



DrumBeat: August 27, 2007

Posted by [Leanan](#) on August 27, 2007 - 8:58am

Topic: [Miscellaneous](#)

[Energy futures rebound on refinery woes](#)

The September gasoline contract led the way, reversing an early loss of more than a cent and gaining more than 5 cents on continued concerns about the impact of a mid-August fire at Chevron Corp.'s 330,000 barrel per day Pascagoula, Miss., refinery.

Trade media reports late last week said Chevron had canceled a 550,000-barrel Venezuelan crude order. The company has declined to verify that report, but did say, "we are working closely with our crude suppliers and expect some crude shipments may be canceled or rerouted to other refineries in our global network."

[Forecast for solar power: Sunny](#)

Solar power has long been the Mercedes-Benz of the renewable energy industry: sleek, quiet, low-maintenance.

Yet like a Mercedes, solar energy is universally adored but prohibitively expensive for most people. A 4-kilowatt solar photovoltaic system costs about \$34,000 without government rebates or tax breaks.

As a result, solar power accounts for well under 1% of U.S. electricity generation. Other alternative energy sources, such as wind, biomass and geothermal, are far more widely deployed.

The outlook for solar, though, is getting much brighter. A few dozen companies say advances in technology will let them halve the price of solar-panel installations in as little as three years. By 2014, solar-system prices will be competitive with conventional electricity when energy savings are figured in, Deutsche Bank (DB) says. And that's without government incentives.

If that happens, solar panels would become common home and business appliances, says Brandon Owens of Cambridge Energy Research Associates.

[The rise and fall of great space powers](#)

This upsurge of interest may represent the anxieties of the moment more than any real move in this direction, of course, and as a practical matter can do little to alleviate the causes of those anxieties. The plans are too long range to do anything about the price of oil this year or the next, or if the peak oil theorists are correct, the big crunch due in the next decade. Helium-3 may not be a practical energy source for decades, if ever, and in either case, a great deal of work likely remains to be done both lowering the cost of space launch, and reducing the size and weight of the payloads needed to get a space-based infrastructure up and running. (See "Diversifying our planetary portfolio", The Space Review, August 6, 2007) Still, if these or other such plans were realized they would mark the end of the time when space was just a critical node in terrestrial information flows, and the beginning of one in which space itself provides substantial, tangible, essential resources.

[Raymond J. Learsy: The Iowa State Fair, America's Energy Future. Better Over a Bushel Than Over a Barrel](#)

It is on the demand side of the equation where national leadership is lacking. Certainly one of the most effective and immediate ways to break our "oil addiction" is to legislate a cap on the nation's gasoline consumption and to fairly distribute the available gasoline through a rationing or a voucher distribution program. In spite of its many attributes given the manifold dynamic of our looming energy crisis, one can fairly ask who among the myriad of presidential hopefuls jousting through Iowa these past weeks even uttered let alone permitted the words "gasoline rationing" to pass their lips. Such is its perception by mainstream politicians and much of the media as being unthinkable policy, and politically anathema. Yet times they are a-changing! America's public may be well ahead of our politicians in comprehending that a sea change in direction is now imperative.

[How low can oil go?](#)

Fundamentals are in place to support the oil price above US\$60 a barrel, says economic analyst.

[King Coal: What It Costs Us](#)

Claims about a 250-year supply of coal won't stand up to scrutiny for long, either. Yes, the United States has more coal than any other nation. But we've been mining coal in this country for 150 years -- all the simple, high-quality, easy-to-get stuff is gone. What's left is buried beneath towns and national parks, or places that are difficult, expensive and dangerous to mine. The blunt truth is, if we're going to become more dependent on coal, more miners will die. How many mining tragedies will we accept in the name of "cheap" electricity?

[With coal production, cleaner skies could mean more landfills](#)

As the nation's coal-fired power plants work to create cleaner skies, they'll likely fill up landfills with millions more tons of potentially harmful ash.

[UK oil firms cheating investors, says Russia](#)

Russia stepped up the pressure on British-listed energy and mining companies yesterday with an influential Moscow regulator alleging that some of them were "cheating" investors by exaggerating their reserves.

[Iran sees no oil project funding problems](#)

Iran will not have problems financing energy projects, the caretaker oil minister said in recent remarks, despite US pressure and UN sanctions.

Iran is enjoying windfall oil revenues because of high crude prices but foreign firms are increasingly reluctant to do business with the Islamic Republic because of sanctions imposed in a row with the West over the country's nuclear ambitions.

'In the oil industry, we will not face financing problems. Of course there are some limitations in this regard, but they can be solved,' Jahan-e Eqtesad newspaper quoted acting Oil Minister Gholamhossein Nozari as saying.

