



DrumBeat: June 3, 2008

Posted by [Leanan](#) on June 3, 2008 - 9:07am

Topic: [Miscellaneous](#)

[Chile truckers launch strike to protest fuel prices](#)

SANTIAGO (Reuters) - Thousands of Chilean drivers parked their trucks along national highways on Tuesday to protest soaring fuel prices in a tacit rejection of government fuel subsidies announced amid fanfare this week.

Soaring global oil prices have provoked protests around the world and consumers in Europe and Britain called for "global solutions" to the energy crisis last week.

[A doomer's garden](#)

Each of us likely has a friend who has a fairly large garden. Ask him or her what percentage of their family's yearly food intake comes from the garden – I would be astounded if any say more than two percent. Annual gardening, like agriculture, takes an enormous input of energy for the return you get, and that is assuming you are good at it.

[Energy Department Seeks License for Yucca Mountain](#)

(Bloomberg) -- The U.S. Energy Department submitted an application seeking to build and operate the nation's first permanent repository for used nuclear fuel at Yucca Mountain, Nevada.

[Iran slams 'capitalists' for rising oil and food prices](#)

ROME (RIA Novosti) - Iran's president told a UN-sponsored summit in Rome on Tuesday that "powerful capitalists," who are trying to stop the development of nuclear energy, are to blame for high oil and food prices.

[Motiva Texas Refinery to Restore Output in `Couple of Days'](#)

(Bloomberg) -- Motiva Enterprises LLC, a joint venture of Royal Dutch Shell Plc and Saudi Arabia's state oil company, said it expects its Port Arthur, Texas, refinery to return to full production capacity in the ``next couple of days."

[China stops refunding export tax on some vegetable oil products](#)

BEIJING, June 3 (Xinhua) -- China will stop refunding export taxes levied on some types of vegetable oil from June 13, the Ministry of Finance (MOF) said in a statement on Tuesday.

This move is part of the government's effort to control vegetable oil exports, ensure domestic supplies and stabilize prices.

[Russia is eating up its oil fund assets](#)

"At the end of the planning horizon in 2040, with passive continuation on this path, Russia could eat up its oil fund assets and other foreign exchange assets it started out with, and could reach a zero net debt position. After that, Russia could get into debt again as gross debt continues to increase while the oil fund begins to shrink since the budget transfers by that time exceed oil revenues."

[Gas OPEC future unclear as meeting postponed](#)

MOSCOW (Reuters) - The world's top gas exporting nations will postpone holding a high-level forum to October from June as the sides cannot agree on whether to form a body similar to the OPEC oil group, Russian officials said on Tuesday.

[Pinched at pump, consumers warm to energy plants](#)

SAN FRANCISCO (MarketWatch) -- Consumers are dropping some of their opposition to new energy construction projects as gasoline prices push past \$4 a gallon and electricity prices accelerate, says a new survey released Monday.

The change of heart could spell less opposition to coal and nuclear plants. But the building of new oil refineries, stalled for years, is likely to continue to face stiff opposition, said the survey by RBC Capital Markets.

[Kurt Cobb: The end of money?](#)

What frightens policymakers more than institutional investment managers moving money into commodities is the possibility that average citizens may attempt to flee their

own currency. The avenues open to them, however, are considerably more narrow. Certainly, those who have brokerage accounts can call their brokers and ask that their money be shifted into commodity investments. But that is a small subset of the world. The rest of the population is left with turning their ready cash or small savings accounts into real things: jewelry, coins, precious metals, even sides of beef for storage in the deep freezer. But this part of the population usually doesn't realize what is happening to them until the cost-of-living has been rising for some time, and so they are the most vulnerable segment of society. When they do realize what is happening, their collective rush to the exits is so large that it can create a very high rate of inflation and even hyperinflation as real things are bid up and money is spent as quickly as it is earned.

[Solving the pain at the pump](#)

Empty out the Strategic Petroleum Reserve. This now holds 700 million barrels of oil; draining it could add up to 4.3 million barrels of crude a day to the market for about five months. That's nothing to sneeze at. It's about half of what the Saudis now pump and almost twice what Kuwait puts on the market.

