

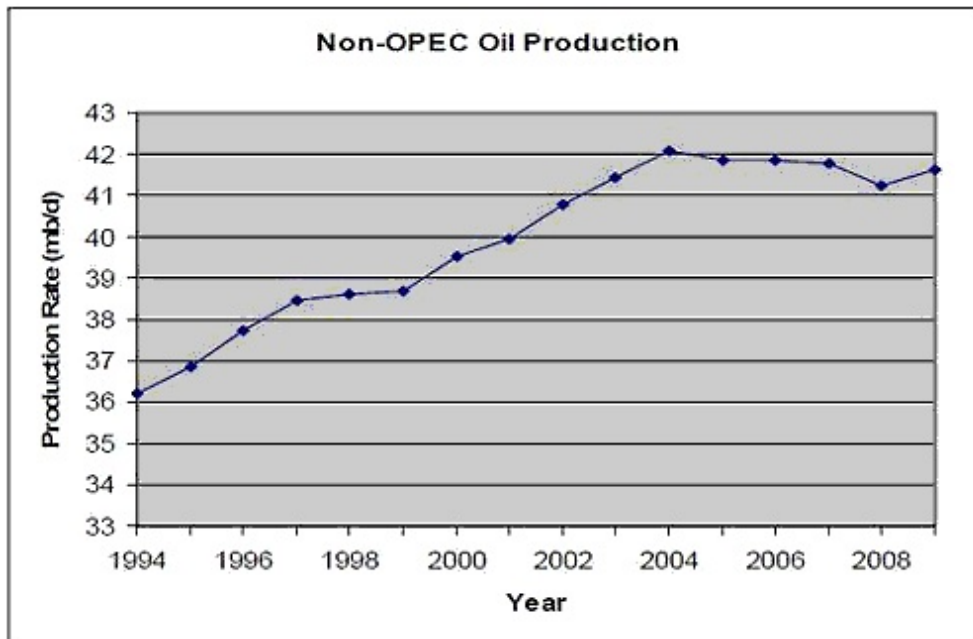


Drumbeat: March 22, 2010

Posted by [Leanan](#) on March 22, 2010 - 9:12am

Topic: [Miscellaneous](#)

[Non-OPEC Oil Production Hits the Wall](#)



In the last year I've read several articles expounding on the many non-OPEC oil discoveries that have been made in recent years and how large the oil resource is within the non-OPEC sphere of the world. The objective of these articles is to reassure the reader that all is well for non-OPEC oil production, now and in the foreseeable future. If all is so well outside OPEC, one must ask why the non-OPEC oil production rate has not exceeded the level achieved in 2004 in spite of the elevated price of oil since then.

that demand may outstrip supply as early as 2014. The researchers claim it is an open secret that OPEC is likely to have inflated its reserves, but that the International Energy Agency (IEA), BP, the Energy Information Administration and World Oil do not take this into account in their statistics.

[Gas prices should be near peak for the year, analysts say](#)

After a 3-cent rise nationally and in California over the last week, a plentiful supply and strong dollar bode well for motorists.

[Flooded Chinese oil market still sees rise in demand](#)

China is importing more crude oil and producing more refined oil products in an effort to keep up with increased demand within the country. Even though data is suggesting that China's increased output of oil products is exceeding their increased domestic demand, crude oil imports are forecast to rise.

[Natural gas profits expected to double in 2010](#)

OTTAWA -- Profits in Canada's natural gas industry will more than double in 2010, the Conference Board of Canada said Monday.

The board expects drilling activity to remain sluggish as Canada digs out from the recession, but a rebound in prices, which fell as low as \$3 Canadian per thousand cubic feet last summer, will more than offset falling production.

[Vital oil: photographer Ed Kashi captures Nigeria's toxic legacy](#)

Violence, corruption, war ... photojournalist Ed Kashi charts the devastating effect of oil production on a west African nation.

[Statoil pledges oil sands emissions cut](#)

Norway's state-controlled Statoil has pledged to cut carbon dioxide emissions from its Canadian oil sands production by 40% in 15 years, a top executive said today, as the Norwegian company faces pressure at home to burnish its environmental reputation.

[Renewable Energy Catches on in Red America](#)

Kern County, California, went Republican by 18 points in the last election. Now it's captivated by wind and solar power. Here's why.

