



Embracing Policies That Promote Technology Innovation

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Energy System Fundamentals

- Scale, time, and capital
- Integrated and interconnected supply chains
- The U.S. energy system structure
- Commodity markets
- Multi-jurisdiction, multi-layered regulatory environment

An integrated and interconnected system

Energy Supply Chains

Natural
Resource
Development

Electricity Production
and Distribution

Fuels Production
and Distribution

Feedstock for
Industrial Production
and Manufacturing

The U.S. energy system structure

- Unique to the U.S. is the private ownership of natural resources, including minerals, coal, oil, and gas.
- Most of the U.S. energy system is privately owned.
- The U.S. has the largest, most diversified energy system and resource base.
- The U.S. has the largest, most transparent, and most flexible capital market.

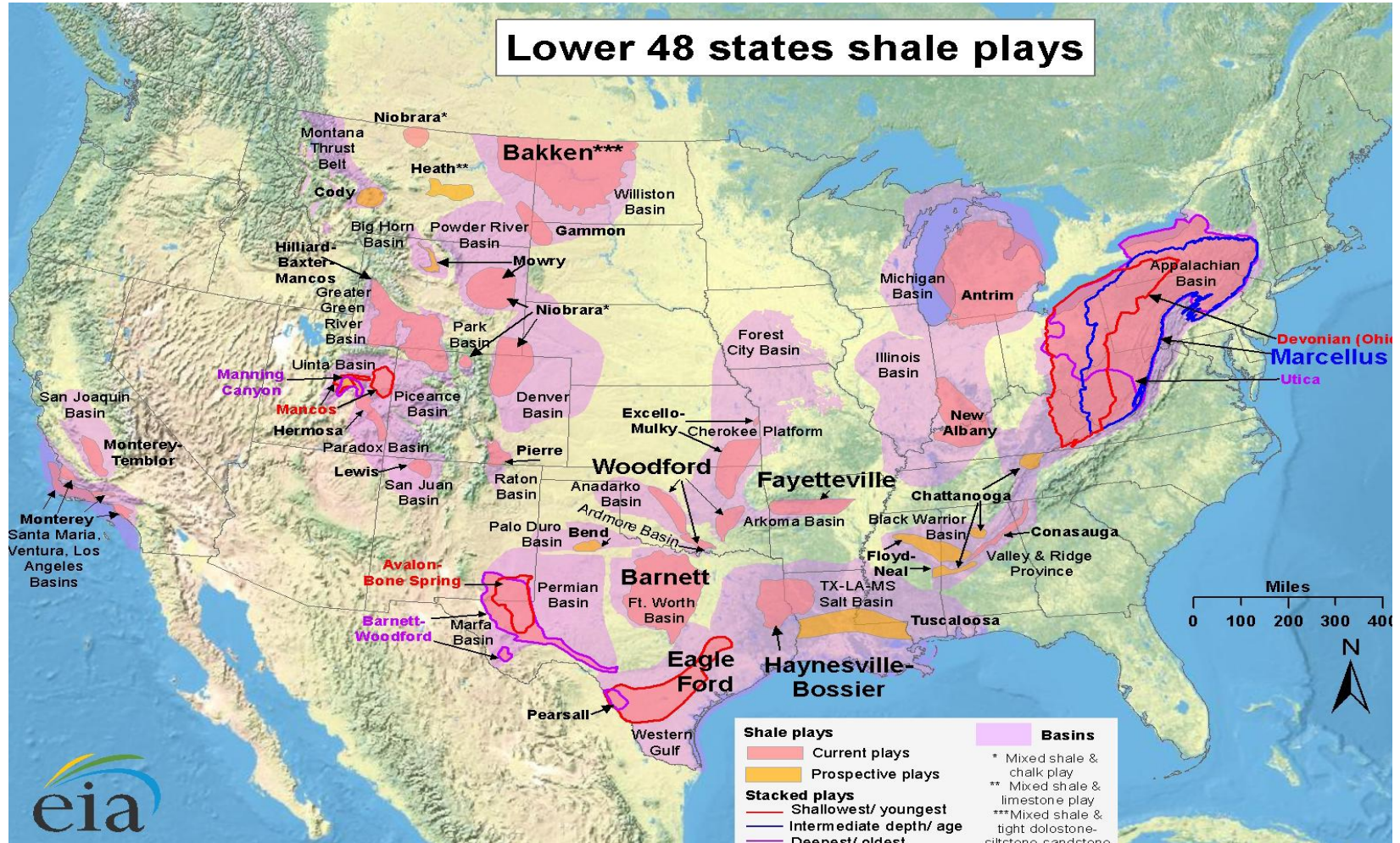
Policy dimensions

- Energy R&D
- Demonstration at scale
- Resource development and land-use management
- Emissions regulation
- Standards

Selected energy system opportunities

- Unconventional hydrocarbon resource development
- Smart Grid development and deployment
- Cyber-physical security of energy infrastructures

Developing shale formations redefines the U.S. oil and gas resource base



Thank you