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MARTY HAMILTON BACKED his rented Jaguar into a one-hour parking space on 12th Street. He expected his meeting to take more than an hour but he was running late and didn't have time to drive around looking for a longer-term space or a lot that wasn't full.

"Stop worrying," he told himself as he switched off the engine. "With your salary, you can afford a hundred parking tickets."

He tucked his Oakley sunglasses with titanium frames into their case and tossed the case onto the passenger seat. His colleagues in the marketing department at EnerTex liked to put on airs. They called themselves "deal originators." Not Marty. He knew who he was. A salesman, plain and simple. And what made being a salesman special was the happy fact that he was selling the one thing everyone wanted. Not sex. Better than sex. Energy. Electricity. Kilowatts. The power to run coffee makers and air conditioners, to run everything that made modern living modern. He liked the sound of that last part; it had a ring to it. "Everything that makes modern living modern." He pulled out his palm pilot and jotted down a reminder to work the phrase into a presentation someday.

Two blocks away he entered a recently renovated office building on K Street and rode the elevator to the tenth floor. The velvety notes of orchestral music wafting out of hidden speakers helped settle his youthful nerves and focus his attention on the

meeting ahead. He straightened his tie and examined his fingernails. He considered a short line of coke to bolster his confidence but convinced himself he could do without. "They need you more than you need them," he told himself.

Stepping out of the elevator, he followed the hallway to the offices of Margaret Greer, Special Assistant to the Governor. He opened the door and went in. On the wall behind the receptionist's desk hung the Great Seal of the State of California. I *do* love this job, he thought as approached the attractive young brunette.

"Hi, I'm Martin Hamilton," he said as he handed her his card. He was tempted to add, "but you can call me the 'Tin Man.'" It was a nickname he'd picked up in college from a character in a movie about two aluminum siding salesmen in Baltimore during the 1960s. Instead he glanced at his Cartier TANK watch.

"I have a two o'clock appointment to see Ms. Greer."

"Please go right in, Mr. Hamilton. They're expecting you," the young woman said and he thought he detected a dash of come-hither warmth in her smile. Trimmed out in his dark blue \$2,900 Domenico Vacca suit, Marty Hamilton was an eyeful and he knew it.

The office was spacious and elegant, with floor-to-ceiling windows that looked out over the Sacramento River glittering in the afternoon sunlight. To the right of the polished mahogany desk, four chairs were arranged around a low table upon which rested a crystal vase of fresh-cut flowers, their soft fragrance permeating the air. Marty recognized the vase. It was Waterford. His mother collected Irish crystal and he had developed a keen eye for it over the years. The carpet under the table and chairs was hand-knotted Persian with a preponderance of deep reds.

There's real money to be made in this room, Marty said to himself. And the Tin Man is just the clever boy to make it.

A woman and two men sat around the table and they stood as their visitor entered. The woman took charge of the introductions.

"I'm Maggie Greer, Mr. Hamilton. This is Tony Seriafi and Bob Hunt. Tony is with the California Energy Commission and

Bob works with the legislature.” The men shook hands like fellow Rotarians, everyone smiling. It put Marty in mind of his grandfather, the owner of the Oldsmobile dealership in Kalamazoo, Michigan, during the Second World War. For more than four years no one could buy a new car. None were being made. It was all tanks, trucks, and airplanes for the war effort. Then in '46, automobiles started coming back on the market again and people lined up to buy them. In fact, they were so hot to get their hands on a new Olds that his grandfather liked to brag that he didn't need salesmen on the floor anymore—just “order writers.” It was that way now for Marty thanks to EnerTex. No real, honest-to-God selling; just writing down orders.

“Would you like some coffee or tea?” Maggie asked after they were seated.

“Sure, coffee would be great.”

She picked up the telephone on the table.

“Susan, please bring coffee in for everyone.”

Polite with the hired help. He liked that.

