

The Oil Depletion Protocol

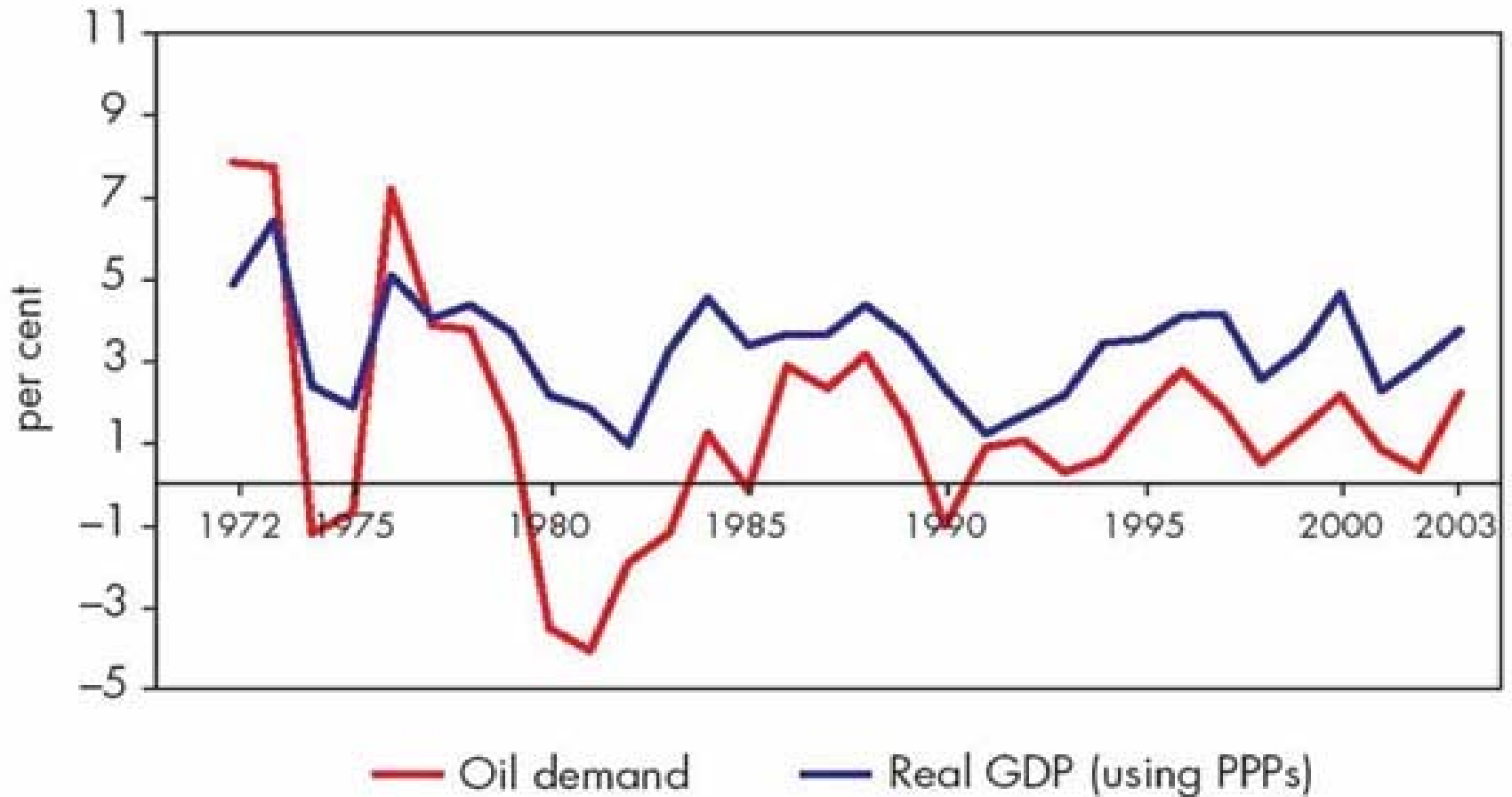
**Peak Oil and the Environment
Conference, Washington, D.C.**

