



DrumBeat: July 17, 2007

Posted by [Leanan](#) on July 17, 2007 - 8:58am

Topic: [Miscellaneous](#)

Tags: [pakistan electricity](#) [[list all tags](#)]

[Coffeyville refinery shut to Sept, debt rating cut](#)

Independent U.S. refiner Coffeyville Resources' debt ratings were cut on Monday as an industry source said the company's flooded Kansas refinery was unlikely to restart until early September.

Moody's Investors Service pushed Coffeyville's corporate family rating deeper into speculative territory, cutting it from B2 to B3 amid uncertainty over the losses Coffeyville faces from the shutdown of the refinery and an associated oil spill.

[In The Petri Dish: The Plight of our Energy-Sucking Species](#)

When the energy runs dry, all of the systems we have so carelessly created to gulp that energy down will be worthless. We can build tiny houses (less than 100 square feet), rip up our lawns for edible estates, drive a Prius, sell carbon credits on the Chicago climate exchange, or refocus our energy policy on biofuels and ethanol, but as Wes Jackson from the Land Institute argues, "We aren't going to invent or grow our way out of this thing." No amount of human innovation can stop the ensuing ecological destruction. To even begin to do that, humans will need to cut their energy use in half, in just ten years.

[Japan nuke plant reports slew of problems](#) - *Thousands evacuate quake zone day after radioactive water spills into sea*

A nuclear power plant near the epicenter of a powerful earthquake suffered a slew of problems, including spilled waste drums, leaked radioactive water, fires and burst pipes, the reactor's operator said Tuesday — more than 24 hours after the tremors struck northern Japan.

The problems at the Kashiwazaki power plant and the delays in acknowledging them are likely to feed concerns about the safety of Japan's 55 nuclear reactors, which supply 30 percent of the quake-prone country's electricity and have suffered a long string of accidents and cover-ups.

[Big Oil's impact on research is debated](#)

The oil industry has committed more than \$700 million to alternative energy research at three Northern California universities, prompting debate over how commercial interests might shape the direction and results of scientific advances.

[Lawmakers fail to act on NYC traffic plan](#)

State lawmakers failed to adopt a measure yesterday to allow New York City to charge fees to cars and trucks that drive into the Manhattan business district during business hours.

[Kenyan fury at threat to organic trade](#)

Poor farmers could lose their livelihoods if the UK approves a ban on air-freighted imports.

[New Process Promises To Reduce Costs Of A Clean-coal Technology](#)

Scientists in China are reporting an advance in clean-coal technology that could substantially reduce the cost of producing clean-burning fuels from underground deposits of coal.

[The Sins of Affluence](#)

Two prominent liberal thinkers offer impassioned critiques of modern capitalism — and solutions that are the policy equivalents of bake sales.

[Venezuela: Idea of 'energy security' in U.S. is fantasy](#)

Energy security is one of the major policy issues facing the United States. The debate in this country, however, has been framed solely in terms of whether the United States has adequate supplies of reliable and affordable energy to meet its substantial needs. While certainly a component of energy security in its narrowest sense, it really misstates the issue, making it difficult, if not impossible, for the achievement of real energy security. Unfortunately, the United States is missing the opportunity of gaining a more integrated, robust and durable energy security not only for itself, but also the entire hemisphere, and, more generally, the world as a whole.

[The Richest of the Rich, Proud of a New Gilded Age](#)

Only twice before over the last century has 5 percent of the national income gone to families in the upper one-one-hundredth of a percent of the income distribution — currently, the almost 15,000 families with incomes of \$9.5 million or more a year, according to an analysis of tax returns by the economists Emmanuel Saez at the University of California, Berkeley and Thomas Piketty at the Paris School of Economics.

Such concentration at the very top occurred in 1915 and 1916, as the Gilded Age was ending, and again briefly in the late 1920s, before the stock market crash. Now it is back, and Mr. Weill is prominent among the new titans. His net worth exceeds \$1 billion, not counting the \$500 million he says he has already given away, in the open-handed style of Andrew Carnegie and the other great philanthropists of the earlier age.

[Decline in light oil forces rethink](#)

LIGHT oil production is already in decline, except in the reserve-rich Middle East, forcing consumer nations to utilise unconventional resources such as heavy oil, sour crudes and natural gas liquids.

Geological constraints, although not the only reason, seem to have affected production levels in most of the main basins outside Opec, providing little comfort to those who hope a supply crunch can be averted.

Analysts at Barclays believe that mature basins outside Opec will be the biggest cause of a supply crunch:

“One of the key dynamics of non-Opec supply in recent years has been its ability to massively disappoint,” Barclays says.

“We believe that the main culprit is the dynamics of mature production, and this year it has been most evident in Mexico and Norway.”

