



Drumbeat: August 8, 2011

Posted by [Leanan](#) on August 8, 2011 - 9:12am

[Saudi Arabia grapples with gas conundrum](#)

Experts warn that the kingdom's ambitious industrialisation plans and heavy subsidies mean that the new gas supplies are unlikely to lower the growing reliance on oil for electricity production.

HSBC estimates Saudi Arabia will burn as much as 1.2m barrels a day this year on electricity generation, almost double the 2010 amount, meaning a loss in valuable exports.

[Pemex to Hire More Guards to Reduce Theft, El Universal Reports](#)

Petroleos Mexicanos, Latin America's biggest oil producer, plans to hire 280 employees and improve its security equipment in an attempt to reduce vandalism and theft, newspaper El Universal reported today on its website.

[Petrobras Says Crisis May Reduce Appetite for Company Stakes](#)

(Bloomberg) -- The global economic crisis and plunge in stock markets may reduce demand for assets state-controlled oil producer Petroleo Brasileiro SA is seeking to sell as part of a divestment program, its chief executive officer said.

[Imperial, Exxon rejig oil sands "megaloads" plan](#)

CALGARY, Alberta (Reuters) - Imperial Oil Ltd and Exxon Mobil Corp said on Monday they have revised plans to ship massive pieces of oil sands equipment on U.S. highways after legal challenges and protests forced delays.

[FACTBOX-Deepwater rigs moved out of the Gulf of Mexico](#)

(Reuters) - Some of the 30-plus deepwater rigs that were in the Gulf of Mexico have moved to other markets, first because of a U.S. halt called in May 2010 after BP Plc's well blowout, and then because of the lack of permits in the months after the moratorium was lifted.

[Govt may cut petrol prices if crude falls further: Oil minister](#)

NEW DELHI: India, the world's fourth largest oil consumer, may cut petrol prices if global crude oil eases further, Oil Minister S. Jaipal Reddy said on Monday.

"If prices globally come down sharply, and in a stable way, naturally the price of petrol will be adjusted downwards," Reddy told reporters. "The softening trend must be stable."

[Tanzanian papers decry artificial fuel shortage by dealers](#)

All newspapers reported the new prices of petrol and diesel as fixed by the Energy and Water Utilities Authority (EWURA) in line with the government's directive to eliminate several levies that were previously charged on fuel.

As a result, EWURA reduced retail pump prices of petrol by 9.17 per cent and filling stations reacted immediately by turning away customers, claiming that their storage tanks had run dry.

[New Adnoc stations to ease Sharjah woes](#)

Abu Dhabi National Oil Company has been directed to solve Sharjah's fuel shortage after Enoc/Eppco petrol stations have stopped selling subsidised fuel and many of the outlets were closed due to official action from the Sharjah Government.

The new outlets are expected to divert long queues from the existing stations as motorists line up to refill their tanks at Adnoc due to non-availability of an alternative.

[Kuwait to build port despite threat](#)

KUWAIT CITY: Kuwait said Sunday that threats by Iraqi militants will not deter the oil-rich emirate from completing the construction of a controversial megaport between the neighboring nations.

[Libyan rebels set up force to protect oil fields](#)

BENGHAZI, Libya — Libya's rebels have set up a force to protect oil fields that have come under their control during six months of fighting against the army of Muammar Gaddafi, rebel officials said on Monday.

OPEC member Libya holds Africa's largest crude oil reserves and produced 1.6 million barrels of oil a day before an uprising against Gaddafi's 41-year-rule erupted in

February.

[Libya rebels deny losing hold on Bir al-Ghanam](#)

NALUT, Libya: Libyan rebels said Sunday they were firmly in control of the town of Bir al-Ghanam, a staging post about 80 km south of Tripoli, rejecting a government assertion they had been pushed back.

A small settlement in the desert, Bir al-Ghanam is also the closest point the rebels have come to Moammar Gadhafi's stronghold in the capital, lending it a strategic role in the rebels' six-month campaign to end Gadhafi's rule.

