



Drumbeat: April 11, 2009

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Topic: [Miscellaneous](#)

[Saudi's future weighs heavily](#)

Saudi Arabia could soon move ahead with plans to develop its heavy oil resources, helping to dispel fears that less investment could trigger a future crude supply crisis.

Dark and viscous, with the appearance and consistency of treacle, heavy oil has gained prominence in recent years as a source of transport fuel for the world, as new discoveries of more desirable light crude oil have failed to keep pace with the rate at which existing fields are being emptied.

But the price of crude, which has decreased by about two thirds from its record peak of US\$147 a barrel last July, and the continuing drop in global energy demand has caused oil producers to rethink investment plans, especially concerning large, expensive heavy-oil projects that require long lead times.

[Under investments causing ripple all around!](#)

(MENAFN - Arab News) The abstract is now taking a concrete shape. The issue of investments in new capacity, or the lack of it to be specific, is starting to take center stage. Investment bank Barclays is reporting that investments in the sector are down by at least 12 percent.

"While everyone has been so focused on short-term demand, it now looks like we'll see some real tightening in the market in 2010 due to the drop-off in non-OPEC supply," said Amrita Sen, analyst at Barclays Capital in London. "There could be a real run-up in prices just as the world economy begins to recover, which is the last thing the economy needs on the way out of a recession."

[Oil Giant Chief Predicts Shortfall in Investment in Russian Oil Industry](#)

The shortfall in investment in the oil sector will reach R300bn in 2009, Rosneft head Sergey Bogdanchikov predicted today. In his words, "the shortfall in investment may lead to a reduction in oil production from 490m tonnes to 450m tonnes over five years". Over the period between 2009 and 2013 the shortfall in investment may reach

R2,800bn. Bogdanchikov said however that according to an optimistic scenario "should sufficient investment be made, oil extraction in the country could increase and reach 700m tonnes a year".

Bogdanchikov also said that at present 93 percent of the new oil deposit development projects are unprofitable due to fiscal burden and high tariffs for natural monopolies. In his words, "fiscal burden and income tariffs constitute around 70 percent of the price of oil". Thus, he said, "an oil company manages only 7 percent of the price of oil; everything else is taken away".

[Venezuela Aiming to Ship 1 MMBopd to China](#)

Venezuelan President Hugo Chavez said here Thursday that he has reached an agreement with Chinese counterpart Hu Jintao on a plan to boost Venezuela's oil shipments to China to 1 million barrels per day next year.

[Jubail: the biggest is getting bigger](#)

In 1983 Saudi Arabia's Jubail Industrial City was cited in the Guinness Book of Records as the largest engineering and construction project ever attempted. In 2009 it's still getting bigger. Benjamin Millington went onsite to gauge the scale of expansion.

[Russia, Ukraine Discuss Natural Gas Talks](#)

Prime ministers from Ukraine and Russia discussed resumption of talks concerning natural gas delivery, an issue affected much of Europe in January.

[Oman oil income sees record rise of more than 48% in 2008](#)

A surge in oil prices and the country's output boosted Oman's hydrocarbon revenues by more than 48 per cent to a record level in 2008 and allowed to net its highest ever budget surplus, official data showed yesterday.

[As UK shoppers tighten their belts, organic farmers feel the squeeze](#)

At least two organic farmers a week are leaving the movement as consumer demand for premium food stagnates and costs rise.

As evidence emerges that the organic revolution has stalled in the face of rising food prices and job uncertainty, the industry's two biggest certification bodies have told the Guardian that a total of at least eight members each month are quitting their schemes.

In addition, the National Farmers' Union said, "a small number at breaking point" wanted to leave but could not, because they had converted less than five years ago and would have to pay back all the subsidies they had received.

[Peru faces water versus oil dilemma](#)

Last month, Peru's top court ruled that oil exploration should be halted in the protected Cordillera Escalera mountains while the government approves the regional development plan.

In a country where the faith in the independence of the judiciary is only gradually being restored, the Constitutional Tribunal's ruling was unexpected.

The ruling set an important precedent as it was based on the international human right to drinkable water.