[US Petroleum Industry Draft Sees Energy Demand Soaring](#)

Houston investment banker Matthew Simmons takes a pessimistic view. He believes the world should be preparing for sharply lower oil production. He points out the NPC study didn't squarely address one important issue raised by Mr. Bodman in requesting the study: the point at which global oil production will plateau and then begin to decline, often referred to by the shorthand term "peak oil."

"We should be preparing for a time when, in 10, 15 or 20 years, oil production is likely to be 40 million barrels a day to 60 million barrels a day, not 120 million," he said.

[Iraq Parliament May Take Months to OK Oil Law - Minister](#)

The Iraqi parliament could take months, not weeks, to approve a controversial hydrocarbon law sent by the central government in Baghdad to the legislature on July 3, an Iraqi cabinet minister said Monday.

[Mexico must improve rebel sleuthing - Calderon](#)

President Felipe Calderon urged lawmakers on Monday to beef up Mexico's police intelligence, warning that security forces have no way of predicting further rebel bomb attacks on fuel pipelines.

[Gulf investor unveils China energy plan](#)

A Bahrain-based developer announced a US\$5 billion (euro3.6 billion) plan Tuesday to build a business center for the oil industry in suburban Beijing, highlighting China's growing ties to the Middle East and its booming energy market.

[Will the USA Invade Canada?](#)

Canada is now considered an unimportant good neighbor by the superpower to its south. A recent effort to create a "North American Union" (NAU) with Canada, the USA, and Mexico is a semi-secret effort by industrialists in these three nations. The goal is similar to the "European Union" in that it would allow low-cost Mexican labor and abundant Canadian energy reserves to fuel the huge industrial machine of the USA and create the world's greatest economic power. The 1994 North American Free Trade Agreement (NAFTA) is the cornerstone of this union.

Few Americans know that Canada is the leading source of imported energy to the USA. They are the biggest source of foreign oil, natural gas, uranium, and even electricity. As energy costs recently doubled, Canada is becoming wealthy, at the expense of its southern neighbor. This has weakened Canadian support for a NAU. The obnoxious foreign policy of President George Bush has nearly derailed it.

[South Africa: Protesters arrested for causing disorder in township](#)

SEVEN people have been arrested in KwaNokuthula outside Plettenberg Bay after about 80 protesters ran amok, burning down the transformer at an electricity sub-station in the area.

[Argentina: New Energy Policies?](#)

The Industrial Union of Argentina (UIA) said last month that the country's current

energy crisis has hurt some 5,000 businesses through restrictions on the supply of gas and government orders to reduce electricity consumption. Will the toll of the energy crisis on Argentine industry be the catalyst for new policy initiatives to attract investment and boost energy supplies? What steps will President Nestor Kirchner take to address the crisis?

[Pakistan: Nepra divided over wind power tariff increase](#)

A rare opposition from the National Electric Power Regulatory Authority (Nepra) to an increase in tariff allowed to a wind power project has triggered a debate whether all the demands of investors are being accepted in finalisation of new energy contracts amid acute energy shortages.

[Stalling on fixing the price of gasoline](#)

High fuel prices take a toll on our daily lives in so many ways, and Congress has the responsibility to do something about it, rather than just wax poetic. Instead of helping consumers by expanding our refining capacity or increasing our available energy supply, Congress has yet to enact meaningful legislation that will result in lower energy prices.

[Report: Demand to outpace crude supplies](#)

Conventional crude oil supplies won't keep up with growing global demand in the next 25 years and other fuels from ethanol to liquefied coal and oil from tar sands will be needed to close the gap, says a draft oil industry report.

The draft report by the National Petroleum Council, an advisory group to the federal government, is unusual in its emphasis on the need for a broad range of supplemental fuels and conservation to meet future petroleum needs.

[The End of Cheap Oil?](#)

The resurgence of resource nationalism bears a good bit of the responsibility for the glum oil supply projections-what I've previously called "political peak oil." Seventy-seven percent of world oil reserves are owned by national oil companies. Unfortunately, national oil companies are located in technologically backward countries without access to world-class production expertise and adequate supplies of capital. As the IEA diplomatically puts it, "Often political and social spending needs grow to the point where oil exploration and development investment is compromised, in turn reducing oil and gas exports." And this is happening. Major oil producers such as Venezuela, Mexico, Russia, and Iran are using oil revenues to bribe their people and not investing enough to maintain future oil production.

[Group calls for action on energy](#)

Daniel Yergin, chairman of Cambridge Energy Research Associates and one of the leaders of the study, expects when people read the report "there will be some surprises" and predicted the study will "shift the framework of the policy debate in the United States."

Deron Lovaas, an energy analyst with the environmental group Natural Resources Defense Council who worked on the study, said the report reveals real tension, with some portions containing "impressive ways to break our carbon and oil addiction," while others recommended "the same old, same old ... a search for more drilling and higher pollution alternatives."

