



PLATINUM SPONSOR

bp



## *arctic* SYNERGY

The Arctic Energy Summit, a two-year Arctic Council project led by the United States in conjunction with the Institute of the North and the University of the Arctic, is an official International Polar Year project. For more information, visit [www.arcticenergysummit.org](http://www.arcticenergysummit.org).

### *this week in* SUMMIT NEWS

The [Institute of the North](#) has worked with the [Anchorage Convention and Visitors Bureau](#) and Anchorage hotels to provide discounted hotel accommodations for participants attending the [Arctic Energy Summit Technology Conference](#) October 15-18 in Anchorage, Alaska.

The conference will take place at the [William A. Egan Center](#) right in the center of downtown Anchorage. Although the [Hotel Captain Cook](#) will act as the official host hotel during the Arctic Energy Summit Technology Conference, the [Anchorage Marriott Downtown](#) and the [Hilton Anchorage](#) have joined the Captain Cook in offering special rates for our guests.

All three hotels offer excellent accommodations and are located within a few block radius of the Egan Center, an easy walk for visitors. Each has created a special private website to assist in making reservations; more information can be found by clicking on [HOTEL INFORMATION](#) under the [TECHNOLOGY CONFERENCE /REGISTRATION](#) tab of the Arctic Energy Summit website, [www.arcticenergysummit.org](http://www.arcticenergysummit.org).

Discounted travel information, as well as information for tour opportunities while in Alaska, will be highlighted in the next issue of the Arctic Synergy.

# ADDITIONAL SPONSORS



## RENEWABLE & RURAL

### ALASKA/US

BLM and U.S. Forest Service to consider expanded geothermal leasing (EERE News, 06/27/07)

[http://www.eere.energy.gov/news/enn.cfm?id\\_11065](http://www.eere.energy.gov/news/enn.cfm?id_11065)

The Bureau of Land Management (BLM) announced in mid-June that it will work with the U.S. Forest Service to prepare a programmatic environmental impact statement (PEIS) for geothermal energy development in Alaska and 11 western states.

U.S. is creating 3 centers for research on biofuels (New York Times, 06/25/07)

[http://www.nytimes.com/2007/06/26/business/26bio.html?\\_r=1&oref=slogin](http://www.nytimes.com/2007/06/26/business/26bio.html?_r=1&oref=slogin)

The three centers, which the department described as three start-up companies with \$125 million each in capital, will involve numerous universities, national laboratories and private companies. The goal of the centers is to bring new technologies to market within five years.

## DENMARK

Fresh air for wind energy sails (Copenhagen Post, 06/22/07)  
<http://www.cphpost.dk/get/102322.html>

The new proposal increases subsidies for wind energy and paves the way for installing more giant offshore turbines. The subsidy programme is intended to make it more profitable to install wind turbines and help the government meet its goal of doubling Denmark's renewable energy production to 30 percent by 2025.

## RUSSIA

New power plant in Russia's Far East operational by yearend (RIA Novosti, 06/27/07)

<http://en.rian.ru/russia/20070627/67889974.html>

A large hydroelectric plant currently under construction in Russia's Far East will become operational by the end of this year, the head of the country's electricity monopoly said Wednesday.

## SWEDEN

Alcohol, feces, carcasses fuel "green" vehicles in Sweden (National Geographic News, 06/25/07)

<http://news.nationalgeographic.com/news/2007/06/070625-swedish-biogas.html>

More than one-quarter of all the energy consumed in Sweden in 2004 came from renewable sources—more than four times as much as the European Union average of 6 percent. In 2006 the Swedish government pledged to become the world's first oil-free country by 2020.

## EMERGING TECHNOLOGY

New technology could lead to more energy-efficient ethanol production (Science Daily, 06/27/07)

<http://www.sciencedaily.com/releases/2007/06/070626151748.htm>

Chemical engineers think it may be possible to cut energy costs by using a series of specially designed permeable plastic sheets, or membranes, to produce ethanol from fermented broths of corn, or straw and other kinds of biomass feedstocks.

Floating wind turbines? 2009 could see first (MSNBC, 06/27/07)

<http://www.msnbc.msn.com/id/19417216/>

The world's first floating wind turbine could be generating electricity in the North Sea in 2009 under a research pact on Monday between Norwegian energy group Norsk Hydro and German engineering firm Siemens.

Making ethanol out of biodiesel byproducts (New York Times, 06/26/07)

[http://www.nytimes.com/cnet/CNET\\_2100-1008\\_3-6193397.html?\\_r=1&oref=slogin](http://www.nytimes.com/cnet/CNET_2100-1008_3-6193397.html?_r=1&oref=slogin)

Rice University researchers say that microbes can help us get more biofuel for the buck. Microorganisms can be used to metabolize glycerol--one of the primary byproducts in converting vegetable oil or animal fat into biodiesel.



