



DrumBeat: October 23, 2007

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[Chris Skrebowski on alarming new peak oil report](#) (podcast)

Chris Skrebowski, editor of the UK Petroleum Review, speaks with GPM's Julian Darley about the remarkable new oil report from the German-based Energy Watch Group, which states that world oil production peaked in 2006 and will decline by half as soon as 2030.

[T. Boone Pickens: we peaked last year, globally](#) (video)

Legendary Texas oilman and chair of BP Capital, T. Boone Pickens, holds an impromptu video question and answer session at ASPO Houston with Global Public Media's Julian Darley and other journalists. Pickens talks about the peaking of world oil production, which he says occurred in 2006.

[Opec is Anxious about the Repercussions of Oil Price Jumps](#)

The markets' fear of the Turkish threat goes beyond the invasion of Iraq and an interruption of Kirkuk's oil supplies. The fear lies in the opening of a new front in the Middle East, especially with the expansion of Turkey's regional role in transporting oil and gas via the new pipeline system from the Caspian Sea, Iraq and Iran, and, in the future, from Egypt, via the Arab gas line via Turkey to Europe.

[OPEC Takes Ecuador Back As Active Member - Energy Min](#)

The Organization of Petroleum Exporting Countries has accepted Ecuador back as an active member, Energy Minister Galo Chiriboga told Dow Jones Newswires Tuesday.

[ConocoPhillips Says J-Block Gas Production Restricted](#)

Natural gas flows into the U.K.'s Teesside terminal from ConocoPhillips's J-Block fields in the North Sea are being constrained by difficulties processing gas.

[BP profits slump amid company woes](#)

BP PLC reported a 29 percent slump in third-quarter profits Tuesday due to higher maintenance costs and outages at key refineries, but some analysts said the worst might be over after a run of operational problems at Europe's second-largest oil company.

[SENEGAL: As fuel prices soar, oil lamps becoming a luxury product](#)

Surging petrol prices in Africa usually weigh most heavily on the emerging urban middle class, making it a struggle to put fuel in cars or motorbikes every day and to pay home electricity bills.

In Senegal, the energy shock is starting to filter down to the most isolated rural areas, where, far from electricity grids and roads, illiterate parents hoping their children will have a better life through education are worrying about how to put fuel in oil lamps so their children can do their homework.

[More on Hawaii and the Superferry](#)

Issues of environmental limits and sustainability will become even more critical as the islands begin to be affected by global climate change, and rising costs of food, energy and transportation, due to peak oil driving the costs of fuel skyhigh.

Fortunately, the state Legislature has begun to seriously recognize the magnitude of these issues. It passed the Global Warming Solutions Act of 2007, which sets an enforceable limit on Hawaii's greenhouse gas emissions, and established the Hawaii 2050 Sustainability Task Force.

[Meet the Pivo 2: The car won't reverse](#)

The electric concept car is just one of many wild designs that Nissan CEO Carlos Ghosn is staking the company's future on.

[HP offers technology to cut the Internet's energy bill](#)

The Internet is hot. Not just hot as in popularity. Hot as in heat.

It's so hot, in fact, that data centers – those expensive warehouses full of computers that serve up information – are racking up huge power bills. According to HP's calculations, a large data center with 70,000 square feet of space might guzzle \$10.4 million worth of power in a year. Data centers require so much energy that over a three-year period, the computers inside could easily cost a company as much to plug in and

cool as they did to purchase in the first place.

[NIMBY muscle grows](#)

Community groups opposing development are gaining strength - and finding some unlikely allies.

[Heroes of the Environment](#)

Though home to us all, the earth is mute. It doesn't get a vote in any congress or parliament. It doesn't own blocks of shares in the market. It doesn't rise up at a protest rally. It can't even buy a hybrid car. The earth has no voice — so someone must speak for it.

We call the men and women on the following pages heroes, but they could just as easily be called speakers for the planet, a planet that is hanging, as one of them put it years ago, in the balance.

['Bioplastics' seek market niche](#)

So-called "bioplastics" offer the world a way to wean itself off oil, and most biodegrade to varying degrees. But their makers' green argument is complex, and environmentalists are cautious in their support.

[Electricity prices see biggest jump in 25 years](#)

The average retail price of electricity increased by more than 9 percent last year, the largest jump in 25 years, the government said Monday.

Electricity prices rose in 2006 by 10 percent or more in 14 states and the District of Columbia, according to an annual report released by the Energy Department's Energy Information Administration. The average price increase was the largest since 1981.

