DrumBeat: November 5, 2007

Posted by Leanan on November 5, 2007 - 10:05am
Topic: Miscellaneous

OPEC October Output Rose 1.6 Percent, Survey Shows

> The Organization of Petroleum Exporting Countries raised production 1.6 percent in October in advance of the group's pledge to increase supplies starting this month, a Bloomberg News Survey showed.
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> OPEC pumped an average 31.16 million barrels a day last month, up 495,000 barrels from September, according to the survey of oil companies, producers and analysts. The 10 members with production quotas, all except Angola and Iraq, increased output by 305,000 barrels to 27.135 million barrels a day, the highest since October 2006.

Venezuela: Puerto La Cruz refinery shuts down for maintenance

> Distillation unit 1 at Puerto La Cruz refinery of 200,000 bpd stopped for maintenance works, an official at the oil facilities told Reuters on Monday.
>
> The works are estimated to last at least 30 days, but operations could start within 20 days.

Simmons Spells it out - but When Will the Ostriches Get Their Heads Out of the Sand?

> "If I was redoing Twilight in the Desert today, I'd sharpen the severity of the warning quite significantly.
>
> "May, 2005, still stands out as the all-time record high for global crude production - 74.3 million barrels per day, and now we're down 1.2 million barrels per day. The IEA shrug that off, saying that if you look back over the last few years, records have been set several times; a peak followed by a falling off, then another peak, and so forth.
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> "That's an interesting thesis. But as we watch Mexico start into its big-time decline and UK and Norway continue their rapid declines, plus Indonesia, Egypt, Argentina and others besides - you can see several years of relentless decline. Add them up and say, find me one area coming on in the next few years that will halt such a collective decline - it's just not there.

"Major oil companies have quadrupled their spending over the past five years and, other than acquisitions, basically they're in liquidation."

[All Peaked out and No Place Else to Go but Do-o-o-w-n]

"PEAK oil is now", proclaims a hard-hitting study of global resources by the German-based Energy Watch Group.

Its predictions are dire: global oil output peaked in 2006 at 81 million barrels per day, will slide to 58 million bpd by 2020 and 39 million bpd by 2030.

This is in sharp contrast to the International Energy Agency, which predicts 105 million bpd by 2020 and 116million by 2030, though offline, there is a growing view at the IEA that its projections are too optimistic.

[OPEC output rise would not affect prices - Algeria]

The world oil market is well-supplied and any decision by OPEC to increase crude output at its meeting next month would not stop prices from climbing, Algerian Energy and Mines Minister Chakib Khelil said on Monday.

[Crude economics]

Addicts are not always put off by high prices. Sometimes the cost of the drug makes the craving more dangerous. But a world addicted to fossil fuels is in serious need of cold turkey. It could be getting it now from rapidly rising oil, gas and coal prices. The price of crude oil is close to $100 a barrel, up almost $40 since last year and at an all-time high. That has added to worries about a global economic downturn, and if it is sustained the price will have a negative effect, especially in the US. But the real problem with oil's current price is not that it is too expensive, but that it is still much too cheap.

[The New New Fuel]

BURLINGAME, CALIF. - Turning wood chips into fuel isn't quite like turning water into wine, but it's still a pretty impressive feat. On Tuesday, a company backed by Vinod Khosla, one of Silicon Valley's most successful venture capitalists, will break ground on a plant that will do just that.

Range Fuels, a Colorado-based start-up funded by Khosla Ventures, is building the first commercial-scale plant in the U.S. (and very likely in the world) that will produce the next generation of ethanol--called cellulosic ethanol--in the small town of Soperton, Ga., about three hours south of Atlanta.

Is the Oil and Energy Bubble About to Burst?

> With crude reaching for $100 a barrel, one should start being cautious. Here in the US we are still taking these oil prices fairly well, but elsewhere (such as China or Iran) we are already hearing that these high oil prices are slowly starting to create social pressures and increasing tensions turned toward those governments. And stress of that nature could mean that we are nearing a turning point in this "never-ending" energy boom.

