



Drumbeat: March 12, 2010

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Topic: [Miscellaneous](#)

[Study sees efficiency as key to meeting energy needs](#)

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The study, unveiled Thursday at IHS Cambridge Energy Research Associates' annual meeting in Houston, says that of all the options available, efficiency is the best way to improve the supply-demand balance quickly while keeping costs low and greenhouse gas emissions in check.

"It's the one thing that's really embraced across the spectrum," said Daniel Yergin, chairman of IHS CERA. Enthusiasm for efficiency is high "around the world, at the top of the energy agenda, whether you're talking about China, Europe or the United States."

That enthusiasm will be needed because doubts remain about the other paths to a cleaner energy future.

reamonline.com/live/article208619.ece">Ramirez sees oil flowing despite worries

Venezuelan Oil Minister Rafael Ramirez said today that the country would continue producing crude oil even if its ailing electricity system were to suffer a collapse.

"We will not stop producing oil," Ramirez said, adding that he doubts there will be any catastrophic failure of the national electricity system, so long as energy-conservation efforts continue.

[FACTBOX - Pemex's deep water Gulf of Mexico exploration record](#)

(Reuters) - Mexican state oil monopoly Pemex has pinned its long-term hopes on the deep waters of the Gulf of Mexico, where the government estimates as much as 29.5 billion barrels of oil equivalent could lie.

But so far the drilling campaign has had few successes.

[BP Books Tanker for ESPO Crude Oil to U.S. West Coast](#)

(Bloomberg) -- BP Plc, Europe's largest oil and gas company, chartered a tanker to ship Russian East Siberian Pipeline Oil to the U.S. West Coast, according to fixture reports from shipbrokers.

[£3bn coal power plant will test strength of Ed Miliband's environment rules](#)

The first application to build a coal plant in Britain since energy secretary Ed Miliband introduced tough new environmental rules will be submitted next week, the Guardian has learnt.

UK-based conglomerate Peel Group is pressing ahead with the £3bn project to build a 1.6GW plant at Hunterston in Scotland, which will partially fit experimental carbon capture and storage (CCS) technology. Its former partner, Dong Energy, dropped out last year, citing the recession. The application, which is expected to be submitted to the Scottish government on Monday, signals Peel's confidence that the unproven technology can work.

[Study sees efficiency as key to meeting energy needs](#)

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[In energy, let's not deny what we agree on](#)

James Mulva drew a hearty round of applause when he threw out the term.

In a speech before the energy industry faithful at the CERAWEEK conference Tuesday, the CEO of Houston-based ConocoPhillips labeled those who oppose oil and natural gas at any cost as "hydrocarbon deniers."

Mulva's point is well taken. Washington policymakers are too focused on promoting alternative fuels at the expense of conventional ones, especially natural gas.

[Alberta To Cut Royalties Amid Competition](#)

The Alberta government announced plans Thursday to cut the royalty rates it charges natural gas and oil producers in an effort to make the province more attractive to investment.

[Virginia Leads the Way for East Coast Offshore Drilling](#)

Offshore drilling legislation was signed into law yesterday by Gov. Bob McDonnell, who is positioning Virginia to be the first East Coast state to drill for oil and natural gas in Atlantic waters, the Associated Press reported Wednesday.

However, the bills' future will ultimately be determined by the federal government and Congress' support to drill on the outer continental shelf.

[A Saudi-Turkish alliance against Iran?](#)

STRATFOR's thesis is the Saudis are looking to Turkey to act as an ally in restraining Iranian pretensions to regional hegemony. The Turks have their own leadership aspirations which involve pursuing a neo-Ottoman strategy that joins Sunnis and Shias under enlightened, of course, Turkish leadership.

[New power outages hit Manila](#)

MANILA - AN ENERGY crisis in the Philippines triggered by a severe drought deepened on Friday as the nation's capital endured another round of rolling blackouts.

It was the third week this year that Manila's 12 million residents faced power outages, while the mostly rural southern Philippines has faced blackouts daily for more than a month.

