



## DrumBeat: December 26, 2007

Posted by [Leanan](#) on December 26, 2007 - 9:57am

Topic: [Miscellaneous](#)

### [Denial Of Energy Crisis Is A Conditioned Response](#)

The charade of limitless consumption goes on today, further sanctified through the manufacture of close associations between nationalistic symbols such as the flag and icons of waste such as NASCAR and Hummers. The use by politicians of coded phrases like “the American way of life” allows easy dismissal of the bearers of unpleasant realities as unpatriotic.

Indeed, “unpleasant” scarcely begins to describe the scope of a future we as a species now face. With the unavoidable decline of the supply of oil and natural gas, manufacturing, transportation, building construction, central heating, air conditioning, and communications (including our beloved computers) will all break down. Since food production (planting, fertilizing, pest control, harvesting, processing and long range delivery) and even water supply and sanitation have become inextricably dependent on oil, wide scale thirst, hunger, and disease also loom as part of a probable future.

### [Chinese bid to build line makes waves](#)

Shortly after Sinopec, the China Petroleum & Chemical Corp., was identified as one of five bidders on the project Nov. 28, human rights groups decried its dealings with oppressive regimes. Alaska's congressional delegation warned that a Sinopec-owned project could undermine U.S. energy security if Alaskan gas went to China instead of U.S. consumers.

But others say Sinopec may be the strongest in a field of applicants that fell short of expectations and that a Chinese-sponsored pipeline may not be the threat some envision.

### [Petrobras Production Reaches Record 2 Million Barrels a Day](#)

Petroleo Brasileiro SA, Brazil's state-run oil company, said its production of oil reached a record yesterday.

Oil output rose to 2 million barrels a day, Petrobras Chief Executive Officer Jose Sergio

Gabrielli said today in a press conference in Rio de Janeiro.

### [Diamond Offshore rig evacuated](#)

Diamond Offshore Drilling Inc., the world's second-largest oil driller by market value, said its Ocean Whittington rig listed to one side and forced the crew to evacuate.

### [Iran, Malaysia Sign \\$16 Billion Oil Deal](#)

Iran and Malaysia signed a \$16 billion agreement to develop two Iranian gas fields, state-run television reported Wednesday, describing the deal as the largest energy contract in Iran.

### [Russia is in need of firm handling](#)

Russia starts 2008 with its confidence higher than at any time since the collapse of the Soviet Union. At home, President Vladimir Putin and his top officials have managed a succession which seems certain to ensure their grip on power for years to come. Abroad, Russia is increasingly willing to assert its influence, especially in the former Soviet Union. The high price of oil has given the Kremlin huge resources with which to remake Russia and try to fulfil its ambitions.

### [NYPD to road test electric scooters](#)

Four plug-in Vectrix scooters will be road tested starting early next month as the New York Police Department tries to become more environmentally friendly and reduce gasoline use in its massive motor fleet.

### [Putting the brakes on bike thieves](#)

Over 500,000 bicycles are stolen annually in the UK and only five per cent of these are returned to their owners. The increase in the number of people travelling by bicycle as an more eco-friendly method of transport has provided greater opportunities for bicycle thieves across the UK and while many local councils have located CCTV cameras above public bicycle racks, their effectiveness in deterring thieves is limited.

Currently at prototype stage, Damen's system takes colour information from CCTV images when a bike is parked and stores it until the bike is retrieved. It then marries the stored information with the new image and where there are significant differences, it can raise an alert to CCTV operators. In initial tests using a camera located above a bike rack at the University of Leeds, eleven out of thirteen simulated thefts were detected.

### [Gazprom opposes foreign ownership of energy reserves: agencies](#)

A top Gazprom executive voiced opposition on Wednesday to foreign ownership of Russian energy reserves, saying it could deprive Russian consumers of much-needed natural gas, news agencies reported.

"We do not like foreign companies developing reserves," Alexander Ananenko, deputy chairman of state-owned Gazprom, was quoted by Interfax and RIA Novosti news agencies as saying during a visit to Novosibirsk.

