



DrumBeat: October 11, 2007

Posted by [Leanan](#) on October 11, 2007 - 9:06am

Topic: [Miscellaneous](#)

[Australian government report: Peak oil is real, get ready](#)

“The focus of the report was the concept of peak oil – the point at which maximum world oil production is reached - which is predicted to lead to shortages and consequent significant price increases.

“If nothing changes in our energy mix and demand patterns after that point, we can expect significant liquid fuel price increases, and price increases in those things that are made from oil such as fertilizer and plastics and those things that rely on oil such as agriculture, construction and transport.

“The Taskforce sought to present the most likely time frame for peak oil, to assess its impact on the mining, transport and primary industry sectors, and then recommend options to minimise the impact on Queensland.

“The report concludes that the overwhelming evidence is that world oil production will peak within the next 10 years.

[UN rapporteur calls for biofuel moratorium](#)

Only two years ago, with the twin spectres of peak oil prices and climate change looming, biofuels seemed the ideal alternative energy.

Now it is the poor who have to contend with the flip side of biofuels: spiralling cereal prices, say experts.

[Waking up to the truths of oil's past, present and future](#)

THE makers of A Crude Awakening mince their words only slightly, describing their investigation of the peak oil phenomenon as “a naïve quest to examine the world's dependency on fossil fuels” and the results as “a bit of a downer”.

But Basil Gelpke and Ray McCormack have the look of film makers who have heard all the questions before – and answered most of them – in the three years since they

completed the film. But installed in a modish glass room in a London advertising agency they give every impression of being as enthusiastic about their project now as they were then.

[Olympics Clean Air Push Dampens Beijing Fuel Demand](#)

Oil traders counting on a one-off leap in Chinese oil demand ahead of next year's Olympics Games, hosted by Beijing, may be disappointed as plans to boost air quality will instead cut fuel use in the capital.

[Gas Output To Plummet](#)

A major downturn in drilling for natural gas in Western Canada will shrink Canadian supplies of the clean-burning fuel by as much as 15% in the next two years, the National Energy Board predicted yesterday.

Canada's energy regulator said it expects Canadian production to plummet to as little as 14.5 billion cubic feet a day by 2009, revising earlier predictions that gas deliverability would stay flat at around 17 bcf/d, or roughly where it has been since 2000.

[Petrodollars fuel rally in U.S. government bonds](#)

The biggest quarterly rally for U.S. government securities in five years is getting an extraordinary lift from the burgeoning reinvestment of petrodollars by the Organization of Petroleum Exporting Countries.

[UK: Dodgy diesel to crackdown](#)

Detection teams will dip cars in supermarket car parks and petrol stations in a bid to catch motorists running on red and green diesel.

The UK-wide operation is being launched because a test run by Revenue and Customs recently found that one in five diesel cars was running on illegal fuels.

[India: No fuel hike; but bonds to help oil firms](#)

The Indian government has decided not to hike fuel prices despite the fact that oil companies have been accumulating losses thanks global crude oil price rise.

[Taiwan: Decline in gas sales as drivers complain of cost](#)

Gasoline sales have declined slowly amid a rise in gas prices and driver complaints about rising costs at the pumps.

According to local media, the main reasons behind a decline in fuel sales are the completion of the Taiwan High Speed Rail (THSR), drivers' desire to save money, and a recession in Taiwan's economy.

[Australia: MP says Bruce Hwy, fuel prices behind food price rise](#)

The Member for Thuringowa, Craig Wallace, says the Bruce Highway and petrol prices are to blame for a steep increase in the cost of food in north Queensland.

Queensland Health Minister Stephen Robertson says the average cost of a basket of healthy food has risen by 54 per cent in the region since the year 2000.

[Man charged in theft of \\$20,000 in gas](#)

A Henrico County man yesterday was indicted for larceny stemming from what Richmond prosecutors say was the theft of more than \$20,000 in gas through city fuel cards issued to the Richmond Ambulance Authority.

[Power Giants Start Price War](#)

SCOTS customers are set to reap the benefits after energy giants sparked a price war.

Two of the country's biggest power suppliers have cut charges in a fight to stay at the top of internet price comparison websites.

It could see customers' bills slashed during what is forecast to be the coldest winters in years.

[The public face of nuclear power in the U.S.](#)

I won't use the word energy independence because I don't think the country will ever really get to energy independence, but secure is a different matter. The fuel necessary for nuclear generation comes either domestically or from friends like Canada, Australia- not exactly the same group of people that provide (fossil fuels).