## EXTRACTIVE

### ALASKA/US

Speeding oil production may be best route to gas (Alaska Journal of Commerce, 06/24/07)

[http://www.alaskajournal.com/stories/062407/hom\\_20070624007.shtml](http://www.alaskajournal.com/stories/062407/hom_20070624007.shtml)

The best strategy for mitigating loss of oil recovery due to natural gas production from the Prudhoe Bay field on Alaska's North Slope may be to accelerate oil production to deplete reserves before gas production begins.

TAPS: 30 years and going strong (Petroleum News, 06/24/07)

<http://www.petroleumnews.com/pntruncate/166035122.shtml>

It's been 30 years since the first oil entered the trans-Alaska oil pipeline system on June 20, 1977. As the world's largest ever privately funded construction project, the trans-Alaska pipeline system proved to be a massive engineering achievement.

Petition calls for Cook Inlet coal mining ban (Petroleum News, 06/24/07)

<http://www.petroleumnews.com/pntruncate/660009348.shtml>

The Chuitna Citizens NO-COALition believes that the complex wetlands and salmon stream hydrology in the region make reclamation "virtually impossible," which is one of the criteria required under the coal regulations in order for an area to be designated unsuitable for mining.

**State wants gas say-so** (Petroleum News, 06/24/07)  
<http://www.petroleumnews.com/pntruncate/97590095.shtml>  
The Alaska Oil and Gas Commission is considering requiring a depletion plan and near-term strategies to prepare for gas offtake – including methods to increase the capture of oil prior to gas offtake and to ensure that facility and well downtime are minimized.

**Tiny spill reduces Slope output** (Anchorage Daily News, 06/23/07)  
<http://www.adn.com/money/industries/oil/story/9072646p-8988613c.html>  
Prudhoe Bay oil production is down roughly 10,000 barrels per day while BP replaces 80 feet of pipeline that sprung a small leak earlier this week.

**Two Prudhoe gas owners are exploring their options** (The Anchorage Daily News, 06/21/07)  
<http://www.adn.com/money/industries/oil/story/9037749p-8953298c.html>  
Before the Alaska Gasline Inducement Act was signed into law by the governor on June 7, the three major Prudhoe gas owners said they would not submit a bid to build a pipeline from the North Slope under AGIA as it was written.

## **CANADA**

**Statoil gets the OK for oilsands bid** (Calgary Herald, 06/27/07)  
<http://www.canada.com/calgaryherald/news/calgarybusiness/story.html?id=29b441ae-dc4c-43d7-8cc5-6605282b79ce>  
Under the deal, Statoil gains access to 1,110 square kilometres of oilsands leases in Athabasca with huge recoverable resources. First bitumen production is targeted in late 2009 from the 10,000-barrel-per-day Leismer demonstration project.

**Northern exposure for PM** (ChronicleHerald, 06/26/07)  
<http://thechronicleherald.ca/Front/843457.html>  
The area has been coveted as a shipping route for centuries, but is only now opening up as a viable sea lane with global warming thinning the northern ice. While that dispute carries little practical relevance today, it could hold serious implications if climate change opens the region to sea traffic and spurs oil exploration in the North.

**Future of energy goes nuclear** (Ottawa Sun News, 06/24/07)  
<http://www.ottawasun.com/News/National/2007/06/24/4285682-sun.html>

The Whitecourt mayor and city council, along with a feisty Calgary entrepreneur and at least one unnamed oil company, are hoping to plant nuclear power on the fringes of the oilpatch.

**Moratorium on oil tankers disputed by federal cabinet minister** (Canoe, 06/24/07)

<http://money.canoe.ca/News/Economy/2007/06/24/4286831-cp.html>

The Natural Resources minister insists that doesn't mean an increase in traffic would be allowed without oversight, but federal and provincial politicians want Ottawa to institute a full, formal ban on oil tankers in B.C. coastal waters, a move being backed by environmentalists and some First Nations.

## REGION

**Climate change, Barents Sea, Russia and StatoilHydro on Norway's agenda** (BarentsObserver, 06/26/07)

<http://www.barentsobserver.com/index.php?id=521954&cat=16149&xforceredir=1&noredir=1>

The key external drivers of Norway's policy in the High North are, simply stated, energy, climate change - and Russia, according to the Norwegian Foreign Minister. The minister called on the merged Norwegian petroleum giant to continue what has developed as a Norwegian tradition - a close dialogue between industry, government and civil society.

