



Drumbeat: November 22, 2010

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Peak Energy, Climate Change, and the Collapse of Global Civilization

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(Original report is <u>here</u> - 300 page PDF)

, reduced imports of the fuel by 20 percent in October after purchases reached an eight-month high in September.

The Demand for Oil in the Face of Renewables, Electric Vehicles

But I have to think that those betting on the success of the oil industry for even the next decade are whistling in the dark. More people each day are recognizing that extracting and consuming fossil fuels is simply not sustainable – for a great number of different, independent reasons. Whether the concern is national security, war, terrorism, peak oil, healthcare, global climate – or the dozens of other forms of long-term environmental damage, the world is catching on quickly: the oil industry -- even with money and power coming out its ears -- is in its death throes.

Disarmament In America's Energy Security Battles

Current Obama administration battle strategies directed toward futile wars to control climate change and free America from fossil dependence are hindering, not advancing, progress toward lasting energy security. Development of abundant power and fuel sources--which we will continue to rely on--is being restrained by regulatory headlocks in favor of much higher-cost "renewable" and "green" alternatives with relatively scant capacity prospects.

"Haynesville" to premiere on CNBC tomorrow night

The Haynesville deposit could be the largest natural gas reservoir in North America. When the residents in rural Northern Louisiana learn they are sitting on a fortune, they struggle to weigh their big dreams against the safety of their community. Some will take the money and run while others learn to negotiate with the big energy companies who are looking to drill into the trillion-dollar natural gas reservoir that lies deep beneath their homes. Will this be easy money or the fight of their lives, in what some are calling the "new gold rush?"

"Haynesville" explores how the historic find could affect the nation's energy picture through the eyes of industry experts, environmentalists and the people of Haynesville, Louisiana.

Scenarios: Possible outcomes of NATO's Afghan exit plan

(Reuters) - NATO has agreed to end its combat mission in Afghanistan and hand responsibility to Afghan forces by the end of 2014, while also promising it will not abandon Afghanistan in its fight against the Taliban.

Following are some scenarios that could result from NATO's bid to extract the 150,000 foreign troops from a nine-year-old conflict widely seen as going badly for the United States and its allies:

Mexico top court may back private oil deals -paper

MEXICO CITY (Reuters) - Mexico's Supreme Court is leaning toward upholding regulations that allow state oil monopoly Pemex to contract private companies as operators, Reforma newspaper reported on Friday.

Aramco plans 6 new power projects - Report

MEED reported that Saudi Aramco is planning a major expansion of its power generation facilities to meet its growing electricity needs.

The move to develop a series of power stations solely for the state oil company's use is understood to have been prompted by concerns within Saudi Aramco about the capacity of the kingdom's electricity generation agency, Saudi Electricity Company's, to provide the required level of power supply.

Saudi Aramco Said to Seek Partners to Build Three Power Stations

Saudi Aramco, the world's largest state-owned oil company, is seeking partners to help build three power plants for its expanding refining and chemicals businesses, two people with knowledge of the plan said.

Lower obstacles to natural gas investment: Fraser Institute

OTTAWA — Canada is in a favourable position to capitalize on its natural gas resources, though the potential for economic prosperity from this commodity can only be fully realized by removing barriers to investment and production, a report said Monday.

The Fraser Institute said natural gas accounted for one-quarter of all energy usage in North America in 2007, and the continent is well positioned to become fully selfsufficient in meeting its natural gas needs.

Ivory Coast to Expand Gas-Storage Capacity, Fraternite Reports

Societe de Gestion des Stocks Petroliers de Cote d'Ivoire will spend 54 billion CFA francs (\$112.3 million) expanding its butane-storage capacity, Fraternite Matin reported, without citing anyone.

Gestoci, as the company is known, has started to build 10 new gas-storage tanks in four Ivorian cities including Yamoussoukro, Abidjan, San Pedro and Bouake to boost capacity by 20,000 metric tons, the newspaper said.

