



DrumBeat: November 28, 2008

Posted by [Leanan](#) on November 28, 2008 - 9:40am

Topic: [Miscellaneous](#)

[David Strahan: Whatever happened to the hydrogen economy?](#)

WHATEVER happened to the hydrogen economy? At the turn of the century it was the next big thing, promising a future of infinite clean energy and deliverance from climate change. Generate enough hydrogen, so the claim went, and we could use it to transform the entire energy infrastructure - it could supply power for cars, planes and boats, buildings and even portable gadgets, all without the need for dirty fossil fuels. Enthusiasts confidently predicted the breakthrough was just five to 10 years away. But today, despite ever-worsening news on global warming and with peak oil looming, the hydrogen economy seems as distant as ever.

Even in Iceland, whose grand ambitions for a renewable hydrogen economy once earned it the title Bahrain of the north, visible progress has been modest. After years of research, the country now boasts one hydrogen filling station, a handful of hydrogen cars, and one whale-watching boat with a fuel cell for auxiliary power. A trial of three hydrogen-powered buses ended in 2007, when two were scrapped and the third was consigned to a transport museum. More trials are planned, but that was before the meltdown of the country's banking system. In California, where governor Arnold Schwarzenegger promised a "hydrogen highway" with 200 hydrogen filling stations by 2010, there are just five open to the public. Ten hydrogen-fuelled buses are due to come into service in London by 2010, but a plan for 60 smaller hydrogen vehicles was recently scrapped.

[Gas prices: Lowest since 2005](#)

NEW YORK (CNNMoney.com) -- Gas prices fell to their lowest level since 2005, coming within 4 cents of \$1.80 a gallon, according to a daily survey of gas station credit card swipes by motorist group AAA.

[Facing low oil prices, Venezuela reevaluates funding for Ecuador, Nicaragua refineries](#)

CARACAS, Venezuela (AP) _ A top official says Venezuela's state oil company is reevaluating how to pay for planned new refineries in Ecuador and Nicaragua because of the fall in oil prices.

The Venezuelan newspaper El Nacional says PDVSA vice president Elogio Del Pino says "international investments like the refineries in Ecuador and Nicaragua are under evaluation."

[Companies keep drilling for natural gas in East](#)

The deteriorating economy and a drop in natural gas prices has slowed a rush to snap up mineral rights to the thick, black rock called Marcellus shale, which stretches deep underground from West Virginia to New York state and could become the nation's most prolific natural gas reservoir.

But drilling goes on as exploration companies seek to make their investments pay off, changing places like Houston, an old iron and steel town near Pittsburgh which has become the epicenter of the exploration boom.

[Oil, taxes and development](#)

OSLO: Norway is a land of economic contradictions: a country that prides itself on its environmental record yet resumed whaling in 1993 despite an international moratorium, and a nation with a high per capita gross domestic product, thanks to oil and natural gas exports, yet with high taxes.

In charge of running this paradox is Prime Minister Jens Stoltenberg, 49, the head of a three-party coalition that has been in power since 2005. He spoke recently in Oslo about lower oil prices, development aid and, of course, taxes.

[Chesapeake Energy may sell \\$1.8B stock to get cash](#)

Chesapeake Energy Corp., the nation's largest producer of natural gas, seeks to raise up to \$1.8 billion through common stock sales in an effort to fund its drilling and exploration activities and mitigate the impact of lower natural gas prices on cash flow.

In two filings with the Securities and Exchange Commission late Wednesday, the company said it will issue shares worth as much as \$1 billion before fees and also registered 50 million shares worth at most \$791 million for potential sale.

[Gunmen seize Scottish oil worker in Nigeria - source](#)

LAGOS (Reuters) - Gunmen have kidnapped a Scottish man working for an oil services firm in the southern Nigerian oil city of Port Harcourt, a security contractor working in the oil industry told Reuters on Friday.

The source, who asked not to be named, said the man was kidnapped late on Thursday in the main city in the Niger Delta, heartland of Africa's biggest oil and gas industry.

[Russian missile plan gives a new European trade hub an old identity crisis](#)

Former President Boris Yeltsin saw it as the Russian Hong Kong, a free trade zone to entice foreign investors. Yeltsin's successor, Vladimir Putin, drew it closer to Moscow, planning a nuclear power plant that would export energy to Europe. As oil and gas wealth poured into Russia, more ideas emerged: Las Vegas-style gambling, for instance, and a constellation of luxury resorts.

The most recent idea arrived early this month, when President Dmitri Medvedev said Russia would stage short-range Iskander missiles in Kaliningrad if the United States proceeded with missile defense facilities in the Czech Republic and Poland.

