



## DrumBeat: March 2, 2007

Posted by [Leanan](#) on March 2, 2007 - 10:05am

Topic: [Miscellaneous](#)

### [Rise of National Oil Companies Crimping Long-Term Crude Supply](#)

The rising dominance of national oil companies has relegated the Western oil majors to "second-tier status" and could have a "substantial long-term impact on resource development," according to a report to be released Thursday by researchers at Rice University.

The report, which notes national oil companies, or NOCs, now control more than 75% of global proved oil reserves, offers broad policy guidance to U.S. officials on navigating a global oil patch increasingly controlled by companies that view their socio-economic mission as equal to, or more important, than their commercial success. It will be released Thursday at a conference hosted by the James A. Baker Institute for Public Policy at Rice.

Although the report doesn't explicitly discuss prices, the rise of NOCs has been a "huge factor" in the price run-up of recent years, said Amy Myers Jaffe, a Rice fellow in energy studies who helped prepare the study. If leading NOCs don't adopt more commercially oriented measures, then "the path for prices is up," Jaffe added.

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### [Iran considers petrol rationing as UN sanctions loom](#)

Iran, OPEC's second largest oil producer, is expected to start rationing petrol within the next month. The move would come as the international community is discussing what further sanctions to place on Iran for continuing to enrich uranium. The Iranian Parliament has just approved a petrol rationing bill. Although heavily subsidised, like many other basic goods in Iran, much of it has to be imported at market price because the country has a shortage of refineries.

### [New Stirrings & Targets for Activism](#)

Times have changed dramatically and permanently. As we heard yesterday, the best science now tells us that we have only ten years left to peak global emissions if we're going to stay below 2 degrees C. Ten years. Campaigners working on energy are at a moment where we face a fork in the road. Although the need for upstream campaigns has never been more pressing, the powerful levers for action are newly downstream related to public concern over energy security and global warming.

### [Albania to establish an energy park near a coastal city](#)

Albania has been energy hungry since 1990, and it experienced an energy crisis from the end of last year to the beginning of this year when lack of rain and decreased import of electricity from neighboring countries plunged the hydro-power dependent country into darkness, with power cuts across the country ranging from 5 hours to 14 hours a day.

### [Uranium relights South African mining industry](#)

WHEN Neal Froneman first said he wanted to mine uranium, many thought he was clutching at straws. "One radio presenter laughed me out of his studio," said Froneman whose sxx Uranium One (Uranium One) last month announced an imposing R22bn (\$3.1bn) merger with Canadian firm, UrAsia Energy.

### [Bulgaria's Kozloduy Among Most Dangerous Power Plants in Europe - German Media](#)

Bulgaria's Kozloduy nuclear power plant (NPP) has been among the most dangerous ones in Europe for ages.

Failures often occurred in its reactors and Bulgaria and foreign ecologists used to call for the plant's closure, German newspaper Handelsblatt said.

### [South Africa: The Political Economy of Power](#)

For too long the issue of energy has been set aside, treated as if it had no influence on how South African society is shaped. And there has been a somewhat valid stereotype that within civil society, energy has been the domain of white environmentalists - aging hippies in sandals going shoo-wah over the teachings of the Dalai Lama and speaking about how we all must conserve electricity, how we all must make sacrifices, whilst black children die in shack fires caused from having to use a paraffin stove because the household electricity lifeline was used up weeks before.

### [Attack of the cereal killers](#)

The rising price of wheat - driven by speculative interest in biofuels - will do nothing to help farmers or the environment.

### U.K. - [Faulty fuel: mystery deepens](#)

The problem emerged this week as large numbers of drivers across the east of England reported the same fault, all thought to be caused by fuel containing excess amounts of ethanol. Symptoms appear to be juddering and misfiring vehicles and a loss of power, possibly caused by engines switching to emergency settings after an exhaust sensor is damaged.

