



Drumbeat: January 21, 2010

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Topic: [Miscellaneous](#)

[Goodbye to oil that](#)

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Daniel Yergin, the author and president of the industry consultancy Cambridge Energy Research Associates – whom Maass calls the "closest thing the oil world has to a guru" – dismisses the warnings of Simmons and his peers. "This is not the first time that the world has 'run out of oil,' " Yergin tells Maass. "It's more like the fifth. Cycles of shortage and surplus characterise the entire history of the oil industry."

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day.

The Air Transport Association of America said total passenger revenue for the major U.S. carriers fell 18% in 2009 versus the year before. It was the largest drop on record, exceeding the 14% decline in 2001.

[Exxon Caught in Deja Vu Dispute](#)

The government rejected a proposal by ExxonMobil, the world's largest company by market value, to invest \$3.5 billion this year in the Sakhalin offshore fields, putting at risk the oil producer's plans again, Sakhalin Governor Alexander Khoroshavin said Thursday.

[Analysts says frac rules unlikely](#)

ExxonMobil, XTO Energy and other shale-gas producers probably will not face US rules that would add costs of \$100,000 per well, given comments at a Congressional hearing yesterday and the loss of a Senate seat by majority Democrats, FBR Capital Markets analysts said.

[U.S. launches first trade probe of 2010 against China](#)

WASHINGTON (Reuters) - The U.S. government will investigate charges that Chinese companies are selling oil well drill pipe in the United States at unfairly low prices, the Commerce Department said on Thursday.

It is the first U.S. trade probe of the year against China after about a dozen in 2009. The proliferation of cases in recent years has strained U.S.-China trade ties.

[Predictions for Lexington in 2010](#)

1. Lexington will see an increase in refugees from three primary areas and causes:

Mexico – peak oil: The Mexican government is being challenged like never before, both with drug-fueled lawlessness and an absolute free-fall in oil revenues, as their fields have peaked. Lexington has a large and established Mexican community. Expect more friends, relatives and fellow citizens to join them here.

[Military in Hawaii has big plans for solar power at base](#)

The military is seeking contractors to install more solar power systems at most of its major installations in the state in what ultimately would be a leap in photovoltaic power generation capability in Hawai'i, officials said.

Ted Peck, the state's energy administrator, predicts the military photovoltaic energy project output may reach about 60 megawatts — four times the state's solar production last year.

[Engineers find significant environmental impacts with algae-based biofuel](#)

With many companies investing heavily in algae-based biofuels, researchers from the University of Virginia's Department of Civil and Environmental Engineering have found there are significant environmental hurdles to overcome before fuel production ramps up. They propose using wastewater as a solution to some of these challenges.

These findings come after ExxonMobil invested \$600 million last summer and the U.S. Department of Energy announced last week that it is awarding \$78 million in stimulus money for research and development of the biofuel.

[We've already sacrificed too much to the suburban dream](#)

Under our current economic model, food production, packaging and distribution contribute to more than 20 per cent of our energy use. With most of the cost of food taken up by packaging and distribution it is easy to see how rising food prices, an inevitable consequence of peak oil, could be alleviated by localising and intensifying food production. This is the "Transition Town" notion of decoupling food from oil.

[Harold Steves decries potential loss of farmland with South Fraser Perimeter Road project](#)

“The fact that we are building this road, the fact that we are destroying this land—destroying our ability to feed ourselves—is a crime against humanity as great as any of the other ones that we have witnessed in the previous 100 years or so,” Steves told the crowd of about a hundred. “By not coming to grips with climate change, by not coming to grips with the loss of our farmlands and the loss of habitat, our politicians today are every bit as guilty as every one of the despots that has gone before.”

[UAE residents choose cheap petrol over climate](#)

ABU DHABI // If people living in the UAE do not make changes to their carbon-intensive lifestyles, their children may face a dark future, one of the world's leading figures on climate change warned yesterday.

“A child of five or 10 now, if we go on business as usual, is likely to live to see the kind of very, very difficult circumstances we are talking about,” said Lord Stern, chair of the Grantham Research Institute on Climate Change and the Environment at the London School of Economics and Political Science.

