

Future World Energy Demand To Soar -- Oil's Share Of Demand To Fall

Not too surprising. We have been saying this since 1970.

DOE to many outlets
June 20, 2006

The Energy Department predicted Tuesday that global economic growth will fuel a 71 percent surge in energy demand from 2003 through 2030, but said there will be sufficient supply to meet that demand.

According to a report released by the Energy Information Administration, oil's share of the total market will decline to about a third over the next couple of decades. It was put at 38 percent in 2003.

Oil consumption is forecast to reach 118 million barrels a day in 2030.

The U.S., China, and India account for most of that projected increase in world oil use.

The EIA said it sees world oil prices in 2025 some 35 percent higher than forecast in last year's report.

The latest outlook puts crude oil at about \$57 a barrel in 2030. That would actually be cheaper than the current price of crude.

Members of the Organization of Petroleum Exporting Countries (OPEC) are expected to increase their supply of oil by 14.6 million barrels a day between 2003 and 2030, according to the report.

But the EIA said the additional crude needed to meet global demand is seen coming mostly from non-OPEC countries, which were forecast to supply 23.7 million barrels a day.

The report also found that coal use was expected to grow at an average annual rate of 2.5 percent between 2003 and 2030, while demand for natural gas was forecast to grow by 2.4 percent per year.

According to the report, higher fossil fuel prices and concerns about security of energy supplies are expected to improve prospects for nuclear power capacity over the projection period, and many countries are expected to build new nuclear power plants.