

Saudi Arabia Abandoning Oil

And it's all thanks to [this unique type of fuel](#), which is quickly but quietly being adopted worldwide.

The fuel is so economic, so clean, and so powerful... 120 countries are adopting it to fuel their futures.

The Saudis, China, India, and Russia are all on board. So is Obama.

Even the world's oil giants are on board. Shell has admitted that this fuel is "the future backbone of the world energy system."

And as that happens, a tiny \$1 company will find itself in the spotlight, as it has the best chance of bringing the necessary quantities of this fuel to market. [Full details here.](#)

How Solar Is Saving the Oil Industry

By Nick Hodge | Thursday, March 3, 2016

With the collapse in oil prices, oil companies are pulling out all the stops to staunch the bleeding.

And the pressures aren't just coming from pricing, which has already led to several dozen bankruptcies, but they're also coming from a renewed global push against climate change.

You see, the global energy market is in flux. And fortunes will be made and lost as a new energy order develops.

Coal fortunes, for example, have already been lost.

Oil will be fine. And in fact I suspect huge gains to be made from the sector once it rebounds. But I believe even more gains are to be had from solar energy, or what I've been referring to as [New Texas Oil](#).

I've called it this because in the heart of Texas oil country a new fuel is taking hold. Where oil rigs once nodded in the distance solar fields are now being installed at breakneck pace.

And because it's a new energy source that hasn't yet been entrenched, it can grow my many, many multiples. Right now, for example, solar accounts for less than 1% of our electricity needs. So growing just to 3% is more than 200% growth.

Oil has been entrenched for a century, and simply can't provide growth like that.

Oil Money Turns to Solar

A report from Deutsche Bank last year was clear:

...solar will become the dominant electricity source around the world as it beats conventional fuels, generates \$5 trillion in revenue over the next 15 years, and displaces large amounts of fossil fuels.

That includes big money investments from longtime oilmen who are now investing in solar.

Like billionaires Ray and Hunter Hunt, heirs of the Hunt Oil fortune, who recently started a solar firm called Principal Solar to cash in on the boom. It had its IPO last June.

Or the Rockefeller family heirs who recently dumped ALL of their oil investments. The nearly \$1 billion Rockefeller Brothers Fund no longer invests in oil, gas, or coal. It has gotten rid of all its exposure to stocks like Exxon (NYSE: XOM) and Chevron (NYSE: CVX) and has been investing in clean technologies like solar instead — and the fund is still outperforming its benchmarks.

And one oil billionaire from Russia — Viktor Vekselberg — recently joined a venture that will build \$450 million worth of solar plants in Russia through 2018.

Oil Companies Turn to Solar

But perhaps the most convincing evidence that solar is here and it's competitive is that oil companies are now using it to make oil extraction cheaper and cleaner.

Late last year news began coming out that the oil industry was turning to solar to help it pump crude.

Royal Dutch Shell (NYSE: RDS), Total (NYSE: TOT), the Kuwait State Oil Company, and Oman's sovereign wealth fund have teamed up to create a solar company called GlassPoint.

It is building a massive solar installation in the Oman desert to create steam to help pump oil. That one project will save more carbon than all electric cars sold so far by Tesla (NASDAQ: TSLA) and Toyota (NYSE: TM) combined.



Solar enhanced oil recovery (EOR) site in Oman. Source: GlassPoint Solar. License: CC BY-SA 3.0.

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What's more, using solar to help power an oilfield makes total economic sense. Up to 60% of the operating expenses at heavy oil fields are for fuel purchases.

So at a time when oil companies are cutting costs — curtailing exploration and laying off tens of thousands of workers — they are still interested in spending for projects that can reduce costs.

And that means solar.

Petroleum Development Oman, which is partly backing GlassPoint, accounts for 70% of the nation's oil production and 100% of its gas supply.

It is highly indicative that it is turning to solar to complement its fossil fuel operations.

This is only going to continue through 2030, as solar continues its march toward becoming the world's dominant source of electricity.

As that happens, the companies that improve solar technology and reduce its costs are going to be the biggest winners for investors.

[I outline this transition and the best ways to profit here.](#)

Call it like you see it,



Nick Hodge



[@nickchodge on Twitter](#)

*Nick is the Founder and President of the [Outsider Club](#), and the Investment Director of the thousands-strong stock advisory, *Early Advantage*. Co-author of two best-selling investment books, including *Energy Investing for Dummies*, his insights have been shared on news programs and in magazines and newspapers around the world. For more on Nick, take a look at his editor's [page](#).*