



Drumbeat: August 26, 2013

Posted by [Leanan](#) on August 26, 2013 - 10:14am

[Richard Heinberg: Was the Oil and Gas Industry Promoting Peak Oil to Make Maximum Profits?](#)

The change in our public conversation about energy is predicated on new drilling technology and its ability to access previously off-limits supplies of crude oil and natural gas. In the chapters ahead, we will explore this technology—its history, its impacts, and its potential to deliver on the promises being made about it. As we will see, horizontal drilling and hydrofracturing (“fracking”) for oil and gas pose a danger not just to local water and air quality, but also to sound energy policy, and therefore to our collective ability to avert the greatest human-made economic and environmental catastrophe in history.

[WTI Trades Near Four-Day High Amid Economic Recovery](#)

West Texas Intermediate crude traded near a four-day high amid signs of economic recovery in Europe and speculation that western governments may launch a military intervention in Syria. Brent’s premium to WTI narrowed.

Futures advanced as much as 0.9 percent in New York. Economic confidence in the euro area probably rose to the highest level in 17 months in August, adding to signs that the currency bloc’s recovery from a record-long recession is gathering pace. U.K. Foreign Secretary William Hague said Britain is convinced President Bashar Al-Assad is behind last week’s chemical weapons attack in Syria, and there’s agreement with the U.S. and France on the need to respond.

“There’s a surprisingly robust economic recovery,” said Eugen Weinberg, the head of commodities research at Commerzbank AG in Frankfurt. “It’s supporting prices but not catapulting them to a new level.”

[U.S. Gasoline Falls to \\$3.5586 a Gallon in Survey](#)

The average price for regular gasoline at U.S. pumps fell 3.99 cents in the past two weeks to \$3.5586 a gallon, according to Lundberg Survey Inc.

[In bustling Houston, it's a case of 'Build, baby, build!'](#)

(Reuters) - With Texas one of the few bright spots in the U.S. economy, the skyline of

swaggering Houston is where the action is as builders and global oil companies, from Phillips 66 to Exxon Mobil Corp, look past previous busts and spend billions on gleaming new buildings.

The U.S. shale oil and gas revolution - which has already changed industries from railroads to pipelines and refineries - is helping drive the voracious appetite for office space needed for the expanding workforce in the world's energy capital.

[Why Has Big Oil Struggled to Catch on to the Shale Boom?](#)

The experience of the oil giants in the shale revolution should be a cautionary tale for investors: not every company will benefit. So picking the best companies for your portfolio is akin to picking a needle from a pile of rusty needles.

[Sudan earns \\$236 mn from South Sudan oil fees](#)

Sudan earned more than \$230 million in fees for the export of South Sudanese oil this year, official media reported on Sunday, days before a Khartoum deadline to shut the pipelines.

"The government of South Sudan sent the fees for oil transportation to the Sudan Central Bank," the official SUNA news agency quoted the bank's assistant governor, Azhari al-Tayeb al-Faki, as saying.

[World Powers Seek Syria Action as UN Probes Allegations](#)

World leaders from Washington to Istanbul denounced what they said was the use of chemical weapons by Syrian President Bashar Al-Assad and called for action even as United Nations inspectors attempted to probe the allegations.

U.K. Foreign Secretary William Hague said Britain is convinced Assad was behind the attack and that there was agreement with the U.S. and France on the need to respond. Turkey's Foreign Minister Ahmet Davutoglu said his country will join a "coalition" against Syria if the UN fails to act.

[U.N. chemical weapons team vehicle fired on in Syria](#)

A vehicle used by U.N. chemical weapons investigators was shot at Monday by snipers, a spokesman for U.N. Secretary-General Ban Ki-moon says.

[China urges 'cautious' approach on Syria chemical weapons](#)

China called for a "cautious" approach to the Syrian chemical weapons crisis Monday, as pressure grew for international action in the wake of an alleged gas attack near Damascus.

[Egypt's Military Does No Wrong in Eyes of Weary Citizens](#)

In the last two weeks, Egypt's military-backed government has killed almost a thousand Egyptians, placed Cairo under curfew, and lined roads with soldiers, bridges with tanks, and some roofs with snipers.

