

**Comments Made By Task Force Chair and City Councilmember Dave Rollo
at
City Council Meeting, 02 December 2009**

Thank you for your consideration of the report issued by the Peak Oil Task Force.

Since we discussed the report in considerable detail at our previous meeting, of November 18, I will simply present a few notable points in the 250 page report this evening. And, I and some of the members of the Task Force that are here this evening would be pleased to respond to questions.

First and foremost: one of our primary findings is that we are most certainly at or near peak in liquid fuel production. We note that there was a plateau in conventional oil production beginning in 2005, with a peak in total liquids in July of 2008 that corresponded with the price spike. Since then, demand has fallen that explains the collapse in price, but this is only temporary.

This reality will be a new experience for our society – since nearly everything we depend upon requires plentiful energy and this has been the case for several generations.

It takes time to plan for adaptation and so we should begin right away.

The decline in liquid fuels will be primarily experienced in the transportation sector – at least initially. But since nearly all consumables can be understood to contain a certain “embodied energy” in their manufacture, processing, transport and so forth, the effects will soon be far reaching.

Our report consists of examining major topic areas that are oil dependent and provides recommendations for mitigation and adaptation:

Those areas are:

- The Economic Context;
- Municipal Services;
- Transportation;
- Land Use;
- Housing; and
- Sustenance.

In the Economic Context, authored by Gary Charbonneau, we note that our economy has an underlying assumption and reliance on growth – ever expanding materials and energy throughput from nature. This expansion cannot continue indefinitely, and is unlikely to once our energy resource base goes into decline.

Our economy, in the past few decades, has become globalized – requiring long distance transport. Because 95% of our societies transportation is oil dependent, an important means of adaptation will be re-localization of many of our needs. Measures taken to re-localize will build

wealth in our community, and keep people employed. Regional networks of trade will be far more important and viable than globalization in the future.

Of real concern to the Task Force, as we explored the implications of fuel decline, is our reliance on energy inputs in our food production. Thus a primary focus of our task force report is an examination of our community food vulnerability.

This is not a unique insight, since other communities that have examined the topic of peak oil have recognized their exposure to imports – particularly food. But Peter Bane has examined our particular situation in detail in the Sustenance chapter, and finds that we can do much to foster regional self-reliance in food production.

As Stacy Jane Rhoads and I surveyed the role of Municipal Services, we found several significant vulnerabilities. The services provided by public safety warrant a greater cushion of back-up fuel for vehicles and generators. Ideally, the City could implement complete reliance on alternative energy, but for the time being, we will need to have adequate buffers in place of stockpiled fuel. Through efficiency and conservation measures, many already undertaken thanks to a very forward thinking administration and staff, we can greatly reduce our exposure.

Our water treatment plant, and our waste disposal services require attention in terms of risk of high fuel prices, potential shortages and grid reliance. Some production of water, completely grid independent, should be a consideration of our city government. We note that a hybrid solar/hydro system could render enough power to provide basic water service.

The travel distance now imposed on waste hauling to Terre Haute constitutes a risk that can be met with a combination of reduction of the waste stream, a materials recovery facility wedded with an organic materials sorter, and a re-opened landfill tapped for methane.

In the Transportation Chapter we note that Monroe County residents drive 2.8 million miles/day. For perspective, that's over 11 trips to the moon every day.

We are making great strides in public transportation, but we need to do more, as Christine Glaser and James Silberstein have noted in their chapter. We find that low income residents may find that the majority of their wages will be consumed just for fuel if gasoline were to increase to a level that Europeans currently pay.

I was encouraged to find that light rail was one of the recommendations of the Chamber of Commerce in their yearly legislative requests. We join them in our support of rail – as one of the most viable means of transport for both commerce and people once the oil decline sets in. The topic of housing was explored by Stephanie Kimball and Clay Fuqua. The report notes that our housing stock has vulnerabilities that are typical of our nation – low efficiency, with a predominance of large units created in the age of cheap energy. Retrofitting for efficiency could feasibly reduce energy use by 5% per year and shield residents from future energy price shocks.

Land Use of the past 60 years has been characterized by the creation of an energy-intensive built environment as described last week by Greg Travis. This will have to be modified to bring

residents closer to where they work and shop, both literally, by modifying present zoning restrictions, and practically, by good public and alternative transportation.

There are many recommendations within the report, and our time constraints this evening doesn't allow us to go into detail, but it is summarized in the Report's executive summary, and with the council's permission, we would like it included in the minutes of tonight's meeting.

We are a community embedded within a society that is extremely dependent on imported energy – some two thirds of our oil is imported.

We recognize that shortages and rationing may ensue as depletion proceeds. And so, in preparation, we should begin a considered and calculated powering down of our liquid fossil fuel reliance. It is our hope, that communities across the country begin their own energy descent planning, in lieu of inaction at the federal and state levels. This may change on those levels, but we cannot simply wait to see if they will.

In any case, it is prudent to plan to use less liquid fuels beginning right away. The task force recommends a year on year reduction of 5% in order to anticipate the natural, geologically imposed rate of decline. There are other aspects to decline that could make things better or worse. Exporting countries, recognizing that oil left in the ground may be more valuable than the current commodity price may cut back on exports, or they may consume more themselves, since the balance of trade will be in their favor and thus their economies may fair better. The strength and confidence in the dollar, the role of technology (good and bad), the role of so-called unconventional oil, the possible discoveries of new, large fields, the need for new investment in exploration and recovery: all of these things may alter the rate of decline in availability of petroleum.

These are very serious matters, but we are hopeful, and in fact, we vision a community that remains prosperous and resilient as descend the peak.

As stated in the report's *Introduction*, the recommendations of the group were guided by the following principles:

- **Sustainability:** Recommendations should foster environmental integrity, equity and economic health. They should also be more than short-term fixes.
- **Actionability:** Recommendations must be specific and be “implementable.” Toward this end, the Task Force organized its work into goals and strategies which are best implemented in short, medium or long-term.
- **Conservation-Focused:** While places in the report focus on new energy sources and greater efficiencies, the report's overwhelming call is for conservation. We can work on demand side measures to energy scarcity, and in many ways, we will find that we are better off for doing so, and we will save our government and community money in the process.

We hope that this report will prove to be useful in the years ahead. It is certainly not the final word on peak oil, but it is hoped that it begins the community conversation on how we begin to prepare.

Thank you for your attention, and we look forward to any questions that you may have.