[Dubai takes centerstage at Oil Barons Ball in Aberdeen](#)

'The message was loud and clear - forget Dallas, Dubai is the centre of the oil and gas world,' said Michael, who is now working on Dubai's fifth edition of the Oil Barons Ball to be held at Emirates Golf Club 9th November 2007.

[China: More funds to face 'vital situation'](#)

The central government will pour billions of yuan into special projects to help meet the country's energy-saving targets.

Local officials are also about to come under increased pressure to toe the government line to meet the targets, otherwise their political futures could be in jeopardy.

[Vietnam to tap new energy source of gas hydrates](#)

Vietnam will probe into gas hydrates, a new source of energy, found on seabed and continental shelf to replace the gradual exhaustion of its oil and gas reserves.

[Turkey measures wind energy amid shortage concerns](#)

The Ministry of Energy and Natural Resources is turning to alternative energy sources as a means of combating electricity shortages expected to hit the country in a few years, provided sufficient resources to satisfy the booming demand cannot be found.

[Nature trumps decades of effort](#)

Experts said that, in spite of major gains made since the 1950s in improving farming practices and controlling floods in the steep valleys of the Driftless Area, the storms show how difficult it can be to control such historic rains. With nature at its absolute worst, one of the few ways to save homes and businesses is to make sure they're built out of the path of floods in the first place, they said, adding that affected communities such as Gays Mills should consider that fact as they rebuild.

[The agonies of agflation: Fuel for the body and the car](#)

SHARING pain is usually deemed a good thing. So advocates of dishing out agony will be gladdened that the wallet-crunching pangs of car drivers filling up with petrol are now equalled by the wince-inducing stabs felt by shoppers piling up their supermarket trolleys. As oil prices stay high, wheat prices hit an all-time peak of over \$7.50 a bushel for December delivery at the end of trading in Chicago on Thursday August 23rd.

The soaring prices of bushels and barrels are not unconnected. The cost of agricultural commodities, just like oil and metals, has gone up sharply over the past couple of years. Aside from wheat, the prices of corn, rice and barley have all risen by over a third since 2005. Food prices around the world are rising so quickly that a new term has been coined to describe the ballooning price of breakfast staples and dinner-time favourites: agflation.

[Don't blame ethanol for the price of food](#)

A number of recent news stories and radio talk shows have claimed that higher corn prices due to the demand for ethanol are causing higher food prices. These reports are usually vague about the specific connection and usually have few if any facts that higher corn prices have influenced consumer food prices.

In fact, there is little evidence to link a rise in any food category to higher corn prices.

[Ethanol Industry Goes Into Spin Mode On Livestock Feed](#)

The one thing proponents of ethanol have been trying to sweep under the table during their endless drive to cram the fuel down our throats with endless subsidies and mandates is the fact that widespread use of one of our staple crops for fuel is going to make livestock feed more expensive. A cost that will, along with the rising cost of corn due to more of it being diverted to ethanol production, be passed on to those buying foods

So now the ethanol industry must do something to keep up their ag-friendly appearance and convince us all that the fuel isn't a pipe dream that will eventually do more to line the products of big-ag and big-biofuel moves-and-shakers than solve our fuel problems. Their answer? They put out propoganda about ethanol byproducts being used as livestock feed

[Ethanol offers clean energy source](#)

The first plant to produce ethanol fuel from biomass in Viet Nam is expected to come on line in 2008. Petrosetco deputy director Ho Sy Long spoke to Dai Doan Ket (Great Unity) newspaper about the project.

[Protesters defy junta crackdown in Myanmar town](#)

Around 50 members of Myanmar's main opposition party staged a protest march in a provincial town on Monday, witnesses said, as a major junta crackdown failed to stifle rare displays of public anger at soaring fuel prices.

[United Nations warns fuel price hikes could worsen Myanmar's economic situation](#)

The United Nations Monday warned fuel price hikes in Myanmar could worsen the country's precarious economic situation, as dozens of pro-democracy activists resumed their protests against the increase.

[UN rights chief tells Myanmar to release protesters](#)

Myanmar should immediately release about 65 protesters arrested earlier this month during a demonstration against fuel price increases, the top U.N. human rights official said.

[Junta Urges Monks Not to Protest](#)

Burma's military leaders have been trying to persuade monks in Mandalay not to take part in protests that began last week in response to a sharp rise in fuel and commodity prices, according to local monks.

[Sinopec posts sharp rise in profit as oil prices slip](#)

China Petroleum & Chemical, the biggest Asian oil refiner, said Sunday that its profit surged 66 percent in the first half of this year on rising demand for gasoline and chemicals and falling costs for crude oil.

