The Oil Drum: Australia & New Zealand
DISCUSSIONS ABOUT ENERGY AND OUR FUTURE

The Bullroarer - Monday 25 February 2008

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Topic: Miscellaneous

Bloomberg - TRUenergy Signs A$290 Million Accord for Solar Plant (SMH - More solar power coming to Victoria)

> TRUenergy paid A$40 million for a 20 percent stake in Solar Systems, a closely held company seeking to develop a 154-megawatt plant in Victoria state, Richard McIndoe, managing director of the Melbourne-based company said today. TRUenergy will pay A$7 million to develop a 2-megawatt pilot plant, and as much as A$285 million to build the remaining stages of the project.
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> Australia's new Labor government has a target to generate 20 percent of the nation's power from renewable sources such as the sun and wind by 2020. Solar Systems in December got planning approval for a demonstration plant at Bridgewater near Bendigo to test technology to be used in the larger project.
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> ``It's a very sizeable investment for us; the investment is staged over time and we'll be proving up the technology as we go,'' McIndoe said in a telephone interview. ``If everything goes to plan we expect to start building the large power station in 2009 with a view to having that completed by 2013.''
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> Solar Systems' technology uses sun-tracking mirrors that focus sunlight on solar cells in a process designed to convert it into electricity more efficiently than conventional units. The 154-megawatt plant will generate enough energy to power 45,000 homes, TRUenergy said in an e-mailed statement.

SMH - Our place in the sun

> If it is hard to imagine a future in which the suburban streets of Mosman, or Fairfield, or Parramatta are lined with revolving wind turbines and glinting photovoltaic solar arrays, it's worth remembering that 40 years ago, three-quarters of all Australian homes relied heavily on solar and wind power. The Hills Hoist, the metaphor for suburbia, dried clothes without so much as a puff of greenhouse gas. Australia's response to curbing emissions will be decided in the same streets. Suburban sprawl could be the surprisingly green ace in Australia's climate pack, said some of the 800 delegates who gathered in Adelaide this week for the International Solar Cities Congress.
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> Our preference for large backyards, detached homes and wide streets will allow for local electricity generation, effectively turning each home into a mini power-station. There are huge obstacles - principally the cost of manufacturing, buying and almost certainly subsidising the equipment - but the consensus among local government and the

> renewable energy industry is that the nation's cities will be transformed within 20 years. "The suburb is perfect for low-energy development," said the ecologist Herbert Girardet, who helped plan South Australia's first sustainable suburbs and works on Dongtan, a Chinese city next to Shanghai that will be powered exclusively on renewable energy.

SMH - [Search on for new oil fields](). Nothing to worry about - trust us !

> MASSIVE oil and gas reserves lie undiscovered across Australia's vast sedimentary basins, the country's peak oil exploration body says. A new report by the Australian Petroleum Production and Exploration Association has concluded that only a quarter of Australia's oil and gas reserves have been explored.
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> Without further oil discoveries, Australia faces a crippling trade and energy crisis. On current trends Australia's crude oil and condensate production is declining from nearly 100 per cent of Australia's needs in 2000, to just more than 60 per cent today, and, without major new discoveries, an anticipated 32 per cent by 2017. That translates into a decline in the petroleum and petroleum products trade balance from a surplus of $0.9 billion in 2000, to a deficit of $13.7 billion today and a projected $28 billion deficit in 2017.
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> The report's author, geoscientist Trevor Powell, said he was convinced the oil was out there. "At present, just 17 per cent of Australia's offshore sedimentary basins and 26 per cent of potentially prospective onshore basins are covered by petroleum permits," Dr Powell said.

Online Opinion - [Planning for peak oil - what it will mean]()

> Peak oil is a term to describe the dwindling world oil supply. We won't run out of oil - at least not in the short term - but there will be less oil and it will be more expensive. This problem is exacerbated by the burgeoning economies of India and China; so, just as supply is decreasing, demand is increasing. The latest BP Statistical Review of World Energy states, "It is no secret any more that for every nine barrels of oil we consume we are only discovering one".
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> When looking at peak oil, we should be aware that it is in the commercial interests of oil companies to exaggerate the amount of their oil reserves. Their share price depends on it.
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> South Australia has no transport plan - if there was an understanding of peak oil we would have. At the national level the transport-related promises of both parties in the 2007 federal election were almost entirely about roads. Yet, in May 2005, the then Premier of Queensland, Peter Beattie, listened to the concerns of the member for Hervey Bay, Andrew McNamara, and set up the Queensland Oil Vulnerability Task Force.

