



Drumbeat: May 2, 2010

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Topic: [Miscellaneous](#)

[Peak Oil. Are the Lights About to Go Out on Western Civilization?](#)

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[Warning: 80 Mb audio file. It's a two-hour show. The Matt Simmons interview starts at 38 minutes in. Among other things, he says peak oil was five years ago.]

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[Of the issue of peak demand and the consequent casualties](#)

Crude world has undergone massive transformation in recent months. Gone are the days when the issue of "peak oil" was dominating headlines. That has receded into the background. The very issue of peak demand is now getting on to the centre stage and is starting to impact things all around.

Demand has already peaked in Western, industrialized countries. Everyone from IEA (International Energy Agency) to OPEC now seems to agree. However, with demand continuing to rise in the emerging economies of Asia, not everyone was initially concerned. Eyes remained glued to China as the brightest star on the horizon as far as crude consumption was concerned.

[Russia April oil output near record levels, gas falls](#)

MOSCOW (Reuters) - Russian oil output edged down in April but remained close to record levels and well above 10 million barrels per day for the eight consecutive month, allowing Moscow to retain the world's top position ahead of Saudi Arabia.

Energy Ministry official data showed on Sunday April oil output stood at 10.11 million barrels per day, the second best result ever and down only slightly from a record-high of 10.12 million bpd in March.

[Petrobras hopes to set oil value with Brazil govt](#)

SAO PAULO (Reuters) - Brazilian energy giant Petrobras said it will propose that the company and the Brazilian government negotiate a preliminary value for barrels of oil in a capitalization plan that could funnel billions of dollars into the state-controlled company.

[Obama visits as oil slick threatens disaster](#)

VENICE, Louisiana (AFP) - A giant oil slick closed in on the fragile Louisiana coast Sunday after attempts to stop it faltered, threatening an environmental and economic disaster as President Barack Obama arrives to visit.

With Obama expected in the area Sunday morning, windy weather earlier hurt efforts to corral the slick and the US admiral in charge of the response to the spill said it was inevitable oil would reach the coastline.

[Coast Guard defends response as oil hits shore](#)

A senior Coast Guard official is defending the federal response to a massive oil leak in the Gulf of Mexico as the first waves of oil hit Louisiana's ecologically rich wetlands.

Coast Guard Rear Adm. Sally Brice-O'Hara faced questions on all three network television morning shows Friday about whether the government has done enough to push oil company BP PLC to plug the underwater leak and protect the coast.

[U.S. oil spillage could cost BP over \\$4.6 bln stg -paper](#)

LONDON (Reuters) -The huge oil spillage in the Gulf of Mexico could cost British energy giant BP over 3 billion pounds (\$4.6 billion) in containment and clean-up expenses, according to the Mail on Sunday.

The report said BP's own insurance company Jupiter had laid off some catastrophe risk to larger reinsurers such as Lloyd's of London, Swiss Re or Munich Re.

[New Technique Holds Hope for Oil Spill Cleanup](#)

Officials said a technique involving the deployment of dispersants underwater, near the source of the leaks, showed promise.

[Machines and microbes will clean up oil](#)

Tides, wind and rain will drive the oil deeper into the marsh, down into the vegetative mat, making it impossible for humans to go in and clean manually, he said. But once the flow of oil is stopped -- and no one knows when that will be -- scientists will spread fertilizer to boost several species of microscopic plants that degrade hydrocarbons such as oil.

[Gulf Oil Spill Could Spell Disaster for U.S. Energy Independence](#)

Louisiana is currently bracing itself for the big oil spill in the Gulf of Mexico to hit their shores with devastating consequences. This calamity brings back the experiences and lessons learned from previous oil spill disasters like the Exxon Valdez spill in 1989 and the 1969 Santa Barbara channel oil spill.

[Drill, Baby...Ugh](#)

But this bill, the cap-and-trade bill, was strongly criticized by hardcore environmentalist wackos because it supposedly allowed more offshore drilling and nuclear plants, nuclear plant investment. So, since they're sending SWAT teams down there, folks, since they're

sending SWAT teams to inspect the other rigs, what better way to head off more oil drilling, nuclear plants, than by blowing up a rig? I'm just noting the timing here.

[Tax on Oil May Help Pay for Cleanup](#)

WASHINGTON — The federal government has a large rainy day fund on hand to help mitigate the expanding damage on the Gulf Coast, generated by a tax on oil for use in cases like the Deepwater Horizon spill.

Up to \$1 billion of the \$1.6 billion reserve could be used to compensate for losses from the accident, as much as half of it for what is sometimes a major category of costs: damage to natural resources like fisheries and other wildlife habitats.

[U.S. Missed Chances to Act on Oil Spill](#)

The Obama administration has publicly chastised BP America for its handling of the spreading oil gusher, yet a review of the response suggests it may be too simplistic to place all the blame for the unfolding environmental catastrophe on the oil company. The federal government also had opportunities to move more quickly, but did not do so while it waited for a resolution to the spreading spill from BP.

The Department of Homeland Security waited until Thursday to declare that the incident was “a spill of national significance,” and then set up a second command center in Mobile, Ala. The actions came only after the estimate of the size of the spill was increased fivefold to 5,000 barrels a day.

[Spill leads to concerns about proposed oil pipeline](#)

A Minnesota oil pipeline spill last Wednesday has alarmed conservationists who are protesting construction of a much bigger and “riskier” pipeline crossing six states, including Nebraska, said Duane Hovorka, executive director of the Nebraska Wildlife Federation.

Hovorka said the Minnesota pipeline, owned by Enbridge Energy, carries tar sands crude from Canada through Minnesota to Wisconsin. He said an unknown amount of crude oil leaked out of a 1-inch crack into a wetland area where the pipe is located.

