



Drumbeat: December 14, 2009

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Topic: [Miscellaneous](#)

[‘Smart’ Electric Utility Meters, Intended to Create Savings, Instead Prompt Revolt](#)

WASHINGTON — Millions of households across America are taking a first step into the world of the “smart grid,” as their power companies install meters that can tell them how much electricity they are using hour by hour — and sometimes, appliance by appliance. But not everyone is happy about it.

Customers in California are in open revolt, and officials in Connecticut and Texas are questioning whether the rush to install meters benefits the public.

Some consumers argue that the meters are logging far more kilowatt hours than they believe they are using. And many find it unfair that they will begin to pay immediately for the new meters through higher rates, when the promised savings could be years away.

[IEA: 72p of every pound invested in energy needs to be spent on renewables](#)

Dr Fatih Birol, chief economist of the IEA, said that 72p in every pound of new investment ought to be spent on clean energy, such as wind and solar, to hit current targets on global warming. The remaining 28p would be spent on nuclear and fossil fuels.

[Global oil demand to grow 1 pct a year to 2035 - EIA](#)

(Reuters) - Global crude oil demand is expected to grow 1 percent a year through 2035 to 111.7 million barrels per day (bpd) from this year's oil consumption level of 84.5 million bpd, the U.S. Energy Information Administration said on Monday in its new long-term energy forecast.

[Uzbekistan damages regional power network](#)

Uzbekistan recently officially announced that it will quit the Central Asia power system. Tashkent's decision affects all countries in the region, with Kyrgyzstan and Tajikistan suffering the most. The recent policy shift reflects the predicaments of Soviet period planning of energy supplies in the Central Asian region when - in general terms - upstream and downstream countries were presupposed to trade water for fuel.

[Shares of EnCana, shale firms, jump on XTO offer](#)

CALGARY, Alberta (Reuters) - EnCana Corp stock rose as much as 8.7 percent on Monday as investors bid up shares of unconventional gas producers in the wake of Exxon Mobil Corp's \$30 billion offer for XTO Energy Inc.

Exxon, the world's largest publicly traded oil and gas company, said on Monday it plans to acquire XTO for its exposure to shale gas and other unconventional gas discoveries that have reshaped North America's natural gas industry.

[In Bolivia, Water and Ice Tell of Climate Change](#)

EL ALTO, Bolivia — When the tap across from her mud-walled home dried up in September, Celia Cruz stopped making soups and scaled back washing for her family of five. She began daily pilgrimages to better-off neighborhoods, hoping to find water there.

Though she has lived here for a decade and her husband, a construction worker, makes a decent wage, money cannot buy water.

“I’m thinking of moving back to the countryside; what else can I do?” said Ms. Cruz, 33, wearing traditional braids and a long tiered skirt as she surveyed a courtyard dotted with piglets, bags of potatoes and an ancient red Datsun. “Two years ago this was never a problem. But if there’s not water, you can’t live.”

The glaciers that have long provided water and electricity to this part of Bolivia are melting and disappearing, victims of global warming, most scientists say.

[Krugman: Disaster and Denial](#)

When I first began writing for The Times, I was naïve about many things. But my biggest misconception was this: I actually believed that influential people could be moved by evidence, that they would change their views if events completely refuted their beliefs.

[Friedman: The Do-It-Yourself Economy](#)

In case you haven't noticed, the U.S. economy today is actually being hit by two tsunamis at once: The Great Recession and the Great Inflection.

The Great Inflection is the mass diffusion of low-cost, high-powered innovation technologies — from hand-held computers to Web sites that offer any imaginable service — plus cheap connectivity. They are transforming how business is done.

[U.S. oil use to 2035 won't return to peak demand: EIA](#)

WASHINGTON (Reuters) - U.S. energy consumption is expected to increase 14 percent by 2035, but the nation will rely less on oil and other fossil fuels to meet its energy needs, the Energy Information Administration said on Monday in its long-term forecast.

The fossil fuel share of U.S. energy demand over the next quarter century is expected to fall from the current 84 percent to 78 percent, the EIA said.

