



Drumbeat: October 27, 2012

Posted by [Leanan](#) on October 27, 2012 - 10:45am

[America's \(Un\)Peak Oil](#)

Will the US be the globally dominant producer in 8 years? Maybe. Production is trending that way, but 8 years is a long time to forecast, and long-term forecasts are fraught with peril.

Just another reason you shouldn't fear Peak Oil. Peak Oil (also known as Hubbert's peak theory) is the idea that, eventually, oil production will peak and start falling. Hard to argue with that—crude oil is a finite commodity.

Yet, in some circles, it's given way to panic. Folks who ardently believe in Peak Oil (capital P, capital O) believe the era of Peak Oil is upon us, or, worse, already passed. This (they believe) will usher in an era of economic stagnation and possible a forced return to subsistence living. (Google "peak oil" and you can find websites recommending how to prep your doomsday bunkers and learn to farm.)

[Crude Pares Second Weekly Loss as Hurricane Approaches](#)

Oil pared a second weekly loss, rising with gasoline and heating oil on concern that Hurricane Sandy will disrupt East Coast refinery production and as the U.S. economy showed signs of growth.

Prices advanced as Sandy was forecast to intensify into a "Frankenstorm" that may become the worst to hit the U.S. Northeast in 100 years. The gross domestic product grew at a 2 percent annual rate in the third quarter, according to the Commerce Department, exceeding analysts' expectations.

[Cold blast may tighten Atlantic heating oil supply crunch](#)

LONDON/NEW YORK (Reuters) - A blast of Arctic air sweeping through Europe and snow storms in the United States this weekend are likely to push up already lofty diesel and heating oil prices, further burdening economies struggling to bounce back from recession.

Surges in demand combined with very low stocks on both sides of the Atlantic will exacerbate supply shortages that distributors are seeing in Europe and boost already lofty refining margins.

[Gasoline Decline Blunting Romney Weapon](#)

The longest losing streak for gasoline futures since trading began on the New York Mercantile Exchange in 1986 means that prices at the pump will continue dropping through the Nov. 6 presidential election, AAA says.

[Tumbling Gasoline Prices Diminish Issue for Obama Critics](#)

The 17-day slide in gasoline prices this month may diminish a campaign issue that President Barack Obama's critics have frequently raised though the decline is unlikely to sway undecided voters.

[Widespread U.S. Power Outages Possible When Storm Arrives](#)

The weather system probably will cut power to millions of people for a week and ground airplanes. The cyclone, dubbed "Frankenstorm" by the National Weather Service, will grow out of Sandy and two other storms rushing eastward across the U.S., said Tom Kines, a senior meteorologist at AccuWeather Inc. in State College, Pennsylvania.

[New Jersey prepares for Hurricane Sandy's worst](#)

Officials were reminding residents that stores are prohibited from raising prices on emergency items and gasoline by more than 10 percent before a storm. "Price gouging will not be tolerated," Donovan said.

[Authorities monitor Mount Vernon gas prices](#)

MOUNT VERNON — The Illinois attorney general's office confirmed Friday its personnel have been notified about retailers possibly gouging on gas prices in Mount Vernon and are monitoring the situation.

[Singapore Airlines to End World's Longest Non-Stop Flights](#)

Singapore Airlines Ltd. will end non-stop services to New York's Newark Airport and Los Angeles, the world's longest commercial flights, next year because of rising fuel prices and slower demand for intercontinental trips.

[Shale Glut Becomes \\$2 Diesel Using Gas-to-Liquids Plants](#)

Drivers are next in line to benefit from the U.S. shale boom.

Technologies that create motor fuels from raw materials other than oil, some drawing on techniques first commercialized in Nazi Germany, are poised to turn the glut of U.S. natural gas into energy for cars, trucks and planes.

[Somali immigrants get heating oil gift from Muslims](#)

The Muslim Society of P.E.I. says it will cover the \$1,400 oil bill of a Somali woman who was in danger of running out of oil with winter just around the corner.

[Brazil's Petrobras Posts Surprise Profit Decline on Costs](#)

Petroleo Brasileiro SA, the world's biggest oil producer in deep waters, said third-quarter profit fell 12 percent, missing analysts' forecasts, after fuel imports pushed up costs and crude output slipped.

[Oil firms to slash fuel prices on Monday](#)

MANILA, Philippines – Petron Corp., Pilipinas Shell and several independent oil players announced on Saturday that they will cut fuel pump prices starting Monday.

