



## DrumBeat: April 12, 2007

Posted by [Leanan](#) on April 12, 2007 - 9:01am

Topic: [Miscellaneous](#)

### [Transportation News: Does Rapid Decline in Mexican Oil Field Prove Peak Oil Theories?](#)

We've covered stories in the past around "Peak Oil" theories and the potential impact on energy, transportation and other supply chain costs if such predictions are accurate (See "Supply Chain Management and the End of Oil," "Is Saudi Arabia Running Out of Oil?" "Giant Oil Find in Gulf of Mexico Offers Promise that There is Lot More Oil Out There").

Now, reports that production from the giant Cantarell oil field in Mexico, the world's second largest by output, is falling dramatically, almost perfectly in line with what Peak Oil theorist would predict.

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Dave Cohen: [Decline Rates and Non-OPEC Supply](#)

Every year, baseball starts up in the Spring and there are rosy forecasts for supply growth in the non-OPEC oil supply. 2007 is no exception.

### [IEA trims 2007 global oil demand forecast](#)

The International Energy Agency revised its 2007 global oil product demand forecast down slightly, citing continued weather-related demand weakness in industrialised countries of the OECD.

### [Iraq hopes to up oil output by a third](#)

Iraq hopes to raise oil production by nearly 1 million barrels per day (bpd) this year, achieving its long-held target of 3 million bpd by restoring northern exports, its oil minister said on Thursday.

### [Mistakes to Avoid in the Global Warming Fight](#)

The free market is the best system ever created for providing what we want at the

lowest possible cost. The way to get affordable amelioration of climate change is to put the market to work finding solutions. To achieve that, we merely need to make energy prices reflect the potential harm done by greenhouse gases.

### [George Monbiot on Peak Oil and Transition Towns](#)

Over the past two or three years or so, I've become pretty sure that peak oil isn't as imminent as I first thought. ...It is not going to happen as soon as Kenneth Deffeyes and Colin Campbell and one or two others say, I'm pretty much convinced of that.

### [LNG faces complex landscape](#)

The latest setback for a proposed liquefied natural gas plant, which would perch well offshore from Oxnard, illustrates both the hurdles that the supercooled gas called LNG faces and the tenacity of those who say we need it.

### Alaska: [Village short on fuel halts sales to seasonal residents](#)

In a mid-March meeting, the Larsen Bay City Council moved to restrict fuel sales from the city-owned fuel farm, cutting off sales to anyone other than the village's 90 or so year-round residents.

A letter sent to past customers apologized for the inconvenience and cited low cash reserves at the city, in part due to outstanding bills owed by fuel customers.

### [The Saudi Paradox](#)

The House of Saud has long experience navigating contradictory allegiances. Since the 1930s, the ruling family has managed a tenuous pair of alliances: one as an ally and major oil supplier to the United States, and the other as a political partner with Wahhabi clerics who dominate social and religious policy in the kingdom.

### [Russia mulls new oil pipeline project to bypass Belarus, Poland](#)

The industry ministry has proposed building a second leg of an oil pipeline to Europe bypassing Belarus and Poland to reduce Russia's dependence on transit countries, the ministry's press service said Thursday.

### [Getting tough with the petro-elites](#)

The world's fastest growing source of oil is West Africa. The United States imports more crude from West Africa than from Saudi Arabia and Kuwait combined; Angola has become China's biggest supplier; the European Union imports almost one fifth of its oil from Africa.

### [\\$2.5 trillion investment in new coal-fired plants](#)

World coal-fired power generation capacity will rise from 1.3 million MW in 2006, to 1.7 million MW in 2011, and to 2.7 million MW in 2030, according to a new report.

This will require more than 1.7 million MW of new coal-fired construction to account for retirements as well as growth.

### [China Aims to Clean Up in Solar Power](#)

China is home to some of the most polluted cities on the planet and likely will overtake the U.S. as the biggest emitter of greenhouse gases by the end of the decade. Yet while China's "dirty dragon" image is well-deserved, Beijing officials are also deadly serious about investing in solar power capacity at home and eventually becoming a dominant player in this rapidly-emerging, clean energy technology.

### [Pentagon Considering Study on Space-Based Solar Power](#)

The Pentagon's National Security Space Office (NSSO) may begin a study in the near future on the possibility of using satellites to collect solar energy for use on Earth, according to Defense Department officials.

### [Annual U.S. Wind Power Rankings](#)

The American Wind Energy Association (AWEA) today released its annual rankings of wind energy development in the United States.

### [Texas is top state for alternative fuel](#)

Big trucks and alternative fuels seem mutually exclusive.

But Texans' love of big diesel pickups helped make Texas the state with the most alternative-fuel vehicles on the road last year.

### [John Michael Greer: Cycles of sustainability](#)

Prophecy is risky business, but it's a risk worth taking on occasion, so I would like to offer the following seemingly unlikely prediction: fifteen years after the definite arrival of a peak in oil production, the price of crude oil in Euros will be no higher than it is today, and may actually be quite a bit lower.

