



Drumbeat: August 18, 2010

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Filling the Gas Tank With Something Else

CAMBRIDGE, Mass. — Most research on renewable energy has focused on making electricity, which now comes from burning coal and natural gas. But the spill in the Gulf of Mexico, the reliance on Middle East imports and the threat of global warming are reminders that oil is also a pressing worry. A lot of problems could be solved with a renewable replacement for oil-based gasoline and diesel in the fuel tank — either a new liquid fuel or a much better battery.

Yet, success in this field is so hard to reliably predict that research has been limited, and even venture capitalists tread lightly. Now the federal government is plunging in, in what the energy secretary, Steven Chu, calls the hunt for miracles.

The work is part of the mission of the new Advanced Research Projects Agency -Energy, which is intended to finance high-risk, high-reward projects. It can be compared to the Defense Advanced Research Projects Agency, part of the Pentagon, which spread seed money for such projects and incubated a variety of useful technologies, including the Internet.

How to Exit the Age of Oil: Closing the Renewables Gap

We are living in a time when the theory of unlimited economic growth is running into the reality of limited energy sources. To solve the problem, it is commonly thought that renewables are simply a drop-in replacement for oil, gas and coal – but many experts are warning about the faultiness of that assumption.

Feds: No timeline for completing Gulf relief well

NEW ORLEANS -- The government's point man on the Gulf oil spill is no longer giving a timeline for completing the final stages of plugging BP's runaway well for good.

BP to Bring in Well Device as It Awaits U.S. Orders

(Bloomberg) -- BP Plc plans to bring a new blowout preventer to its Macondo well in the Gulf of Mexico, site of a record oil spill, as it awaits instructions from U.S. officials on how to proceed with final plugging.

BP's long road to regaining consumer confidence in its brand

HOUSTON -- The protesters have stopped coming here to wave angry signs in front of BP's large office campus. The boycotts of BP gas stations are tapering off, too -- both signs that the energy company's plug of the spewing oil well is quieting its loudest critics.

The shouting may be over, but rebuilding the company's badly tarnished brand will prove a much harder task -- one that advertising and oil industry experts say could be nearly as daunting as stopping the oil that gushed into the Gulf of Mexico for more than three months.

Michigan oil firms face tougher regulations

Two recent high-profile oil spills, one in the Gulf of Mexico and a second that despoiled the Kalamazoo River, could result in tighter restrictions on Michigan's \$1.2 billion oil and gas industry.

State Sen. Glenn Anderson, D-Westland, has proposed amending Michigan's constitution to hold oil companies and other businesses accountable by allowing residents to sue for damages from corporate pollution, and eliminating taxpayer subsidies that help polluters clean up spills.

In the face of energy 'insecurity'

Scarcity of critical natural resources can be a huge setback. Especially, at a time when two of the most promising economies globally are competing for a head start in growth.

Saudi buys extra gasoline cargoes, say traders

Top oil exporter Saudi Arabia has bought at least three to four extra cargoes of gasoline for September to November, traders said on Wednesday.

Saudi Arabia typically imports between 60,000 bpd and 70,000 bpd of gasoline monthly, but traders said it was buying more following maintenance at one of its refineries.

LONDON, Aug 17 (Reuters) - Gasoline crack spreads came under pressure on Tuesday as traders faced an unprofitable arbitrage on exports to the United States from September, removing a critical outlet for European product.

Traders are set to make a loss of \$4.50 a barrel from sending export grade gasoline to the United States next month, swaps showed.

Unpaving is Progressive

Jim Kunstler could have predicted this, of course — and did, in "The Long Emergency." The system of subsidized infrastructure on which the car culture and the long-haul trucking industry depend is unsustainable. Absent intensive maintenance, asphalt highways deteriorate rapidly until axle-breaking potholes render them impassable to eighteen-wheelers. As state and local governments are plagued by increasingly severe fiscal crisis, as part of the death spasms of corporate capitalism, and Peak Oil drives up the price of asphalt for roads, governments will defer maintenance on more and more "secondary" roads, retreating and regrouping to a smaller and smaller core of highways that are maintained regularly enough to support heavy trucks.

Is the U.S. turning a corner on high-speed rail?

For generations, much of the nation has been forced to use cars, buses or pricey aircraft to travel to nearby cities. But this year, Washington opened the door to what may be a historic turning point in regional travel.

The Department of Transportation awarded \$8 billion among 31 states to begin developing America's first nationwide high-speed intercity passenger rail service.

