



DrumBeat: September 18, 2008

Posted by [Leanan](#) on September 18, 2008 - 10:00am

Topic: [Miscellaneous](#)

[Refilling fuel tanks after Ike to take weeks](#)

HOUSTON (Reuters) - Oil refiners and producers on Thursday rushed to restore Gulf of Mexico production following Hurricane Ike, but energy traders and analysts warned it will take several more weeks to refill U.S. fuel inventories, increasing the risk of shortages.

At least five refineries were restarting out of 15 shut by Hurricane Ike that hit Texas on Saturday, while two switched off by Hurricane Gustav at the beginning of the month were restarting, as producers flew crews back to platforms across the Gulf of Mexico.

"They (The markets) are factoring in a quick return of refineries and are looking the other way regarding the gasoline situation," said one trader, who asked not to be identified by name. "I think that's a mistake."

[Storm-hit US refiners cancel Mexico oil cargoes](#)

MEXICO CITY (Reuters) - Some U.S. oil refiners affected by Hurricanes Gustav and Ike canceled some Mexican crude oil cargoes, a spokesperson for Mexico's state oil company Pemex said on Thursday.

"There have been some cancellations by some clients," said the spokesperson.

[Oil's hurricane recovery: Slow going](#)

NEW YORK (CNNMoney.com) -- Gas prices fell for the first time in nine days after two powerful hurricanes entered the Gulf of Mexico and smashed through the heart of the nation's oil infrastructure, but questions lingered about when production would be restored.

Of the 32 Gulf coast refineries - 26 of which were in Ike's path - 12 remained completely shut down Thursday morning, and 9 were operating with reduced capacity, according to the U.S. Department of Energy. The decline in refinery operations has resulted in about 5 million barrels per day in reduced gasoline output.

"There are some restarts of refineries, but the process is very slow," said Cathy Landry, a spokeswoman for the American Petroleum Institute.

[John Michael Greer: The Effluent Society](#)

Some economists spend their lives writing in obscurity, and some become famous without seeing their ideas put into practice. Galbraith was not so lucky. Published in 1958, *The Affluent Society* argued that the United States had achieved a self-sustaining level of opulence to which the old laws of economic scarcity no longer applied, and that this abundance could support sweeping public programs to eliminate poverty and provide amenities for all. These claims became holy writ in mid-20th-century liberal circles, and drove most of a generation of American public investment, from Johnson's Great Society on down. In the process, it committed America to unsustainable public expenditures that set the stage for the economic troubles of the Seventies, and helped drive the backlash of the Eighties that replaced tax-and-spend Democrats with borrow-and-spend Republicans. By the time Galbraith died in 1997, he was treated by most economists with that dismissive fondness reserved for proponents of failed ideologies.

The Affluent Society has been much critiqued by those economic thinkers whose faith in the omniscience of the free market rivals a medieval peasant's trust in the miracle-working powers of the bones of the local saint, but it seems to me that the book's major flaw has been missed by these writers. Ironically, Galbraith in *The Affluent Society* fell into the same trap he critiqued in *The Great Crash*: the belief that economic reality had changed and the old rules no longer applied. He was quite correct to note that America in the 1950s had become stunningly wealthy, but he was quite wrong to think that this wealth was more than a temporary phenomenon.

[Venezuela, Russia boost military, energy ties](#)

CARACAS, Venezuela (AP) -- Venezuela and Russia are deepening military and energy ties, with plans to step up oil, weapons and technology cooperation.

As two visiting Russian bombers left Venezuela Thursday, officials of both countries said the visit is just the start of a new chapter in a flourishing strategic alliance.

President Hugo Chavez will visit Moscow next week and is planning oil projects with Russian companies as well as joint military exercises in the Caribbean later this year.

[Eni to Produce First Oil From Kashagan Field in 2012](#)

Bloomberg) -- Eni SpA, Italy's largest oil company, plans to produce the first oil from the Kashagan field in Kazakhstan in 2012.

The company is making ``over 50 percent progress on project development," Guido

Michelotti, a senior vice president at Eni, said today in a presentation posted on the company's Web site. It expects daily output to reach 150,000 barrels of oil equivalent in the fourth quarter of 2012, rising to 370,000 barrels a day in 2014.

