



## DrumBeat: April 25, 2007

Posted by [Leanan](#) on April 25, 2007 - 9:05am

Topic: [Miscellaneous](#)

### [Fuel-Efficient Cars Dent States' Road Budgets](#)

Cars and trucks are getting more fuel-efficient, and that's good news for drivers. But it's a headache for state highway officials, who depend on gasoline taxes to build and maintain roads.

The Federal Highway Administration estimates that by 2009 the tax receipts that make up most of the federal highway trust fund will be \$21 billion shy of what's needed just to maintain existing roads, much less build new roads or add capacity.

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### Thomas Homer-Dixon: [Terror in the Weather Forecast](#)

Evidence is fast accumulating that, within our children's lifetimes, severe droughts, storms and heat waves caused by climate change could rip apart societies from one side of the planet to the other. Climate stress may well represent a challenge to international security just as dangerous — and more intractable — than the arms race between the United States and the Soviet Union during the cold war or the proliferation of nuclear weapons among rogue states today.

### [Five Geopolitical Feedback-Loops in Peak Oil](#)

It is quite common to hear “experts” explain that the current tight oil markets are due to “above-ground factors,” and not a result of a global peaking in oil production. In reality, geological peaking is driving the geopolitical events that constitute the most significant “above-ground factors” such as the chaos in Iraq and Nigeria, the nationalization in Venezuela and Bolivia, etc. Geological peaking spawns positive feedback loops within the geopolitical system. Critically, these loops are not separable from the geological events—they are part of the broader “system” of Peak Oil.

### [Gas use down: No reward as state's drivers consume less](#)

"If it takes a 15 percent price increase to make us cut back less than 1 percent, I think we're still in trouble," [UC Davis economist Christopher] Knittel said. If the price of any other commodity rose 15 percent, "we would see much larger changes."

### [Gloom descends on oil patch ahead of Ottawa's emissions plan](#)

Forget about carbon dioxide emissions - the rising levels of angst emanating from Alberta's oil and gas industry is expected to skyrocket after the Conservative government's unveiling of reduction targets.

### [Iraqi Oil: More Plentiful Than Thought](#)

Last week a Colorado energy consultancy firm, IHS, stunned some of Iraq's politicians and oil engineers by declaring that the country's oil reserves were about 215 billion barrels — about double the estimates that have held for Iraq for years. That would make Iraq a giant oil power, second only to Saudi Arabia. If the estimates prove true, Iraq's potential would outstrip its other neighbor Iran, which sits atop about 136 billion barrels of oil. The IHS engineers examined 438 undrilled fields and used new technology to recalculate old reservoirs.

### [Gas shortage tops up Petrocan's profit](#)

"Consumers will find it galling that Petro-Canada is trumpeting higher profits when Ontario was looking over the abyss of running out of fuel," said Jane Savage, chief executive officer of the Canadian Independent Petroleum Marketers Association.

### [Mexico's state oil company requests massive investment](#)

Mexico's state-run energy giant has requested some 33 billion U.S. dollars in investment to maintain its production after the sharp decline in a main oil field, according to a study published Tuesday.

### [Exxon Mobil drills world's longest well](#)

Exxon Mobil Corp. on Tuesday said it has drilled the world's longest oil well, boring seven miles through the sea floor offshore eastern Russia.

### [Asset sales help ConocoPhillips profit](#)

ConocoPhillips' first-quarter profit rose as one-time gains from asset sales outweighed lower crude oil prices, the third-largest U.S. oil company said on Wednesday.

### [Global oil and gas industry seen performing well in 2007](#)

In 2006, prices for crude oil, natural gas, and refined products remained at price levels well above historical averages.

'We see relative stability in this sector. Refining prices remain high, and those high prices have helped credit quality,' said David Lundberg, S&P's O&G analyst.

### [Venezuela Govt Disputes Value of Orinoco Heavy Oil Projects](#)

Venezuela is currently disputing the value of four oil projects that will come under state control on May 1, an issue that could determine if western oil majors remain in the country as minority partners.

### [Big Oil's money machine](#)

Profits keep on rolling, though maybe not as robust as quarters past. Will some cash flow back to you and me?

### [UK's Darling Calls for Legal Certainty Regarding Investment in Russia](#)

The UK's Trade and Industry Secretary Alistair Darling has called for openness and legal certainty for companies investing in Russia.

"We need legal certainty. Legal certainty is a vital ingredient for ensuring a positive investment climate," he said at the 10th Annual Russian Economic Forum in London.

### [Global axis of oil and gas](#)

Russia, officially listed as holder of 27% of the world's proven natural-gas reserves, but soon to be upgraded to 35%, and Iran hold more than 51% of the world's reserves. When Algeria, Qatar and Indonesia, the world's leaders in the export of liquefied natural gas (LNG), and the rest of the 16-member group comprising the Gas Exporting Countries Forum (GECF) are added in, then the grouping accounts for more than three-fourths of the world's reserves and at least 60% of world production.

