

The Bullroarer - Sunday 13 January 2008

Posted by Big Gav on January 12, 2008 - 8:30pm in The Oil Drum: Australia/New

Zealand

Topic: Miscellaneous

ASPO Australia - Petrol rationing, ready in case?

Short-term and long-term oil shortages are quite likely in the near future. We should prepare in case they do come. When there is a water shortage, we do not let the market allocate this vital resource.

We have restrictions, regulations and community campaigns to reduce consumption. A smart-card sliding-scale, tradeable fuel allocation system should be designed, in case we need it in future. Harvard economist, Martin Feldstein, chief economic advisor to President Reagan, recommended in the Wall Street Journal in 2006. "a system of tradeable gasoline rights would be better than either higher taxes or tougher new car regulations. That a majority of households could benefit from the TGR system while all households would have an increased incentive to economize on gasoline is both an economic and a political advantage.

People with disabilities, farmers, people in outer suburbs, and those with important jobs, like hospital shift workers, should receive higher fuel allocations than those from leafy inner suburbs close to public transport.

Like water pricing, a basic minimum allowance should be cheap, and additional fuel should be available at increasingly higher prices. Those who are frugal could sell their unused entitlements electronically to those who need more than average.

NZ Herald - Pylons apart in NZ's power war

Local Waikato man Brian Sylvester, in a submission to the Electricity Commission, wrote: "Pushing ahead with this grossly unpopular scheme is going to create trouble in New Zealand that has not been seen since the ill-fated Springbok Tour of 1981." He is talking about the proposal to create a pathway of giant pylons to carry power to Auckland - before the next big power cut puts out the lights in our biggest city.

Spend time in these snubbed communities, who feel they are being railroaded, and there is that same sense of embedded anger as the Springbok tour, turning to hatred.

Already there is talk of explosives for tree stumps being placed at pylon feet, and how to arrange alibis. Discussion is earnest about rifles and whether a few well-placed bullets could take out the capacity of a pylon to carry power. This is ugly talk for heartland New Zealand. These are farmers, teachers, small business owners, all believing they will win a High Court action to stop the pylons, but who say they are fearful the pylons will be thrust upon them anyway.

It's not the way they want it. In fact, all most want is the belief they have had a fair hearing. If they then lose, they will accept it. Without some salve for the growing bitterness, there will be a 190km stretch of power needed in Auckland at the mercy of an increasingly well-armed, well-prepared group of angry people. And they could turn out Auckland's lights anyway.

NZ Herald - Minister in firing line over pylons

Stuff.co.nz - Mega-rich join queue for Air NZ's skills

Air New Zealand's has ambitious plans to earn big money from niches like cabin design, pilot training and biofuel. ... Air New Zealand has joined with plane-maker Boeing and engine-maker Rolls-Royce in the race to find a viable biofuel to power aircraft and reduce the dependence on oil, which some tip will rise to a crippling US\$150 a barrel.

An Air New Zealand Boeing 747-400 will make a test flight early next year with one of its four engines powered by a biofuel mixed with standard jet fuel. No passengers will be carried on the flight. Mr Fyfe says he is confident that Air New Zealand will be using a blended biofuel on commercial flights within his tenure as chief executive.

Research into biofuel is moving into the second generation of development of more efficient fuels. One of the most promising is the oil-rich seed of the jatropha tree that grows in warm and moist climates and has an energy density and characteristics close to those of petroleum. India's commercial crop of jatropha seeds is already big enough to power Air New Zealand's domestic fleet, Mr Fyfe says.

Peak Energy - Air New Zealand's Biofuel Gamble

The Age - The Heat is on for power supply

VICTORIA'S new-year heatwave has triggered a record surge in electricity consumption, raising concerns about the risk of blackouts in coming weeks, and pointing to serious long-term energy supply problems for the state.

As the temperature in Melbourne soared above 40 degrees yesterday for the fourth time this summer, the State Government took the extraordinary step of appealing to consumers to curb their use of air-conditioners and other electrical appliances. But the appeal fell largely on deaf ears, as power consumption hit a record 9268 megawatts — 200 more than the previous record set in January last year.