[Industrial farms could leave eastern Wash. with dry wells](#)

Scott Collins' family has been farming in arid eastern Washington since his great grandfather first homesteaded the 1,500-acre, dry-land wheat farm more than a century ago.

But the 58-year-old Collins fears he may be the last of four generations on the farm.

That is because the groundwater he and his family depend on could be in jeopardy if a proposed cattle feedlot and other industrial-sized projects like it are built in his rural Franklin County.

[Water crisis rocks LA, Mexico City; who's next?](#)

WASHINGTON (UPI) -- Water, water hardly anywhere. Water crises are rocking two of the world's largest cities as Mexico City starts a 36-hour water cutoff and Los Angeles is in the midst of a water dearth.

The problem, however, is far wider than two of the most populous cities in the Western Hemisphere. Beijing, the capital of China, has a serious water shortage. The Israelis and the Palestinians are at loggerheads over control of the key aquifers west of the River Jordan that are vital to sustain both peoples. An unprecedented world population of 6.8 billion people -- more than three times that of 80 years ago -- and the inexorable reality of global climate change are guaranteed to make the long-term crisis worse.

[Silver lining at the N.Y. Auto Show](#)

The buzz is that the White House wants to adopt a single national fuel economy standard, which would help both automakers and customers.

[An urgent call to 'buy local'](#)

For the past five years, Shuman has been barnstorming across the United States, preaching the gospel of economic "localism." It's an appeal to community values as well as economic self-interest, a call to support locally owned businesses that don't outsource, don't pack up their businesses and leave on a moment's notice, and who recycle their customers' dollars back into the community.

[Education needed for energy crisis](#)

While talking with the Star News, Shuster expressed his belief that between use and population growth, the world will run out of conventional oil reserves in 30 years.

Shuster's book, "Beyond Fossil Fools: The Roadmap to Energy Independence by 2040," describes the current problem, as well as available solutions and a detailed plan for the future.

"I believe this is the most important issue of this century," he said. "If we don't fix this one, nothing else makes much difference."

[An inconvenient film](#)

Al Gore is about to feature in a new movie, but he's not going to like it very much. Titled Not Evil Just Wrong: The True Cost of Global Warming Hysteria, the film presents a devastating account of the shaky foundations and hefty price of Mr. Gore's brand of self-interested and hypocritical alarmism.

Created by the Irish film making duo of Phelim McAleer and Ann McElhinney -- who made another excellent documentary about the "dark side of environmentalism" called Mine Your Own Business-- Not Evil provides the perfect rebuttal to Mr. Gore's An Inconvenient Truth.

[Obama, Who Vowed Rapid Action on Climate Change, Turns More Cautious](#)

WASHINGTON — President Obama came to office promising swift and comprehensive action to combat global climate change, and the topic remains a surefire applause line in his speeches here and abroad.

Yet the administration has taken a cautious and rather passive role on the issue,

proclaiming broad goals while remaining aloof from details of climate legislation now in Congress.

[Biofuel Production Threatens Water Supplies](#)

The production of bioethanol may use up to three times as much water as previously thought, a new study finds, becoming the latest work that could burst the biofuel bubble.

[China keeps Chavez close, but not too close](#)

BEIJING (AFP) — Despite his gushing compliments this week, Beijing has been careful to keep Venezuelan President Hugo Chavez at a distance as it tries not to jeopardise its relations with Washington, analysts say.

[Post-carbon preparation](#)

Fall River — Bristol Community College's Institute for Sustainability and Post-Carbon Education, founded last fall, will host its first event Tuesday: a conference on the effects of a world with dwindling oil reserves.

[The Top Ten Reasons for Energy Independence](#)

For those who wonder how to convince resistant people we must move away from fossil fuels due to Climate Change, I have one word of advice: Don't.

There's actually no need. Not because Global Warming isn't real - it is, and the overwhelming evidence is that it's largely fueled by human actions - but because there are other reasons why we should move away from fossil fuel-based energy. The elegant thing about a multi-pronged approach like this is that you can always find some reason to convince someone with. For example, hard-core conservatives may simply refuse to believe anything people do could affect "God's perfect world" but they are perfectly willing to accept that we should not be sending half a trillion dollars a year to foreign oil producers who mostly hate us, and who export terrorism along with their oil.