Break up Big Oil to aid people, planet

Instead of accepting that there must always be big oil companies and an energy industry that pollutes, fails to innovate, and always puts profit ahead of the planet and the people who live on it, why not ask whether the current corporate arrangements are appropriate to the 21st century?

That is hardly a radical response to a crisis. Remember that Teddy Roosevelt and the trust busters of a century ago made it their business to break up big energy combines.

Longman profile: Mike Van Boeckel

What do you think are the key issues for the region and how you will make

a difference to address them?

Environment, population, transport access. I will advocate for net zero population growth, which will take pressure off both the natural and built environment, for increased funding for Public and Mass Transit, and lobby to reintroduce The Greens' Senate Bill to direct the Government of the day to study the effects of Peak Oil on Australia.

Bill McKibben: Why has extreme weather failed to heat up climate debate?

The world is experiencing the hottest weather on record but politicians have failed to respond. They need a wake-up call.

Heinberg - Peak Everything: Preface to the paperback edition

In titling this book "Peak Everything," I was suggesting that humanity has achieved an unsustainable pinnacle of population size and consumption rates, and that the road ahead will be mostly downhill—at least for the next few decades, until our species has learned to live within Earth's resource limits. I argued that the industrial expansion of the past century or two was mainly due to our accelerating use of the concentrated energies of cheap fossil fuels; and that as oil, coal, and natural gas cease to be cheap and abundant, economic growth will phase into contraction. I further pointed out that world oil production was at, or very nearly at its peak, and that the imminent decline in extraction rates will be decisive, because global transport is nearly all oil-dependent, and there is currently no adequate substitute for petroleum. Finally, I noted that the shift from growth to contraction will impact every aspect of human existence—financial systems, food systems, global trade—at both the macro and micro levels, threatening even our personal psychological coping mechanisms.

Nothing has happened in the past three years to change that outlook—but much has transpired to confirm it.

Delusions Abound on Energy Savings

"Participants estimated that line-drying clothes saves more energy than changing the washer's settings (the reverse is true) and estimated that a central air-conditioner uses only 1.3 times the energy of a room air conditioner (in fact, it uses 3.5 times as much)," the researchers wrote.

Perhaps more to the point, people seem conditioned to think of energy savings as they would of saving money: that they can save by simply reducing use, the study found. But the biggest energy savings are tied to replacing things that use a lot of energy with things that use far less.

Habits like turning out the lights when leaving a room may be virtuous but don't move

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the needle much on energy savings. Yet that action was cited by more of those surveyed (19.6 percent) than any other method of saving energy. By contrast, just 3.2 percent cited buying more energy-efficient appliances.

On Land, Air and Sea, a Retrofit Mission

Want to stimulate demand for renewable energy? Send in the Marines.

That was Navy Secretary Ray Mabus's message when he outlined plans to slash the Navy and Marine Corps' dependence on fossil fuels during an appearance on Monday evening at San Francisco's Commonwealth Club.

Time to close the global energy gap

If you are reading this article, you most likely have electricity and heat at home and never think of that fact as at all remarkable.

Yet more than two billion people - one in three people on our planet - have no access to modern energy to light and heat the dwellings in which they live.

Iran gas ambition requires China to crack LNG secret

LONDON - Iran is unlikely to become a big exporter of natural gas unless China - a crucial partner as international sanctions scare others off - can develop tricky technology to liquefy the country's massive gas reserves.

Iran sits on the world's second-largest gas reserves after Russia but U.S. trade restrictions have frustrated plans to develop them for export and booming domestic demand has made Iran the third-largest consumer and a top-30 importer.

Boon or bane?

POLISH politicians have of late tended to avoid saying anything that smacks of bipartisan consensus. One exception has been the near-universal belief that, thanks to abundant reserves of shale gas, the country is set to become "a second Norway", a land of energy-fuelled plenty with a highly functional state and exemplary social justice.

Oil group weighs petrol price increase recommendation

A committee of UAE oil companies has been set up to monitor petrol prices as part of an Page 5 of 13 Generated on August 18, 2010 at 3:29pm EDT

Power without the people

In the political power corridors where the Ontario government's green energy regime is legislated, regulated, discussed, manipulated, twisted, turned and imposed on the people, one group keeps cropping up: the Ontario Sustainable Energy Association (OSEA). Among other things, the OSEA claims prime responsibility for the Ontario Green Energy Act, the 2009 legislation that introduced massive subsidies to green energy and triggered multibillion-dollar spending on wind and solar power and new transmission infrastructure.

