

## Rough notes for a Monday morning

Posted by Heading Out on May 8, 2006 - 1:03pm

Topic: Policy/Politics

Tags: climate change, peak oil, peak oil and the environment, sustainable energy

forum [list all tags]

So, there is no wireless within the hall, so this will be delayed a bit (not that I was ever a good note-taker). And yes, they spent a few minutes at the beginning making sure the sound worked.

I will admit that I am a great fan of Representative Bartlett, as was noted, he has gone out ahead of the crowd on this and brought the topic of Peak Oil some attention. (He is surrounded by the press at the break). But, as he noted, there is a concern that here, he is largely speaking to the choir. Actually I don't think so, I was surprised, looking at the attendee list, and listening in on conversations, at the number of oil industry folk that are here, and taking note. He gave his usual broad intro to the subject, sad that time constrained both him and Ken Deffeyes. I was struck by how energetically he gave his talk (he was born in 1926) and thought it a pity that the topic was so grim.

Dr Deffeyes gave more comment on King Hubbert and Hubbert Linearization, (its in his second book) and these were two informative, and very entertaining talks. And while the Powerpoints are on the website these are the sort of talks that are much better heard. Both speakers are convinced and knowledgeable of their subjects, and have a wealth of info on which to draw. (Dr Deffeyes analogy was that of trying to fit his book into a coffee mug).

There were a couple of new things not that widely known, I thought to the two talks, Representative Bartlett's fourth slide, as one - and his comment that he did not get elected so that his grandkids would come and spit on his grave. He does feel that we can get through this if we make a determined effort, but recognized that we are not, noting that both the Hirsch Report and the Corps of Engineers report have been bottled up, and not got much recognition (outside our small community).

The other thing to note and follow-up on is the emphasis, at the end of Dr Deffeyes talk, on Methanol (Beyond Oil and Gas - The Methanol Economy by George Olah etc and the transition to Dimethyl Ether (DME) of which he spoke quite favorably).

Hmm! Time to get back to my seat!

And I was right! Because, after Michael Klare gave a talk on how we got to where we are today, at peak within a few feet, proposed that Peak Oil will be a more immediate problem than Global Warming, even though that is coming, and concluded that we are living in increasingly dangerous times, we got down to the panel discussion, where the above were joined by Art Smith of J.S. Herold joined the panel and Roger Bezdek joined them. The questions were good and I apologize that I could not write fast enough (plus I had to get my own question in - the last for those there).

This is actually doing a disservice to Michael's talk, which covered some of the problems that oil brings to nations, and the fact that, because of our needs and addiction, that we are intensifying national struggles, which may lead to less oil security, than the converse. Also we are currently squandering the money needed for investment, at the cost of the energy security development that our kids and grandkids will need.

The panelists seemed to agree that the 2% increase in demand and decline in supply are optimistic numbers. (Which led Roger to suggest that the Hirsch Report is the rosy view of the future). Art commented that the investments needed to sustain oil supply and find more oil are not being made, except for the "gold rush" in Alberta in the oil sands. Though he cautioned that it has taken them 38 years to get to where they are now, so growth projections may be optimistic up there. Roger pointed out that, though SASOL developed CTL they only produce 150 kbd that way, and import 450 kbd - suggesting that the economics of change are not yet there. (Roger pointed out last night that the US future may well include 5 new CTL stations a year to provide 100 kbd apiece toward meeting our needs). Representative Bartlett then noted that our 250 years of coal would thus likely last less than 50.

Ken pointed out why the current Oil and Gas Journal articles that dispute Hubbert Linearization are wrong (too small a sample size - which is a critical issue in statistics - in which I would concur having had my own problems in that area in the past).

And then Daniel Yergin's name and <u>CERA</u> came up. Given the strength of the opinions, I thought they were all remarkably polite, since all thought them, politely, wrong. Ken pointed out that the CERA report cited only internal CERA documents, and so could not be checked, and that no-one in their survey appeared capable of drilling dry holes. It was pointed out that there is increasing question about the integrity of the data, and that IHS (who own CERA) are now having internal debates over the reality of the report. The term "cornucopeans" seems to have been selected to describe that group and their followers. Though it was pointed out (as I have noted that Daniel does repeatedly) there was enough caveats in the fine print to get them out of trouble (though perhaps not yet off the TV).

In regard to the arrival of new tech to save us - Ken pointed out that what is now new was in the lab 20 - 30 years ago, and neither the Government nor the oil companies are now funding much if anything in the way of new technical development (it is the lowest investment of any major industry) - which in itself should send us a message.

Congressman Bartlett (CB) then noted that this country is good at responding to crises, but bad a t avoiding them, and laid a lot of our problems at the door of lack of leadership. (Told you he was a great guy).

The role of Berkeley Colleg, <u>Yale</u> in using local produce was praised as a good example (though I have to confess to eating melon and strawberries at the breakfast this morning).

Roger explained that one of the reasons that biofuels did not get more of a section in the Hirsch Report was that they currently are not significant enough. Though CB pointed out that we are mining our top soil with this and that this cannot last. Right now the direction is that fuel feeds agriculture, to try and reverse that process is not a sustainable reality, since the energy cost of the fertilizer gets in the way. (Eat corn not pigs - we feed dry corn to get wet pig, so the actual energy cost is around 10:1 not the 3:1 that the industry would have us believe).

Art hit on a concern that you often see here, that the natural gas problem and the LNG shortage that is coming are being neglected. He pointed out that the regasification plant in Nova Scotia has

The Oil Drum | Rough notes for a Monday morning http://www.theoildrum.com/story/2006/5/8/13338/63554 closed since it could not get a secure supply (and we are still building new ones).

And finally Michael got my question and agreed that the East China Sea is becoming a real area of concern, while in the South China Sea the Chinese seem to have been able to work the problems out.

Sorry this is so rushed, and it is this is the second time I have gone to write a post rather than see Megan Quinn's movies, and the guilt level is rising. Hmm, now I have to decide if its is going to be lunch or Dr Catton on human ecology. Hope you all don't mind but I may just miss the first bit of that.

P.S. Obviously I am not hiding as well as I thought, Nate <u>thelastsasquatch</u> found me at breakfast, and despite my best attempts to appear the bumbling whatever, saw through the façade, but was kind enough to keep quiet - thanks!

Gotta go eat!

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