for the government's policy of encouraging conservation and alternative fuels. That has companies like UPS looking for ways to cut its \$2 billion cost of fuel needed to move 15 million packages a day.

The amount of venture capital devoted to energy technology companies has risen sharply in the past several years. And in the Midwest, ethanol and wind farms have received the most attention from investors.

U.S. ethanol production hit nearly 4 billion gallons last year, according to the U.S. Energy Information Administration. Nearly 100 ethanol plants are in operation, another 33 are under construction and nine are being expanded, according to the

CNBC SPECIAL REPORT

CNBC SPECIAL REPORT **goinggreen**

- Companies focus on energy alternatives
- Companies tap industrial waste for savings

Coming up on CNBC's 'Power Lunch' and 'Closing Bell':

- Thurs: Hybrid vehicles help firms cut costs
- Fri: Market for wind power picks up speed

Renewable Fuels Association.

Wind energy is also getting a lift. Though it makes up just a half a percent of U.S. energy consumption, it's the fastest growing sources of renewable energy in terms of usage and capacity. One big reason is the dramatic cost per kilowatt of producing electricity with wind -- making it much more competitive with fossil fuels.

That's opened new markets for makers of wind turbines like General Electric, CNBC parent company. (MSNBC is a joint venture of Microsoft and NBC.)

U.S. wind generating capacity jumping 35 percent last year as companies invested \$3 billion to bring an another 2,400 megawatts online. This year, capacity is expected to grow by another 3,000 megawatts, according to the American Wind Energy Association.

© 2006 MSNBC Interactive

Rate this story Low  High

• [View Top Rated stories](#)



Print this



Email this



IM this

Sponsored by

MORE FROM CNBC SPECIAL REPORT: GOING GREEN

[Next →](#)

CNBC Special Report: Going Green Section Front

- [Companies going green with energy alternatives](#)
- [Companies tap industrial waste for savings](#)
- [CNBC Special Report: Going Green Section Front](#)

TOP MSNBC STORIES

- [Afghan convert arrives in Italy](#)
- [Total eclipse streaks across Earth](#)
- [Is Bush listening to his critics?](#)
- [Another twist in Moussaoui trial](#)
- [Olmert claims victory in Israel vote](#)