



DrumBeat: November 29, 2007

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Topic: [Miscellaneous](#)

[John Michael Greer: Lifeboat time](#)

By this point there are few metaphors for crisis more hackneyed than the fatal conjunction of ship and iceberg, but the comparison retains its usefulness because it throws the issues surrounding crisis management into high relief. When the hull's pierced and water's rising belowdecks, the window of opportunity for effective action is brief, and if the water can't be stopped very soon, it's lifeboat time.

By almost any imaginable standard, that time has arrived for the industrial world. Debates about whether world petroleum production will peak before 2030 or not miss a point obvious to anybody who's looked at the figures: world petroleum production peaked in November 2005 at some 86 million barrels of oil a day, and has been declining slowly ever since. So far the gap has been filled with tar sands, natural gas liquids, and other unconventional liquids, all of which cost more than ordinary petroleum in terms of money and energy input alike, and none of which can be produced at anything like the rate needed to supply the world's rising energy demand. As depletion of existing oil fields accelerates, the struggle to prop up the current production plateau promises to become a losing battle against geological reality.

[Shell fire squeezes Alberta's diesel supply](#)

A fire at a Shell refinery east of Edmonton is partly to blame for a shortage of diesel fuel in Alberta.

Flying J Inc., which operates more than 20 diesel outlets in Alberta, said six outlets have run out of diesel and several others list their supply as "critically low."

[The Epic Battle over Crude Oil and the US\\$](#)

Why are Ahmadinejad and Chavez laughing? Oil prices are up 56% this year, after nearly reaching \$100 per barrel. At the same time, the US Dollar is mired at a 20-year low, with the US economy teetering on the verge of a recession. The US dollar has fallen over 50% versus the Euro since 2002, and oil prices are nearly five times higher over the same time period. Increasingly, the US dollar's reserve currency status is looking

very fragile. Perhaps, all that's left supporting the greenback is America's military might. "They get our oil and give us a worthless piece of paper," Ahmadinejad told OPEC ministers in the Saudi capital of Riyadh, insulting the US dollar.

[Petrodollars on the Move](#)

Citigroup may have lost its Prince (CEO Chuck, who resigned in disgrace after major sub-prime losses), but the energy-rich Gulf emirate of Abu Dhabi has come to the rescue. This is no magic lamp. It's petrodollar recycling, and it's changing the face of Arab and western economies.

[Gazprom on track to reach \\$1 trillion market cap](#)

Alexander Medvedev, deputy chairman of the managing committee of Russia's Gazprom said the world's largest natural gas company is on track to hit \$1 trillion in market capitalization in the next few years.

[In Venezuela, petrodollars breed opacity](#)

As petrodollars stream into oil-producing countries, Western officials have begun to demand greater accountability for the way they are spent. Some corruption-plagued states, like Nigeria and Azerbaijan, have heeded the call, increasing financial transparency, or at least paying lip service to it. Hugo Chávez's Venezuela, however, appears headed in the opposite direction.

[A local approach to easing gridlock](#)

Coming soon to a bottleneck near you:

- "Queue-jumper" lanes such as one in Lee County, Fla., where harried drivers paying a 25-cent toll can get around backed-up intersections.
- Trucker toll lanes, already under consideration in Atlanta, that will in effect segregate big rigs from the rest of the freeway public.
- Privately managed zoom lanes, similar to the South Bay Expressway that opened in San Diego on Nov. 19, that allow motorists to move at a heavenly 65 miles per hour.

[Are you driving yourself crazy?](#)

"It affects people's health and family life," said commute management expert Dave Rizzo of Fullerton. "In the winter, there are some people who never see their house in

the daylight. It gets to you after a while. It's very depressing."

Called "Dr. Roadmap," Rizzo is the author of "Survive the Drive: How to Beat Freeway Traffic in Southern California." He says studies show that stretch commutes can lead to mental and physical problems, including high blood pressure and increased heart rate and stress levels.