“Well, Mr. Hamilton, we're eager to hear what you have to say,” Maggie said.

Marty opened his briefcase and drew out three glossy, full color booklets which he distributed.

“I don't need to remind you of the fix California got itself into during the energy crisis of 2001,” he began. “Rolling black-outs. Utilities going broke. The state pressuring its neighbors for additional supply. It cost the governor his job.” He paused a moment as if the memory was painful for him; the others waited.

“It's true electricity prices have come down since then,” he went on, “but what about the future? It is estimated that by the year 2030, California's population will grow to well over *fifty* million. That's an increase of *fourteen* million from what it is today. This means the state will need a minimum of 92 gigawatts of electricity to meet its needs. Currently, the state has 66 gigawatts of supply on hand, but 32.1 gigawatts of that supply is generated by older fossil fuel plants that will be retired before 2030. Add to that loss another 5.4 gigawatts from retired nuclear plants and the state

will have to come up with 55 gigawatts of new supply at the very least. Quite a challenge no matter how you look at it.”

Too many numbers perhaps, but he wanted them to appreciate the fact that he'd done his homework. He could also tell by the way Hunt and Seriafi shifted uneasily in their chairs that the recitation was having the desired effect. California was facing some hard choices. Electricity was essential to nearly every aspect of life in the Golden State. Hospitals, agricultural irrigation, manufacturing, telephones, waste treatment plants—even the fabled cable cars of San Francisco—would all grind to a halt if the electricity ran out. So where was the state going to get the additional juice? One scheme involved shipping dirty coal-generated electricity over the border from Mexico. But that would require building new high-load transmission lines. Who would build them and how long would it take? Fossil fuel power plants could be thrown up relatively quickly, but it took a minimum of ten years to site and build a transmission line.

Tony Seriafi was the first to respond. “We’ve initiated a program to install solar panels on a million homes by the year 2018, Mr. Hamilton.”

“Yes, I’ve heard,” Marty said, “but the most that will get you is 3,000 megawatts, if you’re lucky. Solar is an immature technology at best.”

He wanted to say more but checked himself. No good would come from playing the scold. All the same, the energy outlook for California, as it was for the rest of the country, was bleak and the sooner they faced the truth the better. So many factors played a part. Even small technological developments could effect future energy needs in surprising ways. The growing popularity of wide-screen televisions and plasma computer monitors was a case in point. A typical plasma screen consumed roughly 1,000 kilowatt-hours a year, compared with the older cathode ray tube which used 233 kilowatt-hours. Thus, if half the 12.7 million households in California replaced their CRTs with plasma displays, the state’s annual electrical usage would grow by 4.9 billion kilowatt-hours. And this from just one electrical appliance. What would happen

if there was a sudden spike in the price of natural gas, or a couple of years of below average rainfall? Or what would happen if there was a terrorist attack on a major power plant? The state would be forced to ration energy again, leading to economic and political instability.

Hunt looked at his watch and then at Maggie Greer, his impatience ill-masked, and Marty realized it was time to buck up the natives.

“But I didn’t come here to peddle doom and gloom,” he said with a smile. “Quite the opposite. Like your governor,”—he turned and looked at the life-size framed photograph of the charismatic governor that hung on the wall. The strong jawline, the flinty blue eyes, the slightly goofy grin, it was a face he’d known and loved since childhood. The only thing missing was the signature machine gun. He turned back and discovered that everyone was watching him. He felt a stab of embarrassment.

“Like your governor,” he repeated himself, “I believe California has a bright and promising future. Granted, energy deregulation has created difficulties. It wasn’t thought out properly; it should have been done in stages. Still, it’s a proven fact that government-regulated markets do not work. Only free, competitive markets lead to the innovations that solve real world problems.”

“Look Mr. Hamilton—” Hunt tried to interrupt.

