



Drumbeat: August 23, 2013

Posted by [Leanan](#) on August 23, 2013 - 8:27am

[US petroleum demand hits 3-year high](#)

(IANS) The overall petroleum demand in the US jumped in July to the highest level in three years, the American Petroleum Institute (API) said.

The total petroleum deliveries, a measure of demand, rose 1.7 percent in July from a year ago to average \$18.9 million barrels per day, Xinhua reported.

"The summer travel season brought greater demand for several fuel types last month than we've seen in the recent years," API chief economist John Felmy said Thursday.

[Crude Rises From Two-Week Low as Jobless Claims Fall](#)

West Texas Intermediate crude rose from a two-week low as the fewest U.S. workers in more than five years applied for unemployment benefits over the past month, bolstering optimism that fuel demand will accelerate.

[Gulf Coast Gasoline Weakens as Seasonal Fuel-Grade Switch Nears](#)

U.S. Gulf Coast gasoline weakened versus futures for the first time in four days as the summer driving season draws to a close and the transition between summer and winter grade gasoline begins.

[Crude Options Volatility Slips as Oil Rises From Two-Week Low](#)

Crude options volatility slipped to a three-day low as the underlying futures bounced back from a two-week low.

Implied volatility for at-the-money options expiring in October was 21.25 percent on the New York Mercantile Exchange at 4:15 p.m., down from 22.71 percent yesterday.

[Gasoline Gains on Speculation Outages Will Reduce Fuel Supply](#)

Gasoline gained on speculation that unplanned refinery shutdowns and slowdowns will crimp supply as the nation nears the Sept. 2 Labor Day holiday.

[PetroChina foresees hefty gains from gas price hike](#)

HONG KONG (Reuters) - PetroChina Co Ltd , which has bled billions of dollars from selling imported natural gas at deep discounts, is turning optimistic about its natural gas business after the government's first gas price hike in three years.

China's dominant energy producer expects the price hike in July to narrow its losses from selling imported gas and boost its profitability by 20 billion yuan (\$3.27 billion) every year from 2014, President Wang Dongjin said on Thursday.

[Motiva Port Arthur Crude Unit Said to Stay Shut as Barges Scarce](#)

Motiva Enterprises LLC's Port Arthur, Texas, refinery, may keep its largest crude unit offline because vessels able to transport its output of vacuum gasoil are in tight supply, a person familiar with operations said.

[PTT complex braces for protest](#)

Staff of companies in PTT Complex on Vibhavadi-Rangsit Road were told to leave offices at noon, as a group of people plan a protest against LPG price hike at 3.30pm.

[Protesters wave Thai flags during a protest outside the headquarters of the Petroleum Authority of Thailand \(PTT\) in Bangkok](#)

Several hundreds of people protested against the government's plan to raise the price of liquefied petroleum gas (LPG).

[Five theories on US LNG exports \(and why they're probably wrong\)](#)

DOE officials have remained tight-lipped about when the next approvals may arrive, but that has not stopped the speculation. Sources have said they wouldn't be surprised to see a half dozen or more approvals before the end of the year. Others have said it's not outside the realm of possibility that there will be only one more approval in that time.

In truth, no one may know for sure, but with rumors rampant, let's take a look at five theories we're hearing and look at why they may be wrong.

[Libya to Resume Oil Exports From Brega as Protests Ease](#)

Libya said it will resume oil exports from Brega, one of four ports where it declared force majeure this week, as protests that shut the facilities since end-July eased.

[France's Technip to lay world's deepest gas pipeline in Gulf of Mexico](#)

French firm Technip is to lay the world's deepest gas pipeline for energy giant Shell in the US Gulf of Mexico, a company statement announced Friday in its second big deep-sea pipelaying announcement in 10 days.

The deal is "an important engineering, procurement and installation contract for the development of subsea infrastructure for the Stones field," at a depth of about 2,900 metres, Technip said.

[Jeff Rubin: Canada's race to build pipelines won't spell relief at the pumps](#)

Canadian drivers may think that TransCanada's Energy East pipeline, which will allow Alberta to ramp up oil sands production while boosting the flow of oil to eastern Canada, will translate into lower pump prices. Think again.

By connecting land-locked oil deposits in Alberta and North Dakota with world markets, pipelines and railways aren't just letting industry pull more oil out of the ground — they're also connecting those oil flows to world prices. That's something this continent hasn't seen much of lately. Earlier this year, for instance, Western Canadian Select, the benchmark price for bitumen from the oil sands, traded at nearly half the price of Brent crude. Such a steep discount set off alarm bells in Alberta, as well as in finance minister Jim Flaherty's office.

