



## DrumBeat: September 4, 2007

Posted by [Leanan](#) on September 4, 2007 - 9:05am

Topic: [Miscellaneous](#)

### [Futurist sees way to end world woes](#)

BUSINESSES will need to rethink their approach to growth and focus more on sustainability and innovation to save the planet, says futurist and author Thomas Homer-Dixon.

Homer-Dixon, from the Trudeau Centre for Peace and Conflict Studies at the University of Toronto, said the world was in the grip of five major stresses:

- Different rates of population growth for rich and poor countries.
- Energy scarcity.
- Environmental damage in poor countries.
- Climate change.
- The widening gap between rich and poor.

Speaking in Melbourne yesterday, he said the combination of forces resulted in massive upheavals and destruction.

"Societies get in trouble when there are multiple problems and multiple stressors," he said.

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### [Get Your Green on in Energyville](#)

Chevron launched an online, interactive game designed to fuel discussion about the origin of our energy.

Energyville lets players select different energy sources to power their cities. They can choose from biomass, coal, solar, natural gas, petroleum, nuclear, wind or hydroelectric energy to run factories, light office buildings, and keep transportation and shipping moving along.

The game calculates the economic, security and environmental costs of each choice, and then calculates an energy management score. Next, the game reveals how the choices will impact the city in 2015 and 2030, a time at which Chevron calculates global energy demand will have risen by 50 percent.

### [GM posts surprise sales gain](#)

GM said its sales of cars and light trucks, such as SUVs and pickups, rose 6 percent in the month to 385,529 vehicles. Car models saw a nearly 8 percent drop in sales, but that was outweighed by the the 16.5 percent jump in light truck models.

### [3 court cases for climate change](#)

Even without a nationwide greenhouse gas law, environmental groups are going after polluters for causing global warming.

### [Farmers markets feed the 100-mile diet](#)

If the food hasn't been grown within 100 miles of where we live -- we won't buy it. That is the pledge concerned foodies across the country are taking for the entire month of September.

### [Reach for the sky: Could flying wind farms help beat global warming?](#)

A helicopter that doubles as a wind turbine. Or, to give it its technical name, a FEG (Flying Electric Generator).

### [Ethanol makers pursuing avenue 'Q'](#)

A new microbe being used by biofuel leaders has the chance to change the way ethanol is produced.

### [Fuel for thought](#)

The drought and harsh winter have led to significant price rises in fruit and vegetables but these are short-term compared to the impact some global forces could have at the farm gate.

When visiting food industry figure Guillaume Bastiaens told a gathering of his Australian counterparts in Sydney that he had never seen anything like it in his 39 years in the game, he wasn't referring to the quality of the city's restaurants or produce.

The vice-chairman of US company Cargill was talking about the global impact of biofuels on agriculture and food prices.

## [The Dangers of Certitude](#)

One question we asked these journalists was “what do you see as the greatest weaknesses in the peak oil argument?” Half of their response—“the resource is larger than the pessimists think”—likely will not surprise you. The other half may: “It’s the sense of certainty conveyed about many of the issues.”

Our hosts had good working familiarity with history of peak oil forecasting, including the flawed early calls. With decades in the business, they had also seen dozens if not hundreds of oil and gas price forecasts miss the mark. In short, experience has taught them to be mistrust forecasts about anything. Soothsaying strikes these writers as a smug and dangerous practice.

Having followed the peak oil discussion for twenty years, we share this concern. In our opinion, excessive certitude may be the soft underbelly of the peak oil movement.

## [A New Push to Regulate Power Costs](#)

More than a decade after the drive began to convert electricity from a regulated industry into a competitive one, many states are rolling back their initiatives or returning money to individuals and businesses.

...Of the 25 states, and the District of Columbia, that had adopted competition, only one, California, is even talking about expanding market pricing.

The main reason behind the effort to return to a more regulated market is price. Recent Energy Department data shows that the cost of power in states that embraced competition has risen faster than in states that had retained traditional rate regulation.

## [Australia: Petrol hike outstrips global rise](#)

PETROL price hikes at the bowser have outstripped the surge in global oil prices by about 15c a litre, as local oil companies post record profits.

