



DrumBeat: January 26, 2008

Posted by [Leanan](#) on January 26, 2008 - 10:25am

Topic: [Miscellaneous](#)

[Plan ahead to avoid fertilizer shortages](#)

The sharp increase in price and accompanying fertilizer N shortage is not a sudden development, the agronomist explained. Unprecedented market forces have markedly changed the fertilizer industry over the past decade which has set the stage for the current supply/demand imbalance and resulting high prices, he said.

"Over the past decade, much of our fertilizer nitrogen manufacturing capacity has shut down in the U.S. as a result of sharp increases and fluctuations in natural gas costs, lower-cost foreign competition, domestic environmental regulations, and so forth. In most cases, the domestic fertilizer manufacturing plants that have ceased operations will likely never come back on line despite the current higher fertilizer nitrogen prices," Leikam said.

..."More than 50 percent U.S. fertilizer nitrogen supply is imported annually---and our dependence on foreign imports continues to increase.

"Also, global demand for this supply of fertilizer nitrogen continues to increase, especially in countries such as China and India with rapidly expanding economies," Leikam said.

[In oil-rich Alaska, an energy crunch](#)

Kenai, Alaska - On the shore of Cook Inlet, site of Alaska's oldest oil- and gas-producing basin, the Agrium Inc. fertilizer plant for four decades produced a steady supply of urea and ammonia for international agricultural and industrial clients. Agrium's exports supported a prosperous petrochemical business, employing hundreds and bolstering local tax rolls.

But operations ceased in December. The reason? Lack of natural gas, the feedstock for Agrium's products. Despite its perch atop a petroleum basin, Agrium couldn't secure enough natural gas to stay in business.

Agrium's woes symbolize a larger energy dilemma: Raw resources are in the ground, but lack of infrastructure and poor economies of scale hinder access to them, putting Alaska in an energy crunch.

[Carstens Says Oil Will Help Mexico Increase Government Spending](#)

(Bloomberg) -- Mexican Finance Minister Agustin Carstens said higher oil prices will allow the government to increase spending as a slowdown in the U.S. threatens economic growth.

[Mexico's Cantarell Dec oil output hits 2007 low](#)

MEXICO CITY (Reuters) - Crude oil output from Mexico's huge but aging Cantarell offshore field fell to 1.260 million barrels per day in December, the energy ministry reported on Saturday.

It was the field's lowest monthly output level last year and a 16 percent drop from December 2006's 1.493 million bpd.

The fall in output meant Cantarell, the jewel of Mexico's oil industry since the late 1970s but now in decline, accounted for just 43 percent of Mexico's oil production in December. For years it had accounted for 60 percent of output.

[Canadian coal producers could benefit from China's power shortage](#)

CALGARY - China's hunger for energy resources presents a great opportunity for Canadian coal producers, the executive director of the Coal Association of Canada says.

But Canada isn't a big enough producer to put a dent in the emerging superpower's fuel shortage, Alan Wright said Friday.

"I think it's a good thing for our industry. But we're not going to be the player that actually turns the situation around if they've got a shortage," he said in an interview.

[Canada: Small oil firms could dodge new green laws](#)

OTTAWA -- The Harper government is proposing to exempt up to 10 million tonnes of greenhouse gas pollution from Canada's upstream oil and gas companies in its regulatory plan to fight global warming, Canwest News Service has learned.

Although the government pledged to crack down on pollution from large industries to reduce annual emissions by 150 million tonnes by 2020, a new Environment Canada document is proposing to exclude facilities that produce less than 10,000 barrels of oil per day.

[Driven by mischief](#)

Judging by their ads, some companies now revel in taunting environmentalists.

[U.N. Chief Warns Of Water Shortages](#)

CBS/AP) U.N. Secretary-General Ban Ki-moon urged the world on Thursday to put the looming crisis over water shortages at the top of the global agenda this year and take action to prevent conflicts over scarce supplies.

...He said a recent report identified 46 countries with 2.7 billion people where climate change and water-related crises create "a high risk of violent conflict" and a further 56 countries, with 1.2 billion people "are at high risk of violent conflict." The report was by International Alert, an independent peace-building organization based in London.

[Humans have pushed planet into a new geological era, experts say](#)

All of recorded human history has taken place within the Holocene. But now, a distinguished group of British geologists has provocatively proposed that the Holocene is over and that we have entered a new geological era -- the Anthropocene -- in which humans have left such a distinctive footprint on the Earth's surface through carbon pollution, nuclear fallout, urbanization and other traces of our immense technological power that it should be officially recognized by international scientific bodies as "a formal epoch."