May 9, 2006

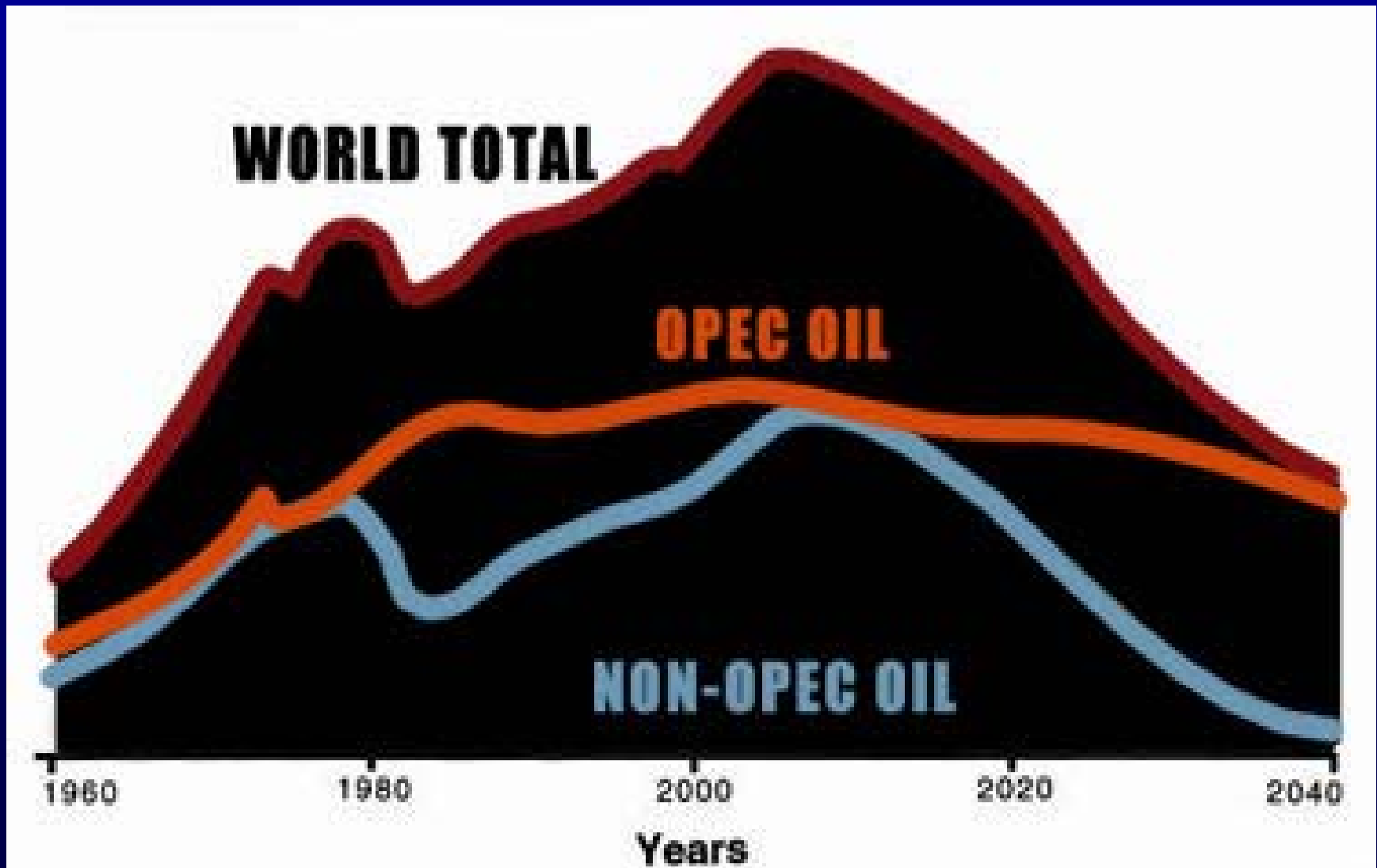
Richard Heinberg

1. Without the Protocol: A Century of Chaos?

Extreme Price Volatility Will Lead to Economic Crisis Making Adaptation Difficult



At the same time, competition for supplies will lead to competition and conflict



Likely Forms of Resource Wars

- **Between rich consuming nations and poorer producing nations**
- **Between consuming nations**
- **Civil wars within producing nations for control of resources**
- **Asymmetrical warfare between rich consuming nations and non-state entities in producing nations**

