



Drumbeat: January 18, 2010

Posted by [Leanan](#) on January 18, 2010 - 9:08am

Topic: [Miscellaneous](#)

[Have We Reached Peak Oil?](#)

Remember the summer of 2008, when oil was approaching \$150 per barrel and topping the headlines? The oil story quickly faded to the background when the financial crisis hit full-steam that September; we had bigger things to worry about in terms of the potential collapse of the worldwide financial system. Meanwhile, the deepening recession greatly reduced demand for oil. The price per barrel fell precipitously.

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become a major source of natural gas.

Critics contend the practice can cause pollution, especially in drinking water. The industry rejects that charge.

[Pertamina May Import Fuels After Balikpapan Unit Fire](#)

(Bloomberg) -- PT Pertamina may increase imports of gasoline, diesel and jet fuel after the state company shut down a processing unit at its Balikpapan refinery because of a fire, Basuki Trihora Putra, a company spokesman, said.

Pertamina's fuel output dropped by 27,500 barrels a day because of the shutdown and the refinery's unit may stay shut for several days for repairs, Putra said in Jakarta today. The fire occurred at the so-called Reboiler Hydrocracker A-Train unit on Jan. 16 at about 9:15 p.m. local time, he said, adding the cause of the fire is being investigated.

[API: U.S. Drilling Activity Picking Up with Recovery](#)

The estimated number of U.S. oil and natural gas wells and dry holes completed in 2009 -- 39,068 -- was 37 percent lower than 2008, but fourth-quarter totals of 10,609 completions were 19 percent higher than the third quarter, which in turn had been up 6 percent from the second quarter, API's fourth-quarter drilling estimates indicate.

[Tullow Seeks Ugandan Partners After Blocking Eni Bid](#)

(Bloomberg) -- Tullow Oil Plc plans to bring in one or two partners to help with the estimated \$5 billion cost of developing its Ugandan assets after derailing Eni SpA's attempt to gain a foothold in the east African nation.

[Manufacturing in trouble? You can thank the tar sands](#)

Hitching the economy to dirty oil production turns our dollar into a petro-loonie, which hurts manufacturing.

[Saudi may build petchem plant with Jizan refinery](#)

RIYADH (Reuters) - Saudi Arabia may commission the construction of a petrochemical plant with the planned new Jizan oil refinery in the kingdom, industry sources said

At least one bidder in a tender for the refinery has submitted a proposal that would include building a petrochemical plant, one source said.

[Australian LNG Plants May Face Delays, Lower Profits](#)

(Bloomberg) -- Half the liquefied natural gas plants proposed in the Australia-Pacific region may be delayed as increased competition and a skills shortage threaten profitability, Bank of America Corp.'s Merrill Lynch said.

A growing number of supply options for Asian LNG customers could hurt the prices producers receive and give buyers the advantage in contract negotiations, Mark Hume, a Merrill Lynch analyst based in Sydney, wrote in a report to clients.

[Dire Straits for Pakistan](#)

With an intensifying battle with terror in the tribal regions, a severe winter made worse

by an equally severe energy crisis, and a weakened government plagued by corruption and unwilling to embrace transparency, the public has had enough.

[EU boosts energy ties with Iraq](#)

Brussels - The European Union has signed a strategic energy partnership with Iraq, in a move that could contribute to the EU's energy diversification plans, the European Commission announced on Monday.

Iraq has the world's third largest proven oil reserves and could become a gas supplier for the Nabucco pipeline, the EU's flagship project for the development of the so-called Southern Corridor energy supply route aimed at reducing dependence on Russia.

[Natural gas shortage crimps Malaysian glove makers](#)

KUALA LUMPUR - Malaysian glove makers who supply about two-thirds of the global market may not be able to keep pace with strong demand due to a natural gas shortage in the Southeast Asian country, a top industry official said on Monday.

[L&T to Borrow \\$4.4 Billion for Indian Power Plants](#)

(Bloomberg) -- Larsen & Toubro Ltd., India's biggest engineering company, may borrow as much as \$4.4 billion to build a power-generation business and is considering buying coalmines in Australia and Indonesia to gain fuel supplies.

