

WEEKLY GLOBAL ENERGY Markets SNAPSHOT

October 6 – October 10, 2014



News you missed during the week…

Jamaican Company Invests In Solar Company For Caribbean Push Into Renewables Market

Guardsman Group Limited has taken a first step into the field of energy with a 20% stake in solar provider Solease Limited, a subsidiary of Future Energy Corporation (FEC) with main operations in the Middle East and North Africa. Not only has the security firm engaged the services of Solease – which trades as Future Energy – to retrofit its own establishments in Jamaica, Barbados and St Lucia, but it will partner to offer similar services to fill demand locally, and later the Caribbean. The Kenny Benjamin-owned Jamaican company's core business is security services, but it also has diversified interests in pest control services, nature park, ornamental fish farming, gymnasium operation and now energy.

(Source: http://www.cipore.org/guardsman-invests-in-solar-company-for-caribbean-push-into-renewables-market/)

Kansas Nuclear Plant Scrambles To Avoid Shutdown After Fire



A fire during the week damaged one of the Wolf Creek Nuclear Power Station in Kansas at the plant's backup diesel generators. Federal regulations require the plant staff to repair the damaged equipment within three days of the incident or shut the entire plant down. Plant operators estimate a shutdown would cost utilities, and eventually ratepayers, about $280,000 per day. Wolf Creek officials say no radiation was released during or after the fire. The plant continued to operate at full capacity throughout the week.

(Source: http://www.utilitydive.com/news/kansas-nuclear-plant-scrambles-to-avoid-shutdown-after-fire/319212/)



BG Group Find Offshore Tanzania Adds Fuel For LNG Export Plant

BG Group and its partners discovered natural gas at a well off Tanzania, adding reserves for a planned export plant in the East African country. The well in Tanzania's block 4 found 1.03 Tcf of gas, according to a statement from Ophir Energy, which holds a 20% interest in the block. That's probably enough to justify a third production unit at a proposed gas-export plant, it said. BG, the UK's third-largest oil and gas producer, plans to build a plant in Tanzania to export LNG

to Asia. The government is assessing where the plant should be located, while legislation to ensure gas contributes more to the economy is due to be presented to parliament by November. The discovery means there's enough gas in block 4 to justify a third 5 million ton-a-year LNG plant for the project.

(Source: http://www.worldoil.com/BG-Group-find-offshore-Tanzania-adds-fuel-for-LNG-export-plant.html)

Exxon, Rosneft Hit Oil With Arctic Exploration Well



Russia, viewed by the Obama administration as hostile to U.S. interests, has discovered what may prove to be a vast pool of oil in one of the world's most remote places with the help of America's largest energy company. Russia's state-run OAO Rosneft said a well drilled in the Kara Sea region of the Arctic Ocean with Exxon Mobil Corp. struck oil, showing the region has the potential to become one of the world's most important crude-producing areas. The well found about 1 Bbbl of oil and similar geology nearby means the surrounding area may hold more than the U.S. part of the Gulf or Mexico.

(Source: http://www.worldoil.com/Exxon-Rosneft-hit-oil-with-Arctic-exploration-well.html)



California Drought Cuts Hydropower Generation In Half

California declared a state of drought emergency in January 2014 and conditions have worsened. As of September 30, 58% of the state was in the most severe "exceptional drought" category. Due to the lack of rainfall, hydropower fell to 10% of California's in-state electricity generation in the first half of 2014 after having supplied an average of 20% of the in-state power in the first half of every year between 2004 and 2013. In every month of 2014, hydropower generation was "well below" the range established for that month over the last 10 years, according to the Energy Information Agency.

(Source: http://www.eia.gov/todayinenergy/detail.cfm?id=18271)



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October 13 – October 17, 2014

News you missed during the week…



Cemex Announces First Solar Power Plant in the Caribbean

Cemex Dominican Republic has announced the launch of a solar plant that will provide renewable energy for its cement plant in San Pedro de Macorís. The plant comprises 5040 panels with inverters that capture the sunlight and convert it into energy. Cemex stated that the contribution represents 1.5 MW in capacity that will produce 2.2 million kWh per year, equivalent to the amount of energy consumed by 2000 homes. This solar plant, which is Cemex's first in the Caribbean, is in line with the group's sustainability strategy, which aims to reduce the carbon footprint of its operations and mitigate their environmental impact.

(Source: http://goo.gl/46sKha)

NET Power To Construct First Zero-Emission Natural Gas Plant



North Carolina-based NET Power LLC has finalized agreements to develop a 50-MW, $140 million gas-fired facility that the company says will be 100% emission free. The company said the project would be the first of its kind, capable of full CO2 capture without requiring expensive, efficiency-reducing carbon capture equipment. Commissioning is anticipated in 2016 with the project complete in 2017.

