



## Drumbeat: August 31, 2011

Posted by [Leanan](#) on August 31, 2011 - 8:05am

### [Has Peak Oil Come To The Non-Opec World? Maybe.](#)

The world's biggest oil companies put in a pretty pathetic performance in the second quarter of 2011. Not in terms of earnings — those were great, with Exxon posting \$10.7 billion and Royal Dutch Shell doing \$8 billion. Just what you'd expect with Brent crude at a lofty \$120 a barrel.

Where the results were disappointing was in the barrels. Of the 16 big U.S. and European oil companies studied by Deutsche Bank analyst Paul Sankey, 14 of them saw their production of petroleum decline in the quarter. Collectively, the drop amounted to 12% of total liquids volumes, or 1.2 million bpd. Their average output for the quarter totalled, 14.67 million bpd. Even excluding the effect of Libya's issues, the decline was 8%.

Only Exxon and Shell managed 1% volume gains in liquids.

### [Crude Heads for Monthly Decline in New York as Slower Growth Curbs Demand](#)

Oil fell, headed for its biggest monthly drop since May in New York, as signs of swelling inventories and faltering demand countered speculation the U.S. will take further steps to bolster its economy.

New York futures declined as much as 1 percent, snapping four days of gains, after the American Petroleum Institute said crude supplies rose 5.13 million barrels last week, the biggest increase since March. An Energy Department report today may say inventories fell 500,000 barrels, according to the median estimate in a Bloomberg News survey.

### [Gas prices to fall, but don't expect a big drop](#)

NEW YORK (CNNMoney) -- The price of U.S. oil has dropped nearly 25% since hitting its highs this spring, yet gasoline is down just 10%. So a big drop should be coming, right?

Sorta. Drivers can expect a bit of relief at the pump over the next few months, but they shouldn't look for too big a discount.

### [Cheaper petrol is an environmental threat : TEI](#)

Bangkok - Thailand's populist policy of slashing petrol prices at the pump to help the poor is expected to increase greenhouse gas emissions by 2,100 tonnes a day, an environmental think tank said Wednesday.

### [Repsol's Oil Search Threatened by Pemex Ally Sacyr Seeking Bigger Dividend](#)

Antonio Brufau's search for oil in Brazil and West Africa that boosted Repsol YPF SA (REP)'s reserves by 25 percent since 2005 is in jeopardy after two of its biggest shareholders allied to loosen his grip on the company.

### [Lukoil Quarterly Profit Rises 67% on Oil Prices, Beats Estimates](#)

OA O Lukoil, Russia's second-largest oil producer, said profit increased 67 percent in the second quarter after crude prices climbed, outweighing a decline in output.

### [BP Loses The Russian Arctic To Exxon](#)

Despite ongoing negotiations, Rosneft was not keen, and today's news appears to deliver the final blow to BP's Russian Arctic aspirations. It also ends the uncertainty over the affair. Investors will heave a collective sigh of relief for that.

### [BP lashes 'illegal' Russian raid](#)

BP has lashed out at Russian officials, branding a raid by bailiffs at its Moscow offices on Wednesday as "illegal" and without "legitimate grounds".

### [Damascus feels effects of crippled economy](#)

DAMASCUS, Syria – The rows of sparkling 18-carat-gold bangle bracelets have long since been removed from the cramped, tiny jewelry shops in the Salihiya neighborhood of Damascus. Many of the shops and travel agencies clustered in this popular shopping district are closed until further notice.

### [Timor's oil: blessing or curse?](#)

Oil has different meanings for different societies. For developed societies like the United States, Japan, and Western Europe, oil is like an addictive drug that people only want more and more of. It enables them to go everywhere. It helps them cook and regulate the temperature of their dwellings. Without oil, people in these societies couldn't sustain

their way of life. For these reasons, many countries go to war for the sake of securing access to oil.

However, oil has different significance for developing countries whose economies heavily depend on exporting oil and gas. When oil was discovered in their territory, it was their expectation that oil exports would help to boost their domestic economy through creating jobs, improving human resources, developing the non-oil economy, building infrastructure, and funding other social services. But this has rarely come to pass.

### [Conn. extends ban on price gouging in power outage](#)

HARTFORD, Conn. (AP) - Connecticut Attorney General George Jepsen has extended through Labor Day weekend a ban on price gouging for gasoline and heating fuel.

### [Oil price differentials, not emissions, the key to Keystone](#)

James Hansen, NASA's lead climate scientist, says if TransCanada Pipeline's Keystone XL mega-project connecting Alberta tar sands producers to Gulf Coast refineries is approved, it is game over for the planet.

It certainly won't be game over for Alberta's oil patch or the thousands of North American steel workers who will build the massive pipeline. And I rather doubt it will be game over for the planet. If Mr. Hansen is worried about emissions growth, he just has to look at where the global economy is heading these days.

