

US Oil Exports Soar

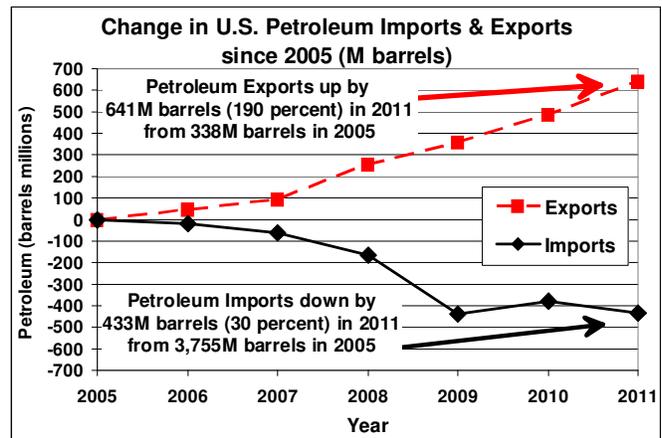
by Bob Powell, Ph.D. (physics), MBA

[Online with links:](http://www.eponentialimprovement.com/cms/oilexportssoar.shtml) <http://www.eponentialimprovement.com/cms/oilexportssoar.shtml>: [Dec 2012]

Here's the point: U.S. oil imports have been steadily decreasing from 2005 through 2011, with U.S. exports steadily increasing by lots more. Current-trend projections show the U.S. will be a net oil exporter by around 2017. Incredible.

That's got to be a shock for those who chant "Drill, Baby, Drill" and "Drill Here, Drill Now", thinking that increased U.S. production will be used here to reduce gas prices.

Concern about high gas prices is expressed in a Gazette "Our View" column, "[Wish them well as they begin to drill](#)" published 2/21/12. It states "... gasoline prices are soaring and threatening to reach record highs of \$4.25 a gallon in April on the heels of President Barack Obama's refusal to allow a major oil pipeline from Canada through the United States." Wayne Laugesen, editorial page editor, worries that "high gas prices could wipe out the slow and delicate recovery" ... even as he admits that "it would be a gargantuan stretch to suggest that successful oil production in El Paso County could lower fuel prices."



Nevertheless, he argues drilling shouldn't be opposed -- get this -- because "Americans, including those along the Front Range of Colorado, need to accept oil and gas exploration and production as a patriotic duty." He writes, we can't "afford to say 'not in my backyard'."

Mr. Laugesen relates higher gas prices to that pipeline, but that has nothing to do with it. The graph shows the U.S. imported 433M barrels less in 2011 than in 2005, it exported 642M barrels more. Yes, that's correct. Oil corporations are exporting more oil, while importing less. Is that patriotic?

Mr. Laugesen stated, "Our entire economy depends upon a steady and abundant supply of oil, and it will for generations to come." But does exporting more U.S. oil create "steady and abundant supply" or reduce gas prices? Obviously not.

[Data is from census.gov/foreign-trade/statistics/historical/ and from eia.gov, the U.S. Energy Information Administration.]

Plus, [oil corporations exported](#) more gasoline, diesel and other fuels than were imported in 2011 according to the Energy Department.

Does Wayne Laugesen know these facts? Or does he ignore them for ideological reasons?

Why is this happening? Follow the money. These practices by the oil oligopoly create U.S. oil scarcity. This market manipulation drives up gas prices AND sells more oil on international markets at prices driven up by speculation. Result: increased profits.

Very clever: plunder U.S. resources for profit, impose a "gas tax"-like burden on Americans, and fundamentally undermine the U.S. economy. Remember, once oil corporations have those oil leases, it's their oil, not "our oil", and they do with it as they like. Their duty is increased profits; not patriotism.

Some may argue, "Well, the U.S. just doesn't have the refinery capacity because of those damn environmentalists." But that ignores that Idle Refinery Capacity increased from 30.3M barrels/year in 2004 to 261M in 2011. Add to this that U.S. Operating Crude Oil Distillation Capacity in 2011 was 700 M barrels/yr less than the steadily-increasing trend from 1992 through 2004 would predict. Want to guess why oil corporations want TransCanada's Keystone XL Pipeline? To use that idle capacity for more exports.

Other concerns:

1. Fracking uses significant amounts of water while a developer-subsidy Southern Delivery System is built at Colorado Springs Utilities ratepayer expense. Note that's instead of making the expense explicit as a tax (which I wager would *never* be approved by voters).