[Canada's oil pipelines will not build a nation - they are a great swindle](#)

The defeat has been barely noticed by the media. Amidst the rolling hills of Quebec's lush farm and wine region, the small town of Dunham has beaten the oil giants.

It's here that Enbridge and Portland-Montreal Pipe Line — owned by Imperial Oil, Suncor and Shell — have been trying to construct a pumping station to pipe heavy crude over a nearby mountain range. The infrastructure is integral to Enbridge's plans to ship Alberta tar sands, via Quebec, to the eastern coast of the United States.

But when Enbridge quietly initiated this project in 2008, a coalition of local farmers, residents and environmentalists formed in opposition. They marched, launched legal challenges, and organized Canada's first UK-inspired climate camp — which ended in promises of civil disobedience.

[The Peak Oil Crisis: A Review of Richard Heinberg's 'Snake Oil'](#)

Richard Heinberg has been following and writing about peak oil for a long time. In the last decade, he has published 10 books on peak oil and related resource depletion topics as well as given some 500 lectures warning about the hard times ahead. The subtitle of his recent book, "How Fracking's False Promise of Plenty Imperils Our Future" captures "Snake Oil's" theme in a lucid phrase. This is an angry book, for it is intended as a rejoinder to the avalanche of half truths and optimistic estimates concerning the future of our energy resources which have filled our media in the last few years.

As the evidence accumulates that man is destroying the atmosphere by ever-increasing carbon emissions and bankrupting his economic systems by continued reliance on increasingly expensive oil, realistic appraisals of our true energy situation are being lost.

[The Association for the study of Peak oil and gas announces Eagle Ford Shale – a snapshot of today's activity](#)

Southwest of Texas' capital city Austin and towards the Mexican border there is a large area of shale called the "[Eagle Ford Shale](#)", EFS. For those interested I can mention that there is a good website "Eagle Ford Shale" where one can find all sorts of information on Eagle Ford. Figures in this report are from that website.

[Afren says H1 oil output up 13% on rise in Nigeria production](#)

Lagos (Platts) - UK-listed independent producer Afren said Friday its oil production rose 13% in the first half of the year to 47,653 b/d of oil equivalent, driven largely by increased output from its offshore fields in Nigeria.

"We recorded a year-on-year increase in underlying net production of 13%, principally from our greenfield developments offshore Nigeria," chief executive Osman Shahenshah said in a note on the company's 2013 half year results.

[Nigeria state revenues tumble 42 pct in July due to oil outages](#)

ABUJA (Reuters) - Nigeria's government revenues slumped 42 percent in July due to oil theft and production outages, the accountant general said on Friday, underscoring how oil theft is damaging public finances this year.

State revenues fell to 498 billion naira, the lowest monthly earnings this year and down from 863 billion naira in June.

[Obama tells CNN key decisions nearing on Syria, Egypt](#)

(CNN) -- The time is nearing for a potentially definitive U.S. response to alleged Syrian government atrocities and an increasingly violent military crackdown in Egypt, President Barack Obama said in an exclusive interview broadcast Friday on CNN's

"New Day."

The U.S. remains "one indispensable nation" in the volatile Middle East and elsewhere, Obama told "New Day" anchor Chris Cuomo.

"We have to think through strategically what's going to be in our long term national interests."

Asked by Cuomo whether the U.S. government is now facing a "more abbreviated time frame" on key decisions in Egypt and Syria, Obama repeatedly gave a one-word response: yes.

[Sanctions biting but Iran not budging](#)

WASHINGTON (AP) — New signs are emerging that international sanctions are taking a deepening toll on Iran's economy — putting billions of dollars in oil money out of the government's reach. Yet there is no indication the distress is achieving the West's ultimate goal of forcing the Islamic Republic to halt its nuclear program.

Iran has proved adept at working around sanctions and if oil prices don't plummet, U.S. analysts say the country probably has enough economic stamina to reach what the West suspects is its true intention — producing nuclear weapons.

[Apache's Egypt quandary symbolizes tough business call](#)

Apache Corp faces a difficult choice in Egypt: whether to sell its substantial oil and natural gas operations in the country or wait out the recent bloodshed.

The Texas-based energy company has said it is assessing the value of its Egyptian interests, which account for roughly a fifth of its global oil and gas production and 27 percent of its revenue last year.

[Angola Urges Diversification Amid Stable Oil Prices](#)

Angola, Africa's largest oil producer after Nigeria, needs to cut its reliance on crude to buffer the economy as prices for the commodity are set to remain stable over the next three years, a central bank official said.

