



DrumBeat: September 3, 2007

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Topic: [Miscellaneous](#)

[The Energy Emergency](#)

Oil is America's Achilles heel. We are addicted to it. Every American consumer burns about double what a European consumes - 26 barrels a year for us, 12 for Europeans. We have 5 percent of the world's population and consume 25 percent of the world's oil, and we have only 3 percent of the world's reserves. If you think there is a gas crunch now, marked by the largest oil price spike in a generation, it will be a bagatelle when China and India bring a couple of billion more people on to their highways: They are replicating our love affair with the automobile. Expect them within a generation to buy 80 million cars.

[Labor Day just one of AFL-CIO's achievements](#)

America is at its tipping point. People are working harder and making less. We are in health crisis, and all of us worry about retiring in dignity. A good middle class life is increasingly out of reach for many hard working Americans. Who would have ever thought that our children might not be better off than their parents?

The America we built is starting to fall apart as global pressures, rising health costs, an energy crisis and a push to eliminate pensions threaten good jobs in America.

[OPEC keeps lid on oil output in Aug- Reuters survey](#)

OPEC, excluding Iraq and Angola, kept oil output little changed in August and supply from all members of the 12-nation group fell because of a drop in Iraqi exports, a Reuters survey showed on Monday.

[Thailand: Oil refiners agree to phase out LPG exports](#)

Oil refiners say they will co-operate with the Energy Ministry to stop exporting liquefied petroleum gas (LPG) or cooking gas and begin meeting rising local demand instead.

Each refiner has been gradually reducing LPG exports to help solve the shortage in the

domestic market, even though revenue from local sales is relatively lower than from exports, according to Chainoi Puankosoom, the president of the Federation of Thai Industries' oil refinery club.

[Funny thing happened at fuel queue the other day](#)

"WHAT'S news in Zimbabwe nowadays if one might pose a breathtakingly idiotic question?"

It surely must be the fuel shortage. Actually, to call it a shortage is an understatement. It should be termed a total disappearance of a petroleum by-product. Fuel has become so scarce that some of us have difficulties in imagining what it looked or smelt like.

[Indonesia: Conversion of kerosene to LPG](#)

Various regions subjected to conversion from the use of kerosene to gas stoves are facing kerosene scarcities, with people still queuing for the conventional liquid fuel.

[Urgency of nuclear power in Bangladesh](#)

Following the statement of G-7 countries in April, favouring nuclear power electricity as one of the three options for energy diversification, energy efficiency, and energy security, and to address climate change (nuclear power stations do not emit greenhouse gases, especially CO₂), there has been a softening of attitude towards nuclear power both in the developed and the developing countries. Recently, a number of articles supporting nuclear power in Bangladesh have appeared in the press.

[Israel: Disagreements, lack of funds threaten plan to curb pollution](#)

The plan aims to encourage the use of cars that consume less fuel and emit less pollution by altering the way vehicle taxes and fees are structured in order to make purchasing such vehicles more attractive. Currently, taxes are determined mainly by engine size; under the new plan, a vehicle's fuel consumption and emission levels would also affect the amount of tax.

The committee also plans to ban trucks from using main roads during rush hour.

[Australia: Climate protest shuts down power station](#)

Climate change protesters have shut down a significant part of Victoria's power

generation at the Loy Yang power station in Gippsland's Latrobe Valley.

Four protesters have locked themselves to a coal conveyor, and Loy Yang Power has shut down the 600 megawatt generator as a safety measure.

[French utility merger back on track](#)

Utility giant Suez SA and state-owned Gaz de France agreed to new terms for a long-stalled merger that would create a global energy giant minority-owned by the French state, an official said.

[Oil Near Four-Week High on Storm, Signs OPEC Will Freeze Supply](#)

Crude oil traded near a four-week high in New York as a hurricane headed toward the Gulf of Mexico and OPEC ministers said the group wouldn't increase production.

...Felix has become a "dangerous" storm with 165-mile-per-hour winds, making it a Category 5 hurricane, the highest and most dangerous rank on the Saffir-Simpson scale, the U.S. National Hurricane Center said. It was centered about 490 miles (790 kilometers) east of Cabo Gracias a Dios on the Honduras-Nicaragua border. The system was heading west at 21 miles per hour.

