



The turbines provide emission-free and environmentally safe energy generation.

Wind in Sails for Energy Company

The wind turbines that line the northern Spanish skyline have provoked much debate about their role in helping control climate change. Detractors say the size and number of the structures ruin the views, while supporters say they provide employment for locals and give the region some welcome notoriety, as visitors come to the region especially to see the turbines in action. The turbines provide emission-free and environmentally safe energy generation. Local councillor Roberto Lecumberri said that there was a great deal of pride among

locals about the turbines. "People around here are proud to co-operate with this project. The local authorities are happy to put their land in the hands of a company that produces clean energy," he says. But although some still protest about their existence, as the turbines get bigger and improved technology makes them more efficient, the business of wind farms is becoming increasingly profitable. Corin Millais, chief executive of the European Wind Energy Association (EWEA), says there has been a big change in the way the industry has developed during the past five years, cnn.com reported. He said providing clean energy was now

enough to support a successful business. "The industry is growing about 30 percent a year. The turnover is close to 10 billion euros world wide, and a lot of large companies are now getting involved in this industry," he says.

Ten years ago, Pamplona-based company EHN started a wind power development program, which has resulted in the creation of 80 wind farms throughout the world, as well as generating a net profit of about \$40 million dollars last year.

Company spokesman Santi Gomez said EHN had expanded its interests by building a factory at the Pamplona foothills, which is helping transform the company from a small player to one with a global reputation.

"The international community thinks that there is no future in unsustainable models of producing energy, so we have to develop a more sustainable energy model and we must do that making business. Without business there's no future," he says.

The factory has now been running for a year, producing 100 turbines during that time. And as traditional energy sources become more expensive, renewable energy companies may soon win over even the biggest detractors.

Push For Coal-Fired Plants

Coal producers in the Philippines pushed for the 200-megawatt coal-fired power plants in Naga, Cebu, saying it will assure Cebu of reliable electricity and revive the local coal industry and generate jobs.

The project of Salcon Power Corp. and the Korean Electric Power Company Philippines will assure Cebu of 10,000 jobs once it is operational, said Philippine Chamber of Coal Mines Inc. (Philcoal) president Francisco Aragon in a press conference at the Casino Espanol on Wednesday.

He said coal is the cheapest and cleanest source of energy, and no studies prove that coal plants degrade the environment. Mercury poisoning has also never been proven, Aragon pointed out.

According to the Philcoal head, the use of bunker fuel, which is three times more expensive than coal,

is even more dangerous.

Even Congress, in a manifesto signed last Oct. 2002, already settled the coal mining issue with the Department of Environment and Natural Resources (DENR) and the Department of Energy (DOE), the group pointed out.

Teresito Manguerra, Coal Alliance Cooperative Chairperson, said industry players share everyone else's concern and in fact, "responsible" coal miners, like the Manguerra Mining and Development Corp., has already reforested 230 hectares of land, news.yahoo.com reported.

By 2008, Cebu is expected to face brownouts, unless new power plants are set up. She said Cebu should not depend on other areas, especially with the province's growing demand for energy.

There are only three mining companies left in Cebu. Some 24 mining firms shut



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down when the importation of cheap Indonesia coal by local cement and electric plants years back caused the price of coal to drop.

"The operation of the two coal-fired power plants will create a demand for coal that will result in the reopening of most of the coal-mining companies or open new mines under the small-scale coal mining scheme being promoted by

the Department of Energy," the members of the Philcoal and the Cebu Coal Alliance Cooperation said in a press statement.

Henry Tarongoy of the DOE said the use of coal is part of the government's energy plan.

Coal-fired power plants could still be established "as long as they comply with environmental laws and regulations," he said.

Isidro Consunji, president of DMCI Holdings Inc. and representative of Semirara Mining, said with the development of clean coal technology, coal-fired power plants are still used even in advanced countries, like the United States, where 38 percent of the electricity is from coal plants.

Consunji said Semirara, the biggest coal mine in the country, has 150 million tons of proven reserves of coal west of Boracay island.

The country is believed to have 330 million tons of coal reserves that could last up to 50 years.

The use of embedded technology to transmit energy from the coal plants will also mean lower power rates for Cebuanos.

Electricity will not pass the lines of the National Transmission Corp., which currently charges for the use of its transmission lines, Consunji explained.

Warm Weather Pushes Down US Gas, Oil Prices

Futures prices for natural gas and heating oil fell Monday with revised forecasts for milder weather this week in the Northwest and Midwest US.

Other energy commodity prices increased, however. Many analysts were reluctant to accept that the downward trend in oil prices from recent record highs might have tapered off, but they otherwise were unable to explain the trading pattern that emerged after the long US Thanksgiving holiday, during which the New York market was closed Thursday and Friday.

Purnomo Yudiantor, conference president for the Organization of Petroleum Exporting Countries, said Tuesday that OPEC members minus Iraq are producing 1.5 million b/d of crude above their current official quota ceiling of 27 million b/d. With Iraq, he said, total overproduction jumped to 2.5 million b/d.

However, Saudi Arabian Oil Minister Ali Al-Naimi said the world oil market is now in balance, indicating that he would not favor an increase in OPEC's current production quota when ministers meet Dec. 10 in Cairo.

Energy Prices

The new front-month January natural gas contact plunged by 80.2¢ to \$7.84/MMBtu Monday on the New York Mercantile Exchange, while heating oil for December delivery slipped by 0.79¢ to \$1.44/gal. "Private forecasters said the weather did a complete about-face from last week, with the East Coast going from below normal to above [in temperatures], and will not likely see much below-normal cold weather until the middle of December," said analysts Tuesday at Enerfax Daily.