### [Peru, Trinidad in Talks to Join 'Gas OPEC'](#)

Peru and Trinidad & Tobago are in talks to join Opegasur, the OPEC-style natural gas producers' organization Venezuela is promoting, Venezuela's energy and oil minister Rafael Ramirez said in a ministry statement.

### [Deal signed for Shaybah pipeline](#)

### [Warm Relations Between China and the Gulf Arab Countries](#)

Look closely at some of the major development projects in China, and what you see behind them is Middle East oil.

A \$500 million port development in Tianjin is funded by Dubai-based DP World. A \$5 billion refinery in Guangdong province will be built by Kuwait. A huge crude oil tank farm on Hainan Island is planned by Saudi Arabia.

### Canada: [NDP Calls for Gas Price Monitoring](#)

NDP transportation critic Peter Julian recently called on the federal government to implement a nation-wide regulatory agency to monitor the price of oil and gas.

"It is unfair for Canadian consumers to be gouged at the pumps and meanwhile, big gas companies continue to reap record profits," says Julian.

### [Ukraine can become a country of risky transit because of developing political crisis](#)

One of first consequences of the political crisis in Ukraine is intensified struggle for redistribution of energy companies' assets, Director General of the International Institute for Political Expertise Yevgeny Minchenko announced today, while presenting results of the survey "Ukraine's Energy Potential" at the REGNUM press center.

### [Russian Company Finds 3.2 Trillion Cubic Meters of Gas Reserves](#)

### [Uganda: Car Power Generator to Solve Energy Crisis](#)

An American entrepreneur is pioneering an inverter that uses a vehicle's electrical generation system to store electricity, which can then be utilised for domestic or office use.

### [India: Line gap checks Dabhol power](#)

Maharashtra which is facing one of the biggest power shortages in recent times, a peak shortage of 5,000 MW, is sitting on a generating capacity of 1,450 MW that is lying idle for most of the day despite having the fuel to fire the power station.

### [Nigeria's Election Heightens Oil Worries](#)

The balloting that kicks off in Nigeria Saturday could prove to be a historic event: If the election of a new government goes smoothly, the transition will mark the first time one civilian government in Africa's most-populous nation passes power to another.

### [Gasoline shortage reported in Papua](#)

Gasoline shortages in Timika have resulted in long lines at the city's gas stations since Tuesday.

### [Pakistan: LCCI demands steps to overcome power shortage](#)

The chairman of the LCCI Standing Committee on Customs, Tariff Valuation and Imports, Irfan Qaisar, has expressed grave concern at the worsening power supply in the country and has urged the government to allow duty-free import of solar cells and batteries to promote solar energy.

In a statement issued here on Wednesday, he said loadshedding affected industrial, commercial and domestic users alike. He said frequent closure of industrial units due to power shortage and loadshedding reduced their production and rendered them uncompetitive in the international market.

### [South Africa: Hopes Up That New Pipeline May Reduce Inland Petrol Costs](#)

Hopes are up that the building of a R4 billion pipeline to transport fuel directly from Maputo to South Africa may see a drop in the price of petrol in Mpumalanga and Gauteng, in the long term.

## [Shell Pays Venezuelan Tax Authority US\\$13.7mn](#)

## [China Eying Burma as a “Conduit” for Oil and Gas Supplies](#)

China could end up paying the Burmese junta the huge sum of US \$9 billion as “rent” for building oil and gas pipelines across the country.

## [Fiercer Than the Race for Oil or Natural Gas](#)

Japan's Kyodo news agency quoted an industry source as saying, **"The global race for uranium supplies has become fiercer than that for oil or natural gas."**

## [Uranium Stocks About To Gap Higher](#)

The nation's 103 operating nuclear power plants already are experiencing dwindling stockpiles of uranium--some of it converted from Russian bombs--while energy-hungry China and India are rushing to build their own nuclear power plants.

## [Is Africa ready for nuclear energy?](#)

Southern Africa is facing energy shortages as climatic changes intermittently turn off the switch on hydroelectric power generation and oil prices remain exorbitantly high.

As regional energy powerhouse South Africa ponders uranium enrichment, there is need to explore whether other uranium-producing African countries that are still in the dark on alternative sources of energy, can take a bite of the "yellow cake" (energy rich uranium oxide) and generate nuclear energy.

## [It's time to face reality of finite oil supply](#)

The Oil Peak and its consequences were among the topics discussed by Norm Erickson in the first of a series of lectures at the University Center Rochester last Thursday. Erickson, an IBM employee for 32 years, has delved deeply into the Oil Peak, energy issues, and global warming. He is convinced that oil production throughout the world is already declining or will begin to do so in a short time.

## [U.S. gasoline over \\$3 looms this summer](#)

Looks like deja vu this summer for American motorists, with \$3-plus gasoline pump prices looming again as a double whammy of refinery outages and slow imports collide

with strong demand.

Analysts say supplies of gasoline -- now at the lower end of a five-year average -- will keep falling while demand grows 1 to 2 percent, by far outpacing last year's 0.5 percent growth.

