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THE AGE OF OIL: BEGINNING OF THE END?

SCAG Conference Explores Future Trends, Strategies

Los Angeles – The time is now to begin preparing Southern California for life after fossil fuels, according to various energy policy experts at today’s Southern California Energy Conference conducted by the Southern California Association of Governments (SCAG). Attended by more than 150 local elected, business and environmental leaders, the conference focused on a number of global energy trends and their long-term impact on Southern California and the nation. While estimates still vary, a growing number of experts are predicting that global peak oil production will occur in the next five to 20 years, with exponential oil price increases occurring after peaking has been achieved.

“Today’s conference is intended to highlight our country’s addiction to oil, explore alternative energy sources and demonstrate that the world oil production has or will soon reach its peak,” said Huntington Beach City Councilwoman and SCAG Regional Councilmember Debbie Cook. “It is our hope that today’s event will help illuminate the fundamental challenges we face in terms of energy consumption and will kick-start efforts to begin much more serious conservation and exploration of alternative fuel sources.”

The United States currently accounts for more than 25% of the world’s oil consumption, with two-thirds of that consumption going to transportation. For more than 20 years, the U.S. has been consuming far more oil than it produces and overall U.S. oil production peaked in the 1970s.

According to Jeremy Gilbert, former Chief Petroleum Engineer for British Petroleum and Managing Director of Barrelnore, Ltd., there are divergent opinions about oil supply, including potential overestimates of oil reserves. “Regardless of when the supply will run out, this is a physical system that is reaching its limit. Unfortunately, we seem to be doing remarkably little to prepare for life in the post oil-peak era.”

Randy Udall, Director of the Colorado-based Community Office for Resource Efficiency, cited many experts who predict that world oil production will peak by or before the year 2020. “If efforts don’t begin today to prepare for this scenario on regional, national and global scales, the economic and environmental consequences would be unprecedented.”

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Roger Bezdek, President of Management Information Services, laid out a number of strategies were raised to help Southern California and the nation prepare for a future that includes declining oil supplies and significantly higher reliance on alternative fuels, including:

- Implement a significant national energy initiative to increase fuel efficiency standards and provide funding and tax incentives that encourages alternative fuels development.
- Change federal and state tax laws to encourage fuel conservation and provide greater incentives for energy-saving technologies.
- Develop state and local government incentives to encourage more smart growth, telecommuting, mass transit and other transportation fuel efficiency options.
- Continue research and promotion of high fuel efficiency vehicles.
- Explore long-term changes in transportation fleets to employ more fuel-efficient vehicles.
- Continue exploration and production of other fuel sources such as oil sands, liquefied natural gas, coal liquids, hydrogen and other alternative fuels.
- Educate the public on the serious nature of long-term oil supply and the difficult measures that will need to be considered to reduce demand and increase supply.

For more information about the Southern California Energy Conference, visit the SCAG web site at www.scag.ca.gov.

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