[America's Self-inflicted Societal Collapse](#)

I have argued elsewhere that our American way of life is not sustainable, and I have presented compelling evidence to demonstrate that America is on the verge of imminent societal collapse. The purpose of the following paper is to make the case that we—all Americans—through our distorted worldview and resulting dysfunctional resource utilization behavior, are responsible for our “predicament”, and that we lack the collective will to take meaningful action to mitigate its catastrophic consequences.

[Ike and Gustav should join OPEC](#)

Hurricanes Gustav and Ike may end up doing OPEC's work for them now that oil production losses of more than 1 million barrels per day are persisting in the U.S. Gulf of Mexico.

At the cartel's meeting last week, it officially proposed taking a chunk of production off the market, but this appeared to fail as a result of lack of cooperation from Saudi Arabia. But Mother Nature may be stepping in to do the same work, which prompted one analyst to ask: Should Ike and Gustav apply to join OPEC?

[The Gathering Inn: Bed, Breakfast, and Beyond](#)

We've done this really "crazy" thing—we've gone into debt buying an inn in Vermont in the midst of a resource crisis that will never end at a time when tourism and the hospitality business are likely to take a huge dive as we stumble over the threshold of a Second Great Depression.

[MEDIA ADVISORY: Paul Ehrlich: Has the “Population Bomb” Finally Exploded?](#)

WASHINGTON — Forty years after his seminal book *The Population Bomb*, Paul Ehrlich is again stirring debate over the connections between population growth and environmental degradation. His latest book, *The Dominant Animal*, coauthored by Anne Ehrlich, traces the interplay between environmental change and evolution.

...On September 18 at 3:00 p.m., ECSP will sponsor the launch of *The Dominant Animal* at the Woodrow Wilson Center; copies will be available for purchase. A reception will follow at 4:30 p.m.

The event will be webcast live at www.wilsoncenter.org. Submit questions for Paul

Ehrlich to ecsp@wilsoncenter.org.

[Buffett's MidAmerican Energy rescues Constellation](#)

DES MOINES, Iowa - Natural gas and electric company MidAmerican Energy Holdings Co., a unit of Warren Buffett's Berkshire Hathaway Inc., said Thursday it will buy Constellation Energy Group Inc. for \$4.7 billion in a cash-and-stock deal.

[Why the Gas Engine Is Sticking Around](#)

An automotive revolution is coming -- but it's traveling in the slow lane. With all the glitzy ads, media chatter and Internet buzz about plug-in hybrids, it's easy to get lulled into thinking that gasoline stations soon will be as rare as drive-in theaters. But displacing internal-combustion engines fueled by petroleum won't be easy and it won't be cheap.

[Richard Heinberg: Don't Panic; Prepare!](#)

The financial sky is falling. Hey, that's not my opinion; it's news straight from the front pages of the Wall Street Journal and New York Times. America's top mortgage companies and investment banks, and the world's biggest insurer have either already gone bankrupt or are in the process of doing so.

For someone who wrote a book titled *The Party's Over*, this might seem like a propitious moment to shock readers into greater depths of fear and apprehension. After all, we're only witnessing the doom of the financial world now; we have yet to see the collapse of the transport and food infrastructures, which are merely fluttering at the moment as the result of high oil prices. When the inevitable and imminent decline in world oil production really starts to bite, the support struts of normalcy will truly come unglued.

[Interior to expand oversight after scandal](#)

Interior Secretary Dirk Kempthorne said Thursday he was disgusted by reports of parties, sexual relationships and lavish gifts between government oil brokers and energy company employees and that he was considering firing the federal workers involved.

Kempthorne also told a House panel that he would appoint an attorney-adviser to watch over ethics in the Denver office at the center of the scandal. The office collects billions of dollars from oil companies drilling on federal lands.

[There's gold in an oil degree](#)

Even with the recent drop in oil prices, newly-minted grads in the field are making a killing. At Texas Tech University, for instance, the starting pay for graduates with bachelor's degrees in petroleum engineering is around \$105,000 - \$80,000 in salary plus a guaranteed bonus of \$20,000 to \$30,000, according to Lloyd Heinze, chairman of the school's petroleum engineering department.

[U.S. Interested in Exploiting Brazilian Pre-Salt Layer Oil Fields](#)

The United States is interested in cooperating with Brazil to finance projects for exploiting the country's pre-salt layer oil fields, U.S. ambassador to Brazil Clifford Sobel said on Wednesday.