[Net called great threat to rare species](#)

DOHA, Qatar - The Internet has emerged as one of the greatest threats to rare species, fueling the illegal wildlife trade and making it easier to buy everything from live baby lions to wine made from tiger bones, conservationists said Sunday.

The Web's impact was made clear at the meeting of the 175-nation Convention on International Trade in Endangered Species, or CITES. Delegates voted overwhelmingly Sunday to ban the trade of the Kaiser's spotted newt, which the World Wildlife Fund

says has been devastated by the Internet trade.

[Why Does a Salad Cost More Than a Big Mac?](#)

Part of the reason is that a huge proportion of our food subsidies go to meat while only 0.37 percent go to fruits and vegetables.

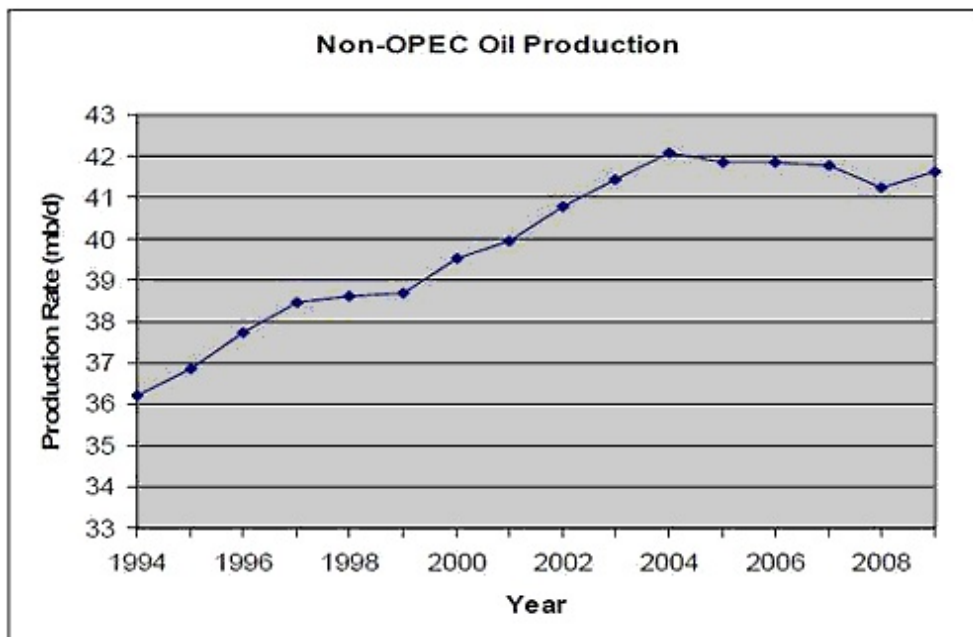
[Eating less meat and dairy products won't have major impact on global warming](#)

Cutting back on consumption of meat and dairy products will not have a major impact in combating global warming — despite repeated claims that link diets rich in animal products to production of greenhouse gases. That's the conclusion of a report presented here today at the 239th National Meeting of the American Chemical Society.

[You don't need to spend big bucks to make your home greener](#)

Many innovative products hold great promise, but the return may not be worth the investment. Retrofitting toilets or replacing light bulbs and fixtures will save energy and money.

[Non-OPEC Oil Production Hits the Wall](#)



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reader that all is well for non-OPEC oil production, now and in the foreseeable future. If all is so well outside OPEC, one must ask why the non-OPEC oil production rate has not exceeded the level achieved in 2004 in spite of the elevated price of oil since then.

[Invitation to an Energy Crisis](#)

DALLAS – As rising consumption and nationalism in OPEC countries pushes down their crude-oil exports and forces international oil companies to invest in high-cost areas with small reserves as global demand continues to grow, oil prices might ultimately shatter the record set in 2008. In the short run, heightened volatility will be the rule, owing to economic, political, natural, and technical factors. One has only to examine the recent past to see why.

While speculators can affect prices in the short run and increase price volatility, market fundamentals and government actions explain the spectacular rise in oil prices between 2003 and mid-2008. During this period, world oil demand increased, mostly in developing countries, while production remained relatively flat from 2005 to 2008. The only way to meet growing demand was to use OPEC's spare capacity and commercial inventories. Once spare capacity vanished and commercial inventories declined to critical levels relative to estimated future demand, oil prices started to break record after record.