[Scientists crack iceberg mystery](#)

Oslo - US scientists have figured out how icebergs break off Antarctica and Greenland, a finding that may help predict rising sea levels as the climate warms.

Writing in Friday's edition of the journal Science, they said icebergs formed fast when parent ice sheets spread out quickly over the sea.

"It won't help the Titanic, but a newly derived, simple law may help scientists improve their climate models" and predict ice sheet break-up, they said in a statement.

[Boreal forest lakes suffer from 'aquatic osteoporosis,' Queen's-York research team suggests](#)

Kingston, ON – A new and insidious environmental threat has been detected in North American lakes by researchers from Queen's and York universities.

Along with scientists from several Canadian government laboratories, the team has documented biological damage caused by declining levels of calcium in many temperate, soft-water lakes.

[Two degree rise could spark Greenland ice sheet meltdown: WWF](#)

GENEVA (AFP) – A less than two degree Celsius rise in global temperatures might be sufficient to spark a meltdown of the Greenland Ice Sheet and Arctic sea ice, the WWF warned in a new study released Thursday.

"Scientists now suggest that even warming of less than 2 degree Celsius might be enough to trigger the loss of Arctic sea ice and the meltdown of the Greenland Ice Sheet," the WWF said in a statement to accompany the findings.

"As a result, global sea levels would rise by several metres, threatening tens of millions of people worldwide."

[John Michael Greer: Looking for Roong Thisdara](#)

If the crisis we face could be met by making plans, we'd have little to worry about; the difficulty is that making plans is the easy part. Go digging in the archives of most American municipalities and you'll find an energy plan drafted and adopted, after extensive citizen input, in the 1970s, calling for exactly the changes that would have made matters today much less dire: conservation standards, public transit projects, zoning changes to reduce the need for cars, and so on. You'll have to brush a quarter inch of dust off the plan to read it, though, since nobody has looked at it since the Reagan years, and not one of its recommendations was still functioning when the housing boom began in the early 1990s. A certain skepticism toward another round of plans may thus be in order.

Yet there's a second dimension to the irony, because the recurrent gap between plan and implementation is not the only difficulty that has to be faced. The assumption common to all these plans is that it's possible to anticipate the process of transition to a deindustrial society in enough detail to make planning meaningful. I suggest that this assumption is badly in need of a hard second look.

[Energy Building massive projects in two phases is becoming the norm: expert says](#)

SAINT JOHN - Building a second oil refinery in Saint John in two stages would allow Irving Oil Ltd. to test market demand for petroleum products with the first phase and reassess whether to continue building at all.

Experts say low demand for petroleum now, a tight market for accessing credit and a labour shortage in New Brunswick all likely drove Irving Oil's decision.

"The economic return for refiners today is quite different than what it was when they proposed the project," said Cathy Hay, a senior associate at Calgary-based petroleum consulting firm M.J. Ervin & Associates Inc.

[Oil Price Decline Undercuts Policies of Oil-Rich Nations](#)

The plummeting price of oil is having an impact on nations that restrict oil exploration and production to state-owned companies. Analysts say many use the revenues to further their ideological objectives and expand their influence, and falling prices could

affect such policies.

[Dubai: Has the bubble burst?](#)

Gulf policymakers are still making cheery statements about the region's limited exposure to subprime loans but are quieter about heavy investments in inflated local property markets by regional banks, particularly Islamic ones. But worried banks are sharply reining in their mortgage lending. A series of arrests of senior businessmen as part of a fraud investigation is also making people twitchy. There is even talk of a coming "Gulf Enron".

[Chavez offering heat to villages](#)

With heating oil prices approaching \$10 a gallon in rural Alaska and reports of neighbors stealing fuel from neighbors to warm their homes, a Venezuela-owned oil company plans to supply free fuel to villages again this winter.

[Cheap gas stalls green efforts](#)

Advocates of energy conservation and renewable fuels may be the only ones in America looking back nostalgically on the days of \$4-a-gallon gasoline.

The political will to reform energy policy and the public's demand for alternative fuels and more efficient cars appear likely to fall off as rapidly as the price of a gallon of gas, posing a new dilemma for champions of green energy and conservation.

[Energy Fears as Kyrgyz Winter Approaches](#)

Kyrgyzstan faces uncertain times as winter approaches and electricity generation is so low that the government has been unable to honour a pledge to end power cuts.

Since August, the country has suffered rotating power cuts as part of an austerity programme to save water for a time, but the energy ministry promised these would end in October, well before temperatures started falling.

It is now late November, and the power cuts continue, albeit in changed form. Instead of blacking out whole areas for hours at a time, they are designed to kick in if a district gets through the "quota" of electricity assigned to it.

