

WEEKLY GLOBAL ENERGY Markets SNAPSHOT

January 5, 2015 – January 9, 2015

News you missed during the week…



Caribbean Island Embraces 100% Renewable Electricity

Bonaire, with a population of 14,500, a small island off the coast of Venezuela, is famous for its beautiful marine reefs. But majority of the electricity powering the island's needs comes from renewable energy. Yet for the residents of Bonaire, the switch from fossil-fueled to renewable energy systems has made a world of difference.

(Source: http://www.businessinsider.com/bonaire-goes-renewable-energy-2015-1)

Oil Glut Could Take Years To Fix

Oversupply in crude markets could take months or even years to fix depending on when producers outside OPEC cut their output. Brent crude, a pricing benchmark for more than half of the world's oil, tumbled 48% last year, the most since 2008. OPEC decided Nov. 27 to maintain production instead of cutting output to eliminate a surplus left by increased supplies from the U.S. to Russia.



(Source: www.worldoil.com/news/2015/1/7/oil-glut-could-take-years-to-fix-uae-energy-minister-says)



U.S. Opening Door To More Oil Exports Seen Foiling OPEC Strategy

The Obama administration's move to allow exports of ultralight crude without government approval may encourage shale drilling and thwart Saudi Arabia's strategy to curb U.S. output, further weakening oil markets, according to Citigroup Inc. A type of crude known as condensate can be exported if it is run through a distillation tower, which separates the hydrocarbons that make up the oil, according to new U.S. government guidelines. That may boost supplies ready to be sold overseas to as much as 1 MMbpd by the end of 2015.

(Source: http://www.worldoil.com/news/2014/12/31/us-opening-door-to-more-oil-exports-seen-foiling-opec-strategy)



China, Russia, US, Middle East Urged: Leave Fuels Underground

A third of the world's oil reserves, half of gas reserves and over 80 percent of all coal reserves should remain in the ground and not be burned before 2050 if global warming is to stay below the 2°C target agreed by world governments, finds new research by the University College London's Institute for Sustainable Resources. The authors show that the overwhelming majority of the huge coal reserves in China, Russia and the United States should remain unused along with over 260 thousand million barrels oil reserves in the Middle East, equivalent to all of the oil reserves held by Saudi Arabia.

(Source: http://ens-newswire.com/2015/01/09/china-russia-us-middle-east-urged-leave-fuels-underground/)

New York State Set To Ban Fracing After Review Calls It Unsafe



The New York state Health Department said fracing for natural gas can't be done safely, dooming prospects that Governor Andrew Cuomo will allow the extraction process after a six-year-moratorium. In 2008, the state banned gas drilling by high-volume hydraulic fracturing so regulators could conduct an environmental review and develop rules. The Health Commission said at a cabinet meeting that studies on fracing's effects on water, air and soil are inconsistent, incomplete and raise too many "red flags" for the state to allow it.

(Source: http://www.worldoil.com/news/2014/12/17/new-york-state-set-to-ban-fracing-after-review-calls-it-unsafe)



WEEKLY GLOBAL ENERGY Markets SNAPSHOT

January 12, 2015 – January 16, 2015



News you missed during the week…

St. Kitts and Nevis Begins Construction of 2nd Solar Farm

The St. Kitts and Nevis government is building a second solar farm with the aim of reducing the Caribbean nation's dependence on fossil fuel. Taiwan is providing 55% of the funding for the project, with the rest coming from the St. Kitts Electricity Company. The premier also hailed Taiwan's commitment "to free us all from the fossil fuel reliance which has burdened so many countries for so very long, and to harness the power of the sun." St. Kitts and Nevis' first solar farm was commissioned in September 2013 and now generates electricity for Robert L. Bradshaw International Airport.

(Source: http://ceebip.org/st-kitts-and-nevis-begins-construction-of-2nd-solar-farm/)

Shale Economics Shuts Down Nuclear Plant



The state of Vermont's only nuclear plant has stopped sending power to the New England grid after more than 42 years of producing electricity. Entergy Wholesale Commodities (EWC), stated economic factors were the primary reasons for the shutdown. "The Northeast has undergone a shift in supply because of shale gas, resulting in sustained low natural gas prices and low wholesale energy prices," EWC announced. The plant will sit for decades while its radioactive components cool. It's expected to cost more than $1.2 billion to dismantle the plant, which likely won't occur until the 2040s or later.