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[BP Wants to Tap Russian Arctic for Oil, Gas](#)

BP would like the opportunity to expand its presence in Russia to explore for oil and gas in the country's Arctic region, Chief Executive Tony Hayward said Thursday.

"We have worked for decades in areas such as the North Slope of Alaska, the Canadian Arctic and Northern Norway," Hayward said in a speech to the Moscow Academy of National Economy, which was posted on BP's Web site. "BP has also been very active in the offshore Arctic regions, which represent an important new frontier for the industry."

[Saudi deaths in fight with Yemen rebels reach 113](#)

RIYADH, Saudi Arabia – The Saudi army has lost 113 troops since the kingdom launched a sweeping offensive against neighboring Yemen's Shiite rebels in early November, a military commander said in comments published Thursday.

The kingdom's well-funded but largely untested military joined the fray after Shiite rebels from Yemen crossed the border into Saudi Arabia on Nov. 5, killing two Saudi border guards.

[Pakistani army: No new offensive for 6-12 months](#)

SLAMABAD – The Pakistani army said Thursday during a visit by U.S. Defense Secretary Robert Gates that it can't launch any new offensives against militants for six months to a year to give it time to stabilize existing gains.

The announcement probably comes as a disappointment to the U.S., which has pushed Pakistan to expand its military operations to target militants staging cross-border attacks against coalition troops in Afghanistan. Washington believes such action is critical to success in Afghanistan as it prepares to send an additional 30,000 troops to the country this year.

[Hydraulic Fracturing Creates Jobs, Increases Energy Security](#)

America's shale gas resources can play a critical role in securing America's energy future, members of a key Energy and Commerce subcommittee heard yesterday -- but only if the technology needed to produce those resources remains intact and under the regulatory oversight of the states.

[Criticism Muted at Exxon-XTO Hearing](#)

U.S. lawmakers on Wednesday opened a hearing into Exxon Mobil Corp.'s (XOM) planned purchase of gas producer XTO Energy Inc. (XTO) with upbeat comments about natural gas and limited criticism of the controversial drilling technique that is at the heart of the merger.

[Exxon Mobil lauds algae-based biofuels](#)

ABU DHABI, United Arab Emirates (UPI) -- A solution to expand the options for renewable energy resources is through the use of biofuels produced by algae, Exxon Mobil executives said in Abu Dhabi.

[Popular Protests Put Brakes on Renewable Energy](#)

Most Germans are in favor of the expansion of renewable energy -- provided the plants aren't built in their neighborhood. All over the country, local groups are coming together to stop solar, wind and biogas projects. But where can power plants be built if no one wants them in their backyard?

[Zapatero Pushes EU Electric Car Plan](#)

Spanish Prime Minister Jose Luis Rodriguez Zapatero has provided further details of his vision for the EU's 2020 economic strategy, including measures to promote electric car production in Europe.

Speaking before the European Parliament on Wednesday (20 January), the Socialist leader, whose country currently holds the EU's six-month rotating presidency, said the 27-member union would embark on a major new project to promote electric-car production.

[Toyota not betting on an electric love affair](#)

DETROIT (CNNMoney.com) -- American drivers and electric cars just aren't ready for each other yet and it's best that they don't rush into things, Toyota's alternative fuel

guru says.

[Hybrid Owners Howl As California HOV-Lane Access Ends in December](#)

Federal highway officials says congestion in carpool lanes is increasing throughout California, Richards writes. Ending access for single-occupancy vehicles would speed the ride for more people--trading off incremental gains in fuel efficiency and air quality for moving more bodies.

[John Michael Greer: Secret Handshakes](#)

Still, the core factor was simple enough; the fraternal orders went away because most Americans didn't need them any more, and were no longer willing to pay the costs of maintaining them. Once labor unions won the right of collective bargaining, employers rather than lodges started to cover sick pay; social security and other government welfare programs provided a social safety net much sturdier than the one the lodges were able to weave from their own resources; more broadly, the immense general prosperity of American society in the wake of the Second World War made starving to death in the street a good deal less pressing a threat than it had been not too long before.

