



## DrumBeat: February 25, 2009

Posted by [Leanan](#) on February 25, 2009 - 9:21am

Topic: [Miscellaneous](#)

### [StatoilHydro plans more than 2-mth Snoehvit halt](#)

OSLO (Reuters) - Norway's StatoilHydro said on Wednesday that it would stop production at a processing plant for its offshore Snoehvit gas field in the Arctic in mid-August for at least two months and possibly around 80 days.

The liquefied natural gas (LNG) processing plant on Melkoya island outside of Hammerfest on Norway's far-northern coast has been beset by teething troubles since the start-up in late 2007.

### [Threat of oil spill menaces Russian Pacific island](#)

The development of Sakhalin's energy industry has brought jobs and gleaming new business centres to this impoverished piece of Russia that used to be a prison colony in the 19th century.

It also promises to serve energy-hungry Asian economies, as underlined by the new liquefied natural gas (LNG) plant expected to send its first cargo to Japan next month.

But locals worry about the ecological impact on Sakhalin, a long and narrow island whose 800-kilometre (500-mile) length includes forests, taiga and rivers rich in salmon.

### [Iran tests its first nuclear power plant](#)

BUSHEHR, Iran – Iranian and Russian technicians are conducting a test run of Iran's first nuclear power plant, officials said Wednesday, a major step toward launching full operations at the facility, which has long raised worried the U.S. and its allies.

### [Space Solar Power Crowd Bets on Obama](#)

WASHINGTON - Advocates of using satellites to beam solar power from space to Earth hope U.S. President Barack Obama's campaign promise to develop alternative energy

sources will help resurrect NASA's interest in the technology.

NASA has been without an official space solar power program since 2002, although a coalition of government and private industry volunteers has kept alive visions of demonstrating how the United States might one day draw energy from the sun and transmit it to Earth via microwave beams.

### [China ramps up subsidies for energy-efficient light bulbs](#)

BEIJING (AFP) – China said it would subsidise the sale of 100 million energy-efficient light bulbs this year to cut energy use and pollution, double the number subsidised in 2008.

The move, also aimed at supporting bulb producers amid the global financial crisis, was announced by the finance ministry in a statement posted on its website late Tuesday.

### [Aspects Of The Post-Oil Community](#)

One thing that will hit Americans rather hard in the future is the problem of “individualism” vs. “collectivism.” Americans are loners. If you put a group of Asians on a desert island, they will get together and build a boat. If you put a group of Americans on a desert island, they will start arguing about property rights. The weakness of individualism could be seen during the Great Depression of the 1930s: in those days, the average person was isolated, lost, and afraid. It was a “shame” to be poor, so one could not even discuss the problem with one’s neighbors. The news media and the government largely denied that the Depression existed, so there was little help from them.

Closely related to the problem of individualism is that of the lack of ideological unity. The basic premises of any major discussion seem to be absent. In a typical crowd of Americans, half will deny that any of the dozen aspects of systemic collapse even exist, and most of the other half will say, “Well, I believe . . .” and proceed to spout whatever Pollyanna nonsense their illiterate brains have been filled with. Of course, if politicians never say a word about overpopulation, resource consumption, or any other real issue, then how can the average American be blamed for mental laziness? Well, perhaps there’s something to be said for intellectual responsibility. Certainly no one can say that informative books aren’t available — a good collection can be put together, at a dollar apiece, by roaming the second-hand stores, since nobody seems interested in reading books these days.

### [U.S. gas drilling boom stirs water worries](#)

HICKORY, Penn. (Reuters) - On a snowy hillside in rural southwest Pennsylvania, Larry Grimm drives his truck up a steep gravel track to a hilltop reservoir surrounded

by orange plastic fencing and "keep out" signs.

The pond supplies water pumped from a local creek to the natural gas wells that are springing up throughout Mount Pleasant Township, where Grimm is the municipal supervisor.

Range Resources Corp, the Texas company that has drilled 68 wells in the township, needs millions of gallons of water for "hydrofracking," a process that forces a chemical-laden solution deep into the rock, allowing natural gas to be released.

### [Study: Antarctic glaciers slipping swiftly seaward](#)

GENEVA – Antarctic glaciers are melting faster across a much wider area than previously thought, scientists said Wednesday — a development that could lead to an unprecedented rise in sea levels.

