



DrumBeat: April 21, 2008

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Energy Secretary does not favor tapping SPR

CAMERON, Louisiana (Reuters) - Energy Secretary Sam Bodman on Monday said he did not favor releasing the nation's strategic oil reserves to help bring down record high crude prices.

"You could affect things for a week or a month but you're then in a very sticky wicket," Bodman told Reuters on the sidelines of an LNG event when asked about tapping the reserve.

Bodman added he had pushed oil cartel OPEC as far as he could in asking the group to increase production to help alleviate record high oil prices near \$117 a barrel.

"I have done everything that I know how to do with OPEC. I have a very good relationship with (Saudi oil minister Ali al-) Naimi and all the people that work at OPEC. I wish they would open it up and issue more oil. That's my wish but I can't order them to," Bodman said.

Mexican oil output falls 7.8 pct in first quarter

Mexico's state-run oil company said Monday that oil production fell 7.8 percent to 2.91 million barrels a day in the first quarter as current reserves dwindle.

Petroleos Mexicanos, or Pemex, has struggled with falling reserves, especially at its main Cantarell oil field, and lacks the money and expertise to launch new drilling projects. Pemex only has enough proven oil reserves to last nine years at current production rates.

...Pemex also said Monday that oil exports had dropped 12.5 percent in the first quarter, mostly due to falling production and port closures caused by bad weather in February.

Saudi King's Quiet Bombshell

Charles T. Maxwell, senior energy analyst, Weeden & Co:

"If Saudi Arabia's oil reserves are not going to be made available to the world in future years, beyond the expansion they have already signaled (to 12.5 million barrels/day), then the geologic oil supply constraints that we are feeling in many other parts of the world are going to close in on us earlier and more severely than we previously thought. It's a major change in policy. It's a powerful message. It makes the geologic message that much more decisive."

Retail gas hits record \$3.50 a gallon as oil marches higher

NEW YORK - Rising gasoline prices tightened the squeeze on drivers Monday, jumping to an average \$3.50 a gallon at filling stations across the country.

Crude oil, meanwhile, set a new record of its own, spiking after an attack on a Japanese oil tanker in the Middle East to close above \$117 a barrel for the first time.

"It's killing us," said Jean Beuns, a cab driver in New York who estimated he is making \$125 to \$150 a month less than in the fall because of costlier fuel. "And it was so quick. Every day you see the price go up 5, 6, 10 cents more."

Diesel prices at the pump also struck a record high, of \$4.20 a gallon, according to AAA and the Oil Price Information Service, putting pressure on truckers and other shippers who rely on the fuel to transport goods to market.

...Light, sweet crude for May delivery rose to a record \$117.76 a barrel on the New York Mercantile Exchange before settling at \$117.48, up 79 cents from Friday's close.

International Energy Agency says world energy demand will more than double by 2030

The International Energy Agency (IEA), the Paris-based energy adviser to industrialised countries including Ireland, said today that during the past five years, spare oil producing capacity has fallen below the 3-4 mb/d (million barrels per day)typical of the past decade. The IEA also said that without policy change, world energy demand will more than double by 2030; Meeting IPCC emissions cut of 50% by 2050 would require huge amount of investment and unprecedented technological breakthroughs.

The United States, China, Peak Oil, and the Demise of Neoliberalism

At the current growth rate, China's energy consumption will double in seven years and China will soon overtake the United States to become the world's largest energy consumer. China depends on coal for about 70 percent of its total energy consumption and China's coal consumption is also growing at a rate indicating a doubling in seven years. China's oil consumption (already accounting for one-third of the world's incremental demand for oil) is growing at a rate that implies a doubling in nine years. In other words, in about a decade if the current trend holds up, China will consume one and a half times as much energy as the United States consumes today. Will the world energy The Oil Drum | DrumBeat: April 21, 2008

supply keep pace with China's rapidly growing demand while meeting the demand from the rest of the world?

Shell Meets Iranians as Pressure Ups for Gas Deal

Royal Dutch Shell Group PLC (RDSB) met Iranian officials about a prospective natural gas project in the country, a top oil official said Monday, just as the Islamic republic said it hoped Shell and Total SA (TOT) would commit to multibilion dollar gas deals by June.

