



The Bullroarer - Wednesday 27 August 2008

Posted by [Big Gav](#) on August 26, 2008 - 6:27am in [The Oil Drum: Australia/New Zealand](#)

Topic: [Miscellaneous](#)

NZ Herald - [Fuel woes big issue for Air NZ full year](#)

When Air New Zealand announced its half-year result at the end of February chief executive Rob Fyfe said the future profits were all about the oil price. Oil had then just nudged \$US102 a barrel. Since then, it's got much worse for big fuel users, especially for an airline that burns 50,000 litres every 20 minutes.

WA Today - [Solar generation could make householders money: Labor](#)

WA householders will be able to make money from installing solar panels if Labor is re-elected, Premier Alan Carpenter says. Announcing what he called "the most generous and comprehensive" household solar scheme in Australia, Mr Carpenter today promised a feed-in tariff for electricity generated from rooftop solar panels.

Fox Business - [Trans-Orient Petroleum and New Zealand's Fractured Oil Shale on Dow Jones MarketWatch](#)

Mr. Cadenhead discussed the Company's plan for using technology proven in the Bakken, Barnett and other North American oil and gas shale formations to drill and fracture shale in New Zealand, producing high-grade crude oil for sale at a premium to rapidly growing Asian economies, including India and China.

The first area Trans-Orient plans to drill within its 2.16 million acres of land in New Zealand's East Coast Basin is pocked with oil and gas seeps naturally rising to surface. An independent analysis of Trans-Orient's conventional undiscovered resource potential prepared by Sproule Associates indicates a discovery potential of 1.7 billion barrels of oil equivalent in place. A series of field videos showing these seeps - including a historical wellbore full of live oil generated from the Whangai shale - is featured in the MarketWatch interview.

Business Spectator - [Why oil prices will hold up](#)

But there are three good reasons to think that it is not yet time for an oil price collapse. First, demand is still strong. Despite high prices and slowing world growth, the International Energy Agency still expects a 1.1 per cent increase in consumption in 2008. Second, supply seems to be under the suppliers' control. The Saudis, who remain swing producers, have implied they will defend a triple-digit oil price. So far, it looks like they can.

Finally, money is available to pay the current high price. Real interest rates are still negative in most of the world. For most governments in developing countries, growth remains a higher priority than inflation-fighting. True, oil subsidies are slowly being cut. But the credit crunch hasn't squeezed sufficiently tightly to close oil-buyers' wallets.

Eventually, the oil price will fall back to, or below, the marginal cost of production, perhaps \$50-\$70 a barrel. But probably not until money is a lot tighter and the global economy is in a lot more trouble.

NZ Herald - [Drought drags Contact Energy profit down](#)

Contact Energy has posted a 1 per cent fall in full year net profit to \$237.1 million, after having to supply its South Island demand by purchasing electricity from the spot market at a "significant" loss during some periods.

The Australian - [Royal Dutch Shell takes aim at Arrow's LNG](#)

OIL major Royal Dutch Shell is in talks with Gladstone coal seam methane export hopeful LNG Ltd to buy liquefied natural gas, according to the global giant's local partner.

Arrow Energy chief executive Nick Davies said yesterday that his company's recent pairing with Shell had not changed Arrow's aims to supply LNG Ltd with enough CSM for two or more small LNG trains. He said this was still seen as the best way to develop its Australian gas. "They (Shell) are in discussions with LNG Ltd," Mr Davies said yesterday, after Arrow logged a full-year profit increase of 109 per cent to \$37 million. Shell would obviously like to take the offtake of the LNG plant and ultimately will be involved in various parts of the chain as well as negotiating to be the end buyer," he said.

The Australian - [Arrow's strong production lifts profit 109pc](#)

The Australian - [East Timor talks on Woodside's Greater Sunrise options](#)

EAST Timor said it was still working with Woodside Petroleum on options for processing gas from the Greater Sunrise field. Asked if East Timor would block development of the field if Woodside (ASX: WPL) and its partners ruled out processing gas from Greater Sunrise in East Timor, Prime Minister Xanana Gusmao told reporters in Canberra that "more exchange of communication" was needed.

ABC - [Two sites earmarked for geothermal plans](#)

The company searching for potential geothermal energy locations in South Australia's far north has reported its first findings under the industry's new code of practice. Torrens Energy says early estimates of stored heat show significant potential for Australia's first commercial geothermal energy source.

GreenBiz.com - [Google and Aussies to Sink Millions Into Geothermal Energy](#)

The hunt for renewable energy took a turn beneath the earth's surface over the past week as Google and the Australian government announced multi-million dollar plans to explore geothermal technology.