Oil use is forecast to remain "near" its current level, while ethanol is expected to account for 17 percent of gasoline consumption by 2035, the agency said.

[What Energy Crisis? The Truth About Our Oil Reserves](#)

One of the stories that we've been hearing for years now, in justification of the government's refusal to allow any more drilling or the construction of any new refineries, is that our oil reserves are so low that they won't last us very long if we use them.

It's true that many people believed that in the past, and many apparently still do, but the truth that's beginning to emerge now, is going to bury that idea, in the same way that we're currently debunking the absurd idea of Anthropogenic Global Warming.

While there have been some stunning new discoveries, a huge part of our new found reserves, has come as a result of recent developments in drilling technology which now allow us to drill far deeper, as well as allowing us to change the direction that we're drilling in once we're already down quite deep. As a result of these new techniques, many of the existing proven reserves, can now supply us with far more oil than we thought possible before.

[Ministers 'in denial' over renewable energy sources](#)

Oil tycoon Sir Ian Wood has accused Scottish ministers of being in denial over their belief that the country's energy needs can be met from renewable sources.

[Iraq Was Not a War for Oil: *But the oil fields are the nation's best hope for recovery.*](#)

What this means is that Iraq could quite soon be in a position to rival the output of Saudi Arabia and Iran. This is precisely what many of us in the regime-change camp used to point out: the huge, glittering prize of a democratic and federal Iraq situated between two parasitic theocracies and capable of challenging their oil duopoly.

[Gulf leaders gather to discuss creating common currency](#)

KUWAIT CITY (AP) — Leaders of the six Gulf Arab states were to move ahead with plans to set up a common currency and launch a new \$1.6 billion regional electricity grid Monday, the latest bids for regional integration at a summit where Iran's nuclear program was also on the agenda.

[How 'Cash for Caulkers' might work](#)

If it's like New York's energy-efficiency plan, homeowners would hire a contractor to do a home audit and perform the work. Soon after, voila, a reimbursement check arrives.

[TVA rates to drop again from fuel cost adjustment](#)

KNOXVILLE, Tenn. (AP) -- Rates for Tennessee Valley Authority residential customers will drop between \$1 and \$3 in the billing period that starts Jan. 1 due to another reduction in fuel costs.

[Aramco, Conoco bring forward refinery bids deadline](#)

KHOBAR, Saudi Arabia (Reuters) - Saudi Aramco and U.S. ConocoPhillips (COP.N) have

brought forward to Jan. 26 the deadline for bids to build a 400,000 barrels per day (bpd) oil refinery in Yanbu, five bidders said on Monday.

The deadline for five engineering, procurement and construction (EPC) proposals was originally due by Jan. 31.

[Will Ecuador drought dry up Correa's popularity?](#)

BOYACA, Ecuador (Reuters) - A drought in Ecuador is causing power blackouts throughout the country, slowing the economy's recovery and helping to push Rafael Correa's popularity to the lowest point of his presidency.

The approval rating of the firebrand socialist fell to 42 percent in a recent Cedatos Gallup poll, half of what it was in the early days of his government in 2007.

[EPA mustn't ignore impact on business](#)

The price could be steep for industry and consumers. The EPA finding clears the way for rules that eventually could force the sale of more fuel-efficient vehicles and require plants to install costly new equipment — at a cost of billions or even many tens of billions of dollars — or shift to other forms of energy.

[Statoil's Chief Vouches for Natural Gas in Copenhagen](#)

Major reductions in carbon emissions cannot be achieved in the short and medium term without a bigger commitment to gas, says Statoil's chief executive Helge Lund.

[Bill McKibben: The Wide Gap Between Climate Rhetoric and Reality](#)

Outside the window, right now, the atmosphere contains 390 parts per million (ppm) of CO₂. That's too much — as a result, sea ice is melting, glaciers retreating, deserts spreading. Science has told us where we need to go: 350 ppm. There's really not much pushback against that number — the UN's chief climate scientist Rajendra Pachauri has made it clear that it's a necessary target.