Australia Expands Continental Shelf Under U.N. Agreement

Australia has extended its continental shelf under an agreement with the United Nations.

"I am pleased to announce that Australia, the largest island in the world, has just been dramatically increased in size," Resources Minister Martin Ferguson told reporters in Canberra Monday.

Venezuela to seek end to asset freeze in Dutch court

Venezuela expects to appear in a court in the Netherlands by the end of the month to demand an end to an asset freeze won by Exxon Mobil.

Petroleos de Venezuela SA will tell the court that Exxon is abusing the bilateral investment protection treaty between the Netherlands and Venezuela, the South American country's energy and oil minister, Rafael Ramirez, said today in Rome.

"A lot of companies register in the Netherlands like Dutch companies and they are not," Ramirez said. "Exxon now appears to be Dutch also and that is obviously an abuse and will be denounced."

Ecuador mining law to boost state control in deals

QUITO, April 21 (Reuters) - Ecuador wants more royalties and tougther environmental controls over mining firms exploring in the Andean country as part of a new mining law, Mines and Oil Minister Galo Chiriboga said on Monday.

Ecuador froze all mining exploration and revoked most concessions on Friday, in a move to increase state control over the nascent sector that has worried foreign investors.

ConocoPhillips, GE unit to work on Qatar water issues

ConocoPhillips, the third-biggest U.S. oil company, and a unit of General Electric Co. said they will work together to develop water solutions in Qatar primarily for the petroleum and petrochemical industries.

The water sustainability center, situated in the Qatar Science and Technology Park, is expected to open in late 2008, the companies said today in a statement. Financial terms weren't provided.

UK refinery shuts for strike, fuel prices soar

Refinery owner Ineos' Communications Manager Richard Longden said the shutdown was starting on the petrochemicals side and moving to the refinery.

"It will take about a week from start to finish," Longden said by telephone.

Ineos said it was shutting a primary distillation unit, which takes in North Sea crude and processes it for further refining into consumer fuels.

China to crack down on petrol racketeers

BEIJING (Xinhua) -- China's oil industry regulators are to launch a nationwide crackdown on wholesalers who sell to illegal filling stations and dealers in the wake of supply shortages.

Militants claim 2 attacks on Nigerian oil pipelines

Militants said they blew up two more oil pipelines Monday in restive southern Nigeria and called for former President Jimmy Carter to help mediate an end to the crisis.

The Movement for the Emancipation of the Niger Delta, or MEND, said in a statement that fighters hit two pipelines it believes are operated by Chevron Corp. and a Royal Dutch Shell PLC joint venture in southern Rivers state.

Energy industry says more construction needed

Environmentalists argue more energy efficiency could greatly reduce the need for a huge new wave of power plants and transmission lines.

In two studies out Monday, the power industry gives its terse response: Don't count on it.

Oil surcharges are killing my business

We are a manufacturer of products for many industries and ship all over the world. We are starting to see a lot of fuel surcharges from UPS, FedEx, Roadway, ABF and many others, 20 to 30 percent! Examples: April 2007 - 17.7 percent; July 7, 2007 - 18.8 percent; October 2007 - 21.2 percent; March 2008 - 30.7 percent. I would think the big boys like the above would have fuel contracts. So why are we being charged fuel surcharges and they keep going up?

Halliburton wins Manifa contract

Halliburton has bagged a three-year contract by Saudi Aramco to provide several oilfield services in the Manifa mega-project.

The Manifa project has a production target of 900 thousand barrels of oil per day, Saudi Aramco's second largest incremental oil production project.

Supreme Court Rejects Exxon Appeal In Property Cleanup Case

Exxon Mobil Corp. (XOM) on Monday lost an appeal with the U.S. Supreme Court to reconsider overturning a \$112 million punitive damages award against the oil giant over radioactive contamination at a Harvey, La., industrial property.

Atmos seeks huge gas storage site in NE Louisiana

FORT NECESSITY, La. — Atmos Energy, a Texas-based natural gas company, wants to use massive salt domes in northeastern Louisiana to store large volumes of natural gas.

