



## Drumbeat: May 4, 2009

Posted by [Leanan](#) on May 4, 2009 - 9:37am

Topic: [Miscellaneous](#)

### [Peak Oil: Global Oil Production's Peaked, Analyst Says](#)

Dust off those survivalist manuals and brush up on your dystopias: Peak oil is back.

Global production of petroleum peaked in the first quarter of last year, says analysts Raymond James, which “represents a paradigm shift of historic proportions. Unfortunately, mankind better get ready to live in a peak oil world because we believe the ‘peak’ is now behind us.”

Raymond James’s notes that non-OPEC oil production apparently peaked in the first quarter of 2007, and given precipitous falls in oil output from Russia to Mexico, there’s not much hope for a recovery. OPEC production—and thus global output—peaked a little later, in the first quarter of 2008, Raymond James says.

The contention rests on a simple argument: OPEC oil production actually fell even as oil prices were above \$100 a barrel, a sign of the “tyranny of geology” that limits the easy production of ever-more crude.

### [Going green can cost too much green](#)

Going green isn't easy, especially during a recession.

For two years, the city of Durango, Colo., bought electricity for all its government buildings from wind farms. The City Council ended that program this year, reverting to electricity derived from coal-burning plants and saving the cash-strapped city about \$45,000.

"It's very hard for us to lay off an employee to justify green power," City Manager Ron LeBlanc said. "Those are the tradeoffs you have to face."

Across the country, government agencies are either cutting or shrinking programs that use or fund renewable energy projects. Green power — from wind farms, solar power or other renewable energy sources — remains more expensive than traditional power sources.

## [Time For A Trade-In](#)

"We are on the cusp of a period of technical innovation like the automobile industry has never seen," says Mike Jackson, CEO of AutoNation, the largest U.S. auto retailer. "There will be more change in the next five to 10 years than there was in the last 100."

The first victim of that rapid change may be the Prius-style hybrid.

## [U.S. sees continued stream of LNG cargoes](#)

NEW YORK (Reuters) - The United States saw a steady supply of liquefied natural gas imports during the weekend and increased imports are expected in the coming days and weeks.

U.S. import terminals that sat largely idle during the winter are now seeing an uptick in cargoes of the super-cooled gas as demand elsewhere falls toward summer, leaving more cargoes for the United States to absorb.

## [Tupi oil is 'second independence for Brazil'](#)

Brazilian President Luiz Inacio Lula da Silva called Friday for officials to finalise new oil laws giving the country a greater stake in recent oil finds, saying the legislation was urgently needed to guarantee Brazil's future.

"This is a second independence for Brazil," Lula said, commemorating the first crude oil pumped from the Tupi field off the country's southeast Atlantic coast.

Lula wants a working group he formed last year to complete work on proposals to change Brazil's concession-based oil law, said a Dow Jones Newswire report.

The president has pledged to use the newfound oil riches to ease Brazil's crushing poverty and improve the country's education system.

## [Saudi Stocks Surge to November High on Signs Recession Easing](#)

(Bloomberg) -- Saudi shares climbed to the highest since November as Gulf markets gained on signs the global recession is easing and oil traded near a five-week high.

## [Power play: Metering tools slash energy costs](#)

(Fortune Small Business) -- The minute a lightbulb burns out in your place of business, Don Howell can tell you about it. By e-mail, that is - the tall Virginian won't show up at

your office door. His company, ADMMicro, installs power metering equipment that can tell when an air conditioning filter needs to be changed or whether a freezer door has been left open.

### [How the crisis is changing you](#)

A new set of American values is emerging from the ashes of 600,000 layoffs a month, a lost decade in stocks, and the worst housing crash ever. These values may ring familiar to anyone who lived through the Great Depression. But for most of us it amounts to a large-scale makeover of the way we think about money and life.

We're not just cutting our bills, we're rejecting materialism. We're placing safety and intrinsic rewards like relationships and personal growth ahead of profit. We're embracing family and community and asking how we can help others, not just ourselves.

"We've hit a hard pendulum swing," says Douglas Brinkley, a professor of history at Rice University in Houston. And he, along with many others, believes the changes in the nation's core values could last for decades.

