

Responsible development of oil shale

Glenn Vawter, Executive Director

National Oil Shale Association, United States

Great progress has been made in oil shale research and development during the past year in the United States and outside U.S. borders, and oil shale production continues to increase. Technology for ex-situ and in-situ processes are more advanced than those anticipated for use and tested in the rush to commercialization of the last boom (1970 – 1980). The current development approach is deliberate, staged and focused on finding technical solutions that are economically viable, environmentally acceptable and sustainable. Projects must meet regulatory standards not enacted in the previous era to proceed. Companies are investing in technology without Federal funding to solve technical problems. Millions of tons of oil shale have been mined and millions of barrels of shale oil produced around the world, including from plants here in the U.S. The experience gained from these projects gives developers an important tool to advance technology toward commercialization. Facts about oil shale are often obscured by myths that have been perpetuated for decades by those that either wish to discredit the potential of this energy resource, or are simply misinformed. Energy content and energy recovery efficiency, water usage, and climate change implications are examples of issues where publicized myths are not based on facts derived from testing and analysis. Significant challenges face a developer hoping to build a commercial oil shale project in the United States. In-situ technology has not yet been tested at a scale that permits design of a commercial project. Ex-situ technology commercialized abroad is beyond the experimental stage, but need to be tested on U.S. oil shale. Technology development is not the most significant challenge. Lack of consistent U.S. Federal policy for leasing and regulation, similar to what already exists for other minerals and oil & gas, is restraining long term investment in development. States with oil shale resources also have differing policies toward oil shale development. Lastly, fossil energy development is discouraged on a national basis and by some states. It is in this context that companies determine where to invest their financial and human resources. Shale gas development created a new industry exploiting resources known for decades; new drilling and stimulation technologies made the resource economically attractive. Oil shale is on the brink of a similar renaissance.