



Drumbeat: June 21, 2013

Posted by [Leanan](#) on June 21, 2013 - 9:41am

[One million march across Brazil in biggest protests yet](#)

(Reuters) - An estimated 1 million people took to the streets in cities across Brazil on Thursday as the country's biggest protests in two decades intensified despite government concessions meant to quell the demonstrations.

Undeterred by the reversal of transport fare hikes that sparked the protests, and promises of better public services, demonstrators marched around two international soccer matches and in locales as diverse as the Amazon capital of Manaus and the prosperous southern city of Florianopolis.

[The Peak Oil Crisis: Middle Eastern Turmoil](#)

Some 24 million barrels of oil per day or 27 percent of the world's daily production comes from countries in the Middle East and North Africa. Until recently the oil markets have paid remarkably little attention to the deteriorating political and security situation in the region. With the intervention of the Lebanese Hezbollah militia on the side of the Assad government and the announcement from Washington that the West was going to become more actively involved on behalf of the rebels, the situation changed, the oil markets reacted, and prices started to rise.

Developments in the region and their effect on oil exports seem likely to be critical to what happens to the world economy within the next 5-10 years. While there may eventually be increasing amounts of energy from other than fossil fuels, political and military developments in the Middle East are moving rapidly. It is hard not to imagine that some, and perhaps even a substantial portion, of the region's oil exports will be affected by the growing turmoil in the next few years.

[A new kind of 'peak oil'](#)

Few investors can have missed the debate over 'peak oil'. As emerging markets consume more energy, prices will inevitably rise because all the cheap oil has already been found, making it hard to boost production. Or so the theory goes. But now there's talk of a completely different kind of peak for oil: in demand, rather than supply.

[WTI Trims Weekly Drop After Biggest Slump in Seven Months](#)

West Texas Intermediate crude rebounded after the biggest drop in seven months yesterday. Prices are headed for the first weekly decline since May.

Futures advanced as much as 0.7 percent, trimming the week's loss to 2.4 percent. Oil fell yesterday after the U.S. Federal Reserve signaled it will scale back economic stimulus. China's central bank injected funds to alleviate the worst cash crunch in at least a decade. WTI's discount to Brent widened after closing yesterday at the smallest since 2011.

[U.K. Natural Gas Drops Most in 10 Weeks as Norway Supplies Surge](#)

U.K. natural gas for same-day delivery dropped the most in almost 10 weeks after supplies from Norway surged and temperatures remained above normal for the season.

[Exxon joins West Coast LNG race, seeks 25-year export permit](#)

CALGARY • ExxonMobil Corp. has joined the race to export liquefied natural gas from British Columbia with a monster proposal that would process the equivalent of nearly one-third of Canada's current daily production.

[Morgan Stanley Said to Exit Energy in Three East Europe Nations](#)

Morgan Stanley (MS) will exit power and natural gas trading in Bulgaria, the Czech Republic and Poland as it scales back in commodities, a person with direct knowledge of the matter said.

The bank, based in New York, will leave markets in eastern Europe where it doesn't have a competitive advantage, said the person, who asked not to be identified because the plans are not public. It will continue to trade western European power and carbon permits, according to the person. Charles Rankin, the bank's London-based head of European commodities, declined to comment on job cuts today when reached by phone.

[Natural gas used less than predicted](#)

The share of natural gas in the global energy mix is increasing more slowly than first predicted by the International Energy Agency.

Supply growth in the Middle East will slow, says the agency, but gas is playing a significant role in curbing the use of oil to generate electricity at home and, therefore, boosting crude exports.

[SandRidge CEO Tom Ward Fired as CFO Bennett Takes Over](#)

The termination of Ward is the latest in a series of shareholder campaigns that have shaken up the U.S. oil and natural gas industry in the past year. Chesapeake Energy's Aubrey McClendon, who co-founded that company with Ward in 1989, stepped down in April after shareholders criticized personal loans he got using company wells as collateral.

Occidental Petroleum Corp. Chairman Ray Irani was forced out in May after almost three decades at the company when shareholders questioned his role in the decision to replace CEO Stephen I. Chazen. Hess Corp. and Transocean Ltd. have also agreed to board changes after shareholders questioned management.

[Total developing new oil field off Nigerian coast](#)

LAGOS, Nigeria (AP) -- Total Nigeria is developing a new offshore oil field that it expects to produce 200,000 barrels a day.

[Costa Rica Halts \\$1.3 Billion China-Funded Refinery Plan](#)

Costa Rica's government halted a \$1.3 billion refinery modernization largely funded by the Chinese government due to a contractual violation, paralyzing the Central American country's biggest investment project.

