



DrumBeat: March 11, 2008

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Topic: [Miscellaneous](#)

[Oil prices rocket close to 110 dollars a barrel](#)

NEW YORK (AFP) - World oil prices continued their record charge Tuesday, rocketing close to 110 dollars amid lingering supply concerns and as the US dollar plumbed fresh lows against the euro.

Traders say oil prices have also been propped up because "black gold" is priced in dollars and buyers and speculators armed with stronger currencies than the US dollar are buying up oil contracts.

New York's main oil futures contract, light sweet crude for delivery in April, finished up 85 cents at a record closing high of 108.75 dollars per barrel after hitting an all-time intra day high in earlier trading of 109.72 dollars.

In London, Brent North Sea crude for April delivery settled up 1.09 dollars at 105.25 dollars after earlier jumping to a record intraday high of 105.82 dollars.

"Oil rewrites the record books as the once mighty dollar sinks further into obscurity," Phil Flynn, a market analyst at Alaron Trading, said in a briefing note.

[Valero may sell US plants in hard refinery times](#)

SAN DIEGO (Reuters) - Top U.S. refining company Valero Energy Corp said Tuesday it is considering selling nearly a third of its North American refineries amid a U.S. economic slowdown that is crimping fuel demand, and that it is exploring new projects in the Middle East and Asia.

The outlook marks a major shift in Valero's strategy after a decade of sterling profits, acquisitions and expansions transformed the San Antonio-based company from small independent refiner into a behemoth.

[Chevron Raises Cost Estimates, Delays Two Projects](#)

(Bloomberg) -- Chevron Corp., the second-largest U.S. oil company, raised its cost

targets for seven projects by \$3.8 billion and indefinitely delayed two others amid record prices for energy services and equipment.

[Venezuela to tax oil firms for environmental damage](#)

EDMONTON, Alberta (Reuters) - Venezuela plans to introduce a new tax on oil companies to help pay for environmental damage and to compensate the Venezuelan people, oil minister Rafael Ramirez said on Tuesday.

Ramirez, speaking to reporters at a conference in Edmonton, added that OPEC-member Venezuela was sending to China crude oil that U.S. oil giant Exxon Mobil did not want for its Chalmette, Louisiana, refinery.

[High oil prices hurt tourism, group says](#)

CALGARY – High oil prices are squeezing business that rely on travellers for their livelihood, says the CEO of the Tourism Industry Association of Canada.

"It is a drag on tourism for sure," Randy Williams said in an interview Tuesday.

[Gasoline: Painful, and getting worse](#)

Experts say record pump prices are pushing energy spending to early 1980s levels, and that's helping pull the economy into recession.

NEW YORK (CNNMoney.com) -- So gasoline prices are at an all-time high. But after adjusting for inflation, rising incomes and better fuel efficiency, how bad are they really?

The experts' answer: Bad. Nearly as bad as they've ever been, and not likely to get better anytime soon.

[Gas prices rise to new national record](#)

NEW YORK - The cost of filling up the family car jumped to a record high Tuesday, adding to the challenges consumers already face with falling home values and rising food prices.

Gas prices at the pump rose overnight to a record national average of \$3.2272 a gallon, according to AAA and the Oil Price Information Service. That's a tad higher than the previous record of \$3.2265, set last May.

A year ago, rising demand and a string of refinery outages had raised concerns about supplies. Now, the soaring price of crude oil is the culprit, propelling gas higher even

though supplies are at 15-year highs.

[Russia oil exports 'hit \\$1bn per day'](#)

Russian energy exports are close to reaching a milestone \$1 billion per day value mark, bringing in more money for social spending and creating extra inflationary pressure, according to a report released today.

[Total sees Saudi Jubail refinery start up in 2012](#)

PARIS (Reuters) - Total and Saudi Aramco expect a new 400,000 barrels per day refinery in Saudi Arabia to start up in 2012 and a final decision will be made in mid-2008, a senior official of the French oil company said on Tuesday.

The world's top oil exporter Saudi Arabia is planning four new plants as it looks to boost domestic refining capacity by as much as 1.6 million barrels per day from 2.098 million bpd.

But rising costs for equipment and labour have hit the energy sector worldwide, forcing project cancellations and delays and raising industry concern about the new Saudi plants.

