# WEEKLY GLOBAL ENERGY Markets SNAPSHOT

**July 7 – July 11, 2014**

*News you missed during the week…*



**JPS/UTech Solar Project Officially Commission**: On Thursday July 10, 2014 Minister of State in the Ministry of Science, Technology, Energy and Mining, officially commissioned the Jamaica Public Service (JPS) / University of Technology (UTech) 100kW Solar Energy Project. Both entities had previously signed a Memorandum of Understanding (MOU) for the development of the Project in October 2012. The photovoltaic system is expected to generate 17,200kW of energy annually, and will reduce UTech's energy cost, while serving as a learning tool for students. It will also create an opportunity for JPS to gather important data as the company continues to explore solar technology.

*(Source:* http://go-jamaica.com/pressrelease/item.php?id=3468*)*




**Duke and Other Energy Companies Report Suspected Cyber-Attacks**: ITC Holdings subsidiary ITC Transmission, NRG Energy subsidiary NRG Power Marketing, and Duke Energy have each reported suspected cyber-attacks to the Energy Department in the last twelve months, suggesting a concern with utility and power systems' vulnerability to hackers. A specific group has been targeting electricity generation and transmission utilities and oil pipeline operators by hacking their industrial control systems, according to cybersecurity expert Symantec Corp.

*(Source:* http://online.wsj.com/articles/utilities-report-cyber-incidents-to-energy-department-1404343159*)*



**China, USA Differ on Global Plan to Cut Emissions**: China and the United States took small steps toward their shared goal of fighting climate change this week, but the world's No. 1 and No. 2 carbon emitters remain significantly apart over a wider global plan to cut emissions. China officials have that China should not be subject to the same rules for greenhouse gas emissions as the United States and other rich countries, which signalled that Beijing will oppose any attempt to impose them at next year's world climate conference. U.S. officials have stated that Washington favours every country deciding what it is capable of doing, instead of being categorized either as a developed country or a developing country in

deciding how much a country should contribute to reduce climate change. Climate change activists complain that both countries have failed to take adequate steps to curb emissions.
*(Source:* http://www.power-eng.com/articles/2014/07/china-us-differ-on-global-plan-to-cut-emissions.html*)*



**U.S. Seen As Biggest Oil Producer After Overtaking Saudi Arabia**: Bank of America Corp. reported this week that the U.S. overtook Saudi Arabia and Russia to become the world's biggest producer of oil as extraction of energy from shale rock strengthens the nation's economy. U.S. production of crude oil, along with liquids separated from natural gas, surpassed all other countries in the first six months of 2014, the bank said in a report. The country became the world's largest natural gas producer in 2010. A Commerce Department decision to allow the overseas shipment of processed light oil called condensate has fanned speculation the nation may ease its four-decade ban on most crude exports.
*(Source:* http://www.worldoil.com/US-seen-as-biggest-oil-producer-after-overtaking-Saudi-Arabia.html*)*



**New Global Trade Negotiations Aim for Tariff-free Solar Panels**: The U.S., European Union and 12 other governments in the World Trade Organization have opened negotiations on a trade deal aimed at ending tariffs on environmental goods such as wind turbines and solar panels. The WTO members agreeing to the talks announced this week in Geneva account for 86% of global trade in the products. The U.S., China and the 28-nation European Union are among participants in the talks that have been ensnared in trade disputes over solar-energy equipment in recent years. According to the U.S. trade office, tariffs on environmental goods can be as high as 35 percent of the value of the products. The nations that participate in Asia-Pacific Economic Cooperation meetings have agreed to cut tariffs on 54 environmental products by 5% by the end of 2015.
*(Source:* http://www.renewableenergyworld.com/rea/news/article/2014/07/new-global-trade-negotiations-aim-for-tariff-free-solar-panels*)*