**Gazprom: another step closer to Shtokman development** (BarentsObserver, 06/26/07)

<http://www.barentsobserver.com/index.php?id=522313&cat=16149&xforceredir=1&noredir=1>

The deputy head of Gazprom's management committee said that the plans for the development of the Shtokman field in the Barents Sea are in the final stage of elaboration.

**New Russian gas pipeline deal cuts through EU unity** (EurActiv, 06/25/07)

<http://www.euractiv.com/en/energy/new-russian-gas-pipeline-deal-cuts-eu-unity/article-164920>

Italian gas giant Eni and Russia's Gazprom agreed to cooperate on a new pipeline that will increase Russian natural gas flows to EU markets. The deal is widely seen as increasing the EU's dependence on Russian gas, and appears to run counter to European efforts to "speak with one voice" in external energy relations.

**Norway to boost natural gas exports to European Union**  
(International Herald Tribune, 06/25/07)

<http://www.ihf.com/articles/ap/2007/06/25/europe/EU-GEN-Norway-EU-Energy.php>

Norway plans to increase its natural gas supplies to the European Union by up to 55 percent by the middle of the next decade, the EU's energy commissioner said Monday.

## **RUSSIA**

**Lukoil boosts capacity of Varandey terminal**

(BarentsObserver, 06/27/07)

<http://www.barentsobserver.com/index.php?id=521986&cat=16149&xforcedir=1&noredir=1>

Russian oil major Lukoil will by the end of 2007 increase the capacity of its Varandey oil terminal on the Barents Sea coast to 12 million tons per year. Last week, the company conducted an extensive oil spill rehearsal at the site.

**LUKoil wants North Caspian oil output up to 50 mln tons in decade** (RIA Novosti, 06/27/07)

<http://en.rian.ru/russia/20070627/67915132.html>

LUKoil has worked on the Caspian since 1995 and discovered a new oil province in the region with 4 billion barrels of oil equivalent in reserves. The company has invested \$350 million in the project.

**Oil export duty may top \$220 per metric ton from Aug. 1**

(RIA Novosti, 06/26/07)

<http://en.rian.ru/russia/20070625/67746503.html>

A senior Russian finance official said export duty for oil could be raised by \$20 from August 1 to reach about \$223-224 per metric ton in view of the growing Urals price.

**Transneft valued at \$15 bln** (Kommersant, 06/25/07)

[http://www.kommersant.com/p777532/Transneft\\_Merger\\_Valuation/](http://www.kommersant.com/p777532/Transneft_Merger_Valuation/)

Russian oil pipeline monopolist Transneft has been valued at no less than \$15.4 billion in preparation for a merger with Transneftprodukt, according to unofficial sources. Valuation of Transneftprodukt, which will set the share of Transneft's minority shareholders in the consolidated company, has not as yet been finished. Analysts say that rights of minority shareholders are not likely to be infringed even if their share will drop.

**New Russian tanker company to develop Arctic** (RIA Novosti, 06/25/07)

<http://en.rian.ru/analysis/20070625/67766237.html>

On June 20, Russian President Vladimir Putin signed a decree ordering the country's two largest tanker companies to be reorganized into a single corporation. *For an additional article, please link [here](#).*

**Acquired gas deficit syndrome** (Kommersant, 06/25/07)

[http://www.kommersant.com/p777534/Gas\\_shortage\\_/](http://www.kommersant.com/p777534/Gas_shortage_/)

In Gazprom, they harbor no doubts about their capacity of meeting surging domestic demand with no detriment to the exports. The analysts, however, forecast the gas shortage here, while the clients in Europe are looking for alternative to gas supplies from Russia.

**Komi Republic ups oil production with 11 percent**

(BarentsObserver, 06/22/07)

<http://www.barentsobserver.com/index.php?id=521239&cat=16149&xforceredir=1&noredir=1>

The Lukoil-Komi oil company the first five month of 2007 produced a total of 5,36 million tons of oil. The amount is 11 percent higher than in the same period in 2006.

**BP sells Russian gas field stake to Gazprom** (CNN, 06/22/07)

<http://money.cnn.com/2007/06/22/news/international/bp.reat/index.htm?postversion=2007062209>

BP also said it and TNK-BP had signed a memorandum of understanding to create a strategic alliance with the Russian gas giant, Gazprom, to invest jointly in major long-term energy projects or swap assets around the world. *For related information, please link [here](#).*

**Rosneft to invest 1.2 billion USD in tankers**

(BarentsObserver, 06/22/07)

<http://www.barentsobserver.com/index.php?id=521136&cat=16149&xforceredir=1&noredir=1>

Russian state-owned oil major Rosneft intends to invest 1.2 billion USD on the construction of 27 ships, which are to be used in connection with offshore field development.

