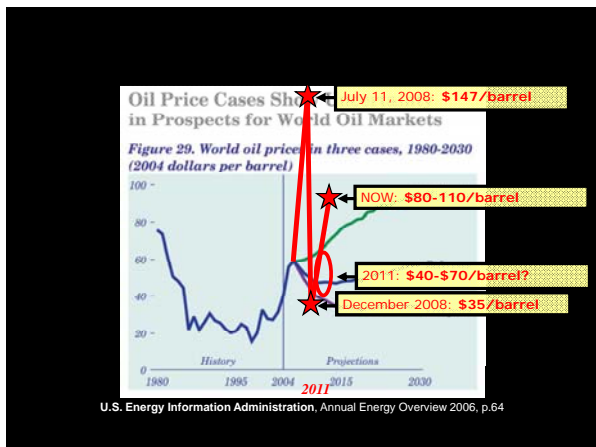


**The fundamental factors of oil supply and demand are changing.**

Bank says Saudi's top field in decline  
Opec warns oil prices could rocket to \$500 a barrel

Demand is RISING...  
...but Supply is LEVELLING, and will soon fall.



**CNNMoney.com**  
Why oil won't hit \$100

By Steve McCreavey, CNNMoney.com staff writer  
August 7, 2007, 1:17 PM EDT

NEW YORK (CNNMoney.com) -- Despite oil's record high last week, forget about crude going to \$100 a barrel.

Prices have already dropped about 7 percent since last week, and are likely to fall even more in the coming years.

That's the consensus of analysts: no say rising production, the advent of biofuels, and conservation measures will likely lead to lower oil prices by 2015.

Crude may not reach \$100 a barrel, but don't look for \$20 either.

**IEA "whistleblower" says peak oil nearing: report**

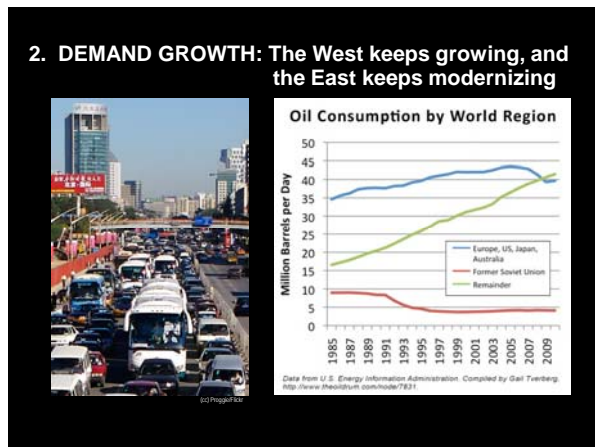
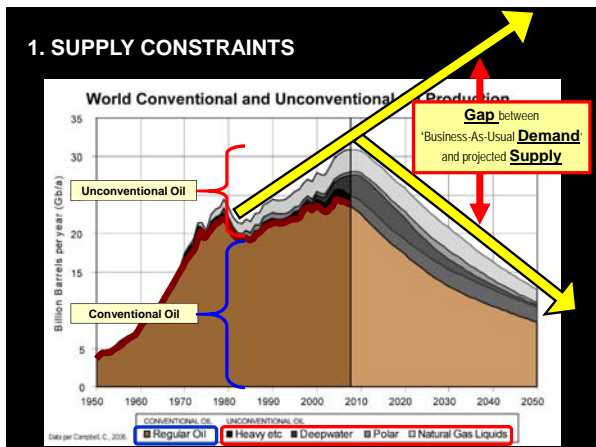
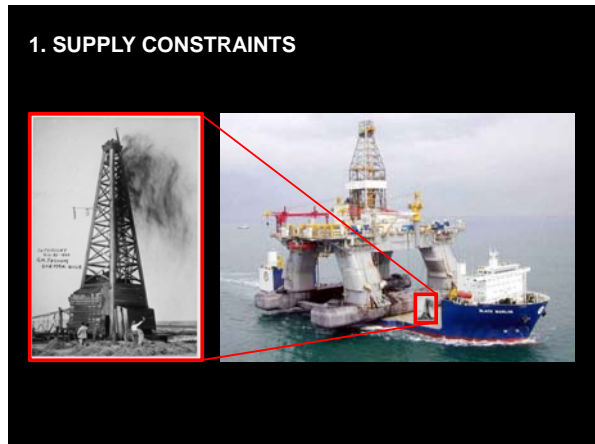
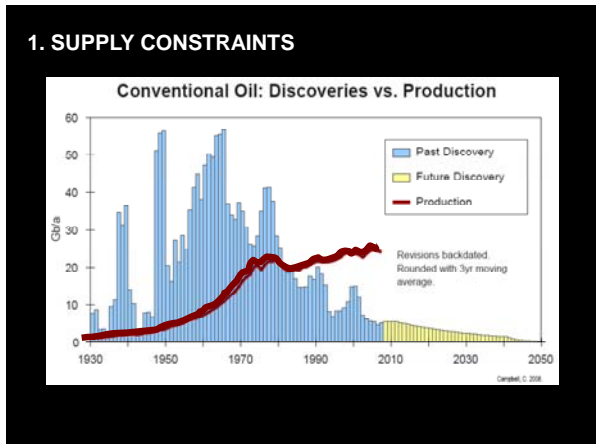
LONDON (Reuters) - The world is closer to a peak in oil supply than International Energy Agency estimates admit, UK newspaper The Guardian reported in its Thursday edition, citing an unidentified "whistleblower" at the IEA.