### [Bird Study Highlights Loss Of Wildlife Knowledge From One Generation To Another](#)

Our ability to conserve and protect wildlife is at risk because we are unable to accurately gauge how our environment is changing over time, says new research in Conservation Letters.

The study shows that people may not realise species are declining all around them, or that their local environment may have changed dramatically since their parents' and grandparents' days, and even in their own lifetime.

### [Nigeria could triple LNG output if weathers crisis](#)

ABUJA (Reuters) - Nigeria could triple its output of liquefied natural gas (LNG) in a few years if planned projects are not cancelled or delayed due to the global economic crisis, the head of Nigeria LNG Limited said on Wednesday.

Nigeria could add 40 million tonnes per year from the current 22 million tonnes should plans for Brass LNG, Olokola LNG and an expansion at NLNG follow through, said Chima Ibeneche, NLNG's managing director.

### [Shell Oil to invest up to \\$32 bln in world energy](#)

WASHINGTON (Reuters) - Shell Oil Co President Marvin Odum said on Wednesday the company will invest between \$31 billion and \$32 billion worldwide this year "to develop a broad portfolio of energies."

### [Opti Canada loss balloons](#)

CALGARY — Oilsands company Opti Canada Inc. reported its annual loss ballooned to \$257-million in 2008 from a year-earlier \$9-million on a \$392-million pretax asset impairment provision related to sale of a working interest in the Long Lake project to joint venture partner Nexen Inc.

### [Sasol declares force majeure at chemicals plant](#)

JOHANNESBURG (Reuters) - Petrochemicals group Sasol declared a force majeure on chemicals out of its Germiston plant in South Africa after a fire destroyed four tankers at the plant last month, the company said on Wednesday.

Spokeswoman Jacqui O'Sullivan said the investigation into the cause of the accident was still ongoing, but should be concluded shortly. The plant was still shut, she said.

### [Michael Klare - A Planet on the Brink: Economic Crash Will Fuel Social Unrest](#)

*Governments across the planet are preparing for a surge of violent protests from economic upheaval. Wars may follow.*

The global economic meltdown has already caused bank failures, bankruptcies, plant closings, and foreclosures and will, in the coming year, leave many tens of millions unemployed across the planet. But another perilous consequence of the crash of 2008 has only recently made its appearance: increased civil unrest and ethnic strife. Someday, perhaps, war may follow.

As people lose confidence in the ability of markets and governments to solve the global crisis, they are likely to erupt into violent protests or to assault others they deem responsible for their plight, including government officials, plant managers, landlords, immigrants, and ethnic minorities. (The list could, in the future, prove long and unnerving.) If the present economic disaster turns into what President Obama has referred to as a "lost decade," the result could be a global landscape filled with economically-fueled upheavals.

### [Climate Fears Are Driving 'Ecomigration' Across Globe](#)

Adam Fier recently sold his home, got rid of his car and pulled his twin 6-year-old girls out of elementary school in Montgomery County. He and his wife packed the family's belongings and moved to New Zealand -- a place they had never visited or seen before, and where they have no family or professional connections. Among the top reasons: global warming.

Halfway around the world, the president of Kiribati, a Pacific nation of low-lying islands, said last week that his country is exploring ways to move all its 100,000 citizens to a new homeland because of fears that a steadily rising ocean will make the islands uninhabitable.

The two men are at contrasting poles of a phenomenon that threatens to reshape economies, politics and cultures across the planet. By choice or necessity, millions of "ecomigrants" -- most of them poor and desperate -- are on the move in search of more habitable living space.

### [Japan's crisis deepens as world stops buying](#)

Exports collapsed by 46% last month with a spectacular dive in car purchases while the Japanese dip into nest eggs.

### [Saudi ships first crude to China Fujian refinery](#)

DUBA (Reuters) - Saudi Arabia has sent its first cargo of crude to an upgraded refinery in China's southeastern province of Fujian, the state oil firm Saudi Aramco said on Wednesday.

The Fujian Refining and Petrochemical Co. Ltd is a \$5 billion joint venture between Sinopec, Exxon Mobil and Saudi Aramco.

Saudi Arabia overtook Angola to become the biggest oil supplier to China in 2008, accounting for a fifth of its supplies. China is the third-largest buyer of Saudi crude after the United States and Japan.

### [Aramco Acquires Final Strategic Storage Site](#)

The FINANCIAL -- Saudi Aramco officially took control of the al-Qasim Strategic Storage Site recently with a ceremony for the signing of the initial delivery certificate.

