



Drumbeat: September 2, 2011

Posted by [Leanan](#) on September 2, 2011 - 9:22am

[Will the real peak oil policy please stand up?](#)

There has been much excitement in the press recently about the last government's attitude to peak oil. Documents released under Freedom of Information requests seem to show New Labour facing both ways: dismissing the issue in public, while privately worrying about its potential impacts. Far more relevant today is the attitude of the coalition, which is just as perplexing and equally dangerous.

[Tropical Storm Lee closures cut about half of US Gulf oil production, 1/3rd of gas](#)

NEW ORLEANS — Tropical Storm Lee has cut off just under half of the normal oil production from the Gulf of Mexico's U.S. waters.

That's the word from the federal Bureau of Ocean Energy Management, Regulation and Enforcement.

[Moscow airports face fuel shortage](#)

A jet fuel shortage is looming over the Moscow airports. The situation is so critical that already on September 5, the airport officials will simply have nothing to fill the planes with. In the near future, Rosaviatsia (Federal Air Transport Agency) intends to request Rosrezerv (Federal State Reserve Agency) to provide the metropolitan airports with 180 thousand tons of fuel. Besides, the Agency is going to contact oil companies with a request to increase the supply of fuel by 10 percent.

[US natgas rig count falls by 3 to 895-Baker Hughes](#)

NEW YORK (Reuters) - The number of rigs drilling for natural gas in the United States fell by three this week to 895, the second straight weekly decline, data from oil services firm Baker Hughes showed on Friday.

[Global Offshore Drilling Pace Continues to Gather Steam](#)

A current global snapshot reveals that there are 760 offshore rigs divided into two main

types (277 floaters and 483 jackups) within the competitive fleet. The table above details the type of rig, the water-depth accommodated, and current region where these rigs operate. The highest concentration of shallow water rigs is located in the Middle East, which hosts nearly 31 percent of the total mix or 149 jackup rigs. From a highest contracted percentage, the best performing region is the North Sea, where 93 percent or 39 of 42 jackup rigs are leased. But the most active region for jackups falls back to the Middle East where 114 rigs are now under contract.

[Fuel Shortage Hits Dakotas, Minnesota](#)

FARGO - A critical shortage of gasoline and diesel fuel is showing no signs of improving. North Dakota Petroleum Marketers Association Executive Director Mike Rud says with the harvest getting underway and a huge demand for diesel, supplies are short.

[US, Mexican officials discuss plans to improve regulation of energy supplies in Gulf of Mexico](#)

WASHINGTON - The U.S. and Mexico are working toward a deal on how to share and regulate oil in reservoirs crossing their maritime border.

The State Department says officials spent two days this week in Washington beginning formal talks on a "trans-boundary energy agreement" for hydrocarbon reservoirs underneath the U.S.-Mexican border in the Gulf of Mexico.

[Analysis: Damages ruling may be pivotal in BP case](#)

NEW YORK (Reuters) - A key court ruling in the Gulf of Mexico oil spill litigation could change the landscape in the massive case -- encouraging more plaintiffs to sue, or spurring the parties to make a deal to resolve what could be a long string of trials over damages.

[Analysis: Research Group Defines 'Best' Fracking Practices to Ease Concerns](#)

A research group has issued a non-commercial white paper that outlines the most serious environmental concerns associated with hydraulic fracturing ("fracking") in oil and natural gas shale operations – and identifies emerging practices that could substantially ease these concerns, if they were put into wider use.

[Hundreds arrested during pipeline protest at White House](#)

WASHINGTON – Mary Mann, a 68-year-old grandmother from Atlanta, had never been arrested – until this week in front of the White House.

"I'm tremendously concerned about our children," says the petite woman in sneakers and a floppy sun hat. She's holding a sign with a campaign appeal President Obama once

made to free America from the "tyranny of oil."

[South Carolina Lawmakers Consider Gas Cap After it Failed in Hawaii](#)

State Sen. Dick Elliott is not only pushing forward with a goal of capping wholesale gasoline prices in the Palmetto State, he's confident that if South Carolina takes such a step, other states will follow.

