



Drumbeat: June 14, 2013

Posted by [Leanan](#) on June 14, 2013 - 9:51am

[Pentagon bracing for public dissent over climate and energy shocks](#)

Top secret US National Security Agency (NSA) documents disclosed by the Guardian have shocked the world with revelations of a comprehensive US-based surveillance system with direct access to Facebook, Apple, Google, Microsoft and other tech giants. New Zealand court records suggest that data harvested by the NSA's Prism system has been fed into the Five Eyes intelligence alliance whose members also include the UK, Canada, Australia and New Zealand.

But why have Western security agencies developed such an unprecedented capacity to spy on their own domestic populations? Since the 2008 economic crash, security agencies have increasingly spied on political activists, especially environmental groups, on behalf of corporate interests. This activity is linked to the last decade of US defence planning, which has been increasingly concerned by the risk of civil unrest at home triggered by catastrophic events linked to climate change, energy shocks or economic crisis - or all three.

[Potential Oil Glut! Raymond James Analyst's Contrarian Forecast](#)

TER: Was Saudi Arabia's production cut driven by a policy change?

AC: Saudi Arabia cited internal demand issues in its production cut. The cut may also reflect an adjustment to offset the start-up of Manifa, which occurred last month.

TER: If the glut does occur, which benchmark crudes will be most affected, whether by going up or going down?

AC: In the U.S., production of light oil will dramatically increase due to the shales. Without the ability to export, we are already seeing prices of West Texas Intermediate (WTI) reflecting that "stranded" lighter barrel. We see light imports being backed out of the U.S. as early as this summer as well. Finally, as infrastructure bottlenecks are removed onshore, we see risk to Gulf Coast prices (e.g., Light Louisiana Sweet). With much of the U.S. refinery infrastructure having been geared to process heavier barrels, the large growth in light barrels has already driven WTI prices to a discount with Brent. Risks to Brent could come down the road if European and Chinese demand remains tepid.

[Shale revolution grows stronger](#)

There seems no end to the stream of good news coming out of the energy sector.

After the International Energy Agency (IEA) last November hailed the United States shale revolution by predicting that the country would become the biggest producer of oil by the end of the decade, the compliments have now been returned.

[Shale Drillers Squeeze Costs as Era of Exploration Ends: Energy](#)

The pioneers of America's shale gas and oil revolution have done their work. Now it's time for the factory crews to take over.

After spending \$53 billion on a land binge to find hydrocarbons, the petroleum industry is counting on technological innovations -- better imaging data, speedier and longer horizontal drilling, among them -- to ramp up the flow of oil and gas from U.S. shale fields where they're drilling more than 10,000 wells a year.

[WTI Trades Near Three-Week High on Signs of U.S. Growth](#)

West Texas Intermediate climbed to its highest intraday level in 10 weeks on signs of economic recovery in the U.S., the world's largest consumer of crude, and concern that Middle East exports may be disrupted.

WTI advanced to the highest since April 2 and is set for a second weekly gain. U.S. retail sales rose the most in three months in May, while jobless claims dropped last week, data yesterday show. Iranians go to the polls today to select a replacement for President Mahmoud Ahmadinejad. The U.S. will provide small arms and ammunition to the Syrian opposition after saying that President Bashar al-Assad's forces used chemical weapons, said an official familiar with the decision.

[Surge in U.S. oil-by-rail suffers first slowdown as spreads slim](#)

NEW YORK/CALGARY (Reuters) - Oil traders are gently tapping the brakes on the thriving business of shipping U.S. and Canadian crude oil by rail, industry data showed this week, the first sign of a slowdown after a two-year boom.

As price spreads for moving sweet North Dakota or Canadian crude to premium markets on the Gulf Coast slump to their lowest since early 2011, companies are shifting more oil back through pipelines rather than using costlier railcars, raising new questions about the longevity of oil-by-rail.

