



## Drumbeat: November 4, 2011

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### [UAE - World likely to face severe oil crunch by 2015](#)

(MENAFN - Khaleej Times) There could be a severe global oil crunch by 2015 due to drastic changes in the oil market fundamentals, a World Bank consultant told the 17th Annual Energy Conference of the Emirates Centre for Strategic Studies and Research (ECSSR).

Addressing the ECSSR conference in the UAE capital, Dr Mamdouh Salameh, Consultant on Oil and Energy Affairs for the World Bank, said: "Unfortunately, the current alignment of these fundamentals can only lead to a severe tightening of the oil market. Other major factors impacting on the global oil market are China and the declining influence of OPEC. An analysis of these fundamentals indicates that a severe oil crunch could be in the offing, probably by 2015 or thereabouts, with oil prices projected to exceed the level reached in July 2008."

### [Oil Rises to Three-Month High After Greece Cancels Referendum](#)

Oil rose its highest in three months in New York as signs that Europe will reach an agreement with Greece on a rescue plan reduced concern economic growth will falter and damp fuel demand.

Futures rose as much as 0.9 percent and are poised for a fifth weekly gain, the longest rising streak since April 2009. Greece won't hold a public vote on a bailout package, Finance Minister Evangelos Venizelos told lawmakers in Athens yesterday. Oil is approaching its 200-day moving average, which is at \$94.84 a barrel today, according to data compiled by Bloomberg.

### [Heating Fuel at Record as European Diesel Surges: Energy Markets](#)

European consumers will probably pay the most ever to run diesel cars and heat their homes this year, at a time when unemployment is at the highest in more than a decade and economic confidence is falling

### [Energy landscape in 2012 and beyond](#)

LONDON (Reuters) - Global energy markets stand at a crossroads. The big themes that dominated the opening years of the century (prosperity, markets, peak oil, global warming and clean technology) are giving way to a different set of concerns centred on inequality, affordability, regulation and techniques for extracting oil and gas from tight rock formations and ever-deeper below the surface.

### [ASPO-USA Conference Report: Thursday Morning Notes](#)

ASPO-USA has gone from a pure technical study of Peak Oil to emphasizing the economic impact and moving towards policy recommendations.

### [The end of cheap oil](#)

As China, India and other emerging economies continue to grow it is simply not possible for oil production to keep up, according to Candice Beaumont, a managing director of L Investments, a leading single family office with substantial investments in commodities.

### [North American Oil Development Is Reducing Demand for Foreign Oil](#)

The September 15 report from the National Petroleum Council expressed surprise at how much has changed just since their "Hard Truths" report of 2007 that domestic energy development was falling behind escalating demand.

### [Total Chairman and CEO Christophe de Margerie](#)

But unlike some of his fellow oil men who claim peak oil is far off, de Margerie has a much more conservative view on oil reserves. "We don't know everything," asserts de Margerie, "but on oil reserves and production we know a lot, and it's our duty to speak out."

De Margerie has gone on record claiming that in a few years global oil production will peak at 95 million barrels per day, after that, he says, "There will be a lack of sufficient energy available."

### [Total says offshore Libya output back to pvs levels](#)

CAPE TOWN (Reuters) - French oil company Total's offshore production in Libya has reached the same levels as before output was severely disrupted by an uprising that toppled Muammar Gaddafi, and would soon start production onshore, a senior company official said on Friday.

"When we were back and we saw that our facilities are OK ... and we've been able to restart production off-shore and within 15 days bring back to levels we had before," Jacques Marraud des Grottes, the country's senior vice-president Africa, told an oil

conference.

### [Petrobras Discovers New Source Of Oil In The Gulf Of Mexico](#)

SAO PAULO -(Dow Jones)- Brazilian state-run oil company Petroleo Brasileiro (PBR), or Petrobras, late Thursday said it has found a new source of oil in the Gulf of Mexico.

"Petrobras announces a new oil discovery in the extreme southwestern part of the Walker Ridge concession area, located in America's Gulf of Mexico ultra-deep waters. The discovery confirms the Lower Tertiary's potential in this area," the company said, without providing an estimated size of the discovery.

### [Filling up the future](#)

Its remarkable offshore oil bonanza could do Brazil a lot of good. But getting the most out of it will not be easy.

### [Gazprom to open office in Brazil](#)

MOSCOW (UPI) -- Russian energy giant Gazprom announced it opened a regional office in Brazil, describing Latin America as a strategically important region for natural gas.

Gazprom is active in Latin America through partnerships with energy companies in Venezuela and Bolivia. The company announced that it was solidifying its position in the region by opening an office in Rio de Janeiro.

