



DrumBeat: November 8, 2007

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Topic: [Miscellaneous](#)

[\\$100 Oil: Big Oil Struggles to Tap New Energy Amid High Costs](#)

Ten years ago, a keen futurologist imagining the effects of \$100 oil might have predicted a world where major oil companies, their coffers bursting with mega profits, were pumping cash into high technology and delivering new energy sources saving the world from economic meltdown in the nick of time.

Fast forward to the present and energy buzzwords like ethanol, oil sands or gas-to-liquids are certainly on everybody's lips, but they've done little to diminish the world's dependence on black gold. In fact, as oil prices edge ever closer to \$100 a barrel, industry experts say the ability of the major private companies to develop new energy sources is diminishing.

[As Energy Prices Soar, U.S. Industries Collide](#)

Nearly a year ago, with his company reeling from rising energy prices, Dow Chemical Co. Chief Executive Andrew Liveris took a stand that turned heads in Washington. He called for tougher fuel-economy requirements for auto makers -- businesses that buy some \$1.5 billion of goods from Dow each year.

The move was as rational as it was risky. Dow figured that limiting oil usage by cars would ease price pressure on fossil fuels, which Dow must buy in vast quantities to feed its factories. Dow also reasoned that if car makers were forced to improve mileage, they might buy more of various Dow products that can make vehicles go farther on a gallon of fuel.

[India's Solution for Oil Prices: Ban Speculation by Banning Trading](#)

As oil approaches the \$100-a-barrel milestone, M. S. Srinivasan, India's petroleum secretary, has an unorthodox recommendation for cooling overheated prices: halt trading of crude oil on commodity exchanges.

The next energy shock will be different than the last one, but that doesn't mean it will be easy.

[Biofuel industry says oil hike driving food prices](#)

Leaders of the biofuels industry are challenging critics who argue that converting food to fuel is driving up food prices, saying higher energy costs and other factors are more important.

"Energy is the blood of the world, so if oil goes up then other commodities follow," Claus Sauter, Chief Executive of German bioenergy firm Verbio said on Wednesday.

[Oil Surge May Curb German Growth, Economy Minister Glos Says](#)

Surging oil prices nudging \$100 a barrel may undermine growth in Europe's biggest economy, German Economy Minister Michael Glos said.

[Italy - Oil: Taxi Trade Unions, to ask for higher rates](#)

Taxi rates will be raised due to high oil prices. The trade unions for taxi drivers are already negotiating an 18pct price increase, but, explains Lorenzo Bittarelli of Uritaxi, "it is clear that if oil prices keep rising it will have repercussions for our sector and we may have to revise the rate of increase, up to 20-22pct".

[Azerbaijan: Energy profile](#)

Since becoming independent in 1991, Azerbaijan has attracted significant international interest in its oil and natural gas reserves.

[Eastern Mediterranean: Energy profile](#)

While the countries of the eastern Mediterranean region produce and consume only modest quantities of energy, they occupy a strategic location in terms of regional security and prospective energy transit routes.

[Azerbaijan: Israel's problematic energy provider](#)

Azerbaijan is valuable to the Muslim world as for its wealth of alternative energy resources: it is a Muslim country where roughly 75% of the population is Shi'ite, the rest

Sunni. For a long time considered relatively immune to the militant Islamism sweeping the region due to measures taken during the Soviet times, the collapse of the Soviet Union has left Azerbaijan as a battleground for warring religious groups, sects and radical organizations. The central government managed to keep sectarian violence at a minimum for years, but after September 11 Salafi and Wahhabi preachers started flooding the country.

[Four Proposals Try to Tap One Fund of Oil Fees](#)

In four separate pieces of legislation -- two energy bills, the farm bill and a bill that would fund rural schools and libraries -- lawmakers in the House of Representatives make use of \$6 billion in payments from oil companies.

Unfortunately, the same \$6 billion gets spent in each bill.