The top U.S. diplomat in Brazil told the press that his country, as well as other nations, are very interested in the new oil discoveries in Brazil

[GM thinks beyond the Volt](#)

DETROIT (CNNMoney.com) -- The applause hasn't died down for the new Chevrolet Volt, but General Motors is already planning where the technology for this new electric car can go next.

[Rubbing out rudeness on public transit](#)

An upside of leaving the car at home and jumping on public transit is all the nice, new people you get to meet.

A downside? All those rude, inconsiderate and bizarre people you'll meet as well. Like the ones Kevin O'Neil describes in the "Breaches of Etiquette" category on his CTA Tattler blog about the Chicago Transit Authority's (CTA) buses, elevated trains and subways.

[Coastal development all at sea over climate](#)

One general insurer has estimated that the value of coastal property in Australia at risk to rising sea levels and erosion is between \$50 billion and \$150 billion.

In a submission to a Federal Government inquiry, the insurer even suggests an insurance fund into which owners of low-lying land would pay a regular levy for compensation when sea levels cause their land to become permanently unusable.

[Cheap thrills: Can you live on a pound a day?](#)

We may all be tightening our belts, but just how far would we go to save money? Teacher Kath Kelly lived on just £1 a day for a whole year, and lived to tell the tale. Jamie Merrill follows her lead – and learns some life-changing lessons on the way.

[Mideast to Cut Oil Investments If Prices Dip Below \\$80/Barrel](#)

Middle East oil producers will shelve projects to boost output if crude prices drop below \$80 a barrel, a senior official from the Organization of Arab Petroleum Exporting Countries, or Oapec, told Dow Jones Newswires.

Abbas Naki, the Secretary General of Oapec, said that if oil prices fall further "we will see investments and developments in the oil sector in these countries decrease drastically."

Middle East oil producers have come under repeated attack for not investing enough in boosting production capacity, which they say has helped push prices to new records.

"On the long run, this will have a very bad effect on global markets," Naki said.

[Post-Ike recovery continues in US Gulf oil patch](#)

HOUSTON (Reuters) - The U.S. Gulf of Mexico oil patch continued to recover on Wednesday from Hurricane Ike, the worst storm it has faced in three years.

At least five Texas refineries were restarting on the fifth day since Ike slammed into the Texas coast near Galveston and swept over Houston's refinery row, and 10 others were awaiting electricity and industrial gases, some of which are made from natural gas.

[IEA Still Determining Strategic Oil Stocks Release](#)

The International Energy Agency (IEA) is still assessing the impact of Hurricane Ike on U.S. oil and gas production and has yet to decide whether it needs to release strategic oil stocks, the agency said on Thursday.

Member-countries of the IEA hold emergency oil stocks for use in case of supply shocks. They were last tapped in 2005 after Hurricane Katrina caused major disruption in the Gulf of Mexico.

['No shortage' of gas in Florida despite panic buying](#)

With more than a week's supply of gasoline and diesel at its ports, Florida has plenty of fuel for motorists - despite a rash of panic-buying that last week quadrupled average statewide consumption.

[Connecticut: State expands gas gouging probe](#)

HARTFORD -- The state's investigation into spiking gas prices expanded to petroleum wholesalers Wednesday in response to consumers smarting from recent fuel price hikes of up to 48 cents per gallon.

Attorney General Richard Blumenthal said in an interview that subpoenas were being issued to state wholesalers as well as retailers.

"We're widening the request and demand for documents to include the wholesalers," Blumenthal said outside the Capitol. "The wholesalers -- the distributors -- may well be the bigger source of the problem than the guys pumping gas or owning the retail stations."

[Texas: Gas rationing just a rumor, official says](#)

A rumor circulating Wednesday that gas deliveries were being cut off and that stations would begin rationing did not appear to be true.

"So far there does not seem to be a problem with fuel availability," said Jack Gabriel, an executive at Brookshire Brothers. "We have adequate fuel inventory in all of our stations throughout the East Texas and West Louisiana locations."

[Houston Glass Companies Struggle to Re-Coup From Ike's Impact](#)

At Vitro America's Houston branch Terri Gilmore, sales manager, says the company is working by way of a generator; only three computers and one printer are working. Gilmore says the company sold stock sheets yesterday and will be making deliveries today, though they may take a little longer than usual because of the gasoline shortage.

"Some fuel lines have a two- to three-hour wait and then they may run out before you get gas," Gilmore said. "We do not know when we will have power or phone service. No one can tell us."

