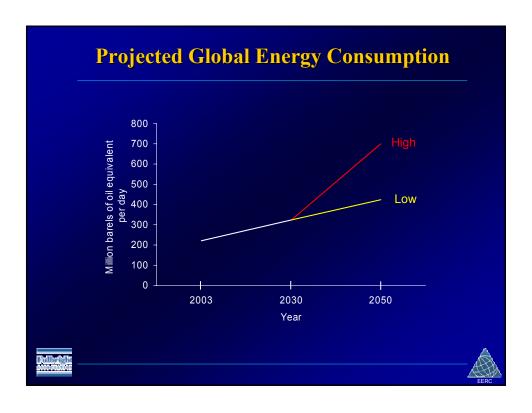


Fundamental Energy Axioms

- We have multiple goals for our use of energy. We want it to be secure, abundant, safe, inexpensive, environmentallyfriendly, and unobtrusive
- Our fossil-fuel based energy system has been shown to be incapable of fulfilling the goals, above, simultaneously
- We need to begin creating an energy system that simultaneously meets the needs of the poor while fulfilling sustainability goals or criteria







The Supply of BTUs is NOT the issue We are not "running out of energy"

- The annual production of:
 - ----coal is 0.5% of reserves
 - ----natural gas is 1.6% of reserves
 - ----of oil is 3% of reserves
- There are huge, unconventional fossil fuel resources such as tar sands, and methane hydrates
- Renewables can supply large quantities of BTUs





The Basic Concerns about Energy are:

- Price
- Location
- Environmental and Health Impacts



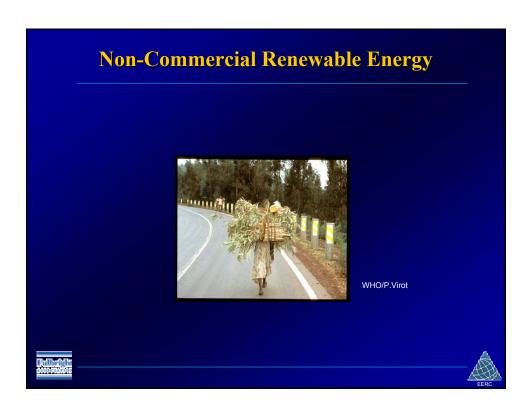


Price

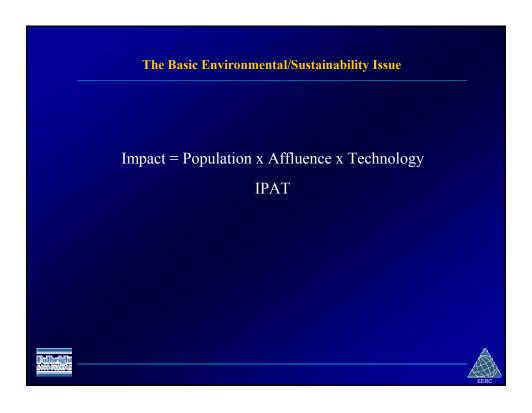
- Commercial energy is not an affordable commodity for many today
 - --- 2.4 billion people still rely on non-commercial energy
 - --- 1.6 billion people lack access to electricity
 - --- per capita energy consumption in industrial countries is seven times that of consumption in developing countries
- Lower energy prices promote economic development
- Renewable resources cost consumers more than fossil-fuel resources