**Oil company plans new refinery outside Murmansk** (Barents Observer, 06/21/07)

<http://barentsobserver.com/index.php?id=520996&cat=16149&xforceredir=1&noredir=1>

The Sitez Petroluem intends to construct a new refinery with a 6 million ton capacity on the western shore of the Kola Bay. The company is currently in negotiations with potential suppliers of raw oil.





# SUSTAINABILITY

## ALASKA/US

**Study sees climate change impact on Alaska** (New York Times, 06/28/07)

<http://www.nytimes.com/2007/06/28/us/28climate.html?th&emc=th>

The study is the first of its kind in Alaska, and its authors emphasize that it does not project costs for things like moving villages, protecting the Trans-Alaska Pipeline, fighting wildfires or protecting private property that may be affected.

**House Democrats at odds over energy bill provisions** (Washington Post, 06/28/07)

<http://www.washingtonpost.com/wp-dyn/content/article/2007/06/27/AR2007062702329.html>

Just before the July 4 deadline she set for coming up with an "energy independence" package of legislation, the House Speaker is trying to pull together the pieces of an energy bill from 10 committees and warring Democratic leaders. *For a related editorial, please link [here](#).*

**ExxonMobil highlights commitment to addressing climate risks** (Energy Business Review Online, 06/25/07)

[http://www.energy-business-review.com/article\\_news.asp?guid=EFE7B6DE-DD48-410A-B4BF-9DC30FDB980B](http://www.energy-business-review.com/article_news.asp?guid=EFE7B6DE-DD48-410A-B4BF-9DC30FDB980B)

US oil company ExxonMobil has pledged to increase energy efficiency in the short term, advance current emission-reducing technologies in the medium term, and develop breakthrough technologies in the long term, as part of its bid to tackle climate change.

**BP looking to emerge from rough few years in Alaska** (International Herald Tribune, 06/25/07)

<http://www.ihf.com/articles/ap/2007/06/25/business/NA-FIN-US-BP-Prudhoe-Bay.php>

Today, oil production is in steady decline — about 6 percent a year — but the North Slope's largest operator, BP PLC, remains bullish about the future because of the region's untapped resources.

**New head of BP America vows to make changes** (Anchorage Daily news, 06/24/07)

<http://www.adn.com/money/industries/oil/story/9076694p-8992674c.html>

BP is on a hiring, repairing and building binge to atone for last

year's oil spills and rampant corrosion that led to the temporary, partial shutdown of Prudhoe Bay -- the nation's largest oil field.

**Cars of the near future in U.S. will use less fuel, may run on electricity** (International Herald Tribune, 06/22/07)

<http://www.ihf.com/articles/ap/2007/06/22/america/NA-GEN-US-Congress-Energy.php>

The cars, SUVs and pickups Americans will buy in the years ahead are likely to use less fuel, and many will rely on ethanol or household electricity instead of gasoline.

## CANADA

**Industry calls for 'regulatory efficiency'** (Calgary Herald, 06/27/07)

<http://www.canada.com/calgaryherald/news/calgarybusiness/story.html?id=3ba6e5cd-35bb-4492-b387-0f51c2d8f1d4>

The head of the Canadian Energy Pipeline Association said unnecessary bureaucracy and red tape threaten to derail major new projects such as the Mackenzie Valley natural gas pipeline. While recognizing the need for public consultation and aboriginal participation, the significant delays on the Mackenzie project point to the need for a streamlined approvals mechanism.

## NORWAY

**Disappointment over EFTA Court ruling on power rights** (Norway Post, 06/27/07)

<http://www.norwaypost.no/cgi-bin/norwaypost/imaker?id=87584>

The international EFTA Court in Luxembourg has ruled that Norway's regulations on ownership of hydropower concessions, which demand that private owners must turn their concessions back to the state after 60 years, are contrary to regulations of the European Economic Area (EEA).

**Test centre for CO2 capture at Mongstad** (Norway Post, 06/23/07)

<http://www.norwaypost.no/cgi-bin/norwaypost/imaker?id=86838>

The Ministry of Petroleum and Energy (MPE) has signed an agreement with Hydro, Statoil, Danish DONG Energy, Dutch Shell and Swedish Vattenfall on cooperating towards a test centre for CO2 capture and storage (CCS).

**Norway presents plan to become 'carbon neutral' by 2050**

(International Herald Tribune, 06/22/07)

<http://www.ihf.com/articles/ap/2007/06/22/europe/EU-GEN-Norway-Emissions.php>

The government outlined steps needed for Norway to achieve its ambitious plan to reduce net greenhouse emissions to zero by 2050.