[European gas demand set to level out, recover: Statoil](#)

Demand in the European gas market is "expected to level out and then recover" after the slump of recent years, Norwegian producer Statoil said in its "Energy Perspectives 2013" report published Friday.

The company said it expected the Eurozone crisis to abate, with a stronger economy boosting demand.

[U.S.-Europe Diesel Flow Seen Rising Amid Output at 23-Year High](#)

The number of diesel cargoes booked for export to Europe from the U.S. Gulf Coast is set to climb after output of refined oil products was the highest in at least 23 years, a Bloomberg News survey showed.

Traders will charter 12 Medium Range tankers for loading to June 26, the average of estimates from seven shipbrokers specializing in the trade showed this week. That's three more vessels, each normally carrying 38,000 metric tons of the fuel, than in a corresponding survey last week.

[CPI demands inquiry into Moily's revelations over petroleum ministers being threatened](#)

New Delhi (ANI): The Communist Party of India (CPI) on Friday asked Petroleum and Natural Gas Minister Dr. M. Veerappa Moily to disclose the names of those import lobbies, who threaten petroleum ministers.

CPI leader Atul Anjan said it is a very serious issue, and added that the government must conduct an inquiry into it.

"The petroleum minister has given a very stunning statement. In Rajasthan, oil and gas deposits are there. The Government of India must enquire this matter. This is an issue of national security and national independence," said Anjan.

[Key court ruling puts Kuwait democracy on the line](#)

Kuwait now stands at a political crossroads ahead of a crucial court ruling on Sunday on a controversial electoral law, with the decision affecting the future of democracy itself in the oil-rich state.

The constitutional court, whose verdicts are final, will rule whether an amendment decreed by the emir last October to the electoral law is constitutional or not.

His decree intensified a bitter political crisis that had engulfed the emirate in 2006, sparking a wave of street protests, some of which turned violent.

[Iran votes for new president, Khamenei slams U.S. doubts](#)

(Reuters) - Millions of Iranians voted to choose a new president on Friday, urged by Supreme Leader Ayatollah Ali Khamenei to turn out in force to discredit suggestions by arch foe the United States that the election would be a sham.

The 50 million eligible voters had a choice between six candidates to replace incumbent Mahmoud Ahmadinejad, but none is seen as challenging the Islamic Republic's 34-year-old system of clerical rule.

[Cyberattacks hit Iran's Gmail users as election begins](#)

NEW YORK (CNMoney) - In the lead-up to Iran's presidential elections, which kicked off Friday, tens of thousands of Iranians fell victim to a series of targeted cyberattacks on their Gmail accounts.

[Oil Hunted in Mozambique After World's Largest Gas Discoveries](#)

Statoil ASA and Tullow Oil Plc are finishing a well aimed at achieving the first commercial oil discovery in Mozambique, the East African country where explorers have made the century's largest natural gas finds.

The partners' Cachalote well off Mozambique is drilling past potential gas fields and looking for crude discoveries further under the seabed, Tullow Exploration Director, Angus McCoss said in an interview yesterday. The well is expected to be finished later this month.

[BP's PSVM in Angola to Reach Peak Oil Output Sooner Than Planned](#)

BP Plc said that Angola's PSVM project, the largest subsea oil and gas development, will reach peak production of 150,000 barrels of oil a day in December, earlier than previously expected.

The company said in January that output wouldn't reach that level until 2014. The project is currently producing about 100,000 barrels a day, up from 70,000 barrels earlier this year, said Martyn Morris, BP's regional president.

[Brazil Plans to Woo Big Oil by Offering 30% of Libra's Profits](#)

Brazil is preparing to woo producers by offering at most a 30 percent take for developing its largest oil field. Analysts say it's enough to spur interest.

The oil regulator is preparing a road show to the U.S., Europe and Asia in late June and early July to market Libra, the largest oil discovery in Brazil that is up for auction in

October, Magda Chambriard, the head of the National Petroleum Agency, said yesterday. The quality of the oil and the size of the reserves have lured the interest of all major companies from Chevron Corp. to China Petrochemical Corp., or Sinopec, she said.