[Arab strife pushes big prize oil search to Morocco, Malta](#)

LONDON (Reuters) - Middle East turmoil has given a fresh spur to energy companies looking for big finds further afield to more stable and inviting hosts Morocco, Malta and Spain.

Close to known reserves and large markets, they offer tempting terms for explorers without the risks of production in Syria, Libya or Egypt.

[Putin Energy Czar Igor Sechin Acquires First Shares in Rosneft](#)

OAO Rosneft Chief Executive Igor Sechin bought his first shares in the state-run company, now the world's largest traded crude producer by output, that he has led for almost 10 years.

Sechin, who heads an energy commission formed by President Vladimir Putin last year, bought shares worth 0.0075 percent of the company's charter capital, according to a regulatory filing by the Moscow-based company today, which also listed six other managers that bought stock. The stake is worth about \$5.6 million, based on Rosneft shares, which rose 0.82 percent to 236.41 rubles at 2:22 p.m. in Moscow today.

[India, Iraq to discuss rupee payments for trade - minister](#)

NEW DELHI (Reuters) - The government will discuss with Iraq the possibility of settling trade payments in the rupee currency, the trade minister said, in a move that will also help stabilise the troubled currency.

Iraq's Prime Minister Nuri al-Maliki is visiting India to finalise a deal to sell India more crude oil.

[DNO reports surging production](#)

DNO, the Norwegian oil company operating in Iraqi Kurdistan, reported a production increase of nearly a third during the second quarter on the back of record flows from its first horizontal well in the region.

A well at Tawke, an oilfield located near the borders of Syria and Turkey, flowed at a rate of 25,000 barrels per day (bpd), compared with the previous record of 10,000 bpd at another well in the same field.

[Exxon to sell over half of Iraq oilfield stake to PetroChina, Pertamina-Iraq minister](#)

(Reuters) - Exxon Mobil is selling over half of its 60 percent holding in Iraq's West Qurna-1 oilfield project to China's biggest energy firm PetroChina and Indonesia's Pertamina, Iraq's oil minister confirmed on Friday.

"25 percent (stake) to PetroChina and 10 percent to Pertamina," Abdul Kareem Luaibi told Reuters on the sidelines of a ministerial meeting here.

[Statoil to bet on Angola, Russian shale in exploration](#)

OSLO (Reuters) - Statoil, one of the most successful oil explorers in recent years, sees offshore Angola and Russian shale as the industry's next big plays and considers U.S. shale oil overhyped, its exploration chief Tim Dodson said.

[Argentina Prepares China Shale Deal to Boost Gas Reserves](#)

YPF SA, Argentina's state-owned energy company, said its next shale oil and gas partnership will be with a group including China's Cnooc Ltd.

China's biggest offshore energy explorer probably will sign next month a definitive deal to explore and develop deposits in the Vaca Muerta formation, either as part of its Bidas Corp. joint venture with the billionaire Bulgheroni brothers or with the Bidas-run Pan American Energy LLC, YPF board member Hector Valle said in an interview.

[Indonesia oil regulator suspends energy tenders amid graft scandal](#)

(Reuters) - Indonesia's energy regulator has suspended all oil, condensate and natural gas sell tenders as it reviews internal procedures after its chairman was caught taking an alleged bribe from an oil trader last week, an agency official said on Monday.

The suspension is the first evidence that the graft scandal engulfing SKKMigas is starting to impact day to day operations for Indonesia's huge oil and gas industry.

[BP spill claims deadline may slip by year or more](#)

LONDON (Reuters) - The April 2014 deadline for compensation claims against BP over its U.S. oil spill is almost certain to be extended, say both side of the legal settlement that governs payouts, possibly into 2015.

The last date for claims, part of the oil company's settlement last year with individual and business claimants, was always potentially moveable, but like the open-ended nature of its cost that hit home earlier this year, the indefinite extendibility may not have been fully appreciated by long suffering investors, analysts say.

[Tear gas used on protesters in Oman](#)

Muscat: Security forces on Thursday fired tear gas to disperse protesters in Liwa town, about 235km north of Muscat, according to Monitor of Human Rights in Oman (MHRO).

The independent human rights group has posted photographs of protesters running

helter-skelter after security forces fired tear gas. *Gulf News* could not independently verify the claims.

The protests, led by Dr Talib Al Maa'mari, Shura Council member from Liwa, were held by local residents, including women and children, to oppose growing pollution in the area due to the Sohar Industrial Estate.

[County bans drilling waste](#)

Albany, NY - County lawmakers voted overwhelmingly Monday to ban gas-drilling waste, specifically the chemical cocktail produced by hydrofracking, from county water treatment plants and from use on its roads.

