

# Energy Parks – why governments are playing serious?

## Energy Trends

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### **Energy Parks – why governments are playing serious?**

The concept of an Energy Park is gaining momentum across the globe. Especially so at places where huge industrial sites (or nuclear weapons sites) which were once buzzing centers of production, have now been deserted thanks to unsustainable pollution levels. Governments are trying to convert such manufacturing hubs into model green sites. The idea is to revive the area and create a place which shall demonstrate efficient generation and optimum utilization of energy – which would then attract fresh industries with a promise to meet their energy efficiency needs. This would mean electricity generation through a feasible renewable source coupled with conventional power plants, power distribution through highly efficient smart grids and facilities for power storage which will allow industries to work more efficiently.

### **Not just for the sake of clean energy**

Energy Parks where more than one type of power generation sources are clubbed are also seen as a solution to tackle a ‘not in my neighborhood’ resistance from local population against construction of power plants – especially nuclear.

With the ever growing popularity of renewable sources of energy, businesses involved in conventional power generation (and allied equipment industry) are increasingly finding it difficult to convince people and governments to set up large conventional fuel based power plants. For such companies, Energy Park is an answer through which they can convince the stakeholders that their intent is to solve the issues of climate change along with economic viability and energy security. French major AREVA offers to set up nuclear power plants along with a choice of solar, biomass and off-shore wind stations in addition to a desalination plant. The company is currently working on a site near California under a Joint Venture agreement with Fresno Nuclear Energy Group. This project involves construction of a 1600 MW nuclear plant, along with a solar field and a desalination plant.

Governments are also trying to address growing unemployment issues through energy parks, which are supposed to create thousands of jobs and thereby accelerate economic growth.

### **Development so far**

Though the exact number is not known, there are a few operational sites and most of the others are under some stage from planning to construction. The Greenfield Energy Park in the state of Massachusetts was built in 1997 on a former rail yard which was closed down in 1960s. Hillsborough County in the Tampa Bay area is another site in the US where an energy park is being planned on a former Phosphate mine site – an area over 3100 acres. Energy parks business has also got support from the US Department of Energy’s (DOE) initiative which proposes to clean up around 108 former weapons sites spread over an area of two million acres and is one of the largest environmental cleanup efforts of the last decade. AREVA is working on one such site (about 3700 acre) with Duke Energy in Ohio. Ford is

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trying to convert its closed down auto manufacturing plant at Wixom, Michigan into an energy park, in assistance with Xtreme Power and Clairvoyant Energy.

#### **Classic connection of energy and real-estate**

Many believe that the concept of energy parks is a fantastic way to integrate benefits of real-estate along with energy – a combination which would find usage with the growing needs of IT industry. Large scale data centers required to support phenomenal growth in cloud computing would be the best tenants for such energy parks.

It is indeed to be seen how well the economics of building and maintaining the energy parks works out in favor of such tenants.

*Author Bio: Rasika is the Founder of MindCrunch, a boutique business outsourcing and advisory firm which assists companies in conceptualizing and developing high quality Thought Leadership content – including White Papers, Case Studies and Thought Leadership Position Papers. In the past while working with Management Consulting firms KPMG and PwC, she has advised clients on business plans, market entry and growth strategies, competition analysis and PPP structuring. She regularly writes for business magazines such as SMEWORLD, Business Review India and EQ International. Rasika can be contacted at [gokhale\\_rasika@yahoo.co.in](mailto:gokhale_rasika@yahoo.co.in) OR [www.mind-crunch.in](http://www.mind-crunch.in)*