[Ike-Related Power Outages Prompt Student Sit-in](#)

Students at Miami University in Ohio organized a Monday sit-in on the president's lawn, protesting the return to classes Tuesday, chanting "How can we study if we can't see?"

and "No power, no class." The campus had not had power since Sunday, after a Hurricane Ike-related windstorm knocked out electricity in the Oxford and Cincinnati areas. Class on Monday had already been cancelled, the *Miami Student* reports.

Protesting students complained that they didn't receive sufficient guidance on where to shower and study during the power outage. "We just wanted to talk, we wanted some reasons," said one of the protest organizers. "We thought they were only focusing on on-campus students, when most of the campus doesn't live on campus."

[Power crisis grips Karachi](#)

Power outage has become the main issue in the city, adding miseries to the masses and negatively affecting industrial and commercial activities. In this hot and humid weather, the citizens are experiencing power failures for up to 18 hours, sparking widespread resentment against the privatised Karachi Electricity Supply Corporation (KESC).

[Saipan: Residents, nonresidents join CUC rally](#)

Hundreds of residents, dressed in black with bandages plastered on their bodies, turned out Tuesday night to protest what they called the Commonwealth Utilities Corp.'s band-aid approach to the island's power crisis.

Citizens and non-citizens of all ages turned out for the event, held at the Garapan Fishing Base. Many people toted signs with slogans, such as "Will fight for light," and "Customers Using Candles," in a nod to CUC's acronym.

[Utility unplugs ultimatum](#)

Rocky Mountain Power has dropped plans to make sweeping customer-service cuts in protest of a rate denial, but the utility still needs more money to meet demand for electricity in Utah, the company's top executive said Wednesday.

[Norway Urges Russia to Stick to International Law in Arctic](#)

All territorial claims in the Arctic must fall within the strict framework of the international Law of the Sea, Norway said Thursday in reaction to Russian plans to formally set its borders in the oil-rich region.

[Greening the dream that drives America](#)

The US should put the same creativity that produced the car into tackling the energy

crisis it has caused.

[Many would take pay cut for shorter commute: Goodyear](#)

Twenty-five per cent of commuters say they'd take a pay cut for a shorter drive to work and 13 per cent confess they've wanted to quit their job because of the daily drive, according to a poll by tire maker Goodyear Canada.

[How One South Texas Community Reacts to World Energy Crisis](#)

The Lakes Master Planned Community in Los Fresnos, Texas has announced the successful installation of the first wind-driven electric generator connection at a residence in the nearly 750-acre project. The wind generating unit is about 30 feet tall and will generate approximately 1.8 kilowatts of electricity to supplement the electrical needs of the home. When the electricity from the windmill exceeds the home use, the power feeds back through a "reverse meter" into the Electric Reliability Council of Texas' grid and the owner is paid for the electricity provided to the system.

Los Fresnos Mayor David Winstead commented, "We are watching very closely in the hopes that this may be a workable model for the future. If this first wind-generator is a success, we will implement a City Ordinance for regulating their installation. As a proud citizen of Los Fresnos, Texas, it is good to be on the forefront of applying new technology to reduce our dependence on foreign energy resources."

[Controversial path to possible glut of natural gas: Water and chemicals injected at high pressure can extract more gas – and possibly pollute drinking water](#)

Instead of falling, US gas production is rising, with up to 118 years' worth of "unconventional" natural gas reserves in 21 huge shale basins, an industry study in July reported. Such reserves could make the nation more energy self-sufficient and provide more of a cleaner "bridge fuel" to help meet carbon-reduction goals urged by environmentalists.

Shale gas reserves have a powerful economic lure. Companies, states, and landowners could all reap a windfall in the tens of billions. Some also predict lower heating costs for residential gas users as production increases.

Now, scores of natural gas companies are fanning out from Fort Worth, Texas, where hydraulic fracturing of shale has been done for at least five years, to lease shale lands in 19 states, including Pennsylvania and New York.

But some warn that by expanding "hydraulic fracturing" of shale, America strikes a Faustian bargain: It gains new energy reserves, but it consumes and quite possibly pollutes critical water resources.

[Pickens says Wal-Mart to study switch from diesel](#)

HOUSTON (Reuters) - Texas oil tycoon T. Boone Pickens said on Wednesday he has convinced the head of Wal-Mart Stores Inc to study the possibility of switching the fuel used for the retailer's huge fleet of delivery trucks to compressed natural gas, from diesel.

