



## Drumbeat: January 14, 2010

Posted by [Leanan](#) on January 14, 2010 - 9:15am

Topic: [Miscellaneous](#)

### [US raises concern over China oil policy](#)

The US has expressed concern to Chinese officials about Beijing's attempts to buy up global oil reserves for the long term.

"We are pursuing intensive dialogue with the Chinese on the subject of energy security, in which we have raised our concerns about Chinese efforts to lock up oil reserves with long-term contracts," David Shear, deputy assistant secretary of state for East Asian and Pacific affairs, told the House Armed Services Committee yesterday.

...Shear was responding to questions by Republican Roscoe Bartlett, who said he was worried that the Chinese were "aggressively buying up oil all over the world" and might not share it with other countries in the future.

– roughly speaking, what we've got now. Communities also need subtler inputs: a sense of commitment, of shared purpose, of emotional connection, of trust. To gain the benefits of living in community, it's necessary to sacrifice some part of the autonomy that so many Americans nowadays guard so jealously. The same thing is true of those subsets of community already discussed – political parties, for example, or citizens' organizations, or any other framework for collective action that's more than a place for people to hang out and participate when they feel like it.

### [Peak Moment 159: It's the End of the World as We Know It](#)

Taped in late 2005 before Peak Moment began, this conversation feels eerily prescient about the effects of the 2008 financial collapse. William Stewart reflects on the shadow side of the fossil fuel bonanza, which enabled hyper-individualism and mobility that have shredded our connections to community and place, along with increased violence and dysfunction. Likening our oil-dependent culture to an addict who must first bottom out, he suggests there may be a silken lining after collapse: the possibility of more communal and connected ways of life.

### [Venezuela power cuts force petrochemical stoppages](#)

CARACAS (Reuters) - Electricity rationing in Venezuela has forced state-run

petrochemical company Pequiven to program stoppages at two of its three factories, the company said on Thursday, without specifying what products will be hit.

"They are evaluating which lines of production can be operated in an intermittent manner," Pequiven President Clark Inciarte said.

### [Deloitte: UKCS Activity Down 35% Overall in 2009](#)

Offshore exploration and appraisal activity dropped by more than 35% throughout 2009, according to the latest oil and gas industry figures released by Deloitte.

The latest North West Europe Review, which documents drilling and licensing in the UK Continental Shelf (UKCS), reveals that during the last 12 months a total of 78 exploration and appraisal wells were spudded. This is a fall from 121 in 2008 as drilling levels slipped to those last seen in 2004.

### [Most Norwegians want Arctic drilling study: survey](#)

OSLO (Reuters) - An industry-backed survey published on Thursday shows most Norwegians favor an impact study that could pave the way to open a pristine, fish-rich Arctic area to oil activities and prolong Norway's energy boom.

### [Global threats in 2010 revealed by report](#)

Underinvestment in energy and agriculture are among the biggest economic threats facing the world in 2010, according to a report.

### [Harare faces serious water shortages](#)

Harare City Council might be forced to close Prince Edward Water Treatment Plant after pre-liminary assessments showed the two dams — Harava and Seke — that supply the plant have 40 days of water supply left.

The two small dams are there to tide the city through a few months of the driest seasons. The plant relies mainly on continued flow in the Manyame River, normally a perennial river.

Run-off in the upper Manyame catchment has been delayed in recent decades because of the very large number of farm dams on the river's tributaries.

### [US to give \\$1b for six energy projects](#)

ISLAMABAD – US will provide \$ 16 million for the up-gradation of Pakistan's largest hydropower project Tarbela. This was stated by the US Special Envoy for Pakistan and Afghanistan, Richard Holbrooke, in his joint press conference with Foreign Minister Shah Mahmood Qureshi here on Wednesday.

### [Core inflation falls by 10.7 percent in Pakistan](#)

ISLAMABAD: Despite huge challenges of energy crisis, continuing war against terrorism and impact of global economic recession, the core inflation has come down from 18.8 percent in December 2008 to 10.7 percent in December 2009.

### [Gas outages force people to switch to coal, LPG](#)

LAHORE - LOADSHEDDING of gas and the its low pressure in some areas of the provincial capital continued irking the citizens almost right through the day on Wednesday and they had to resort to alternate sources of fuel for cooking meal.

