



Drumbeat: March 29, 2009

Posted by [Leanan](#) on March 29, 2009 - 9:47am

Topic: [Miscellaneous](#)

[Washington is stimulating 'underwater' projects](#)

Several shovel-ready projects being funded by the stimulus bill could be scuba-ready within the century.

Highways, housing and a school receiving some \$60 million under President Obama's massive economic recovery plan face increased flooding -- or complete submersion -- within the lifetime of his daughters, environmental groups and scientists warned yesterday.

Take Highway 87 in Texas. The paved strip pokes south like a pin along Bolivar Peninsula, a finger of land that parallels the mainland before ending in the Gulf of Mexico near Galveston. The road is set to be improved using \$12 million from the emergency spending spree that is meant to resuscitate employment and spark a financial comeback.

But the peninsula could be an island in 90 years or so, submerging parts of the road and leaving the dry sections accessible only by boat, according to one model showing a 3-foot rise in seawater.

[Saudi Aramco opens new storage facility](#)

Saudi Aramco has opened a new refined oil products storage facility allowing for greater flexibility in refinery maintenance scheduling and the minimisation of supply disruptions, the state news agency said on Sunday.

The 650,000 barrel facility, situated underground in Qassim, central Saudi Arabia, is linked to a distribution terminal with a 46-mile-long (74-km) oil pipeline, state news agency SPA said.

[Why Is Oil Above 50 Dollars?](#)

U.S. light crude closed last week at the price of 52.29 dollars. Meanwhile, there are differing views on the reasons behind rising prices. There are some who believe that the

price of crude oil climbing from about 35 dollars a few weeks ago, to more than 50 dollars at present, is due to the optimism inspired by steps taken by the American administration in proposing appropriate solutions to the financial crisis. On the other hand, there are others who ascribe the rising prices to the firm commitment by OPEC member states to production cuts. Moreover, some also believe that the recovery of prices is due to the optimism that the G20 summit will reach viable solutions.

What are the factors, then, behind this increase in price from its previous very low level (35 Dollars) to stabilizing at 50 dollars, for two weeks in a row now?

[Brazil Drops Swap of Oil Rights for Petrobras Stock, Folha Says](#)

(Bloomberg) -- A commission reviewing Brazil's oil rules has dropped plans to swap unleased offshore oil blocks for stock in Petroleo Brasileiro SA, Brazil's state-controlled oil company, the Folha de S. Paulo newspaper said.

The decline in the world economy makes such a plan, supported by Petrobras, as the oil company is known, unnecessary, the newspaper said, citing conversations with at least three government ministers.

[Military eyes Alaska for synthetic fuel project](#)

JUNEAU — The U.S. military has pegged Alaska as the ideal place to launch a pilot initiative using synthetic fuels to power jets, which could offer an anchor for developers of coal or gas-to-liquids plants.

Department of Defense fuel procurement officials put out feelers in March for interested parties who might contract to provide the fuels, made with a feedstock of natural gas or coal using a Fischer-Tropsch gasification process.

[Tips for Using Compact Fluorescent Bulbs](#)

In a guide they wrote, lighting experts at the Rensselaer Polytechnic Institute said compact fluorescent bulbs require “a little insight and planning.”

That may be an understatement. While research suggests that compact fluorescent technology has improved in the last decade, the bulbs do not replicate the performance of incandescents, the bulbs to which most people are accustomed.

[Islamic banking best option during crisis, say experts](#)

Gulf oil producers and other countries should switch to Islamic banking as an alternative to the traditional financial system that has triggered the global economic distress, two Arab experts have said.

While many traditional banks in the region and worldwide have been severely hit by the crisis, Islamic banks have easily weathered the storm and continued their rapid growth to demonstrate that such a type of banking is a safe practice and the right alternative business, they said.

[Cost Works Against Alternative and Renewable Energy Sources in Time of Recession](#)

WASHINGTON — Windmills and solar panel arrays have become symbols of America's growing interest in alternative energy. Yet as Congress begins debating new rules to restrict carbon dioxide emissions and promote electricity produced from renewable sources, an underlying question is how much more Americans will be willing to pay to harness the wind and the sun.

[Is Thorium an Energy Alchemist's Dream?](#)

Advocates say that already existing thorium fuel and reactor technology could provide centuries and perhaps millennia of safe, abundant nuclear power. Are they right?