[Venezuelan energy crisis hits workers' income](#)

The leader of the CTV said that rather than layoffs, "the work dynamics has been restructured," especially in industries that operate with four work shifts.

For example, General Motors removed a third shift, but did not fire workers. The

carmaker reassigned workers in the first and second shifts. Union leader Joel Torres said that the company is assembling vehicles from 6:30 a.m. until 11 p.m.

"This is the right way to keep production at the assembly plant without affecting labor," he said.

[No country will sell fuel to Bataan nuke plant, says research exec](#)

BAGUIO CITY, Philippines - Reviving the Bataan Nuclear Power Plant today or building new nuclear facilities would be the quickest solution to the shortage of electricity most felt in Mindanao and make power rates attractive to investors, according to Department of Energy officials here.

But no country would sell to the Philippines processed uranium and plutonium to fuel these plants because the country's atomic energy laws and safety regulations are outdated and do not pass world nuclear energy standards, said Dr. Vangelina Parami, acting chief of nuclear regulations, licensing and safeguards of the Philippine Nuclear Research Institute (PNRI).

[Bill McKibben - Vermont: Neighbors and Online Networks](#)

The genius of the system flows from the ways it's *unlike* the rest of the Web. Instead of going global, each forum is limited to a neighborhood of about 400 homes. Instead of the anonymity that lets Internet users happily flame one another, all the folks participating in these forums clearly identify themselves. "I designed it to be as simple--to use plain-text e-mail, so that everyone can take part," Wood-Lewis explains. "I just heard from an 80-year-old grandmother who'd signed up. She said, 'We've been here 50 years, but all the people we know have moved away, and we want to stay connected.' That's the kind of person we want to serve."

The biggest difference between Front Porch Forum and the rest of the Web, though, is that its ultimate goal is to get you out from in front of the screen and into the world around you. "The real feedback loop is on the main street of town," says Erik Filkorn, in his eighth year on the select board in Richmond, Vermont. "You'll be coming out of the store and someone will say, 'Hey Erik, I saw the thing you wrote. Here's what I think.' You're not just creating an avatar and hanging out in a singles bar in *Second Life* -- not that I would do that. But this is very much grounded in the flesh-and-blood community."

[Rapid Rise in Seed Prices Draws U.S. Scrutiny](#)

During the depths of the economic crisis last year, the prices for many goods held steady or even dropped. But on American farms, the picture was far different, as farmers watched the price they paid for seeds skyrocket. Corn seed prices rose 32 percent;

soybean seeds were up 24 percent.

[IEA Raises 2010 Oil Demand Estimate on Developing Economies](#)

(Bloomberg) -- The International Energy Agency raised its forecast for global oil demand this year for a second month as fuel consumption in Asia rises more than expected.

The IEA increased its estimate for world demand in 2010 by 70,000 barrels a day to 86.6 million barrels a day. That would mean a gain of 1.6 million barrels a day, or 1.8 percent, from 2009 levels, it said. Economies outside the Organization for Economic Cooperation and Development continue to lead the recovery in consumption, the IEA said.

“Global oil demand resumed growth on a yearly basis in the fourth quarter of 2009 after five consecutive quarters of decline,” the Paris-based agency said in its monthly oil market report today. “This year’s global oil demand growth will be driven entirely by non-OECD countries, with non-OECD Asia alone representing over half of total growth.”

[Oil above \\$82 after IEA raises demand forecasts](#)

Oil prices moved above \$82 a barrel Friday after the International Energy Agency brightened its outlook for world demand, predicting a surge in Asian economic activity will make up for a fall in developed countries.

[Crude Oil May Decline on Ample Inventories, Survey Shows](#)

(Bloomberg) -- Crude oil may fall next week on rising U.S. inventories and speculation that demand will decrease next month, a Bloomberg News survey showed.

Twenty-three of 50 analysts, or 46 percent, said oil will decline through March 19. Fourteen respondents, or 28 percent, predicted that futures will increase and 13 said there will be little change in prices. Last week analysts were split, with 38 percent of those surveyed forecasting a gain and an equal number looking for a drop.