Total, however, is confident that the final decision will be made in summer and operation of the Jubail refinery is expected in 2012, Jean-Jacques Mosconi, the senior vice president of the company's strategy and development, said at the European Fuels Conference organized by the World Refining Association.

[Fuel imports flow to Nigeria amid recall row](#)

But late last month, as traders were putting in offers for the latest round of potentially lucrative fuel deliveries to the West African oil exporter, the industry regulator linked a spate of engine damage to one cargo of imported gasoline.

...The Department of Petroleum Resources linked the damage to the 20 percent ethanol content of the fuel. Nigeria recommends its suppliers blend no more than 5 percent, its officials said.

[Guess Who Hopes to Help Power New Hybrid Cars](#)

Exxon Mobil Corp., the world's largest gasoline refiner, wants a piece of the hybrid-car market.

After filling automobile gas tanks for decades, the company has started looking under the hood. It's betting that further development of a component it created for cellphone batteries can help improve a new type of battery that may eventually power most hybrid cars. If it's right, Exxon could play a part in ushering in a new generation of hybrid and electric cars, lessening the world's reliance on gasoline.

[Michael J. Economides: Presidential Candidates Clueless on Energy](#)

It is certain that the United States is in for an energy price and supply shock the likes of which we have never experienced or imagined. While high prices, to a reasonable extent can be tolerated, hell will break loose if massive supply disruptions emerge. We are much closer to them than people think. Those who think that we can conserve ourselves to energy independence need not read any further. They are vastly wrong and it is pointless to argue with them.

[Sense and nonsense from Nansen Saleri](#)

Assume you are an elected official from Connecticut, Minnesota, Virginia, or California, all states that have begun to wrestle with the implications of peak oil. Then last Monday you read Dr. Nansen Saleri's op-ed, "The World Has Plenty of Oil," in the prestigious Wall Street Journal. Should you accept his cornucopian view of our energy future, which holds that a peak in world oil production is many decades away?

[Volatile Oil Prices Subject of Forum](#)

The price of oil has escalated much more than expected. "It's caught most by surprise," says World Bank Senior Energy Economist Shane Streifel, a panelist at the forum's session on whether high and volatile prices are here to stay.

That's happened even though oil stocks around the world are not "critically low," and oil output by the Organization of the Petroleum Exporting Countries (OPEC) has recently edged higher.

[Iran: High-octane politics](#)

The whole system is daft, and not just from the point of view of global warming. Iran is blowing its oil profits on petrol subsidies, so that people end up spending hours a day in traffic jams. There are a few nods in the direction of public transport. On some of the wider boulevards, there is a fast lane in the centre for special high-speed buses, but there are clearly not enough buses. Each one is crammed to bursting.

At this rate, Iran will burn through its oil wealth in a generation, ultimately justifying all the effort it is putting into nuclear development. The inverse of that argument is that if

the country did not waste so much fuel, it would not have to worry so much about its future energy needs and there would be less urgency, and less tension, surrounding its nuclear programme.

[Rise in oil prices set to impact all aspects of U.S. economy](#)

That's right, ladies and gentlemen, the resource that single-handedly catapulted humanity into modernization is done for. Kaput. Disappearing fast and never to reappear again.

That's the essential problem with oil: It's finite.

[Pakistan: Welcome to the modern stone age](#)

Half naked, half covered with leaves, barefooted, with shoulder-long hair and a spear in hand, hiding in a cave or on a tree, ready to ambush the prey--this is the scene that traditionally portrays the stone-age life. Fortunately, that time is gone, but the people of Pakistan are now having a new version of it, "modern stone-age," thanks to the energy crisis in the country.

[Daily Record Prices for Oil, Gasoline Hammer Consumers and U.S. Economy](#)

Congress and President Bush must take joint action against the speculators who have driven oil and gasoline prices past all-time records, said OilWatchdog.org, a project of the Foundation for Taxpayer and Consumer Rights. Gasoline prices nationally are expected today to surpass last year's record of \$3.227, and California, at \$3.571 per gallon as calculated by AAA, is more than 7 cents a gallon over last year's record.

"There is no shortage of gasoline, no shortage of crude oil, no underlying market reason for these excruciating record prices," said Judy Dugan, research director of OilWatchdog and the nonprofit, nonpartisan FTCR. "Speculators and hedge funds, today's Enron rogues, are driving an economic disaster by pouring billions into bets on continually rising prices."