(Source: http://www.worldoil.com/news/2015/1/9/shale-economics-shuts-down-nuclear-plant)



Battle For Control Of Asia Resource Heats Up

An ongoing battle to gain control of UK-listed coal miner Asia Resource Minerals, formerly known as Bumi, is heating up after its chairman decided to step down Friday. The move came barely weeks ahead of a vote proposed by largest shareholder to replace most directors and take the reins at the company. In addition, shareholder battles and a sharp decline in coal prices have hit the Indonesia-focused miner hard, causing its shares to sink by more than 90% since its London listing in 2010.

(Source: http://www.mining.com/battle-for-control-of-asia-resource-heats-up-45334/)

SunEdison To Build $4 Billion Solar Manufacturing Plant in India



SunEdison Inc. will invest $4 billion to build the biggest solar panel factory in India, advancing Prime Minister Narendra Modi's effort to rein in pollution by expanding renewable energy. The manufacturer based in Maryland Heights, Missouri, will form a venture with the Indian power provider Adani Enterprises Ltd. to build the photovoltaic plant, with as much as 7.5 gigawatts of annual production capacity. Construction is expected to begin this year, the company said in a statement today.

(Source: http://www.renewableenergyworld.com/rea/news/article/2015/01/sunedison-to-build-4-billion-solar-manufacturing-plant-in-india)



Coal-To-Gasoline Plant Will Be Launched In Kazakhstan

An experimental complex for processing of brown coal into gasoline and diesel fuel will be launched in April in Kazakhstan's Akmola Oblast, according to Technology Commercialisation Center (TCC). TCC began its work in the end of 2013 with the support of the World Bank. Its main goal is to link science with business, which is why it implements a gratis grant programme for promising scientific projects. One such project, on processing of brown coal into diesel and gasoline, was proposed by the Institute of Coal Chemistry and Technology (ICCT).

(Source: http://www.worldcoal.com/coal/13012015/Kazakhstan-to-launch-coal-to-gasoline-plant-1738/)



WEEKLY GLOBAL ENERGY Markets SNAPSHOT

January 19, 2015 – January 23, 2015



News you missed during the week…

Chevron Signs Five-Year LNG Supply Agreement With South Korea

Chevron's Australian subsidiaries have signed a binding sales and purchase agreement with SK LNG Trading, part of a leading industrial conglomerate in South Korea. SK will receive 4.15 MMt of LNG over a five-year period starting in 2017. During the time of this agreement, over 75% of Chevron's equity LNG from Gorgon will be committed to customers in Asia.

(Source: http://www.worldoil.com/news/2015/1/20/chevron-signs-five-year-lng-supply-agreement-with-south-korea)

Iraq Pumps Crude At Record Level



Iraq is pumping crude at a record pace and will continue to boost exports this year amid a global market glut that's pushed prices down. The Ministry responsible for oil reported the average for Iraqi crude output is 4 MMbopd, which is a historical record and includes output from the semi-autonomous Kurdish region in the north. Iraq plans to boost crude exports to 3.3 MMbopd this year, including from the Kurdish area. Iraq and Turkey agreed to boost Iraqi crude exports from the north via the Turkish port of Ceyhan to 375,000 bpd in the coming months and to as much as 600,000 bpd by April.

(Source: http://www.worldoil.com/news/2015/1/19/iraq-pumps-crude-at-record-level-amid-oil-price-drop-on-surplus)



Oil Price Plunge Leads BP to cut North Sea Jobs

Oil giant BP will to announce job cuts at the company's North Sea operation today in the latest sign that the falling oil price is hitting the British petroleum industry. The company is expected to brief employees in Aberdeen today about the swathe of job losses. BP employs 4,000 people in the North Sea and 11,000 more around the UK.

(Source: http://www.cipore.org/oil-price-plunge-leads-bp-to-cut-north-sea-jobs/)



U.S. Wind Power Installations Swelled Sixfold in 2014

Installations of wind power in the U.S. surged sixfold last year, making it the largest market for the technology worldwide after China. The U.S. added 4.7 gigawatts of new onshore wind capacity in 2014 compared with 764 megawatts a year earlier, largely due to the extension of the Production Tax Credit in January 2013, Bloomberg New Energy Finance said today in a statement. Total U.S. onshore wind installations are now 64.2 megawatts.

