



DrumBeat: June 26, 2007

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Topic: [Miscellaneous](#)

[Remarks Prepared for U.S. Secretary of Energy Samuel W. Bodman](#)

The projections are staggering. By 2030, we estimate that global energy consumption will grow by over 50 percent, with 70 percent of that growth coming from the world's emerging economies. For electricity specifically, we estimate that U.S. demand will increase by about 50 percent by 2030, with global demand nearly doubling.

To meet this demand in the U.S., we would require 285,000 megawatts of new base load capacity. By way of comparison, that represents roughly the total capacity of all the coal-burning power plants now operating in the U.S. and almost three times the capacity of the existing fleet of nuclear plants.

[Peak Oil: Futility of Cellular Phone Utility](#)

Rising demand combined with reduced energy supply around the time of Peak Oil will likely result in electrical grid failure and intervals of punctuated power. As a consequence, the love affair we all appear to have with mobile phones looks set to change; there may no longer be guaranteed access and limited use imposed.

Public utilities— such as energy (electricity, gas, nuclear), communications (telephony, mobile/cellular, internet) and services (police, fire, ambulance, coastguard)— that we all take for granted often rely upon each other. So when one utility suffers a failure, its impact may cascade to other seemingly unrelated utilities with the potential to sustain the original failure. All forms of electronic communications used to coordinate recovery are vulnerable to power failure. It seems a simple and obvious requirement that no utility upon which society is reliant should depend upon any other utility. Governments in the past understood this and required state run utilities to operate an independent communications infrastructure— typically a Private Mobile Radio (PMR) network.

[Britain: Armies must ready for global warming role](#)

Global warming is such a threat to security that military planners must build it into their calculations, the head of Britain's armed forces said on Monday.

Jock Stirrup, chief of the defense staff, said risks that climate change could cause weakened states to disintegrate and produce major humanitarian disasters or exploitation by armed groups had to become a feature of military planning.

[Scotland: Firms turn up heat on SNP in bid to save trams](#)

SOME of the Capital's leading business and education institutions today urged the Scottish Executive not to scrap the trams project.

With just two days until MSPs are due to vote on the scheme, big names including Standard Life, Harvey Nichols and Edinburgh University increased the pressure on Alex Salmond's SNP administration.

[Consumers More Likely to Cut Discretionary Spending Than Use Alternative Transportation When Gas Prices Rise](#)

Nine out of ten American adults claim they are paying close attention to the rising cost of gasoline, according to a Discover survey. In fact, two-thirds can quote the per gallon price within 30 cents. While nearly half of car owners said they are willing to buy a more fuel efficient car should gas prices increase \$1, a strong majority ruled out using alternative transportation to offset rising gas prices and are more likely to cut discretionary spending.

[More US commuters drive solo](#)

Global-warming warnings have not dissuaded Americans from driving to work alone. In fact, their numbers have been rising.

[Energy Bill Drives Home Efficiency Factor](#)

The Gianninis of Warren, Mich., are great believers in three things: their Chevy Avalanche, their GMC Envoy, and what Dennis Giannini, 47, calls "the great American ingenuity."

"President Kennedy said we'd go to the moon," he said. "There's no reason we can't make an SUV energy efficient."

[Study forecasts 300,000 more automotive engineering jobs worldwide by 2015](#)

Most of the new jobs will be with automotive suppliers, to whom assemblers are

conferring more and more R&D responsibility, and the jobs will be concentrated in China, India, Eastern Europe and South Korea.

[North Dakota: Terminal manager says some gas types seeing shortages...](#)

Magellan terminal manager Mark Haugen says there are some spot shortages of certain types of gasoline in the region.

Haugen says it's a matter of supply and demand. The pipeline gets gasoline from refineries in the Twin cities and as far away as Kansas and other states.

[Hawaii: Tax, gas bills avoid Lingle's veto pen](#)

House Bill 1757, forgiving the general excise tax on gasoline blended with ethanol, is expected to bring down the costs of fuel by 12-15 cents a gallon at current prices.