Mechanics in Norfolk have now reported several hundred cases but can do little to repair the vehicles because demand for the crucial part - a sensor used to regulate emissions - has led to a national shortage.

#### Canada: [Fuel shortage hits truckers](#)

Two major fuel suppliers are sounding the alarm for Ontario's trucking industry amid "critical" shortages of diesel fuel in the province.

The fuel shortage, which has seen motorists inconvenienced for more than a week as gas pumps intermittently run dry, has forced Ultramar to suspend diesel deliveries to four Toronto-area service centres and three other Ontario cities – Hamilton, Cambridge and London.

#### [Gas-burning drivers urged to rethink how they get around](#)

The fuel shortage gripping Toronto has environmental and oil industry experts grumbling about the relationship Torontonians have with gas.

Motorists take gas for granted, said Michael Ervin, president of MJ Ervin & Associates, a Calgary-based petroleum and refining consultant firm. Drivers are showing no signs of curbing consumption, he said.

#### [BP, Gazprom Discuss Intl LNG Joint Venture](#)

Top executives of U.K. oil major BP PLC and Russian gas monopoly OAO Gazprom met Thursday to discuss the creation of a joint venture, Gazprom said, against the backdrop of heightened tensions between the two companies over BP's future in Russia.

#### [China's Oil Dilemma](#)

Tensions in the Middle East are about to reach a boiling point. Where will the oil importing countries of the world turn when the balloon goes up?

There has never been a shortage of good ideas for dealing with peak oil or, for that matter, any other aspect of the predicament of industrial society. What has been lacking consistently is the collective will to put any of those ideas into practice.

### [U.S. 'stuck in reverse' on fuel economy](#)

While Congress and the Bush administration debate how to improve fuel economy in automobiles, a new study says the United States is "stuck in reverse" when it comes to offering consumers a wide selection of fuel-efficient vehicles.

### [Pickups, SUVs boost GM's February sales](#)

### [Gazprom to Take Majority Stake in Sakhalin Energy](#)

In pursuance with the terms set in the Protocol, Gazprom will purchase 50 percent plus one share in Sakhalin Energy for US\$7.45 billion. Each of the existing Sakhalin Energy shareholders will decrease its stake by 50 percent at the proportional payment distribution aimed at making the deal.

### [An Interview with Tony Juniper, part 2.](#)

I think there will be a transition, and I think it is pretty impossible for us to have an orderly withdrawal from the Carbon Age that happens very quickly, we can't do it. Our infrastructure, our transportation systems, our fuel mix, our agriculture crucially, everything, is geared up to being heavily dependent on fossil fuels. It will take a while to get out of it, but the quicker we start it the sooner we'll do it, but also the more orderly the transition will be. This mixing up of decarbonisation with a shock built around the rapidly rising price of oil will be harder to cope with. If we start now and begin to decarbonise, with all the technological things we already have, from the bicycle to concentrating solar power, all that stuff already exists, we need to get it moving and get it into the market fast, so we can start the process while we still have the economic stability and the money and the social comfort to do this without even noticing it.

### [Enriched Uranium Unearthed From German Man's Garden](#)

A German man obtained enriched uranium and buried it in his garden, raising concerns about the security of Germany's nuclear reactors, the environment ministry in the state of Lower Saxony said on Thursday.

"How do pellets get out of a nuclear reactor? That's not supposed to happen," said ministry spokeswoman Jutte Kremer-Heye.

### [Britain gets nuclear waste warning from energy chiefs](#)

Britain must not go ahead with a new generation of nuclear power stations until it has a "clear and robust" plan in place for dealing with the twin problems of decommissioning and waste treatment, the world's leading energy body warned yesterday.

The International Energy Agency also said that any new nuclear programme must be funded entirely from the private sector, without any government subsidy or market intervention.

### [East Africa: Going Nuclear in East Africa](#)

A carefully located nuclear power station spinning three turbines can efficiently generate 1,500MW enough to supply the regional base load for decades.