(Source: http://www.renewableenergyworld.com/rea/news/article/2015/01/u-s-wind-power-installations-swelled-sixfold-in-2014)



Ontario Solar Feed-in Tariff Portfolio Opens Up Opportunities for Investors

Fueled by record-setting growth in home solar installations, leading residential solar finance-and-installation companies such as SolarCity and SunPower and investment banks have been able to move briskly along and bring investors up the learning curve by introducing new financial products that lower the cost of capital to issuers while still offering attractive returns to investors. Among the newer renewable energy finance instruments are asset backed securities (ABS) and collateralized debt obligations (CDOs) backed by home solar loans and leases. In addition, electric utilities and renewable energy project development companies have been raising additional capital by spinning off and selling solar and renewable energy projects to in-house, publicly traded yield companies, or "yieldcos."

(Source: http://www.renewableenergyworld.com/rea/news/article/2015/01/ontario-solar-feed-in-tariff-portfolio-opens-up-opportunities-for-investors)

WEEKLY GLOBAL ENERGY Markets SNAPSHOT

January 26, 2015 – January 30, 2015

News you missed during the week…



Latin America Solar PV Market Grew 370% In 2014

The Latin American region, which is comprised of Mexico, Central America, South America and the Caribbean, installed 625 megawatts (MW) of solar photovoltaics (PV) in 2014, a 370% annual growth rate over 2013, according to the newly released Q4 2014 Latin America PV Playbook from GTM Research (Boston, Massachusetts, U.S.). Chile led the region in PV installations, followed by Mexico and Brazil. With its strong utility-scale market, Chile PV installations in 2014 accounted for more than three-quarters of the Latin American total. In the fourth quarter alone, Chile installed double the amount of Latin America's annual total in 2013.

(Source: http://ceebip.org/the-latin-america-solar-pv-market-grew-370-in-2014-installed-625-mw/)

Oil Pares Gains As New Saudi King Says Policies Won't Change



Oil pared gains following the death of King Abdullah of Saudi Arabia as his successor said policies won't change in the world's largest crude exporter. Futures climbed as much as 2.6% in London and 3.1% in New York after the Saudi royal court announced the death in a statement. Crown Prince Salman bin Abdulaziz, who succeeds Abdullah on the throne, said he would maintain his predecessor's policies.

(Source: http://www.worldoil.com/news/2015/1/23/oil-pares-gains-as-new-saudi-king-says-policies-won-t-change)



Brazilian Bank Raises $408M for R.E. and Water Projects

The Brazilian bank Itau Unibanco Holding SA raised $408 million to finance renewable energy and water treatment projects. That's the most ever raised for renewable energy in Latin America by a Brazilian bank, the Sao Paulo-based company announced. The funding comprises a five-year, 262 million-real loan from International Finance Corp. and a three-year, 787 million-real loan from Bank of America Corp., Mizuho Bank Ltd. and Commerzbank AG.

(Source: http://goo.gl/izGhrz)

EU Sustainable Energy Week 2015



Now in its tenth year, the EU announced its Sustainable Energy Week – to take place from 15-19 June 2015 – which is dedicated to energy efficiency and renewable energy technologies. It aims to demonstrate to businesses, decision-makers and the wider public that sustainable technologies are viable, cost-effective and good for both the environment and the economy. Throughout the week, and the whole month of June, events will take place across Europe – known as 'Energy Days' – and a high-level policy conference will take place at European Commission buildings in Brussels.

(Source: http://www.worldoil.com/news/2015/1/9/shale-economics-shuts-down-nuclear-plant)



Russia's Oil, Gas Tax Policies Increasingly Looking East

The recent changes in the taxation of Russia's oil and gas sector reflect both the country's pivot eastward and the special treatment afforded to its state-controlled energy companies, says an analyst with research and consulting firm GlobalData. According to GlobalData's Upstream Fiscal Analyst, the so-called 'tax maneuver' shifts the tax burden from export duty on oil and petroleum products to Mineral Extraction Tax (MET) on oil production. Additionally, new tax breaks targeted at state-owned Gazprom's Chayandinskoye and Kovyktinskoye gas fields and the $21 billion Power of Siberia pipeline have been granted, adding to the strategically important projects receiving preferential treatment.

(Source: http://www.worldoil.com/news/2015/1/29/russia-s-oil-gas-tax-policies-increasingly-looking-east-globaldata-says)