[Bolivia Starts Energy Revolution](#)

La Paz (Prensa Latina) Bolivian President Evo Morales is presiding here on Monday a ceremony marking the start of the "energy revolution", which includes the distribution, free of charge, of five million energy-saving compact fluorescent lamps.

[Friends in oil places](#)

THE negative response from the Organization of Petroleum Exporting Countries to President Bush's request for increased production to help the United States meet the problem of rising gas prices follows from its member countries' overall judgment of Mr. Bush's foreign and domestic policies.

[Slowdown turning the tide of shipping-industry profit](#)

The glut of shipping capacity has forced down rates. But the shortage of crews and the rising oil price mean the cost of running ships is rising. And because inflation is pushing up the value of cargos, insurance costs are going up as well. Minor savings are possible, notably by reducing the speed of ships to save fuel, but customers are increasingly intolerant of delays.

[Mexico Anticipates Petroleum Trade Deficit](#)

The trade balance in Mexican petroleum products could stop being a surplus and turn into a deficit in the medium term.

Last year Mexico recorded foreign currency revenue from exports of petroleum products totalling 42,885,844,000 dollars, and imports amounted to 25,704,844,000 dolalrs, so the surplus was 17.181 billion dolalrs.

Nevertheless, also taking into account foreign purchases of petrochemical products and natural gas made by private companies - not counted by Mexican Petroleum [Pemex] - imports totalled around 34 billion dolalrs, so the real surplus is under 7 billion dollars.

[Chevron sees 2010 reserve growth, still below 2006](#)

NEW YORK (Reuters) - Chevron Corp on Tuesday said it expects its oil and gas reserves to grow about 5 percent over the next three years, but the growth won't quite offset the 7 percent drop the second-largest U.S. oil company reported in 2007.

The company said it expects its proved oil and gas reserves to be around 11.3 billion barrels of oil equivalent (boe) at the end of 2010, which is just slightly higher than what the company held before its 2005 purchase of Unocal.

[Brazil's Tupi seen a bonanza for oil service companies](#)

HOUSTON (Reuters) - Deep below the ocean floor off Brazil is Tupi, possibly the largest offshore oil field ever discovered.

Brazil controls Tupi, but getting crude oil out will create billions in revenue for oilfield

service companies like Halliburton Co and Transocean Inc that have the expertise needed to tap the extremely complex reservoir.

[Citgo CEO: Venezuela to Keep Supplying Oil to W. Hemisphere](#)

Despite recent conflicts between Venezuela's national oil company and oil giants operating in the country, a Venezuelan official stressed Monday that the country is open to foreign investment in its oil fields.

"Venezuela will continue to honor long-term crude agreements," said Alejandro Granado, chief executive of Citgo Petroleum Corp., Venezuela's U.S. refining arm.

[Shell plans floating liquefied natural gas plant](#)

The vessel would combine with technology for developing remote gas fields and reduce environmental concerns around the building of onshore gas plants. Shell said it would issue a tender within four months to Korean and Japanese shipyards and some engineering companies.

The floating facility would have an annual production capacity of 3.5m tonnes, the Anglo-Dutch group said. Other companies such as Petronas of Malaysia have studied switching to floating facilities to tap growing demand for liquefied natural gas, particularly in Asia. The region buys about 60 per cent of world LNG production.

[Nigeria oil rebel pipeline found](#)

Nigeria's army says it has found a private pipeline that was used to supply oil to a militant leader's home.

The underground pipeline ran from a major oil refinery to a hideout in Rivers State of Ateke Tom, the head of the Niger Delta Vigilantes.

[Hard times for truckers](#)

The average tractor-trailer gets just 5 to 6 miles per gallon, and, at current prices, it can cost more than \$700 to fill the empty tanks on most long-haul trucks. That's too much for many truckers to keep hauling goods.

Todd Spencer, executive vice president of the Owner-Operator Independent Drivers Association in Grain Valley, Mo., estimates as much as 10 percent of the association's 161,293 members have parked their trucks.

[Mass transit use hits 50-year high on pump prices](#)

NEW YORK (Reuters) - The number of Americans hopping buses and grabbing subway straps has climbed to the highest level in half a century as soaring gasoline costs push more commuters to take mass transit.

