

# The Energy Outlook

Presentation to

**International Minerals Association – North America**  
**L'Enfant Plaza Hotel**  
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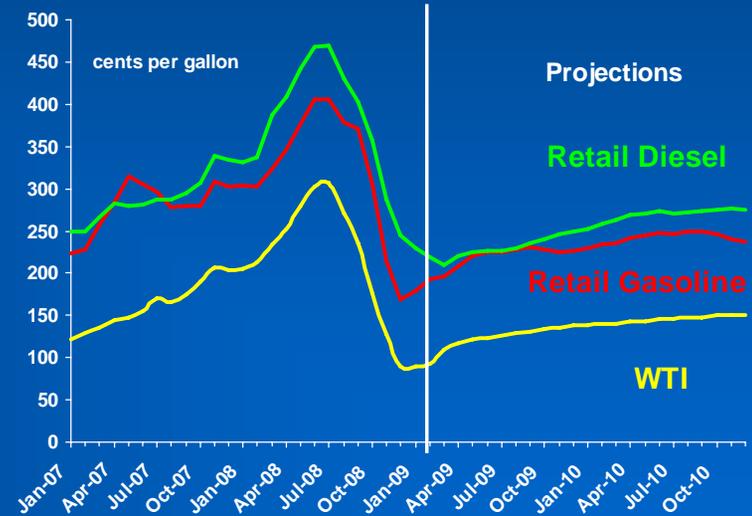
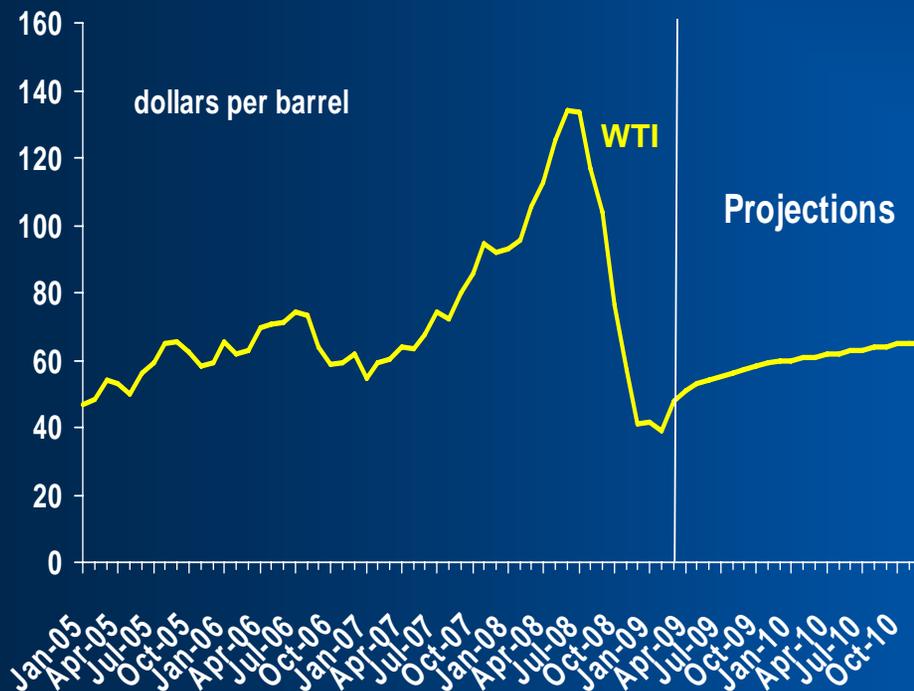


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*Official Energy Statistics from the U.S. Government*

# The Short-Term Outlook through 2010

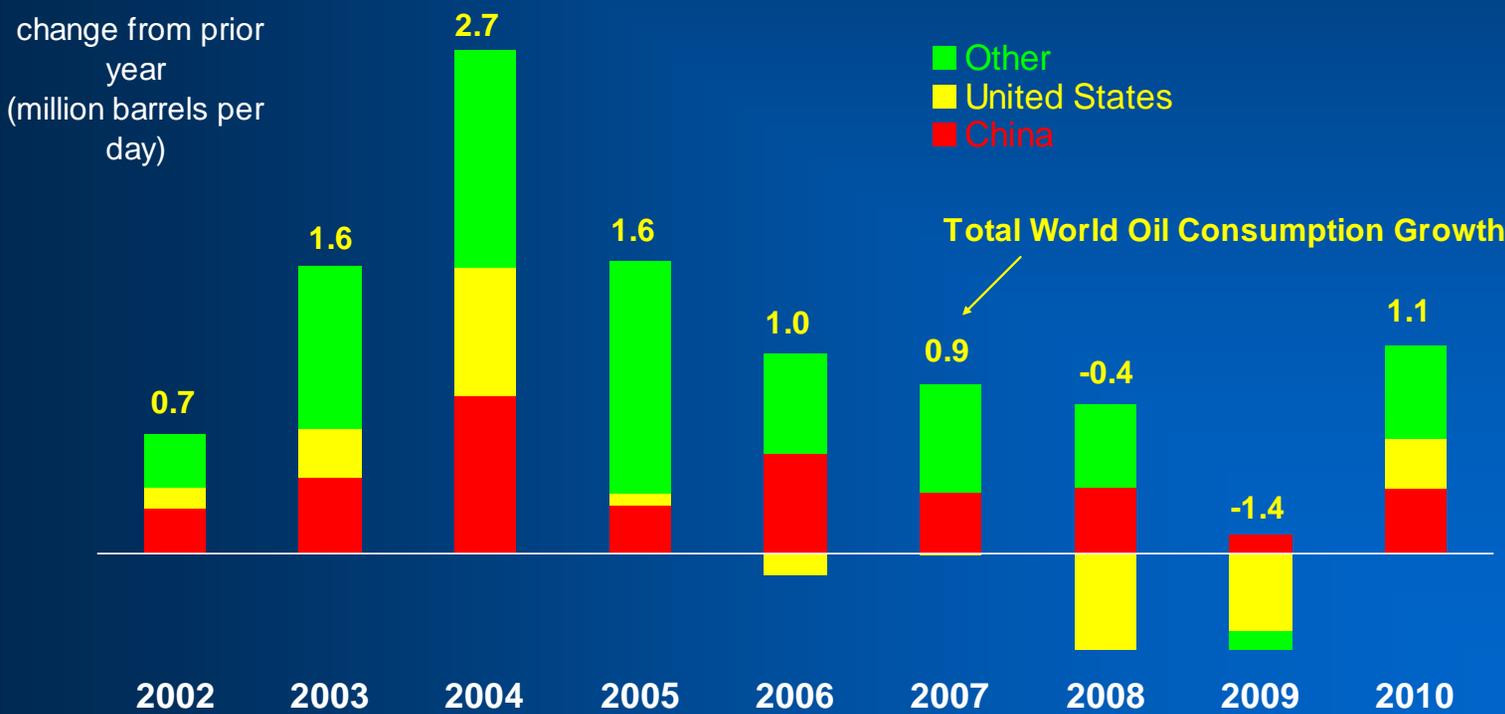
# Crude oil prices are expected to average \$53 per barrel for all of 2009 and \$63 per barrel in 2010.

- West Texas Intermediate crude oil averaged \$100 per barrel in 2008; however, the global economic slowdown has reduced the price this year.
- Gasoline prices have increased slowly but steadily since the beginning of 2009. During the driving season, the price of regular gasoline is expected to average \$2.23 per gallon, down almost \$1.60 from last summer. Diesel prices are expected to remain above gasoline prices and average \$2.27 per gallon this summer.



# World oil consumption is expected to decline in both 2008 and 2009 due to economic conditions.

- EIA expects world oil consumption to decline by 1.4 million barrels per day in 2009 and then grow by 1.1 million barrels per day in 2010, as the global economy recovers.
- In 2009, consumption in the OECD countries is expected to decline by 1.6 million barrels per day but increase in the non-OECD countries by 270 thousand barrels per day. Most of the decline is expected in the first half of the year.

