



DrumBeat: May 8, 2008

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Topic: [Miscellaneous](#)

[Gas jumps nearly 3 cents to record; oil crosses \\$124](#)

NEW YORK - Gasoline and crude oil jumped to new records Thursday, with gas rising 3 cents to an average national price of nearly \$3.65 a gallon and oil crossing \$124 a barrel for the first time.

At the pump, the average price of a gallon of regular gas nationwide rose 2.7 cents to a record \$3.645, according to a survey of stations by AAA and the Oil Price Information Service. Diesel prices also rose, adding 0.9 cent to match a record national average of \$4.251 a gallon.

...Meanwhile, light, sweet crude for June delivery rose 16 cents to reach a settlement record of \$123.69 a barrel on the New York Mercantile Exchange Thursday after spending much of the day in negative territory. But in after-market electronic trading, prices rose to a new trading record of \$124.49; volume was quite low, making it easy for oil to keep pushing higher.

[Trouble in the pipeline](#)

Over the past seven years, according to Citibank, Russia accounted for 80% of the growth in oil production outside the Organisation of the Petroleum Exporting Countries. The increase in its output in the early part of the decade matched the growth in demand from China and India almost barrel for barrel. Yet in April, production fell for the fourth month in a row. It is now over 2% below the peak of 9.9m barrels a day (b/d) reached in October last year. Before that, the growth in Russia's output had been slowing steadily, suggesting that the drop is not a blip. Leonid Fedun, a vice-president of Lukoil, a local oil firm, says Russia's production will never top 10m b/d. The discovery that Russia can no longer be relied upon to cater to the world's ever-increasing appetite for oil is naturally helping to propel prices to record levels.

[Cane surpasses power dams in Brazil energy complex](#)

RIO DE JANEIRO (Reuters) - Sugar cane and cane-based ethanol became a more important energy source than hydroelectric power plants in Brazil's overall energy complex last year, topped only by petroleum and oil products.

The government's EPE energy planning agency said on Thursday sugar cane had a 16 percent share in the country's so-called energy matrix -- a combination of all sources of energy including fuels and electricity -- while power dams were left behind with a 14.7 percent share.

Oil and derivatives had a 36.7 percent weighting, dropping from 37.8 percent in 2006.

[Truckers slow it down to save on diesel](#)

WASHINGTON - Struggling with record diesel prices, the trucking industry's main trade group on Thursday introduced a plan to reduce fuel consumption and emissions over the next decade mainly by having its members slow down.

The American Trucking Associations, whose members include FedEx Corp., UPS Inc. and Con-way Inc., says adherence to a handful of new proposals will reduce fuel consumption by 86 billion gallons and carbon dioxide emissions — the main culprit of climate change — by 900 million tons for all vehicles over the next 10 years.

[War On Stuff](#)

“Every time you go to a store and you buy something new, that sends a message back to the manufacturer to make a new one,” Alderman said. Reusing means new versions don't have to be made, and the reason to avoid just making new stuff is mainly because of the energy involved, Alderman said. Issues relating to energy use right now are global warming and military conflict, aside from cost, he said.

[Confronting the inevitable: Population reduction, voluntary and otherwise](#)

Editor's note: One can run into a good report on a critical subject, only to find the author has a deficit of understanding on peak oil, for example. Or one may encounter the delusion that population growth is a problem basically in "Third World" countries. Not with this new essay for Culture Change. Professor Ken Smail has put together the best argument for facing depopulation.

Its full title was **Acknowledging and Confronting the Inevitable: A Significant Shrinkage in Global Human Numbers, and Other Inconvenient Truths**. Some readers may find Ken's timing-scenario for depopulation optimistic -- picturing it further off into the future than the 21st century -- but he acknowledges its possibly being played out earlier due to today's "toxic brew" of crises.

[OPEC sees no oil shortage, would pump more if needed](#)

Adbullah al-Badri also said in a statement that the 13-member Organization of the Petroleum Exporting Countries holds more than 3 million barrels per day of spare production capacity for use if needed.

