



## DrumBeat: November 24, 2007

Posted by [Leanan](#) on November 24, 2007 - 10:21am

Topic: [Miscellaneous](#)

### [Kingdom's 4th Strategic Oil Storage Facility Set](#)

Saudi Arabia's fourth strategic petroleum storage facility is now ready in Madinah. Prince Abdul Aziz ibn Majed, governor of the region, will open the facility tomorrow on behalf of Crown Prince Sultan, chairman of the Saudi Strategic Storage Program (SSSP).

...“Any halt in the supply of petroleum will affect economic growth, weaken military machinery and affect civilian facilities such as hospitals, industries and agriculture,” the SSSP chief pointed out. Keeping in mind this strategic importance, the government decided to establish five storage facilities in various parts of the country. “The facility can preserve petroleum for a long period without any changes taking place in either its nature or chemistry. Tests conducted on petroleum stored in the facilities have proved that they are safe.”

### [The Falling Dollar and Prestige](#)

With soaring oil prices and a weakening dollar, the prestige of the American currency seems to be fading. At a recent OPEC summit, Iranian and Venezuelan leaders suggested pegging the price of oil to the Euro instead of the U.S. dollar.

Daniel Yergin of Cambridge Energy Research Associates discusses high oil prices and a weak dollar with Andrea Seabrook.

### [The Technodevelopmental Quartet](#)

The *first* of these trends is what I call **Resource Descent**, which encompasses “Peak Oil” discourse, as well as the diminishing returns of input-infrastructure intensive alternatives to petrochemical energy, as well as input-intensive industrial agriculture, soil depletion (connected to industrial agriculture), fresh water depletion (aquifer depletion and irrigation diversion associated with overurbanization and industrial agriculture, but also problems of pollution and salinization associated with these), and also global warming which is, in my view, best conceived as a problem of atmospheric pollution yielding the depletion of the resource of a life-sustaining atmosphere.

### [Iran's oil revenues USD 40 billion past eight months - minister](#)

Minister of Petroleum Gholam-Hossein Nozari said Iran's revenues of crude oil exports were USD 40 billion during the past eight months, projecting the digit to climb to USD 60 billion by end of next March.

### [Vedanta refinery plans hit by new problems](#)

British mining giant Vedanta Resources' plan to operate a US\$900 million refinery in eastern India hit a fresh obstacle on Friday when the Supreme Court set new conditions for the project.

Vedanta's battle to mine bauxite to feed the refinery in forests considered sacred by tribals is seen as a test case in India, pitting industrial development against the interests of locals and the environment.

### [Iraq: Americans Pay US\\$300 a barrel or More for Mideast Oil](#)

What is the real cost of things?

*Freakonomics* author Stephen Dubner cited a study this week that estimated a pack of cigarettes actually costs US\$222 a pack. The amount includes the economic cost of a reduced lifespan.

So what is the real cost of the Iraq war in terms of oil import prices?

My rough estimate is that the real cost of oil from the Middle East for Americans may total US\$300 a barrel or more.

### [China calls for early warning system to stabilize oil supplies](#)

The MOC ordered local commerce authorities to closely monitor the oil market and set up and improve early warning system to tackle emergency fuel shortages.

The commerce bureaus should urge local refineries to increase and rationally distribute fuel supplies, the MOC said in a notice.

### [North Sea Surveys Show Potential](#)

Petroleum Geo-Services said yesterday its Multi-Transient EM division had completed surveys in the UK and Norwegian sectors of the North Sea to raise awareness of the

capabilities of its technology.

The self-funded project, which costs around £2.5million, identified five prospects. The division focuses on electromagnetic images to detect oil and gas.

### [China orders curbs on government departments' car use](#)

China's State Council, or cabinet, has ordered all central government bodies to use "economic, energy-saving, environmentally friendly and domestically manufactured" automobiles and ban the private use of official cars.

### [Is your Christmas tree green enough?](#)

A handful of growers in the top Christmas tree producing state of Oregon want people to consider another factor — how "green" a tree is. They've created a system to help consumers identify trees grown under certain environmental standards.

### [Leaps of faith drive ever-expanding 'burbs](#)

The house the Schramkas are so eager to move into looks nothing like the squat "cracker boxes" that were the early destinations for postwar families when the migration began. Despite those jarring visual differences, the reasons families cast their fates on the outer edges of development haven't changed in a half-century. They're still looking for more house for the money—no matter how far they have to travel to get it.

"I see no compelling reason for the outward push to stop, short of an energy crisis, and I'm not even convinced that would do it," said Kenneth Johnson, a demographer at Loyola University Chicago. "It didn't stop when Rogers Park was the outer edge in the 1900s. It didn't stop when Rolling Meadows was the outer edge in the 1950s. It didn't stop when Schaumburg was the outer edge in the 1970s.

### [Fortunes shift as oil prices soar](#)

Millionaires are created in Moscow but French fishermen riot over lost profit as effects ripple around the globe.

### [What will happen when the cheaper oil runs out?](#)

With oil now flirting with the \$100-a-barrel mark, the question arises: Will there always be more oil?

