



DrumBeat: October 3, 2007

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Topic: [Miscellaneous](#)

[Hefty GM hybrids could boost automaker](#)

General Motors took a major step forward last week in its bid to boost its fading fortunes, but it's probably not the one you're thinking of.

True, GM clinched a new four-year labor contract with striking United Auto Workers that, if ratified by union members, could put the automaker on more even footing with its Asian rivals. But in a less noticed-move that ultimately could prove nearly as important, GM provided new details about the industry's first full-size hybrid gas-and-electric-powered sport utility vehicles, which will appear on dealers' lots in late December.

[Global warming expert James Hansen addresses Nobel Conference](#)

He used charts with measurements and calculations to show how the ice sheet disintegration at the poles will speed up and likely raise sea levels to depths not seen for millions of years.

Hansen says that would threaten the east and southeast coasts of the U.S., nearly obliterating Florida. European cities like Amsterdam and Copenhagen will also be threatened, along with the coast of China and almost all of Bangladesh.

[Kentucky: Gas Gouging Lawsuit Goes To State Court](#)

Attorney General Stumbo's suit charges that Marathon and Speedway SuperAmerica violated Kentucky's price gouging law and Consumer Protection Act during the state of emergency following Hurricanes Katrina and Rita in 2005. Kentucky is the first state in the nation to file suit protecting its citizens against price gouging by a major oil company.

[ConocoPhillips sees production drop](#)

Integrated oil giant ConocoPhillips said Wednesday it expects to report sharply lower

refining margins during the third quarter, even as it enjoys near-record high crude prices.

The company said it produced the equivalent of 180,000 barrels of oil less last quarter than it did in the second quarter. It attributed the declines to the seizure of its Venezuela operations, damage to a pipeline in the United Kingdom, and planned work stoppages at other facilities.

[India: Oilcos told to share cost of terror security](#)

Private oil companies on undersea oil hunt will have to share the government's cost of providing security to men and infrastructure such as floating platforms and specialised vessels they deploy off India's shores.

The government's decision comes in the wake of mounting terror threats, which have made guarding the country's offshore assets an expensive proposition as more and more firms set sail in search of hydrocarbons treasure.

[Great awakening ahead for gas guzzlers](#)

As Americans surveyed the damage wrought by hurricane Katrina in 2005, Bill Ford Jr, then Ford Motor's chief executive, made a dramatic speech declaring a national energy crisis. With much of the Gulf of Mexico's oil infrastructure knocked out, he called for a White House summit of oil and automotive bosses for a national dialogue on energy security.

Politicians and industry, in spite of graphic evidence of the costs of the US's carbon-intensive economy to human life and their own profits, did not respond, least of all to calls for a petrol tax. Two years later, gasoline remains the cheapest liquid on sale at most American filling stations, costing less per gallon than milk, coffee or mouthwash.

[It's the Oil and Gas, Stupid](#)

World leaders may be condemning the junta's crackdown, but foreign businesses don't want to lose their pieces of Burma's energy pie. Why the latest sanctions are unlikely to work.

[Inflation and the Federal Reserve](#)

The most predominant type of inflation is natural and occurs as raw materials are used up and must be replenished. It's akin to the law of diminishing returns, or entropy, and is overcome by technological innovation. Another type of inflation is expressed through

constantly changing conditions of supply and demand, including the fluctuating cost of labor. Yet another type results from the predatory pricing practices of monopolies such as the worldwide oil cartel which has jacked up the cost of petroleum to over \$80 a barrel.

[Zambia: State Assures Nation of Quick Action On Petrol](#)

ENERGY and Water Development Minister, Kenneth Konga, yesterday assured the nation that the Government was working hard to ensure that authorities start pumping the 60,000-tonnes crude oil from Tanzania to Zambia to end the fuel shortage that has hit parts of the country.

[ICA Fluor To Build 2 Pemex Platforms As Oil Drilling Rises](#)

Mexico's total number of oil and gas rigs was 85 in August, up sharply from 76 in the same period of 2006, according to Baker Hughes, an oil services firm that monitors the global rig market. Mexico's active oil rigs reached 69 in July, the highest number since Baker Hughes began collecting rig data in 1995.

Tax reforms in 2006 freed up extra capital for the company to invest in exploration and production.

[Jamaica: Energy plans key to economic growth](#)

Were the US economy to return to stronger growth, we could well see oil prices reaching to over US\$90 per barrel which some analysts had forecasted. We should therefore accelerate efforts to address Jamaica's energy situation.