Consumer watchdog the Australian Competition and Consumer Commission yesterday heard a submission from the NRMA in Sydney that margins for oil refiners, distributors and retailers were growing while motorists were being squeezed.

## [Australia: Caltex admits trying to push petrol price up](#)

Caltex tried to move the price back up directly, by instructing its own sites to do so, and

indirectly by withdrawing price support from its franchise sites.

### [A fuel pinch: Iran, Jordan and Syria each need to cut fuel subsidies](#)

The flip side of the Middle East oil boom has been the exponential rise of the costs that most of the region's governments have faced in subsidising domestic energy demand – which is growing by more than 5% per year across the region. However, tackling these subsidies comes at a political price, as the governments of Iran, Jordan and Syria have recently become painfully aware. In Iran, the imposition of gasoline rationing provoked sporadic riots and has contributed to the increase in tensions within the government, as reflected in the recent replacement of the oil and planning ministers and the central bank governor. The Jordanian finance minister recently resigned after he was prevented from raising gasoline prices, and the Syrian government is bracing itself for a backlash as it prepares to announce steep increases in fuel prices.

### [Postponing is a Correct Choice and Modifying the Decision is a Must](#)

Circles within the Syrian government announced yesterday that the government would postpone its decision concerning re-offering subsidies of energy prices in Syria, or, as most Syrians see it, stopping the government's support of prices of the basic fuel materials, till more talks and discussions, as well as surveying opinions of the Syrian citizens.

### [More than 1000 march in Laputta](#)

More than 1000 people took to the streets in the Irrawaddy town of Laputta today, to protest the Burmese military's recent decision to drastically increase fuel prices.

### [Nepal: Oil subsidy to continue till CA polls](#)

The government has expressed readiness to cover the oil losses of Nepal Oil Corporation (NOC) for the next three months in order to address the current oil crisis and ensure normal supply of petroleum products till the constituent assembly polls conclude.

### [Sinopec sees profit squeeze from expensive crude and domestic price controls](#)

China Petroleum & Chemical, Asia's biggest refiner, may extend losses from processing oil unless the cost for a barrel of the fuel falls below \$64, two company officials said.

Domestic fuel prices have been kept below global levels by the government, causing refining losses for China Petroleum, one of the officials said Friday in Shanghai, asking not to be identified because of company policy.

### [China: Authorities wary on oil price reform](#)

The mainland on Tuesday said it would be a gradual and long process to fully link its domestic fuel prices to international markets, in a bid to protect vulnerable consumers such as farmers and urban poor.

“Reform of China’s fuel prices is a subject worth serious studies,” Chen Deming, vice-chairman of the National Development & Reform Commission told a news conference. “We can’t possibly achieve that in one big step.”

### [Additional gasoline for private cars: Iran Ministry](#)

The Iran government has agreed to allocate 100 liters of additional gasoline for facilitating the travel of families on the eve of the new school year (starting September 23).

Oil Ministry’s Caretaker Gholamhossein Nozari said families should not be worried about the shortage of gasoline, as the government aims to minimize their problems, Fars News Agency reported.

### [Argentinean natural gas cuts continue to curtail Chilean methanol production](#)

Argentine gas has been in short supply since 2004 as demand has risen faster than production and the replacement of reserves. During the winter months (late May to mid-August), the country ran a deficit of 2,000 MW, or 10% of peak demand, and 40 million cu m/d, or 30% of average demand, on cold days.

The effect that the shortage has had on petrochemical production in Argentina and neighboring countries has been widespread.

### [The Philippines: The coming power crisis in the Visayas](#)

The economy is growing at a higher rate than expected. This means increased consumption of fuel and electricity. Some concerned representatives of the electric power industry in Cebu are already sounding the alarm.

### [Organic crisis as farms face high feed prices](#)

RISING feed costs are forcing nearly half the organic livestock farmers in England and Wales to consider reducing stock numbers, or even abandoning organic production.

