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[US\\$100 oil, production concerns renew interest in peak oil theory](#)

The rise of oil prices and production concerns is renewing interest in the "peak oil" theories which originated in 1956 when the US geoscientist Marion King Hubbert correctly forecast that US oil production would peak in about 1970. The "Hubbert curve" is a totem of peak oil theorists.

The peak oil theorists argue that production has not increased in line with demand simply because it cannot. Oil reserves are finite. Many of the world's biggest fields are already suffering declining output, and that could accelerate, they argue.

Opponents of Peak oil say that oil output is not just a function of geology. "Surface" factors such as Opec, geopolitics, "rate of substitution" , new technology, financial returns and others , have a huge impact.

US\$100 a barrel is a real incentive for oil producers to increase production, if they can. The near future should tell us whether global production has peaked.

[The Top Energy Stories to Watch in 2008](#)

Say goodbye to the year that brought a 65 percent run-up in the price of a barrel of oil and a Nobel Peace Prize to punctuate the message of the heralds of climate disaster. It was a year that moved Washington to enact the first increase in automobile fuel economy standards in 32 years and prompted the company blamed for killing the electric car, General Motors, to pledge to bring a breakthrough battery-powered vehicle to market. And 2007 brought new hope for big-scale energy from the sun, wind, and ocean waves, even while Asian economic growth drove coal power to greater dominance over the globe.

This year, however, is shaping up to be an even more momentous time for the struggle over fossil fuel. Here are some top energy stories to watch in 2008.

[Data Center Power Demands Raising Fears of an Impending Crisis for Thousands of Major Corporations](#)

The rapidly-growing electricity requirements of data centers around the world threaten to cause a crisis for thousands of major corporations that depend on the instantaneous flow of digital information.

There are already problems in London and Dublin, where data centers are operating virtually at their peak capacity design level. Problems are starting to develop in Frankfurt and Munich. By 2011, according to a report by Gartner Inc., a technology advisory firm serving many of the world's biggest companies, more than 70% of U.S. enterprise data centers will face "tangible disruptions."

[US presidential candidates and their views on scientific issues](#)

"*Science* felt that it was important to find out what the presidential candidates think about issues that may not be part of their standard stump speeches but that are vital to the future of the country--from reducing greenhouse gas emissions to improving science and math education," said Jeffrey Mervis, deputy news editor, who oversees election coverage for the magazine's news department. "We hope that the coverage may also kick off a broader discussion of the role of science and technology in decisions being made in Washington and around the world."

[Peak Oil and the Australian Army](#) (PDF)

The implications of the peaking in global oil production are enormous. Predictions vary from a global economic recession to the collapse of modern industrial societies. Despite this, there is relatively little emphasis placed on preparing for the onset of Peak Oil by governments, the media, businesses or individuals, with some notable exceptions. In the event of an early peak, this will be to society's great detriment and is something that should be of grave concern to all.

[Matt Simmons: If Demand Rises 1.5% to 2%, Global Economic Growth May Stall](#)

If oil demand in 2008 rises 1.5% to 2% above 2007's level, global economic growth will stall unless oil production quickly climbs into record territory. That's the dire outlook from Matthew R. Simmons, chairman of the Houston-based energy investment banking firm Simmons & Company International.

[As energy prices surge, FOREIGN energy giants accused of treating UK like Treasure Island](#)

"They raid the UK's North Sea for gas supplies when it is cheap but then levy punitive prices when demand is higher.

"This move suggests something is very badly wrong, not only in the GB energy market but in Europe as well. There is no actual shortage of gas across Europe, we have new

pipelines to bring that gas to the UK, greater storage capacity and terminals to bring in supertankers full of liquefied natural gas."

[Cleric Calls for Energy Saving in Iran](#)

Tehran's interim Friday Prayers leader Ayatollah Mohammad Emami Kashani called on Iranians to watch out for any wasteful use of the country's heavily subsidized energy supplies, cautioning that Iranians are the only world nation consuming cheap energy supplies extravagantly.

[China: Fight inflation with targeted subsidies](#)

Chinese cabbage, a staple vegetable in North China, sells for about 0.4 yuan per kilogram at the wholesale market in Zhengzhou, the provincial capital. But it is not unusual nowadays to hear urban consumers complain that the price has risen too much. At supermarkets in major cities, the cabbage can be found for 2 yuan per kilogram. So why are vegetable growers having such a hard time?

Rising fuel costs are the main culprit. According to the local newspaper, the price of diesel climbed from 3.2 yuan per liter in 2005 to 5.2 yuan per liter last year. The increase in transportation costs has made it a profitless endeavor to sell Chinese cabbage for 0.18 yuan kilogram in Xiayi County as well as 0.40 yuan kilogram in Zhengzhou.