But it's tough. Any chance of getting there would require governments deciding to concentrate all their energies on speeding the transition to renewable energy. We'd have to work with the same fervor we do when a war beckons. And, uh, we're not.

[Rice husk powers into energy consciousness](#)

Power hungry Vietnam will turn to rice husk in a big way as it seeks renewable energy sources to support its economic development.

[IEA calls for "strong signal" to promote new investment for clean energy](#)

COPENHAGEN (Xinhua) -- The International Energy Agency(IEA) on Monday called on governments to send a strong signal to spur new investment for clean energy.

"While the details of a binding agreement may not be completely worked out in Copenhagen, it is more important than ever that participants send a strong, indicative and ambitious signal that can guide energy investment and policy decisions globally," IEA Executive Director Nobuo Tanaka said in a press release.

The economic crisis, which resulted in a fall in global energy-related CO2 emissions of around 3 percent in 2009, has provided "a unique window of opportunity" to change the current highly unsustainable energy path, the IEA chief said.

[Coal still king in China, despite climate pledge](#)

LINFEN, China (AFP) – The choking soot that coats Linfen is testament to an inconvenient truth behind Beijing's promises to curb its greenhouse gas emissions: cheap and carbon-belching coal remains king in China.

Although they say things are improving, residents of this city in northern Shanxi province live in one of the most polluted places on Earth thanks to China's reliance on coal, a dependence expected to continue for decades.

[Alberta oil sector set to trump gas drilling](#)

CALGARY - It's taken four decades, but oil will be king of the Canadian energy exploration sector again in 2010, says a forecast by the Petroleum Services Association of Canada.

The association predicts that 4,100 oil wells will be drilled next year, compared with 3,200 gas wells, the first time in 39 years that gas drilling has not trumped oil.

[A Cleaner Grid](#)

Canada is the largest foreign supplier to the United States of all forms of power generation -- oil and gas, uranium and, of course, electricity. There is a high degree of mutual economic dependence at stake, reflecting the extent to which our two economies are closely integrated, more so in fact than any other two markets in the world.

Electricity trade, primarily hydro power from Canada to the United States, is a key element of this unique market. It is cheap, abundant and clean. (Most of this trade is the export of hydro electricity from Quebec into the Northeast, and from Manitoba into the Midwest.) With the right policy and regulatory framework, we can ensure that electricity, particularly from hydro, will be an indispensable part of energy security for both Canada and the United States.

[The Enbridge Oil Sands Gamble](#)

Patrick Daniel, the CEO of Enbridge Inc, is bullish about the future of unconventional oil from Canada's massive tar sand deposits. And understandably so. His successful company not only operates North America's longest crude oil and liquid pipelines, but transports 12 percent of the oil that the United States imports daily from Canada.

"Energy is necessary for us to live long healthy lives," he told a business audience this past September during remarks to the Edmonton Chamber of Commerce. "The oil sands is the second largest reserve in the world, and we can't deny access to the rest of the world to that huge resource."

[Enerplus sees 2010 exploration spending at C\\$425 million](#)

(Reuters) - Canadian oil explorer Enerplus Resources Fund on Monday said it will spend about C\$425 million on its exploration activities for 2010, up 35 percent from its budget for this year, citing recovering crude oil prices and economic conditions.

[Dubai Shows No Guarantee Gazprom Debt Backed by State](#)

Nakheel's debt restructuring, and Dubai's refusal to guarantee timely repayment before Abu Dhabi stepped in, is prompting investors from Mexico to South Korea to demand higher premiums for state-run company debt.

The extra yield, or spread, investors require to hold the bonds of Moscow-based OAO Gazprom, the world's biggest natural gas producer, Mexico City-based Petroleos Mexicanos and Korea Electric Power Corp. rather than debt of their governments increased after Dubai said Nov. 25 that state-owned Dubai World would seek a "standstill" agreement from creditors.

