



## DrumBeat: December 14, 2007

Posted by [Leanan](#) on December 14, 2007 - 10:23am

Topic: [Miscellaneous](#)

### [Phil Flynn: No New Records!](#)

Records aren't what they used to be. And I am not talking about the steroid stuff. Just take those old records off the shelf because there may not be a new record for oil in 2008. If you like records oil traders will have to live in the past. Year after year, oil has made record highs but this year, it's not that likely. Every year since 2003, oil has broken the record high set the year before. This has been so common in this era of energy that new highs every year for many traders are just a given. Yet in the year ahead, unless we get a real cold winter or some unusual geo-political event, I doubt that the record high we established in 2007 will be broken in 2008.

### [Scientists take 2007's temperature](#)

The annual temperature for 2007 across the contiguous United States is expected to be near 54.3 degrees Fahrenheit -- making the year the eighth warmest since records were first begun in 1895, according to preliminary data from NOAA's National Climatic Data Center.

Worldwide, temperatures were also in record territory. The global surface temperature for 2007 is on pace to be the fifth warmest since those records were first started in 1880, the report said.

### [Bribery probes seen changing oil services business](#)

A raft of government bribery investigations launched into U.S. oilfield companies is likely to spur reform in the industry, but will also preoccupy top executives and slow business in regions such as West Africa.

### [Iraqi oil exceeds pre-war output](#)

Iraqi oil production is above the levels seen before the US-led invasion of the country in 2003, according to the International Energy Agency (IEA).

The IEA said Iraqi crude production is now running at 2.3 million barrels per day, compared with 1.9 million barrels at the start of this year.

### [Green Christmas can be hard to achieve](#)

Dave Kerr of Albuquerque, N.M., hand-carves furniture made of wood from plantation trees — not virgin and never ever endangered ones. But rather than an emission-free reindeer-guided sleigh, Kerr climbs aboard a polluting plane or into his gas-guzzling car to deliver a sack full of presents to his family sprawled across three states.

"It's a hard time of year to be green," the 40-year-old says.

### [Carbon cuts a must to halt warming-US scientists](#)

There is already enough carbon in Earth's atmosphere to ensure that sea levels will rise several feet (meters) in coming decades and summertime ice will vanish from the North Pole, scientists warned on Thursday.

To mitigate global warming's worst effects, including severe drought and flooding, people must not only cut current carbon emissions but also remove some carbon that has collected in the atmosphere since the Industrial Revolution, they said.

"We're a lot closer to climate tipping points than we thought we were," said James Hansen, director of NASA's Goddard Institute for Space Studies. "If we are to have any chance in avoiding the points of no return, we're going to have to make some changes."

### [Agriculture: the price of adaptation](#)

One of the great gifts of crisis is supposed to be the way it helps sort out the difference between what's essential and what's not. As we move deeper into the crisis of industrial civilization, that particular gift is likely to arrive in horse doctor's doses. Those who insist that the first priority in an age of declining petroleum production is finding some other way to fuel a suburban SUV lifestyle, or who hope to see some favorite technology — the internet, say, or space travel — privileged in the same way, risk finding out the hard way that other things come first.

### [The Malthusian energy-trap](#)

The price of oil is approaching US\$100 a barrel, the concentration of greenhouse gases in the atmosphere is accumulating faster than the most pessimistic scenarios are predicting, anthropogenic climate change is occurring. The recognition that the world's scientists, diplomats and media gathered at the Bali climate-change summit are arguing

over - the necessity of moving beyond dependency on a fossil-fuelled, carbon-emission-based global economy - is becoming increasingly hard to ignore.

### [Soaring energy costs fuel retail sales](#)

Soaring energy costs helped fuel a record jump in wholesale inflation and an unexpectedly strong gain in retail sales, government reports showed Thursday, sending mixed signals about the state of the economy.

The figures come as consumers struggle to get a fix on their financial future and economists scrutinize statistics, searching for signs of recession or resiliency. The latest economic data hinted at a bit of both.

### [Syria faces subsidy crunch as oil exports drop](#)

Syria runs on cheap gas oil but can no longer afford to subsidise the fuel whose sulphurous fumes pervade the traffic-clogged streets of Damascus. State finances are already strained by depleting oil reserves that turned Syria into a net oil importer this year.

Economists say delays in tackling the subsidy burden when the economy was in better shape have made the problem worse.

### [Analysts Warn of Fuel Surplus Near-Term in China](#)

Analysts are warning that the Chinese domestic market could experience an oversupply of fuel in the near future due to significant increases in crude throughput in December, after processing growth in November failed to meet market expectations.

### [New Campaign: 'No New Taxes Means No New Bridges'](#)

There's a long list of needed repairs, a shortage of money to pay for them and a new campaign to raise the gas tax.

### [Climate Change Drying Up Mountains in Western US](#)

Barnett studies snowpack at high altitudes in the Western United States and estimates the region's snow accumulation decreased an average of 20 percent between 1950 and 1999.

Only about one quarter of this decrease can be reliably explained by natural

temperature variations. Computer modeling shows the remainder is "a slam dunk" attributable to human activity, said Barnett.

About 50 percent of the fresh water consumed by people worldwide comes from mountains, so the rate at which snowpack is disappearing is worrying, said Daniel Fagre, an ecologist who works for the US Geological Survey in Glacier National Park in Montana.

### [The Peak Oil Crisis: The Times Drops The First Shoe](#)

For over 25 years now, nobody in America has had to think much about oil. It was cheap, hardly taxed at all (by European standards), and available in unlimited quantities. In the last few years, this has started to change with gasoline circa \$3 a gallon, oil in the \$90s and, thanks to the ethanol craze, food prices going through the roof. Our newspapers are starting to take notice. The problem has become too big to ignore.