[UK: Lorry operators targeting fuel savings for climate change](#)

Almost nine out of ten lorry operators are taking action to reduce their carbon footprint. The major areas of activity have been in the ongoing monitoring of fuel efficiency and in regular reviews designed to reduce empty running.

[Canada: Carbon tax creates a chill](#)

In five short days, the first carbon tax in Canada is scheduled to kick in.

What makes this significant - and definitely concerning - is that former premier Ralph Klein told his rival Jean Chretien many times that any surcharge on Alberta's hydrocarbon resources as an offering to the Kyoto gods would be "devastating" to the provincial economy.

Now the Alberta Tories are first to inflict what they hope will be short-term pain in exchange for long-term gain on the energy patch.

[Winter in June?](#)

The 4.7-million-barrel (13 percent) drop in high-sulfur distillate fuel inventories between May 11 and June 15, could have some oil analysts wondering if the world has shifted such that we are now in the southern hemisphere, where it is winter time!

These inventories are often referred to as heating oil inventories, since heating

represents a major use of high-sulfur (500 parts per million [ppm] or greater) distillate fuel. The drop comes at a time when many analysts would expect heating oil inventories to be building for the upcoming winter season.

[Israelis develop innovative biodiesel product](#)

A small Israeli alternative energy company has managed to develop a biodiesel fuel with all the benefits of current biodiesel fuels, but without the added cost and headache of having to fit older vehicles with special processing devices.

[Ireland: Supply and Infrastructure Key to Gas Price Stability](#)

As the Irish Gas sector becomes accustomed to full market opening, delegates attending this year's Energy Ireland Conference were told that we face a period of relative price stability until about 2012, particularly given the latest infrastructural developments and the current supply availability in place. Factors outside our control however, which could cause price spikes in the short term, include geo-political issues, particularly concerning events in Russia (Europe's main gas supplier) and the Middle East.

[Fiji's first wind farm starts July](#)

Built at a cost of \$34 million, the Butoni wind power farm in Sigatoka is another project by the Fiji Electricity Authority to generate more "green" energy to displace expensive diesel generation over the next 15 to 20 years.

[Zimbabwe: Plight of the powerless](#)

Our shortage of fuel, our shortage of foreign currency, and, of course, our chronic shortage of intelligent government administration, have all led to power cuts becoming a way of life in modern Zimbabwe. But recently they have threatened to become a way of death.

[US demand for Canadian oil seen doubling in 8 yrs](#)

U.S. demand for Canadian oil is expected to double in the next eight years, and domestic use could jump 44 percent as Alberta's oil sands output surges, the Canadian oil industry's main lobby group said on Monday.

However, that production growth could be tempered by the same problems that have plagued the oil sands industry throughout this decade -- labor shortages and inflation in the cost of materials like steel, the Canadian Association of Petroleum Producers said.

[Urumqi limits natural gas consumption to safeguard supply for the east](#)

The government of Urumqi, the capital city of northwestern China's Xinjiang Autonomous Region, has decided to curb the city's natural gas consumption in order to guarantee sufficient gas supplies for the country's more energy-demanding eastern regions, state media reported today.

According to an emergency circular outlining how the city's natural gas use will be controlled, the Urumqi municipal government will suspend granting approvals for new car remodeling firms that involve converting fuel-powered engines to those powered by gas. Existing remodeling firms are also required to stop producing natural gas-consuming cars, according to state-run *Xinhua* news agency.

The construction of new gas filling stations will also be limited and industrial use of natural gas prohibited. Various other natural gas uses are also going to be heavily regulated and controlled, according to the report.

[India - Tamil Nadu textile industry seeks uninterrupted power supply](#)

Undependable power supply and non-competitive power tariff are making the textile industry helpless before the domestic and international competitors. According to the chairman of the Southern India Mills' Association, SV Arumugam, "the textile industry in Tamil Nadu is incurring huge losses due to frequent tripping of power.

[Will Botswana's coal cure SADC's energy cold?](#)

Botswana, better known for its dazzling diamonds and abundant wildlife, is looking to draw in investors by showcasing its vast reserves of coal in a region facing a growing energy crisis.