Scotland: Thousands 'in 'fuel poverty' as energy costs increase

> HUNDREDS of thousands of households are living in "fuel poverty" because of soaring energy costs, campaigners warned today.
>
> Some 600,000 households and 100,000 children in Scotland have been hit by rocketing fuel prices between 2003 and 2006, they said.

Do you know how Oil originated?

> Demand for oil began to increase from the middle of the eighteenth century. During the Industrial Revolution, oil was needed for lighting homes and factories. Before petroleum, whale oil was commonly used to make candles and as fuel for lamps.
>
> However, the supply of whale oil was running low and the price had skyrocketed. At that time petroleum was obtained by distilling it from coal, by skimming it from ponds and streams, and by oil shale retorting. None of these processes could meet the rising demand for oil.

Food pantries worry about bare cupboards

> Andrea Helms, the food bank's communications director, said several factors have made its work more difficult over the last few years. Some of those include:
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> The increasing cost of fuel that's needed to transport food.
>
> A decrease in the amount of food distributed to regional food banks by the U.S. Department of Agriculture. In fiscal year 2002, 31 percent of the Tarrant Area Food Bank inventory came from the USDA. In September, that had dropped to about 7 percent.
>
> Grocery stores selling more of their nonperishable foods, like canned goods, to secondary market stores or dollar stores. Thus, they have less nonperishables to donate to nonprofits.

[Driven by high energy prices, coal mining makes a comeback in Wales]

> Two decades ago, Britain was shutting coal mines and coal miners were staging desperate and sometimes violent strikes in a vain attempt to save their jobs.
>
> Now, near-record-high energy prices on world markets are bringing the traditional work of mining back to Wales, one of the poorer regions of Britain.

[Canadian oil industry basks in profits, and tax cuts]

> Crude oil prices are at record highs, and showing no signs of declining. Most of its current production is either conventional or from the oilsands, both at historic costs that are far below current price levels. The oil industry's success in limiting Canada's refining capacity has paid off massively, quietly generating superprofits in the refining and distribution end of the business.
>
> Profits are fattening balance sheets and individual bank accounts at a rate that would make one of the legendary robber barons of the late 19th century blush.

[Indonesian fuel subsidy soars amid oil price rise]

> The fuel subsidy in the Indonesian state budget is estimated to hit 90 trillion rupiah this year (about 9.8 billion U.S. dollars) against the initial projection of 55 trillion (6 billion dollars) due to soaring oil prices, an official said Monday.

[Japan's Greenhouse Gas Emissions Rise 6.4% From 1990 Levels]

> Japan's greenhouse gas emissions rose 6.4 percent in the year ended March from 1990 levels, forcing the government to quicken measures to ensure the country meets its Kyoto Protocol target.

[Thailand: Oil Fund starts contribution cut]

> With immediate effect, the contributions that retailers have to pay the Oil Fund for the sale of every litre of all fuel products would be cut by 40 satang per litre.

[South Africa: Oil price heralds gloom]

> Consumers have little reason for cheer, as rapidly rising oil prices and the prospect of another interest-rate increase by the Reserve Bank look likely to put the brakes on festive-season spending.

[Nuclear energy and economic growth in India]

> An examination of data published by the International Energy Agency indicates that India is the 5th largest producer of electricity in the world. However, while India is amongst the top 10 countries of the world in terms of production of electricity by hydro, coal, oil and gas, it is nowhere near the top 10 with respect to nuclear power generation. For a large country like India with its recognized advanced capability in nuclear power technology, this is an anomaly in need of correction.

[Whatever Happened to Fuel Cells?]

> In 2003, President George W. Bush called for a billion-dollar initiative to make fuel cells the future replacement of the gasoline engine. These clean battery-like devices produce electricity by combining hydrogen and oxygen and giving off only water.
>
> But four years down the road, not many besides California's Gov. Arnold Schwarzenegger have been behind the wheel of a fuel-cell car, and a big reason for this is the paucity of hydrogen fuel filling stations.