[Russia's Oil Champion Shunned as Putin Weighs Share Sale](#)

OAO Rosneft Chief Executive Officer Igor Sechin addressed shareholders today for the first time since his \$55 billion acquisition of TNK-BP created the world's largest publicly traded crude producer. The shares are down 18 percent this year, under-performing Moscow's benchmark index as well as competitors OAO Lukoil and OAO Surgutneftegas and wiping about \$22 billion from the value of the company.

The slump widened the valuation gap between Rosneft and the global oil producers it wants to emulate and may stymie Russia's plans to sell a further 19 percent of the company. Concerns range from corporate governance -- Rosneft's refusal to buy out minority shareholders in TNK-BP rankles some investors -- to capital spending plans and rising debt.

[Russia to sack under-performing state sector managers: deputy PM](#)

ST PETERSBURG, Russia (Reuters) - The Russian government will dismiss senior managers in underperforming state-owned companies in a bid to improve performance, Deputy Prime Minister Arkady Dvorkovich said on Friday.

He did not say how advanced the plans were, but named oil major Rosneft, gas producer Gazprom and Russian Railways among companies which need to cut costs.

[Gazprom says won't bid for Greek gas firm DEPA](#)

(Reuters) - Russia's state-run gas export monopoly Gazprom will not bid for Greek natural gas company DEPA in a possible new privatisation tender, said the head of Gazprom's export arm.

[Rosneft to boost oil flows to China in \\$270 billion deal](#)

ST PETERSBURG (Reuters) - Russia's Rosneft agreed to double oil supplies to China, in a deal it valued at \$270 billion on Friday, as the Kremlin energy champion shifts its focus to Asia from saturated and crisis-hit European markets.

Rosneft will supply China with 300,000 barrels per day over 25 years starting in the second half of the decade, on top of the 300,000 bpd it already ships to the world's largest energy consumer.

[Rosneft inks pacts with trio](#)

Russian state-owned oil company Rosneft wrapped up joint-venture pacts on Friday with heavyweights ExxonMobil, Statoil and Eni covering exploitation of resources in the country's Arctic region, as well as other areas.

[Norway opens Barents Sea area to offshore oil drilling in new move into Arctic](#)

STOCKHOLM – Norway's Parliament has opened up a new area on the fringe of the Arctic Ocean to offshore oil drilling despite protests from opponents who fear catastrophic oil spills in the remote and icy region.

[Fracking Pollution Probe in Wyoming Cast in Doubt by EPA](#)

The only finding by U.S. regulators of water contamination from fracking was thrown into doubt yesterday when the federal government halted its investigation and handed the probe over to the State of Wyoming.

[BP wants inquiry into alleged payments to oil spill lawyer](#)

(Reuters) - Oil company BP called on Friday for an inquiry into an allegation a lawyer working for the administrator of compensation payments for the Gulf of Mexico oil spill

referred claims to a New Orleans law firm in exchange for a share of subsequent settlement payments.

[TEPCO reports new radioactive water leak at Fukushima](#)

TOKYO — The tsunami-battered Fukushima Daiichi nuclear power plant has suffered another radioactive water leak, its operator said Friday, the latest in a series of incidents at the crippled plant.

About 360 liters of tainted water leaked from a desalination unit although it did not escape from the complex, Tokyo Electric Power Co (TEPCO) said.

[Tanks, a lot: Nevada gas thieves on drilling spree target vehicles](#)

Police say the gas thieves have hit more than a dozen vehicles the past month, drilling holes in gas tanks and likely draining the fuel into buckets. In addition to a newspaper truck, tanks were tapped over the weekend at a car dealer, a laundry and a grocery store.

Previous targets included a city councilman's truck and a state-owned SUV.

[How Long Before America Hits 'Peak Car' For Real?](#)

Economists, scientists and titans of industry often talk about "peak oil," the idea that one day we'll reach a point where oil supplies begin to decrease and will never rise again. But what about "peak car"? A new study argues that while the peak in cars on U.S. roads may be temporary, the peak in the number of cars per household could be permanent.

[The future of natural gas is the car?](#)

Rising use of natural gas in the transportation sector will offset a global slowdown in the growth of natural gas to produce electricity, according to a report released Thursday by the International Energy Agency. That timely boost will mean that America's boom in natural gas is likely to continue for several years, even if the focus begins to shift away from power plants and toward cars and trucks.

[Panel Adopts New Rules for Taxi of Tomorrow](#)

Last month, Justice Peter H. Moulton of State Supreme Court in Manhattan ruled that the plan violated New York City's administrative code, which stipulates that the city "shall approve one or more hybrid electric vehicle models for use" and that any approved model "shall be eligible for immediate use" by all owners. The NV200 is not a hybrid.

Even before the ruling, in an apparent concession that its initial rules ran afoul of the code, the city had begun discussing an amendment that would allow a limited selection of hybrid vehicles to be bought.