[Uganda: Fuel Prices Remain High, Petrol Still Scarce](#)

Fuel pump prices remained high yesterday even after an estimated 36 fuel tanks arrived in Kampala on Thursday evening. Fuel stations in and around Kampala were still selling a litre of petrol fuel at Shs6,000 up from Shs2,300 a week ago.

Fuel was also being sold on the black market, especially in the areas of Kisenyi and Bunga at as high as Shs10,000 per litre after some dealers hoarded the little available fuel to make abnormal profits. Fuel station owners attributed the rising cost of fuel to the shortage in supply and the alleged high transport costs. The Country Manager of Shell Uganda Limited, Mr Ivan Kyayonka, said the consumers should report any dealer who charges prices that are different from what is displayed on the boards.

[Kenya: Food, Fuel Crisis Looms Over Post-Poll Violent Protests](#)

The post-election violence has triggered a humanitarian crisis in several towns across the country.

[Pakistan: 'Shortage of water, furnace oil, gas mars power generation'](#)

The Peshawar Electric Supply Company (Pesco) said on Friday due to severe water shortage in the Tarbela, Mangla and Warsak reservoirs, shortage of furnace oil and limited gas supply to some of the important power plants, the power generation capability of Wapda decreased drastically.

[Pakistan: No letup in power, gas load-shedding in NWFP](#)

There was no letup in the painful long hours of unannounced power load-shedding on Friday and protests remained the prominent feature of the day in most parts of the NWFP and provincial metropolis.

The electricity outages that hit most parts of the province for the last one week continued for several hours Friday, too, leading to public protests in the city and elsewhere in the province and its adjacent tribal areas.

[Pakistan: Looming crisis of power shortage](#)

During the recent violence, all state companies have suffered losses through damage, led by the railways and followed by WAPDA. The government is required to shell out more money for power expansion while it is unable to pay the bills for the sale of oil whose domestic price it has kept frozen since one year. The oil bill, which used to be a billion dollars a decade ago, is today \$3.7 billion. The economy demands that power be kept cheap to enable exports to catch up with imports. The cotton-related sector which contributes single-handedly to over 60 percent of exports, is in deep depression, mainly because of the high infrastructure cost, and is now hamstrung by closures following load-shedding.

[Pakistan: Load-shedding affects export orders](#)

Quaid-e-Azam Industrial Estate (QIE) President Mian Nauman Kabir has urged the government to take urgent measures to overcome the energy deficit as it is affecting the whole economy.

Chairing a meeting of the QIE board of management on Friday, he said unannounced load-shedding was hitting the industrial production hard. The country had not been achieving the export target for the last two years and if the situation remained the same, it would be very difficult to meet the target set for the current fiscal year, he added.

[Pemex declares maintenance tender void](#)

BNamericas reported that Mexican state oil company Pemex's exploration and production division, PEP, declared void an international tender (18575108-043-07) for five-year offshore maintenance works, according to federal procurement Web site Compranet. No reason was given for the decision.

[Pemex Reopens Gulf of Mexico Crude Oil Terminals](#)

Petroleos Mexicanos, the third- largest supplier of crude oil to the U.S., reopened its crude loading terminals in the Gulf of Mexico after heavy rains and winds forced them to close starting on Jan. 1.

[Solar systems arrive in stores](#)

A joint program has offered residential solar-power systems made by British petroleum company BP at The Home Depot stores in California, New Jersey and Long Island, New York since 2004. The program recently expanded to Home Depot stores in other areas of the country where incentives have made solar electric power more accessible and affordable, like Denver and Boulder, Colorado; Austin, Texas and Arizona.

[California's data challenges EPA](#)

California's ambitious plan to regulate greenhouse-gas emissions of cars and trucks would be more than twice as effective in reducing such gases by 2016 than the new federal fuel-economy law, the state said as part of a new legal broadside against the US government this week.

[Iran says many OPEC states can't raise output](#)

Many OPEC states are now producing as much oil as they can, limiting the ability of the cartel to raise output even if such a decision was made to help cool crude prices, an Iranian oil official was quoted on Saturday as saying.

[OPEC president sees oil prices rising in Q1](#)

OPEC president Chakib Khelil said on Saturday he expected oil prices to keep rising during the first quarter of this year before stabilising in the following quarter. "The rise is likely to continue until the end of the first quarter 2008 and will stabilise in the second quarter," Khelil, who is also Algerian Energy and Mines Minister, told the Algerian official news agency APS.

He linked the steady rise of oil prices to "political tension in Pakistan, escalating violence in Nigeria and decline of oil inventories in the United States", APS added.