[Thomas L. Friedman: Narcos, No's and Nafta](#)

So here's my prediction: When Mexico's steadily falling oil production meets its rising meritocratic middle class, you will see real political/economic reform here. That is when the No's will no longer have the resources to maintain the status quo, and that is when

the Naftas from the Instituto Wisdom will demand the reforms that will enable them to realize their full potential.

[Energy crisis pulls plug on Pakistan](#)

THE Taleban may be plotting bombings, and the economy is on the brink. But these days, the single biggest woe tormenting Pakistanis is as basic as an electric light bulb.

The country is in the throes of an energy crisis, with Pakistanis now enduring about 12 hours of power cuts a day, a gruelling ordeal that is melting ice, stalling air-cooling fans and enraging an already exhausted populace just as the blast furnace of summer gets started.

[It's a Crude World](#)

New York Times reporter, Peter Maass' new book *Crude World: The Violent Twilight of Oil* summarily outlines the impending global catastrophe that humanity faces if it cannot break its addiction to sweet Texas Tea. Having been in Baghdad during the 2003 invasion, Maass firmly believes the War was one for oil, but a horrendously botched one if the case. He points out how the city's main hospital and the National Museum, containing thousands of irreplaceable Babylonian and Sumerian artifacts were blatantly looted while American soldiers guarded the Ministry of Oil with .50 caliber machine guns. If the war was a brilliant scheme by the Bush administration to secure oil resources, they forgot to factor in how the subsequent power vacuum would enable the chaotic destruction of Iraq's oil infrastructure by money-thirsty bandits. Whoops!

[Domestic blitz](#)

They are known as radical homemakers - suburban warriors empowering themselves with long undervalued skills in a fight against consumerism.

['Green' isn't the point; it's peak oil](#)

The backside of Hubbert's peak oil curve is being felt in the poorest countries already. Without dollars to purchase oil, they do without. As the crisis deepens, its impact on our region will be increasingly felt. A list of adverse events is projected to follow a declining supply of oil in the United States -- notorious for consuming 26 percent of the world's supply with 5 percent of its population.

At risk is a global economy that depends on constant growth. With declining resources, many things will happen, but growth and expansion are not among them.

[Mixed messages on nuclear power?](#)

“Nuclear energy is clean, cost-effective, reliable and safe,” says Patrick Moore.

The claim, made during an interview last week, is a paid advertisement for the nuclear power industry.

That doesn't detract from its fundamental truth — nor should it spook environmentalists, Moore says. He counts himself as one.

Nuclear energy might not be perfect, he adds, but it doesn't create greenhouse gases: Nukes are mankind's best hedge against peak oil and global warming.

[More investment in GCC renewable energy urged](#)

The UAE and other Gulf oil producers need to introduce incentives to encourage investment in renewable energy given their massive natural potential in this field, the world's main renewable energy group has said.

The Abu Dhabi-based International Renewable Energy Agency (Irena) said global investments in renewable energy projects surpassed those in the conventional energy sector in 2008 for the first time, peaking at nearly \$140 billion (Dh514.2bn) against around \$110bn in fossil fuel technologies.

[Fossil Abstinence: Desert Power Plants Worse Than PV Panels](#)

Mirrors shining on power towers or miles of pipes in thermos bottles not only waste resources but also waste time. They look impressive and deliver electricity without dumping greenhouse gases but are a façade that give the impression we're moving in the right direction. Solar power plants and \$60,000 PV arrays on homes do reduce our need for electricity produced by burning coal, natural gas and nuclear fuel, so what is wrong?

[Preparation for groundbreaking offshore wind farm project begins in Atlantic City](#)

New Jersey is in a race to have the first offshore wind-generated power project, and the state just might beat Massachusetts, where U.S. Interior Secretary Ken Salazar last week announced the approval of a 130-turbine wind farm in Nantucket Sound. That project, under review for nine years, continues to be threatened by lawsuits.

[Cape Cod Residents Don't Expect One Ruling to End Long Fight](#)

Word that the federal government had approved a permit on Wednesday for Cape Wind Associates to build a 130-turbine wind farm off the coast here barely caused a ripple in Hyannis, where the installation will be visible from parts of the town, including a popular beach and many houses.

After a nine-year battle over the proposal, most here thought the decision would lead to even more years of litigation and waiting.

[War Against a Wind-Rich Super Grid](#)

After several years of debate, a coalition has emerged around the idea of a strong national electric grid, centrally planned and broadly financed, that would promote renewable energy. The group includes giant investor-owned utilities, public power entities, influential elected officials of both parties and state energy officials, and they speak with a single voice.

And they oppose it.

[The Lure of Carbon Capture](#)

Carbon capture and storage, or C.C.S., is shorthand for a complex technology to remove carbon dioxide from power plant emissions and store it (for a few millenniums at least) somewhere other than the atmosphere. With coal-fired power plants accountable for roughly 40 percent of the world's carbon emissions, it's a long-sought-after solution to the looming threat of climate change.

Yet the technology remains dauntingly expensive, and technical hurdles remain.

[Norway delays Mongstad Carbon Capture and Storage project](#)

(Reuters) - Norway said it would delay the decision to finance a top carbon capture project to 2014, after the life of the present parliament, in a major setback for a technology seen as key to mitigate climate change.

Building a Carbon Capture and Storage (CCS) facility at Mongstad in western Norway was proving too complex to do on schedule, said Oil and Energy Minister Terje Riis-Johansen.

[A Snowball Effect Heats the Arctic](#)

A feedback loop can be a nasty thing. In one, a small disturbance becomes self-

reinforcing and is greatly amplified — the proverbial snowball effect. This is one way that seemingly minor contributions of carbon dioxide and other greenhouse gases to the atmosphere — a few hundred parts per million — just might destabilize the climate.



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