# WEEKLY GLOBAL ENERGY Markets SNAPSHOT

**July 14 – July 18, 2014**

## News you missed during the week…



**Jamaica Law Firm Installs Hybrid Wind-Solar System**: Windstream Technologies announced the commisioning of what it is calling the world's largest hybrid renewable energy project. The combined solar/wind generator sits on the rooftop of the law firm, Myers, Fletcher, & Gordon (MFG) in Kingston, Jamaica. Developed by WindStream Technologies, a specialist in the small wind sector, this urban installation consists of 50 WindStream SolarMill units to harness both wind and solar resources. The installation is designed to generate over 106,000 kWh of renewable energy annually, (25 kW of wind and 55kW of solar) with a return on investment (ROI) of less than four years. Over the course of the projected 25-year life span, the energy cost savings are expected to exceed $2 million dollars.

*(Source:* http://www.solarnovus.com/hybrid-wind-and-solar-energy-project-installed-in-kingston-jamaica_N7981.html*)*



**Cuba to Introduce another Solar Panel Facilities**: Work is well underway in the Cuban Special Municipality of Isle of Youth to set up one of seven solar energy farms currently being built on the island. At present, land preparation is being carried out along 1.6 hectares where a four-thousand-solar-panel module will be placed. According to one project engineer, the facility would contribute clean energy to the power generation system during daylight equivalent to the burning of one ton of conventional fuel a day.

*(Source:* http://www.cubanews.ain.cu/economy/1094-cuba-keeps-building-solar-panel-facilities*)*



**Honduras Opens Ethanol Production Plant**: Honduras has opened its first ethanol plant in the eastern portion of the country. This plant is part of a wider initiative led by the Organization of American States to broaden cooperation on biofuels within the hemisphere. The plant is an ethanol bio-refinery developed with the support of the governments of both Brazil and the United States and the OAS. The eventual goal for Honduras is to develop a viable bioethanol industry in the country.

*(Source:* http://www.cipore.org/honduras-opens-ethanol-production-plant/*)*




**WTO Tells US To Reconsider Solar Panel Tariffs**: In a move that many in the solar industry applauded, a World Trade Organization panel found that the US government overstepped its bounds when it imposed tariffs on solar panels and other goods from China. Yesterday the World Trade Organization (WTO) announced its findings in the dispute between China and the United States over countervailing measures imposed on various Chinese-made goods including solar panels. The WTO committee ruled that the U.S. had violated certain rules regarding international trade in imposing the duties. As a consequence, the U.S. is now urged to "bring its measures into conformity" with the agreement on subsidies and countervailing measures, otherwise known as the SCM Agreement.

*(Source:* http://www.renewableenergyworld.com/rea/news/article/2014/07/wto-tells-us-to-reconsider-solar-panel-tariffs*)*




**Australia Repeals Carbon Tax Legislation**: Australia's Parliament has repealed the carbon tax legislation this year that imposed AU$24.15/tonne on carbon dioxide emissions. The legislation was introduced and passed into law in 2011. The regime began with a fixed price of AU$23/tonne on carbon imposed from July 1, 2012, set to rise 2.5%/year in real terms for 3 years. It was planned to transform the tax into an emissions trading scheme with a floating price in mid-2015 with a floor of AU$15 and a ceiling of AU$20 above the expected national price to prevent volatility. The amendment requires companies to pass on all savings (from not having to pay the tax) to consumers by July 2015 or face a fine equivalent to 250% of what they have saved. The government planned to replace the tax with a taxpayer-financed AU$2.55 billion fund to pay industry incentives to use cleaner energy.

*(Source:* http://www.ogj.com/articles/2014/07/australia-repeals-carbon-tax-legislation.html*)*



# WEEKLY GLOBAL ENERGY Markets SNAPSHOT

**July 21 – July 25, 2014**



News you missed during the week…

## Martinique Plans to Develop Ocean Thermal Energy

Martinique intends to develop a project of ocean thermal energy to generate electricity, the government reported this week. The plan involves the construction of a floating thermal power plant on the coast of the island, which would have a net capacity of 10.7MW. Earlier this month, the European Commission approved the allocation of public funds for the project, jointly developed by the Government of Martinique and energy company Akuo.