[Far East Energy in Takeover Talks With Oil Majors, CEO Says](#)

Far East Energy Corp., the explorer cited by short-seller Carson Block in his criticism of Standard Chartered Plc's loan quality, has had talks with several global oil companies for a possible takeover or a stake sale.

Discussions are in the early stages, Chief Executive Officer Michael McElwrath said, without disclosing financial details or a timeline. The Houston-based company, which explores for coal-bed methane in China's Shanxi province, will drill 70 wells this year, bringing its total to about 135, he said. The company plans to drill 400 wells next year, he said.

[How To Generate Energy Dividends Despite The 'Peak Oil' Nonsense](#)

"Peak oil" is the idea that the world has reached or is about to reach maximum production of oil either a few years ago or a few years from now. From there on we are supposedly going to experience significant declines in oil production, which would have devastating impacts on the world economy, which would need more and more oil in the future. This would be driven by the emerging economies of China and India, where hundreds of millions of consumers will enter the middle class and demand the lifestyle of your typical American consumer. This will be bullish for companies like Coca-Cola as well as energy companies like Chevron.

I find some of the cheapest stocks in the market today to be oil companies.

[U.K. Blackout Risk Prompts Concern of Britons in Survey](#)

Almost two-thirds of U.K. citizens say they are worried about the risk of electricity blackouts because of the government's "confused" energy policy, the Institution of Mechanical Engineers said.

About 64 percent of more than 2,000 people polled for the London-based institution said they're worried about the prospect of power cuts, and 93 percent said they're concerned about higher gas and electricity bills, according to an e-mailed statement today from the group. The government said in a statement that it's "confident" the lights will stay on.

[Kinder Shuts Only Pipeline Carrying Canadian Crude to West Coast](#)

Kinder Morgan Inc., the largest U.S. pipeline operator by market value, shut the only line that carries Canadian crude to the West Coast after discovering a spill of light crude in a remote region of British Columbia.

Workers found the 12-barrel spill from the Trans Mountain Pipeline yesterday while performing routine maintenance, Andy Galarnyk, a Calgary-based spokesman for Kinder, said by e-mail. The company shut the 300,000-barrel-a-day line, which carries both light and heavy oil, and is making repairs.

[U.S., Arkansas sue Exxon over Pegasus pipeline spill](#)

WASHINGTON — The U.S. Justice Department filed a joint lawsuit with Arkansas on Thursday against oil producer Exxon Mobil Corp over the pipeline spill in March of thousands of barrels of heavy Canadian crude oil in a suburban neighborhood.

The 95,000 barrels per day Pegasus line has been shut since spilling the oil in Mayflower, Arkansas, where cleanup operations continue. U.S. oil pipelines rarely spill in towns.

[Harper Lobbies Europe as Canada Fights Dirty-Oil Label](#)

Canadian Prime Minister Stephen Harper is appealing to his European peers to stop EU plans to single out Alberta's oil sands as a source of high-polluting energy as the country struggles to find new markets for its oil.

Harper will push the issue with French President Francois Hollande today after raising it with U.K. Prime Minister David Cameron yesterday. Canadian Natural Resources Minister Joe Oliver is also meeting with government and industry officials in London this week.

[Obama Tells Keystone Foes He Will Unveil Climate Measures](#)

With his administration under pressure from environmentalists to reject the Keystone XL pipeline project, President Barack Obama plans to unveil a package of separate actions next month focused on curbing U.S. greenhouse gas emissions.

At closed-door fundraisers held over the past few weeks, the president has been telling Democratic party donors that he will unveil new climate proposals in July, according to people who have attended the events or been briefed.

[Shale wells and methane emissions: Kemp](#)

(Reuters) - Shale gas supporters say it can cut greenhouse emissions by replacing dirtier

fuels such as coal, but critics warn it is worsening climate change due to methane leaks from shale wells.

