



DrumBeat: January 20, 2008

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Mexico closes main oil ports due to bad weather

MEXICO CITY, Jan 20 (Reuters) - Mexico closed all of its main oil exporting ports on Sunday due to bad weather, the transport ministry said on its Web site.

The Gulf of Mexico ports of Dos Bocas, Cayo Arcas and Coatzacoalcos, which ship around 80 percent of Mexico's daily oil exports, were shut. The Pacific port of Salina Cruz was also closed.

Mexico is the world's No. 9 exporter of crude oil, shipping an average of 1.7 million barrels per day in 2007, and a top-three supplier to the United States.

Some say oil-gas bear some Katrina blame

Service canals dug to tap oil and natural gas dart everywhere through the black mangrove shrubs, bird rushes and golden marsh. From the air, they look like a Pac-Man maze superimposed on an estuarine landscape 10 times the size of Grand Canyon National Park.

There are 10,000 miles of these oil canals. They fed America's thirst for energy, but helped bring its biggest delta to the brink of collapse. They also connect an overlooked set of dots in the Hurricane Katrina aftermath: The role that some say the oil industry played in the \$135 billion disaster, the nation's costliest.

Nigeria's resurgent oil diplomacy

Russia is not alone in seeing oil as a means to transform its global standing. Nowadays, the mantra of President Umar Yar'Adua, who took power in June 2007, following controversial elections, is to transform the country into one of the world's 20 largest economies by 2020. Yar'Adua and his Peoples Democratic Party (PDP) are struggling to stamp their authority on an unwieldy and restive country of 140 million people, and the government views rapid growth as a means to achieving that aim.

Participants are being sought for the second International Development Design Summit, which will be held next summer at the Massachusetts Institute of Technology. The first such workshop, which I wrote about last year, saw 40 students, engineers, farmers, professors and others from 18 countries hunker down in groups to devise simple, affordable ways to clean water, chill produce, generate electricity, and solve other problems facing the world's poorest communities.

The project is part of a broader movement to shift priorities of inventors and designers away from serving the needs of the world's top 10 percent and toward those of the several billion people with scant income, scarce food and water, and slim prospects.

America's energy future and the reality of \$100-per-barrel crude oil

America has the ability to postpone shortages of petroleum for years, by allowing drilling on restricted federal lands and in offshore federal and state waters that are now offlimits to drilling. This will allow a gradual inclusion of supplemental fuels without suffering another major oil shock as in 1973. The best prospective areas for finding new U.S. oil reserves are in: 1) Northern Alaska's Arctic National Wildlife Refuge, 2) the Pacific states' coastal waters, 3) waters presently restricted in the Gulf of Mexico, and 4) the Atlantic states' coastal waters.

Focus back on oil reserves

Mississippi soon will be on the front lines of the nation's defense against a disruption of oil supplies that would cause an energy crisis.

Congress last month approved a massive spending bill that contained \$25 million to plan and purchase land for an underground facility that would hold 160 million barrels of oil in 16 salt caverns in Richton.

Protests over power leave four dead in Bihar

PATNA, India (Reuters) - At least four people were killed and dozens injured in overnight clashes between police and villagers protesting poor power supply in Bihar, one of India's poorest and most lawless states, police said on Saturday.

Tensions over long periods of power outage in the Kahalgoan area boiled over on Friday when protesters turned violent, prompting police to use batons and open fire.

Gaza power plant begins shutting down

GAZA, Jan 20 (Reuters) - Gaza's main power plant began shutting down on Sunday due to a fuel shortage caused by Israel's closure of the Hamas-controlled territory's borders, a move taken in response to Palestinian rocket attacks.

Jamaica: Debate over ethanol heats up as food prices rise

Environmentalist John Maxwell is staunchly against Jamaica's endorsement of biofuel production, noting that it comes at too great a cost.

"We should be growing food and looking at solar and wind energy and forget all this craziness about biofuels. It is madness. You can't be growing gas while people are starving. It doesn't make any sense," he told the Sunday Observer.

Is this the end of cheap food?

Food prices are rising faster than they have at any time since the mid-1970s. The middle class in Britain has barely noticed, but here in one of the poorer corners of Scotland, people are feeling the pain.

Everyone in the stripped-down warehouse of Lidl, where the posters promise, simply enough, '40 per cent cheaper!', had a story to tell. Shubnam Rasoul, 23, out shopping with her husband, Shahid, and their two small children, said: 'I never buy anything for myself any more. And I never buy anything that's full price - it's all in the sales.' Shahid, who works in a Leith butcher's shop, said that the price of their lamb is up 10 per cent since last month. 'We spend £200 a month now on groceries for the family,' he complained. Probably 25 per cent more on a year ago. It's frightening'.

The Construction Site Called Saudi Arabia



Amid a forest of cranes, towers and beams rising from the desert, more than 38,000 workers from China, India, Turkey and beyond have been toiling for two years in

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unforgiving conditions — often in temperatures exceeding 100 degrees — to complete one of the world's largest petrochemical plants in record time.