As it turns out, most experts in the field now believe that the world is a long way from running out of oil in the ground. But the ability to extract that oil may be nearing its limit.

### [There are fundamental problems in relying on oil](#)

Five years ago, oil went for \$24 a barrel, gas was around a buck a gallon, and OPEC said that \$28 was the top range of their price band for a barrel of oil.

We all know the price of a gallon of gas today — oil is over \$90 a barrel, and the OPEC minister from Qatar has said that the market is beyond OPEC's control. In other words, if you think things are crazy now, fasten your seat belts. Of all the energy problems we have faced in the past, this one may be the most difficult.

### [Northerners eyeing new riches](#)

Oil, gas, gold, uranium. Immense wealth is there for the taking — if we could get it out of there. Global warming can make that happen.

### [Asia LPG hits record on higher crude prices, drop in stockpiles](#)

Asian liquefied petroleum gas rose to a record on higher crude oil prices and lower stockpiles in Japan as winter heating demand increases.

### [How expensive grow thy branches](#)

State agricultural officials are predicting a rise in the cost of Christmas trees that could be as great as 20 percent. There are several reasons for the rise, including increased fuel prices, added demand, and a weak dollar that makes trees imported from Canadian farms more expensive.

### [China in grip of inflation](#)

Economists suspect that prices are likely to climb still higher before the end of the year. The September price controls prevented refiners from passing on higher crude oil prices to consumers. Refiners simply cut their production of gasoline and diesel, leading to long lines at the pump and a new round of complaints.

Chinese authorities had no choice but to relent. They permitted an increase of about 10 percent in the price of gasoline and diesel. And that, manufacturers say, is likely to push up the price of other goods—extending the cycle of rising prices.

### [UK: Cut fuel duty for the isles, says MP](#)

Yesterday (Friday) Mr Carmichael said unleaded prices had risen by 10p a litre in the past 14 months, and 22p in the past two years.

He wants to persuade the government to cut fuel duty in peripheral areas, following the lead of other EU states such as Portugal, Greece and France.

### [Dominican Republic: Fuel prices up again](#)

The Industry and Commerce Ministry has raised fuel prices again this week, as a result of the continual increase of international petroleum prices.

### [Brazil Auction Still Attracts Big Oil, Even After Rule Change](#)

After international oil firms spent months preparing for Brazil's oil and gas block auction next week, they will have contend for a lot less than they had planned.

### [A big dust-up over 'new' Stegner book](#)

WITH little fanfare, a new book by Wallace Stegner, set in a dry land and exploring natural resources -- an obsession his western fiction explored -- has just been published. In the Los Angeles Times Book Review, Nick Owchar called the book "a great adventure story."

But according to some of the author's inner circle, the book -- written as a work-for-hire job for a group of U.S. oil companies based in Arabia in the 1950s -- should never have seen the light of day.

### [Help save the planet - insulate your home and seal the leaks](#)

What's the single most important home improvement you can make to help save the planet? Although I usually don't espouse simplistic solutions to complicated problems, the answer in this case is easy, "Reduce your energy losses by maximizing your insulation and sealing your home's air leaks."

### [Ceres schools get serious about cutting energy bill](#)

School officials are starting a sweeping energy conservation effort that could save the Ceres Unified School District millions of dollars.

The campaign's main focus is educating staff about conservation through behavioral changes.

### [Heat Pumps best option for EU, experts find](#)

Heat pumps using natural refrigerants emerge as an optimal solution for heating and cooling in a nearing energy crisis, experts at the SHERHPA workshop have found.

### [Biogas From Manure Fed Into Pipeline](#)

Environmental Power Corporation has completed a facility to convert manure and other agricultural waste into a methane-rich biogas that will be sold as natural gas. The Huckabay Ridge facility in Stephenville, Texas, will employ anaerobic digesters to convert manure into biogas. Bacteria in the oxygen-free digester vessels feed on the wastes, producing a gas consisting mostly of methane and carbon dioxide. Environmental Power then conditions the biogas to natural gas standards and distributes it via a commercial natural gas pipeline.

### [\\$100 oil: the terrible truth](#)

As the price of crude oil sets records almost daily, the British government remains stunningly complacent. With the \$100 barrel a real and constant threat, the prime minister's website blithely proclaims "the world's oil and gas resources are sufficient to sustain economic growth for the foreseeable future". Officials refuse to define what is meant by "foreseeable", but it is clear they suffer from extreme myopia, or worse.

All the evidence suggests we are rapidly approaching "peak oil", the point when global production goes into terminal decline for geological reasons. The industry consensus is that world output, excluding that from the Opec producers, will peak in about 2010. It is also widely agreed that Opec has grossly exaggerated the size of its reserves, meaning that global output must also peak soon. Since oil provides 95% of all transport energy, as well as vital inputs to modern agriculture, this is likely to provoke a crisis.

### [Iran oil minister not ruling out hike in output](#)

Iran's oil minister said Saturday that OPEC's number two exporter has not ruled out an increase in output in the face of soaring prices.