"It's a very strong hurricane, but the track is still uncertain," said Olivier Jakob, managing director at Petromatrix GmbH in Zug, Switzerland. "It is still too early to have full confidence that it will track to the Mexican Bay of Campeche oil fields."

[Mary King: Economic risk management](#)

We have not found any new gas reserves for sometime now and though we HOPE that there is more out there, the risk (probability) that there is no more is not zero. Surely we have to give new and more incentives for Big Oil to keep digging, keeping in mind as I demonstrated last week that we are now on the declining slope of marginal returns for gas. The people whom the population trust should be telling us about the risks and how these are being managed instead of saying to have faith and not to worry, be happy. These risks are aggravated by the global Peak Oil phenomenon.

[Norway: More oil reserves in the North](#)

The Norwegian Petroleum Directorate (NPD) has adjusted upwards by 20 per cent the estimates for how much undiscovered oil there is in the Barents Sea, NRK reports.

[Report: China planning expansion of oil refineries](#)

China is planning a major expansion of its oil refineries to help reduce reliance on imports and keep up with demand, a state-run newspaper reported over the weekend.

Plans call for the country to have 31 refineries by 2015, each with a capacity to process 10 million tons of crude oil a year (220,000 barrels a day), the Economic Observer reported. At the end of last year China had only nine facilities with similar capacity.

[Chinese oil companies ask for supply guarantee](#)

China's government is considering a request from private oil companies for a guaranteed supply of between 10 million and 20 million tons of fuel annually, to alleviate shortages.

As much as 80 per cent of private fuel storage facilities are now empty, said Zhao Youshan, head of the Petroleum Distribution Committee of China's General Chamber of Commerce.

[CNOOC to invest 15 bln yuan to build deep-sea vessel](#)

China National Offshore Oil Corporation (CNOOC), the largest offshore oil company, recently announced its ambitious oil exploitation plan at deep-sea areas. The company plans to invest 15 billion yuan to build a deep-sea oil fleet, the *Beijing Morning Post* reported.

“Building the oil fleet is only part of our plan to explore the oil resources in deep-sea areas,” said Zhou Shou, CNOOC vice general manager.

[Oil Minister Calls on Exxon and Conoco to Leave Venezuela](#)

Rafael Ramirez, Venezuela's Energy Minister and president of the state owned oil company PDVSA, called on US oil companies ConocoPhillips and ExxonMobil to leave Venezuela. Ramirez issued the call as he submitted details of proposed contracts relating to the final transition of companies operating in the Orinoco oil belt into joint ventures with PDVSA during a session of the National Assembly's Energy Commission yesterday.

[Exploitation of hydrocarbons in the State hands](#)

On the brink of the 21st century socialism, there is small room for a private stake in the domestic oil industry. This is true for the changes to the Constitution proposed by President Hugo Chávez. However, some loopholes may be a future chance.

[Nigeria: NNPC Restructure Saves Billions in Cash Calls](#)

The recent plan to restructure the Nigerian National Petroleum Corporation (NNPC) may bring Nigeria a step closer to reducing corruption in and pave the way for a mega state-owned oil company along the lines of those in Saudi Arabia, Indonesia and Brazil.

[Bangladesh: Power Generation – Going Nowhere](#)

A substantial part of PDB initiatives are going nowhere as Petrobangla did not agree to commit gas supply to at least eight large and medium plants capable to generate a total of 1700MW. Government has not yet given go ahead to coal exploration. Hence coal for power may not be available soon to create another option. Bangladesh can not easily adopt solar, bio or wind options to meet the huge deficit and increasing demand.

[Africa: Dealing With Africa's Resource Curse](#)

Oil is perhaps the most important lure, with competition between foreign states and companies to secure resources so intense it attracts more than 50 per cent of all foreign direct investment. In 2006, annual Foreign Direct Investment (FDI) raised to a historic high of \$38.8 billion, exceeding record levels of 2005 -- a growth of 78 per cent from 2004.

[British aid for Russian 'eco disaster'](#)

BRITISH taxpayers are expected to offer a £500m lifeline to a troubled Russian oil and gas project despite warnings that it is turning into an environmental disaster.

