Why It’s Oil & What do Do

Oil: The Largest Climate Threat
Cheaper Oil: The Road To Climate Security
Competition: The Key To Cheaper Oil
Monopoly And Volatility: Blocking Competition
Ring Fenced State Markets: Scaling Competition
Of fourteen “no return” carbon bombs identified by Greenpeace, 10 are oil and gas – only 4 coal.
The Sources– and Costs – of Today’s 90 mbd of Oil

About 75 mbd of today’s oil is conventional sources – the last 15 mbd is unconventional or extreme crude reserves costing more than $60 bb including all new US/Canadian oil. Unconventional oil costs more – and reserves are limited, meaning a much steeper cost curve.
And How Much Carbon Space is there for Us to Burn this Oil?

While inexact, this data suggests that $45-$50 is the peak price at which oil markets pump only climate permissable reserves – and that any oil costing more than this should become stranded carbon, incorrectly carried on oil company balance sheets.
We Shouldn’t Have to: Alternatives Cost Less than $100 Oil
But US is not on Track to Reduce Oil Dependence

- According to DOE, oil will remain the nation’s largest source of energy in 2030, accounting for 90 percent of transport fuel.

Securing America’s Future Energy
One Reason: Alternate Fuels are Locked out of Distribution Channels

Natural Gas Trucks: upfront costs of up to $70,000, but big lifetime savings

If you bought a natural gas vehicle in Pittsburgh, where to gas up?

Daimler US rejects 2 out of every 3 natural gas truck Customers because their regions lack adequate fuelling density.
Another: Price Volatility Makes Oil Substitutes Non-Investable

Periods of profit and loss for bio-diesel wiped out early investors; send markets for oil substitutes the message that investment is too risky.
Breaking a Sovereign Monopoly: A Policy Suite of Market Reforms

- Test new Anti-Trust Theories
- Distribution Diversity Mandates
- Price Indexed Oil Taxes
- Vehicle Purchase Mandates or Feebates
- Ring Fenced Portfolio Markets
- Global Oil Substitution Partnerships
The Key Intervention: Ring-Fenced Portfolio Markets for Oil Substitutes