



DrumBeat: July 7, 2007

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Topic: [Miscellaneous](#)

[World 'building up risks over energy supplies'](#)

Matt Simmons, founder of Houston-based Simmons and Company International, criticised the report's findings.

Simmons, a member of the council who provided input for the report, pointed to a graph showing oil production from existing reserves falling below 20 million barrels per day (bpd) by 2030 from current levels near 75m bpd.

In that chart, the addition of output from known reserves, enhanced oil techniques, unconventional sources like Canada's oil sands and 'exploration potential' boosts the total to near 120m bpd by 2030.

"We don't have any idea where those reserves are going to come from or how we are going to get them out of the ground," Simmons said.

"The odds of this ever happening are zero."

On the other side of the issue, prominent energy expert Daniel Yergin, chairman of oil consultancy Cambridge Energy Research Associates, who served as vice chairman of demand issues for the council, has dismissed the idea of 'peak oil'.

[Transforming Civilization: Gods, God, Emergence, and Transcendence.](#)

The course of human history from the dawning of agriculture in the Near East about ten thousand years ago, to the present, can be understood as embodying the progressive development of ever more complex political economies. Developing this complexity has required coordinating the actions of ever larger groups of humans together for collective purposes.

After 10,000 years of this process of political and economic complexification, civilization now finds itself confronting fundamental crises of survival due to peak oil, global climate change, and political and economic failures to deal with these crises. Given this reality, an understanding of the dynamics of this process, using systems theory offers considerable insight into our history. Furthermore, it offers insights into what we must do in the here and now to ensure that civilization can transform itself to survive and thrive in the face of these ever intensifying challenges.

[Governor: Idle Coffeyville plant won't raise gas prices](#)

Gov. Kathleen Sebelius discounted Friday the necessity of gasoline price hikes at Kansas retail pumps in response to the flood-induced shutdown of Coffeyville's oil refinery.

The 600-employee plant in southeast Kansas may be silenced until September, and industry analysts say production losses could prompt cost increases in Great Plains states. The refinery was responsible for no more than 1 percent of overall U.S. gasoline production.

"I hope that that shows up in the prices — not more than 1 percent of an increase," the governor said. "It should not have that significant of an impact."

[Iraq to increase gas prices](#)

Iraq is reducing its gas subsidies, in line with international agreements and to fight smuggling, as it struggles to meet demand amid poor security.

The Oil Ministry said it will hike imported gasoline prices by 15 percent, the first increase since March.

[Fuel rationed in Mannaar](#)

Ration system is to be introduced to sell fuel to all vehicles in the Sri Lanka Army controlled territory in Mannaar district with effect from Monday. Vehicles registered with the divisional secretariat offices in Musali, Mannaar and Naanaaddaan, with registered authorisation are eligible to buy fuel needed for a week.

[N.L. Inuit community copes with recurring gas shortage](#)

Local gasoline supplies have run out for residents of an Inuit community on Labrador's coast for the seventh straight summer.

The Nunatsiavut government tried to resolve the recurring problem in Rigolet by putting in a new gas station last fall, but the tanks went dry in April.

[China Signs New Oil Deal](#)

China's biggest state oil company has deepened its involvement in Sudan by signing a deal to help develop offshore oil, despite international efforts to isolate the African nation

because of the humanitarian crisis in its Darfur region.

[Power Shortage](#)

The House energy package is missing some key components.

[Oil Workers, Petrobras Reach Deal; Strike Averted](#)

Unionized workers at Brazil's Petrobras will not go on strike because the federal energy company met union requests, Jose Maria Rangel, director of the oil workers' federation, told BNamericas.

[Cross-country 'Biotour' impressed with the Harbor](#)

"We haven't really seen sustainability on this kind of industrial scale yet," Alan Palm said after seeing the giant pile of woodwaste that powers the mill at Grays Harbor Paper.

Palm's comment speaks volumes. He and three other partners from New England are on the final leg of "Biotour" — a cross-country journey to observe sustainability in action and to demonstrate the real-world application of renewable energy.

['Lights Out: The Electricity Crisis, the Global Economy and What It Means to You'](#)

For anybody who believes that electricity will always be easily available with the flip of a wall switch, Jason Makansi's book "Lights Out" provides an important education.

