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Renewable energy's credibility as an alternative to fossil fuels is why it draws so much fire

It would have been interesting to have been around in the early 20th century, when oil threatened to overtake coal as a major fuel.

Did the coal industry try to discredit this new black liquid by depicting it as experimental, expensive and unreliable?

Winston Churchill certainly hit political and commercial opposition when he pushed the British Royal Navy to switch from steam power to diesel.

So it is with renewables in the 21st century, with sundry political and industrial vested interests finding reasons to beat clean technology down — at least in the industrialised West.

The case of Solyndra in the US is a good example. It is quite clear that mistakes were made. Half a billion dollars of public funding was handed out without the scrutiny that might have noticed the financial fragility of the business.

Meanwhile, Beacon Power — another (smaller) "green" recipient of public money — has gone bust and there has been much criticism of another assisted firm, electric car maker Fisker Automotive, which received a $529m loan guarantee.

Is that a reason to assume that solar companies — or the renewables sector more widely — are a one-way bet for governments to lose money?

The answer is yes, if you are a certain kind of Republican who only really cares about trying to kick Barack Obama out of the **White House** next year.

Equally, is the argument in the US against the "dumping" of Chinese solar equipment really about commercial opportunities, or some wider international political battle? A bit of both, one suspects.

New industries and innovative working methods will always bring much higher risk, and it is no surprise that the WilderHill New Energy Index of clean-tech stocks in the US has dived 40% this year, while much wider indices are down less than 15%.

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Renewables take time to scale up, and there inevitably will be teething problems along the way. Even with all the existing installed offshore wind in UK waters and the push behind Round 3, the vital supplier base is still hesitating. Endless talk from the major turbine manufacturers about building plants in the UK to handle expected demand will remain unconvincing until deals are actually made.

Germany has set itself up for an offshore wind revolution at even more breakneck speed by abruptly deciding to shut out nuclear.

I liked the way renewables insurer Jatin Sharma put it in this paper last week: “Offshore wind is like oil and gas but on steroids. It wants to be bigger, bolder, constantly pushing the envelope, and unfortunately it has to be to justify the economics.” Quite so.

What is not so encouraging or helpful, though, is his talk about the possibility, or even probability, of an Enron-style collapse.

Let us remember that Enron’s success — it very quickly grew to become the seventh-largest company in the US — turned out to have involved an elaborate scam. Enron lied about its profits and concealed debts so that they did not show up in the company’s accounts.

It is good to highlight the dangers posed by over-expansion but please do not hand ammunition to detractors by likening the situation to one of the largest corporate scandals imaginable.

Perhaps the real reason that renewables are under so much fire is because of the threat they pose to rival energy sources.

Milestones are being passed regularly. Who, for instance, would have guessed five years ago that public utilities in US states would now be generating more than half their electricity from wind farms for parts of the day?

Even more telling was that last year, for the first time, more money — $187bn — was invested in electricity schemes based on wind, sun and biomass than went into gas, oil and coal ($157bn).

Churchill would be amazed.