### [DME may be benchmark for pricing Aramco oil](#)

Saudi Arabia-based Aramco, the world's largest oil company, is closer to pricing its oil against the Dubai Mercantile Exchange (DME) benchmark, according to a top exchange official.

...The onset of the credit crisis and the plummeting oil prices in 2008 served as a "catalyst" for DME to attract national oil companies to price their crude against the Oman contract.

## [UKRAINE: Between the Kremlin and a Hard Place](#)

WASHINGTON (IPS) - Ukraine's internal political problems and tensions with Russia threaten its path to stability and its candidacy for NATO and the EU, warns a new Council on Foreign Relations (CFR) report.

The report, "Averting Crisis in Ukraine," analyses the country's difficulties related to both domestic conditions, including its often disorderly politics, and foreign policy, such as issues related to Ukrainian and European dependence on Russia's natural gas.

## [Mexico's Pemex Calls 170-Well Chicontepec Drilling Tender](#)

MEXICO CITY -(Dow Jones)- Petroleos Mexicanos on Tuesday announced a 170-well tender for the Chicontepec oil region where Mexico plans to be pumping up to 700,000 barrels a day by 2017.

Mexico is aggressively developing Chicontepec, which spans three states in northern Mexico, to help offset declining production at the country's traditional oil fields.

## [Clean energy vital for economic growth and recovery](#)

"We know the country that harnesses the power of clean, renewable energy will lead in the 21st century", President Obama said promising to invest \$15 billion a year to develop technologies like wind and solar power; advanced biofuels, clean coal, and more fuel-efficient cars and trucks.

But is it enough? Participants in January's World Economic Forum in Davos concluded, for example, that clean energy investments of \$515 billion per year is needed between now and 2030 for carbon emissions not to reach levels deemed unsustainable by scientists.

"Even with a huge increase in spending on energy alternatives it is highly unlikely that renewable, advanced biofuels, and climate safe coal will be available on large enough scale in 2030 to make up for what is likely to be an inadequate supply of oil and natural gas", says Michael T. Klare, professor at Hampshire College in his article "Navigation the Energy Transition".

## [How the Carbon Casino Pits Ecologist Against Ecologist](#)

Robert Falls helped create the David Suzuki Foundation. Now he calls it an obstacle to restoring degraded ecosystems.



## [A collapsing carbon market makes mega-pollution cheap](#)

'Roll up for the great pollution fire sale, the ultimate chance to wreck the climate on the cheap. You sir, over there, from the power company - look at this lovely tonne of freshly made, sulphur-rich carbon dioxide. Last summer it cost an eyewatering €31 to throw up your smokestack, but in our give-away global recession sale, that's been slashed to a crazy €8.20. Dump plans for the wind turbine! Compare our offer with costly solar energy! At this low, low price you can't afford not to burn coal!'

## [Oil's not well in Canada](#)

When a nation cannot safeguard its citizens against freezing in the dark, nor control how much energy it exports, nor set the price at which citizens can buy back their own energy from foreign transnational corporations, it is not an energy superpower, it is an energy satellite.

"A colony or satellite is a people who lose control of their resources to a foreign power," according to Gordon Laxer, political economist and director of the University of Alberta's Parkland Institute. "Canada is prohibited from using its oil to supply half its citizens during international shortages. No other country is forbidden from using domestic resources to provide for its own citizens."

As citizens of a democracy, Canadians naturally expect their own government to put them first in any and all emergencies. "What are governments for if they're not going to do that?" Laxer wonders. "I think the Canadian government wants to focus on American energy security, not Canadian, because they see their interests not as protecting Canadians, (but) as being consonant with the corporate interest..."

Oil shortage emergencies are coming. The International Energy Agency's 2008 report states the era of Peak Oil is imminent. Once the current economic crisis is over, the world will begin experiencing a unending and worsening series of oil supply shocks.

Canada, alone among major industrialized countries, has stripped itself of its energy sovereignty and now faces a succession of severe crises.

Canada has no Strategic Petroleum Reserve (SPR). It exports 65 per cent of its oil and 59 per cent of its natural gas to the U.S. In 2007, it imported 50 per cent of its oil refinery needs, including a small amount of refined oil, from the U.S. Most of those imports come from unstable Organization of Petroleum Exporting Countries (OPEC) nations such as Iraq and Algeria.