The residents of some of the worst affected localities are forced to buy liquefied petroleum gas (LPG) and coal to cope with the gas shortage.

### [High utility costs slow down Africa economic growth](#)

The economies of sub Saharan Africa will require huge capital expenditure on infrastructure to sustain the sterling economic growth realised in the last decade.

The huge capital outlay is expected to enhance regional connectivity through improved road networks, energy availability and affordable communication thereby opening up the hinterland for business.

### [Indonesia oil & gas stalls in 2010](#)

Indonesian oil and gas development is stalling in 2010 with state revenue from the sector falling US\$6.36 billion, down 25 percent on 2009, and direct investment falling to \$12.18 billion from \$13.77 targeted, down from \$13.52 billion in 2008.

### [Kuwait, France Sign Pact to Develop Nuclear Energy](#)

(Bloomberg) -- Kuwait and France signed today a cooperation agreement to develop nuclear energy, paving the way for the emirate to eventually utilize nuclear power for electricity and other peaceful purposes.

“The next step will be starting to discuss and share information in such a way that Kuwait can make its own decision to move forward,” Bernard Bigot, chairman of the French Atomic Energy Commission, told reporters in Kuwait’s parliament. “It’s a long-term process” with no timeframe, Bigot said.

### [Lawsuit challenges group's effort to get greenhouse gas emissions cap in New Mexico](#)

ALBUQUERQUE, N.M. (AP) — New Mexico's largest utility, three state lawmakers and other industry groups filed a lawsuit Wednesday to stop New Mexico regulators from adopting a cap on greenhouse gas emissions.

### [Stanford study shows gain in African solar-powered irrigation](#)

The dry season in sub-Saharan Africa is a brutal six months of minimal rainfall, widespread malnutrition and community dislocation. However, according to a study by Jennifer Burney, a postdoctoral scholar at Stanford’s Program on Food Security and the Environment (FSE), solar-powered drip irrigation systems may provide a viable long-term solution.

### [China, India, Brazil and South Africa prepare for post-Copenhagen meeting](#)

One month after the Copenhagen climate summit ended in recriminations and a weak outline of a global deal, key groups of developing countries will meet to try to explore ways to get to agree a legally binding final agreement.

### [Remember forced savings?](#)

Wes Lane was responsible for making sure you turned down your thermostat.

Can you imagine the outcry today, likely “Socialist!” if Wes knocked on your door and asked you to keep that thing down at 65 during the day and 60 at night?

But that’s the way it was in 1977 in Lake County. Wes was the emergency services guy and the country was certainly going through an emergency.

### [It's okay to drive a 4x4!](#)

The recent wet summers and snowy winters, that the global warming alarmists of the Met Office failed to predict, have once again demonstrated the usefulness of owning a four-wheel-drive vehicle. The extra traction can be a lifesaver in the dry, wet, mud or snow and on roads that haven't been gritted. Sadly, 4x4s have been attacked by so-

called 'environmentalists' using their usual tactics of exaggeration, myths and 'direct action' along with some punitive VED rates imposed by a tax-hungry, anti-car government.

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...Shear was responding to questions by Republican Roscoe Bartlett, who said he was worried that the Chinese were "aggressively buying up oil all over the world" and might not share it with other countries in the future.

### [Supply Chain Comment: The Start of Demand Destruction for Oil?](#)

Are we seeing the first phase of demand destruction for oil?

I was talking with a colleague this week about peak oil accelerating the desire of organizations to craft lean supply chains. Research suggests that rising oil prices impact supply chain dynamics in manners that are best understood through total landed cost analysis and network optimization studies.

Some studies, including those published by SCDigest, suggest that oil at \$150 a barrel is the tipping point where transportation costs can overwhelm the low labor costs in far away countries; the result is a total landed cost calculation that favors production and distribution facilities close to the customer.

### [Stephen Leeb: How to deal with the coming economic crisis](#)

**Q. You talk about "absolute peaks" in regard to natural resources. Can you explain this?**

A. Peak anything is when you are unable to produce more of it. I wanted to get across that it is very unlikely that you're going to reach peak energy or peak oil or anything like it without reaching peak lots of everything else.

That is because you need oil to produce iron ore; you need oil to produce copper; you need copper to produce oil. You need all these commodities to make more water. So when one critical commodity reaches peak, that might be peak for a lot of commodities and you might get to the point that the world can't produce any more commodities. And

everything stops. You stop growing at that point or you find technological solutions.

