



DrumBeat: August 19, 2007

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Topic: [Miscellaneous](#)

[Raymond J. Learsy: The Oil Patch Cheers On Hurricane Dean](#)

The price of crude oil is down some 8 percent since August 1. What the oil patch and every oil trader knows, one of the quickest ways to turn around this tumble is the drama of a good old fashioned hurricane in the Gulf of Mexico wending its way toward the Texas and Louisiana coasts. And Shazam! Here comes Hurricane Dean!

Hurricane Dean's every little ripple will be reported by the oil industry flacks and their willing mouthpieces in the media. The crescendo of ominous events will be forecast and analyzed, all with a unanimity of purpose leading to higher and higher oil prices. Whether the storm actually hits or not, one thing is sure. The mere specter of the event will have the oil industry and the oil trading community cheering, "Go Big Dean, Go".

[A free-for-all over oil money in Nigeria](#)

The fire burned strong for 45 days and 45 nights, blanketing the village with ash and torching the young cassava plants in Ada Baniba's field. As she weeded, the flames flared out of the leaking oil pipeline behind her.

It wasn't that no one could put the fire out. It was that no one would — not the oil company that owned the pipeline, not the government and not the villagers breathing the fumes.

The tale of Kegbara Dere's fire shows just how desperate the long-neglected communities of Nigeria's oil-rich river delta have become.

The average Nigerian still survives on less than \$2 a day, despite the country's \$20 billion rise in oil exports to the United States over the past five years. And so Kegbara Dere villagers saw the fire less as an environmental crisis than as a negotiating tool — risking their health, land and even lives to grab their bit of the spoils from the multinational oil companies that rule the region.

[Hurricane Dean heads for Jamaica after swiping Dominican Republic](#)

In Mexico the government called a state of emergency and state oil company Pemex

launched its hurricane response plan, shutting down production platforms and evacuating personnel, as Dean appeared headed toward its southern Gulf of Mexico oilfields and the refining center of Tampico.

[Sacked Iran minister warns of energy 'catastrophe'](#)

Iran's sacked oil minister has issued a parting warning to President Mahmoud Ahmadinejad, predicting a looming "catastrophe" in the Iranian energy sector because of high consumption, media reported Sunday.

"If we do not find a solution to the energy problem in the next 15 years, the country will face a catastrophe," Kazem Vaziri Hamaneh was quoted as saying at his farewell ceremony late on Saturday by the ISNA student news agency.

"I am ready to prove that if the fuel situation continues along current trends we will face an energy crisis in the future," he said. "The current pattern of consumption is a disaster for the country."

[Energy policy is kowtowing, not co-operating, critics charge](#)

Canada's approach paradoxical, puzzling. We sell more natural gas to the U.S. than we use.

[Oil giants rush to lay claim to Iraq](#)

The world's oil majors will descend on two key conferences about Iraqi oil next month, seizing their last chance to jockey for position before the expected passing of the country's hydrocarbon law sets off a scramble for its vast energy resources.

[India: Tough time ahead for refining & exploration companies](#)

The refining margins of Indian refinery and exploration (R&M) majors in the coming quarters is expected to be lower than the first quarter of the current financial year. And if oil majors want to end the fiscal in the black, then oil bonds are necessary. These are but some issues highlighted in a recent Merrill Lynch report in the backdrop of a fall in international crude prices.

[Oil-rich Kazakhstan soaring](#)

ONCE a provincial Soviet town known for its fragrant apples and snow-capped mountains, Kazakhstan's largest city, Almaty, is now engulfed in exhaust fumes and construction sites, an emblem of rapid progress choking on its own oil-fuelled economic

boom.

[China, Kazakhstan to Build Pipelines From Caspian Sea](#)

The leaders of China and Kazakhstan agreed to finance and build a network of pipelines to supply the world's fastest-growing major economy with oil and gas from the Caspian Sea region.

[Canada: Coal plants keeping the lights on](#)

A temporary shortage of electricity from nuclear reactors in Ontario is forcing the province to run its coal plants longer to keep the lights on, causing a spike in greenhouse gas emissions and a potential headache for Premier Dalton McGuinty.

[Texas Trader Admits Guilt in Iraq Oil-for-Food Fraud](#)

The trader, David B. Chalmers Jr., admitted that he and two companies he ran, Bayoil USA and Bayoil Supply and Trading, made millions of dollars in kickbacks to the Iraqi government — as well as huge profits — while trading oil under the \$65 billion aid program.

[When food makes fuel](#)

World agriculture is at a turning point: energy and climate change are re-defining the global food situation. As demand for affordable energy increases, along with greenhouse gas emissions, bioenergy is increasingly seen as an economically and environmentally sound solution. The growing potential of biofuels appears to create a substantial opportunity for the world's farmers in both industrialised and developing countries.