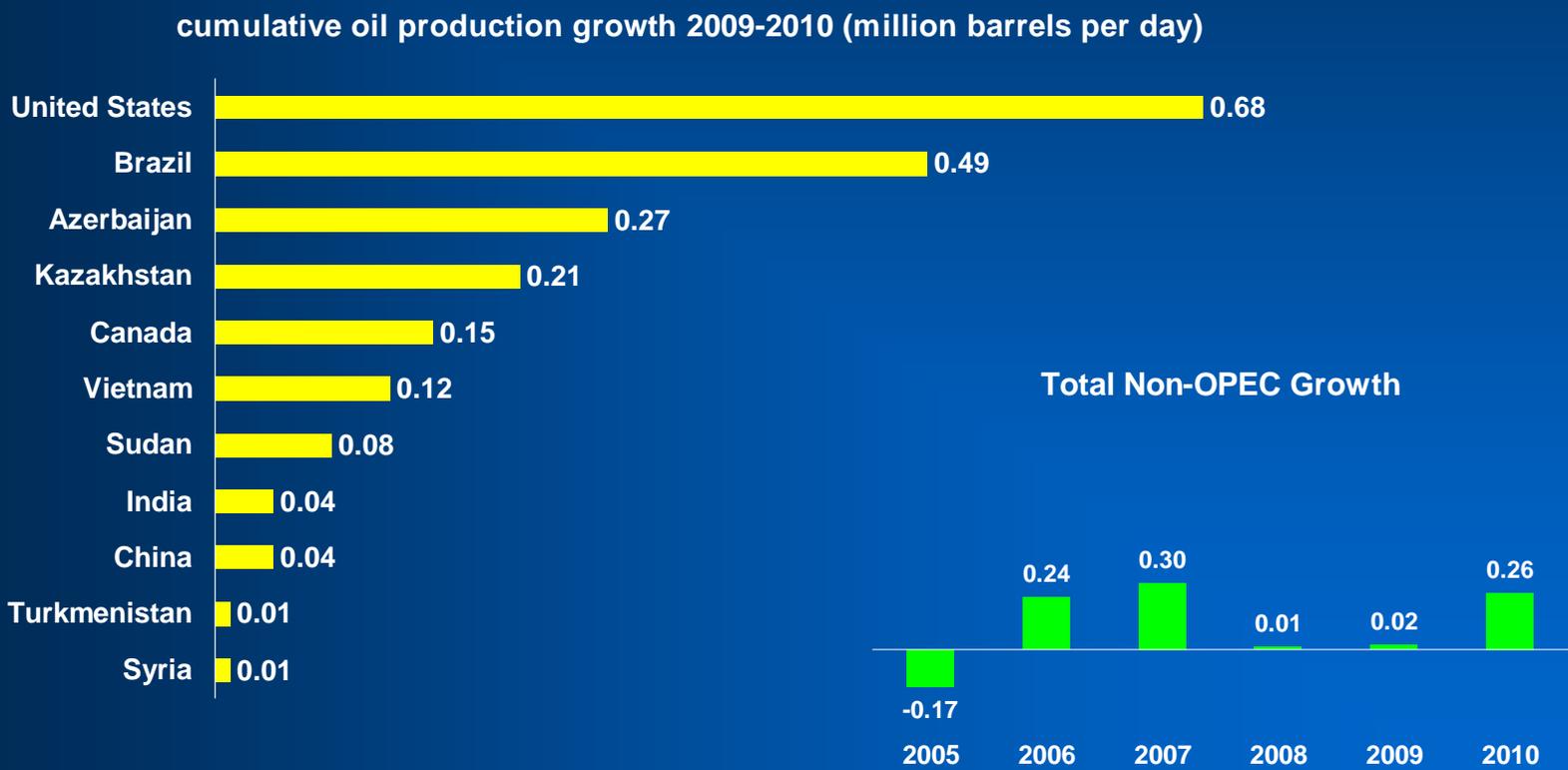


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# The United States, Brazil, and former Soviet Union countries are expected to lead non-OPEC liquids supply growth.

- Non-OPEC supply is projected to be flat in 2009, then grow by 260,000 barrels per day in 2010.

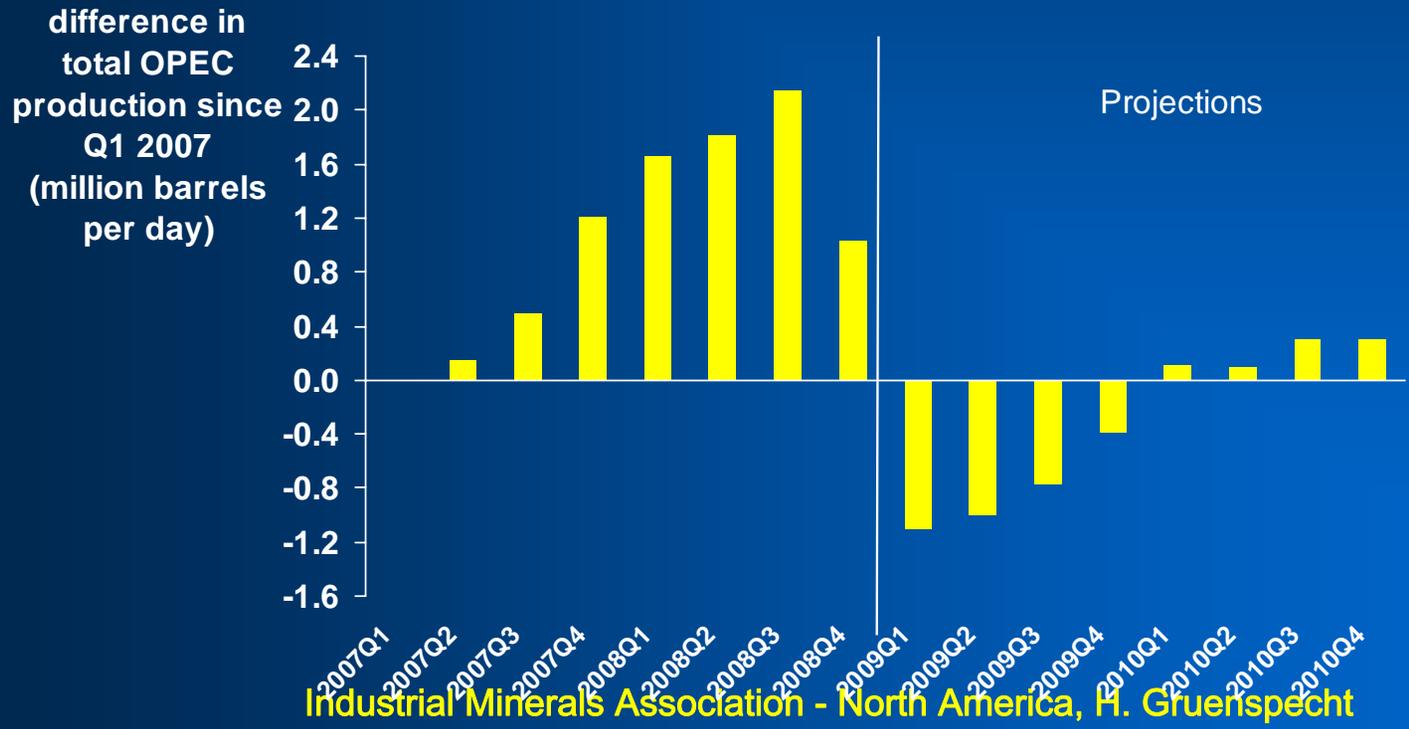


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# *OPEC crude oil production expected to decline in 2009, then increase in 2010 in response to rising world oil demand.*

- Estimated OPEC production declined by 1.1 million barrels per day in the 4<sup>th</sup> quarter of 2008 and by an additional 2.1 million barrels day in the 1<sup>st</sup> quarter of 2009, to 28.5 million barrels per day.
- Production is expected to remain at about that level in the 2<sup>nd</sup> quarter, then gradually increase to about 29.2 million barrels per day in the 4<sup>th</sup> quarter, averaging 28.8 million barrels per day for the year.
- In 2010, OPEC is expected to increase production to 29.8 million barrels per day.