Petrobras: refining crucial to strategy

(Reuters) - Petrobras' refining investments are crucial to ensuring Brazil's long-term energy supply as fuel consumption soars in fast-growing nations such as India and China, the CEO of Brazil's state oil company said on Monday. Despite reports that federal fuel assistance grants to states may face deep cuts this year, those who run the program here say folks who need help should still apply.

That's because the amount of money New Hampshire will get remains in flux, caught up in congressional inaction on the federal budget.

End to cheap coal closer than we thought?

(PhysOrg.com) -- A report entitled "The End of Cheap Coal," published in the journal *Nature* by Richard Heinberg and David Fridley, suggests we may reach peak coal in the next two decades.

Kunstler: Gross All Over

I was kind of relieved to be leaving the country again this week with Thursday's Feast of Football looming, followed by the "consumer" buffoonery of Black Friday. Distance affords reflection and this is a good week to ask ourselves what, exactly, lies on the other side of this massive wall of suspense we have constructed around the fate of our money system?

What a scary season! This is what it feels like to hit the wall of limits to everything the earth provides us.

Kurt Cobb: Peak oil and climate change in 13 minutes

At the recent 2010 International Conference on Sustainability I made a brief presentation focused on using concrete illustrations that explain peak oil and climate change in ways that relate to people's everyday experiences. I have been searching for methods to bring the basics of peak oil and climate change out of the realm of the abstract, and this is my first public attempt to do just that.

Eskom monopoly costs South Africans

Extra-ordinary measures are needed to prevent power failures but Eskom will not enable this by letting go of its monopoly over power generation, a legal expert says.

Pakistan: Ashraf announces end of power crises

Karachi—Federal Minister for Water and Power, Raja Pervaiz Ashraf announcing the end of power crises said construction work on more than seven small dams is under way and rental power plants will be needed till completion of other projects.

UK appoints special envoy for climate and energy security

Rear Admiral Neil Morisetti has been appointed to prepare the UK's security agencies for severe weather events, increased migration and greater competition over resources.

Russia Offers India Uranium Resources

According to news reports, Russia has offered to partner with India in exploration and exploitation of uranium resources within its territory in a bid to ease shortage of fuel for India's nuclear power plants.

Nigeria: Firewood Smoke Caused 79,000 Deaths, Says Centre

The International Center for Energy Environment and Development (ICEED) said not less than 79,000 pre- deaths have been recorded in Nigeria as a result of inhaling smoke from local firewood cooking stove.

A statement signed by the public relations officer of the center, Mr Michael Donovan, said use of firewood for cooking is not only dangerous to human health, but also encourages environmental degradation through climate change by releasing hydrocarbons into the atmosphere and deforestation.

Jordan wants Korea to join inland canal project

According to the plan, 2,150 million cubic meters of the Red Sea water is expected to move through the canal every year -930 million cubic meters of which will be processed as fresh water.

Fresh water will also reach Amman, the capital with 1.9 million residents that suffers from a severe lack of water.

Residential, commercial, recreational and industrial zones are expected to spring up along the canal as well as eco-parks, water pump stations, desalination facilities and hydroelectric power stations.

Experts claim 2006 climate report plagiarized

An influential 2006 congressional report that raised questions about the validity of global warming research was partly based on material copied from textbooks, Wikipedia

and the writings of one of the scientists criticized in the report, plagiarism experts say.

Review of the 91-page report by three experts contacted by USA TODAY found repeated instances of passages lifted word for word and what appear to be thinly disguised paraphrases.

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Crude Oil Erases Gains in New York as Ireland Seeks Bank Bailout From EU

"The dollar is getting stronger again as the anxiety about European debt lingers on, and that's putting some pressure on oil," said Andrey Kryuchenkov, analyst at VTB Capital in London. "But the market is effectively going to remain in a tightly bound range for the foreseeable future."

