



## DrumBeat: January 19, 2007

Posted by [threadbot](#) on January 19, 2007 - 10:05am

Topic: [Miscellaneous](#)

### [U.S. petroleum demand dipped in 2006](#)

While oil companies reaped gargantuan profits in 2006 amid high prices, U.S. demand for petroleum dipped for the second year in a row, a trade group said Friday.

Total U.S. petroleum deliveries, a measure of demand, fell by roughly 1 percent to 20.6 million barrels per day, down from 20.8 million in 2005, which was below the 2004 level, according to a report by the American Petroleum Institute.

The analysis was released one day after the Paris-based International Energy Agency estimated that oil demand in the world's industrialized countries declined by 0.6 percent in 2006. Global demand rose in 2006 due to the strength of consumption in China and the Middle East, but the world's appetite has grown at a slower pace for two straight years.

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### [OPEC cuts estimated growth of oil demand in 2007 to 1.5 percent](#)

The Organization of Petroleum Exporting Countries has revised downwards its estimate for growth in world oil demand this year to 1.5 percent from 1.6 percent.

### [U.S. drilling & completion estimates hit 21-year high](#)

U.S. oil and natural gas drilling estimates for 2006 show that activity remains robust with nearly twice the level of activity recorded during the lows of the early to mid-1990s, API said.

According to API's *2006 Quarterly Well Completion Report: Fourth Quarter*, a 21-year high estimated 49,375 oil wells, natural gas wells and dry holes were completed in 2006. The fourth quarter's estimated 12,439 completions were the highest since first quarter 1986.

### [Can the Saudis Back the Boast and Increase Crude Oil Production?](#)

But since when has reality stopped people from trying impossible things? "Saudi Arabia plans to increase its crude oil production capacity nearly 40 percent by 2009 and double its refining size over the next five years to keep pace with growing global demand, the country's oil minister said Thursday," reports today's International Herald Tribune. Take that, peak oilers!

### [2007: Renewable Energy Gets Real, Part Two](#)

According to the IEA, in 2007 the supply growth outside of OPEC should roughly balance out the demand growth, which it will have to do, because OPEC production remains flat at 28.8 mbpd. Many peakers have observed that OPEC's announced production cuts, particularly Saudi Arabia's, may be simply a way to hide the fact that they're in terminal decline and can't do much about it.

### [Will 2007 be China's Year of Gasoline imports?](#)

With a new car sold every six seconds in China, gasoline usage is set to accelerate to nearly 7 percent or 80,000 barrels per day (bpd) this year, the International Energy Agency (IEA) said. That is about as much as it exported in 2006.

### [Fears over Russia move to form Opec-style gas cartel](#)

Russian Energy Minister Viktor Khristenko will visit Algeria this weekend, a trip that is likely to fuel European fears that Russia plans to co-opt other major gas exporters into forming an Opec-style cartel.

### [India needs diversified energy to fulfill requirements](#)

India needs to tap diversified energy sources to fulfill its requirements, as nuclear power in itself is not sufficient, Science and Technology Minister Kapil Sibal said on Thursday.

"India would require around 3,00,000 MW of power by 2020 and nuclear would contribute, at best, around 10 per cent in the supply. Nuclear energy by itself is not an answer," he said at the Petrotech conference here.

Malaysia: [Act now before oil reserves deplete](#)

### [Sherritt, Ontario Fund Plan C\\$1.5 Billion Gas Project](#)

Sherritt International Corp., a Canadian metals and oil producer, may join with Canada's third- biggest pension fund to build a C\$1.5 billion (\$1.28 billion) plant that would

produce synthetic natural gas from coal.

### [The return of geo-politics](#)

No one seriously doubts that oil security is behind the American move into the Gulf, the American bases in the ex-Soviet Stans, or the sudden interest by Washington in oil-rich regions of Africa. However, the US is in direct competition with booming China, rich Europe and Japan, newly assertive Russia, and a gaggle of other more or less developed nations, including fast-growing India.

This is not the "all boats are raised by the rising tide" situation of globalisation, but closer to old style naked imperial competition.

### [Viable Investment in Energy Complicated](#)

Interesting moves are being played on the energy chessboard. While Hugo Chavez and Ahmedinejad are out to create a block of energy rich, "anti-imperialist" forces, it is now being reported Iraq's massive oil reserves, the third-largest in the world, are about to be thrown open for large-scale exploitation by Western oil companies under a "controversial law" to be shortly introduced before the Iraqi parliament.

### [Bulgaria: Nuclear re-opening attempts must continue](#)

Bulgaria should try to re-negotiate the closure of units three and four of Kozloduy nuclear power plant, Economy and Energy Minister Roumen Ovcharov said.

On Thursday January 25, the Council of Ministers will examine an action plan of all the measures that could be undertaken to request the re-opening of the reactors, Focus news agency reported.

### [Iran Discovers New Onshore Oil Field](#)

Iran has discovered a new onshore oil field with an estimated reserve of 2 billion barrels, state-run television reported Thursday.

### North Korea: [Let's Share Electricity!](#)

While North Korea's electrical power supply worsens, North Korea's Premier Park Bong Ju pushes for the expansion of energy supply and civil electrical support only to receive a personal punishment from authorities or in actual, his position changed.

### [Kazakh PM Calls for Tighter Control of Oil](#)

Kazakhstan's new prime minister criticized foreign oil companies Thursday and ordered the government to tighten control over their activities in the energy-rich Central Asian nation, the government said.

### Pakistan: [Wind-power firms back out of tariff deal](#)

With the energy crisis deteriorating, wind-power producers (WPPs) on Thursday backed out of an agreed power tariff of 9.5 cents per unit for sale to Pakistan, saying their input costs have increased substantially.