However, gasoline for December advanced by 0.72¢ to \$1.30/gal. The January contract for benchmark US sweet, light crudes increased by 32¢ to \$49.76/bbl on NYMEX, while the February contract was up by 43¢ to \$49.88/bbl. On the US spot market, West Texas Intermediate gained 50¢ to \$49.77/bbl.

In London, the January contract for North Sea Brent crude escalated by \$1.18 to \$45.75/bbl on the International Petroleum Exchange.

The average price for OPEC's basket of seven benchmark crudes increased by 57¢ to \$39.46/bbl Monday.

Gazprom Will Increase Gas Production

Given the increased consumption of natural gas in the world, Gazprom will continue to increase gas production, vice chairman of Gazprom Alexander Ananenkov said Tuesday. He said that the development of the gas industry

and the increase in gas consumption and production was becoming a dynamic process throughout the world.

"Gas consumption is becoming globalized," Ananenkov said. According to different estimates, gas consumption

in China will reach 100-200 billion cubic meters by 2020. Gas consumption is also increasing in Europe, the Asia-Pacific Region, Korea and the United States. Ananenkov said the US market would have a gas shortage in the future.

He said that in 2002 Gazprom's production stabilized and then Gazprom began to increase its output. In 2001, Gazprom produced about 512 billion cubic meters and by 2003 it produced over 540 billion cubic meters of gas.

This year Gazprom plans to produce about 545 billion cubic meters of gas. In 2020, it plans to produce 580-590 billion cubic meters and in 2030 it plans to increase production to 630 billion cubic meters, Ananenkov said.

He also said Gazprom was working on a general development plan for the gas industry which would allow gas industry's development, gas reserves and market demand and a pipeline's development to be forecasted until 2020-2030, en.rian.ru reported.

He said the general plan would be submitted to the government soon and added that he hoped the plan would be considered in the first half of 2005.

Gazprom can and must increase its oil assets,



Gas consumption is becoming globalized.

Valery Yazev, chairman of the State Duma committee for energy, transportation and communications, said.

"Gazprom can significantly increase its oil assets," he said, "and it seems to me that it must do this."

Yazev said that several years ago he supported creating a large state oil company. "And today this idea is being put into practice," he said,

"though maybe in a different form." He said Gazpromneft could be a world leader in oil production and added that the state must be involved in the energy sector, and "not only as a regulator."

It was reported yesterday that Deutsche Bank, a strategic advisor to Gazprom, recommended that Gazprom increase its oil assets. In particular, the bank proposed that Gazprom consider purchasing

Yuganskneftegaz, Sibneft and Surgutneftegaz.

The Gazprom's investment program for 2005 may be cut in half to 160 billion rubles, a source close to Gazprom told RIA Novosti.

The source said the Ministry of Economic Development and Trade reduced Gazprom's investment program for the next year.

On Monday, Industry and Energy Minister Viktor Khristenko told reporters that Gazprom's investment program for 2005 would be about 300 billion rubles (over \$10 billion) and would mainly be for pipelines.

Khristenko said that according to the drafted documents, the investment program "completely answers all the questions with regard to the currency exchange rate policy, the prices of contracts, and the dynamics of the oil and gas prices next year."

Seafont University to Harness Tidal Power

A research group at a Welsh university believes reliable tides should be the main source of energy in the race to help solve Britain's power crisis.

The Government wants more and more renewable energy by 2010 to cut greenhouse gas emissions from coal and gas power plants.

But wind farms have been met with increasingly bitter opposition.

Anti-wind farm groups are springing up all over Wales and even Labour's Kim Howells MP called wind power "crazy, madness and visual pollution" while speaking on GMTV.

Now an initiative by the School of Engineering at the University of Wales Swansea seeks to give tidal energy priority in the renewable energy race.

Researchers are seeking funds for a 300KW tide turbine prototype to test its efficiency and effect

on the environment. James Orme and his research team have already carried out considerable research using a smaller prototype and are convinced it is the answer to Britain's power needs.

And Orme's team says placing turbines in tidal areas, rivers or estuaries has distinct advantages over wind power. These include:

Low visual impact. The major opposition to windfarms is their sheer size and impact on sea horizons or hills.

Low noise output. The underwater turbines are not expected to cause any noise pollution.

High predictability. Tides can be predicted years ahead with river and estuary flows relatively constant compared to wind, icwales.com reported.

High power density. More power can be produced from water turbines than wind turbines

of the same size.

Lower effects on wildlife. The research team says the low speed of the turbine vanes means fish and mammals will not be affected while there have been complaints that wind turbines kill birds, particularly hawks.

Orme said, "The tidal stream turbines provide an easily predictable way of providing electrical energy."

The university has been joined in its work by partners from the private sector such as Ledwood Engineering, Camplas Technology, Titan Environmental Surveys and Evolving Generation and Milford Haven Port Authority.

Tests have been done on prototype turbines towed behind the university research vessel Noctiluca, but the researchers are now looking for a fixed site experiment which would provide electricity for



More power can be produced from water turbines than wind turbines of the same size.

the national grid while assessing the turbine itself.

The Environment Trust has recently put forward plans for a £30m tidal energy project in Swansea Bay which

would create electricity through turbines being spun by tide water rushing through a rock lagoon. The trust says only a few feet of the lagoon would be visible above the water.