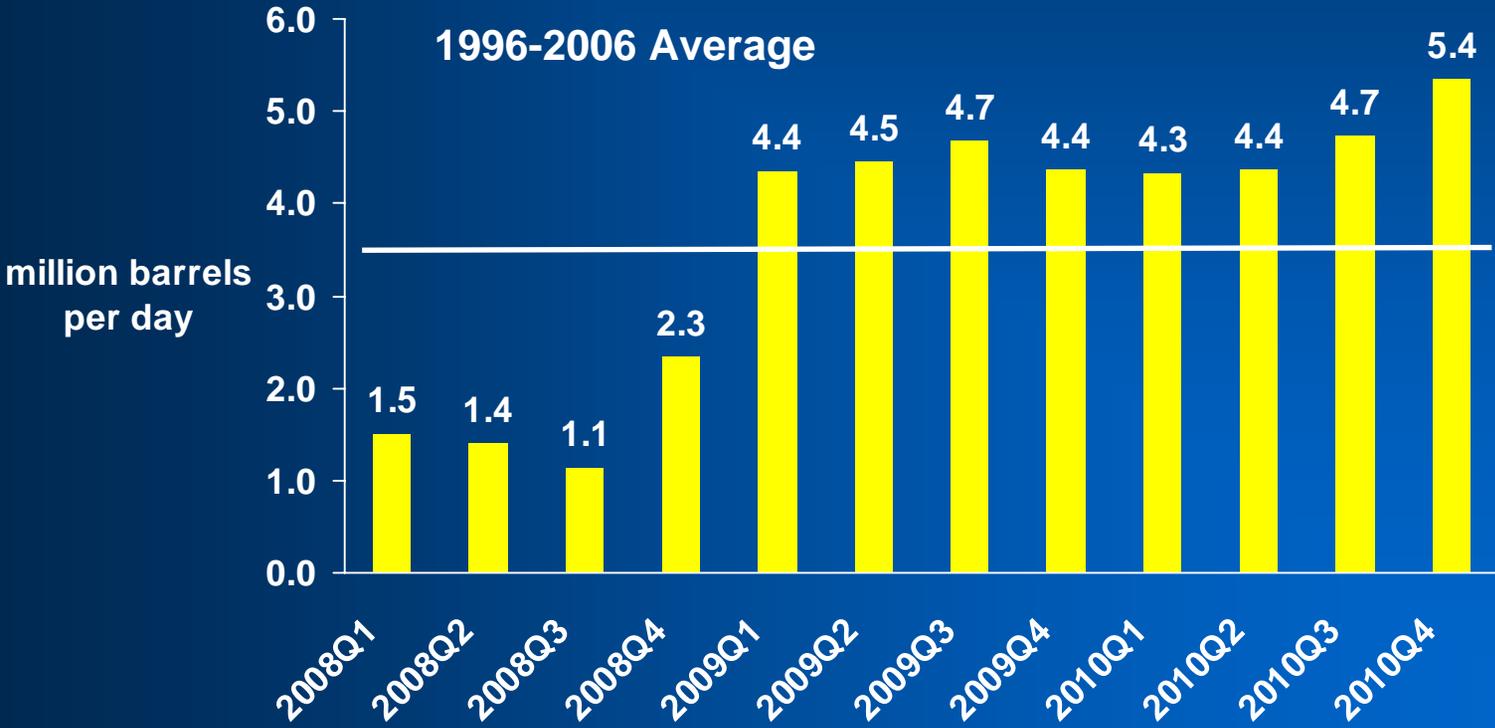


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# World surplus production capacity is expected to be much higher in 2009 and 2010 than it was in 2008.

- The lack of surplus production capacity was a crucial factor in the run-up in world crude oil prices in 2008.
- Global surplus capacity is expected to increase through 2009 and 2010, as OPEC brings new capacity additions online and restricts output in response.

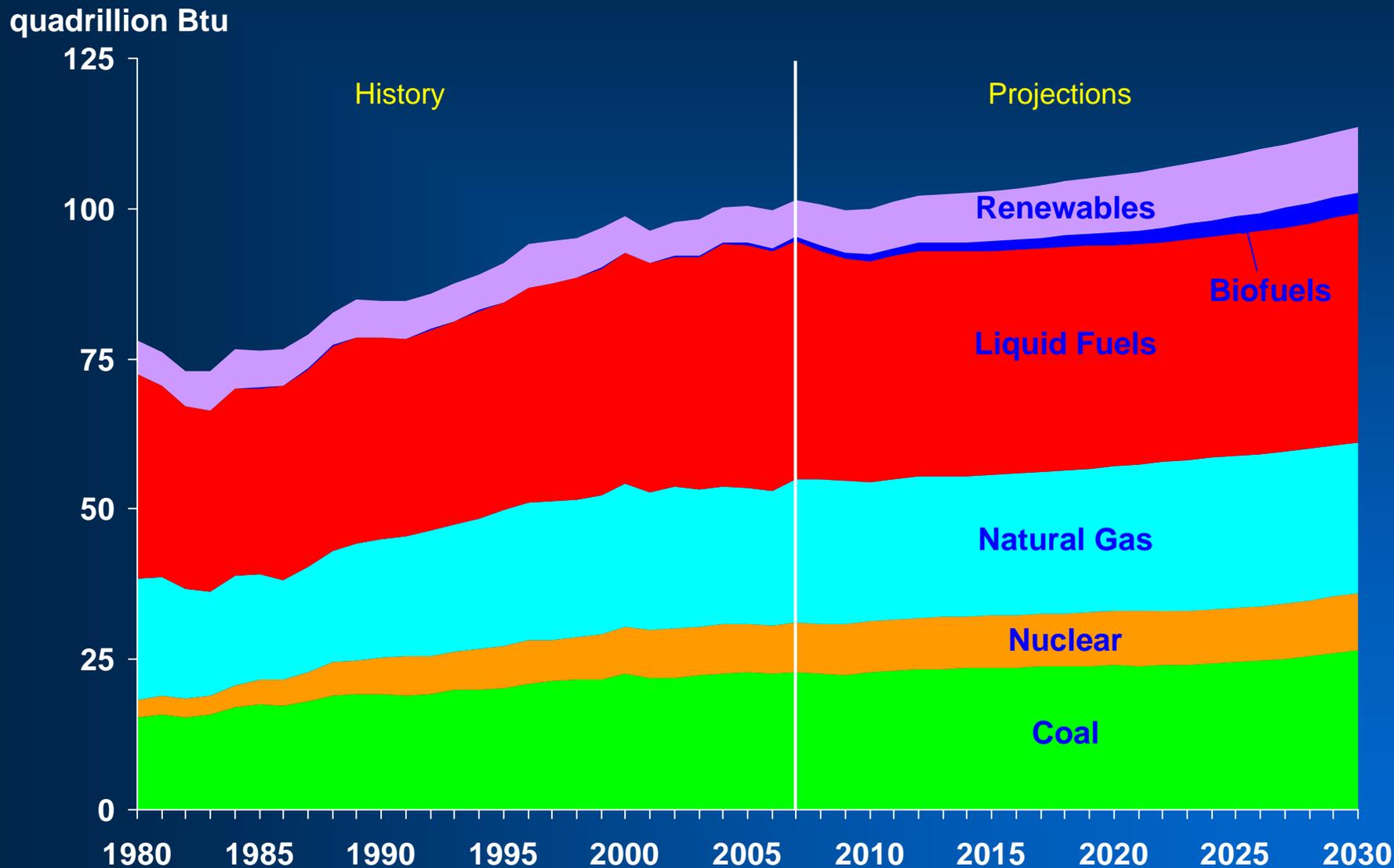


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# The Long-Term Outlook through 2030