[State of the Science: Beyond the Worst Case Climate Change Scenario](#)

"The governments now require, in fact, that the authors report on risks that are high and 'key' because of their potentially very high consequence," says economist Gary Yohe, a lead author on the IPCC Synthesis Report. "They have, perhaps, given the planet a chance to save itself."

Among those risks...

[Top 100 Ways Global Warming Will Change Your Life](#)

Say goodbye to French wines, baseball and the Great Barrier Reef. Say hello to massive amounts of mosquitoes, the northwest passage and hurricanes.

[Ethanol a sticking point in energy bill](#)

With oil prices in record territory, presidential candidates stumping for votes in corn-centric Iowa, and congressional Democrats anxious to pass an energy bill to cut the nation's dependence on Mideast oil, this should be the right moment for ethanol.

But a plan to dramatically increase ethanol production has become a major sticking point in congressional negotiations to complete work on the bill. And it has created a challenge for House Speaker Nancy Pelosi, whose Democratic caucus has split over the issue.

[PetroEcuador President Pareja Is Fired After Protests](#)

Ecuador removed the president of the state-owned oil company after protests in the Amazon region shut down some production.

PetroEcuador President Carlos Pareja was fired today and will be replaced by Fernando Zurita, a navy admiral, the government said in a statement. Ecuadorean President Rafael Correa declared a state of emergency for the company.

[Raymond J. Learsy: Time To Tap The Strategic Petroleum Reserve As Pipeline Explosion Cuts U.S. Supplies](#)

Will the administration, that is to say President Bush and Energy Secretary Bodman, do the needful, and immediately announce a release from our 750 million barrel Petroleum Reserve to compensate for the Canadian oil shortfall? It stands to reason that they should. But then again this is an administration so wedded to oil interests, they might well want to continue adding to the stockpile rather than releasing supplies to stabilize market disruptions. This, while American consumers, who paid for the Strategic Petroleum Reserve in the first place, continue to have their pockets picked. Here we have a real test of whether we have an administration wedded to national interests or oil interests first and foremost.

[Enbridge Restores Pipelines, Confidence](#)

Oil prices had been falling back since flirting with the \$100 threshold earlier this month. Part of the pullback was attributable to speculation concerning next week's OPEC ministerial meeting, which could result in a production increase of somewhere between 500,000 barrels and 1 million barrels per day. (See "Oil Prices Ease")

But the likelihood is that OPEC will simply do nothing, preferring instead to wait and see what the global financial crisis will do to the economy at large, as well as the price of oil. If the winter is mild and macroeconomic conditions fail to support added pressure on oil, talk of crude at \$100 per barrel may not become reality just yet.

[Enbridge Pipe Fire Looks Like Accident, Not Violation, DOT Says](#)

Staff for Enbridge was working to repair a leak on one of the pipelines when the fire occurred, Damon Hill, spokesman for the department's Pipeline and Hazardous Materials Safety Administration, said today in a telephone interview. It ``looks like more of a commercial industrial accident than a pipeline safety incident," he said.

[TAP gas pipeline project in trouble](#)

The \$4 billion Turkmenistan-Afghanistan-Pakistan (TAP) gas pipeline project, which India has been invited to join, may be shelved due to a fresh pact between Russian gas giant Gazprom and Ashgabat for increased Europe-bound gas supplies at higher rates.

[Enbridge says to restart all lines within days](#)

Enbridge Pipeline said on Thursday it hopes to restart all of its crude oil pipelines within a few days after a fatal explosion in Minnesota Wednesday.

"Line 4, a heavy crude line, remains shut down but is expected to return to service later this morning as it has now been confirmed that it was not damaged as a result of the incident," the company said in a release.

"Line 3, a heavy crude line, which was directly involved in the incident, remains shut down. Based on a preliminary estimate of the repair time it is expected that it may require two to three days to return Line 3 to service."

[DOE could tap oil reserve after fire](#)

The government said Thursday it is prepared to tap emergency crude-oil stockpiles to mitigate the effects of a pipeline disruption in the Midwest.

...The U.S. has 63.5 million barrels of oil reserves in the Midwest region, which "can provide a cushion ... (and) oil from the Strategic Petroleum Reserve is available to alleviate a severe supply disruption and remains available if necessary," Energy Department spokeswoman Megan Barnett said Thursday.