[Kazakhstan fines Chevron oil venture over ecology](#)

Kazakh Ecology Minister Nurlan Iskakov said on Wednesday the government has imposed a \$609 million fine on the Chevron-led Tengizchevroil (TCO) oil venture over ecological and other violations.

[Nigeria charges two Germans over oil delta images](#)

Nigeria charged two German men on Wednesday with breaching its Official Secrets Act and endangering national security by taking photographs and video footage of oil facilities in the Niger Delta.

[RFA: Cellulosic Ethanol Close to Becoming Reality](#)

Seeking to educate Capitol Hill staff, administration officials and members of the media about the realities of cellulosic ethanol production in the United States, the Renewable Fuels Association today will host an education seminar entitled "Cellulosic Ethanol: The Future is Now."

[Diesel prices spike in North Dakota](#)

North Dakota farmers and truck drivers are feeling the pinch of low diesel supplies and high prices.

The shortages have sent prices soaring. Diesel hit a record-high in Grand Forks over the weekend at about \$3.42 per gallon.

"It's killing me right now," said Mike Kyle, who runs a small trucking business out of Langdon. "It's impossible (to make ends meet). I'm going broke."

[Video: Diesel Fuel Shortage Hurting Farmers](#)

North Dakota Agriculture Commissioner Roger Johnson says the eastern part of the state is being hit the hardest because it's at the end of the pipelines.

[Saudi Aramco raises October 2007 LPG prices to a record](#)

Saudi Aramco, the world's largest state oil company, boosted prices of liquefied petroleum gas to a record in October in line with higher crude oil costs as demand increased from China and Japan.

[Gazprom-Ukraine rift threatens EU gas supply](#)

Fears of a new energy crisis in Europe were mounting after Russia threatened to cut gas supplies to Ukraine just two days after an election that could see a pro-Western government formed in Kiev.

[Kenya: Oil Prices - Country And Africa Are in for a Crude Awakening](#)

Kenya's dilemma is what it will do when the strongest nations start grabbing all the oil. It should assume a world of just two products - oil and blood - where more blood will be spilt for the sake of oil.

[Russian oil industry: Foreign, domestic interests](#)

At present the Russian leadership is aiming to increase state control over oil production and to focus on the development of the domestic market. This strategy may hamper efficiency.

[Iraq's KRG signs four more oil deals](#)

Iraq's Kurdistan Regional Government has announced four more controversial oil deals, despite Baghdad's condemnation, and says more are on the way.

[Oil versus monks](#)

America is hungry for Iraq's oil. Burma is all about oil too. China and India are hungry for Burma's oil. America loved the Iraqi dictator for as long as the dictator was in America's economic interest. China and India love the Burmese military junta because the junta has promised them oil (and gas).

[Oil War Feared Between Uganda and DR Congo](#)

FARDC soldiers patrolling the lake attacked an oil exploration barge belonging to Canada's Heritage Oil Corporation and killed a British seismic engineering survey team leader, 31 year old Carl Nefdt. The Ugandan army retaliated and a Congolese soldier died in the 15 minute shoot out while a Ugandan soldier was wounded.

Since then, tension has been mounting along that part of the Uganda-Congo frontier that runs north-south down the 160 kilometer long lake - although the alignment of the border has never been precisely defined.

[Film review - A Crude Awakening: the oil crash](#)

A Crude Awakening bats at a higher level than most environmental films, partly due to its heavy hitting talking heads. From a former Exxon consultant to the director of Shell, the men in the know finally talk candidly about the future of our love affair with the black stuff.

An informative and hard edged film, but not a unique or charismatic one. Unfortunately this film has failed to aim directly at its target audience, too samey for the environmentalist, too information heavy for the idle consumer.

[ADM Says No Cut in Corn Processing](#)

The chief financial officer of Archer Daniels Midland Co., one of the nation's biggest

ethanol producers, said Tuesday the agribusiness giant has not cut its seed processing capacity because of falling demand for the biofuel.

However, Doug Schmalz suggested the Decatur, Ill.-based company may shift production of corn, the main ingredient in U.S.-produced ethanol, toward other applications, such as corn syrup for the food industry. The company's goal, he said, is to maximize as much profit as possible from each kernel of corn.

[Technology, finance combine to fuel Asian green energy hopes](#)

The marriage of innovative technology and financing have led to a spread of energy efficient projects that are improving the quality of life for some of the poorest people across Asia.

[Oil-rich Norway must play bigger climate role-minister](#)

Norway must play a leading role in the fight against climate change because its wealth is based on oil and gas production, the country's new energy minister said on Tuesday, urging the industry to do more on the environment.

