



Drumbeat: June 15, 2013

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[The Shrinking Road, Part 1: Have We Hit 'Peak Cars'?](#)

BOULDER, Colo. -- Remember the concept of "peak oil"--that the world will soon achieve the maximum rate of petroleum extraction possible, if it hasn't already? Now the question may be have we reached an era of "peak cars"?

In a recent webinar held by Navigant Research, "Peak Cars: Flattening Vehicle Sales & Their Implications for Automakers, City Planners & the Cleantech Industry," analysts shared their projections on the potential and impact of long-term static and declining automotive sales. While North America has not yet hit its "peak" in automotive sales and is still several years off, Navigant Research believes it is next in line.

[Texas: Long-term funding for roads needed](#)

Some are calling for using money from the Rainy Day Fund, but that might be a tough sell because during the regular session \$4 billion was tapped for water supply projects, education and wildfires.

An even tougher climb is faced by those seeking to earmark for transportation a portion of the oil and gas severance taxes that make up the Rainy Day Fund. That might not be the best way to pay for roads, but at least it would be sustained dedicated funding.

[US Oil Demand Has Peaked And Oil Markets Don't Care](#)

There are lots of reasons for Americans to use less oil.

They'll improve the environment.

If it involves driving less, they'll save lives.

And in the long run, they'll save money.

But a collective reduction in fuel use is not yet enough to put a long-term dent in global oil prices.

[The myth of peak oil](#)

A few years ago, I was regularly ambushed by peak oil enthusiasts, who insisted that global oil production was either at or beyond its peak. That peak, it was said, either occurred in 2005 or in 2008-9. My response was that, while it might be possible to think of a peak in global oil production in 20-30 years' time, it was not imminent. Not only that but high oil prices would encourage more exploration, and make marginal oil provinces viable.

[Crude Rises to Four-Month High on Middle East Tension](#)

West Texas Intermediate crude rose to a four-month high after President Barack Obama was said to authorize arming Syrian rebels groups, ratcheting up tensions in a region home to about a third of the world's oil supply.

Prices capped a second weekly gain after a U.S. official familiar with the decision said Obama is issuing a classified order to the Central Intelligence Agency to provide small arms and ammunition to the Syrian opposition. The official asked not to be identified. Yesterday, the administration said it had confirmed the use of chemical weapons by President Bashar al-Assad's forces during the civil war.

[WTI Futures Have Support at \\$93.80: Technical Analysis](#)

West Texas Intermediate crude futures have supports around \$93.80 a barrel, where the 200-day and 50-day moving average of the July contract converged, according to a technical analysis by Iitrader.com.

The contract has traded above \$93.80 for the past four days and is below the resistance level of \$98.22, the three-month intraday high, according to Bill Baruch, a senior market strategist at Iitrader.com in Chicago. The 50-day moving average closed at \$93.79 yesterday and the 200-day average settled at \$93.77.

[UAE May oil output up 1.1% over April - IEA](#)

The UAE's May oil output rose 1.1 per cent over April to 2.73 million barrels per day (bpd), latest data from the Paris-based International Energy Agency (IEA) showed.

"Opec [Organisation of Petroleum Exporting Countries] crude oil supply in May rose to its highest level in seven months due to increased output from Saudi Arabia and, to a less extent, Iran, the UAE and Kuwait. May Opec output was up by around 135,000 bpd to 30.89 million bpd, with higher output from the Gulf producers only partially offset by reduced supplies from Iraq, Libya and Nigeria, where terrorist and militant activity continued to undermine production levels," said the IEA, which advises 28 industrialised countries on energy policy.

[North Dakota's Bakken Hits Record Oil Production Level in April](#)

Producers in North Dakota's Bakken shale formation increased oil output to a record 727,149 barrels a day in April, according to preliminary data compiled by the state Industrial Commission.

Continental Resources Inc. (CLR) and Whiting Petroleum Corp. (WLL) are among companies that boosted production in the largest U.S. shale formation by 1.2 percent from March. Output was up 33 percent from April 2012.

[Energy Secretary Moniz Signals LNG Exports Will Soon Get Moving](#)

U.S. Energy Secretary Ernest Moniz made his first official visit to Capitol Hill to, in part, reassure an improving manufacturing sector that domestic natural gas production would grow and that it would have access to affordable fuel. With that, he said that his agency would decide on more gas export applications by year end.

[US Energy Secretary to visit India to discuss shale gas export](#)

WASHINGTON: US Energy Secretary Ernest Moniz will be travelling to India in less than a fortnight, during which he is expected to discuss the issue of shale gas export with Indian counterparts.

[Coal Industry Pins Hopes on Exports as U.S. Market Shrinks](#)

CROW AGENCY, Mont. — Every few hours trains packed with coal pass through the sagebrush-covered landscape here in southern Montana, some on their way north to Canadian ports for shipment to Japan and South Korea. If the mining company Cloud Peak Energy has its way, many more trains will cross the prairie to far larger proposed export terminals in Washington State.