[How to Profit from Energy Illiteracy](#)

Politics is a painfully slow and inadequate way to go about forming an energy strategy, but it seems to be the only way we have.

[Designing Through a Depression](#)

All of us who purchase these things should be thinking — and no doubt are, more and more these days — do I need this? Is there another one that's more efficient? That uses less packaging? Will last longer? Has less square footage? Looks better? Is more fun to use? Is something I want to pass on to my grandkids? (This last notion, which aims for design to create things that are not throwaway but built to last, was recently termed "heirloom design" by innovator/inventor Saul Griffith, who under the umbrella of Squid Labs is working on everything from wind power to low-cost eyeglasses for the developing world.)

[Time to speak up for American oil](#)

President Obama talks a lot about reducing dependence on foreign oil, making energy less expensive, and creating good jobs. Yet he's turning his back on an answer for all three — more oil drilling in American waters. The administration would do well to listen to the American people, who support this common-sense step by more than 2-to-1 margins.

[Asian firms the new players in Iraq's oil industry](#)

LONDON (AFP): The predominance of Asian operators among bidders for a chunk of Iraq's vast oilfields shows the rising power of small and flexible state-run companies prepared to take risks, analysts say.

[Homes that use natural gas for heat could save big](#)

COLUMBUS, Ohio (AP) — The 60 million American homes that rely on natural gas for heat can expect substantially lower bills next winter thanks to a glut in supply and the weak economy.

Just as distributors start to lock in contracts for the coming winter, natural gas prices have fallen almost 75 percent. Not all of that will show up as savings on the heating bill, but it should still mean noticeable savings.

Utilities also generate about a fifth of the nation's electricity with gas, and many of their customers should notice price breaks as well.

[Hawaii pays most for energy](#)

Hawaii's total energy cost index is set at 4.18, nearly three times the energy cost index in Wyoming. Other lowest-cost states included: Idaho, Utah, Kentucky, West Virginia, Missouri, Nebraska, Indiana, Iowa, North Dakota, South Dakota, Arkansas, Kansas, South Carolina and Oklahoma.

Hawaii's energy costs are so high no other state even comes close to the premium paid by people living in the islands. The energy cost index for those living in Hawaii was 51 percent more than for those living in New York, the second-highest cost state. Hawaii's electricity index was 74 percent higher than New York's and the state's gas index was 13 percent higher. Other highest-cost states included: Connecticut, Alaska, Rhode Island, Massachusetts, New Hampshire, California, New Jersey, Maine, the District of Columbia, Maryland, Delaware and Florida.

[Obama may cede Iran's nuclear rights](#)

According to the Wall Street Journal, the Obama administration is "carefully considering" the setting up of an international uranium fuel bank in Kazakhstan, which could form the exit strategy for the historic US-Iran standoff. That is why the visit by the Iranian President Mahmud Ahmadinejad to Astana, Kazakhstan, on Monday assumes exceptional importance.

[The Death of the Small Town](#)

The death of the small town has been widely exaggerated. On the contrary, small towns are thriving just as they have for decades, in perfect balance. Population is steady, infrastructure is sufficient, all goods and services required are available, and it is rarely more than 25 miles to the nearest Wally World — an outing everyone enjoys. There is very little unemployment; kids know that they will either take over the family farm or business or that they will have to seek their futures elsewhere, or some combination of working elsewhere until family concerns or opportunities call them back.

[Biking While Intoxicated](#)

A new study of New York City bicycling accidents over a decade found that one in five cyclists who died had alcohol in the body.

[Green light at the end of the bicycle path](#)

As the ultimate green and healthy consumer activity, biking is worth fighting for — and it's gaining friends in high places. If cycling truly becomes a mainstream transportation option here, the impact in reducing global warming and air pollution could be enormous.

[Renewable energy 'green bank' idea takes root](#)

A coalition of energy companies hopes to reinvigorate the market for funding renewable energy projects by creating a government-backed "green bank" to serve as a conduit for billions of dollars in federal loans.