"We are studying it and will give our opinion," Gholam Hossein Nozari told reporters at his weekly press briefing when questioned whether Iran would consider increasing its

crude output.

"We believe there is enough oil in the market but if statistics and data show there is a need to produce more we are capable of meeting the demand," he said.

### [Iraq nullifies Kurdish oil deals](#)

Iraq's oil ministry has declared all crude contracts signed by the Kurdish regional authorities with foreign companies null and void, a government official said on Saturday.

"The ministry has nullified all contracts signed by the Kurdistan Regional Government," the official told AFP, asking not to be named. "They will not be recognised."

### [John Browne on the Future of Energy](#)

First, there is high fossil fuel prices—caused by the coincidence of strong demand and several factors on the supply side, not least a dramatic increase in oil and gas production costs and disciplined OPEC policymaking. Second, there is growing concern about energy security. Fears about short-term supply disruptions and Peak Oil are greatly exaggerated.

But oil and gas resource concentration is real and is leading to geopolitical friction, as some countries use their energy riches as an instrument of foreign policy.

### [China, Russia to build 10-mln-ton oil refinery in Tianjin](#)

China and Russia have agreed to locate a planned oil refinery capable of processing 10 million tons a year in the northern port city of Tianjin.

China's top oil firm, China National Petroleum Cooperation (CNPC), and Russia's Rosneft, have set up a joint venture in Tianjin to implement the project, which is still subject to approval by the National Development and Reform Commission.

### [Peak Oil Passnotes: Here's My Tupi's Worth](#)

The world has been fixated by the possibility, now the probability, of oil reaching \$100 per barrel in recent weeks. The recent run-up in pricing has been the talk of large sections of the media, and the notion of expensive oil is now widely understood. But the reasons why and what is to be done about it are not.

### [Fuel prices produce gasps, fumes](#)

A California tourist town's residents are so peeved at the pump that they'll drive miles to fill up more cheaply.

### [China boom fuels price fear](#)

A Bank of Canada report released yesterday predicts China's economy will continue to expand at a furious pace, suggesting the Asian tiger has an endless appetite for commodities such as oil and metals.

While that is expected to fuel profits in Canada's oil patch and mining sector, ordinary Canadians will be among those paying the price for China's sustained resource demand and the resulting upward pressure on commodity prices, the report said.

### [Curfew imposed as Iraqi forces launch major offensive in oil-rich northern city of Kirkuk](#)

Authorities imposed a daylong curfew in the northern city of Kirkuk and surrounding areas on Saturday as Iraqi security forces launched a major offensive against militants amid rising violence in the oil-rich area.

### [Bahrain: Oil output soars](#)

The Minister of Oil and Gas and head of the National Oil and Gas Authority Dr. Abdulhussain bin Ali Mirza yesterday announced that the Kingdom's oil production from Bahrain field and Abu Safa field had reached more than 50.4 million barrels in the first nine months of 2007, while crude imports had amounted to 61.5 million barrels during the same period.

### [A big toll on small oil businesses](#)

Increases in fuel oil prices are not only hitting the consumer; they are taking their toll on small, independent oil dealers.

With home heating oil running more than \$3 per gallon with no ceiling in sight, the smaller dealers are struggling to keep their businesses solvent.

### [Shell left red-faced after U-turn on Regal deal](#)

Royal Dutch Shell faced embarrassment last night after withdrawing from a preliminary deal signed on Wednesday to take a majority stake in assets run by oil explorer Regal



## Petroleum.

It follows a surprise decision by Regal to replace its chief executive and chairman just 24 hours after agreeing with Shell to sell a 51pc stake in gas fields in the Ukraine.

## [Howard's reign in Australia is over](#)

Labor Party leader Kevin Rudd swept to power in Australian elections Saturday, ending an 11-year conservative era and promising major changes to policies on global warming and his country's role in the Iraq war.

## [The rich, famous and influential prepare to hear the secret to climate-safe energy](#)

A discovery that could give the world access to vast quantities of energy with minimal damage to the climate will be shown off for the first time at a glittering gathering of the famous, rich and influential next Friday night.

## [Early climate change victim: Andes water](#)

EL ALTO, Bolivia - Twice a day, Elena Quispe draws water from a spigot on the dusty fringe of this city, fills three grimy plastic containers and pushes them in a rickety wheelbarrow to the adobe home she shares with her husband and eight children.

But the water supply is in peril. El Alto and its sister city of La Paz, the world's highest capital, depend on glaciers for at least a third of their water — more than any other urban sprawl. And those glaciers are rapidly melting because of global warming.

## [Rich nations fail to honour climate pledge](#)

A group of rich countries including Britain has broken a promise to pay more than a billion dollars to help the developing world cope with the effects of climate change. The group agreed in 2001 to pay \$1.2bn (£600m) to help poor and vulnerable countries predict and plan for the effects of global warming, as well as fund flood defences, conservation and thousands of other projects. But new figures show less than £90m of the promised money has been delivered. Britain has so far paid just £10m.



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