## REGION

**Kremlin lays claim to huge chunk of oil-rich North Pole** (The Guardian, 06/28/07)

<http://www.guardian.co.uk/international/story/0,,2113056,00.html>

A group of Russian geologists returned from a six-week voyage with the "sensational news" that the Lomonosov ridge was linked to Russian Federation territory, boosting Russia's claim over the oil-and-gas rich triangle.

**Gazprom against Fortum** (BarentsObserver, 06/27/07)

<http://www.barentsobserver.com/index.php?id=521973&cat=16149&xforcedir=1&noredir=1>

Gazprom has expressed its interest in buying a major share of the main power generator in Northwest Russia, the Territorial Generating Company No 1 (TGK-1). The gas major will meet staunch competition from Finnish energy major Fortum.

**Norway, 2 Swedish companies buy into Aker Kvaerner through new holding company** (International Herald Tribune, 06/22/07)

<http://www.ihf.com/articles/ap/2007/06/22/business/EU-FIN-COM-Norway-Aker-Kvaerner.php>

The Norwegian government said it was taking control of a 12 percent stake in Aker Kvaerner ASA valued at 4.8 billion kroner in a deal it said would keep the industrial group based in Norway for the next 10 years.

**UK Europe's most competitive energy market as full market opening looms** (Energy Business Review, 06/21/07)

[http://www.energy-business-review.com/article\\_feature.asp?guid=7AAE7307-E0B0-4569-8C5E-DC40D0F8D65C](http://www.energy-business-review.com/article_feature.asp?guid=7AAE7307-E0B0-4569-8C5E-DC40D0F8D65C)

While the UK power and gas markets are the most competitive in Europe, market conditions, attitudes towards liberalization and levels of competitive intensity remain highly diverse across the EU. As such, the European Commission's aim of creating a single European energy market remains a distant possibility rather than an imminent reality following full market opening on July 1, 2007.

## RUSSIA

Russian arm twisting (The Economist, 06/22/07)

[http://www.economist.com/world/europe/displaystory.cfm?story\\_id=9390152](http://www.economist.com/world/europe/displaystory.cfm?story_id=9390152)

In just four years, Vladimir Putin has turned from a friend of Western oil companies into one of their most notable foes—with dramatic consequences for the industry.

## SCANDINAVIA

Climate change in the North - hot topic (Norden, 06/25/07)

<http://www.norden.org/webb/news/news.asp?id=7010&lang=6>

The President of the Nordic Council has called upon the Nordic countries to work together on climate change. He would like to see a joint Nordic market for renewable energy as well as electrification of the offshore oil industry.

## SWEDEN

E.ON to test CO2 capture technology in Sweden (Energy Business Review, 06/25/07)

[http://www.energy-business-review.com/article\\_news.asp?guid=24B1BB78-DAB0-4937-9BD8-56D1CAF040BF](http://www.energy-business-review.com/article_news.asp?guid=24B1BB78-DAB0-4937-9BD8-56D1CAF040BF)

The method to be used in Sweden is based on new technology that involves using ammonia to capture CO2. The key advantage is that this cleaning process uses less energy than other CO2 removal processes, so its impact on the overall efficiency of the power plant is relatively low.

## EMERGING TECHNOLOGY

Intoxicant-free gas nothing to sniff at (Globe and Mail, 06/25/07)

<http://www.theglobeandmail.com/servlet/story/RTGAM.20070625.wsniff0625/BNStory/National/home>

Opal gas was developed as a partial response to the problem of gas-sniffing in aboriginal communities in Australia. Although Opal has yet to be tested in cold weather, BP would be willing to co-operate with another refiner to produce Opal and would even provide the formula free of charge.

## ARCTIC ENERGY SUMMIT NEWS

The Arctic Energy Technology Conference -- 15-18 October 2007 in Anchorage, Alaska - is one of three components of the Arctic Energy Summit, an International Polar Year endorsed project and a Sustainable Development Working Group initiative of the Arctic Council. The Summit will bring focus to the areas of developing resources while addressing the need for affordable energy in rural areas throughout the Arctic.

The technology conference will provide a forum for the presentation of international, interdisciplinary technical research papers on **the Arctic as an emerging energy province**. A benchmark of 200-250 papers is expected; the call for technical papers includes, but is not limited to the fields of extractive energy in the Arctic, renewable and rural energy in the Arctic, and sustainability of energy in the Arctic.

Please visit the website for more information, or contact Phil Cutler, Institute of the North, [pcutler@institutenorth.org](mailto:pcutler@institutenorth.org).



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