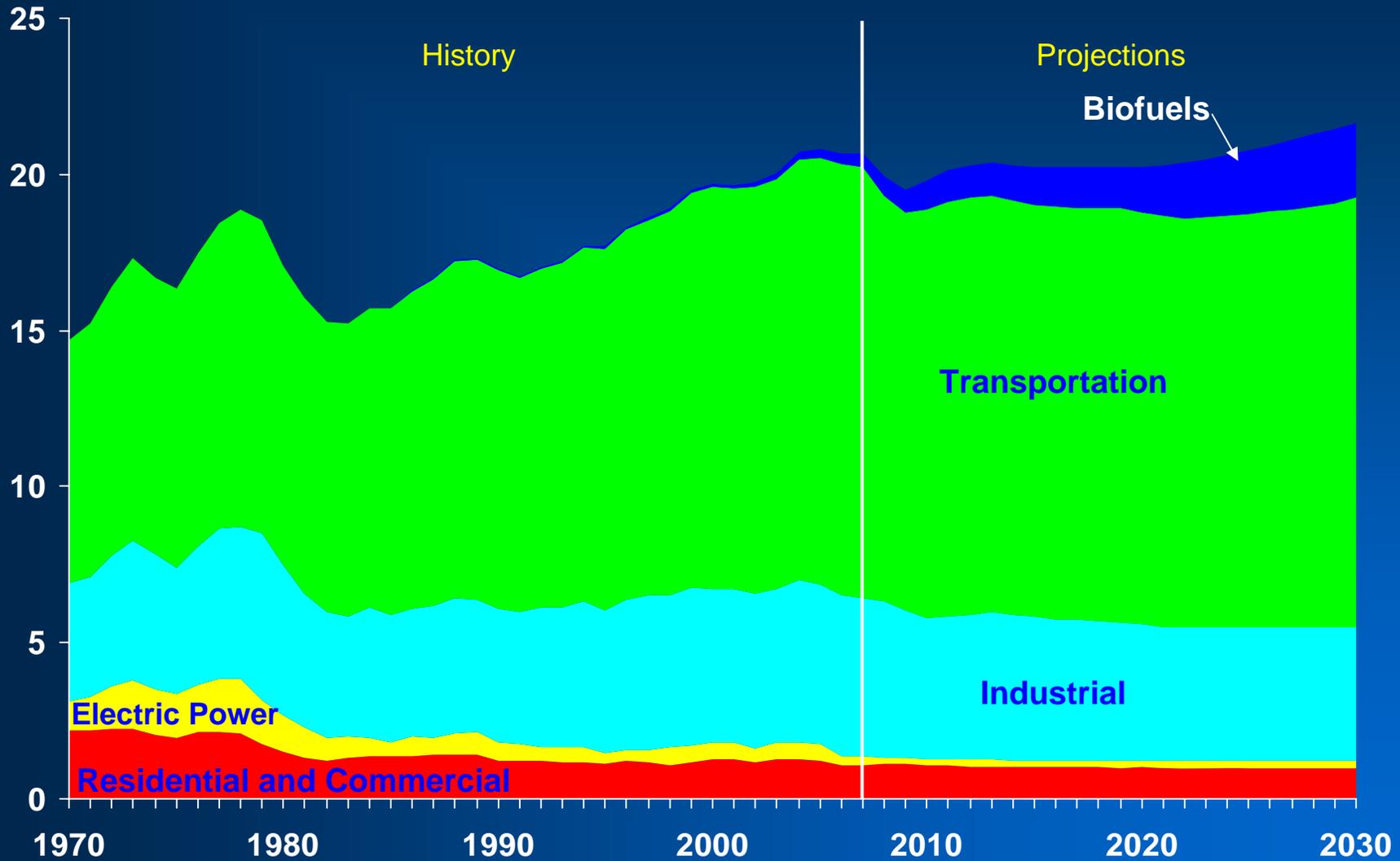
# Liquid fuels continue to dominate primary energy consumption in the United States.



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# *Petroleum-based liquids consumption is projected to be flat as biofuels use grows*

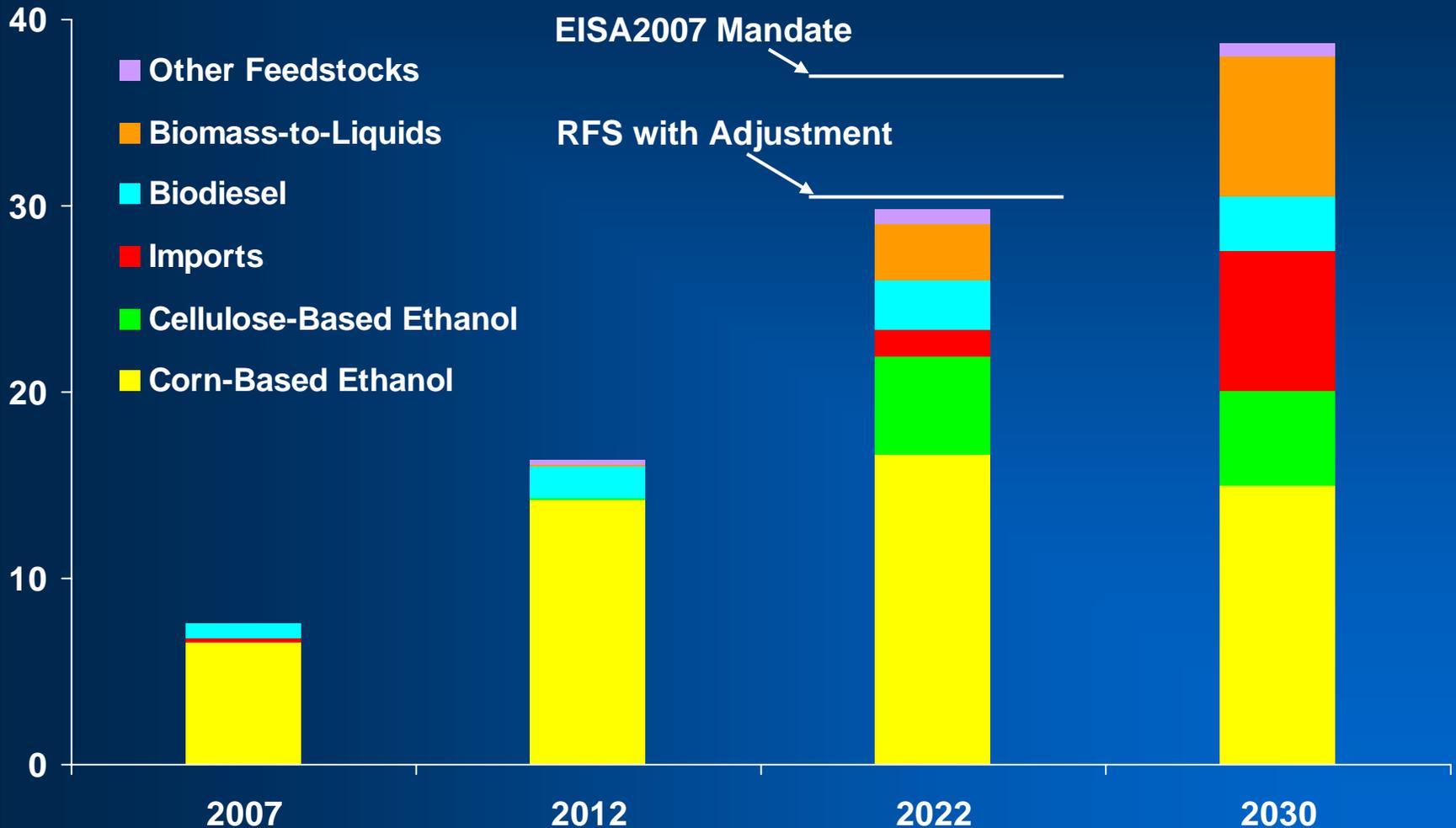
million barrels per day



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# The renewable fuel standard mandate for 2022 is met in 2027.

billion renewable fuel standard credits



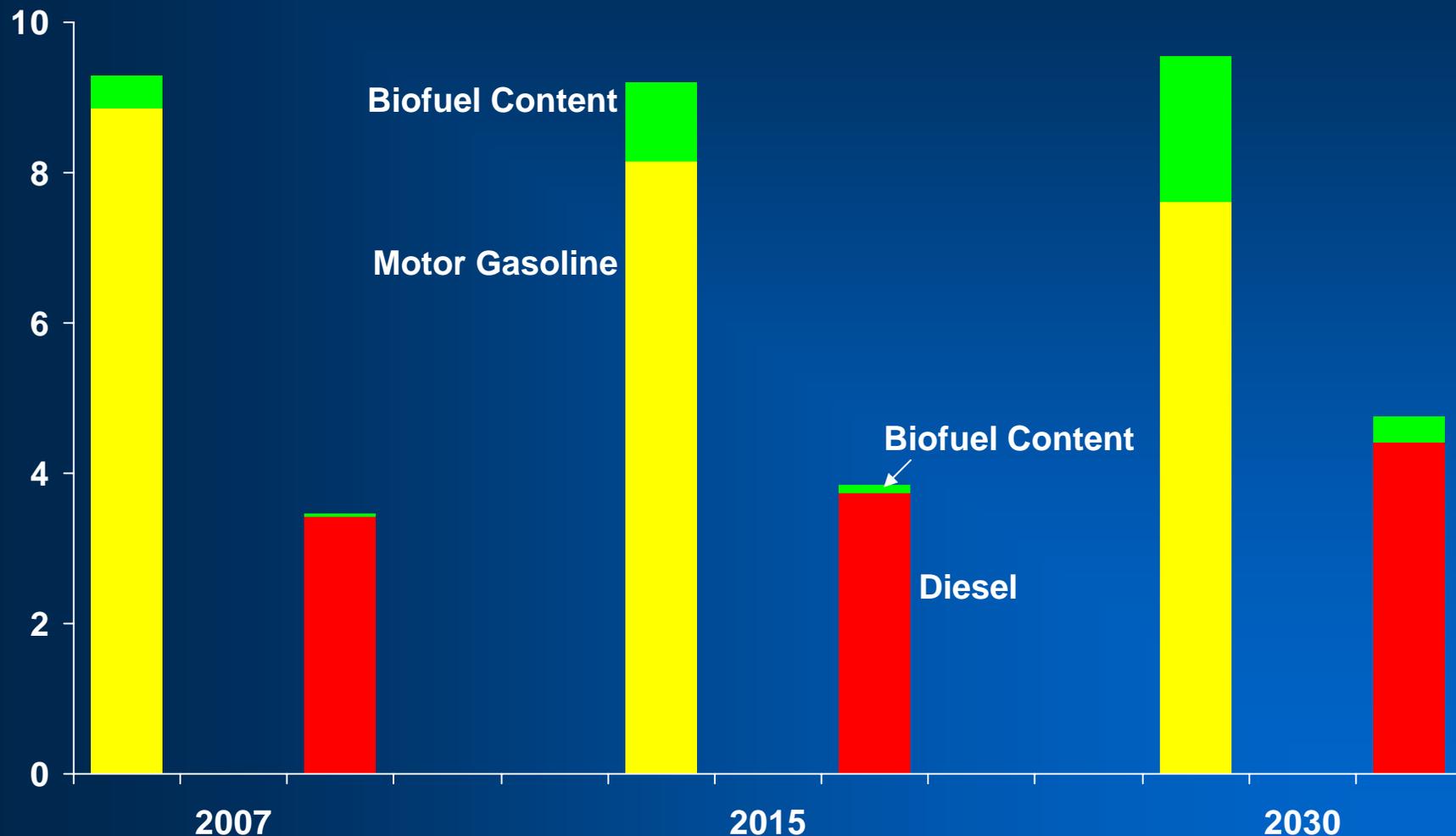
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# Biofuels displace some conventional fuels in the transportation energy mix.

