



Drumbeat: July 29, 2013

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[Alwaleed Warns Saudi Oil Minister of Waning Need for Oil](#)

Saudi Prince Alwaleed bin Talal told Oil Minister Ali Al-Naimi in an open letter that the kingdom won't be able to raise production capacity to 15 million barrels of crude a day as planned, and that he disagrees with him over the impact of U.S. shale gas output.

The prince published the letter today on Twitter, saying there's a "clear and increasing decline" in demand for crude from members of the Organization of Petroleum Exporting Countries, particularly Saudi Arabia. The kingdom is now pumping at less than its production capacity as consumers limit oil imports, Alwaleed said.

[WTI Trades Close to Three-Week Low; Alwaleed Sees Fading Demand](#)

West Texas Intermediate crude traded near its lowest level in almost three weeks, widening its discount to London-traded Brent futures for a fourth day.

Futures slid as much as 0.8 percent after losing 3.1 percent last week. China ordered a review of state borrowings amid concern potential bad debts may weigh on the economy. Saudi Arabia's billionaire Prince Alwaleed bin Talal cautioned against increasing production capacity as demand is waning. Egypt's interior minister said security forces will stabilize the country after dozens of people died in weekend violence.

[U.S. Gasoline Rises to \\$3.6746 a Gallon in Lundberg Survey](#)

The average price for regular gasoline at U.S. pumps rose 8.38 cents in the past two weeks to \$3.6746 a gallon, according to Lundberg Survey Inc.

[Saudi Arabian 2012 Oil Export Revenue Gained 5% as Iran Fell 12%](#)

Saudi Arabia's revenue from exports of crude oil and other petroleum products in 2012 rose 5.3 percent from a year earlier while Iran's income from sales abroad sank by 12 percent, OPEC reported.

The world's largest crude exporter shipped oil and products valued at \$336.1 billion last year, up from \$319.1 billion in 2011, the Organization of Petroleum Exporting Countries

said in its Annual Statistical Bulletin today. The kingdom's export revenue advanced at a slower pace than the 49 percent gain in 2011, the data showed.

[OPEC's Oil Exports Revenue Breaks New Record But Split Deepens](#)

Revenue from petroleum exports in the Organization of the Petroleum Exporting Countries broke a new record in 2012 but the earnings of some members are declining amid higher budgetary needs, underscoring a deepening rift between producers benefiting from higher oil prices and those who don't.

Mounting inequalities within OPEC come ahead of an expected debate later this year over whether it should formally cut its production for the first time in five years.

[Russia domestic crude rally surges on, prices at record high](#)

MOSCOW (Reuters) - Domestic crude oil prices in Russia, the world's top producer, surged by over 14 percent to an all-time high last week due to cuts in volumes usually supplied to the spot market by TNK-BP, acquired by Rosneft, and higher international oil prices, traders said.

[Power crisis threatens Jordan](#)

Jordan's controversial plan to raise power prices next month for a second time this year is set to go ahead despite warnings such measures could lead to serious civil unrest.

Sabotage attacks on gas pipelines from Egypt - the energy source for 80 per cent of Jordan's electricity - are costing the government at least US\$1 million a day, energy officials say.

In response, as it tackles paring down a \$10.5 billion budget for this year, the government in Amman intends to raise the price of electricity by 15 per cent, having already doubled taxes on mobile phones to 16 per cent and to 24 per cent on mobile phone contracts.

[Can Triumph Over Peak Oil Continue In A Post-Monetary Stimulus World?](#)

It seems, we have all forgotten the very important detail that has been part of the global economic reality since 2008, and that is that we have been on life-support ever since the financial meltdown. The US Federal Reserve purchasing as much as \$85 billion a month in debt assets, cannot but have a huge distorting effect on all economic activities and prices. Now that we are starting to discuss a gradual removal of the life-support apparatus, the market is scrambling to re-price everything ranging from the value of money (interest charged for lending), to the value of commodities. This process will be completed once the monetary stimulus measures implemented since 2008 will be fully

removed from the economy, and then we shall see the real level of oil's long-term price viability.

