



Drumbeat: February 25, 2010

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Topic: [Miscellaneous](#)

[Oil shortage spills into water](#)

Looming oil and water shortages are interconnected and the world is only just waking up to the fact, says a leading proponent of the “peak oil” hypothesis.

Matthew Simmons, the chairman emeritus of the US consulting firm Simmons and Company International, says oil production consumes large amounts of water, while boosting clean water supplies is energy-intensive.

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munity are aware by now, for example, that the sweeping plans made for ethanol production from American corn as a solution to petroleum depletion neglected one minor but important detail: all things considered, growing corn and turning it into ethanol uses more energy than you get back from burning the ethanol. It’s not at all surprising that this was missed, for the same variety of bad logic underlies an astonishing amount of our collective conversation about energy these days.

[Kurt Cobb: Do Texas and the North Sea Foretell the Future of Oil Production?](#)

Oil supply optimists claim that new technology combined with private development of the world's remaining oil resources--most of which are now under the control of government-owned companies--would vastly increase global oil production and put off any decline for decades. Texas oilman Jeffrey Brown isn't buying it, and he cites the history of oil production in Texas and the North Sea to explain why.

[Interest grows in transferring shale gas success to oil](#)

The big boom in the US’ onshore shale gas play has led to an oversupply of natural gas, putting downward pressure on prices. A number of drilling programs have, therefore, been scaled back to wait until prices rise. And this has left equipment and expertise available at cheap rates for entrepreneurs to take on.

In the meantime, they are tinkering with transferring the shale gas boom into a shale oil boomlet.

[Germany and UK cut Russian gas demand](#)

Germany, the biggest importer of Russian gas, cut its purchases from Russia's Gazprom by 17.5% last year, while exports to the UK were slashed by 65%, a source at the Russian gas export monopoly said.

[Refinery crisis afflicts global oil sector](#)

PARIS: The world's major oil companies are grappling with a crisis in the refining sector which is forcing them to cut back heavily to staunch losses, as shown by a dispute at Total in France.

The possibility that Total could shut down a refinery in France has sparked angry protests and the government now wants the privately-owned group to commit to not closing any French refineries for five years.

But the fact is that refining is not a good business for oil companies in advanced industrialized countries, analysts said. And financial results published by the big producers show that Total's situation is hardly unique.

[Petrobras makes double find](#)

Brazil's Petrobras said today it had made two separate discoveries of oil in the Campos basin near Brazil's coast with recoverable reserves of 40 million and 25 million barrels.

[Media alert: PwC and renowned author and economist Jeff Rubin present, "How will supply chains evolve in an energy-constrained, low-carbon world?"](#)

TORONTO /CNW/ - PricewaterhouseCoopers (PwC) LLP and Jeff Rubin, former Chief Economist with CIBC World Markets and author of the book, *Why Your World is About to Get a Whole Lot Smaller*, are pleased to invite members of the media for a discussion on the long-term market trends that will impact sustainable positioning for the transportation and logistics (T&L) sectors.

[Western's Galileo's Legacy Conference begins today](#)

Missouri Western State University's Galileo's Legacy Conference, a yearly event that attracts experts in various fields, kicks off today.

...Dr. Newton joins retired University of Missouri professor Dr. John Ikerd, who will talk about alternative agriculture practices in a presentation titled "Food, Friends, and Faith:

Cornerstones of Sustainability.” Retired Princeton University geology professor Dr. Ken Deffeyes will address the realities of our oil situation in his talk, titled “Beyond Oil: Sustainable Energy.” Dr. Deffeyes makes his presentation at 7 p.m. today, and Dr. Ikerd presents his Friday at noon. All presentations take place in Spratt Hall, Rooms 214-216.

[Russia Starts Work On Baltic Nuclear Plant](#)

(RFE/RL) -- Russian officials today laid the foundation stone of a new nuclear power station in Russia's westernmost region, Kaliningrad, which is sandwiched between Poland and Lithuania.

[PFI - US nuclear power project financing under way](#)

NEW YORK (Project Finance International) - Vogtle, the nuclear power plant co-sponsored by Municipal Electric Authority of Georgia (MEAG), has announced plans to launch a US\$2.5bn bond financing to fund the bulk of its portion of the project within days of winning the first US loan government guarantee for a nuclear facility. With more loan guarantees to be announced soon, the long-awaited nuclear power revival looks to be on its way. Goldman Sachs and co-leads will hold a roadshow next week for the bond package which will fund a portion of its investment in the proposed Vogtle 3&4 nuclear power plant expansion. Fitch Ratings have assigned some of the senior bonds A+ ratings, and others A-

[A Utility Will Help Homeowners Go Solar](#)

TXU Energy, a Texas utility with two million customers, is making it possible for homeowners in the Dallas area to lease or buy rooftop solar-power systems in one of the first programs of its kind.