"There is clearly no shortage of oil in the market," the statement quoted him as saying.

[Democrats: Close speculation loophole](#)

NEW YORK (CNNMoney.com) -- Democratic Senators are working to combat rising oil and fuel prices by attacking what many Americans see as the heart of the problem: speculative trading.

Many politicians and energy industry analysts blame oil speculators for cashing in on the fuel cost crisis and, in the process, boosting the price of oil. Hedge funds, trusts, and independent investors have also poured funds into crude oil as a hedge against the weakened dollar.

[Why \\$120 oil is good](#)

Speculators are often blamed for artificially inflating crude prices, but some experts say high prices are needed to cut demand and develop new resources.

[Mexico warns of energy crisis without overhaul](#)

MEXICO CITY (Reuters) - Mexico's will suffer a severe energy crisis before 2018 unless the oil sector is overhauled, Mexican Energy Minister Georgina Kessel warned on Thursday.

[Toyota's so-called tumble](#)

NEW YORK (Fortune) -- Flag-waving American loyalists were heartened to see the announcement that Toyota's January-to-March profit sank 28%. It provided evidence that even mighty Toyota can't escape the Four Horsemen of the Apocalypse - the deadly combination of high fuel prices, surging raw material costs, the global credit crunch and a strong yen.

...But what came after that should have drained the smiles from their faces faster than a run-in with Tony Soprano. Toyota made a forecast for the next 12 months that is just as grim as its results over the last three. Toyota sees hard times. And if Toyota - the industry's biggest, strongest player - catches a cold, most of the rest will likely develop pneumonia.

[Energy, Oil Service Cos May Need to Combine - Technip CEO](#)

During a panel at the Offshore Technology Conference in Houston, Pilenko floated the idea of international oil companies acquiring service firms as a way to manage a growing labor shortage facing the entire energy industry.

[Arizona's solar aspirations in peril](#)

The state aims to tap its 325 sunny days a year, but loss of an energy tax credit threatens its big plans.

[Junkie Nation](#)

Just imagine for a minute that you wake up one morning to learn that someone has stolen the arm off of the Statue of Liberty. And with it, her torch. No more will she “lift my lamp beside the golden door.” Instead, her great lamp is already shredded; it’s on a slow boat to China as we speak.

To be followed, soon after, by the Verrazano Bridge.

Farfetched? Maybe today. Maybe not tomorrow.

...In a startling way, the price of scrap metal has risen so high that people are selling everything they can get their hands on. Suddenly, that old washer and dryer in the side yard, the ones with the vines growing through them, are valuable. So are those old tire rims.

[Urban Farmers' Crops Go From Vacant Lot to Market](#)

For years, New Yorkers have grown basil, tomatoes and greens in window boxes, backyard plots and community gardens. But more and more New Yorkers like the Wilkses are raising fruits and vegetables, and not just to feed their families but to sell to people on their block.

This urban agriculture movement has grown even more vigorously elsewhere. Hundreds of farmers are at work in Detroit, Milwaukee, Oakland and other areas that, like East New York, have low-income residents, high rates of obesity and diabetes, limited sources of fresh produce and available, undeveloped land.

[John Michael Greer: Preparing for which future?](#)

If the end of the industrial age turns out to be a longer and more complex process than

fast-crash advocates suggest, in fact, isolated rural areas may not be the best places to start small farms at all. Truck gardens and organic food production on the outskirts of small and mid-sized cities will be much better positioned to thrive in a world where markets still exist but transport costs are a major limiting factor. In some areas this is already happening; the explosive growth of farmers markets, community-supported agriculture schemes, and direct sales of local produce to local restaurants have put down the foundations on which local and regional food production networks could easily grow. Fostering the emergence of such networks could contribute much to the future. So could the evolution of many other economic specialties that are irrelevant in the context of a fast crash, but not in the more complex terrain I suspect the future holds for us.