[Big Oil Profit Pushes Democrats to Seek \\$1.8 Billion](#)

(Bloomberg) -- Record oil-company profits, gasoline prices over \$3 a gallon and the threat of a U.S. recession are increasing Democrats' prospects for taxing oil and gas producers to pay for wind, solar and conservation programs.

[How Many People Does It Take to Make a New Light Bulb?](#)

A new scientific renaissance is exactly what the battle against climate change needs. As Kimberlin says: "We don't have an energy crisis; we have an imagination crisis." Solving global warming will require changes in the way we live and use energy, but even more vital are technological leaps in clean technology that must be every bit as revolutionary as Edison's incandescent bulb. Spencer Trask and the Rockefeller Foundation have inundated InnoCentive with an array of challenges in clean tech — including a call for a new kind of electricity-free light bulb that would make Edison's invention obsolete. "We want the kind of challenges that will make a difference in the world," says Spradlin.

[Volunteers help warm New England homes](#)

BANGOR, Maine - The low point in Kimberly Henderson's struggle to keep her family warm came in early January when she was too broke to order an oil delivery and had to buy a 5-gallon container to take to her dealer to get enough fuel to make it through the night.

But later that month, with the gauge on her 275-gallon tank again approaching empty, Henderson's fortunes turned around when she got a phone call from a local clergyman: He just received a donation that would provide her with 50 gallons of heating fuel that day.

[One child policy 'pays off'](#)

Beijing - China said on Tuesday its battle to rein in soaring greenhouse gas emissions has received a boost from an unexpected source - the nation's controversial family-planning policy.

Since its adoption in the late 1970s, the so-called "one-child" policy has averted the births of more than 300 million people, who would have emitted an additional 1,3 billion tons of carbon dioxide per year, a government environment report said.

[Our three-decade recession](#)

The news media and the government are fixated on the fact that the U.S. economy may be headed into a recession -- defined as two or more successive quarters of declining gross domestic product. The situation is actually much worse. By some measures of economic performance, the United States has been in a recession since 1975 -- a recession in quality of life, or well-being.

[Progress seeks Florida OK to build new reactors](#)

NEW YORK (Reuters) - Progress Energy Inc's Progress Energy Florida subsidiary Tuesday asked the Florida Public Service Commission to approve of the need for its proposed \$14 billion Levy County, Florida nuclear power plant.

The company estimated it would cost about \$14 billion to build the two reactors and another \$3 billion for the necessary transmission upgrades.

[Saving Energy in Data Centers](#)

Data centers are an increasingly significant source of energy consumption. A recent EPA report to Congress estimated that U.S. servers and data centers used about 61 billion kilowatt-hours of electricity in 2006, or 1.5 percent of the total electricity used in the country that year. Concern about the amount of energy eaten up by data centers has led to a slew of research in the area, including new work from Microsoft Research's Networked Embedded Computing group, which was showcased last week in Redmond, WA, at Microsoft's TechFest 2008. The work attacks the energy-consumption problem in two ways: new algorithms make it possible to free up servers and put them into sleep mode, and sensors identify which servers would be best to shut down based on the environmental conditions in different parts of the server room. By eliminating hot spots and minimizing the number of active servers, Microsoft researchers say that the system could produce as much as 30 percent in energy savings in data centers.

[Australia: WA warning over meat shortage](#)

In a joint written submission to the ACCC due later today, WAFarmers and the Pastoralists and Graziers Association will argue returns to beef and sheep producers have failed to keep pace with rapidly rising costs of grain, fuel and labour. "In the past 12 months, prices have reached near record low levels for beef," PGA spokesman Tim D'Arcy said. "At those prices, it is not viable for cow-calf operators to continue."

[India: Grain shortage](#)

According to government statistics grain production in the country has gone up by 5 percent in the last five years. That would have been more reassuring if population growth in the same period had also been 5 percent or less; but it was 8 percent. The green revolution of the 1960s has been in urgent need of being followed by a newer version.

[Grass is greener when it's used for biofuels](#)

In Middle Musquodoboit, Jim Higgins and a small group of local residents recently formed Grass Roots Bioenergy Co-operative.

Over the past several years, they've been quietly working on a plan to use idle land to grow unusual species of field crops like switchgrass and reed canary grass to be used to produce biofuels.

Growing about two metres high at maturity, these grasses appear well-suited to prosper in Nova Scotia. Harvested annually, they can be dried and processed into solid fuel pellets, providing heat or electrical energy at competitive costs to most other energy sources.