[Suez in deal to build power plant through Chile's Central Termoelectrica Andino](#)

Suez unit Suez Energy International says it will begin work on the construction of a modern coal-fired power station in the North of Chile through Chilean Central Termoeléctrica Andino.

[A greener smokestack?](#)

With the help of sophisticated computer imagery, Fuel Tech injects a chemical cocktail into boilers that helps reduce slag, curb emissions and boost efficiency.

[U.S. funds nuclear fuel research](#)

The U.S. Department of Energy will award up to \$340,000 in fellowships to eight graduate students to advance research in the nuclear fuel cycle.

The program is designed to meet the growing demand for nuclear-educated scientists and engineers. The fellowships are valued at up to \$42,500 per student over two academic years.

[Biofuel Bonanza](#)

Today in Brazil, another group of visionaries sees similar potential for the combination of bioethanol and biodiesel. In actuality, conversion of sugars and fats and oils to bioethanol, biodiesel, and value-added chemicals and materials already is helping to extend fossil fuel supplies and is starting to change the global economy. And next-generation technologies for converting cellulosic biomass to fuels and chemicals are expected to ramp up and add to the mix in the coming 30 years.

[How to Ease New England's Energy Crisis and Curb Global Warming Pollution, Starting Now](#)

New England is heading for an energy crisis. Indeed, it may have already begun. Energy prices are high and increasingly volatile. The region's energy infrastructure is strained. The long-term outlook for oil and natural gas supplies is questionable. And our use of energy contributes to a variety of environmental and public safety problems, not the least of which is global warming.

[Adapting to gas prices](#)

It's a measure of how the energy picture has shifted that we now feel thrilled about filling up our tanks with gas that's below \$3 a gallon. "Hey, we're saving 25 cents a gallon," we think, remembering the prices of a few weeks ago.

But it's also a sign of the times that some of us - from individuals to corporations to government agencies - are starting to think and do things that we hadn't before...

[Ecuador Rejects Arbitration in Occidental Case](#)

Ecuadorean President Rafael Correa said Saturday that Ecuador has no plans to enter arbitration with Occidental Petroleum Corp. over a canceled contract, contradicting comments his foreign minister made just days ago.

[Hugo Chavez Has an Oil Strategy...But Can This Lead to Liberation?](#)

During his electoral campaign for president in 1998, Hugo Chavez took on the old elite this way: "Oil is a geopolitical weapon, and these imbeciles who govern us don't realize the power of an oil-producing country."

[US expert calls for 'peak oil' study](#)

The federal government must immediately and rigorously assess the looming impact of peak oil, a former White House consultant says.

Dr Roger Bezdek is in Australia for a series of lectures on the theory of peak oil - the idea that we have arrived at or are about to arrive at the high point of oil production ahead of a terminal decline.

He called for the government to create an independent body to study peak oil and create solutions ahead of a "liquid fuels crisis".

[A Strategic Perspective on 21st Century Energy Challenges](#)

Energy will be on of the two or three defining issues we'll face over the next decade. Since post-1999, we've essentially been in a crisis mode. That's the result of an accumulation of factors.

[Eni Publishes its Seventh World Oil and Gas Review](#)

- World oil demand rose + 0.7 million b/d in 2006, entirely driven by non-OECD countries
- Worldwide oil reserves grew +1.9%; worldwide gas reserves held steady (+0.6%)
- Oil consumption in industrialised countries fell by more than 400,000 b/d
- Worldwide oil production rose + 0.7 million b/d - lowest rate of growth since 2002
- US natural gas production increased +2.3%
- Qatar took over as world's leading exporter of LNG
- Russia confirmed its leading position in natural gas with 26.3% of global reserves

[Fuel replaces labour as largest cost for airlines in 2006](#)

The Centre for Asia Pacific Aviation (CAPA) reports that a recent International Air Transport Association (IATA) sample of the financial reports of 45 major global airlines reveals that fuel replaced labour as the largest single cost item for the global airline industry in 2006. This marks the first time ever that fuel costs have outpaced that of labour.