[High oil prices seen spurring alternative fuel shift](#)

WASHINGTON (Reuters) - Record U.S. crude oil futures near \$124 a barrel have reached a "break point" that will spur a shift away from an oil-centric transportation sector toward alternatives, energy analyst Daniel Yergin said on Wednesday.

Yergin, chairman of Cambridge Energy Research Associates, told Reuters that U.S. crude oil prices -- which hit a record \$123.93 a barrel on Wednesday -- will hasten the adoption of cellulosic biofuels made from switchgrass and woodchips, as well as battery-powered cars and fuels derived from coal.

[Indonesia Vows to Work with Private Cos to Restore Oil Glory](#)

Vowing to reverse Indonesia's gradual decline as an oil exporter, Indonesian petroleum officials Wednesday promised to work with private oil giants to encourage new investment in East Asia's lone member of the Organization of Petroleum Exporting Countries.

[David Strahan: Greenland oil estimates over-reported](#)

The original USGS estimate was part of worldwide oil assessment that has now been widely discredited as wildly overoptimistic. In a further study published in 2005, the USGS was forced to acknowledge that while the original assessment implied worldwide oil discovery of 22 billion barrels per year until 2025, in reality the industry has been finding only 9 billion annually – 60% less than forecast. If this underperformance continues, the USGS global estimate for future oil discovery is 500 billion barrels too high.

[Nigeria Oil Advisor Confirms Exxon Production Has Resumed](#)

A senior Nigerian petroleum official Wednesday confirmed that Exxon Mobil Corp. lifted its force majeure on its energy operations and said he expects Nigerian output to reach

2.2 million barrels a day in the next week or two.

"They're back to work and producing," Emmanuel Egbogah, Special Advisor to the President on petroleum, told reporters on the sidelines of the Offshore Technology Conference.

[India: Coal shortage to fuel power crisis](#)

NEW DELHI: Even as countrywide demand for electricity rises with the temperature, generation units across the country are finding it tough to cope with the situation owing to shortage of coal as state-owned monopoly Coal India Ltd has lowered its supply projection from 305 million tonnes to 292.15 million tonnes for 2008-09.

[India: Oil Crisis No. 4](#)

Yet, the consumer feels none of the pressure from this extraordinary situation — and will probably stay insulated because the government is already battling inflation in a pre-election year and is in no mood to take anything resembling a harsh measure. The result is that there are no price signals being conveyed that will squeeze consumption on the margin, or facilitate the search for alternatives.

[Fuel prices: worse to come](#)

Mr. Lovel said: "The daunting thing about the recent price rise is that there was no shortage of oil, no sudden embargo, no exporter turning off its spigot. Some attacks on pipelines in Nigeria was all it took. We are in a period of world uncertainty but as an industry we must survive. If the transport operators are not receiving a fuel levy from their customers then they are in trouble. Every company should have a fuel levy in place. The fuel levy is negotiated with customers, and there are also specific levies for sub-contractors."

[A City Committed to Recycling Is Ready for More](#)

SAN FRANCISCO — Mayor Gavin Newsom is competitive about many things, garbage included. When the city found out a few weeks ago that it was keeping 70 percent of its disposable waste out of local landfills, he embraced the statistic the way other mayors embrace winning sports teams, improved test scores or declining crime rates.

But the city wants more.

[DoE announces carbon-storage funding](#)

WASHINGTON (UPI) -- The U.S. Department of Energy announced \$126.6 million in carbon-capture funding.

The money will go to the West Coast Regional Carbon Sequestration Partnership and the Midwest Regional Carbon Sequestration Partnership adding two more projects to the existing four funded by the department.

[U.S. Military Measures Climate Change: Intelligence Establishment Calling It a Major Security Problem](#)

Its panel of contributors, including a former CIA director, found that, “left unaddressed, climate change may come to represent as great or a greater foreign policy and national security problem” than the war on terror, the wars in Iraq and Afghanistan, energy security, and current economic instability. The catalog of security implications cited by *The Age of Consequences* and other recent studies is too long to recite, but chief concerns include massive population migrations and resulting political destabilization, permanent loss of arable land, and multiple, concurrent wars over resources, particularly water.

