



DrumBeat: October 12, 2007

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Topic: [Miscellaneous](#)

[OPEC exports to leap 670,000 bpd to Oct. 27](#)

OPEC oil exports, excluding Angola, will jump 670,000 barrels per day (bpd) in the four weeks to Oct. 27, marking the biggest rise so far this year ahead of peak winter demand, an analyst who estimates future shipments said on Thursday.

Roy Mason of Oil Consultancy estimated OPEC 11 seaborne exports would rise to 24.49 million bpd, compared with 23.82 million bpd to Sept. 29. Mason said most of the extra supply was heading from the Gulf to Asian refiners.

Asked if the oil could represent the extra 500,000 bpd pledged by OPEC in September to the market from November 1, he replied: "No. I don't think so, it could much more be to do with the UAE's announcement on maintenance at a field in November."

[From whale oil and beyond](#)

FOR THOSE concerned about improving international security, fighting global warming, and reducing pollution, the petroleum era cannot end too soon. But that end will not come until other energy sources beat oil at its own game. While this may seem to be an impossible dream, a look back at the whale oil industry provides a measure of perspective and encouragement.

[West geopolitics factor of oil scarcity-Total CEO](#)

As global demand for oil and gas rises, consumer countries cannot afford to blacklist producing countries on geopolitical grounds, the head of Total, which is present in Iran and Myanmar, said on Thursday.

[Total to Shut Feyzin Refinery in France for Repairs](#)

Total SA, Europe's third-largest oil company, will shut down its refinery in Feyzin, France, for about seven weeks of maintenance starting Oct. 19.

[Belarus offers Gazprom free gas transit if it builds pipelines](#)

Belarusian President Alexander Lukashenko proposed that Russia start to build a second leg of a pipeline delivering natural gas to Europe, and offered free transit for five years.

[Russia won't re-open oil pipeline, Lithuania says](#)

Russia is unlikely ever to re-open its oil pipeline to Lithuania, closed in 2006 for repairs, Lithuanian President Valdas Adamkus said on Thursday.

[Gazprom after new projects in Venezuela](#)

Gazprom discussed its possible involvement in new projects in Venezuela at negotiations in the South American country, Russia's state-controlled natural gas giant announced on Friday.

[The story of Iranian oil and Israeli pipes](#)

Iran is trying to locate property and assets belonging to the Israeli government and three Israeli oil firms abroad, and Israel is trying to thwart it. This affair arises from an international arbitration that determined more than three years ago that the Paz, Sonol and Delek oil companies must compensate the National Iranian Oil Company (NIOC) hundreds of millions of dollars.

[ConocoPhillips to Start Two North Sea Oil Fields This Weekend](#)

ConocoPhillips plans to start two North Sea oil fields this weekend after a three-week maintenance shutdown. The fields feed into the benchmark Ekofisk blend.

[Offshore oil: Two weeks on the ocean wave](#) - *A row over working hours could spiral out of control*

At issue is the question of what exactly counts as work. Under the directive, workers are either at work, at rest or on holiday. Employees are guaranteed 11 hours of rest in every 24, and are entitled to four weeks holiday every year. The contractors argue that workers are resting on their oil rigs when they are not on shift, and that, since they spend as much time onshore as off, they already get the equivalent of 26 weeks' holiday a year.

Not so, say the unions. Even asleep in their bunks, they assert, employees cannot spend

their time as they wish.

[Korea Construction Giants Ride Oil Boom](#)

Market players seeking innovative ways to benefit from higher oil prices might consider exposure to South Korea, whose construction companies are being hired to build the refineries, petrochemical plants, offices, and infrastructure springing up around the Middle East.

[SimCity adds global warming to the mix](#)

SimCity Societies -- the forthcoming installment in the classic urban simulation franchise -- will include a global warming variable. If your SimSocieties aren't carefully balanced, they'll swamp their environments with greenhouse gasses and die off. The module is produced with BP, who, I guess, are trying to figure out what a giant oil company does next.

[EPA to issue CO2 sequestration rules](#)

The U.S. Environmental Protection Agency announced Thursday it plans to develop geologic carbon dioxide sequestration regulations.

[EU Eases Hurdles for Hydrogen Cars, Funds Research](#)

Hydrogen-powered cars will be cleared for sale in a uniform way throughout the European Union under new rules proposed by the European Commission on Wednesday.

[Palm oil taking a breather, set to soar](#)

Palm oil has lost 6.4 percent from record levels it hit in June but prices will rebound soon and test new highs by the end of the year, as the world's appetite for biofuels grows and production remains stagnant.

[Palm oil furore could stymie green fuel plan](#)

THE rush to replace carbon-emitting petroleum with "clean green" biofuels is threatening to stall in the face of rising food prices, Federal Government disincentives and growing opposition from environmental groups sounding the alarm about large-scale deforestation to support fuel crops.