[Schlumberger 'may miss Wall St targets'](#)

Schlumberger's chief executive Andrew Gould said today the oilfield services giant will have difficulty meeting Wall Street profit forecasts this year, adding that rising natural gas drilling in North America will not lead to "satisfactory returns" this year.

[Enbridge plans gas pipeline in midwest U.S.](#)

Enbridge Inc., a leading Canadian energy provider, said Monday it will build a new natural gas liquids pipeline to tap into markets in the midwestern United States.

The new line will move the fuel from the Marcellus Shale in Southern Pennsylvania to existing facilities in the Chicago area, the company said in a release.

[China expects 5% growth of net oil import in 2010](#)

BEIJING - China's net oil imports are expected to total 210 million tons this year, National Energy Administration (NEA) said Monday.

The volume would be about 11 million tons, or 5.5 percent, higher than last year, said Huang Li, vice director of Energy Saving and Science Equipment Department, NEA.

[Raymond J. Learsy: The New York Times Continues Its Fawning Coverage of Saudi Oil Policies](#)

Once again in its inimical fashion the New York Times, in a an article "China's Rapid Growth Shifts the Geopolitics of Oil" 3.20.10 instructs us, as is their wont, on the exemplary policies of Saudi Arabia on matters oil.

[Oil prices stay high despite State order](#)

The cost of petroleum products remains high in most parts of Western Kenya despite a government directive to marketers to reduce oil prices.

['Energy crisis damaging industries'](#)

LAHORE (APP) - Accusing former president Gen (r) Pervez Musharraf for the prevailing energy crisis, Federal Minister for Commerce Makhdoom Amin Fahim has that the loadshedding was resulting in huge problems in the industrial sector.

Talking to newsmen at Aibak Polo Ground, he quoted Federal Minister for Water and Power Raja Pervez Ashraf, saying form April 15 onwards the power outages would reduce significantly.

[Nuclear energy on the table for Pakistan?](#)

ISLAMABAD, Pakistan, March 22 (UPI) -- Washington may consider a civilian nuclear energy package for Pakistan at a major bilateral conference scheduled for the end of the week, U.S. officials said.

Pakistan is on the verge of a major energy crisis. Energy officials said recently that the national energy grid faced shortfalls of more than 4,000 megawatts during peak hours, leaving several parts of the country prone to blackouts.

[Jordan follows UAE nuclear lead](#)

Jordan is likely to become the next Arab state after the UAE to sign a contract to build civilian nuclear reactors, one of the region's top energy officials said yesterday.

A number of Arab countries, including Kuwait and Egypt, have begun the long process of planning for nuclear plants, but Jordan has made the most progress, said Dr Adnan Shihab-Eldin, the secretary general of the Kuwait National Nuclear Energy Committee.

[Chrysler to make electric Fiat 500](#)

NEW YORK (CNMoney.com) -- Chrysler Group announced Monday that it plans to produce a purely electric version of the iconic Fiat 500 minicar.

[Cyprus 'to run out of drinking water'](#)

Cyprus is predicted to become the first part of the European Union to run out of water. A spokesman at the EU Commission said the Mediterranean island was Europe's 'front line' in the war against diminishing water resources.

Divided by war in 1974, the former British colony has been consumed by the rivalry between Greek and Turkish Cypriots. The generation-old conflict has obscured the environmental disaster that has empty reservoirs, led to water rationing and is killing the island's ecosystem.

[The Secret of Sea Level Rise: It Will Vary Greatly by Region](#)

As the world warms, sea levels could easily rise three to six feet this century. But increases will vary widely by region, with prevailing winds, powerful ocean currents, and even the gravitational pull of the polar ice sheets determining whether some coastal areas will be inundated while others stay dry.

[Wind Energy Investment of \\$65 Billion May Curb Fossil Fuel Use](#)

(Bloomberg) -- China WindPower Group Ltd., Iberdrola SA and Duke Energy Corp. will lead development of an estimated \$65 billion of wind-power plants this year that let utilities reduce their reliance on fossil fuels.

The estimate from Bloomberg New Energy Finance assumes a 9 percent increase in global installations of wind turbines this year, adding as much as 41 gigawatts of generation capacity. That's the equivalent of 34 new nuclear power stations.