[Iran To Take Chinese Subway Cars For Oil](#)

An Iranian official says international sanctions have forced Tehran to accept subway cars from China in place of cash payments for oil.

Amir Jafarpour, deputy head of Iran's Transportation and Fuel Management Committee, said the government ordered 315 carriages from Beijing for their subway system.

[Libya and Gulf secure oil for Egypt](#)

Minister of Petroleum and Mineral Resources Sherif Ismail announced an agreement to import 1m barrels of crude oil monthly from Libya that will be refined in Egypt laboratories, according to state-run Al-Ahram.

The minister said this will save about 160,000 tonnes of oil products imported monthly, adding that the two countries agreed upon a grace period for up to one year to repay the shipments.

[A flicker of hope as Israeli-Palestinian peace talks set to resume Monday](#)

Jerusalem (CNN) -- With another round of Mideast peace talks set to begin, some observers see recent displays of goodwill as a positive sign -- some hint that these talks might finally prove to be fruitful, while others aren't as hopeful.

[Wave of car bombings in Iraq kills at least 47](#)

BAGHDAD (AP) — A wave of over a dozen car bombings hit central and southern Iraq during morning rush hour on Monday, officials said, killing at least 47 people in the latest coordinated attack by insurgents determined to undermine the government.

The blasts, which wounded scores more, are part of a months-long surge of attacks that is reviving fears of a return to the widespread sectarian bloodshed that pushed the country to the brink of civil war after the 2003 U.S.-led invasion. Suicide attacks, car bombings and other violence have killed more than 3,000 people since April, including more than 500 since the start of July, according to an Associated Press count.

[Obama Says He'll Evaluate Pipeline Project Depending on Pollution](#)

“Republicans have said that this would be a big jobs generator,” Mr. Obama said in an interview with The New York Times. “There is no evidence that that’s true. The most realistic estimates are this might create maybe 2,000 jobs during the construction of the pipeline, which might take a year or two, and then after that we’re talking about somewhere between 50 and 100 jobs in an economy of 150 million working people.”

He said 2,000 jobs were “a blip relative to the need.”

[Thailand Oil Spill: 50 Tons Of Crude Reaches Popular Tourist Island](#)

BANGKOK — Black waves of crude oil washed up on a beach at a popular tourist island in Thailand's eastern sea despite attempts to clean up the oil up over the weekend after it leaked from a pipeline, officials said Monday.

Tourists on Samet island were warned to stay away from the once-serene beach, marred by inky globs as hundreds of workers in white jumpsuits labored to scrape the sand clean and remove oil from the water.

[Alberta oil spills cause concern over Canada's approval of tar sands project](#)

Campaigners have raised new concerns over controversial "tar sands" after it emerged a series of oil spills have occurred at one site in recent months.

The unconventional fuel is being produced in Canada, but opponents warn it is more polluting than conventional oil as it requires significant energy to extract, pushing up its carbon emissions, and have also raised concerns over local environmental impacts.

[Texas water contamination linked to fracking sites](#)

A high level of water contamination has been discovered in the water wells near a natural gas extraction site in the US.

The toxic substances, including arsenic, selenium and strontium, were all found at levels higher than recommended levels in wells in and around the Barnett Shale, an important reservoir of natural gas in North Texas.

[BMW Electric Offered With Spare SUV to Ease Range Anxiety](#)

To avoid the fate of other slow-selling electric vehicles, Bayerische Motoren Werke AG (BMW) will offer the new i3 -- a battery-powered compact car -- with a unique option: the use of a sport-utility vehicle.

Customers of BMW's first electric model can book a conventional auto like the full-sized

X5 SUV for several weeks a year for family trips or as a backup. The “add-on mobility” feature, for which BMW hasn’t yet revealed pricing, is part of the manufacturer’s effort to overcome a major concern about electric vehicles, namely getting stuck on the side of the road with a dead battery.

[Smart meters: Good for consumers but infrastructure unresolved](#)

Evidence presented in the report warned that if important technical and infrastructure requirements were not in place before deployment, costs could increase significantly. Some consumers could have a poor experience, which might have a reputational effect on the roll-out programme, warned the Energy and Climate Change Committee.

