



David L. Ryan/Boston Globe Staff

Three separate items in the news, this past week, underscore the fact that we still have much work to do before we can claim to have a viable plan for reducing fossil fuel use, and the related environmental damage. [Energy Daily](#) reports on a new paper from Rice University's Baker Center for Public Policy showing "a clear increase in the size and influence of noncommercial traders, or 'speculators,' in the oil futures market since regulations were eased by the Commodities Futures Modernization Act of 2000. Speculators now constitute about 50 percent of those holding outstanding positions in the U.S. oil futures market, compared with only about 20 percent prior to 2002."

[Green Inc.](#) reports on a law suit, filed by Earthjustice in San Francisco, to stop construction of a pipeline that would accelerate the delivery of oil to the United States from the tar sands fields of Alberta. The Obama Administration recently approved the project, which would carry about 440,000 barrels of oil per day from Alberta to a terminus in Wisconsin. Green Inc. says that "in 2008, the United States imported 1.5 million barrels a day of Canadian bitumen, and that figure is expected to grow to 4.3 million by 2030, according to the State Department's record of decision."

It is safe to say that both of these trends – the increase in oil price speculation, and the growing reliance on dirty fossil fuel from the tar sands — are steps in the wrong direction. While speculation in oil markets may drive up prices (making renewable fuels and more efficient vehicles look cost-effective), speculation also leads to price volatility. Over time, volatility can freeze market participants and policymakers into inaction. Easing access to oil from Canadian tar sands can only make matters worse – by encouraging more production from those fields and increasing the carbon footprint for the entire transportation sector. Production of oil from the tar sands is very energy-intensive, and destructive of the natural environment.

That brings us to the third item from the news - a study from the Urban Lands Institute (as reported in by the [Yale Forum on Climate Change and the Media](#)) reminding us that even if we can make vehicles more efficient and reduce the greenhouse gas effects of liquid fuels, it won't be enough. The study "points to a need for...fundamental shifts in traveling patterns and behavior. And the best way to achieve those changes is likely to involve building more new homes near work and stores; easing the way for more bicycling; and boosting the price of gas for all drivers and raising insurance premiums for those driving beyond specified amounts."

As is true with all aspects of energy consumption, the first, most effective, and least costly way to reduce emissions of all types is by using less. The Urban Land Institute study is a reminder, consistent with the recently-released joint [report](#) from Berkeley Law and UCLA Law, that we must focus our land-use and transit infrastructure as tools for supporting behavioral change. We cannot rely on consistently high fuel prices or constraints on fuel availability to get the job done.