[Hard times mean new opportunities for Big Oil](#)

HOUSTON (AP) — Plunging crude prices have begun to play out in favor of Western oil companies in one regard, giving them leverage with oil-rich countries that only months ago had no reason to compromise.

Countries like Venezuela, Libya and Russia have kept a tight grip on their vast oil reserves in recent years as crude prices soared above \$100 per barrel, translating into big revenues. Much of that money, rather than going back into the oil industry, was spent on unrelated political and social programs.

At \$50 per barrel, these countries are far more constrained and can't adequately fund some oil and gas projects.

[Economy Woes Won't Delay Inpex LNG Projects](#)

Japan's oil and gas producer Inpex Corp. will push ahead as scheduled with two big offshore liquefied natural gas projects in Australia and Indonesia, despite the credit crunch, low energy prices and falling demand.

[Key UN report to suggest power-sharing plan in Iraq's divided Kirkuk](#)

KIRKUK, Iraq (AP) — Seeking to head off an explosion of ethnic violence, the United Nations will call for a power-sharing system of government for Iraq's deeply divided region of Kirkuk in the oil-rich north.

A draft U.N. plan, outlined to The Associated Press by two Western officials, aims to defuse dangerous tensions. Kurds, a majority in the region, have been trying to wrest control from Arabs, Turkomen and other rival ethnic groups. If open warfare breaks out, it could jeopardize the U.S. goal of stability across Iraq before elections at year's end.

[Testimony to the Australian Senate inquiry into public transport funding](#)

I have had 37 years in the oil industry. I was CEO of a large company for the last 16 years and I have just retired. As Bruce pointed out, that company produced about half a million barrels a day, which is sort of Australia's consumption. From the 16 years of exploring the world, I would make the following observations: there are virtually no unexplored basins in the world. The ones that there are might be in the Arctic, and that illustrates the point quite neatly because it is obviously really difficult to get that.

The underlying fact here is that the world is consuming 30 billion barrels of oil a year and finding eight. It has been like that since 1980, maybe a little bit earlier, and it is certainly not getting any better. There are two further things. People say, 'Look at the subsalt discoveries in the Gulf of Mexico and Brazil.' I would say, those are extremely difficult resources to produce. You will notice, of all the discoveries in the deep water Gulf of Mexico, not one barrel has been produced; not even on the list. It is the same for Brazil: it is subsalt and it is really difficult to produce.

[The anti-capitalist movement's time has come](#)

Whatever they decide, the G20 and other leaders are going to be faced with increasing unrest from those paying with their jobs, their social security and their taxes for a crisis not of their making and a bailout not of their choosing. From Haiti to India, people are rioting over food. We are entering a singular moment of climate chaos and food shortages, a social and energy crisis as well as financial meltdown. The solutions the "alter-global" networks have developed offer a way out that is based on whole systems thinking. Fundamental to this vision is an economy that meets the needs of everyone on a planet of finite resources.

Which is why the climate camp in the City of London, with its slogan "Because nature doesn't do bailouts," is one of the most interesting of all the movements coalescing in the British capital next week. It's a potent mix of seasoned anti-globalization activists who are skilled in creative direct action and a new generation that is energized and refreshingly undogmatic. The camp has taken a key component of the globalization movement — the temporary autonomous zones of street parties and convergence

centers liberated in cities during summit protests — to a new level, creating a transformational space which prefigures the world they want, featuring everything from wind turbines and composted waste to decentralized decision-making and creative play.

[Peak oil theory appears irrelevant](#)

AMIDST global economic gloom, interesting news is pouring in — from all around — tarnishing still further the Peak Oil theory. The world not only appears awash with oil, the future is also not that dismal as painted by Mat Simmons and the likes.

Erosion of demand is being expressed, and rightly so. Questions are being raised about the future of the oil industry and the state of investments in the sector. Question marks about the ability of the industry to pace with the future crude consumption patterns are definitely in circulation. Yet interesting news in recent weeks is enough to keep adrenaline going. And the very credibility of the theory that oil era is finally coming to an end seems destined to the dustbin of history — at least for the time being. The oil era is here to stay for some time now.

[Can the West cultivate ideas from Cuba's 'Special Period'?](#)

(CNN) -- Since the revolution in 1959 Cuba has been many things to many people, but the collapse of the Soviet Union meant few have seen the island state as a vision of the future.

But that could be changing -- at least in one aspect.

As worries about "peak oil" grow in developed nations, the communist republic is proving to be an increasingly popular example of how to cope when the spigots run dry, for the simple reason: they've already been there.