2. Fracking pollutes and it's no accident that the federal Energy Policy Act of 2005 contains the "Halliburton Loophole," an [exemption for gas drilling and extraction](#) from requirements of the Safe Drinking Water Act. There are also exemptions in the Clean Air Act and Clean Water Act. Experience across the U.S. shows fracking pollutes; and that's just really OK according to U.S. law.

3. Exporting so much oil, depriving the U.S. of these resource in the future, is a national security concern. We'll someday need that oil.

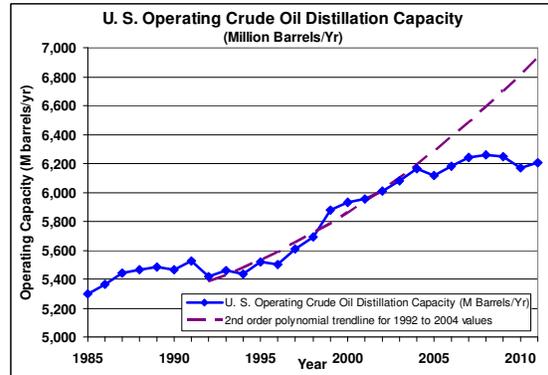
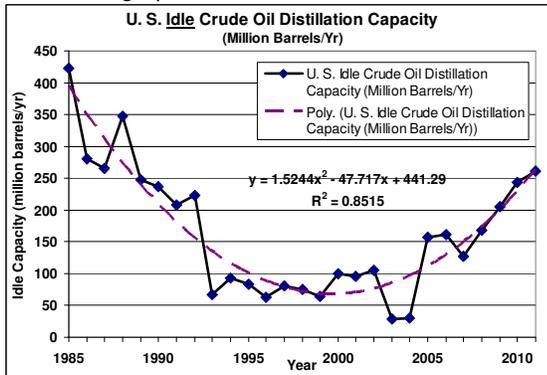
4. [Earthquakes](#) and subsidence? There are coal mines beneath my home.

5. Global warming is real; our burning of hydrocarbons is causing it. Face that and [the fact](#) that the amount of carbon already contained in proven coal and oil and gas reserves, fossil fuel currently planned to be burned, is five times greater than the amount projected to cause a two degree rise in planetary temperature. As Naomi Klein, writing a book on the climate crisis, states: "... these numbers make clear that with the fossil-fuel industry, wrecking the planet is their business model. It's what they do." The result: more vicious wild fires and increased coastal flooding. I've no doubt that billions will die in this century, if this is allowed to happen.

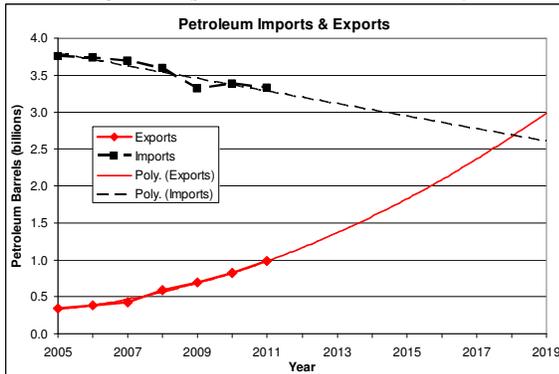
Fracking, given the risks and the draining of U.S. resources, is simply crazy. It must stop. Colorado Springs City Council and the mayor should do all they can to stop it and promote renewable energy.

Bob Powell, Ph.D. physics, MBA, is a consultant using the lens of systems thinking to understand organizational, economic, and social issues.

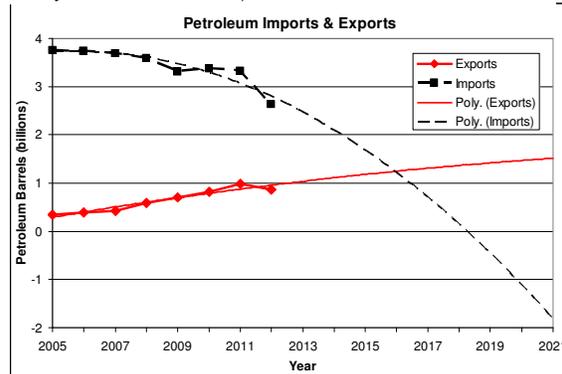
Additional graphs:



Projections of exports and imports based on projecting using 2005 through 2012 (partial 2012 data: 10 months). Cross in 2016.



Projections not including the 2012 number (based on only 10 months of data). Cross in 2018.



All projections use 2nd order polynomial fits

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Import/Export data from RealPetrolExpImpBal94ToPres_realpetr.xls
Refinery Operating & Idle from realpetr2Update1212.xls