million barrels per day

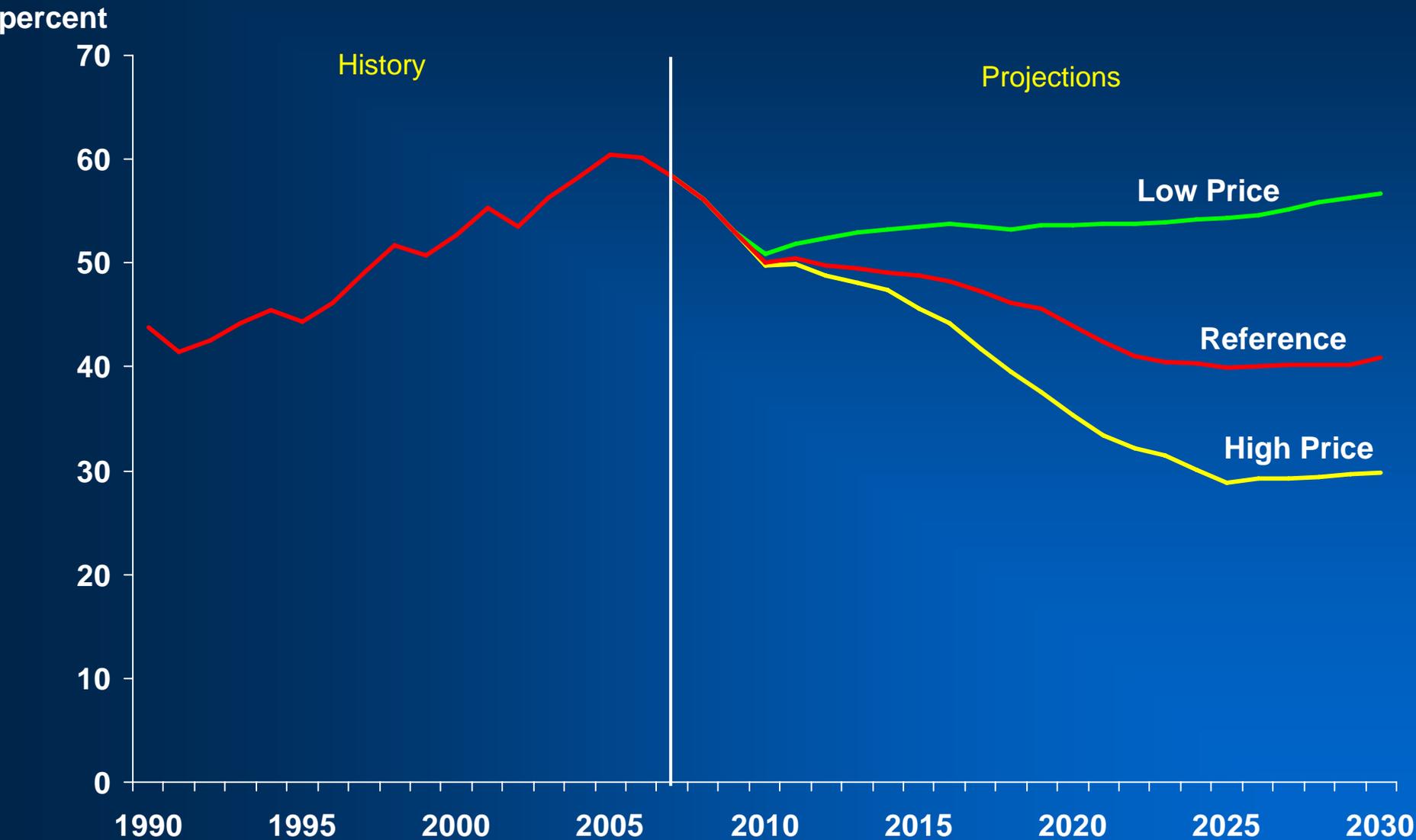


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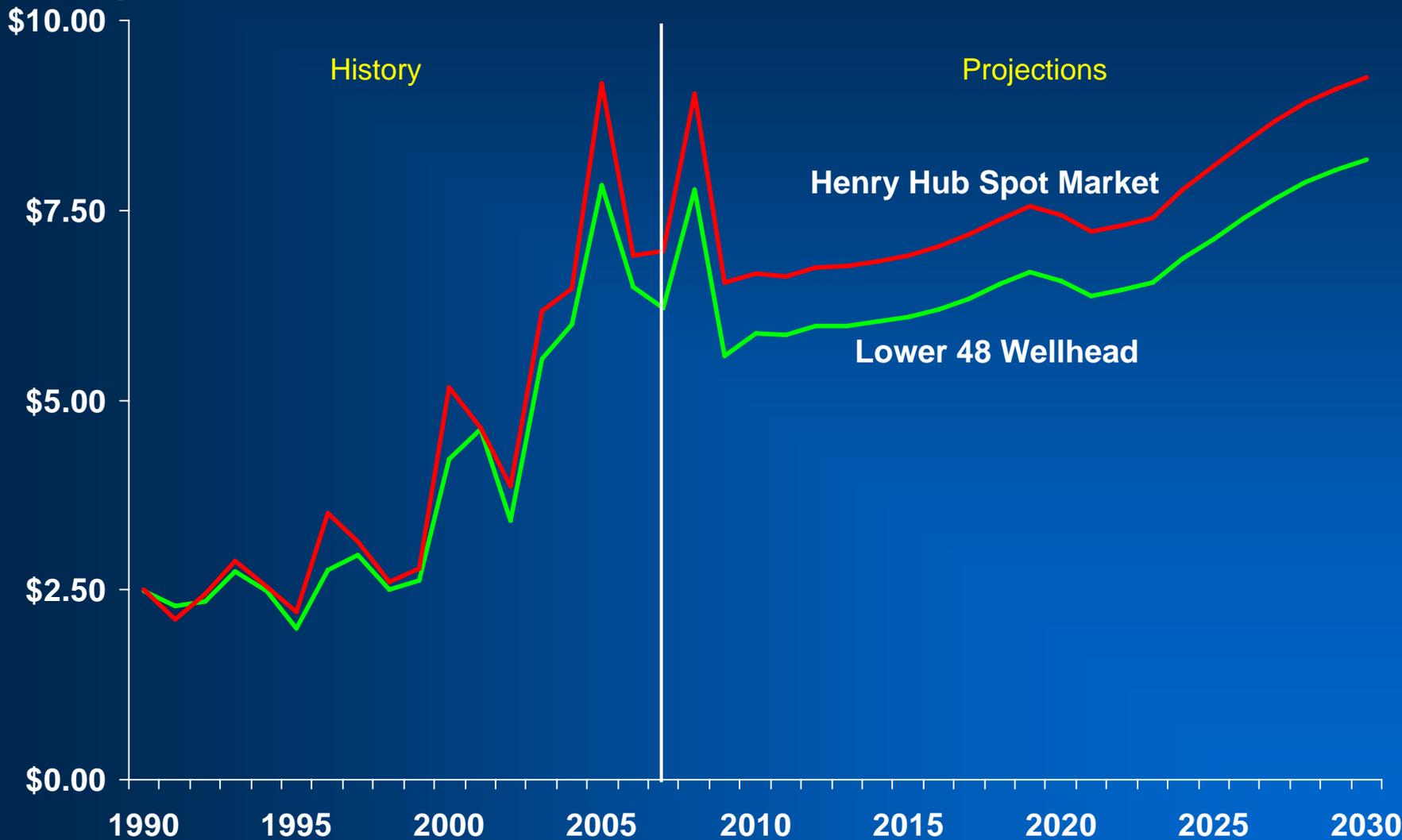
# Net Import Share of U.S. Liquid Fuels Consumption, 1990-2030