[South Korea to put \\$17 mln into Canada uranium project](#)

A South Korean consortium led by Hanwha Corp. plans to invest 16 billion won (\$17.46 million) in a Canadian uranium project, South Korea's energy ministry said on Thursday.

[Electricity made from trash](#)

Wicomico County Public Works Director Rai Sharma unveiled the Lower Shore's first gas-to-energy power plant to the public Wednesday morning and generate 6 megawatts of electricity daily for local use.

[A sea change: the wind farm revolution](#)

Giant turbines are rapidly becoming a feature of the landscape. And now a wave of applications is poised to make Britain the world leader in offshore wind power generation. But there's one hurdle in the way of this breakthrough for renewable energy: bureaucracy.

[Ethanol co-products more valuable for fuel](#)

When looking at the energy balance in ethanol production it is more effective to use its co-product DDGS as a fuel source than to sell it for animal feed, concludes Nicholas Zeman in the latest issue of Ethanol Producer magazine.

[UK Coal agrees five-year supply deal with Eon](#)

UK Coal has capitalised on record prices for the fuel as it agreed to supply almost six million tonnes to Eon, Europe's largest energy group, in a five-year deal understood to be worth about £350m.

[Report links energy crisis to security](#)

An energy crisis could pose security risks for Australia by pushing fragile states in the region towards collapse, a report has warned.

The Australian Strategic Policy Institute said in the report that such a threat should be factored into foreign and defence policy.

It said the increasing dependence of the world on energy from unstable regions like the Middle East meant obtaining an adequate supply of affordable energy would become a bigger part of most nations' security plans.

[Shell Says Russia's Offshore Reserves Need Foreign Energy Majors](#)

Royal Dutch Shell said Russia needs foreign expertise and investment if it is to profit fully from offshore oil and gas reserves estimated to be seven times larger than those in the North Sea.

[China drives shipping costs to record high](#)

The cost of shipping raw materials such as iron ore and coal has soared to a new record as the economic boom in developing economies like China sucks in natural resources to fuel their breakneck industrialisation.

[Motorists in Venezuelan city panic after fuel shortage](#)

Venezuelans formed long lines yesterday to buy gasoline in a major provincial city after outages at a refinery prompted rare worries of supply shortages in one of the world's largest oil exporters.

[Fuel shortage grounds priests](#)

The Roman Catholic Church in Manicaland says the shortage of fuel in the country is crippling its relief and pastoral work in and outside the eastern border city.

"This is a very serious matter. We have failed to hold Sunday outstation mass for months in areas such as Himalaya. Our priests cannot access the areas as we do not have fuel," said Bishop Patrick Mutume this week.

[Low-cost, hurricane-proof housing made with ecomaterials](#)

The concept covers a broad range of building materials, whose common denominator is the use of local raw materials or the recycling of waste products like sugar cane bagasse.

Strong results have been obtained locally with micro-concrete roofing tiles, pozzolana (CP-40) cement -- named for the volcanic ash of the Pozzuoli volcano in Italy -- made with the ashes of sugar cane straw, pre-cast hollow concrete blocks in which Portland cement has been partially replaced by CP-40, and low-energy fired clay bricks using bio-waste products as fuel.

CP-40 is an alternative binder that requires less energy than traditional Portland cement and therefore reduces climate changing carbon dioxide emissions.

[Rough waters ahead for the ferry system](#)

Leo von Scheben, the Commissioner of the Department of Transportation and Public Facilities, told the Marine Transportation Advisory Board that the ferry service faces many challenges in the years ahead as state oil revenue declines, federal dollars dry up and prices for construction and materials skyrocket, placing more stress on the state general fund. Fuel and labor costs for the ferries also have been on the rise.

[Vehicle User Groups Call for Fuel Economy Gains That Don't Ignore Consumer Transportation Needs](#)

A U.S. Congressman, a former U.S. Secretary of Transportation, and representatives of vehicle users groups urged Congress to set realistic fuel economy goals that do not unreasonably raise prices nor diminish the utility of popular motor vehicles that many consumers need.

[Some Say Coal To Liquid Fuel Is A National Need](#)

Southern States Energy Board Director Ken Nemeth says if we don't find a way to create our own fuel and be less dependent on foreign countries, we could see an energy crisis in the future. He wants to see a coal to liquid fuel plant in Eastern Kentucky and says it will have zero emissions, but environmentalists don't think that's the answer.