...This to me is the equivalent of a war. The Chinese are winning and we don't even know that we're in a race. Basically war may be too strong a word, but I don't think it is.

We are in the race for our lives and we don't know it. And they are running full steam ahead.

### [No Peak Oil Here: API's Gerard Touts U.S. Resources, Takes Aim at White House](#)

So what is the state of the energy industry in the United States? If you're American Petroleum Institute President and CEO Jack Gerard the oil and gas industry is poised to create more jobs – even green ones – and Americans will have plenty of fossil fuels to play with as long as the Obama administration gets out of its way.

### [The Peak Oil Crisis: Gasoline Prices Revisited](#)

It has been 18 months since we all worried very much about high oil prices. Starting in July 2008 gasoline prices took an historic plunge dropping from a U.S. average high of \$4.11 a gallon all the way down to \$1.70 in January 2009.

In retrospect this price drop was a good thing for it did more to slow the downward spiraling recession than most people realized. In the last 12 months however, the situation has reversed and the average price for gasoline is pushing \$2.80 a gallon. An increasing number of commentators are starting to talk of the return of \$100 oil and \$3+ gasoline.

### [CFTC to Propose New Limits on Energy Speculation to Curb Prices](#)

(Bloomberg) -- The Commodity Futures Trading Commission will take another step today in its efforts to rein in energy speculation, proposing hard limits on the number of futures a single investor can hold.

Swaps dealers, index funds and commodity traders have been waiting for the proposal since July and August, when the commission held hearings amid concerns that speculators drove oil prices to a record high of \$147.27 a barrel in 2008.

### [US sees non-OPEC oil output growth ending in 2011](#)

WASHINGTON (Reuters) - The world will become more dependent on OPEC oil beginning next year as the combined oil output from countries outside of the producer group begins to decline, the U.S. government said on Tuesday.



The Energy Information Administration said in its new monthly forecast that non-OPEC oil supplies will not sustain the 630,000 barrel-per day-increase experienced in 2009.

### [Goldman Sachs Cuts Forecast for Commodity Returns](#)

(Bloomberg) -- Goldman Sachs Group Inc. cut its 12-month forecast for commodity returns following a jump in prices for oil and industrial metals and predicted that gold would reach a record within six months.

### [Chavez sacks energy minister after rolling blackouts](#)

Venezuela President Hugo Chavez has indefinitely suspended rolling blackouts in capital city Caracas just a day after they began, and sacked his electricity minister.

Chavez said that the minister was responsible for mistakes in the way the rationing plan was applied.

### [Transneft May Halt Oil Supply to Refinery Next Week](#)

(Bloomberg) -- OAO Transneft, Russia's state-run pipeline operator, may halt oil flows to the Mozyr refinery in Belarus next week after a supply agreement expired.

### [Total Union Says Strike Lowers Output at Some French Refineries](#)

(Bloomberg) -- A union representative of refinery workers at Total SA said a strike to protest a possible permanent shutdown at the company's Flanders plant will continue today, blocking exports of refined products and lowering output at some sites.

### [EU Formalizes E.ON Probe While Reviewing Settlement](#)

(Bloomberg) -- European Union regulators formalized an investigation into E.ON AG and two of its units over an alleged abuse of their dominant position in the gas-supply market while it considers a proposed settlement in the case.

### [Kurds' Boom in North Iraq Imperiled by Oil Dispute With Baghdad](#)

(Bloomberg) -- Outside a newly built go-kart racetrack in Erbil, the capital of Kurdish-controlled northern Iraq, a poster urges would-be drivers to "feed the need for speed."

### [Oil tanker trapped in worst sea ice off east China](#)

JINAN (Xinhua) -- Nine crew members of an oil tanker trapped amid ice off east China coast Wednesday have been evacuated to safety, local authorities said Thursday.

The tanker ran aground after hitting ice 5.5 nautical miles off the Weifang port in the eastern province of Shandong in the Bohai Sea at 10:43 a.m. Wednesday, according to Shandong Emergency Management Office.

The ice pierced the bottom compartment of the 1,000-tonne oil tanker from the eastern province of Zhejiang. There was no casualty or oil leakage.

