Mike Doyle is the President of the CAGC – the Canadian Association of Geophysical Contractors - representing the business interests of the seismic industry within Canada. The CAGC website may be found at www.cagc.ca.

By the time this column goes to print the U.S. Midterm elections will have taken place. As part of this process on Nov. 2, California voters will be asked to approve Proposition 23, which would suspend implementation of the 2006 California Global Warming Solutions Act (AB 32) until the state unemployment rate has fallen to 5.5 per cent or less for four consecutive calendar quarters. State unemployment is 12.4 per cent and has only fallen below 5.5 per cent for three relatively short periods since 1976, according to the U.S. Bureau of Labor Statistics. In effect Proposition 23 would kill the climate law if it is approved by the voters in a state-wide ballot held on the same day as mid-term congressional elections

Voters were almost evenly divided 40% to 38% in favour of the measure, with a margin of error of just over three per cent and up to one fifth still undecided, in a poll conducted a month ago for the Los Angeles Times newspaper. Experts say a ballot measure with less than 50% support at this stage in the campaign is likely to fail, since undecided voters typically break "no" in the polling booth, according to the newspaper. However the outcome will be closely watched by politicians and lobbyists across the United States to gauge the depth of public opposition. If Proposition 23 is defeated, it would provide a powerful boost to the Western Climate Initiative and other regional efforts. If it succeeds, regional schemes are likely to be sidelined.

At the recently held 2010 World Energy Congress in Montreal, a parade of energy experts including CEOs and Presidents of many of the world's top energy producing companies have assured us that the world will remain addicted to the current mix of fossil fuels including coal, oil and gas for the "foreseeable future." We are told that the shift to renewable energy and low-carbon technology will take decades; it will be 2050 or later before fossil fuels are no longer a key part of the energy mix.

While energy demand in the developed world may be beginning to level off for the first time since the Industrial Revolution, energy demand in the rapidly emerging 'BRIC' economies of Brazil, Russia, India and China is just getting started. Some 2 billion people worldwide currently have no or very limited access to electricity, and with millions more people set to enjoy rising incomes in the developing powerhouses like China and India, the world's demand for energy is set to double in the coming decades. This growth in population, economic prosperity and associated energy consumption will continue to drive the need for expanded fossil fuel production and consumption, especially in the coming decade.

Energy experts see no tangible change for the energy use mix for the foreseeable future. Renewables currently make up about 15 % of the global energy mix today. The expectations are that Renewables increase by 100 % numerically (they double in amount) by 2040 but so does the world demand and as such the basic percentage of the overall mix stays about the same – around 15 %. The Organisation for Economic Co-operation and Development (OECD) Countries consists of 35 countries – ones that we would consider developed nations – North America + European and Australia for the most part. Currently the world energy usage is pretty much split 50/50 between OECD Countries and the rest of the world (Developing) Countries. However going forward the OECD's usage remains relatively stagnant with populations leveling off and just some allowances for growth. The base reference case by the International Energy Outlook (IEO) calls for a 15 % increase by 2035. This is in stark contrast to non-OECD countries in which an 85 % increase in energy use by 2035 is expected.

The most abundant fuel source in the world is coal. As well it is cheap to mine and use as a source or electricity. It will continue to be an energy growth source in developing nations regardless of what developed countries do in relation to renewable energy. Following is a statement pertaining to China but it can be extrapolated to other Energy Sources and other developing countries. China has become the world's largest energy user, having overtaken the United States, the head of the International Energy Agency said in mid-October. "China is now the largest energy consumer by our definition," said the executive director of the Paris-based IEA, Nobuo Tanaka. "Probably half of the oil demand increase comes from China. Nobody knows when it [will] slow down."

In stark contrast to the prognosis from energy executives and experts is the new reality that we need to accept: business as usual will no longer work. As a keynote presentation at the World Energy Congress by Lester Brown, Director of the Earth Policy Institute, made clear, the consequences of the current business as usual or "plan A" approach to energy production and consumption are dire. Starting with the premise of what would be needed to avert catastrophic climate events such as a "tipping point" leading to the complete melting of the Greenland ice sheet, and a 23 foot sea level rise, Brown indicated that an 80 per cent cut in GHG emissions is needed, not by 2050, but by 2020!

Brown estimated that the level of investment and mobilization needed to achieve such a switch in the global energy system is without precedent, and akin to that of the two world wars of the 20th Century. By some estimates, $25 trillion in investment is needed to meet the demand growth in energy out to 2020 alone. These numbers are staggering, as are the potential consequences of failure, both on the planet's ability to support us, and on our collective security and prosperity.

In December 2009 the world climate change conference in Copenhagen saw developed nations promising $10 billion per year over the next 3 years to combat climate change in developing nations. This has been mired in politics in 2010 and even if it comes to fruition is likely too little to have much effect even assuming the money would be put to work in the best possible ways. In Italy, there is an old saying "Pochi, maledetti ma subito" - which is to express that money is damned hard to earn/scrape together and easily/readily spent.

From the Thursday Files

"**You are the Ninja Generation**. **No Income. No Job. no Assets."**

Gordon Gekko played by Michael Douglas // Wall Street: Money Never Sleeps