Winter fuel demand, China and rising diesel prices

More and more vehicles on UK roads now run on diesel. But the fuel's price is also affected by industrial demand for heating oil, which is especially noticeable in the winter.

This means there is less of the product being refined into fuel for vehicles, pushing up prices for drivers.

Hedge Funds Cut Oil Bets as Ireland, China Sap QE2 Gains

Hedge funds cut bullish bets on oil by the most in almost three months amid speculation fallout from the Irish debt crisis and China's efforts to curb inflation will slow economic growth, sapping demand for fuel.

European Gasoil Contango Widens; Total Buys Gasoline Barges: Oil Products

Europe's gasoil futures contango widened, signaling weakening demand, after customers in Europe's biggest market for the heating fuel filled up their tanks.

China Oil Use to Beat Record as Monetary Policy Impact Muted, Goldman Says

"The much bigger risk in the near term will come from the current exceptional strength in diesel demand, which could push Chinese oil demand to new highs in November and December," the bank said.

Enbridge says Line 6B to restart in days

(Reuters) - Enbridge Inc said on Sunday its 290,000 barrel-per-day Line 6B carrying Canadian crude oil into the United States will return to service in "a matter of days."

The pipeline operator said the shutdown would have an impact on shippers but declined to offer further details except to say it was working on mitigating the impact.

\$1B Gulf deal with Exxon raises young firm's profile

Exxon Mobil Corp. \$1 billion for a swath of shallow-water fields in the Gulf of Mexico, in a deal that significantly boosts both the output and profile of the young, independent oil and gas company.

With the all-cash transaction, Energy XXI's production will jump by 77 percent, making the company one of the top oil and natural gas producers in the region, just five years after it formed.

China's natural gas demand to exceed supply by over one-third in 2011

China's demand for natural gas will exceed its supply by 35 percent in 2011, Yin Jianping, a professor at the School of Business Administration under the China

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University of Petroleum, said at the first China Energy Forum jointly held recently by the Chinese Academy of Engineering and the National Energy Administration.

Yin said that China's demand for natural gas will maintain rapid growth in the coming decade, and its annual consumption will exceed 150 billion cubic meters by 2015 and 200 billion cubic meters by 2018. The country's demand for natural gas has outstripped its supply since 2008. It is estimated that China's energy supply-demand gap will increase from 38 billion cubic meters in 2015 to 110 billion cubic meters in 2021, and the natural gas supply-demand gap will grow accordingly based on forecasts of the gas supply and demand.

ADNOC to create 7,500 jobs by 2015

ABU DHABI // Abu Dhabi National Oil Company (ADNOC) and its subsidiaries expect to add about 7,500 new jobs by 2015, due to a number of projects aimed at boosting the group's capacity to produce oil, gas and petrochemicals.

Nigeria Plans Upgrade of 210,000-Barrel Oil Refinery, State Company Says

Nigeria plans to upgrade and expand its 210,000-barrel Port Harcourt oil refinery, the country's biggest, according to an official of the state-owned national oil company.

Saudi king's fragile health raises succession questions

Reporting from Cairo — An impending medical trip to the U.S. by King Abdullah of Saudi Arabia has renewed attention on the kingdom's aging leadership and raised questions of succession in the world's leading oil exporter.

Saudi Arabia tries to reassure over rulers' health

DUBAI (Reuters) - Saudi Arabia is anxious to show its allies there will be no power vacuum in the world's biggest oil exporter as health problems beset its octogenarian rulers, but the danger of open disputes over succession remains.

Welfare funding runs out in Iraq

BAGHDAD -- Iraq has run out of money to pay for widows' benefits, farm crops and other programs for the poor, the parliament leader on Sunday told lawmakers who have collected nearly \$180,000 so far this year in one of the world's most oil-rich nations.

Uganda has discovered oil, but the country still does not have a clear and concise strategy on how it will harvest the resource without conflicts as has been envisaged and occurred in other countries.