The company is seeking to get Federal Energy Regulatory Commission approval for its \$300 million storage facility. If approved, the project would be a boost for a section of Louisiana where the economy is sluggish.

A Switch on the Tracks: Railroads Roar Ahead

The freight railway industry is enjoying its biggest building boom in nearly a century, a turnaround as abrupt as it is ambitious. It is largely fueled by growing global trade and rising fuel costs for 18-wheelers. In 2002, the major railroads laid off 4,700 workers; in 2006, they hired more than 5,000. Profit has doubled industry-wide since 2003, and stock prices have soared. The value of the largest railroad, the Union Pacific, has tripled since 2001.

This year alone, the railroads will spend nearly \$10 billion to add track, build switchyards and terminals, and open tunnels to handle the coming flood of traffic. Freight rail tonnage will rise nearly 90 percent by 2035, according to the Transportation Department.

Australia's Newcastle Thermal Coal Price Rises for Third Week

(Bloomberg) -- Thermal coal prices at Australia's Newcastle port, a benchmark for Asia, rose for a third week as constraints on exports in New South Wales and Queensland limit supplies amid rising demand from power generators.

Transport witnesses a slow switch to rail and water

With oil prices at record highs and staffing and other costs rising, the economic arguments for using less fuel-intensive - and cleaner - transport modes are growing more compelling.

Water-borne transport can often shift goods in larger blocks with less fuel per tonne of cargo moved than land-borne alternatives. Land and water use fuel more sparingly than air.

Modest proposals to prevent famine

Most of us are used to buying food when we want and it is disconcerting to find that no amount of money will buy you a meal.

It happened to me once near Quelimane in Mozambique in the 1980s. Even the offer of dollars in the midst of abject poverty produced only shrugs, because there was simply no food to buy. And it is happening now in the Philippines. Manila has not been able to buy enough rice abroad to secure food for its people, because no one has wanted to sell.

Recycling program begun in Colorado for light bulbs, thermostats

Xcel Energy Inc. and the Colorado Department of Public Health and Environment on Monday unveiled a recycling program for compact fluorescent light bulbs and thermostats containing mercury.

The light bulbs and thermostats can be dropped off at any Ace Hardware location in Colorado. The retailer has 104 locations in the state.

Africa: Large-Scale Biofuel Production May Increase Marginalization of Women

Rapid increases in the large-scale production of liquid biofuels in developing countries could exacerbate the marginalization of women in rural areas threatening their livelihoods, according to a new FAO study.

The study notes that large-scale plantations for the production of liquid biofuels such as bioethanol and biodiesel require an intensive use of resources and inputs to which small farmers, particularly women, traditionally have limited access. These resources include land and water, chemical fertilizers and pesticides.

Moms' new battle: The food price bulge

NEW YORK (CNNMoney.com) -- As American families face the double whammy of higher gas and food prices, moms nationwide are resorting to considerable ingenuity to stretch their monthly grocery budget.

In lean times, biotech grains are less taboo

Soaring food prices and global grain shortages are bringing new pressures on governments, food companies and consumers to relax their longstanding resistance to genetically engineered crops.

In Japan and South Korea, some manufacturers for the first time have begun buying genetically engineered corn for use in soft drinks, snacks and other foods. Until now, to avoid consumer backlash, the companies have paid extra to buy conventionally grown corn. But with prices having tripled in two years, it has become too expensive to be so finicky.

More people buying hybrid cars

U.S. registrations of new hybrid vehicles rose 38 percent in 2007 to a record 350,289, according to data to be released Monday by R.L. Polk & Co., a Southfield-based automotive marketing and research company.

Hybrids made up just 2.2 percent of the U.S. market share for the year, but they were growing steadily even as overall sales declined 3 percent.

GM To Sell Hybrid Cars In China

(AP) General Motors Corp. will sell its first gas-electric hybrid cars in China in July, introducing a model created in part by GM's Shanghai design center, the company said

Saturday.

The Buick LaCrosse will be the second hybrid to enter the Chinese automobile market following Toyota Motor Corp.'s Prius in early 2006.