[Ethiopia - Be stocked or lose license. Ministry warns fuel stations](#)

The Ministry of Mines and Energy of Ethiopia (MoME) warned that it is going to revoke licenses of fuel retail stations if they are found empty in the coming week.

[Plug-in technology for cars has limits](#)

The bottom line is that the first 40 miles of driving has produced more CO₂ and has cost very close to the same in electrical energy as the roughly 0.9 gallon of gasoline that is saved. (The comparative numbers vary with the local costs of gasoline and electricity.) The only way this technology could work is if the recharge is done with renewable energy technology such as an adequate solar photoelectric panel array. The \$10,000 upfront battery cost and the solar array installation cost will never be recovered.

[Bangladesh's climate refugees search for higher ground](#)

HOAIKONG, Bangladesh (AFP) — In the mountainous village of Hoaikong in southeastern Bangladesh, villagers are used to welcoming new residents on a weekly basis.

The once-sparsely populated jungle, home to only a handful of tribal families, houses some 2,000 people who have sought higher ground as the island where they once lived becomes increasingly submerged by the sea.

[Crude mathematics: A plunging oil price means cheaper petrol now – and no fuel later as industry investment shrivels](#)

A snip at \$48.50. Now that the price of a barrel of benchmark Brent crude continues to fall like a stone in the global recession, a drop of no less than two-thirds since the high point of \$147.50 just four months ago, the relief is huge among motorists and hard-pressed consumers.

Conversely, for the oil-producing countries (especially Russia, Iran, Saudi Arabia, the UAE and Venezuela) it is potentially cataclysmic, though some, such as the US, may rejoice at that. But there is another dimension to this oil-price slide which has been little noticed, but which long-term is extremely serious.

If oil prices remain well below a certain critical level for any significant period of time, large amounts of investment in expected oil production capacity will simply be written off, and the consequence could then be a recovery-stopping supply-side crunch within little more than two years.

That critical level is widely reckoned within the oil industry to be \$90 a barrel. A current price as low as half that critical level is already forcing many companies to drop oil projects, and the banking crisis is also squeezing project financing for foreign oil companies operating in OPEC and outside.

[OPEC May Delay Output Decision Until December Meeting](#)

(Bloomberg) -- OPEC ministers, arriving in Cairo for a meeting tomorrow, said they may delay a decision on production levels until December as they assess the impact of their last supply cut amid falling demand.

“Now we are preparing the data and we will take the final decision in Algeria,” Iranian Oil Minister Gholamhossein Nozari said at his hotel in Cairo. Saudi Oil Minister Ali al-Naimi declined to speak as he arrived in Egypt today.

[Slim Chance of OPEC Oil Cut Before January, Global Insight Says](#)

(Bloomberg) -- Organization of Petroleum Exporting Countries, which supply more than 40 percent of the world's oil, has little chance of initiating a reduction in physical crude oil supply to markets before January, Global Insight Inc. said.

“With December approaching, the prospect of any further physical cuts before January is slim given advance sales allocations by a number of members,” Catherine Hunter, an energy analyst at consultant Global Insight, said today in an e-mailed statement. “This makes the meeting more about New Year's resolutions, rather than the immediate present, whatever the rhetoric surrounding Saturday's event.”

[Russia and Opec](#)

Russia, says President Dmitry Medvedev, is ready to "co-ordinate" - but not "collude" - with Opec to stabilise oil prices. Two other Russian ministers have been making similar noises, just as Opec prepares to meet in Cairo on Saturday to consider further output cuts. Yet before consuming countries quake about a new price-fixing alliance between the oil cartel and the world's second biggest crude producer, they should understand the precarious tightrope Moscow walks in relations with Opec.

[Roubini Sees Oil Falling Further 20%, Hurting Russia \(video\)](#)

Nouriel Roubini, the New York University professor who predicted the current financial crisis in 2006, talks with Bloomberg's Ellen Pinchuk about the outlook for oil prices and emerging market economies.

[UK energy shortfall to be filled by gas-fired stations as nuclear reactors are built, says EDF chief](#)

Lack of capacity in the nuclear construction industry means that Britain will have to rely on imported natural gas to meet an emerging shortfall in power generation over the

next decade, according to a senior executive of EDF, the French utility that has agreed to acquire British Energy, the nuclear power generator.

Bernard Dupraz, senior executive vice-president for power generation at EDF, said Europe did not have the engineering and construction capacity to build enough nuclear plant at sufficient speed to fill the gap left in Britain by the planned closure of elderly and obsolete power stations. "I think to fill this gap it will have to be gas-fired power stations," he said.

[China: Domestic oil to move closer to international prices](#)

Falling international oil prices have provided China an opportunity to reform its domestic fuel pricing system, an official has said to Shanghai Securities News.

