



Drumbeat: December 27, 2009

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Topic: [Miscellaneous](#)

[Growing chorus says oil has peaked](#)

DALLAS, TEXAS // Jim Baldauf, a former oilman, remembers the days when it seemed like you could punch a hole in the ground just about anywhere in Texas and hit a gusher.

Now explorers in the southern US state of Texas find themselves drilling down further, and then turning horizontally for a while, and then back down again before they hit black gold. And with every passing year, the task of finding oil becomes more and more complex.

“All of the low-hanging fruit has been plucked,” said Mr Baldauf, who has 22 years in the business of oil and gas exploration. And that is not a problem unique to Texas.

As a co-founder of the Association for the Study of Peak Oil, Mr Baldauf is part of a growing chorus of petroleum industry analysts and scientists who believe global oil production is about to peak – and may have already done so. Many “peakists” believe global oil production reached its pinnacle in 2008.

[Gwynne Dyer: The United States empire takes a hit in the "Noughties"](#)

The old order is passing, the US.. dollar is on its way out as the only global currency, and the real power is shifting to mainland Asia.

Or is it? There are two trends that could slow or even stop this shift. They seemed quite distant at the start of the decade, but now they look very big and frightening. One is peak oil; the other is global warming.

[Oil And Environment: A Contradiction](#)

Among the factors in systemic collapse that should be placed far down on the list are many that might be described as environmental: pollution, global warming, and so on. The fact is that the issue of peak oil and that of the environment are mutually exclusive problems. As oil and other fossil fuels disappear, the environmental problems will also go away, even if very slowly.

By trying to raise the alarm about both issues at once, we are placing ourselves in a self-contradictory position, and our credibility is rapidly undermined. We cannot, on the one hand, wish that oil would go away so that the air will have a crystalline purity, and on the other hand complain because we have spent hours poring over the charts of global oil production and found that the cost of driving to the cottage is becoming prohibitive.

[Russia's Putin to launch Pacific oil terminal](#)

MOSCOW (Reuters) - Russian Prime Minister Vladimir Putin will oversee on Monday the loading of the first tanker to carry Siberian oil to Asian markets from the nation's new Pacific terminal, the government said on Sunday.

The launch will be attended by top Russian officials and oil industry chiefs in a political show aimed at showing Europe that global competition for Russian energy resources is set to rise further.

[India all but shelves IPI gas pipeline project](#)

NEW DELHI: India has almost shelved the tri-nation Iran-Pakistan-India (IPI) gas pipeline project, linking its lack of progress to the political problems with Islamabad.

"The main hurdle is Pakistan. All other issues are minor which can be resolved very easily," The Asian Age newspaper quoted government sources as saying on Saturday.

[Japan's 2nd pluthermal nuclear power generation to begin in Ehime](#)

TAKAMATSU — Japan's second 'pluthermal power generation using plutonium-uranium mixed oxide fuel will begin at the Ikata power plant in Ehime Prefecture in February, Shikoku Electric Power Co says. The operation key to Japan's nuclear energy policy will begin Feb 24 at Ikata's 890,000-kilowatt No. 3 reactor following the first case at the Genkai nuclear power plant in Saga Prefecture, which began in November.

Pluthermal power generation is seen as a pillar of Japan's nuclear fuel recycling initiative but has commenced around 10 years behind schedule.

[Less oil may spell problems for pipeline](#)

The declining flow of oil from Alaska's North Slope is creating anxiety among executives who run the trans-Alaska pipeline.

...In the 1980s, at peak oil flows, a barrel of oil made the trip from Prudhoe Bay to

Valdez in four days.

Now it takes 13 days.

The slower flow causes the temperature of the hot oil to cool faster. At some point, the oil temperature will dip below the freezing point of water along certain segments, unless Alyeska reheats the oil inside the pipe.

As it gets colder, ice and wax may coat the insides of the pipeline. The colder oil might also increase the risk of buried segments of the pipeline jacking up in the ground, company officials said.

The problems have been building for decades and will only become more pressing as oil production declines further.