Utilities that built natural gas-fired generators during the last decade are increasingly erecting turbines and buying wind power from competitors, tapping a renewable-energy source as governments consider ways to penalize carbon-based fuels.

[Oil Falls to Three-Week Low on Concern Demand Rebound May Stall](#)

(Bloomberg) -- Crude oil fell to a three-week low in New York on concern governments around the world may follow India in raising interest rates, damping the recovery in

global fuel demand.

Oil dropped a third day as the U.S. dollar traded near a three-week high against the euro, dimming the appeal of commodities for hedging against inflation. The commodity plunged 1.9 percent on March 19 after India unexpectedly raised rates. The Organization of Petroleum Exporting Countries has spare production capacity in excess of 6 million barrels per day, its president said.

“Immediate oil market fundamentals haven’t justified gains beyond \$80,” said Andrey Kryuchenkov, a VTB Capital analyst in London. “Until seasonal demand picks up and reduces the stockpile overhang, we’ll keep trading on external factors such as the dollar and concerns over eventual monetary tightening.”

[OPEC's Business Model: Sit Back and Let the Money Flow In](#)

OPEC, producer of about 40% of the world's oil, is once again in the catbird seat, once again. Now, you're probably thinking, "When hasn't OPEC been in the catbird seat?"

True, when you're sitting on a considerable portion of the modern world's most important commodity, it's hard to ever argue that the deck is stacked against you, but these are especially advantageous times for OPEC.

[Russian crude won't hit Mideast prices to Asia - Qatar](#)

NEW DELHI (Reuters) - Russian crude exports to the Pacific will not hurt prices of Middle Eastern crude sold to Asia, Qatar Oil Minister Abdullah al-Attiyah said on Monday.

His comments echo what the Organization of the Petroleum Exporting Countries (OPEC) members, including top exporter Saudi Arabia, said last week.

Russia started selling its new ESPO Blend crude from the Far East port of Kozmino from late 2009, a first step towards expanding its exports into Asian markets.

[Petrobras May Boost Investment by 26% to Focus on Offshore Oil](#)

(Bloomberg) -- Petroleo Brasileiro SA, Brazil's state-run oil producer, aims to boost its spending plan by as much as 26 percent as it focuses on developing the Americas' largest discovery in three decades and other offshore deposits.

[Shell, PetroChina Win Arrow With Sweetened \\$3.2 Billion Offer](#)

(Bloomberg) -- Royal Dutch Shell Plc and PetroChina Co. agreed to buy Arrow Energy Ltd. after increasing their offer to A\$3.5 billion (\$3.2 billion), marking China's entry to Australia's coal-seam gas industry.

Shell and PetroChina will pay A\$4.70 cash a share for Arrow's Australian business, the Brisbane-based company said today. The price was raised from A\$4.45 and is 35 percent above the stock's level before the initial bid was reported March 8. Investors will also get shares in a new company holding Arrow's gas assets in China, Indonesia, India and Vietnam, which may be worth as much as A\$400 million, according to analysts.

[China commercial crude stocks up 5.2 pct in Feb - OGP](#)

BEIJING (Reuters) - China's commercial crude oil inventories rose 5.2 percent in February over January to 28.2 million tonnes, China OGP reported on Monday.

[China imports less Iranian oil, defying demand jump](#)

BEIJING - China's imports of Iranian crude oil shrank by nearly 40 percent in the first two months of 2010, compared to the same time last year, despite the Asian economy's expanding hunger for foreign oil.

Chinese customs data issued on Monday showed Iran, which was China's third biggest foreign supplier of crude oil last year, slipped to fourth behind Russia in the first two months of 2010.

Iran shipped 2.53 million metric tonnes of crude to China, a fall of 37.2 percent compared to the first two months of 2009.

[Qatar to up LNG supply to India to 11.5 mln tonnes](#)

NEW DELHI (Reuters) - Qatar plans to raise its supply of Liquefied Natural Gas to India to 11.5 million tonnes from 2014, against the current 7.5 million tonnes a year, its oil minister Abdullah al-Attiyah said in New Delhi on Sunday.

He said Qatar currently produces 62 million tonnes of LNG and from October it will be raised to 77 million tonnes.