[New Sierra Club chief brings confrontational style to the job](#)

The Sierra Club's new leader will come to the job with a record of "environmental agitation" against big industrial polluters. The group announced on Wednesday that Michael Brune, 38, currently head of Rainforest Action Network (RAN), will replace Carl Pope as executive director as of March 15. Brune honed RAN's strategy of negotiating politely with corporate heavyweights such as Bank of America, Citigroup, and General Motors—and then, if they don't clean up their acts, campaigning mercilessly against them. The two-pronged approach earned results that belie RAN's modest size—it helped convince Home Depot to stop selling wood from endangered forests, for example.

[Down to the Wire: Confronting Climate Collapse](#)

Due to our refusal to live within the Earth's natural limits, we now face a multitude of problems that will have a severe negative impact on human civilization. Orr, an expert on environmental literacy and ecological design, further argues that political negligence, an economy driven by insatiable consumption and a disregard for future generations are only adding to our plethora of environmental challenges. This program was recorded in front of a live audience at the Commonwealth Club of California, on November 11th, 2009.

[USF Study Shows First Direct Evidence of Ocean Acidification](#)

(PhysOrg.com) -- Seawater in a vast and deep section of the northeastern Pacific Ocean shows signs of increased acidity brought on by manmade carbon dioxide in the atmosphere -- a phenomenon that carries with it far-reaching ecological effects -- reports a team of researchers led by a University of South Florida College of Marine Science chemist.

...Principal investigator Robert Byrne, a USF seawater physical chemistry professor, said the study leaves no doubt that growing CO₂ levels in the atmosphere are exerting major impacts on the world's oceans.

"If this happens in a piece of ocean as big as a whole ocean basin, then this is a global phenomenon," Byrne said.

[The War Against Suburbia](#): *A year into the Obama administration, America's dominant geography, suburbia, is now in open revolt against an urban-centric regime.*

In everything from land use and transportation to "green" energy policy, the Obama administration has been pushing an agenda that seeks to move Americans out of their preferred suburban locales and into the dense, transit-dependent locales they have eschewed for generations.

As in so many areas, this stance reflects the surprising power of the party's urban core and the "green" lobby associated with it. Yet, from a political point of view, the anti-suburban stance seems odd given that Democrats' recent electoral ascendancy stemmed in great part to gains among suburbanites. Certainly this is an overt stance that neither Bill nor Hillary Clinton would likely have countenanced.

Whenever possible, the Clintons expressed empathy with suburban and small-town voters. In contrast, the Obama administration seems almost willfully city-centric. Few top appointees have come from either red states or suburbs; the top echelons of the administration draw almost completely on big city urbanites — most notably from Chicago, New York, Los Angeles, and San Francisco. They sometimes don't even seem to understand why people move to suburbs.

[Oil near \\$78 on fears of Chinese policy tightening](#)

Oil prices hovered below \$78 a barrel Thursday on fears that China, a top oil consumer, will act to keep its economy from overheating after the country posted strong growth figures for 2009.

[Oil Heading for \\$70.92, Commerzbank Says: Technical Analysis](#)

(Bloomberg) -- Crude oil may plunge toward \$70 a barrel after failing to break resistance around \$84 last week, according to technical analysts at Commerzbank AG.

Oil futures in New York have lost almost 7 percent since reaching a one-year high of \$83.95 a barrel on Jan. 11. Prices have peaked in the short-term and will extend their slide until reaching a trend line linking price lows in 2009, according to analysts at Commerzbank, last year's third most-accurate oil forecaster in a survey by Bloomberg.

[China Refines Record Oil Volumes as Economy Recovers](#)

(Bloomberg) -- China, the world's second-largest energy user, refined a record volume of crude oil last year as a recovering economy increased demand for fuels.

Oil processing rose 7.9 percent to 374.6 million metric tons, or 7.5 million barrels a day, said China Mainland Marketing Research Co., which compiles data for the government. China also refined a record 34.6 million tons in December, up 25 percent from a year earlier and topping the previous high in November.

