


INFORSE-EUROPE
 International Network for Sustainable Energy

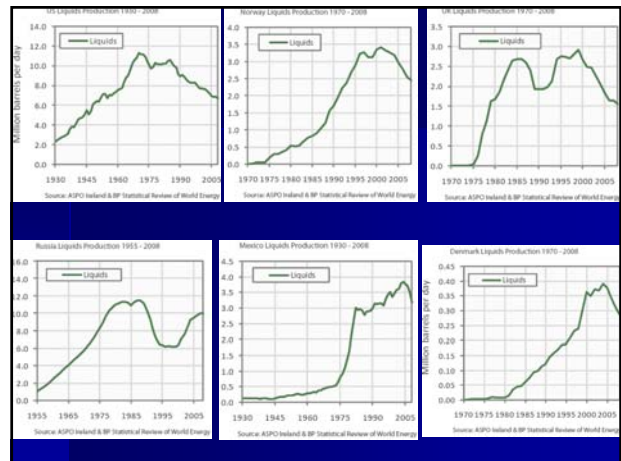
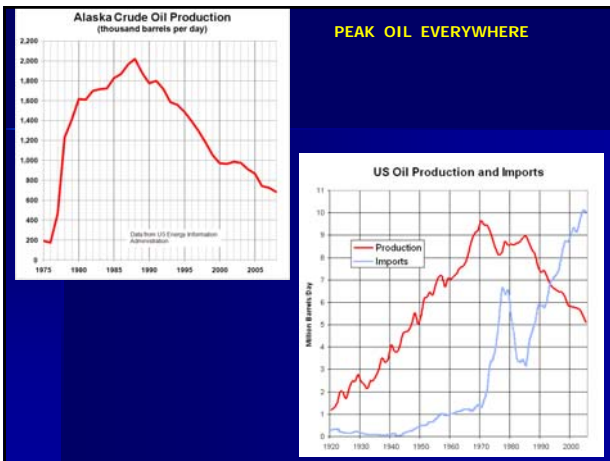
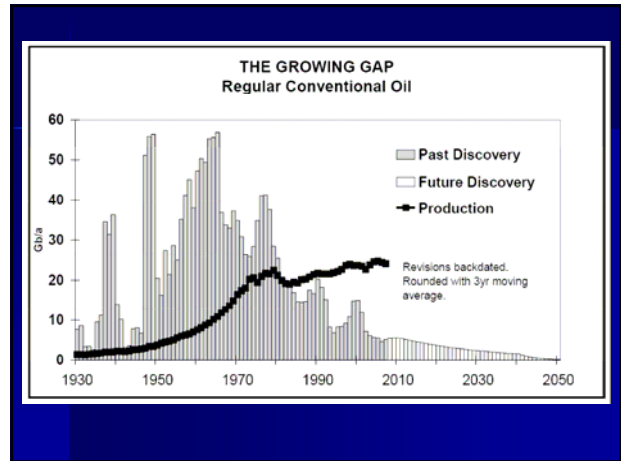
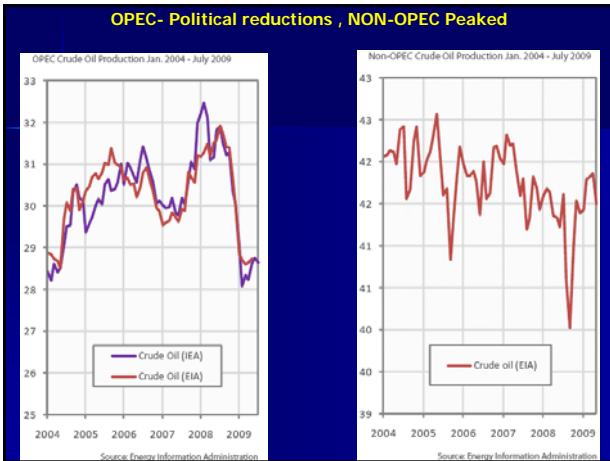
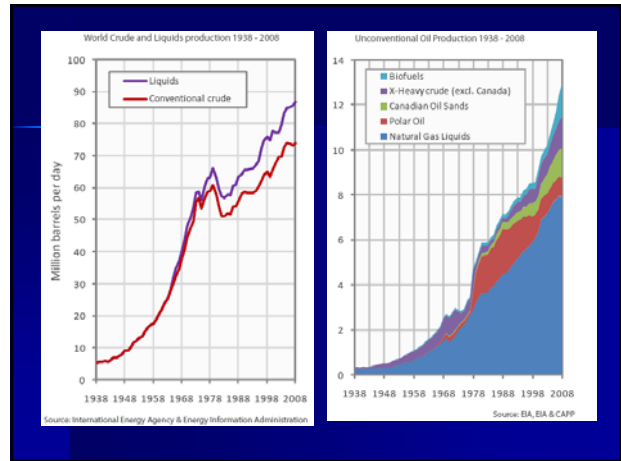


