



Drumbeat: June 24, 2013

Posted by [Leanan](#) on June 24, 2013 - 8:45am

[Supreme Court could consider suit to block sales of high-ethanol gas blend](#)

The American Petroleum Institute, the oil industry's chief lobbying group, has asked the Supreme Court to block sales of E15. The court could decide as soon as Monday whether to hear the ethanol case, which combines similar requests by groups representing refiners and car manufacturers.

Putting fuel with up to 15 percent ethanol into older cars and trucks "could leave millions of consumers with broken down cars and high repair bills," said Bob Greco, a senior API official who has met with the White House on ethanol issues.

The ethanol industry counters that there have been no documented cases of engine breakdowns caused by the high-ethanol blend since limited sales of E15 began last year.

"This is another example of oil companies unnecessarily scaring people, and it's just flat-out wrong," said Bob Dinneen, president of the Renewable Fuels Association, an ethanol industry group.

[Brent Trades Near Three-Week Low on China Growth Concern](#)

Brent crude traded near its lowest level in three weeks after slipping below \$100 a barrel amid speculation that a cash crunch may restrain economic growth in China, the world's largest energy user.

Brent was little changed, having slumped 4.7 percent last week, the biggest loss since April. The People's Bank of China said the nation should fine-tune its policies as a cash squeeze in the banking system risks exacerbating an economic slowdown. The U.S. and 10 other countries pledged June 22 to increase support for rebel forces in Syria. Hedge funds and other large speculators increased their net-long position on West Texas Intermediate crude last week.

[US Gas Prices See Modest Dip as Driving Season Begins](#)

The average price of gasoline in the United States dipped over the past two weeks thanks to large falls in Midwestern states, coupled with cheaper crude oil, and prices should remain stable or even lower in the weeks ahead, a survey issued on Sunday showed.

Gasoline cost \$3.5969 a gallon on average, according to the Lundberg Survey of about 2,500 retail stations taken on June 21. That is 4.16 cents a gallon cheaper than the last survey on June 7, but still 11.89 cents more than a year ago.

[U.S. Natural Gas Declines for Third Day on Inventory Increase](#)

Natural gas futures declined for a third day in New York after supplies gained more than forecast.

Gas for July delivery slid as much as 1.2 percent to \$3.725 per million British thermal units in electronic trading today on the New York Mercantile Exchange and was at \$3.757 at 12:24 p.m. Singapore time.

[Trican Profit to Surge as Fracking Glut Wanes](#)

Trican Well Service Ltd. and Calfrac Well Services Ltd., Canada's largest frackers, are seen as the biggest beneficiaries from a rebound in oilfield work during the next year after a glut of equipment sapped profits.

The Canadian market for hydraulic fracturing, a technique that pumps water, sand and chemicals underground to break oil and gas from rock, is expected to lead the U.S. in a recovery, PI Financial said. Trican and Calfrac are forecast to more than double adjusted earnings per share next year, compared with expected growth of 27 percent or less for the largest U.S. fracking providers, Halliburton Co. and Schlumberger Ltd., according to data compiled by Bloomberg.

[Iraq Northern oil exports on hold since Friday -shippers](#)

Exports of crude oil from northern Kirkuk oil fields have been on hold for the last three days due to an explosion at a key pipeline in Iraq, two Middle East shipping agents said Monday.

[South Korea pledges 15 pct cut to Iran oil imports-sources](#)

SEOUL (Reuters) - South Korea has pledged to the United States that it will cut imports of Iranian crude by 15 percent in the next six months to secure its next waiver to U.S. sanctions targeting Iran's nuclear programme, two sources told Reuters.

U.S. and European measures aimed at curbing Iran's oil shipments and depriving Tehran of its main source of funds drove crude exports to the lowest in decades in May. The curbs have cost Iran billions of dollars in lost revenue and Washington is now seeking to cut Iran's exports further via tighter sanctions.

[U.S. sees cuts in India's Iran oil imports as 'important step' - Kerry](#)

NEW DELHI (Reuters) - The United States sees India's reductions in imports of oil from Iran as an "important step" in bringing pressure on Tehran over its nuclear programme, Secretary of State John Kerry said.

"We are appreciative that India has worked hard to reduce its dependency on Iranian oil and that has been an important step," Kerry said at a press conference with Indian Foreign Minister Salman Khurshid in New Delhi.

[Enbridge grapples with pipeline shutdown, weekend spill in northern Alberta](#)

Enbridge Inc. is working to contain and clean up a weekend spill of synthetic crude into a wetland area and small lake in northern Alberta.

Enbridge also shut other pipelines in the area as a precaution, including the Athabasca and Waupisoo pipelines.

The release of crude comes as Alberta grapples with major flooding, including in the city of Calgary where Enbridge has its head office.

[Korea, Saudi Arabia seek nuclear energy cooperation](#)

South Korea and Saudi Arabia sought to boost their cooperation in nuclear energy Monday in a meeting attended by their energy ministers.

"The nuclear technology advanced by South Korea will be of a great help to Saudi Arabia in its project to build nuclear power plants," Seoul's Energy Minister Yoon Sang-jick said, according to the Ministry of Trade, Industry and Energy.