### [South Africa is looking to the development of hydrogen power as a way to solve its increasing energy crisis](#)

### [Biofuel industry speeds up enzyme demand](#)

As a result of the booming biofuel industry, the US enzyme demand, which amounted to \$1.6 billion in 2005, is expected to reach \$2.2 billion by 2010, according to a recent market study by the Freedonia Group.

### [Coal in cars: great fuel or climate foe?](#)

A key problem is that liquid from coal emits twice as much carbon as gasoline. Still, Washington likes the idea.

### [When it comes to power, don't check into the Hotel California](#)

As part of a proposed \$45 billion buyout of TXU, the prospective new owners have reached an agreement with environmental groups not to construct eight of the 11 coal-fired generating units that the Dallas-based utility was planning to build.

That could be good for the environment. But what about the pocketbooks of Texas electricity consumers?

### [Senators call for 'crash program' to develop clean coal technologies](#)

A national cap on carbon emissions would penalize states that rely more heavily on coal generation, Republican senators from the Midwest charged at a Senate Environment and Public Works Committee hearing on state, regional and local perspectives on global warming. However, the idea of a federal "Apollo" program or "Manhattan Project" to develop and deploy clean coal technologies garnered bipartisan support at the March 1 hearing.

### [House Democrats unveil new energy plan](#)

Democrats in the U.S. House of Representatives on Thursday unveiled a bill that would spend about \$15 billion to double U.S. automobile fuel efficiency, expand ethanol distribution and build more mass transit.

### [Backyard Fuel Cell](#)

Now the system, which they built for around \$50,000, taps any surplus solar electricity to fill a 500-gallon hydrogen fuel tank, enough reserve for about 14 days' worth of power (a second tank can be added to double that capacity). Friend thinks of the setup as sort of a TiVo for energy — bank hydrogen during the summer, then consume as it's needed.

### ["Switchgrass is cool, dude"](#)

There was even a titillating little bit about a new report on peak oil that had been completed by the GAO and handed over to Maryland Republican Roscoe Bartlett and to the House Science Committee. The GAO's Wells said that the report had come to an estimation of what the "consensus" view was on the likely arrival of peak oil, but he frustrated his audience by refusing to tell them exactly what the date was. GAO rules, he said, mandate that the "requesters" of a GAO study get to sit on the information for a maximum of 30 days before the report must be made public.

To which subcommittee member Steve Israel, a Democrat from New York, responded: "I just returned from China with Mr. Bartlett on an energy security congressional delegation meeting. And my sense is that Mr. Bartlett will not let much time go by before he speaks rather loudly about this issue. By the time we were finished, the Chinese government thought his name was peak oil."

([Bart](#) points out [this article](#), which says the GAO report says that peak oil is now. Peak conventional oil, anyway...)

Tom Whipple - [The Peak Oil Crisis: The 4 Facets of Peak Oil](#)

Looming just over the horizon are four great storms that soon will have a major impact



on nearly all the world's peoples and their descendents for decades to come. We know these storms are coming, for we can clearly see their outlines and some are already beginning to feel the winds.

### [Mexico sees deepwater oil production from 2012](#)

Mexican state-owned oil company Pemex, under pressure to increase its energy output, said on Thursday it expects to begin producing oil from deepwater wells from around 2012.

"We will start to produce oil in deepwater wells in 2012, 2013 or 2014, within seven years," Pemex's head of exploration and production, Carlos Morales, told Reuters.

Pemex, which needs deepwater projects to compensate for falling yields at its huge but declining Cantarell field, has confirmed deepwater oil deposits with its exploratory wells like Noxal, Lakach and Tabscob.

### [Who Will Get the Oil?](#)

Iraq's postwar oil bonanza remains a mirage. The country has the second- or third-largest reserves in the world, making petroleum the heart and vast bulk of its economy. Thus in March 2003 did Paul Wolfowitz assure Congress that Iraq would "finance its own reconstruction, and relatively soon." American planners predicted that Iraq's oil production would triple to a feverish 6 million barrels per day by 2010.

