



Drumbeat: August 20, 2010

Posted by [Leanan](#) on August 20, 2010 - 9:35am

Topic: [Miscellaneous](#)

[PM makes return to Arctic to strengthen sovereignty claims](#)

OTTAWA — Prime Minister Stephen Harper travels to Canada's North next week as his government steps up efforts to resolve international border disputes in the region and critics sound alarm bells about the dangers of oil drilling in the Arctic.

In what has become a summer ritual since he took office in 2006, Mr. Harper will make his fifth Arctic visit to promote Canadian sovereignty in the region. The five-day trip which begins on Monday will bring him as far north as Resolute, where Canadian troops are engaged in a military training exercise with the United States and Denmark. He will also visit Churchill, Man., Cambridge Bay, which is situated on Victoria Island, and Inuvik, Tuktoyaktak and Whitehorse.

The trip is part of the Harper government's plan, outlined in its throne speech in March, to achieve several key Arctic policy objectives.

gas rig count dips from 18-mth high

NEW YORK (Reuters) - The number of rigs drilling for natural gas in the United States fell seven this week to 985 after climbing to an 18-month high last week, according to a report on Friday by oil services firm Baker Hughes in Houston.

Last week, the gas-directed rig count hit 992, its highest level since February 2009 when there were 1,018 rigs drilling for gas.

[US oil thirst up](#)

US demand for crude oil and petroleum products climbed 3.8 % in July from a year ago, even as the sluggish economy weighed on gasoline demand for the month, the American Petroleum Institute said today.

[Gulf States, Spill Coordinator Discuss 'How Clean Is Clean' on Oiled Coast](#)

U.S. states along the Gulf of Mexico and the federal oil-spill response on-scene coordinator, Paul Zukunft, are discussing "how clean is clean" when it comes to beaches and marshes soiled after BP Plc leaked millions of barrels of crude, National Incident Commander Thad Allen said.

Local and federal authorities need to agree on final shore conditions to determine when the cleanup effort is finished, Allen said during a press conference at the National Press Club in Washington today.

[Shell Says it's Cleaning up Major Oil Spill in Nigeria's Bonny Island](#)

Oil giant Shell says it has intensified efforts to clean up a major oil spill in the Bonny area of the Niger Delta. Bonny is made up of about 90 tiny islands and one large one.

Community leaders say current efforts have been unsuccessful and oil continues to gush from the damaged well.

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[Platts Report: China's July Oil Demand Pulls Back from June's Record High](#)

Platts - China's apparent oil demand slowed in July, dropping from June's record high of 36.74 million metric tons (mt) to 35.82 million mt or about 8.47 million barrels per day (b/d), according to the just released Platts analysis of official data from the People's Republic of China. The July demand figure is down 5.6% from June and is up only 2.7% from a year ago, a sharp drop off from the double-digit year-on-year gain reported for the prior month.

"The sharp drop in China's oil demand growth in July is a clear indication that Beijing's tightening policies are taking effect," said Mriganka Jaipuriyar, senior editor for Platts in

Singapore. "With both industrial production and asset investment dropping in the month, it is not surprising that oil demand has slowed down too. Looking ahead, whether we actually see negative oil demand growth will depend on whether China decides to pursue its tighter policies or reverses them."

[Nigeria: Bonny Attack Cuts Nation's Crude Oil Export](#)

Lagos — Nigeria's crude oil export, which had stabilised at 2.5 million barrels per day in the last three weeks, has declined as Shell declared force majeure on the export of Bonny Light following production deferment that resulted from a recent attack on its pipelines in Rivers State.

[Nigeria: Election pressure mounts for quiet leader](#)

While Nigeria's president remains silent on whether he'll seek the oil-rich nation's highest office in upcoming elections, the campaign has all but begun on the Internet.

A new website linked from a Nigerian government page purportedly advertises President Goodluck Jonathan's 2011 election bid, complete with a biography and a campaign platform. A Facebook page for the leader has more than 168,000 fans and there's a nascent Twitter feed in his name.