[Beef industry reeling from rising feed costs](#)

There are some public misconceptions about the influence of corn ethanol on the cattle industry, namely that once that corn has been processed for ethanol it can be delivered to feedlots, thereby reducing risks of a corn shortage. But corn comes out of the ethanol process resembling confetti and is very hard to ship, beef producers said. In some areas of the country, feedlots have managed to avoid shipping problems by locating across the street from ethanol refineries, but that's not an option for many.

Weschenfelder said post-refinery corn is too high in sulfates and phosphates to be fed to cattle in high portions and can actually kill a cow.

[Corn-Based Ethanol Could Worsen "Dead Zone" - Study](#)

WASHINGTON - Growing more corn to meet the projected US demand for ethanol could worsen an expanding "dead zone" in the Gulf of Mexico that is bad for crawfish, shrimp and local fisheries, researchers reported on Monday.

[How to grow your own wheat](#)

A conservative yield estimate of three tonnes of wheat per organically-cultivated hectare is reasonable, Whitley suggests. Assuming you're going for an extremely wholewheat approach - using the whole grain, including bran and germ - each tonne of flour pretty much equates to a tonne of wheat (in British commercial milling 4.5 million tonnes of flour is made from 5.5 million tonnes of wheat every year), then you need 297 square metres of wheat to provide your family with bread.

And there's the rub. According to Garden Organic, the organic growing charity, the average British garden size as of 2006 was about 90 square metres.

Furthermore, Whitley strongly advises you only use a quarter of your garden at any one time to produce wheat. A "monoculture" of wheat year in year out would exhaust the soil and allow the spread of disease.

[Pollution is called a byproduct of a 'clean' fuel](#)

MOUNDEVILLE, Alabama: After residents of the Riverbend Farms subdivision noticed that an oily, fetid substance had begun fouling the Black Warrior River, which runs through their backyards, Mark Storey, a retired petroleum plant worker, hopped into his boat to follow it upstream to its source.

It turned out to be an old chemical factory that had been converted into Alabama's first biodiesel plant, a refinery that intended to turn soybean oil into earth-friendly fuel.

[Oil's Super Spike](#)

It was only a few months ago when \$100 a barrel for oil seemed to be a height just beyond the market's grasp. Now, get ready for \$110, \$120, or, just possibly, according to analysts at Goldman Sachs, \$200 a barrel oil.

[Frenzy in the oil-futures market leaves motorists in the lurch](#)

Prices are heading to \$120 "in the short term," said Matthew Simmons, chairman of Simmons & Co., a Houston investment bank.

"I'm one of the few people who's not surprised to see crude at \$107. I still think it's a bargain."

[Petroleum engineer to discuss peak production](#)

While it took decades for oil production to reach current levels, the decline in production

will likely be swifter, he predicted, noting the decline is not symmetrical with the increase.

"It tends to decline faster than it increases," he said of production. "There is a certain amount out there. And we use it a whole lot faster than it's being produced by Mother Nature. We also tend to go to the low-hanging fruit first."

[The end of the world as we know it](#)

Unfortunately, the tradition of Malthusian warnings is ingrained in our society without a corresponding memory of their tendency to overstate risk. All the catastrophes predicted were prevented, and we're still here. Yet we continue to issue warnings of our own demise. Again and again, we get into situations we can't possibly imagine a way out of. But then we discover solutions beyond anything we could ever have imagined.

I can't imagine how we'll solve global warming. But I'm confident we will. Progress is the modus operandi of the human race. As we move forward, we're bound to encounter new threats to our way of life. Global warming itself is a descendant of Industrial Revolution-era pollution. Antibiotics have saved millions of lives, but we're facing fatal antibiotic-resistant infections as a result. Fertilizers and pesticides that prevent starvation also imbalance ocean ecosystems and poison drinking water. But human progress is indefatigable. Every time the world as we know it threatens to end, we move on to a new, better world.