The energy provider said Wednesday that it had signed a deal with SolarCity, a Silicon Valley start-up that finances and installs residential rooftop arrays, to manage the initiative.

[Bill McKibben: Why It's the O.J. Moment of the 21st Century](#)

The campaign against climate science has been enormously clever, and enormously effective. It's worth trying to understand how they've done it. The best analogy, I think, is to the O.J. Simpson trial, an event that's begun to recede into our collective memory. For those who were conscious in 1995, however, I imagine that just a few names will make it come back to life. Kato Kaelin, anyone? Lance Ito?

The Dream Team of lawyers assembled for Simpson's defense had a problem: it was pretty clear their guy was guilty. Nicole Brown's blood was all over his socks, and that

was just the beginning. So Johnnie Cochran, Robert Shapiro, Alan Dershowitz, F. Lee Bailey, Robert Kardashian et al. decided to attack the *process*, arguing that it put Simpson's guilt in doubt, and doubt, of course, was all they needed. Hence, those days of cross-examination about exactly how Dennis Fung had transported blood samples, or the fact that Los Angeles detective Mark Fuhrman had used racial slurs when talking to a screenwriter in 1986.

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[Oil below \\$80 amid mixed US economy signals](#)

Oil prices slipped below \$80 a barrel Thursday as a stronger dollar made crude more expensive for international investors and the market received mixed signals on the strength of the U.S. economy.

[Another Take On Peak Oil: Exports, Not Production, Indicate Crisis](#)

President Obama pledges to attain national energy independence, only to be publicly rebuked days later by the Saudi oil minister for his lack of practicality. Two prestigious energy tracking agencies (CERA and the UK Energy Research Center) study the issue and release hefty reports in the same month with opposite conclusions. These are some of the examples given by host Jim Puplava in a January 30 segment of Financial Sense Newshour to introduce the increasingly fierce peak oil debate.

But to independent petroleum geologist and guest expert Jeffrey Brown, a crisis of world peak oil production is less critical than a crisis of peak oil exports.

[Monbiot - If fossil fuel reserves rise carbon should be left where it belongs: in the ground](#)

Peak oil should be good news for the environment, but not if it stimulates investment in even dirtier sources of energy.

[China passes US as top Saudi oil importer: energy secretary](#)

ABU DHABI (AFP) – China has surpassed the United States, long the top importer of Saudi oil, in short-term average daily imports from the petroleum-rich Gulf kingdom, US Secretary of Energy Steven Chu said Wednesday in Abu Dhabi.

"It's correct, as far as I know," said Chu, when asked if China has recently moved ahead of the US in terms of average barrels-per-day oil imports from Saudi Arabia.

He did not provide specific figures.

[ONGC eyes Latin America, Africa assets](#)

NEW DELHI (Reuters) – The state-run Oil and Natural Gas Corp (ONGC) is pushing to strengthen its presence in Africa and Latin America but is less interested in Canadian oil sands for now, its chairman said.

ONGC, which recently won exploration rights for a major project in Venezuela through a tie-up with Spain's Repsol, is also looking for overseas opportunities in Russia and elsewhere in the former Soviet Union, R.S. Sharma said in an interview on Wednesday.

[European Fuel Oil Shipments to Asia Increasing 33% in March](#)

(Bloomberg) -- European fuel oil shipments to Singapore will increase 33 percent in March as traders take advantage of prices in Asia that have been driven higher by the region's accelerating economic growth.

Fuel oil, used to power ships or burnt to generate electricity, is moving east because of declining demand in Europe, according to a Bloomberg News survey of five traders, including companies involved in this arbitrage trade. An estimated 15 supertankers have been chartered to make the six- week journey to deliver 4 million metric tons in March, more than the monthly average of 3 million tons during the past year.

[Dawn of the gas economy](#)

The oil industry and free markets may yet accomplish what politicians at Copenhagen couldn't – by making the world a gassier place.

[Conoco's \\$10 Billion Divestiture Plan Seen Hinging on Syncrude](#)

(Bloomberg) -- ConocoPhillips, the third-largest U.S. oil company, may need to sell its

stake in Syncrude Canada Ltd. for at least \$3 billion to meet its goal for divestiture proceeds without putting more assets on the block.

Exiting Syncrude, the world's largest oil-sands producer, could be the first deal in ConocoPhillips's plan to sell \$10 billion of assets in two years to cut debt. The company said Feb. 4 that it expects a Syncrude deal within several months.