### [Prosperity without Growth? - The transition to a sustainable economy](#)

Prosperity Without Growth? says that the current global recession should be the occasion to forge a new economic system equipped to avoid the shocks and negative impacts associated with our reliance on growth. Ahead of the G20 Summit in London, the report calls on leaders to adopt a 12-step plan to make the transition to a fair, sustainable, low-carbon economy.

### [Chinese subsidies boost rural consumption](#)

In an effort to get thrifty Chinese to spend more money, Beijing expanded a pilot programme to subsidise electronics purchases for farmers in February.

The government pays 13% of the retail price for designated models of refrigerators, washing machines, colour television sets, mobile phones and personal computers.

Official figures show rural electronics purchases surged by 70% in March from the previous month. The scheme is expected to run till 2012.

### [Altering Planes, and the Way They Fly, to Save Fuel](#)

FOR the aviation industry, its fate inextricably linked to the price of oil, fuel conservation is more than environmentally sound — it's a matter of survival. That is why, in research labs and in airline conference rooms, any measure is open for

discussion if it reduces the use of fuel.

### [More riders, fewer buses](#)

RENSSELAER — Even as the Capital District Transportation Authority posts another record-breaking year of ridership gains, it still plans to continue slicing bus service.

Ridership for the regional transit system grew by 11 percent in the fiscal year ended March 31, rising to nearly 15.2 million. That compares to an 8 percent increase the year before, to 13.8 million, which was the highest in at least 20 years.

Yet CDTA is poised to roll back another 10,600 hours of service on May 24 in the second of three phases planned this year. CDTA expects to reduce spending by some \$2.2 million this year by cutting about 35,000 hours of service in all.

### [Saudi cuts oil drilling as demand slows](#)

Top oil exporter Saudi Arabia plans to release 15 oil rigs by the end of the year as it reduces drilling activity with slowing global demand, oil industry sources in the kingdom said on Monday.

"We feel we have huge extra capacity," said one. "Why do we need to drill?"

### [Industry 'disappointed' with Norway round](#)

Norway's oil and gas industry said today the latest oil and gas licensing round was "disappointing" after the government accepted bids for only about a fifth of the offshore acreage sought by companies.

### THOMAS HOMER-DIXON AND JULIO FRIEDMANN: [Clean coal? Go underground, Alberta](#)

Alberta appears to be in a box - an energy box - that constrains policy options in every direction. The province's wealth is critically tied to exploitation of its vast hydrocarbon resources. But faced with declining reserves of conventional oil and natural gas, it has been forced to turn increasingly to the tar sands, which pack a huge carbon punch. And in a warming world, carbon is seen as a menace. The strategy could severely crimp Alberta's ability to sell energy at home and abroad, even make it a pariah.

There is an alternative: coal.

### [It can be done but what is it we are doing?](#)

"Oh Lord, make me carbon-neutral, but not yet."

If St Augustine were in charge of UK energy policy, he might utter such a prayer. The sheer scale and cost of putting Britain on the path towards zero carbon is only beginning to become apparent.

### [Carolyn Baker: Review of A Presidential Energy Policy by Mike Ruppert](#)

This is probably the most important book review I've ever written because *A Presidential Energy Policy* is unquestionably the most crucial book for anyone aware of the collapse of civilization, which is well underway, to read and understand. It is second only to Mike's first masterpiece, *Crossing The Rubicon: The Decline of The American Empire at The End of The Age of Oil* (2004).

### [Population Growth And Its Dire Consequences For The USA](#) (review of *America on the Brink: The Next Added 100 Million Americans*, by Frosty Wooldridge)

Solving the problem is basic to our future. It will of course be solved, since Mother Nature has a way of balancing imbalance, but if left as at present, the balancing will continue harshly in places like Darfur, but also here at home. Solutions seem submerged at present in the effects of our pressing economic problem not the causes of which population growth is a primary contributor. We obviously need to curb our present runaway importation of legal and illegal immigrants, as well as increase our foreign aid for family planning, but this book gives all readers the facts, underling the urgency of our plight.

### [Pakistan: Village electrification through solar energy.](#)

BALUCHISTAN is rich in renewable energy (RE) resources and the Alternative Energy Development Board (AEDB) has identified many RE projects in remote areas of the province.