Makansi worries about the availability of electricity — not centuries from now, but next year. Still, he comes across as a realist, not an alarmist. He is confident that plenty of fuel is available. He is less confident that electricity in the future will reach every home and business reliably and affordably.

[BP Reaches \\$18M Settlement](#)

BP PLC has agreed to pay \$18 million to settle claims that it manipulated power markets during the 2000-2001 California energy crisis, federal energy regulators said Friday.

[Brazil faces near-term electricity shortage; government response to potential crisis has been slow](#)

Rising electricity rates for the industrial consumer are depriving local companies from the competitive advantage of producing goods in Brazil, a country which derives more than 80% of its electricity from hydroelectric generation. According to FGV, a think tank, Brazil will lose 8.6% of GDP growth by 2015, the equivalent of BRL 214bn (USD 107bn) at 2005 prices, as a result of soaring electricity rates.

[Managua Cuts Work Day to Save](#)

Nicaragua's President Daniel Ortega ordered a reduction of the working day in the State institutions, to reduce the negative impact of energy cuts in the country's economic and social life.

According to a decree read by the statesman Thursday, all government work places will now open from 7am to 1pm local time as of July 6.

[Rationing looms in Africa energy crisis](#)

Sub-Saharan Africa must urgently impose power rationing on companies and populations to limit the effects of a worsening energy crisis, industry and government experts said.

[Argentina Offers Tariff-Free Diesel Imports Up To 300,000CM](#)

Argentina's Energy Secretariat issued a resolution Friday reapplying a system of tariff-free import quotas for diesel up to a total of 300,000 cubic meters of the fuel.

The resolution, aimed at overcoming domestic shortages, is based on the same system introduced in March. It permits refineries and other fuel distributors to apply to the Secretariat to have an quota assigned for either diesel or diesel oil imports.

[Brazil clears Bolivia to divert natgas to Argentina](#)

Brazil's mines and energy ministry (MME) has agreed to let Bolivia divert 1Mm3/d from its natural gas import contract to supply Argentina, an MME spokesperson told BNAmericas.

[Idaho regulators approve Avista power measure](#)

The Idaho Public Utilities Commission said on Friday it approved a measure for utility Avista Corp. to recover unusual power supply costs not included in base electric rates.

The annual adjustment will increase or decrease power rates for conditions outside the utility's control that can change supply costs, the commission said.

Conditions include changes in hydropower generation due to reduced river flows or unexpected changes in fuel costs or wholesale market prices for energy.

[Working Toward Energy Independence](#)

In order to gain energy independence, North Dakota farmers may need to change their crop rotation. But Conrad and scientists say that could be a challenge Scientists say they're figuring out what doesn't work through their research. But they're working hard to figure out what will.

[The Suburbanist Paradox](#)

The urbanist proposal isn't "hey, jerks, why don't you all move to dense downtowns." Rather, the proposal is something like "why don't we impose carbon taxes so that things like driving long distances and heating or cooling large detached structures are priced in accordance with their social cost? Why don't we stop having the federal government heavily subsidize driving cars as the preferred mode of transportation? Why don't we have more areas that allow for high-density zoning, thus reducing the cost of urban housing?" It's not that we urbanists are unaware that many people live in low density areas because its cheaper, it's precisely that we *are* aware of this fact that makes us believe that the "traditional unipolar downtown" *could* make a comeback.

[Gas Prices Fuel Purchases Of Electric Cars](#)

A growing number of Americans have steered clear of rising gasoline prices by turning to electric cars.

[Iran to stop making gasoline-only cars](#)

Iran, the Middle East's biggest carmaker, will stop producing cars that only run on gasoline this month and will instead ensure all new vehicles run on gas too, an official said in remarks published on Saturday.

[Iowa ethanol plant put on hold](#)

Plans for an ethanol plant in this eastern Iowa town are on hold until developers can look at other ways to produce biofuel and look for financial partners.

Larry Daily said he and his partners at River/Gulf Energy decided the project was too

risky when corn prices climbed to \$4.50 a bushel and ethanol dropped to less than \$2 a gallon during the winter months.