[J.D. Power ranks hybrid as worst car for quality](#)

One heavily touted model has the worst quality of any single nameplate in the auto industry's most closely watched index for problems in the first 90 days of ownership, USA TODAY has learned.

It's the Ford C-Max, a five-passenger crossover that comes both as a hybrid and a plug-in hybrid, according to three independent sources who have access to the full list of models in J.D. Power and Associates' Initial Quality Study. The C-Max had 222 manufacturing flubs or design flaws per 100 vehicles in the survey, nearly twice the industry average of 113.

[Pump vs. Plug: The True Cost of Electric Vehicles](#)

Pump prices have the ability to make or break an average American's day, month, or year. But while gasoline stations fight over tenths of cents to tempt your tank, electric vehicle "plug prices" have remained a mystery – until now. A new tool reveals all, and the results are astonishing. Let's take a look to see whether pump prices or plug prices are the real pocket pinchers.

[Cities still favor cars, study says](#)

A new report by a group studying climate change suggests cities and other governments too often encourage or allow development that results in more consumption of fossil fuels.

The report, released Thursday by the Local Climate Change Initiative at UCLA and not-for-profit group Next 10, identifies 15 policies common in much of the state that work against reducing oil consumption and create more greenhouse gasses.

[The humble cycle making a comeback on Dhaka streets](#)

Once seen as a poor man's transport, cycles are now gaining popularity with urban workers fed up of traffic chaos.

[BP Defends Renewable-Fuel Rule Other Oil Companies Oppose](#)

As Congress considers scaling back or abolishing U.S. rules that mandate the use of

renewable fuels, it has the full-throated support of the petroleum industry -- with one major exception.

BP Plc, one of the world's biggest oil companies by revenue, is part of a joint venture with DuPont Co. that is set to start producing a new alternative fuel by the end of the year. In order to preserve a market for that fuel, the venture's officials are busy in Washington trying to convince lawmakers that the current system doesn't need an overhaul.

[Qatar set to buy stake in Germany's SolarWorld](#)

Qatar is poised to invest into Germany's Solarworld, a loss-making company that could provide valuable technology and sales infrastructure.

Qatar Solar Technologies (QSTec), a subsidiary of the Qatar Foundation, could reportedly spend close to US\$50 million on a 30 per cent stake in the ailing producer of photovoltaic (PV) panels. It is also said to be ready to buy a €200m (Dh983.9m) convertible bond issued by Solarworld.

[On summer solstice, my £100 bet against solar power ends - who won?](#)

Three years ago, in the course of our debate about the best means of generating electricity, I bet £100 against a claim made by Jeremy Leggett, chairman of the company SolarCentury. He had asserted that domestic solar power in Britain would achieve grid parity by 2013. This means that it would cost householders no more than conventional electricity.

[Growth in crop yields inadequate to feed the world by 2050 – research](#)

If the world is to grow enough food for the projected global population in 2050, agricultural productivity will have to rise by at least 60%, and may need to more than double, according to researchers who have studied global crop yields.

They say that productivity is not rising fast enough at present to meet the likely demands on agriculture.

[Autism Linked with Air-Pollution Exposure During Pregnancy](#)

Pregnant women who are exposed to high levels of air pollution may be more likely to give birth to children with autism, according to a new study.

The researchers found that the pregnant women in the study who lived in the most-polluted areas were up to two times more likely to have a child with an autism spectrum disorder (ASD), compared with those who lived in the least-polluted areas.

[Marijuana Crops in California Threaten Forests and Wildlife](#)

The idea that the counterculture's crop of choice is bad for the environment has gone down hard here. Marijuana is an economic staple, particularly in Humboldt County's rural southern end, called SoHum. Jennifer Budwig, the vice president of a local bank, estimated last year that marijuana infused more than \$415 million into the county's annual economic activity, one-quarter of the total.

For the professed hippies who moved here decades ago, marijuana farming combines defiance of society's strictures, shared communal values and a steady income. "Marijuana has had a framework that started in the 1930s with jazz musicians," said Gregg Gold, a psychology professor at Humboldt State University. "It's a cultural icon of resistance to authority."

"In 2013," he added, "you're asking that we reframe it in people's minds as just another agribusiness. That's a huge shift."

[Storm Wreaks Havoc in New Zealand as Power Cut, Schools Shut](#)

A polar storm caused chaos across New Zealand, shutting schools and the airport in the capital city of Wellington and blanketing the South Island in snow.

Winds gusting to as much as 200 kilometers (124 miles) an hour felled trees and cut power to about 30,000 homes in the capital overnight. Some 8,000 homes were still without power at 2 p.m. today, supply company Wellington Electricity Lines Ltd. said in a statement. The city's international airport said departures resumed around midday after dozens of flights were canceled due to the wind.

