



# DrumBeat: April 20, 2007

Posted by Leanan on April 20, 2007 - 9:11am **Topic: Miscellaneous** 

Alberta turns to natural gas after wind lessens reliability

Alberta power utility Enmax Corp. said yesterday it is building a huge new power station in Southern Alberta fired with natural gas, partly to help boost the provincial grid's reliability after Alberta's aggressive expansion into wind energy made it vulnerable to power disruption.

"We now have so much windpower generation that we need to fall back on reliable sources of power," said Peter Hunt, an Enmax spokesman.

"The problem with wind power is that the wind doesn't blow all the time, so the greater percentage of the system depends on wind, the more vulnerable to disruption the system becomes when the wind stops blowing."

# 'Green' concept cars of 2007

The future of green motoring as shown at auto shows around the world.

# Study: Sudden sea level surges threaten 1 billion

10,000 years ago sea levels rose 20 meters in 500 years -- a relatively short span -after the collapse of the continental ice sheets.

## Mayor considers fees to drive in NYC

An idea of reducing traffic by charging motorists who drive into the heart of Manhattan got Mayor Michael Bloomberg's support Friday.

"Using economics to influence public behavior is something this country is built on - it's called capitalism," Bloomberg said. "Tax policy influences you to drill here and mine there, and grow this and live here and do that."

Uranium is hot, and it's not just because of its protons and neutrons.

Two years ago the metal, used mostly to power nuclear reactors, traded around \$20 a pound, according to the research firm Ux Consulting Co., which tracks uranium prices in the market by surveying buyers and sellers each week.

Last week prices hit \$113 a pound and the pace of increase isn't slowing but rather accelerating. Last week's prices were up 19 percent jump from the prior week - the biggest weekly gain since Ux began tracking prices back in 1968.

Jerome a Paris: Yippee - another 100 billion barrels of oil found in Iraq

I actually went to the website of IHS and found the underlying press release. It's transparently an attempt to sell their maps to oil producers seeking new oil fields.

Russia opened 37 new oil and gas fields in 2006

Last year 37 oil and gas fields were opened in Russia, the Natural Resources Ministry said Wednesday.

"In 2006, about a thousand exploration licenses were issued, while prospecting for oil and gas as a rule takes three to four years," the ministry's spokesman said.

## Imports to meet half of China's gas demand by 2020

China's gas consumption will rise to 100 billion cubic meters by 2010, almost double the figure for last year and well beyond domestic production.

## Biofuel plantations fuel strife in Uganda

A row over the conversion of rainforests into biofuel plantations is creating a grave political crisis for a country until now seen as a beacon for democracy in Africa. The issue has brought to a head the simmering conflicts between short-term economic gains and the conservation of vital natural resources in the continent.

#### EU Trade Chief Calls for Russia Reform

The European Union's relationship with Russia is hobbled by mistrust on both sides, particularly over energy issues, EU Trade Commissioner Peter Mandelson said Friday,

calling on Moscow to enact reforms, but knocking Europe's policy toward its neighbor.

#### A Warming Trend for Putting Wood Waste to Work as Fuel

A mountain of wood -- broken rafters, studs and floorboards recovered from demolished houses -- rises on a lot here. In a few million years, geologic forces could make it oil. Entrepreneurs are hoping to do it this month.

#### Six European regions launch renewable-energy network

The network, launched on 17 April in Brussels, includes the regions of Oberösterreich (Austria), Schleswig-Holstein (Germany), North Sweden and Wales (UK), as well as small European states Cyprus and Iceland.

Each was selected because of its unique experience in one of the following areas: biomass, wind, oceans, solar, geothermal or hydro energy.

#### British Gas goes green to win new customers

British Gas New Energy will compete in a market the company values at several billion pounds a year selling rooftop solar panels, energy-efficient boilers and credits to offset customers' personal carbon emissions.

#### Ethanol boom may boost US natural gas prices

The U.S. ethanol boom could push lofty natural gas prices even higher as the explosion of new distilleries and a soaring corn crop raise industrial and agricultural demand.

Ethanol refineries tend to use natural gas-fueled boilers, and natural gas is also used in the production of fertilizer for corn, which is the main feedstock for ethanol in North America.

## Tearlach Resources Announces Renewed Production at One of World's Giant Oil Fields

Tearlach Resources Ltd., announces returning to production of one of the world's giant oil fields. The Company's approach and technology breathes new production life into the old field, with million barrels of oil that were left in the ground beyond reach.

#### China plans uranium strategic reserve to back its nuclear power sector

China's Commission of Science Technology and Industry for National Defense said China plans to set up a national uranium strategic reserve to ensure that its nuclear industry is backed by a stable and reliable fuel supply.

#### Energy producers capture speedier wind

What's new are taller windmills that can catch gusts that are faster than those closer to the ground. The tallest windmills have been about 250 feet, but now proponents envision windmills whose bases are about 330 feet tall.

#### GM to unveil longe-range Volt concept at Shanghai show

With its much-hyped plug-in hybrid car still years away, General Motors Corp. already is planning a long-range, hydrogen-fueled sequel to the vehicle known as Volt.