### [Ukraine hopes to complete gas talks with Russia in November](#)

Ukraine hopes to complete talks with Russia on the revision of the current gas contracts in November, Ukrainian Economic Development and Trade Minister Andrei Klyuyev said on Friday.

### [Sinopec, PetroChina Rise on Price Speculation](#)

China Petroleum and Chemical Corp. and PetroChina Co., the country's biggest fuel producers, rose in Hong Kong trading on speculation that the government may allow Chinese refiners to adjust prices on their own.

### [Ex-nuclear chief urges joint GCC effort](#)

Hans Blix believes a group similar to the International Atomic Energy Agency, but specific to the Middle East, could lead to a region-wide nuclear energy market.

### [Exclusive: Post-Fukushima nuclear generation could fall 15 pct](#)

(Reuters) - The Fukushima disaster could lead to a 15 percent fall in world nuclear power generation by 2035 when power demand may rise by 3.1 percent a year, according to a draft copy of the International Energy Agency's 2011 World Energy Outlook.

Following Fukushima, many countries put their nuclear power policies on hold or under review and some, including Germany and Switzerland, opted out of the technology entirely.

### [Tepco lists fuel needs to make up for nuclear loss](#)

TOKYO (Reuters) - Tokyo Electric Power Co on Friday projected it will consume a record 22.6 million tonnes of liquefied natural gas (LNG) in the financial year to next March, 3.14 million tonnes more than a year earlier, to make up for lost nuclear power output.

The company, better known as Tepco, is still reeling from the crisis at its Fukushima Daiichi nuclear plant triggered by the March 11 earthquake and tsunami, and has just two of its 17 nuclear reactors operating as the world's worst atomic accident in 25 years has halted restarts of reactors shut for maintenance.

### [Japan Starts Bailout of Tepco After Fukushima Causes More Losses](#)

Tokyo Electric Power Co. won approval for a 900 billion yen (\$11.5 billion) bailout from the government after the Fukushima nuclear catastrophe to avert bankruptcy and start paying compensation for the crisis.

### [Protesters shaken and stirred by tremors](#)

Some say Lancashire will be the next Texas, with gas wells triggering an economic boom. Others fear it could be more like California after a report confirmed that two minor earthquakes that hit Blackpool were caused by gas extraction.

### [E.P.A. Fracking Study Due in 2014](#)

The initial research results will be released to the public next year, and the final report is due in 2014, the agency said.

## [The Peak Oil Crisis: Cold Fusion Redux](#)

If this development is for real, and we will not know for a while, parts of our understanding of nuclear physics will have to be rethought for it seems there is much more in nature to learn about. Cheap, pollution-free energy could, in theory, reset the clock on global warming for if these devices spread rapidly, the transition away from carbon-based energy might just happen in time to save the earth. Cheap energy would allow for cheap desalinization of water, cheap transport, cheap food, and a lot of other changes.

## [Answer not blowing in the wind](#)

Peak renewables are actually in a worse state than oil, and according to the United States Department of Energy, 14 essential elements will hit critical short supply in little more than five years. The sun won't run down anytime soon.

The problem is that catching its rays in a practical way requires high-tech devices, and these depend on transition elements and rare-earth minerals. They are well named indeed - most being much scarcer than oil.

## [House Panel Votes to Subpoena Solyndra Documents](#)

Over the protests of its Democratic minority, a House subcommittee voted on Thursday to authorize the chairman of the Energy and Commerce Committee to subpoena documents from the White House related to the solar manufacturer Solyndra.

## [Sustainability=Survival at 'Occupy' Protest](#)

Protesters make due with what they have. Twice a week, sustainability meetings are held in the glass-enclosed courtyard of the Deutsche Bank building. This week participants discuss recycling and compost: they need volunteers to stand at each of the dozen stations to make sure people sort their trash properly. They're switching to compostable plates and cups and will meet with a local farm service to discuss the options: recycled paper versus bioplastic and which brands decompose the quickest.

## [Ain't afraid of no growth?](#)

Known locally as "the anti-growth guy," or maybe as the City Council candidate who lost to incumbent Jerry Heimlicher a couple years ago, Gardner is releasing his first documentary, GrowthBusters, locally on Wednesday, Nov. 9.

Its simple premise: Population growth and development must stop. Actually, Gardner says, the economic downturn signals the beginning of the end of growth, a breaking point. He believes everyone will need to adapt in a new, more sustainable world.

## [Transition Towns: Going Local, Going Green, and Meeting the Neighbours](#)

The Transition movement was founded to protect local economies against global fuel instabilities and as a response to climate change. But with its growth has also come a rediscovery of a sense of community lost over recent decades.