[Heavy crude can't keep up](#)

As medium sweet crude oil blends have strengthened in recent months, medium and heavier sour blends have fallen behind. In particular, Middle East heavy crudes have been unable to keep up with the growing appetite for low sulphur middle distillate products, with differentials between Saudi Super Light and Saudi Heavy crude blends widening to record levels. In the Americas, the situation is no different. Despite the large production declines at Cantarell, Mexican Maya is trading at a record discount to Olmecca.

[The Philippines: Control over oil firms urged to curb fare hikes - lawmakers](#)

MANILA, Philippines -- Lawmakers called on the need for government to exercise control over oil companies to curb the unabated oil price hikes.

[Rising fuel prices will hurt](#)

The West Australian Transport Forum says the rising cost of oil could spark a crisis in the state's transport industry.

[Goldman Sachs Says Bless The Energy Speculators](#)

Energy speculators are getting a bum rap. Instead of condemning them, they ought to be blessed, as impartial messengers of a greener future.

[Pennsylvania: Conservation or 'total meltdown'](#)

Gov. Ed Rendell came to Bucks County Wednesday to call for nearly \$1 billion in clean energy grants and conservation programs and he warned the state was on the “brink of disaster” from utility bills that could soon skyrocket.

[Halt Strategic Petroleum Reserve Purchases](#)

Energy experts and the DOE say that temporarily suspending the fill of the SPR would lower both oil and gas prices immediately. Even President Bush has suspended SPR purchases in order to lower fuel prices. In April 2006, President Bush said, "I've directed the Department of Energy to defer filling the reserve this summer. Our strategic reserve is sufficiently large enough to guard against any major supply disruption over the next few months. So by deferring deposits until the fall, we'll leave a little more oil on the market. Every little bit helps."

[Gas customers feeling the pressure](#)

Northern Indiana Public Service Company customers will continue to feel the pressure of rising prices with an announcement this month of yet another increase in the cost of natural gas.

The month of May makes four times in a row NIPSCO has called for an increase and it's the eighth month in the past year to see costs for natural gas go up.

[The 18-Cent Solution](#)

Economists might overstate the rigidity of supply — it's possible that eliminating the tax could spur producers to find a way to squeeze out a little more gas — but they're probably right that the Clinton-McCain proposal will not shrink the price at the pump. Nevertheless, I think it's an idea worth supporting. In fact, I've got two arguments in favor of it, though I doubt that either candidate will want to repeat them in public.

[China Sinopec's new plant to receive 1st Saudi oil](#)

BEIJING (Reuters) - Sinopec Group's new 200,000 barrels per day (bpd) refinery in eastern China will receive its first cargo of Saudi crude in mid-May as it prepares to come fully onstream by the end of the month, sources said on Thursday. The 2 million barrels of Arab Medium and Arab Heavy crude will be the second imported cargo by the

refinery in the port city of Qingdao, following a first cargo of Congolese crude that arrived in March, the sources said.

[Fight Over Pipeline](#)

Wednesday night dozens of concerned residents in East El Paso County packed the Lower Valley Water District offices regarding a pipeline project that would literally go through their backyards.

The project is being proposed by PEMEX, the world's fifth largest oil company, which is based out of Mexico. The pipeline would be 28 miles long and run from the Longhorn petroleum storage tanks, located close to the intersection of Montana and Zaragosa Road, all the way to Mexico. PEMEX Says it will be safe and benefit the community by taking oil trucks off the roads.

[Malaysia: Govt To Announce Measures To Counter High Cost Of Building Materials](#)

KUALA LUMPUR (Bernama) -- The government will be announcing several measures to counter the current high cost of building materials, a move that is likely to gradually allow market forces to dictate prices of steel bars and billets.

[Thailand says Malaysia to buy emergency rice supplies](#)

BANGKOK (Thomson Financial) - Thailand said on Thursday it would provide 500,000 tonnes of rice to Malaysia in an emergency purchase as the latter's national stockpile would last only 15 days.