[Nigeria: Nation's Dying Energy Sector](#)

Since the discovery of oil in 1956 in Oloibiri, a town in Bayelsa state, the oil and gas sector cornered the economic activities and gradually became the lifeblood of Nigeria's economy. As the sector grows, more problems compound with very little or minimal solutions to address them.

Of recent, the sector was in the spotlight for several reasons such as fuel scarcity, shortage of gas to power, corruption and brain-drain.

Despite efforts by the past leaders to adjust some of the abnormalities that made the sector to operate in difficult terrain, the industry continued to top the list of inefficient sectors in the economy.

[BP Well Manager Said No Warning of Blowout](#)

(Bloomberg) -- BP Plc's senior manager on the Deepwater Horizon rig saw no indications that natural gas was surging up a pipe before the explosion that set off the biggest U.S. oil spill, according to notes from an internal inquiry.

[Feinberg Pledges to Issue Spill Checks to Individuals Within Day of Claim](#)

Kenneth Feinberg, administrator of the Gulf Coast Claims Facility, said he intends to issue emergency payment checks to individuals within 24 hours of an application for losses tied to the BP Plc oil spill.

Checks for businesses will be issued within seven days, Feinberg said today in a statement releasing protocols for the \$20 billion fund. Emergency claims can be filed from Aug. 23 through Nov. 23, Feinberg said.

[Remembering the remarkable Matthew R. Simmons](#)

Matt Simmons was arguably the most influential individual on this side of the Atlantic to warn about the coming peak-and-decline of world oil production. Beginning in 2001, when he published his ground-breaking white paper on the world's giant oil fields, Matt alerted presidents, politicians and whoever else would listen that our energy joyride was headed for deep trouble. He drove himself tirelessly, riding the speaker circuit at breakneck speed, visiting some 25 countries to deliver over 400 fact-filled energy talks to industry, investment, academic, and general interest audiences.

Then, suddenly, he was gone. Matt died Sunday evening, August 8th, at his home in Maine. He will be missed enormously by his wife Ellen, five daughters, his close associates, and all of us who knew and respected him.

[Review: Transport Revolutions by Richard Gilbert and Anthony Perl](#)

Transport Revolutions presents an ambitious vision of a world, 15 years from now, that is well on its way to kicking oil and being run on renewably produced electricity. The book's authors, internationally recognized transport policy experts Richard Gilbert and Anthony Perl, readily acknowledge the enormity of this challenge, with transport worldwide currently 95 percent dependent on oil. They have no illusions that the transition would be painless. But they nonetheless insist that it could be done. And they seem to have sold a lot of people on their vision: both editions of their book so far have been bestsellers.

[Peak Everything](#)

“Every generation has perceived the limits to growth that finite resources and undesirable side effects would pose if no new recipes or ideas were discovered,” the Stanford economist Paul Romer writes in *The Concise Encyclopedia of Economics*. “And every generation has underestimated the potential for finding new recipes and ideas. We consistently fail to grasp how many ideas remain to be discovered. The difficulty is the same one we have with compounding: possibilities do not merely add up;

they multiply.” The production of some physical resources may peak, but there is no sign that human creativity is about to do anything of the kind.

[The fruit of sharing](#)

Here's an idea that combines the Transition movement's drive to rebuild our local foodsheds with its drive to build new economic structures.

In our local neighborhood in Los Angeles, for the third year running, we are hosting a group purchase of bare root fruit trees. It started on a whim. I was ordering bare root fruit trees for my own yard, and thought perhaps a few others might wish to piggyback on my order. I posted it on our local Transition email loops and suddenly my order had exploded to 21 trees! We qualified for extra volume discounts at the supplier, and the box that arrived on my doorstep the following January was so big that it could easily have contained one of the Lakers basketball players!

[Shell Files Complaint in Federal Court Against Argentine Fuel Price Ban](#)

Royal Dutch Shell Plc, Europe's largest oil company, filed a complaint in an Argentine federal court against a government ruling that forces companies to rescind recent price increases.