[Trial run for biggest battery in Europe that could help power Britain](#)

A trial of the largest battery in Europe, which proponents hope will transform the UK electricity grid and boost renewable energy is due to start in Leighton Buzzard, Bedfordshire.

The trial of cutting-edge energy storage technology will test new methods of capturing electricity for release over long periods, evening out the bumps and troughs of supply and demand that plague the electricity grid. Finding ways of storing power from wind and solar generation is key to maintaining a constant source of energy.

[Europe and China Agree to Settle Solar Panel Fight](#)

BRUSSELS — The European Union’s trade chief said on Saturday that a deal had been reached with China to settle a dispute over exports of low-cost solar panels that had threatened to set off a wider trade war between two of the world’s largest economies.

[Could Solar And Wind Replace Fossil Fuels In Australia By 2040?](#)

Solar and wind energy could replace all fossil fuels in Australia by 2040 if their recent rate of deployment is maintained and slightly increased over the next 27 years – delivering the country with a 100% renewable electricity grid “by default” as early as 2040.

The stunning conclusions come from research from Andrew Blakers, the director of the Australian National University’s Centre for Sustainable Energy Systems. It notes that nearly all new electricity generation capacity in recent years has been wind and solar photovoltaics (PV), and demand has also been falling since 2008.

[Empower to build Dubai's 'greenest' cooling plant](#)

Empower has awarded a Dh155 million project to the contractor Trans Gulf Electro Mechanical to build what it claims to be Dubai's greenest district cooling plant - to cater for the expansion of Business Bay.

According to a company announcement yesterday, Trans Gulf will erect the plant building as well as assembling infrastructure such as pumps, chillers, water tanks, cooling towers and office space.

[4 in 5 in USA face near-poverty, no work](#)

WASHINGTON (AP) — Four out of 5 U.S. adults struggle with joblessness, near-poverty or reliance on welfare for at least parts of their lives, a sign of deteriorating economic security and an elusive American dream.

Survey data exclusive to The Associated Press points to an increasingly globalized U.S. economy, the widening gap between rich and poor, and the loss of good-paying manufacturing jobs as reasons for the trend.

[Detroit Bankruptcy Underscores Rift Between City, Suburbs](#)

“We would rather stay in the suburbs,” Boudreau, a 66-year-old retired real-estate manager, said in an interview about a block from a park where children played on an Astroturf-covered mound. “We’ve got all we want here.”

Boudreau’s view exemplifies a generations-long divide between Detroit, where the per-capita income is \$15,261, and suburbs such as Birmingham, where it’s \$67,580. Detroit’s record \$18 billion bankruptcy case raises questions about how affluence can co-exist with poverty, and whether urban areas with hollow cores can thrive.

[China to spend trillions on pollution battle](#)

SHANGHAI (Xinhua) -- The Chinese government will spend more than 3 trillion yuan (489.3 billion U.S. dollars) to enhance air and water pollution prevention and treatment, environmental officials told an environmental protection industry forum on Sunday.

An airborne pollution prevention and control action plan, which will be released soon, will be backed by 1.7 trillion yuan in investment from the central government, according to Wang Tao, an official with the pollution prevention department under the Ministry of Environmental Protection (MEP).

[We've been asking the wrong questions about conservation](#)

Stop worrying about how species will respond to climate change – focus on how our

adaptations are going to affect them.

[Divesting From Fossil Fuels Means A Cleaner, Safer and More Resilient Future](#)

“Long-dated bonds of fossil fuel companies, some with maturities extending decades into the future, could readily become toxic financial assets as the credit quality of their issuers deteriorate in reaction to belated market responses to the harsh reality of stranded asset risk and systemic climate risk,” warns Joshua Humphreys of the Tellus Institute.

['Perverse' environmental charges on even the poorest families could see energy bills go up by a third](#)

Extra charges making vulnerable households pay for the Government’s environmental commitments are “perverse” and should be scrapped, MPs said today in a wide-reaching report on the way we pay for gas and electricity.

The cost of funding renewable energy and efforts to reduce the country’s carbon footprint will add a third to the average family’s annual fuel bill by the year 2020, according to a report from the Department for Energy and Climate Change.

