



DrumBeat: November 9, 2008

Posted by [Leanan](#) on November 9, 2008 - 9:33am

Topic: [Miscellaneous](#)

[Russia producers cut Nov oil exports, cite high duty](#)

MOSCOW (Reuters) - Russian oil firms are shipping only three quarters of their planned November exports as a government order to cut oil export duties failed to make exports profitable again, Russia's pipeline monopoly said on Sunday.

Traders predicted in late October that Russian oil companies would cut their November exports after the government decided against lowering oil export duties.

On Nov. 1, the government cut oil export duties, responding to the concerns of top producers. But the cut was far less than oil companies had wanted.

[GOP fundraiser named in oil bribery lawsuit](#)

WEST PALM BEACH, Fla. -- A prominent fundraiser for Republican presidential candidate John McCain has been sued by an oil industry competitor over claims that his company paid bribes in Jordan to maintain a monopoly on shipping fuel to U.S. military forces in Iraq.

[Iceland's Path to a Green Future](#)

Calls for greater energy independence date back to President Richard Nixon. Yet since then, the amount of foreign oil imported by the US has more than doubled.

But since the 1970s, Iceland, just 3,000 miles off the US East Coast, has gone from relying on imported coal for 75 percent of its energy to, as of 2007, getting more than 82 percent of its energy from geothermal and hydropower. Oil accounts for only 16 percent of its energy needs and is used only to power cars and its fishing fleet.

[8 Ways to Go Green and Save Hundreds](#)

Everywhere you turn these days, you hear about eco-friendly ways to live. One thing

you don't usually hear is how the "three Rs" not only save the planet but help save you money. Check out how much money you can save by implementing these eight actions.

[Will Plummeting Gas Prices Hurt the Push for Alternative Fuels?](#)

"When oil prices dropped, it killed that push to ethanol – and you could have that happen again," says Chad Hart, an agricultural economist at Iowa State University. But there is a safety net this time, he and others agree: the US Renewable Fuel Standard (RFS). Today the US produces 9 billion gallons of ethanol from corn but under RFS is mandated to make 36 billion gallons by 2022.

[Report: Eliminate Michigan Gas Tax](#)

LANSING, Mich. (AP) -- Gov. Jennifer Granholm and lawmakers should consider eliminating Michigan's 19-cents-a-gallon gasoline tax and replacing it with a tax on the wholesale price of gas, according to a report being released Monday.

Swapping the taxes would let revenues rise or fall with changing fuel prices rather than tying gas revenues to consumption, which is falling as motorists drive more fuel-efficient cars or cut back on buying gas to cope with prices that at one point topped \$4 per gallon.

The change could boost transportation funding in the long run and might ensure that a bigger share of taxes paid at the pump actually go toward Michigan's deteriorating roads, advocates say.

[What Would an Energy 'Moon Shot' Look Like?](#)

One approach, hinted at by Senator Barack Obama off and on, is an Apollo-scale investment in advanced energy technology. The chances of a quick push of this sort are poor given the state of the economy, but what would a "Moon shot" for energy look like?

[Carbon Dioxide Levels Already In Danger Zone, Revised Theory Shows](#)

ScienceDaily — If climate disasters are to be averted, atmospheric carbon dioxide (CO₂) must be reduced below the levels that already exist today, according to a study published in Open Atmospheric Science Journal by a group of 10 scientists from the United States, the United Kingdom and France.

The authors, who include two Yale scientists, assert that to maintain a planet similar to that on which civilization developed, an optimum CO₂ level would be less than 350 ppm – a dramatic change from most previous studies, which suggested a danger level for CO₂ is likely to be 450 ppm or higher. Atmospheric CO₂ is currently 385 parts per million (ppm) and is increasing by about 2 ppm each year from the burning of fossil fuels (coal, oil, and gas) and from the burning of forests.