[Indonesia to reduce gas emissions by 26% until 2020](#)

JAKARTA (Xinhua) -- Indonesia Forestry Minister Zulkifli Hasan said on Monday that the country was committed to reducing its gas emissions by 26 percent in several phases until 2020.

"The forestry sector is expected to help reduce gas emissions to 14 percent in the first phase," the minister said when declaring the formation of a National Forest Management Unit (KPH) at Taman Hutan Raya Ngurah Rai of Bali island.

[U.S. Offers \\$85 Million to Promote Energy Efficiency](#)

COPENHAGEN — Marking the beginning of a second, more serious week of climate negotiations here, the United States Energy Secretary Steven Chu announced Monday that industrialized countries would spend \$350 million over five years — including \$85 million from the United States — to spread renewable and non-polluting energy technologies in developing countries.

The announcement came as representatives from developing countries walked out of the climate talks in protest, saying that richer nations were not doing enough cut their greenhouse gas emissions. The move stalled the ongoing negotiations, at least for the moment, as African delegates declared they were "outraged with the lack of transparency and democracy in the process." "This is all part of the negotiating dynamic, especially as you get close to the end game," said Jake Schmidt, director of international climate programs at the Natural Resources Defense Council,

[Oil Falls a Ninth Day on Speculation Demand Recovery Is Slowing](#)

(Bloomberg) -- Crude oil fell for a ninth day, poised for the longest decline since July 2001, on speculation the global economy's uneven recovery from recession may slow growth in demand for fuel and energy.

Prices declined after the Tankan business confidence index in Japan, the world's third-largest oil consumer, posted its smallest improvement this year. Crude has dropped 16 percent since reaching a year-to-date high on Oct. 21. Goldman Sachs Group Inc. said in

a report today that prices have fallen because of “slow recovery” in demand in developed markets.

[Gasoline Set to Fall to \\$1.60 a Gallon: Technical Analysis](#)

(Bloomberg) -- Gasoline is poised for a slide to \$1.601 a gallon in January, a price that will likely be the 2010 low, according to a technical analysis by T&K Futures & Options.

Futures for January delivery on the New York Mercantile Exchange slipped below key support levels on Dec. 9, breaking through the 100-day and 60-day moving averages, according to Michael Smith, president of T&K in Port Saint Lucie, Florida.

“It just broke through support levels and I think it’s heading to \$1.60 within 30 days,” Smith said in a telephone interview. “That will probably be the low for the year.”

[Gazprom Sees European Price Rising to \\$325 in 2010, RenCap Says](#)

(Bloomberg) -- OAO Gazprom expects the average European gas price to rise to \$325 per thousand cubic meters next year, Renaissance Capital said in a note to investors, citing Alexander Medvedev, a deputy chief executive officer at the Russian gas export monopoly.

[Iraq will be 'big player' at OPEC meet: US diplomat](#)

BAGHDAD (AFP) – Iraq will be a “big player” at OPEC's meeting in Angola later this month over its allocated crude production quota following a string of deals with oil majors, a senior US embassy official said on Sunday.

[China's Hu unveils landmark Turkmenistan pipeline](#)

SAMANDEPE, Turkmenistan (AFP) – China's President Hu Jintao on Monday unveiled a landmark pipeline to transport Turkmen natural gas to China, a key victory for Beijing in its drive for access to Central Asian resources.

Hu, together with the presidents of Turkmenistan, Uzbekistan and Kazakhstan, turned a symbolic wheel at a refinery in Samandep in Turkmenistan's vast Karakum desert which opened the pipeline to start the first gas flowing.

[Exxon Mobil to buy XTO Energy in \\$41 billion deal](#)

NEW YORK (MarketWatch) -- Exxon Mobil Corp. said Monday it will buy domestic energy giant XTO Energy Inc. in an all-stock deal valued at \$41 billion as it moves to boost its presence in the unconventional natural gas business through a major acquisition.

[Armenia gas supplies from Russia stopped by 'bomb'](#)

Russia has temporarily halted gas supplies to Armenia after an explosive device was found near a pipeline, Russian news reports say.