"Since the start of the Industrial Revolution, Earth has endured changes sufficient to leave a global stratigraphic signature distinct from that of the Holocene . . . encompassing novel biotic, sedimentary and geochemical change," the scientists state in February's cover story of GSA Today, a publication of the Geological Society of America.

[An empire from a tub of goo](#)

Murray Smith remembers what happened on the morning of April 9, 2003, the way other Canadians remember Paul Henderson's miracle goal against the Russians. For Mr. Smith, then Alberta's energy minister, the big score was a letter from his federal counterpart south of the border. It was about the oil sands -- a resource that had long been underestimated at home and almost ignored internationally. No more, U.S. energy secretary Spencer Abraham wrote. From now on, when the Americans talked oil, they would be counting the reserves sitting beneath the forests of northern Alberta.

[Gas bill hike looms, but it remains the fuel of choice](#)

Natural gas sent to homes and businesses is measured by the dekatherm, or the approximate value of one thousand cubic feet. ONG, which purchases gas from various sources, charged \$8.21 per dekatherm, which is up from \$7.98 a year ago.

"We're still well off the all-time peak price for us, which is \$12.01 in January 2006," Sherry said. "Energy continues to be expensive, but it's not quite as expensive as it has been. We're in the distribution business, and with the increased use of natural gas, it has altered historic consumption patterns. It used to be down in the summer and up in the winter."

[Weekly Offshore Rig Review: 2008 Jackup Outlook](#)

Currently, 337 out of 366 worldwide competitive jackups are under contract. That amounts to a 92% utilization rate for this month, which is one of the highest jackup utilization rates seen in any given month over the last several years. In addition, 337 competitive jackups under contract is the most jackups that have been contracted during one month for at least 10 years.

[Russia-China trade growing fast - diplomat](#)

BEIJING (Interfax-China) - Russian-Chinese trade showed a pace of growth in 2007 that had no precedent in several years before but it has been impossible so far to reach an agreement to boost oil and natural gas trade, "the key area of our cooperation," the Russian ambassador to China said on Saturday.

[Elites love to pig out on energy](#)

"We use 30 per cent of all the energy ... That isn't bad; that is good. That means we are the richest, strongest people in the world and that we have the highest standard of living in the world. That is why we need so much energy, and may it always be that way."

—U.S. president Richard Nixon, November 1973.

Things have changed since Nixon proudly proclaimed America the world's biggest energy guzzler. Or have they?

Since then, the world has woken up to the stark reality of climate change and the role played by human energy consumption.

But this has had surprisingly little impact. Today, George W. Bush – and Stephen Harper – pay lip service to energy conservation, while doing little to actually reduce U.S. and Canadian energy consumption, which remain among the highest per capita in the world.

[Writing more checks will accomplish nothing](#)

Telling Iowans to turn down the heat in January is like shutting down air conditioners in July, banning booze in the '20s and ordering all cars to get 50 miles per gallon. These ploys won't work. Mandating cars that will get 50 miles to the gallon might be practical in San Francisco, but not here where there's a lot of space between things.

...What's needed is what made us great in the first place: Better education to help us compete with low-wage countries, the discipline to reign in spending and the good sense to actually exploit our abundant resources rather than to lock them up forever.

[Poverty and the Fossil Fuel Crisis: One Potential Solution](#)

My career goals involve promoting community forestry, a process of identifying and harvesting resources on forest lands for sustaining livelihood for rural inhabitants. The goal is true stewardship of resource lands by and for community. In a third world context especially, the first rule of community forest implementation is provision of benefits for the residents, financial and social.

[No Matter What Iran Remains A Major Oil Field](#)

UPI - In a nervous world facing triple-digit prices per barrel of oil and peering nervously into the abyss of recession, energy projects recently written off as untenable have, like Dracula, risen from the grave.

What is most extraordinary about the energy feeding frenzy is how ideology is taking an increasing back seat to pragmatic concerns about securing long-range energy supplies.

[In a World Short Of Oil, Provisions Must Be Made](#)

MIDDLEVILLE, Mich. -- It was around midnight one evening in November when Aaron Wissner shot up in bed, jolted awake by a fear: He wasn't fully ready for the day when the world starts running low on oil.