The surge will add to pressure from industry for a new coal-fired power station — a fraught proposition at a time of pressure to curb greenhouse emissions. Yesterday's power record was particularly alarming because it occurred at a time when schools and many businesses were shut for summer holidays — suggesting the system could face bigger demands in coming weeks as people return to work.

Stuff.co.nz - Ambitious emission statement

This time last year Mark Franklin was running a company worth \$2 billion. Today he's three weeks into his new job heading stock exchange carbon trading subsidiary TZ1, a start-up company with four staff and no revenue. ...

The scale of the challenge is apparent when you consider the mountain of unknown quantities piled up in TZ1's path such as what, exactly, will TZ1 be trading?

The government has committed to using a trading system, rather than a carbon tax, as part of its commitment to reducing greenhouse gas emissions under the Kyoto Protocol. The scheme creates official "Kyoto credits" from January 1 this year covering a certain level of gas emissions, which the government can auction or assign to certain industries.

Businesses emitting more than their allocation have two options pay a hefty fine for every tonne of excess carbon, or buy credits from someone who has a few to spare. This puts a price on pollution and provides an incentive to reduce it over time. Kyoto credits can also be created from scratch through projects that reduce gas emissions in a way that meets stringent criteria specified by the protocol. In Kyoto-speak these are known as CDMs, or clean development mechanisms.

TZ1 (an acronym deriving from New Zealand's "time zone one" position as first country to start the day) aims to bring buyers and sellers of these credits together in the cheapest, easiest way possible.

NZ Herald - Cleantech bonanza or dotcom bubble?

NZ Herald - Why water matters in New Zealand

Stuff.co.nz - Advanced pipe-laying vessel in NZ for Kupe gas project

The Australian - Greens slam "low-emission" WA coal fired power station

Aviva Corp announced yesterday that the WA Government had confirmed that the company's Coolimba power project and the associated Central West Coal project, involving an investment of about \$1 billion, would require a Public Environmental Review. But Chris Tallentire, the conservation council director, said the decision by the Environmental Protection Authority was pathetic. "There's no way such a proposal should receive such a low level of assessment."

Aviva has proposed a 400 megawatt station near Eneabba, south of Geraldton, with two units each ready for oxygen firing once Australia develops a carbon trading scheme from 2011. The Coolimba project will be built from the outset as a coal-fired boiler that will be capable of rapid conversion to capture the carbon dioxide produced during the combustion of coal. Oxy firing burns coal in the presence of oxygen, not air, producing a high concentration of carbon dioxide in the waste gas stream that would be liquefied and buried underground, probably in depleted gas reservoirs.

Aviva's decision to use coal grew out of the natural gas shortage in WA. It is unlikely that new gas supplies sufficiently robust to sustain the 30-year life cycle of a major power station will be available in the state until 2015 at the earliest.

The Australian - Hikes force Inpex to rethink LNG project

INPEX Holdings, Japan's largest oil explorer, says the budget and schedule for its proposed Ichthys liquefied natural gas project in Australia are "under review", signalling it may cost more and start later than planned. The review means Inpex and its partner Total SA were "holding back" on a decision to start engineering and design work on the project, Perth-based company spokesman Sean Kildare said yesterday.

Inpex and France's Total plan to build two liquefied natural gas production units, yielding 3.8 million tonnes a year, on the uninhabited Maret Islands off Western Australia. The Japanese company last year estimated the project could cost as much as \$10 billion. Deliveries may start in late 2012 or early 2013.

"Ichthys is a great resource, and the delay is indicative of the enormous challenges that most LNG projects are facing," said Mark Greenwood, an oil and gas analyst at JPMorgan Chase in Sydney. "I think what's happening is that boards are becoming uncomfortable to authorise the very large capital costs required for these projects. While current LNG prices are high, they need to become confident about the long-term price outlook and that the project will be executed to plan."

The Australian - US LNG tankers vulnerable to attack

frogblog - The parable of the tui

frogblog - Vicki Buck makes Guardian's top 50 list

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