### [Penn State study finds fewer jobs, royalty revenues going elsewhere; 'still big numbers'](#)

Jobs related to natural gas drilling in Pennsylvania's Marcellus Shale field were about half what previous studies had estimated for 2009, but the industry still supported about 23,500 jobs that year, according to a new study issued by Penn State researchers.

### [Pa. Gas Lease, Royalty Income Taxes Top \\$100MM](#)

Pennsylvania landowners are paying hundreds of millions of dollars in income taxes on money earned from Marcellus shale gas activity, and the tax revenue, like the drilling, is growing fast.

### [Mismanagement Blamed for Bay Area Gas Disaster](#)

WASHINGTON — The main cause of the natural gas pipeline rupture in San Bruno, Calif., that killed eight people and burned three dozen houses last September was 54 years of bad management by the Pacific Gas & Electric Company, and state and federal regulators who did not notice the problem, the National Transportation Safety Board

said on Tuesday.

### [How To Invest By Using Scenarios \(Part 2\)](#)

The scenario which has the greatest influence upon my investment strategy, and has done so for the best part of a decade, is "peak oil." It's a straightforward argument; when global oil production eventually falls, as it must do one day, oil prices will quickly rocket as everyone scrambles for the remaining output.

Peak oil could easily trigger wars, famines and a global depression, but investors in oil producers will be sitting pretty.

### [Arab Time Capsule - Rescuing for Future-building](#)

The tragedy of Arab authoritarianism and economic militarization of the oil producing Arab nations is more complex and full of individualistic horrors, societal complacency and political blunders. Almost at every opportunity offered by time and history, the absolute rulers took wrong turns and slipped into the vices and ruins of self-generated corruption. Post revolutionary planners and organizers and the new emerging educated and intelligent leaders of the Arab Middle East must make a navigational change and set priorities to detach the economy and politics from the oil fed thinking and consequential militarization and interdependency on the Western nations unto social and economic-political reconstruction of the Arab societies for a sustainable future.

### [Complete English translation of German military analysis of peak oil now available](#)

Last week the Bundeswehr posted an English version (112 pgs) of their extraordinary analysis of peak oil. The original German document (125 pgs) was approved for public release last November, yet neither the complete German version nor the partial English translation has attracted interest from mainstream media.

Now that a complete translation is available, it is hoped that media throughout the English-speaking world will see the Bundeswehr study for what it is: a comprehensive, realistic analysis of one of the most formidable challenges of this century, the (potentially imminent) peaking of global oil production.

### [Joel Salatin: How to Prepare for A Future Increasingly Defined By Localized Food & Energy](#)

Whether we like it or not, the arrival of peak oil is going to force us to realize that our heavily-energy intensive practices can't continue at their current scale. And with world population still increasing exponentially, we'll need to find other, more sustainable, ways of growing our food.

## [A Time Frame For Systemic Collapse](#)

A time frame for systemic collapse can be extrapolated easily from the on-line document *The Coming Chaos*, an abridgement of a larger text (see link below). The most significant page is at the start of the text, the chart of estimated past and future oil production. Most of the other time frames will parallel that curve. Then one can look at the chapter on electricity, which as Richard Duncan says will be the first really distinct, "on-off" type of indicator. The next parallel can be found in the chapter on economics, which mentions two "phases," divided by the point at which money as such is no longer an important means of exchange; past examples occurred with the crash of the USSR, and in Weimar Germany.

## [Sharon Astyk: When technical feasibility doesn't matter](#)

We are in the habit of forgetting the basis of will, energy and money that technical capacities rest on – we assume that because an outcome is desirable, it is therefore likely. But low infant mortality is eminently desirable, something I suspect most of us can agree on – and there are no major technical barriers. Thus John Michael Greer has found that when he questions the future of the internet, people base their case for the internet's persistence on its desirability, utility and current viability – without really recognizing that many things that meet those specifications don't happen for many people in the world.

## [The Seneca effect: why decline is faster than growth](#)

Don't you stumble, sometimes, into something that seems to make a lot of sense but you can't say exactly why? For a long time, I had in mind the idea that when things start going bad, they tend to go bad fast. We might call this tendency the "Seneca effect" or the "Seneca cliff," from Lucius Annaeus Seneca who wrote that *"increases are of sluggish growth, but the way to ruin is rapid."*

## [Coming Soon: A Brighter Day!](#)

If you were God for a day, what kind of energy would you choose to power civilization?

Looking at the planet God created, the choices currently being exploited seem few and largely unappealing. Oil, natural gas, coal: These provide comparatively abundant energy, but are terribly polluting and non-renewable: finite—here today, then gone forever. Peak oil is becoming increasingly evident, and civilization is about to be altered.

## [Why Do So Many People Believe in the Fantasy of Infinite Growth on a Finite Planet?](#)

Each day it becomes more apparent that we are on a misguided mission. Pursuit of perpetual economic growth is not a winning proposition for a lasting prosperity. Building a bigger economy can make sense in some circumstances, but *always* aiming to build a

bigger economy means taking an ever-bigger chunk out of the earth's ecosystems and the life-support services they provide. Why, then, do so many people believe in the fantasy of infinite growth on a finite planet? Is it because we can't come up with a better idea? Is it because the rich and powerful have trapped the rest of us in their web of conspiracy? Is it because people are hopelessly greedy and materialistic?