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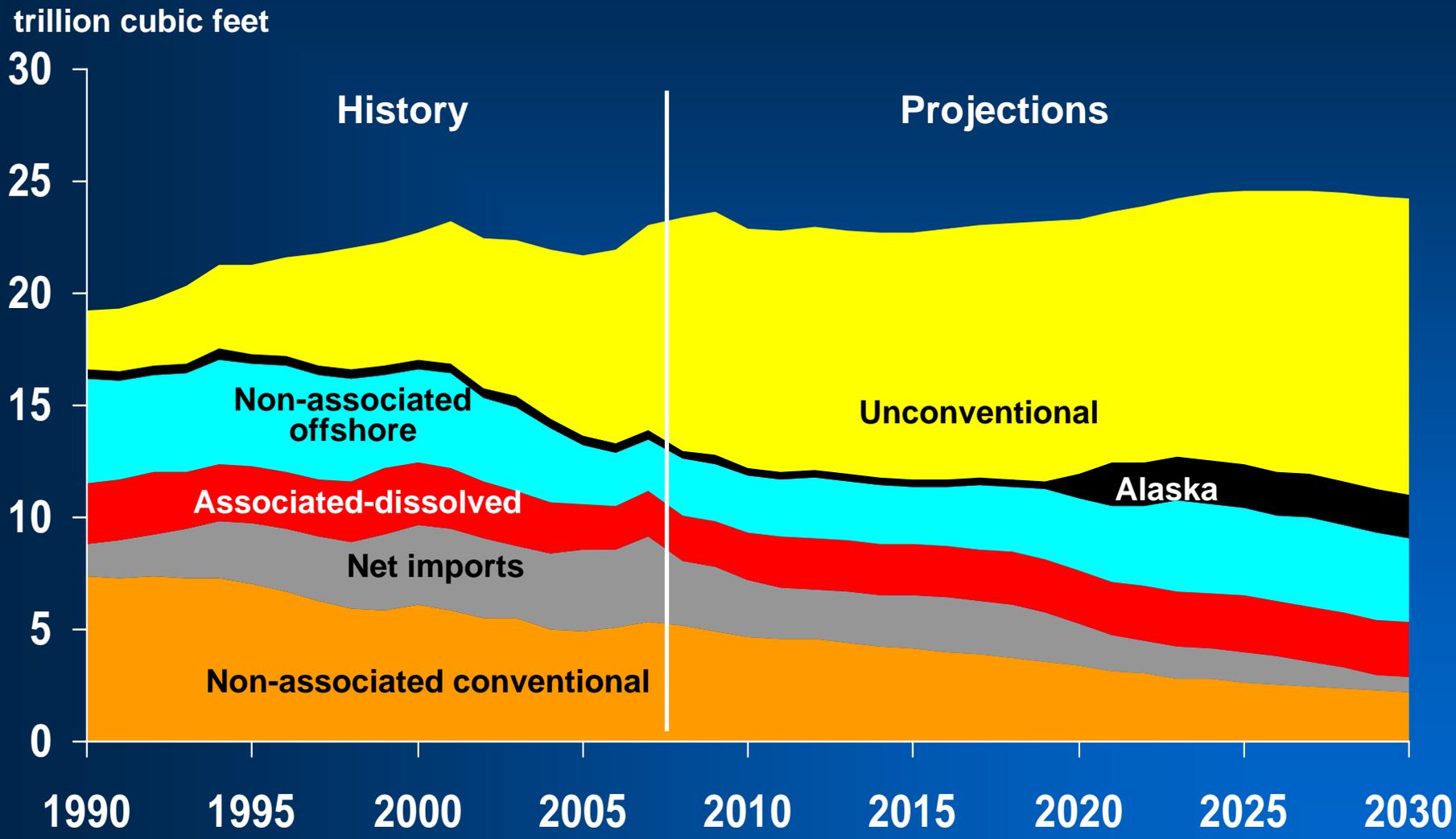
# Natural gas price rises as more expensive sources are tapped.

2007 dollars per thousand cubic feet



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# Net U.S. imports of natural gas decline in the projections.