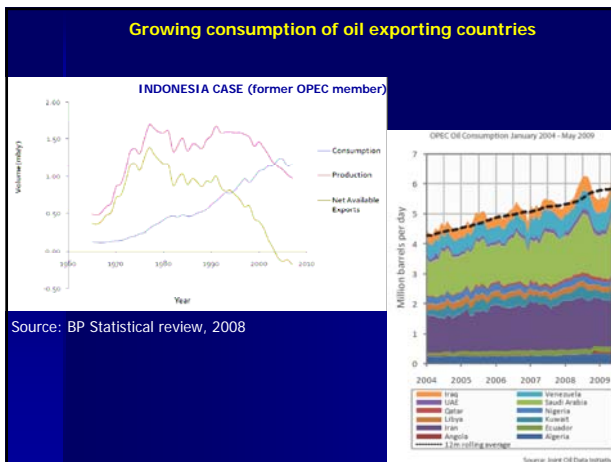
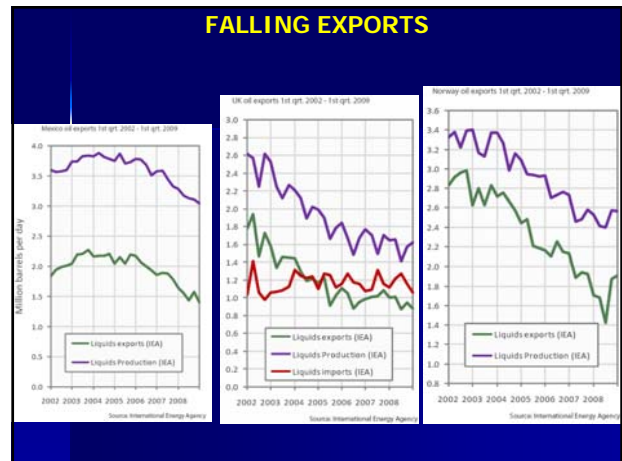
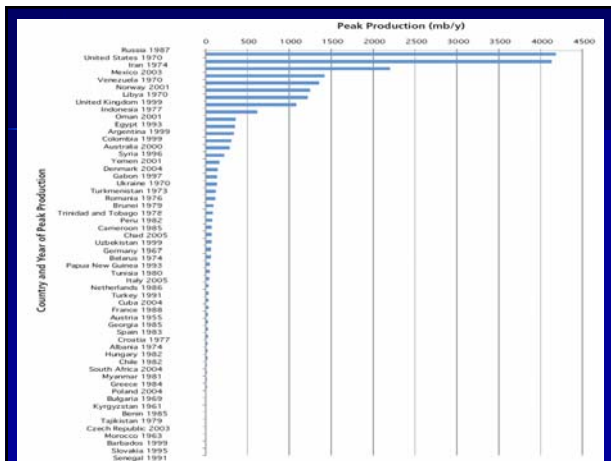
Peak Oil Update - 2009

Emil Bedi

INFORSE-Europe European Sustainable Energy NGO Seminar
 Artefact, Germany, November 10-14, 2009

http://www.inforse.org/europe/seminar09_Artefact.htm





Declining production of existing fields

IEA in its 2008 World Energy Outlook significantly increased previous views of how fast existing oil fields are depleting, and are likely to decline in the future.

More than third of current capacity may need to be replaced by 2030 simply to maintain current levels of production.

The steady switch to offshore production suggests that global depletion rates will increase to 6,5 percent by 2014.

Declining production rates of large post-peak fields (%/year)

Parameter	IEA	Höök, et al.	CERA
Onshore	4.3	3.9	-
Offshore	7.3	9.7	-
Non-OPEC	7.1	7.1	-
OPEC	3.1	3.4	-
Total	5.1	5.5	5.8

Source: IEA(2008), CERA (2008) and Höök, et al.(2009; 2008; 2009a; 2009b).

A 5 percent decline rate is equivalent to 4 million b/d each year which must be added each year just to maintain production at current levels.