[Green movement is changing design]

> Now imagine if you could design your own car to achieve the level of fuel economy you sought and later work with the EPA to certify that the car met your objectives.
>
> That's the kind of validation a growing number of building owners are seeking in Eastern Iowa through a certification program called LEED, for Leader in Energy and Environmental Design.

[Richard Heinberg's Museletter: Big Melt Meets Big Empty]

> If people in the industrializing countries (particularly China and India) continue to burn more coal and drive more cars, they will metaphorically cook the planet. These nations have the highest growth rates for fossil fuel emissions, and China is set to soon become the world's foremost carbon emitter if it has not already done so. These nations are in effect saying to North America, Europe, and Japan, "Agree to reduce your emissions faster than we do, or we won't reduce ours at all and the entire planet will burn."
>
> This Grand Bargain could amount to an unprecedented shift of the world's economic center of gravity. During decades of "development" policy and aid, the disparity

> between rich and poor only grew; now, however, the poor world has a weapon - even if its use implies a suicide pact.

[U.S. dilemma: Targeting Iran's oil industry could hurt America more]

> "If Iran sees US $100 a barrel oil, Iran is likely to conclude, and it may well be true, that no matter how severe the sanctions ... the regime could sneak by," said Matthew Levitt, a former U.S. Treasury Department terrorism expert, who is now with the Washington Institute for Near East Policy.
>
> Yet long-term, finding some way to target Iran's oil is crucial, some analysts say, because its oil exports generate billions of dollars in hard currency, providing Iranian President Mahmoud Ahmadinejad with strength to defy the international community.

[Will Iran celebrate the 100th anniversary of its oil discovery with $100 petroleum?]

> Oil prices have surpassed a record US$96 a barrel. Given the growing geopolitical tensions in the Middle East involving an imminent war between the Turks and the Kurds over the future of oil-rich Kirkuk and the prospect of an independent Kurdish state, and the current standoff about Iran's nuclear program, petroleum prices may cross over $100 a barrel in coming months.

[ExxonWhat? PetroChina Is the New No. 1]

> It was a record-setting day for PetroChina. With an $8.9 billion debut in Shanghai, the state-controlled oil-and-gas producer laid claim to raising the greatest amount of money of any new listing globally this year. By the end of the first day of Shanghai trading on Nov. 5, PetroChina's share price had more than doubled, to 59¢, up 163%.

[Oil Companies Compete for Bahrain Facility Upgrade]

> "They are bidding for a number of things - the most important thing is to use new technology to increase the level of production of the Bahrain field and also to increase the level of reserves. So the benefit is two-fold - an increase in both the production of oil and gas and the reserves of oil and gas," Dr Mirza says.

[Kuwait oil minister quits]

> Kuwait government has accepted the resignation of its new oil minister, Bader al-Humaidhi, just eight days after he took the job at the world's seventh-largest oil exporter.

[US-Canada War Looms Over Energy, Water]

> Washington's new tensions with its northern neighbor and largest trading partner appear to be over perceived Canadian reticence to support US imperial adventures in the Middle East. But the vast resources of Canada itself—made more critical both by instability in the energy-rich Mideast and by shortages of such basic commodities as water brought on by climate change—may be providing a long-term source of conflict between the two giants of North America. While on the economic front all talk is currently of integration and falling trade barriers, battles are already being waged by the grassroots both sides of the border against resource plunder and mega-development schemes. These could eventually mean war between the two longtime allies if a populist government comes to power in Ottawa and tries to turn off the spigot of south-bound resources—and the Pentagon has already drawn up plans for this contingency. Rumbles are already being felt in such unlikely places as the rolling farmlands of upstate New York, the grizzly-haunted pine forests of Montana's wild Flathead Valley, the windswept high plains of northern Alberta, and the remote passages of the Arctic Sea.

[Peak Oil: Alternatives, Renewables, And Impacts]

> This article examines scientific and government studies in order to provide reliable conclusions about Peak Oil and its future impacts. Independent studies indicate that global oil production peaked in 2006 (or will peak within a few years) and will decline until all recoverable oil is depleted within several decades. Because global oil demand is increasing, declining production will soon generate high energy prices, inflation, unemployment, and irreversible economic depression.