GM on the road to greener cars

BEIJING, April 21 -- General Motors Corp has opened a new Energy Research Center in Beijing over the weekend, part of GM's new collaborative strategy to strengthen its development of new energy models on the world's second largest auto market.

The 'green' way to dump electronic junk

The EPA has created a Web site to help you determine whether you should recycle or donate your e-waste. You can also find links and resources for recycling, donating or reselling your equipment at eBay's Rethink Program. The eBay site also offers tools to erase data on computers and cell phone.

MaxWest snags Florida poop-to-power deal

A Houston start-up has signed an agreement to turn a Florida municipality's human waste stream into energy.

Oil prices too high, production sufficient - IEA

ROME (Thomson Financial) - Oil prices at their current level are too high for everyone, the head of the International Energy Agency (IEA), Nobuo Tanaka, said on Monday. At the same time, output from oil producing countries is sufficient, Tanaka added.

'The IEA's view is that the prices are too high for everybody, especially for developing countries,' Tanaka told journalists on the sidelines of the International Energy Forum here.

At the same time, 'the current level of production is enough and sufficient,' he added.

Rules for the energy game unlikely to get accord

"There is a lot that producers themselves could do to enhance market transparency by being more forthcoming and transparent about their own production, reserve, trade and demand data," said Halff.

Analyst Matthew Simmons, a leading exponent of the peak oil theory that oil supplies are at or near a peak, famously questioned whether Saudi Arabia's reserves were as big as it has said.

His remarks stung Saudi Aramco into a rare public rundown of its resource bases, but still no OPEC producer has allowed an independent audit of its reserves.

Shell Sydney Gasoline Unit Repairs to Take `Several Weeks' More

(Bloomberg) -- Royal Dutch Shell Plc, one of Australia's four crude-oil refiners, said repairs to a gasoline- making unit at its Clyde refinery in Sydney will take ``several weeks" more, extending fuel shortages in the region.

Pakistan's largest private power firm defaults to government

Karachi - Pakistan's energy crisis is set to worsen as its largest private power company, HUBCO, faces defaults of billions of rupees amid rising oil prices and a financial crunch.

The Hub Power Company or Hubco is facing a default of between 3.5 and 3.8 billion rupees (55 to 57 million dollars) to state-owned Pakistan State Oil (PSO), the country's largest private oil firm, sources on Karachi Stock Exchange said.

Sobering signs

"The end of the world as we know it" is how Michael T. Klare, an American professor of peace and world security studies at Hampshire College, Massachusetts, describes our crisis-hobbled home planet. His book, Rising Powers, Shrinking Planet: The New Geopolitics of Energy, is disturbing but highly recommended reading for realists.

At this point of world history, when more people have learned to want it all, putting on farmers' eyes would help everyone think over a second hard fact: the close interconnection between producing our suddenly shockingly expensive food and the now severely threatened conditions for producing and bringing it to our dining tables. And nowhere is the impact of climate change on agriculture more dramatically illustrated than in the recent closing of what was once the largest rice mill in the Southern Hemisphere.

Against the grain: weak dollar hits the poor

The world may be close to peak oil (the highest point of production) and suggestions that two key producers, Nigeria and Russia, may have achieved maximum output add weight to that thesis. Yet even those who believe fervently in dwindling reserves of crude in the coming decades would struggle to argue that peak oil is the reason prices are five times higher than in 2002 and up from \$70 to \$115 in a year. Similarly, turning land used for food over to crops for biofuels may have something to do with the 120% increase in the cost of wheat and the 75% rise in the price of rice over the past year but, again, it is not the whole story.

Reliance Profit Misses Estimates on Raw Material Cost

(Bloomberg) -- Reliance Industries Ltd., India's biggest company by market value, reported profit that missed analysts' estimates for the first time in nine quarters after earning less from making chemicals.

China's thirst for oil isn't being quenched by Albertan crude

Despite Asia's insatiable thirst for oil, the prospects for oil exports from Alberta to the Far East are growing more remote by the day, a leading China expert said in Calgary last week.

"It looks like we're in hibernation. We're ignoring the dragon," said Dr. Wenran Jiang, director of the University of Alberta's China Institute, on the sidelines of the Canadian Energy Research Institute's annual oil conference.