[Experts: Withdrawal no reason to doubt Shell's oil shale technology](#)

Oil shale experts say their confidence in Royal Dutch Shell's in situ oil shale extraction technology was not shaken when the company announced last month it withdrew a state mining permit application for its long-awaited oil shale test.

"I don't think it has implications," said James T. Bartis, lead author of the 2005 RAND Corp. report on the prospects for oil shale development in the United States. "What they're doing is they're acknowledging things are complicated and they need to do their homework first."

[Peak Oil Passnotes: \\$80 Oil Beckons](#)

The price of a barrel Brent crude is working its way back up to its records of \$78.64 set last August 7. A steady and sure combination of factors has pushed it over \$75 per barrel.

But when it pushes up against levels of \$78 per barrel, which way is it going to go then?

[Heard It in the Peak Oil News](#)

I'm going to let you in on a little secret today.

I'm going to reveal one of my best sources for peak oil-related news.

It's Tom Whipple, a former CIA man who spent about a decade summarizing world news for the CIA's morning report to the President. In short, he's one of the best at scanning the news and picking out interesting trends and relevant bits.

[Parched efforts](#)

A London energy think tank gives the planet around four years before peak oil production declines and demand, forever, overreaches supply. Drinking water everywhere is threatened by pollution and overuse. And global warming, like a wasting disease, undermines more micro-climates every day.

[A Taste Of Things To Come](#)

What no politician or the mainstream media seems to acknowledge as yet is the fact that climate change has been primarily provoked by the global north's senseless drive for depleting the earth's natural resources, and its unhindered need for a never ending consumerism.

[African farmers hit by climate change](#)

Corn farmers in southern Zambia used to be able to predict the year's first rainfall, almost to the day. Now, October often stretches into November, and November into December, before the rain comes.

The rainy season in this largely poor southern African nation, a study shows, has been getting shorter, more intense and more erratic, especially over the last 20 years — symptoms of longer-term climatic changes occurring across Africa.

[Alpine wildlife feeling the heat from global warming](#)

Global warming is threatening to wipe out several animal and plant species in the Alps, according to a study by the World Wide Fund for Nature released on Friday.

WWF expert Stegan Ziegler said the effects of global warming manifested themselves three times more strongly in the Alps than elsewhere.

[Non-OPEC peak oil threat receding](#)

Non-OPEC peak oil, or the point of maximum production of oil, will not occur before 2014, according to analysts Wood Mackenzie.

The company has disputed views that a pinnacle may be in sight and contends strong supply growth will prevail in the short term. Barring unexpected disruptions to production, Wood Mackenzie expects total global capacity to grow steadily from 86.3 million barrels per day (bpd) in 2006 to 96.7 million bpd in 2010.

[Gas prices rise, reversing recent trend](#)

Retail gas prices rose overnight Friday for the first time in more than a month as the closure of a Kansas refinery sent prices in the center of the country sharply higher. Oil futures, meanwhile, surged \$1 a barrel to another 10-month high.

[High oil prices are here to stay, analysts warn](#)

Crude oil is unlikely to give up its almost 20pc gains in price this year and the risks are tilted toward it moving higher, leading oil analysts have warned.

[Ford, utility join to promote plug-in vehicles](#)

Ford Motor Co and power utility Southern California Edison will announce an unusual alliance on Monday aimed at clearing the way for a new generation of rechargeable electric cars, the companies said.

[NJ enacts anti-global warming law](#)

New Jersey became the third state in the nation to enact a comprehensive greenhouse gas reduction law Friday, requiring the Garden State to significantly cut emissions of global-warming gases.

[Tokyo, Sydney kick off climate change concerts](#)

Pop stars in Tokyo and Sydney kicked off a global chain of climate change concerts on Saturday aimed at persuading the world to go green.

[Global Warming and Your Wallet](#)

For all the talk about warming, leading politicians have yet to educate their constituents (and their colleagues) about an unpleasant and inescapable truth: any serious effort to fight warming will require everyone to pay more for energy. According to most scientists, the long-term costs of doing nothing — flooding, famine, drought — would be even higher than the costs of acting now. But unless Americans understand and accept the trade-off — higher prices today to avoid calamity later — the requisite public support for real change is unlikely to build.



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