[Kuwait records second largest surplus in its history, despite a huge increase in spending](#)

In its latest economic brief on public finance, National Bank of Kuwait reports that Kuwait closed the year on another massive budget surplus driven by high oil prices. Although down on last year's number, the 2006/07 surplus, at KD 5.2 billion before payments into the Reserve Fund for Future Generations (RFFG), was still the second highest in Kuwait's history.

[Stop Congress before it makes another big mess](#)

Congress is behaving just as it did in 1973 after the OPEC embargo. The same caterwauling about alleged obscene profits and price gouging that is being sounded today was reverberating 34 years ago, and Congress' response was to pass a series of laws that did little or nothing to enhance the nation's energy supply.

Instead, the heavy hand of government intervention distorted the marketplace and wasted billions of taxpayer dollars on impractical or uneconomical alternatives to conventional energy supplies. Sometimes referred to as a "travesty in five acts," our national energy policy in the early 1970s actually increased rather than decreased our dependence on foreign sources of supply.

[Mutiny Shakes US Food Aid Industry](#)

One of the largest international aid organizations in the world turned the food aid industry on its head recently by declaring that they will turn down 46 million dollars in food subsidies from the U.S. government. The United States budgets 2 billion dollars a year in food aid, which buys U.S. crops to feed populations facing starvation amidst crisis or those that endure chronic hunger.

But the U.S.-based CARE International has forfeited its substantial slice of the food aid pie that is the U.S. "Food for Peace" program, claiming that the way the U.S. government distributes food hurts small poor farmers in the very communities and countries the program is supposed to help.

[Local trucking company unveils new generation smog-free truck](#)

The new 2007 model trucks are equipped with a device known as a particulate trap, which filters out microscopic particulate matter known to be harmful to human health.

...The engines also use ultra low sulphur diesel fuel and have been designed to meet new government standards that mandate all new engines from 2007 onward must reduce smog and greenhouse gas emissions.

But being environmentally-friendly doesn't always come cheap. The trucks cost about \$8,000 more than last year's model without the environmental package and are a big investment for any company.

[Toyota wary of real consumer demand in U.S. for plug-in cars](#)

Toyota Motor, maker of the best-selling gasoline-electric car in the world, has said that extensive U.S. consumer tests are needed before it offers hybrids that can be recharged at household outlets for limited all-electric driving.

[The end of traffic jams?](#)

A remarkable study into the way millions of people will travel in the future reveals a world where cars drive themselves, people could be tagged so they are constantly monitored, and nearly all modes of transport can be run by computers rather than people.

[Kazakhstan suspends Kashagan oilfield](#)

Kazakhstan suspended work at the huge Kashagan oilfield for at least three months on Monday, raising the stakes in the long-delayed project developed by a consortium of Western oil majors.

The project's start-up delays and cost overruns have long irked Kazakhstan. It has threatened to revoke a permit held by an Eni-led group to exploit the Caspian Sea site, the world's biggest oil find in decades, over ecological concerns.

[Fire at UAE port's chemical depot put out](#)

Fire-fighters extinguished a blaze that tore through a chemical storage depot at Jebel Ali port in the United Arab Emirates on Monday, the second fire in two weeks at a cargo port in the Gulf Arab oil exporter.

[Peak Oil - less Govt revenue](#)

Governments like ours, that depend generally on taxes from Big Oil for their revenues to support the country's economy, then have to give more and more incentives to encourage Big Oil's exploration. Countries with the Dutch disease are caught in a Catch 22 situation since the exploitation of and returns from the natural resource are the unique drivers of the economy.

The revenues due to government, that reflect the new exploration and increased production costs funded by further incentives, will be consequently reduced. Peak Oil/Gas is reached then for such governments when change in revenue from taxes etc, with respect to corresponding change in production (i.e. marginal returns to government on production) is inconsequential.

[Gas down nearly 3 cents in 2 weeks](#)

The national average price for gasoline dropped about 2.9 cents over the last two weeks, according to a survey released Sunday.

[Cities block bulky homes on little lots](#)

Cities continue to rein in "teardowns" of old houses and the giant homes that replace them despite a housing slump that has slowed construction.

The outcry over huge new homes squeezed onto small lots has not let up. Residents are angry because expensive new homes raise property taxes. Neighbors resent the shadow they cast over their older, modest bungalows and ramblers. Preservationists say they destroy the historical character of neighborhoods.

[Doc displays 'Way to Go' in oil usage](#)

"What a Way to Go: Life at the End of Empire" is a documentary hardly named for the cliché words of encouragement, "way to go." While it may not be the type of film that pats society on the back, it aims to educate and even to warn.

[Merkel presses China on climate change](#)

German Chancellor Angela Merkel urged China on Monday to do more to halt climate change, prompting the response that the developed West has been polluting the skies for much longer than the newly developing Chinese.



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