South Africa: Mthombo vs Mafutha

As Mokaba sees it, we live in an age of escalating oil prices and increasing energy insecurity, not to mention "peak oil" -- the idea that the world's oil reserves have peaked and are already, or soon will be, in a state of inexorable decline.

But South Africa has enough coal reserves, Mokaba says, that if stated in the terms of crude oil equivalent, we are an oil power bigger than Kuwait, perhaps even approaching Iran.

Why tribes may be key players in eco-energy

An effort to transform American Indian tribes into the world's new energy barons is being nurtured at a company founded by a Puget Sound region Indian.

Native Green Energy, formed in October, is building wind turbines and delivering them to Indian tribes that will use the energy to power their own reservations and will sell energy to nearby cities and other governments.

Russian plans to build a nuclear power plant in the Kaliningrad Region have provoked protests from Europeans concerned about environmental and radiological safety.

The plant is intended to ensure the Baltic enclave's energy security. Russian physicist Anatoly Zrodnikov once said, "The world is now not ruled by the dollar or the euro, but by the joule."

Survivalists get ready for meltdown

Derek, 60, who moved from London to the countryside in the southeast of England four years ago, puts it another way.

"There's going to be absolute pandemonium when it does happen, so I just want to be prepared so that I'm not a burden on anyone," he says.

What this disaster might be is anyone's guess, says Derek, but he's got his hunches.

Climate change is high up on the list. Also up there is the fallout from a global economic collapse, possibly resulting from a state of peak oil -- the point where oil production reaches its peak and thereafter goes into freefall.

Shell shuts some Nigeria output, force majeure on Bonny

LONDON (Reuters) - Royal Dutch Shell said on Monday it was forced to shut 169,000 barrels of crude oil production in Nigeria for repair work following sabotage to a pipeline.

Shell had declared force majeure on Bonny Light exports for the rest of April and throughout May, a company spokesman said.

Algeria shortens gas contracts to earn more

ROME (Reuters) - Algeria plans to shift from long-term gas contracts to deals lasting around five years to maximise earnings from rising fuel prices, Sonatrach's chief executive said on Monday.

Gas contracts, often based on the cost of oil products, have traditionally been fixed for long periods, which has limited gains for gas producers from record high oil prices.

Iraqi says Kurdish contracts not valid

ROME - Iraq's Oil Minister Hussein al-Shahristani said Monday that oil contracts between the autonomous Northern Iraqi Kurds and foreign companies remain invalid, despite recent amicable talks between the two sides over the country's long-delayed federal oil law.

Kazakhstan threatens Chevron with fine

ALMATY (Thomson Financial) - Kazakhstan's government on Monday threatened U.S. oil major Chevron Corp. with a fine equivalent to \$309 million for alleged environmental violations, Interfax news agency reported.

CH Energy lowers earnings estimates

"Preliminary results from the first quarter indicate that 2008 will be a challenging year, in large part because high fuel supply prices appear to have induced Central Hudson's and Griffith's customers to further conserve energy and, coupled with a weakening economic environment, have also caused accounts receivables in arrears to increase," said Steven Lant, chairman, president and CEO of CH Energy.

"There is a lot of showing off that goes on in this field"

Do you think green firms are currently getting their communications wrong?

There is a lot of terminology people just don't understand unless they are very familiar with the environmental movement and its history. I sometimes get the sense that a lot of these terms are only being used by individuals and firms so that they can appear knowledgeable – there is a lot of showing off that goes on in this field. But you have to remember you are trying to reach people and communicate with them and a lot of these terms don't help achieve that. In fact they just alienate the audience, they scare people, and until mass consumers are comfortable with these ideas and understand how green products can benefit them we are not going to make any progress.

What types of terms would you say are alienating?

Terms like peak oil, carbon footprint, organic, even global warming. There is a whole plethora of words that large numbers of regular consumers still find alien. I'd absolutely endorse a simplification of a lot of this terminology when communicating with customers.