[Michigan conference on peak oil and climate starts May 30](#)

The first "International Conference on Peak Oil and Climate Change: Paths to Sustainability" will feature:

- Richard Heinberg author of "The Party's Over: Oil, War And The Fate Of Industrial Societies" and "PowerDown: Options And Actions For A Post-Carbon World";
- Dr. David L. Goodstein author of "Out of Gas: The End of the Age of Oil", Frank J. Gilloon Distinguished teaching and Service Professor of Physics at the California Institute of Technology;
- Megan Quinn Bachman co-writer & co-producer of the documentary film, "The Power of Community: How Cuba Survived Peak Oil";
- Julian Darley author of "High Noon for Natural Gas", Founder and President of the Relocalization Network and Post Carbon Institute;
- Stephanie Mills author of "Epicurean Simplicity, In Service of the Wild: Restoring and Reinhabiting Damaged Land", and "Whatever Happened to Ecology?";
- Pat Murphy author of "Plan C: Community Survival Strategies for Peak Oil and Climate Change" and Executive Director of "The Community Solution".

Internationally renowned authors Heinberg and Darley appear live via interactive videoconference from California. U.S. Representative Vernon Ehlers (R-MI) of the Congressional Peak Oil Caucus introduces the concept via pre-recorded video.

[UK: Government to approve new coal power station](#)

Jim Hansen's, Nasa's climate change scientist, said: "If the British Government indeed approves new coal-fired power plants before carbon-capture technology is ready, and if it believes that this egregious action is in any way compensated by restrictions on gas-guzzling vehicles, it is demonstrating a grievous lack of understanding of the gravity and urgency of dealing with climate change.

"It is not rocket science. The oil that Russia and Saudi Arabia have will be burned and the carbon dioxide will stay in the air for centuries. By delaying oil use a bit, with more efficient vehicles, we can buy a little time to develop a transportation system beyond fossil fuels, but that is all.

"Oil will take us to the brink of climate disasters, which can only be avoided with a moratorium and phase-out of coal that does not capture the carbon."

[Oil tops \\$109 a barrel for first time](#)

VIENNA, Austria - Oil prices topped \$109 a barrel for the first time Tuesday as investors sought refuge from the anemic dollar.

Speculation that rising prices for oil and other commodities will offset the falling dollar has driven oil up from \$87 a barrel in January. Oil's latest rise came as the International Energy Agency said crude prices will likely be underpinned by brisk demand in China and other emerging markets.

Light sweet crude for April delivery on the New York Mercantile Exchange surged to \$109.20 a barrel in electronic trading before slipping back to \$108.84 by early afternoon in European trading.

But even that later level was 61 cents higher than the previous intraday peak set Monday, reflecting oil's seemingly inexorable march toward the psychologically significant \$110 a barrel mark.

[Kunstler: Cheap Oil Is Over: Kiss the Gas Guzzling NASCAR Era Goodbye](#)

A suburban nation of snowmobilers, dirtbikers and NASCAR races -- all of it was made possible by the one-time blessing of cheap oil.

[Record fuel prices blow budgets](#)

Separate from the role energy prices play in the risk-and-reward scenario for speculating investors, the result for Americans' lives is that energy, and the mobility that it brings, is becoming crushingly expensive.

High oil "makes us poorer than we would otherwise be," says St. Louis Federal Reserve President William Poole. "There's a hit to real income. It's a drain on your purchasing power."

How this shows up in everyday life...

[IEA: no likely relief from oil prices](#)

The International Energy Agency warned Tuesday that there is unlikely to be much relief from current high oil prices because of brisk demand in China and other emerging markets.

While record prices above \$100 per barrel may chip away at oil consumption in the United States and other developed countries, emerging markets are not slackening, the Paris-based agency said in its monthly report.

[The oil price conundrum](#)

THE relentless rise in oil prices, perpetuated in large part by insatiable global demand, underlies a crucial principle: that the dream of energy independence is a delusion.

The potent mixture of robust demand, limited spare capacity and multiple threats to supply that are now driving the market is the precursor to a world supply-demand imbalance.

[Venezuela's oil belt reopens to private groups](#)

Less than a year since president Hugo Chávez seized control of the vast oil fields in Venezuela's Orinoco belt, executives from international energy companies are back, armed with smiles, pens and cordial handshakes.

US oil groups ExxonMobil and ConocoPhillips spurned the compensation offered by Caracas, preferring to fight it out in the courts - Exxon is awaiting a ruling in London this week. But France's Total, Norway's Statoil-Hydro and Italy's Eni have signed potentially significant new deals.

[Trade deficit grows in January as imports, crude-oil prices hit record highs](#)

WASHINGTON: The United States' trade deficit grew larger in January as imports — including crude-oil prices — zoomed to all-time highs.

