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[High Oil Prices Confound OPEC](#)

As oil prices hover around \$95 a barrel, OPEC should be in a celebratory mood: its members are reaping record revenue, demand for their product keeps rising and the world economy seems capable of sustaining oil prices that would have seemed suicidal just a few years ago.

But the oil-producing group faces an increasingly uncertain environment. There are fears of a global economic slowdown, an endlessly depreciating dollar and growing concerns about the effect that burning fossil fuels has on the planet's climate.

As leaders of the Organization of the Petroleum Exporting Countries meet in the capital of Saudi Arabia for a rare high-level summit this weekend, there are signs that high oil prices are a mixed blessing for producers.

[Gas prices slip, oil futures climb](#)

December crude had lost 66 cents in the previous session after the Energy Department's Energy Information Administration reported an unexpected 2.8 million barrel increase in inventories last week. But much of that supply build occurred on the West Coast, where the energy infrastructure is largely isolated from the rest of the country, analysts said.

"I think the market may have realized overnight that that EIA report wasn't that bearish," said Jim Ritterbusch, president of Ritterbusch & Associates in Galena, Ill.

[Qatar says dollar slide eroding purchasing power](#)

Qatar, which pegs its riyal to dollar, is concerned that the US currency's slide on global markets is eroding the country's purchasing power, the oil and gas exporter's deputy prime minister said.

[OPEC to discuss creation of currency basket to price crude](#)

Leaders of the Organization of Petroleum Exporting Countries meeting this weekend in the Saudi capital are likely to discuss the possibility of creating a currency basket to price their crude, Venezuela's oil minister said yesterday. Rafael Ramirez, the minister, said the issue will come up at a closed session in the two-day OPEC summit, Dow Jones Newswires reported.

[OPEC Looks to the Future, Its Clients to the Present](#)

The OPEC ministerial conference slated for Dec. 5 in Abu Dhabi may also fail to decide on measures aimed at moderating prices, which are closing in on 100 dollars a barrel.

"The thing is, for now OPEC can increase prices, but it can't bring them down," Elie Habalián, a retired professor and former representative of Venezuela at OPEC, told IPS.

[Big day looms for Venezuela](#)

In two weeks, Venezuela could be starting an extraordinary experiment in centralized socialism fueled by oil. By law, the workday would be cut to six hours. Street vendors, housewives and maids would have state-mandated pensions. And President Hugo Chávez would have significantly enhanced powers and be eligible for re-election for the rest of his life.

[Pipelines helps Greece and Turkey forget old rivalry](#)

A decade ago Greece and Turkey were nearly at war over an uninhabited island, now a shared gas pipeline to be officially inaugurated Sunday symbolises a new spirit of cooperation between the rivals.

[OPEC to put carbon capture at heart of new green agenda](#)

OPEC leaders are set to make carbon capture and storage the centerpiece of their new-found green agenda by urging greater use of the emerging technique to curb carbon emissions, Algeria's energy minister said Friday.

Chakib Khelil, reading from a draft declaration expected to be approved at the end of an OPEC summit, said point three would be "energy and environment: carbon storage could reduce the impact of fossil fuels on climate change and developed countries have the technology on this."

[OPEC Communique Shouldn't Mention Dollar - Saudi Minister](#)

Saudi Arabia Foreign Minister Prince Saud al-Faisal Friday advised ministers from the Organization of Petroleum Exporting Countries not to mention the dollar in their final communique, saying it could further weaken the already-battered currency.

In comments broadcast on a live television feed from a closed-session meeting of foreign, oil and finance ministers from OPEC countries, al-Faisal said: "We shouldn't mention the dollar because that would only endanger it more and aid its collapse."

Also: [Blunder lets media eavesdrop on ministers' meeting](#)

[OPEC promises expensive oil](#)

On the eve of the summit, OPEC has been subjected to a massive attack led by oil consumers, who demand that it should immediately increase oil production. The price of oil may surpass the record of \$100 per barrel any day, but it is already clear that the oil cartel is not going to make any concessions to oil buyers this weekend.