Because methane is so much more potent than carbon dioxide as a greenhouse gas, even small emissions can have a huge impact. Depending on the time horizon, 1 tonne of methane has the same global warming potential as 25-72 tonnes of carbon dioxide, according to the Intergovernmental Panel on Climate Change.

[Non-Violent Keystone XL Activists = 'Eco-Terrorists,' According to TransCanada Documents](#)

Documents recently obtained by Bold Nebraska show that TransCanada – owner of the hotly-contested Keystone XL tar sands pipeline – has colluded with an FBI/DHS Fusion Center in Nebraska, labeling non-violent activists as possible candidates for “terrorism” charges and other serious criminal charges.

Further, the language in some of the documents is so vague that it could also ensnare journalists, researchers and academics, as well.

[Honda delays hybrid vehicle production in China](#)

TOKYO (Reuters) - Japan's Honda Motor Co. will delay the start of production of gasoline-electric hybrid cars in China in a bid to source cheaper parts, a company official said, in an apparent response to rival Toyota's cost-saving measures.

Honda had intended to start local production of hybrid cars in China by as early as next year, but said on Friday local production had been put back "to within three years" in order to source cheaper components from parts suppliers in China.

[Fiat's tiny 500e electric car is a big hit](#)

Sergio Marchionne, chief executive of Fiat and Chrysler, hates that the state of California is forcing him to sell electric cars. He just hates it. He loses money on every single one and there just aren't enough buyers for them, he says.

So it's surprising that the Fiat 500e electric car isn't a cheaped-out awful mess.

On the contrary, it's one of the best electric cars out there. It's not perfect, but it's stylish, fun to drive and, in some respects, better than a gasoline-powered Fiat 500.

[Lifetime Costs of Electric Cars Within 10% of Competing Vehicles](#)

It's no secret that upfront cost is one of the major obstacles when it comes to the attractiveness of electric cars on the market.

But drivers should think again, according to a new analysis from the Electric Power Research Institute (EPRI). The study compared the prices of the Nissan Leaf and Chevy Volt for the 2013 model season against comparable gasoline cars on the market.

[Protesters, police clash in demonstration against bus fare increases in Brazil](#)

Sao Paulo, Brazil (CNN) -- Riot police fired tear gas and rubber bullets into crowds when thousands of people took to the streets of Sao Paulo on Thursday night to protest an increase in bus and metro fares.

At least 100 people were injured and more than 120 were arrested in the violent clashes, occurring exactly one year before the World Cup kicks off in Brazil's financial capital.

It was the latest in a string of protests staged in Sao Paulo, Rio de Janeiro and other cities over the last week aimed at getting officials to revoke recent increases in public transportation costs.

[Mott Green, a Free-Spirited Chocolatier, Dies at 47](#)

Mott Green, who emerged from a hermitlike existence in a bamboo hut in the jungle of Grenada to produce a coveted Caribbean delicacy — rich, dark chocolate bars that he exported around the world with the help of sailboats, bicycles and solar-powered refrigeration — died on June 1 in Grenada. He was 47.

He was electrocuted while working on solar-powered machinery for cooling chocolate during overseas transport, said his mother, Dr. Judith Friedman.

[‘Solar energy crucial to meet rising demand’](#)

An expert here believes that the Kingdom is likely to spend all its oil on electricity in the country by 2031 if current consumption continues, and has called for an urgent program to harness solar energy.

“There must be real work done to benefit from this alternative energy in the Kingdom in light of climat changes, population growth and increasing electricity use,” said Abdel Malik Al-Junaidi, chairman of the mechanical engineering department at King Abdul Aziz University.

He said Saudi Arabia has a “real wealth” of alternative energy but has not exploited it. He said Saudi Arabia could become a leading exporter of solar power.