[Heavy rains in southern Alberta force mandatory evacuations in areas of Calgary and surroundings](#)

The Alberta Energy Regulator reported flooding may have caused a sour gas leak near Turner Valley. The flow of the potentially deadly gas was turned off, but late Thursday a small amount was still seeping into floodwaters submerging the line. The Alberta Energy Regulator said public safety was not threatened.

The toxic leak caused evacuations and confined other residents to their homes on Thursday. Residents of the southern Alberta town were advised to stay in their homes and keep the windows closed after a pipeline leaked poisonous hydrogen sulfide into the atmosphere.

[FAO Statistical Yearbook Paints Picture of Food, Agriculture](#)

GLOBAL - The 2013 edition of FAO's "Statistical Yearbook" sheds new light on agriculture's contribution to global warming, trends in hunger and malnutrition and the state of the natural resource base upon which world food production depends.

Greenhouse gas emissions from agriculture grew 1.6 per cent per year during the decade after the year 2000, new FAO data presented in the yearbook show, with the sector's total annual output in 2010 reaching 5 billion tons of carbon dioxide equivalents (CO₂ eq, a measure used to compare and aggregate different greenhouse gases). This equals ten per cent of all anthropogenic greenhouse gas emissions.

[Indonesia plans air tactic as Singapore haze worsens](#)

SINGAPORE (AP) — Air pollution in Singapore soared to record heights for a third consecutive day, as Indonesia prepared planes and helicopters Friday to battle raging fires blamed for hazardous levels of smoky haze in three countries.

The blazes in peat swamp forests on Indonesia's Sumatra island have sent massive plumes of smog across the sea to neighboring Singapore and Malaysia, both of which are growing impatient with Indonesia's response to the problem that occurs nearly every year.

[Record US coal exports fuel climate change debate](#)

With cleaner-burning natural gas cutting into the their market in the United States, coal companies have found eager customers in the East, fueling urbanizing economies in Asia with cheap steelmaking coal. Coal's future in the US may have dimmed over recent years, but exports are hitting record highs.

It's why coal export terminals are emerging as a flash point in the fight against climate change. Don't be surprised if instead of reading about the Keystone XL pipeline, you are soon inundated with polarizing reports on Millennium Bulk Terminals-Longview, the Gateway Pacific Terminal, and the Morrow Pacific Project.

[Belief in Global Warming Drops After Cold Winter](#)

After an especially cold winter across much of the United States, the American public was slightly less convinced that the planet is heating up, a new survey shows.

[Blind, starving cheetahs: the new symbol of climate change?](#)

So-called bush encroachment has transformed millions of hectares of Namibia's open rangeland into nearly impenetrable thicket and hammered its cattle industry. Beef output is down between 50 and 70% compared with the 1950s, causing losses of up to \$170m a year to the country's small economy.

Bush encroachment can also be bad news for cheetahs, which evolved to use bursts of extreme speed to run down prey in open areas. Low-slung thorns and the locked-open eyes of predators in "kill mode" are a nasty combination. Conservationists have found starving cheetahs that lost their sight after streaking through bush encroached habitats in pursuit of fleet footed food.

[Sea level rise in South Florida: expect floods, sea wall woes](#)

President Obama's top environmental adviser came to Fort Lauderdale Thursday to express the administration's commitment to fighting global warming and protecting the nation from rising sea levels.

The president considers climate change "the global threat of our time and that for the sake of future generations the world has to get together to address this challenge," Nancy Sutley told the Association of Climate Change Officers at the Westin Beach Resort & Spa, about a mile from where pounding waves collapsed part of State Road A1A last year.

[Will Climate Change Destroy New York City?](#)

Released this month, the report, nicknamed "SIRR" for Special Initiative for Rebuilding and Resiliency, presents an ambitious plan for managing the worst effects of global warming, which include flooding, rising temperatures and extreme storms.

The potential disasters laid out by the plan, however, could easily overwhelm New York City: Searing heat waves, pounding rainstorms and vast acreages flooded by seawater are all expected for the city and the surrounding region.

And as dire as these situations are for New York City as a whole, the implications for the city's most vulnerable populations — the elderly, children, disabled people and those with special needs — are even more ominous.

[New climate strategy coming within weeks: Obama adviser](#)

WASHINGTON (Reuters) - President Barack Obama will target carbon emissions from power plants as part of a second-term climate change agenda expected to be rolled out in the next few weeks, his top energy and climate adviser said on Wednesday.

[Federal report backs carbon tax for climate goals](#)

A federal report is endorsing a carbon tax as a far better method to combat climate change than the current web of energy tax provisions.

Despite spending billions of dollars on energy subsidies, the federal government's Tax

Code has done little overall to cut greenhouse gas emissions, according to a National Research Council report out Thursday, which concludes that a carbon tax or cap-and-trade system would be much more effective.



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