[Roll out the \\$100 barrel](#)

SOME call it a curse, but those awash in oil must feel blessed at the moment. As the price of a barrel of crude touched a record \$90 last week, before settling just below \$89, speculators began considering an even bigger benchmark: the \$100 barrel. The number rattles consumers, but their worry is probably misplaced.

[Oil peak: Fact or alarmist claptrap?](#)

We know the world is going through something of an energy crisis at the moment. Alternatives are being sought urgently but is it happening urgently enough? Certainly a report today from the German based Energy Watch Group implies that we are in serious trouble.

[More evidence of tightening oil fundamentals](#)

As global inventories decline at a sustained pace and approach critically low levels, it is not surprising that price volatility increases and that the upside price swings tend to be much stronger.

[Petrol rises in price in Ukraine](#)

The last working week (from 15 to 19 of October) characterized by continuing of price growth on all kinds of oil products in Ukraine.

[Asia-Pacific airlines cut back on fuel hedging](#)

Many Asian airlines have cut their fuel hedging in a bet that record-high oil prices cannot be sustained, but the cost-saving effort could expose them to sharp losses if a harsh winter drives prices to \$100 a barrel.

[Australia: BP rejects benchmark fuel prices](#)

Petrol giant BP has given the thumbs down to benchmarking Queensland's fuel prices, saying administration costs would be passed on at the pump.

[India: Pay For Your Petrol](#)

The government has decided against raising oil prices till March, even as global petroleum prices touched \$88 a barrel last week. It should be bolder. The decision points to the absence of a long-term view on energy management. With oil prices likely to stay up firm in the years to come, India should learn to contain production costs through better energy use and the use of alternative fuels. By subsidising key oil users, such as industry and transport, the government is not doing the economy or the environment any good. Sooner rather than later, energy inefficiency will undercut our competitive abilities. Why not face up to these realities when the going is good - the economy is growing at close to 9 per cent and inflation is ruling at 3 per cent - rather than put off hard decisions for future governments?

[Indonesia president: crude oil to hurt budget](#)

Soaring crude oil prices may hurt Indonesia's state budget because of the country's hefty oil subsidies, President Susilo Bambang Yudhoyono said on Tuesday.

[Fuel savings plan could include traffic restrictions, Dominican government says](#)

In the next few days president Leonel Fernandez will announce the plan to save and use energy more efficiently, which includes certain restrictions to transport, vehicle traffic in rush hours and the public and private office schedules, among other measures.

[Oil tanker companies' stocks poised to fall](#)

The record increase in oil prices and the unprecedented number of new tankers transporting crude oil is a stock market crash waiting to happen.

[Doing the right thing - a bottom-line issue](#)

The last thing executives at Scotiabank need is an environmental group complaining about the amount of paper the bank consumes or a shareholder backlash over loans to a client who manufactures defective products.

[City focus: The nuclear fall-out](#)

The less than glowing reputation of Britain's accident-prone nuclear giant has plunged to a new low. Only months after boss Bill Coley promised shareholders and customers were in for a 'far better year', British Energy shocked investors with a new round of reactor shutdowns.

[High and Dry](#)

In the space of twenty-four hours, Webdiary received two reviews of Guy Pearse's new book, *High and Dry: John Howard, climate change and the selling of Australia's future* (Penguin, 2007).

[NASA scientist urges action on climate change](#)

NASA's top climate scientist painted a dire picture Monday - from flooded coastlines to apocalyptic wildfires - unless the world finds a cleaner way to power its light bulbs,

motor vehicles and factories.

"We're setting the planet on a trajectory of very dramatic consequences within this century," James Hansen, director of NASA's Goddard Institute for Space Studies, told an overflow crowd at the University of Montana.

[The Energy Solution: Do Something](#)

Carl Pope, the executive director of the Sierra Club, likes to say that the environmental challenge can be boiled down to a pretty simple question. How are we going to fit a billion new rising consumers — mostly from India and China — into a biosphere that is increasingly full? If the world can make room for the newcomers, then we should be able to make it through the 21st century. If not, it won't matter what we do in the U.S. — the sheer scale of the rising demand for energy and raw materials in the developing will render our actions moot.

[Panel Urges Global Shift on Sources of Energy](#)

Energy experts convened by the world's scientific academies yesterday urged nations to shift swiftly away from coal and other fuels that are the main source of climate-warming greenhouse gases and to provide new energy options for the two billion people who still mostly cook in the dark on wood or dung fires.

The full report can be downloaded [here](#).

[UK: Half of nuclear power stations closed for repairs](#)

Energy expert Professor Ian Fells, of Newcastle University, said problems with ageing power plants could mean the lights going out if the winter was cold.