[China revives Uganda's biggest power dam with \\$500 million credit](#)

(Reuters) - China has provided credit worth \$500 million to Uganda to help pay for the construction of a large Nile River hydropower dam at Karuma, a government document said on Friday, reviving the \$2 billion project stalled for years by a lack of money.

Construction of the 600-megawatt Karuma dam is expected to start before the end of 2013 and likely to take five years to complete, the government has previously said.

[Mongolia shows the birthing pains of a green economy](#)

Mongolia is the first nation to create a ministerial portfolio of "green development". It has taken steps to protect certain lands and water, and it has put a moratorium on new mining exploration licences. But it isn't all good news. The 50-megawatt wind farm will save 18,000 tonnes of carbon dioxide and 1.6 million tonnes of water each year, compared to coal power. It's a start, but pales in comparison with the impact of three planned coal-fired power stations with a combined generation of 1650 megawatts.

[U.K. Power Price to Double German on Wind, Solar](#)

Electricity in the U.K. is poised to cost almost twice as much as in Germany within two years as Britain lags behind in building solar and wind plants.

U.K. power will be 85 percent more expensive than in Europe's biggest energy market in May 2015, according to data compiled by Bloomberg. That compares with an average premium of 17 percent over the past five years and 80 percent today, data from Marex Spectron Group Ltd., a broker in London, show.

[Waste-to-energy shows new approach to trashy practices](#)

In the United States, 390 million tonnes of rubbish is generated per year - and of that rubbish, more than two thirds is landfilled, according to experts.

But with new light being shed on the positive impact waste-to-energy has on the environment, the distribution chart of how rubbish is disposed might be set to change.

[Rubbish becomes a burning issue in global push for green energy](#)

Waste is often recycled, placed in a landfill or burned. But in several parts of the world, rubbish is literally keeping the lights on after being converted to electricity.

In the United States alone, 390 million tonnes of rubbish is generated per year, or 7 pounds per person per day, according to a joint study conducted by the Earth Engineering Center of Columbia University and BioCycle, a magazine covering composting and renewable energy. Of that rubbish, about 69 per cent is landfilled and 24 per cent is recycled and composted. The remaining 7 per cent is combusted via

waste-to-energy.

With more waste management firms putting a clean-energy spin on the burning of rubbish by converting waste to electricity, "waste gasification" technologies are poised to surge.

[Precision Farming Gains Global Foothold](#)

Fueling better farming is a practice known as precision agriculture, which uses extensive data from a farmer's field and the surrounding region to help predict weather conditions and optimize operations. While collecting real-time data on weather, soil, health of crops and air quality is important, as is the availability of equipment and labor, predictive analytics can be much a smarter approach for making better farming decisions.

Precision agriculture can help farmers from Brunei to Brazil pinpoint the best time for harvesting to mitigate crop damage and loss; determine how many workers are needed at harvest time; and show how and when to deploy delivery trucks to ensure immediate shipment — an especially important factor in farmlands where the lack of paved roads can paralyze distribution.

[Tide of humanity, as well as rising seas, lap at Kiribati's future](#)

SOUTH TARAUA, Kiribati (Reuters) - The ocean laps against a protective seawall outside the maternity ward at Kiribati's Nowerewere Hospital, marshalling itself for another assault with the next king tide.

Inside, a basic clinic is crowded with young mothers and newborn babies, the latest additions to a population boom that has risen as relentlessly as the sea in a deeply Christian outpost where family planning is still viewed with scepticism.

It is a boom that threatens to overwhelm the tiny atoll of South Tarawa as quickly as the rising seas. Some 50,000 people, about half of Kiribati's total population, are already crammed onto a sand and coral strip measuring 16 sq km (6 sq miles).

[California's efforts to clean up diesel engines have helped reduce impact of climate change on state, study finds](#)

(Phys.org) —Reductions in emissions of black carbon since the late 1980s, mostly from diesel engines as a result of air quality programs, have resulted in a measurable reduction of concentrations of global warming pollutants in the atmosphere, according to a first-of-its-kind study examining the impact of black carbon on California's climate.

