



Drumbeat: November 14, 2009

Posted by [Leanan](#) on November 14, 2009 - 9:12am

Topic: [Miscellaneous](#)

[Iraq plan for 12 mln bpd oil output 'crazy' - Total](#)

'The 12 million barrels is crazy,' Total CEO Christophe de Margerie told reporters late Thursday after a panel talk at Columbia University in New York.

'We know there's a potential to maybe reach 7 to 8 million barrels someday, and that alone would be a tremendous success.'

Total's CEO also said he was skeptical about the success of further oil field bidding rounds in Iraq after a first round in June was abandoned by most foreign majors, including Total, which protested stiff contract terms imposed by Iraq.

capacity -- which currently stands at approximately 4 million barrels a day.

The Saudis have publicly explained their effort to moderate prices as a function of their desire to protect a fragile global economy. But it's hard not to notice that the Saudi strategy also has the side benefit of pinching Iran. Specifically, while the Saudis in 2009 require an average oil price of about \$51 a barrel to cover their budget, Iran needs an average price in excess of \$90. If the price holds steady at the Saudi-designated range of \$70-\$80 for the rest of this year, the Saudi treasury could come in with a slight surplus. The Iranians, by contrast, have reportedly been forced to consider phasing out food and energy subsidies in an attempt to battle their looming fiscal problems.

[Ortiz Says Fixing 'Screwed Up' Mexico Should Be Easy](#)

Pemex, as the national energy company is known, has been unable to increase production as mature fields yield less. It also can't find new ones fast enough and exploration in deep waters is slowed because of a lack of technology. Foreign oil companies have shown little interest in working in Mexico because laws that were changed last year to allow them to explore for oil still ban them from being equity partners or owning the oil they find.

"The ridiculous thing is that the Gulf of Mexico is full of oil and we can't get to it because we don't have sufficient flexibility in our legal framework to induce foreign investment in these fields," he said. "We used to produce 3.3 million barrels per day a few years ago, and this is down to 2.5" million barrels, Ortiz said.

[The rise of Rimland?](#)

MONTREAL - Recent energy and other developments in Southwest Asia, particularly involving Turkey, Iran and Iraq, sketch the outline of an imminent reorganization of international relations in the region. This will have knock-on effects for Eurasia as a whole and the shape of the international system in coming decades.

At the same time, it suggests new and unexpected relevance of the mid-20th century geopolitical theorist Nicolas Spykman.

[Petrobras Quarterly Profit Drops 26%; Expects to Reach Target](#)

(Bloomberg) -- Petroleo Brasileiro SA, Brazil's state-controlled oil company, reported third-quarter profit in line with analysts' estimates amid a slump in crude prices and said that it expects to meet its Brazilian production target.

[Central GOM Sale to Offer 36MM Acres for Oil, Gas Devt](#)

Secretary of the Interior Ken Salazar today announced the Department will hold an oil and natural gas lease sale for the Central Gulf of Mexico Outer Continental Shelf that will offer nearly 36 million acres and could produce up to 1.3 billion barrels of oil and 5.4 trillion cubic feet of natural gas.

[Propane scarce for drying crops](#)

A unique harvest season has created an increase in demand for the fuel source, as wetter crops coming out of the field have meant more time is needed to adequately dry them down.

The October rains put much of the corn crop being taken from the fields in the 30 percent moisture range, and that means reducing the moisture content before taking it to market – unless one wants to pay the drying charge at the elevator.

That demand has put more LP trucks on the road hauling the fuel from farm to farm to help keep harvest going. The problem is those supplying that fuel are having a difficult time keeping up with the demand.

[Unthinkable? Fixing prices for fossil fuels](#)

Not only is this a dysfunctional market; it is also clear that much more of the world's energy needs to come not from oil or gas or coal but from wind or wave and other

renewable sources. The solution may be to do something that was last successfully tried in the 80s – and fix prices for fossil fuels. This would not be a rerun of Opec, but would instead force producer countries such as Saudi Arabia to negotiate with a full range of consumer countries from Britain to Bangladesh. Oil could be charged at different rates to different countries, depending on their wealth. Rich nations would be charged full whack, to wean them off fossil fuels and on to green energy; the world's poor would pay less and would have greater certainty over their fuel bills. Part of the revenue would go into a pot to help poor countries deal with climate change.