Under the plan, outlined in federal legislation sponsored by Rep. Chris Van Hollen, D-Md., the bank would be an independent, wholly owned corporation of the federal government focused solely on loaning money to a range of projects deemed to promote clean energy.

These could include power lines to connect remote wind turbines with areas of high demand, landfill methane capture projects and refineries that turn organic material into fuels.

The bill also includes funds for new nuclear power plants but only if other funding programs that might be open to those projects are exhausted.

[Japan solar subsidies lure fewer users than planned](#)

TOKYO (Reuters) - Japan's subsidies for home solar panels have attracted far fewer applicants than planned, industry data showed on Wednesday, underscoring the likelihood of bold government steps to promote solar power.

[In Big Green Push, Australia Thinks Too Small On Solar](#)

The government is pushing through a carbon trading scheme that will penalize big greenhouse gas emitters; a major piece of renewables legislation is due for approval within months, setting a target of 20 percent green energy by 2020.

But supporters say these shiny targets may be undermined by policymakers who think too small -- limiting the most generous rebates for renewables to the first 1,500 watts of capacity, or about half the minimum of the 3,000-5,000 watts used by the average Australian home.

[Expert: Don't 'rinky-dink around the margins' of climate change](#)

Auden Schendler is blowing a metaphorical raspberry at the kind of hybrid-driving, plastic bag-banning environmentalists for which Seattle is known.

"The problem is, too many Americans are saying: 'I've got my Prius and that's all I need to do,'" Schendler, the executive director of sustainability at Aspen Skiing Co., said during a luncheon in downtown Seattle Friday.

[Climate change hits Australia first, and hard](#)

In the 1959 Gregory Peck classic "On the Beach," humanity's last holdouts in the aftermath of a global nuclear war huddle in Australia and wait for the inevitable atomic

wind to carry the rest of the species away. When it comes to today's real-world climate crisis, though, Australia is going first, not last.

[Report: Iowa corn growers lose \\$259 million on global warming](#)

DAVENPORT --- A report released Thursday by Environment Iowa showed that Iowa corn growers lose \$259 million a year because of global warming.

The annual loss to Iowa farmers tops all 50 states. Illinois is a close second, with a \$243 million annual loss, according to the report. The report says that agriculture and the renewable-energy industry can help slow the problem.

[Joe Romm's Solution to Climate Change](#)

The solution is centered around achieving ~14 "stabilization wedges". One wedge = one billion fewer metric tons of CO₂ emitted globally, compared to projected levels. Again, this is possible with current technologies, and has a net cost of zero. The basic strategy is to replace all coal as quickly as possible, and to electrify transportation as much as possible.

Though there's no silver bullet, but there is "one" solution: we must deploy every conceivable energy-efficient and low carbon technology that we have today as fast as we can. In order to reach the target carbon concentration of 350ppm, we have to deploy all 14 wedges of energy savings by 2040. Though increasingly serious implementation will begin soon, starting around 2030 multiple climate-caused catastrophes will cause drastic measures unthinkable today to be implemented. We must reverse the trend of increasing emissions by 2015-2020 at the latest, and we must have substantial action before 2012 or we're toast.

[Chu wants labs to work on energy, climate change](#)

In a speech today at Sandia National Laboratories, U.S. Energy Secretary Steven Chu compared unchecked global warming to riding on the Titanic.

"Lots of people see there's an iceberg ahead, but it takes a long time to turn the boat around," Chu said. "If we turn it now, we can mitigate the blow."

[Germany urges deeper US greenhouse cuts](#)

BERLIN (AFP) – Germany's environment minister warned on Saturday that if Washington does not go beyond its current greenhouse gas cutting commitments, agreement on a new climate pact this year will prove difficult.

[Earth's Arctic Freezer Turning Into Hothouse](#)

UXBRIDGE (IPS) - The world is losing its northern freezer as Arctic winter ice is in sharp decline, NASA scientists reported this week. Even with below average winter temperatures, Arctic ice is thinner and covers less area than it did a decade ago.

Arctic sea ice is the cooling mechanism for the global climate system. As it declines and the region warms - already three to five degrees Celsius warmer - then inevitably there are local, regional and hemispheric climate impacts.



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