The IEA, which advises 28 industrialized countries on energy policy, is scheduled to release its World Energy Outlook on Tuesday. Its 2008 Outlook forecasts world oil supply will rise to 106 million barrels per day in 2030.

"Many inside the organization believe that maintaining oil supplies at even 90 million to 95 million barrels a day would be impossible but there are fears that panic could spread on the financial markets if the figures were brought down further," the Guardian quoted the IEA source as saying.

**A quick summary of the oil situation**

1. SUPPLY CONSTRAINTS
2. DEMAND GROWTH
3. OVERDEPENDENCE
4. NO GOOD SUBSTITUTES



### 3. OVERDEPENDENCE

**Gas prices highest level since 2008**  
Cost has jumped 18.9 cents a gallon in the past month

By Mark Williams  
Associated Press  
March 18, 2010

Motorists are paying the highest prices for gas since October 2008. Retail gasoline prices rose on Thursday on an expected increase in demand and as more expensive spring and summer blends of gasoline make their way to the pumps.

Americans now spend about a \$1 billion a day to keep their cars and trucks filled, an increase of nearly \$300 million from a year ago.

[http://www.motors.com/story/2010/03/18/business-oil\\_and\\_energy/](http://www.motors.com/story/2010/03/18/business-oil_and_energy/)

**Rising fuel prices ground profits of major air carriers**

By DAVID WISNIG and JOSHUA FRIED  
The Associated Press

Soaring jet fuel prices are wiping out profits at the nation's major airlines. Prices for the fuel, which is the largest expense for airlines, rose sharply on Thursday. The big difference is that airlines are in a better shape to withstand an oil shock than they were a year ago.

### 4. NO GOOD SUBSTITUTES

There is *nothing* of comparable versatility and quantity ready to replace oil.

BIOFUELS    COAL    NUCLEAR    HYDROGEN

What does the end of cheap oil mean for the decisions we make as households, businesses, governments?

Higher Oil Prices +  
Declining Supply + Rising Demand =  
**Oil Price / Supply Volatility**

The end of cheap oil complicates our assumptions that energy will continue to be...

...available...

...and affordable.

Why government action?

**Peaking of World Oil Production: Impacts, Mitigation and Risk Management**

Prepared for the U.S. Department of Energy by Robert Hirsch, SAIC, et al, 2005

- "Timely, **aggressive mitigation**..."
- At least "a **decade** of intense, expensive effort"
- Intervention by governments necessary because the economic & social implications "**would otherwise be chaotic**"

Why should we deal with peak oil locally?

1. Price volatility of goods

**High price of asphalt puts brakes on paving projects**

It takes more green to fill grocery bags

+29.2%	+8.4%	+13.1%	+1.3%	+6.6%	+4.5%
Wheat	Apples	Bananas	Carrots	Onions	Potatoes

2006 - 2007:  
"...higher fuel prices and energy costs; higher transportation costs..."

Why should we deal with peak oil locally?

2. Potential for shortages and emergencies

Know your municipality's vulnerabilities, because there isn't necessarily anyone else thinking about them.

... reported shortages airport ran out of fuel factories shut down

Why should we deal with peak oil locally?