"We are relying on ageing coal-fired power stations and ageing nuclear stations, and we are not in a position to rebuild them at the moment," Prof Fells told the BBC Radio 4 Today programme.

[Five U.S. nuclear plants shut units for refueling and repairs](#)

A number of nuclear generators began fall refueling outages over the weekend, while Exelon and Edison International shut down three reactors for repairs.

[Australia: Diesel fuel shortage worsening](#)

More than a hundred Victorian BP and Mobil service stations switched their diesel pumps off today.

Some regional suppliers are expected to begin running out of fuel over the next two days.

Mobil will not say what was causing the problem but says its Altona Refinery is now back up to full production.

[Sub-Sahara needs \\$563 billion for power](#)

The sub-Saharan African electricity supply market requires a total investment of US\$563 billion over the next 20 years, growth consulting company Frost & Sullivan has said.

[China, the US, and space solar power](#)

China is already experiencing shortages. The Yangtze Delta region, which includes Shanghai and the provinces of Jiangsu and Zhijiang and contributes almost 20% of China's GDP, faced capacity shortages of four to five gigawatts during peak summer demand in 2003. In spite of a furious effort to develop new power sources, including dam building and new coal-fired power plants, China's economic growth is outstripping its capacity to generate the terawatts needed to keep it going.

[Far East: The newest global Oil hub](#)

Forget the Middle East. Forget West Africa. The newest oil hub will be in the Far East, with companies plopping down claims and interests in places like the Timor Sea or Bengal Bay.

[Vietnam: Oil, gold, food, construction material prices escalate](#)

Dang Vinh Sang, CEO of Ho Chi Minh City-based Saigon Petro said his firm imported petrol from Singapore at \$90 a barrel on Thursday. Due to the government cap on fuel prices plus import tax, Vietnamese enterprises are losing up to VND900 for one liter sold, he added.

[After Peak Oil, Peak Food](#)

...Forget about how you'll afford gas to put in your car to get to work as declining production, increasing demand, and the devaluation of the dollar push us towards \$100/barrel oil. What needs to be understood is that peak oil likely means peak food.

About 17% of US energy use goes into agriculture. The food in the grocery store that you buy traveled a long way to get to you, and it was probably grown with fossil-fuel intensive fertilizers and pesticides. As of 1994, it took 400 gallons of oil and equivalents to feed each US citizen, and that number has probably gone up.

[Yes, We're in Peak Oil Today](#)

On August 22, 2005, I wrote an article asking whether the world was in peak oil. In my first paragraph I answered, "It's too early to tell, although the market does show signs of being close to an absolute production limit."

A little over two years later, I think it's prudent, today, to change the answer to a provisional *yes*.

[Labour's plan to abandon renewable energy targets](#)

Ministers are planning a U-turn on Britain's pledges to combat climate change that "effectively abolishes" its targets to rapidly expand the use of renewable energy sources such as wind and solar power.

Leaked documents seen by the Guardian show that Gordon Brown will be advised today that the target Tony Blair signed up to this year for 20% of all European energy to come from renewable sources by 2020 is expensive and faces "severe practical difficulties".

[Jakarta plans to cut gas exports to Japan](#)

INDONESIA wants to cut its liquefied natural gas (LNG) exports to Japan from 12 to three million tonnes per year after current contracts between the two nations expire, an official said yesterday.

Indonesia, which is Japan's largest supplier of LNG, has said that it needs more gas to meet the soaring local demand for power, amid record oil prices. It plans to lower the volume of its exports to Japan from 2011 to 2016.

'Japan wants us to keep volume at 12 million tonnes per annum but we disagree. We are still negotiating,' said Mr Iin Arifin, vice-president of state oil and gas firm Pertamina.

[China is No Place for Electric Cars - Toyota](#)

"In France, 80 percent of electricity is produced by nuclear stations so if electric cars replace fossil fuel cars then you have a clear reduction in the emission of CO₂," said Tatehito Ueda, a managing officer at Toyota Motor Corp.

"But in China they make electricity by burning coal, so China is not the place for electric cars," he told the Nikkei International Automotive Conference in Tokyo.

[World's carbon dioxide emissions rising at alarming rate](#)

Carbon dioxide — the greenhouse gas considered most responsible for global warming — has been emitted into the Earth's atmosphere at a dramatically accelerating pace since 2000, researchers reported Monday.

"Carbon dioxide is rising at a much faster rate than before," says study co-author Christopher Field, director of the Carnegie Institution's Department of Global Ecology in California. "In the 1990s, CO₂ emissions increased by about 1.3% per year. Since 2000, the growth rate has been 3.3% per year." The researchers calculate that global carbon-dioxide emissions were 35% higher in 2006 than in 1990.