"People will complain about it but will probably keep driving," said David Pursell, an analyst at Pickering Energy Partners, Inc. in Houston.

### [Transport seen surging, damaging climate: U.N. draft](#)

Surging use of cars and planes will push up greenhouse gas emissions in coming decades, making the transport sector a black spot in a fight against global warming, according to a draft U.N. report.

### [Global warming turns up political heat in Australia](#)

Global warming is turning up the political heat in Australia, the only country in the world to have joined the United States in refusing to ratify the Kyoto Protocol on climate change.

With scientists warning that prized coastal homes are threatened by rising sea levels and rich farmlands are drying up, Prime Minister John Howard has undergone an election-year conversion from sceptic to activist.

### [Europe faces heatwaves as climate change takes hold: IPCC](#)

Sweltering under the summer sun could become a regular feature of European life as global warming leads to frequent heatwaves, climate change experts warned here on Wednesday.

"We might have every other year a summer as hot or hotter as the summer 2003," said Andreas Fischlin of the Swiss Federal Institute of Technology in Zurich, and coordinating lead author for the ecosystems chapter of the latest intergovernmental panel on climate change report.

### [Earth and education need to mesh together](#)

Problems such as peak oil (the point at which yearly oil supply reaches a maximum) and climate change are complex and interconnected, requiring a systems-thinking approach.



## [Earn an MBA in Managing for Sustainability with the Marlboro College Graduate Center](#)

Innovative graduate programs for busy adults already have a ten-year track record at the Brattleboro, Vermont-based Marlboro College Graduate Center. The new, accredited MBA in Managing for Sustainability builds on that foundation, introducing what may be the ideal curriculum for CSR professionals, socially responsible entrepreneurs and managers, and all those seeking ways to infuse their careers with a sustainability perspective consistent with their values and visions. We are now accepting applications for September 2007 enrollment.

## [Getting Together](#)

Last week Ithaca Forward and the Green Resource Hub of the Finger Lakes co-hosted a "Sustainable Energy Seminar" at the Human Services Building to focus on local entrepreneurial solutions to the threats of climate change and dwindling fossil fuel reserves. The seminar featured representatives from the Green Resource Hub, Enfield Energy, Ithaca Biodiesel, and Performance Systems Contracting, who presented their organizational missions to local residents and students interested in entering the field of sustainable energy.

## [U.K.: Soil Association starts nationwide series of meetings on 'peak oil' problem](#)

The Soil Association is holding a nationwide series of public meetings on making the transition from 'cheap oil' to 'peak oil'.

## [Jay Fever](#)

An interview with Rep. Jay Inslee, clean-energy champion from Washington state

## [IEA: Angola, Saudi to lead OPEC oil capacity rise](#)

OPEC oil output capacity growth of some 2.6 million barrels per day this year and next is heavily skewed towards new member Angola and leading exporter Saudi Arabia, the International Energy Agency said on Thursday.

Together, the two nations are on course to account for half the net increase that will take OPEC capacity from 33.9 million bpd at the end of 2006 to 34.8 million bpd at the end of 2007 and 36.5 million bpd at the end of 2008, said the IEA.

## [Warming could spark water scramble](#)

Climate change could diminish North American water supplies and trigger disputes



between the United States and Canada over water reserves already stressed by industry and agriculture, U.N. experts said on Wednesday.

### [Oil Companies May See An Ebb In Profit Gusher](#)

The doubling of oil prices over the past few years has produced enormous windfalls for oil companies. But those record profits are likely to recede in the years ahead -- even if oil prices don't -- as oil-producing nations increasingly demand a bigger share of the wealth.

### [The Peak Oil Crisis: Alternatives – Decentralized Power](#)

Something few of us are aware of is the massive waste built into the energy systems we have built over the last 100 years. This week, I am going to talk about electricity generation, but the same point can be made about the internal combustion engine which is a monument to inefficiency.

### [Oil Executive Predicts Future Energy Crisis](#)

“I would submit to you that your lifestyle, your career, will depend upon energy security. Not just now, not just in a few years, but as we look out ahead over the decades: your career, your economic wellbeing, whatever course you may take in life ... Energy security will touch you,” began John Hofmeister, president of Shell Oil Company, at his on-campus lecture yesterday.

### [Nationalize oil industry, save at pump](#)

Canada must nationalize its oil and gas industry to help lower the cost at the pumps by a third, says a Quebec accounting professor.

Leo-Paul Lauzon said yesterday that Quebec could also build a refinery with independent dealers and negotiate directly with oil exporting countries.

### [Inside, confidential, off the record: Cantarell inevitable](#)

Mexico's Cantarell oil field, the world's second largest producer, is not just beginning to dry up, [it] is falling dramatically, totally in line with what Peak Oil addicts would predict. Just in the last year daily production fell by 20 percent. It is now producing about 1.6 million barrels per day, down from two million a year ago. The estimation by some experts is that by 2010, Cantarel would produce less than half a millon barrels per day.



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