[Major natural gas find by Saudis. A shift ahead?](#)

Saudi Arabia has every incentive to develop its new natural gas discovery in the Red Sea. If it doesn't, it could become an oil importer in the decades ahead.

[Norway's Arctic gas may see demand in Europe after 2020-IEA](#)

A rise in gas demand for power generation in Europe after 2020 may provide a case to extract gas from Norway's Arctic region, which is so far considered too remote and expensive to compete in the market, an IEA official said on Friday. Norway plans to award oil and gas exploration drilling permits in up to 86 blocks next year, mostly in the Arctic region where exploration is booming after recent large discoveries.

[Egypt looks to Qatar to boost gas supplies](#)

Egypt is turning its attention to Qatar to help with its liquefied natural gas (LNG) supply levels, having agreed a similar deal with Algeria.

[Iran to Restart Gas Exports to Turkey](#)

Iranian natural gas supplies to Turkey, disrupted due to a pipeline blast in the north eastern part the country, are set to start again, Press TV has reported quoting an Iranian official.

[Oil majors back Kurdistan](#)

Iraq's Kurdistan region in the country's north may not be recognized as an independent state by the United Nations, let alone by Iraq's central government, but Kurdistan has all the recognition it needs from those who count — the U.S.'s ExxonMobil, France's Total, Russia's Gazprom, European trading houses Trafigura and Vitol, and other players in the world's energy markets.

[Insight: BP oil spill settlement before election seen unlikely](#)

HOUSTON (Reuters) - For a president locked in a tough re-election fight, it may look like political gold: a settlement between the U.S. Justice Department and BP Plc over the Gulf of Mexico oil spill that could send billions of dollars to Florida, one of a handful of politically divided states that could decide the November 6 contest.

Yet a last-minute settlement with London-based oil giant BP is unlikely before the election, experts say. Neither the Justice Department or President Barack Obama, whose race with challenger Mitt Romney is deadlocked in most polls, want to appear to politicize a deal. And Obama appears to face more potential risks than benefits from any settlement at this point.

[Police disperse east China chemical plant protesters](#)

NINGBO, China (Reuters) - Police dispersed more than a thousand protesters in the eastern Chinese city of Ningbo on Saturday who were demonstrating against plans to expand a petrochemical plant.

The protests, which had turned violent on Friday, illustrate a major challenge for the leadership as it readies for its once-in-a-decade power transition, and tries to maintain social stability but also show it is listening to the complaints of ordinary people.

[China's State Grid to help solar power producers-report](#)

(Reuters) - China's largest state-owned utility State Grid Corp will allow some solar power producers to connect to the national grid for free, in a bid to help the ailing solar industry, the official China Daily newspaper said.

[U.S. Poised to Be World's Top Oil Producer, Part of 'The New Middle East'. The Bad News: We'll Also Have Their Climate.](#)

Prices are also expected to stay high at the pump -- so much for consumers benefiting from "drill, baby drill."

[Anger as oil chief appointed to climate committee](#)

Wide condemnation has been expressed at the appointment of climate change sceptic and oil company director Peter Lilley to the House of Commons energy and climate change select committee.

[Toward a Tougher Cap and Trade Program](#)

The multistate carbon trading system known as the Regional Greenhouse Gas Initiative is undergoing its first comprehensive review since it was first put into effect in 2009.

[As climate change causes sea level to rise, New Jersey must adapt](#)

We need to look at low-lying countries such as the Netherlands for guidance. Since we clearly do not want to lose our tourism and recreation industry, we must rethink how our coastal communities are built. Raising structures will help, but ultimately we may lose much of our barrier islands, or at least lose them for long periods of time. We may need to rethink our shoreline — perhaps building destinations that are on the mainland. Sea walls and dunes will not offer long-term protection; we may need to plan for inland resorts with shuttles to beaches.

[You Will Pay For Hurricane Sandy—Even If You Live Nowhere Near It](#)

Experts are already projecting that Sandy will be a billion-dollar disaster for the US. Last year, Irene alone causing \$4.3 billion in losses—and that was just one of 14 storms that cost at least a billion dollars. And while damage caused by a storm like Sandy can be expensive for people who live in its path, it's also costly for everyone else: After Social Security, the National Flood Insurance Program is the second largest fiscal liability for the US government, insuring \$527 billion of assets in the coastal flood plain. Private flood insurance is difficult, if not impossible, to come by.



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