



Drumbeat: September 5, 2009

Posted by [Leanan](#) on September 5, 2009 - 9:12am

Topic: [Miscellaneous](#)

[The Second Wave](#) - *Fast-growing emerging markets are making energy efficiency a high priority. Leading the way: China.*

After years as energy-efficiency laggards, China and a number of other fast-growing emerging markets are putting a high priority on restraining oil demand.

Stung by high energy costs prior to the world recession, these countries are implementing a host of measures to try to contain energy consumption and damp the impact of future oil-price spikes. Among other things, they're laying down tough new efficiency standards on everything from cars to buildings to home appliances.

[o-the-dark-ages.html](#)">Britain heading back to the dark ages

The UK is facing a tipping point over the next few years in its ability to generate enough power to satisfy an ever-increasing demand.

[Democrats send letter urging Parnell to avert energy crisis](#)

ANCHORAGE, Alaska -- Five Anchorage Democrats in the Legislature are pushing Gov. Sean Parnell to do more to head off an energy crisis in Southcentral Alaska.

Sen. Hollis French and Reps. Les Gara, Pete Petersen and Chris Tuck sent Parnell a letter Friday calling for an emergency plan.

Their main concern: That people are not prepared for a possible shortage of natural gas this winter that could leave people without heat and power.

[ConocoPhillips Gets Green Light for Alaskan Oil Field Unit](#)

Federal officials have given ConocoPhillips and its partner Anadarko Petroleum the go-ahead to compile certain Alaskan oil and gas leases into a new oil field unit -- a precursor to development and production in the North Slope region, reports Reuters.

[China Oil Deal Is New Source of Strife Among Iraqis](#)

WASIT PROVINCE, Iraq — When China's biggest oil company signed the first post-invasion oil field development contract in Iraq last year, the deal was seen as a test of Iraq's willingness to open an industry that had previously prohibited foreign investment.

One year later, the China National Petroleum Corporation has struck oil at the Ahdab field in Wasit Province, southeast of Baghdad. And while the relationship between the company and the Iraqi government has gone smoothly, the presence of a foreign company with vast resources drilling for oil in this poor, rural corner of Iraq has awakened a wave of discontent here.

[Gabon's Oil Hub Tense after Disputed Vote](#)

Security forces in Gabon continued to clash with opposition demonstrators following the announcement that the son of the country's long-time ruler has been elected president. The French oil firm Total has evacuated foreign workers from Port Gentil, at the center of the violence.

[Iraq-Shell deal likely to be delayed until after polls](#)

Baghdad: A final deal between Iraq and Royal Dutch Shell to tap natural gas in southern Iraq is likely to be delayed until after January's national elections, a senior Iraqi oil official said yesterday.

[NATO Strike Magnifies Divide on Afghan War](#)

KUNDUZ, Afghanistan — A NATO airstrike on Friday exploded two fuel tankers that had been hijacked by the Taliban, setting off competing claims about how many among the scores of dead were civilians and raising questions about whether the strike violated tightened rules on the use of aerial bombardment.

[Wyoming's coal country sends millions of tons of coal to energize power plants around the nation](#)

WRIGHT, Wyo. - Herds of antelope graze amid the sage and short grasses of the rolling Thunder Basin National Grassland while 140-car trains rumble northward.

Each empty hopper soon will groan beneath 120 tons of coal carved from deep open pits and destined for electrical plants around the United States.

In environmental terms, this coal is the good stuff.

[California: Urging Water Rules Change](#)

Gov. Arnold Schwarzenegger sent a letter to Secretary of the Interior Ken Salazar and Secretary of Commerce Gary Locke asking them to reverse the federal government's restrictions on water use intended to protect fish in the Sacramento-San Joaquin River Delta. "Three years of drought continue at serious cost to our farms, our people and our economy," Mr. Schwarzenegger wrote.

[Food cost outlook easier to swallow](#)

High fuel costs during the summer of 2008 also played a part, leading to higher shipping costs, Alexander said.

All that is beginning to turn around, Alexander said. Prices of corn, wheat and other food commodities have come down dramatically since 2008. So has the price of fuel.