[Consumers feeling the helium squeeze]

> The gas that floats balloons also powers industrial and scientific projects. And it's disappearing fast.

[EnCana takes its bat and ball to Texas]

> In late September, EnCana Corp. chief executive Randy Eresman issued a warning to the Alberta government: You follow through on proposals to sharply increase oil and gas royalties, and we'll redeploy our deep pools of cash elsewhere. Now, it looks like Mr. Eresman is putting his money where his mouth is.

[Guangdong passengers fume at diesel shortage]

> China's diesel shortage has hit the transport industry hard, particularly bus drivers and truckers, who now have to join long queues at diesel stations for a few quarts of diesel

> each time.
>
> The extra waiting time for buses to fill up on fuel, which is reportedly at least a half hour at each stop, has resulted in a slew of customer complaints. Trucking companies, on the other hand, are faced with service disruption and late deliveries.

Ireland: Motorists warned of rising petrol prices

> Topaz Energy, which operates the Shell and Statoil network of forecourts, today warned consumers to expect a significant increase in the price of petrol, diesel and home heating oil.
>
> "While price increases for the consumer are of course regrettable, in the face of the 40 per cent crude oil increase since mid-August, today's decision became unavoidable," said chief executive Danny Murray.

Q: How high must price of fuel go before motorists are driven off the roads? A: £1.86

> MOTORISTS are so attached to their cars they would continue to drive until fuel nearly doubled in price, according to a survey published today.

The Philippines: Can voluntary oil demand management save the day?

> But years since former President Fidel V. Ramos signed up independent power producers as a quick fix to the country's supply woes, government forecasts indicate that as the economy continues to grow, an increase in electricity requirements in the next 10 years would result in a "critical period" for Luzon in 2010, for the Visayas in 2011, and for Mindanao in 2009.

Tanzania waives import duty on cement to ease supply deficit

> Klaus Hvassing, chairman of the Tanzania Chapter of the East African Cement Producers Association told *The East African* that recent fuel hikes and growing demand for cement from dealers in the Great Lakes region was the main cause of surging of prices in the local market.

The Switch Has Been Flipped: It's Too Late For Solutions

> Tim's comment resonated with my experience in teaching history to college students who incessantly ask, "But what can we do?" when I systematically lay out the reality of the corporatocracy the United States has become, energy depletion, climate change, and

> of course, the police state in which we now reside. When I answer the students with my perception of options rather than solutions, they tend to sink in their chairs and tell me that they feel overwhelmed not only with the daunting reality of the planetary situation but even worse, that they wanted me to offer them "hope", and are disappointed that I instead offer them responsibility. I tell them that since I don't have any "hope" it would be disingenuous of me to attempt to offer it to anyone else.

[Pakistan, the heart of a global crisis]

> General Musharraf has declared martial law in Pakistan. Chuck Prince is being pressed to resign as chief executive of Citigroup, the world's largest bank, apparently because of losses on sub-prime mortgages. The oil price has risen to $96 a barrel; the gold price has risen above $800 an ounce. That is the world in a nutshell, an international crisis, a credit crisis, an energy crisis and a dollar crisis.

[Pakistan: Locally-produced gas prices should be de-linked from world prices]

> It is notable here that the price of gas has been raised by Rs 26 per kg during the past 19 months as a result of linking it to the international market.
>
> The price of LPG is on inclining side in the international market and recent hike has passed all previous records. The producers' price of LPG has reached at $ 745 per metric ton from $655 per metric ton. The gas registered an increase of $ 500 in the international market during the last 8 years.

[Hawiyah NGL project is now nearly 90% complete]

> The giant Hawiyah Natural Gas Liquids Recovery Plant (HNRP) Project is on track for completion, and to get all the key players on board for the final push, Saudi Aramco and contractor CEOs met recently for the in-depth review and work progress of the project.

[Kurt Cobb: Let's play "Peak Oil Shock Me"]

> An increasingly popular parlor game among peak oil activists is to see who can serve up the most shocking morsel of peak oil news at any one sitting. There are now plenty of morsels to choose from on an almost daily basis. Here are some recent samples...