### [Can India reduce its energy consumption](#)

The Ministry of Petroleum & Natural Gas over the years has been making concerted efforts to accelerate exploration and production of oil and natural gas in India.

### [Sri Lanka to produce oil by 2010](#)

Petroleum and Petroleum Resources Development Minister A. H. M. Fowzie yesterday disclosed Sri Lanka will be able to produce its own crude oil by the year 2010 from oil exploration in the Mannar basin.

Eight blocks in the Mannar basin have already been identified to commence oil exploration activities. Of these eight blocks, two blocks have been given to India and China.

### [Gazprom to get Karachaganak gas only in 2012](#)

Russia's gas export monopoly Gazprom will not gain access to gas from the huge Karachaganak field in Kazakhstan before 2012, the company said on Monday, disclosing the timeframe for the first time.

Gazprom is counting heavily on imports of gas from Central Asia as its own production stagnates and new fields are not expected to come on stream before the middle of next decade amid rising demand for gas in Europe and at home.

### [Analyst: Increased Research Less Effective than Partnerships](#)

Increased investment in research by Mexico's national oil institute (IMP) as stipulated in the new fiscal reform proposal for state oil company Pemex should not be oversold, according to George Baker, research director of Houston-based consultancy Energia.com.

..."I have a bigger budget, can I write a better novel? Probably not. We're talking about what has to happen to make creativity and technological advancement possible. You have to ask the question whether with all this new money they would just be reinventing the wheel, with what oil companies already know," Baker said.

### [A new proposal for the old Maine Yankee site gets a mixed local reaction](#)

The plant would use coal and a small amount of biomass — think waste lumber — to

generate electricity in a process Houldin says is more efficient and cleaner than traditional coal-fired power plants. The plant would not be "burning the coal," Houldin makes clear, but "gasifying" it, a process that breaks down coal or any other carbon-based feedstock into its basic chemical components and produces synthetic gas known as "syngas," which is burned to create electricity.

### [EU climate flight plans 'deluded'](#)

European Union proposals to reduce the climate impact of flying will not work, a report concludes.

The EU plans to include aviation in its Emissions Trading Scheme (ETS).

But analysts at the Tyndall Centre, a prestigious UK climate research body, say this will have minimal effect without a major rise in carbon prices.

### [Ethanol, wind energy stand to benefit from energy bill](#)

Congress returns to work this week with unfinished business important to some growing sectors of Iowa's economy - fuel ethanol and wind energy.

### [China bans new gas-fed methanol plants to cut down on pollution](#)

China's top economic planner has banned new natural gas-fed methanol projects, as well as several other types of plants, in an attempt to prioritize gas for city consumption to cut pollution, the National Development and Reform Commission (NDRC) said in an announcement late yesterday.

In addition to new natural gas-fed methanol projects, the policy also bans new gas-fired power plants near big coal mines and new liquefied natural gas (LNG) projects with gas sourced from medium and large gasfields.

### [Richard Heinberg's Museletter - Peak Everything](#)

During the past few years the phrase *Peak Oil* has entered the global lexicon. It refers to the moment in time when the world will achieve its maximum possible rate of oil extraction; from then on, for reasons having mostly to do with geology, the amount of petroleum available to society on a daily or yearly basis will begin to dwindle. Most informed analysts agree that this will happen during the next two or three decades; an increasing number believe that it is happening now - that conventional oil production peaked in 2005-2006 and that the flow to market of all hydrocarbon liquids taken together will start to diminish around 2010. The consequences, as they begin to accumulate, are likely to be severe: the world is overwhelmingly dependent on oil for



transportation, agriculture, plastics, and chemicals; thus a lengthy process of adjustment will be required. According to one recent U.S. government-sponsored study, if the peak does occur soon replacements are unlikely to appear quickly enough and in sufficient quantity to avert what it calls "unprecedented" social, political, and economic impacts.

### [Fuel Oil Beats Gasoline, Diesel on Shipping Demand](#)

Fuel oil for the first time in two years is rising faster than gasoline, jet fuel and diesel, increasing the cost of ocean freight and electricity.