2. A Plan to Stabilize Prices and Reduce Likelihood of Conflict

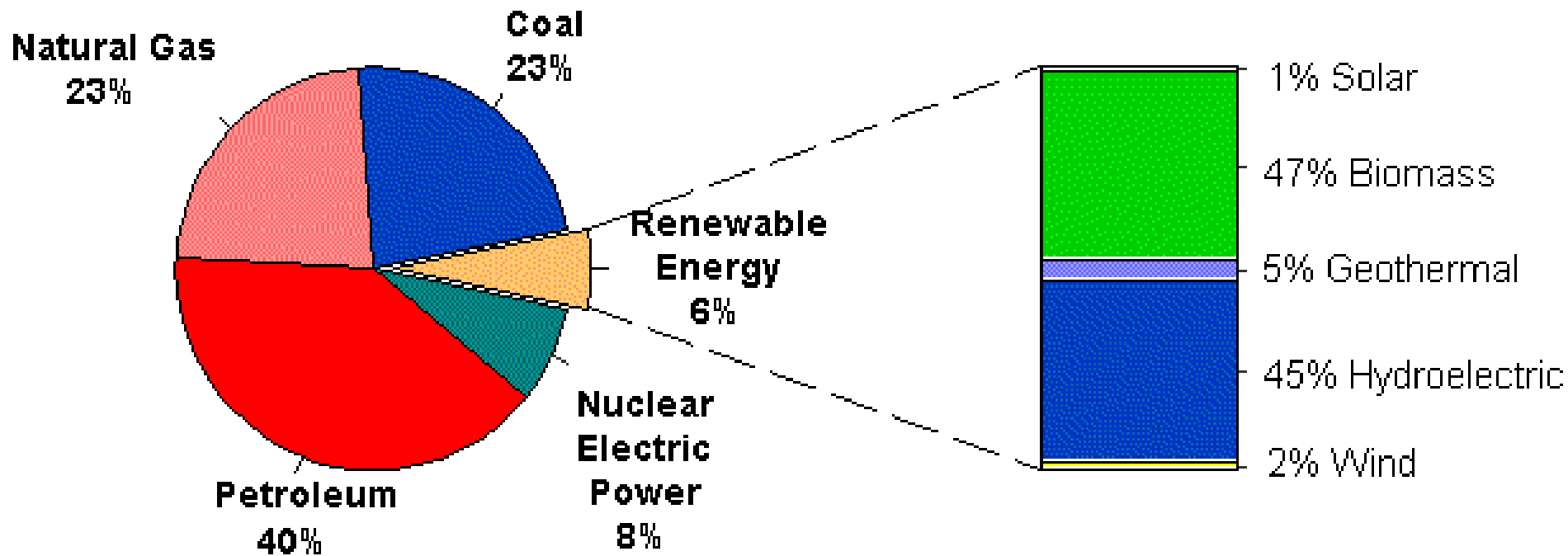
The Oil Depletion Protocol

- a. No country shall produce oil at above its current Depletion Rate, such being defined as annual production as a percentage of the estimated amount left to produce;
- b. Each importing country shall reduce its imports to match the current World Depletion Rate.