*(Source:* http://www.plenglish.com/index.php?option=com_content&task=view&id=2929931&Itemid=1*)*

## Alaska LNG Project Partners File Export Application With DOE



Partners in the Alaska LNG project marked another milestone after reporting the filing of an application with the US Department of Energy for the export of as much as 20 million tonnes/year of LNG for 30 years to countries that have existing free-trade agreements with the US, as well as to non-FTA countries. Alaska LNG project participants include Alaska Gasline Development Corp. and units of TransCanada Corp., BP PLC, ConocoPhillips, and ExxonMobil Corp. The project is now in pre-frontend engineering and design phase, which is expected to be completed in 2016.

*(Source:* http://www.ogj.com/articles/2014/07/alaska-lng-project-partners-file-export-application-with-doe.html*)*



## Europe Risks Losing 30 Million Jobs To U.S. Shale Boom

The U.S. shale-gas boom is placing 30 million jobs at risk in Europe as companies with greater reliance on energy contend with higher fuel prices than their American counterparts, the International Energy Agency reported this week. Manufacturers of petrochemicals, aluminum, fertilizers and plastics are leaving Europe to take advantage of booming U.S. production of natural gas from shale rock formations. U.S. refineries are competing for market share and benefiting from margins that exceed those of European competitors by as much as $10 a barrel because of cheaper crude, Hermes Commodities also reported.

*(Source:* http://www.worldoil.com/Europe-risks-losing-30-million-jobs-to-US-shale-boom-IEA-says.html*)*



**21 Million Acres Up For Grabs In the Gulf of Mexico**

The Bureau of Ocean Energy Management (BOEM) has announced that the bureau will offer more than 21 million acres offshore Texas for oil and gas exploration and development in a lease sale that will include all available unleased areas in the Western Gulf of Mexico Planning Area. Western Gulf of Mexico Lease Sale 238, to be held in New Orleans, Louisiana, on August 20, 2014, will be the sixth offshore sale under the Administration's Outer Continental Shelf Oil and Gas Leasing Program for 2012-2017 (5 Year Program). This sale builds on the first five sales in the current Five Year Program, which have offered more than 60 million acres and netted nearly $2.3 billion for American taxpayers. BOEM estimates the proposed lease sale could result in the production of 116 to 200 MMbbl of oil and 538 to 938 Bcf of natural gas.

(*Source:* http://www.worldoil.com/21-million-acres-up-for-grabs-in-US-GOM-lease-sale.html*)*

**Orix Plans to Build up to 15 Small-scale Geothermal Plants in Japan**



Orix Corp., a Tokyo-based finance and leasing company, plans to build as many as 15 geothermal power stations in Japan in the next five years. The company, which has been developing solar and biomass projects, is conducting geological surveys in Hokkaido and Aomori prefectures in the country's north, Tamaki Shibata. Orix plans to invest as much as 25 billion yen ($246 million) but estimates at this stage should be considered premature. The company advised that they will focus on smaller plants of about 2 MW as they can be set up more quickly. Environmental impact assessments for plants with 7.5 MW of capacity or more are often required.

*(Source:* http://www.renewableenergyworld.com/rea/news/article/2014/07/orix-plans-to-build-as-many-as-15-small-scale-geothermal-plants-in-japan*)*



# WEEKLY GLOBAL ENERGY Markets SNAPSHOT

**July 28 – August 1, 2014**

*News you missed during the week…*



## Repsol Hits Oil Off Trinidad & Tobago

Repsol has made a new hydrocarbons discovery in the Teak field, offshore Trinidad and Tobago, east of the island of Trinidad. The find has upgraded the northern portion of the Teak B field that was not known to exist before. The newly-discovered area is estimated to contain over 40 MMbbl of oil in place, which increases the field's current reserves, extends its productive life and adds new output. Repsol operates the field with a 70% interest, partnered by co-venturers Petroleum Company of Trinidad and Tobago (Petrotrin) and The National Gas Company of Trinidad and Tobago (NGC), with a 15% stake each.