### [Official: Saudi-Japanese energy relationship is enormously important](#)

Al-Tubayyeb addressed issues relevant to Japan, which is the second largest economy in the world and receives 30 percent of its energy supplies through Saudi Aramco - about 1.2 million barrels per day of crude oil, in addition to LPG, naphtha and condensates.

He visited the University of Tokyo's Graduate School of Public Policy, where he answered to questions raised by its students. He explained to them the mechanisms of the oil market and price drivers.

He said the abundant supply of conventional oil resources will provide sustainable energy for a long time. "The amount of conventional oil-in-place worldwide is estimated at between 6 and 8 trillion barrels," he said. "The world does not have to worry about (peak oil) for many decades to come."

### [Drink this and you may feel pleasantly green](#)

When sipping that beer or vodka tonic at the next holiday party, take heart: Your revelry may actually be good for the environment.

Or at least that's the pitch coming from makers of organic tequila, gin, vodka, brandy, beer and wine that are finding their way onto store shelves and fine restaurant menus — all in the name of healthier socializing and being green.

### [Uranium exploration in Africa spurred by global hunger for cleaner, cheaper energy](#)

Resurgent global interest in nuclear power has made Zambia, a southern African nation better known for its vast copper reserves, into a hotbed of uranium exploration.

The search for uranium in Zambia is part of a larger wave of uranium exploration and mining across mineral-rich southern Africa that is raising hopes of new jobs and tax

revenue, but also sparking debates over safety and security. Many countries are looking for cleaner and cheaper alternatives to oil and coal power, and uranium prices are high after a decades-long slump.

### [Fuel maker refines plan to hike output, cut emissions](#)

Can an oil refiner double fuel production and cut greenhouse gas emissions at the same time?

The task is so daunting that no U.S. refiner has even attempted it. But Jeff Morris is proposing to do exactly that with the two Southern California refineries his company bought last year.

### [Rising demand tests Gazprom. Will it deliver?](#)

Energy forecasters predict Gazprom will face difficulties satisfying demand for natural gas in the future. The warning comes as production at existing fields peaks while tapping new reserves involves huge technical difficulties.

### [Russia plans controlling Serbia oil, gas](#)

Russia has offered Serbia \$1.5 billion for control of its oil industry and additional deals related to a gas pipeline and a gas underground storage.

The Russian government offered \$750 million in cash and \$750 million in investments for a majority interest in Serbia's NIS oil company, the Serbian daily Blic reported Wednesday.

### [Korea to Tighten Fuel Efficiency Standards by 2012](#)

Korea will strengthen its auto fuel efficiency standards by 2012 to reduce green gas emissions. This is expected to accelerate the development of eco-friendly cars including hybrids.

### [For Stable Oil Supply, Seoul Should Actively Engage in Energy Diplomacy](#)

Energy officials and oil importers are concerned over a warning from Iraq that it will suspend oil exports to South Korea unless companies here stop oil exploration in the northern Kurdish region of the Middle Eastern country. The warning is feared to deal a blow to the country as its oil supply totally depends on imports from abroad, mainly the

Middle East. About 5.2 percent of oil imports currently comes from Iraq.

### [Shell refinery in Malaysia hit by fire](#)

A fire broke out at Royal Dutch Shell's oil refinery in the southwestern Malaysian town of Port Dickson on Wednesday, temporarily disrupting operations, the Star newspaper said in its online edition.

### [New Zealand: More energy please, but keep it clean](#)

As the 21st century moves toward the tail end of its first decade, the quest for energy has firmly cemented itself among the most urgent challenges facing the world.

Rich countries are trying to work out how to meet growing demand while producing less carbon dioxide, which many fear is contributing to a dangerous warming of the planet.

Making the goods that use energy more efficiently has so far failed to provide a solution, as greater efficiency often leads to greater demand for the goods, or a desire for larger or more complex models.

### [High energy costs take a big toll on state's poor](#)

If these charges produce a safe, clean and reliable flow of energy, most Marylanders will probably consider the payment well worth the investment. Most Marylanders will absorb the extra costs into their budgets and will make some efforts to conserve on interior lighting, home heating temperatures and trips in the car.