[The Oxford Energy Institute: A Successful Experiment in Producer-Consumer Dialogue](#)

The international petroleum industry underwent a fundamental change in 1973 with the rise in crude oil prices from around \$1-2 a barrel to around \$11 a barrel in the initial stage. Instead of concessions for drilling and production, which were granted to giant oil firms for 99 years and covered entire states, as well as crude oil purchase and sales contracts limited to no more than 10 giant western companies, members of OAPEC (the Organization of Arab Petroleum Exporting Countries) began to change this economic situation, which had remained in place for the first six decades of the 20th century. The oil exporting countries began to play a direct and vital role in setting petroleum policies by adopting production policies, which directly affected crude oil prices and changed the foundations of what set price levels.

[Kids, the fair, the future](#)

that in less than 30 years we will exhaust the planet's supply of oil. Their report emphasized that there is no Plan B and we are to expect "severe global food shortages, mass starvation, disease and overall breakdown of social and economic institutions" in as little as a decade.

Before that ever happens, though, we may suffer a fiscal implosion that would have the same effect as Peak Oil. Do people realize that the Federal Reserve's decision to print more than \$100 billion last month in an attempt to stave off a housing Armageddon just cheapens the dollar and hastens its demise?

The reality of other threats like global warming increased my melancholia. Most people are not aware of the dire future their children face, which makes me wonder: Would many parents have had children had they known what the future holds?

[European roads brace for onslaught of smaller SUVs](#)

With increasingly vociferous resistance by civic groups against using big, gas-guzzling SUVs for daily urban trips, carmakers are trying to position the smaller versions as green vehicles.

For example, the recently launched Citroen C-Crosser is on sale only with frugal diesel engines with a particulate filter that would make many mainstream cars green with envy.

[Will Chile's looming energy crisis spell ruin for one of South America's last wild places?](#)

Villages such as Caleta Tortel and the pristine landscape that surrounds them are now under threat from a plan by the country's largest electricity producer, Endesa Chile, to build a series of dams on Aisén's Pascua and Baker rivers as part of a vast hydroelectric project. In the face of vocal opposition from environmentalists, landowners, and local salmon farmers whose business depends on Aisén's pure water, the Chilean government must make a critical decision: Should Aisén's unique landscape be protected—and promoted through sustainable tourism—or should the powerful natural forces that created it be harnessed for the country's economic benefit?

[Firm hopes to get more ethanol from corn](#)

A company that has been making ethanol from corn for more than 20 years says its ethanol research should allow it to squeeze 27 percent more fuel from each acre of the crop.

[Is A Bioeconomy fueled by Biorenewables, Sustainable?](#)

his spring farmers responded to the ethanol industry's demand for grain by increasing their corn acreage by 19 percent over last year, according to U.S. Department of Agriculture estimates.

What if that happens again next year?

[India: The other oil crisis](#)

Edible oil imports are expected to surge 10 per cent in the new oil year that begins in November, despite the expectations of higher domestic output this kharif. This is a matter of concern, as the imports will be required at a time when global edible oil prices are on the upswing due largely to their diversion to bio-fuel production.

[Green light for fusion project](#)

The British-led team will use lasers to start fusion reactions that generate more energy than they consume and they have won the backing of an influential EU science panel, The Times can disclose. The decision paves the way for a seven-year, £500 million programme to construct an experimental reactor based on a revolutionary technique that could make fusion a commercial reality within two decades.

[Australia urges voluntary emission goals](#)

Australia's leader urged his Pacific Rim counterparts on Sunday to forge a new agreement on climate change — one that would reject binding targets for greenhouse gas emissions in favor of voluntary goals.

[Battle lines drawn on climate change at Asian summit](#)

Developing nations led by China are set for a bruising battle with the United States and Australia on climate change, a senior official at a key summit of Asia Pacific nations said Monday.

The veteran Southeast Asian foreign ministry official, who asked not to be named, said talks to craft a separate leaders' statement on climate change at this week's APEC are expected to be "bloody."

[New Times Atlas displays effects of climate change](#)

Creators of the Times Atlas have had to make significant changes to their latest edition because of changes to the world's landscapes caused by climate change, their chief said

Sunday.

Cartographers have had to redraw coastlines and reclassify types of land to reflect changes to geographical features like Lake Chad in Africa, which is now 95 percent smaller than it was in 1963.



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