

Monday, February 9, 2009

Westchase Hilton • 9999 Westheimer

Social Hour 5:30–6:30 p.m.

Dinner 6:30–7:30 p.m.

Cost: \$28 Preregistered members; \$35 non-members & walk-ups

To guarantee a seat, you must pre-register on the HGS website and pre-pay with a credit card.

Pre-registration without payment will not be accepted.

You may still walk up and pay at the door, if extra seats are available.

*Scott W. Tinker
Director of the Bureau of
Economic Geology*

Energy Sound Bites and Counterbites

The United States has, arguably, become a sound-bite society — influenced by YouTube, text messages, and political debates. Some issues may lend themselves to a sound-bite level of understanding. Energy, unfortunately, is not one of them.

Sound bite: We cannot drill our way out of an energy crisis. This is probably true, but it unfortunately conveys a message that we should not be drilling offshore at all, which is both naïve and economically dangerous. **Counterbite:** We can “not-drill” our way into an energy crisis!

Sound bite: The United States should be energy independent. This is a romantic notion, but it unfortunately conveys the idea that it is actually possible to become energy independent. In reality, such independence will be unachievable for several decades. The idea of energy independence distracts us from the more important goal of energy security, which has a very different set of strategic objectives. These objectives include efficiency, diversification, improved global energy trade and investment, dialog between developing and developed nations, and balanced manpower and education. **Counterbite:** Build energy bridges, not walls, for energy security.

Sound Bite: Renewable energy will end dependence on foreign oil. Most forms of “renewable” energy are used to generate electricity, which may eventually replace some component of liquid fuel demand, but not until the auto fleet is replaced and the power grid is revamped many years in the future. **Counterbite:** Fossil fuels are the bridge to an alternate energy future.

Sound bite: Big Oil is evil. The truth is that only six companies that exist in the world today qualify as Big Oil, three of which are U.S.-based companies, and they are not in the best financial condition. Big Oil today is, instead, largely embodied by national oil companies. **Counterbite:** Preserve Big Oil for global energy security.

Sound bite: Americans are addicted to oil. America and all

developed nations are addicted to energy. Oil represents only about 37% of total energy consumption and is the only major energy source in decline in percentage terms. **Counterbite:** Healthy economies rely on energy.

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Sound bite: Fossil fuels hurt the environment. Fossil fuels are a product of the natural environment. Combustion of fossil fuels produces wastes that need to be minimized. At the same time, fossil fuels account for 87% of energy supply and underpin modern economies. Healthy economies allow for significant investment in environmental stewardship. **Counterbite:** Fossil fuels are the path to a clean future!

Sound bite: Federal energy policy will create millions of new jobs. A policy-forced, accelerated energy transition, however noble in purpose, is unwise. Governments can help set the stage for markets to respond. **Counterbite:** Governments don’t pick winners — markets do.

These “counterbites” are controversial in today’s world but necessary for public understanding. I will close with a sound bite of my own: There are no energy silver bullets, just golden ideas! ■

Biographical Sketch

SCOTT W. TINKER is Director of the Bureau of Economic Geology, the State Geologist of Texas, the Director of the Advanced Energy Consortium, and a Professor holding the Allday Endowed Chair in the Jackson School of Geosciences at The University of Texas at Austin. Dr. Tinker spent 17 years working in the oil and gas industry in exploration, production, and research prior to coming to the University of Texas in 2000. He is President of the American Association of Petroleum Geologists



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(AAPG) and Past President of the Association of American State Geologists. Dr. Tinker speaks extensively on the interplay between energy, environment, and the economy and building bridges between academe, industry, and government. He was a Distinguished Lecturer for the AAPG (1997), Society of Petroleum Engineers (2002), and Distinguished Ethics Lecturer for the AAPG (2006–2007). He holds appointments on the

National Petroleum Council, the National Research Council Board of Energy and Environmental Systems and the Interstate Oil and Gas Compact Commission, and he serves on several private, professional, and academic boards. Dr. Tinker's degrees are from the University of Colorado, the University of Michigan, and Trinity University.