[Russia to start eastward oil, gas shipments via Arctic in 2010](#)

Sovcomflot, Russia's largest shipping company, will start delivering Russian oil and gas in the eastern direction of its Arctic shipping lane in the summer, the company head said on Saturday.

At a meeting with Russian Prime Minister Vladimir Putin, Sergei Frank said Sovcomflot was planning to launch pilot shipments of Russian hydrocarbon reserves in the eastern direction of the Northern Sea Route, from the Atlantic to the Pacific via Russia's Arctic, later this year.

"We will make such pilot deliveries in the summer," he said.

Frank said the goal was to expand oil and gas markets for domestic energy producers and enter new ones.

[Refinery worker ponders loss of livelihood](#)

So far, the most drastic refining cutbacks in the U.S. have come in Delaware and southern New Jersey. But Anne Kohler, an analyst at Caris & Co., expects more plants to be idled in the East, on the Gulf Coast, and in Europe. She said refineries in California are likely to be spared.

[Kuwait Oil Signs \\$724 Million Energy Contract, Al-Anbaa Says](#)

(Bloomberg) -- Kuwait Oil Co. signed a \$724 million contract with South Korean SK Energy Co., South Korea's biggest oil refiner, Al-Anbaa reported, without saying where it got the information.

[Peak Oil: No Joke!](#)

Fans of The Daily Show with Jon Stewart will be familiar with British comedian John Oliver, while British readers may also know his sidekick Andy Zaltman, who together have created a weekly audio podcast called The Bugle, in which they provide a comedic, often bawdy and satirical, perspective on the news of the day.

[The Gazprom Song](#)

Catchy tune for Gazprom, the Russian energy monopolist. The feel-good anthem was composed and performed by Vladimir Tumayev, director of the Gazprom subsidy Spetsgazavtotrans and founder of the company football club, SOYUZ-Gazprom.

*Let's drink to you, let's drink to us,
Let's drink to all the Russian gas
That it never comes to an end,
Though it's so hard to obtain
Let's drink to you, let's drink to us
Let's drink to all the Russian gas
For those extracting the new sun
From down beneath the ground*

[Senate Confirms Norris for Federal Energy Regulatory Commission](#)

(Bloomberg) -- John Norris, a former aide to Agriculture Secretary Tom Vilsack, was confirmed by the Senate to serve on the Federal Energy Regulatory Commission.

[Iran website says four killed in Tehran protests](#)

TEHRAN (Reuters) - Four people were killed in clashes between pro-reform protesters and security forces in Tehran on Sunday in a second day of violence during a Shi'ite Muslim religious mourning ritual, an opposition website said.

The casualties were the first reported killings in protests since the immediate aftermath of a disputed election in June in which the opposition says more than 70 people died.

[Tugboat Spills Fuel Oil After Hitting Same Reef as Exxon Valdez in '89 Accident](#)

ANCHORAGE (AP) — Two decades after the Exxon Valdez disaster, a tugboat working to prevent another oil spill in Prince William Sound ran aground on the same reef and left a three-mile sheen of fuel oil on the water.

The tug had just finished checking for dangerous ice on Wednesday and was heading

back to port in Valdez when it hit Bligh Reef. It is part of the Ship Escort Response Vessel System that was created after the Exxon Valdez ran aground in 1989 and spilled nearly 11 million gallons of crude oil.

[Misleading energy selling tactics need to change](#)

George Smitherman's resignation as Ontario's energy minister means that promised curbs on door-to-door energy sellers will be delayed until next year.

That's disappointing, since consumers need more protection from deceptive sales pitches.

[Midwest hurt by energy dithering](#)

Back in 2004, former Xcel Energy Chairman and Chief Executive Wayne H. Brunetti made this famous plea as political leaders contemplated carbon emission limits and other policies to fight global warming:

"Give us a date, tell us how much we need to cut, give us the flexibility to meet the goals, and we'll get it done."