(Source: http://goo.gl/VkR50c)



Canada's $7 Billion Hydro-Dam Project Wins Environmental Approval

British Columbia's $7 billion Site C hydroelectric dam on the Peace River won environmental approval, paving the way for final decision as it relates to investment later this year. The project proposed by provincially owned BC Hydro & Power Authority would involve construction of a power station near Fort St. John and the flooding of about 5,400 hectares of land in B.C.'s northeast. The dam would be the third on the Peace River which the province began developing for its hydro-power resources 500 years ago. The project would have about 1,100 MW of low-carbon electricity capacity, enough for 450,000 homes.

(Source: http://goo.gl/gEpi8F)



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Pemex Optimistic For Ultra-Deepwater Find In Gulf Of Mexico



Pemex stated this week that it is optimistic of a crude discovery at the Vasto-1 ultra-deepwater exploratory well by year-end because of evidence of hydrocarbon content found at the well. If confirmed, the discovery would be the latest in the Perdido area, where the company estimates that as much as 10 Bbbl of potential reserves can be pumped.

(Source: http://www.worldoil.com/Pemex-optimistic-for-ultra-deep-water-find-in-Gulf-of-Mexico.html*)*



OPEC Boosts Oil Supply Most In Three Years Amid Bear Market Move

The Organization of Petroleum Exporting Countries (OPEC) increased oil production by the most in almost three years as prices headed toward a bear market (decline). The group, which accounts for 40% of world oil supply, predicted demand will accelerate in the next few months. OPEC increased output by 402,000 bbl in September 2014 to 30.47 MMbpd. Its data show that this was the biggest monthly gain since November 2011 and the largest production in more than a year. Brent futures, the international benchmark, traded at a four-year low today amid speculation that Saudi Arabia, OPEC's biggest member, will refrain from supply cuts needed to drain a global oil surplus. Crude production is mounting in the U.S., Russia and Libya, while the pace of demand growth is lower as the economy slows in China, the world's second-largest oil consumer.

(Source: www.worldoil.com/OPEC-boosts-oil-supply-most-in-three-years-amid-bear-market-move.html*)*

WEEKLY GLOBAL ENERGY Markets SNAPSHOT

October 20 – October 24, 2014



News you missed during the week…

Plug-In Hybrids Versus Fuel-Cell Vehicles:

With the imminent unveiling of the Toyota Fuel Cell Vehicle recently, and the Hyundai Tucson Fuel Cell already on sale, we can expect to hear a lot more about hydrogen fuel-cell vehicles in the coming months. Cars that use hydrogen as fuel to produce electricity in a fuel cell are, by definition, zero-emission vehicles: their only exhaust is water vapour. Initially they will be offered only in very low numbers, and restricted to Southern California, where the state and the carmakers are jointly funding the installation of several dozen hydrogen fuelling stations.

(Source: http://ceebip.org/plug-in-hybrids-are-the-best-competitors-to-fuel-cell-vehicles-heres-why/)

Sweden Pledges $500m To Green Climate Fund



Sweden will pay half a billion dollars into the UN's green bank, the government plans to announce in its 2015 budget. From this sum, around $70 million will be additional to its existing overseas aid commitments, meaning that it won't be diverted from existing development projects. The $500 million will be delivered over a four-year period. The money will go into the UN-backed Green Climate Fund, which will channel climate finance towards poor countries. Financial pledges from developed countries are expected to amount to $100 billion a year from 2020.

(Source: http://ceebip.org/sweden-pledges-500m-to-green-climate-fund/)



Solar Energy Prices To Drop By Up To 12% In 2014

Solar photovoltaic (PV) systems dropped up to 19 percent nationwide in 2013, according to a new report on pricing trends, and those declines are expected to continue into 2014. Depending on system configuration and geographic location, PV costs are expected to drop another 3-12 percent this year, with analysts predicting the trend will continue. But the report also indicated the price of solar is impacted by a variety of factors, including value-based pricing based on local competition and existing electric rates.

(Source: http://www.worldoil.com/Pemex-optimistic-for-ultra-deep-water-find-in-Gulf-of-Mexico.html)

For Taller Wind Turbines, Iowa Engineer Looks To Concrete



A researcher at Iowa State University says he may have found a way to make wind generation more powerful and consistent. Sri Sritharan is exploring constructing taller wind turbine towers from high-strength concrete, rather than steel, according to Midwest Energy News. Supported by a $1 million grant from the Department of Energy, the designs could make wind production more efficient. The concrete towers can reach beyond 80 meters, and the goal is to provide energy companies with access to the faster and steadier winds at 100 meters and higher. Conventional steel turbines cannot currently be built that tall because they cannot be transported by truck.