['Designer biofuels' may replace gas]

> The mysterious liquid potions that keep scientists at LS9 Inc. so busy at their crowded lab in San Carlos may be unrecognizable, but they someday might become the world's two most valuable fuels: gasoline and diesel.

South Korean firm exploring nuclear power plant in Philippines

> A South Korean company has opened exploratory talks with the Philippine government on the possibility of reactivating the country's mothballed Bataan nuclear power plant, a company official said.

Energy Peril (Review of *Renewable City*)

> In a new book, the author paints a dire scenario but he underestimates the pain of the solution.

The plastic fantastic recycling trap

> It's the underlying assumption of modern design: Everything made by human hands will eventually outlive its worth. Consider, for example, the Swiffer. By almost every existing measure, it's better than mop, broom and dustpan. In fact, each single-use cloth is all but indestructible and no recycling program on the planet is equipped to deal with it. Point being: It's not the fault of the Swiffer, the failure is in the design structure of this fossil-fuelled age.

Pemex and Mexico Could Be Drowning in a Sea of Oil

> Because of decades of mismanagement, corruption, sloppy planning and excessive waste, PEMEX (the state oil monopoly) is in no position to benefit from the market situation.

Wanted: Any enemy with oil

> When Venezuela's popular and democratically elected leader was removed temporarily in a military coup in 2002, Bush immediately recognized the coup leaders as the new government.
>
> When Hamas won the last elections in Palestine, the United States refused to accept the democratic view of that nation.
>
> Also, don't forget, we destroyed democracy in Iran in 1953 because the Iranians wanted greater control of their oil.

Oil's Recent Rise Not Result Of Supply Or Politics, It's ...Traders!

Analysts also say that the past 10 weeks have demonstrated the power of traders at investment houses. Deutsche Bank oil economist Adam Sieminski, who spent six months on the bank's trading desk, said it is important not to underestimate the role of sentiment and technical factors, such as patterns of price movements and the need to hedge risks in other markets. Now, when investors hold a large number of options to buy oil at a price of $100, he says, "it's almost like magnetism. It draws prices to that level."

Ethical focus is booming

"Alternative energy has been the flavour of the year. A lot of people have woken up to what's going on in the world. Whether or not you believe in climate change or peak oil, it doesn't really matter. Governments can't afford to dismiss that a lot of smart people are saying."

The Threat of Agrofuels – Industrialized GMO Monocultures Will Only Hurt Farmers

Modern corporate outfits demand high volume supply from industrial monocultures of corn, soybeans, sugar cane, and increasingly palm oil. Most ironic is to see the vehicles of organic co-ops driving around the Midwest powered by biotech agrofuels. Given how reluctant most people are to consume genetically engineered foods directly, the only other outlet for these dubious "wonder" crops is as high fructose corn syrup, factory farm livestock rations, or agrofuel feedstocks. In the research pipeline are agrofuels derived from yet other food sources – cassava, wheat, barley, as well as cellulosic ethanol derived from switchgrass, crop residue, and even biotech trees. Some scientists are also working on genetically engineered algae for agrofuel production.

Sleepwalking over the oil peak

If you are an avid listener of ABC radio you will hear the words "peak oil" pop out now and then with increasing frequency. Fran Kelly mentions it on *Breakfast* (John Anderson on food shocks oil dependency and drought), a caller to *Australia Talks Back* mentions it with respect to food prices, even news stories on oil are introduced with lines such as, "In a world with oil peaking...". ABC TV has broadcast its excellent documentary Crude, *The Incredible Journey Of Oil*. There are occasional articles relating to it in the Fairfax and Murdoch press. One could almost start to believe that peak oil consciousness is spreading into the Australian mainstream and that we can soon discuss how to prepare to cope with it rather than debate whether or not it will occur. But if you believe this you are wrong. The great majority of Australians have simply no idea that oil production will soon be decreasing, and the few that do mostly do not comprehend the extent to which this will change their way of life.