## [Oil above \\$40 as market digests Bernanke comments](#)

VIENNA, Austria – Oil prices rose above \$40 a barrel Wednesday after the Federal Reserve chief said U.S. banks will not be fully nationalized and that the U.S. economy may emerge from recession by year-end.

The rise in prices was kept in check, however, by a steady stream of grim economic news.

### [Venezuela to Propose March OPEC Cut, Rodriguez Says](#)

(Bloomberg) -- Venezuela will propose that the Organization of Petroleum Exporting Countries further cut output next month amid declining prices, Finance Minister Ali Rodriguez said today on Venezuelan television.

Venezuela, Iran and Iraq have all indicated that OPEC is prepared to cut production again when it meets on March 15. The group agreed Dec. 17 on output constraints that would reduce supplies in January by 2.2 million barrels a day from December levels. That followed pledges to remove 2 million barrels a day in the fourth quarter of last year.

### [Angola May Devalue Kwanza Within Six Months, Standard Bank Says](#)

(Bloomberg) -- Angola may be forced to devalue the kwanza as the central bank becomes reluctant to drain foreign- exchange reserves to support the currency following the plunge in oil prices, according to Standard Bank Group Ltd.

The currency of Africa's second-biggest crude-producing nation may weaken as much as 11 percent to 85 per dollar "over the next six months," Michael Hugman, an emerging-market currency strategist at Standard Bank, Africa's biggest lender, said in a telephone interview from London today.

### [Oil chiefs urge offshore drilling](#)

WASHINGTON – Executives of the biggest oil companies are taking their case for expanded offshore drilling to Congress, even as Democratic congressional leaders and the Obama administration promise to put some limits on energy development along the nation's coasts.

The executives were testifying Wednesday before the House Natural Resources Committee. The panel previously heard from opponents to drilling and from officials representing the governors from a number of coastal states.

### [Opportunities Amidst Crisis](#)

I am bullish on oil. Although I'm philosophically not very sympathetic to the peak oil theory, I think it's a geological fact. Also, China and India and the other developing parts



of the world don't use a whole lot of oil now. As they develop, they will to want—and almost need—to use a lot more oil. That's going to keep pressure up on the demand side. But the supply side actually finally is constrained, so it's going to mean higher prices. In a depression-type environment, U.S. and Western oil consumption could drop a lot, but the third world would take up most of that slack. So I have to be bullish on oil.

### [Oil tanker escapes gunmen off Nigeria](#)

Port Harcourt - Gunmen attacked a Russian oil tanker off the coast of Nigeria's volatile Niger Delta but the crew managed to steer the vessel to safety, security sources said on Tuesday.

Gunmen in speedboats attacked MV Katanga, chartered by a Murmansk-based company, about 20 nautical miles off Nigeria's southern state of Rivers on Monday in the latest act of piracy in the region.

### [Russia enters LNG market](#)

At the inaugural event, Aso said Japan particularly valued the geographic proximity of gas and oil from Russia's Far East, compared with Middle Eastern sources. Japanese companies are now planning with Gazprom to launch the Sakhalin-3 project, envisaging exports of gas to Asian countries from 2020 onward.

Geographic proximity, however, is not necessarily synonymous with supply security if Russia is the source, as the experience at Sakhalin has demonstrated. In 2006 and 2007, Russian authorities compelled the Sakhalin-2 consortium partners to change the terms of their production-sharing agreement and also to cede part of their assets to Gazprom.

### [Iraq PM: Economy must diversify away from oil](#)

BAGHDADv - Iraq's prime minister says if the country depends on revenues solely from oil it will be more vulnerable to financial crises around the world.

Prime Minister Nouri al-Maliki says that Iraq will diversify its revenue streams by using funds from increased oil production to start new enterprises.

### [Obama's economic agenda: a timely review](#)

By mandating insulation standards for buildings, and mileage standards for cars, we get some marginal energy savings and we get lots more investment opportunities. But in terms of long-term energy usage, or energy independence, an emphasis on energy-

efficient cars represents a very misguided choice of priorities.

### [Support wanes for additional automaker aid](#)

Just one-fourth of Americans think the government should continue lending money to Detroit automakers, according to a new USA TODAY/Gallup Poll, even though the manufacturers say they'll go out of business without federal help

That's a huge, and fast, change of heart. In December, before the government approved emergency auto loans, the poll found that 61% favored some kind of government help.