[Oil scarcity will spell end of globalisation: Report](#)

TORONTO: The world may no longer be flat very soon.

Contrary to what Thomas Friedman said told us after his analysis of globalisation, the world will indeed become a 'whole lot smaller' very soon, if a top Canadian economist is to be believed.

Jeff Rubin, who quit as chief economist of Canadian Imperial Bank of Commerce (CIBC) here Friday to promote his book 'Why Your World Is About to Get a Whole Lot Smaller,' said the coming oil scarcity will change the world more profoundly than any other crisis.

[Falling oil prices bring fear of supply shock: CERA](#)

The collapse in oil prices could end up cutting the growth in future oil supply in half from what would have been anticipated during the high price period, according to a new study from Cambridge Energy Research Associates (CERA), an IHS Inc. company. The Long Aftershock concludes that about 7.6 million barrels per day (mbd) out of total potential future net growth of 14.5 mbd from 2009 to 2014 are “at risk.”

“The inventory of potential new oilfield developments, including fields that could be developed and brought online during the next five years, remains adequate to meet likely demand in the medium- to long-term,” says CERA Senior Director Peter M. Jackson, an author of the report. “This, however, depends on sufficient and timely investment.”

[Stored oil keeps lid on cash crude diffs: traders](#)

HOUSTON (Reuters) - The availability of crude oil stored on tankers at sea appears to be holding down U.S. cash crude differentials, industry sources said on Friday.

Shuttle tanker traffic has increased between tankers too large to enter U.S. ports and Gulf Coast refineries, suggesting some oil is moving into the onshore distribution network, tanker operators said.

[Mexico eyes tracking stock for state's Pemex - sources](#)

MEXICO CITY (Reuters) - Mexico is studying the creation of a special class of shares for state oil company Pemex that would trade on the local stock market, according to two people who have seen a government presentation on the subject.

[PetroChina bites off more than it can chew](#)

It was fun while it lasted. In the autumn of 2007, PetroChina spent a glorious 31 days as the world's largest company by way of market capitalisation, toppling some sorely aggrieved Texans. Since then the market value of the Chinese company has fallen by two-thirds, while ExxonMobil has lost a quarter.

[Sinopec 2008 Net Profit Falls 47% on Fuel Price Curbs](#)

(Bloomberg) -- China Petroleum & Chemical Corp., Asia's biggest refiner, posted its first annual profit decline in seven years because of government curbs on fuel prices and as the global recession sapped energy demand.

[Kuwait comfortable with oil at \\$50](#)

Kuwaiti oil minister Sheikh Ahmad Al Abdullah Al Sabah said on Sunday the OPEC member was comfortable with the current level of oil prices, given the state of the global economy.

Asked if he was comfortable with oil prices around \$50 a barrel, Sheikh Ahmad said: "Yes, of course. It goes with the economic situation".

[Saudi Arabia to make wider use of I-Fields technology](#)

Saudi Arabia is planning to step up the use of the more advanced Intelligent Fields (I-Fields) in the development of its hydrocarbon sector after a successful I-Fields experience at its largest oilfield.

The state-owned Saudi Aramco, the world's largest oil producing company, said it had created a team to undertake I-Fields operations as it is pushing ahead with major expansion projects to increase its sustainable oil output capacity and maintain the present capacity in the medium term.

[Fate of Kuwait refinery project hangs in balance](#)

(AP:KUWAIT CITY) The fate of Kuwait's controversial \$14 billion project to build a new refinery will be determined after parliamentary elections, the oil minister said late Saturday.

The official Kuwait News Agency quoted Sheik Ahmed Al Abdullah Al Sabah as saying the plan to build the refinery was "currently frozen" by a Cabinet decision.

[Five Reasons to Invest in Agriculture](#)

Two economists at Merrill Lynch coined the term "Agflation" in Spring 2007. It means an increase in the price of food that occurs not only from increased demand from human consumption, but also from its use as an alternative energy resource. As oil stands over \$52 now, demand from the biofuels industry should also help demand for agricultural products. Also, "peak oil" means the price increases for grain, soybean, and corn may be more long-lived.

[Fuel efficiency standards hiked for 2011](#)

WASHINGTON - The Obama administration has raised fuel efficiency standards for

new cars and trucks in the 2011 model year, according to CNBC — the first increase in passenger car standards in more than two decades.

[March auto sales faring no better](#)

NEW YORK (CNNMoney.com) -- Auto sales in the first two weeks of March were down 40% compared to the same period last year, according to industry analysts at J.D. Power and Associates.