### [IEA, OPEC differ on 2008 oil demand outlook](#)

OPEC and major oil consumers on Friday presented sharply diverging views on the prospects for world oil demand next year as fallout from the credit crunch clouds the economic outlook.

The gap between forecasts from OPEC and the International Energy Agency underscores the reluctance of the producer group to raise output formally even after a surge in oil prices to a record high near \$100 last month.

### [Chinese Bid for Alaskan Gas Pipeline Opposed](#)

Alaska's proposed natural gas pipeline will not be used for exporting gas outside of North America, the state's congressional delegation vowed this week.

Alaska's senators and congressman said they would do everything in their power to keep the contract from going to Sinopec ZPEB, a joint venture of two oil-industry companies backed by the Chinese government. U.S. Sen. Ted Stevens, who sits on the China-U.S. Interparliamentary Conference, said he would pass on the message to his counterparts in Beijing.

### [The Real World: Global energy transformed](#)

The other trend taking place with net oil exporters is the negative feedback loop. The higher the price of oil, the more oil exporting economies boom, thereby stimulating their

domestic demand. This leads to falling net exports, and even higher prices. According to a recent report by Lehman Brothers Inc, OPEC countries will match rival China in global oil demand growth through 2008 and beyond. It is this rising demand from oil exporting countries and major consuming countries that may offset the Saudi increases.

### [FOGL Uncovers 10 Billion Barrel Potential in Falklands](#)

Falkland Oil and Gas Limited (FOGL) reveals encouraging results from the controlled source electromagnetic (CSEM) survey with positive CSEM anomalies indicating the possible presence of trapped hydrocarbons in excess of 10 billion barrels equivalent (mean, unrisks).

### [Biofuel venture reaps growing benefits from "diesel tree"](#)

A Chinese energy company in the southwest province of Guizhou is awaiting its first harvest of more than 13,500 hectares of a "diesel tree", which will yield 15,000 tons of biodiesel oil for the energy-thirsty country.

### [Carbon's rocky road](#)

CARBON projects to bury CO<sub>2</sub> are caught between a rock and a hard place as the concluding Bali climate change talks keep them dangling.

### [Gore makes Nashville home more 'green'](#)

Al Gore, who was criticized for high electric bills at his Tennessee mansion, has completed a host of improvements to make the home more energy efficient, and a building-industry group has praised the house as one of the nation's most environmentally friendly.

The former vice president has installed solar panels, a rainwater-collection system and geothermal heating. He also replaced all incandescent lights with compact fluorescent or light-emitting diode bulbs -- even on his Christmas tree.

### [Oil at \\$100 resurfaces as demand estimates climb](#)

The demand for oil is expected to beat forecasts for next year driven by China and the Middle East, raising the prospect that fuel prices could head back towards \$100 a barrel if supplies remain at their current levels.

According to the International Energy Agency (IEA), the Paris-based energy watchdog, global demand for oil in 2008 will grow by 2.3 per cent, or 2.1 million barrels of fuel a

day as the world's emerging economies continue to thrive.

### [OPEC raises estimate for oil demand growth in 2008](#)

OPEC on Friday raised its estimate for world oil demand growth in 2008, owing to fast-growing demand for transport and industrial fuel in developing countries, but kept unchanged its forecast for world oil demand this year.

### [Senate set to OK fuel economy boost](#)

The Senate appeared set to approve a trimmed-back energy bill that will bring higher-gas mileage cars and SUVs into showrooms in the coming decade and fill their tanks with ethanol.

### [Spanish gas consumption hits all-time record](#)

Spanish gas consumption hit an all-time daily high on Thursday because of high demand from electricity producers and increased domestic use due to low temperatures, network operator Enagas said on Friday.

At 1,803 gigawatt hours (gwh), demand was 9 percent higher than last winter's peak of 1,662 (gwh) hours on Jan. 30.

### [Conoco backs off \\$1 billion Alaska spending](#)

The budget was prepared in the fall, before the Legislature raised oil tax rates, said Jim Bowles, Conoco's Alaska president.

So although the company's top brass authorized \$1 billion for drilling and other Alaska oil field work, Conoco now must re-evaluate all its projects in light of the tax increase, Bowles said.

### [Is America the Villain in Bali?](#)

Despite the scientific work of the Intergovernmental Panel on Climate Change highlighting the urgency of deep and rapid reductions in greenhouse gas emissions, the U.S. - along with Japan, Australia and Canada - has resolutely opposed a European push for the Bali delegates to discuss targeted emissions cuts. That opposition isn't surprising, because the Bush Administration has never hidden its opposition to mandatory cuts. But observers here say the U.S. obstructive role has been more egregious, stymieing

attempts to craft meaningful action on everything from deforestation to measures to help developing nations manage their carbon output. "The U.S. has been fingered as the problem here - and they really are," says John Coequyt, climate adviser for Greenpeace.

### [As ice thins, so does Canada's polar bear population](#)

Polar bears in Canada's Hudson Bay area are battling for survival, as climate change reduces the time they can hunt for food, warn environmentalists and locals in Churchill, the self-proclaimed polar capital of the world.

### [GOP Candidates Debate Climate Change](#)

With the exception of Sen. John McCain, R-Ariz., global warming is an issue the Republicans rarely bring up on their own.

### [Climate skeptics say debate stifled](#)

As Al Gore shows off his Nobel Peace Prize and world policy-makers hammer out a new strategy for saving the planet, climate change contrarians say they have been elbowed out of the debate. They say mainstream scientists have stifled healthy intellectual discourse by demonizing dissenters as oil industry lobbyists or lunatics.

### [UN climate talks inch towards compromise](#)

The United States and European Union stepped back from confrontation Friday as global talks on climate change headed into extra time amid hopes they could still thrash out a compromise.



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