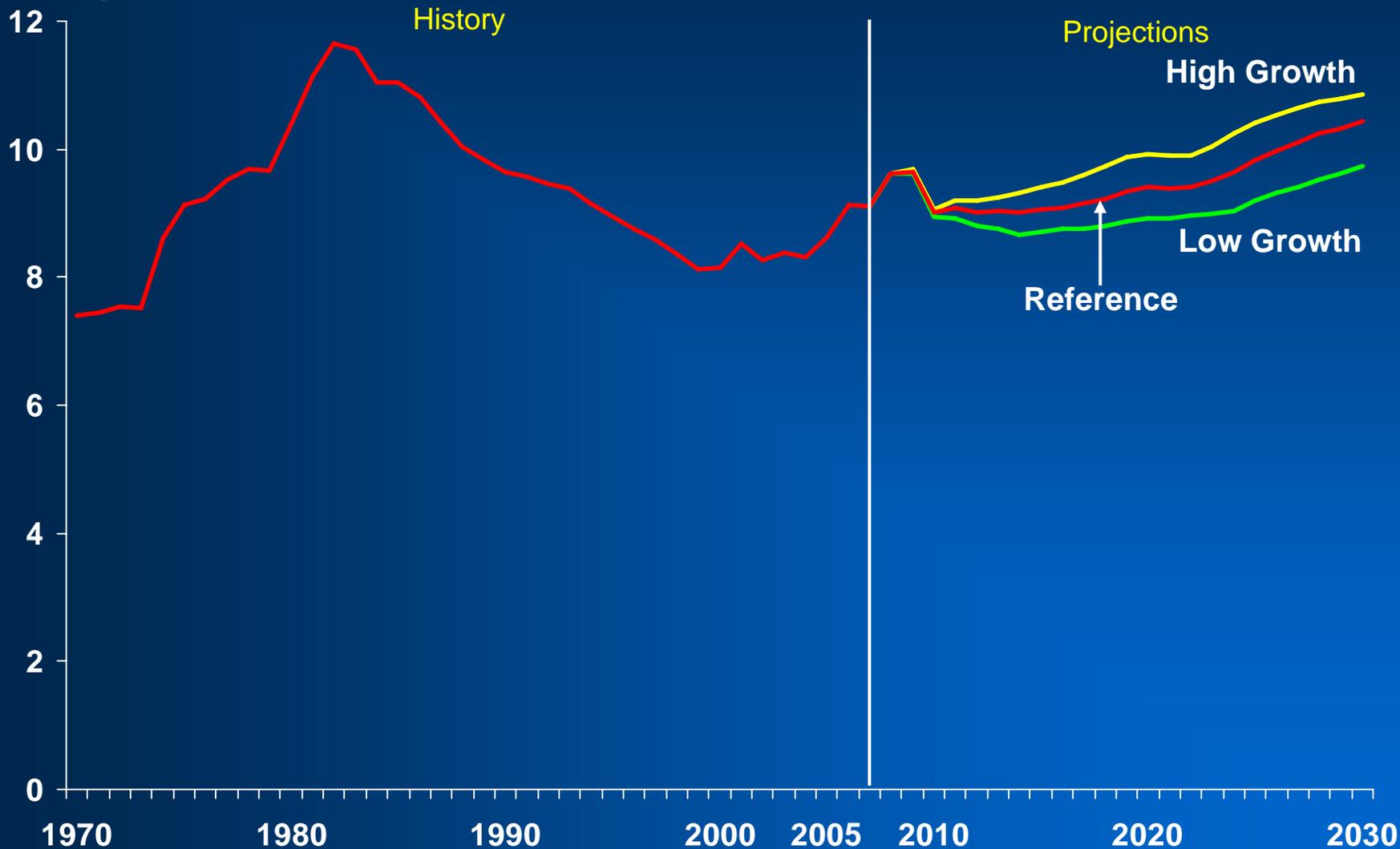


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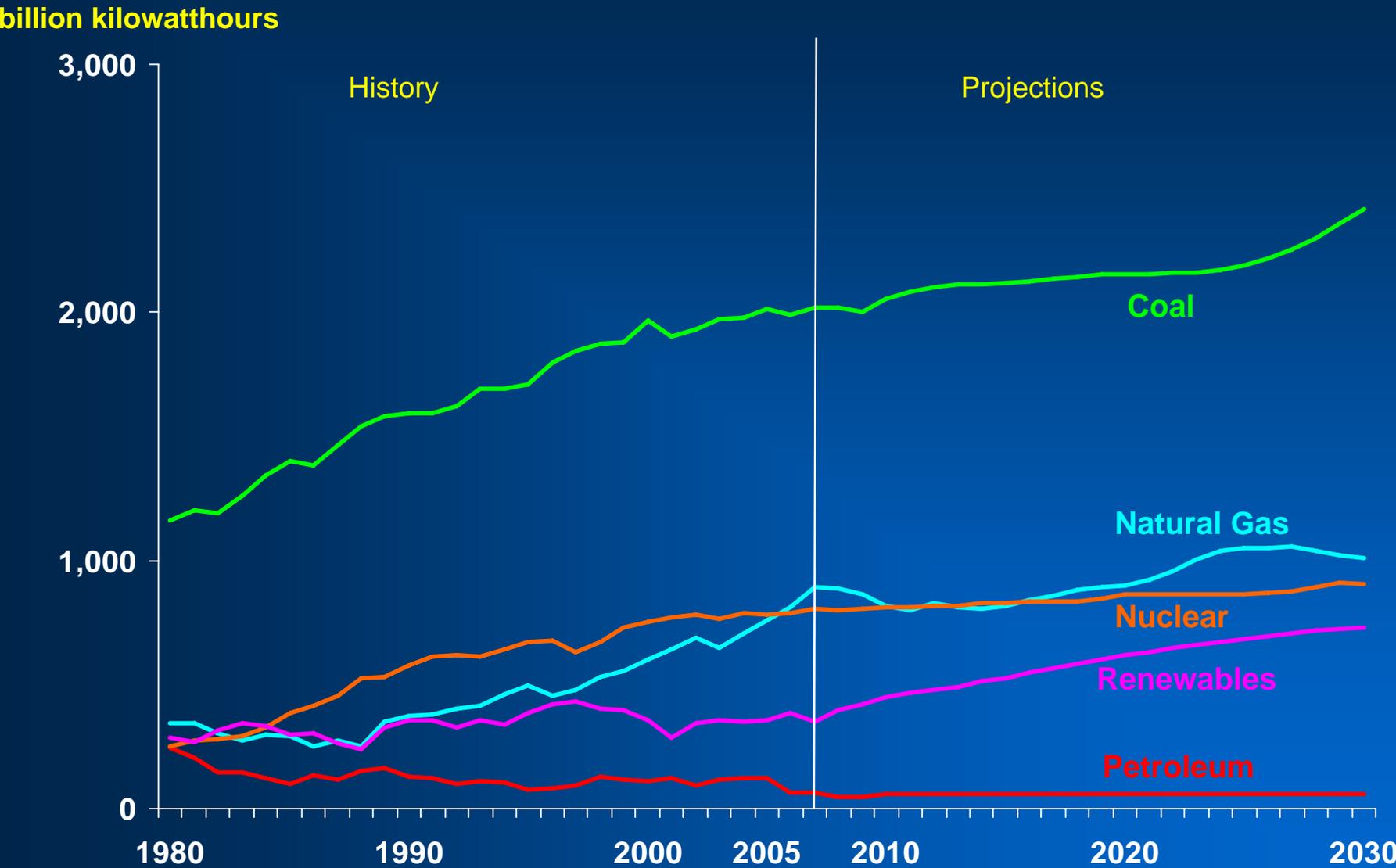
# Electricity prices moderate in the near term, but then rise gradually with increasing fuel prices.

2007 cents per kilowatthour



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# Coal remains the predominant fuel for electricity generation.



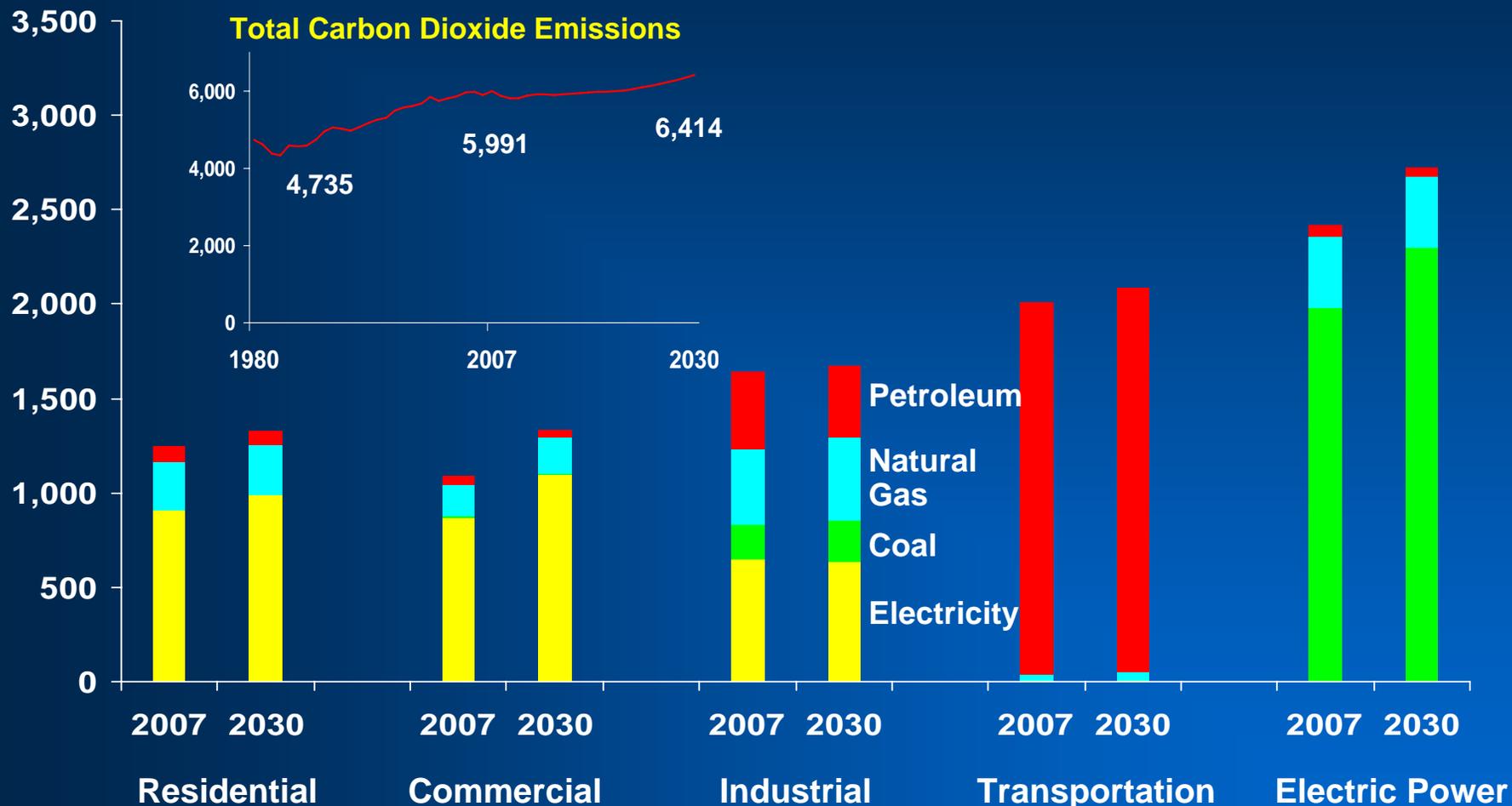
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# Growth in carbon dioxide emissions slows in the projections.