...According to the study, coal is the largest source of atmospheric CO₂ and the one that would be most practical to eliminate. Oil resources already may be about half depleted, depending upon the magnitude of undiscovered reserves, and it is still not practical to capture CO₂ emerging from vehicle tailpipes, the way it can be with coal-burning facilities, note the scientists. Coal, on the other hand, has larger reserves, and the authors conclude that "the only realistic way to sharply curtail CO₂ emissions is phase out coal use except where CO₂ is captured and sequestered."

[As Russia Tests the Waters, Oil and Gas Showdown Looms](#)

I have no idea how President Obama will respond to a newly-hostile Russia. My guess is that he will prove much less the "dove" than some expect... that the pragmatic Chicago operator in him could find the means to take a very hard line.

[Time to spend big on infrastructure](#)

How well Australia weathers the storm and how shipshape it is when the storm abates will depend on how well the Australian Government manages monetary and fiscal policy and marries these policies to structural policies aimed at dealing with the even larger challenge of climate change and the related issue of peak oil.

[Pakistan: Saudi Arabia has assured six months' supply of oil](#)

RAHIM YAR KHAN: After assurances of economic assistance from certain friendly countries and supply of oil for six months from Saudi Arabia, Prime Minister, Syed Yousuf Raza Gilani hopes that there would be no need to contact IMF and Pakistan's economy would be recovered soon.

[The Philippines: DoE open for nuclear power use, says Reyes](#)

MANILA — The Department of Energy (DoE) confirmed on Friday that it is now in the process of revisiting the country's nuclear option to address the impending power shortage.

"We are, of course, are now open to this nuclear option and we like to revisit that option, since its is becoming increasingly clear that this is going this direction," said Energy Secretary Angelo Reyes.

[German President Koehler: Curb Africa's illegal raw material trade](#)

Abuja - German President Horst Koehler on Sunday called on developed nations and African countries to fight the illegal trade in raw materials. Illegal trade in oil, timber or diamonds had to be classed as criminal and prosecuted, Koehler said at the close of the fourth Africa Forum in the Nigerian capital Abuja.

[Pelosi and Reid Urge Aid for U.S. Automakers](#)

WASHINGTON — Democratic leaders in Congress urged the Bush administration on Saturday to consider using the \$700 billion bailout for the financial system to aid distressed American automakers, in a prelude to what may become urgent negotiations over additional economic stimulus measures.

[Revolutionary auto already on the road](#)

"It's the world's first Stirling hybrid electric car," its inventor said with a flourish.

Installed in the car's trunk compartment is a Stirling engine invented at DEKA, Kamen's technology company in the Manchester Millyard. It powers the features that would normally drain huge power from the battery, notably the defroster and heater.

[It was greenhouse gas, now it's diesel](#)

IT'S a potential win-win situation: use a greenhouse gas to create an environmentally friendly biofuel and make money at the same time.

[Atira promotes solar thermal power, desalination in Cyprus](#)

Atira, a Limassol-based energy company, hosted a public presentation on the benefits of solar thermal power. The event was attended by representatives of the Institute of Energy, the Energy Regulator, the Cyprus Institute, the Electricity Authority of Cyprus, the Water Development Department, as well as MPs and business people.

[Holiday light exchange program under way](#)

ANCHORAGE, Alaska -- With the energy crisis heading into the holiday season, one store offered an incentive today for customers wanting to go green.

The Home Depot in Midtown kicked off its first holiday light exchange program. Customers turned in their old holiday light strings -- working or not -- in exchange for a discount on eco-friendly LED lights.

[UK - Traffic levels fall for first time in decades: Motor firms head for crash](#)

Traffic on Britain's roads is decreasing significantly for the first time since the three-day week of the early 1970s, suggesting the car economy is heading for a crash, official figures revealed yesterday.

In a sign that the country is already in recession, fewer car and lorry journeys on motorways, rural and urban roads were made over the last six months compared to the same period a year ago.

The Department for Transport (DfT) recorded two consecutive quarters where road traffic has decreased year on year – the first time for more than 30 years. If the trend continues to the end of the year, it will hugely undermine the "great car economy" championed by Margaret Thatcher.