[French Support for Nuclear Power Rises Ahead of Law, Poll Shows](#)

French public support for nuclear power is rising ahead of recommendations on a new energy policy law for the country, as fears about its dangers fade.

Some 36 percent of people surveyed said they favored France's use of nuclear power with only 14 percent saying they opposed it, an Ifop poll released today for the newspaper Ouest France showed. That compares with 32 percent in favor of nuclear power and 20 percent opposed in July 2011.

[Solar power still better than nuclear in the fight against climate change](#)

I concede I've lost the £100 bet, but it's a folly to put faith in costly reactors to cut emissions.

[Nereus Raises \\$100 Million for India Clean Energy Fund](#)

Nereus Capital Management LLC said it raised as much as \$100 million from Northern Lights Capital Group LLC and the U.S. Agency for International Development for its India clean energy fund.

Northern Lights will contribute \$100 million to Nereus Capital's India Alternative Energy Fund, which includes a \$40 million credit guarantee from USAID, Nereus Managing Director Jonathan Winer said in an e-mail.

[K Road Cancels Plans for 294-Megawatt California Solar Project](#)

K Road Power LLC, a closely held renewable energy developer backed by Barclays Plc (BARC)'s investment-banking unit, canceled plans to build a 294-megawatt solar power plant in southern California.

K Road intends to surrender to regulators a 2010 permit for its Calico project and has withdrawn its request to amend the original design for the site, the New York-based company said today in a filing with the California Energy Commission. "Due to changed market conditions, we will not be able to move this project forward, either as licensed or as proposed to be amended," it said.

[For Solazyme, a Side Trip on the Way to Clean Fuel](#)

A company wants to turn algae into energy. But first it has to make money, so it is developing other products from its algae-derived oils.

[Malaysia Imposes Emergency in Haze Areas; Singapore Improves](#)

Malaysia declared a state of emergency in some areas after air pollution from illegal burning of forests and peat lands in Indonesia reached hazardous levels, while Singapore breathed easier as winds shifted direction.

Prime Minister Najib Razak signed a declaration for Muar and Ledang districts in the southern Johor state with immediate effect after the Air Pollution Index readings reached more than 750, according to a statement today by G. Palanivel, minister for natural resources and environment. Any level above 300 is considered hazardous. Johor borders Singapore.

[Power outages in Calgary could last for months after floods](#)

(Reuters) - Power outages in the Canadian oil capital of Calgary could last for weeks or even months, city authorities said on Sunday, as record breaking flood waters moved downstream to threaten smaller communities in southeastern Alberta.

[Alberta Floods Spread as Water Subsides in Oil Hub of Calgary](#)

The worst flooding in Alberta's history spread to new parts of the province as water levels began to subside in Calgary and other southern Alberta cities hit this weekend by rain-swollen rivers.

Evacuation orders were issued to towns north and east of Calgary, with a flood-warning zone stretching some 250 miles (402 kilometers) north from the Montana border. About 10,000 people evacuated Medicine Hat as Canadian military forces sandbagged the city in preparation for the arrival of the surging waters flowing from the Rocky Mountains that inundated cities to the west.

[Flood Toll Reaches 1,000 in India as Thousands More Await Rescue](#)

NEW DELHI — Flash floods and landslides in northern India have killed at least 1,000 people in the Himalayan state of Uttarakhand in the past week, an official said Saturday, and with thousands missing or stranded the toll was expected to rise.

The official, Vijay Bahuguna, the chief minister of Uttarakhand, confirmed the latest toll in a meeting with reporters. Home Minister Sushil Kumar Shinde told the Indian news media on Saturday that 40,000 people were still stranded, and he described the floods as a "national crisis."

[China's Coal Conundrum](#)

"It is very unlikely that demand for thermal coal in China will peak before 2030," said William Durbin, the Beijing-based president of global markets with Wood Mackenzie, an energy research and consulting firm, in a statement accompanying the release of a new report entitled "China: The Illusion of Peak Coal."

"Despite efforts to limit coal consumption and seek alternative fuel options, China's strong appetite for thermal coal will lead to a doubling of demand by 2030," the report concludes. Coal consumption in China, bolstered by a period of rampant construction of coal-fired plants that has only recently slowed, must rise to feed China's explosive demand for power, which will nearly triple to 15,000 TWh by 2030.

[Kerry Prods India to Cut Greenhouse Gas Emissions](#)

NEW DELHI — Secretary of State John Kerry urged India on Sunday to begin to

address climate change by reducing emissions of greenhouse gases even as it attempts to bring electricity to tens of millions of its citizens now living without it.

[Rising sea temperatures call for new insurance models: Geneva Association report](#)

In some high-risk areas, ocean warming and climate change threaten the insurability of catastrophe risk. This is one of the conclusions of a research report issued today by the climate risks and insurance working group of international insurance think-tank, The Geneva Association

“There is new, robust evidence that the global oceans have warmed significantly,” said John Fitzpatrick, secretary-general of The Geneva Association. “Given that energy from the ocean is a key driver of extreme events, ocean warming has effectively caused a shift towards a ‘new normal’ for a number of insurance relevant hazards. This shift is quasi irreversible—even if greenhouse gas (GHG) emissions completely stop tomorrow, oceanic temperatures will continue to rise.”



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