Though the AEDB says it is all set to launch the identified projects, the federal government has not provided funds so far this year for the projects. In the long-term, solar thermal power plant is considered as an economical and cost-effective energy source, since there is no fuel cost.

### [Mexico's symptoms signal a wider malaise](#)

The deepening crisis led, inevitably, to a search for scapegoats. Those deemed responsible for the toxic waste were identified and 16 were rounded up and taken to be beaten and harangued in the public square.

No, this is not what lies in store for those who presided over the decline and fall of the global banking industry but the fate of millers and bakers in Paris found guilty during the Great Famine of the early 14th century of adulterating flour with animal droppings. The French could stage a good demo even then.

The Parisian protests were not an isolated incident; they took place during the long disintegration of the early medieval economy, which started in the second half of the 13th century and culminated in the Black Death in the middle of the 14th century.

[Responding to the triple crunch: Financial meltdown, climate change and dwindling energy supplies demand a newer world order](#)

There is no sense of vision. The world faces not just the credit crunch, but a triple crunch – in financial meltdown, in energy supply and in intensifying climate change. The global peaking of oil is imminent, leading to a potentially cataclysmic rundown in supplies within perhaps 40 years, and of gas supplies within 100 years. Most scientists now believe that on present trends, global average temperatures will reach 3-4°C higher than pre-industrial levels by 2100, twice the "safe" threshold, unleashing destruction of croplands, biodiversity and water supplies that could threaten the survival of a majority of the world's population. Yet the political response worldwide to these overwhelming challenges is glacial.

[Shell, Hess, BP Profit From Storing Oil in Contango Trade](#)

(Bloomberg) -- BP Plc, Royal Dutch Shell Plc and Hess Corp. are among oil companies whose first-quarter earnings were boosted by storing crude in tankers in anticipation of higher prices.

Since at least November, oil traders have benefited from the so-called contango market, where crude contracts for delivery in the future are more expensive than near-term supply.

[Consolidated Edison Says New York Summer Power Prices Will Fall](#)

(Bloomberg) -- Consolidated Edison Inc., owner of New York City's utility, said customers will pay less for electricity this summer than last year after natural-gas prices declined.

The average New York City residential customer's electricity bill may drop 7.6 percent to \$96.27 a month, based on 300 kilowatt-hours used, said Michael Clendenin, a spokesman for the New York-based company, in a telephone interview.



## [Qatar to Export 500 Megawatts of Summer Power in Three Years](#)

Bloomberg) -- Qatar, the world's largest producer of liquefied natural gas, will be able to export 500 megawatts of electricity during the peak-demand summer months within three years, the nation's energy minister said late yesterday.

The exports will be possible after the country more than doubles its electric-generation capacity in the next two years, Abdullah bin al-Attiyah said in an interview at a conference in the capital, Doha.

## [Australia: Government attacked over 'anti-rail' report](#)

CLAIMS in a NSW Government report that buses are a better public transport option for Northern NSW than putting trains back on the Murwillumbah-to-Casino track or extending the rail line to Coolangatta have been slammed by NSW Greens.

## [How it works: Volt's beauty is flexibility](#)

The hybrid powertrain will act as the bridge between today's conventional gasoline-powered cars and trucks and tomorrow's fuel cell-powered transportation. This link is important for a couple of reasons - the use of electricity reduces the world's dependence on fossil fuels and it cuts emissions, most notably greenhouse gases. Depending upon the hybrid vehicle in question and the manner in which it is driven, potential fuel savings range between two and 3.25 litres per 100 kilometres. So, what's the hang-up? The problem is that the word "hybrid" is largely misunderstood.

## [Egypt Aims to Cut Wheat Deficit to 25 Percent by 2012](#)

"Our wheat self-sufficiency is at 56 percent," said Saad Nassar, an adviser to Agriculture Minister Amin Abaza, in an interview in Cairo today. "We are adopting several strategies to raise it to 75 percent in three years."

Egypt, the Arab world's most-populous nation, aims to improve wheat productivity per feddan (1.03 acres) to 24 ardabs from 18 ardabs now, he said. The country will increase the area devoted to wheat cultivation and reduce waste created during the delivery process, Nassar said. It will also end a rural practice of using wheat as feedstock for domestic animals and birds.