At the same time, sales of new cars have fallen by 23 per cent and are at their lowest since 1996. The motor industry is suffering across the world, with Volvo, the Swedish giant, selling just 115 heavy trucks over the past few months, compared to 41,970 during the same period last year – a 99.7 per cent fall.

[The day the oil runs dry](#)

Oil, as we know, cannot last forever. Both Abu Dhabi and Dubai have begun to demonstrate that it's time to begin laying the groundwork within which their societies can operate without the financial benefits and guarantees that oil brings to the respective populations.

[Saudi Aramco Sticks to 2009 Oil-Production Target](#)

(Bloomberg) -- Saudi Aramco, the world's biggest state-owned oil company, still plans to expand production capacity to 12.5 million barrels a day next year as demand slows, according to Chief Executive Officer Khalid A. Al-Falih.

[Oil prices low? Chevron CEO says no](#)

SAN RAMON, CALIF. — Dave O'Reilly, the 61-year-old chairman and chief executive of Chevron, the fourth-largest publicly traded oil company in the world, heard all the rhetoric on energy throughout the contentious 2008 presidential campaign along with everyone else.

Now that the votes are counted and Democrat Barack Obama has been elected, the hard work begins — addressing a beaten-down economy and its lifeblood, energy.

[Alberta official says oil sands worth commitment](#)

In recent years, oil companies have poured millions into developing Canada's emerging oil sands, home to vast quantities of tar-like bitumen that can be upgraded into synthetic crude oil. But lately, the gold rush has shown signs of slowing.

Falling oil prices and tightening access to capital forced some to delay or cancel projects. Adding to worries are high labor costs, a controversial new government royalty program and widening environmental concerns.

But Iris Evans, Alberta's minister of finance and enterprise, says despite current challenges, the region remains ripe for development.

[Russia Will Defy Chavez's Call to Cut Oil Output, Kudrin Says](#)

(Bloomberg) -- Russia, the world's second-biggest oil producer, will defy calls from Venezuelan President Hugo Chavez to join the Organization of Petroleum Exporting Countries in cutting output and pursue an "independent" strategy, Finance Minister Alexei Kudrin said.

"The government isn't planning any restrictions of oil production in the near future," Kudrin, who also serves as deputy prime minister, said in an interview in Sao Paulo today. "We don't want to impose administrative barriers for restricting production. Oil businesses should estimate their own risks."

[Chavez Says Oil Price Decline Temporary, to Recover on Demand](#)

(Bloomberg) -- The fall in oil prices is temporary and will rebound because of high demand, Venezuelan President Hugo Chavez said.

Chavez cited a report from the International Energy Agency released this week saying oil-import prices will average \$100 a barrel between 2008 and 2015 and that the threat of a "supply crunch" remains.

[Automakers struggle to survive past mistakes](#)

DETROIT - At Ford Motor Co. they called it "Blue," a team set up around the year 2000 to design an array of small, fuel-efficient cars to compete with the Japanese.

It didn't get far because no one could figure out how to make money on low-priced compacts with Ford's high labor costs. Besides, the automaker was racking up billions in profits by selling pickups and sport utility vehicles. Times were good and gas was cheap.

"Blue" is only a small blip in automotive history, but it tells a big part of the story about why Detroit automakers are in a mess so critical they could be only months away from bankruptcy.

[Prices for oil, grains fall — but not for food](#)

While crude oil and grain prices have fallen considerably in recent weeks, food prices have not.

That's because some of the decreases in crude oil and grain prices — the rise of which contributed to the jump in food prices that began early this year — have not yet filtered through the food-supply system, industry analysts say.

[Iranian Economists Slam Ahmadinejad's 'Tension-Creating' Policy](#)

(Bloomberg) -- Iranian President Mahmoud Ahmadinejad's foreign and domestic policies are exacerbating the country's economic troubles in a time of "crisis," according to an open letter from 60 economists cited on state-run television.

