

Upcoming World Energy Congress still likely to love oil

Andrew Seidman, McClatchy Newspapers, 7-15-10

Even as oil spews into the Gulf of Mexico every day, top energy experts aren't writing off fossil fuel use anytime soon.

"A few years ago, we thought we reached a tipping point with natural gas," said Stephane Bertrand, the executive director of the World Energy Congress to be held in September in Montreal. "It's huge - the amount of natural gas we're finding right now - and it's just the beginning. So I think it's going to be the same in any kind of energy."

The congress, which meets every three years, calls together hundreds of industry officials, regulators and policymakers to discuss the future of energy policy. This particular congress, Bertrand said, will attempt to formulate the best mix of energy sources, fossil fuels included.

Bertrand, who visited Washington on Wednesday to mobilize U.S. government support for the congress, noted that fossil fuels produce 86 percent of the world's energy. By 2030, he said, fossil fuels' share of energy production may drop to 70 percent.

Those statistics haven't stopped some nations from implementing clean energy policies, however.

Germany has set a goal to cut greenhouse gas emissions by 85 percent by 2050 and is the second-leading producer of wind energy in the world, behind the U.S. Finland almost decided to shut down its 10 nuclear power plants last year but instead has proceeded with a plan to maintain the current facilities and build two more by 2020.

While several European countries have made firm commitments to pursuing the potential of alternative energy sources, Bertrand said he "strongly believes we need all energy ... but we need to be more efficient."

The need for continued fossil fuel exploration and development largely stems from developing countries' high demand for low-cost energy.

"It's inevitable; it can't be helped, given the level of energy demand," said Robert Powell, an editor and economist at the Economist Intelligence Unit, a research and advisory company based in London.

Powell, who'll speak at the congress, said a regionwide energy problem plagued the Middle East and northern Africa. Countries such as Iran and Saudi Arabia, which have the second- and fourth-largest natural gas reserves in the world, are struggling to balance exports with "galloping" demand at home, Powell said.

"You hear the phrase, 'Water, water, everywhere, but not a drop to drink.' You could say the same of gas reserves," he said.

For environmentalists such as Les Brown, however, recent trends highlight the need to shift away from a fossil fuel economy, particularly in the U.S.

"The situation in the Gulf - I don't think we've begun to see the full effect it will have on our psyche," said Brown, the president of the Earth Policy Institute, a nonprofit research organization, and another speaker at the

Congress. "I think that's going to translate into a shift to electric cars and the overall electrification of our transport system. It seems to me this will move a lot faster than most people realize."

From 2007 to 2009, Brown noted, coal consumption dropped by 11 percent, while 191 wind farms with more than 17,000 megawatts of generating capacity were created. Wind energy, Brown said, has become more economically attractive for farmers.

"Those two numbers sort of (give) the sense of how things are shifting," he said. "You can double-crop - wind energy and corn or wheat - because the turbines only occupy 1 percent of the land. And farmers like the idea of having two sources of income for the same land."