"I believe that if South Carolina passes a price cap you'll see states across the nation follow our lead and impose price caps of their own," said Elliott, D-Horry. "The fact is, the oil companies will own us if we don't do something."

[Culture and behavior: The human nature of unsustainability](#)

In 1992 the Union of Concerned Scientists (UCS) issued the following gloomy assessment of the prospects for civilization:

We the undersigned, senior members of the world's scientific community, hereby warn all humanity of what lies ahead. A great change in our stewardship of the earth and the life on it is required if vast human misery is to be avoided and our global home on this planet is not to be irretrievably mutilated.

Thirteen years of continuing eco-degradation later, the Millennium Ecosystem Assessment, the most comprehensive assessment of the state of the ecosphere ever undertaken, was moved to echo the UCS sentiments:

At the heart of this assessment is a stark warning. Human activity is putting such a strain on the natural functions of the Earth that the ability of the planet's ecosystems to sustain future generations can no longer be taken for granted.

[The Myth of Fuel Efficiency](#)

Fuel efficiency is a good thing, right? I don't see why not.

But the prevailing myth is that fuel efficiency results in the use of LESS fuel.

It's just not true.

[Facing the new reality](#)

The Community Action Partnership, which is the umbrella organization of Community Action Agencies--which in turn administer the lion's share of anti-poverty programs in the US--has just come out with a report, Facing the New Reality: Preparing Poor America for Harder Times Ahead. Input for the report came from (among others) Nate

Hagens, Dmitry Orlov, Sharon Astyk, Dave Room, John Michael Greer, Megan Bachman, and Richard Heinberg.

[TNK-BP, Gazprom lead Russia to record-high oil output](#)

MOSCOW (Reuters) - Oil output in Russia, the world's top crude producer, hit a new post-Soviet high of 10.28 million barrels per day (bpd) in August on the back of production ramp-ups at TNK-BP and Gazprom, the Energy Ministry said on Friday.

Overall crude production last month edged up 0.2 percent from 10.26 million bpd in July.

Russia retained its position as the world's top oil producer ahead of Saudi Arabia, which also increased production last month to 9.9 million bpd, up by 50,000 bpd.

[Gas prices near a Labor Day weekend record](#)

NEW YORK — Gasoline is nearly the highest it's ever been for this time of year, just ahead of the Labor Day weekend.

The run-up in oil prices this year, combined with a rash of refining problems throughout the U.S., has boosted pump prices. The national average on Thursday was \$3.629 per gallon. Drivers will pay more for gasoline this Sept. 1 than in any other year except 2008, when pump prices hit an average of \$3.686.

Retail gasoline prices are rising in the U.S. even though motorists are buying less. Analysts say they have been pushed higher by a steady rise in international gasoline demand. Americans may be using less, but drivers in developing nations are using more.

[Oil Drops Before U.S. Jobs Data; Gulf of Mexico Rigs Shut as Storm Builds](#)

Oil dropped in New York, trimming a second weekly gain, on speculation that slower jobs growth in the U.S. may curtail fuel consumption in the world's largest economy.

Futures fell as much as 1.2 percent before data today that may show companies slowed hiring last month. A tropical depression in the Gulf of Mexico prompted companies including BP Plc and Exxon Mobil Corp. to shut almost 6 percent of the area's crude output. The storm may approach the Louisiana coast this weekend, according to the National Hurricane Center.

[Tropical Depression Stalls in Gulf of Mexico on Path to Louisiana's Coast](#)

A tropical depression in the Gulf of Mexico that has shut almost 6 percent of the region's oil production was "nearly stationary" in the south of Louisiana, according to the

National Hurricane Center.

[How Arctic oil could break new ground](#)

As ExxonMobil beats BP to strike a deal for Russian Arctic oil, what does it mean for the industry – and the environment?

[Ukraine ups stakes in gas dispute with plan to scrap Naftogaz](#)

Ukraine raised the stakes in its spat with Russia over gas prices on Friday, announcing plans to scrap national energy company Naftogaz and tear up its existing gas contracts with Moscow.