3. Dealing with Diminishing Oil: Options and Strategies

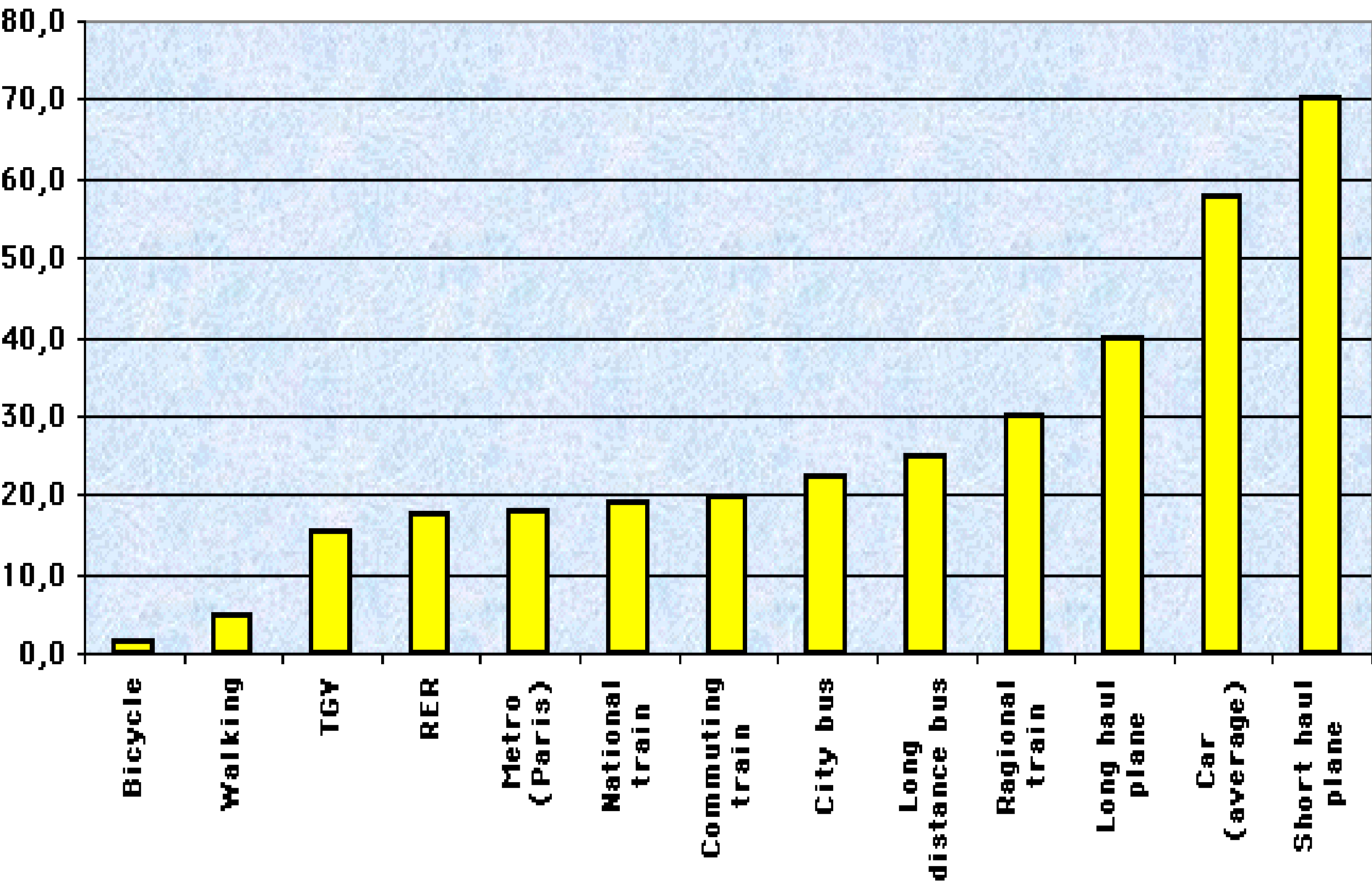
Total = 98.006 Quadrillion Btu

Total = 6.131 Quadrillion Btu



**Alternative supply options are limited;
therefore conservation and curtailment
will be required**

Energy consumption per passenger.km, in grams oil equivalent



Energy Intensive vs. Low Energy Food

- Reduce frozen and packaged foods consumption
 - Imported, highly processed foods will become rare
- Grow as much as possible locally
 - Reduce food shipment distance from 1200 to <100 miles
- Organic food will eliminate pesticides, herbicides, fertilizers
 - Agrarian agriculture rather than industrial agriculture
- Tens of millions of new farmers needed (15-25% of work force)
 - Labor intensive farming better for soil and more productive
- Folke Gunther (Sweden) estimates 5:1 energy reduction
 - “Sustainability through Local Self Sufficiency”

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RICHARD W HEINBERG

4. Questions and Objections

- How are the challenges of Peak Oil and Climate Change different?
- How are they similar?
- How is the Oil Depletion Protocol different from emissions-based protocols (Kyoto)? Does the former eliminate the need for the latter?

- How could cheating be prevented? How would we know the real reserves, and the real import and production figures of signatory nations?
- How would the Protocol be enforced?

- What if post-peak declines are greater than 2.6% per year?
- What if only some countries adopt the Protocol?
- If the peak is occurring now, is it too late to enact the Protocol?

- Wouldn't the Protocol violate the rules of the World Trade Organization?
- Wouldn't interference with market forces be harmful to the process of economic adaptation?
- How would signatory countries actually go about reducing imports?

- If some nations use less oil, won't others simply use more?
- If the Oil Depletion Protocol applies equally to all nations, will this not be unfair to less-industrialized nations that have not benefited as much historically from oil consumption?

5. How Can the Protocol Be Adopted?

Countries in full or partial *de facto* compliance with the Protocol

- **Sweden**
- **Iceland**
- **Cuba**
- **Declining producers (Indonesia, etc.)**
- **Poor nations unable to afford oil at \$70+**

Municipal Efforts

- **Sebastopol, CA**
- **Denver, CO**
- **Burnaby, BC**
- **Eugene, OR**
- **Plymouth, NH**
- **Portland, OR**
- **Tompkins County, NY**
- **Hamilton, ON**
- **Willits, CA**
- **Bloomington, IN**

Personal Implementation of the Oil Depletion Protocol

- **Assess current oil consumption: gasoline, food, plastics**
- **Plan to reduce the total by 3% per year (change your transportation habits *now!*)**
- **For most Americans, food accounts for 30% of petroleum consumption: eat locally, eat organic, and garden!**
- **Publicize personal and group efforts**

www.postcarbon.org

www.oildepletionprotocol.org

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