



## Peak Oil Aware NY Governor?

Posted by [Glenn](#) on November 1, 2006 - 8:22pm in [The Oil Drum: Local](#)

Topic: [Policy/Politics](#)

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Eliot Spitzer's campaign is now pretty much running victory laps around the state with polls showing he will be sweeping into New York's powerful governor's chair with a huge mandate for change. I've written before about [Spitzer's views on energy, transportation and the environment](#) as well as his favoring [closure of the Indian Point Nuclear plant](#). What hasn't been talked about in the press much is that Spitzer's running mate, David Paterson has [talked openly about peak oil](#) in a speech delivered in May that mentions a certain Shell geologist...

Eliot Spitzer, my friend, and I, outside of our goals, have a little polite competition. We try to find the most obtuse quotations to work into government policy, and I still haven't been able to match Eliot's presumption, which I think is very, very applicable to energy policy, in the words of Yogi Berra: If you don't know where you're going, you'll wind up someplace else.

Tell me if this verse sounds familiar: "And then one day, while he was shooting for some food, up from the ground there came a bubbling crude." Those light-hearted lyrics from the CBS 60s comedy series, "The Beverly Hillbillies," in my opinion poignantly portray the mass availability of oil and gas in American society, in the society at that time.

But the situation comedy that allowed a poor mountaineer to become a Hollywood millionaire may have obfuscated the work of a Shell Oil geologist who was offering a different interpretation at the same time.

Hmmm....Shell geologist? He continues:

In 1956, Dr. King Hubert offered a prediction that United States' oil production would, in effect, plateau somewhere between 1970 and 1971. This was the culmination of research where the first drilling for oil in this country came in 1859. By 1870, we had a network of oil pipes, starting the first network of delivering of oil as a fuel alternative at that particular time, and the curve went up steadily and steadily until, alarmingly, October of 1970 when we were producing 9.5 million barrels of oil per day. That's the highest we ever achieved.

Currently, we're producing about 5.1 million barrels of oil per day. We will go under half of the oil production of 1970, 37 years later, sometime in the middle of next year. Now this is staggering because, in addition to that, the United States Department of Energy - and I don't know how they got this past Phillip Kooning, Bobby - offered a paper describing the mitigation of oil peak downside, meaning that, after the production of oil slips below half of the peak production, at that point the energy return on energy investment becomes negative.

In other words, it takes as much energy to bring the oil out of the ground as it would to realize energy benefits from the oil that's actually drilled. So the reality is that in the flourishing 50s, we were getting 30 barrels of oil out of the ground for every barrel invested, and we are now somewhere between five and 10 barrels of oil for every barrel we invest.

That is some of the most knowledgeable talk about oil production (including talking about our own peak production in the US) and EROEI of oil extraction that I have heard from any politician. So Paterson and therefore Spitzer know that there will be a peak to oil production eventually. It's not a matter of it, but when...

So the question is: when is the oil going to run out? The answer is: nobody knows.

There were alarmists in the 70s after the fuel shortage crisis that said that we'd run out of oil in the 80s. **There are bloggers on the Internet who say we're going to run out of oil in the next 10 years.** No one really knows. Discoveries in the Yucatan Peninsula, the Gulf of Mexico, and in Credo, Alaska, have certainly extended that period of time.

But then the drilling that took place in the Caspian Sea in 1998 that was supposed to yield 400 billion barrels of oil is now being estimated at 40 billion barrels of oil. So it goes back and forth, how long the oil supplies are going to last.

Actually the real question is not whether David Paterson has read The Oil Drum, but if he has registered a username here...

In any case, this level of publicly expressed sophistication is rare in politics. And he's not just talking about peak oil as a theoretical issue that the next generation will have to deal with, he's serious about it in the present tense.

But what's more important than that would best be represented by this example: The human body has 21 quarts of blood contained in it. We don't die at the moment we offer our last drop of blood. What's more important is when our first drop of blood is spilled, and that's what Shakespeare taught us in the "Merchant of Venice." The problem is that if a person loses 20 to 25% of his own blood, it severely impairs the systems of the body,

and death will not be long.

This is the problem we are going to have if there is any cutoff of our oil supplies in the immediate future.

Remember the 1970s oil shortage only involved a 5% lessened amount of oil than we actually have now, than we actually had at that particular time. What we've got to start concentrating on, as a society, are alternatives to what has been the lifeblood of our economy.

Oil and blood...and interesting new twist on that old line. So what's their plan once they take office?

The Spitzer administration's policy on energy can be summed up in four words: conserve today, renew tomorrow.

We have got to stop throwing good energy after bad. We will use conservation for immediate results, and we'll hope that we can find alternative sources of energy for long-term and future positive results. These are not new ideas. They're not dramatic. They don't even cost that much, but they are effective.

And the most effective and immediate way to establish some kind of impact on our environment is through conservation. Conservation doesn't mean privatization. It doesn't mean austerity. It just means doing more with less, not just doing with less.

We're asking New York businesses to raise profits by reducing their utility costs, not by reducing their businesses. We're asking the families in New York to lower their utility bills, not to lower their expectation of a lifestyle. Conservation is good business sense, because if it saves energy; it saves money. Because energy is the new currency.

We want to make sure that the community action agencies, the not-for-profits and the weatherization organizations, get the proper funding that they will need. So we will use conservation in the short-term. We will implement it to get immediate results, but we want to pursue renewable energy sources as a long-term solution to New York's energy uses.

This is the long-term solution that can liberate America from its dependency on foreign oil importation. And we certainly think that this is an avenue that we can go on now because it will decrease greenhouse gas effects, create high-skilled, high-paying jobs around the state. It can stimulate in-state investment and generate huge tax revenues.

There is an ancillary benefit to bringing renewable energy, and it is that every dollar invested in renewable energy can create 40% more jobs than the conventional sources and more widely-used sources of gas and oil.

And this typifies Eliot Spitzer's view of dealing with crisis: he believes that crisis creates opportunity, and opportunity is enhanced by more jobs and economic development for this state.

Nice words. It will be very interesting to see how all of this actually plays out, particularly in light of their stated support to close the Indian Point Nuclear plant. But it's nice to know that we have a new executive coming into office here in NY State aware of peak oil and ready to make serious changes by making conservation and renewables a real priority.



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