



## Of gas and biofuels

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Tags: [biofuel](#), [china](#), [gazprom](#), [kazakhstan](#), [natural gas](#), [russia](#), [thailand](#) [[list all tags](#)]

Well it appears that the thought of a [New Great Game](#) is catching on, as an image to describe the scene, if nothing else. The discussions this week are focusing on [Kazakhstan](#) where, you remember

China's CNPC last year bought Kazakh oil producer PetroKazakhstan, and the first oil from Kazakhstan reached China last week via a major new pipeline. Turkmen President Saparmurat Niyazov last month paid a six-day visit to Beijing, where he signed off on a plan to send 30 billion cubic meters of gas annually by a new pipeline to China beginning in 2009. Not satisfied, China is in talks with Kazakhstan over a gas pipeline from that country, too.

Well enter Vice President Cheney and the United States has an alternate suggestion

U.S. Vice President Dick Cheney is expected to push in Kazakhstan on Friday for a major new gas pipeline from the country to bypass Russia and take Kazakh gas westward through Azerbaijan and on to Turkey.

This time around, and before he even comments, I suspect I am going to agree with Jerome a Paris, who has written [before](#) of the poor chance of some of these pipelines being installed.

Down at the bottom of the article, it also appears that others are not impressed with the likelihood of this coming to pass.

Kazakhstan is unlikely to antagonize Russia by moving fast on a new gas pipeline westward, while the low quality of gas in Kazakh fields would also make any such project extremely costly, said Valery Nesterov, oil and gas analyst at Troika Dialog. Proposals to hook Turkmen gas up to a Kazakh pipeline westward would likely serve to push up prices for Russia rather than win the United States and Europe easier access to the gas, he said.

Another big problem for any direct Kazakh route to the West is that it would have to go under the Caspian Sea, the demarcation of which has yet to be agreed on by its littoral states, including Iran, Baran said. "Iran would be a threat to any pipeline project," she said.

Meanwhile in Asia the hope is that oil prices won't stay up [too long](#) though ethanol is becoming more popular

In Thailand, consumption of plant-extracted gasohol has quadrupled in the last year, rising to 3.4 million barrels a day in March. The country's consumption of gas and diesel stood at 70 million barrels per day that month.

And China is also looking into [biofuels](#) It currently produces about 1 million tons of ethanol, but could perhaps produce more using their own varieties of grass etc.

The plants include sugar grass, which is suitable for salina and other low-quality land in 18 provinces north of China's Yellow River and Huaihe River basins.

Those land totals 33.34 million hectares, and one fifth of them would be enough to produce 20 million tons of ethanol, said Shi.

China produces annually 1.5 billion tons of stalk as by-products of grain production, which can be used to produce 370 million tons of ethanol.

China currently consumes around 323 million tons and imports around 119 million tons a year, according to the article.



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