### [Carmakers Bet On Electric; See Early Hurdles](#)

DETROIT - Carmakers emerging from a savage crisis hope to lure drivers to electric cars in the coming years, but cost, range and safety considerations mean many are still cautious, holding back from predicting an early sales boom.

As automakers showcased gleaming, futuristic electric cars at the Detroit Auto Show this week -- some of which will be on the road in 2010 -- executives' views varied on how quickly and comprehensively the technology will be adopted. Many sounded a note of caution.

### [Electric Cars Need Infrastructure](#)

For electric cars to achieve widespread adoption in the years ahead, two things have to happen: a charging infrastructure needs to get built; and people need to buy electric cars. Of these, the hype surrounding the Detroit Auto Show, a veritable electric-car-apalooza, seeks to overcome problems associated with the second while making noises about the first. Who's making the noise? None other than the Ford Motor Company's very own...William C. Ford, Jr.

### [California Approves Standard 'Crippling' U.S. Ethanol](#)

(Bloomberg) -- California regulators approved a carbon fuel standard yesterday that the U.S. ethanol industry says will bar domestic forms of the fuel from being used in the nation's largest fuel-consuming state.

The state's Office of Administrative Law yesterday approved the implementation of the Low Carbon Fuel Standard, or LCFS, which aims to reduce carbon-dioxide emissions. The regulations will count the emissions created when corn is planted, harvested and ground into fuel as part of ethanol's carbon output.

"It's crippling," said Cory Garcia, an analyst at Raymond James & Associates in



Houston. "It makes ethanol produced in the Midwest uncompetitive."

### [Masdar begins research and development phase for new solar tower 'beam down' facility](#)

Masdar, Abu Dhabi's multifaceted renewable energy initiative, the Masdar Institute of Science and Technology, Japan's Cosmo Oil Company and the Tokyo Institute of Technology have launched an advanced concentrated solar power (CSP) Central Tower research and development project at Masdar City.

The state-of-the-art, collaborative research project will test an innovative 'beam down' technology, which has the potential to convert solar irradiation into electricity in a more efficient way than other technologies - producing a commercially viable 'beam down' process would represent a significant breakthrough in (CSP) technology.

### [Kuwait May Be Interested in Areva Stake, KUNA Reports](#)

(Bloomberg) -- Kuwait may be interested in buying a stake in French nuclear-reactor builder Areva SA, the emirate's state-run news agency KUNA reported, citing unidentified people in the industry.

"Executives at Areva also confirmed to KUNA that the company had sent delegations to Kuwait to discuss future cooperation and Kuwait has expressed an interest in acquiring civil, nuclear energy from the French company," the news agency said.

### [Low carbon revolution and the emergence of the green-glomerate](#)

Given how often parallels are drawn between the Industrial Revolution and the emerging low carbon revolution, it is remarkable how little detailed analysis there has been of the similarities that exist between the 19th century phenomenon that provided the foundations for the modern world and the imminent shift in the global economy that represents the last best hope of saving us from the ravages of climate change.

### ['Greenroads' rates sustainable road projects](#)

Road construction is a more than \$80 billion annual industry in the United States. Yet nothing comparable to the LEED rating system for buildings, or the Energy Star system for appliances, exists for highways and roads.

University of Washington researchers and global engineering firm CH2M Hill today unveiled Greenroads, a rating system for sustainable road design and construction. Environmental, economic and social impacts are included. The system outlines minimum requirements to qualify as a green roadway, including a noise mitigation plan, storm-

water management plan and waste management plan. It also allows up to 118 points for voluntary actions such as minimizing light pollution, using recycled materials, incorporating quiet pavement and accommodating non-motorized transportation.

### [Green wedges lost in the woods](#)

The article "We need more green areas, not people" by Rosemary West shows a complete disregard for the affordable housing aspirations of Victorian families and exposes the Green Wedges Coalition as out-of-touch environmentalists.

### [Are we leading ourselves into starvation?](#)

It's 2030, and you need a quart of milk. As you saunter down to the bus stop, you fondly remember the days when you could afford a car of your own, before oil hit \$350 a barrel after the Israeli-Iranian war.

The bus is late as usual and as packed as ever (public transportation having gone through a renaissance of sorts with peak oil). Upon reaching the supermarket, an odd craving for pineapple overtakes you, before you recall grocery stores outside of Toronto and Montreal haven't had pineapple for five years. It doesn't take you long to locate the dairy aisle; the supermarket only carries staple foods these days and the place is nearly empty. You can't decide between 1 per cent or 2 per cent, but it doesn't really matter. Both cost \$20 for a paltry quart. 'Hell,' you think to yourself, 'I can afford it with the tax rebates I get for growing a vegetable garden in the backyard.'