[Tepco sees one-off loss of 500 bln yen - Nikkei](#)

(Reuters) - Tokyo Electric Power Co is expected to report about 500 billion yen (\$6.44 billion) of extraordinary loss for the April-June quarter to make provisions for compensation to victims of the Fukushima Daiichi nuclear disaster, the Nikkei business daily reported.

With profit slipping in its core business, Tepco is likely to report a group net loss of more than 500 billion yen when it announces first-quarter results on Tuesday, the Nikkei said.

[Jordan to name nuclear plant builder in November](#)

AMMAN — Jordan said on Monday it will announce in November the firm it has chosen to build the parched kingdom's first nuclear plant to meet growing energy needs and desalinate water.

“Three companies were selected in June — a consortium by France's Areva and Japan's Mitsubishi, Russia's Atomstroyexport and Atomic Energy of Canada,” Energy and Mineral Resources Minister Khaled Tukan told AFP.

[Defkalion Responds; Ignores Rossi's Accusation](#)

Andrea Rossi, the inventor of the E-Cat (Energy Catalyzer), recently announced that he had canceled the licensing agreement with Defkalion Green Technologies Inc. Now, Defkalion has responded via a statement to Ny Teknik, but avoided addressing Rossi's most critical accusation -- the claim they have not built a working reactor.

[Book review: *Beyond Oil Bust: Investigating Oil Economics, Society and Geopolitics*](#)

In their recently published book 'Beyond Oil Bust' two researchers of the University of Nicosia James Leigh and Predrag Vukovic analyze the dramatic changes in the supply and demand of one of the most important sources of energy, oil, and they point to possible negative repercussions for the geopolitical map of the world. The authors first of all analyze the role of oil in the world economy starting from the first years of the twentieth century till today. It points to the fact that cheap oil was the basis that formed the overall development of the world economy – industry, mining, road, maritime and plane traffic, car manufacture, and cultivation of agriculture. It is almost unimaginable to point to a sector in which oil is not the energy progenitor or main energy input. The overall industrial society is built on the basis of one main source of energy – oil.

[Peak Oil Perceptions: If Gas Prices Soar, Who's Most Pessimistic?](#)

76 percent: gas prices could triple in 5 years

But it turns out a majority of the survey group thinks oil prices could *triple* in the next five years. Would this do serious damage to the economy? Far more self-identified conservatives than self-identified liberals say it would.

[A nation-sized battery](#)

So let's buy ourselves security and design a battery that can last a week without any new inputs (as before, could be 8 days at 12.5% average input, or 10 days at 30% input). This may be able to manage the worst-case "perfect" storm of persistent clouds in the desert Southwest plus weak wind in the Plains.

Let's also plan ahead and have *all* of our country's energy needs met by this system: transportation, heating, industry, etc. The rate at which we currently use energy in all forms in the U.S. is 3 TW. If we transition everything to electricity, we can get by with 2 TW, assuming no growth in demand. Why? Because we currently use two-thirds of our energy supply (or 2 TW) to run heat engines, getting only about 0.6 TW out for useful purposes in the bargain. An electrical system could deliver this same 0.6 TW for only 1 TW of input, considering storage and transmission efficiencies.

[Military urged to defend Antarctic territory](#)

AUSTRALIA is being urged to defend its claim to Antarctic territory in future military planning ahead of inevitable global competition for the icy continent's rich energy resources.

Antarctica is thought to have the world's third-largest oil reserves, locked away by an international treaty that preserves the territory from exploitation.

But a new Lowy Institute report released today warns other nations are eyeing the abundant energy reserves as new technology makes it easier to access the frozen continent.

[Oil Falls to Eight-Month Low in New York After S&P Downgrades U.S. Rating](#)

Oil fell in New York after Standard & Poor's lowered the U.S. credit rating from the highest level, stoking concern an economic slowdown will worsen and cut fuel demand in the world's biggest crude consumer.