Shell's complaint was filed yesterday in federal court No. 9 where it will be reviewed by Judge Pablo Cayssials, according to a statement on the Court Information Center website. The government on Aug. 18 ordered energy companies to lower fuel prices to a pre-Aug. 1 level.

[Shell sells Heide refinery to private equity fund](#)

A sharp fall in fuel consumption in Europe and import demand from key markets such as the United States slashed profitability of oil refining business in the region since late 2008, putting at least 11 refiners up for sale, including the Heide site and Petroplus' Teesside in the UK.

[Resting on our ores](#)

Contemporary Australia is built on high commodity prices, due to demand from China and other rapidly industrialising countries. There is no certainty this will continue. Further afield, scientists say reserves of our second largest mining export - high grade iron ore - will be exhausted within 50 years, at current rates of production. Australia's new top export earner is black coal, expected to last another 90 years at current rates of depletion. Long before these dates, however, will be the Australian equivalent of peak oil - the point where readily accessible deposits are used up, and each new ton costs more

and more in production costs.

When Australia finally depletes its non-renewable resources, what will we have left? Much of our manufacturing has shifted to cheap labour havens overseas, agriculture now only accounts for four per cent of our exports, and we're far from being a high-tech centre or a cultural powerhouse. If Australia once rode on the sheep's back, we now lie supine atop our piles of ore.

[The Greening of Mining, Our Place in the 21st Century](#)

Australian Greens Senator Scott Ludlam is in Kalgoorlie to present a paper at the AusIMM Sustainable Mining conference which will focus on the place of mining in a sustainable economy.

"Against a backdrop of climate change and the age of peak oil, we need to have a hard look at how resilient our mining communities are, the continuing dispossession of Aboriginal people, and the place of mining in the transition to a zero carbon economy," Senator Ludlam said.

[Creating a sustainable city](#)

A working bee of global proportions planned for the spring will put an emphasis on homegrown, organisers in Dunedin say.

Sustainable Dunedin City (SDC) is part of an international alliance promoting a global climate working bee for October 10 - dubbed the 10/10 Global Work Party - the follow-up to last year's big 350.org campaign, which highlighted dangers associated with carbon exceeding 350 parts per million in the atmosphere.

[Indonesian train now has women-only carriages](#)

JAKARTA, Indonesia – As the train rattled into Indonesia's capital, 19-year-old Wiwit Wahyuningsih leaned back in a soft, pink-cushioned seat in a carriage newly designated exclusively for women.

It was a great feeling, the university student said, knowing she didn't have to worry about being ogled at, pinched or even groped.

[Solar firm turns 35](#)

BRATTLEBORO-- Awareness of peak oil, climate change and American dependence on

foreign oil has spiked in the last few years, and Integrated Solar Applications, founded in 1975, says it has watched enthusiasm for solar power come full circle.

To celebrate its success and say thanks to the community, Integrated Solar will host a 35th anniversary celebration from 11 a.m. to 2 p.m. this Saturday at its site on the banks of the West River, 121 Spring Tree Rd.

Though 600 invitations have been mailed, the celebration is free and open to all, according to Adam Thurrell, system design and sales manager.

[Gas Hole: a crude conspiracy](#)

"We have a serious problem - America is addicted to oil," said former President George W. Bush during a speech in 2006. *Gas Hole: a crude conspiracy* opens with quotes from U.S. presidents ranging from the 1970s up until Bush, all voicing the same concern with oil dependency. And yet today, oil prices are higher than ever and the planet is rapidly running out of 'black gold' - so why has nothing been done?

According to writers, producers and directors Jeremy Wagener and Scott D Roberts, it's because change could threaten the profits of the oil industry. "They're in the most profitable portion of their business right now," says actor Joshua Jacskon of our post peak-oil society.

[11 green inventions that go too far](#)

The green movement has gained a lot of momentum in recent years, no doubt prompted by rising energy costs, a weak economy and environmental disasters like the BP oil spill.

Some have been quick to capitalize on the trend, losing practicality in the frenzy to attain another kind of green — the kind that shows up on a balance sheet. Others create extreme concepts that will never become everyday realities, in order to raise awareness.

Either way, the results can be just plain nuts.