Indeed, there is already a squabble with the government not disclosing the truth about the concessions, and the companies hitherto given clearance to drill refusing to pay tax, and even leaving the country without fulfilling their tax obligations.

Russia, EU need to pool efforts amid China's rare earth metals monopoly-Yazev

MOSCOW (Itar-Tass) -- Russia and the European Union should intensify cooperation in the context of China's monopoly on the market of rare earth metals, which are used in many spheres – from defense to alternative energy projects, State Duma Vice-Speaker, President of the Russian Gas Union Valery Yazev told Itar-Tass on Sunday.

Calif lawmaker wants more gas pipeline inspectors

SAN FRANCISCO (AP) - Ten weeks after the deadly San Bruno natural gas explosion, a California legislator is pressing regulators to immediately hire more natural gas pipeline inspectors.

The California Public Utilities Commission says its nine inspectors are aggressive and effective, but conceded the agency has fallen short and it hopes to eventually hire another four inspectors. PUC officials say only 1% at most of the 110,000 miles of gas pipelines are inspected.

Police probe Gullfaks C incident

Norwegian giant Statoil today confirmed the police have opened an investigation into whether any laws were broken during a well control incident at Gullfaks C platform earlier this year.

BP claims a gamble: Get check now, risk less later

OCEAN SPRINGS, Miss. — Fishermen and business owners stung by a summer of lost revenue from the Gulf of Mexico oil spill have until Wednesday to file their compensation claims for short-term damages, and then they have to ask themselves: Do I feel lucky?

Many will eventually be offered a final settlement from BP PLC's compensation fund — but accepting that check is a gamble. To cash it, they'll have to sign away their right to ever sue the oil giant and let a court decide how much they're owed. And if the long-

term damages end up amounting to more than the settlement, they'll be out of luck for additional payments to cover those future losses.

BP sells Venezuela and Vietnam assets for \$1.8 billion

BP has agreed to sell its oil and gas production businesses in Venezuela and Vietnam to its Russian affiliate, TNK-BP, for US\$1.8 billion (Dh6.6bn) as it continues to raise funds after the Macondo oil spill in the Gulf of Mexico.

Arctic spat highlights deepwater dilemma

The ripples from BP's Deepwater Horizon disaster have reached more northerly climes. In a further blow to oil explorers, Canadian authorities have agreed to an interim ban on the granting of oil exploration licences for Arctic regions currently under Canadian control.

Given events in the Gulf of Mexico, the Canadian decision was predictable, but they're not the only ones with an interest. A handful of nations, including Russia and the US, have been involved in a rather unseemly spat over competing territorial claims to the Arctic continental shelf, including its prospective sub-sea regions. And it's not difficult to appreciate why; it has been estimated that the Arctic could account for at least a quarter of the world's undiscovered oil and gas reserves, together with huge potential mineral deposits.

Why Japan Fell ... and What It Teaches Us

The second problem is an aging, declining population, which dampens domestic spending. For decades, Japan's traditional family—a workaholic husband, a stay-at-home wife, and two children—has been besieged, as anthropologist Merry White of Boston University shows in her book *Perfectly Japanese*. Even in 1989, the fertility rate (children per adult woman) of 1.57 was below the replacement rate of about two. The poor economy further discourages family formation. For men, the age of first marriage is 35, up from 27 in 1990, says White. The fertility rate is about 1.3.

Switch to renewables will take generations, not years

The latest world energy outlook released by the International Energy Agency is a useful reminder of the enduring place of fossil fuels in the global energy mix. Energy demand and supply patterns change only slowly, and moving away from existing carbon-intensive energy systems will take generations, not years. Despite widespread worries about climate change, there is little evidence that the global energy picture is about to be transformed within the next two decades.

I Believe: 'For us to survive and thrive in a new century, we must peaceably dismantle the United States of Empire'

Here's a question I hear asked more and more by friends and neighbors in the Green Mountains of Vermont: How might we in Vermont create a more sustainable world for ourselves, and for our children, and for our children's children, in a 21st century Age of Limits?