[Cyclone damaged Myanmar "rice bowl"](#)

The cyclone struck just as the region's paddy farmers were harvesting the dry-season crop, which accounts for a fourth of the country's annual production.

The tidal surge sent seawater as far as 35 miles inland, satellite photos show, depositing salt that could make paddy land infertile.

Sean Turnell, an expert on Myanmar at Australia's Macquarie University and editor of Burma Economic Watch, said the region's long-neglected, colonial-era irrigation systems probably took a heavy blow as well.

[YEMEN: Changing weather patterns pose challenges for agriculture](#)

DUBAI (IRIN) - Yemen's agricultural sector faces challenges as a result of changes in rainfall patterns and an extended low temperature season in recent years, experts say.

"Normally, the rains start in March, which was not the case this year or in the past few years. The rainy season has not started [and this] will affect agriculture dramatically," Anwar Abdulaziz, head of the Climate Change Unit at the General Authority of Environment Preservation, told IRIN.

[A crunch hits lunch](#)

Anne Arundel County students who eat breakfast at school may soon have to do without whole-grain cinnamon rolls. In Carroll County, school cafeterias are stretching their vegetable supply by making more soups. And in Montgomery County schools, tomatoes are being replaced in lunch salads by less-pricey carrots.

The global food shortage and the resulting spike in the cost of milk, grains and fresh fruits and vegetables are squeezing school lunchroom budgets in Maryland and across the nation.

[No Headwinds for Coal ... at All](#)

Outside of a straight ban on huge swaths of existing mining, there is nothing ready to stop this train.

[Apocalypse? Now?](#)

Peak oil's appeal, like a lot of apocalyptic fantasies, is that its pain and punishment will supposedly strike the wicked, not the true believer. Living in a loft, shopping at the Farmer's Market, and boring everyone to death with long-winded stories about how little we drive, it's not our problem if some schmuck out in Farragut has to shell out over a hundred bucks just to fill up his Hummer. That suburbia's death spiral would probably drag the entire economy, the nation, and perhaps even the world down with it, we try not to think about that.

[Transit systems travel 'green' track](#)

NEW YORK — This year, the surging current of the East River will help provide power to a nearby subway station. The lights that lace the ornate interior of Manhattan's Grand Central Station have largely been replaced by bulbs that burn brightly but save energy. There are plans to make the rooftop of a Queens bus depot bloom like a garden.

"Carbon footprint" has become part of the national lexicon, and mass transit systems throughout the country are taking steps to ease their impact on the environment even

as they strive to provide more service to a growing number of riders.

[Oil Giants to Settle Water Suit](#)

Some of the nation's largest oil companies have agreed to pay about \$423 million in cash to settle a lawsuit brought by more than a hundred public water providers, claiming water contamination from a popular gasoline additive.

[Peak Exports and Our Economic Future](#)

After New York Governor Eliot Spitzer's fall from grace in a drama worthy of Euripides, the highly popular Oil Drum website ran an article about his successor entitled: "David Paterson: First Openly Peak Oil Aware Governor." The article highlighted the fact that political leaders are generally oblivious to the very serious problems facing our future supply of oil.

"Peak oil" is the point at which global oil production reaches its high point, after which it irreversibly declines. Peak oil is not just a theory: major oil-producing regions have already reached their peak and are in terminal decline, such as the U.S. itself, the North Sea region, Mexico, Venezuela and many others. Russia's energy minister recently announced that its oil production was now past its peak. Russia is the second largest oil producer in the world, after Saudi Arabia.

Many governments, businesses and individuals are now taking this issue seriously, but still not moving quickly enough.

[Low-carb cars](#)

Rising oil prices and greenhouse gas emissions are pushing us to look at our motor vehicle use - but what are the alternatives and will they work in Australia?

[Innovation the key to making Melbourne liveable](#)

CURRENT ways of delivering urban water and energy systems, waste management, transport, planning and governance are neither appropriate nor sufficiently resilient in the face of 21st century challenges. This resource-constrained, carbon-constrained world is beset by development pressures, including record levels of immigration to cities such as Melbourne.