[Crude Oil Declines to Six-Week Low Amid Signs U.S. Recovery Is Faltering](#)

Crude oil declined to six-week low as rising U.S. jobless claims and a contraction in manufacturing added to concern growth in the world's biggest oil-consuming nation is slowing.

Oil, down 2.4 percent this week, fell after the Labor Department said yesterday weekly claims for unemployment benefits climbed to the highest level since November. The Federal Reserve Bank of Philadelphia's general economic index dropped to the lowest

reading since July 2009. Total U.S. inventories of crude and oil products reached the highest in at least 20 years, Energy Department data showed earlier this week.

“You certainly see an overhang developing in oil product stocks in the U.S.,” said Harry Tchilinguirian, head of commodity markets strategy at BNP Paribas SA in London. “Gasoline demand has witnessed a difficult recovery from its recession induced-lows, and one of the main stumbling blocks for this has been high U.S. unemployment.”

[Fuel Supplies Hitting Two-Decade High May Send Oil to \\$70](#)

The biggest U.S. petroleum stockpiles in two decades are leading oil bears to predict further price declines that may lead OPEC to restrict production.

Inventories of crude and fuel products rose to 1.13 billion barrels last week, the highest level since the Energy Department began keeping combined weekly data in January 1990, according to a report Aug. 18. Oil has fallen 9.9 percent since reaching a three-month high on Aug. 3.

[Gazprom denies revised gas price talks](#)

Russia's energy giant Gazprom today denied a newspaper report that Germany's E.ON , the world's largest utility by sales, is seeking to lower prices for gas supply.

[Pemex Seeks Foreign Partners to Develop Offshore Oil Fields for First Time](#)

Petroleos Mexicanos, Latin America's largest oil producer, expects to hire foreign oil companies for the first time to explore and produce in the Gulf of Mexico as it seeks to arrest a five-year decline in output.

[Hungry For Oil: Feeding America's Expensive Habit](#)

Every day the United States goes through another 20 million barrels of oil. Finding enough crude to supply the country's oil habit is difficult because much of the oil that's easy to get to is gone. Now companies are extracting oil in places that are expensive to drill and raise concerns about safety and the environment. BP's disastrous oil spill in the Gulf of Mexico is the most obvious example.

[Major study charts long-lasting oil plume in Gulf](#)

WASHINGTON – A 22-mile-long invisible mist of oil is meandering far below the surface of the Gulf of Mexico, where it will probably loiter for months or more, scientists

reported Thursday in the first conclusive evidence of an underwater plume from the BP spill.

The most worrisome part is the slow pace at which the oil is breaking down in the cold, 40-degree water, making it a long-lasting but unseen threat to vulnerable marine life, experts said.

[BP rejects data withholding claim](#)

Oil company BP has fired back at Transocean in a dispute over the withholding of information about possible causes of the Gulf of Mexico oil spill.

James Neath, BP's associate general counsel, said an August 18th letter from a Transocean attorney asserting BP was not releasing critical data contained "many false and misleading assertions".

[BP spill payouts likely to prohibit lawsuits: report](#)

WASHINGTON (AFP) – Recipients of money from BP's 20-billion-dollar oil spill compensation fund will likely be required to waive their right to sue any firm involved in the disaster along the US Gulf Coast, The New York Times reported Friday.

Citing internal documents from lawyers handling the fund, the daily said businesses and individuals who accepted compensation from the fund would waive their rights to sue not only the British energy giant, but any company implicated in the largest accidental spill in history.

[Shell, Basf Ordered to Pay \\$354 Million in Brazil Plant Contamination Case](#)

The Brazilian units of Basf SE and Royal Dutch Shell Plc. were fined a total of 622 million reais (\$354 million) after former workers suffered health problems because of contamination at a plant in Paulinia, Sao Paulo state, from the 1970s to 2002.

[Mother claims child died due BP refinery pollution](#)

HOUSTON (Reuters) – A woman sued BP Plc's North American subsidiary on Thursday, claiming excess pollution from the company's refinery in Texas City, Texas, contributed to her infant child's death.