Let me answer by starting with first principles: I believe the United States is no longer a functioning republic, but a dysfunctional empire.

NRG's electric vehicle network needs to expand outside Houston

NRG Energy is taking a big chance with its decision to invest more than \$10m to build a comprehensive electric vehicle-charging network across Houston, the energy capital of the world. Houston is such a big, sprawling city that coverage is going to have to be pretty good to make drivers feel confident enough to go out in their electric vehicles without having to be afraid of running out of juice before they can make it to the next charging station.

Palm Oil Slumps Most in 15 Months as China Moves to Curb Prices

Palm oil plunged the most in more than 15 months on concern that China's plans to cool domestic prices by selling cooking-oil stockpiles will reduce demand from the world's biggest user of the commodity.

Divided We Eat

As more of us indulge our passion for local, organic delicacies, a growing number of Americans don't have enough nutritious food to eat. How we can bridge the gap.

GOP ready to fight over global warming

Obama and his advisers claimed they didn't want EPA to regulate greenhouse gases, preferring instead to get the job done with a Congress-approved cap-and-trade plan. But many analysts saw EPA's moves as an implicit threat to lawmakers: pass cap-and-trade or else deal with EPA.

But cap-and-trade failed. Now the Republicans -- along with many coal-state Democrats -- are scrambling to stop the "or else" part of that equation.

Climate Talks Echo 50-Year `Bretton Woods' Process as Clean Energy Slips

It took decades for negotiators to write treaties that curb nuclear warheads and settle trade disputes between nations, and by that measure, efforts to limit global warming may just be getting started.

United Nations climate talks starting in Mexico next week will resemble "sitting in Bretton Woods in 1944," said Harvard University Environmental Economics Director Robert Stavins, referring to meetings that devised a new world financial system and envisioned an agency governing international trade.

"Climate negotiations are going to be an ongoing process, much like trade talks, not a single task with a clear endpoint," Stavins said in a telephone interview. "It took 50 years to build the institutions that led to the World Trade Organization. It wasn't something that was done in a moment."

Australian scientists say carbon emissions set for record

A new report has found that global carbon dioxide emissions are set to reach record levels this year.

The snapshot, published in the journal Nature Geoscience, shows that after a dip in emissions last year, greenhouse gases are on the way back up.

Leaking Siberian Ice Raises a Tricky Climate Issue

The Russian scientist shuffles across the frozen lake, scuffing aside ankle-deep snow until he finds a cluster of bubbles trapped under the ice. With a cigarette lighter in one hand and a knife in the other, he lances the ice like a blister. Methane whooshes out and bursts into a thin blue flame.

Gas locked inside Siberia's frozen soil and under its lakes has been seeping out since the end of the last ice age 10,000 years ago. But in the past few decades, as the Earth has warmed, the icy ground has begun thawing more rapidly, accelerating the release of methane - a greenhouse gas 23 times more powerful than carbon dioxide - at a perilous rate.

Nations That Debate Coal Use Export It to Feed China's Need

Traditionally, coal is burned near where it is mined — particularly so-called thermal or steaming coal, used for heat and electricity. But in the last few years, long-distance international coal exports have been surging because of China's galloping economy, which now burns half of the six billion tons of coal used globally each year.

As a result, not only are the pollutants that developed countries have tried to reduce finding their way into the atmosphere anyway, but ships chugging halfway around the globe are spewing still more.

And the rush to feed this new Asian market has helped double the price of coal over the past five years, leading to a renaissance of mining and exploration in many parts of the world.

"This is a worst-case scenario," said David Graham-Caso, spokesman for the Sierra Club, which estimates that its "Beyond Coal" campaign has helped to block 139 proposed coal plants in the United States over the last few years. "We don't want this coal burned here, but we don't want it burned at all. This is undermining everything we've accomplished."

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