[Project to Improve Viability of Lithium-Ion Batteries for Cars](#)

Lithium-Ion (Li-Ion) battery technology shows significant promise for hybrid and electric vehicle applications in terms of its comparatively high power and energy density, and ability to retain charge for extended periods. However, commercial challenges remain in terms of both cost and weight. QinetiQ and Ricardo have embarked on a two-year collaborative project part-funded by the UK Department for Transport, which aims to dramatically reduce the costs of Lithium-Ion batteries for hybrid vehicles while protecting or further improving vehicle performance.

[Harnessing the power of ocean waves for energy](#)

Denmark generates a fifth of its electricity from wind power, Germany is a global leader in solar technology and Iceland heats huge numbers of homes with geothermal energy. Could Britain match the achievements of its neighbors in renewable energy by harnessing the power of the waves along its abundant coastline?

[Global warming 'cure' found by scientists](#)

A "technical fix" that could stop global warming by taking billions of tons of carbon dioxide out of the atmosphere and save the coral reefs from being destroyed by acidification has been developed by scientists.

The process could be used on an industrial scale to remove excess carbon dioxide caused by the burning of fossil fuels from the atmosphere in "a matter of decades rather than millennia," according to researchers from Harvard and Penn State universities.

[No injuries in Valero Port Arthur plant explosion](#)

Because of the explosion and fire, the refinery is operating at about 60 percent of capacity, or 165,000 barrels of crude processing compared with normal daily capacity of 265,000 barrels.

Total hydrocarbon feedstock capacity is at about 190,000 barrels compared with more than 300,000 barrels of daily processing, he said.

[“Supply crunch” is not peak oil - IEA](#)

There is no contradiction between the International Energy Agency’s forecast of long term oil supply growth to 2030 and a “supply crunch” by 2015, according to its chief economist Fatih Birol. Mr Birol insisted today that the short term crisis would not be caused by a fundamental shortage of oil but by entirely man-made factors.

[Lula: No Brazil Fuel Crisis](#)

President Luiz Inacio Lula da Silva denied any national energy crisis and said that supplies will last until 2012.

At a Wednesday business meeting at the government palace, Lula downplayed the gas shortage in Rio de Janeiro and Sao Paulo, which solution is either to find fresh reserves or import.

[£4.5bn windfall for Treasury as oil soars](#)

Gordon Brown is set for a £4.5bn tax windfall from record oil prices. As the cost of a litre of petrol broke through the £1 barrier for the first time yesterday, economists said the Treasury is raking in an extra £12m a day from the oil spike.

[Nepal: Apathy stalls petroleum liberalization](#)

Each time there is shortage of petroleum products due to rising international prices there is also talk of liberalizing petroleum imports.

But once ad hoc price adjustments are made, the liberalization issue is sent to the back burner.

[Petrobras' Tupi Oil Field May Hold 8 Billion Barrels](#)

Petroleo Brasileiro SA, Brazil's state-controlled oil company, said its offshore Tupi deposit may contain 5 billion to 8 billion barrels of oil and natural gas. The shares rose the most in three years.

[Greenspan Says World Economy Will Acclimate to Oil Above \\$100](#)

Former Federal Reserve Chairman Alan Greenspan said rising oil prices will lead businesses and consumers around the world to consume less fossil fuel and increase their use of alternative energy sources.

``The sooner we get the higher prices, the quicker the world economy will accommodate," Greenspan told a conference of executives in Sao Paulo, Brazil, via satellite. ``They can be a remedy for high oil consumption, which can result in less and less dependence."

[\\$100 a Barrel Oil Is B.S.](#)

Is oil hitting \$100 a barrel because of "supply and demand? No,it's because of greed and collusion.

For the price to be based on so-called "supply and demand" it would mean that consumers are bidding the price up. I've yet to see any consumers bidding the price up. What we have are oil industry and government people secretly agreeing on prices and then ramming those prices down the consumers' throats.

[Range Fuels holds groundbreaking](#)

After nine months, the wait is finally over as Range Fuels Inc. broke ground Tuesday afternoon on the nation's first commercial cellulosic ethanol plant located in the Soperton/Treutlen County Industrial Park.

Range Fuels will use wood and wood waste from Georgia's pine forests and mills as its feedstock and will have the capacity to produce more than 100 million gallons of ethanol per year.