SMH - [Lack of parking puts train users on road]()

> A CRITICAL shortage of commuter car parking is forcing thousands of would-be train users on to the roads adding to Sydney's already chronic congestion, an NRMA report says. More than 40 per cent of motorists who otherwise drive all the way to work would rather park at a station and commute if there were an adequate number of parking spots at the station. There are more than 10,500 commuters who catch services in the peak morning period from Strathfield train station, for example, but there are only 23 parking spaces.
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> The NRMA's audit of Park and Ride facilities, released today, shows some of Sydney's busiest transport interchanges provide parking facilities so poor that public transport becomes untenable. "Currently most motorists are left with no choice but to drive to work, which adds to traffic congestion, increases the weekly fuel bill and leads to more carbon emissions," said the president of the NRMA, Alan Evans.

Cleantech Forum - 4th Australasian Cleantech Forum - 11/12 March 2008

The Australian - Its Easier To Bury CO2 Than The Hatchet

> IT has been touted as Australia's greatest resources project, not only because it is designed to tap the nation's largest known gas reservoirs but also because it was set to be Australia's most important contribution to developing solutions for a carbon-constrained world. But there is speculation the Gorgon gas project, which is scheduled to start shipping LNG cargoes from about 2013, will be further delayed by continuing differences between partners Chevron, ExxonMobil and Shell.
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> ExxonMobil and Shell continue to have severe doubts about whether Chevron, which has 50 per cent of the project and is the operator, can deliver. Chevron has never built or operated an LNG plant anywhere while its partners, each with a 25 per cent stake, have considerable operational experience.
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> There are no recent published cost estimates for the Gorgon project: it is in the West Australian Government's books at around $11 billion but based on current international costings, Gorgon will need investments of about $US30 billion ($32.6 billion), which will make it by far the biggest development commitment in Australia's history.
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> Hundreds of millions of dollars have already been spent on the plan to commercialise the Greater Gorgon gas fields deep in the Indian Ocean off WA. The project is set to exploit around 12 fields about 130km offshore and the Jansz reservoir, the biggest yet found in Australian waters, with an estimated 20 trillion cubic feet of reserves, a further 80km northwest.
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> The Greater Gorgon fields were found by Chevron in 1981, and are estimated to contain at least 12.9 tcf of gas containing up to 15 per cent carbon dioxide. The Jansz reservoir discovered by ExxonMobil in 1999 has less than 1 per cent CO_2.
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> The published development plan is to use Jansz gas to dilute the CO_2 content of the Gorgon fields by constructing two separate sub-sea developments supplying untreated gas through independent flowlines to a 10 million tonne a year capacity LNG facility on Barrow Island. This is a Class A nature reserve lying directly between the gas fields and the mainland. For years it has hosted Australia's longest producing oil field.

SMH - Australia On Track To Meet Kyoto Targets

SMH - River rescue under threat

> A MAZE of levee banks, channels and dams is stealing water from the state's flood plains and threaten to undermine the $10 billion Murray-Darling Basin rescue plan. A year-long study by a leading wetlands expert also says environmental water stolen on the flood plain that is home to the iconic Macquarie Marshes has already caused enormous environmental damage.
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> The report says inappropriate development has continued for decades, despite guidelines on flood plain development, an official cap on water extraction, and the marshes being listed as a wetland of international significance. Its authors say state and federal governments have turned a blind eye to water theft through flood plain harvesting.
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> In what is claimed to be the first comprehensive analysis of flood plain development on any river in the basin, Celine Steinfeld and Richard Kingsford from the University of NSW have used satellite imagery and aerial photography taken between 1949 and 2005 to identify development on the lower Macquarie.