[OPEC experts call for expansion of oil supply to consumer countries](#)

Experts on OPEC affairs called on Friday on member countries to expand supplies to consumer countries in a bid to maintain the group's share in the world oil market.

The call was made by experts participating in the second part of activities held on the sidelines of Third OPEC summit which is to commence in Riyadh on Saturday and run through Sunday.

[Gazprom Warns EU of Fallout From Unbundling Proposal](#)

Gazprom, the Russian-owned world leader in international gas supply, has warned the EU that moves to unbundle its utilities could damage future supplies to member nations.

[India LNG deal is dead: Iran](#)

Iran's new oil minister Gholamhossein Nozari has blamed a "misunderstanding" for the fall of the \$22-billion deal to export five million tons of liquefied natural gas (LNG) to India.

Though the Iranian minister did not say that the deal was dead, one of his aides said that Tehran was considering the deal closed. "If you (India) want LNG, it has to be on a new contract on new terms (price)," the aide said.

[Deal signed by a mid-sized Oklahoma City oil company may signal broader Libyan investment](#)

An Oklahoma City drilling company's first international foray will be in Moammar Gadhafi's Libya, another sign that U.S. investment is broadening in a nation once considered a pariah by the United States.

[Australians named as world's worst polluters](#)

Australians are the world's worst individual greenhouse gas polluters if emissions are calculated from the output of the country's power stations, according to new analysis.

Each Australian produces nearly 11 tonnes of CO₂ power sector emissions, the United States follows on nine tonnes per person, while Britain is ranked ninth at 3.5 tonnes and China - heavily criticised by the international community for its rapid development of coal-fired power stations - produces only two tonnes a year per person. Indians emit about half a tonne of CO₂ per person.

[Energy crisis is on horizon, expert says](#)

When you fill up your car to go to work or to grandma's house for Thanksgiving, consider an expert's grim warnings about the world's supply of oil and other energy sources.

The world has passed its peak production of oil, and people must come to grips with approaching shortages and an urgent need for conservation, said Matthew Simmons, an energy investment banker in Houston. He delivered a lecture at the University of Kentucky last night and spoke with the news media beforehand.

[Peak Oil And Silence](#)

The fact that the world's oil supply is going to run out has been known for a long time: M. King Hubbert was spreading the word in the 1950s, and there are persistent rumors that many oil engineers in those days had a good idea of what was going on, but they were afraid to speak because they might risk losing their jobs. But that was fifty years ago. Why is there still such a remarkable silence?

[Key test in Iraq: Is the power on?](#)

It is the Cadillac of electrical plants, new and sophisticated and reflected in the pride of the local security guards hired to protect it. When it's turned on, providing enough power to run roughly the equivalent of 400,000 Iraqi homes, the Musayyib gas power

plant will provide a large boost in the US military's campaign to restore basic services to Baghdad and, it hopes, quell the insurgency there.

But in Iraq, it seems, nothing is simple. Lack of fuel and parts, and poor Iraqi governance, have kept the Musayyib plant's 10 jet-engine-sized turbines off-line. It is emblematic of the large challenges facing the military's most important noncombat counterinsurgency tool: the provision of clean water, working sewage systems, and electric power to a population hungry for them.

[High Oil prices and global economic boom](#)

Are we witnessing the arrival of "Peak Oil" or just a speculative surge in energy & gold prices...? The vast majority of Americans don't usually follow the trends of the crude oil futures market. But the global "Oil Shock" has now finally caught their attention after gasoline prices suddenly jumped 15% at the pump this month.

[Oil prices to remain 'crazy'](#)

Oil prices will remain "crazy" for the next few months, or even years, as consuming countries demand more supplies, while the Organization of Petroleum Producing Countries (OPEC) wants security of demand to increase output.

[Lack of energy supply restrains South Asian growth](#)

Lack of adequate and reliable energy in South Asia is emerging as a key constraint to sustaining recent strong economic growth, warns a new World Bank report.

[Canada says it has ample energy supplies](#)

Canada has ample supplies of energy to meet expected rises in demand, and will be able to increase its exports of oil and electricity, government agency the National Energy Board (NEB) said Thursday.