Using Food to Make Fuel Is `Criminal,' Venezuela's Ramirez Says

(Bloomberg) -- Using crops to produce fuel is ``criminal" as the world suffers a food shortage, Venezuela's oil minister said in Rome where energy ministers from around the globe are meeting to discuss investment plans.

``Look at the effect it has, the craziness," Rafael Ramirez told reporters today in the Italian capital, where he is attending the three-day International Energy Forum. ``All countries, and particularly in Latin America, have problems with food stuffs. It is such a bad idea to use foodstuffs for fuel, it is criminal."

Greenpeace seeks moratorium on palm oil plantations

The environmental group Greenpeace has called for a moratorium on the expansion of palm oil plantations in Indonesia.

It says a two-year investigation into the health of the country's rainforests and peatlands shows wholesale destruction, driven by demand from food, cosmetic and biofuel companies.

Emerging Market Oil Use Exceeds U.S. as Prices Rise

(Bloomberg) -- Traffic jams in Beijing and humming air conditioners in Dubai are replacing U.S. highways and suburbs as the driver of global oil prices.

China, India, Russia and the Middle East for the first time will consume more crude oil than the U.S., burning 20.67 million barrels a day this year, an increase of 4.4 percent, according to the International Energy Agency in Paris. U.S. demand will contract 2 percent to 20.38 million barrels daily, the IEA says.

Oil prices to head even higher says Opec chief

The secretary-general of Opec said yesterday that oil prices could rise even higher than the present record level of \$117 a barrel.

Speaking at the start of the biannual conference between oil-producing and consumer countries in Rome, Abdullah al-Badri said that factors other than supply and demand, particularly the weakness of the US dollar, were pushing oil prices higher.

Saudis put oil capacity rise on hold

Saudi Arabia, the world's biggest oil producer, has put on hold any plans to further increase long-term production capacity from its vast oil fields, its most powerful policymakers have said.

In a series of statements, including one by the king himself, the kingdom has warned consumers it does not reckon there is a need for further expansion, an assumption disputed by the world's biggest developed countries.

Russia starts to pay price for its energy strategy

Russian oil output in 2003 was increasing at such a swift pace even Saudi Arabia worried about upstart energy companies - including Yukos and Sibneft - then posting production gains of more than 20 per cent.

But from 2004 the Moscow government changed its tax regime and began to take over privately held assets, including Yukos, and so Saudi Arabia's fears proved short-lived.

As a result of these and other policies, average production growth in Russia has slowed to 2.5 per cent from a high point of 12 per cent in 2003. The problem has become so severe that Russian politicians and energy executives fear that this year the world's second biggest exporter may see its first decline in 10 years.

ConocoPhillips Says J-Block Gas, Oil Fields Shut Down Yesterday

(Bloomberg) -- ConocoPhillips, the third-largest U.S. oil producer, stopped production at its J-Block oil and gas fields in the U.K.'s North Sea on an ``operational problem."

Why flowers have lost their scent

Pollution is dulling the scent of flowers and impeding some of the most basic processes of nature, disrupting insect life and imperilling food supplies, a new study suggests.

The potentially hugely significant research – funded by the blue-chip US National Science Foundation – has found that gases mainly formed from the emissions of car exhausts prevent flowers from attracting bees and other insects in order to pollinate them. And the scientists who have conducted the study fear that insects' ability to repel enemies and attract mates may also be impeded.

Oil soars to record above \$117

LONDON (Reuters) - Crude oil prices surged above \$117, setting a new record high on Monday because of worries of supply disruptions from major producers and comments by OPEC reiterating there is no need to raise output.

U.S. light crude struck a record high of \$117.40 a barrel. It was trading 27 cents higher at \$116.96 by 1155 GMT (7:55 a.m. EDT).

London Brent crude also struck its all time peak of \$114.65. It was trading at \$114.20,

Japan oil tanker attacked off Yemen

TOKYO - An unidentified ship fired on a Japanese oil tanker Monday off the eastern coast of Yemen, leaving a hole from which hundreds of gallons of fuel leaked, the ship's operator said. No one was injured.

The 150,000-ton tanker Takayama was attacked about 270 miles off the coast of Aden in southwestern Yemen while it was heading for Saudi Arabia, its Japanese operator, Nippon Yusen K.K., said in a statement.