Wal-Mart officials confirmed that Pickens was a guest speaker at a monthly associates meeting September 13 in Bentonville, Arkansas, with chief executive Lee Scott and thousands of Wal-Mart employees.

[Rising prices tip another 75 million towards starvation: FAO](#)

ROME (AFP) — Global numbers afflicted by acute hunger rose from 850 million to 925 million by the start of this year because of rising prices, the head of the UN Food and Agriculture Organisation said Wednesday.

The number of people suffering from malnutrition, before the worst effects of global price rises, "rose just in 2007 by 75 million," Jacques Diouf, director-general of the Rome-based agency, told an Italian parliament committee, according to ANSA news agency.

[Instead of Eating to Diet, They're Eating to Enjoy](#)

In May, the market research firm Information Resources reported that 53 percent of consumers say they are cooking from scratch more than they did just six months ago, in part, no doubt, because of the rising cost of prepared foods.

...Meanwhile, books like Gary Taubes's "Good Calories, Bad Calories" (Alfred A. Knopf, 2007) and Michael Pollan's "In Defense of Food" (Penguin, 2008) have prompted a rethinking of Americans' eating habits and dependence on processed and refined foods.

[Scientists Behind 'Doomsday Seed Vault' Ready The World's Crops For Climate Change](#)

As climate change is credited as one of the main drivers behind soaring food prices, the Global Crop Diversity Trust is undertaking a major effort to search crop collections—from Azerbaijan to Nigeria—for the traits that could arm agriculture against the impact of future changes. Traits, such as drought resistance in wheat, or salinity tolerance in potato, will become essential as crops around the world have to adapt to new climate conditions.

[Tight Labor Vexes Brazil's Deep-Sea Oil Drilling](#)

RIO DE JANEIRO - Technological advances will help oil giant Petrobras and its foreign partners tap huge subsalt reserves off Brazil's coast, but a shortage of skilled workers and tight equipment supplies pose challenges.

[Stripper wells try to get more oil from ground](#)

(CNN) -- The political discussion about solving America's energy crisis is focused on offshore drilling and renewable energy, but scattered throughout the country are thousands of small oil wells called stripper wells.

Many of them are family owned and these small, independent operators say they could also be part of the energy solution. Forgotten about and misunderstood, many small operators say most people don't even know they exist.

[Heating aid on the way to CT](#)

Washington - The White House announced Wednesday it would direct nearly \$7 million in energy assistance funds to Connecticut as part of an effort to help low-income families heat their homes this winter.

Democratic Sens. Christopher Dodd and Joseph Lieberman and Democratic Rep. Joe Courtney, 2nd District, welcomed the move, but warned the assistance was not enough to help working families weather the current energy crisis.

[Government steps up call for nuclear power](#)

LONDON (Reuters) - Britain will step up its campaign for new nuclear power stations on Thursday, saying they are vital for energy security, climate change and job creation.

Industry minister John Hutton will tell the newly-created Nuclear Development Forum's first meeting that new nuclear power plants are also crucial in preventing power cuts as ageing coal and nuclear plants are progressively shut down.

[Lithuanian Hope for Nuclear Extension Dashed by EU](#)

BRUSSELS - Lithuania's hopes of being allowed to extend the life of its Ignalina nuclear power plant were dashed on Wednesday by the European Commission.

In its treaty on joining the European Union in 2004, Lithuania promised to shut by the end of 2009 the second reactor at the plant, which is similar to Ukraine's Chernobyl

facility where the world's worst nuclear disaster struck in 1986.

[Australia MPs oppose uranium sale](#)

Australia should not sell uranium to Russia, a parliamentary committee says.

It said the \$800 million deal should not go ahead until Russia assuaged doubts about the separation of its civilian and military uses of uranium.

[Tesla, city strike deal to build all-electric sedan](#)

Tesla got final approval Tuesday of a deal with the city of San Jose to lease nearly 90 acres of city-owned land for a plant to build the Model S, an all-electric sedan.

[Scientific breakthroughs needed to unlock nation's energy potential](#)

America has given itself a tall order. We are determined to meet growing energy demands while reducing our reliance on imported oil and curtailing greenhouse gases.

But these commendable goals are being overrun by reality. The U.S. is showing few signs of reducing its dependence on fossil fuels such as petroleum and natural gas. Crude oil alone supplies more than 40 percent of U.S. energy demands and almost all of our transportation fuels, and we import 60 percent of it.

