

West Hawaii Today

[Print Page](#)

Keynote speaker discusses Hawaii's energy future

by Carolyn Lucas
West Hawaii Today
clucas@westhawaii.com
 Friday, November 21, 2008 9:37 AM HST

Wishful thinking isn't for Matthew Simmons.

Rather, the founder of Simmons & Co. International, a specialized energy investment banking firm, relies on data.

Oil production will soon peak or already has. The world has less oil than claimed. Data on global production, demand and inventories is inaccurate. Oil-producing companies and nations are not performing audits on their reserves or output, leading "experts" to play guessing games, Simmons said Thursday as the keynote speaker of the Hawaii Energy Challenge 2008.

Many industry analysts are "overly optimistic" about how long existing fields will last and the prospect for new discoveries. The view that technology will somehow extend the life of aging oil fields and open new sources of production is unclear. Simmons admitted he is doubtful that such technology will advance quickly enough to offset the declines.

"There is no silver bullet or BB; no quick action to take," he said. "I think we are not scaring people enough with the facts. That's what needs to be done to basically get them to do something before everything unravels. ... Changes will be done, and they will most likely be forced upon us."

The biggest barrier, Simmons claims, is that people view the facts presented in his forthright analysis of society's current perilous situation are "a joke."

"Ignoring the signs is worse than misinterpreting a problem discovered on a radar system on the Sunday morning of Dec. 7, 1941," he said.

Very little is known about what creates prices, though Simmons suggested the liquidating of oil contracts as a possibility. If that were to happen for an hour, Simmons would triple the energy price and vow it would never go below that figure. Even when record highs were \$140 a barrel, he insisted oil was cheap and America was "spoiled rotten."

Simmons laid out a vision of the future for Hawaii, where food and other essentials are sourced and consumed locally, victory gardens and greenhouses are re-established, people work primarily from home and travel less, and golf carts and bikes are used as common modes of transportation. He encouraged the state to design new vessels to move people and goods.

Simmons also saw hope in Hawaii's energy-rich waves, currents and tides, as well as the power underneath our feet and above us in the sky. He claims the state can become next Silicon Valley by creating institutes dedicated to studying geothermal and ocean energy. "Hawaii can create the elixir of life and be the Holy Grail of renewable energy," he added.

Asked about nuclear energy, Simmons responded, "It may have a comeback." Still, he said it is cannot remotely solve the energy crisis. While it is "a safe form of fuel," the public was "sour" about it after the accident at Three Mile Island nuclear power plant in Pennsylvania and the Chernobyl disaster.

Hawaii Energy Challenge 2008, organized by Hawaii Leeward Planning Conference, continues Friday at The Fairmont Orchid. For more information, call 885-9588, send an e-mail to hipc@hawaiiantel.net or visit <http://www.hec08.com>.



Featured speakers, from right: William Parks and Terry Surles, joined by facilitator Peter Adler, Ph.D., at the Hawaii Energy Challenge 2008 at the Fairmont Orchid. - Laura Shimabuku | Special To West Hawaii Today

Copyright © 2008 West Hawaii Today