[Palm Oil May Reach \\$1,000 a Ton Next Year on Shortage](#)

Palm oil may rise as high as \$1,000 a ton next year because of increasing demand and a shortfall in supplies of vegetable oils, according to Derom Bangun, the head of the Indonesian Palm Oil Association.

[Porsche goes green...100 years ago](#)

Next to its new Porsche Cayenne Hybrid SUV at the 2007 Los Angeles Auto Show later this month, Porsche will show off an electric car from 1900 designed by founder Ferdinand Porsche. This is the predecessor of what Porsche Cars claims was the world's first hybrid car, which followed this one by just a few years.

['Training needed' for green car future](#)

The success of "green technology" on Australia's roads is being jeopardised by a shortage of mechanics trained in diesel cars, says an automotive lecturer.

[With more to feed, donations aren't keeping up](#)

"It's a very challenging time for us," said Melanie Gosselin, executive director of the New Hampshire Food Bank, which provides food to 345 agencies, primarily food pantries and soup kitchens from Berlin to the seacoast. "We usually have 700,000 pounds of food in stock and we now have 126,000. That's a half-a-million-pound shortage."

Gosselin said the demand for food is up 30 to 40 percent. "It's hard to say why," she said. "Higher gasoline prices, the rise in the price of home heating oil and natural gas. . . . The working poor are feeling the pinch and so are the people who normally make donations."

[Bernanke: Mortgages, oil are concerns](#)

In testimony before Congress' joint economic committee, Federal Reserve Chairman Ben Bernanke says the central bank is concerned about credit crunch and rising oil prices.

[Act now to avoid an energy crunch](#)

The annual report contains some eye-popping projections. China will overtake the US to become the world's biggest energy consumer soon after 2010. Sales of new vehicles will exceed those in the US by 2015, almost quadrupling Chinese demand for transport fuel by 2030. By then, more than 1,300GW of new electricity generating capacity will be needed to power its economy – more than all the power stations in North America alone.

...There is a sharp reality check, too, for advocates of biofuels and renewable power. Fossil fuels, increasingly coal, will dominate. This poses difficult questions for western

governments and energy companies. Some conclusions are inescapable.

[This doorstopper opens our eyes to the energy crisis](#)

The International Energy Agency's annual review is not for the faint of heart. Whether your principal concern is energy security, the price of oil or global warming, the 663-page World Energy Outlook doorstopper is a wake-up call.

[Skepticism Greet New US Africa Command](#)

Just a few years ago, the U.S. military was rarely seen in the oil-rich waters of West Africa's Gulf of Guinea. This year, it plans to be there every day.

The strategic importance of Africa and its natural resources is on the rise, and the Defense Department last month created a new unified U.S. military command for the continent called Africom.

[The Philippines: PGMA calls on nation to help avert possible energy crisis](#)

With oil prices rising worldwide, President Gloria Macapagal-Arroyo has called on all sectors to help averting a possible crisis, saying the nation must move quickly, especially the leaders of government and private industries to lessen the blow of rising prices of diesel, gasoline and Liquified Petroleum Gas (LPG).

[At these restaurants, 'eating green' doesn't necessarily mean ordering a salad](#)

As more Americans seek out products with green credentials, more quick and casual restaurants are ready to serve them. Eating green no longer means just ordering from a vegetarian menu. In fact, it doesn't even have to mean eating healthy.

"For a restaurant to be truly green, they have to think about the lighting, the napkins, the cleaning products, the waste, the grill – everything," says Michael Oshman, founder of the Green Restaurant Association (GRA), a national, nonprofit consultancy in Boston that helps eateries become more environmentally friendly. "But what a lot of restaurateurs don't realize is that taking the necessary steps is not only good for the environment and good for their image, it's also a way to lower costs."

[Big food companies accused of risking climate catastrophe](#)

The rush to palm oil and biofuels threatens to release 14 billion tonnes of carbon from

Indonesia's peatlands.