[TAPI pipeline project members welcome Russia's participation](#)

Russia wants to participate in the Turkmenistan-Afghanistan-Pakistan-India (TAPI) gas pipeline project, members of the project said in a joint statement on Friday.

[Russia may boost oil exports via Baltic in 2012](#)

(Reuters) - Russia is likely to increase its crude oil exports via the Baltic Sea ports in 2012 by 40 percent to around 100 million tonnes, an official at Russian oil pipeline monopoly Transneft told reporters on Friday.

[Due West: The rules of the oil game in Russia](#)

The foreign business community in Moscow is very agitated. Quick on the heels of ExxonMobil's unprecedented deal with Rosneft comes the Russian investigators' raid on the offices of BP. The company nearly became Rosneft's preferred partner in Arctic exploration last December. The deal got a personal blessing by Prime Minister Vladimir Putin. However BP's partners from TNK-BP (Viktor Vekselberg, Mikhail Fridman and Leonid Blavatnik) thought that BP broke its commitment to do business in Russia only via TNK-BP, which is co-owned by the British giant and the three oligarchs in question with about five per cent of the shares dispersed among minor shareholders.

[Senegal Plans Offshore Oil Drilling in 2012 as West African Output Grows](#)

Energy companies operating in Senegal will drill three offshore wells next year as the West African nation vies to join a growing group of regional crude producers, according to the state-owned oil company, Petrosen.

[Pemex Sees Potential Deep-Water Oil Drilling Ventures With Spain's Repsol](#)

Petroleos Mexicanos, the shareholder doubling its stake in Spanish oil company Repsol YPF SA, wants to jointly drill in deep waters though media reports say Repsol is resisting the growing power Mexico's state-owned company.

[Offshore issue halts gas flow at UK terminal](#)

(Reuters) - Gas exports from Conoco Phillips' Theddlethorpe gas terminal stopped on Thursday afternoon due to an operational issue offshore, a spokeswoman said on Friday.

[Major Countries Burn Up Crude Reserves: Whether Big Oil Is In Trouble](#)

It is something that peak oil advocates have been warning us for a long time; our world using up our last reserves of oil. While the day that the last drip of crude is burned up is a long ways out, some parts of the world may be heading for a major pinch in production. As our world population continues to expand, with the total predicted to hit nine billion by 2050, our addiction to crude only increases, as we use oil for a wide number of things in our daily lives. Besides its most dominant use as a fuel for automobiles and the like, oil is also used in a number of other processes like the production of plastics and variety of other industrial outputs.

[Profit from Peak Oil](#)

Twelve jackbooted thugs armed with assault rifles stormed the Moscow office of BP (BP).

These goons carried out a ritual search of the company in a show for the media.

To be sure, this raid is just one more example of the fight over limited resources.

[Obama can't catch a break on oil](#)

Poor Barack Obama. He opens up the country to a drilling spree -- and naturally progressives are pissed because, well, we care about things like clean air, clean water, and a livable climate.

But conservatives are strangely ungrateful, too! They blame Obama's supposed anti-drilling policies. So Mitt Romney said earlier this year, "People are hurting, gasoline's expensive, and the policies of this administration that have focused solely on green technologies are not keeping the cost of gasoline down."

Darn you, Barack Obama, for only quadrupling the number of oil drilling rigs in the U.S.!

[Dominion files plan to meet growing energy needs](#)

Dominion, the state's largest utility with about 2.3 million customers, said that expected changes in environmental regulations will likely mean it will close its coal-fired Chesapeake Energy Center by 2016. One coal-fired unit at its Yorktown Power Station would likely close by 2015 and the second unit at the facility would be converted to natural gas. New air emissions controls also may need to be installed at certain facilities.

The company's plans also include two new 1,300-megawatt, natural gas-fired power stations to be in service by 2016 and 2019 and 12 smaller natural gas-fired turbine units coming into service between 2020 and 2026 at locations to be determined. It already is seeking approval for additional 1,300-megawatt, natural gas-fired power station near Front Royal.