[Kunstler: Disasters Far and Near](#)

It's a tragedy for the ages, and tragedy is a fulcrum of the human condition that techno-triumphalism pretends to have vanquished. All the meals-ready-to-eat on God's green earth won't add up to a happy ending for everybody. Haiti was a disaster waiting to happen every bit as much as the Federal Reserve is for us. For decades, the USA's policy (and the UN's too) was just to stuff more food aid onto an island already so far beyond its carrying capacity for human existence that every new birth certificate was a death warrant in disguise. But free people are free to do what they will do, and in Haiti there was not much more to do than make more people.

Now the USA will also pretend that there is a Haitian government in charge -- as in the pathetic grandstanding of Secretary of State Hillary Clinton the other day -- though the Haitian government was a fiction for decades before the earthquake struck. The recent blatherings of Bill Clinton would have us believe that Haiti is poised to become an exemplar of economic development for the Caribbean once things are tidied up there. What planet are these people living on? (Answer: Planet Limousine.) Rather Haiti is the example of what life may become in nations bethinking themselves developed further along in The Long Emergency. If the figures on world crop failures for 2009 are

relevant, even places like the USA may get a taste of this before the end of 2010.

[Dmitry Orlov: The Oceans are Coming Part III - Staying Afloat](#)

We are not in a position to face down the ocean, saying "This far, Ocean, and not a centimetre further!" Our worst-case scenario is that our worst-case scenario is going to continue getting worse and worse. We cannot limit our planning activities to this or that mythical upper bound. When our knowledge fails us, our myths are there to guide us. The success of Noah's mission did not depend on having an accurate estimate of how high the waters would rise, because his arc *floated*.

[UK: What happened to the 10-year transport plan?](#)

When Labour's £180bn, 10-year transport plan was unveiled by John Prescott in 2000, there were high expectations that it was to usher in a new era of light rail, road pricing and a much-improved bus service. So what happened?

[Rebuttals To Flawed National NAS Report And Challenge To Battery Industry](#)

For your edification this long weekend: In this posting, we return to address in greater detail the faulty assumptions underlying the conclusion by the National Research Council's (NRC) fuel cell analyst team that it would be a mistake to commit to plug-in vehicles because battery costs will remain high for over a decade. This report has gained wide attention. And on the same day that GM opened its new Michigan battery plant, the Boston Consulting Group (BCG) released a study saying it would take decades for plug-ins to become competitive without subsidies.

We believe BOTH reports are mistaken and are already being eclipsed by industry developments.

[Crunch may dampen offshore wind boom](#)

LONDON (Reuters) - Europe is set to add about 1,000 megawatts of new wind power capacity in 2010 but tight credit could limit further investment in the low-carbon technology, the European Wind Energy Association (EWEA) said on Monday.

Eight new wind farms totalling about 577 MW, including 199 offshore wind turbines, were connected to the grid in Europe last year, compared with 373 MW installed during 2008.

[Biofuel Crops, Solar Panels to Cover 11% of Germany by 2020](#)

(Bloomberg) -- Efforts to boost production of renewable energy in Germany means the amount of land used to generate power and heat from corn, solar panels and wind turbines will more than double by 2020.

[Hansen and Watts Agree: Cold Weather, Warm Climate](#)

Anthony Watts runs a Web site that has become perhaps the most popular portal for climate news and opinion of interest to people aiming to rebut warnings that humans are poised to disrupt climate. James E. Hansen of NASA has long been the most prominent scientist advocating sharp and prompt cuts in emissions of greenhouse gases to avoid a climatic calamity.

In the last few days, a notable conjunction occurred when these two men essentially agreed on something: that the planet — despite a lot of very cold patches — is unusually warm.