“What you’re about to say, Mr. Hunt, is that the energy market is different from other markets. It’s a market of scarcity because the natural resources we use to generate electricity are finite. Furthermore, most come with negative environmental consequences. Well, that might have been true in the past. But today there’s an exciting new technology on the horizon, a technology that will revolutionize how electrical energy is generated and consumed in this country and eventually around the world.”

He leaned forward and put his hands on his knees. “The alchemists of the Middle Ages searched in vain for a way to turn lead into gold.” This was a riff he’d picked during a lecture on European history while at Vanderbilt. “The Philosopher’s Stone” was the name they gave the mysterious and elusive substance they

believed could bring about this magical transformation. Well, I can say now with complete confidence that the EnerTex Corporation of Texas has discovered the Philosopher's Stone for our modern age, an entirely new generation technology that will provide Americans with an unlimited supply of affordable, non-polluting electrical energy. If you would now please turn to page three of the prospectus. . ."

He sat back and waited as they turned their attention to the booklets they held in their hands.

"On page three you will find a photograph of our Ranger 1 power plant. It's located in west Texas near a town called Birdstar. The plant went into service a year and a half ago and has a maximum output of 850 megawatts. It's the first of its kind to use ATG technology."

"What does ATG stand for?" Seriafi asked.

"Active Transdimensional Generation. If you turn now to page ten, there is a table with price-per-kilowatt comparisons."

Again he paused.

"As you can see, when compared with coal, natural gas, and nuclear, our new ATG generation process provides electricity at substantially lower cost. And the best part is that EnerTex is able to lock in these low prices over the long term. That means guaranteed, rock steady pricing for the next ten to twenty years. You'll be able to plan your economy knowing in advance precisely what your energy costs will be."

Like a skilled magician waving his wand, young Marty Hamilton had swept away their impatience and anxiety and replaced it with a glorious vision of hope and happy tomorrows. He hadn't learned that trick going to Wharton. No, when it came to selling, the Tin Man was a natural.

There was silence for several minutes as the state officials pored over the prospectus.

"Okay, I give up," Hunt said, "what's the fuel source?"

"I'm afraid I'm not at liberty to say, Mr. Hunt. The information has been classified top-secret."

"Classified? Who classified it?"

“The feds,” Tony Seriafi said. “I sent you an email about it, Bob. The technology’s so new the government doesn’t want it falling into the wrong hands.”

“Well, I’ve heard some crazy schemes in my time but this one takes the cake,” Bob said shaking his head and frowning. “You can’t go around building power plants without letting people know how they work, what fuel they use, or if they’re safe or not!”

It was Maggie’s turn to join the conversation. “Two years ago a special six member board was set up to oversee these new power plants and to make sure they pose no threat to public health or the environment. The board is part of the Federal Energy Regulatory Commission and has sole regulatory oversight.”

“The legislation establishing the board was passed by Congress,” Seriafi added, “and signed into law by the president.”

“So the federal government can come into California and do whatever it wants when it comes to regulating electrical generation,” Hunt said, his face coloring. It was huge sore point the way more and more state laws were being superseded by federal laws. This included regulations protecting the environment and food safety and labeling standards. Even the voter-approved use of medical marijuana had been trumped by Washington.

“Look, Bob, there’s more to this than just reducing the cost of electricity,” Maggie said. “It’s about reducing global warming. Isn’t that right, Mr. Hamilton?”

“The ATG process produces zero emissions of carbon dioxide which is why EnerTex plans to build—”

“If your power plants are as good as you say they are and can help solve the problem of global warming,” Hunt said, “then why keep the technology secret? Why not give it away. Post it on the internet. Encourage nations big and small to replace their older polluting plants with these new ATG power plants because global warming is the most serious problem to ever confront mankind and we better do something about it, and do it damn quick.”

