



## DrumBeat: July 16, 2007

Posted by [Leanan](#) on July 16, 2007 - 9:20am

Topic: [Miscellaneous](#)

### [Energy's Manpower Peak? - Why the biggest problem might not be oil](#)

For headhunters like Tom Zay, business couldn't be better. "I have never seen demand like this," says Zay, a managing director in the Houston office of Boyden, an executive worldwide search firm. "We've had cycles in the past. But this is different."

Indeed it is. While Zay looks for executives and top-level managers, the entire energy industry – from welders, tank builders, and roughnecks to petroleum engineers, nuclear engineers, and technicians – is strapped for talent. And the problems are likely to get substantially worse before they get better. Nor is the labor shortage limited to the U.S. and the hydrocarbon sector. Rather, it is worldwide, and being felt in industries ranging from coal mining to nuclear power. The reasons for the labor crunch are many: an aging workforce, lagging student interest in engineering, a lack of interest in blue-collar jobs like welding, and perhaps most important, the strong commodity prices that have led to a boom in energy projects of all types.

---

### [PetroChina Output Climbs 3.7%, Outpacing Exxon, Shell](#)

PetroChina Co., the nation's biggest oil company, increased first-half production 3.7 percent, surpassing growth at Exxon Mobil Corp. and Royal Dutch Shell Plc as China intensifies efforts to meet energy demand.

### [Niger hopes for oil riches under northern desert](#)

Niger plans to award oil exploration permits by the end of next month for a vast block under the Sahara desert it hopes will turn it into Africa's newest crude producer.

The landlocked former French colony is one of the poorest states on earth but is sandwiched between oil producers Nigeria to the south and Libya and Algeria to the north. This has raised expectations among its population for a future oil bonanza.

### [Uganda: Disputed Buliisa Land Sitting On Vast Oil Deposits](#)

ETHNIC clashes in Buliisa District in Western Uganda could have more to do with oil discoveries than grazing rights.

Contrary to the impression created that the Bagungu natives and the Balaalo pastoralists just woke up a few weeks ago and started feuding over rights to use land for either cultivation or grazing, the groups unknowingly represent bigger interests in Uganda's newly discovered oil.

### [Brazil to Build Dams Despite Bolivian Concerns](#)

Despite Bolivian concerns about the environmental impact of two dams slated for construction in the Amazon region, Brazil's foreign minister said Friday they would be built as planned.

### [Turkey returns to energy chess game](#)

Turkey made an important move in the energy chess game when it signed a Memorandum of Understanding (MoU) with Iran over the weekend that will make both Russia and the US rethink their positions on gas policies in particular and on energy policy in general, said Cenk Pala, director general of strategic relations at state-owned Turkish Pipeline Company (BOTAS), affiliated with the Ministry of Energy and Natural Resources.

### [Rising demand for nuclear energy among Asian nations](#)

Asian countries are lining up to expand or introduce nuclear power. All say they need it to meet surging demand for electricity to run their growing economies. Yet the enlargement of nuclear generating capacity being planned by so many states is raising fears about catastrophic accidents and the spread of nuclear weapons in the region, just as hopes are being buoyed that North Korea will dismantle its nuclear arms program.

### [Emissions don't make Europe happy](#)

Europe's carbon emissions have risen markedly over the last 40 years, but the extra fuel use has brought little increase in happiness, a report says.

### [A dress rehearsal for the final collapse of liberal capitalist ideology](#)

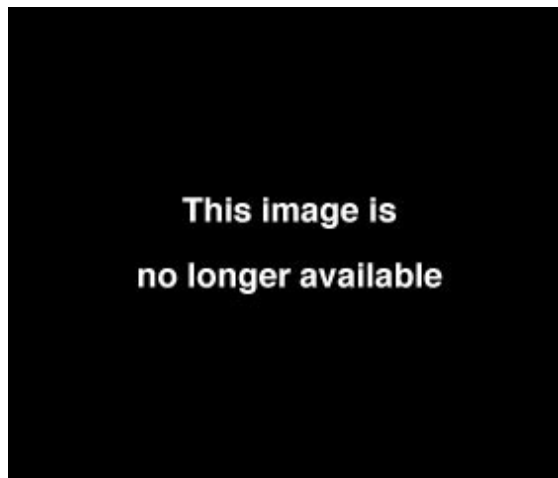
The right-wing apologists of capitalism, for their part, have assured us that socialism cannot ever work; when the evidence of Venezuela suggests otherwise, they say that it depends on the unsustainable mining of Venezuela's oil resources, and that socialism in Venezuela will collapse when oil prices fall.

### [Paris mobilises pedal power to cut traffic and pollution](#)

Thousands of Parisians pedalled into Sunday traffic astride stately grey bicycles yesterday after the opening of an ambitious scheme to turn the car-snarled French capital into the eco-friendly City of Bike.

In the hot midday sun, a network of 750 high-tech stations went live, releasing 10,600 bicyclettes at very low cost to anyone with a credit card.

