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[Asian LNG Supply May Exceed Demand by 57%, Wood Mackenzie Says](#)

(Bloomberg) -- Supplies of liquefied natural gas from proposed plants in Australia, Papua New Guinea and Indonesia may exceed demand in the Asian region by at least 57 percent, data from Wood Mackenzie Consultants Ltd. show.

The combined capacity of some LNG projects in Papua New Guinea, Australia and Indonesia is more than 44 million metric tons while the Asia-Pacific market, led by China, requires 28 million tons a year in 2015, Noel Tomnay, Wood Mackenzie's head of global gas and power research, said in a report yesterday. The projects are seeking approvals in 18 months, he said.

[Floater supply cushions Petrobras demand](#)

Petrobras will drive the demand for deep-water rigs but the Brazilian giant should be in no hurry to commit to newbuilding contracts given the excess floater supply through mid-2012, according to ODS-Petrodata's Gavin Strachan.

Strachan estimated that about 20% of the floaters under construction have not been contracted. The excess supply will allow Petrobras the option to either charter or purchase rigs to meet its drilling requirements, he said.

[Saudi oil minister: OPEC to hold output steady](#)

CAIRO—OPEC is unlikely to cut output at its upcoming meeting, Saudi Arabia's oil minister said in comments published Tuesday, as indications mounted that the oil producing bloc would resist a temptation to tighten the taps despite wanting higher crude prices.

The Saudi minister, Ali al-Naimi, also voiced concerns about global crude stockpiles, whose tenaciously high levels are being sustained by weak demand linked to the economic meltdown.

[Gazprom Says Ukraine Gas Payment Situation 'Very, Very Serious'](#)

(Bloomberg) -- OAO Gazprom, Russia's natural-gas export monopoly, may demand Ukraine pays for supplies in advance if it struggles to pay its bill for May.

[National oil companies: Price fall highlights investors' favourites](#)

As oil prices fell in the second half of last year, oil companies' shares suffered. But few were as badly bruised as the partially-listed national oil companies that had been investors' favourites until the end of the commodity's decade-long climb.

National oil companies' shares fell 64 per cent in 2008, as investors moved away from companies with huge potential and back to those with strong cashflow. By comparison, shares in international oil companies – which have more varied portfolios covering everything from exploration to refining and marketing – lost 34 per cent.

[Book Review: 'Game Over' by Stephen Leeb](#)

Leeb is obviously a believer in peak oil and now proposes the concept of Absolute Peak Oil. He defines this as the point in which we'd have to invest more than a barrel's worth of energy to pump, refine, and truck a barrel's worth of it to the local gas station. He believes this point in time is very near and therefore suggests a massive investment in alternative energy. This is particularly important for the US, considering its 65% dependence on foreign oil.

Leeb discusses society's complexities, both on an historical and a current basis. He points out that when complex societies run low on resources, they typically undergo wholesale collapse and experience large scale violence and starvation. Reading between the lines, it would appear he feels the US could easily slip into such a state if it continues to ignore its energy crisis. He points out that humans tend to live in denial and tend not to make significant changes until being forced to. The danger, he points out, is that waiting until then will be too late. We need wise and intelligent energy policy now.

But that policy won't be easy to articulate. Obtaining the metals and water needed to generate more energy is a vicious circle of resource depletion. He points out the challenges in providing all the steel necessary to build 200,000 wind generators. Every investment at this point, Leeb says, must be analyzed in terms of resource/energy return on investment.

[Volatility prompts a pause for breath](#)

The effects of all this will be so profound that some people believe they will outweigh the investment cutbacks by oil companies, heralding the arrival of "peak oil demand" rather

than “peak oil supply”.

It is a notion from which oilmen recoil, pointing out that oil, gas and coal will for a long time yet represent the world’s main sources of energy, providing the fuel that will help keep the global economy turning and eventually lift billions of people out of poverty in countries such as China and India.

[Switching Horses on Oil Strategy](#)

Thunder Horse turns 10 next month. BP's billion-barrel oil field, discovered in 1999 in the Gulf of Mexico, is a source of pride. It also is a reminder of what ails the oil majors.

Thunder Horse, which started up in 2008, will provide 42% of BP's incremental upstream production over the next three years, according to analysts at J.P. Morgan Chase. Unfortunately, it is also one of BP's few discoveries of such scale in recent memory. Neil McMahon of Sanford C. Bernstein calculates that less than half of BP's additions to reserves over the past five years have come through its exploration efforts.

[Saudi Arabian Oil Output Exceeds OPEC Quota, JODI Data Shows](#)

(Bloomberg) -- Saudi Arabia is producing more crude oil than its OPEC quota, according to data from the Joint Oil Data Initiative, citing figures submitted by the Persian Gulf country.

Production was the lowest in February at 8.065 million barrels a day, exceeding its 8.051 million quota, according to the data. Output rose to 8.358 million barrels a day in March, the most recent month for which data was shown.