3. Long-term economic shifts

- How will the **global economy** adjust? (*global trade flows*)
- How will this impact **regional and local economies**? (*relative advantage; provisioning systems*)

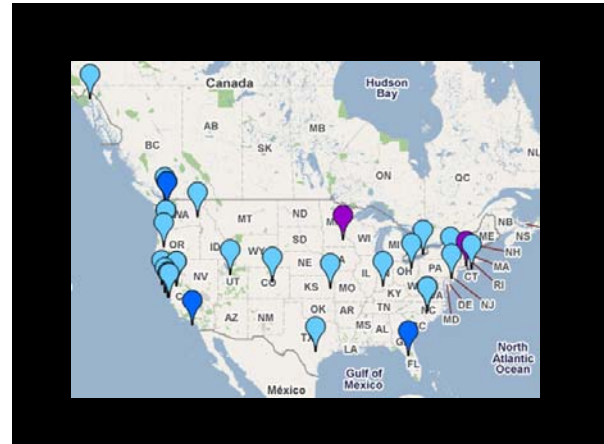
How can cities...

- set meaningful budgets
- make long-range land use and transportation plans
- serve residents and the local business community

...with such uncertainty surrounding the most important material to our global, regional and local economies?



**“ Energy Uncertainty ”**



Official Statement	Internal Report
<p>A RESOLUTION ACKNOWLEDGING THE CHALLENGE OF PEAK OIL AND THE OPPORTUNITIES FOR THE TOWN OF CHAPEL HILL TO PREPARE FOR THE POSSIBILITY OF A POST-PEAK OIL ECONOMY (2008-03-27-3)</p> <p>WHEREAS, peak oil is generally defined as the point in time when half of the world's oil reserves have been used, resulting in increased scarcity of this commodity and corresponding price hikes, and</p> <p>WHEREAS, oil is an essential resource for transportation, food production, and other aspects of the current U.S. economy; and</p> <p>WHEREAS, the Department of Energy sponsored study on the availability of Peak Oil reported by the Council Applications International Corporation (CAIC) demonstrated that a twenty year lead time is required for effective mitigation, while current resources reported by the Global Government will replace only three weeks worth of production (renewables by 2012); and</p> <p>WHEREAS, sources of energy such as coal, gas, and high energy input and increase fossil carbon and other greenhouse gas emissions; and</p> <p>WHEREAS, energy conservation measures and investments in renewable energy sources can serve as strategies for reducing demand and dependence on oil-based fuels; and</p> <p>WHEREAS, the state of North Carolina currently supports nearly all of the transportation, fuel resources, which represents funds that could as yet be used to develop alternative, alternative energy resources; and</p> <p>WHEREAS, Chapel Hill residents and businesses are negatively affected by rising oil and energy costs, which disproportionately affect low income residents; and</p> <p>WHEREAS, the Town of Chapel Hill has demonstrated leadership and an ongoing commitment to confront the challenges associated with the long term protection and enhancement of our community's environmental, public, economic, social, and cultural equity, all of which are directly impacted by access to affordable energy;</p> <p>NOW, THEREFORE, BE IT RESOLVED by the Council of the Town of Chapel Hill that the Town accepts the obligation to address the concerns of potential risks associated with Peak Oil, and to address the significant challenges of transitioning from Peak Oil locally; and</p>	<p>City of Portland COMMUNITY DEVELOPMENT PLANNING, DESIGN, ELECTRICITY AND BUILDING PEAK OIL INTERNAL REPORT</p> <p>1.4 BACKGROUND</p> <p>1.5 THE ISSUE</p> <p>Burnaby, B.C. Darebin, Vc. Maribyrnong, Vic.</p>

Resolution which creates...	...a Task Force.
<p>City of Portland Peak Oil Committee</p> <p>RESOLUTION No. 16417</p> <p>Portland Ore Oakland Calif. Bloomington, Ind.</p>	<p>SPOKANE, WASH. BRISTOL, U.K. ALACHUA COUNTY, FLA.</p>

**Portland (Oregon) Peak Oil Task Force**

- 12 members vetted by City Council
- Split up into four subgroups:
  - Land Use / Transportation
  - Economy
  - Public and Social Services
  - Food & Agriculture
- In 6 months, meetings with over 80 stakeholders