[Have We Reached Peak Oil?](#)

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[The French blackout and the Byzantium delusion](#)

The American press probably hardly noticed but southern France has experienced a major blackout around Christmas and in my own region — Brittany - local authorities have urged people to reduce their power consumption, lest the whole regional grid catastrophically fail. The lights are still on in the small Breton village I am writing this from, but it is probably a matter of time before they go off. No matter what nuclear

power fans say on the other side of the Atlantic, French power plants are not aging well. They need more maintenance, and this takes longer. To make things worse, EDF, the French national power company has outsourced most of said maintenance to independent contractors whose employees are less paid and less well treated than its own. The result has been a row of strikes, which paralyzed operations and forced EDF to delay maintenance until the end of the year.

France, which used to be a major power exporter has now become a net importer and since the grid is undersized, this is becoming a real problem for those of us who don't live near a power plant. In Brittany, where the population has refused – and is still refusing – nuclear power, this has become a major political subject – we are nearing a regional election, remember – and local politicians are pushing for the building of a gas power plant on the northern coast. Another – built in a low-lying coastal area - will be put on line in a few days, but everybody agrees it won't be enough and that we are only a cold day away from darkness.

[IEA jittery as stimulus cash dries up](#)

The end of huge economic stimulus packages around the globe threatens a modest recovery in global oil demand this year, an official from the International Energy Agency (IEA) said today.

[Oil Gains for First Time in 6 Days on China Demand, OPEC Outlook](#)

(Bloomberg) -- Crude oil rose for the first time in six days on speculation China's imports will jump this year as OPEC holds production near current levels.

[Iran hails OPEC output compliance as a "success"](#)

TEHRAN (Reuters) - OPEC members achieved a 66 percent compliance last year with agreed crude output targets, a senior Iranian oil official was quoted as saying on Sunday, describing it as a "success".

The producer group decided at a Dec. 22 meeting in Angola to keep its output policy unchanged, but faces a battle to crack down on those in its ranks who are failing to comply with quotas if it wants to drain fuel stocks.

[UAE energy minister says oil prices 'very reasonable'](#)

ABU DHABI - United Arab Emirates Energy Minister Mohammad bin Dhaen al-Hamli said on Monday that world oil prices are "very reasonable."

...He was subsequently asked if he preferred prices to be in excess of 100 dollars a

barrel and said: "I don't like over 100, and don't like 30."

[Sir Richard Branson: Gas crunch that will prove a wake-up call for consumers](#)

The "gas crunch" identified in your report is probably going to be matched, or exceeded, in its effect on the UK economy by a similar "oil crunch". This prospect was first identified by the Industry Task Force on Peak Oil and Energy Security (ITPOES) in its report dated October 2008. Oil supply has very similar characteristics to gas, except that the run-down in indigenous production is more advanced and the availability of oil is more limited with respect to future demand. (The ability to extract "tight" gas from shale, at economic prices, has transformed the near-term international prospects for future gas supply.)

[Venezuela natural gas auction closes with no offers](#)

CARACAS (Reuters) - Venezuela's Mariscal Sucre project, which has estimated reserves of 14.7 trillion cubic feet of gas, has failed to attract private interest after the government invited firms to make offers last week.

[Brazil to sell 2 mln bbls crude bimonthly ex-Okinawa](#)

SINGAPORE (Reuters) - Brazil's state-run Petrobras plans to sell as much as 2 million barrels of its medium-sweet crude to Asia every two months, using storage tanks it owns in Japan's Okinawa island as a distribution hub, trade sources said on Monday.

Petrobras expects to send its first Very Large Crude Carrier (VLCC) loaded with Roncador crude from Brazil to Okinawa in March, with subsequent shipments of the same size about every two months, heralding a new trading strategy, the sources said.

[Finally, some efforts to rein in speculators](#)

The complaints of Opec ministers over the years went largely answered by demands to increase production by IEA and consumer governments against the fundamentals of the market until the financial and economic crises gripped the world in the middle of 2008.

[Attiyah names LNG date](#)

Qatar will complete the expansion of its liquified natural gas production capacity in September this year, Oil Minister Abdullah Attiyah said today.

[China's power consumption to grow 7% in 2010](#)

BEIJING: China's power consumption would rise 7 percent this year if the country could maintain an 8-percent growth of economy, Wang Xudong, chief of the State Electricity Regulatory Commission (SERC), said here Monday.