There are, however, at least 300,000 families in Maryland who live in or near poverty and who will not easily absorb these extra costs; rather, they will trade food for electricity, prescription drugs for warmth.

### [Kansai Elec cuts profit outlook on nuclear delay](#)

TOKYO, Dec 26 (Reuters) - Kansai Electric Power Co, Japan's second-biggest utility, cut on Wednesday its 2007/08 group operating outlook by 20 percent, hit by the prolonged shutdown of a nuclear power unit and higher fuel prices.

### [Palm Oil Gains to Record on Demand for Food, Fuel](#)

Palm oil prices in Malaysia, the global benchmark, rose to a record today as global demand for vegetable oils for food and alternative fuel outstripped supply.

### [Chinese cars win increasing buyers in ME, N Africa markets](#)

For years, consumers in the Middle East and North Africa (MENA) have become used to buying small and low-tech made-in-China commodities. But now, they are showing increasing interest in trying something bigger -- China's home-grown sedans.

### [UBS rejects reports it manipulated PetroChina shares](#)

Global investment bank UBS AG rejected Chinese media reports that claimed it had improperly manipulated Hong Kong-listed shares and warrants in the country's top oil company, PetroChina.

### [China may run Japan-style bullet train](#)

The Chinese government is considering using Japanese-style bullet train technology on a high-speed rail line slated to be launched next summer, a Japanese news report said Wednesday.

### [Use of slurry and manure can counter rising inputs](#)

Rising fuel prices have added at least 20% to the cost of inorganic fertilisers, meaning livestock producers should be making far better use of free nutrient resources to protect against rising input costs.

"There are considerable savings to be had by making more use of slurry and manure," says John Morgan of Devon-based Creedy Associates. "Unfortunately, many farmers still tend to view it as waste to get rid of instead of an opportunity. However, awareness of its potential is improving and increasingly producers do want to know how to make best use of it."

### [Green bus investment offers a very slow return](#)

A hybrid bus costs about \$230,000, far more than the \$90,000 for a traditional bus. So in Manatee, where the hybrids are saving \$4,000 a year in fuel costs, it will take about 35 years for them to pay off the investment of going hybrid.

### [Saudi oil investments top \\$100bn](#)

The sales involved a total 79 billion barrels pumped out of the country's giant oilfields since it began full crude exports in 1967, according to the Saudi Arabian Monetary

Agency (Sama), which cited Saudi Aramco figures.

Theoretically, such a massive output could have depleted the Kingdom's oil resources as it exceeded its proven oil reserves of 68bn barrels in 1967.

But the reserves have more than tripled to a record 264bn barrels at the beginning of 2007, and experts attributed this surge to new major discoveries as well as the introduction of advanced drilling and production technology.

### [Ending Oil Subsidies Serves China's Oil Security](#)

To subsidize or not subsidize. Hamlet might have appreciated the dilemma, though it's hard to say what he might have known about oil. But that is the question facing China's National Development and Reform Commission (NDRC) and the Ministry of Finance (MoF), and a decision will be made in the next week or two whether to cover the oil refining losses incurred over the year of 2007 by the two oil giants China National Petrochemical Corporation (Sinopec) and China National Petroleum Corporation (CNPC). The importance of this decision extends beyond the two national oil companies (NOCs).

### [China publishes energy white paper](#)

The State Council Information Office published on Wednesday a white paper entitled *China's Energy Conditions and Policies*. The document, composed of eight chapters, points out that China, as an irreplaceable component of the world energy market, plays an increasingly important role in maintaining global energy security. The full text of the white paper follows...

### [Sinopec plans 500,000 ton Jan. diesel imports](#)

China's Sinopec Corp. plans record diesel imports of 500,000 tons in January to help cover domestic shortages, after Beijing scrapped a key import tariff, a company-owned paper reported on Tuesday.

The tentative plan comes on top of 423,000 tons of diesel imports in December and another 287,000 tons in November as Beijing struggles to stem persistent diesel rationing and supply shortfalls, the China Petrochemical News said.