[New York City Could Look Like New Orleans, Due to Flood Protection](#)

In a long speech, Bloomberg stated that because of sea level rise, future storms much smaller than Hurricane Sandy could do as much damage or more—a laudable recognition of increasingly severe weather brought about by climate change, and a stand that few members of Congress are willing to make at the national level. The plan notes that by 2050 some 800,000 residents will live in the city's flood zone—which will cover more area than it does now because of sea level rise. About 400,000 live in the zone today.

Yet Bloomberg dismissed the two biggest recommendations scientists made to *Scientific American*. He said erecting a large flood barrier across New York Bay to protect the entire city against storm surges “is just not practical or financially feasible.” And he said that “We cannot and will not abandon our waterfront,” meaning the city will not ask (or require) people who live in low-lying areas to move away from the water's edge, even in places that are repeatedly flooded by minor storms. These are the two ultimate steps that scientists told me were necessary evils, even though the first is expensive and the second is politically unpopular.

[Russia challenges consensus rule at heart of U.N. climate talks](#)

Eighteen years on, the consensus system has run up against a powerful opponent: Russia, with two of its ex-Soviet neighbours, is denouncing it as too vague, and their opposition could thwart progress towards the next deal to fight climate change, due to be agreed in 2015.

Seething after they were overruled in a consensus decision at U.N. talks in Qatar last year, Russia, Belarus and Ukraine blocked one strand of two-week climate talks in Bonn ending on Friday, by insisting on clearer rules for decision-making.

"Our process is very sick," Russian delegate Oleg Shamanov said.

[Realities of Climate Change Are Finally Pushing Us to Action](#)

Outside of Washington, of course, the climate conversation never really stopped. Dr. Jennifer Jurado, the Natural Resources Management and Planning Director of Broward County, Florida, has for years been working with other officials to reduce emissions and prepare for rising seas. Thankfully, she's not alone. From Boston to Chicago, to Tucson and Los Angeles, local leaders are using science to figure out how to respond.

Interestingly, they're finding that even when people disagree about whether or not climate change is causing sea levels to rise or wildfires to proliferate, that disagreement doesn't stop them from taking steps to make their communities safer.

[Earth could be four degrees warmer by 2100: Report](#)

Bonn (IANS/RIA Novosti) The planet is on track to warm by four degrees Celsius by the year 2100, if the global community fails to act on climate change, a new report by Climate Action Tracker has said.

"Recent emissions trends and estimates of the effects of those policies in place and proposed lead to a new estimate that warming is likely to approach 4 degrees Celsius by 2100, significantly above the warming that would result from full implementation of the pledges," the report said.

[An unexpected lesson in Antarctic ice melt](#)

In what is being described as the first comprehensive survey of all Antarctic ice shelves, a study to be published Friday in the journal Science reports that 55% of the ice loss is due to melting at the base of these vast ice sheets.

"We find that iceberg calving is not the dominant process of ice removal," wrote Eric Rignot, a professor of earth system science at UC Irvine. "Ice shelves melt mostly from the bottom before they even form icebergs."

[Is a Sleeping Climate Giant Stirring in the Arctic?](#)

"Permafrost soils are warming even faster than Arctic air temperatures - as much as 2.7 to 4.5 degrees Fahrenheit (1.5 to 2.5 degrees Celsius) in just the past 30 years," Miller said. "As heat from Earth's surface penetrates into permafrost, it threatens to mobilize these organic carbon reservoirs and release them into the atmosphere as carbon dioxide and methane, upsetting the Arctic's carbon balance and greatly exacerbating global warming."

Current climate models do not adequately account for the impact of climate change on permafrost and how its degradation may affect regional and global climate. Scientists want to know how much permafrost carbon may be vulnerable to release as Earth's climate warms, and how fast it may be released.



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