[China and the oil syndrome](#)

How dare China buy the oil we planned on buying?!?

[Kuwait Lawmakers Move to Impeach Oil Minister](#)

Kuwaiti lawmakers Monday requested that the oil minister be impeached, claiming he helped his cousin embezzle public money from a state-owned company more than a decade ago.

[The real casus belli: peak oil](#)

The elephant in the drawing room was the fact that global oil production is likely to peak within about a decade. Aggregate oil production in the developed world has been falling since 1997, and all major forecasters expect world output excluding Opec to peak by the middle of the next decade. From then on everything depends on the cartel, but unfortunately there is growing evidence that Opec's members have been exaggerating the size of their reserves for decades.

Oil consultancy PFC Energy briefed Dick Cheney in 2005 that on a more realistic assessment of Opec's reserves, its production could peak by 2015. A report by the US Department of Energy, also in 2005, concluded that without a crash programme of mitigation 20 years before the event, the economic and social impacts of the oil peak would be "unprecedented". The evidence suggests these fears were already weighing heavily with Cheney, Bush and Blair.

[Exxon, Conoco refuse to sign Venezuela deal](#)

Exxon Mobil and ConocoPhillips, two of the world's top oil companies, have refused to sign a deal to stay in multi-billion dollar Venezuelan projects that are being nationalized, officials said on Monday.

A day before a deadline to accept terms for the government to take a majority stake in four heavy-crude upgrading projects, the companies' decision greatly increases the chances they will leave the OPEC nation.

[Chavez: Foreign Oil Firms Will Work His Way or Get Out](#)

"There are companies that don't want to accept this model, so I told the minister (Rafael Ramirez) to tell them that if they don't want to accept it they can leave. There are enough companies in the world that want to work with us in the Orinoco Belt," the president said.

[Canada's oil sands going nuclear](#)

Petroleum companies are eyeing nuclear power to feed burgeoning oil production in Canada's oil patch, pitting ecologists against ecologists unable to agree on its climate change impact.

[We will never run out of oil](#)

"Years before the last drop of oil is found and extracted, we'll walk away from oil as an energy source."

[Japan, China to resume talks on gas dispute](#)

Japan and China are set to resume talks here Tuesday on a longstanding dispute over drilling rights in the energy-rich East China Sea after the last round ended in deadlock.

[Petrologistics: Opec oil production edges up in June](#)

Opec, excluding Iraq and Angola, is set to pump slightly more oil in June because of higher shipments from some members including Iran and Algeria, a consultant said yesterday.

Opec's 10 members subject to output limits are expected to pump 26.8mn bpd in June, up from a revised 26.7mn bpd in May, said Conrad Gerber, head of Geneva-based Petrologistics, which tracks tanker shipments.

[Asian bank endorses clean energy](#)

Asian governments must promote clean energy such as wind and solar power to maintain their booming economies and reduce greenhouse gas emissions in coming decades, the Asian Development Bank said Tuesday.

[DaimlerChrysler recalls 1,650 Smart cars](#)

The problems stem from the mounting of a part supplied by the US group Delphi, and could cause drivers to lose control of their cars, a spokesman said.

...Smart cars have not sold well since they were introduced in 1998 and DaimlerChrysler launched a second generation late last year in an attempt to save the ultra-compact car.

[Desert dust cuts mountain snow, may spur warming](#)

Desert dust blown onto Rocky Mountain peaks has cut the duration of snow-cover by a month or more, and the same thing is probably happening in the Alps and Himalayas, researchers reported on Monday.

[Scientists Close In On Missing Carbon Sink](#)

Forests in the United States and other northern mid- and upper-latitude regions are playing a smaller role in offsetting global warming than previously thought, according to a study appearing in *Science*. The study, which sheds light on the so-called missing carbon sink, concludes that intact tropical forests are removing an unexpectedly high proportion of carbon dioxide from the atmosphere, partially offsetting carbon entering the air through industrial emissions and deforestation.



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