A security official said exports via North Ossetia and Ingushetia were stopped and would not resume until the device was defused, Interfax reported.

[Shorting Mexico's Peak Oil Economy](#)

The next Tequila Crisis will be a peak oil crisis. Mexico's government is dependant on revenues from declining oil fields. The prospects for replacing these revenues look slim. Shorting Mexico Country ETFs looks like a good way to hedge market exposure.

[Some Lines In Favour Of A Troupe Of Buffalo Flying Over The White House Singing Pastoral Songs](#)

The price of oil was manipulated through futures markets, principally by Goldman Sachs, in what amounted to insider trading. This became known quite widely in 2009, yet the financiers involved are not yet in prison. The misleading notion of peak oil was less mentioned in 2009 as it became better known that reserves have been increasing for some time, whilst the demand for oil has decreased.

[The Official Policies](#)

Peak oil is here and none of the alternatives hold any real promise as transportation fuels. Even if they did, implementing them would only give us a short respite as business as usual means more middle-class people, and more middle-class people will use more

energy. To simply continue to burn fossil fuels as we have been will certainly doom us to the effects of global climate change and force us into war with other nations for the last drops of oil. Given the global climate change catastrophe, burning fossil fuels has to stop *right now* or there is really no chance of preventing the planet from becoming a place in which we, that is civilized humanity (not Homo erectus), cannot live.

Many other problems are only a little further down the tracks of time. Phosphate shortages, collapse of fisheries, species extinction, aquifer depletion, even erosion of soil, are all a lot closer than anyone with even a medium-range plan can ignore.

[The Dubai model](#)

Dubai was a petroleum-producing nation that ran out of this resource. Hence, Dubai's visionary, Sheik Mohammed bin Rashid Al Maktoum, set out to reconstruct its economy in anticipation of this natural resource depletion. Some say that our Government is attempting to implement the Dubai model in T&T. However our visionaries do not accept that our petroleum is depleting and have wedded our economic development plans to natural gas driven industrialisation. Diversification is thought to be the changeover from oil to gas with some lip service to on-shore diversification.

[Property owners don't get share of gas royalties](#)

The Hales are entitled to a share of the proceeds from their gas, but since the wells rimming the family land began producing in 1998, they have not received a penny.

Instead, CNX cuts a check for the royalties it owes the Hales - and countless others whose gas it produces - and transmits the money into a state-run escrow account that landowners cannot monitor or access without clearing enormous legal and administrative hurdles.

Hale himself triggered this scenario by refusing to lease his gas to CNX, unaware that Virginia did not give him that choice.

"I didn't realize they could take your gas without a lease," he said.

In 1990, the Virginia legislature resolved that it could not allow stubborn individuals to hamper the development of coalbed methane - an abundant resource whose peculiar characteristics had prevented it from being commercially produced. Up to that point, state law provided that surface owners like Hale owned all the migratory gases beneath the surface of their land, unless they previously had sold the rights to their gas.

[Dubai gets \\$10 billion from Abu Dhabi to cover debt](#)

DUBAI, United Arab Emirates (AP) — Dubai's government said Monday it has received \$10 billion in emergency funds from its oil-rich neighbor Abu Dhabi that will help pay debts owed by the struggling Dubai World conglomerate.

[Secret document exposes Iran's nuclear trigger](#)

Confidential intelligence documents obtained by *The Times* show that Iran is working on testing a key final component of a nuclear bomb.

The notes, from Iran's most sensitive military nuclear project, describe a four-year plan to test a neutron initiator, the component of a nuclear bomb that triggers an explosion. Foreign intelligence agencies date them to early 2007, four years after Iran was thought to have suspended its weapons programme.

[Households take up challenge to be chilly](#)

In Laura Nichols' Maplewood, N.J., home, Pochie the dachshund is a hot commodity.

Nichols and her four teenage children vie for the use of the 30-pound dog as an overnight leg warmer to stave off the 50-degree chill in their home.

Once again, Nichols has entered a local Internet message board's "furnace abstinence" contest where bragging rights and an iceberg-shaped trophy are at stake for those who can go the longest without turning on their furnaces.