[Commercial Arctic Passage Nearing Goal](#)

More than halfway through a rare trans-Arctic commercial voyage, two German heavy-lift ships carrying power-plant components from South Korea to a Siberian port were scheduled today to pass the northernmost point on their route, the Vilkitsky Strait.

[A Skeptic Finds Faith in Geoengineering](#)

Bjorn Lomborg, the Danish political scientist who found fame as the author of "The Skeptical Environmentalist," has completed a study of the best ways to address the warming of the planet.

His chief finding: the most cost-effective and technically feasible approach is through geoengineering, the use of technology to deliberately alter the earth's climate.

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efficiency standards on everything from cars to buildings to home appliances.

[Easy oil is never far from the cutting edge](#)

In this sense, there has never been a time of “easy oil”. We are looking back to an imagined golden age. The industry’s capabilities advance in step with the demands it faces. Otherwise, we might fondly think that the 1960s was the “age of easy microchips”. As BP has shown, what was impossible five years ago becomes feasible today. Five years in the future, it will be routine.

[Saudis exploring alternatives as oil prices tank](#)

ABU DHABI — Saudi Arabia's state-owned Aramco plans to diversify its energy resources and move away from crude oil production.

Executives said the energy company has been embracing the development of natural gas sources to meet domestic and regional demand. They said gas production and exports would help cushion the blow of another major decline in the price of oil.

[Saudi Arabia to supply steady oil volumes in Oct](#)

Saudi Arabia, the world's biggest oil exporter, plans to keep supplies steady in October to major firms with global refining systems, an industry source said on Friday. The steady allocations are a strong indication the Organization of the Petroleum Exporting Countries will not make any formal change to output ceilings when it meets on Sept. 9. "Yes," an industry source told Reuters when asked whether October oil supply from Saudi Arabia would be held steady for major oil companies.

[Drought Puts Focus on a Side of India Left Out of Progress](#)

PIPRI VILLAGE, India — Two very different recent scenes from India: At a power breakfast in New Delhi for many of the country’s corporate leaders and top economic officials, Finance Minister Pranab Mukherjee declared that India had “weathered the storm” of the global economic crisis and was witnessing “green shoots” in industry and services that signaled a return to more rapid growth by next year.

Hundreds of miles away in this farming village in Andhra Pradesh, in the south, weeds were the only green shoots sprouting in the black soil that belongs to the widow Chandli Bai. Her field went 12 weeks without rain during India’s annual monsoon season before showers finally arrived on Aug. 23, splattering down too late onto the dry dirt. Her summer crop of lentils was stillborn in the ground.

“We eat once a day,” said Mrs. Bai, 65, explaining how she and her family had survived

the lack of rain.

[Solar Crisis Set to Hit in 2010](#)

The solar industry is already suffering from significant overcapacity, yet incumbents are adding still more manufacturing to try to secure a cost competitive position after the shakeout. This chart, prepared by Digitimes using data from The Information Network (hat tip reader Michael), sums up the yawning gap between demand and capacity.

[Oil scarcity leads us to electric cars which leads us to Neodymium scarcity](#)

Peak Neodymium? A recent Reuters article quotes Jack Lifton, an independent commodities consultant and strategic metals expert, as raising an alarm about the use of rare earth materials (like Neodymium) in hybrid and electric cars like the Prius. The article raises the specter of running out of these rare earth materials dooming the possibility of adoption of electric vehicles and other technologies such as high powered wind turbines. It may not be as dire as Mr. Lifton suggests, however.

[Energy Company Calls Halt to Drilling Project](#)

A \$17 million energy project in California that was supposed to demonstrate the feasibility of extracting vast amounts of heat from the earth's bedrock has been suspended indefinitely after the drilling essentially snagged on surface rock formations.

The project, run by AltaRock Energy, represents the Obama administration's first major test of geothermal energy as a significant alternative to fossil fuels. But since drilling began in June, the project has encountered earthquake fears and scheduling delays.