'The duty to consult'

Aboriginal rights issues are cutting a wide swath in the energy sector, touching everything from resource extraction to liquefied natural gas facilities, transmission lines and pipelines. So much so that one industry pundit has maintained that all of Canada's new supply sources for oil and gas have at some point been "tied up" with aboriginal rights claims.

Among the projects affected are the \$50-billion oil sands development in Alberta, the \$500-million Kitimat liquefied natural gas terminal project in British Columbia, and the Maritime pipelines project.

Hood: No decision yet on whether Miss. will sue BP

JACKSON, Miss. -- Mississippi Attorney General Jim Hood said Tuesday he hasn't decided yet whether to file a state lawsuit against BP over the Gulf of Mexico oil spill.

In an interview with The Associated Press, Hood said he's taking time to evaluate possible claims for damages created by the spill or by chemicals used to break up the oil. He said determining the environmental impact on fish, for example, could take months or longer.

BP Oil Mess Leaves Gulf Vietnamese Jobless, Prey to Boat Scams

Many Vietnamese were left out when BP hired fishermen to work on their own boats laying boom lines, transporting supplies or assisting with wildlife rescue, in part because of the language barrier.

Meanwhile, attorneys have descended on the crisis. According to Scire, many Vietnamese fishermen are signing papers they don't fully understand and are vulnerable to exploitation. Stories abound of opportunists who demand fees from idled fishermen in exchange for boat jobs that BP had been allotting free of charge.

Oil spilled. But hysteria did the real damage in the Gulf

The saddest sight this week has been of America's first family taking a quick one-day holiday in Florida. Crashing visitor numbers and plummeting fish sales have devastated the Gulf of Mexico after the Deepwater Horizon oil spill. There is talk of an 80% drop in revenues in some resorts. Yet figures show just 16 of the state's 180 holiday beaches are at all polluted, while the bulk of the spill appears to have dispersed, or be dispersing out at sea. Having hyped the disaster for political purposes, the president is now frantically trying to play it down.

Toxic levels of oil found in gulf area crucial to fish

Researchers describe 'a constellation' of oil droplets mixed with sediment. Phytoplankton, the base of the marine food web, is found to be in poor health nearby.

Dates or oil? Iraq's farmers fear gold rush

ZUBAIR, Iraq (Reuters) - Jaleel Jabr al-Fartusi has worked his acreage near the oil hub of Basra since 1970 but could lose it in Iraq's post-war rush for the black gold that lies below the plot he harvests for tomatoes and cucumbers.

Contracts awarded to global oil firms that could boost Iraq's production capacity to 12 million barrels per day from 2.5 million now are a possible lifeline for a country left in ruins by decades of war, sanctions and economic decline.

Solar plans lit up by \$5bn fund

Countries in the MENA region with little or no oil and gas deposits are endowed with abundant sunlight and sparsely occupied land – resources that could make the region a renewable energy powerhouse.

The World Bank is providing Egypt, Jordan, Morocco, Tunisia and Algeria with a total of US\$5.5 billion (Dh20.2bn) in funding for solar projects to be completed by 2015. The projects' combined electricity generation capacity of 9,000 megawatts would equal nearly the total installed power capacity of Abu Dhabi.

Statoil Considers Sites in Scotland for World's First Floating Wind Farm

Statoil AS, Norway's largest energy company, plans to build a demonstration site testing its "floating" offshore wind turbines and is considering two sites off the Scottish coast.

Statoil is also considering Norway and the U.S. state of Maine to test the commercial potential of its "Hywind" project, said company spokesman Oistein Johannessen today by telephone. It plans to decide on the site in 2011, he said.

Climate Change Debate Rises with Pakistan Floods

"Global warming results in catastrophic weather events. The recent floods are a result of climate change, undoubtedly," insisted Simi Kamal, a geographer and water specialist.

"Above-normal temperatures in the Indian Ocean give rise to increased precipitation. And in the north of Pakistan, when moisture-riddled wind currents collide with the mountains and are pushed up into cooler altitudes, moisture is released in the form of cloud bursts," added Khalid Rashid, a mathematician and physicist who studies changes in global weather patterns. "This is what seems to have happened this year."

Others are cautious about making categorical conclusions about links to climate change, but agree that weather patterns have been changing, becoming more extreme and more unpredictable.

