

6th Annual International ASPO Conference – Review

1 Introduction

ASPO is the Association for the Study of Peak Oil & Gas. It was originally set up in 2001 by Dr Colin Campbell, a retired Irish geologist with extensive experience of the oil industry, as a network of European scientists seeking to pool their knowledge in evaluating the world's endowment and definition of oil and gas, to study depletion and to raise awareness of the serious consequences for mankind of the coming oil crisis. Mainly because of the success of the early ASPO efforts, the concept of Peak Oil progressed quickly from being of academic interest to being of prime public concern. Spin-off national organisations now exist in some 30 countries including Australia, New Zealand, USA, Japan and China. ASPO held its 6th annual international conference in Cork in September 2007.

The theme of the conference was “Time to react?” This is a change from earlier conferences, which discussed the evidence for peaking global production at length. At the latest Conference, it was taken as read that production would peak – the exact date was considered relatively unimportant, what mattered more was what a post-peak world would look like.

Some 300 delegates attended. While no list of delegates (or written papers) were circulated, from observation they were overwhelmingly male, and mainly with background in the energy industry.

2 Cork

The conference was held in Cork City Hall. Cork is Ireland's second city (after Dublin) “the Venice of the North”, apparently so-called because there is a lot of water flowing through the town. SW Ireland is the home of ASPO's founder, Dr Colin Campbell. Cork (population of Cork City 2001 was 123,000) is heavily car-dependent and congestion-bound - as are most European cities of that size - with no urban rail network and much road-based transport (including buses and coaches) on inadequate road infrastructure.

The two-day conference was organised into four half-day sessions. Each session consisted of a chairman's address, three presentations and then a Panel discussion involving four more individuals as well as the presenters. Each session is now reviewed.

3, Keynote addresses.

The keynote address was given on Day 1 by the former US Energy Secretary James Schlesinger, who memorably declared that Peak Oil had become generally accepted (“We are all peak oilers now”). It is simply fantasy to expect that we will discover four new oil provinces the size of Saudi Arabia by 2030, but that is what is implicit in the EIA projections. He pointed out that the main political imperative is to get re-elected, so do not look to politicians to deliver bad news. For them there's no advantage in it. By 2030

our economies will be 80% dependent on fossil fuels. Even the NPC foresees a peak long before then.

Lord Ron Oxburgh, former chairman of Shell, opened Day 2 by saying the obvious: that while there's a lot of oil still in the ground, we're running out of affordable oil. Liquid fuels will be needed for as long as we use the internal combustion engine. Today's great challenge is the coming-together of three issues : increasing demand, security of supply and environmental security.

The closing address was given by Eamon Ryan TD, Ireland's Minister for Communications, Energy and Natural Resources. He may have said something interesting but it was the end of a long day and it didn't register with me..

4. Session 1 –The industry's performance (Supply Side)

The session was chaired by Jeremy Gilbert (ex BP), Presentations from Ray Leonard, (Kuwait Energy Co), Mike Rodgers (PFC – a consultancy) and Pierre-Rene Bauquis (French Petroleum Institute) were made, The Panel consisted of James Buckee (Talisman Energy) , Gareth Roberts (Denbury Resources), Chris Skrebowski (Editor, Petroleum Review) and Eddie Walshe (commentator).

In Ray Leonard's opinion there is more potential for increasing production by getting more out of existing fields than by discovering new ones, ie greater reliance on Saudi Arabia and the Middle East. Mike Rodgers thought that production from non-Asian sources would increase from 62 million bpd now to around 65 million by 2015, but that will be its limit, but there was scope for growth in OPEC countries. The combined total could be production of around 100 million barrels per day in a decade from now. The general impression was one of optimism from the industry.

5. Session 2 – The economics (Demand Side)

The session was chaired by George Lee (media), Presentations from Herman Fransen ("Global Energy Demand Trends"), Professor Pang (China University of Petroleum – "The China Syndrome") and Jeff Rubin ("Market Outlook") were made, The Panel consisted of Jim Barry, Richard Douthwaite, David Fleming and Carlos Rossi. The main impression I have looking back on this session was how difficult it was to follow Professor Pang's presentation, but then my Chinese isn't up to much either.

6. Session 3 - Risk management & mitigation (What's at Risk)

The session was chaired by Jeremy Leggett. Presentations from Nate Hagens and Michael Dittmar (from ETH Zurich) were made, Alfredo Corbelo from Cuba had had to withdraw. The Discussion Panel consisted of Matt Dempsey (farming journalist), Mary Graham (founder, Practical Small Projects), Gerard O'Neill and Philip Walton (nuclear energy advocate).

Jeremy Leggett saw three main areas of opportunity arising from Peak Oil; renewable energy (he is now CEO of a solar power company); changing food consumption patterns at a community level; and alleviating poverty. Michael Dittmar was pessimistic about the nuclear energy industry's ability to do anything significant – to achieve results you need to provide adequate funding, and this is not happening, Nate Hagens showed how dependent we are on the way that our brains have evolved. During the discussion Ireland's extreme energy vulnerability was raised; energy for 70% of the nation's electricity comes by pipeline from Russia,

7.. Session 4 – Policy & Environment (Time to React?)

The session was chaired by Eddie Hobbs, an Irish media figure, Presentations from Debbie Cook (former mayor of Huntington Beach, California), Rob Hopkins (Founder, Transition Towns Totnes) and Eddie O'Connor (CEO Airtricity) were made, The Panel consisted of Michael Martin TD (from the opposition), Michael Meacher (former British Environment Minister), Eamon Ryan TD (Irish Energy Minister) and the Rt Hon Edward Schreyer, former Governor General of Canada.

Australian cities and towns are more like the situation described by Debbie Cook – where it is not possible to distinguish one local government area from another in the urban sprawl of Orange County – and not at all like the Totnes of Rob Hopkins, a relatively old free-standing town. In Australia the few towns the size of Totnes are isolated pastoral, mining or tourism centres, ie heavily dependent on the fortunes of one industry. The discussion was mostly memorable for the passion displayed by Michael Meacher, and his willingness to admit that the Government of which he was part could have done better.

8. ASPO International

While not officially part of the conference, the presence of so many overseas delegates allowed ASPO to organize itself a little better internationally. From the start of 2008, ASPO International will be a separate organization from ASPO, for ASPO National organizations, with an international board presided over initially by Professor Kjell Aleklett from Uppsala University and with a secretariat provided by ASPO Sweden - instead of being, as now, a euphemism for Dr Campbell's original collaborators around the world. The draft mission for ASPO International is as per the original ASPO, plus (explicitly) basing its actions on science and not making political statements. One of the functions of ASPO International will be determining the location of the next International Conference, In 2008 this will be held in Barcelona, Spain.

9.. Reflection

The conference appeared to be dominated by oil & gas industry types, who were more concerned with production levels than with the consequences of making do with less. Dr Colin Campbell appeared to be preparing to step back and hand over the reins to a younger generation.