[Qatar oil min says markets well-supplied - paper](#)

OPEC is not behind a recent rise in oil prices as markets are well-supplied and the price is purely driven by speculators, a Kuwaiti newspaper quoted the Qatari oil minister as saying.

"Investment funds and speculators are behind the recent hike," Abdullah al-Attiyah told al-Jarida newspaper in comments published on Friday.

"The market is not suffering from any lack in supplies, and there is no disturbance in producers' regions."

[Crude Oil Targets \\$125, Global Production Future Shows Diffuse Picture](#)

In the coming days, it will become clear whether the market will also react to negative news coming from OPEC's largest oil producer, Saudi Arabia - the country indicated that the planned start up of the Khursaniyah oil field is being delayed. Officials of the Saudi state-owned oil giant Saudi Aramco have informed the press that it is in the process of bringing on stream its 500,000 bpd Khursaniyah oil field, which was originally due for completion in late 2007, but no specific dates have been given for a new start-up date of production, and the market is eagerly awaiting the success.

[Energy crisis? Not on U.S. campaign trail](#)

It has been called the 800-pound gorilla but it's getting scant attention in the U.S. election. And yet it could well be one of the most pressing issues facing the next winner of the Oval Office.

[What to do when oil hits \\$100 a barrel](#)

Congress must be bolder in forcing oil substitutes for transportation. It did that for electric utilities.

[Oil reaching \\$100](#)

President Bush signed into law a bipartisan bill Congress approved last month requiring the first large increase in automobile fuel standards since 1975. Under the law, automakers must improve their fleet-wide average to 35 mpg for cars and light trucks by 2020, a 40 percent increase over the current average of 25 mpg. The law also had new energy efficiency standards for appliances, lighting and government and commercial buildings.

At the same time, however, the administration is standing in the way of California and other states that want to adopt stricter standards.

[Medicine at the crossroads of energy and climate change](#)

Throughout society, the meaning and scale of peak oil is misconstrued as a temporary concern over “energy prices” or “addiction” to foreign oil. Here lies our predicament: not only are these health dangers, they could undermine our ability to sustain health care systems.

[Kenya: Refinery Ignores Turmoil](#)

Operations at the Kenya Petroleum Oil Refineries Limited (KPRL) have not been interrupted by the political violence that has led to destruction of property.

The refinery's General Manager, Mr John Mruttu, said fuel stocks at the facility are sufficient for this time of the year.

[Alaska Makes LNG Deal](#)

Energy companies ConocoPhillips and Marathon Oil Corp. reached an agreement with the state ensuring there will be adequate supplies of natural gas for years to come in southcentral Alaska, Gov. Sarah Palin announced Thursday.

[New Brunswick company searches for oil with MRI](#)

New Brunswick may only have a few of its own oil wells but it's developed technology to speed up the search for black gold around the world.

[Is oil supply at its peak?](#)

"You never know you're at peak until after the fact," says Jeff Rubin, chief economist of CIBC World Markets.

But with 18 months behind him, Rubin is increasingly convinced the days of easy, plentiful oil are gone. Even if December data show record production in the fourth quarter of 2007, there's growing consensus that, at the very least, oil supply has reached a plateau.

"I just don't think we're going to see increases in conventional oil production any more," Rubin says. "I think (peak oil) is here."

[Gazprom plans Africa gas grab](#)

"What Gazprom is proposing is mind-boggling," the Nigerian oil official told the Financial Times. "They're talking tough and saying the west has taken advantage of us in the last 50 years and they're offering us a better deal ... They are ready to beat the Chinese, the Indians and the Americans."

[Much Ado About \\$100 Oil](#)

If you write about energy, apparently nothing can fill up your E-mail inbox like oil briefly hitting the \$100-per-barrel mark for the first time. Here is a sampling of the reactions to the crude oil price run-up that I've been urged to note...

[Iran to open oil bourse: Minister of Economy](#)

Iranian Minister of Economy and Finance Davoud Danesh-Ja'fari said that Iran will open oil bourse during the Ten-Day-Dawn ceremonies, marking the 29th anniversary of the victory of the Islamic Revolution, IRNA reported.

[United Airlines leads the way for British airlines to increase fares](#)

British Airways passengers face the prospect of further fare increases this new year, after United Airlines set the lead for the industry by raising its prices to cover the soaring cost of fuel.

[BA reprimanded over claim that new runway will reduce emissions](#)

British Airways has been reprimanded for attempting to manipulate a government consultation on the expansion of Heathrow by making false claims about the environmental impact.

The Advertising Standards Authority has written to BA ordering it to withdraw a claim, in an e-mail to customers by Willie Walsh, the chief executive, that a new runway would reduce carbon dioxide emissions.



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