"Energy demand in Canada will continue to grow for the next 30 years," said the NEB in a report, with population and economic growth seen as the main driver. "[But] Canada will have enough energy supplies in the forecasted future."

[Canada Regulator Says Oil Sands Rush May Slow](#)

Rising costs will temper production growth from Canada's vast oil sands, the country's national energy regulator forecast on Thursday, as it detailed its expectations for

Canadian energy production over the next two decades.

[All this and oil too: God may indeed be Brazilian after all](#)

WHEN Francisco Suares, a Portuguese explorer, wrote home to his brother in Lisbon about Brazil's natural bounty in 1596, he declared himself "ashamed to write it, fearing that I shall not be believed." And so it remains today. Brazil's forests are bigger than anywhere else's. Its soil is so fertile that some trees grow to full maturity quicker than people do. Beneath the soil lie huge mineral deposits that are raw material for China's double-digit growth. Brazil is already on its way to becoming an alternative-energy superpower. And as if to prove a popular saying that "God is Brazilian", it now seems that there are billions more barrels of oil than previously thought lying beneath deep waters off the country's coastline.

[Maine to announce energy emergency plan](#)

Record high oil prices and a desire to be prepared for any potential fuel shortage during the winter is prompting Maine state government to develop an energy emergency management plan.

[Chávez: 'Peaceful' nuclear energy in future](#)

Venezuelan President Hugo Chávez on Thursday said his country will start to develop nuclear energy with peaceful goals with a program similar to those in Brazil and Argentina.

[Food Vs. Fuel](#)

The world's poor spend twice what they did on food just seven years ago, yet still starve in greater numbers. An eight-year-long drought in Australia, the lengthiest in 200 years, has helped keep global supplies of wheat and corn tight. Concern about climate change has led to biofuels subsidies that pit hungry mouths and empty gas tanks against each other.

[Biofuels bonanza facing 'crash'](#)

The biofuels bonanza will crash unless producers can guarantee their crops have been produced responsibly, the UN's environment agency chief has said.

[US, China working on biofuels pact](#)

The United States and China are working on a pact to promote use of ethanol and other biofuels to reduce greenhouse gas emissions and could announce an agreement as early as next month, an American official said Friday.

[Clean technology investment soars](#)

This year will be another record-breaking year for venture capital investment in "clean" technologies, according to a new analysis of the market.

[China set to exceed renewables target](#)

If China's commitment to diversifying its energy supply persists, renewable energy could provide more than 30 per cent of the nation's energy by 2050.

[In new take on carbon-trading, Indonesia may get paid to save trees](#)

For decades, conservationists have sought to halt the wholesale clearance of Indonesia's tropical rainforests by loggers and plantation companies. But repeated calls for sustainable forestry practices to safeguard biodiversity haven't succeeded in stopping the chain saws.

Now, help may be arriving in the shape of a carbon-trading program that would effectively pay Indonesia and other forest-rich countries not to chop down their trees. Behind the initiative is the potential monetary value – as yet unrealized – of tropical forests as vast stocks of carbon that the industrialized world can offset against greenhouse-gas emissions.

[Ringing alarm of peak oil](#)

World oil production may have reached its peak and will affect everything from cheap airfares, grocery lists and the auto industry, according to a new [report](#) released yesterday.

Momentum in global oil production is slowing with aging oil fields and fewer discoveries, since the world has been "seismically searched and picked over," the report from the Earth Policy Institute, an environmental think tank, claims.

"Whenever peak oil comes, it's going to be a seismic event," president Lester R. Brown said from Washington, D.C.

"I think future historians looking back will probably use the terms BPO, Before Peak Oil, and APO, After Peak Oil, because this could be one of the great fault lines in economic history."

[OPEC to discuss soaring oil prices](#)

OPEC ministers are in Riyadh, Saudi Arabia this weekend to discuss the soaring price of oil on the world market.

So far, there has been only the most subtle of hints that the world's leading oil producing nations will raise output to meet the voracious global thirst for crude.

[Singapore Yards Enjoy Full Order Books But Currency, Execution are Risks](#)

Singapore shipyards are being kept busy with a dizzying schedule of orders for oil exploration rigs and other support vessels for the oil and gas industry that stretches through 2011.