Demand for the fuel used in marine engines and power plants is accelerating because the world shipping fleet is growing at a record pace. Refiners are selling less fuel oil, the residue from refined crude, as they invest \$20 billion over the next five years in more-profitable products.

### [India: 2 gas-based power plants on cards](#)

Power Minister Aleixo Sequeira said that the government shortly proposes to call for Expression of Interest for two power generating plants of 250 mw each. Being the cleanest and cheapest fuel, the government would prefer to use gas instead of coal and naphtha, he said talking to reporters in the Secretariat. Sequeira said the government wants to ensure that the State doesn't suffer due to the shortage. As reported earlier, the power situation is turning grim with the State facing a deficit of 40-50 mw per day from 7 pm to 11 pm. The State is paying heavy for overdrawing power from the grid during this period.

### [OPEC Unlikely to Raise Production at Sept 11 Meeting](#)

The distinct possibility of current market turmoil hitting energy demand will stop OPEC ministers from increasing production quotas next week, analysts said.

If OPEC was to raise supply at a time when prices are vulnerable to weakness because of increasing risk aversion, oil would almost certainly fall, they said, making a production increase a less attractive option for ministers whose income relies on the commodity.

### [Gas Attack](#)

Burma's natural resources would provide a more prudent government with enough cash to plug its fiscal holes, bring inflation under control, and start making infrastructure investments. Large and exploitable natural-gas fields in the Gulf of Martaban and the Bay of Bengal could deliver income of around \$2 billion a year for the next 40 years. Most of that gas is exported to Thailand, but supplies about to come online are currently subject to a three-way bidding war between China, India and South Korea.



But the deal is already starting to go downhill. China thus far has not offered the highest price for the resources but is likely to win the bidding anyway. The junta apparently is prepared to sacrifice desperately needed revenue to thank China for vetoing sanctions against it this year at the U.N. Security Council.

### [China: Policy on natural gas streamlined](#)

China has enacted a new industry policy on natural gas use to address the supply shortage and optimize usage, the nation's planning agency said yesterday.

The guideline says residential gas use is a top priority, while usage in petrochemical plants is discouraged, the National Development and Reform Commission said on its Website.

### [China Cosco to Buy Dry-Bulk Fleet for \\$4.6 Billion](#)

China Cosco Holdings Co. will buy the world's largest fleet of dry-bulk ships from its parent for 34.6 billion yuan (\$4.6 billion) in cash and stock to take advantage of rising imports of iron ore, coal and grain.

### [More Mideast-China investment 'hampered by culture'](#)

Greater investment between the Middle East and China is being hampered by a lack of understanding between the two cultures, a conference in the United Arab Emirates heard on Monday.

The warning came despite trade between the two doubling since the year 2000 and projections of massive investment by some Middle Eastern states in Asia over the next five years -- with most of that money going to China.

### [Forth crossing 'must be multi-use'](#)

A PARLIAMENTARY motion demanding a new Forth crossing that can include light rail yesterday won universal support from Scottish business groups.

The motion, supported by Des McNulty, Labour's transport spokesman, said:

That multi-use transport options should feature more prominently in the Forth Replacement Crossing Study (FRCS).

That a road-only crossing would be "short-sighted" and "does not adequately address issues of growing traffic congestion".

...It also noted the possibility of "peak oil" - the time when global oil supplies begin to drop - being reached in the next ten years.

### [Geothermal loops to save school money](#)

Players scrimmaging on the football field at the Circle of Nations School probably have no idea they're trampling over parts of the campus cooling-and-heating system.

But there's no worry that their cleats will cause any damage – loops for a geothermal heating and cooling exchange are buried deep underground, where consistently mild temperatures help to significantly reduce energy costs.

### [Refinery to shut down in October for a month](#)

One of Colorado's two refineries in Commerce City that turn crude oil into gasoline and diesel will be shut down for a month beginning Oct. 1, possibly squeezing fuel supplies and pushing up prices at pumps.

Owner Suncor Energy said the planned shutdown for maintenance work has been scheduled for October because that month typically sees low demand for gasoline from drivers.