[Venezuela Oil Output Audit Targets Project Lenders, Halff Says](#)

(Bloomberg) -- Venezuela’s audited oil export figures are meant to reassure lenders as the country seeks oilfield project financing and tries to raise money through advanced sales of crude, Antoine Halff of Newedge USA LLC said.

[Economist: Pricier Oil Means Less Globalization](#) (audio)

Just last summer, oil was surging toward \$150 a barrel and gas prices were hitting \$4 a gallon. The recession brought those prices crashing down, and today it may seem like high oil prices are one of the few economic problems that we don't have to worry about.

But Canadian economist Jeff Rubin says what we saw last summer was a glimpse of our future.

[Growing Pains: Goosing growth is the only way out of this mess](#)

In the current economic mess, it's easy to believe that the U.S. has reached a point where there are diminishing returns to the usual forms of investment. Putting more people to work at the same tasks doesn't do as much as it used to. Putting more capital equipment to work at the same tasks doesn't do as much as it used to. We have even found that higher leverage -- borrowing more to get more work out of every dollar of capital -- has its drawbacks. Should we rest content with what we have, even if recession and debt payments force us to have a little less?

Quite the contrary: We should press forward with investments that offer chances to improve the efficient use of key economic inputs. Just as the computer revolution that started in the 1960s has improved the quantity and quality of some kinds of labor, the biotech revolution that started in the 1980s may improve the productivity of agriculture.

[Change yes, end of prosperity no: CIBC](#)

The coming decade will look much different than the last for the North American economy, but the radical changes brought on by the global financial crisis won't mean an end to prosperity for Canada, say economists at CIBC World Markets in a new report that blue-skies about the future.

"It's not as painful as some think," said chief economist Avery Shenfeld.

The next 10 years will end the U.S. consumer's excessive reign as king of shopping, and that crown will shift to China and emerging markets, predict Mr. Shenfeld and his colleague Benjamin Tal.

[Pipeline breach interrupts some of Chevron's oil output in Nigeria](#)

Chevron Corp. said it shut down about a quarter of its oil production in Nigeria after one of its pipelines in the Abiteye area of Delta State was breached.

Nigeria's main militant group in the oil-rich Niger River delta said it destroyed "major" trunk lines feeding Chevron's Escravos crude oil terminal.

Production of about 100,000 barrels a day was shut down to protect the environment, Chevron spokesman Scott Walker said Monday by e-mail from Houston. The incident is being investigated, he said.

[China says data showing lower energy use signals economy changing, not slowing further](#)

SHANGHAI (AP) — China is defending the quality of its economic data, arguing that figures showing declines in energy use mean the economy is changing, not contracting.

Data on China's electricity consumption have long been used as a benchmark for industrial activity, given the often haphazard nature of other measures. But as the economy shifts toward services and less energy-intensive manufacturing, this practice may be misleading, the National Bureau of Statistics said in comments carried by state media Tuesday.

[In Ecuador, an Unusual Carbon-Credit Plan to Leave Oil Untapped](#)

QUITO, Ecuador -- Beneath the tropical jungles of northeastern Ecuador lies a vast pool of oil, representing one-fifth of the small Andean country's petroleum reserves and potentially billions of dollars in revenue. Directly above that pool, the Yasuni National Park is home to a diversity of wildlife that is among the richest on the planet, Ecuadoran and U.S. biologists say.

Faced with these two treasures, Ecuador is pursuing an unusual plan to reap the oil profits without actually drilling for oil.

The idea envisions wealthy countries effectively paying Ecuador to leave its oil -- and the carbon dioxide that would result from using it -- in the ground. Environmentalists hail the proposal as a potentially precedent-setting approach to conservation in developing countries.

[Coal-Fired Power Plant Rejected by Japanese Minister](#)

(Bloomberg) -- Japan's environment minister recommended rejecting a proposal for a new coal-burning power plant in the north, calling it an obstacle for the nation in meeting its pledges to reduce greenhouse-gas emissions.

[Duke Energy building "last two" coal plants-CEO](#)

COPENHAGEN (Reuters) - U.S. firm Duke Energy (DUK.N) may be building its last two coal plants to bet instead on nuclear power, chief executive James Rogers said on Tuesday.

Rogers described his company as the third largest U.S. generator of electricity from coal and the third largest from nuclear. If Duke Energy had to choose between one technology or the other Rogers said: "I'm betting on nuclear."

"And I would go a step further and probably say that these two coal plants we build might well be the last two we build until we have a clear picture on CCS," he told reporters, referring to two planned coal plants.

[Energy chief feels pressure on all sides](#)

United States Energy Secretary Steven Chu is in Europe this week to begin talks that will be crucial in the global battle against climate change.

The 61-year-old physicist yesterday held key discussions with energy ministers from G8 nations in Rome before travelling to London to take part in a debate, with Nobel prize winners, on global warming.

The arrival of Chu, himself a physics Nobel prize winner, comes as the scientist-turned-politician finds himself under fire from environmentalists over decisions he has made about America's campaign to fight global warming.