### [New Alaska Governor Pushes for Gas Pipeline](#)

Alaska Gov. Sarah Palin told lawmakers Wednesday to soon expect legislation outlining the process for a natural gas pipeline.

..."This gas line, it's going to fuel our homes, our economy, and careers for Alaskans -- for generations," she said. "This gas line is critical not just for our future, though, but for the nation's future."

### [Global warming 'just a natural cycle'](#)

Global warming comes and goes in 1,500 year cycles which may have more to do with cosmic rays than fossil fuel emissions, according to a new book.

### [Bush resists growing pressure to curb global warming](#)

The battle over global warming is heating up, with President George W. Bush refusing to limit greenhouse gas emissions despite growing pressure from the Democrat-led Congress and around the world.

### [Global warming becomes hot topic on Capitol Hill](#)

Facing the loss of the committee gavel he used to block global warming legislation, Sen. James Inhofe (R-Okla.) urged corporate executives late last month to keep up the fight against greenhouse gas emission limits.

### [Companies press Bush, Congress on climate: reports](#)

Major corporations are joining environmental groups to press President Bush and Congress to address climate change more rapidly, news reports said on Friday.

The coalition, including Alcoa Inc., General Electric Co., DuPont Co., and Duke Energy Corp. plans to publicize its recommendations on Monday, a day ahead of the president's annual State of the Union address, The Wall Street Journal reported.

Roscoe Bartlett: [Peak oil production](#) - Text of his speech.

### [A Light Bulb Goes on, and China Starts Thinking 'Alternative Energy'](#)

China has voracious energy needs and “the most serious environmental problem in the world,” said Jerry Li, a consultant in Beijing who matches venture capitalists with entrepreneurs. “There is a huge demand for investment” in alternative solutions, he said.

### [EU bio-fuel demand threatens Indonesian forests](#)

Growing European Union demand for bio-fuel could threaten Indonesia's last remaining forests as the government approves new palm oil plantations, environmental group Greenpeace warned Thursday.

[Weekly Offshore Rig Review: Washington Wishes](#) - a rundown of how the House energy bill will affect oil companies.

### [Traffic disaster towers over L.A.](#)

"I no longer go to Dodger games, or the L.A. Philharmonic.... I only go out to dinner at restaurants within two miles of my house."

### [Traffic calming can make Bangor a better place to live](#)

Looked at from a larger perspective, can we plan for a city of truly calm neighborhoods in which we can walk to work or the grocery store — a city with less than 2.1 cars per family? Peak oil will occur in 2020. The days of affordable gasoline are limited. Some of the city's traditional neighborhoods are well suited to life without the automobile. We need to preserve them and return neighborhoods to neighbors while supporting economic growth.

[Oil Will Dominate for Next 100 Years, Predicts Shell](#): *Nothing in the pipeline can replace oil*

Mr. Macias said the worldwide infrastructure designed to explore, extract, and refine oil is so vast and established that virtually no economic force could justify its replacement. Oil companies like Shell think a more realistic outcome is that more efficient fossil fuels will take up more of the functions at those plants.

### [Blast causes partial disruption at Kuwait refinery](#)

KUWAIT CITY - A fire sparked by a gas pipeline blast caused a partial disruption at one of Kuwait's three oil refineries but exports by the oil-rich emirate were not affected, officials said.

### [Power players warm to Feinstein bill](#)

Plan to reduce electric utilities' greenhouse gas emissions by 25% gets industry backing.

### [Texas view on environment is 18 lanes wide](#)

HOUSTON - As President Bush readies a new plan on global warming, environmentalists say an 18-lane highway going up in Houston speaks volumes about how people in his home state of Texas view the planet.

### [Hawking warns: We must recognise the catastrophic dangers of climate change](#)

Professor Hawking said that we stand on the precipice of a second nuclear age and a period of exceptional climate change, both of which could destroy the planet as we know it.

### [Global warming dissenters few at U.S. weather meeting](#)

[Joe] D'Aleo, executive director of the International Climate and Environmental Change Assessment Project, a group of scientists, doesn't think greenhouse gas emissions are the major cause of global warming and climate change.

Researchers who hold such contrary views do not appreciate being lumped together with flat-Earthers. They are legitimate scientists who question the mainstream, but they are a distinct minority.

### [House passes bill forcing Big Oil to pay](#)

With the price of crude falling, Big Oil faces another big headache on Capitol Hill.

The House passed a bill Thursday evening to raise nearly \$15 billion in taxes through a combination of higher royalties, added fees and a reversal of tax breaks handed out by the Bush administration and Republican Congress.

### [White House Attacks House Offshore Royalty Bill](#)

The White House yesterday came out against several tax and royalty provisions in House energy legislation expected to pass today, warning that the measure as written could delay future oil and natural gas lease sales.

### [Iraq: Kerosene shortage spurs thriving resale market](#)

Lines at the stations often stretch for blocks, and fuel can take all day to get.

That's why many Iraqis are willing to pay a premium to buy their fuel from men such as Moayid Ouda, Sha'alan's owner, who sells a liter of kerosene for around 80 cents.

"The fuel and kerosene crisis drew a lot of people to this business," Ouda said.

So many, in fact, that prices for donkeys and horses have soared since the U.S.-led invasion in 2003. Hardan Karrar, another kerosene vendor, said he has been amazed by the flood of new vendors trying to break into the trade.

Karrar's horse, which could be sold for \$100 to \$250 before 2003, today would bring \$8,000 on the open market, he said.



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