[Hot, parched and sinking - apocalypse Sydney](#)

Britain's chief scientist, Sir David King, said there was no choice but to adopt globally binding greenhouse gas emissions targets. "I do not understand how we can manage a global problem with an aspirational set of targets. It is all very well to say 'Well, we did our best and we didn't manage it', but we are all going to suffer," Sir David told the *Herald*.

[The Oil Price & the Fed Rate Cut Spell a Bull Market for Energy Stocks & Precious Metals](#)

The Peak Oil paradigm is beginning to gain traction. I have taken quite a bit of heat for this view – from many quarters – but I have stood with the concept through thick and thin.

And now, if you still don't want to hear it from me, no less an authority than America's first Secretary of Energy and former Director of Central Intelligence James Schlesinger recently noted at an international conference on the subject of energy, "The battle is over, Peak Oil is now accepted as inevitable, and the debate only becomes as to when."

This is a remarkable statement, coming from one of the most "inside" of U.S. political insiders. Here are the long-term trends that you should expect to see...

[Saudi Arabia to host third OPEC summit at presidential level](#)

Saudi's King Abdullah invited heads of member states of the Organization of Petroleum Exporting Countries (OPEC) to a summit to take place November 17 and 18, local press said Wednesday. In its overnight bulletin, the state-owned Saudi news agency, citing Oil Minister Ali al-Naimi, said that the third OPEC summit will be held in Riyadh.

[Iraq's oil exports rise to 1.67m bpd in August](#)

A statement issued by the Iraqi government showed that Iraqi oil exports increased in September to 1.67 million barrels per day (bpd) from 1.52 million bpd in August of the current year, Iraq Directory reported.

[First CORE director stepping down](#)

After 13 years of dedicated service as the director of the Community Office of Resource Efficiency, energy expert Randy Udall is stepping down to pursue his own projects.

...Udall said he will officially step down before fall ends. After that, he looks forward to taking on "odd energy jobs" and focusing on his work with the Association for the Study of Peak Oil-USA, an organization that he co-founded. He said he also plans to focus on writing projects on energy and energy policy, speaking engagements and possibly his brother, Rep. Mark Udall's (D-Colo.), 2008 Senate campaign.

[Air Force Energy Initiatives Focus On Fuel](#)

"Energy conservation and developing energy technology is a major Department of Defense effort," Mr. Anderson said. "As the largest consumer of energy in the federal government, the Air Force is in a great position to look for, promote and utilize alternative energy sources."

[Car makers – who's the greenest?](#)

Small European diesel cars lead the carbon stakes overall, but hybrid models could soon come into their own – and there are a host of new technologies and manufacturers waiting in the wings.

[In Japan, Going Solar Costly Despite Market Surge](#)

In 1994, the Japanese government paid half the cost of new solar installations. And people took advantage. Sales went up and costs came down by about a third. The government phased the subsidies out gradually and ended them in 2005.

[ASPO 6. In Praise of... #6. Nate Hagens.](#)

Human beings, he said, have evolved in such a way that we place short term gains of food and sex over long term thinking. Cheap oil and other fossil fuels have allowed us to grow, but still with the same underlying evolutionary urges. We have evolved as a part of natural selection. The scale of the peak oil crisis though, means that we need to start applying some lateral thinking, and trying to get beyond our evolutionary 'programming'. He talked about discount rates, about the desire for pleasure now rather than in the future. Lottery winners apparently have ten times the rates of depression of non-Lottery winners.

The Aspiration Gap, the difference between what we have and what we think will make us happy and what actually does, continues however much we have. The amount we think will bring satisfaction is not absolute but is relative to where we are. As with any addiction, we continually need more in order to be able to get the same 'high'. Key to a successful transition through peak oil will be our ability to replace the need for financial capital with social capital, and learn to base social prowess on how *few* things we have rather than how *many* things we have. The concept of 'small is beautiful' will need to become the driver for our sense of who we are.

[OPEC raises oil output slightly in Sept - survey](#)

Ten OPEC members bound by output targets, all except Iraq and Angola, pumped 26.8 million barrels per day, up 60,000 bpd from August, according to the survey of oil firms, traders, OPEC officials and analysts.

The majority of the increase came from the world's biggest exporter Saudi Arabia, which last month convinced fellow OPEC members to open the taps amid surging oil prices.

[Oil companies: Change in oil dollar denomination unlikely](#)

Oil prices are likely to remain denominated in dollars despite the currency's weakness, chief economists for Chevron and Total said on Monday.

[BP Turns on Greater Plutonio Taps](#)

On October 1, 2007, Greater Plutonio in Block 18 offshore Angola began production. The first BP-operated project in Angola, the development includes five fields in water depths up to 1,450 meters.