[Nuclear-Free Sweden is Still Only a Dream](#)

Nearly thirty years after Sweden voted to phase out nuclear energy, firms are quietly increasing plant capacity and there is no end in sight for a power source still providing half of the nation's electricity.

[Niger: Uranium - Blessing Or Curse?](#)

Niger, an impoverished country on the southern fringe of the Sahara desert, has one of the world's largest reserves of uranium, the main source of nuclear fuel - but virtually nothing to show for it.

Instead, say local and international organisations, uranium mining by foreign-dominated companies has caused environmental damage and health problems in the far north of the country.

The mining operations are also causing domestic political tensions: one of the main demands of an armed militia that has been fighting Niger's army since February, the Niger Movement for Justice (MNJ), is a more equitable distribution of the revenues from uranium mining.

[At home: Here's a house that's 'ecological and fabulous'](#)

"My mission is to show people that they can be ecological and look fabulous," says Joaquin, 37, who, before joining *House & Garden*, wrangled models in Milan and helped launch *ecofabulous.com*. "In college, I was the annoying person telling people to recycle. Now it's nice to see so many people want to go green."

[Vietnam's Coal-Fueled Boom](#)

Dao Duy Dang remembers the night in 1963 when the lights came on in Uong Bi. "People were so excited," the 70-year-old tea-shop owner says, recalling the cheers that rang through the northern Vietnamese town after one of the country's first coal-fired power plants began operating. "Their whole lives they had wished for electricity." Be careful what you wish for. Soon after the plant opened, Dang's wife developed a cough from the thick black smoke from the power plant that hung over the town. His children had near-constant runny noses and neighbors reported other nagging health problems. When Vietnam's government announced plans to add a second coal-fired generator in 2005, villagers didn't celebrate. "The people cried out," Dang says.

[Green fuel gets a black name](#)

It is a sickening picture. A photograph of six soft-eyed baby orang-utans stamped with the words "Orphaned by Palm Oil companies". The image, along with scores of others showing adult apes staring out through the bars of cages, has created a public relations disaster for global companies buying the oil that many hoped would fuel a green energy boom.

[Kill king corn](#)

A successful biofuels industry will not be based on digestible starch from staple crops such as corn.

[China: Biofuel expert allays food-shortage worries](#)

A biofuel expert yesterday rejected an international report claiming that China's plan to produce more biofuels could lead to food and water shortages in the country.

[OECD report takes a closer look at future impact of biofuels](#)

In Snapshot 34, we described how Brazil had, after 30 years of effort, achieved energy self-sufficiency by means of a massive program to convert sugar cane to ethanol. Now, in an attempt to reduce dependence on oil and become "greener," many other countries are jumping on the ethanol bandwagon, too.

However, a recent Organization of Economic Cooperation and Development (OECD) paper entitled *Biofuels: Is The Cure Worse Than The Disease?* raises some serious questions regarding the costs of the increased reliance on ethanol as a petroleum substitute. In particular, the environmental costs in terms of the degradation of land by the use of more fertilizer and pesticides and increased air pollution were considered.

[Global-warming skeptics: Is it only the news media who need to chill?](#)

In the 1970s, mainstream media outlets published stories about a coming age of "global cooling" and the climate disaster it would trigger. Headlines of the time proclaimed "The Cooling World" (Newsweek, 1975), "Scientists Ask Why World Climate Is Changing: Major Cooling May Be Ahead" (The New York Times, 1975), and "Earth Seems to be Cooling Off Again" (The Christian Science Monitor, 1974).

Today, skeptics of global warming sometimes point to what they call the "global-cooling scare" of the 1970s as a reason to discount what they hear now. If the news media 30 years ago hyped "global cooling" and were wrong, skeptics say, doesn't it follow that "global warming" coverage might prove equally wrong?

[Al Gore's \\$100M climate ad blitz](#)

Rising energy prices have done little to curb consumption. Can a big ad campaign from Al Gore do the trick?

[Going green with window shutters and tiny cars](#)

With oil prices stuck above \$80 (U.S.) a barrel and utility bills rising to painful levels, Europeans are paying more attention to conservation. The good news is they are already much more sensible users of electricity, cooking gas, auto fuel and water than the gourmand North Americans, thanks to high energy taxes and sheer force of habit. We moved to Italy six months ago and we've picked up their conservation lessons in a hurry. We're amazed at how fairly modest changes in lifestyle can add up to a lot of savings.

[UK: Anger as island's fuel prices reach all time high](#)

Fuel prices on Arran have reached an all time high, cranking up the financial pressure on businesses and motorists.

[Price inflation makes Ramadan, Eid difficult for many](#)

Last year, Maryam Juma marked the end of the Muslim holy month of Ramadan in style.