[U.S. Faces Extended Power Outages, Largest Grid Builder Says](#)

(Bloomberg) -- The U.S. faces longer power outages resulting from storms this year after utilities cut spending on maintenance by as much as 50 percent, according to Quanta Services Inc., the world's largest builder of transmission lines.

"Because they haven't been doing maintenance for a few years, we will see longer outages and we will see more frequent outages as storm season approaches," Chief Executive Officer John R. Colson said yesterday in an interview in Bloomberg's Houston office. "It's a frequent, very frequent occurrence that cities are affected by storms that shouldn't really affect their distribution systems, and they are devastated and they are out of electricity for days and days."

[Petrobras Considering Qatari Shareholding, Qatar Minister Says](#)

(Bloomberg) -- Petroleo Brasileiro SA is considering a proposal by Qatar to take a shareholding in the Brazilian state-controlled oil company, Qatari Energy Minister Abdullah bin Hamad al-Attiyah said.

"We are always studying the best opportunities and Petrobras is a big company and it has a lot of activities. So why not?" the minister said today in an interview in the Qatari capital Doha, where he was attending a ceremony. "Now they will discuss it and evaluate it."

[Shell offshore oil drill plan in Alaska challenged](#)

ANCHORAGE, Alaska (Reuters) - Environmental and Alaska Native groups have filed a legal challenge seeking to overturn U.S. approval of Royal Dutch Shell Plc's plans to drill up to three wells this year off the shore of Alaska, representatives said on Wednesday.

[Chevron Asks Judge to Dismiss Ecuador's Anti-Arbitration Move](#)

(Bloomberg) -- Chevron Corp. asked a U.S. court to dismiss Ecuador's attempt to block an international arbitration panel from deciding who should pay damages in a lawsuit seeking as much as \$27 billion for environmental cleanup.

[Oil Tank Ablaze in Cushing After Lightning Strike](#)

(Bloomberg) -- A 55,000-barrel oil storage tank in Cushing, Oklahoma, the delivery point for benchmark West Texas Intermediate crude, caught fire after being struck by lightning during a thunderstorm.

The blaze, which began around 9:45 p.m. local time yesterday, was limited to the rim of the tank, Pete Schwiering, president of operator SemCrude, a unit of SemGroup Corp., said by telephone from Oklahoma City, about 70 miles (113 kilometers) southwest of Cushing. The fire may be out by midnight, keeping most of the oil inside the tank intact, he said.

[Oil Work Suspended In Angola's North Cabinda After Attack](#)

LONDON -(Dow Jones)- The search for oil in the north of Angola's Cabinda enclave has been suspended after a recent attack on Togo's soccer team in the region, a partner in the venture, Soco International PLC (SIA.LN), said Wednesday.

The news underscores how the deadly rebel attack on the players who were heading to the African Cup of Nations tournament in Angola is also affecting efforts to find oil onshore in the region.

[Energy Minister Backs Eni Over Tullow for Ugandan Assets](#)

(Bloomberg) -- Uganda's Energy Minister Hillary Onek backed Eni SpA's \$1.5 billion offer to buy assets from Heritage Oil Plc in preference to Tullow Oil Plc.

Uganda won't allow one company to monopolize any single exploration area, Onek told a press conference in Kampala today. It was not immediately clear what the next step in the approval process would be.

[Energy Measures May Go to Jobs Bill as Brown Win Saps Cap-Trade](#)

(Bloomberg) -- Measures to spur green-energy jobs may end up in a new economic-stimulus bill after Republican Scott Brown's Senate victory in Massachusetts dimmed prospects for legislation to curb carbon-dioxide emissions.

Provisions to help homeowners reduce power use and make industry more energy-efficient may be shifted out of cap-and-trade legislation that's stalled in the Senate, said Robert Stavins, director of the Harvard Environmental Economics Program in Cambridge, Massachusetts.

"Those Democrats who may have already been nervous about a vote on climate policy are even more nervous now," he said.