[A blend of new, existing energies](#)

Inexpensive power is important because it is what drives the economy. Low-cost power can give businesses a competitive advantage in the global economy.

So it came as good news that American Electric Power recently entered into a 20-year agreement to buy 100 megawatts of wind energy for customers of Indiana Michigan Power and another 100 megawatts for its Appalachian Power unit in Charleston, W.Va.

[Mud: building block of the future](#)

New homes built of mud or straw, with a lawn on the roof, sheep fleeces for insulation and heat from the ground or a boiler fired with sawdust – this is one vision of the future for our green and pleasant land.

[It sounds good, but turning garbage to energy has downsides, critics say](#)

Drastically reducing the amount of garbage going to landfills while creating a clean energy source in the process - it sounds like the perfect solution to the world's environmental woes.

But critics argue that the process of heating garbage to create a gas that can then be used to produce heat and electricity - a process known as garbage gasification - is an unsustainable solution to the problem of overflowing landfills that will ultimately cause more harm than good to the environment and human health.

[New Field for Earmarks in U.S. Goals on Energy](#)

Enthusiasts call it cutting-edge research on a crucial national priority. Critics of this new genre of federal spending call it “green pork.”

[European smart cars kick off national tour](#)

Popular in Europe, the ultra compact cars will be available for sale in the United States next year. Shunning national advertising, the distributors are taking pre-order reservations for \$99 online and during road show stops.

It's a "grass-roots" effort, allowing potential customers to see, touch and drive the two-passenger cars that start at prices under \$12,000, said Ken Kettenbeil, company spokesman.

[Hundreds protest in Myanmar over fuel price hike](#)

Pro-democracy activists led hundreds of people in a rare march through Myanmar's main city of Yangon on Sunday, in protest against an enormous hike in fuel prices last week.

Myanmar's ruling junta doubled key fuel prices on Wednesday without warning, leaving many urban workers unable to afford the cost of simply getting to their jobs.

[Hopes dim for 180 trapped miners in China](#)

More than 180 trapped miners in China have slim hopes of survival as the shafts they were working in are almost completely filled with the raging waters from a broken levee.

Officials said on Sunday operations in other coal mines in Shangdong province had been halted as a precautionary measure, a move angry relatives said should have been taken days earlier, underlining the country's reputation as the world's deadliest coal industry.

[Sri Lanka: Norochcholai power project will generate 3,000 jobs directly](#)

The balance requirement of around 65 per cent of the country's energy was provided by the existing Diesel-powered stations located in an ad-hoc manner around the country. The escalating costs of oil in the world market by the day, proved beyond doubt that the diesel-powered generator was not the panacea for the aggravating energy crisis.

[Federal lawmakers need to move now to make CTL fuel available ASAP](#)

Plenty of deep thinkers were crowded into the Coal To Liquids Coalition conference last week at Glade Springs, and while plenty of technical jargon was put out there, the real message was quite evident — federal lawmakers must get on board quickly for America to realize the multiple benefits the synthetic fuel offers to the U.S.

['N-deal no solution to India's energy crisis'](#)

Nuclear affairs analyst Praful Bidwai is not in favour of the Indo-US nuclear deal. Bidwai vehemently opposed the nuclear deal saying it was not a long-term solution to India's energy crisis.

"It is going to promote nuclear power which is a very dangerous, highly uneconomical and flawed source of energy which cannot be a long term solution to India's energy security issues. So I am opposed to the nuclear deal," Bidwai said.

[West Texas, UT system pushing for first-of-a-kind reactor in U.S.](#)

his small West Texas town that decades ago grew up out of the oil boom now wants to leap into the nuclear age.

Though years from becoming reality, a cutting-edge nuclear reactor — the first built on U.S. soil in 30 years — is being pursued not as a power source but as part of an energy research complex that could lead to advances in hydrogen power.

[Ex-nuclear plant gathers dust](#)

Eighteen miles south of Fayetteville, on the edge of the Ozark National Forest, sits a dilapidated monument to both the promise of nuclear energy and the problems it can create.

[Domestic demand set to drive Saudi Arabia's growth to 2010](#)

Domestic demand will be the main engine of growth in Saudi Arabia for the period 2007-2010, according to a report by the Riyadh-based Jadwa Investment.

The report, released recently, said that the megaproject implementation and broad liberalisation will push real non-oil private sector growth up to an average of nearly 8 per cent with growth being fastest in manufacturing, communication, finance and construction.