By the end of the year, this massive city of steel at the edge of the Red Sea will take its place as a cog of globalization: plastics produced here will be used to make televisions in Japan, cellphones in China and thousands of other products to be sold in the United States and Europe. Construction costs at the plant, which spreads over eight square miles, have doubled to \$10 billion because of shortages in materials and labor. The amount of steel being used is 10 times the weight of the Eiffel Tower.

No need for OPEC to boost output at Feb meet - Qatar

ABU DHABI (Reuters) - Qatar's oil minister reiterated on Sunday that the oil market is well supplied and there is no need for OPEC to boost output at its February 1 meeting.

In the past week, U.S. President George W. Bush and his Energy Secretary Sam Bodman have both urged the producer group to pump more oil to ease the impact of record prices on the world's largest economy.

Farmers oppose pipeline

LE ROY, Ill. - This expanse of central Illinois is flat as a pancake, with corn and soybean fields stretching to the horizon, interrupted only by a smattering of small towns.

But it is also a 175-mile missing link in Enbridge's Alberta-to-Texas pipeline network to transport gooey, thick bitumen oil sands to Gulf Coast refineries.

'Digital' oil fields could increase Mideast production and reserves, says BP

The Middle East oil & gas producers could substantially boost production and reserves through investment in technologies designed to 'digitize' oil fields by converging drilling, exploration and digital control techniques with standardised communications systems.

Shuaiba refinery repairs may need a week

(MENAFN) An engineer at the Shuaiba oil field in Iraq announced that repairs on the refinery may take an entire week to complete, Iraq Directory reported.

Repairs were needed after a fire broke out causing extensive damages to the refinery, the engineer further pointed out.

The real saviors stand up

The oil producing countries, which have been accumulating mountains of cash in the last few years, are the real heroes and saviors of big financial houses. Two large financial institutions Citicorp and Merrill Lynch were saved by Arab oil countries and some rich Asian nations. Together Kuwait, Abu Dhabi, Singapore and South Korea contributed more than \$21 billion to save the two banks from crumbling due to nearly \$69 billion sub prime mortgage fiasco in the USA.

India: Oil industry expects fund for energy-efficient technologies

NEW DELHI: With international oil prices touching the \$100 per barrel mark, oil firms are seeking duty rationalisation and budgetary support for switching over to energy-efficient technologies, a FICCI survey said.

In its survey on 'Emerging oil price scenario and the Indian industry', the chamber said companies expect government to announce a 'new fund' in the forthcoming budget for providing subsidised loans to the industry for adoption of energy-efficient and non-oil technologies.

Gas Taxes Are High Enough

Contrary to the views of the majority of the commission, we do not believe Washington is capable of spending billions more of Americans' money wisely when it comes to transportation investments. Anyone who doubts that should review the more than 6,000 earmarks in the last transportation bill or visit the new Woodstock Museum in upstate New York.

West Africa: Food Prices Still Climbing, Crisis Feared

Food prices at markets across West Africa are already high for the time of year and are still rising, market analysts warn, suggesting aid agencies should prepare for a potentially serious hunger crisis later in the year as people across the impoverished region may not be unable to afford to buy enough to eat, despite food being available.

Slower boats to China as ship owners save fuel

BERLIN (Reuters) - Oil at more than \$90 a barrel is concentrating minds in the shipping industry. Higher fuel costs and mounting pressure to curb emissions are leading modern merchant fleets to rediscover the ancient power of the sail.

The world's first commercial ship powered partly by a giant kite sets off on a maiden

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voyage from Bremen to Venezuela on Tuesday, in an experiment which inventor Stephan Wrage hopes can wipe 20 percent, or \$1,600, from the ship's daily fuel bill.

Why green power has left us all in the dark

Once we were offered an easy way to help save the planet: ask an electricity provider to supply you with power from renewable sources and you would reduce carbon emissions and so tackle climate change. But doing the right thing has turned out to be more complicated.

There are growing concerns that 'green tariffs' reduce carbon emissions by far less than promised - a point accepted even by government. Supporters still argue they are worthwhile because they boost demand for renewable energy in future. But even that is now being questioned: demand is already massively outstripping supply, leading providers to turn away big customers.

Eco-conscious Sundance turns deeper shade of green

PARK CITY, Utah (Reuters) - When former Vice President Al Gore premiered documentary "An Inconvenient Truth" at the 2006 Sundance Film Festival, he inspired not only greater awareness of global warming, but the general greening of this top movie event.

Two years later, almost everything at the key gathering for independent film backed by Robert Redford's Sundance Institute has gone eco-friendly, eco-conscious or just plain eco-crazy.

Japan to offer environmental technology to Africa, Asia: report

TOKYO (AFP) - Japan will provide technological support for developing countries in Africa and Asia to help them fight against climate change and infection diseases, a newspaper reported on Sunday.

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