[Tesla Unveils Four-Door Electric Sedan](#)

HAWTHORNE - Electric car start-up Tesla Motors Inc unveiled its newest, cheapest vehicle on Thursday, a four-door sedan that can carry five adults and could travel up to 300 miles per charge.

[The RV: Going the way of the dinosaur?](#)

In the worst economic crisis since the Depression, the RV is facing perhaps its gravest challenge as sales have plummeted, manufacturers have filed for bankruptcy or gone out of business, and lofty expectations of a grander profile for recreational vehicles have been drastically cut.

Even the most pessimistic economy watchers will acknowledge that someday people will begin buying cars again, only because they have to. That assumption, though, does not apply to RVs, which are not essential purchases, can easily cost a quarter of a million dollars and are relentless binge drinkers of fuel.

"This is the worst it's ever been," said Robert Olson, chairman and chief executive of Forest City-based Winnebago Industries Inc., the market leader and the brand synonymous with RVs. "But you always have to look at a silver lining. . . . I think the industry will come back.

[Keys to the kingdom: Inside Saudi Arabia's royal family](#)

A dispute over Saudi Arabia's royal succession burst into the open yesterday, revealing a power struggle in which one of the most senior princes in the oil-rich kingdom is reported to have disappeared. The prospect of instability in a country that is not only the world's largest oil exporter but also a key Western ally at the heart of the Middle East will cause serious concern in Washington, London and beyond.

[The Pentagon looks at green options](#)

The stakes are high, with the army estimating that reducing fuel consumption by just one per cent translates to about 6400 fewer soldiers in fuel convoys, a favourite target of insurgents in Iraq and Afghanistan.

All of this has added up to renewed urgency for the Pentagon to reduce its energy consumption. It is already federally mandated to obtain 25 per cent of its electricity from renewable sources by 2025.

[Gauging the Prospects for Nuclear Power in the Obama Era](#)

When asked about their views on nuclear power, President Obama and his advisers say they support it. "I believe in nuclear power as a central part of our energy mix," Energy Secretary Steven Chu recently told Congress.

The phrase, both inclusive and relatively vague, has its advantages. But now on Capitol Hill and elsewhere, there are growing doubts over just how much the Obama administration really means it.

[UN offers aid for Bolivia to exploit uranium](#)

LA PAZ (Xinhua) -- The United Nations announced on Friday its disposition to cooperate with Bolivia on the exploration and exploitation of uranium mines.

[France seals African uranium deals](#)

Nicolas Sarkozy, the French president, has returned home after a two-day trip to Central and West Africa during which he signed uranium-mining deals.

With renewed global interest in nuclear power, France is eager to secure and develop its supply of uranium.

[Tunisia: Country to Export Green Energy to Europe](#)

Tunis — Private operators will soon be able to export 200 MW of green energy to Europe through the underwater electric connexion set up between Tunisia and Italy, within the ELMED project.

[Wind industry expects its slowdown to be only temporary](#)

The recession has slowed down the whole wind industry this year, from materials to

final assembly of turbines. Experts say that getting it up to speed to produce the number of turbines needed to generate large amounts of renewable energy will require more government support and innovation to make the parts lighter, stronger and cheaper.

[Maine gov touts Northeast Energy Corridor](#)

Baldacci says Maine can serve as a hub to markets in southern New England that are hungry for clean, renewable electricity.

A first phase could include more than 1,000 megawatts of electrical transmission capacity with a natural gas-fired co-generation plant in Saint John. That's more energy than was produced by the Maine Yankee nuclear power plant when it was in operation.

[The Smart-Grid Dilemma](#)

What do utilities make money on? Energy consumption. So, what incentive do they have to install smart meters in your house and make this a transparent process with variable pricing if that means it would eventually reduce your energy bill, hence their revenue?

[David Strahan - Electric avenues: Battery-powered cars take over the roads](#)

The oil giants could be taken by surprise at how quickly battery-powered cars take over the roads.

[Do New Bulbs Save Energy if They Don't Work?](#)

SAN FRANCISCO — It sounds like such a simple thing to do: buy some new light bulbs, screw them in, save the planet.

But a lot of people these days are finding the new compact fluorescent bulbs anything but simple. Consumers who are trying them say they sometimes fail to work, or wear out early. At best, people discover that using the bulbs requires learning a long list of dos and don'ts.