[We need an expensive miracle](#)

Any notion that renewables can provide for all our requirements is a mischievous and reckless boast that will leave us in the dark.

[Energy plant hits snag](#)

Defense officials canceled a preliminary contract with Siemens Building Technologies to construct a waste-to-energy plant at Dyess following the firm's requirement for \$18 million up front from the Department of Defense, congressional aides said.

"They determined that the structure and the price of the project had gone way beyond the scope," Abilene Mayor Norm Archibald said. "But they're looking to regroup and see what we can do there."

[Peak oil "wrong," says Schwartz](#)

Forget everything you've heard about peak oil as a driver of clean technology, said futurist Peter Schwartz today in a provocative closing session at the Cleantech Forum XVIII in Washington D.C.

"The peak oil people simply don't know what they're talking about, they don't know the facts," claimed Schwartz, co-founder and chairman of the Global Business Network and author of five books.

"Peak oil is wrong. We really don't know how much oil there is in most of the oil reservoirs of the world. Oil reservoirs are complex geological structures, and most of the data is in private hands, or in state governments, and they are not particularly forthcoming about how much is there."

[Oil prices rise further as dollar drops](#)

LONDON (AFP) - Oil prices extended gains on Thursday as the dollar fell following a coordinated plan by major central banks around the world to boost liquidity amid a credit crunch.

"The coordinated move by central banks has seen the dollar sold off and has sparked some interest in the dollar denominated commodities like oil," said Sucden analyst Nimit Khamar.

[Parts of the nation still having gasoline shortages](#)

Parts of the USA are still running short of gasoline five days after Hurricane Ike knocked out 20% of the nation's refining capacity.

The crunch is especially severe in the Southeast and Mid-Atlantic, which get their gas through pipelines from the Gulf region. It's largely hitting stations and convenience stores not affiliated with big brands such as ExxonMobil.

[Gas is plentiful but panic buying shuts down some pumps](#)

Hurricane Ike's rampage over oil production facilities in the Gulf of Mexico and Texas did not seriously disrupt statewide petroleum inventories, but that hasn't stopped numerous reports of price gouging and gas stations going dry.

[JPMorgan Questioned on Oil Bets](#)

A Senate subcommittee told JPMorgan Chase on Wednesday to immediately start turning over a year's worth of internal documents about the bank's view on oil speculation.

The move came after the subcommittee obtained a private message in which an investment officer seemed to contradict testimony other bank executives gave to the Senate this week.

[Are we paying too much?](#)

Governments like New Brunswick that base their regulated gas prices on the New York Harbor price might as well lay their heads on the chopping block of corporate greed, says a Toronto economist who has spent years researching the concept of price gouging by big oil companies.

[Irrational pessimism](#)

Examples of exuberance and panic both abound. On the former, in April this year, CIBC economist Jeffrey Rubin made predictions of \$150 by 2010 and \$200 by 2012. "Despite the recent record jump in oil prices, the outlook suggests that oil prices will continue to rise steadily over the next five years, almost doubling from current levels," wrote Rubin in his April forecast.

Rubin turned out to be early on his \$150 forecast when oil suddenly jumped near that, to \$147, in a compressed time span this year. (This week, he retracted such hyper-exuberant predictions with lower estimates.)

In retrospect, oil's sudden rise to such heights may have been part self-fulfilling prophecy given predictions from Rubin and others; it was apparently also one part speculation by index funds and others who wanted some place to park cash after fleeing financials in late 2007 and early 2008, at least according to one report released Thursday from an American hedge fund analyst.

[Business elite confront world turned on its head](#)

"On the agenda is energy supply, and also we're talking about where is the economy, what's the future," notes Mitchell. "One of the questions is, what happened to \$200 oil? Things now are nothing like they were even a month ago."

[Tops in Rocks](#)

Oliver and Horvat are also "peak oil" theorists, believing the world's crude production

will soon reach its apex and shift into a permanent decline. Commodities, they say, are in an unprecedented boom that will last for years because of sustained strong demand from the rapidly industrializing economies of China and India, and years of underinvestment in mineral exploration.

[Brazil Plans 60-Strong Staff for New Oil Company, Estado Says](#)

(Bloomberg) -- Brazil's plans for a new state oil company to control the country's "pre-salt" fields include a 60-strong staff, O Estado de S. Paulo reported, citing President Luiz Inacio Lula da Silva.