Yes, he had tripled the size of the garden in front of the tidy white-clapboard house he shares with his wife and infant son. He had stacked bags of rice in his new pantry, stashed gold valued at \$8,000 in his safe-deposit box and doubled the size of the propane tank in his yard.

"But I felt panicky, like I needed more insurance," he says. So the 38-year-old middle-school computer teacher put on his jacket and drove to an all-night gas station, where he filled three, five-gallon jugs with gasoline.

[Shell Admits Cheap Oil Is Running Out](#)

I'm getting a ton of E-mail, from the congressional peak oil caucus and others, about Shell Chief Executive Jeroen van der Veer's acknowledgement that the world is running out of oil—at least, cheap oil.

[\\$1 Ethanol Isn't Innovation, It's a Commitment to Business as Usual](#)

Americans do not reduce. We may reuse, and we may recycle, but our economic system is predicated on steady consumption. So it makes sense that while trying to invent our way out of the consequences of global warming, we would seize upon those ideas that encouraged us to, well, consume. In other words, business as usual.

Today's quick fix is brought to us by Coskata. This Illinois-based energy startup, thanks to a hefty investment from GM, has already announced its triumph in the race for a new global energy source. The winning product? Bargain ethanol.

[Oil to remain above \\$81 despite slowdown in US](#)

LONDON: Oil will climb to a record average above \$81 this year, a poll showed yesterday, as analysts believe strong Chinese and Middle East demand will offset any slowdown from top energy consumer the US. The monthly survey of 33 analysts put the consensus forecast for US crude futures this year at an average of \$81.33 a barrel, up \$3.71 from last month's poll.

[U.S. worried about Russia's Balkan energy grab](#)

SOFIA/BELGRADE, Jan 25 (Reuters) - The United States is deeply worried that Russia's energy deals with Bulgaria and Serbia will tighten its grip on Europe's energy supply and turn into a tool of political pressure, diplomatic sources say.

[Lofty Himalaya Magnify Global Warming Impact](#)

DAVOS, Switzerland - The Himalayas are suffering the effects of global warming more acutely because of their height and melting glaciers could flood local settlements, the World Conservation Union (IUCN) said on Thursday.

"The Himalaya, that's really moving very fast. They're being hit very hard," IUCN Director General Julia Marton-Lefevre told Reuters at the annual meeting of the World Economic Forum.

[Blaming carbon on planes 'is flight of fancy'](#)

Which is worse for the environment – cars or aircraft? If your answer was aircraft, then you are among a growing crowd of aerophobes egged on by anti-aviation campaigners.

But in terms of CO2 emissions you would be wrong. Official figures show an increase in the number of people duped into believing that flights are more damaging than car journeys.

[Coal Rises the Most in Three Weeks as South African Mines Shut](#)

(Bloomberg) -- European coal prices rose the most in almost three weeks as Anglo American Plc and other mining companies shut production in South Africa because of power cuts.

More than a quarter of Europe's energy coal is shipped from Richards Bay, South Africa. Anglo American, the second-biggest coal producer in the country, stopped five of its nine mines after state utility Eskom Holdings Ltd. said it couldn't guarantee electricity supply.

[U.K. Power Rises on Coal Price Gain, Coal-Fed Plant Shutdowns](#)

(Bloomberg) -- U.K. power for delivery on the next working day rose as the network operator said a third of Britain's coal-fired electricity-generation units are halted and the cost of coal for delivery next quarter jumped.

[China's railway ministry prioritises coal shipping](#)

BEIJING (Reuters) - China's railway administration has pledged to prioritise thermal coal shipments to power plants in regions hit by power shortages, as part of efforts to help ease a supply crunch ahead of upcoming Chinese holidays.

[A \\$10,000 bet on peak oil](#)

Over the past 50 years the desert kingdom has consistently played the role of global provider of crude of last resort, stepping in at key moments to provide extra crude whenever the world has needed it. When the Iranian revolution resulted in oil from Iran going offline, it was the Saudis who stepped in and made up the balance, a role they played again in the first Gulf War. As provider of the single largest chunk of oil to markets, Saudi Arabia has been to this point the world's swing producer, a role only the Saudis can play and one they have responsibly taken on over the years. So why now,

with oil at record levels, are they not playing that role? What's going on?

[EU: Cut Back Oil Use](#)

BRUSSELS, Belgium — The European Union on Friday called on other major oil-consuming regions to cut back on the amount of energy they use as oil supplies face a tight squeeze that has sent prices soaring.