[Zip along with shared cars, bikes](#)

Zipcar and Flexcar. They sound like a couple of cartoon characters. But last week's merger of these member-based, by-the-hour car-rental companies points to a noteworthy development in transport: car-sharing as a way to replace car-owning and to cut costs, energy use, and congestion.

[General Motors begins to make full-size hybrid SUVs](#)

General Motors has launched production of its new full-size hybrid sport utility vehicles, the automaker's boldest step yet to bring new fuel-saving technology to market and meet growing consumer demand for environmentally friendly vehicles.

[In Portland, Cultivating a Culture of Two Wheels](#)

Cyclists have long revered Portland for its bicycle-friendly culture and infrastructure, including the network of bike lanes that the city began planning in the early 1970s. Now, riders are helping the city build a cycling economy.

[Green IT strategies could lead to hefty ROI](#)

Savvy and forward-thinking CIOs have recognised that ecological concerns aren't just for tree-huggers. Large enterprises, and to a lesser extent midrange companies, are starting to deploy products, and better yet, long-range green IT strategies, to reduce the carbon footprints of data centres. A number of factors are propelling this trend -- one of the biggest is the energy crisis.

[Raymond J. Learsy: As Oil Approaches \\$100 is Saudi Arabia Waging Resource Aggression Against The American People And The World Economy?!](#)

Imagine waking up to the following nightmare headline "Canada Interdicts the Head Waters of the Missouri and Mississippi Rivers and All Water Flows From Its Territory Into the Great Lakes." One's reaction would not be passive nor that of our government to such a blatant act of resource aggression. And if you permit a glib interjection, any argumentation that , "well its water on their side of the border" would hold no water whatsoever. The deterioration of relations between the United States and Canada would be immediate, grave, and threatening.

...Saudi Arabia, given its enormous reserves, could readily produce significant additional quantities of oil in order to abate the steep run up of oil prices. At these price levels the fact they and OPEC are maintaining the major portion of their production cuts made at

the beginning of this year (OPEC's production cut of 1.7 million barrels/day altered by a production increase of only 500,000 barrels/day starting this month) is smoking gun evidence of their extortionist intent. By holding oil off the market, oil which they clearly have in ample supply, they are gouging the world's economies, pricing their product at levels that have no market rationale whatsoever. They are preying on the world's need for oil. It is an act of resource aggression against the world's consumers much as Canada's hypothetical interference with the headwaters of our major river ways would be an act of aggression against the United States.

[Higher Pump Prices Could Take \\$15 Billion out of U.S. Shoppers' Wallets By Christmas Day](#)

Americans will hit the shopping malls this holiday season with up to \$15 billion less to spend due to higher gas prices compared with a year ago. That could put a real crimp in the critical holiday selling season, which in turn could put a major dent in the consumer-driven U.S. economy.

[The Carbon Calculus](#)

A CHANGE is in the works that could go a long way toward making alternative energy less alternative, and more attractive to consumers and businesses.

It's not a technological fix from some solar-cell laboratory in Silicon Valley or wind-turbine researcher in Colorado or the development of some superbug to turn wood waste into ethanol.

Rather, the change would come from Washington, if Congress does what it has talked about and puts a price tag on greenhouse-gas emissions. Suddenly the carbon content of fuel, or how much carbon dioxide is produced per unit of energy, would be as important as what the fuel costs. In fact, it might largely define what the fuel costs.

[John Michael Greer: Waiting for the other shoe](#)

Picking a route down the far side of Hubbert's peak requires some of the same skills hikers use when navigating any other mountain trail, and one of those skills is a curious sort of double vision. On the one hand, you have to pay attention to the terrain around you, watching for places where the footing might prove treacherous or other hazards such as falling rocks might make the trip a little too exciting. On the other hand, you have to pay attention to the bigger picture, the way the land lies, so the trail you choose will actually take you in the direction you want to go.

[Speculation Over Cambodia's Oil Fortunes 'Premature' - PM](#)

Prime Minister Hun Sen said Wednesday it was "highly premature" to estimate how

much oil Cambodia might hold in undersea reserves, blunting earlier optimism that a petroleum windfall could pull the country out of poverty.

Officials had forecast that oil production could begin as early as 2009.