The government is seeking to create "a fund, a small company," rather than "another Petrobras," Lula said in comments recorded for TV Brasil, according to the newspaper. Petroleo Brasileiro SA, or Petrobras, is Brazil's state-controlled oil producer.

[IEA Says U.S. Natural Gas Price to Average \\$10 This Year](#)

"A number of factors, including higher oil prices, weather conditions and supply and demand imbalance, all played a role during the price increases in the past 18 months," the IEA said in its Natural Gas Market Review 2008. U.S. natural-gas prices have fallen to about \$8 a million Btus from more than \$13 a million Btus in July.

[Russian Oil Companies May Team Up in Venezuela, Kommersant Says](#)

(Bloomberg) -- Russian oil companies may form a partnership to develop oil projects in Venezuela, Kommersant reported, citing Russian Deputy Prime Minister Igor Sechin.

No Russian oil company is ready to make the necessary investments alone to develop Venezuelan oil blocks with "difficult characteristics," the Moscow-based newspaper said today, citing Sechin.

[Oil-rich Russia reels as Wall Street crisis spreads](#)

Stock markets in Russia suspended trading for a second consecutive day Thursday as the government tried to stem the dizzying plummet in share prices and restore confidence in the economy.

News agencies are quoting the Russian Finance Minister Alexei Kudrin as saying the markets will remain closed until Friday.

[Russia Cuts Oil Export Tax to Free Up \\$5.5 Billion](#)

(Bloomberg) -- Russia plans to slash export duties on oil and refined products to free \$5.5 billion for companies after crude fell from a record, Finance Minister Alexei Kudrin said.

[Alberta's 'dirty' oil a sticky problem for Charest](#)

If you had to choose between Alberta oil or crude from Algeria and Angola, which should you pick?

This is the decision Quebec Premier Jean Charest faces now that Calgary-based Enbridge Inc. has unveiled plans to pipe heavy crude from the Alberta oil sands to refineries in Montreal for the first time.

[Iran official says missiles can reach ships in Gulf](#)

TEHRAN (Reuters) - A top adviser of Iran's supreme leader said that in the event of war no ship passing through the oil-rich Gulf region would be beyond the reach of the country's missiles, a government newspaper reported on Thursday.

Iran, embroiled in a standoff with the West over its nuclear ambitions, has said it could respond to any military attack by closing the strait at the southern end of the Gulf through which about 40 percent of the world's traded oil passes.

[New attacks on pipelines in delta of Nigeria](#)

LAGOS, Nigeria: Fighting between militant groups and the Nigerian military in the oil-rich Niger Delta on Wednesday entered a fifth day in the region's worst violence in two years, raising fears of an escalation in the unrest that has plagued the area.

...Royal Dutch Shell, the giant Anglo-Dutch multinational, confirmed two attacks on its pipelines Monday but said it could not yet confirm an attack MEND claimed it carried out on a Shell-operated pipeline on Wednesday morning.

Shell has "down-manned facilities in some field locations" and "is concerned about the recent upsurge of attacks on its facilities in Eastern Niger Delta," a Shell spokeswoman in Nigeria said.

[Nigeria Loses 280,000 Barrels Daily to Attacks Over Five Days](#)

(Bloomberg) -- Nigeria lost 280,000 barrels daily of its crude output to attacks launched by armed militants in the Niger Delta oil region in the past five days, bringing currently

shut output to about one million barrels a day, the state-run oil company said.

``Current shut-in production stands at about one million barrels a day, but it's not necessarily due to militant attacks," Levi Ajuonuma, spokesman for the Nigerian National Petroleum Corp. said by phone from the country's capital, Abuja, today. ``Only 28 percent (280,000 barrels) is because of militant action."

[Oil India asked not to use IPO cash in Iran](#)

NEW DELHI (Reuters) - Foreign banks advising Oil India Ltd on its initial public offering have sought an assurance the explorer will not invest the funds raised in Iran and Sudan, which face U.S. sanctions, oil ministry officials said on Wednesday.

[Con Edison Is Penalized for Blackouts](#)

State regulators ordered Con Edison on Wednesday to return \$9 million to customers for blackouts that occurred in New York City and Westchester County in 2007.

Customers will not get a refund or a credit. Rather, the money will be subtracted from any rate increase approved by the Public Service Commission, according to a Con Ed spokesman, Michael Clendenin.

