



DrumBeat: December 17, 2007

Posted by [Leanan](#) on December 17, 2007 - 9:56am

Topic: [Miscellaneous](#)

[Triple-digit oil prices expected after 2007 records](#)

After a record-smashing year with oil peaking at \$99 a barrel in 2007, a triple-digit world of crude oil awaits in the coming year, energy experts say.

Trading below \$51 a barrel less than 12 months ago, crude prices hit their first in a fusillade of all-time highs in July and never looked back.

While some blame the frothy crude market on speculation rather than the simple rules of supply and demand, the only force that managed to slow prices down at all this year was fear of an economic slowdown, as oil fell below \$90 a barrel just weeks after hitting a record.

[Running out of gas: High prices could fuel economic slowdown felt in all areas](#)

Oil's run to nearly \$100 a barrel this year jacked up the cost of travel, clothing, beauty products and milk, and many analysts think fuel prices will remain at historically lofty levels throughout 2008.

But record energy prices could sow the seeds of their own destruction. Along with the housing crisis, they are contributing to an economic slowdown that is sapping the country's energy appetite just as oil producers ramp up production.

[Living With Cheap Oil](#)

Commodity markets have also been in a bubble stage, their prices rocketing due to cheap and plentiful liquidity. Oil being a bellwether of other commodities, the oil market has been the one where the bubble is easiest to identify.

[Buoyant China expected to lead growing demand for oil](#)

Booming demand for energy from China and the Middle East will drive global oil consumption up 2.5 per cent next year despite the growing threat of a recession in America, according to the International Energy Agency (IEA). The Paris-based energy watchdog said yesterday that it expected global crude oil demand to grow by 2.1 million barrels a day in 2008, 200,000 barrels a day higher than its previous forecast.

[Gazprom to receive electric power plants in Europe in asset swap](#)

Gazprom could receive electric power plants in Europe in an asset swap with Germany's E.ON, the press office of the Russian energy giant said on Monday.

[Gazprom deal over Kovykta at risk](#)

Russian Gazprom's deal to buy control in the giant Kovykta gas field is at risk as the company cannot agree with the current owner, oil firm TNK-BP, on historical costs, a source close to Gazprom said on Monday.

"It has been a systematic problem. If it goes on like this the deal scenario will change," the source said.

[Latin America: Biofuels and sustainability – Biofuels boom ... or bust?](#)

Biofuels are becoming a boom industry across Latin America, but questions are being asked about their long-term sustainability

[Turning Carbon Dioxide into Fuel](#)

Researchers are harnessing solar energy to convert carbon dioxide into carbon monoxide, which can be used to make fuels.

[Biofuel wrong way to tackle emissions problem: Transport expert](#)

There are better -- not to mention, cheaper -- emission-saving strategies than those involving biofuel, says a leader of a global transportation group.

Jack Short, Secretary General of the International Transport Forum, recently told delegates gathering at the United Nations Climate Change Conference in Bali, that too often nations are choosing "high cost and low impact measures" like biofuel development rather than more "cost-effective measures to reduce CO(2) emissions in transport."

[China's industrial guidelines urge support for unconventional energy reserves](#)

China will encourage the exploration and production of unconventional energy sources, such as oil shale, oil sands and natural gas hydrate, according to the 2007 edition of the guidelines for industrial restructuring.

[China Rolls Out First Self-Designed Hybrid Car](#)

China's state-owned Chang'an Automobile group has started making its own hybrid cars, the first such move by a Chinese automaker, the Xinhua news agency reported.

Mass production of the Chinese-designed car, which consumes 20 percent less fuel than ordinary cars of the same size, was launched after six years of research and development, Xinhua said late on Friday.

[China Says Global Warming Will Strain Water Limits](#)

China will have exploited all available water supplies to the limit by 2030, the government has warned, ordering officials to prepare for worse to come as global warming and economic expansion drain lakes and rivers.

[Seas could rise twice as high as predicted: study](#)

The world's sea levels could rise twice as high this century as U.N. climate scientists have predicted, according to researchers who looked at what happened more than 100,000 years ago, the last time Earth got this hot.

[China Says Glaciers Shrink by up to 18%](#)

High altitude glaciers in China's remote west have shrunk by up to 18 percent over the last five years due to global warming, state media said on Friday, citing preliminary results from an on-going survey.

[South Africa looks to sun, wind to lighten blackouts](#)

Faced with power cuts stretching into the next decade, South Africa is slowly switching its focus to alternative energy sources in a country blessed with bountiful sunshine and a lengthy coastline.

While state power utility Eskom warns solar and wind power can only ever meet a fraction of the nation's needs, environmentalists want a more aggressive pursuit of alternative energy rather than a growing use of nuclear power.

['Peak Oil' Theory Flawed: State-Run Oil Firm](#)

South Korea's state-run oil firm claimed Monday that it would take at least 80 more years before oil is used up, dampening the so-called "peak oil" theory, which has been gaining more currency amid high crude prices in recent months.