**Peak Oil Task Force Transportation & Land Use Subgroup**

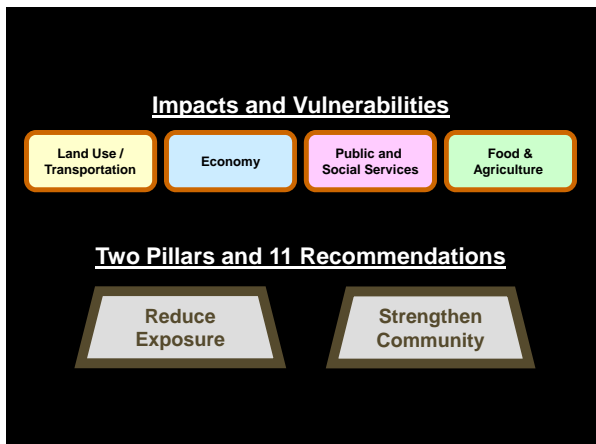
Meeting #2 Notes - Freight and Fuel  
24 August 2009

**Attendees:** Christina Canuso (moderator); Jeanne Longely (POTF member); Randy White (POTF member); Susie Laheane (Port of Portland); Bob Hillier (PDOT); Steve Dotterer (Bureau of Planning); Peter Hurley (PDOT); Roland Chlapowski (Comm. Adams Office); Eileen Argentina (PDOT); Julie Rodwell (ODOT); Jim Karlock (citizen)

**Overview:** Basic data was provided by the Port of Portland, PDOT, and ODOT about Oregon and Portland fuel consumption by transportation mode. Discussions focused on fuel availability, fuel cost, freight modes, economic factors, political influences, regulatory control, transportation system conditions, and mobility.


**Fuel:**

1. Comes in by pipeline from Washington State as well as by barge from the Alaskan fields and overseas suppliers.
2. There are no oil or natural gas supplies in Oregon. Fuel is 100% imported.
3. There are no petroleum refineries in Oregon. One of only a few States in this position.
4. It is important to remember that Oregon is at the very end of the supply pipeline and is



### Recommendations of the Portland Peak Oil Task Force



1. Reduce total oil and natural gas consumption... by 50 percent over the next 25 years.
- 2, 3. Educate and engage the public and leaders. Inform citizens about peak oil and foster community and community-based solutions. Educate and engage business, government and community leaders to initiate policy change.




4. Land use and transportation connection: Support land use patterns that reduce transportation needs... 
- 5, 6. Transportation infrastructure and choices: Design infrastructure to promote transportation options and facilitate efficient movement of freight... 

7. Energy-efficient buildings: Expand building energy-efficiency programs and incentives for all new and existing structures. 
8. Farmland and food: Preserve farmland and expand local food production and processing. 
9. The Green Economy: Identify and promote sustainable business opportunities.

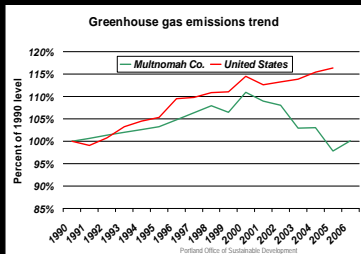





10. Social safety net: Redesign the safety net and protect vulnerable and marginalized populations. 
11. Emergency Planning: Prepare emergency plans for sudden and severe shortages. 

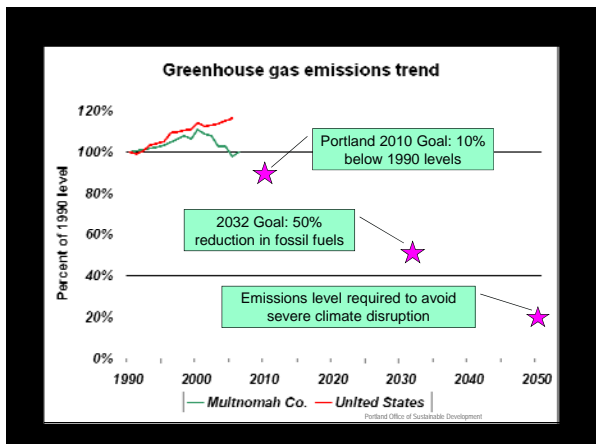
### What HAD Portland been doing?