It's part of a push by the nation's coal industry, hobbled by plummeting demand as Americans turn to cleaner natural gas, to vastly expand what it sends to Asia and Europe. But the aggressive effort to rescue the \$40 billion industry is running into fierce opposition from environmental groups, who say pollution caused by burning coal should not be exported.

[Coal on the Wrong Side of Energy's Future](#)

The U.S. coal industry continues to struggle with falling demand domestically, and low prices for exports. New emissions regulations have caused the closure of hundreds of coal plants in the last few years, and the low price of natural gas has been a death knell for companies like Patriot Coal, which couldn't find low cost supply.

Long-term, there's nothing that's going to stop the trend of falling consumption domestically. It may ebb and flow from month to month, but we have plenty of natural gas, and renewable alternatives are growing like a weed.

[Petrol prices to rise by Rs.2 per litre](#)

New Delhi (IANS) Petrol prices will go up by Rs.2 per litre, excluding taxes, from midnight Saturday due to the depreciating rupee and hardening of international prices, a state-run oil marketing company (OMC) said.

The country's largest oil marketing firm Indian Oil Corporation (IOC) said the prices have been revised upward due to the depreciation in the value of rupee and rise in international crude oil prices.

[Narayanasamy plays safe on Moily's claims of import lobbies threatening petroleum ministers](#)

Chennai (ANI): Minister of State in Prime Minister's Office (PMO) V. Narayanasamy on Saturday avoided commenting on Oil Minister Dr. M. Veerappa Moily's revelations that petroleum ministers are 'threatened' by import lobbies for not taking decisions that will cut India's USD 160 billion oil imports

[Qatar emir 'set to transfer power to son'](#)

The emir of Qatar, Sheikh Hamad bin Khalifa al-Thani, is preparing to hand control of the gas-rich Gulf state to his son, Qatari diplomats and officials said.

A cabinet reshuffle is also expected in which powerful Prime Minister Sheikh Hamad bin Jassem al-Thani may lose his post, or at least the foreign affairs portfolio, the sources said.

[Is Egypt's Muslim Brotherhood backing a jihad in Syria?](#)

The powerful involvement of jihadi groups like the Jabhat al-Nusra, which the Obama administration designated a terrorist group at the end of last year, has been a key reason the US has been so reluctant to provide direct military aid to the rebellion. The US fears that weapons it supplies will end up in jihadi hands and that the consequences, if such groups prove decisive in driving Bashar al-Assad and his cronies from power, will not be entirely to American likings.

[Nigeria's MEND Attacks Two Gasoline Trucks, Threatens Industry](#)

Nigeria's Movement for the Emancipation of the Niger Delta said it attacked two

gasoline-laden trucks and threatened more action against the downstream petroleum industry of Africa's largest oil producer.

MEND, as the group is known, used military-grade timed magnetic explosives on the trucks that were queued outside a fuel depot operated by the state-owned Nigerian National Petroleum Corp. in Abaji, about 77 kilometers (48 miles) south of Abuja, the capital, spokesman Jomo Gbomo said in an e-mailed statement.

[“How to reduce unemployment through Grasscutter farming”](#)

The rising unemployment rate in Nigeria can be curtailed if unemployed Nigerians are willing to go back to farming, which was the country's mainstay prior to discovery of oil in 1956 at Oloibiri, Bayelsa State. With more Nigerians becoming unemployed and a few with steady employment, many can earn income with little investment into Grasscutter farming with a small or big space provided in their home.

[Protest blocks road in front of Brasilia stadium](#)

RIO DE JANEIRO (AP) — After violent protests in three cities heading into the warm-up event for the 2014 World Cup, FIFA expressed “full confidence” on Friday that Brazilian authorities have shown they can manage disorder in the streets.

There were clashes with police Thursday night in Sao Paulo and Rio de Janeiro after thousands protested rising bus and subway fares. And in Brasilia, at the venue staging the opening match of the Confederations Cup on Saturday, some 200 people burned tires and blocked the main road, objecting to the cost of staging the showpiece FIFA events.

[Fracking Is Already Straining U.S. Water Supplies](#)

As the level of hydraulic fracturing of oil and gas wells in the United States has intensified in recent years, much of the mounting public concern has centered on fears that underground water supplies could be contaminated with the toxic chemicals used in the well-stimulation technique that cracks rock formations and releases trapped oil and gas. But in some parts of the country, worries are also growing about fracking's effect on water supply, as the water-intensive process stirs competition for the resources already stretched thin by drought or other factors.

[Nuclear Plants, Old and Uncompetitive, Are Closing Earlier Than Expected](#)

Washington — When does a nuclear plant become too old?