Marty was speechless; it was the first time anyone had made such a suggestion. What officials usually wanted to know was how EnerTex came up with the technology in the first place, and

whether the federal government had helped in its development. It required some fancy footwork to field that particular question since he didn't really know the answer. He assumed some genius at EnerTex had invented the ATG process but the higher-ups would never confirm or deny. Not surprisingly, this gave rise to a variety of rumors; one making the rounds even mentioned the CIA. None of this, of course, had anything to do with him. He was just a salesman, a lowly cog in the machinery of capitalism. But one thing he *was* sure of: capitalists don't *give away* valuable technology. Not even the mighty Bill Gates, who gave his money away but never the operating system.

Fortunately Marty was spared having to respond to Hunt by the arrival of the secretary who entered the room carrying a tray of cups and saucers. She moved around opposite Marty so that she could catch his eye as she set the tray down. This excited him and made him feel important, just what he needed to hold his own with a bunch of California politicians. She left the room before anyone spoke again.

"You must understand our concerns, Mr. Hamilton," Seriafi said in an obvious effort to steer the conversation back to the land of the possible. "What you are saying, if I understand you, is that EnerTex is willing to build its new power plants here in California, but for national security reasons, the citizens of our state will play no part in inspecting or regulating these facilities?"

"That's correct. The federal government would assume full responsibility, not the state."

Marty reached down and picked up his coffee. "Furthermore, before we begin the siting process, we will require that you pass legislation exempting EnerTex from state regulatory oversight."

"That's impossible." Bob Hunt said. "The legislature won't stand for it."

Marty sat back cradling his cup and shrugged his shoulders.

"Then I guess EnerTex will have no choice but to build its power plants elsewhere."

The first rule Marty had learned in a seminar on negotiating was to care, but not too much. If California wasn't interested in

getting its energy house in order, then so be it. It was no skin off his nose.

“The state governments of Arkansas, Mississippi, and Maine are willing to meet this legislative requirement,” he said. “I’m sure more states will follow when they see how significantly our new plants will cut their electrical energy costs.”

“But the political landscape in California is different than it is in those other states,” Seriafi said.

“I realize this,” Marty said, “but it is precisely the way you run your politics that’s caused the mess you’re in.” Time to call a spade a spade. It gave him a kick to lecture people who were at the top of their game and more than twice his age.

“Not without the help of some pretty damn dishonest Texas corporations,” Hunt was quick to add.

“Bob, please,” This from Maggie Greer who long ago had accepted the fact that ninety percent of her job was unruffling feathers. She turned to Marty. “Mr. Hamilton, isn’t there *some* way we can deal with this problem short of passing special legislation?” She already knew the answer because she had been on the phone earlier that morning with Marty’s boss, the CEO and president of EnerTex, Avery Axton.

“There may be a way,” Marty said, pausing to sip his coffee. Give a little to get a lot, he told himself. “I believe the people in Nevada might be willing to help.”

“Nevada? How’s that?” Hunt asked.

“The governor and several key officials have indicated a willingness to allow EnerTex to build two or three power plants in their state and then send the electricity generated by the plants to California. That way the regulatory responsibilities will fall upon their shoulders, not yours, and they are only too happy to pass those responsibilities along to the appropriate officials in Washington.”

“Would that result in higher electricity prices for California consumers?” Seriafi asked.

“Of course,” Marty said, “but the savings over what Californians currently pay for electricity would still be substantial.”

“But two or three plants in Nevada can’t hope to meet California’s electrical energy needs.” Hunt was trying to work out the math, balancing megawatts and votes.

“You’re right,” Marty said. “In time, we will need to build plants inside California, but by then perhaps the citizens of your state will have learned to trust our company and agree with our position on regulatory oversight.”

Marty looked at his watch as if to say, “Well, now that we’ve dealt with the bigger issues, can we wind this up? How many megawatts did you have in mind this afternoon, Madame? A thousand? Five thousand? Perhaps you’d be interested in a vacuum cleaner or a set of encyclopedias while we’re at it.”

Writing orders, not selling, that’s what he was doing. And he might get it all done before his parking meter ran out. Anything was possible for the Tin Man these days.