ABC - [Opposition to block condensate tax measure](#)

The Federal Government is already feeling the heat in the new Senate after the Coalition decided to oppose another tax measure. The Coalition joint party room has agreed to vote against a move to scrap a tax exemption for companies that produce condensate - an oil by-product of gas production

John Quiggin - [Blogging About Water](#)

The best water policy in the world is useless when there is no water. We are now finding this out, as we struggle with yet another year of near-record low inflows to the Murray-Darling river system.

The most immediate crisis is that affecting Lakes Albert and Alexandrina at the mouth of the Murray River. Flows in the lower section of the Murray River have been low, or non-existent, most of the time since 2002. However, water in the lakes has been maintained, until now through a system of barrages constructed in the 1930s. As water levels have continued to fall, however, the lakes have become unsustainable in their present form. Lake levels are now below sea level. If current conditions continue, it is likely that drying will result in the formation and exposure of acid sulfate soils, causing severe and permanent environmental damage.

Larvatus Prodeo - [Water tanks, round 247](#)

The water tank wars are going another round, this time in the Victorian state cabinet, according to yesterday's Age.

ABC - [Inquiry finds demand strong despite solar panel means test](#)

A Senate inquiry into the solar panel rebate scheme has recommended the Government keep its means test. The budget measure stopped people earning more than \$100,000 from getting the rebate. The Opposition tried to have the means test scrapped but the Senate Environment Committee has found there was evidence of continued strong demand.

The Age - [Ford pressures Canberra for more assistance](#)

PRESSURE on the Federal Government to boost taxpayer support for the car industry has intensified, with Ford yesterday declaring it would need additional aid to remain competitive beyond 2010. Days after The Age revealed that Ford would cut hundreds of jobs in Victoria due to falling sales of locally built cars, the company's international chief executive and president, Alan Mulally, has met Prime Minister Kevin Rudd and Industry Minister Kim Carr to press his case for more government support.

frogblog - [Yes to the Emissions Trading Scheme](#)

Crikey - [BCA climate report: falling for junk economics](#)

So, for all those journalists inclined to believe whatever comes out under the cover of a consultant's report, here's a sort of methodological note. Back when I was a public servant, a favoured technique for reinforcing the case for something was to hire a consultant who would provide an "independent" report. You never directed the consultant on what you wanted, you didn't have to -- good consultants knew.

And it wasn't just bureaucrats that did that -- ministers would as well. External reports, with lots of graphs, tables, boxes, a glossy cover and a consultant's logo, look much better than a boring minute from a public servant.

The private sector understands this. Businesses and peak bodies are forever commissioning "independent" reports that, strangely, demonstrate exactly what those who commissioned them want demonstrated. And the media falls for it every time. The AFR, in particular, is shocking at running reports on new studies blatantly serving the interests of the bodies that commissioned them. Even the ABC has a particular weakness for medical studies that demonstrate the need for new pills and products.

We've seen a procession of businesses and sectors coming forward to whinge about the Government's lamentably weak emissions trading scheme. The LNG producers. The miners. The power generators. And now the BCA has come forward -- only it has its own "independent" research, produced by consultants Port Jackson Partners.

It's no different to any other commissioned research. It is junk economics, produced for the purposes of arguing for more and bigger handouts for businesses.

Public Opinion - [industry whingeing](#)

Larvatus Prodeo - [Coming to terms with climate change](#)

Whatever the merits of shale oil it seems that the Queensland Government has come to its senses by banning shale oil developments in the Whitsundays, and everywhere else for that matter, and specifically a plan to dig up 400,000 tonnes of the muck to see whether anything useful could be done with it.

The locals should be immensely relieved, in spite of foregoing 3000 jobs. Imagine that! A Queensland premier foregoing a resource development with 3000 jobs attached!

ABC - [Hit the gas: Hydrogen cars cross USA](#)

Hydrogen fuel cell cars from nine automakers completed a 13-day United States cross-country trip over the weekend, in the first such mass US crossing for vehicles powered by a zero-emission technology still in its infancy.

As firsts go, the event, which ran from Portland, Maine, to to the Los Angeles Coliseum, probably would not qualify for the record books. There were stretches without hydrogen fueling stations when the vehicles were carried on flat-bed trucks, the longest from Rolla, Missouri, to Albuquerque, New Mexico.

frogblog - [The fish market](#)

Europe, like New Zealand, has plenty of waters in which it can grow and catch fish. Both need either to change the amount and way we consume fish, and to invest in rebuilding fish stocks so that they can be sustainably caught. Despite our massive territorial waters New Zealand still buys a lot of 'foreign' fish. It's absolutely wrong that countries that misuse their own food baskets should be able to use their comparative wealth to shelter themselves from their unsustainable mistakes at the expense of other, poorer peoples.

Peak Energy - [Enhanced Oil Recovery In Oman](#)

Peak Energy - [Buffett, Gates, mutant fish frame oil sands debate](#)



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