[Pakistan Flood Aid Helps Fight Terrorism as Peace 'Fragile,' Qureshi Says](#)

Increased aid to Pakistan's flood victims, including \$180.5 million pledged at the United Nations yesterday, will help to keep terrorists from capitalizing on the crisis, Pakistani Foreign Minister Shah Mahmood Qureshi said.

"We are not going to allow them to take advantage or exploit this natural disaster," Qureshi told reporters in New York yesterday. The result "depends on how effective and quick the response is. That is why it is so important that the international assistance comes immediately."

[Cnooc Banks on Acquisitions, China Oil Output for Growth as Profit Doubles](#)

Cnooc Ltd., China's biggest offshore oil producer, said overseas acquisitions and discoveries at home will drive the company's future growth after record output helped more than double profit in the first six months.

"Contribution from overseas assets is expected to rise steadily," Chairman Fu Chengyu said in yesterday's earnings statement in Hong Kong. Apart from adding reserves in China, "merger and acquisition opportunities will also be an important driving force for the company's medium- and long-term growth."

[S.Korea's KNOC makes hostile offer for UK oil firm](#)

LONDON (AFP) – South Korea's state-owned Korea National Oil Corporation launched a hostile takeover bid for Dana Petroleum on Friday, becoming the latest Asian power to seek foreign assets to meet booming energy demand.

KNOC has offered to buy the British oil explorer, which has operations in Europe and north Africa, for about 1.87 billion pounds (2.3 billion euros, 2.9 billion dollars), it said in a statement.

[Petrobras May Delay \\$25 Billion Share Sale, Two Government Officials Say](#)

Petroleo Brasileiro SA's \$25 billion share sale may be delayed as Brazil's state-run oil producer and the government start negotiating the financial terms of a related oil-for-stock swap, according to two government officials familiar with the matter.

[Majnoon oilfield deal is finalised](#)

Several of the world's biggest oilfield services companies are preparing to work on the giant Majnoon oilfield in Iraq.

Companies including Halliburton, Nabors and possibly Petrofac are finalising contracts to

help Royal Dutch Shell and Malaysia's state-owned Petroliam Natsional (Petronas) boost the field's production capacity to 1.8 million barrels per day (bpd) from its current output of just under 45,000 bpd.

[Kuwait Petroleum, Pertamina May Triple Java Refinery, Make Petrochemicals](#)

A unit of Kuwait Petroleum Corp. and PT Pertamina, Indonesia's state-oil company, will study the feasibility of more than tripling the capacity of the Balongan oil refinery in Java.

Balongan's oil-refining capacity may increase to as much as 425,000 barrels a day from 125,000 barrels a day, Pertamina spokesman Mohamad Harun said by telephone today.

[Pennsylvania voters back infrastructure tax hike: Governor](#)

PHILADELPHIA (Reuters) -- Most Pennsylvania voters support a plan for higher taxes on oil companies and motor vehicle licenses to pay for repairs to roads, bridges and public transit, state Governor Ed Rendell said on Thursday.

Rendell released the poll ahead of an August 23 meeting of lawmakers to discuss ways of filling a \$472 million gap in transportation funding created by the federal government's rejection of a state plan to put tolls on Interstate 80.

[Study: UK demand for electric vehicles to surpass hybrids by 2020, hit 21% market share](#)

A new British study by Glass's Information Services Ltd. (GIS) is predicting that battery electric vehicles will overtake hybrids in UK market share and will reach a combined total of 21 percent by the end of the decade. That market share matches the expectations for France and Italy, but falls short of Germany's potential – which is expected to hit 26 percent.

[Our expectations of electric cars must be tempered with reality](#)

Electric cars are often spoken of as if they will turn the tide against the current fleet of petroleum junkies. But we may be far from that nirvana.

[Green queen gives women voice](#)

Helene Pelosse dreams of driving around Abu Dhabi in a solar-powered car instead of being tied down in bureaucratic wrangling over climate change.

The head of the International Renewable Energy Agency (IRENA) is used to political compromise and the painstaking pace of international negotiations.