That is a profoundly disturbing set of facts for the West, as the five dominant countries share a deepening political affinity and a similar geopolitical alignment. And they are increasingly intolerant of what they see as excessive US global power and aggressiveness. Evidence strongly indicates they are already in the process of moving, largely in stealth, to exert their mounting control in a collective yet largely undeclared and informal fashion.

## [Energy and global politics](#)

In the wake of the unleashing of energy forces, the global balances of political power are undergoing tectonic shifts. The whopping spike in oil prices is going to make a striking transformation in the realms of politics as well as economies. The OPEC's revenue has tripled from \$200 billion in 2002 to about \$600 billion in 2006. There are enough straws in the wind to indicate that power is rushing to the oil-producing countries.

The cold facts and stark realities of the energy market have reduced the influence of the US and its allies as about two thirds of remaining oil reserves lie in the Middle East and the majority of natural gas reserves are owned by Russia, Iran and Qatar. At this time, the US counts on imported oil for 60 percent of its consumption needs and it uses 25 percent of the world's oil. America's policy of treading carefully now while pressing for or advocating democracy in the Middle East testifies to the ground reality of its diminishing influence.

## [H2CAR could fuel entire U.S. transportation sector](#)

In a recent study, scientists have demonstrated that a hybrid system of hydrogen and carbon can produce a sufficient amount of liquid hydrocarbon fuels to power the entire U.S. transportation sector. Using biomass to produce the carbon, and solar energy to produce hydrogen, the process requires only a fraction of the land area needed by other proposed methods.

## [How Does Energy Efficiency Relate to Renewable Energy?](#)

There is a lot happening in renewable energy right now, which is great and what we need. But what about conservation? ... Are there any studies showing how much we could save and at what cost if we insulated all the uninsulated houses and double-paned all the windows and sealed all the air leaks? In the same vein what about solar thermal? It's much more cost effective than solar electricity but not pushed nearly so hard, or so it seems.

## [Chinese scientist cashes in on 'clean energy'](#)

Shi is the leader of an emerging group of Chinese entrepreneurs who are striking it rich by m

## [Germany mulls energy rules for buildings](#)

The German government has proposed a system of energy efficiency ratings for buildings as the EU pushes its Energy Efficiency Action Plan to help meet its ambitious

target to cut greenhouse emissions by 20 per cent by 2020.

### [South Africa: Biofuels vs Food Crops?](#)

While South Africa is planning on increasing biofuels production some experts warn the move may hurt subsistence farmers and cause more hunger in impoverished areas of the country.

### [Use the sun to cool down our planet](#)

Solar power is just now finally recovering from an image problem three decades in the making. During the energy crisis of the 1970s, President Carter put solar panels on the roof of the White House, but the panels were too costly for all but the super rich back then.

### [Commissioners hear more about wind farms](#)

Bob Pleas of Rutland Township said he did a review on the Internet and, based on what he read, “the cons outweigh the pros.”

“They generate cash for some people but not much energy,” he said.

### [Analysis: Small wind market takes off](#)

Increasing numbers of homeowners, small businesses and farms are installing wind turbines to generate electricity.

### Gail the Actuary - [Our world is finite: Is this a problem?](#)

We all know the world is **finite**. The number of atoms is finite, and these atoms combine to form a finite number of molecules. The mix of molecules may change over time, but in total, the number of molecules is also finite.

We also know that **growth** is central to our way of life. Businesses are expected to grow. Every day new businesses are formed and new products are developed. The world population is also growing, so all this adds up to a huge utilization of resources.

### [Selling Survival Part I: Where to look for opportunity](#)

How do you survive in an economic system that is threatening your and its own

survival. Answer: You sell survival. That's right, the game is changing to one of selling survival.

### [Cheap milk costs dear](#)

Strategic planners can see that the threat from global warming and peak oil means there will be fights over land use sooner rather than later - will we use it for growing food or fuel? How we feed ourselves as a nation may soon become as urgent a question as it did during the second world war.

### [Saudi to Raise Refining Capacity by 62 Percent by 2012](#)

Saudi Arabia's refining capacity will reach 3.4 million barrels per day (bpd) by the start of 2012, up 61.9 percent from its level in 2006, the country's investment authority said on Tuesday.

### [Energy security is a shared responsibility](#)

The energy supply and demand debate comes down to who should bear the responsibility, says Ibrahim Mishari, Saudi Aramco's vice president of marketing and supply planning.

Speaking at the Middle East Petroleum and Gas Conference, Mishari said co-operation between all parties was the only way to ensure adequate, reliable energy supplies and to allow economic growth to continue unhindered.

### [More Important Than MPG](#)

The key word, then, is CARPOOL. Share the ride. The benefits are obvious—cleaner air, longer-lasting roads and automobiles, lighter traffic, lower demand and price for petroleum, and greater energy security. These are all desirable outcomes, for individuals and governments alike.