Matthew Simmons, chairman of Houston-based Simmons & Company International, has long voiced concerns that the world oil and natural gas production will not so easily keep up with demand.

Simmons called the report, with its assurances that there will be enough energy resources, a "codification of energy conventional wisdom."

[Oil Supply Crunch Stems From Unexpected Side, North Sea Under Pressure](#)

Unexpected troubles seem to be hitting the global oil market and pushing up crude oil prices; however, not from news surrounding the Middle East but from one of the minor supply regions, the North Sea. Norway's crude oil production has been at one of the lowest levels since 1994, another major setback to production in the North-West European region.

Raymond J. Learsy: [The Energy Solution That Dare Not Speak Its Name](#)

The level of self satisfaction among the oil industry players was palatable as if to say "We got the oil, we are going to get ever higher prices for it, and we even have a good story to go along with our bubbly good fortune. And to top it off everybody thinks we're good guys." As Phillip Verleger, the noted oil economist put it in an Aspen Idea's seminar, that oil prices are on the march to triple digits and not with a "1" as the first number, and all that within five years. The oil folks at the session could hardly contain their ear to ear smiles.

[U.S. official calls Japan's nuke spill minor](#)

The U.S. nuclear agency says a fire and spill of radioactive water at a Japanese nuclear power plant triggered Monday by a deadly earthquake posed minor problems and did not amount to a significant atomic incident.

(Interesting comments. I don't know what's sadder, the anger over the high electricity prices we Americans supposedly pay, or the shock at the suggestion we cut back.)

[Somali PM says he is 'not aware' of oil deal with China](#)

Somalia's interim prime minister said in an interview published Tuesday that he was not aware of a deal struck between Chinese energy companies and his government allotting them oil exploration rights.

Ali Mohamed Gedi's comments were interpreted by the Financial Times as signalling a potential internal power struggle within the Somali government, reporting that it had seen a document signed by Somalia's president granting two officials power of attorney to sign a production-sharing agreement with the Chinese state companies.

[Copper Thieves Die Trying](#)

Most copper thefts are nuisances, such as a recent rash at a Maryland youth baseball park that has left Little Leaguers without lights for night games.

But increasingly, thieves are turning to the highest-quality sources of copper -- power substations, utility poles and electrical boxes -- and turning over the easy-to-recycle wiring to scrap dealers.

[OPEC countries ignore West's agenda](#)

American drivers wince as they pull up at the pump to pay \$3 and more for a gallon of gasoline.

Our leaders respond by asking OPEC to produce more oil. Congress passes a ludicrous bill making it illegal for oil-producing countries to manipulate prices by withholding "our oil" from the market.

Washington apparently didn't note the recent statement of Saudi oil executive Sadad Al-Husseini: "There has been a paradigm shift in the energy world whereby oil producers are no longer inclined to rapidly exhaust their resource for the sake of accelerating the misuse of a precious and finite commodity.

This sentiment prevails inside and outside of OPEC countries, but has yet to be appreciated among the major energy-consuming countries of the world."

[An ill-equipped military raises doubts about future](#)

In retrospect, of course, it seems obvious that free market individualism would triumph

and because of this we tend to forget some other vital props that helped the US on its way.

Perhaps the most vital of these were the raw materials of the American continent particularly oil. It's easy to forget that easy access to the gushing geysers of a viscous, oozing black liquid were vital in propelling the US to its current position in global hegemony. Unfortunately, over the past decade, that flow has begun to slow. Although there is still quite a bit in the Gulf, and in Alaska, it is increasingly more difficult to get at and it is getting scarcer. Regardless of where you stand on concepts like "peak oil" (the idea that oil is a finite resource and already running out), no one can argue that the US is becoming increasingly reliant on the flow of oil from other parts of the world producer states like Iraq.

[On the Precipice: Energy Security and Economic Stability on the Edge](#)

Just under the radar of general public visibility a campaign has been waged for the past five or six years by geologists, scientists, economists, and former oil company executives to educate and inform all who would listen concerning serious supply issues related to the world's primary energy source: crude oil. Like most people, I had never heard of the term "peak oil" before 2003, and had not given any thought to the possibility of what might happen if the supply of oil were to plateau and subsequently decline. After reading literally hundreds of sources on the subject and interviewing some of the key figures in the field, my eyes were indeed opened.

[Kremlin finds renewed power from oil](#)

Flush with oil and gas wealth, Russia has acquired the economic might to inflict punishing wounds on British interests - if it so wishes.

[UN head: US should be at climate meeting](#)

Secretary-General Ban Ki-moon said he will ask President Bush on Tuesday to have a top U.S. official attend a high-level U.N. meeting on climate change in September because "American participation is crucially important."



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