[Russia Beginning To Feel the Heat](#)

Sustaining economic growth in Russia cannot be achieved through oil and gas export revenues alone; Russia is currently three to five times less efficient in its energy usage than Western European neighbors, with increasing economic implications.

[Canadian Royalty Review Causes Major Backlash](#)

Alberta, Canada, Premier Ed Stelmach ordered a public review of royalties, taxes and fees received from the oil and gas industry in February 2007. In less than a year, the backlash from this review has resulted in the first official monetary cutback from the industry, as well as criticism from within the government.

[EU Calls for Speedy Resolution to Gazprom-Ukraine Dispute](#)

The European Union called on Tuesday for a swift resolution to the dispute over payments between Ukraine and Russian gas monopolist Gazprom after Gazprom threatened to reduce gas supplies to Ukraine.

[New math for utilities: sell less, make more](#)

Five states have adopted 'decoupling' plans, offering electric-power companies incentives to conserve energy.

[We paved paradise](#)

In Tippecanoe County, Ind., there are 250,000 more parking spaces than registered cars and trucks. That means that if every driver left home at the same time and parked at the local mini-marts, grocery stores, churches and schools, there would still be a quarter of a million empty spaces. The county's parking lots take up more than 1,000 football fields, covering more than two square miles, and that's not counting the driveways of homes or parking spots on the street. In a community of 155,000, there are 11 parking spaces for every family.

[The Good News and Bad News On U.S. Fuel-Economy Trends](#)

Bear with the dry prose and you will get a fascinating study of America's character. We really are the Bigger is Better nation. We are in love with speed, size and power. It's not just a Hollywood or Madison Avenue image. Our cars give us away.

Compared with 1987, the average weight of the vehicle we drive has risen by 923 pounds, or 29%. The average time it takes for a vehicle to go from zero to 60 miles per

hour time has dropped to 9.6 seconds -- the fastest since the EPA started compiling this data in 1975. Our average car or truck has 223 horsepower, and the most horsepower per pound on record.

[Tough new rule may stop wells flaring, but not tempers](#)

For months, Premier Gordon Campbell has been talking about how his government will slash greenhouse gas emissions by a third by 2020 - an aggressive goal to be sure, but one that seemed comfortably distant for business.

Any sense of comfort has just disappeared. British Columbia will not wait until 2020 to take action, or 2012, or 2010, or any of the other over-the-rainbow dates that governments typically pick when wanting to safely inter the climate change file. The green era begins in B.C. in just over three months, when the province starts its crackdown on the widespread practice of flaring natural gas, according to draft regulations being quietly circulated.

[Area of Low Pressure Could Develop Tropical Characteristics](#)

According to the AccuWeather.com Hurricane Center, a low pressure area near the southern tip of Florida will drift west over the next several days. By Wednesday and Thursday, the low will have entered an area of the Gulf that will allow for development of a subtropical or tropical storm. By Thursday night, the low will be steered northwest and then north toward the Gulf Coast.

[Blind people: Hybrid cars pose hazard](#)

Gas-electric hybrid vehicles, the status symbol for the environmentally conscientious, are coming under attack from a constituency that doesn't drive: the blind.

Because hybrids make virtually no noise at slower speeds when they run solely on electric power, blind people say they pose a hazard to those who rely on their ears to determine whether it's safe to cross the street or walk through a parking lot.

[Tourist industry to pledge climate-friendly future](#)

A UN conference on tourism and climate change was due to end Wednesday with a pledge to "green" the travel trade while highlighting the 880 billion dollar industry's vulnerability to global warming.

[China offers surprise hope in climate change fight](#)

Zhu, the 19-year-old daughter of cabbage farmers, has also for the past few months cooked the family meal in their sparse kitchen on a new eco-friendly stove that burns crop waste ultra-efficiently instead of noxious coal.

...The Zhu family stove, in fact, is being held up as a symbol of what many may be surprised to hear -- that China could be one of the world's saviours in combatting global warming.

[EPA: Competing bills achieve same goal](#)

Three competing Senate proposals calling for limits on greenhouse gases would have roughly identical success in curbing global warming, but only if other nations also significantly cut heat-trapping emissions, a government analysis says.

[Man on emission](#)

Canada hasn't even formalized its climate change plan yet. But already, Europeans don't like what they see in Harper's approach to environmental policy. That might have a lot to do with Ottawa's decision to put its name behind the Asia Pacific Partnership, the proverbial tie that binds the globe's climate-change renegades and doesn't include any European countries. Scratch that; it has *everything* to do with the APP.



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