## [U.S. Energy Independence? Get Real, Oil Execs Say in Survey](#)

(Bloomberg) -- Most oil-industry executives scoff at the idea that the U.S. can wean itself off foreign crude in the next couple of decades, a survey showed.

Only 16 percent of oil and natural-gas executives said that by 2030 the U.S. will be able to depend solely on its own energy supplies, according to a survey by KPMG LLP's Global Energy Institute. A majority said it will be after 2015 before it's "viable" to mass-produce alternative energy.

"The executives' perceptions of energy independence mirror their views on the viability of alternatives in the near-term," Bill Kimble, executive director of the institute, said in a statement. KPMG surveyed 382 U.S. financial executives in the oil and gas business last month.

### [OPEC's Oil Output Fell 0.3% in April, Survey Shows](#)

(Bloomberg) -- The Organization of Petroleum Exporting Countries cut oil output by 0.3 percent in April as Mideast members moved closer to production targets agreed to last year, a Bloomberg News survey showed.

Oil output averaged 27.58 million barrels a day last month, down 75,000 from March, according to the survey of oil companies, producers and analysts. The 11 OPEC members with quotas, all except Iraq, pumped 25.255 million barrels a day, 410,000 more than their target of 24.845 million.

### [Crude Oil Declines in New York After Reaching Five-Week High](#)

(Bloomberg) -- Crude oil fell in New York, after closing at a five-week high at the end of last week.

Crude oil for June delivery fell 55 cents, or 1 percent, to \$52.65 a barrel in after-hours electronic trading on the New York Mercantile Exchange at 12:24 p.m. London time.

### [China to Shut Small Oil Refineries, Metal Smelters](#)

(Bloomberg) -- China, the world's second-biggest energy consumer, plans to shut more small-scale oil refineries and outdated metal smelters by 2011 to boost efficiency and lower pollution.

### [Amazon Crude: Ecuador's Fight With Chevron](#)

(CBS) Chevron is America's third largest company behind ExxonMobil and WalMart. One way it became that big was by buying Texaco in 2001. Now, that purchase of Texaco has pulled Chevron into a titanic struggle in the Amazon.

The people who live in a remote region of Ecuador are suing Chevron, saying reckless oil



exploration poisoned the most important rain forest on earth.

### [Borrowers to Sell \\$6.5 Billion of Company Bonds as Yields Fall](#)

(Bloomberg) -- China Petroleum Corp., the country's biggest oil refiner, and Bahrain are among borrowers with plans to sell bonds this week after yields on investment-grade debt fell to the lowest level in seven months relative to benchmark rates.

### [Plant managers face prison for 2002 oil spill](#)

From January 2001 to June 2002, however, employees routinely bypassed the facility's treatment system in order to discharge nearly 13 million gallons of untreated liquid waste directly into the sanitary sewer system.

Additional evidence showed that the company's management staff took steps to conceal the lack of treatment from regulatory officials by making false statements and by tampering with legally required compliance samples.

Federal officials were tipped off when nearly 70,000 gallons of used industrial oil was dumped into a Dearborn storm sewer in April 2002. From there, it flowed into the Rouge River, the Detroit River and Lake Erie.

The dumping affected 17 miles of shoreline and cost more than \$4 million to clean up.

### [U.S. students try life on Qatar campuses](#)

Qatar — a tiny, oil-rich Persian Gulf nation — is offering substantial financial aid to most foreign students who need it — often chopping tuition to a quarter of what it costs at home, according to the government.

Qatar has struggled to diversify its economy away from oil and gas revenue. It sees the university sponsorships as a way to build its academic credentials — locals also attend classes — and bolster its workforce. The government offers foreign students the option of repaying each year of study with a year of work in Qatar.

### [Traffic set to slow as stimulus gears up](#)

Drivers across the country will have to contend with far more roadwork — and all the frustration that goes with it — as states prepare to launch a spate of new highway projects this summer. The work is part of President Obama's \$787 billion economic stimulus package and is meant to create jobs by repairing roads and bridges.