If all that bothered anybody in this crisis-weary city, they made little fuss about it.

"The Egyptian army works for the interest of the nation," said Amany Hassan, a 45-year-old government employee whose father was in the military. "They got rid of the Muslim Brotherhood. Egyptians love anyone who protects them."

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

Libyan oil exports resumed from Brega, one of four ports where force majeure was declared last week, as protests that have shut the facilities since the end of July eased, according to officials in Tripoli.

The tanker Vallesina departed two days ago for Italy with 630,000 barrels of Brega-grade crude, Ibrahim Al Awami, director of measurement at state-run National Oil Corp., said in a telephone interview. Deputy Oil Minister Omar Shakmak confirmed by phone that it's the first export from Brega since the Aug. 22 lifting of the force majeure.

[Deteriorating security stifles Iraq's economic promise](#)

BAGHDAD (Reuters) - In the past month, bombs exploding down the street from Fawzy Hassan's snack shop in central Baghdad have frightened away many customers, and those who do still come to stock up on fruit, potato chips and candy are spending less than before.

"People bought one kilo before - now they only buy half," said the 73-year-old Hassan, who has worked on the street since he was 10 years old. "People are suffering financially because year after year, making a living gets more difficult."

[Shell blamed for Iraq's \\$4bn oil losses](#)

Iraq's oil ministry, struggling with sputtering output, blames the Anglo-Dutch energy giant Shell over US\$4.6 billion in lost revenue due to production delays, a letter revealed yesterday.

The document, dated July 21, sharply criticises the foreign energy firm for shortfalls in oil extraction at the giant Majnoon field in southern Iraq and comes as oil exports have fallen to their lowest level in 16 months even while Baghdad has looked to cement its role as a key global energy producer.

[Sinopec Beats PetroChina as Refining Profit Boosts Net](#)

China Petroleum & Chemical Corp., Asia's biggest refiner, posted a 24 percent increase in first-half net income after its refining business returned to profit, outperforming PetroChina Co.

[India firm buys stake in Mozambique gas field](#)

India's Oil and Natural Gas Corp has agreed to buy a 10 percent stake in a gas field offshore Mozambique from Texas-based Anadarko Petroleum Corp for \$2.64bn.

ONGC is aiming to offset diminishing supplies from domestic gas fields by buying overseas assets, according to the Reuters news agency.

[ONGC May Raise Overseas Debt for \\$2.64 Billion Purchase](#)

ONGC is leading India's push to get access to oil and natural gas reserves around the world with \$6.14 billion of deals this year as a growing population and industrialization drives up energy demand in Asia's third-biggest economy. Funding the acquisition with overseas debt will help ONGC skirt the effect of a sinking rupee, which has dropped 14.17 percent this year, the worst decline among its Asian peers.

[Peak oil is finally on scene](#)

Two hundred years ago, Thomas Malthus predicted that population growth would outstrip food production, leading to inevitable misery and famine. "The power of population is so superior to the power in the Earth to produce subsistence for man, that premature death must in some shape or other visit the human race," he wrote.

What he overlooked was humans' ability to adapt through increased agricultural yield. The long-term energy story may be similar. Auto giants from General Motors to Toyota have doubled down on fuel efficiency. New jets from Boeing emphasize fuel efficiency. Buses, trucks and factories have all become more efficient, and in some cases are switching to new fuels entirely. Energy analyst Daniel Yergin points out that the United States uses less than half as much energy per unit of gross domestic product today as it did in the 1970s.

[Australia's future Infrastructure Prime Minister will increase our oil vulnerability](#)

What you vote is what you get. More road tunnels and neither rail nor public transport projects. And this despite Tony Abbott being a cyclist.