SMH - Wetlands in a flap after the rains

The Australian - Uranium play melts down

The Australian - Imperial's Hunt For Deliverance

The Australian - Dyno shares up on underlying growth

The Australian - Investors flee Caltex on gloom

SMH - Garnaut Recommendation would benefit author

SMH - Cut gases or be the big loser

The Australian - LNG projects strain Woodside

> WOODSIDE is considering committing to three new export LNG projects within the next four years, putting immense strains on the company's financial capacity and the nation's labour market. Fleshing out the company's retreat from major overseas-operated investment, chief executive Don Voelte said yesterday that teams of Woodside employees were working on a second plant on the Pluto site on the Burrup Peninsula, accelerating the Greater Sunrise development in the Timor Sea and taking part in an LNG hub servicing the Browse Basin north of Broome. These investments had yet to be fully scoped but they represent a capital commitment of tens of billions of dollars.
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> Woodside already holds the record for the biggest single investment in the nation's history, the $12 billion in Pluto One, on which construction began late last year. "We have a clear aspiration, the right assets, the right people and the right attitude," Mr Voelte said in a presentation yesterday after Woodside released both its 2006 annual results and its annual report to the market.
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> The Woodside chief confirmed that he met the CEOs of ConocoPhillips and Shell last month and they agreed to accelerate the development of the Greater Sunrise field, which Woodside operates. While the reserves in Sunrise have reduced to under 6 trillion cubic feet from more than 8tcf, this was still enough for an LNG development, he said. Mr Voelte later declined to say whether the acceleration of Greater Sunrise meant that an expansion of ConocoPhillips' Wickham Point LNG processing facility in Darwin was favoured.

The Australian - Eye on petrol as oil price goes up

The Australian - Oil giant's overseas foray drags down profit

The Australian - Santos savaged after poor result

The Australian - Gas crisis minister may have misled

Sunshine Coast Daily - Food price threat as council 'squanders' farmland

Envirofuel - New biodiesel plant approved in Tasmania

Bloomberg - Contact Beats First-Half Estimates, Raises Forecast

> Contact Energy Ltd., New Zealand's biggest publicly traded energy company, raised its full-year forecast citing an increase in wholesale power prices. Operating profit for the year to June 30 will rise about 4 percent, Contact said, after a doubling of power prices the past six weeks as low hydroelectric reservoirs and plant maintenance cut supplies. Winter power prices may not be ``that dissimilar'' as peak demand will offset the planned return of generators to the market, Chief Executive Officer David Baldwin said.
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> Contact, half-owned by Australia's Origin Energy Ltd., has spare generation capacity and benefits most when low lake levels increase demand for power from its gas-fired plants. Power in Auckland cost NZ$171 ($140) a megawatt-hour at 3 p.m. local time, three-times the February average a year ago, and beat NZ$215 fetched earlier this week.
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> Contact runs two of the nation's five largest gas-fired generators. It has deferred plans for more big plants and is instead favoring geothermal and wind power as gas costs rise

> and the government prepares plans for carbon charges from 2010. First-half gas costs were almost NZ$45 million higher than a year earlier, on more expensive supplies from new fields and more restrictive delivery contracts.
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> The company is spending NZ$150 million converting an old gas field into underground fuel storage to give it better control of its fuel use and plans a NZ$250 million peaking generator to help back up its planned wind investments. The last of the company's low-price fuel supplies from the Maui field will be exhausted next year, and the company has no choice but to try and pass on those costs in higher retail charges. Emission charges starting a year later add between NZ$50 million and NZ$100 million to costs, Baldwin told journalists in Wellington today.

Cleantech.com - KUTh Energy gets grant for new type of geothermal source

frogblog - Rates rise because oil prices rise

frogblog - Climate change lets loose killer crabs

SMH - Economy Now In A Full Capacity Straightjacket

> Full capacity means our factories, mines and service businesses have little scope to produce more than they're producing already, that shortages of skilled labour are widespread and we're close to the bottom of the barrel of idle unskilled labour. When our real resources reach the point of being fully employed, the economy (gross domestic product; aggregate demand) simply can't grow faster than aggregate supply is growing - which these days the econocrats estimate to be 3.5 per cent a year at most, and probably nearer 3 per cent. When we attempt to grow faster than that we don't succeed, we just generate imports and inflation. ...
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> It means the economy becomes a zero-sum game. There'll always be some part of the economy that's growing faster than the average growth rate. But, as a matter of arithmetic, this can happen only if other parts of the economy are suffering below average growth. And those other parts are growing slowly - maybe even contracting - because the real resources they need to permit faster growth are being filched from them by the faster growing parts.
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> In other words, in a steady-state economy, for every winner there's an equal and opposite loser. That's hardly a pleasant state of affairs for the losing industries or regions, nor is it fun for the politicians to preside over. But that, of course, is just the uneven position we find ourselves in with the present resource-fuelled boom and with resource prices set to go even higher in the coming year.
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> With all that increasing income from abroad, nothing can stop the affected industries and regions - mining and construction; Western Australia and Queensland - attempting to grow very much faster than all the other industries and regions.

SMH - Life expectancy will decline without action: experts

Sail World - Back to the Future with SkySail-Power?

(Editors note - I'll be away for the next week, so we'll have a reduced output of news - Phil and David will hopefully have updates Tuesday and Thursday)