[Merkel's 'Muppet Show' May Upset E.ON's Nuclear Plans](#)

(Bloomberg) -- Chancellor Angela Merkel may have to put plans to extend the life of Germany's nuclear-power plants on ice as falling poll ratings diminish her ability to overcome a unified opposition.

Weeks of coalition infighting over tax cuts and the war in Afghanistan have eroded Merkel's political standing, making it harder to promote nuclear power, "the most difficult task she has on her agenda," said Claudia Kemfert, chief energy analyst at the DIW economic institute.

[Wis. lawmakers draw battle lines on energy bill](#)

MADISON — State lawmakers started poring over a sweeping renewable energy bill Wednesday, establishing battle lines as the measure inches toward a vote.

The bill creates new renewable fuel standards, lifts Wisconsin's ban on nuclear power plants and calls for new vehicle emission standards to match California's. Environmentalists have praised the package, saying it is a key step toward fighting global warming and it will create jobs.

But the state's business community is divided over the bill. Several large employers are on board, but the state's largest business group, Wisconsin Manufacturers and Commerce has blasted it, saying it could cost billions of dollars and eliminate jobs.

[Hickenlooper's pump fake won't fool many voters](#)

Hickenlooper has also said he thinks new oil and gas rules adopted under Ritter were "excessive," which surprised everyone since the mayor's office is pretty darn near the Capitol and no one remembers him venturing over to complain about the rules during

the tumultuous legislative debate about their adoption.

Maybe that's because Hickenlooper believes we'll be running out of oil, anyway, since he was a featured speaker in October 2009 at the International Peak Oil Conference in Denver. This group believes we are reaching world peak oil production and that the United States has to reduce its consumption.

The onslaught of new oil discoveries just prior to and after the conference has tended to make this group look a bit silly — that is, of course, unless you're the mayor.

[Peak phosphorous: mankind's latest threat](#)

Unlike nitrogen, which can be synthesised from the air, or the use of renewable energy to substitute for fossil fuels, there is no substitute for phosphorus. All the world's phosphate fertilisers come from mined phosphate rock, making it a finite resource.

[Water woes are headed eastward](#)

Mark Twain famously said that, in California, water flows uphill toward money. But political machinations, such as the water grab that enabled the metropolis of Los Angeles to sprout in a land of little rain, aren't uniquely Californian.

Today the epic water rights battles fought in the arid West — over irrigation, drinking water, ecosystems and dams — are moving east, as a growing population and changing climate put new pressures on water availability.

[Australia: Green rise in power, fuel costs](#)

VICTORIANS could face higher electricity and petrol prices from July 1 if the Rudd Government adopts a carbon tax proposal by the Greens to break the climate change policy deadlock.

[Why climate change spurs whining about cold snaps](#)

Global warming has many good and bad effects, but one that is becoming especially clear is that it makes us all weenies when it comes to colder weather.

You might have noticed that this winter is cold. OK. But it's not nearly as nasty as, say, the late 1970s, which brought the three coldest consecutive U.S. winters in the entire record (which started in 1895). The last winter of any consequence was 2000-01, but that was only the 26th coldest. Where this one will wind up no one can say, but I would be surprised if it even gets to the bottom 20.

[Scientific Journal Defends Climate Scientists](#)

he journal *Nature* -- which has published many peer-reviewed research papers on global climate change -- has decided to come to the defense of the researchers.

In an [editorial](#), and in a [news feature](#), it talks about the "climate of suspicion" under which the scientists work. It says their work is valid -- but in the often-toxic political atmosphere in which they find themselves, they "need a sophisticated strategy for communication."

[UN climate report riddled with errors on glaciers](#)

WASHINGTON – Five glaring errors were discovered in one paragraph of the world's most authoritative report on global warming, forcing the Nobel Prize-winning panel of climate scientists who wrote it to apologize and promise to be more careful.

The errors are in a 2007 report by the Intergovernmental Panel on Climate Change, a U.N.-affiliated body. All the mistakes appear in a subsection that suggests glaciers in the Himalayas could melt away by the year 2035 — hundreds of years earlier than the data actually indicates. The year 2350 apparently was transposed as 2035.



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