[Maryland's climate opportunity](#)

Gov. O'Malley's road map for aggressively reducing greenhouse gas emissions offers a chance for the state's economy to bloom along with the environment.

[Storing CO₂ Underground In Basalts — Regional Experiment Begins In Southeast Washington](#)

One of the first large-scale experiments to test the feasibility of safely storing carbon dioxide in underground rocks is now under way in southeastern Washington state — about 1,000 tons of carbon dioxide are right now being injected half a mile down into the ground on property owned by Boise Inc. The CO₂ is being injected directly into old geological formations which mostly consist of ancient basalt flows — the enormous lava flows lie under the ground of much of Washington, Idaho, and Oregon.

[Messing with nature? Geoengineering and green thought](#)

Studies of public perceptions of geoengineering have implications for the 'greens vs science' debate.

[Gangplank to a Warm Future](#)

ITHACA, N.Y. — MANY concerned about climate change, including President Obama, have embraced hydraulic fracturing for natural gas. In his recent climate speech, the president went so far as to lump gas with renewables as “clean energy.”

As a longtime oil and gas engineer who helped develop shale fracking techniques for the Energy Department, I can assure you that this gas is not “clean.” Because of leaks of methane, the main component of natural gas, the gas extracted from shale deposits is not a “bridge” to a renewable energy future — it’s a gangplank to more warming and away from clean energy investments.

[Flood, Rebuild, Repeat: Are We Ready for a Superstorm Sandy Every Other Year?](#)

We're already getting a taste of what this will mean. Hurricane Sandy is expected to cost the federal government \$60 billion. Over the past three years, 10 other storms have each caused more than \$1 billion in damage. In 2011, the federal government declared a record 99 weather-related major disasters, from hurricanes to wildfires. The United States averaged 56 such disasters per year from 2000 to 2010, and a mere 18 a year in the 1960s.

The consequences for the federal budget are staggering. In just the past two years, natural disasters have cost the Treasury \$188 billion—nearly \$2 billion a week. The National Flood Insurance Program (NFIP), which covers more than \$1 trillion in assets, is one of the nation's largest fiscal liabilities. The program went \$16 billion in the hole on Hurricane Katrina, and after Sandy it will be at least \$25 billion in debt—a deficit unlikely ever to be fixed.

[NFU claims extreme weather poses biggest threat to British farming](#)

Extreme weather being driven by climate change is the biggest threat to British farming and its ability to feed the nation's growing population, according to Peter Kendall, president of the National Farmers' Union.

["The Sea Was Swallowing It Up"](#)

Vietnam has 2,025 miles of coastline exposed to rising seas. Eighteen million of its 88 million people live in the Mekong delta, 1.4 million in Ben Tre—a big island cut off from the mainland by the Mekong. Under worst-case sea level projections, half of Ben Tre would be under water by 2100.

[Alaska forest fires ‘worst for 10,000 years’](#)

There have always been fires in the cold forests of Alaska. Periods of burning are part of the ecological regime, and fires return to black spruce stands of the Yukon Flats at intervals of tens to hundreds of years.

But recent evidence suggests that fire is about to come back with a vengeance – or, in the language of science, “a transition to a unique regime of unprecedented fire activity”.

[Quakes Thought to Help Release Methane From Seabed](#)

In a study published online Sunday in the journal Nature Geoscience, European researchers report that an underwater quake off Pakistan nearly 70 years ago likely fractured seafloor sediments and created pathways for methane, a potent greenhouse gas, to bubble up from below. The researchers say the phenomenon may be widespread enough that climate scientists should take it into account when estimating the amounts of heat-trapping gases in the atmosphere.

[Still No Support for Global Warming 'Slowdown'](#)

A new set of studies from the British government’s Meteorological Office has addressed the claims by climate change skeptics that global warming has “stopped” or “paused” or is “slowing down.”

[Runaway global warming Armageddon? It may be more likely than you thought](#)

A runaway greenhouse Armageddon in which the oceans boil dry could theoretically happen on Earth, researchers claim.



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