### [Pakistan: People told to brace for power outages](#)

EXPERTS have urged people to brace for power outages as normal life resumes after Eid holidays without any electricity conservation plan in place and a yawning gap between supply and demand that is expected to increase to over 2,000 megawatts.

## [Nuclear Deal: USA's Game Plan and GOI's Abject Surrender](#)

The USA has kept on “encouraging” (read “urging”) India to complete the nuclear deal despite its manifest disapproval by the majority of Indian parliamentarians. This way it exposes its own hypocritical love for democracy. The USA is eager for completion of the deal because this will put India under the same obligations as all other non-nuclear state signatories of the NPT are. This way India, which has long been protesting the discriminatory NPT, will be ending its isolation in the US hegemon's eye. On the other hand, this deal, by causing India's tilt towards the USA's strategic alliance, will completely isolate this country from the non-aligned world. No NAM member will trust India thereafter. The USA's Undersecretary of State for Political Affairs, Nicholas Burns, says “this deal will make us more equal”. When nearly 85 per cent of India's nuclear facilities will come under both the USA's and IAEA's inspections, none of the USA's facilities and arsenals will be subject to any external body's inspection or verification. Equality indeed!!

## [Sinopec forecasts a rise in production](#)

Sinopec Corp said it expects to process 42.5 million tons of crude oil in the final quarter this year, up 7.5 percent from the third quarter, as China's largest refined oil supplier acts to counter a fuel shortage.

The amount represents an increment of 500,000 tons over its original fourth-quarter plan, according to China Petrochemical News, a newspaper of Sinopec's state-owned parent, China Petrochemical Corp.

## [Australia: \\$3.5m holiday petrol rip-off](#)

MAJOR petrol suppliers have lined their pockets over Christmas, gouging an extra \$3.5 million from motorists in just two days this week.

Market analysts say Caltex, Shell and their supermarket partners Woolworths and Coles, as well as Mobil and BP, made an extra 3c a litre on Monday and Tuesday by abandoning the usual weekly "discount" cycle.

## [Watchdog's fuel plan may backfire: BP](#)

ONE of the nation's oil majors has warned that the competition watchdog's plan to smash control over fuel storage facilities will do little to reduce petrol prices and could backfire, with higher costs for motorists.



### [Wintry weather adding to fuel fiasco: Homeowners scramble to cut heating costs](#)

Bob Biagini has replaced his home's doors. Lauren Pizzi has installed new windows, insulation and heating equipment. And Malcolm Gurney has been burning wood.

The three South Shore residents are trying to keep their homes warm while coping with high fuel costs and a colder-than-normal December.

"You want to do stuff to lower the heating bills, but that costs money and then the (oil) prices go up," said Biagini, who has lived in his Quincy home for 45 years.

### [Oil trade regulation delayed in House](#)

Before Congress quit for the holidays, U.S. Sen. Olympia Snowe, R-Maine, succeeded in getting Senate passage of her proposal to regulate the oil trading market, but the U.S. House of Representatives refused to consider the measure.

### [Study: RR Terminal Would Be Economic Coup For Indy](#)

Rail use is growing, after years of stagnation, because of surging global trade and a shift from using trucks for long hauls because of congested interstates and soaring fuel prices. Railroads are hot now, said Carol D'Amico, chief executive of Conexus Indiana, the logistics and advanced manufacturing promotional arm of Central Indiana Corporate Partnership.

### [Publicly supported rail service is good](#)

As Congress and the administration have debated over the last decade about how best to kill Amtrak, the traveling public has sent a much different message that lawmakers finally have begun to hear.

It is not surprising that Amtrak set a record during the last fiscal year, which ended Sept. 30, with 25.8 million passengers, 1.5 million more than for the previous fiscal year and the fifth consecutive year of increased ridership. Clearly, airport and highway congestion, coupled with volatile gasoline prices, have made rail travel much more attractive.

### [Designers push to make cities more female-friendly](#)

"Women are feeling frustrated in dense urban environments that are not designed for them to be able to get out," says Afaf Meleis, dean of the School of Nursing at the University of Pennsylvania here. "We tell women, 'You need to walk and exercise.' ... If there's violence going on, it prevents them. Curbs are not designed for women and

women's shoes. We really have not taken gender into consideration."