[EU agrees to ban crude from Syria](#)

SOPOT, Poland (Reuters) - European Union governments agreed on Friday to ban imports of Syrian oil in a move to strengthen economic pressure on the President Bashar al-Assad and his government, EU diplomats and officials said.

The oil embargo marks a significant step for the EU, which has so far taken an incremental approach to sanctions against Assad as they try to force him to end a crackdown on anti-government protesters and relinquish power.

[Nations Pledge to Support New Libya Leaders](#)

Leaders of the international coalition that helped topple Muammar Qaddafi pledged economic and military support to Libya's new administration as the former strongman vowed a long insurgency against his opponents.

[Libyan rebels round up black Africans](#)

TRIPOLI, Libya (AP) – Rebel forces and armed civilians are rounding up thousands of black Libyans and migrants from sub-Saharan Africa, accusing them of fighting for ousted strongman Moammar Gadhafi and holding them in makeshift jails across the capital.

Virtually all of the detainees say they are innocent migrant workers, and in most cases there is no evidence that they are lying. But that is not stopping the rebels from placing the men in facilities like the Gate of the Sea sports club, where about 200 detainees – all black – clustered on a soccer field this week, bunching against a high wall to avoid the scorching sun.

[Libya rebels aim to get oil flowing 'within days'](#)

Oil wells in Libya that were dormant during six months of civil war are expected to be running within "days", according to a rebel official.

[US debate over 'leading from behind'](#)

WASHINGTON - As rebels moved to consolidate control over a post-Muammar Gaddafi Libya, foreign policy analysts in the United States are debating whether Washington's role in the nearly six-month civil war in the oil-rich North African nation marks a new model for military intervention and "regime change" in objectionable countries.

[Panel awards Chevron \\$96m in Ecuador row](#)

An international tribunal has ordered Ecuador to pay Chevron a \$96 million fine for failing to rule on seven business cases filed in the early 1990s.

[China curbs Iran energy work under shadow of U.S. sanctions](#)

(Reuters) - China has put the brakes on oil and gas investments in Iran, drawing ire from Tehran over a pullback that officials and executives said reflected Beijing's efforts to appease Washington and avoid U.S. sanctions on its big energy firms.

[Exxon Mobil's Arctic Deal In Russia: Showcasing The Difficulties Of Finding New Oil Reserves](#)

If you turn the clock back to the turn of the century you will see oil prices in the \$20 range, every middle class family in America with two cars and per capita car growth in Asia growing rapidly. Today we have oil near \$90, every middle class family in America with two cars and per capita car growth in Asia growing rapidly.

The only thing that has changed is the price of oil. Oil prices are up four times, yet our lifestyles have not changed and oil demand globally continues to grow. It isn't speculators in the oil market driving up prices, it is supply and demand. And in the 10 years during which oil prices have quadrupled we haven't done anything to either address the supply challenges or control the increase in demand.

[The DOD Energy Consumption in FY2010](#)

Finally, Office of the Deputy Under Secretary of Defense (Installations and Environment) finally released the DOD's Annual Energy Management Report for Fiscal Year 2010.

This report focuses on energy used by military installations and non-tactical vehicles. For ease of discussion, this report refers to both as "facilities energy." In a footnote you will find out that this report does not address operational energy. This is the first shock

you will get on the first page.

[The Peak Oil Crisis: A Billion Vehicles](#)

In the United States, we have reached the stage where there is a motor vehicle for every 1.3 people and at least one for every licensed driver. This situation is unlikely to obtain in an era of little or no economic growth, limited employment opportunities and undreamed of energy costs. It is highly unlikely that there will be anything approaching 240 million registered vehicles in the U.S. 25 years from now. From the vantage point of 2011, it seems probable that many will not be able to afford to own and operate personal motor vehicles of the size and types we have today

The configuration and energy consumption of vehicles are likely to undergo more changes in the next 25 years than they have in the last 100. After all, the car and truck of 1910 was not all that much different than what we have today. Given what we now think of as high gas prices, vehicle manufacturers are falling all over themselves in efforts to produce much more fuel efficient vehicles.

