

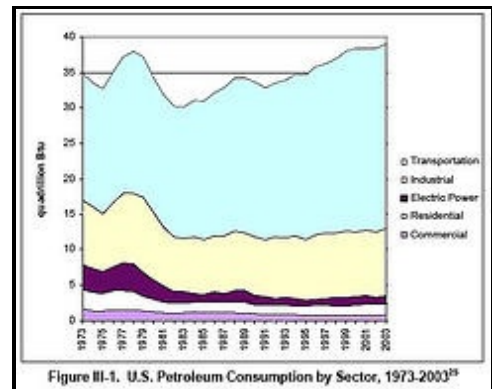


## US Petroleum consumption

Posted by [Heading Out](#) on April 28, 2005 - 11:17am

Topic: [Alternative energy](#)

Yesterday President Bush talked about his plans for energy. His speech was, I suppose, brought about by the increase in gas prices and the concerns that they will not go down. The attached graph shows how the gas is used, the units are Quads, and for simplicity you can divide these by 2 and get millions of barrels a day. Thus we use about 9 mbd in gas for autos and light trucks, 3.8 mbd for diesel 4.9 mbd in industrial use etc. (The graph and data come from the SAIC Peak Oil report - the web address of which is somewhere in a comment below).



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Originally uploaded by [Heading Out](#).

Why is this relevant to the President's speech? Because the concern the public has is with the price of gas. This is particularly related to the price and ability to import enough oil. Yesterday he said "And the most important component of our strategy is to recognize the transformational power of technology." And later "I believe that the next 25 years the changes are going to be even more dramatic. Our country is on the doorstep of incredible technological advances that will make energy more abundant and more affordable for our citizens. By harnessing the power of technology, we're going to be able to grow our economy, protect our environment, and achieve greater energy independence."

Good stuff, but [where's the beef?](#) You go through [the speech](#) and it is hard to find what technological breakthrough, that relates to helping with the price of gas, we can anticipate. Remember that the problem is with gas supply and prices. We currently do not have, in the short term, a real concern with electricity generation (apart from the small fraction of oil and gas that powers some generators).

But the solutions given include changing the regulations on nuclear power; easing the regulations on building refineries (and the fact that we refine the oil here does not reduce the amount that we have to import, only that we import it as crude rather than as refined product); and expediting the licensing of liquid natural gas (LNG) terminals - which is only needed to increase the ability to import gas. None of these actually reduces, and it may in fact increase, the need to import oil and gas from abroad.

The new technical programs that the President calls for are on Clean Coal technology, the Hydrogen Fuel initiative, Ethanol and biodiesel; wind and residential solar. There is also a call to increase the tax credit on hybrid cars and trucks to include diesel, and to develop superconducting powerlines for electricity distribution.

Now these are all good ideas, though I am dubious as to how much technology will be developed

from them that will have a significant impact in much less than 25 years. (Which when one adds it to 58 makes about a lifetime). My concern however is with the 210 million automobiles and light trucks we currently have on the road. Where do their owners get some technical help for the rising cost of gas? What technical means are being developed to recover more oil from US sources, rather than depending on foreign ones? The price hike alone might make it economic to recover about 10-20% more oil from our oilfields, but with technical help it is probable we could be able to extract more - is there any initiative for this? I think not.

The lead-in to the speech used the concern of the public on gas prices, the solution was to rely on technology, but no novel technical initiatives were given for solving the gas supply problem over the next 7 years or so (which is about the shortest amount of time before ANWAR comes to pass, and by that time we will be seriously into the post-peak part of the oil supply curve anyway). I do hope this is still a "work in progress" rather than all we can expect in this initiative.

Technorati Tags: [peak oil](#), [oil](#)

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