Futures dropped as much as 4.9 percent to their lowest price in more than eight months. S&P cut the U.S.'s AAA rating to AA+ on Aug. 5 in response to a deal by President Barack Obama and lawmakers to raise the government's \$14.3 trillion debt limit. Oil pared losses after the European Central Bank was said to have bought Italian and Spanish government bonds.

[BP says Forties oil flow restarts, flow reduced](#)

LONDON (Reuters) - Oil flows through the North Sea Forties oil pipeline are reduced because bad weather delayed maintenance on an oil platform, trimming shipments of the crude, which usually sets the dated Brent benchmark.

Forties pipeline operator BP PLC said on Monday it restarted the line late on Friday as planned, although work on the Unity platform, which connects five oilfields to the main Forties line, was continuing.

[Analysis: European refiners could face another decade of pain](#)

(Reuters) - European refiners are poised for another decade of pain from low profits and run rates as a string of plant sales to emerging market investors only postpone inevitable closures .

[PetroChina shuts down Hohhot refinery for expansion](#)

(Reuters) - PetroChina has shut down its Hohhot refinery in the northern Inner Mongolia region and focused on construction of new equipment that will more than triple the refinery's capacity, the China Petroleum Daily reported on Monday.

[Iraq qualifies 41 oil companies for energy bidding round due in January](#)

BAGHDAD — Iraq has qualified 41 international oil companies to compete in its fourth international exploration licensing round in January.

Iraq is offering exploration rights to 12 mostly gas fields, and the list of companies released Monday by the oil ministry shows many of the same oil giants who won rights to other fields in earlier licensing rounds, such as Exxon Mobil, Chevron, BP and Royal

Dutch Shell.

[Norway's Statoil announces promising oil find in North Sea](#)

Oslo - Norwegian energy firm Statoil and its partners Monday announced a promising oil find in the North Sea, west of Stavanger.

The well in the Aldous Major South prospect was estimated to contain between 200 and 400 million barrels of oil equivalent (boe), the groups said citing preliminary data.

[Venezuela plans long-term boost in oil output](#)

CARACAS, Venezuela -- Venezuela's top energy official said the government is making progress on long-term plans to dramatically boost oil output and is also aiming to diversify an economy that remains heavily reliant on oil wealth.

[Kuwait denies joint oil development with Iran](#)

KUWAIT CITY — The oil ministry in OPEC member Kuwait on Monday denied that it has started a joint oil development with neighbouring Iran.

“There is no cooperation between the two sides in this regard,” said the ministry assistant undersecretary for technical affairs Ali Sabt, cited by the official KUNA news agency.

[Iran makes new '\\$133bn' gas find](#)

Iran has discovered a gas field with 495 billion cubic metres of gas that it estimates is worth \$133 billion, Deputy Oil Minister Ahmad Qalebani told a news conference on Monday.

[Iran's oil minister: Replace foreign oil companies](#)

TEHRAN, Iran - Iran's new oil minister says the country's powerful Revolutionary Guard's economic conglomerate should replace foreign oil and gas companies.

Rostam Qasemi told the official IRNA news agency that the economic conglomerate, Khatam-ol-Anbia, should be improved. He didn't elaborate.

[Iran says has not reduced oil exports to India for August](#)

(Reuters) - Iran has not reduced its oil exports to India for the month of August, Deputy Oil Minister Ahmad Qalebani said at a news conference on Monday.

[Iraq PM fires electricity minister](#)

BAGHDAD - Iraq's prime minister has fired his electricity minister, who is under investigation for allegations that he failed to follow government guidelines in the signing of \$1.7 billion in deals with two foreign companies to build power stations.

[Violent crackdown intensifies in Syrian city](#)

A besieged Syrian city came under fresh artillery fire early Monday as a deadly military assault left President Bashar Assad's regime increasingly isolated, with Arab nations forcefully joining the international chorus of condemnation for the first time.

[Big China bucks drive Ecuador](#)

QUITO - Ecuador sees the loans it has agreed with China as "good news" because they are long term, and all that is required in return is "oil, and not the horrendous adjustments imposed by the IMF [International Monetary Fund]," left-wing Ecuadorian President Rafael Correa told analysts critical of the size and high interest rates of the loans.