[A National Energy Tax: No Solution to the American Energy Crisis](#)

As the summer months quickly approach and families start to plan vacations, our country continues to struggle with high energy costs. Unfortunately, Congressman Henry Waxman, Chairman of the House Energy and Commerce Committee, and other Democrats in Congress are strongly pushing legislation which implements a cap and trade system or more accurately: cap and tax. The simple truth behind the Waxman energy plan is that it raises taxes, kills jobs and will lead to more government intrusion.

[Green Camo: Seeing Through the Military's New Environmentalism](#)

As the single largest consumer of energy in the world, the U.S. military is poised at the center of two of the most life-altering issues of our time: climate change and the height of oil production ("peak oil"). Surprisingly, the Pentagon began taking both matters seriously much sooner than the rest of government, which still has its fair share of skeptics.

[Garage's hybrid approach to fixing 'green' cars](#)

As the name implies, Luscious Garage is not your typical auto repair shop.

The small South of Market shop was the first of its kind in the country to specialize in servicing hybrid cars.

[Solar power could surge by 2050 in deserts: study](#)

PARIS (Reuters) - Solar power plants in deserts using mirrors to concentrate the sun's

rays have the potential to generate up to a quarter of the world's electricity by 2050, a report by pro-solar groups said on Monday.

The study, by environmental group Greenpeace, the European Solar Thermal Electricity Association (ESTELA) and the International Energy Agency's (IEA) SolarPACES group, said huge investments would also create jobs and fight climate change.

[Arab nuclear ambitions embolden spurs nuclear renaissance](#)

The most volatile region in the world is going nuclear.

In the Arab world, at least thirteen nations, both oil-rich and oil-thirsty, are collaborating with world powers to build nuclear energy programmes with unprecedented determination.

As energy and water needs grow, they are confronting the inevitable depletion of oil and natural gas. The nuclear option has trumped renewables as a means to generate electricity while guaranteeing long term security.

[Exxon Mobile to develop solar, biofuel and coal gasification technologies](#)

Is oil giant Exxon Mobile preparing itself for the beginning of the end of oil? It indeed looks like it. In its 2008 Corporate Citizens Report released Friday the company promises to battle greenhouse gas emissions by increasing energy efficiency in the short term, advancing emission-reducing technologies in the medium term, and developing technologies such as solar, next generation biofuels and coal gasification for the long term.

[Japan: Government to embrace 'Green New Deal'](#)

The government will promote "Green New Deal" policies to expand the nation's markets related to environmental conservation and build a society where environmental policies will not hamper economic growth, according to a draft of the 2009 white paper on the environment.

[President Obama says energy cuts are key to saving the planet](#)

A GLOBAL drive to improve energy efficiency will be the centrepiece of US President Barack Obama's strategy for fighting climate change, the US Energy Secretary has said.

An international initiative to cut the amount of energy used by buildings and vehicles is as important to reducing carbon emissions as clean energy generation, and will be more

achievable in the short term, Professor Steven Chu says.

[Climate change: World's destiny at stake](#)

PARIS (AFP) – Ministers from economies accounting for 80 percent of the globe's greenhouse gases met Monday to warnings that "the world's destiny" may lie in the outcome of a mooted pact on climate change.

The so-called Major Economies Forum (MEF) met in Paris ahead of a new round of UN talks aimed at culminating in a sweeping global treaty in Copenhagen in December.

[Appa, Sherpa, Warns Mount Everest Glaciers Melting From Global Warming](#)

KATMANDU, Nepal — A Sherpa from Nepal who holds the world's record for scaling Mount Everest said Monday the planet's highest peak was littered with trash and warned that its glaciers were melting because of global warming.

Appa, who like most Sherpas goes by only one name, scaled the peak last week not to draw attention to his own amazing feat — he has now climbed Everest a record 19 times — but to the impact that global warming is having on the majestic site.

Glaciers are melting at an alarming rate, creating lakes whose walls could burst and flood villages below. Melting ice and snow also make the routes for mountaineers less stable and more difficult to follow.

[France, Germany urge more flexible climate pact](#)

PARIS (Reuters) – France and Germany suggested on Monday that rich nations should collectively guarantee deep cuts in greenhouse gases by 2020 while giving flexibility to laggards such as the United States to catch up later.

France said the idea, floated at talks among 17 top greenhouse gas emitters including China, United States, Russia and India, could help toward a new U.N. climate treaty due to be agreed at a meeting in Copenhagen in December.

[Amazon hit by climate chaos of floods, drought](#)

SAO PAULO – Across the Amazon basin, river dwellers are adding new floors to their stilt houses, trying to stay above rising floodwaters that have killed 48 people and left 405,000 homeless.

Flooding is common in the world's largest remaining tropical wilderness, but this year

the waters rose higher and stayed longer than they have in decades, leaving fruit trees entirely submerged. Only four years ago, the same communities suffered an unprecedented drought that ruined crops and left mounds of river fish flapping and rotting in the mud.

Experts suspect global warming may be driving wild climate swings that appear to be punishing the Amazon with increasing frequency.



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