### [Ethanol boom a mixed bag](#)

What is different about these days is the spectacular rise in corn prices because of the ethanol boom. Grain farmers' net income in the state stayed above \$110,000 for the second straight year in 2007 after settling below \$30,000 in 2002, according to University of Illinois researchers.

But there is no free lunch. And one result of the farmers' good fortune is that consumers are paying more for food. Dairy, beef and bread prices are all connected in one way or another to the farm economy. Corn is animal feed as well as a source of biofuel, and with corn futures contracts above \$4 a bushel -- twice the 2005 price -- a striking cause-and-effect phenomenon has come home to roost.

### [Carbon quota an eerie echo of Technocracy](#)

All of this is an eerie echo of Technocracy, the weird mass movement that attracted a great deal of support in the Great Depression by promising to end North America's money economy and replace it with an energy economy.

Led by a onetime cement mixer named Howard Scott, the Technocrats proposed the merger of Canada, the U.S., Mexico and Central America into a single "Technate." The government would consist of engineers and scientists who would rule - wisely, of course - through scientific management of energy resources.

The Technocratic visionaries of this earlier era were fashionably scientific, fashionably socialistic, fashionably fascist.

### [Oil Rises After Report Turkey Attacked Kurdish Rebels in Iraq](#)

Crude oil rose for a third day in New York on concern shipments from Iraq may be disrupted after the Turkish military attacked bases of Kurdish rebels in northern Iraq.

Turkish jets bombed eight sites in northern Iraq today where the military suspected Kurdish rebels were setting up camp, the military said in a statement on its Web site. The strikes this morning targeted mountain caves and other shelters in the Zap region of neighboring northern Iraq. Iraq exports crude oil through its northern pipeline to Turkey.

### [Nippon Oil plans Jan crude refining +10 pct yr/yr](#)

Nippon Oil Corp. plans to refine 4.85 million kilolitres (984,000 barrels per day) of crude oil in January to meet domestic demand, up 10 percent from a year earlier, a company executive said on Wednesday.

### [Russia's eastern deposits to supply 207 bln cu m of gas by 2030](#)

Russia's deposits in east Siberia and the Far East are expected to produce and supply 207 billion cubic meters of gas by 2030, a Gazprom official said on Wednesday.

Alexander Ananikov, deputy chairman of the Gazprom management committee, said Russia planned to achieve this figure via a program of creating a single system of gas production, transportation and supply in east Siberia and the Far East, taking into account possible gas exports to China and other Asia and Pacific countries.

### [China to Increase Crude Oil Imports in Term Contracts](#)

China, the world's second-biggest energy consumer, plans to increase crude oil imports through long-term contracts and cut spot purchases to cushion against price and supply fluctuations.

### [China cuts oil products import tax for 2008](#)

China will halve its import tax on gasoline, diesel and kerosene to 1 percent next year, the Ministry of Finance said on Wednesday in the latest effort to encourage more overseas buying to meet strong demand.

### [Dozens die in pipeline fire in Nigeria](#)

A ruptured gasoline pipeline exploded in flames, killing at least 34 people near Nigeria's main city of Lagos as they tried to scoop fuel from the gushing leak, police said Wednesday.

### [South Korea group to continue Kurdistan project despite Iraqi threat](#)

State-run Korea National Oil Corp said Wednesday it would not abandon an exploration project in Iraqi Kurdistan despite threats by the central Iraqi government to cut off oil supplies to South Korea.

"There is no change in our position to go ahead with the project," Jang Soo-Bum, an official in charge of exploration projects, told AFP.

## [China promises to promote clean energy](#)

China promised Wednesday to develop renewable energy for its fast-growing economy but warned that coal consumption will grow dramatically and avoided embracing binding limits on its greenhouse gas emissions.

## [It was all about oil, global warming](#)

THE year two thousand and seven was the year in which global warming finally began to be taken seriously. The climate change deniers were in full retreat, and the realisation that we face a long and grave crisis was finally dawning on the general public. However, it remains to be seen whether it was the year in which the world agreed on effective measures to deal with the crisis.



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