[Accidents on Enbridge oil pipeline system in 2007](#)

Capacity on the pipeline is growing tight due to rising oil production in Alberta and Enbridge has been working to expand the pipeline. The system suffered several incidents this year prior to the blast on Wednesday. A list of these incidents follows...

[Finland's Neste Oil Corporation issues profit warning](#)

Finnish oil company Neste Oil Corporation said on Thursday (29 November) that the planned short maintenance turnaround at Neste Oil's new diesel line, commissioned at the Porvoo refinery this summer, has continued longer than expected.

[Kurdish Ministers Woo U.S. Oil Firms](#)

After more than a year of political deadlock in Iraq over a national petroleum law, the Kurdistan Regional Government unanimously adopted its own petroleum legislation in August. In the past month, it has signed a dozen oil exploration contracts and hopes that foreign firms will ultimately invest \$10 billion in the oil sector and bring 1 million barrels a day of new oil production from the Kurdish region over the next five years.

[West Texas residents stay grounded on oil boom](#)

One regular customer, Ray Littlefield, toiled 40 years in the oil patch, starting at \$1 an

hour. The 71-year-old retiree can remember when oil cost \$2.40 per barrel and the New York Yankees manager was the cantankerous and witty Casey Stengel, who made even umpires laugh. "Never make predictions," Stengel advised, "especially about the future."

Littlefield sips his oil-black coffee and prognosticates anyway.

"It'll hit a hunnerd" -- \$100 a barrel -- "before the end of the year."

[Russians live the caviar dream](#)

More Russians have cars. There are 36 million registered vehicles in Russia now compared with 11 million in 1995 and 28 million two years ago, according to Russia's Interior Ministry.

[US to order reduced rates on Enbridge oil pipeline](#)

The U.S. Department of Transportation will likely order the giant Enbridge pipeline system to run at reduced pressure while an investigation into a deadly blast on the line in Minnesota is conducted.

[IEA monitors Canada-U.S. oil pipeline outage](#)

The International Energy Agency said on Thursday it was closely monitoring a pipeline outage that has halted a fifth of U.S. crude imports and added over \$3 to oil prices.

The IEA, which advises 26 industrialised nations, can tap its members' emergency reserves to prevent a global energy crisis.

Lawrence Eagles, head of the IEA's oil and industry markets division, said it was too early to say how much of an impact the incident will have on the market.

[Analysis: Kirkuk project battle heats up](#)

Iraq's Oil Ministry is accusing the Kurdistan region of preventing development of one of Iraq's oldest, largest and most controversial oil fields, another dispute in the battle over control of the country's vast reserves.

While the rift has been public, the issue of the Kirkuk oil field project is starting to surface in conflicting accounts.

[Venezuelan leader's power play has echoes of Castro](#)

"Venezuela is going to be a big, big headache" for Washington if Chávez wins the referendum, says Javier Corrales, a political science professor and Chávez watcher at Amherst College.

Corrales says an emboldened Chávez could drive up energy prices through his control of Venezuela's oil industry, refuse to cooperate with U.S. anti-drug efforts and undermine the fight against Islamist militants through his economic partnership with Iran, a state sponsor of terrorism.

[Maine: Logging truckers consider D.C. visit](#)

With some facing bankruptcy, the state's independent logging truckers are considering rolling on Washington, D.C., to protest high diesel fuel costs that they say are killing the state's forest products industries, which pump about \$11.5 billion a year into Maine's economy.

[Freeze Foreclosures, Fix Energy Mess](#)

There should be a six-month freeze on home foreclosures while the Federal Reserve Board, Treasury secretary and congressional leaders bring together all stakeholders in the housing crisis to seek rational rescheduling of troubled loans with greater disclosure, transparency and fairness to all parties.

On the energy front, there should be an American summit meeting modeled after the Davos World Economic Forum to bring together government leaders, Wall Street firms, venture capitalists, private equity companies, consumer groups and businesses producing alternative energy and energy-conserving products to create a "JFK goes to the moon" program to address what Jimmy Carter called "the moral equivalent of war."