*(Source:* http://www.worldoil.com/Repsol-hits-oil-off-Trinidad-and-Tobago.html*)*

## Duke Energy to Buy 700 MW of Nuclear, Coal for $1.2B



Duke Energy Progress will buy the 700 megawatt portion of the generation capacity at its Brunswick Nuclear Units 1 and 2 and Harris Nuclear plants and the coal burning Mayo and Roxboro Unit 4 plants owned by the North Carolina Eastern Municipal Power Agency (NCEMPA). Duke will pay $1.2 billion for NCEMPA's interests in the plants, fuel inventories, and spare parts inventories as set by the asset purchase agreement (APA). Duke will provide a 30-year wholesale power supply agreement to NCEMPA to cover the energy supply needs of customers currently served by the generation being purchased.

*(Source:* http://seekingalpha.com/pr/10585735-duke-energy-progress-to-purchase-ncempa-generation-assets?app=n*)*



## St Lucia Seeking to Develop Alternative Fuel From Used Tyres

The St Lucia government says it is reviewing options to use used- tyres piled at the various landfills over the past eight years to generate fuel. The St Lucia Solid Waste Management Authority (SLSWMA) said that the government is holding talks with a UK-based organization to craft a solution for transforming waste material into energy. They have begun discussions with the Carbon War Room (CWR), to implement a solution that will convert shredded tires and other

waste into electricity. Tyre derived fuel will provide revenue and significantly extend the life of St. Lucia's landfills by reducing the volume of material. According to the US Environmental Protection Agency (EPA), scrap tyres produce the same amount of energy as oil and 25 per cent more energy than coal. They are used as fuel because of their high heating value.

(*Source:* http://www.jamaicaobserver.com/latestnews/St-Lucia-seeking-to-develop-alternative-fuel-from-used-tyres)

**Shell States that Russian Sanctions Minimize Restraints on Gas Exports**



Royal Dutch Shell Plc announced that the latest sanctions against Russia mostly target the oil industry and appear to be designed to avoid restricting natural gas exports. Shell is working with Russia's OAO Gazprom on the expansion of the Sakhalin 2 LNG project in the country's Far East. On July 29, the European Union agreed to restrict the export of equipment to modernize Russia's oil industry, a key prop for the world's largest energy-producing economy. The Anglo-Dutch company, which Deutsche Bank AG estimates has about $6.7 billion of oil and gas-producing assets in Russia, is also exploring for oil with OAO Gazprom Neft in Siberia.

*(Source:* http://www.worldoil.com/Shell-says-Russian-sanctions-minimize-restraints-on-gas-exports.html)



**Tesla Breaks Ground for Its Giga-factory in Nevada**

Tesla Motors Inc. said it has broken ground near Reno for a $5 billion battery plant, signaling Nevada has vaulted to the lead of five states vying for the so-called "giga-factory" and its promise of 6,500 jobs. The electric-car maker said it's still reviewing sites in California, Texas, Arizona and New Mexico, each of which is competing to snare the economic development plum, described as the single biggest new industrial project in the U.S. For Nevada, with a 7.7 percent unemployment rate that's the third-highest in the U.S., Tesla represents an opportunity to show that its economy can diversify beyond gambling and housing. Tesla, based in Palo Alto, California, said it needs the sprawling factory in operation by 2017 to supply lower-cost lithium-ion cells for its cars and packs for home-power storage devices.

*(Source:* http://www.renewableenergyworld.com/rea/news/article/2014/08/tesla-breaks-ground-for-its-gigafactory-in-nevada)