She spent US\$40 on a goat, roasted the beast to perfection and invited 10 relatives over for a feast to celebrate Eid al-Fitr, the festival at the end of Ramadan. She bought colorful new clothes for each of her children.

But this year, skyrocketing prices for staple foods and other goods have eaten into her budget, making celebrations she plans for Saturday much more low-key. Juma's story is being played out across the Muslim world due to soaring global grain costs, unstable fuel prices and other rising costs on the world market.

[Shell gasoline-making unit at Singapore plant](#)

Royal Dutch Shell has shut a 33,000 barrels per day (bpd) secondary processing unit at its Singapore refinery since a week ago due to an outage, forcing the major to buy fuel oil and has firmed up the gasoline market, industry sources said on Friday.

[Charities prepare for cold](#)

Last year especially was difficult because a fuel oil shortage led many vendors to refuse to serve any but regular customers, forcing the agency to “scrimp and save” and “call everybody possible,” Ciesielka said.

[Iraq insurgency: Defending the railroads](#)

Instability in central Iraq has cut al-Qaim off from Iraq's main supply lines.

Lt-Col Bohm would like to use trains to transport oil from the Baiji oil refinery to ease a fuel shortage.

[Platts: OPEC Output Bolstered by Iraqi Volumes](#)

Total crude-oil production from the 12 members of the Organization of Petroleum Exporting Countries (OPEC) rose 300,000 barrels per day (b/d) in September, to 30.76 million b/d from 30.46 million b/d in August, as Iraqi volumes recovered and several other member countries further relaxed existing production constraints ahead of a formal output hike in November, a Platts survey showed October 11.

[Greenland ice cap melting faster than expected](#)

The ice cap in the northern hemisphere is melting a lot more rapidly than scientists thought, according to new research published Thursday by the Danish National Space Center.

"Until 2004, the glacier mass in the southeastern part of the island lost about 50 to 100 cubic kilometres (12 to 24 cubic miles) per year. After this date, the melting rate accelerated to 300 cubic kilometres per year. It's a jump of 400 percent, which is very worrying," National Space Center head researcher and project chief Abbas Khan told AFP.

[Oil and metals fuel Canada's economy](#)

Canada has tapped into a literal "underground economy" of oil and metals, suggesting it's no longer true, if it ever was, that we're a country of "hewers of wood and drawers of water," Statistics Canada said.

Canada has rediscovered its resource base over the last five years, thanks to the longest and strongest surge in commodity prices ever, Statistics Canada said Thursday in a report that focuses on the resources that are powering the Canadian economy early in the 21st century.

[PEMEX tender contracts for approximately 12 billion pesos](#)

As part of the integrated strategy that PEMEX has put forward towards the reinforcement of transparency and accounting of its activities, Petróleos Mexicanos is announcing six international public tenders for the execution of works in the facilities of Pemex Exploration and Production, (PEP).

[Pemex Contract Worker Dies, Two Missing in Transport Ship Fire](#)

Petroleos Mexicanos, the Mexican state-owned oil monopoly, said a transport ship carrying 176 workers caught fire in the Gulf of Mexico, resulting in one death and two people unaccounted for.

[Cheaper car insurance for eco-friendly drivers?](#)

While many are attracted to the environmental aspects, improved fuel consumption, cheaper tax and lower car insurance bands are an additional attraction, managing director of motorinsurance.co.uk Paul Cosh said.

[Singh May Forego U.S. Nuclear Deal to Save Government](#)

The prime minister's comments signal he's prepared to allow the agreement, the centerpiece of renewed ties between the U.S. and India, to lapse. That may deny India access to the nuclear fuel and technology it wants to upgrade its reactors and step up electricity production in a country that faces a 13 percent shortage of power during peak hours.

[Oil and gas: 'In a bit of a limbo phase'](#)

The sustainability of the global energy industry is increasingly under scrutiny in an age where apocalyptic fears about global warming and peak oil production are creeping into the public's imagination.

Apart from the damaging effect on the environment caused by the release of carbon dioxide during the extraction and end use of oil and gas, there are a whole raft of other issues towards which shareholders have become more sensitive.

[Steady Energy Supply Faces Big Challenges](#)

The signs are indeed ominous. Spiraling costs are already starting to impact. A recent

report said ConocoPhillips was reconsidering its joint venture refinery project with Saudi Aramco in Yanbu - apparently a casualty of rising cost. The project cost has almost doubled to \$12 billion from the initial estimate of \$6 billion, reports said. This project was of crucial importance to the global energy balance, as its scope included processing heavy crude, which does not have many takers in the current scenario.

[A conflict with Brazil could be brewing](#)

In a few words: a huge conflict around the Bolivian gas issue can break out in South America at any time, and Venezuela would have to be involved as a belligerent force.