[PNOC-EC Exec: Data from Spratlys Oil, Gas Survey 'Encouraging'](#)

A seismic survey jointly conducted by the Philippines, China and Vietnam to assess the potential oil and gas reserves in an area of the South China Sea including the disputed Spratlys Islands yielded "encouraging" results, prompting further exploration in the area, a Philippine executive said late Tuesday.

[Is alcohol the energy answer?](#)

It doesn't take a rocket scientist to figure out how to free America from the grip of high-priced oil imports. Or does it?

Rocket scientist Robert Zubrin lays out the case for an alcohol-based fuel economy in a new book titled "Energy Victory" – and although ethanol is the best-known alcohol replacement for gasoline, Zubrin focuses on a different brew called methanol, also known as wood alcohol.

[BP to plead guilty to environmental crime](#)

Opening the case to the public allowed prosecutors to release photos that further belie prior claims by the company.

In one, a 7-inch layer of dull black sludge cakes the bottom of a pipeline. Others show workers cleaning spills off the high-grassed tundra.

For years, the company denied allegations that a culture of cost-cutting was hurting the quality of maintenance on the network of steel pipes at the 30-year old field.

But after the spill in March, federal prosecutors said millions of company documents and interviews with scores of North Slope employees told a different story.

[Pemex: Oil Leak Might Take Months to Fix](#)

An oil platform leak that has spilled thousands of barrels of crude into the Gulf of Mexico could take several more months to repair, state oil monopoly Petroleos Mexicanos said Wednesday.

...A fire was still raging Wednesday at the damaged well, about 20 miles offshore from the port of Dos Bocas in the Gulf coast state of Tabasco, but only faint traces of crude could be seen shimmering on the water.

[Bite of high oil prices only beginning](#)

Think oil prices are high now? According to geologist Kenneth Deffeyes, we should be thankful for low oil prices. The really high prices are yet to come.

[The End of Fossil Fuels - Global Considerations](#)

We cannot escape the fact that fossil fuels, being finite resources, will run out! Our society depends on oil, natural gas, and coal, non-renewable sources of energy created thousands of years ago. The end of supply, and more than likely society as we know it, is inevitable. The question is not 'if' but 'when'. Current controversy about increasing consumption to meet our insatiable need for growth is ridiculous. Eventually we will have to accept the fact that the way we are currently living will have to change. The

changes required will not be easy.

[Brazil E&P Auction Leaves Oil Heavyweights Sidelined](#)

Brazil's oil and gas exploration and production block auction Tuesday ended in a surprise. While it earned the government a record 2.1 billion reals (\$1.1 billion), the big players in the country's oil industry were sidelined.

Oil majors such as Royal Dutch Shell PLC (RDSA) and Chevron (CVX) made no bids after the government withdrew the most promising blocks from the auction earlier this month. Those blocks are in Brazil's pre-salt area.

[Australia: Petrol prices in record surge](#)

BRISBANE is poised to break its record for the highest price of unleaded petrol – 138.9¢ a litre, set in August last year - and worse is to come.

[Geothermal Power vs. Conventional Power Sources](#)

Hands down, geothermal can beat coal, natural gas and uranium. Geothermal is more than competitive when it comes to price, such as cost per kilowatt-hour. There are no massive burner systems, no tall stacks, no rail lines or pipelines, no gigantic mines and processing facilities, essentially no air pollution, no toxic waste piles and long-term repositories.

[The Impact of High-Priced Oil on Solar Manufacturers](#)

Peak oil is what makes the solar stocks an opportunity of a lifetime. For those unfamiliar with peak oil theory, Dr. M. King Hubbert famously predicted in 1956 that U.S. oil production would peak in 1970. His theory was that when half of any given location's reserves were extracted production would begin to fall at about 2% annually, which is the same rate production has typically increased at.

[Roadside Solar Panels New Theft Target](#)

It seems that even crooks have jumped on the renewable energy bandwagon.

The Oregon State Police says about a half-dozen solar panels have been stolen in the past year from changeable message signs.