### [Report: Radioactivity leaked from Japan nuke plant](#)



Water containing radioactive material leaked at a Japanese nuclear power plant following Monday's earthquake, Kyodo News agency reported.

### [Chris Skrebowski on the dramatic shortage of new LNG mega projects](#) (audio)

The LNG market currently presents users with a paradox. Demand is booming and rising numbers of countries are looking to LNG imports for increased security of supply and to cover emerging production shortfalls. Yet on the supply side virtually nothing has changed from a year ago in terms of plans for new liquefaction capacity.

### [Four reasons to cultivate greener IT](#)

Consider what Gartner proclaimed at the end of 2006: Half of datacenters will run out of power by 2008. As explained by Timothy Morgan at ITJungle:

"Gartner did not, by the way, literally mean that datacenters would go dark in two years after blowing some fuses or melting under their own heat. What Gartner did say was that by the end of 2008, 50 percent of the datacenters in the world would not have

enough power to meet the power and cooling requirements of the high-density computing gear that vendors are increasingly peddling."

### [Zambia's Indeni refinery stocks depleted, now using reserves](#)

Zambia's sole oil refinery is working from reserves after running out of fuel stocks amid growing energy demand, an industry official told Dow Jones Newswires Monday.

### [Mexico Needs Calderón's Proposed Fiscal Reforms](#)

Pemex, thanks to the government leeching off of it, is woeful, saddled with debt and in desperate need of outside technology as it searches for more oil in the deep waters of the Gulf of Mexico. Mexico's government, addicted to crude, stares into an abyss of insolvency as Pemex faces a sharp drop-off in production.

Calderon's fiscal reform aims to correct all of that (well, at least some it): it will increase corporate tax collection, lower tax evasion, and reduce the government's reliance on oil revenues, all in one fell swoop.

### [Policy Implications of Mexican Pipeline Blasts](#)

The natural gas pipeline explosions in Mexico, of July 3-10, 2007, have been attributed to acts of sabotage by a long-dormant peasant movement that is based in the states of Guerrero and Oaxaca. In Guanajuato, these acts of sabotage have had a cascade effect: the cut-off of natural gas has forced manufacturing plants to suspend operations, at the daily cost of hundreds of thousands of dollars, not only to the plants but to laid-off employees, the export account of the country, and even the exchange rate of the Mexican peso.

Pemex — for lack of gas storage — had to scramble to export its gas to Texas markets, doubtless at a discount.

### [Greens to banks: Just say no to coal](#)

Fueled by climate change concern and a Texas utility's recent scrapping of several "dirty" power plants, one environmental group is looking to cut funding for new coal fired power plants at the source: the big banks.

### [Company wins \\$4.5m in venture funds to test energy source](#)

Every day in America, Boston energy entrepreneur Bill Davis calculates, trash gets thrown out that has enough latent energy content to generate 110,000 megawatts of electricity -- five times the typical demand for all of New England.

Now Davis's company, Ze-Gen Inc., is about to take a first small step towards proving whether that trash could be a new clean-burning electric generation source of the future. It's disclosing today it has closed on \$4.5 million in venture capital funding for a New Bedford test facility.

David Strahan: [If you're in a hole, merge. But is it too late for BP and Shell?](#)

With reserves running dry in non-Opec countries, rumours of a marriage could finally come true. Even a combined group, though, might struggle in its quest for more black gold.

### [Plan Iraq - Permanent Occupation](#)

Even with dated information on its potential, it's known Iraq has at least 10% of dwindling world reserves. But its potential was "frozen in time" with no new development in over two decades because of intervening wars in the 1980s, economic sanctions following the Gulf war in 1991, and the current war ongoing since March, 2003. If the country's potential doubles or triples, as Saudi Arabia's did in the last 20 years, it would, in fact, have the world's largest (mostly untapped) proved reserves making Iraq too rich a prize for America and its Big Oil allies to pass up. It's worth trillions of dollars and immense geopolitical power at a time of peak oil in the face of future dwindling supplies, except in this resource-rich country the US won't ever leave as long as there's enough of them in the ground and region to justify staying.

### [No cheer in the oil story](#)

Unless you're an executive at a major oil company, statistics coming out of the industry make for dismal reading. Not only is the oil price trading at 11-month highs of over US\$76/barrel - approaching last year's record highs of just under \$79 - but prospects for any relief are extremely dismal. This week the reputable International Energy Agency (IEA) sounded the alarm on an oil supply crisis in five years' time. Assuming global economic growth of 4,5%/year - conservative by most estimates - oil demand will grow at an annual rate of 2,2%, the IEA forecasts.

### [Oil Pipeline Plan Raises EU Fears](#)

A new Russian crude oil export pipeline may cut supplies to refineries in Hungary, Slovakia, Germany and other central European countries, PVM Oil Associates said Friday.

### [China's CNOOC wins Somalia oil exploration rights](#)

China's state-owned CNOOC has been granted exploration rights by Somalia's interim government, the Financial Times reported.