The nuclear industry is wrestling with that question as it tries to determine whether problems at reactors, all designed in the 1960s and 1970s, are middle-aged aches and pains or end-of-life crises.

This year, utilities have announced the retirement of four reactors, bringing the number remaining in the United States to 100. Three had expensive mechanical problems but one, Kewaunee in Wisconsin, was running well, and its owner, Dominion, had secured permission to run it an additional 20 years. But it was losing money, because of the low wholesale price of electricity.

“That’s the one that’s probably most ominous,” said Peter A. Bradford, a former member of the Nuclear Regulatory Commission and a former head of the Public Service Commission in New York. “It’s as much a function of the cost of the alternatives as it is the reactor itself.”

[Anti-Dumping Duties Will Cost EU 1.3 GW Of Solar In 2013 \(IHS Report\)](#)

A new report from research group IHS has found that the EU’s anti-dumping duties on Chinese solar products, if implemented, will result in over 1.3 GW less solar power capacity being installed in the EU in 2013.

[With Treetop Trail, Philadelphia Zoo Opens Grounds to Prowlers](#)

By allowing them to get closer to the animals, the Philadelphia Zoo hopes to encourage its 1.2 million annual visitors, particularly children, to understand and act on the conservation that is an increasingly important part of its mission.

[Inhaling auto emissions makes good cholesterol go bad](#)

Inhaling motor vehicle emissions may transform good, protective cholesterol into bad, artery-clogging cholesterol that increases the risk of heart disease and stroke, says a new study by researchers at the University of Washington and the University of California-Los Angeles.

[Judge sides with feds in Montana oil lease dispute](#)

BILLINGS, Mont. (AP) — A federal judge on Friday dismissed a lawsuit from environmentalists who tried to block almost 80,000 acres of oil and gas leases in Montana in a bid to force companies to reduce greenhouse gas emissions.

U.S. District Judge Sam Haddon said in his ruling that the emissions from future drilling activities would be too small — only a fraction of 1 percent of total emissions in the state — to make a "meaningful contribution" to global greenhouse gas levels.

[In Colorado, Nature Takes a Fiery Toll Despite a Community’s Efforts to Prepare](#)

DENVER — For years, families in Black Forest, Colo., did what they could to keep the

flames at bay. They scooped up pine needles and trimmed low-hanging branches around their homes. They chopped down saplings and hauled dead trees to the community mulcher.

But when the fire came this week, hundreds of their homes still burned.

[How climate change makes wildfires worse](#)

We can expect “as much as a fourfold increase in parts of the Sierra Nevada and California,” in fire activity across the rest of this century, says Matthew Hurteau, assistant professor of ecosystem science and management at Pennsylvania State University. It’s a trend likely to continue: A 2012 study in *Ecosphere*, the peer-reviewed journal of the Ecological Society of America, found a high level of agreement that climate change will fundamentally alter fire patterns across vast swaths of the globe by 2100: While some areas around the equator will see fewer fires, there will be striking increases in high altitude boreal fires in the Northern Hemisphere. Fire will even reach a thawing Arctic, which will be more capable of growing plants to burn.

[Climate talk shifts from curbing CO2 to adapting](#)

WASHINGTON (AP) -- Efforts to curb global warming have quietly shifted as greenhouse gases inexorably rise.

The conversation is no longer solely about how to save the planet by cutting carbon emissions. It's becoming more about how to save ourselves from the warming planet's wild weather.

[UN climate talks marred by decision-making spat](#)

BONN, Germany (AP) -- U.N. climate talks have hit a stumbling block that some delegates say poses a serious challenge to their already slow-moving attempt to craft a global response to climate change.

As the latest negotiation session ended Friday in the German city of Bonn, one track of the talks was paralyzed by a request by Russia, Ukraine and Belarus to review the decision-making procedure in the two-decade-long U.N. process.

[Obama Quietly Raises 'Carbon Price' as Costs to Climate Increase](#)

Buried in a little-noticed rule on microwave ovens is a change in the U.S. government’s accounting for carbon emissions that could have wide-ranging implications for everything from power plants to the Keystone XL pipeline.

The increase of the so-called social cost of carbon, to \$38 a metric ton in 2015 from

\$23.80, adjusts the calculation the government uses to weigh costs and benefits of proposed regulations. The figure is meant to approximate losses from global warming such as flood damage and diminished crops.

["Regret-Free" Approaches for Adapting Agriculture to Climate Change](#)

BONN, GERMANY (14 JUNE 2013) — Whether it's swapping coffee for cocoa in Central America or bracing for drought in Sri Lanka with a return to ancient water storage systems, findings from a new report from the CGIAR Research Program on Climate Change, Agriculture and Food Security (CCAFS) chart a path for farmers to adapt to climate shifts despite uncertainties about what growing conditions will look like decades from now.



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