[Low prices idle North Dakota ethanol plant](#)

According to Alchem President Harold Newman, the high cost of corn and low price of fuel ethanol have caused unfavorable market conditions and will lead to the shutdown which will last until ethanol prices rebound. Although the shutdown is indefinite, company officials say they are hopeful the plant can reopen by the beginning of 2008.

[Uganda Pres: Oil Discovery Blessing, Instead of Curse to the Country](#)

Ugandan President Yoweri Museveni has refuted allegations that oil discovery in the western region could be a curse to the landlocked country, saying the oil revenues would be used to fast track development.

[Saudi meets OPEC pledge with more oil to Asia](#)

Top oil exporter Saudi Arabia will raise crude sales to major Asian refiners by a tenth in November, making good on OPEC's pledge to boost output in an effort to cool prices, industry sources said on Thursday.

...Sources at two Japanese refiners and one in South Korea said Aramco would supply the entire volume agreed under the refiners' annual contract, the first 100 percent allocation in a year.

[Alternative Fuel Vehicle Institute: From the Executive Director](#)

The average commuter drives 50 miles round-trip. Most cities in the United States are automobile cities, meaning they have sprawled outward from a city center making it much easier to drive than take mass transit or walk. Change won't come easily from the public or from fleets. Fleets, whether they are distributing goods from a new ship that has just delivered merchandise from China, or the U.S. Postal Service distributing mail throughout the country, need reliable transportation. Isn't cleaner, more fuel efficient, transportation today better than waiting for a silver bullet technology or energy source that may never come? Worse yet, is it really an option to continue polluting and gobbling up oil until some climactic event grounds us to a halt?

[UK: Newquay airport expansion](#)

CoSERG welcomed the report released last week "Newquay Airport Expansion: The Case Examined" by Groundswell analysing the issue of expanding Newquay airport. The report concludes that "in the light of the current threat of peak oil, the damage to the environment, and the questionably contribution to Cornwall's economy the case for expansion is not made. Moreover the plans send a clear signal that Cornwall does not take climate change seriously."

[Some recent SUVs less safe than cars](#)

Crash tests of some popular midsize sport utility vehicles turned in an unexpectedly mixed performance in side-impact tests, a leading insurance group said on Thursday.

The Insurance Institute for Highway Safety found some late-model SUVs performed worse than cars, a result that challenges a belief among consumers that sport utility occupants are safer in some crashes because they are heavier than cars and occupants are seated higher.

[Guyana Vows no Special Favors for Canadian Oil Company](#)

President Bharrat Jagdeo said Tuesday that Canada's CGX Energy would not have an edge over Spain's Repsol-YPF and other foreign oil firms because it provided \$8.9 million to fund Guyana's ultimately successful litigation with neighboring Suriname over the two countries' maritime boundary.

"I am very grateful to CGX for footing the bill because it didn't come from the treasury,

but that doesn't mean that CGX has any preferences in terms of our agreements," Jagdeo said.

[Biofuels plans may cause water shortages](#)

China's and India's plans to produce more biofuels could cause shortages of water, which is needed for crops to feed their growing populations, according to study results released Thursday.

[U.S. ethanol rush may harm water supplies: report](#)

The U.S. ethanol rush could drain drinking water supplies in parts of the country because corn -- a key source of the country's alternative fuel -- requires vast quantities of water for irrigation, the National Research Council reported on Wednesday.

[The Peak Oil Crisis: Confusion](#)

So what does peak oil have to say about all this? While usually looking at the supply side of the equation, many following peak oil are starting to worry that a major recession could reduce demand so much that the fact of global oil depletion will get lost in the clutter and that efforts to mitigate falling oil production will be put off until it is too late.

Those of us who are reading the fine print in U.S. government and OECD projections for the oil markets have noted a change in tone in recent months. Earlier this week, the U.S.'s Energy Information Administration released its Short-Term Energy Outlook for October. Keep in mind that one of the EIA's unstated "prime directives" is not to scare the pants off Wall Street with loose talk of oil shortages. If one reads between the lines however, the report paints a rather pessimistic outlook for the year ahead.

[Record oil prices seen denting demand](#)

World oil demand will grow more slowly than expected in the fourth quarter as record-high oil prices prompt some consumers to seek alternatives, the International Energy Agency said on Thursday.

The IEA, adviser to industrialized countries, said in its monthly Oil Market Report demand will rise by 2.03 million barrels per day in the fourth quarter from a year ago, 320,000 bpd less than previously expected.

[Peak Oil Calls for Societal Change – US Expert](#)

Peak oil and climate change, are very real threats to human society and not something we can pass off to the next generation, says one of the world's foremost peak oil experts.