[World leaders 'must not use recession to delay action on climate change'](#)

World leaders cannot use the global recession as an excuse to delay action on climate change, according to leading economists. In a new analysis they predict that the economic downturn will cut carbon emissions by 9% by 2012 and delay the onset of "dangerous" climate change by just 21 months.

The report, published today by the ESRC Centre for Climate Change Economics and Policy, compared economic forecasts made before the recession with revised estimates that incorporate the contraction in the global economy. They used this to work out the knock-on effect on carbon emissions and hence the climate.

[Netherlands to levy 'green' road tax by the kilometre](#)

THE HAGUE (AFP) – The Dutch government said Friday it wants to introduce a "green" road tax by the kilometre from 2012 aimed at cutting carbon dioxide emissions by 10 percent and halving congestion.

"Each vehicle will be equipped with a GPS device that tracks how many kilometres are driven and when and where. This data will be then be sent to a collection agency that will send out the bill," the transport ministry said in a statement.

[Heart of Dryness: Water, Climate and Energy](#)

As the reality sank in about rising thirst and falling water tables and aquatic extinction, the usual suspects — all those noisy hand-wringing liberal environmentalists — prophesized their litany of doom, right on schedule. Only this time their worry was echoed by nervous conservatives, industrial interests and development boosters, also now preaching how the end of water was nigh.

Never mind the gloomy Club of Rome; bullish corporate titans at the World Economic Forum in Davos warned us how limits to growth came from scarce fresh water. Elbowing past picket lines of wild-eyed green protesters, some otherwise astute World Bankers were confounded at how, contrary to basic economics, water use grew less efficient as water grew scarcer. Goldman Sachs, a stodgy and sober Wall Street investment bank not given to hyperbole, grew increasingly alarmed that, by doubling every 20 years,

global water consumption had attained an “unsustainable” rate of growth.

[South Korea to help ease Dominican Republic's energy woes](#)

Santo Domingo.- South Korea will help fund the improvement of Dominican Republic's historically deficient electrical sector, with several agreement signed this week, including a memorandum of understanding to conduct a study to solve the energy problems.

[Bangladesh: Solar power for high-rise bldgs to curb energy crisis](#)

Solar-power systems on rooftops of high-rise buildings in urban areas would greatly help to ensure uninterrupted supply of electricity with a view to overcoming the present energy crisis, expert said.

[Wind farm poses danger to bird populations](#)

ALAMEDA COUNTY, CA (KGO) -- The Altamont is the world's oldest wind farm with some 5,000 power-generating turbines covering 50 square miles on the Alameda County border. While generating good green power for the state, it has a bad reputation for killing birds.

[Iraq plan for 12 mln bpd oil output 'crazy' - Total](#)

'The 12 million barrels is crazy,' Total CEO Christophe de Margerie told reporters late Thursday after a panel talk at Columbia University in New York.

'We know there's a potential to maybe reach 7 to 8 million barrels someday, and that alone would be a tremendous success.'

Total's CEO also said he was skeptical about the success of further oil field bidding rounds in Iraq after a first round in June was abandoned by most foreign majors, including Total, which protested stiff contract terms imposed by Iraq.

[Did Big Oil Win the War in Iraq?](#)

As U.S. and British oil companies sign contracts with the Iraqi government, is it time to declare Big Oil the "victor" in the bloody venture?

[Total UK admits charges in huge 2005 oil fire](#)

Oil company Total UK pleaded guilty Friday to three charges stemming from a massive oil depot fire in 2005, the biggest conflagration in Europe since World War II.

[Feds want to shorten terms for offshore leases](#)

In a move that drew quick condemnation from the oil industry, federal officials said Friday they want to shorten the terms of a previously announced drilling lease sale on nearly 36 million acres in the Gulf of Mexico off the coasts of Louisiana, Mississippi and Alabama.

