



Enefit's oil shale project progresses

Guest Column

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Oil shale projects have a long history in the Uintah and Piceance Basins. While the promise of commercially producing oil from oil shale hasn't happened yet, it will, and I believe it will happen sooner than later. As CEO of Enefit American Oil, I've seen profitable, unsubsidized oil shale production on a commercial scale first-hand in Enefit's native country of Estonia, and I'm confident it can happen here.

A small nation in a strategic location but with no other energy resources, Estonia became the world leader in using oil shale for the production of power and liquid fuels out of a desire to be energy self-sufficient. Enefit is now bringing that experience and expertise to other places with significant deposits of oil shale. Enefit has active projects in Jordan and just over the Utah line in the southern Uintah Basin, where we recently submitted an application to the Bureau of Land Management to begin an environmental impact statement.

We plan to use surface mining and on-site processing. This is different from in situ oil shale projects in Colorado, which call for rock to be heated underground and the released oil to be pumped to the surface. Our "ex situ" project involves mining rock on the surface and then crushing and heating it in a retort. We'll backfill and reclaim the land as we go. These are standard, proven techniques found at any mining operation or oil refinery.

We've heard critics say that Utah oil shale is so different from that in Estonia that we can't possibly adapt our technology to produce oil. Not true. In fact, we've already produced oil from Utah oil shale at our test facility in Germany and are planning a larger test this spring. As we work to permit the project, we will continue to optimize the process. We're exploring a variety of alternatives and modifications to the process to do this.

We've also heard critics say that recent discussions in Estonia's parliament about Enefit's international growth strategy prove that "even the world leaders in oil shale production are unsure" that the Utah project will work. Again, not true.

Just like U.S. politicians, those in Estonia have individual points of view, goals and agendas. As a state-owned company and the largest company in the Baltic region, Enefit frequently finds itself at the center of political discussions. While we might not like the sometimes conflicting messages this sends halfway around the world to those who aren't close to the situation, it is a standard part of the process in a democratic country.

The fact is that Enefit is confident in its investment to date and confident that we can develop this project in a way that is environmentally acceptable, economically beneficial for the community and profitable for the company. U.S. oil shale production has been elusive. But, with projects like Enefit's and others, that's about to change.

Rikki Hrenko is the CEO of Enefit American Oil.