In a report titled "Is the Era of \$100 per Barrel Really Coming?" the Korea National Oil Corporation (KNOC) also argued that it will be difficult in the foreseeable future for people to see oil prices beyond \$100.

[Fire at Frontier's Cheyenne Refinery](#)

Independent refiner Frontier Oil Corp. said Monday a weekend fire at its Cheyenne, Wyo., facility will cut output of petroleum products for no more than 30 days.

[The one-word answer to sky-high oil prices](#)

Iraq has the third-largest oil reserves in the world – if its government could agree on how to share oil revenues.

[2007: The Great Unraveling Begins](#)

But the real news of 2007 is not the disappointment of the US political system, but rather the growing signs of a social, political, economic, and environmental nightmare. The real news is that even while the mainstream politicians and mainstream media have turned a corner in their treatment of global warming, the bigger questions before us as a society are not even part of the discourse. As the subprime lending shell game has worked its way into prominence as an economic problem, big banks and big media continue to dress it up as a manageable one, contained to those who foolishly signed loans they could not handle. Unfortunately, however, the entire US economy is suspect, because it is built upon a number of assumptions that are starting to buckle. In short, the US economy, and much of the world economy, is a house of cards. And 2007 has been the year that the first cards began to fall.

[Energy and the presidential race](#)

Where the leading candidates stand on everything from a gas tax to a carbon cap to drilling in the Arctic National Wildlife Refuge.

[Russia delivers nuclear fuel to Iran](#)

Russia said Monday it has begun fuel deliveries to an atomic power station in Iran that has been at the center of international concerns over Tehran's nuclear program.

[India: Oil firms not yet ready for 10% ethanol blended fuel in October](#)

While the sugar industry is readying itself for expanding ethanol production, India's automotive industry has expressed reservations about the viability of the proposal. Oil companies, too, are not ready as yet. In fact, they have not even completed the blending requirement for 5% ethanol. In October this year, the oil marketing firms were directed by the government to sell petrol blended with 5% ethanol in most of the states.

[Wind Power: The solution to South Asia's energy problem](#)

A few years ago, while touring California I was stunned to see the wind farm at Altamont

Pass near Livermore, California. I saw hundreds of turbines turning out energy for the national grid. Earlier, I had seen a stray turbine in the UK and in Hambantota, Sri Lanka and have read of windmills in the Netherlands. It beat me as to why South Asian countries, with so much of mountains blessed with ample wind power, even blowing our cars off the roads; have given no thought to wind power.

[China stops 13 small power plants to save energy, cut pollution](#)

China's top economic planning agency has revoked approvals for 13 small coal-fired power plants in six provinces amid efforts to boost energy efficiency and reduce pollution.

[Looming threat to the world climate](#)

The romantically-named west Siberian bog, bigger than France and Germany combined, contains 70 billion tonnes of methane primed to vent upwards and outwards as it thaws and rots. Since methane is 30 times more efficient than carbon dioxide at trapping heat, that equates to more than two trillion tonnes of CO₂, or two thirds the total amount already in the atmosphere.

[Japan to Lend \\$3 Billion to Abu Dhabi to Secure Oil](#)

The Japan Bank for International Cooperation, the government's main overseas lender, will lend \$3 billion to Abu Dhabi National Oil Co. to secure a stable supply for Asia's biggest economy, which imports most of its oil needs.

[China agrees 38 pct increase in Saudi oil imports](#)

China has agreed to boost crude oil imports from Saudi Arabia by over a third next year, two Beijing-based trading sources said on Monday, helping fuel new refineries in the world's second-biggest consumer.

[The Coming Oil Crash](#)

Crude at \$100 a barrel makes good headlines but ignores basic economics. Why oil prices are in for a 50 percent drop.

[Gas prices shoot up by 25%](#)

A 25 per cent increase in prices of liquefied petroleum gas (LPG) greeted residents in Dubai and the Northern Emirates on Sunday.

The announcement was made by two of the biggest LPG retailers, Emirates Gas and Emarat Gas, on the back of a rise in the price of bread and eggs.

[UK: Gas costs threatens to increase fuel poverty](#)

AS the first frost of winter bites, more and more families will spend this Christmas struggling to pay fuel bills and consequently join the growing number of British households in fuel poverty.

[Shortages at Food Banks Cause Closures](#)

Sheid blames an unusual combination of factors for the food shortage. The cost of groceries is up, fuel costs are up and energy costs are high.

"It's much more demanding handling your own personal circumstances then it was ever before," says Scheid.