[Matthew Simmons: Oil Spin](#) - *Ignore the optimists. Peak oil is real.*

First, alarming data from the International Energy Agency and the U.S. Department of Energy shows that the flow of global crude oil peaked in 2005 and is now sliding steadily. The world will never "run out of oil," but its flow is in decline. There may still be ample oil reserves left in the ground when oil flows fall to half of today's use. But these remaining reserves are all either very low-quality heavy oil, which is difficult to process, or tainted with toxic elements that make it hard to refine into usable petroleum products.

It would be comforting if some vast new oil frontier existed that would recreate the 20th century's oil miracle, but almost five decades have now elapsed since the last great super-giant oil fields were discovered and the last frontier basins were found.

[Oil and the minds of men](#)

The great petroleum geologist Wallace Pratt famously said that "Oil is found in the minds of men." Discoveries depend on visionary theory, technical innovation and commitment to risky drilling. Plus luck. Peak Oil theory, by contrast -which asserts that global oil production has, or soon will, peak, and that this has powerful policy implications -- is found in the limitations of the minds of men. It is less geological theory than unevolved intellectual shortcoming, although it certainly has its political uses.

[Peak Oil and the IEA \(What they don't want you to know...\)](#)

So while the British Government (and many others) declares that it "does not feel the need to hold contingency plans specifically for the eventuality of crude oil supplies peaking between now and 2020", a senior energy expert at the IEA --the body that advises our governments on oil- who wrote part of the 2008 WEO, cannot rule out the death of a significant part of humankind in the coming decades.

[What BP's giant oil strike means](#)

The London company's two-decade commitment to the gulf has helped resurrect a region that was being dismissed as "the Dead Sea" in the 1990s, after companies hit a series of dry holes. "With respect to the Gulf of Mexico, BP has done very, very well," says Richard Gordon, president of Gordon Energy Solutions, an Overland Park (Kan.) oil and gas consultancy.

Tiber and Kaskida will take years to develop, and BP runs the risk of cost overruns, another crash in the price of oil, and unforeseen, expensive challenges in extracting all that crude. But BP's star gulf property, a massive oil and gas field about 140 miles southeast of New Orleans called Thunder Horse, is already raking in cash for the company (ExxonMobil owns 25 percent of Thunder Horse).

[Forget 'Peak Oil' - Drill, BP, Drill](#)

Ignoring peak-oil Cassandras, BP has made another giant oil find in the Gulf of Mexico. We're not running out of oil. Our government just doesn't want us to look for it.

The world is running out of oil and good riddance. That's the environmentalists' mantra. But since the first well was drilled near Titusville, Pa., 150 years ago, the prophecy has gone unfulfilled. Trouble is, those darn greedy oil companies keep finding the stuff.

[Petrobras Expects Brazil Government to Increase Stake](#)

(Bloomberg) -- Petroleo Brasileiro SA, Brazil's state-controlled oil company, said the government will likely boost its 32 percent stake after a planned share sale.

As part of new oil regulations, the government is selling Petrobras the right to produce 5 billion barrels of oil in offshore areas in exchange for new shares in the company. Existing investors will also have the right to buy shares in the offering to maintain the level of their shareholding. Brazil's Congress still has to approve the planned changes.

[UK official says oil was part of Lockerbie talks](#)

LONDON -- Trade and oil considerations played a major role in the decision to include the Lockerbie bomber in a prisoner transfer agreement between Britain and Libya, a senior British official said in an interview published Saturday.

[Energy XXI Surges 84% as Well Probes Same Layer as BP](#)

(Bloomberg) -- Energy XXI (Bermuda) Ltd. the crude producer that boosted output by almost one-fifth in the past two years, soared 84 percent as an oil well drilled off the Louisiana coast neared the same geologic formation that yielded a 3 billion-barrel discovery for BP Plc.

[Oil expertise from Venezuela gives Colombia's industry a boost](#)

Reporting from Bogota, Colombia - Until recently in a free fall because of terrorist attacks that scared off wildcat drillers, Colombia's oil production is staging a surprisingly robust rebound, boosted in no small part by the arrival of oil industry executives and engineers banished by Venezuelan President Hugo Chavez.