### [How Solar Energy Will Solve the World's Triple Unsustainability Crisis](#)

We are living in an era of global "triple unsustainability" — economic, social and environmental. The indisputable evidence is on the front pages every morning: the never-ending aftershocks from the financial crisis of 2007-2009, events like this year's North African rebellions and the now undeniable, acute effects of global warming.

Taken together, it represents a new reality that simply can't be wished away — a reality of unsolved problems crying out for new and fundamental solutions, not the same old Band-Aids that only mask the wound.

### [Earthquake may have exceeded nuclear plant's design](#)

A nuclear power plant has reported that last week's 5.8-magnitude earthquake may have created stronger shaking that it was designed to withstand, prompting the Nuclear Regulatory Commission to send additional inspectors to the Virginia facility this week.

### [Germany Dims Nuclear Plants, but Hopes to Keep Lights On](#)

BIBLIS, Germany — Not since the grim period after World War II has Germany had significant blackouts, but it is now bracing for that possibility after shutting down half its nuclear reactors practically overnight.

### [Wind power makes greenhouses greener](#)

OCEANSIDE, Calif. (CNNMoney) -- From the outside, it looks like a crash-landed blimp. On the inside, it feels like a wind tunnel. For inventor David Chelf, this strange structure -- a high-tech greenhouse with no skeleton, whose lightweight skin is held aloft on breezes from giant fans -- looks like the future of agriculture.

"I knew nothing could grow without airflow," Chelf explains. "And I thought if I could work with natural forces, like the wind, maybe I could create a structure that held itself up with very little energy."

### [Strong, light blades a boost for wind energy?](#)

Bigger is better ... when it's also lighter and stronger, goes the thinking of engineers and



materials scientists designing the next generation of blades to wring energy from the wind.

### [Bangladesh aims for big growth in solar energy by 2015](#)

DHAKA, Bangladesh (AlertNet) - Rural areas of Bangladesh are to see an increase in solar electricity generation as part of an ambitious plan to boost the provision of power from renewable sources.

The government has set a target of generating 500 megawatts (MW) of green energy – almost ten times the current amount – by 2015, in an attempt to narrow the gap between current supplies of grid electricity and the needs of the country's 160 million people.

### [Solar Purge Drives Weakest Into Bankruptcy, Buyouts With More Deals Coming](#)

The solar-equipment industry has begun its biggest consolidation in at least two years as photovoltaic systems plunge in price, forcing weaker companies to team with competitors or close shop.

### [Biden calls for new clean energy policy for US](#)

LAS VEGAS (AP) — The United States can't lead the world in the 21st century with its current energy policy, Vice President Joe Biden told alternative technology supporters Tuesday at a clean energy summit in Las Vegas.

The nation is already trailing China and Germany in green technology, Biden said. It will trade its dependence on foreign oil for a dependence on foreign clean energy technology if its leaders don't act to help fledgling green researchers and businesses, he said.

### [New 'most efficient' label takes Energy Star a step further](#)

Now, in its continuing effort to tighten the criteria for these appliances, EPA and the Department of Energy are announcing a new label, "most efficient," to recognize the best-of-the-lot products in terms of energy efficiency.

### [No driver needed: Firm in Iowa develops 'autonomous' tractor](#)

When the Kinze autonomy system arrives, it will be aimed at solving one of farming's most persistent problems: the scarcity of good help.

### [Making the most of extra summer produce](#)

For the 50 million Americans who can't afford food right now, fresh produce is a rarity. "We all have the responsibility to not waste food, even from the garden," says Lisa Braddock, who is founder of the Sunshine Harvest Sharing Project, which aims to link up gardeners in Illinois and Utah with food banks that could use the surplus. Nationally, the site [AmpleHarvest.org](http://AmpleHarvest.org) can connect you with food pantries in your area, even telling you on which days each will receive deliveries.

### [Protests in Iran Over Disappearing Lake](#)

The raw YouTube clips, of Iranian protesters filling the streets and clashing violently with members of the security forces on motorcycles, might seem familiar to readers who followed the wave of unrest over Iran's disputed presidential election in 2009, but the anger in the city of Tabriz this time has a more local cause: the government's failure to halt the gradual disappearance of a vast salt lake that is crucial to the region's economy.

### [Making a Life on a Tough, New Planet](#)

The months after the initial publication of *Eaarth* saw some of the most intense environmental trauma the planet has ever witnessed, events that exemplified the forces I have described in the book.

### [Can Water Treaties Be Climate-Proofed?](#)

International agreements on how to manage rivers used by more than one country are too inflexible, making them poor tools to deal with changes in freshwater availability caused by climate change.



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