[BHP, Anglo, Xstrata Ship Coal 10,000 Miles on China Price Surge](#)

(Bloomberg) -- BHP Billiton Plc, Anglo American Plc and Xstrata Plc are shipping coal 10,000 miles to China from their Cerrejon mine in Colombia for the first time this year because of surging demand and rising prices in Asia.

Cerrejon, the world’s largest open-pit mine of coal for export, started sending coal shipments through the Panama Canal to China after prices became “much better” than

those in Europe, Leon Teicher, the venture's chief executive officer, said in an interview. Cerrejon may also make its first sales to India this year, he said.

[Here's Why Peak Demand For Oil Is Still Very Far Away](#)

EIA Washington produces a ton of energy data that's very current and detailed on global energy production. But what's harder to come by is Non-OECD oil and oil product consumption. As the calendar turns to March, alot of the annual data starts to complete for the prior years, and I found my way deep into some EIA caverns tonight, and drew up the following chart.

[Shell May Raise Arrow Energy Offer, RBS Morgans Says](#)

(Bloomberg) -- Royal Dutch Shell Plc and PetroChina Co. may need to increase their offer by as much as 55 Australian cents a share to A\$3.7 billion (\$3.4 billion) to acquire Arrow Energy Ltd., said an analyst at RBS Morgans.

[Exxon's growing reliance on expensive oil](#)

NEW YORK (CNNMoney.com) -- Exxon Mobil outlined plans Thursday that rely heavily on oil from tough to reach places, extracting it from the depths of the ocean, the frozen Arctic and the tar sands in Canada's frozen tundra.

But oil pumped in these places tends to be much more expensive than oil from more conventional sources.

[Eni Expects Refining Profit in 2012, to Grow Dividend](#)

(Bloomberg) -- Eni SpA, Italy's largest oil and gas company, expects refining to return to profit from 2012 after boosting sales and efficiency. It forecast dividend growth from 2011.

[Petrofac Targets Iraq Oil After Asfari Raises Value](#)

(Bloomberg) -- Ayman Asfari, the chief executive officer whose oil and gas engineering skills guided a fourfold increase in the value of Petrofac Plc within five years, is now preparing to tap Iraq's energy boom.

Iraq, with estimated reserves of 115 billion barrels of oil, the world's third-largest, is set to ramp up production as companies including BP Plc, Royal Dutch Shell Plc and Exxon Mobil Corp. spend as much as \$100 billion to develop fields awarded in contracts last

year. A good chunk of that will go to contractors including Petrofac and larger U.S. rivals Baker Hughes Inc. and Halliburton Co.

[South Africa Says Eskom's World Bank Loan Plan Is Misunderstood](#)

(Bloomberg) -- South Africa defended state-owned power utility Eskom Holdings Ltd.'s plan to borrow at least \$3.75 billion from the World Bank and said critics misunderstand its purpose.

"We are concerned that the issues related to the loan have not been properly understood," Public Enterprises Minister Barbara Hogan said in an e-mailed copy of speech given to reporters in Pretoria today. "We are also concerned at the level of misunderstanding regarding our commitment to a transition to a low-carbon economy."

[South Africa says can't meet power needs without loan](#)

PRETORIA (Reuters) - South Africa will be unable to meet its power supply requirements if its application for a \$3.75 billion loan from the World Bank is not approved, Energy Minister Dipuo Peters said on Friday.

[Sinopec Changling Refinery Incur Losses on Oil Costs](#)

(Bloomberg) -- China Petroleum & Chemical Corp.'s Changling refinery in the central province of Hunan incurred losses in March as crude costs rose, the plant's general manager Li Hua told reporters in Beijing.

The plant will break even if the price of crude is at between \$70 and \$75 a barrel, he said today.

[Tesoro may halt refining in Hawaii](#)

The owner of the state's largest oil refinery is studying whether it should stop refining crude oil here and use the site as a terminal from which to distribute fuel.