The economists, including professors from universities and institutions around the country, criticized Ahmadinejad's "tension-creating foreign policy," which has "deprived the country of trade and foreign investment opportunities," satellite channel Press TV said on its Web site, citing extracts from the letter posted late yesterday.

[Venezuela, Russia commence offshore gas drilling](#)

CARACAS, Venezuela (Agencies): President Hugo Chavez inaugurated his country's first Venezuelan-Russian offshore natural gas project on Friday, hailing his country's increasingly close energy cooperation with Russia as a counterweight to US imperialism.

[Report says drilling on federal lands lagging](#)

WASHINGTON — The government isn't doing enough to expedite drilling in federal waters and on public lands, according to a report issued last week by congressional investigators.

In a review of the 55,000 federal oil and gas leases issued to energy companies by the Interior Department from 1987 to 1996, the General Accountability Office found that the vast majority expired without being drilled, and an even smaller amount actually produced oil and natural gas.

"We do not agree that Interior is pursuing expedited development of oil and gas leases,"

the report reads.

[Alberta oilsands giant Syncrude still hasn't agreed to pay more royalties](#)

EDMONTON - Just weeks before a \$1.4-billion oil royalty hike takes effect, Alberta's largest oilsands player still hasn't agreed to new rates, but Energy Minister Mel Knight insists there's no legal showdown coming.

[Kuwait doubles crude oil exports to China](#)

(KUNA) -- Kuwait's crude oil exports to China soared 111.2 percent in September from a year earlier to 800,300 tons, equivalent to around 196,000 barrels per day (bpd), the latest government data showed.

Kuwait provided 5.3 percent of China's total crude oil imports, compared with 5.1 percent in August, according to the figures released from the Chinese General Administration of Customs.

[China Announces \\$586 Billion Stimulus Plan](#)

China has announced a \$586 billion spending package to boost domestic demand while vowing to carry out "moderately easy monetary policies."

[Obama likely to tackle energy early on](#)

The Obama White House is widely expected to take up energy early on, after focusing on stabilizing the economy.

Obama and Democratic leaders on Capitol Hill will have to decide — likely by March — what new areas offshore they might be willing to open up for oil and gas drilling, congressional staffers and lobbyists say.

Also watch for an early push during the new administration to resurrect an energy package that stalled out in the current Congress. That plan would require electric utilities to generate a portion of their power using renewable energy sources, force oil companies to renegotiate offshore royalties and push new energy efficiency standards for buildings and appliances.

[Obama likely to boost alternative energy](#)

Barack Obama's election has members of the alternative energy world sounding positively giddy, an enthusiasm not shared by their competitors in the oil industry.

[The in-tray: Obama](#)

Obama needs to use this "warming window" to re-engineer America's, and the world's, economy to evolve away from fossil fuels, which, anyway, have only a decade or so left in them before peak oil starts to kick in. Never has there been a better moment to introduce a new electric "peoples' car" for example, now that Americans have finally turned their back on gas-guzzling trucks.

[Utilities bracing for stiffer rules on carbon emissions](#)

With President-elect Barack Obama taking over the White House and Democrats solidifying their control over Congress, utilities are bracing for a cap-and-trade program that rewards those firms that generate electricity without spewing so much carbon dioxide.

[Bush's seven deadly environmental sins](#)

Bush's myriad environmental sins could have him serving penance for years. But we decided to highlight seven of his most deadly. We also invited leading environmentalists to outline Barack Obama's mission for cleaning up the nation's land, water and air.

[Countdown to perilous global warming](#)

It may be that governments still entangled in the habitual rhetoric of free markets, are embarrassed by their new, unaccustomed role. It could be that, having outsourced the exercising of power to the market place, they feel unpractised and not sure what to do. But the climate clock is still ticking. Even, apparently, speeding up. And, they now have an enormous opportunity to do what democratically elected governments are meant to do – take responsibility and protect their people from disaster.



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