



Task Force on Strategic Unconventional Fuels

NEWS

Unconventional Fuels Task Force Completes Report of Initial Findings and Recommendations

August 6, 2007 – Washington, D.C. The Task Force on Strategic Unconventional Fuels, established under Section 369 (h) of the Energy Policy Act of 2005, has completed its initial report entitled, *Development of America's Strategic Unconventional Fuels Resources: Initial Report to the President and the Congress of the United States*.

Governors Jon Huntsman Jr. of Utah and Ernie Fletcher of Kentucky, Task Force Co-Chairs, have transmitted to Congress and the White House the report of findings, recommendations, and options on Strategic Unconventional Fuels.

The Task Force is comprised of the Secretaries of Energy, the Interior, and Defense, five governors (CO, WY, UT, KY, MS) and three representatives from potentially impacted communities. It was initiated by Secretary of Energy Samuel Bodman in March 2006.

Task Force Mission: Section 369(h) of the Act directed the Secretary of Energy to form a Task Force to:

- "...develop a program to coordinate and accelerate the commercial development of strategic unconventional fuels, including, but not limited to, oil shale and tar sands resources within the United States, in an integrated manner" [Sec 369(h)(1)], and to
- "make such recommendations regarding promoting the development of the strategic unconventional fuels resources within the United States as it may deem appropriate" [Sec 369 (h)(3)]; and to
- "make recommendations with respect to initiating a partnership with the Province of Alberta Canada for ... sharing information relating to the development and production of oil from tar sands, and ... with other nations that contain ... oil shale resources." [Sec 369 (h)(4)]

TASK FORCE INITIAL FINDINGS AND RECOMMENDATIONS

Declining domestic oil production and rising U.S. demand for oil increase the nation's dependence on imports of foreign oil. This growing import dependence represents challenges to the strategic interests of the United States, particularly as global conventional oil production may soon fall short of global demand.

Significant opportunities exist for producing fuels from the nation's vast unconventional resources, including: oil shale and tar sands, heavy oil, enhanced oil recovery, and coal-derived liquids. Domestic production of fuels from unconventional resources could reduce import dependence and the potential impacts and strategic risks posed by global oil supply and demand trends.

While the Task Force expects that these resources should and will be developed primarily by industry, the report identifies a range of policy options to be considered by federal, state, and local policy makers to stimulate timely investment with an objective to achieve aggregate production levels in excess of 7 million barrels per day by 2035.

NEXT STEPS: PROGRAM DEVELOPMENT PLAN

The Task Force is now completing the mandated program plan for Commercialization of America's Strategic Unconventional Fuels. The integrated plan will detail proposed program objectives, strategies, key activities, and timelines, providing the basis for subsequent program implementation planning.