[Syncrude Revels in Gas Glut on Cusp of Oil-Sands Expansion](#)

(Bloomberg) -- Syncrude Canada Ltd., the world's largest oil-sands operator, is benefiting from a natural-gas surfeit and lower prices as the company embarks on expansions that will increase output by 50 percent.

[Origin Says LNG Customers Have 'Substantial' Choices](#)

(Bloomberg) -- Origin Energy Ltd., ConocoPhillips' partner in a proposed liquefied natural gas project in Australia, said customers have the advantage in contract talks because they have a "substantial" number of supply options.

Origin is in discussions with a range of companies and aims to announce a customer by the middle of the year before making a final investment decision on the venture by the end of 2010, Managing Director Grant King said in Sydney today. The market is more favorable to buyers, who are taking more time to sign contracts, he said.

[Repsol Profit Falls 48% as Refining Margins Narrow](#)

(Bloomberg) -- Repsol YPF SA, Spain's largest oil producer, said fourth-quarter profit fell 48 percent after a slump in fuel demand cut earnings from refining.

[RWE Reduces Earnings Outlook on Energy-Project Delays](#)

(Bloomberg) -- RWE AG, Germany's second-largest utility, reduced its earnings growth forecast because of delays in developing power plants as well as oil and gas projects.

Recurrent net income, which the company uses to calculate its dividend because it doesn't reflect swings in the value of fuel-price hedging, will expand by an average of about 5 percent a year in the four years through 2012, down from an earlier target of about 10 percent, RWE said today in a statement.

[Argentina urges UN chief to intervene in Falklands row](#)

UNITED NATIONS (AFP) – Argentine Foreign Minister Jorge Taiana pressed UN chief Ban Ki-moon to intervene in an ongoing row over oil drilling by a British firm in waters off the disputed Falkland Islands.

"We have asked the secretary general, within the framework of his good offices, to stress to Britain the need to abstain from further unilateral acts," Taiana told reporters after calling on Ban at UN headquarters.

Saber-rattling has surged in recent days over the Falklands following the start of oil drilling off the islands.

[China says U.S. abuses trade measures in steel case](#)

BEIJING (Reuters) - The United States has misapplied its own rules by taking action against imports from China, including the newest duties against Chinese steel pipes used in transporting corrosive liquids and gas, China's Ministry of Commerce said on Thursday.

The United States on Wednesday imposed preliminary duties ranging from 11 to 13 percent on steel pipe from China, saying the duties would offset government subsidies. The case is another in a growing list of trade disputes, as U.S. manufacturers seek government help against competing imports.

[Larsen Units to Borrow \\$2.2 Billion for Roads, Power](#)

(Bloomberg) -- Larsen & Toubro Ltd., India's largest engineering company, said its units plan to borrow at least 100 billion rupees (\$2.2 billion) this year to fund road- building and power projects.

"We will have to raise this money through special purpose vehicles and it will all be within the Indian financial system without any recourse to L&T," Chief Financial Officer Yeshwant M. Deosthalee said in an interview at his Mumbai office.

[India Power Ministry Opposes Taxes on China Turbines](#)

(Bloomberg) -- India's power ministry is opposing a proposal to double taxes on imported turbines and boilers because it will raise costs for electricity producers and delay capacity addition needed to curb blackouts, according to two officials at the ministry.

The Ministry for Heavy Industries proposed raising import duty on power equipment to 10 percent to shield domestic producers including state-owned Bharat Heavy Electricals Ltd. The Power Ministry wants taxes frozen in the annual budget to be unveiled tomorrow, according to one official, who asked not to be identified because the budget

hasn't been announced.

[Why I Don't Expect a Lithium-Ion Battery Glut](#)

It's no secret that I think plug-in electric vehicles are unconscionable waste and pollution masquerading as conservation. To support my opinions, I've published an easy to follow Excel spreadsheet that shows why plug-ins are 5x to 6x less effective than HEVs when it comes to reducing national gasoline consumption and 9x to 12x less effective than HEVs when it comes to reducing national CO2 emissions. To date, the only challenges to my analysis have come from die-hard EV fanatics who seem to believe battery factories grow on trees and raw material supply chains sprout like flowers in an alpine meadow.

[Bloom Energy unveils fuel cell of the future](#)

SAN JOSE, California (AFP) – Stealth start-up Bloom Energy on Wednesday publicly unveiled an innovative fuel cell that promises to deliver affordable, clean energy to even remote corners of the world.

Compact Bloom Servers built with energy cells made from silicon -- a plentiful element found in sand -- made their formal debut in an eBay building here partially powered by the energy source.

[Putting In a Good Word for Algae](#)

A European lobbying group weighed in Tuesday on a fierce debate over the environmental value of using algae to produce biofuels for vehicles.