million metric tons



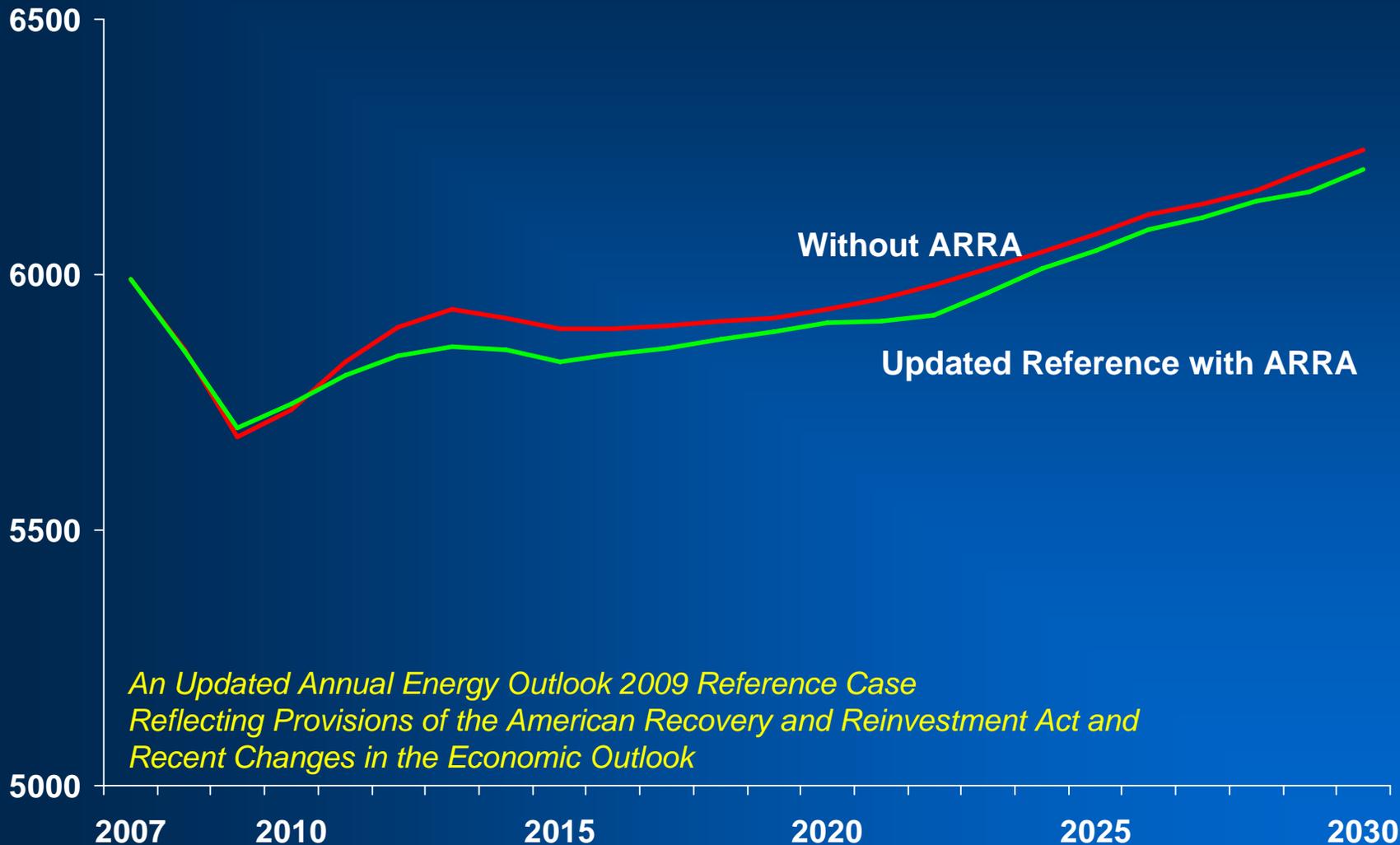
Delivered, including electricity losses

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# Some Very Recent Analyses

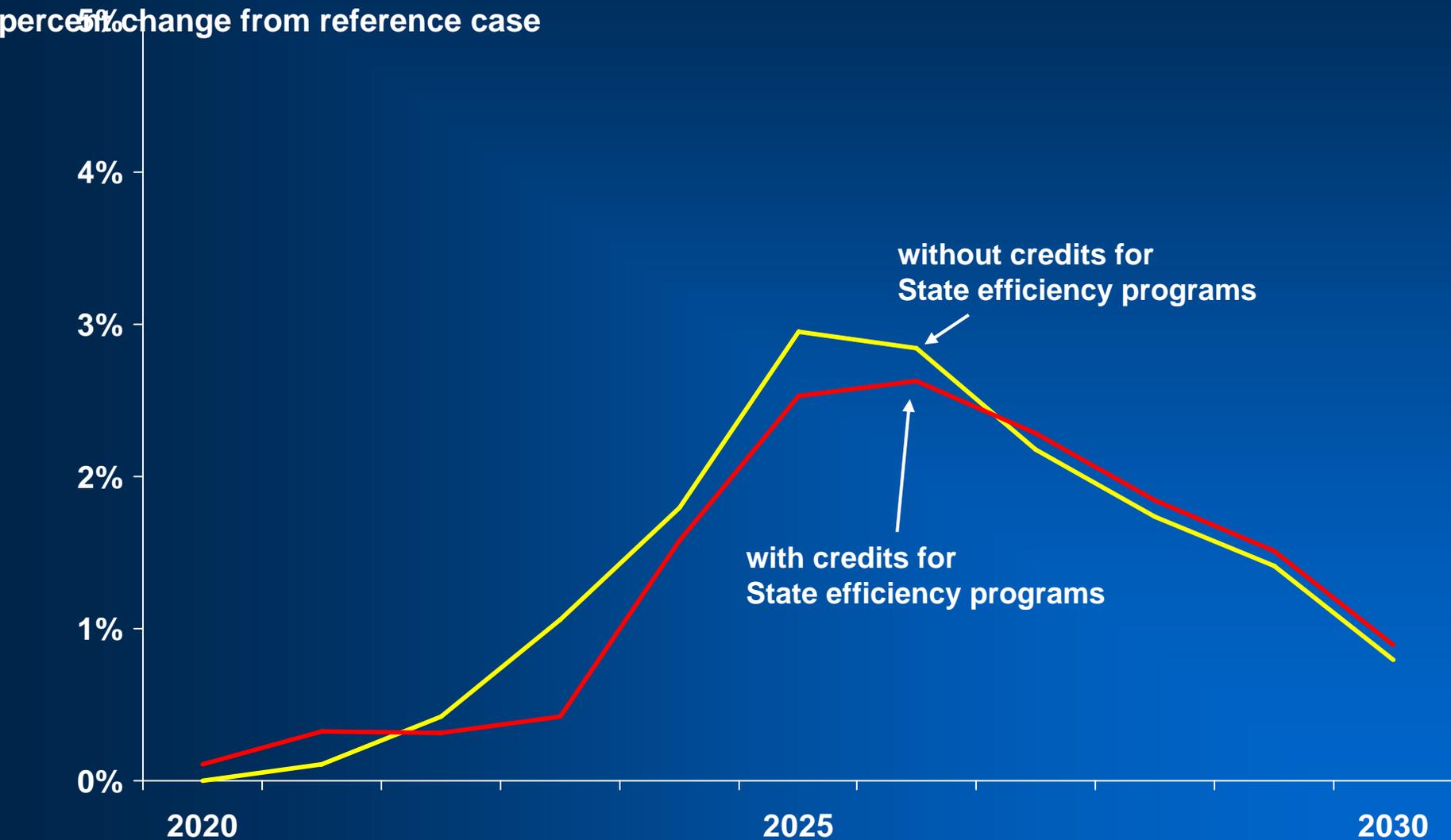
# ***The recently enacted American Recovery and Reinvestment Act lowers energy-related carbon dioxide emissions.***

million metric tons



*An Updated Annual Energy Outlook 2009 Reference Case  
Reflecting Provisions of the American Recovery and Reinvestment Act and  
Recent Changes in the Economic Outlook*

# Recent EIA analysis suggests that a 25-percent Renewable Electricity Standard would raise electricity prices between 2020 and 2030.



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# Periodic Reports from EIA

*Petroleum Status and Natural Gas Storage Reports, weekly*

*Short-Term Energy Outlook, monthly*

*Annual Energy Outlook 2009, March 2009*

*International Energy Outlook 2009, May 2009*

## Examples of EIA Special Analyses

*Impacts of a 25-Percent Renewable Electricity Standard as Proposed in the American Clean Energy and Security Act Discussion Draft, April 2009*

*Analysis of Crude Oil Production in the Arctic National Wildlife Refuge, May 2008*

*“Impact of Limitations on Access to Oil and Natural Gas Resources in the Federal Outer Continental Shelf”, Annual Energy Outlook 2009*

*Energy Market and Economic Impacts of S.1766, the Low Carbon Economy Act of 2007, January 2008*

*Energy Market and Economic Impacts of S.2191, the Lieberman-Warner Climate Security Act of 2007, April 2008*

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