Although the above scenario seems quite implausible right now, odds are the way we produce, transport, and consume food is going to change over the next few decades. Britain recently released a new food security plan, titled Food 2030. However, like Canada's 1998 food security plan, Food 2030 skips on actual policy and only provides broad outlines for future action.

### [BIODIVERSITY: A Tipping Point on Species Loss?](#)

Humanity is destroying the network of living things that comprise our life support system. While this sawing-through-the-branch-we're-perched-on is largely unintentional, world leaders can't say they didn't know what's going on: 123 countries promised to take urgent action in 2003 but have done little to stem the rising tide of extinctions in what's known as the extinction or biodiversity crisis.

### [Global Warming: Is Making Carbon 'SAFE' the Answer?](#)

ScienceDaily — Mandating fossil fuel producers to sequester (bury) a steadily increasing fraction of the carbon they extract would be a simple, effective, and fair way of sharing

out the pain of reducing greenhouse gas emissions, according to a leading group of climate researchers.

### [India Plans \\$16 Billion Energy-Saving Credit Market](#)

(Bloomberg) -- India, the world's fourth-largest polluter, plans to start a market to trade energy-saving credits that may reach 740 billion rupees (\$16 billion) in five years as it seeks to curb emissions that cause global warming.

### [Pacific Islanders Bid to Stop Czech Coal Plant](#)

PRAGUE (Reuters) - A small pacific island state's challenge to a Czech coal-fired power plant extension some 6,000 km away on grounds it could harm its environment could open a new front in the fight over global climate change.

Micronesia has filed a plea with the Czech environment ministry using a measure designed originally to settle disputes between near neighbours but which could spur others to do the same when opposing power plants, environmental advocates said.

### [China's imprints all over Copenhagen talks fiasco](#)

Global warming does not worry China, a fact that partially accounts for Chinese Premier Wen Jiabao's shabby treatment of President Obama at the Copenhagen climate conference last month.

### [From the Ancient Amazonian Indians: 'Biochar' as a Modern Weapon Against Global Warming](#)

ScienceDaily — Scientists are reporting that "biochar" -- a material that the Amazonian Indians used to enhance soil fertility centuries ago -- has potential in the modern world to help slow global climate change. Mass production of biochar could capture and sock away carbon that otherwise would wind up in the atmosphere as carbon dioxide, the main greenhouse gas.

### [Trees invading warming Arctic will cause warming over entire region, study shows](#)

Contrary to scientists' predictions that, as the Earth warms, the movement of trees into the Arctic will have only a local warming effect, University of California, Berkeley, scientists modeling this scenario have found that replacing tundra with trees will melt sea ice and greatly enhance warming over the entire Arctic region.

### [Large Changes in Climate Likely Over Next Century, Daily Carbon Dioxide Measurements](#)

## [Suggest](#)

ScienceDaily — Researchers studying climate now have a new tool at their disposal: daily global measurements of carbon dioxide and water vapor in a key part of Earth's atmosphere. The data are courtesy of the Atmospheric Infrared Sounder (AIRS) instrument on NASA's Aqua spacecraft and confirm the mainstream scientific view that large changes in the climate are likely over the next century.

## [Major Antarctic glacier is 'past its tipping point'](#)

A major Antarctic glacier has passed its tipping point, according to a new modelling study. After losing increasing amounts of ice over the past decades, it is poised to collapse in a catastrophe that could raise global sea levels by 24 centimetres.

## [Is Antarctica melting, or not?](#)

NASA notes that one new paper states there has been less surface melting recently than in past years, and has been cited as "proof" that there's no global warming. Other evidence that the amount of sea ice around Antarctica seems to be increasing slightly is being used in the same way. But both of these data points are misleading. Gravity data collected from space using NASA's Grace satellite show that Antarctica has been losing more than a hundred cubic kilometers (24 cubic miles) of ice each year since 2002. The latest data reveals that Antarctica is losing ice at an accelerating rate, too. How is it possible for surface melting to decrease, but for the continent to lose mass anyway? The answer boils down to the fact that ice can flow without melting.



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