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Editorial: Is our region ready to be a clean-tech mecca?

Local actions will determine whether companies want to make their home here

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Unless you are awakening from a Rip Van Winkle nap, you've probably noticed that the hottest field of California business is the so-called "clean-tech" sector.

Clean tech is a catchall term for small and large businesses devoted to alternative power, energy efficiency, green building products and environmental technologies. In the first quarter of this year, U.S. venture capitalists invested \$264 million in 23 clean-tech deals, with much of that capital flowing to and from California businesses -- for obvious reasons.

More than any other state, California has passed laws to encourage sustainable energy and development practices. The state's global warming law, its renewable energy standard and its solar initiatives are just some of the measures driving entrepreneurs to innovate and market new practices and products.

Clean-tech businesses want to be in states that are putting their environmental platitudes into action, and possess a base of interested customers. It also helps that California has numerous universities and financiers to help these firms grow.

The Sacramento area is a beneficiary of this emerging boom. Since 2005, the number of clean-tech firms in the region has grown from 29 to about 75, according to the Sacramento Area Regional Technology Alliance.

Although Sacramento faces tough competition with the Silicon Valley in recruiting clean-tech companies, the region also has some attributes that local leaders should recognize to grow this sector of the economy.

Unlike the Bay Area, the Sacramento region has two municipal utilities -- SMUD and Roseville Electric -- that are recognized leaders in promoting solar power and other alternative energies. The state capital is also home to the California Air Resources Board and the California Energy Commission. Some companies will surely want to be close to policymakers as they formulate what could be an international template for capping greenhouse gases, and transitioning to cleaner energy.

Even with these assets, there is much more that local governments could do to attract clean-tech businesses.

As a start, the region's governments must step up efforts to reduce air pollution and design a transit system to serve the various nodes of employment that are popping up. Few green firms will want to locate in a region with routine smog alerts and few alternatives to the automobile and congested freeways.

Beyond that, local governments need to recognize that their own buying power can directly benefit firms that are entering the clean-tech field.

Last year, the new city hall of Rancho Cordova became the first in Northern California to be certified for

"LEED" (Leadership in Energy and Environmental Design) by the U.S. Green Building Council. By creating a showpiece of efficiency and sustainable practices, Rancho Cordova is sending a strong message about what kind of businesses it hopes to attract. Other cities should take notice.

Tomorrow, various local groups and the University of California, Davis will host the Sacramento Region Clean Energy Showcase, which will focus on the area's potential of becoming a national "clean energy leader." This is lofty goal. If business boosters are serious about making it happen, local governments will need to be a big part of the equation.

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