(Source: http://www.midwestenergynews.com/2014/10/20/for-taller-wind-turbines-iowa-engineer-looks-to-concrete/)



India Closer To Ending Decades-Old State Monopoly On Coal

In a move to reform its ailing energy sector, India has paved the way for private sector companies to mine coal commercially in the country. The 27-page decree published on the coal ministry's website this week may end a four-decade monopoly by nationalized Coal India. This as it states that any company or joint venture "may carry on coal mining operations in India, in any form either for own consumption, sale or for any other purpose". The ordinance came after the Supreme Court cancelled more than 200 coal permits in September 2014, declaring the previous process of awarding them illegal and throwing the sector into transitional turmoil.

(Source: http://www.mining.com/india-closer-to-ending-decades-old-state-monopoly-on-coal-83500/)



WEEKLY GLOBAL ENERGY Markets SNAPSHOT

October 27 – October 31, 2014



News you missed during the week…

Funding For Landscape Design For Sustainable Bioenergy Systems

The Bioenergy Technologies Office within the U.S. Department of Energy (DOE) has issued a Funding Opportunity Announcement (FOA), "Landscape Design for Sustainable Bioenergy Systems." DOE is looking for interdisciplinary projects that integrate landscape design approaches with cellulosic feedstock production within existing agricultural and forestry systems. The FOA includes funding up to $14 million.

(Source: http://goo.gl/X7h7a6*)*

Hawaii Electric Light Enacts Lava Flow Plans



Hawaii Electric Light is undertaking contingency plans following the volcano eruption on Hawaii's Big Island. The company is working with other utilities as it relocates a portion of its primary distribution line to the opposite side of Pahoa Village onto two taller poles installed under a joint pole agreement with Hawaiian Telcom. Crews are extending the distribution line to provide power should existing lines become inoperable. Hawaii Electric Light has also relocated a large diesel generator to Puna and will be moving a second large diesel generator to the same location. These units will be able to provide power for the lower portion of Puna if this section is cut off from the rest of the island grid.

(Source: http://goo.gl/q2gC4h*)*



Russia-Ukraine Gas Deal Secures EU Winter Supply

Russia has agreed to resume gas supplies to Ukraine over the winter in a deal brokered by the European Union (EU). The deal will also ensure gas supplies to EU countries via Ukraine are secure. The EU was also confident that Ukraine would be able to afford to pay for the gas it needed. The deal follows months of talks between EU officials and the Russian and Ukrainian. The terms include the EU acting as guarantor for Ukraine's gas purchases from Russia and helping to meet outstanding debts. The total package is worth $4.6bn with money coming from the IMF as well as the EU. The total includes funds from existing accords with the EU and IMF.

(Source: http://www.bbc.com/news/business-29842505*)*



Brazil Solar Power Auction May Spur $1 Billion in Investment

Brazil's first national energy auction with a specific category for power generated from sunlight may spur as much as $1 billion in investment in solar power. Brazil's Electric Energy Trading Board, known as CCEE, may buy as much as 2 gigawatts of renewable energy in the event to be held during the week and 500 megawatts must come from solar power, according to three analysts. The worst drought in eight decades is reducing output from the most important hydroelectric plants in Brazil, and the country is seeking to diversify its energy sources. Companies will compete for 20-year contracts to sell power from projects that must go into operation by October 2017. Developers also registered 626 proposed wind farms and eight biogas projects.

(Source: http://www.renewableenergyworld.com/rea/news/article/2014/10/brazil-solar-power-auction-may-spur-1-billion-in-investment)



Shell Makes Gas Discovery Offshore Gabon

Shell has made a frontier exploration discovery offshore Gabon, West Africa. The well Leopard-1 encountered a substantial gas column with around 200 m net gas pay in a pre-salt reservoir. Leopard-1 is located around 145 km off the Gabonese coast, west of Gamba. It was drilled in water 2,110 m deep to a total vertical depth of 5,063 m. Shell and its partner, CNOOC, are planning to undertake an appraisal program to further determine the resource volumes. Leopard-1 was drilled in license BCD10, operated by Shell (75%). CNOOC holds the remaining 25% interest.

(Source: http://www.worldoil.com/Shell-makes-Leopard-gas-discovery-offshore-Gabon.aspx)