The measure targets drilling's highly salty and often radioactive liquid byproduct, said Guilderland Democrat Bryan Clenahan, the ban's chief sponsor. Gas companies have marketed the liquid as a tool to keep roads from icing over in the winter.

[Anti-Fracking Protestors to Appeal Directly to Obama During Visit to Shale Country](#)

President Obama's welcome on his trip to Pennsylvania and New York this week may not be as warm as he'd hoped. Anti-fracking citizens in both states, dismayed at the President's decision to embrace natural gas development as a major energy priority, plan to protest his visit to shale country. They join a growing number of Americans living in the gas industry's path with real and substantial concerns about what the President's policies might mean for their future.

[Fukushima inspectors 'careless', Japan agency says, as nuclear crisis grows](#)

HIRONO, Japan (Reuters) - The operator of Japan's wrecked Fukushima nuclear plant was careless in monitoring tanks storing dangerously radioactive water, the nuclear regulator said on Friday, the latest development in a crisis no one seems to know how to contain.

[Tepco testing tainted earth at No. 1 plant](#)

FUKUSHIMA – Tokyo Electric Power Co. on Friday started digging up soil tainted with highly radioactive water discharged from a storage tank at its Fukushima No. 1 nuclear plant to test its radiation levels.

The utility will dig areas measuring 12 sq. meters in total to a depth of 40 to 50 cm where pools of leaked radioactive water formed, and then measure levels to determine how far the contamination has spread and how much soil needs to be removed.

[Japan's Abe to visit Middle East in nuclear push](#)

TOKYO (AFP) – The prime minister of energy-poor Japan heads to the oil-rich Middle East this weekend in his latest push to promote nuclear technology exports, a spokesman said Friday, despite growing problems at the crippled Fukushima plant.

Shinzo Abe was due to leave Tokyo on Saturday for a six-day trip that will take in Bahrain, Kuwait, Djibouti and Qatar, with discussion of Japan's nuclear know-how expected to be on the agenda.

[Daily life shapes sustainable transportation](#)

Imagine your life recreated in data, every car trip, bus ride, grocery store stop and burrito run—including when, why, and with whom you went—represented by blips on a computer.

It's recently been done in Southern California, the daily to-do's of 18 million people tracked, logged, mapped and analyzed. Baltimore is now getting the same treatment, and Seoul, Korea, may be next.

Why?

The massive undertaking is all in the name of sustainable transportation, and some UC Santa Barbara geographers are central to the mission. With colleagues from the University of Texas at Austin and from Arizona State University, they're collaborating with some of the nation's most crowded municipalities to inform emissions policy through data collection, synthesis, and analysis.

[July best ridership month ever for Amtrak](#)

Amtrak announced that July was its best single ridership month ever.

“Amtrak is delivering record ridership across the country and serving as an economic engine to help local communities grow and prosper,” said President/CEO Joe Boardman.

[Tesla begins selling the Model S in China](#)

NEW YORK (CNNMoney) - Tesla has officially entered the Chinese auto market.

"As of now, TESLA Model S reservations are being accepted," Tesla said Wednesday on Weibo, a Chinese microblogging site similar to Twitter.

[NY EV market evolving with truck incentives](#)

New York has launched a \$19 million Truck Voucher Incentive Program to encourage the purchase of battery-electric commercial trucks and other energy-efficient transportation, including hybrid and compressed natural gas trucks that will drive innovation in the commercial vehicle sector and help meet federal clean air standards.

[Bike & Go: road testing the new national bike hire scheme](#)

A nationwide public bike sharing scheme launched this month, providing bikes at railway stations across the country.

[Fossil Fuels Contain Buried Risks; Look To SolarCity For Growth](#)

The gap between government goals and Exxon's projections means that something has to give; either global governments stick to their plan of maintaining a global temperature increase under 2° mainly through the shift to renewables from fossil fuels; or global governments fold to the oil and coal companies and allow global climate change to continue mostly unabated.

[Wind Farms Take Root Out at Sea](#)

BREMEN, Germany — In a warehouse district on the outskirts of Bremen in northwestern Germany is a big, well-lighted work space dominated by the massive top section of a wind turbine called a nacelle.

It is here that Siemens, the German power systems giant, trains new employees and gives refresher courses on how to work safely on modern windmills that can rise 90 meters, or about 300 feet, and weigh more than 100 tons.

[Building inspector: Covanta probably not to blame for Falls rat problem](#)

NIAGARA FALLS – The city's chief building inspector said Friday he doesn't think Covanta Niagara's energy-from-waste incinerator has caused a recent rat infestation in a nearby neighborhood.