As the Australian election campaign enters its final stage polls suggest that Tony Abbot is to become the next Prime Minister. He has styled himself "Infrastructure Prime Minister". But which infrastructure? More highways and road tunnels. More than what we have seen in the last 6 years under an ALP government? The word "rail" does not even appear in the Liberal "plan". Neither does the word "oil". So we'll become even more oil dependent than we are already now. June 2013 statistics of BREE show that Australian crude and condensate production dropped by 11.5% pa between 2011/12 and 2012/13

[Ambitious gas pipeline plan is dilemma for Pakistan](#)

Pakistan is facing a conundrum. Led by the prime minister Nawaz Sharif, the new government is being pressed by the United States not to proceed with a US\$7.5 billion gas pipeline project with Iran. But gas imported from Iran could avert the worst power crisis in Pakistan's history.

How can Mr Sharif go ahead with what is considered the country's energy lifeline, without damaging its relations with the US?

[Canadian Documents Suggest Shift on Pipeline](#)

OTTAWA — Ever since President Obama said in June that a litmus test for the proposed Keystone XL oil pipeline from Canada was whether it would "significantly" worsen global warming, Canadian government officials have insisted it would not.

They reasoned that because the pipeline would not have any major effect on rate of development of Canada's oil sands, as a State Department environmental review concluded in March, it would not significantly raise the amount of carbon emitted.

But documents obtained by a Canadian environmental group suggest that the staff at Natural Resources Canada viewed Keystone XL as an important tool for expanding oil sands production. The documents were released to the Pembina Institute, a group based in Calgary, Alberta, after a request made under Canada's Access to Information Act.

[The two agendas against fracking](#)

What has become clear over these past few years is that two different agendas drive opposition to fracking. These agendas are fundamentally different, though not mutually exclusive.

[New York's choice is a natural one](#)

Now that President Barack Obama and Gov. Andrew Cuomo have toured New York, it is worth considering the goals we should have for the 21st century, the role natural gas could play and what is broadly at stake. The world is watching New York.

As the Earth's population grows from 7 billion to 10.5 billion, meeting future energy goals requires that the global energy supply expand from 15 terawatts to 75 terawatts. Because energy is prosperity, the expansion of supply must also be steady. Prosperity delayed, like justice delayed, has a high social cost.

[Chinese Oil Executive Under Investigation](#)

A vice president of China's biggest oil company, state-owned CNPC, is under investigation on suspicion of unspecified "severe violations of discipline," the government said Monday.

The investigation of Wang Yongchun marked the second time this month an executive of a major government company was the target of such a probe.

[Thai Officials Play Down Effects of Oil Spill](#)

Thai officials immediately played down the environmental impact of what was the country's third-largest oil spill. An executive with the state-owned oil group, PTT, speaking a day after the July 27 accident, told reporters that "everything was restored to normal." A day later, when a thick black tide of crude filled a bay of this popular resort island, the same executive, Pornthep Butniphant, said the oil would decompose naturally and have "no effect on the environment."

But it has taken far more than nature to remove the crude from the shoreline. Military units have spent the past three weeks decontaminating the bay. The soldiers have been joined by dozens of contractors who have been brushing rocks with dish-washing liquid to extract remaining traces of crude. A leading marine biologist said it would be years before marine life returned to normal in the worst-affected area.

[Japanese government to take over Fukushima nuclear reactor](#)

The Japanese government has finally lost patience with the bungling efforts of Tokyo Electric Power Company to get the crippled reactors at the Fukushima nuclear plant under control.

[Russia Offers Fukushima Cleanup Help as Tepco Reaches Out](#)

Russia repeated an offer first made two years ago to help Japan clean up its accident-ravaged Fukushima nuclear station, welcoming Tokyo Electric Power Co. (9501)'s decision to seek outside help.

As Tokyo Electric pumps thousands of metric tons of water through the wrecked Fukushima station to cool its melted cores, the tainted run-off was found to be leaking into groundwater and the ocean. The approach to cooling and decommissioning the station will need to change and include technologies developed outside of Japan if the cleanup is to succeed, said Vladimir Asmolov, first deputy director general of Rosenergoatom, the state-owned Russian nuclear utility.

[Gulf nuclear emergency plan ready](#)

Manama: A Gulf emergency plan to tackle nuclear leaks in the region is ready and will be implemented in cooperation with the International Atomic Energy Agency (IAEA).