[Scholars use art to study climate change](#)

The vivid sunsets painted by J.M.W. Turner are revered for their use of color and light and for their influence on the Impressionists. But could they also help global warming experts track climate change?

A group of scientists has studied the colors in more than 500 paintings of sunsets, including many of Turner's 19th-century watercolors and oils, in hopes of gaining insights into the cooling effects caused by major volcanic eruptions.

[U.S. officials plan only talk at UN meet](#)

U.S. officials intend to push at next week's United Nations climate conference for a framework for further negotiations and said Wednesday they will make no commitment to specific reductions in greenhouse gas emissions.

[Fever outbreak linked to climate change](#)

An outbreak in Europe of an obscure disease from Africa is raising concerns that globalization and climate change are combining to pose a health threat to the West.

Nearly 300 cases of chikungunya fever, a virus that previously has been common only in Africa and Asia, were reported in Italy — where only isolated cases of the disease had been seen in the past.

[US cuts greenhouse-gas emissions in 2006](#)

The United States reduced greenhouse gas emissions in 2006 after four years of increases, the government said Wednesday ahead of a key United Nations meeting next week on climate change.

[Climate change makes bats drop dead: study](#)

Scorching heatwaves linked to climate change have caused thousands of Australian bats to drop dead after flapping their wings in a desperate bid to cool off, according to a study published Wednesday.

[Fire shuts key Canada-US pipeline, oil soar](#)

An explosion crippled the biggest pipeline supplying Canadian crude to U.S. Midwest refineries, shutting off more than one million barrels per day of imports to the world's

biggest consumer.

The cause of the explosion on Wednesday that killed two employees was not immediately known.

... "The timing is pretty bad. We are coming to the strongest demand period for crude with the approach of the northern winter," said Mark Pervan of ANZ.

During the third quarter, the pipeline had carried around 1.5 million barrels per day of Canadian crude, or around 15 percent, of U.S. imports.

There was no word on when line 4, the biggest of the connected pipes, which ships nearly 700,000 barrels per day (bpd), would restart.

[The Peak Oil Crisis: Revolt Of The Teapots](#)

In China, small privately or locally owned oil refineries are called "teapots." Unlike the giant ones that refine hundreds of thousands of barrels each day, these little fellows typically process about 10,000, but taken together, they produce some 10-15 percent of China's refined products. Reduce the teapots' production and you have a problem.

[Analyst sees oil prices between \\$75, \\$85 a barrel](#)

At a 2005 "peak oil" conference in Denver, Petrie said world oil production could peak between 2010 and 2015, with a subsequent gradual decline in oil supplies and higher prices.

"This is not a catastrophe," he said at the conference, "but the time to deal with it has come."

[Intransigence in the face of energy crisis warnings](#)

Chris Skrebowski, a former long-term planner for BP turned 'peak oil' theorist, who now edits the Petroleum Review, said, "I was extremely sceptical to start with," but now admits, "We have enough capacity coming online for the next two-and-a-half years. After that the situation deteriorates."

[Vietnam to stop subsidizing oil price in 2008](#)

Vietnam will stop subsidizing the prices of oil and petroleum products and some other industrial items such as coal and cement starting from next year, local newspaper Pioneer reported Thursday.

[Currencies and oil: Countdown to lift-off](#)

HARDLY a week goes by without a new reason to be gloomy about the dollar. The latest scare is that members of the oil-rich Gulf Co-operation Council (GCC) might loosen their links to the greenback, depriving the foreign-exchange markets of a reliable buyer of the troubled currency.

[Venus inferno due to 'runaway greenhouse effect', say scientists](#)

Once styled as Earth's twin, Venus was transformed from a haven for water to a fiery hell by an unstoppable greenhouse effect, according to an investigation by the first space probe to visit our closest neighbour in more than a decade.

[Report: Global warming will cost Florida](#)

TALLAHASSEE -- Stopping global warming. The melting of the Greenland ice cap. The slide of coastal property into the sea.

It's all going to cost Floridians a lot of money, but doing nothing will only cost more.



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