### [Oil May Reach \\$70 as China Imports Rise on Stockpile, CLSA Says](#)

Oil may reach \$70 a barrel as China starts filling its emergency crude storage tanks, boosting the nation's imports to a record in March, CLSA Ltd. said.

China may begin pumping oil into a storage facility in Huangdao in eastern China's Shandong province in late April, Gordon Kwan, head of China oil and gas research wrote in a note today. The nation imported a record 13.86 million metric tons (3.3 million barrels a day) of crude last month, China's customs data showed on April 10.

China, the world's second-biggest energy consumer, is building storage tanks along its coast to protect against international price fluctuations and supply disruptions. The nation's strategic oil reserves will have an equivalent of 30 days of imports by 2010, Chen Deming, vice chairman of the National Development and Reform Commission, said April 20.

### [Non-Opec output 'to peak by 2015'](#)

Countering doomsday “peak oil” theorists who believe global oil production may be reaching its limits, Wood Mackenzie said research based on its database of field-by-field global data showed supplies should keep expanding for at least 20 years.

### [Scotland's tough choices as oil cash falls](#)

An independent Scotland would have to choose between raising taxes and cutting public spending within a decade, as oil revenues dwindle alongside production in the North Sea.

### [Opec told to hike oil output](#)

REDUCED production by Opec oil exporters risks causing another damaging oil price spike this year, an influential energy consultancy warned on Monday.

The Centre for Global Energy Studies (CGES) urged the 12-member Opec cartel to raise production to help lower prices and avoid another shock on the oil market during the northern hemisphere summer.

### [Gazprom`s Uncertainty of Supply Due to Underinvestment](#)

Russian gas giant Gazprom could find itself unable to meet demand down the line due to persistent underinvestment in exploration and extraction, said European Commission Director Christian Cleutin, the European Union's point man for energy contacts with Russia.

### [Egypt targets 800,000 bpd oil output in 2008](#)

Egypt plans to hike its oil output by 100,000 barrels per day to 800,000 bpd in 2008, the petroleum ministry said Wednesday.

"A programme was set up for developing some recent discoveries in the Gulf of Suez and the western Sahara, with the aim of hiking production by 100,000 bpd," a statement said.

### [China condemns Ethiopia attack amid oil security fears](#)

China on Wednesday strongly condemned the slaying of nine Chinese oil workers in Ethiopia, an attack that underscores risks associated with China's increasing dependence on shipments from sometimes unstable regions.

...Even before the attacks, a top Chinese energy official warned that the rapidly growing industrial economy faced dangers as it pushes abroad for oil, the China Securities Journal reported.

"The sources of China's oil imports are excessively concentrated in geo-politically complex and changeable regions," Xu Dingming, director-general of the Energy Bureau at the National Development and Reform Commission, told an energy forum.

### [Farmers eye oilseed plants for biodiesel](#)

California farmers are hoping to strike oil — vegetable oil, that is — with a series of experimental trials involving crops that can be processed into biodiesel.

Some of the efforts to produce the sought-after fuel call for growing hearty crops such as canola on unproductive land that can't support higher-value produce.

Other farmers are eyeing oilseed plants as a cover crop that might improve soil quality between more profitable plantings of berries or leafy greens.

### [Surging crude palm oil prices: Malaysian biodiesel plans in jeopardy](#)

Surging crude palm oil prices have put a dent in Malaysian ventures to manufacture biodiesel, with licencees dragging their feet to set up factories, officials and a report said Tuesday.

### [Bad news for biodiesel](#)

A new study suggests that biodiesel could increase rather than reduce greenhouse gas emissions compared to petrol diesel.

### [Special Report: The Truth About Plug-in Hybrid Cars](#)

Garage tinkerers have been turning hybrids into plug-ins for years, but somehow no one paid attention. Other clean-car alternatives (like those below) got all the love. But, really

—hydrogen? Maybe, someday. Now, the carmakers say plug-in hybrid electric vehicles (PHEVs) are coming, if the engineers can get the batteries right. They will. Because it's hard to argue with 100 mpg.

### [Mock metal group Spinal Tap to reunite](#)

Spinal Tap is back, and this time the band wants to help save the world from global warming.

### [EPA won't specify global warming plans](#)

The head of the Environmental Protection Agency repeatedly refused to say Tuesday how soon he will comply with a Supreme Court ruling and decide whether to regulate carbon dioxide, the leading gas linked to global warming.

### [Denmark tells Europe, Asia to speed up clean technologies](#)

"It is possible to have economic growth and a sustainable social development while at the same time making substantial cuts in global emissions," Environment Minister Connie Hedegaard said at the opening of the third Asia Europe Meeting (ASEM) of environment ministers in Copenhagen.

"In Denmark, we have experienced a 70 percent increase in economic performance over the last 25 years without increasing energy consumption," Hedegaard said.

### [More Swedes would lower living standard to help climate: poll](#)

Four out of 10 Swedes are willing to lower their standard of living to help stop global warming, while seven out of 10 say they are worried about climate change, a study published on Tuesday showed.



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