[Exxon pulls out of Aramco joint venture](#)

US oil giant Exxon Mobil has sold its 30% stake in an oil lubricants joint venture with Saudi Aramco to Riyadh-based Jadwa Investment, Aramco announced on Tuesday.

[Rahall Urges White House to Back House Royalty Plan](#)

The chairman of the House Natural Resources Committee says a court decision that could jeopardize billions in Gulf of Mexico oil royalties should prompt the White House to drop its opposition to House efforts to ensure the payments.

[The Peak Oil Crisis: The Washington Post](#)

On Monday, our colleagues over at the *Washington Post* ran a front-page story in an effort to explain to official Washington why oil prices have soared by \$25 a barrel in the last ten weeks and just what it might mean.

Now anyone who follows the peak oil story knows the answer already. World Oil production stopped growing two years ago; consumption of oil in China, India, and the major oil producing countries themselves continues to grow rapidly; a gap between demand and supply is opening which for a while will be filled by drawing down world stockpiles; increasing prices are forcing the poor nations to get by with less oil.

[OPEC calls for tighter regulation of oil market](#)

OPEC's secretary-general called on Thursday for tighter regulation of oil markets to reduce the speculative investment the exporter group blames for driving prices to nearly \$100 a barrel.

Oil markets have spun out of control, the group says, because of financial investors, combined with the impact of a weak U.S. dollar and rising political tensions.

"Right now it is funds and speculators who invest in oil -- and financial markets interfere with the oil market," said Abdullah al-Badri, adding there was a need for more regulation.

[Oil resumes march to \\$100](#)

Oil recouped early losses to resume its march towards the \$100-milestone on Thursday as resurfacing worries of tight winter supplies and continuing dollar weakness put the brakes on some early profit-taking.

[Crude supplies rise 2.3 mln bbls in latest week: API](#)

Crude supplies rose by 2.3 million barrels to 313.3 million barrels in the week ending Nov. 2, the American Petroleum Institute reported on Wednesday. Distillate stocks rose by 0.5 million barrels to 136.7 million barrels in the same period, while gasoline stocks fell by 2.5 million barrels to 193.6 million barrels, API said.

[A Crude Awakening: The Oil Crash](#)

"Oil is the excrement of the devil," warns a commentator in this downbeat documentary, a film that promises to give petrol-heads A Crude Awakening. Filmmakers Basil Glepke and Ray McCormack poll oil company consultants, OPEC officials and ex-White House advisors and discover another Inconvenient Truth: we're running out of oil. Life as we know it is doomed; yes, doomed. That may be old news, but this post-Michael Moore shock-doc paints a chilling picture of coming global crisis fuelled by our lack of fuel.

[Florida Governor disses Brazilian energy giant](#)

Gov Charlie Crist's office announced last night that he had broken off a scheduled visit to the headquarters of Brazilian energy giant Petrobras in Rio de Janeiro because of the company's "business dealings with Iran."

[Valhall and Ekofisk go offline](#)

BP and ConocoPhillips are shutting in the Valhall and Ekofisk fields - closing down output of 220,000 barrels per day - due to a looming storm but hope to restart production as soon as tomorrow.

ConocoPhillips is shutting in five platforms at Ekofisk which pump a total of 140,000 bpd, adding it has already had shut two of them.

[Nigeria: Oil Spill - Youths Demand N5bn From Shell](#)

IRATE community youths have prevented Shell Petroleum Development Company (SPDC) from assessing and conducting possible remediation at the Ibibio ell 1 in Akwa

Ibom State.

Besides, they are demanding a N5 billion compensation as a pre-condition.

[Like it or not, \\$100 oil forces new energy policy on U.S.](#)

But higher prices do have an upside. They mean that the United States finally has a national energy policy. It might not be one of its own choosing. But it is having an impressive and immediate effect. The possibility of \$100-a-barrel oil is forcing the nation to take energy consumption seriously after decades of slumber. This painful wake-up call might just rouse American ingenuity to finally effect real change.

[Yemen: Six government troops, six tribesmen killed as clan attacks oil installation](#)

At least six government troops and six tribesmen were killed in a clash Thursday that followed the tribesmen's attack on an oil installation in Yemen, a local official said.