[Car sales rise - against all odds](#)

NEW YORK (CNNMoney) -- Consumers shrugged off a slowing economy, plunging stock markets and even a hurricane to keep buying cars at a decent clip in August.

Industrywide sales were up 7.5% from a year ago in August. And the pace of August sales works out to an annual rate of 12.1 million, off only slightly from the July's 12.2 million pace.

[China says ConocoPhillips hasn't ended Bohai spill](#)

SHANGHAI (AP) — China's oceanic agency has ordered ConocoPhillips China to do a better job of preventing and cleaning up offshore spills in the Bohai Bay that have raised an outcry among fishermen and environmentalists.

The State Oceanic Administration said Friday that its investigation found the company had failed to fully comply with orders to completely clean up damage from the spills and to ensure they would not reoccur.

[Tokyo Electric: can avoid blackouts in Sept](#)

(Reuters) - Tokyo Electric Power Co said on Friday it expects to avoid rolling blackouts in the four weeks to the end of September, despite the closure of two nuclear plants in Fukushima following the March earthquake and tsunami.

[Japan nuke holdout resolved to stay](#)

TOMIOKA, Japan (AP) — Vines creep across Tomioka's empty streets, its prim gardens overgrown with waist-high weeds and meadow flowers. Dead cows rot where they were left to starve in their pens. Chicken coops writhe with maggots, a sickening stench hanging in the air.

This once-thriving community of 16,000 people now has a population of one.

[Md. state senator to join White House protest of plan to pipe oil from Canada](#)

WASHINGTON — A Maryland state senator plans to engage in civil disobedience at the White House to protest a plan to pipe oil from western Canada to the Gulf of Mexico.

Environmental activists have been gathering outside the White House for the past two weeks to protest the proposed Keystone XL pipeline. Sen. Paul Pinsky, D-Prince George's, plans to join them Friday, and he says he will risk arrest.

[Greens Gain in Germany, and the World Takes Notice](#)

BERLIN — A string of Green Party victories and strong electoral showings across Germany, from the conservative south to the port cities of the north, are helping to redefine politics among voters who are increasingly losing faith in the more established parties.

[Will the Transition to Renewables Be Fast or Slow?](#)

Yes, solar is a miniscule part of the energy budget, but history shows market shares can shift rapidly.

[Solar company that got federal loan shuts down](#)

WASHINGTON — A California solar-panel manufacturer once touted by President Barack Obama as a beneficiary of his administration's economic policies — as well as a half-billion-dollar federal loan — is laying off 1,100 workers and filing for bankruptcy.

[Exploiting mineral wealth makes sense](#)

Was it an accident that Tuesday morning's release of the Government's energy strategy, with its dangling promise of oil wealth, came just hours before Finance Minister Bill English announced the cupboard was bare in the Earthquake Commission's \$6 billion Natural Disaster Fund?

Hardly.

[Ignoring peak oil and scarcity - political myopia?](#)

Oil will one day run out and without a comparable substitute - we can expect a return to 1970s-style oil shocks. And, yet, politicians and economists prefer to ignore the truth.

[5 Reasons Why Peak Oil is a Myth](#)

For years this idea has been hotly debated on many grounds. Many argue that if the production were to really cross its peak what explains the ongoing trend of new discoveries of extensive reserves found across the world? How are certain countries able to increase production on demand or to offset supply drop in other countries? Can Peak Oil be an excuse many companies adopt to hike prices and control market and consumer dynamics in the world? Many such arguments abound that have tried to reveal the many layers that constitute the theory in a bid to quell the fear and ultimately expose the façade of increasing oil prices.

[Postcard from Europe, Verging on Collapse](#)

The end of capitalism might seem like the end of the world, but only because we haven't been listening to many of this nation's finest thinkers. Any anxiety we feel at this historic crossroads results because our expected living standards have been produced much like any other good in our consumer economy. Capitalism's true crisis results from our inability to imagine an alternative.