But a refinery customer, Gray Oil Co., a wholesale buyer of gasoline and diesel, is concerned. Shutting down the refinery could hamper fuel supplies that already are tight, said Bryant Gimlin, energy risk manager at Gray Oil.

Also, given this year's expected bumper crop of corn in October, the shutdown could make it hard to meet diesel demand from truckers.

### [The Global Economy: From Capital Markets to the Price of Oil](#)

The facts show that demand outstripped supply in the first five years of this millennium, except for 2002. Other than that, supply has always outstripped demand. Average daily supply reached 80.14 million barrels and demand was 79.88 million barrels. Between 2001 and 2005, supply grew by 2.2% and demand by 1.95% annually. These figures shed suspicion over the reasons why oil prices have risen world-wide and their real state was concealed, with the goal of siphoning off oil reserves in order to float the "greed" of the US market with a weak dollar in the face of major currencies - thus affecting those regions using the Euro, the UK, developing countries (foremost among them China and India), as well as Japan. This hiked up the price of production.

### [Oil rises on hurricane concerns](#)

"Market participants are keeping an eye on Hurricane Felix, but at this point it doesn't really look like it'll affect oil and gas facilities in the Gulf of Mexico, and also, it has weakened to a Category 4 storm," said Victor Shum, an energy analyst with Purvin & Gertz in Singapore.

..."But the hurricane is a reminder to everybody that we're entering the peak hurricane season, so the crude oil futures market continues to face upward exposure."

### [Crunch Time - Kunstler](#)

I haven't changed my view of what is happening to us. We have run out our string of stunts and tricks in the money rackets. We've spent our legitimacy. The rest of the world will strive mightily to get free of their obligations to us, including their respect for the value of our currency. The meta-cycle of suburban development, including the "housing" and all its accessories in roads and chain stores, is hitting the wall of peak oil. The suburban build-out is over. This will come as an agonizing surprise to many. The failure to make infinite suburbanization the permanent basis for an economy will rock our society for years to come. Hundreds of thousands of unemployed men with pick-up trucks and panoplies of power tools will feel horribly cheated. I hope they don't start an extremist political party when the re-po men come to take their trucks away.

### [A letter to President Bush regarding "The Surge"](#)

I have a feeling President Bush is fully aware of Peak Oil and the stakes on the table for America. I think he was speaking from his heart when he said in his State of the Union Address, "America is addicted to oil!"

I even have a hunch that every morning President Bush is in the Oval Office he fires up his computer and can't help but sneak a peek at [www.energybulletin.net](http://www.energybulletin.net) to check out the latest Peak Oil news.

### [Europe photovoltaic capacity seen tripled by 2010](#)

Installed capacity of photovoltaic systems, which turn sunlight into power, will triple by 2010 to 3 gigawatts (GW) in Europe due to efforts to fight climate change, the sector's industry association said.

### [Seacoast Sustainable Living Community](#)

What if there wasn't enough fuel left to get all that great California produce we squeeze in the supermarket or if the fuel was just so expensive, we couldn't afford that delicious orange? Not finding the food we need might be just one consequence of "peak oil" which,

according to The Community Solution, is that point at which we will be extracting the most oil per day from the ground than we ever will. And it will all go downhill from there. Soon we won't be able to afford the fuel that gives us our food, our widgets, our machines — so many things. That time might even be next year.

### [Against the grain](#)

Although technologies like solar and wind power may have entered the mainstream, it's questionable whether the spirit that guided their development — a fully sustainable future — has. Despite the amount of 'green noise', campaigners claim, not enough solid change is taking place....and time is running out.

### [China asks leeway on greenhouse gases](#)

China said Tuesday it was working hard to increase its use of renewable energy, but needs to be given some leeway in the global effort to reduce greenhouse gases.

China's contribution over time to climate change has been relatively small, an economic planning official said when asked about China's attitude toward the focus on the issue at a meeting of Pacific Rim nations in Australia this week.

### [Climate activists chain themselves at Australian port](#)

Climate change campaigners chained themselves by the neck to equipment at the world's biggest coal port Tuesday in a protest ahead of a summit of Asia Pacific leaders, officials said.



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