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# Some Battered Energy Stocks May Be Buys

By SCOTT PATTERSON

Here's another benefit from falling oil and gas prices: With the prices of energy stocks having taken a beating, some Wall Street pros say selected stocks now look like bargains.

Still, drilling for energy-stock success, as for oil, is a high-risk proposition and today's buyers could come up dry.

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Clean-energy stocks would also benefit from a rebound in energy prices. The exchange-traded [PowerShares WilderHill Clean Energy Portfolio](#) (PBW), holding alternative-energy companies such as [SunPower](#) (SPWR) and [Zoltek](#) (ZOLT), is down 25% from its 52-week high.

## Fuel Cells

Some clean-energy sectors, such as small companies that make fuel cells which can be used as substitutes for fossil fuels, have suffered more than others and could be ripe for a rebound. [FuelCell Energy](#) (FCEL), a maker of fuel-cell power plants, and [Ballard Power Systems](#) (BLDP), another fuel-cell maker, are off more than 50% from their 52-week highs.

Another group that has tumbled is ethanol stocks, which surged earlier this year after President Bush called for increased use of this corn-based fuel. [Pacific Ethanol](#) (PEIX) is down 64% from its 52-week high (though the stock surged nearly 11% Friday). [Archer-Daniels-Midland](#) (ADM), the largest maker of ethanol in the U.S., is more than 20% below its 52-week high after nearly doubling earlier in the year.

To be sure, many alternative-energy companies remain unprofitable. They thus have much more in common with the dot-com start-ups than with their less environmentally friendly brethren among big energy stocks, and they are far more volatile and risky.

One development that could also bode well for clean-energy stocks -- but not for the rest of the energy industry -- is fast approaching: the congressional elections. Odds are increasing that Democrats may retake power of one or both houses of Congress this year. Analysts say energy companies tend to fare more poorly under Democratic leadership than under the Republicans, but so-called green companies would likely benefit from Democratic gains.