Russia's grain ban showcases Egypt's love of bread

CAIRO – Russia's temporary ban on grain exports is stirring both political and economic anxiety in Egypt, the world's largest wheat importer where half of the 80 million residents rely on subsidized bread to survive.

Russia, which supplies more than 50 percent of Egypt's wheat imports, had announced a temporary ban on grain exports earlier this month because of a drought. In addition, Ukraine on Tuesday said it plans to halve grain exports for the rest of the year.

The Russian move predictably sent global grain prices higher. But for Egypt, it carried serious political and economic implications, and came at a delicate time for a government already accused of corruption and ignoring the needs of the poor.

City bees show a richer diet than bees from farmlands

Bees in urban and suburban settings have a richer, healthier diet than bees in farmland settings, say researchers.

Honeybee hives from 10 National Trust sites were studied in an attempt to assess the link between bee health and the diversity of pollen they encounter.

Bees from farmlands showed a distinctly narrower range of pollens than both urban and untouched "natural" settings.

Cape Cod Waterways Face Pollution Crisis

ORLEANS, Mass. — Rising nitrogen levels are suffocating the vegetation and marine life in saltwater ponds and estuaries on Cape Cod, creating an environmental and infrastructure problem that, if left unchecked, will threaten the shellfishing industry, the tourist economy and the beaches that lure so many summer visitors.

Cuba plans 7 Gulf of Mexico oil test wells - U.S. group

HAVANA (Reuters) – Cuba plans to drill seven exploratory oil wells in its Gulf of Mexico waters over the next two years, according to a U.S. organization that visited the Communist-ruled island to discuss energy development.

Sarah Stephens, executive director of the Center for Democracy in the Americas, said meetings between energy experts she brought to the island in July and Cuba's state oil monopoly Cubapetroleo (CUPET) left no doubt about the Caribbean nation's determination to develop its offshore oil reserves.

Oil falls on report showing rise in US supplies

Oil prices fell below \$75 a barrel Wednesday after a report showed U.S. crude supplies swelled last week, renewing concerns about demand for fuel in the world's largest economy.

...The gains ran out of steam after the American Petroleum Institute said late Tuesday that crude inventories rose sharply, by 5.87 million barrels, last week, against market expectations for a drop in supplies.

Inventories of gasoline and distillates also rose, the API said.

Why OPEC Doesn't Mind Low Oil Prices

When most people think of the Organization of Petroleum-Exporting Countries ("OPEC"), they think of a cartel that tries to keep oil prices artificially high so that its members can continue to reap huge profits. For a few years now, however, oil prices have been relatively low due to lackluster demand caused by the recession in the U.S. and abroad. Indeed, many Americans have likely noticed that the price at the pump has been well below its 2008 highs. Is OPEC concerned that prices have remained so low? Not necessarily. In fact, it views low gas prices as a good thing, for now.

U.S. Sees No `Recent' China Pressure on Oil Companies in South China Sea

The Pentagon hasn't seen any "recent" Chinese intimidation of global oil and gas companies operating in the South China Sea, according to Robert Scher, U.S. deputy assistant secretary of defense.

Secretary of State Hillary Clinton last month offered to help resolve territorial disputes in the waters, irking China, which claims the sea as its own. In June, Secretary of Defense Robert Gates called the waters an "area of growing concern" and objected to efforts to intimidate corporations.

Lebanon parliament passes offshore drilling law

BEIRUT (AFP) – Lebanese MPs passed a law on Tuesday authorising exploration and drilling of offshore oil and gas fields which have fuelled tensions with Israel over maritime borders.

"The law on the exploration of offshore oil and gas reserves has been passed by parliament," a senior official told AFP on condition of anonymity.

Mexico eyes deeper oil drilling in shadow of Gulf disaster

SONDA DE CAMPECHE, Mexico (AFP) – Firefighters leapt forward with a gushing hose on a Gulf of Mexico oil rig as fake victims were stretchered off in a practice run following BP's Deepwater Horizon disaster.

The Mexican drill came amid fears of a repeat catastrophe, and as producers like Mexico chase reserves into deeper and more dangerous waters.

Kosmos Drops \$4 Billion Sale of Ghana Assets to Exxon Mobil on Opposition

Kosmos Energy LLC, the U.S.-based oil explorer focusing on West Africa, ended its plans for a \$4 billion sale of fields in Ghana to Exxon Mobil Corp. after government opposition to the deal.