[The Political Class is out of Touch on Energy](#)

We must be running out of energy because so many authoritative-looking people say so on TV. Rhetoric aside, look at the numbers. According to the Petroleum Institute the world's supply of fossil fuels is: Oil-43 years, Natural Gas-66.5 years and Coal-325.6 years. This should quiet the "falling sky" crowd, but not so fast. Population growth in the United States alone requires the generation of 3 million new jobs per year. This translates into more consumption which requires a hefty growth in energy sources. In the developing countries, especially Africa, more energy is the key to the elimination of poverty.

[Households urged to take action on emissions](#)

Environmentalists say Australian households can cope with emission cuts discussed at Bali without dramatic impact on lifestyles.

[As the Climate Changes So Does Our Wine](#)

The topic of global warming, which has become a hot political football in the last year, was also one of the most-discussed subjects at the recent 13th annual Wine Industry Technical Conference in Adelaide, Australia.

[Norwegian Continental Shelf oil output declining faster than previously thought](#)

The Norwegian Petroleum Directorate said crude oil production on the Norwegian Continental Shelf is declining more rapidly than the oil companies had previously expected, adding that something needs to be done.

[Russia's oil output grows 2.4% to 9.86 mln bbl/d in 10M07](#)

Oil output in Russia increased 2.4% year-on-year in January-October 2007 to 408.9 million metric tons (9.86 mln barrels per day), the country's top statistics body said on Monday.

The State Statistics Service, Rosstat, said crude sales on the domestic market grew 3.8% in the reporting period to 188.4 million metric tons (4.5 mln bbl/d) and exports were up 3.7% to 215.7 million metric tons (5.2 mln bbl/d).

[Nigeria's main militant group urges faction to unite and cripple oil industry](#)

Nigeria's main militant group on Monday urged all armed factions in the restive southern oil heartland to join and cripple Africa's biggest petroleum industry.

[Mexico caps damaged Gulf oil well](#)

Oil workers have capped a damaged oil platform in the Gulf of Mexico that spilled crude and natural gas for almost two months after a deadly high-seas collision, Mexico's state-owned oil company announced on Sunday.

[Then again, perhaps BP's refinery plans aren't so bad](#)

A report suggests the company's upgrades will be up to code and won't ruin Lake Michigan.

[China plans to expand oil tanker fleet](#)

China's fast-expanding oil tanker fleet is expected to shoulder half of the transportation of imported oil by 2010, experts said. A researcher with the Institute of Comprehensive Transportation (ICT) affiliated to the National Development and Reform Commission, Luo Ping, said that domestic shipping companies have been encouraged to expand the oil transportation market in the past years to help guarantee economic security.

[So Much For Capitalist Exploitation Then](#)

We don't actually need to go and find massive new oil fields: we just need to be better at getting out the oil that we already know is there. It wasn't that many decades ago that we only expected to take 10% of the oil out of any field. Technology does march on you know.

[Exchange rate flexibility](#)

We are all well aware that the price of food on the global market is driven by increased demand for more sophisticated food by China and India, Peak Oil, i.e. the inability of the world's petroleum production system to meet demand, hence the increasing cost of transportation and production costs of food, salination and erosion of soils, the movement of land away from food production to that of alternative fuels, failure of crop production in certain countries due to poor weather and climate change.

[Here's to 'Dow up, Earth down'](#)

With the economies of the world soaring, the ecological health of the Earth is plummeting. The Dow goes up, the Earth goes down. We cheer economic growth as the hallmark of human achievement, while the global environment staggers against the ropes.

[Britain's carbon strategy 'up in smoke'](#)

Britain's plans to build new coal-fired power stations as part of the country's efforts to address its looming energy crisis will completely undermine the Bali agreement on climate change and discredit Gordon Brown's commitments to reduce greenhouse gases, according to one of the world's leading climate scientists.

[Simple numbers to shape climate talks](#)

Behind the millions of words at the Bali climate conference, in documents, speeches and slick brochures, lay a set of simple numbers: 2 and 445 and "25 to 40."

That's 2 degrees Celsius, 445 parts per million of carbon dioxide, and a 25-to-40-percent reduction in global-warming gases — a formula, some say, to save the planet from climate change's severest consequences.

[Small group of US experts insist global warming not man-made](#)

A small group of US experts stubbornly insist that, contrary to what the vast majority of their colleagues believe, humans may not be responsible for the warming of the planet Earth.

[Global warming may soon see Santa don shorts](#)

This December, with only a few weeks to go before Christmas, there are only 20 centimeters (seven-and-a-half inches) of snow on the ground, just enough for snowmobiles and dog- and reindeer sleighs.

But the rivers and lakes, which normally freeze over in winter and are used to take tourists on snowmobile or sleigh rides, have not turned to ice yet, and that's bad news.

[George Monbiot: We've been suckered again by the US. So far the Bali deal is worse than Kyoto](#)

America will keep on wrecking climate talks as long as those with vested interests in oil and gas fund its political system.



This work is licensed under a [Creative Commons Attribution-Share Alike 3.0 United States License](#).