[Talk of China's green revolution belies its voracious energy grab](#)

All the talk is about China's green revolution at the moment, but everywhere I turn it seems to be gobbling up another multi-billion pound gas contract or oil company.

Officials may be making all the environmentally-correct noises ahead of the G20 summit later this month, but out of an estimated \$46.5bn (£28bn) spent on international oil and gas acquisitions in the first four months of this year, China accounted for \$45bn.

[New climate plan would favour oil sands](#)

Ottawa is eyeing a climate change plan that would allow Alberta's oil sands to continue

growing – and polluting – but would clamp down on industries in the rest of the country, multiple sources have told the *Toronto Star*.

[Eric the Green](#)

Q What ideas beyond CCS are oil and gas companies coming up with?

A If you start improving the recovery of oil from oil fields, that in itself is a huge environmental benefit for the same amount of relative input. There are transformative technologies in accessing heavy oil. People are already trying to develop toe-to-heel air injection to recover a lot higher percentage of heavy oil and also in-situ oil from bitumen. People are also looking at non-aqueous ways of extracting oil.

[Plan would pay Japanese families to have kids](#)

The proposal would pay families the money every year until the child reached high school. It is an effort to boost Japan's birthrate, which is one of the lowest in the world and is a major drag on the country's economy. It is compounded by Japan's rapidly aging population.

[Reuters summit-Try nature, not tech, to fix economic woes - UNEP](#)

GENEVA (Reuters) - The world is waking up to huge economic benefits of investing in nature, from forests to coral reefs, after one of the "great oversights" of the 20th century, the head of the U.N. Environment Programme said on Friday.

Achim Steiner told Reuters that governments had long placed too much faith in technology to fix problems such as global warming, water pollution or erosion, instead of looking to natural solutions.

"At the beginning of the 21st century we are being thrown back onto nature because you can't fix all these problems with technology," he said.

[Studies of the Arctic Suggest a Dire Situation](#)

Climate change is happening everywhere, but nowhere faster than in the Arctic, where annual temperatures in the far North are warming twice as fast as the rest of the globe. Sea ice on the polar cap is shrinking and permafrost is melting, putting animals like the polar bear – and the Arctic people who depend on them – in increasing danger.

[Tackling wider air pollution would speed climate action: UN](#)

GENEVA (AFP) – Countries could speed up their action against climate change if they tackled air pollution as well as carbon dioxide emissions, the UN Environment Programme said.

[Global warming worries the military](#)

Okay, maybe you don't care or believe that within a couple of generations global warming's effects on sea levels will swamp the world's coastlines, displacing hundreds of millions of people. And maybe you don't care or believe that already dry regions will experience extended droughts, leaving millions more people without adequate food or water. Or that thousands of species will be wiped out. Or that the coral reefs are toast.

But what about America's fighting forces? Do you support our troops? If so, you might want to get behind the push for alternative energy and a reduced carbon "footprint" because our military says it's essential for American security.

[Worst climate change offenders to escape effects, report claims](#)

Countries which are contributing most to climate change, including Britain, will be shielded from its worst effects, according to a study which ranks nations according to their vulnerability to global warming.

The poorest countries, including most of Africa and much of south Asia, face "extreme risk" from climate change despite having very low greenhouse gas emissions.

Countries with the highest emissions are the least vulnerable, largely because they will be able to use their wealth to mitigate the impacts.

[Simply put, every drop of water counts](#)

Halt global warming? It's simple, one expert says: to save energy, save water.

[Is There a Climate-Change Tipping Point?](#)

Researchers from Wageningen University, the University of Wisconsin and Scripps Institution of Oceanography found that an assortment of systems they studied all had critical thresholds that could trigger change from one state to another — changes that tend to be abrupt, not gradual. "Such threshold events don't happen that often, but they are extraordinarily important," says study co-author Stephen Carpenter of the University of Wisconsin. "They are the portals to change."

So, how do we know that change is at hand? The Nature researchers noticed one potential signal: the sudden variance between two distinct states within one system,

known by the less technical term *squealing*.



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