Peak oil theory: The Indian response

It will be better for India to start planning for a time when oil will be in limited quantity and prices far above the current level.

Petrol panic looms as protesters threaten blockade, strike closes major refinery and oil hits new high

Fears are growing today that Britain could lurch towards another fuel crisis.

As forecourt prices hit record levels and oil went above \$117 a barrel, campaigners said they were secretly planning a series of blockades in an attempt to bring the country to its knees.

Angered by the Government's planned 2p rise in fuel duty, they pledged to recreate the chaotic scenes which saw tens of thousands of drivers panic-buying in 2000.

They said they would hold demonstrations across the country to coincide with a two-day strike being staged by workers at a major oil refinery in Scotland.

The fuel panic begins

MOTORISTS laid siege to Scotland's forecourts yesterday, stockpiling against a feared fuel shortage as the country's only oil refinery continued a phased shutdown in the face of strike action.

With ministers warning against panic, a snapshot survey of garages by The Scotsman found 5am queues at the pumps, sales increases of up to 50 per cent and prices already on the rise. At least one petrol station ran out of fuel completely.

UK: Now Energy Bills Will Rocket 25%

The impending 25 per cent increase for gas and electricity could push annual bills beyond £1,250, with industry analysts predicting the credit crisis will be overtaken by an energy crunch.

Consumer groups say the move will be "catastrophic" for families already struggling with inflation-busting rises of about 15 per cent earlier this year.

Oil price unlikely to fall back below \$90: Venezuela

ROME (AFP) - Oil prices, which surged to record 117.40 dollars a barrel on Monday, are unlikely to fall back below 90 dollars, the Venezuelan energy minister Rafael Ramirez said here.

"We believe that prices will remain around this level, at least around 90 dollars," Ramirez told reporters on the sidelines of the International Energy Forum here.

"Oil prices can't fall" much further because "production costs have increased," he said.

The boom is over in Detroit. But now India has its own motor city

The car industry in the region around Pune, Maharashtra, is growing apace as manufacturers see the potential for the Indian market to overtake China.

UK: New school run charges for high-Co2 cars

Parents are to be charged up to \pounds_{75} a year by councils to drop their children off on the school run.

Families with people carriers and four-wheel-drive cars will be hit hardest by new council parking permits, which have been condemned by motoring organisations and parents groups.

Ed Begley acts on his eco-beliefs

The money others might spend on a fancy house and big cars, Begley, 59, puts to infrastructure. Solar panels on his roof track the sun. The latest electric car sits in his garage next to a bank of batteries. In the basement, a high-tech heating system uses sun-warmed water.

What's green and funny and read all over? Earth Day cartoon strips

The comics pages go "green" for Earth Day on Tuesday as 46 cartoon strips, from *Blondie* and *Family Circus* to *Mutts* and *Zippy the Pinhead* try to save the planet, one panel at a time.

McCartney urges vegetarianism to fight climate ills

NEW YORK (Reuters) - Former Beatle Paul McCartney is urging the world to go vegetarian in a bid to fight global warming and is surprised more green groups don't promote it.

Canada's polar bears in dire straits: WWF

OTTAWA (AFP) - Some of Canada's polar bear populations risk being wiped out within four decades because of climate change and human activity including hunting, the World Wide Fund For Nature warned Sunday.

Thousands march in Spain over climate change

MADRID (AFP) - Thousands marched through Madrid on Sunday to demand that the Spanish government adopt concrete measures to fight climate change, organisers said.

"We demand a law against climate change that calls for an increase in the use of renewable energy and that favours saving energy," Raquel Monton, a spokeswoman for the Spanish branch of Greenpeace, told Cadena Ser radio.

No improvement in climate fight since 2006 film: Gore

LONDON (AFP) - Nobel Peace Prize-winner Al Gore said in an interview published Monday that there had been no improvement in the fight against climate change since his Oscar-winning film on the issue was released.

Speaking to The Sun tabloid, the former US vice-president said that the situation had instead gotten worse since his documentary "An Inconvenient Truth" hit cinemas in 2006.

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