[Season's lights take on new meaning with time](#)

Our Christmas lights, whether or not they're the new LED variety, use unnecessary and damaging amounts of electricity. That electricity is produced violently by destroying entire mountains and the forest communities that thrived on them for millennia. Argue all you want for the continued use of coal but you cannot deny the truth. We can do much better and we should.

Author Wendell Berry stopped lighting his tree when he saw a billboard in Kentucky that said "Coal Lights Your Christmas Tree." From that year on he has allowed the ambient light of the room to light his tree.

[A good read meets head on with an eco-challenge](#)

In *The Ecotechnic Future*, John Michael Greer expands on his book on peak oil, *The Long Descent*, presenting his vision of what might happen to our society as we run out of natural resources.

Greer takes the approach that life won't suddenly end when resources do; rather, he compares our society to others in decline, such as the Roman empire and the Mayan civilization, and does it in an accessible way, using clear comparisons with nature.

[Biofuels: why we don't need them](#)

Biofuels seem unlikely to be widely used or play a major part in reducing net CO₂ emissions or replace fossil fuels burned by internal combustion engines.

[Oklahoma senator plans to rain on climate talks](#)

COPENHAGEN — The final week of the United Nations climate change summit boils down to a battle between President Obama and the self-described "skunk at the picnic."

Sen. James Inhofe, R-Okla., who has called global warming a "hoax," plans to travel this week to Copenhagen. He'll stay just long enough — as few as three hours, he says — to tell heads of state that the Senate will not pass an energy bill that would limit greenhouse gas emissions.

[Saving Forests to Cut CO₂ May Win Global Backing for First Time](#)

(Bloomberg) -- Negotiators at United Nations global-warming talks in Copenhagen recommended that tropical forests be protected for the first time as part of a climate change treaty.

The proposal, published in a draft UN text, acknowledges that forests play an important role in moderating the amount of carbon that goes into the atmosphere. The plan will be debated this week in the negotiations that are set to end Dec. 18 with a global climate accord.

Keeping forests intact is essential to limiting carbon- dioxide emissions. Chopping down trees and leaving them to rot or burn contributes almost a fifth of global greenhouse-gas output, according to UN scientists.

[Walkout in Copenhagen heightens fears of failure](#)

COPENHAGEN (AFP) – The UN climate summit hit major turbulence Monday when developing nations walked out of key negotiations and China accused the West of trickery, as the spectre of failure loomed heavily over Copenhagen.

As campaigners warned that negotiators had five days to avert climate chaos, ministers acknowledged they had to start making progress before the arrival of 120 heads of state for the summit's climax on Friday.

[Canada ranks low on annual climate change report card](#)

COPENHAGEN -- Canada ranks just ahead of Saudi Arabia when it comes to progress in reducing greenhouse gas emissions, says an annual climate change performance report looking at 57 high-emitting countries.

"Looking at the emissions level of the ranked countries, the United States, Canada and Russia place very poorly," says the report, to be officially released as global climate change talks resume in Copenhagen Monday.

[Keeping It Frozen](#)

FAIRBANKS, Alaska—While the world debates the causes of climate change and what, if anything, to do about it, Alaskans are busy dealing with its consequences.

Permafrost, the frozen ground that lies just beneath the surface in most of the state, has become less stable in many areas, thanks in part to higher average air temperatures. It has begun to thaw in the warmer months and refreeze in the winter, causing shifts that wreak havoc on the structural integrity of the pipelines, railways, roads and buildings that sit on top of it.

"If we're going to build on frozen ground, we want to keep it frozen," says Dan White, director of the Institute of Northern Engineering at the University of Alaska Fairbanks.

To do that, engineers increasingly are turning to a low-tech solution: devices called thermosiphons that draw heat out of the ground. It's a solution that shows how effective even relatively simple ingenuity can be in the absence of a more comprehensive, policy-driven response to climate change. But Alaska's experience also shows the limits that such stopgap measures often run up against.



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