### [South Africa could face a coal shortage should any one of the 20 coal-mine projects slip](#)

There is a shortage of coal looming in the local market, believes African Rainbow Minerals (Arm) CEO André Wilkens.

"There is enormous growth planned in the power generation sector, which will place additional demand on coal supply." About 90% of South Africa's electricity is produced by coal-fired power stations, with the remainder flowing from nuclear, renewable and hydropower sources.

### [Can you be traveling green by buying offsets?](#)

But for all the good feelings that bubble up for travelers who make donations, there's nagging controversy about their effectiveness and the accountability of some of the enterprises taking money.

### [Hugo Chávez exploits oil wealth to push IMF aside](#)

Chávez is promoting what he calls a "socialist" alternative to the Fund and its biggest shareholder, the U.S. Treasury. The timing could not be worse for the IMF, whose global clout is diminishing as countries from Uruguay to the Philippines pay their debts.

"Chávez is the No. 1 enemy of the IMF in the region," said José Guerra, a former head of economic research at Venezuela's central bank and now a professor at Universidad Central de Venezuela in Caracas. "He views the IMF as an agent in the service of the U.S."

### [Two oil giants plunge into the wind business](#)

As global warming and clean fuels have gained more attention, Shell Oil Co. and BP have accumulated impressive credentials. Shell is one of the nation's top five generators of wind power, while BP's Alternative Energy group -- launched 16 months ago -- aims to develop projects that produce 550 megawatts of electricity this year, one-sixth of the projected US wind energy output in 2007.

### [Africa: Where the Next US Oil Wars Will Be](#)

The Pentagon does not admit that a ring of permanent US military bases is operating or under construction throughout Africa. But nobody doubts the American military buildup on the African continent is well underway. From oil rich northern Angola up to Nigeria, from the Gulf of Guinea to Morocco and Algeria, from the Horn of Africa down to Kenya and Uganda, and over the pipeline routes from Chad to Cameroon in the west, and from Sudan to the Red Sea in the east, US admirals and generals have been landing and taking off, meeting with local officials. They've conducted feasibility studies, concluded secret agreements, and spent billions from their secret budgets.

### [UN chief says climate change as great a threat as war](#)

UN Secretary General Ban Ki-moon said on Thursday that global warming posed the same threat to humanity as war and warned of an "unconscionable legacy" being left for future generations.

### [Warmest winter on record for Shanghai](#)

While recognising the dire long-term consequences of global warming, the [Shanghai Meteorological] Bureau said there had been some short-term benefits for Shanghai in the winter just passed.

Energy consumption fell in some areas due to the decreased need for heating, while a range of vegetables grew in abundance, leading to a fall in their market prices, the



director of the bureau's climate centre, Lei Xiaotu, said.

### [All those scientists may still be wrong](#)

The scientific mainstream, however, refuses to concede that it could be wrong. It insists we must act now to decarbonise our economy, whatever the consequences. If the science were as certain as suggested, it would have a point. But it isn't and, in the meantime, we are being forced down a single policy direction that may be ineffectual and takes resources away from the real and present problems in the world.

### John Bruton: [EU can offer U.S. ideas on climate change](#)

As the European Union's ambassador to the United States, I have been very vocal in alerting this country to the looming disaster of global warming. With mounting, irrefutable evidence, Americans are finally coming to heed the danger signs and are beginning to listen. Europe has cheered as California and like-minded states have taken steps to reduce greenhouse-gas emissions, but these efforts should really only be the beginning.

### [A Green Deal on Coal](#)

The Energy Department says there are 159 new coal-fired power plants on the drawing boards; of these, only 32 are considering — though not committed to — technologies that could significantly reduce carbon dioxide emissions. What's needed is federal legislation that would drive them in the direction TXU's new owners have promised to take.



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