[Police arrest diesel fuel thieves](#)

JAKARTA: Jakarta Police arrested six men for allegedly stealing 5,000 liters of diesel worth more than Rp 25 million (approximately US\$ 2,600) from a Pertamina ship in Tanjung Priok, North Jakarta, on Thursday night.

Jakarta Sea Police Director Adj. Sr. Comr. Jainal Arifin Palewang said the six men attached a pipe to the ship's fuel tank to transfer the diesel into tanks in their own boat.

[UK: New green taxes for 'gas-guzzling' cars](#)

Motorists face having to pay new green taxes as ministers step up their war on "gas-guzzling" cars.

The Government wants to get people out of high-emissions vehicles by making them more expensive, while also cutting the cost of driving for more environmentally-friendly options.

[Tuvalu struggles to hold back tide](#)

The islands' main road is submerged and nearby homes are threatened by the rising waters.

"We have never seen this in the past," a concerned resident tells me. "We have never seen water coming in this far."

['Global health at risk from climate change'](#)

Climate change is putting global human health at risk and requires an "urgent response", according to a new paper.

The health risks include those from heat waves, floods and wildfires, changes in infectious disease patterns, the effect of worsening food yields and loss of livelihoods,

according to the paper published in the British Medical Journal (BMJ).

[Oman eyes Gulf's first coal power plant - report](#)

DUBAI (Reuters) - Oman is considering building the first coal-fired Gulf Arab power plant in the latest sign of concern about a gas supply shortage in the world's biggest oil exporting region, the Middle East Economic Digest reported.

Gulf Arab states have about 30 percent of the world's oil reserves and 8 percent of its gas, but an economic boom spurred by record crude prices is driving demand for power and water so rapidly that many are considering turning to coal imports.

[We'll Begin To Run Out of Oil Within 7 Years](#)

Jeroen van der Veer, chief executive of Royal Dutch Shell, predicts conventional supplies will fail to keep pace with population growth and booming economies.

The comments, from the boss of a multinational energy giant, will be seen as a wake-up call to the world.

If proved correct, the shortages would have have devastating consequences for almost everyone.

[Russian energy deal adds to Europe fears](#)

MOSCOW - Russia expanded its growing European energy empire Friday, signing two more deals in a drive that is raising fears Moscow could use its vast oil and gas resources to meddle in the affairs of its neighbors.

Russia already supplies a quarter of Europe's natural gas and oil needs, and some Western leaders worry the growing dependence is giving the Kremlin a powerful geopolitical weapon.

[How the Alberta oil sands have changed Canada](#)

How did the quest to retrieve the treasure hidden beneath huge swaths of northern Alberta go from fool's errand to monumental payoff?

What does becoming a global energy player mean for Canada's future?

The Globe's Erin Anderssen, Shawn McCarthy and Eric Reguly tackled those mega-issues Saturday in the first instalment of "Shifting Sands," an eight-day look in the

newspaper and on the Web at how the Alberta oil sands are changing Canada forever.

[Davos discusses how to address climate change, poverty alleviation](#)

DAVOS, Switzerland (AFP) - The annual Davos gathering of corporate wealth and political power turned its lofty gaze on the world's poor Friday, with delegates chided over failures to deliver on development goals.

Rock star activist Bono, billionaire philanthropist Bill Gates and UN chief Ban Ki-moon steered the conversation in the Swiss ski resort away from the global economy and geopolitics, towards issues such as infant mortality, poverty alleviation and climate change.

[US pushes its climate change agenda despite criticism](#)

WASHINGTON (AFP) - The United States pushed forward with its own agenda on climate change Friday despite criticism that Washington is attempting to undermine the global effort led by the United Nations.

But as senior officials outlined the broad agenda of a meeting the United States is hosting next week in Hawaii -- which includes an emphasis on controversial uses of nuclear power and technology to trap emissions from coal plants -- they insisted they are simply supplementing the UN process.

[Iraq ratifies Kyoto Protocol on climate change](#)

BAGHDAD (AFP) - Iraq has formally ratified the UN's Kyoto Protocol on climate change, according to a government statement seen by AFP on Saturday.

"The presidential council ratified in its session on January 23 a law according to which the Republic of Iraq will join the United Nations Framework Convention on Climate Change and its Kyoto Protocol," the statement said.



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