But that does not cloud her vision of the future: that one day, relatively soon, clean, renewable energy will cover 100 per cent of human power needs.

[There isn't any sensible alternative to nuclear power](#)

Ask the average environmentally-concerned person how our power generators will achieve the tough emissions reductions needed to play their part in cutting global warming, and you will probably get a simple, clear answer: wind and solar.

Recent research by the International Energy Agency shows that nearly half of interviewees worldwide think that wind and solar power will be the two main sources of electricity generation by 2040. There is just one problem: that idea is naïve, overoptimistic, and almost certainly mistaken. Quite literally, it is “hot air”.

[Europe's Brisk Energy Transition](#)

Europe's evolution toward a heavier reliance on renewable energy is nicely documented in a report released this week by Eurostat, the European Union's statistics agency. The study, “Statistical Aspects of the Energy Economy in 2009,” provides a wealth of interesting detail without a lot of editorializing.

From 2008 to 2009 alone, the use of renewable energy in the European Union increased 8.3 percent. As I've reported as part of our continuing series, “Beyond Fossil Fuels,” some countries have made particularly great strides in this arena. Portugal now gets nearly 45 percent of its electricity from renewable sources, up from 17 percent five years ago.

[Go Solar Before it's Too Late!](#)

One of the biggest misconceptions people have about solar is that it is just about to become so cheap that you better not get any now, because in a few years it will be much cheaper.

[Basking in Energy-Efficient A.C.](#)

Of all the things I could spend \$8,800 to buy, a new central air-conditioning system is not near the top of my most-wanted list. But that's what I did this week, and I actually feel pretty good about it.

I am happy about the \$1,500 tax credit I am going to get for buying a very efficient system, one that is going to save me hundreds of dollars a year. To sweeten the pot, the manufacturer offered a plan that allows me to pay for the system over three years with no interest. My installer told me that the financing deal was unusual for this time of year, but business has been slow in these recessionary times.

[B.C. wood pellets a green hit in Europe – but not Alberta](#)

Every day, 500 tonnes of tiny wood pellets are churned out of Pacific BioEnergy's Prince George plant, destined for thermal power plants in Europe. Loaded into boxcars and transported by rail, cargo ship and, finally, canal barges, they'll travel more than 20,000 kilometres before they end up heating some kid's waffle in Belgium.

Using B.C.'s pine-beetle-killed wood to reduce the carbon output of coal-fired power plants on the other side of the planet sounds cool but economically implausible. Yet biomass is Prince George's fastest-growing commodity.

[Pacific Island nations threatened by rising sea levels](#)

Global warming could spell the end for a number of tiny island nations in the Pacific, Shi Yingying reports.

Despite their image of paradise on Earth, many Pacific Islands are struggling with environmental issues, such as rising sea levels caused by global warming, pollution, and conflicting relationships between the tourism industry, local culture and ecology.

[Effects of rising sea levels to be examined](#)

NEW HAVEN — A new concern has been added to the city's natural hazard mitigation plan: rising sea levels.

The City Plan Commission Wednesday approved an update in the plan put in place five years ago, with the discussion turning to climate change and what might in store for the city's coastline and riverfront properties.

[UN to get report on climate panel August 30](#)

PARIS (AFP) - A UN-requested review of the world's top panel of climate scientists, accused of flaws in a key assessment on global warming, will be unveiled on August 30, the investigating committee said on Friday.

The five-month probe into "the processes and procedures" of the UN's Intergovernmental Panel on Climate Change (IPCC) is being conducted by the InterAcademy Council (IAC), gathering 15 leading science academies.

[Caribbean Storm Damage Costs May Increase by 50% Along With Global Warming](#)

Climate change may add 50 percent to the storm damage costs incurred by some Caribbean nations over the next two decades, said Swiss Reinsurance Co., the world's second-largest re-insurer.

Wind, storm surges and inland flooding already cost some Caribbean nations up to 6 percent of their economic output each year, the Zurich-based company said today in a statement on its website. Global warming could add costs amounting to another 1 to 3 percent of output by 2030, it said.



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