#### Growing Number of Americans See Warming as Leading Threat

A third of Americans say global warming ranks as the world's single largest environmental problem, double the number who gave it top ranking last year, a nationwide poll shows.

#### Norway plans zero emissions by 2050

Under the 2050 plan, domestic emissions would be offset by cuts abroad or by buying emissions quotas on international markets. For example, Norway could help China or India to shift to using solar or wind power from burning coal or oil.

#### EU plans shipping emissions cap

Carbon dioxide emissions from shipping are thought to be double those of aviation and could rise by as much as 75% in the next 15 to 20 years if world trade continues to grow and no action is taken.

#### Eurostar promises carbon-free travel

The company announced yesterday that when the new Channel Tunnel Rail link is completed this November and Eurostar moves to its new terminus at St Pancras passengers will be able to travel without worrying about their carbon footprint. Where Eurostar cannot eliminate its own carbon emissions, it will buy carbon offsets, but only as a last resort and at no additional cost to passengers.

#### U of Colorado researchers forecast 1 in 3 chance of record low sea ice in 2007

University of Colorado at Boulder researchers are forecasting a one in three chance that the 2007 minimum extent of sea ice across the Arctic region will set an all-time record low.

The researchers at CU-Boulder's Colorado Center for Astrodynamics Research also say there is a 57 percent chance the 2007 sea-ice minimum will be lower than the 2006 minimum of 2.27 million square miles, now the second lowest on record. There is a 70 percent chance the 2007 sea-ice minimum will rank within the lowest five years on record, according to Research Associate Sheldon Drobot of CCAR's Arctic Regional Ice Forecasting System group in CU-Boulder's aerospace engineering sciences department.

#### Conoco sees US oil at \$55-\$65 in 2008

US oil prices will remain in the \$55 to \$65 range for the next year, ConocoPhillips CEO James Mulva said in an interview.

"The consensus view is somewhere between \$50 and \$65 a barrel and I don't take issue with people who are saying we are going to see it between \$55 and \$65," Mulva said in an interview on Tuesday with Reuters.

#### Russian Regulator Says Some Oil, Mining Companies Overstating Reserves

Some foreign oil, gas and mining companies operating in Russia have been making money by overstating their reserves to boost their share price, the deputy head of Russia's environmental watchdog agency said Thursday.

Oleg Mitvol called upon the economic security department of the Federal Security Service - the KGB's main successor - to review certain foreign companies that have allegedly exaggerated their reserves and sold shares on foreign exchanges between 2003 and 2007.

The announcement comes one day after Mitvol made similar remarks about a Londonlisted oil company that wiped \$200 million off its value.

#### Council still says no to Pickering airport

The resolution urges the federal, provincial and regional governments to support that the review be conducted in an open, public and transparent process. It also asks the GTAA to include how the following factors would affect the business case for Pickering and the future of air transportation: rising fuel prices and peak oil; the impact emissions would have on air quality and how it would contribute to climate change; and the economic impact future emission controls may have.

#### The Smart Jitney: Rapid, Realistic Transport

Community Solutions recently issued a report about modifications necessary to our transportation infrastructure in a future world where we experience declining oil supplies. (Community Solutions, if you aren't familiar with them, is the group that created the documentary "The Power of Community: How Cuba survived Peak Oil") They are proposing a system they are calling the Smart Jitney, which is essentially a souped up ride share program designed to reduce the amount of cars on our roads. And I have to say, I like it. I like it a lot.

#### Shell exec hopes for go-ahead on US refinery plan

Motiva Enterprises LLC, a joint venture between Shell and Saudi Aramco, has been considering expanding its 285,000 barrels per day (bpd) Port Arthur, Texas, refinery to as much as 600,000 bpd, which would make it the largest in the United States.

#### Clean-energy development needed to combat supply uncertainties

With consensus that the looming winter months could mean further blackouts in South Africa, renewable energy and energy-efficiency partnership spokesperson Glynn Morris on Thursday called for the development of clean, clever and competitive energy projects to increase capacity.

#### The Dance Of The Crab

With sitting and sleeping rooms usually stuffy and unbearably warm, due to the power cuts, we often only manage a snooze before dawn. We, however, get a fantastic compensation for the previous night's discomfort when we report for work in the morning: We get paid for doing nothing. Absolutely nothing, Jomo.

Every day hundreds of thousands of PCs with dead screens sit atop office tables, advanced technological tools for information processing, rapid communication and fast transaction of business, which have suddenly been rendered useless by the energy crisis.

#### Caution: this bus stops at Chinese restaurants

It's not love of mu shu, it's the used cooking oil the restaurants are happy to get rid of, and the crew of five needs, to keep their reconfigured school bus on its 10,000 mile 100-

## day tour through the northeast.

## Alaska Creates Pipeline Oversight Office

Alaska on Wednesday established a new office to provide oversight of its oil field infrastructure, eight months after corrosion was to blame for the partial shutdown of the Prudhoe Bay oil field.