It should be a major boon for their earnings and share prices.

But last month, the market learned that winning huge orders is not without risk when two major shipyards said they had racked up a combined foreign exchange loss of over 360 million US dollars.

[MEND Claims Responsibility for Nigeria Pipeline Attack](#)

"A small commando unit of the Movement for the Emancipation of the Niger Delta (MEND) sabotaged a major pipeline feeding the Shell Forcados export terminal," spokesman Jomo Gbomo, said in an e-mail. "The extent of damage could not be ascertained after the operation. However, our strategy is to nibble continuously on the oil industry until they are crippled."

The pipeline, which delivers crude from the South Bank flow station to the Forcados terminal, was attacked and ruptured in the early hours of Nov. 15, Shell confirmed earlier Thursday.

[Go with the flow? Opec examines the benefits of boosting capacity](#)

Shaybah's expansion is part of an \$80bn (£39bn, €55bn) programme to increase Saudi Arabia's oil production from the current 11.3m b/d to 12.5m b/d by 2009. That will allow the kingdom to respond better to unexpected jumps in demand.

Saudi Arabia is not alone in this drive. The oil producers' cartel has committed close to \$120bn (£59bn, €82bn) in different expansion projects, according to Abdulla El-Badri, the group's secretary-general. Mr El-Badri says the projects will ultimately boost the organisation's collective production capacity by some 5m b/d to almost 40m b/d.

[Analysis: Saudi oil booms in empty desert](#)

If you're counting heads, Saudi Arabia's Empty Quarter is aptly titled. But barrel for barrel, there's more oil below the red sand dunes of Shaybah than in all of Mexico or Canada -- the two biggest oil suppliers to the United States -- or each of the four smallest members of OPEC.

[Desert brought to economic life by Canadian technology](#)

Relatively small by Saudi standards, Shaybah contains 19 billion barrels of ultra-light 42-degree crude along with 30 trillion cubic feet of natural gas.

Considered to be uneconomic when it was discovered in 1968, field development began in earnest with the advent of horizontal drilling -- a technology first developed in Canada. Individual wells produce more than 5,000 barrels a day, rates more comparable to offshore wells.

The field is presently producing 500,000 barrels per day with plans to add another 250,000 barrels per day by the end of the decade. Contracts were signed in 2006 with the Calgary office of Montreal-based SNC-Lavalin, whose other notable projects include the North West upgrader near Edmonton.

Officials of Aramco, the Saudi state-owned oil company, said the field could easily produce one million barrels a day if given additional infrastructure.

[Current Price of Oil is Only the Precursor of Peak Oil](#)

Remember when most professional investors griped that US\$40 per barrel crude was "overpriced," and then that US\$60 crude was "unsustainable," and then that US\$80 crude would "never happen." But here we sit with the price of oil soaring past US\$90 and looking like it wants to take out US\$100.

We think crude oil will take out US\$100, and then continue higher from there. Sure, crude may decline in the short term, but the destination is clear: much higher prices for oil.

[Riyadh is boom town as Saudis enjoy oil bonanza](#)

The malls are full, the cars are fast, the fashions are sharp -- conspicuous consumption is king as Saudis enjoy the benefits of oil at almost \$100 a barrel.

[Kingdom Ready to Invest in CO2-Reducing Technology](#)

Minister of Petroleum and Mineral Resources Ali Al-Naimi joined other delegates at the OPEC Ministerial Council meeting yesterday in calling for greater efforts to reduce CO2 emissions and invest in new technology to curb environmental pollution.

[How Dry We Are: A Question No One Wants to Raise About Drought](#)

Let's face it, with water, you're down to the basics. And if, as some say, we've passed the point not of "peak oil," but of "peak water" (and cheap water) on significant parts of the planet... well, what then?

[Oil prices rise above \\$94 a barrel](#)

Oil prices rose Friday amid expectations that global crude supplies will remain tight despite a U.S. oil inventory report that showed a surprising increase in domestic crude stockpiles.

..."The outlook for pricing remains strong based on tight supply-demand fundamentals," said Victor Shum, an energy analyst with Purvin & Gertz in Singapore. "Because of growth in developing countries, global oil demand growth is going to continue at a good pace."