Quoting an unnamed government source, the paper said the proposed reform would allow oil companies greater control on pricing of oil products in the domestic market.

[Europe Inflation Rate Drops Most in Almost 2 Decades](#)

(Bloomberg) -- Europe's inflation rate fell by the most in almost two decades and unemployment increased, adding to pressure on the European Central Bank to continue cutting interest rates to battle the recession.

[Missouri retailers selling gasoline without ethanol](#)

HOUSTON (Reuters) – Retailers across Missouri have been selling gasoline without ethanol blended into the motor fuel for several weeks, according to a state official.

The absence of the grain-based alcohol, used to reduce pollution, has pushed Missouri's gasoline prices to the lowest in the United States, said Ronald Hayes, director of weights and measures for the Missouri Department of Agriculture, which regulates gasoline sales.

"If the price for ethanol is more expensive than the price for gasoline, retailers can sell straight gasoline rather than with ethanol," Hayes said explaining state law.

[Western governors to Obama: Act quickly on energy](#)

SALT LAKE CITY – The governors of the nation's largest energy-producing states are encouraging President-elect Barack Obama to quickly adopt a national energy policy that will reduce greenhouse gas emissions.

The bipartisan Western Governors' Association delivered Obama a four-page letter outlining what steps it believes his administration should take to address the issue in his first 100 days in office.

[Sharp, Enel to tie-up in solar power](#)

TOKYO (AFP) – Japan's Sharp Corp. said Thursday it would team up with Italian utility Enel to develop solar power plants in the Mediterranean region, seeking to cash in on growing interest in clean energy.

[Jordan grapples with water crisis](#)

DEIR ALLA, Jordan (AFP) – Gasping for water and fearful that climate change will amplify its problems, Jordan is pinning its hopes for liquid salvation on a scheme with no parallel: hauling water from the Red Sea to replenish the Dead Sea.

The 3.5-billion-euro (4.5-billion-dollar) "Peace Canal" is the heart of the government's vision of slaking thirst in a country that is mostly bone-dry desert and one of the 10 driest places in the world.

[Global coal damage costs 360 billion euro annually: Greenpeace](#)

WARSAW (AFP) – The use of coal for energy production causes at least 360 billion euros worth of damage to human health and the environment every year, Greenpeace said in a new report published on Thursday.

"When taking into account about 90 percent of the global emissions and looking at these damages, we get a conservative but robust cost figure of 360 billion euros annually," Agnieszka Markowska, damages expert and co-author of Greenpeace's "True Cost of Coal" report told reporters in Warsaw.

[Bangladeshis rally against climate change](#)

DHAKA, Bangladesh – Some 500 women rallied in Bangladesh's capital on Thursday, demanding richer nations cut their greenhouse gas emissions and compensate the impoverished countries that experts believe will be hardest hit by the impacts of climate change.

The women, mostly rural poor, wore masks mocking leaders from wealthy nations such as France, Britain and the United States, and marched through Dhaka University's campus carrying banners that read "Cut emissions, save poor nations" and "Stop harming, start helping."

[This season, think inside the blue box](#)

It may seem like too much work to be eco-responsible when your to-do list is already as long as Santa's. But you could aim for "the 20 per-cent rule" – a reasonable cut in conspicuous consumption – and stuff a few stockings with a pocket-sized book that spells out pretty clearly why The Most Wonderful Time of the Year isn't all that wonderful for the environment.

Green Christmas: How to Have a Joyous, Eco-Friendly Holiday Season (Adams Media, \$8.99) focuses on the staggering extent of the holiday hangover south of the border and, since no one seems yet to have amassed similar seasonal statistics here in Canada, the numbers are worth bearing in mind.

[Global warming a major threat to Nigerians](#)

Lagos - Millions of Nigerians may have to flee rising sea levels in the next half century, as ocean surges swamp some of Africa's most expensive real estate and its poorest slums, scientists say.

Nigeria, stretching from the Sahara to the Gulf of Guinea, could come under triple attack from climate change as the desert encroaches on its northern pastures, rainfall erodes farmland in its eastern Niger Delta, and the Atlantic Ocean floods its southern coast.

But the greatest concern is the sprawling commercial capital, Lagos, one of the fastest growing cities in the world, spread over creeks and lagoons and dangerously close to sea level.

[US ready to climb into hot seat on climate change](#)

WASHINGTON (AFP) – Nations around the world are hoping the United States is set to come in from the cold and take a leading role in the fight against climate change as President-elect Barack Obama prepares to take office.

"It's a very exciting time. It's a moment we have been waiting for, many of us, for some period of time; we intend to pick up the baton and really run with it," Democratic Senator John Kerry told reporters, as he prepared to head to international climate change talks in Poland.



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