"The more people understand what's wrong with General Motors, (GM) the less willing they are to support it," says Porter Stansberry, head of Stansberry & Associates Investment Research.

### [No excuse to not get on your bike, Brisbane residents told](#)

BRISBANE city-fringe dwellers have been told to get on their bikes and stop making excuses.

International design and planning company EDAW has released a ``No Excuse Zone" map of Brisbane, which urges residents living within a 9km radius of the CBD to ride bikes to work.

### [Three Mile Island re-licensing process continues](#)

Midstate residents questioned whether Three Mile Island is safe and secure Tuesday as federal officials decide whether to renew the license for the nuclear power station.

The U.S. Nuclear Regulatory Commission held a meeting at the Harrisburg-Hershey Sheraton to gather public comment on a draft report that is part of the re-licensing process for TMI's Unit 1. The unit is the only one that has operated at TMI since Unit 2 was crippled in a partial meltdown in 1979.

### [New wind regs are in the works](#)

Natrona County's development department hopes to have better rewritten regulations about commercial wind farms presented to the county commission in three months, the department's director said Tuesday.

"We've got them scheduled about when wind regulations get to you," Blair Leist told commissioners at a work session. Commissioners do not make formal decisions during

work sessions.

### [Leviathan Energy's Wind Lotus in Action At Eilat Energy Conference in Israel](#)

One product — the low-cost Benkatina Turbine, a hydroelectric turbine — is about to go commercial any month now in the northeast United States. “We are the first in-pipe turbine,” he says. “We are currently working on contracts for use in fresh and dirty water systems.”

### [Downturn may green oil patch, GE chief says](#)

General Electric Co., which provides everything from financing to high-tech machinery to the global oil and gas industry, including Canada's oil sands, believes the crashing economy and reduced budgets in the oil patch will give green technology in the energy sector a boost.

GE's theory runs counter to conventional wisdom, which argues green issues will be put on the back burner as politicians focus on reviving the global economy and rescuing the world's financial system.

### [China's environment problems serious: minister](#)

SHANGHAI (AFP) — China's environmental problems remain serious with local governments not putting enough pressure on businesses to control pollution, the nation's environment protection minister has said.

Efforts to toughen environment laws have not done enough to fix the widespread problems for China's air, lakes and rivers, Zhang Lijun said on Tuesday, according to the official Xinhua news agency.

"The general situation of environmental pollution does not allow us to be optimistic," Zhang was quoted telling a national meeting on pollution control in Shanghai.

### [China Exports Made It World's Largest Greenhouse-Gas Factory](#)

(Bloomberg) -- China became the world's biggest generator of greenhouse gases largely by making electronics, metals and chemicals for wealthier countries.

Export manufacturing comprised about half of China's 45 percent increase in carbon-dioxide emissions from 2002 to 2005, the Center for International Climate and Environmental Research said on its Web site. Developed nations bought a majority of the goods, according to the Oslo-based group, which contributed to the study being

published in Geophysical Research Letters.

### [Obama calls for carbon cap legislation](#)

WASHINGTON, (AFP) – President Barack Obama urged Congress to draft legislation setting market-based caps on the emissions of carbon gases in a landmark move in the United States to combat global warming.

"To truly transform our economy, protect our security, and save our planet from the ravages of climate change, we need to ultimately make clean, renewable energy the profitable kind of energy," Obama told lawmakers in his maiden speech to Congress.

### [Economic Crisis Complicates California's Goals on Climate](#)

COLTON, Calif. — Only a few years ago, CalPortland planned on keeping its plant here operating as long as Mount Slover's limestone held out. For more than a century, Colton's kilns and crushing machines have been churning out cement for the streets and buildings of Los Angeles.

But the company says the plant's future is now uncertain. The recession has sent cement prices plunging, lowered profits and forced CalPortland's drivers to cut back on hours. And the company says it faces new expenses: the cost of meeting California's new requirements that manufacturers take steps to curb emissions of carbon dioxide, the main heat-trapping gas linked to global warming.

### [Scientists find bigger than expected polar ice melt](#)

GENEVA (AFP) – Icecaps around the North and South Poles are melting faster and in a more widespread manner than expected, raising sea levels and fuelling climate change, a major scientific survey showed Wednesday.

The International Polar Year survey found that warming in the Antarctic is "much more widespread than was thought," while Arctic sea ice is diminishing and the melting of Greenland's ice cover is accelerating.



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