[PetroChina, Shell to Export 8 Million Tons/Yr of LNG from Curtis](#)

(Bloomberg) -- PetroChina Co. and Royal Dutch Shell Plc plan to export up to 8 million tons per year of LNG from the proposed Curtis Island plant in Australia, the Chinese

company's project manager, Aiji Ge, said in a statement today.

[Ukraine to send team to Moscow for gas talks](#)

KIEV (Reuters) - A Ukrainian delegation will travel to Moscow on Tuesday to discuss a gas agreement between the two countries, the energy ministry and the state energy company Naftogaz said.

The visit will be the first attempt by the new leadership of President Viktor Yanukovich to get a revision of what the Ukrainians say are onerous prices for Russian natural gas.

[BHP Coal Terminal Damaged by Cyclone, Stays Shut](#)

(Bloomberg) -- BHP Billiton Ltd., the world's biggest mining company, said its Hay Point Coal terminal in Australia was damaged at the weekend and remains shut after being hit by a cyclone that also closed mines.

"Assessments will be undertaken to determine the extent of repairs required and likely timeframes to recommence operations," BHP said today in an e-mailed statement. Some northern coal mines suspended operations, it said, without identifying them.

[Fossil fuel money 'could fund bank'](#)

A new green-energy bank should be created out of the as yet unspent £200million Scottish fossil fuel levy fund, industry body Scottish Renewables said.

The fund is contributed to by suppliers of electricity from non-renewable energy sources and is ring-fenced for green-energy projects.

It remains unused due to wrangling between Holyrood and Westminster.

[Choose subsistence before oil](#)

If you look at oil and gas development, the roads and pipelines into the Yukon Flats would only destroy our traditional way of life and the renewable resources that support that way of life. Once the oil is gone, we will be left with a big mess and polluted ecosystem. Our subsistence resources will be undermined; what then? Doyon can find other economic opportunities without destroying the land that is fundamental to our traditions, culture and subsistence way of life. Let's look seriously at renewable energy options.

[Jim Rogers Says a Eurozone of 10 Members Would Be a “Wonderful Thing”](#)

High energy prices are here to stay. The experts know that known reserves are declining at a steady rate. In 25 years there will be no oil for anyone at any price. There could be ups and downs in the price along the way, if for example the UK goes bankrupt. In a decade, the price will be much, much higher though.

The pound sterling's outlook is not good. North Sea oil is drying up. The UK has huge, huge debt. The City of London financial center is badly damaged and politicians are trying to kill the goose that laid the golden egg by increasing taxes so much that it will drive out the remaining banks. In a few years we will look back and be shocked at how far the pound has come down.

[Air Pollution Hits Record High in Hong Kong](#)

HONG KONG — Air pollution in Hong Kong, one of the perpetual banes of living and working in the Asian financial hub, skyrocketed to record levels on Monday, triggering an official government warning to avoid outdoor activities and physical exertion.

[Air Pollution Kills 50,000 in the U.K. a Year, Lawmakers Says](#)

(Bloomberg) -- Air pollution from traffic and industry kills as many as 50,000 people in the U.K. every year, and the nation could face fines of as much as \$450 million for failing to meet European Union targets, lawmakers said.

[Carbon capture a coal solution](#)

An interesting project ramping up in southeastern Saskatchewan is a good example of the kind of long-term investment needed to ensure Canada's future.

It's a carbon capture and storage (CCS) job that will, when finished, capture a million tonnes of carbon dioxide per year, and provide a demonstration of Canadian technology to monitor and verify the state and amount of the gas underground so we know just how much is there and to prove there is no leakage.

[The New Energy Opportunity](#)

Given all the obstacles, you might wonder why we bother with renewable energy at all. In fact, we wouldn't, and didn't for years, when the world's oil and gas reserves looked endless, and everybody thought global warming was what happened when the sun came up in the morning.

But peak oil will strike at some time, and unless climate global warming is exposed as a

myth, hoax, religion or tax grab, we need to do something about our warming planet as well.

[Japan planning 14 nuclear plants: report](#)

TOKYO (AFP) – Resource-poor Japan is planning to build at least 14 nuclear power plants over the next 20 years to reduce its reliance on other countries for its energy needs, a report said Sunday.