#### Uncontrollable Price Rise Can Slow Down Global LNG Demand

With consumers' unwillingness to pay high prices for LNG (Liquefied Natural Gas), there may be a dramatic slow down in the global demand for the fuel, as per industry officials and analysts.

#### Mexican PEMEX to Market Gulf Oil Reserves

Petroleos Mexicanos (PEMEX) oil company will market the oil reserves in deep waters of the Mexican Gulf, starting in 2014, sources revealed on Thursday in this capital.

#### The Bear's Lair: The day of commodities

With supply limited in the short and medium term, the prospects for oil prices indeed appear bullish, with a return to 1981's peak of around \$70 per barrel in 2004 dollars by no means impossible. Of course, that would have enormous knock-on effects on the world economy in general and the U.S. economy in particular.

#### Shell Exec: Brazil Pre-Salt Layer Oil Find Encouraging

The find is considered a new frontier. It lies below a water depth of 2,140 meters, then a 2,000-meter-thick salt layer that itself is under 3,000 to 4,000 meters of sand and rocks. That means the oil find is at a distance of more than 7,000 meters from the Ocean's surface.

#### Weekly Offshore Rig Review: Australia Watches the Gas Grow

This week Australian utilization of jackups, semis, and drillships is at 12 of 12 rigs. Demand in the region has been strong since late 2005, when it moved above 90% with 9 of 10 rigs contracted. Over the last year, utilization has been consistently close to 100%, which has drawn two more rigs into the region since late 2005. Looking forward, several more rigs are set to move into the waters offshore Australia so that there will be a net increase of 3 rigs (25%) by the end of this year.

## Forget the Dollar, We're Gonna Making a Killing on Its Demise

A weakening dollar is a clear indication for us that commodity prices--specifically oil and gold--will continue their steady rise.

# More on that American Petroleum Institute conference call:

- Houston Chronicle energy blog: API talks to the blogosphere
- WSJ Energy Roundup blog: Big Oil on Peak Oil
- •There's also a transcript (PDF) and a podcast.

## Oil tumbles on inventory concerns, news from Iraq and China

Analysts were split on the impact of a report by the consulting firm IHS Inc. that there may be an additional 100 billion barrels of oil in Iraq. The report estimated the country's current reserve base to be 116 billion barrels. The U.S. Geological Survey has been less optimistic about Iraq's untapped potential, estimating there is an additional reserve base of 45 billion barrels.

..."It's not going to (affect markets), today," Flynn said. "But long-term, it definitely does. This pushes back peak oil a few years, now, doesn't it?"

# Opec set to trim April oil output, say consultants

Opec, excluding Iraq and Angola, is set to trim oil output in April due to lower sales from Iran, which sold more than previously thought in March, a consultant said yesterday.

# Risk to the Petro Dollar from Iraq War and Iranian Crude Oil Echange

The focus on gold and the USDollar alone lacks a crucial factor in maintaining the world currency reserve on its fragile pedestal. The PetroDollar is a term used to describe the close relationship between the USDollar and the crude oil export business dominated by Saudi Arabia , manifested in the superstructure of the global banking system. So one could say the oil world provides the pool from which the US \$ exchange rate valuation is applied and enforced.

## Enormous Oil Reserves Stored In North America

Oil from sand. Sounds incredible, but it's true. Oil reserves of some 24 billion tons are

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stored in the oil sands of the Canadian province of Alberta. Beneath a surface of 140,000 square kilometers, there is theoretically as much oil as in Saudi Arabia.

#### Mideast looks to nuclear energy to save oil and gas

The Middle East is looking to nuclear energy as the only way to power its booming economies short of burning precious oil and gas reserves.

#### Oil workers' boat attacked in Nigeria

Gunmen attacked a boat carrying oil workers to an offshore rig in waters off Nigeria's unruly southern oil region, wounding six passengers, officials said Friday.

#### Detroit jumps into the fuel economy debate

For decades, as Americans enjoyed low-priced gasoline and bought large, gas-guzzling pickup trucks and sport utility vehicles, Detroit's Big Three automakers kept their distance from the debate about fuel economy. The feeling was that a new set of tough fuel guidelines could hurt them financially. But now there's a new economic impetus for automakers to jump into the debate.

## Daryl Hannah campaigns for biodiesel standard

A group of celebrity-led campaigners are setting up sustainable standards for biofuels in the United States to stave off fears that producing some green fuels may do more harm than good for the environment.

#### Climate Change Will Affect Women More Severely Than Men

The report, *Gender and Climate Change* (available here as a PDF), concludes that women are more severely affected by climate change and natural disasters because of their social roles and because of discrimination and poverty. To make matters worse, they're also underrepresented in decision-making about climate change, greenhouse gas emissions, and, most critically, discussions and decisions about adaptation and mitigation.

## Australia's drought linked to global warming

An unprecedented drought that has withered Australia's major food production zone could be a taste of things to come as global warming ramps up, experts said Friday.

## Global warming swelling insurance risk

The insurer of last resort, the government faces a potential payout of at least \$919 billion under a worst-case scenario of flood and crop losses due to global warming, congressional investigators say.

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