What's especially troubling, notes lead author Josep Canadell of Australia's Commonwealth Scientific and Industrial Research Organization, is most climate scenarios used by scientists and policymakers to predict temperature increases are based on the 1.3% rise. Greenhouse gases such as carbon dioxide warm the planet by trapping heat in the atmosphere.

[Energy poses major 21st century crisis: scientists](#)

Energy poses one of the greatest threats facing humanity this century, the world's leading academies of science warned Monday, highlighting the peril of oil wars and climate change driven by addiction to fossil fuels.

Nations must provide power for the 1.6 billion people who live without electricity and wean themselves off energy sources that stoke global warming and geopolitical conflict, the scientists demanded.

"Making the transition to a sustainable energy future is one of the central challenges humankind faces in this century," they said.

[No, we're not running out of oil](#)

"Peak oil," the headline read over Sunday's Prairie Voices interview.

"Just how long will it last?"

The correct answer is "Forever." As MIT professor Morris Adelman put it, "The great oil shortage is like the horizon, always receding as one moves toward it." But Adelman's is a fundamental insight of economics, a science that considers human behavior and so is a better tool for analyzing scarcity than is geology.

[Chile to Lay Claim to Piece of Antarctica](#)

Chile's foreign minister said Monday that his country will ask the U.N. Commission on the Limits of the Continental Shelf to recognize Santiago's claim of sovereignty over a chunk of Antarctica.

[Dick Cheney's Halliburton to Profit as Peak Oil Approaches](#)

Offshore is the last great frontier in the oil business, the only undiscovered country out there, unless you think there's oil on the moon. The trouble with going offshore is that it's incredibly expensive and ridiculously hard to do. There are a handful of firms in the world with the engineering know-how to find and produce oil from the depths of the sea. You reckon business will be good for them in the coming years?

[Lukoil, Hydro Freeze Development of Iranian Oil Field](#)

Lukoil OAO vice president Leonid Fedun said the joint development of the Anaran oil block in western Iran with Norsk Hydro ASA has been suspended because of US sanctions against foreign investment in the Iranian energy sector, Interfax reported.

[Eni-Led Consortium Signs Memorandum on Kashagan](#)

The Eni SpA (E)-led consortium developing the giant Kashagan oil field Monday signed a memorandum of understanding with the Kazakh authorities committing to continuing talks beyond today's deadline.

[Desire and the green cure](#)

I USED TO feel bad about mindless consumerism but not any more. The green movement has come to my rescue. With every purchase, I can now enjoy the warm glow of helping develop environmentally sound practices.

[Peak Oil to discuss water privatization](#)

The Peak Oil Action Group will hold a discussion tonight on the negative effects of the global effort to privatize water, according to a news release.

[Wine on the water as Tesco turns to barges to cut emissions](#)

"This move will be like taking a step back to the pre-car days of the late Victorian era, when a lot of cargo was still transported by canal," said Laurie McIlwee, the supermarket chain's distribution director. "We are continually reviewing alternative green methods of transporting cargo and this is our first waterborne project within the UK. We are already looking at other areas where we can move freight on waterways.

"Reducing carbon emissions and looking at how we can make the business more environmentally friendly is a priority, and by 2012 we aim to halve the amount of carbon emitted per case of goods delivered."

[DeDomenico was a transportation visionary](#)

The Napa Valley owes great thanks to Vince, who had a great deal of foresight and vision that will be increasingly relevant in this age of global warming and pending "peak oil." Unlike many communities in the U.S., we won't have to rebuild our public transportation system from scratch, since Vince was kind enough to preserve a strong foundation on which we can build. For the most part, the railroad that has been here since the 1870s is still here thanks to Vince DeDomenico. He saw the value of the railroad when many in this valley saw only their own convenience and resentment against tourism.

[Scientists see coal as key challenge](#)

The proliferation of coal-burning power plants around the world may pose "the single greatest challenge" to averting dangerous climate change, an international panel of scientists reported Monday.

[Caribbean urged to face warming risks](#)

The Caribbean tourism industry, the lifeblood for many island economies, needs to brace itself for stronger hurricanes, more frequent droughts and rising sea levels resulting from global warming, scientists said Monday.

[Global warming may be leading to higher rice yields in China: IRRI](#)

Global warming appears to have led to higher rice yields in northern China while free trade, changing diets, and rapid urbanisation is leading to a decline in rice production elsewhere, officials from the International Rice Research Institute (IRRI) said.



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