The world's second biggest economy, which wants to double its provision for its fuel consumption, will make an announcement in June on whether it intends to press ahead with the plants, the Nikkei business daily said.

[Asia's nuclear dilemma](#)

Nuclear power has long been opposed on safety, environmental, security and business grounds. But Asian governments are saying they can't fight global warming without more of it.

[Chevron plans solar panel installation: report](#)

(Reuters) - U.S. energy giant Chevron Corp is set to announce on Monday the installation of 7,700 solar power panels near Bakersfield in California, which is expected to produce 740 kilowatts of electricity, the Los Angeles Times said.

The sloping panels will be used to power the pumps and the pipelines operated at Chevron's Kern River oil field facility, the paper said.

['Cold fusion' moves closer to mainstream acceptance](#)

A potential new energy source so controversial that people once regarded it as junk science is moving closer to acceptance by the mainstream scientific community. That's the conclusion of the organizer of one of the largest scientific sessions on the topic -- "cold fusion" -- being held in San Francisco for the next two days in the Moscone Center during the 239th National Meeting of the American Chemical Society (ACS).

[World Water Day: Why business needs to worry](#) (Peter Brabeck-Letmanthe, Chairman, Nestle S.A.)

Monday is World Water Day, but I suspect relatively few will have noticed.

While the world is rightly moving to address the challenges presented by climate change and depleting supplies of fossil fuels, the same awareness and consensus does not exist when it comes to addressing our usage of water. Yet the harsh fact is that we will probably run out of water long before we run out of fuel.

We need to act fast, now.

[Drought spreading across China](#)

Severe drought is continuing to plague southwest China, and is spreading to other parts of the country. These are the worst conditions the region has ever seen in a century. The government is calling on people to use water sparingly.

[Hunger adds to drought's woes](#)

MUYANG, Yunnan - Besides thirst, Yunnan farmer He Zhongcai has to battle another basic need - hunger.

After a seemingly endless drought in Xiaowanshan village since August, the daily dish for He's family is a kind of green grass, called Eyangcao - it means last choice for a starving sheep.

[Mixing In Some Carbon](#)

MOSS LANDING, Calif. — It seems like alchemy: a Silicon Valley start-up says it has found a way to capture the carbon dioxide emissions from coal and gas power plants and lock them into cement.

[Wind contributing to Arctic sea ice loss, study finds](#)

Much of the record breaking loss of ice in the Arctic ocean in recent years is down to the region's swirling winds and is not a direct result of global warming, a new study reveals.

Ice blown out of the region by Arctic winds can explain around one-third of the steep downward trend in sea ice extent in the region since 1979, the scientists say.

The study does not question that global warming is also melting ice in the Arctic, but it could raise doubts about high-profile claims that the region has passed a climate "tipping point" that could see ice loss sharply accelerate in coming years.

[Energy security worry to drive India's low-CO2 plan](#)

NEW DELHI (Reuters) – Worries over energy security will drive India's goal to slow the growth of its carbon emissions, the head of a government panel tasked with developing the country's low-carbon strategy said on Monday.

Reserves of fossil fuels such as coal were fast running out, making it imperative for India to improve efficiency and accelerate renewable energy sources to keep the economy growing at a projected 8 to 9 percent annually, Kirit Parikh said.

[From Wishful Thinking to Real-World Action on Climate](#)

As for population, I noted that Africa's population is projected to double — from one to two billion — by 2050. That means exposure to climate hazards will greatly increase in many places even if climate patterns don't change at all. So family planning, and sanitation and water management, sure sound like vital parts of any push for climate progress.

But “population” was barely mentioned in Copenhagen. I almost guarantee that such projects will have a hard time winning grants from the planned Copenhagen Green Climate Fund.

[Is Corporate America Our Best Hope Against Climate Change?](#)

Although industry is still the engine of all those carbon emissions — more than a few CEOs doubt that global warming even exists — it is also the source of clean-energy solutions, which are emerging from every layer of the business world, from tiny startups to Fortune 500 behemoths. Major corporations set their own plans for greenhouse gas emissions reductions that far greener than targets that nations throw about at U.N. climate change summits.

Meanwhile Washington is paralyzed, seemingly incapable of coming to grips with global warming or the looming energy crisis. What we need is smart policy to deal with the biggest long-term challenge facing the country. What we get is vacuum.



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