- Most green buildings in US (LEED)
- Highest per capita hybrid auto ownership in US
- Transit ridership up 85%
- Bike trips over bridges quintupled
- Vehicle miles traveled decreased 7% per capita
- Gasoline sales down 13% per capita
- Household energy down 5% per capita
- City energy-efficiency projects saving \$2.6M/yr
- Recycling rate more than tripled

#### Greenhouse gas emissions trend





postcarboncities.net

postcarbonreader.com

**post carbon institute**

**We are changing some of the fundamental factors that influence global climate.**

**GHG concentrations are up dramatically, and **RISING**.**

- Prior and continuing industrialization.
- 20 years since Earth Summit, little to show for it.

**The average global temperature is rising, with uncertain consequences.**


- Local effects? Economic effects?
- Trigger points? Feedback loops?

- **Short-term challenges:**
  - Mitigation: Stop making it worse!
  - Adaptation: Deal with first effects.
- **Long-term challenges:**
  - How will local and regional climates change?
  - How will this affect global / regional / local economies?

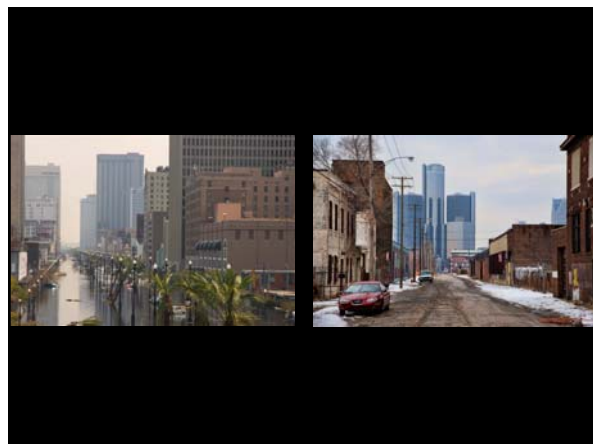


*" Climate Uncertainty "*

**The post carbon city is a city on a path of resilience for a world of energy & climate uncertainty.**





**Resilience.** The capacity of a system to absorb disturbance and reorganize while undergoing change, so as to retain essentially the same function, structure, identity and feedbacks.  
(Rob Hopkins)

**Accept change**  
 Adaptive management. "How do we build for this?" We re-learn.

**Identify + reduce vulnerabilities**  
 Diversity means choices. Redundancy. Avoid "stranded infrastructure"



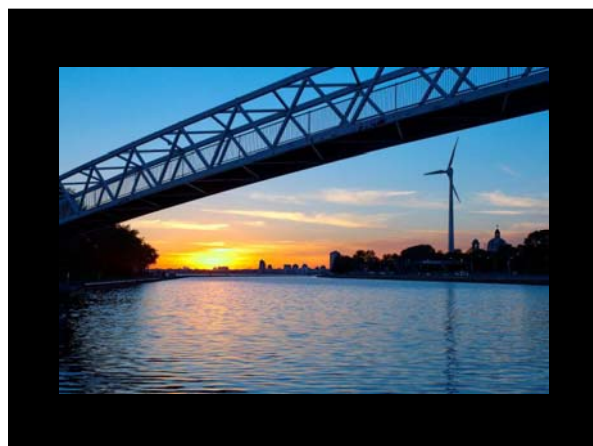

**Use resources wisely**  
 "If you're going to do it, do it right." Local economic multiplier.


**Invest in the people**  
 Build capacity of communities to make decisions. Decentralize some decisions.




[postcarboncities.net](http://postcarboncities.net)      [postcarbonreader.com](http://postcarbonreader.com)

**post carbon institute**





## Portland's Local Energy Assurance Plan



**Tricia R. Sears, LEAP Project Manager**

Oregon/Washington APA Conference  
Resilience for a Changing Future

October 21, 2011

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## What is Energy Assurance?

**Energy assurance** is a confidence that energy will be available when needed.

To reach that level of security and availability of energy, we must take actions to reduce our vulnerabilities and prepare for an energy disruption.

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## What is the Portland LEAP?



A plan that addresses our dependency on energy before (mitigation), during (response) and after (recovery) an energy disruption.

An emergency plan that provides an understanding of roles, responsibilities, and response actions for emergency response organizations, energy providers and energy distributors.





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## LEAP Cities



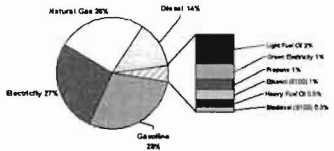

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## Sources of energy used in Portland



Total 2007 Portland Energy Use by Fuel Source  
in percent of 100 Billion of BTU



Total energy used from all fuel sources = 105,077,140 Million British Thermal Units (M8TU).