Peak oil educator and Research Fellow of the Carbon Institute of Post Carbon Institute Richard Heinberg was speaking to at a lecture hosted by The Engineers for Social Responsibility, Greens on Campus and the Green Party at Auckland University on Wednesday night.

[BP chief unveils 'fundamental shift' for troubled oil major](#)

BP chief executive Tony Hayward has set out his plans to improve the oil giant's poor performance by tackling "unacceptably high overhead costs" and slimming the business to two core divisions.

In an emailed message to staff worldwide, Mr Hayward said several layers of management will be stripped out and many people will be re-deployed to front line operations with the aim of "simplifying how the company is structured and run."

In short, Mr Hayward, said: "What we are doing represents a fundamental shift in how BP works."

[Valero feels pinch from lower refining margins](#)

Valero Energy, the US's biggest refinery, said on Wednesday that its third-quarter earnings will be less than the market has been expecting because the cost of refined products is not keeping pace with rising costs of crude oil.

[CNOOC Limited: Future Oil Supermajor](#)

Overall, CNOOC's future growth prospects are very positive -- particularly in international areas-- and therefore the company still represents good value at the current date of this writing over the intermediate to long term.

[States restrict truck traffic](#)

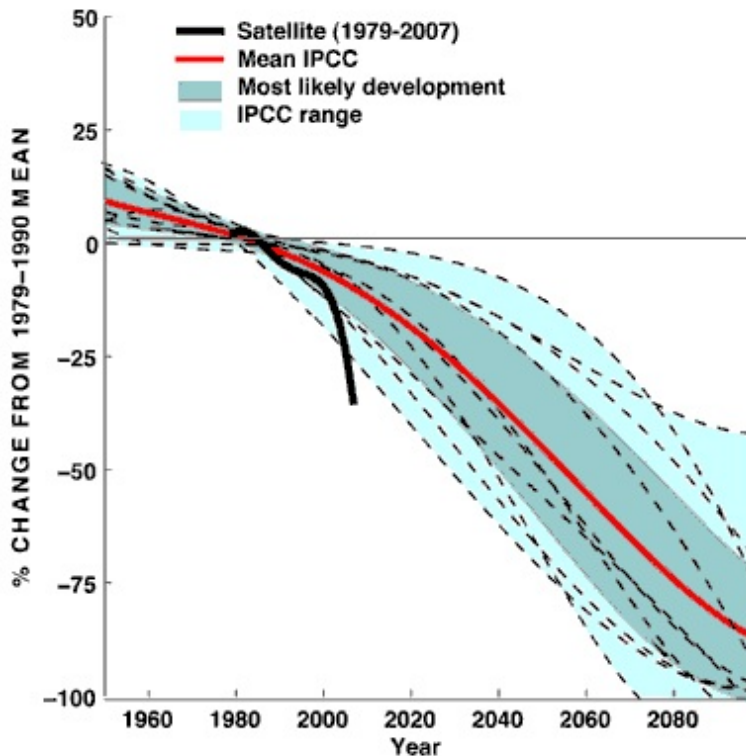
A move is on across the USA to unsnarl interstate highways where escalating truck traffic is adding to congestion and rattling drivers of passenger cars.

Truck-only lanes and a plan to divert some truck cargo to ships along the Atlantic Coast are among the initiatives getting scrutiny from state and federal agencies. About 75,000 more big rigs cruise onto already crowded highways every year.

[Study: Rise in humidity caused by humans](#)

With global warming, the world isn't just getting hotter — it's getting stickier, due to humidity. And people are to blame, according to a study based on computer models published Thursday.

[The big melt: lessons from the Arctic summer of 2007](#)



Arctic sea ice loss compared to IPCC models

Arctic ice extent loss to September 2007 compared to IPCC modelled changes using the SRES A2 CO₂ scenario (IPCC high CO₂ scenario). September loss data from satellite observations. Data smoothed with a 4th order polynomial to smooth out the year-to-year variability. Chart courtesy Dr Asgeir Sorteberg, Bjeknes Centre for Climate Research and University Center at Svalbard, Norway. Date: 23 September 2007 www.carbonequity.info/images/seaice07.jpg

The Arctic sea ice is disintegrating "100 years ahead of schedule", having dropped 22% this year below the previous minimum low, and it may completely disappear as early as the northern summer of 2013. This is far beyond the predictions of the International Panel on Climate Change and is an example of global warming impacts happening at lower temperature increases and more quickly than projected. What are the lessons from the Arctic summer of 2007?



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