The clash took place in the Shabwa province, about 220 kilometers (136 miles) southeast of the Yemeni capital, San'a, when men from the Bani Harith clan attacked a Ukrainian-run oil field installation, the province's governor, Mohammad Ali Ruwashan, said.

[Peak oil will imperil planet's future if we don't take action](#)

Among the many things that keep me awake at night - homework, super-staph, war, AIDS, global warming, genocide and homophobia - the peak oil crisis has been on my mind a lot. Petroleum is a finite, non-renewable resource which fueled the fast-moving 20th century. As in most races, we seem to be zooming to the inevitable finish line. We're not actually certain how much oil remains in Saudi Arabia; this information is carefully shrouded. In this hemisphere, the desperate urge to fuel up has us drilling in increasingly obscure, dangerous and hard-to-reach places to meet the demands of the American consumer. It looks to me like the gas gauge reads empty, and we're just hoping to make it through the winter on fumes.

[Weeden & Co. LP Senior Energy Analyst, Charles Maxwell, Receives 'M. King Hubbert E3 Award'](#)

Weeden & Co. LP is pleased to announce that Charles T. Maxwell, Sr. Energy Analyst, has been chosen as the recipient of the *M. King Hubbert E3 Award: Excellence in Energy Education* at the 2007 ASPO World Oil Conference.

[Why the dollar will keep falling](#)

The IEA reckons that oil could hit \$159 a barrel by 2030, with demand of 120m barrels a day far outstripping supply of 116m barrels a day. And this is assuming we can get supply that high – it's currently just 85m barrels a day, and if you believe in the Peak Oil theory, then it's not going to go much higher than that.

[Crisis? What crisis?](#)

Are we running out of oil? The simple answer is yes'. As a controversial new film about our fuel crisis predicts imminent global meltdown, Ruth Campbell discovers what will happen when the last drop of black gold is spent.

[A day at "The Farm"](#)

The Farm's latest ambitious building project involves a new neighborhood that will be completely off the grid. The small houses will be built very close together to utilize energy as effectively as possible. New constructions have been hard to finance, since The Farm cannot get credit from the bank for construction.

This new growth indicates hope for the future of a community that might otherwise seem to be dwindling. However, although their future looks positive, some members of the community are preparing for global disaster. A few have formed a Peak Oil Crisis Strategy Committee that meets twice weekly to prepare for what they believe will be the collapse of the global economy within the next 10 years.

[Analysts: Profiteers, speculators behind gas price spike](#)

Analyst Judy Dugan said it's not difficult to imagine \$4 a gallon by early next year.

"Oil companies are reaping profits of up to \$75 a barrel on \$95-a-barrel oil, and now they're taking the leash off of gasoline prices as well," said Dugan, research director of the Foundation for Taxpayer and Consumer Rights and its OilWatchdog project.

[We are married to oil and the breakup will be ugly](#)

The end of the Petroleum Age will lead to hardships, civil unrest at home and abroad and war. Limiting consumption of petroleum is the only way forward.

More and more scientists and analysts are concluding that Peak Oil has occurred or will occur in the near future.

[Reducing energy consumption today will help future generations](#)

After attending the Nobel Conference, “Heating Up: The Energy Debate,” at Gustavus Adolphus College Oct. 2 and 3, I started thinking about what legacy our generation is going to leave our children and grandchildren. If the experts at the conference are correct, climate change has started and we need to make changes now to prevent global warming.

[Global-warming gases set to rise by 57 percent by 2030](#)

Emissions of greenhouse gases will rise by 57 percent by 2030 compared to current levels, which will increase the Earth's surface temperature by at least three degrees Celsius (5.4 degrees Fahrenheit), the International Energy Agency (IEA) said on Wednesday.

In its annual report on global energy needs, the Paris-based agency projected greenhouse-gas pollution would rise by 1.8 percent annually by 2030 on the basis of projected energy use and current efforts to mitigate emissions.

The IEA saw little chance of reducing this pollution to a stable, safer level any time soon.



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