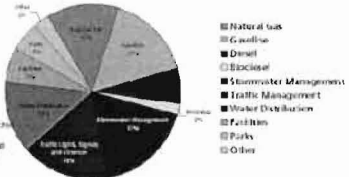
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## City of Portland Energy Use

Energy Use in BTUs by Fuel Type with Breakout of Electricity Use




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**PBEM** **LEAP**  
LOCAL ENERGY PLANNING AND PREPAREDNESS PLAN

### Why Should You Care about LEAP?


- Energy is the backbone of our economy.
- Portland's energy infrastructure is concentrated primarily in one area – the NW Industrial Area.
- That area is vulnerable to numerous potential hazards.



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LOCAL ENERGY PLANNING AND PREPAREDNESS PLAN

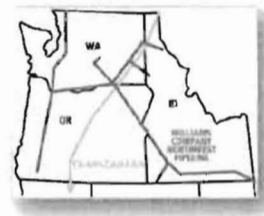
### Oregon's Petroleum Supply



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### Oregon's Natural Gas Supply



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### LEAP Project Committees




- Steering
- Industry, Response Agencies and Utilities
- Neighborhood and Small Business
- Environment, Economy, and Alternative Energy

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### LEAP Aha! Moments




- Access, transportation, debris management
- PBOT, Portland Fire & Rescue, Police Bureau
- Fuel use data
- Alternative energy in emergency management
- Building damage assessment
- Communication, roles and responsibilities

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LOCAL ENERGY PLANNING AND PREPAREDNESS PLAN

### LEAP Outreach



- Portland LEAP web pages
- FAQ, general statement, project handouts
- Presentations
- Business survey, site visits
- Collaborations with State of Oregon
- Table Top Exercise

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## Cascadia Subduction Zone

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## Portland Hills Fault

**Earthquake faults:**  
 East Bank Fault  
 Oatfield Fault  
 Portland Hills Fault

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## What are We Willing to Risk?

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 EQUAL OPPORTUNITY EMERGENCY PLAN

## Planning for Our Community

- **Goals** – 20 minute neighborhoods, resilience
- **Analysis** – Buildable Lands Inventory, Asset Status and Conditions Report, Peak Oil Task Force
- **Projects** – Citywide Tree Project, Portland LEAP
- **Plans** – Portland Plan, Climate Action Plan, Natural Hazard Mitigation Plan, Critical Infrastructure Protection Plan



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## Vulnerability, Mitigation & Resiliency

- **Vulnerability** - The degree to which people, property, resources, systems, and cultural, economic, environmental, and social activity is susceptible to harm, degradation, or destruction.
- **Mitigation** – Risk Reduction. Comprised of strategies and actions to lower or lessen the impacts of a disruption or disaster. These can occur before, during and after a disaster.
- **Resilience** -The ability to respond effectively to an emergency and recover quickly from damage “bounce back”.




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## What will LEAP do for you?


- Portland LEAP doesn't add, subtract or otherwise change rules.
- LEAP analysis will be used so the region can have informed conversation.
- Inspire communication, share resources, and take action to prepare.
- An emergency response plan: Energy Annex in the City of Portland Basic Emergency Operations Plan.
- November 2011 Table Top Exercise; March 2012 City Council with our LEAP report.
- Check out our web pages: <http://www.portlandonline.com/oesm/leap>

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## Any questions?

Energy assurance and sustainability have similar goals!



**Contact**  
**Tricia R. Sears**  
 LEAP Project Manager  
 Phone #503-823-2360  
**Penny Bowman**  
 LEAP Project Assistant  
 Phone #503-823-9799

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## State of Oregon Fuel Allocation Program


**Priority Fuel Users**

- **Tier 1 – Emergency Services Sector**  
 Law enforcement, fire services, medical services (ambulances, air transport, hospitals)
- **Tier 2 – Essential Services Sector**  
 Energy production, transportation (highways, roads, bridges), sanitation, public works (sewer, water), public transit, agriculture production and distribution, telecommunications
- **Tier 3 – Community Hardship Sector**  
 City, county other sectors as appropriate

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## Earthquake Fault Lines in Portland



East Bank Fault  
 Portland Hills Fault  
 Oatfield Fault

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