Kunstler: Ignoring the Obvious

> Behind the hoarding dynamics are several clear circumstances. One biggie is the growing export crisis, described by geologist Jeffrey Brown. Countries like Saudi Arabia and Mexico that sell oil to importing nations like the USA and Japan are using more of their own oil and producing less. Mexico's trajectory is so steep (due to the severe depletion of its giant Cantarell oil field) that it could easily go from being America's Number 3 source of imports to zero in less than five years. The anticipated yearly growth in worldwide oil demand next year will equal 80 percent of the USA's entire oil production.

Cheap solar power poised to undercut oil and gas by half

> Within five years, solar power will be cheap enough to compete with carbon-generated electricity, even in Britain, Scandinavia or upper Siberia. In a decade, the cost may have fallen so dramatically that solar cells could undercut oil, gas, coal and nuclear power by up to half. Technology is leaping ahead of a stale political debate about fossil fuels.

Declaration of Principles to Be Issued at the Third OPEC Summit

> Heads of state and oil ministers from the 12 Organization of Petroleum Exporting Countries (OPEC) members will be meeting in Riyadh Nov. 17-18 for a rare summit, the third in the cartel's history, at which they will hammer out the details of what is to be a historic "declaration of principles."
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> Though petrodollar coffers are overflowing, there is no shortage of ominous clouds on the horizon providing a backdrop to the meeting: The diplomatic breakdown associated with Iran building up its nuclear technology capabilities, the ongoing war on terrorism along with conflict in Iraq, Afghanistan, as well as Nigeria and other OPEC nations, the increasing likelihood of a global economic slowdown and the U.S. dollar losing its grip as the world's reserve currency among them.

Gore Nightmare Wins as Europe Pays to Ship U.S. Coal

> Now that the price of coal is at a historic low relative to oil, there's no stopping consumers and producers alike from embracing Al Gore's nightmare.
>
> A ton of U.S. coal is so cheap at about $47 that European utilities will pay $50 to ship it across the Atlantic, according to Galbraith's Ltd., a 263-year-old London shipbroker. While oil and coal cost the same as recently as 1998, West Texas Intermediate crude is five times more expensive after climbing to a record $96.24 on Nov. 1.

Valero reports L.A. refinery unit shutdown

> Valero Energy Corp's 135,000 barrel per day (bpd) Los Angeles-area refinery in Wilmington, California, reported a unit shutdown on Friday afternoon, according to

notices filed with state pollution regulators.

...A Valero representative was not immediately available to discuss refinery operations.

Average price of gas rises to $2.96 per gallon

The national average price for gasoline rose about 16 cents over the last two weeks, according to a survey released Sunday.

The average price of regular gasoline on Friday was $2.96 a gallon, mid-grade was $3.08, and premium was $3.19, oil industry analyst Trilby Lundberg said.

Yemeni tribesmen blow up oil pipeline

Yemeni tribesmen blew up a pipeline that carries crude oil to a Red Sea export facility on Monday but export operations were unaffected, security and oil officials said.

Contrarian Currency Trade: The Canadian Dollar

Peak oil aside (which I argued for last year, only to see crude price collapse), arguing about whether crude is worth $100 or $70 is another issue. Fortunately for long crude position speculators, this runup occurred during a time of seasonal weak demand for gasoline and heating oil, primary byproducts of crude which traditionally *guide* demand for crude. These depressed crack spread margins have enabled a runup to occur without demand destruction to immediately become apparent. Now at $96 crude and with RBOB gasoline cracks widening back from $2 to $6 (note a $37 peak crack this spring), wholesale gasoline levels are back to all time highs. This may put a damper in the bulls' optimism. Outside the US, Chinese are already rationing diesel. Demand is getting hit at these levels.

Tibetans wake up to nosebleeds in super-dry autumn

Moisture has become a luxury in the Tibetan capital of Lhasa where many locals are waking up to nosebleeds in the dry autumn, state media said on Monday as the Himalayan region faces growing threat of global warming.

"As it stands, there is little water component in the air in the Sunlight City which sits at 3,700 meters above sea level, making the weather extremely dry and things flammable," Xinhua news agency quoted the Lhasa Observatory as saying.