"The Gulf Cooperation Council (GCC) will this week hold a meeting in Vienna and will discuss the emergency plan that will deal with nuclear leaks in the Gulf or elsewhere," Mohammad Mubarak Bin Daina, vice chief executive of the Supreme Council for Environment in Bahrain, said in remarks published in Bahrain and Saudi Arabia.

[Norway opens doors for a major onshore wind power boost](#)

OSLO (Reuters) - Norway's oil and energy ministry said on Monday it has granted licences to build eight wind power farms with a combined 1,300-megawatt capacity in a major boost for wind power development in the Nordic country.

The ministry said investment into newly licensed wind farms was expected to come to around 20 billion crowns (\$3.32 billion), one of the largest investments ever on its mainland.

[Cave Collector in Minnesota Hunts for Additions to His Empire](#)

Since the mid-1980s, Mr. Ackerman has been traveling to southeastern Minnesota from his home in the Twin Cities area to explore and acquire caves. He is the largest private cave owner in Minnesota and might be the largest in the country, but nobody is certain because not all of his caves have been fully explored to determine their extent.

[Where Sand Is Gold, the Reserves Are Running Dry](#)

Constant erosion from storms and tides and a rising sea level continue to swallow up chunks of beach along Florida's Atlantic coastline. Communities have spent the last few decades replenishing their beaches with dredged-up sand.

But in South Florida — Miami-Dade, Broward and Palm Beach Counties — concerns over erosion and the quest for sand are particularly urgent for one reason: there is almost no sand left offshore to replenish the beaches.

[Making Some Effort, but North Texas Continues to Run the Water](#)

Concerns over wildlife habitats derailed plans for a massive reservoir in East Texas. Most recently, the United States Supreme Court struck down North Texas' effort to buy water from Oklahoma reservoirs after that state resisted. The next big idea — the proposed \$3.4 billion Marvin Nichols Reservoir — has met fierce opposition from environmentalists and rural communities in northeast Texas who say that 70,000 acres would be lost to the reservoir, including farms, forest and wildlife habitat.

All this has left critics asking: Will the region finally get serious about conserving water, or will it simply build its way out of the problem?

[Stopped Cold: Mercedes Sales Blocked in France](#)

The French environment ministry ordered the ban in response to the German carmaker's defiance of a European Union regulation on the refrigerants permitted in automotive air-conditioning systems, and the ministry says that it won't back down until Daimler, the parent of Mercedes, complies. The European Union, though supportive of France's position, has agreed to step in and referee to keep the squabble from spreading.

[Greenpeace: Russian officials board ship during Arctic protest](#)

MOSCOW — The environmental group Greenpeace says that Russian authorities have boarded their ship which is in the Arctic to protest against oil drilling.

The group is protesting offshore oil exploration conducted by state oil company Rosneft and ExxonMobil in the Russian section of the Arctic Ocean off western Siberia.

[Ocean Acidification Will Make Climate Change Worse](#)

As we emit more carbon dioxide, the oceans will become more acidic. That will be bad for sealife—but it may also speed the rate of global warming.

[Hudson River shoreline threatened by Greenland ice thaw](#)

POUGHKEEPSIE, N.Y. — Up and down the Hudson River, and along Long Island and the New Jersey shoreline, many communities are preparing for one of the most

consistent trends reflecting the world's changing climate: sea-level rise. The impacts range from higher tides that may inundate some riverfront areas of the Hudson, to more devastating storm surges.

More than 9,000 acres in the Hudson River Valley and as many as 3,600 households could be inundated by 2100 just at high tide, if global sea levels rise by as much as 6 feet, according to a recent report from Poughkeepsie, N.Y.-based nonprofit Scenic Hudson.

[UN set to predict drowning of coastal cities by 2100](#)

A leaden cloak of responsibility lies on the shoulders of UN scientists as they put the final touches to the first volume of a massive report that will give the world the most detailed picture yet of climate change.

Due to be unveiled in Stockholm on September 27, the document will be scrutinised word by word by green groups, fossil-fuel lobbies and governments to see if it will yank climate change out of prolonged political limbo.



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