### [Bahah: Oil production will increase by 2009](#)

According to Minister of Oil, Gas and Mineral Resources Khalid Bahah, Yemen's Oil and Gas prospects in 2009 is quite optimistic. Crude oil production is to reach 500,000 barrels per day; Extraction capacity from current reserves will increase from 30% to 70%; and income from sale of natural gas will reach US\$ 1-2 billion per year.

### [China says climate change drying up major rivers](#)

Chinese scientists have warned that rising temperatures are draining wetlands at the head of the country's two longest rivers, choking their flow and imperiling water supplies to hundreds of millions of people.

### [Warming may bring hurricanes to Mediterranean](#)

Global warming could trigger hurricanes, or tropical cyclones, over the Mediterranean sea, threatening one of the world's most densely populated coastal regions, according to European scientists.

### [Are these the last days of the Oil Age?](#)

Oil ruled the 20th century; the shortage of oil will rule the 21st. There is now no doubt about the rising trend in oil prices. In 2003 a barrel of Brent crude sold for \$29; in 2004 it rose to \$38; in 2005 it rose to \$54.50; in 2006 it rose to \$65. Last Friday the price closed at \$77.50. Some dealers expect it to test the \$80 level quite shortly.

Last Tuesday the lead story in The Financial Times was the latest report from the International Energy Agency. The FT quoted the IEA as saying: "Oil looks extremely tight in five years' time," and that there are "prospects of even tighter natural gas markets at the turn of the decade". For an international agency, that is inflammatory language. This steep rise in the oil price over a four-year period has been caused by demand rising at more than 2 per cent a year, while supplies had risen more slowly, by a healthy 4.1 per cent in 2004, but by only 1.25 per cent in 2005 and 0.5 per cent in 2006.

This has revived the "oil peak" debate among oil analysts. Some analysts believe that the world will never again be able to pump as much oil as we are pumping at present.

### [Japan shuts units at top nuclear plant after quake](#)

Tokyo Electric Power Co. has shut down three major generators at the world's biggest nuclear power plant after Monday's powerful earthquake in Japan caused a brief fire in one of the units, company officials said.

### [UN warns it cannot afford to feed the world](#)

Rising prices for food have led the United Nations programme fighting famine in Africa and other regions to warn that it can no longer afford to feed the 90m people it has helped for each of the past five years on its budget.

...Josette Sheeran, WFP executive director, said in an interview with the Financial Times: "In a world where our contributions are holding fairly steady, this [cost increase] means we are able to reach far less people."

She said policymakers were becoming more concerned about the impact of biofuel demand on food prices and how the world would continue to feed its expanding population.

### [Uganda gears up to become oil producer](#)

Flanked by the rolling green hills and steep, jagged escarpments of the western Rift Valley, an oil rig prepares to drill deep into Ugandan earth.

Better known for its myriad conflicts in recent years, Africa Great Lakes region has become one of most exciting frontiers in a hunt for oil on the continent that is increasingly focused away from traditional West African sources.

### [Hundreds of Iraqis protest draft oil law](#)

About 300 oil industry workers gathered in Iraq's main oil port of Basra today to protest a draft law that they said would allow foreigners to pillage the country's wealth.

'To compensate for the military and political failure of the US administration in Iraq, this administration is trying to control the country's wealth,' the organisers said in a statement distributed to reporters.

### [New Oil Reports Add Confusion To 'Peak Oil' Theory](#)

Conflicting reports makes the entire landscape of oil predictions very murky. Sometime one feels that predictions are dime a dozen and very much Malthusian in nature. If one prediction comes out to be wrong few others can be made with ease, there is no accountability for wrong predictions, Club of Rome prophecies of doom and gloom are not talked about we have lived through those years of intended doom with greatest of comforts. Malthusian food/ population disconnect never ever materialized, although proponents of Malthus cite Somalian famine as one example but on larger scale of 'scarcity' of resources the inbuilt mechanism of natural exponential growth defy scientific limitations since the inception of known civilization short journey of less than 10,000 years.

### [Chechen president accuses Moscow of hoarding oil revenues](#)

Chechen President Ramzan Kadyrov accused Moscow in an interview published Friday of hoarding oil and tax revenue needed to rebuild the war-shattered republic.

'Everything is ruined here, and the funds aren't being spread around. The federal centre takes our income. Oil, taxes -- they take them both, and tell us: 'Okay, build',' Kadyrov told daily newspaper Izvestia.

### [Power lines coming to national parks?](#) - *Federal regulators propose new corridors for transmission lines*

GETTYSBURG, Pa. - Apple trees have been planted, wood fences restored and power lines buried in recent years to transform the Civil War battlefield in Gettysburg to the way it looked when Union and Confederate forces clashed on farmers' fields in 1863.

But preservationists now worry that the national military park in Pennsylvania's picturesque fruit belt soon may be in the shadow of high-powered transmission lines.



This work is licensed under a [Creative Commons Attribution-Share Alike 3.0 United States License](#).