[Somali pirates release Greek tanker](#)

DOHA, Qatar - Somali pirates have released a Greek-flagged oil tanker after receiving millions of dollars in ransom.

Sources from among the pirates on Monday confirmed that the Maran Centaurus, one of the largest ships ever hijacked, had been freed.

The pirates agreed to release the vessel after an aircraft dropped at least five million dollars in ransom on the deck.

[Kurt Cobb: Useful work versus useless toil revisited](#)

How then to run a complex, modern industrial society along principles conceived by Morris? The simple answer is you can't. But in a society beset by the problems of peaking fossil fuels, climate change, deforestation, depletion of water, destruction of fisheries, and erosion of farmland, Morris sounds like a person in the vanguard of the sustainability movement. Even more famous during his life for his novels than for his tapestries and stained glass work, Morris described the kind of society he deemed consistent with his principles in a utopian novel entitled *News from Nowhere*.

News from Nowhere describes a highly decentralized craft- and agricultural-based society of small towns and villages, one with democratic governance and equality of the sexes. Using the trope of a man visiting the future--200 years into the future to be precise--we get not only a description of the current conditions, but also a history of how the world evolved to that point.

News from Nowhere is not a literary masterpiece. But it offers a useful look into the mind of a man who thought deeply about the relationship between the way we organize the economy and the way we structure society. And, he offered a radical vision that sounds very much like the radical vision of those now proposing the relocalization of human society in response to the myriad challenges we face to our very survival as a species.

[Campaigners turn out in force for energy meeting](#)

THE growing influence of an environmental movement on the Black Isle was demonstrated on Saturday as more than 80 people attended an Energy Crunch meeting

at Fortrose.

Energy campaigner Mandy Meikle outlined some of the challenges posed by peak oil, the point at which global oil production reaches a maximum and availability begins to decline.

[Permaculture on a Canadian Farm: Must We Be So Pessimistic? \(Video\)](#)

When I posted on a video tour of my friend Mike Feingold's permaculture allotment, many folks were inspired by his haphazard yet productive approach to urban gardening. But others just felt he looked like the Unabomber. And when Warren posted on the Greening the Desert permaculture project in Jordan, some were fired up, while others dismissed permaculture as just another form of survivalism. So what will folks make of Ian Graham's permaculture farm in Canada? A man who on the one hand is growing food with minimal fossil fuels, and on the other hand seems to believe that we are all doomed. (As an irrelevant but amusing aside, his sheepdog seems to be scared of sheep.)

[Hume: Markham's bold proposal is suburbia's salvation](#)

The land-use rebellion now unfolding in Markham is another skirmish in the war against the development industry.

At stake is who controls growth – government or industry?

Though some would have us believe that the end of suburbia represents a clash of cultures, an attack on middle-class virtues and market infallibility, it has more to do with wresting public powers from private hands.

[Ski property faces meltdown as global warming chills the market](#)

There may be a global freeze on at the moment but Britons who own and let flats and chalets at ski resorts could face a threat to their investments – thanks to a long-term shortage of snow.

Recent weeks have seen huge snowfalls in the UK, on mainland Europe and across North America, but research by Unesco's environment programme suggests long-term global warming will push the snowline up worldwide in years to come.

[UN climate body to review Himalayan glacier forecast](#)

NEW DELHI (AFP) – The head of the UN's top body on climate change said Monday the panel would investigate claims its doomsday prediction for the disappearance of

Himalayan glaciers might be mistaken.

[A Search for Rules Before Climate- Changing Experiments Begin](#)

Responding to renewed interest in geoengineering schemes to combat global warming, scientists and policymakers are beginning several efforts that could set new ground rules for research, including large-scale field experiments.

[Uncertain future for US climate law after Copenhagen](#)

WASHINGTON (AFP) – The future of a US climate law is hanging in the balance in Congress as lawmakers gear up for crucial midterm elections amid a persistent economic slump, experts say.



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