Five years later, policymakers still haven't set the rules Brunetti sought to unleash American industrial innovation-- the force that can transform the nation into one powered by clean, renewable fuels. The indecision isn't good for the planet or businesses. Passing strong energy and climate legislation -- in particular, finally setting a price on carbon -- must be a top congressional priority in 2010.

[Another Reality Check for Energy Storage Investors](#)

A detailed discussion of the individual changes would be too detailed for a blog, however the general overview is that the EIA increased market penetration for ethanol-flex fuel vehicles by almost 100%, reduced short- to medium-term penetration rates for plug-in vehicles by almost 50% and reduced long-term penetration rates for HEVs by a like amount. Apparently the EIA believes that budgets matter to most consumers and high-end electric assist vehicles will be priced out of the market for the foreseeable future.

[U.A.E. Awards \\$20 Billion Nuclear Contract to Korea](#)

(Bloomberg) -- Korea Power Electric Corp. led a South Korean group in winning a 75 billion-dirham (\$20.4 billion) contract to build four nuclear plants in the United Arab Emirates, the second-biggest Arab economy.

[Canadian Hydro to acquire offshore wind facility](#)

Canada's largest independent wind developer is setting its sites on the Great Lakes, announcing today that it plans to erect hundreds of wind turbines offshore and have its first project generating power by the end of 2014.

[Enbridge to buy solar farm](#)

Pipeline giant Enbridge Inc. is pushing further into the renewable-energy market, announcing today a plan to purchase the largest solar power farm in Canada from U.S. solar manufacturer First Solar Inc.

[Britain's green rich list](#)

The Copenhagen summit may have put the damper on global plans to tackle climate change — but British entrepreneurs are charging ahead regardless.

Research by Philip Beresford, author of The Sunday Times Rich List, has unveiled 20 British business people who have already made millions from going green. They range from Dale Vince, the New Age traveller turned wind-power tycoon, to the Cottingham family, which has quietly built up a fortune from insulating houses and installing energy-efficient heating. In drawing up the list, we have excluded businessmen like Sir Richard Branson, who have added environmental interests to their businesses.

[An environmental pioneer surfs a long green wave](#)

Since taking the job as UC San Diego's first director of strategic energy initiatives in September 2008, Byron Washom has worked to turn the 1,200-acre campus into a model of sustainability, a "living laboratory."

Projects include renewable energy, energy management, greenhouse-gas reduction, energy storage systems and greening the campus transportation fleet. The university generates 80% of its own electricity.

[Air Quality Guidelines Face Unexpected Critics](#)

California's battle against greenhouse gases is likely to come to the Bay Area soon — with rules designed to reduce the carbon footprint of new housing and commercial development.

That is a concept you might expect to be welcome in a region known for its environmental advocacy and hostility to growth.

But some environmentalists and city planners fear that the new set of guidelines being considered by the region's air quality regulators could have an unintended consequence, making it more difficult and more expensive for developers to construct buildings within already urbanized areas.

That would run counter to the notion that builders should be given incentives to shift future population growth from the car-dependent outer suburbs to places where public services are already available and public transit is a more viable option to get people out of their cars.

[Brazil Aims to Prevent Land Grabs in Amazon](#)

VILA DOS CRENTES, Brazil — Raimundo Teixeira de Souza came to this sweltering Amazon outpost 15 years ago, looking for land. He bought 20 acres, he said, but more powerful farmers, who roam this Wild West territory with rifles strapped to their backs, forced him to sell much of it for a pittance.

Then someone shot and killed Mr. de Souza's 23-year-old stepson in the middle of a village road two years ago, residents said. No one has been arrested. In fact, the new police chief has no record that the crime was even investigated by his predecessor. It is hardly surprising, the chief said, considering that he has only four investigators to cover an area of rampant land-grabbing and deforestation the size of Austria.

[A Book Review of Crude World: The Violent Twilight of Oil by Peter Maass, by Robert Vitalis](#)

Oil doesn't just make certain societies more repressive and corrupt than others. According to Maass, it goes a long way towards explaining recent wars, both conventional and unconventional. Saddam Hussein marched into Kuwait in August 1990 in a bid to "control" more of the stuff, and the United States overthrew him in 2003 as a result of its leaders' own obsession with securing unimpeded "access" to this "inebriating crude" which also led them to exaggerate the threat of Iraq's weapons programme. Apparently they weren't "thinking straight". The Saudi rulers weren't either: having paid billions to aid "the global spread of fundamentalism", the money has come back to haunt them and the West in the form of violent jihadism.