The company will focus on further exploration of Ghana's deposits and together with partners plans to start pumping oil from the offshore Jubilee field in the fourth quarter, Dallas- based Kosmos said today in a statement. The field, operated by Tullow Oil Plc, will reach 120,000 barrels a day of production next year.

Rockhopper Exploration Says Ernest Well in Falkland Islands Found No Oil

Rockhopper Exploration Plc said it found no oil in an exploration well at the Ernest prospect north of the Falkland Islands. The shares slumped.

Woodside Delays Pluto LNG Expansion on Drilling Results; Profit Rises 40%

Woodside Petroleum Ltd. delayed a decision to expand the A\$13 billion (\$11.7 billion) Pluto gas project until 2011 after its exploration campaign progressed slower than expected, Chief Executive Officer Don Voelte said.

Two of the Cheapest Stock Markets in the World

Kraus is particularly bullish on Russia not only because it is cheap, but because he believes the price of many commodities will rise. "Peak Oil is a mathematical certainty," he says. Not in the sense that we are going to run out of oil, but that prices will rise as we reach for more expensive sources of oil.

"And it's not just oil," he continues. "Grades of copper, and nickel and bauxite ores are now being mined, which no one would have bothered digging up a couple of decades ago... Peak water! A lot of places are running dry, and this will have scary effects upon agricultural prices.

Australia's `Depressing' Clean Energy Policies Deter Investors

The Arkx Clean Energy Fund's managers are Australians who don't have a dollar invested in Australia, a stance that's unlikely to change after the Aug. 21 election.

"We want to invest in Australia, but you cannot invest in a country that doesn't have regulatory clarity and, worse, where the policy direction is changing every six to 12 months," said Tim Buckley, manager of the fund in Sydney.

Abbott: WorkChoices is no more

Opposition leader Tony Abbott was not a great believer in the peak oil concept, he told the Brisbane meeting last night.

As technology increased more oil reserves became more accessible, he said.

"At the right price we have a lot more reserves than we think.

"I'm not saying it is limitless but I am saying it is not as finite as we think."

The Moore the merrier as Kevin joins race

New Plymouth's latest mayoral candidate was once banned from the institution he hopes to lead.

Self-styled environmental campaigner Kevin D Moore is the sixth man to enter the race for mayor and the most controversial.

In July 2008 he was prohibited from entering the New Plymouth District Council's civic centre building after front-line staff complained about his aggressive campaigning for council to prepare for the effects of climate change and peak oil.

Take cues from old world cities

A Vancouver architect says Port Moody could be a model of "peak oil" planning with a little creativity and openness to European-style development.

Richard Balfour has teamed up with the Port Moody Waterfront Community Interest Group, which wants Murray Street linked to the city's downtown core and transformed into a waterfront urban village.

Vestas cuts 2010 forecasts, shares plunge

COPENHAGEN (AFP) – Shares in Vestas slumped on Wednesday after the Danish wind power group cut this year's earnings and sales targets following a second quarter loss.

The company, the world leader in the wind turbine industry, a key component in efforts to combat carbon emissions, said 2010 sales would now come in at six billion euros (7.7 billion dollars), rather than seven billion euros.

Wind power plans for Taiwan-held islets near China

TAIPEI (AFP) – Taiwan's Penghu group of islands plans to spend hundreds of millions of dollars to expand their wind power capacities, an official said Wednesday.

Offshore Penghu County has set aside more than 10 billion Taiwan dollars (312 million US) for wind turbines and other hardware, the development bureau official told AFP.

Jeff Rubin: Economic fears prevent action on emissions

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Every year seems to furnish us with more and more graphic images of global climate change. And yet, other than the temporary reprieve we got during the world's deepest postwar recession, there seems to be no let-up in the growth of global carbon emissions.

Of course as long as emissions don't cost anybody anything, why would we expect any halt in emissions growth? After all, the engine of global economic growth still runs on burning coal and oil. And we're certainly no closer to putting a price on carbon emissions today than we were before the much-anticipated global environmental summit in Copenhagen last December.

The Coming Flood of Climate Refugees

What happens when a country's immigrant population doubles in the span of two decades? Nations scramble to prepare as flooding and water scarcity precipitated by escalating environmental catastrophes cause millions to spill across international borders. As America absorbs its share of refugees, we'll face the economic and security ramifications of a threat that we still haven't collectively acknowledged.

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