"People will see more construction. There's no question about it," says Brian Blanchard, the chief engineer for Florida's Department of Transportation. That work will begin at the same time more cars will likely be vying to squeeze onto the roads, because gas prices are expected to be lower this summer than they were last year, AAA spokesman Troy Green says.

### [Food banks see more who need and more who give](#)

The recession has caused more people to seek help at food banks, but it's also prompted an outpouring of generosity.

"We're up in terms of food and funds," says Ross Fraser, spokesman for Feeding America, the nation's largest network of food banks. He says food donations are up 20% and cash donations are up 46% from a year earlier.

### [Vacant foreclosed homes spawn blight, crime](#)

Officer Mark Castillo pulled up to a vacant foreclosure near International Boulevard that was surrounded by mounds of garbage. After checking on the house, he went to the backyard and grasped the boards nailed in front of the garage door. The door readily opened, and he recoiled from the stench of urine and filth. Inside, an elderly man huddled on a makeshift bed surrounded by fast-food wrappers, matches and old clothes.

"I know I can't be here," the man, Alfonso Granera, 71, told Castillo. He agreed to meet the officer in a couple of hours for a ride to a shelter.

"These places quickly become a breeding ground for all kinds of crime," Castillo said, pointing out the crawl spaces under the house, which he said criminals use for illegal stashes. "Drug crews run a corner, they use vacant properties to hide drugs and weapons."

### [Seniors at home in co-housing](#)

Annie Russell lives alone but not in solitude.

While she was laid up for almost nine months by an injured knee, neighbors checked in on her regularly. They brought her ice packs, fetched water and did her grocery shopping.

Twice a week year-round, everyone in Russell's community is assured dinner with friends in the large common house of Silver Sage Village in Boulder, Colo. It's a potluck of sorts. Residents can cook the meal together in a communal gourmet kitchen.

"If somebody just wants a place to live and doesn't want to commune with their

neighbors, this is not for them," says Russell, 68.

Projects such as Silver Sage are called co-housing. European-inspired housing built around a common area and a social compact that all residents agree to, co-housing has existed on a small scale in the USA for years. Now, the concept is coming to senior housing, a trend supported by advocates who favor independent living for the old.

### [BLM to get \\$300 million for stimulus projects](#)

LAS VEGAS – The Interior Department is sending more than \$300 million in federal stimulus money to the Bureau of Land Management to update its facilities and jump-start renewable energy projects across the country, Interior Secretary Ken Salazar announced Saturday.

### [China triples wind power capacity goal: report](#)

BEIJING (AFP) – China has more than tripled its target for wind power capacity to 100 gigawatts by 2020, likely making it the world's fastest growing market for wind energy technology, state press said.

China is aiming for an annual wind power growth rate of 20 percent for the foreseeable future, Feng Junshi, an official with the National Energy Administration, told a Beijing conference, according to the China Daily.

### [ADB head: Asia must tackle poverty, climate change](#)

BALI, Indonesia (AP) -- Asia must do more to cut poverty and take the lead in fighting global warming, the Asian Development Bank president said Monday, as the region emerges from the economic crisis with more clout on the world stage.

The global turmoil suggests the era of rich Western nations having unlimited appetite for Asia's exports "has passed," Haruhiko Kuroda told the bank's annual meeting in Bali, Indonesia. That puts the onus on the region's governments to boost their own domestic economies, he said.

### [Australia Delays Carbon Trading Because of Economy](#)

(Bloomberg) -- Australia delayed plans to trade carbon-dioxide emissions by a year to 2011, blaming the economy, while remaining open to reducing greenhouse gases under an international agreement.

The decision was made amid signs the proposal will detract from growth as the nation's

economy heads into its first recession for 17 years.

[Bolivia's Chacaltaya glacier is gone](#): *Bolivia's Chacaltaya, A Tourist Favorite, Has Melted Away*

CHACALTAYA, Bolivia -- If anyone needs a reminder of the on-the-ground impacts of global climate change, come to the Andes mountains in Bolivia. At 17,388 feet above sea level, Chacaltaya, an 18,000 year-old glacier that delighted thousands of visitors for decades, is gone, completely melted away as of some sad, undetermined moment early this year.

"Chacaltaya has disappeared. It no longer exists," said Dr. Edson Ramirez, head of an international team of scientists that has studied the glacier since 1991.



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