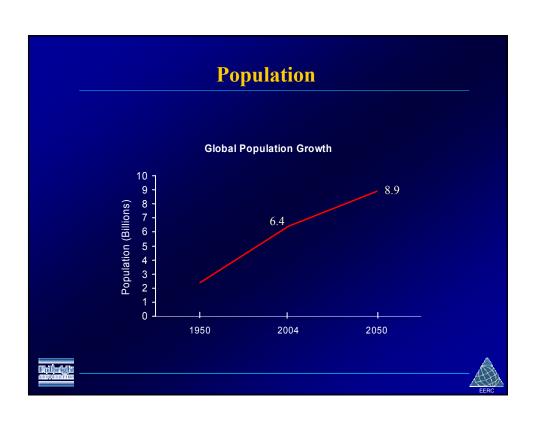


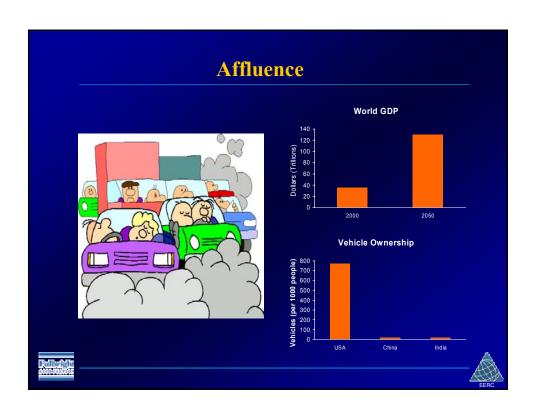


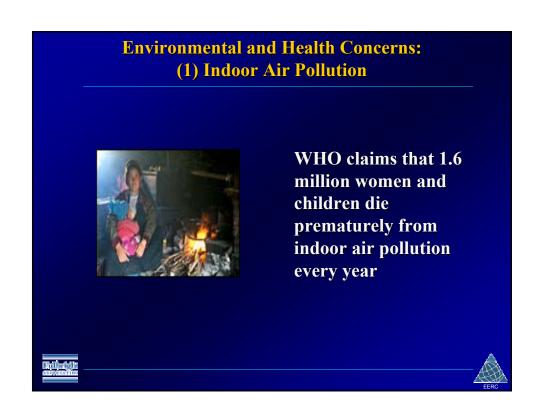


Location and Quantity of World Proven Oil Reserves Country Reserve in million tonnes Saudi Arabia 35,700 Iraq 13,400 Kuwait 13,300 United Arab Emirates 12,700 12,000 9,300 Former USSR 7,800 7,100 3,900 10 USA 3,700 11 China 3,300 12 Nigeria 2,800 13 Algeria 1,200 Norway 1,100 Canada 16 India 800 17= 17= Oman 700 20= Malaysia 600 United Kingdom

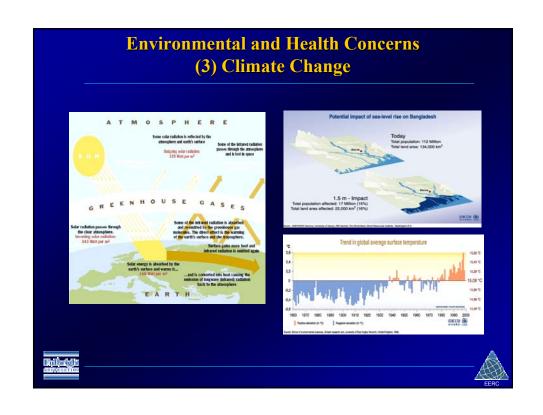


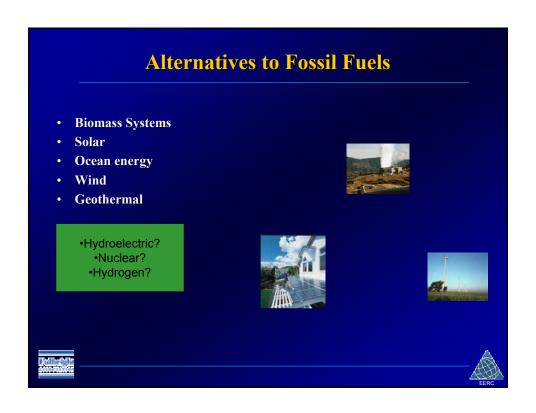


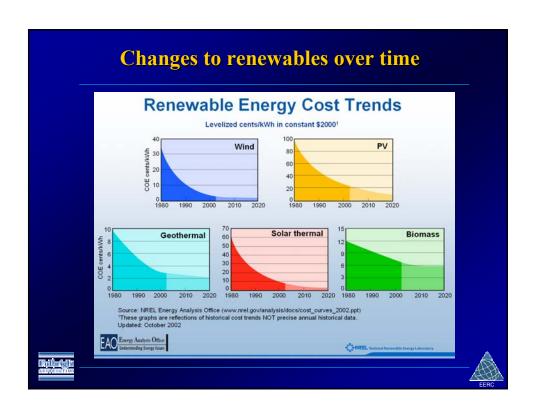




Environmental and Health Concerns (2) Outdoor/Ambient Air Pollution WHO estimates that 800,000 individuals die from outdoor air pollution every year







Moving toward a New Energy World (2)

- Energy Conservation/Efficiency (behavioral and technical)
- Research and Development
- Charge Full Costs for Conventional Energy
- Subsidize Clean, Renewable Energy Sources
- Set Targets and Goals





Transportation/Automobiles

•Build automobiles to higher efficiency standards

•Build more current-day hybrid vehicles

•Introduce plug-in vehicles

•Combine hybrids with diesel fuel

•Substitute biofuels for petroleum (biodiesel, ethanol)

•Introduce H2 with or without fuel cells