[U.S. may protect oilsands](#)

CALGARY -- In response to concerns that new U.S. environmental legislation will drastically impact development of Canada's oilsands, Washington is considering classifying oil produced from the region as "conventional" fuel rather than subject it to the stringent standards expected of "alternative" fuels.

[Liberals, NDP decry Tories' oilsands plan](#)

EDMONTON - Alberta's Energy Minister -- and some oil industry leaders -- took a conciliatory tone to new federal rules affecting oilsands developments and coal-fired power plants yesterday, at the same time they were denounced by opposition parties.

The restrictions will require new oilsands plants to install carbon-capture and storage systems by 2012, and restrict construction of coal-fired plants using dirty coal.

[New technology has high costs and legal pitfalls](#)

OTTAWA — The federal government has made a leap of faith that Canada's oil industry and coal-fired utilities can quickly incorporate carbon capture and storage technology that remains largely untested and is fraught with legal uncertainties.

[D1 Oils chief leaves with broadside](#)

Karl Watkin, the founder of biofuels pioneer, D1 Oils, today announced his departure from the company with a verbal broadside against governments, campaign groups and even the London Stock Exchange.

All had played their part, he claimed, in unfairly damaging the financial value and progress of a firm which had been feted by Bill Clinton and other world leaders for its success with turning the Jatropha plant into a sustainable transport fuel.

[China May Ease Price Controls on Vegetable Oil, Minister Says](#)

(Bloomberg) -- China, which imposed price curbs on food to fight inflation, may ease

controls on retail vegetable oil prices after supplies to consumers dropped, a minister said.

[The case for more biofuel](#)

In the growing firestorm of criticisms about ethanol and other biofuels, the facts are being badly burned. Opponents decry policy incentives to encourage the industry's growth and make specious claims that American biofuels are driving up food prices and perhaps even encouraging the destruction of forests in other parts of the world. But no one is stopping to ask if any of it is true.

[Rising Food Prices? Let Them Eat Biofuel](#)

Who would have believed that in this day and age people would be rioting over food prices?

With rice, wheat, maize and feedstock up between 30 and 50 percent this year, ordinary people around the world are struggling to afford a simple life-sustaining diet. Indeed, since 2005, the prices of essential commodities have risen by an average of 75 percent.

People in Egypt would be in dire straits if it wasn't for the government's quick action to broaden food subsidies, no doubt with memories of the bloody 1977 bread riots in mind that threatened to bring down the government.

[Britons form clubs to cut carbon, pay for overuse](#)

London - It's the time of year when many Britons might be thinking of hopping on a plane to get some sun. But Andy Ross won't be joining them.

It's not that Mr. Ross is scared of flying. Instead, he is trying to make the world a cooler place. By cutting out leisure flights and adopting a host of other measures, he has reduced his own carbon emissions by more than 80 percent in two years.

[Minority groups most at threat from climate change](#)

LONDON (AFP) - Ethnic minorities and indigenous groups will suffer disproportionately from the effects of climate change, according to a report published Tuesday.

The study by Minority Rights Group International (MRG), which analysed several recent environmental disasters, found that even though minorities and indigenous peoples were hardest hit, they were often the last to receive help and relief.

[Food, energy costs risk UN poverty goals](#)

UNITED NATIONS - Pricey food, high oil costs and grim projections of damage from global warming are the biggest challenges to meeting the United Nations' 2015 deadline for reducing poverty around the globe, officials said Monday.

[Seal cubs threatened by global warming, WWF warns](#)

HAMBURG, Germany (AFP) - Hundreds of newborn seal cubs risk dying of hunger and cold because global warming is making ice in the Arctic Circle melt too fast, the World Wide Fund for Nature in Germany warned Monday.

"In some parts perhaps not a single one of the seal cubs born in the past few weeks will survive," the WWF said in a statement.

[Queen urges action, not talk, to tackle climate change](#)

LONDON (AFP) - Queen Elizabeth II made rare comments on the environment as she issued her Commonwealth Day message Monday, calling for more action to meet rhetoric on tackling climate change.

[California's greenhouse-gas law: Who will pay?](#)

Oakland, Calif. - Somebody, somewhere will have to pay for California's landmark law that would force dramatic cuts in greenhouse-gas emissions by 2020. Two years on, it's not much clearer who.



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