## [Don't Pollute and Be Freer](#)

Saving electricity is very good for the health of one's pocket and for the whole planet. Each kilowatt of consumption implies a quantity of pollutants being released into the atmosphere, seas and obviously our lungs.

Saving electricity also helps us to be freer and less dependent on energy companies or governments that produce that invisible resource.

## [Enel builds first smart grid in Italy](#)

(Reuters) - The distribution arm of Italy's biggest utility, Enel, has started installing the first smart grid in Italy, part of its push to develop the technology needed to handle electricity flows from decentralised, fluctuating renewable power sources.

## [Meager grid input hampers China efficiency, emission efforts](#)

(Reuters) - Insufficient regional grid investment, improper power plans and other factors have hampered China's efforts to improve power generation efficiency and cut pollutant emissions, data from the State Electricity Regulatory Commission (SERC) showed.

## [What's the Buzz? The 10 hottest topics in biofuels right now.](#)

Here are 10 themes that are shaping up to be the Buzz of the conference.

## [SunPower, First Solar Reorganize as Prices, Demand Decline](#)

SunPower Corp. (SPWRA) and First Solar Inc. (FSLR), the two largest U.S. solar manufacturers, will reorganize as increased competition from China drives down prices and pushes weaker companies into bankruptcy.

## [When should we pursue energy transition?](#)



When is the right time to execute energy transition – from roads to rail, and from fossil fuels to renewables?

### [The Austerity Agenda, Part 1: Blood from a Stone](#)

I wrote about all of this before, just recently, in my blog, “The Limits of Growth and the Coming Recession: Why Measuring Matters”, so I won’t go into great detail again here. Quickly, though, when the recession hit in 2008, oil prices had never been higher. As people lost their jobs and there was less economic activity, oil prices began to fall. As the economy began to rebound, thanks to lower energy prices and a massive injection of public money, things started to pick up again and the price of oil began to rise. The same thing will undoubtedly happen again when the next recession hits.

However, oil prices (and the price of all non-renewable energy sources) will never fall back to where they were in the mid-2000s or before, because of resource depletion. That’s what Peak Oil is all about. So, although the price of oil may fluctuate with economic output, the overall trend is towards ever-higher prices. Which in our economy will mean less economic output, and less growth, maybe even decline.

([Part 2](#) here, and [Part 3](#) is here.)

### [David Korten: Capitalism, Democracy, and Food \(Video\)](#)

Korten explains that our existing industrial agriculture system receives essential public subsidies (and tax support) that offset the real costs of energy, and food production. Without these supports, the global food system would no longer be economically viable. Who are the true beneficiaries of a food system that separates the eater from the source of their food? The large agribusiness corporations. Korten argues that both "peak oil" and climate change makes it imperative that we transition to a more localized food economy to insure continued access to adequate food supplies.

### [Increased use of bikes for commuting offers economic, health benefits](#)

MADISON – Cutting out short auto trips and replacing them with mass transit and active transport would yield major health benefits, according to a study just published in the scientific journal *Environmental Health Perspectives*. The biggest health benefit was due to replacing half of the short trips with bicycle trips during the warmest six months of the year, saving about \$3.8 billion per year from avoided mortality and reduced health care costs for conditions like obesity and heart disease.

The report calculated that these measures would save an estimated \$7 billion, including 1,100 lives each year from improved air quality and increased physical fitness.

### [A Conversation With Kevin Dooley, Sustainability Consortium Director](#)

## What's a sustainability trend that you wish would go away?

Climate change skepticism. It's frustrating that a small minority can have such negatively influence on our ability to make progress. And if you don't believe in climate change, do you also not believe in peak oil? Either way, we're in for some big changes.

[UN Body Urges Europe to Omit Foreign Airlines From CO2 Curbs](#) International airlines should be exempt from the European Union's planned curbs on carbon-dioxide emissions, a United Nations aviation panel said in a declaration that draw together China, Russia, and the U.S.

## [Africa: Politics of Resource Extraction and Climate Change in Africa](#)

Climate change is set to intensify, resulting in a rising number of conflicts around the extraction and export of Africa's natural resources to feed the industries of the historically biggest polluters in the industrialised north, writes Godwin Uyi Ojo.

The last 15 years or so has seen a steady rise in resource conflicts across Africa and this is prompting a renewed examination of the manner in which resource extraction is undertaken on the continent.

[Report: Global carbon dioxide output soaring: US department of energy says greenhouse emissions rose six per cent in 2010, far more than recent worst case scenario](#)

In 1990, developed countries produced about 60 per cent of the world's greenhouse gases, now it is probably less than 50 per cent, Reilly said.

"We really need to get the developing world because if we don't, the problem is going to be running away from us," Weaver said.

"And the problem is pretty close from running away from us."



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