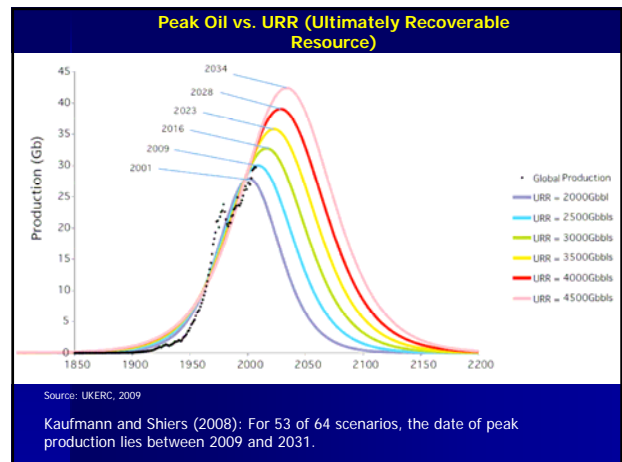
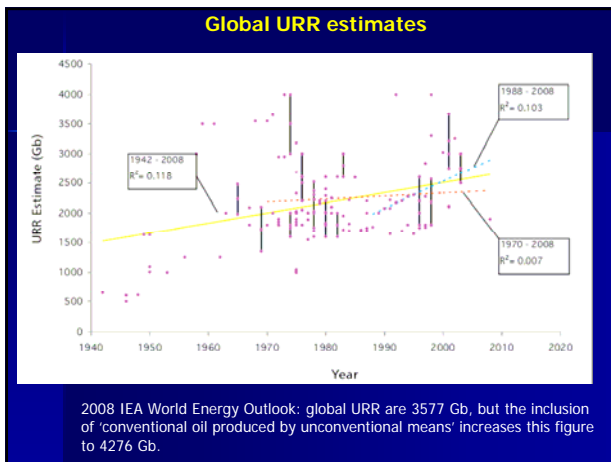
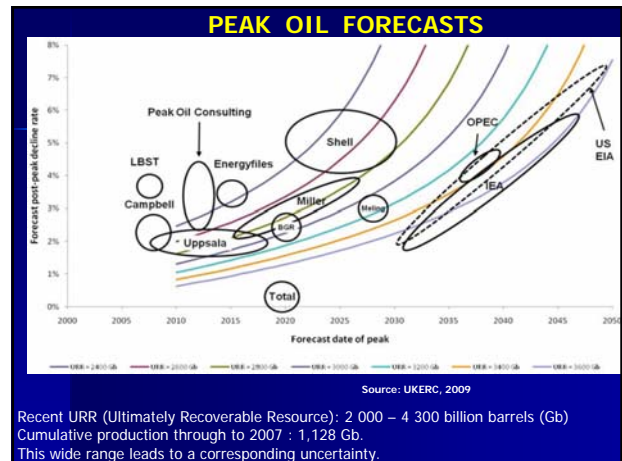
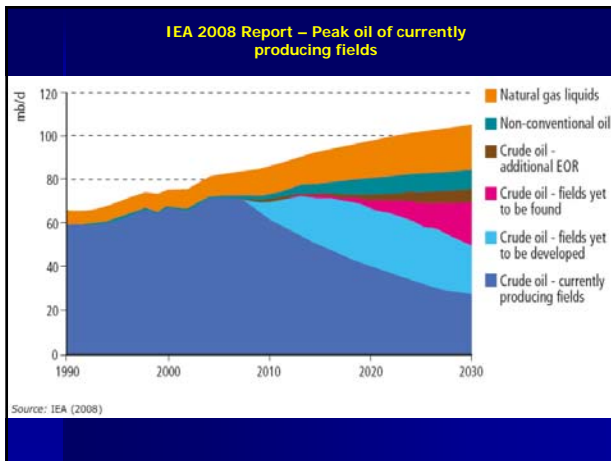
This is equivalent to a new Saudi Arabia coming on stream every two and half years or equivalent to all the biofuels, tar sands and heavy oil production combined.

PEAK OIL DISCUSSION

ASPO-USA Conference (October 2009) 400 attendees from 28 countries:

While in 2005 the conversation focused on when production would peak, now there is an almost universal consensus that conventional oil production stopped growing significantly after 2005 and has remained on a plateau ever since.

Among analysts who prefer data to faith, global oil production will begin to decline between 2012 and 2015 depending on the course of the recession.



OIL PRICE and ECONOMY

- November 2009: Oil had its highest close in more than a year and is getting close to the \$80 level which is where many believe the oil price impact on any economic recovery starts to have a greater effect.
- A \$10 per barrel price increase drains \$13 billion additional dollars a month from the OECD economies.

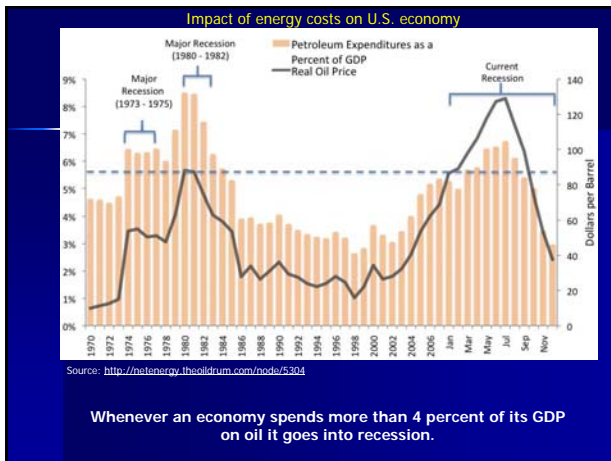
"(Steven Chu, US Secretary of Energy) was my boss. He knows all about peak oil, but he can't talk about it. If the government announced that peak oil was threatening our economy, Wall Street would crash. He just can't say anything about it."

-- David Fridley, scientist at Lawrence Berkeley National Laboratory, quoted in an article by Lionel Badal (see Peak Oil News, 10/28, item #23)

High energy costs - roots of financial problems?

Oil price vs. Economy

Wikipedia: The subprime mortgage crisis is a financial crisis triggered by a dramatic rise in mortgage ... The crisis became apparent in 2007.



COAL RESERVES

Reserves/Production	Source
216 years	The BP Statistics, 2002
133 years	The BP Statistics, 2008
122 years	The BP Statistics, 2009

Year	Reserves mil. tons	Production mil. tons
2007	847 488	3 177
2008	826 001	

Natural gas R/P : 60,4 yrs (unchanged)