..."What's really supportive of strong pricing is that global demand growth is still exceeding supply growth, and that has eaten into the commercial inventories of consuming nations," Shum said.

[Saudi builds security force of 35,000 to guard oil](#)

The kingdom started recruiting and training the industrial security force a year ago, after a failed al Qaeda attack on the world's largest oil processing plant at Abqaiq in February 2006.

...Al Qaeda's Saudi-born leader, Osama bin Laden, has called for it to take aim specifically at oil.

"There is a new threat to oil installations from terrorists that has to be confronted," Interior Ministry spokesman General Mansour al-Turki told Reuters.

[Shell says some Nigeria oil output shut-in after pipeline attack](#)

Royal Dutch Shell PLC said it has shut-in some crude oil production following an attack

on a major oil pipeline which feeds its Nigeria Forcados export terminal.

..."Some production from the area has been shut in to prevent further environmental damage as a result," said Shell spokesman Rainer Winzenrie, who wouldn't specify how much production was shut-in.

[Oil prices to stay at current levels: Algeria](#)

Algerian Energy Minister Chakib Khelil said Friday that oil prices would remain at current levels until the end of the first quarter of next year, but would not breach 100 dollars a barrel.

"I doubt prices will go beyond 100 dollars because there is plenty of supplies and fears of recession," he told reporters here.

[Chavez sees Ecuador as ally within OPEC](#)

Venezuelan President Hugo Chavez has found an ally in Ecuador as he seeks to expand his influence within OPEC at a time when analysts say his country is struggling to maintain oil production.

[Brazil ponders OPEC membership on find](#)

Brazil would consider joining OPEC based on the size of the newly discovered Tupi oil field off its eastern shores, the country's ambassador to Saudi Arabia said Friday.

Isnard Penha Brasil said he was attending the Organization of Petroleum Exporting Countries summit to talk with OPEC officials and that "a membership decision will come after we know what our export capacity will be and we think this will be good."

[BP selling US convenience stores](#)

BP America Inc. said Thursday it will sell all of its more than 700 company-owned and -operated U.S. convenience stores over the next two years, eliminating nearly 10,000 jobs.

[The politics of ethanol outshine its costs](#)

Ethanol's popularity comes despite charges from environmentalists, livestock farmers, and opponents of subsidies that the move won't meet energy goals and may damage the

environment as food prices soar. Energy-security experts say the measure also falls short on a key goal: weaning America off foreign oil.

[A Nasty Spill](#)

When a South Korean-owned cargo ship struck a tower supporting the San Francisco Bay Bridge last Wednesday, ripping a large gash in its hull, the United States Coast Guard first estimated that 140 gallons of fuel had leaked into San Francisco Bay. More than 12 hours later, the Coast Guard announced that in fact 58,000 gallons of a thick, gummy product known as "bunker oil" had gushed into the bay, making the collision of the Cosco Busan the worst oil spill in the region in more than a decade.

[Alaska Debates Its Dependency on Oil Industry](#) (audio)

As the price of oil escalates, Alaskan politicians are in special session in Juneau, mired in a debate over raising the windfall profit tax on oil companies from 22 percent to 25 percent.

It's all taking place against a backdrop of lobbying scandals, with four state legislators recently indicted on corruption charges for taking money from the oil industry.

[Alaska Senate Approves Governor's Proposal to Raise Oil Tax](#)

Alaska is poised to raise taxes for oil producers such as BP Plc and ConocoPhillips for the second time in two years after the state's Senate voted to approve an increase proposed by Governor Sarah Palin.

"This is a compromise bill but it is a fair bill, and it will go a long way for us to get our fair share" of tax revenue, state Senator Bill Wielechowski said during the vote late Thursday.

[Climate change report to warn of potentially 'irreversible' impacts](#)

Less than three weeks before a crucial conference on climate change, UN experts agreed Friday on a draft report that warns global warming may have far-reaching and irreversible consequences.

The report by the Intergovernmental Panel on Climate Change (IPCC) encapsulates a massive overview of the global-warming problem, with the goal of guiding policymakers for the next five years.



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