[Many enthusiasts bailing on boating industry](#)

John St. Martin, a mechanic at Fitchburg Marine in Lunenburg, estimates business has been off this year 30 to 40 percent.

As the price of gasoline has climbed and the economic news worsened, industry after industry has suffered, including the boating industry, where consumers are showing a reluctance to pay for hefty maintenance and repair bills as well as the fuel prices at the docks that often dwarf what the average motorist pays, industry officials say.

[Atomic Bomb Survivors Join Nuclear Opposition](#)

Now, as both Hiroshima and Nagasaki observe the 66th anniversary of the American atomic attacks at the end of World War II, the survivors are hoping that they can use their unique moral standing, as the only victims of nuclear bombings, to wean both Japan and the world from what they see as mankind's tragedy-prone efforts to tap the atom.

[U.S. Debt Deal Kills Off Prospects of Renewable-Power Support](#)

U.S. government support for renewable energy may plunge from record levels, setting back the use of wind and solar power before they can compete on their own with oil, gas and coal.

Direct spending, tax breaks and research funding pushed federal renewable-energy subsidies to \$14.7 billion in 2010, according to Alan Beamon, director of the Energy Information Administration's Office of Electric, Coal, Nuclear and Renewables Analysis. Project developers are lining up for subsidies approved in the 2009 stimulus bill as incentives expire and the deficit-reduction deal dims prospects for future backing of solar panels and wind farms.

[Wind Power Gains as Gear Improves](#)

The electric wind turbines built 30 years ago, after the 1970s oil-price shocks increased interest in the industry, often experienced serious problems. Some came apart in bad storms, some did not work well, even in good weather, and still others found insects piling up on the blades, slowing power production. Bird deaths at some early wind farms were alarmingly high.

Challenges remain, but the technology has come a long way in recent years, and wind farm operators have learned plenty of tricks, too, like the importance of shutting down the machines in high winds and the best places to put them to begin with.

[GlassPoint Solar Wins Huge Middle East Oil Field Contract](#)

Last November, Rod MacGregor, the CEO of innovative GlassPoint Solar approached oil drillers in the Middle East to offer Enhanced Oil Recovery (EOR) using solar, and returned with no orders. This week, he is announcing the fruit of the mission. His first MENA contract will be with Oman's 60% government-owned partnership with the Shell Group, Petroleum Development Oman.

[Group harvests urban fruit](#)

"We just noticed that there's a lot of food wasted in the city," said Morgan LaBrash, one of the founders of Fruit for Thought.

"We have a lot of local produce that's growing literally right in our backyard, and tons of people don't have access to fresh fruit. There's so much that goes to waste and we just wanted to do something about it - a sustainable alternative to people just throwing away the fruit once it's fallen."

[FACTBOX-Water trading schemes around the world](#)

(Reuters) - Trading water access rights takes place across the world as water resources are stretched by a rising global population, climate change and increasing urbanisation.

Global water use doubled from 1960 to 2000 and is projected to grow twice as fast as oil consumption by 2030, and forms of water trade are likely to play an important part in adapting.

[Oil sands expected to undo carbon cuts](#)

The development of Canada's oil sands will single-handedly undo greenhouse gas gains made by weaning the country's electrical supply off coal, a government study predicts.

The Environment Canada forecast of Canada's carbon output over the next decade casts in stark terms the challenge facing the country as it pursues major energy development at a time of continued global efforts to bat down emissions.

[Chinese, Arab airlines push back against EU ETS](#)

The China Air Transport Assn. and the Arab Air Carriers Organization reiterated their calls for the European Union to rethink plans to include aviation in its Emissions Trading Scheme starting next year.

[Is climate change to blame for famine in the Horn of Africa?](#)

So is famine in the Horn of Africa linked to climate change or not? The question arises whenever "extreme weather events" – hurricanes, floods, droughts – hit our TV screens. It's impossible to answer with a simple yes or no – but here's what we think we know so far.



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