[The God Gene](#)

Nicholas Wade's book "The Faith Instinct" is at its best when putting us through such exercises and sidelining the by-now tiresome debates about religion as a force for good or evil. According to Wade, a New York Times science writer, religions are machines for manufacturing social solidarity. They bind us into groups. Long ago, codes requiring altruistic behavior, and the gods who enforced them, helped human society expand from families to bands of people who were not necessarily related. We didn't become religious creatures because we became social; we became social creatures because we became

religious. Or, to put it in Darwinian terms, being willing to live and die for their coreligionists gave our ancestors an advantage in the struggle for resources.

[Russia refusing to take climate change seriously](#)

Soviet industrial production accounted for about a fifth of global carbon dioxide before the Soviet Union fell apart in 1991; Russia is now at about two-thirds of that level, a recent Russian study shows.

Moreover, a huge frozen peat bog is melting and releasing greenhouse gases at a rate that may cause global warming to snowball out of control any time, according to Russian and British scientists. The bog covers the entire sub-Arctic area of Western Siberia, the size of Germany and France, and holds billions of tons of those gases.

[Chinese hackers linked to 'Warmergate' climate change leaked emails controversy](#)

The internet address used to post the messages is linked to several others used by the Chinese -- one is a Chinese environmental institute, the Research Institute of Forest Ecology and Environment Protection, based near Beijing.

Several professors from this institute are regulars at climate change conferences where they have shared a platform with the University of East Anglia experts.

After our enquiries in Malaysia began, the suspect computer links to China were suddenly cut.

[To Save the Planet, Save the Seas](#)

Few people may realize it, but in addition to producing most of the oxygen we breathe, the ocean absorbs some 25 percent of current annual carbon dioxide emissions. Half the world's carbon stocks are held in plankton, mangroves, salt marshes and other marine life. So it is at least as important to preserve this ocean life as it is to preserve forests, to secure its role in helping us adapt to and mitigate climate change.

[Ocean noise pollution turns up with greenhouse gas emissions](#)

The ocean is becoming a noisier place due to increased greenhouse gas emissions, California and Hawaii scientists report.

Rising atmospheric carbon dioxide absorbed by the oceans not only has increased seawater acidity but has affected its acoustics — making it more transparent to low-frequency sound, the scientists said in a study published in the journal Nature Geoscience.

Scientists said seawater sound absorption will drop by up to 70 percent this century.

[Regional lake study points to faster warming](#)

Lake Tahoe, Clear Lake and four other large lakes in Northern California and Nevada are warming faster than the surrounding atmosphere, suggesting climate change may affect aquatic environments faster and sooner.

The findings are reported in a new study led by researchers at NASA's Jet Propulsion Laboratory in Pasadena.

[Fury over 'climate change will benefit Scots' report](#)

The Scottish government has been criticised for publishing a report that claims climate change could make Scots healthier and provide an economic boost by encouraging more tourism.

The study says climate change would make traditional resorts in Spain and Italy unbearably hot in the summer, prompting holidaymakers to venture further north to countries such as Scotland.

['Storms of My Grandchildren' by James Hansen](#)

Most scientists rarely experience the luxury of certainty. But we expect them to speak with authority. We expect them to make impossible predictions and judge them on their accuracy. Even more, we expect them to stay above or at least outside public debates. In "Storms of My Grandchildren: The Truth About the Coming Climate Catastrophe and Our Last Chance to Save Humanity," James Hansen gives us the opportunity to watch a scientist who is sick of silence and compromise; a scientist at the breaking point -- the point at which he is willing to sacrifice his credibility to make a stand to avert disaster, to offer up the fruits of four-plus decades of inquiry and ingenuity just in case he might change the course of history.



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