

CAFE, gas taxes, the SPR, and rationing

Posted by Prof. Goose on August 31, 2005 - 12:31am

Topic: Supply/Production

Dave Roberts over at Grist has, thankfully, summed up the CAFE and gas tax discussion that has been running through the 'sphere today (that I honestly was just too out of it to engage in). Lots to read, but lots of good stuff.

We had posted some ideas on gas taxes and demand destruction over at TOD 1.0 a while back.

Ianqui also explored the regressive nature of the gas tax as well.

Under the fold is a discussion of rationing, the SPR, and other options...

However, I think the more pressing concern is going to be if, and how, the government mandates a curb in consumption in the short term. Katrina has truly damaged oil production and refining, as well as curtailed already limited gasoline supplies (see post below about potential problems in Atlanta). The assessments of the damage are still coming in, as we have seen in the posts below.

A release from the SPR is a near certainty. There's no reason the president will not do this, if only to appear as though he is doing something. But, remember, what is in the SPR is not refined petroleum...so if there's no available and unused refining capacity, there's nothing to do with that oil.

So what do you think? Will the SPR release be enough? Is it appropriate? Will the government have to somehow resort to rationing? (Things are bad, but are they that bad?) Will rationing be a federal, state, or local matter? Is rationing really that bad? Well, here's some pieces on rationing from WW2 (hat tip peakoil.com):

Link 1

Link 2

I know it might be a little early to talk about this idea, but after hearing about all of the logistical nightmares, (which sure, we will adapt to after a while) I think rationing is a potentiality, especially for the area that is fed by the tanker ports, refineries, and pipelines from this area of the Gulf.

Whether or not it is the right option for our government to take, well that's another question...would Americans go for it?

Technorati Tags: peak oil, oil, Katrina, gas prices



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