[New Zealand: Questions And Answers with Michael Cullen, Minister of Finance](#)

Does he agree with the internationally acclaimed peak oil expert, Richard Heinberg, who has just finished his presentation on peak oil in the Beehive theatre at lunchtime, and who is present in the gallery today, that New Zealand needs urgent expansion and electrification of public transport because liquid fuel production worldwide, even including oil from unconventional sources, peaked more than a year ago and now appears to be in decline?

[Ecoshow gives glimpse of future](#)

As decades of environmental despoliation begins to elicit a response from nature - in the form of global warming and all it entails - people will have to learn to adapt to a new set of rules governing the environment, says Ecoshow director Bryan Innes.

Storms will get stronger, droughts will be longer and some food crops will fail; what it now comes down to is how we respond to the coming challenges, he says.

[Enter White, The Green Candidate](#)

Portland Peak Oil activist Randy White says he will join the increasingly crowded race for Sam Adams' city council seat.

[OCCA honors Otsego lawyer](#)

Edward Lentz of New Lisbon has been named conservationist of the year by the Otsego County Conservation Association.

At OCCA's annual dinner and meeting at the Otesaga Ballroom on Oct. 25, Lentz, 52, will be honored for his environmental work, which ranges from raising awareness about the world's declining oil stocks to asking probing questions about Catalyst Renewables.

[Wind farm idea is floated](#)

A New Jersey-based company wants to build about 150 wind turbines, each more than 40 stories tall, in the Atlantic Ocean 12 miles from the tourist-packed beaches of Ocean City.

[Pentagon backs plan to beam solar power from space](#)

A futuristic scheme to collect solar energy on satellites and beam it to Earth has gained a large supporter in the US military. A report released yesterday by the National Security Space Office recommends that the US government sponsor projects to demonstrate solar-power-generating satellites and provide financial incentives for further private development of the technology.

[Gore, UN Climate Panel Share 2007 Nobel Peace Prize](#)

Former Vice President Al Gore and the U.N.'s Intergovernmental Panel on Climate Change won the 2007 Nobel Peace Prize on Friday for their work to raise awareness about global warming.

In a statement, Gore said he was "deeply honored," adding that "the climate crisis is not a political issue, it is a moral and spiritual challenge to all of humanity."

The former vice president said he would donate his half of the \$1.5 million prize to the Alliance for Climate Protection, a U.S. organization he founded that aims to persuade people to cut emissions and reduce global warming.

[U.S. Government Seeks to Exchange Crude for Cash](#)

The U.S. Department of Energy issued a solicitation seeking contracts to exchange up to approximately 13 million barrels from Federal leases in the Gulf of Mexico for crude oil that meets the specifications of the Strategic Petroleum Reserve (SPR). Bids are due by November 6, 2007.

[Resource nationalism](#)

Interestingly, an examination of resource nationalism through a theoretical analogue shows that, far from being irresponsible, it may be a feature of the underlying structure of global economy.

[Oil sands as an industry saviour? The numbers tell the real story](#)

The theme of this year's World Energy Outlook is surging Chinese and Indian demand and how it will be met (or not). The oil sands, relatively speaking, will probably not get much ink in the report. And that's the point. The IEA doesn't believe the oil sands, in spite of their rapid growth, will make anything more than "an important dent" in the global oil market - this from an IEA official who did not want to be named ahead of the report's publication. On the supply side of the equation, what the IEA cares about most is OPEC production, with special attention on Iran, the potential target of American fighter-bombers (more on Iran in a moment).

[Alberta Oil Sands Group Makes Royalty Recommendations](#)

A concerned group of in situ oil sands development corporations submitted a letter to the Government of Alberta in a joint response to the Report of the Alberta Royalty Review Panel. The companies assert that the Report fails to account for the many ways in which Alberta's smaller, entrepreneurial firms contribute to our economy by taking on huge risks and driving the technologies that make the Alberta Advantage possible.

[Train derailment fire burns into 2nd day](#)

Railroad tank cars carrying ethanol continued burning Thursday, more than 24 hours after a derailment and explosion drove hundreds of people from their homes, officials said.

Eight of the cars were loaded with potentially hazardous materials, mostly ethanol. One tanker that did not catch fire carried the more dangerous liquefied petroleum gas, said Garrick Francis, a spokesman for Jacksonville, Fla.-based CSX Corp.

[The time has come for drastic action](#)

There is now a growing concern among scientists that the two-degree warming cap accepted by the United Nations and European Union was based on a political compromise rather than a genuine scientific target. According to a paper prepared by Carbonequity, *The Big Melt: Lessons from the Arctic Summer of 2007*, which is available online, with the speed of change now in the climate system and the positive feedbacks that two degrees will trigger, it looms as a death sentence for a billion people and a million species.



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