

Excerpt from Reuters, January 4, 2012

<http://www.reuters.com/article/2012/01/04/us-usa-investing-energy-idUSTRE8021HR20120104?feedType=RSS&feedName=PersonalFinance&rpc=43>

New tech trend for 2012 and beyond

(Reuters) - Despite gloomy headlines from Europe over the past year, a new technology mash-up is emerging that could spark some exciting ideas for investors.

There is long-term growth in convergent technologies that integrate the Internet, green transportation, building-based micro-power plants and power distribution into a collaborative worldwide grid, according to author and consultant Jeremy Rifkin, founder of the Foundation on Economic Trends.

It is a development trend that stretches into the next decade and is worth investing in right now, said Rifkin.

....

"The Third Industrial Revolution is an economic game plan," Rifkin, who has advised the European Union and German Chancellor Angela Merkel on this concept, told Reuters. "We have the science and technology to do it, but it will mean nothing unless there's a change in will."

In Rifkin's master plan, anyone can produce energy through solar, wind, geothermal or biomass and it could be distributed widely along a collaborative Internet -- like super-grid.

Commercial building owners could sell the power they produce. Homeowners would do the same -- much as they do in Europe and [Japan](#) today -- only on much larger scale.

To date, Rifkin says the European Union and several African countries have committed to the plan. The EU has already mandated that 20 percent of its energy come from renewable sources by 2020. In the United States, which is still without a comprehensive energy policy, the plan has not gained widespread political traction.

How does Rifkin suggest the power from the renewable energies be stored? He proposes developing hydrogen-based storage systems,

which don't exist yet on any large scale. He estimates that the European Union alone will need to spend about \$1 trillion euros to build this green grid.

COMPELLING INVESTMENT

No matter how this system comes together -- and it will take decades if it happens at all -- it presents some compelling growth and investment opportunities, particularly in developing countries.

In Africa, for example, more than two-thirds of the people do not have access to electricity, according to the World Bank.

Global investment in power production and transmission alone is expected to total almost \$9 trillion over the next quarter century, estimates the International Energy Agency.

While it's difficult to pinpoint where the investment dollars will come from -- especially as Europe and the United States struggle under mammoth debt burdens -- the benefits could be enormous. Certainly, providing power to more than 7 billion people needs to incorporate sustainability if we're to survive on this planet.

You can invest long-term in these trends through some key exchange-traded funds:

* iShares S&P Global Clean Energy Index, a worldwide basket of stocks that specialize in renewable energy.

* PowerShares WilderHillClean Energy Portfolio , an established fund that targets green energy companies.

....

None of these funds are suitable for day traders or investors unwilling to hold them for years. It will take some time for the investment capital to materialize to build the Third Industrial Revolution. Like all epic transformations, it won't happen overnight.