"It lost money last year and it's continuing to lose money this year," said Lynn Westfall, senior vice president and chief economist for refinery owner Tesoro Corp. "It's something we're concerned about and are looking at."

Tesoro, like other refiners, has been squeezed by high crude oil prices at a time when demand has been dropping. Tesoro's 93,500-barrel-a-day refinery last year operated well below capacity, averaging only 68,200 barrels.

[Exxon chief doubts natural gas in cars is viable move](#)

Exxon Mobil Corp. chief executive Rex Tillerson, it seems, has not joined the T. Boone Pickens army.

Pickens has been stumping for the past two years for Americans to shift to natural gas as a vehicle fuel, particularly for heavy duty trucks. He says the move would help wean the U.S. off of foreign oil, support domestic natural gas, cut energy costs and reduce pollution.

Tillerson said he doubts natural gas would accomplish all of that. And he isn't just promoting his own petroleum products — he's investing billions of dollars to boost Exxon's natural gas production. He just thinks we'll need more natural gas for power generation, not for cars and trucks.

[Beijingers get back on their bikes](#)

Office worker David Dai is one of a growing army of Beijing residents returning to two-wheeled transport.

But the 28-year-old does not rely on his own pedal power - like hundreds of thousands of others, he has bought an electric bike.

[A New Unit for \(Saved\) Energy](#)

A group of scientists has proposed creating a new unit for avoided electricity use, named for Arthur Rosenfeld.

[Road fatalities curve sharply down](#)

WASHINGTON — Traffic deaths in the USA last year fell to levels not seen since 1954, and the fatality rate was the lowest since the federal government began tracking it in 1966, the Department of Transportation said Thursday.

Highway deaths in 2009 dropped to 33,963, an 8.9% decline from 2008. Road fatalities have fallen every year since 2005, when 43,510 people died in crashes.

...Some road-safety advocates are not yet ready to celebrate. They say the high-unemployment economy is still the greatest factor behind the decline in traffic fatalities.

[U.S. airlines flew fewer passengers in 2009](#)

The number of domestic and international travelers ferried by U.S. carriers for all of 2009 dropped 5.3% from the year before, according to preliminary data released by the U.S. Department of Transportation's Bureau of Transportation Statistics.

But the planes were fuller than ever, largely because airlines cut back on flights or moved to smaller planes. U.S. carriers set a record, with flights that were on average 80.4% full systemwide in 2009, according to the report.

[Home Efficiency Program Poised for Growth](#)

A widely praised program to encourage homeowners to add solar panels and make their houses more energy efficient is on the verge of a ramp-up.

The model sets out to eliminate high up-front costs — a key reason why people resist making such improvements. It does so by allowing homeowners to pay for the renovations gradually, through higher property taxes, which can also be passed on to subsequent owners if the house is sold.

[Water shortages may hit northern Rockies](#)

Much of the nation may be snow-weary, but farmers and ranchers who rely on winter snowpack in the northern Rockies for irrigation during the dry months of the growing season could face water shortages this summer unless more snow arrives soon.

Wet spring and summer conditions in 2008 and 2009 helped pull the region out of a decade-long drought, but now hydrologists are once again reporting below-average mountain snowpack throughout much of the northern Rockies.

[Evolution, Devolution, and Revolution](#)

Devolution in the federal sense is the return of rights to states, but for the purpose of this discussion, let us use the biological definition, that is, backward evolution, or for society, a lowering of our lifestyle. Before the Grand Recession, I would guess that less than half thought that, perhaps, our civilization had peaked and will now decline. Today, I would not be surprised if more than half of Americans have an uncomfortable feeling that the combination of Peak Oil, Global Warming and our broken government is so severe that, while our economy will soon get better, there is a distinct possibility that we might have experienced the best, and future generations, beginning with our children, will only see a decline in their future life.