Twenty-first century cities need innovative technologies, products, designs and processes that can be updated and replaced when existing ones show signs of failure, as is now the case with much of our urban infrastructure.

[Australia: Now we're all goin' to gas!](#)

The fact that the production chain requires large capital investments, and that our governments don't have any money - as they keep telling us, notwithstanding recurrent budget surpluses - means that commercial arrangements in the sector typically involve significant private investment in exploration and infrastructure. This is in exchange for advantageous pricing approvals, with substantial returns on investment built in, and profits hidden by confidential long term contracts for gas supply and transport both in Australian and overseas.

"Investors" like confidentiality and don't like regulation unless it provides them with security or certainty: governments like and need money, and so they accommodate the investors.

[Climate change in Nova Scotia to bring agricultural challenges](#)

As oil supplies decrease, population pressures increase and the climate changes, people on a global basis are suffering from food shortages and rising food costs. The presentations focused on what people can do to prepare for the future and help avoid a crisis.

[Seeing Inflation Only in the Prices That Go Up](#)

Price increases are simply more noticeable — more salient, as psychologists would say — than price decreases. Part of this comes from the notion of loss aversion: human beings dislike a loss more than they like a gain of equivalent size. If you have to sell your house for less than you bought it for, you're really unhappy. You hate that ground chuck now costs \$2.83 a pound, but you didn't notice that oranges are 31 percent cheaper than they were a year ago.

There is also something particular to inflation that aggravates loss aversion. Price increases are obvious. But price declines are often hidden. The cost of an item stays about the same for years, while everything else gets more expensive and nominal incomes rise.

[Aging systems releasing sewage into rivers, streams](#)

America's sewers are showing their age.

Deteriorating pipes, overwhelmed by volumes of water they were never designed to carry, release billions of gallons of raw sewage into rivers and streams each year. The spills make people sick, threaten local drinking water and kill aquatic animals and plants.

[Gas prices have some thinking they can drive 55](#)

Recent surveys show that many drivers have changed their habits to cut fuel costs, but the changes tend to be ones that bring immediate gratification — such as using the Internet to find stations with the lowest prices and putting less gas in the tank instead of filling up, said Larry Compeau, executive officer of the Society for Consumer Psychology and an associate marketing professor at Clarkson University.

"If you buy a more fuel-efficient car or find cheaper gasoline, those things are right in front of you," Compeau said. "Whether you do 65 or 55 is much more nebulous. There's no way for you to immediately see the impact."

[Hedging Against \\$200 Oil](#)

For the financial whizzes of Southwest Airlines, it just gets more expensive to buy protection as oil prices keep climbing.

[US Senate Democrats unveil new energy tax plan](#)

The Consumer-First Energy Act -- assembled by Senate Majority Leader Harry Reid and other key Democrats -- would tax big energy companies, halt filling the emergency U.S. oil stockpile, and seek to put checks on oil market speculation.

The Democrats' energy bill seeks to lay the blame for record-high gasoline prices over \$3.60 a gallon on the Bush administration, big oil companies like Exxon and the OPEC oil cartel.

[This won't make you happy: Gas is still too cheap](#)

It is cathartic to blame Exxon or environmentalists or taxes.

But the real problem is we burn 25 percent of the world's oil while we have only 2 percent of the world's proven oil reserves. So we import 66 percent of our oil. We can drill Alaska until it looks like Swiss cheese, but it won't change that reality to any significant degree.

[As Baghdad grapples with Sadr City, Iraqi Kurdistan busily builds 'Dream City'](#)

The Kurdistan Regional Government is briskly pursuing oil and gas contracts and economic development, a drive that is chafing Iraq's central government in Baghdad.