[Coming soon: Your personal electric-use tracker](#)

BOULDER, Colo. (Fortune Small Business) -- Adrian Tuck wants to help America change the way it shops for energy. If the power companies ran grocery stores, he says, "you would walk down the aisle and there would be no prices on anything. You'd fill your cart, get home, and 45 days later you'd get a bill that had one single number on it."

Corollary: Many of us would cut back on our monthly kilowatt spending spree if we could see our money draining away minute by minute. That's why the startup Tuck co-founded with entrepreneur Tim Enwall, called Tendril, has spent four years and \$20 million developing a computerized system that helps consumers track their electricity use.

[Forget green roofs - this whole building lives](#)

Green roofs are so yesterday. Meet the designers who will wrap an entire office block in plants.

[Surge of college students pursuing 'clean energy' careers](#)

Climate change is a concern among undergraduates, driving a surge of interest in science and engineering on campuses nationwide.

[Loggers Try to Adapt to Greener Economy](#)

Some people who have long fought to clear-cut the region's verdant slopes are trying to reposition themselves for a more environmentally friendly economy, motivated by changing political interests, the federal stimulus package and sheer desperation.

Some mills that once sought the oldest, tallest evergreens are now producing alternative energy from wood byproducts like bark or brush. Unemployed loggers are looking for work thinning federal forests, a task for which the stimulus package devotes \$500 million; the goal is to make forests more resistant to wildfires and disease. Some local officials are betting there is revenue in a forest resource that few appreciated before: the ability of trees to absorb carbon dioxide, a heat-trapping gas that can contribute to global warming.

Pragmatism drives the shifting thinking, but a critical question remains: can people really make a long-term living off the forest without cutting it down?

[Antarctica to Pyramids, lights dim for Earth Hour](#)

CHICAGO (AP) — From an Antarctic research base and the Great Pyramids of Egypt to the Empire State Building in New York and the Sears Tower in Chicago, illuminated patches of the globe went dark Saturday for Earth Hour, a campaign to highlight the threat of climate change.

Time zone by time zone, nearly 4,000 cities and towns in 88 countries joined the event sponsored by the World Wildlife Fund to dim nonessential lights from 8:30 p.m. to 9:30 p.m. The campaign began in Australia in 2007 and last year grew to 400 cities

worldwide.

Organizers initially worried enthusiasm this year would wane with the world focused on the global economic crisis, said Earth Hour executive director Andy Ridley. But he said it apparently had the opposite effect.

[Obama starts climate change forum for big economies](#)

WASHINGTON (Reuters) – President Barack Obama on Saturday invited 16 "major economies" including the European Union and the United Nations to take part in a forum on climate change to facilitate a U.N. pact on global warming.

[Obama team debuts at UN climate talks](#)

BONN, Germany – President Barak Obama's climate change team made their international debut Sunday at a major U.N. conference – and delegates were eager to find out whether Obama could translate his aggressive domestic agenda into a worldwide deal to fight global warming.

[Farmers Face Growing Climate Change Dilemma: Scientist](#)

Agriculture is a major source of greenhouse gases and globally that share will rise as demand for food from growing human populations also increases, scientist Richard John Eckard of the University of Melbourne said on Thursday.

But farmers are facing a near-impossible challenge: feeding the world while trying to trim emissions and adapt to greater extremes of droughts and floods because of global warming, he said.

[U.N. 'Climate Change' Plan Would Likely Shift Trillions to Form New World Economy](#)

A United Nations document on "climate change" that will be distributed to a major environmental conclave next week envisions a huge reordering of the world economy, likely involving trillions of dollars in wealth transfer, millions of job losses and gains, new taxes, industrial relocations, new tariffs and subsidies, and complicated payments for greenhouse gas abatement schemes and carbon taxes – all under the supervision of the world body.

[‘Tipping Points’ and the Climate Challenge](#)

Early signs of scientific discomfort with some allusions to climate-related tipping points

came in a 2006 blog post, “Runaway Tipping Points of No Return,” by Gavin Schmidt of Realclimate.org and NASA’s Goddard Institute for Space Studies. His main focus was the use of the term by the media, but he provided a very useful deconstruction of various climate-related risks and whether they had that “little nudge, big effect” quality.

He warned how such terminology could backfire two different ways in the public discourse — leading to both a cavalier and fatalistic outlook (before and after a putative threshold is reached). He also noted the reality that in a complex system with lots of potential tipping points, the end result is in essence a smooth curve of risk, kind of like those early depictions of the climate problem.



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