The group, the European Algae Biomass Association, said members of its scientific committee were “confident that the commercial production of algae biofuels can be achieved with a positive carbon footprint and will represent a further important step in the direction of reducing CO2 emission in European transport, including aviation.”

[Projects across USA turn landfill gas into energy](#)

More communities are turning trash into power.

Nationwide, the number of landfill gas projects, which convert methane gas emitted from decomposing garbage into power, jumped from 399 in 2005 to 519 last year, according to the Environmental Protection Agency.

[Waste-to-Ethanol Venture Attracts Investors](#)

In a deal announced on Wednesday, Enerkem Inc., a Quebec waste-to-ethanol processor, has raised \$51.5 million from a syndicate of investors that includes the landfill and garbage-hauling giant Waste Management of Houston.

This is the second substantial cash infusion for the company, which secured a \$50 million Department of Energy clean-tech grant in December.

[Nuclear 'only way to cut emissions'](#)

Opposition Leader Tony Abbott says nuclear power is the "only realistic way" for Australia to cut its carbon emissions but he will not take the policy to the next election.

Speaking at the Menzies Research Centre in Canberra, the opposition leader said nuclear power was the only proven way of generating the base load power Australia needed without producing carbon pollution.

[Vermont Senate Votes to Close Nuclear Plant](#)

MONTPELIER, Vt. — In an unusual state foray into nuclear regulation, the Vermont Senate voted 26 to 4 Wednesday to block operation of the Vermont Yankee nuclear plant after 2012, citing radioactive leaks, misstatements in testimony by plant officials and other problems.

Unless the chamber reverses itself, it will be the first time in more than 20 years that the public or its representatives has decided to close a reactor.

[Neighbourhood grids promise energy gains](#)

(PhysOrg.com) -- European researchers are creating technology that will treat neighbourhoods like a miniature power grid, sharing energy generated at each house according to need. Allied to a host of other developments, the concept promises huge energy savings.

[How to turn blueprints green](#)

(PhysOrg.com) -- Even in today's increasingly energy-conscious world, it's rare for the subject of energy efficiency to be addressed in the early stages of designing a new building, whether it's a single-family home or a large factory or office building. Typically, issues about lighting, heating and insulation are left until after initial decisions about the

size, shape and orientation of the building have been made.

[Climate change's secret weapon](#)

The sad irony is that, despite producing little in the way of carbon emissions, both island nations may have contributed to their own demise. The Seychelles and the Maldives share the same secret underpinning to their respective economies. More than 50% of AOSIS members are secrecy jurisdictions, misleadingly labeled as offshore centers and tax havens. These economies - characterized by opaque legal and financial services ensuring little or no disclosure, high levels of client confidentiality and few requirements for substantial economic activity - are recipients of illicit capital. These laundered profits have been siphoned from resource-rich but artificially impoverished developing nations.

[Is Glenn Beck A Secret Treehugger?](#)

Is Glenn Beck a closet environmentalist? That might sound like a strange question. In his lucrative book and television career, the conservative talk show host regularly bashes the science of climate change and anyone who believes in it. Last week he mocked climate scientists for being "alarmists" who believe that "we're all going to die in a fiery flood." Not long ago he touted the global warming chapter of his *An Inconvenient Book* as "kryptonite against your Gore-worshipping psycho friends." And in May 2007 he hosted an hour-long television special, *Exposed: The Climate of Fear*, featuring an all-star lineup of climate change denialists and promising the "other side of the climate debate that you don't hear anywhere." Beck was also, of course, the driving force behind the successful right-wing push last year to bring down Obama's green jobs guru, Van Jones.

But an interview with Beck in *USA Weekend* revealed that his private views on climate are very different from those he espouses on his day job. In fact, Beck appears not only to be convinced that global warming is real, but that it's a genuine problem.

[China says no emissions cap for now](#)

BEIJING (AFP) – China's top climate change negotiator has said the world's biggest carbon polluter has no intention of capping greenhouse gas emissions for the time being, state media reported Thursday.

Su Wei, who led China's negotiating team at the UN climate change talks in Copenhagen in December, said the country's carbon emissions had to increase because the economy was still developing, the China Daily said.

[Trek to gauge carbon's impact on Arctic sealife](#)

London, England (CNN) -- Two teams of explorers and scientists are on their way to the Arctic for the first international project to measure the amount of carbon dioxide in water beneath the ice.

[World warming unhindered by cold spells: scientists](#)

SINGAPORE (Reuters) - The pace of global warming continues unabated, scientists said on Thursday, despite images of Europe crippled by a deep freeze and parts of the United States blasted by blizzards.



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