[Reader's Digest "10 Things to be Thankful For" and my response](#)

First, statistics depend on who's telling which half of the story. If you forget (or positive spin, deluding yourself) about personal/national debt, excess spending/stealing, unemployment/loss of retirement savings, poverty/malnutrition, disease, ecology issues, dwindling resources, war (all mostly in developing nations, soon to be America's problem too) then sure you'll feel better after reading this article, but you'll be lying to yourself. And the two source references come from conservatives. Hmm.

(The *Reader's Digest* article is [here](#))

[Coke's Planet-Friendly Vending Machines](#)

The kingpin of soda, Coca-Cola, is changing the face--and footprint--of the refrigeration industry by replacing its conventional fleet of vending machines with a climate-friendly model. Most vending machines rely on refrigerants known as hydrofluorocarbons (HFCs), a chemical hodgepodge that has an incredible power to cool the air. HFCs can also be 1,430 times more harmful to the climate than global warming's main culprit, carbon dioxide.

Paradoxically, Coca-Cola's new refrigerant of choice is carbon dioxide.

[Italy to host Europe's biggest solar plant: company](#)

MILAN — Europe's most powerful solar power plant is set to start operations in Italy later this year, the US company building the installation on an area as large as 120 football pitches said on Thursday.

[Building the world's longest ethanol pipeline](#)

(Fortune Magazine) -- John D. Rockefeller figured out a long time ago that the most efficient way to transport liquid fuels long distances wasn't on wheels but in pipelines. Today POET, the privately held Sioux Falls, S.D., company that is the country's largest producer of ethanol, and Tulsa pipeline-builder Magellan Midstream Partners are poised to make the same leap.

They want to build a \$4 billion ethanol pipeline -- the first in the U.S. and the longest in the world -- linking cornfields and refineries in the upper Midwest to fuel-hungry markets on the East Coast, while boosting transport efficiency (equivalent to reducing the carbon footprint) 30% compared with rail and nearly 90% compared with trucks.

[New Study Debunks Myths About Vulnerability of Amazon Rain Forests to Drought](#)

ScienceDaily — A new NASA-funded study has concluded that Amazon rain forests were remarkably unaffected in the face of once-in-a-century drought in 2005, neither dying

nor thriving, contrary to a previously published report and claims by the Intergovernmental Panel on Climate Change.

[Japan's Cabinet Endorses Cap-and-Trade Climate Bill](#)

(Bloomberg) -- Japan's Cabinet has endorsed a climate-protection draft law today that would cap industrial emissions and thrust the second-biggest economy into the \$125 billion market for trading carbon credits.

Some polluters will be subject to a flat ceiling on emissions while others may face a limit per unit of production, according to a copy of the bill, distributed to reporters by the Environment Ministry today. The draft leaves open which industries will be affected.

[Five Countries Fall Behind on European Renewable Energy Goals](#)

The European Commission said on Thursday that five countries were failing to meet goals for renewable energy but that they could make up their quotas by buying electricity from North Africa and the Balkans.

[Fight splits backers of ballot initiative to suspend state's global warming law](#)

Ted Costa says his group, People's Advocate, has been shut out of efforts to suspend AB 32, which would force oil companies to slash emissions of greenhouse gases.

[Wacky winter a signal of years to come: Climatologist](#)

From the balmy Arctic, to the open water of the St. Lawrence and snowless western fields, this winter has been the warmest and driest in Canadian record books.

Environment Canada scientists report that winter 2009/10 was 4 C above normal, making it the warmest since nationwide records were first kept in 1948. It was also the driest winter on the 63-year record, with precipitation 22 per cent below normal nationally, and down 60 per cent in parts of Alberta, Saskatchewan and Ontario.

"It's beyond shocking," David Phillips, a senior climatologist with Environment Canada, told Canwest News Tuesday. Records have been shattered from "coast to coast to coast."

[A storm is coming](#)

If these new findings are correct, we may thus be living through the calm before a

potential climatic storm. No-one yet knows when this period of grace will end, but it seems we may already be a decade into it. We should not count on staying shielded for much longer.



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