Dennis F. Virtuoso, who also is a Niagara County legislator, said he thinks the source of the problem is the reconstruction of nearby Buffalo Avenue.

[Is Al Jazeera America Going to Change the Way Networks Cover Climate Change?](#)

On its first day of broadcasting, Al Jazeera America devoted 30 minutes to climate change—more time than top shows on CNN and Fox News have given to this issue in the past four-and-a-half months, combined. In fact, the full half-hour (24 minutes, plus commercials) of broadcast of *Inside Story* was equal to about half of the coverage

climate change received in 2012 from the nightly news on ABC, CBS, NBC, and Fox, combined. For a network that promised to provide "unbiased, fact-based and in-depth, journalism," this seems like a promising start.

[California 'Freebies' Drive Carbon to 2013 Low](#)

Carbon prices in California have slumped to the lowest level this year as the state weighs increasing the number of free permits offered to polluters in an effort to kick-start the fledgling market.

[State aid formula brews new storm](#)

Upstate communities saw more than their homes, roads and bridges wash away with Tropical Storm Irene two years ago.

They also lost millions of dollars in property tax revenue as the value of storm-damaged homes and businesses declined — and in some cases disappeared.

[Fiji official: Climate change hampers development of island nations](#)

SUVA, Fiji (UPI) -- Climate change is one of the biggest barriers to sustainable development for small island countries, a Fijian official said Wednesday.

Speaking at a climate workshop in Fiji's capital Suva, Esala Nayasi, director of the political and treaties division of the Ministry of Foreign Affairs, said the adverse effects of climate change are a security threat to Pacific island countries (PICs), China's Xinhua news agency reported.

[Climate change may be baring Mt. Everest](#)

A warming climate is melting the glaciers of Mount Everest, shrinking the frozen cloak of Earth's highest peak by 13% in the last 50 years, researchers have found.

Rocks and natural debris previously covered by snow are appearing now as the snow line has retreated 590 feet, according to Sudeep Thakuri, a University of Milan scientist who led the research.

[Is climate change humanity's greatest-ever risk management failure?](#)

Humans are generally very risk-averse. We buy insurance to protect our investments in homes and cars. For those of us who don't have universal health care, most purchase health insurance. We don't like taking the chance - however remote - that we could be

left unprepared in the event that something bad happens to our homes, cars, or health.

Climate change seems to be a major exception to this rule. Managing the risks posed by climate change is not a high priority for the public as a whole, despite the fact that a climate catastrophe this century is a very real possibility, and that such an event would have adverse impacts on all of us.

[Amish farmers adapt to climate change](#)

“Not everybody, in agriculture, industry or government, agrees on what is happening. But they’re finding that they have to address adverse weather conditions,” said Dale Arnold, director of energy policy for the Ohio Farm Bureau.

While Amish communities in Ohio have a well-established reputation for resisting change on a variety of levels, they are adapting some of the same new agricultural practices as their English neighbors as they strive to remain productive and viable.

[Northeast Passage: Russia Moves to Boost Arctic Shipping](#)

The earth has rarely been as warm as it is today -- and it has never been this small. In the distant past, traveling from Hamburg to Shanghai by ship meant sailing around Africa, a journey of at least 28,000 kilometers (17,400 miles). A short cut became available in 1869, with the opening of the Suez Canal, an event so epochal that Giuseppe Verdi was asked to compose a hymn for the celebration. After that, the Hamburg-Shanghai route measured only about 20,000 kilometers.

Now another hymn could be needed, albeit a Russian one. Global warming has led to the rapid melting of Arctic sea ice. Where the thick ice pack stretched off the Siberian coast in August only a few years ago, there is nothing but the gray and cold Arctic Ocean today.

[China could be the future of Arctic oil](#)

The Arctic may contain 10-15 percent of the world's undiscovered oil reserves, with most of that oil located in the seabed of the Arctic Ocean. And China, thanks to its financial rather than military strength, could take the lion's share.

The US Geological Survey estimates there are 90 billion barrels of conventional oil north of the Arctic Circle, enough to fuel the entire world for three years at current consumption rates.

[Australian floods of 2010 and 2011 caused global sea level to drop](#)

Rain - in effect, evaporated ocean - fell in such colossal quantities during the Australian floods in 2010 and 2011 that the world's sea levels actually dropped by as much as 7mm.

[Rising Seas](#)

As the planet warms, the sea rises. Coastlines flood. What will we protect? What will we abandon? How will we face the danger of rising seas?



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