[Gaza power plant shuts down amid fuel shortage](#)

Gaza's main power plant shut down operations on Sunday after the plant said it had depleted its fuel reserves, despite a pledge from Israel to resume deliveries that were halted late last week.

Israel opened the Nahal Oz crossing in central Gaza to allow fuel into the Hamas-controlled coastal strip, but power plant officials said the private Israeli fuel company Dor Alon has yet to deliver any fuel.

[Jet fuel runs out at some Nunavut airports](#)

Airports in Rankin Inlet, Resolute Bay and Baker Lake are out of jet fuel, while the supply in Hall Beach is running low, according to a Nav Canada notice issued Thursday.

As a result, Calm Air had to turn back two flights that day, while the Nunavut government said it plans to fly in more fuel Friday to tide over the Rankin Inlet airport until its usual supply comes in by ship.

[Courage must fuel renewable energy](#)

Well, I would submit that all of this is because few of us really want to see energy prices rise to a point where alternative energy is directly competitive with traditional energy. Even though we know, in our hearts of hearts, that nothing serious is going to be done about any of these issues until the economics favor alternatives, we mostly cling to the notion that with the "right" policies, energy prices will drop -- they always have in the past and they well may well fall in the future. Therefore, why worry? Sure a few of us

have lowered the price of gasoline to \$1.50 per gallon by doubling our mileage with hybrid cars, but most of us still prefer traditional SUVs.

[Gulf oil companies prepare for deadly hurricane](#)

Gulf of Mexico oil and natural gas producers were evacuating offshore workers and shutting small amounts of production on Saturday as they watched powerful Hurricane Dean storm across the Caribbean Sea toward an entry into the Gulf next week.

Forecasts and computer models point Dean away from the paths taken by 2005's devastating hurricanes Katrina and Rita through offshore oil production areas and onshore refining centers.

Taking a lesson from Katrina, which defied forecasts showing it would confine its damage to Florida, companies with operations from the central to western Gulf continued pulling support workers who were not essential to keeping offshore production running.

[Conservationists Cannot Escape the Laws of Energy](#)

I came here to discuss energy conservation with several engineers from General Motors. We wound up talking about religion.

That is not as far-fetched as it seems. It has everything to do with the laws of thermodynamics -- that energy can be changed from one form to another but cannot be created or destroyed; and that in all energy exchanges, absent the addition or subtraction of energy from a given system, the potential energy of the changed state will always be less than that of the initial state.

[Russia Keeps World Leadership in Oil Extraction](#)

Russia retained the international leadership in oil extraction in June 2007, with a volume of 9.47 billion barrels a day, as reported by the National Statistics Committee Saturday.

[Russian gas production falls for 3rd consecutive month](#)

Russian natural gas production dropped for the third consecutive month in July, the Federal State Statistics Service (Rosstat) said on Thursday.

Gas production dropped 2.8% in July 2007 from July 2006. Gas output dropped 0.7% in June 2007 compared to June 2006 and 1.8% in May.

[Norway: Record low oil production in June](#)

The production of oil on the Norwegian Shelf in June was the lowest for the month in 15 years. The average daily production reached 1,866,000 barrels, against 2,604,000 a day in June last year.

[Amid crisis of waste, why not turn valley back to agriculture?](#)

How can Albuquerque survive a major economic downturn brought on by a confluence of drought, aquifer depletion, water pollution, an oil crisis and unpredictable weather patterns? Such a mess is on the way.

[The E.U.'s Wind Power Self-Deception](#)

Anyone who keeps half an eye on the world energy scene might have been seriously baffled by some of the recent news from Europe. Since the 1997 Kyoto Protocol agreement on climate change, no government in the world has been proclaiming its desire to save the planet from the evils of global warming more loudly than the European Union, now representing 27 nations.

The E.U. has pledged, for instance, to go far beyond its agreed Kyoto targets for reducing its CO₂ output, promising to cut its emissions by no less than 60 percent by 2050 (yes, you read that right: 60 percent, in little over four decades). To achieve this highly implausible goal, the E.U. particularly looks to generating its electricity from renewable sources; to this end, it has set itself a target of producing no less than 20 percent of its energy produced from renewables, as soon as 2020.

[Hundreds get naked on glacier to expose climate change](#)

Nearly 600 volunteers stripped before the camera on a melting Swiss glacier high in the Alps on Saturday as part of a publicity campaign to expose the impact of climate change.

[Climate protesters march at Heathrow airport](#)

Hundreds of climate change protesters marched near London's Heathrow airport on Sunday and pledged civil disobedience to draw attention to the impact of aviation on global warming.

Protest organizers say they plan to form a human chain at the site of a proposed third runway at the world's busiest international airport and to picket the headquarters of Heathrow's operator BAA through the night.



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