[Documentary Film On Peak Oil and Suburban Sprawl, *Sprawling From Grace*, Available On DVD](#)

EMotion Pictures Productions, LLC announces the release of its current documentary film *Sprawling From Grace; Driven To Madness* available for purchase in DVD format.

"At a time when people are looking at alternative energy sources for our current oil dependency, we're excited to release this film as a way of showcasing the problems created by suburban sprawl," stated David M. Edwards, producer and director of *Sprawling From Grace*. "It details the difficulties and dangers we face from an aging transportation infrastructure, and brings attention to the problem of peak oil and how it relates to the current oil crisis."

This film features former President Bill Clinton; former Governor of Massachusetts Michael Dukakis; author of *The Long Emergency*, James Howard Kunstler; and Denver Mayor John Hickenlooper. It explores how our nation is responding to the growing concerns of peak oil and the looming oil crises, and investigates the ability of alternative energy to replace petroleum. The film reveals the relationship between transportation and development, and advocates for change in the way in which we build our cities.

[Peak Oil: Out of Gas at Last?](#)

The enduring prospect of sky-high fuel prices concentrates the collective mind wonderfully on energy issues, maybe even the large ones like resource depletion, climate change, and our own ravenous rates of consumption (of everything). The following recent and forthcoming titles reveal a wide range of responses to the energy crisis; most prescribe cures for our oil addiction, while a couple are purely descriptive of "peak oil," the point at which oil production goes into a terminal decline, and attendant issues. Starred entries are highly recommended for all collections.

[Enterprise 2.0 - Now a necessity in a low/no capital world - The Death of the Dinos](#)

What we are experiencing is not a normal correction but the equivalent of an asteroid strike.

It will get worse. For another key environmental factor for the 1.0 model was cheap and easily available energy. As the new reality of Peak Oil becomes clear, then all business models also based on moving goods long distances and from huge central hubs fail. Of course this model is also based on massive usage of financial capital.

[What once was old is new again: *The car is dying; it's the age of the bike*](#)

The developed world held its breath early this summer as prices for crude oil climbed to nearly \$150 per barrel — five times the 2003 price. Then, with fingers pointing in all directions, strange things started happening: In the car-centric United States, ridership rates on public transit systems shot up to levels unseen since the 1950s, American sales of automobiles dipped 16 percent, and airline pilots were ordered to slow down to conserve fuel. Suddenly, people worldwide were re-evaluating their relationship to transport and the sustainability — triggered by concern for their wallets — of commuting solo in a one-ton machine occupying the space of a small elephant.

[UK: The political high ground is Labour's: *The future demands an active state redistributing wealth to balance a dysfunctional economy – our party's founding principle*](#)

Britain faces acute problems in creating a more equal and sustainable economy. Decades of wealth creation have ended up in the pockets of a few. Wage levels are stagnating or falling. Benefit levels continue to drop behind earnings, unemployment is set to rise. Welfare reform will see an increasing number of the ill and disabled excluded from all forms of social support. The trend to inequality and poverty will intensify. In the longer term there is the impact of the global problems of food insecurity and water scarcity. The fear of impoverishment in old age, and the burdens of caring for aged relatives extends across the population. To compound these anxieties is the threat of climate change and peak oil. For the great majority of people, there are no individual, market solutions to these problems.

[Can human poo solve the impending energy crisis?](#)

The human bottom seems like an unlikely answer to the world's oil needs, but a group of South Island engineers say it has the potential to revolutionise the energy industry.

Researchers plan to create crude oil from human waste and sewage treatment ponds, perhaps holding the key to solving the impending energy crisis.

[Report: U.S. lax on exports of toxic e-waste from old e-gear](#)

U.S. regulators aren't enforcing even limited laws against exporting toxic waste from used electronics, the Government Accountability Office said Wednesday.

The GAO report is the first time the government has come down hard on toxic e-waste exports, activists say. They can expose workers in poor countries to lead and other hazards.

A "substantial" amount of e-waste goes to China and India, the GAO said. There, it's often disposed of unsafely via open-air burning of wire to recover copper and acid baths to loosen metals.

[Sinking feeling: Hot year damages carbon uptake by plants](#)

PARIS (AFP) - Plant and soil can take up to two years to recover from an exceptionally hot year, a finding that has implications for the combat against global warming, according to research published on Wednesday.

The recovery lag could cause a rethink about the ability of grasslands and soil to act as a sponge, also known as a "sink," that removes carbon dioxide (CO₂) from the air, its authors said.



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