[The dilemma of growth, as dramatized by the voices in my head](#)

As economist Peter Victor says, "We've had 125,000 generations of humans, but it's only been the last eight that have had growth. So what's considered normal? I think we live in very abnormal times. And the signs are showing up everywhere that the burden we're placing on the natural environment can't be borne."

The limitations on oil are starting to get traction in mainstream political and economic discussion, because we've reached a situation where there isn't enough spare capacity in world oil supply to cushion prices against swings caused by unexpected events. (See: Libya.) This is what happens when demand outruns supply: not a steady rise in prices but large, painful, disruptive fluctuations. That's the new normal.

[Book Review: Is Humanity on the Ascent?](#)

Every once in awhile a book comes along that ushers in a massive paradigm shift on a

major societal issue.

The abolitionist cause was barely struggling along when it got a tsunami of support from Harriet Beecher Stowe's *Uncle Tom's Cabin*. The ennui of the suburban housewife and the travails of the inner city working single mother had apparently little in common until the "click" of consciousness engendered by Betty Friedan's *The Feminine Mystique*. And Rachel Carson's *Silent Spring* almost single-handedly spawned the environmental movement.

The Ascent of Humanity: the Age of Separation, the Age of Reunion, and the Convergence of Crises that is Birthing the Transition by Charles Eisenstein is just such a book for everyone concerned with the crisis of civilization to which humanity seems to have brought itself.

[Teaching peak oil to preteens](#)

A new graphic novel series invites preteens to join Luz and her friends as they learn about and transform their fossil-fueled world.

[The way the future wasn't](#)

It's a trajectory worth studying for more reasons than one. The intersection of imperial extravagance, technological triumphalism, and anti-Communist panic that flung billions of dollars into a quest to put men on the Moon made it possible, for a little while, for a minority of visionaries with a dream about the future to think that their dream was about to become reality. The dream unraveled, though, when the rest of the universe failed to follow the script, and a great many of the visionaries found themselves sitting in the dust wondering what happened.

[Campaign group wants national debate on food safety](#)

A Sydney food campaign group says Australia needs a major overhaul to ensure fair, sustainable and resilient foods systems are in place and have called for a debate on the issue.

The Sydney Food Fairness Alliance (SFFA) have expressed their concerns in a submission on the National Food Plan due today, where they have highlighted their concern about how the food environment will be impacted by climate change.

[Keeping Industrial Plants Cool and Fish Alive](#)

It's hard to fathom how one sentence has sparked nearly 40 years of heated controversy and relentless litigation. But when the sentence in question is part of the Clean Water Act and its application in practice has a potential price tag of \$100 billion to some of the largest power plants in the country, it's even harder to imagine how the

issue will actually ever be resolved.

[South Africa: Global Warming Threatens Food Security](#)

Pretoria — The food security threat posed by climate change is one of the greatest challenges facing the African continent, says Agriculture, Forestry and Fisheries Minister Tina Joemat-Pettersson.

"Africa has the responsibility to feed the world as well as its own African people, but we are faced with enormous climate change constraints such as severe drought, floods dreadful diseases.

[UN: Netherlands most disaster-prone EU country](#)

Of all European countries, the Netherlands is most at risk from natural disasters and climate change.

[Russia, US join forces in race for Arctic oil](#)

Moscow/New York - Russian and US companies are joining forces to exploit some of the world's largest deposits of oil and gas, which are thought to lie under the Arctic's ice.

As the ice is slowly receding because of global warming, the petroleum fields finally seem to be accessible.

[Developing the North: Great riches, greater challenges](#)

IQALUIT, Nunavut — At the rim of the Arctic Circle, gold mining firm Agnico-Eagle is learning how tough it is to operate in a remote region with temptingly large, but frustratingly inaccessible, reserves of oil, gas and minerals.

Commentators rarely mention nightmarish logistics, polar bears and steel-snapping cold when they confidently predict that as the Arctic warms up, melting sea ice and shorter winters will open up the expanse to exploration.

But the rosy words obscure the reality of working in an icy wasteland that stretches across Russia, Scandinavia, Alaska and Canada. And rather than making life easier, the warming of the Arctic and the thawing of its permafrost could make operating here even more complicated.



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