The proposed terms for the sale would set five-year terms for leases in water depths of 1,300 to 2,600 feet, instead of the eight-year term that has been typical.

[Crude World by Peter Maass and The Squeeze by Tom Bower](#)

As one chapter of misery, hubris and hypocrisy builds upon the next the reader is drawn towards Maass's conclusion: "You cannot navigate the violent creeks of the Niger Delta or visit the contaminated mess of Ecuador's Oriente region without thinking that everything would be better if oil had not been found." When it comes to remedies, Maass is on the side of pragmatism. The "Publish What You Pay" initiative could probably solve corruption, he believes; and there is probably already adequate technology to stop and reverse global warming, if only states would adopt it. He shies away from a more frightening scenario: that peak oil prompts a resource war in the next decade which sabotages humanity's collective attempts to attack global warming and, simultaneously, deglobalises the world economy.

[Russia, Slovenia sign South Stream pipe deal](#)

MOSCOW (AP) -- Slovenia agreed Saturday to take part in a pipeline project carrying Russian natural gas to Europe, bolstering a Kremlin attempt to defend its position as the continent's primary supplier, news agencies reported.

[China and U.S. Energy Giants Team Up for 'Clean Coal'](#)

Inside the Beltway, China is often cast as an environmental villain. Some lawmakers point to Beijing's skyrocketing greenhouse gas emissions as their main argument against any policy to cut U.S. carbon output. Others see China as a competitive threat, stealing both conventional and green jobs from American workers while already pulling ahead in the cleantech race.

But a new dynamic is taking shape that may transform this perception. Led by the likes of Duke Energy, Southern Co., and their Chinese counterparts, utilities from the world's two largest greenhouse-gas-emitting nations are collaborating on crucial technologies that burn coal more cleanly and help capture and store CO₂ emissions. "There's a

perception that the U.S. leads in this technology and China lags," says Armond Cohen, executive director of the Clean Air Task Force, or CATF, which has created a network of a dozen Chinese and U.S. utilities to work on developing cleaner coal methods. "That's not so. In some key areas, China is more advanced. There's a lot to share."

[Global Warming Film Just Wrong](#)

I recently attended a public showing of the film "Not Evil, Just Wrong" in Kalispell. Sponsored by the Northwest Montana Patriots, it was billed as a documentary exploring the economic impact of global warming "hysteria." I hoped it would broaden my perspective on climate change issues, but the film was a disappointment.

First, while I hoped for an intelligent refute to the mainstream understanding of greenhouse gas pollution, the film instead fixated on Al Gore and, strangely, Rachel Carson. It was a transpicuous attempt to distract audience attention from science and focus it on anger toward individuals. Especially in the case of Rachel Carson, an author and scientist whose most famous work was completed 50 years ago, the film squandered valuable time that could have been used exploring pertinent climate change issues.

[The business of climate: A look to technology](#)

Singapore (CNN) -- Tim Flannery believes the future peace and stability of the world rides on action at next month's United Nations Climate Change Conference in Copenhagen.

"Really, Copenhagen is really a question between peace and prosperity versus war and chaos," Flannery, chairman of the Copenhagen Climate Council, told delegates at the Asia-Pacific Economic Cooperation CEO Summit on Saturday. "Food security, water security, mass migration and political instability" are at risk if the amount of greenhouse gases in the atmosphere isn't mitigated, he said.

[Australian Seaside Homes at Risk From Climate Change, Wong Says](#)

(Bloomberg) -- As many as 247,600 Australian homes will be at risk from rising sea levels by 2100 as a result of global warming, according to a report released by Climate Change Minister Penny Wong.

The report calls airports, ports and other industries also vulnerable, Wong said in an e-mailed statement. The government has set up a council to develop a strategy to counter the risks.

[Climate change compounds Ethiopia's food crisis](#)

Experts say east Africa is facing one of its worst droughts in decades with over over 23 million people facing starvation, with climate change further compounding the dire picture.



This work is licensed under a [Creative Commons Attribution-Share Alike 3.0 United States License](http://creativecommons.org/licenses/by-sa/3.0/).