[Clinton's Best Oil Idea: Get Tough on OPEC](#)

While the Supreme Court has ruled that current price-fixing laws do not apply to foreign governments, there is nothing preventing Congress from changing the law -- or, as Hillary and others have suggested, challenging the legality of price fixing at the World Trade Organization. Short of that, the United States could deny visas to top officials from OPEC governments, prohibit U.S. oil and drilling companies from doing business with known price fixers, and make it more difficult for the sovereign wealth funds of price-fixing countries to make direct investments in the United States.

[Guns for Oil](#)

Speaking of energy, we can't help but give more attention to a recent press release from some of the Senate's leading liberals. Charles Schumer, Byron Dorgan, Bernie Sanders, Bob Casey and Mary Landrieu are demanding that President Bush tell OPEC nations to increase their oil supplies or risk losing arms deals with the United States. The Senators say U.S. consumers need the price relief that only increased oil production can bring.

Yes, *that* Senator Schumer and *that* Senator Dorgan, both of whom voted against increasing U.S. oil production because they couldn't abide drilling across 1% of Alaska's wilderness. Yes, *that* Senator Casey, who has called for mandatory reductions in emissions of carbon dioxide. At least Senator Landrieu of Louisiana has fought to allow more offshore drilling in the Gulf of Mexico.

[Should Russia raise domestic gas prices?](#)

The European Union, which thinks that its member states act as donors for Russian consumers, has long demanded that gas prices in Russia be raised to European standards. Russian gas monopoly Gazprom would also benefit from the increase, because it sells more than half of its output on the domestic market - currently at dumping prices.

However, domestic gas prices are lower than export prices in the majority of gas-producing countries.

[Philippines pressures Manila Electric to lower rates](#)

MANILA: A struggle for control has broken out at the largest power utility in the Philippines after the government put pressure on it to cut rates, and analysts say the dispute could affect privatization of the power sector.

[Shell Oil president wants more access to energy resources](#)

COEUR D'ALENE, Idaho (AP) -- The United States' reliance on foreign oil is increasing because of limits on where companies can search for resources, the president of Shell Oil Co. says.

"The U.S. prohibits access to its own natural resources," John Hofmeister said. "We need more oil and gas, whether it's onshore Alaska, or offshore Alaska."

[Putin Vows Tax Cuts As Russia's New PM](#)

Vladimir Putin has vowed to curb Russia's growing inflation and cut oil industry taxes as he became the country's new prime minister.

[Spanish gas use seen rising 10.1% in 2008](#)

MADRID (Reuters) - Spanish gas consumption could rise 10.1 percent this year to meet increasing demand from electricity generators to offset the impact of a drought and variations in wind power, distributor Enagas said on Thursday.

[Barrelling ahead](#)

Record oil prices are creating a \$1-trillion (U.S.) gusher of revenues into the treasuries of OPEC, and the wealthy Arab states of the Persian Gulf region are using their petro-profits to transform their economies into global powerhouses.

[With food costs rising, ethanol benefits now questioned](#)

In a dramatic reversal, ethanol has shifted from being an object of widespread, bipartisan praise to one of derision, even among some of its past supporters.

[The Biofuels Backlash](#)

St. Jude is the patron saint of lost causes, and for 30 years we invoked his name as we opposed ethanol subsidies. So imagine our great, pleasant surprise to see that the world is suddenly awakening to the folly of subsidized biofuels.

[UK: The average family throws out £610 of perfectly good food every year](#)

WRAP said huge amounts of energy are wasted in producing and transporting food that is never eaten.

Most of the dumped food reaches sites where it emits the greenhouse-gas methane.

"The carbon impact of food waste is enormous," WRAP said. "Tackling it would provide a carbon benefit equivalent to taking one in five cars off UK roads."

[Cleaner air to worsen droughts in Amazon: study](#)

PARIS (AFP) - Curbing a notorious form of industrial pollution may ironically harm Amazonia, one of the world's natural treasures and a key buffer against global warming, a study released Wednesday has found.

Its authors see a strong link between a decrease in sulphur dioxide emissions from coal-fired power plants and a rise in sea temperature in the northern Atlantic that was blamed for wreaking a devastating drought in western Amazonia in 2005.



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