At the very least, this would bring gasoline prices down. And if the theories of a speculator-created "oil bubble" are true (I doubt they are), it would pop the bubble and send prices tumbling.

What of the national-security risk? Another myth. As long as we're willing to pay market prices for crude oil, we can have all the oil we want, embargo or no embargo.

A real U.S. physical shortage is impossible unless a.) all international oil actors refused to do business with us, which won't happen, or b.) a foreign navy stopped oil shipments to U.S. ports, which the U.S. Navy is more than competent to prevent.

[U.S. funds for roads, bridges in short supply, experts warn](#)

Mr. Ruane, whose organization represents 5,000 public- and private-sector members with a stake in the highway and bridge program, said that in addition to the short-term funding shortage, prospects are even dimmer for the long term if the United States doesn't increase revenue. The association has recommended an increase of 10 cents per gallon to the federal fuel tax -- currently 18.4 cents -- with future increases tied to inflation.

[US rail network facing congestion 'calamity'](#)

CHICAGO: Railway executive Matthew Rose stood before fellow industry leaders, pointing to a map meant to tell the future of the U.S. rail freight network. It was drenched in red — east to west, north to south.

The blotches illustrated areas where, by 2035, traffic jams could be so severe trains would grind to a halt for days with nowhere to go.

[Economics of Nuclear Energy](#)

I would like to begin this brief exposition with a bizarre fairy tale that was confected by two well known energy experts, Amory Lovins and Joseph Romm, and published in Foreign Affairs (1992-93), which is the prestigious journal of the (United States) Council on Foreign Relations. It goes like this...

[Harvests of hunger](#)

The world has enough food but high prices are causing hunger. It's time to stop treating food as just another commodity.

[UK: Firms being driven round the bend by soaring fuel prices](#)

WHILE many drivers can either absorb the cost or leave their cars at home, many fuel-dependent businesses are fighting for survival. Last week, a convoy of hauliers took to the streets of London to protest at a further proposed 2p hike in fuel duty.

The protests might not yet be on the scale of those witnessed at Grangemouth and elsewhere at the turn of the century, but the mood is getting uglier as businesses find themselves being squeezed ever tighter.

[Soaring diesel hurts truckers](#)

Because trucks haul about three-fourths of all freight, rising diesel prices "have the potential to increase the cost of everything Americans consume," said Tiffany Wlazlowski, spokeswoman for the American Trucking Associations in Washington. The industry spent \$112 billion on fuel in 2007 and is on a pace to spend \$154 billion this year, she said.

"It's brutal out there," said Kerry Byrne, executive vice president of Total Quality Logistics, the fast-growing freight brokerage firm in Union Township.

[Atlantans' cars idle in mid-1970s time warp](#)

Lately the mere whiff of gas fumes, like Marcel Proust's petite madeleine, awakens dusky, archived memories. All at once I am behind the wheel of my little green Pinto, which idles monotonously in one of those mid-'70s Friday afternoon gas queues as I wait my turn to fill the tank. Sometimes the wait exceeds an hour.

[SUVs on road to nowhere](#)

They sit on the front lawns of rural North America in increasing numbers, "For Sale" signs slapped on their windows like badges of shame.

It has come to this for the once-mighty sport-utility vehicle. Some auto dealers are refusing to take them as trade-ins. Those that do value them at a fraction of their previous worth. Gasoline at US\$4 a gallon has turned the family hauler of choice only a decade ago into the unwanted animal of the motoring market.

[Land-barge SUVs taking back seat to gas sippers](#)

Seven days behind the wheel of a compact, fuel-efficient car clinched it for Catherine Carter.

With regular gas prices at or near record highs, now was the time to buy a gas miser and relegate the massively roomy, yet enormously fuel-gulping Chevrolet Suburban to family trips.

[Ford CEO says shift to small cars here to stay](#)

Americans' switch to buying smaller, more fuel-efficient vehicles is permanent, not a temporary shunning of big SUVs while they wait for record fuel prices to drop, Ford Motor CEO Alan Mulally says.

Mulally says the stampede is a "structural change" and if, as Ford (F) predicts, fuel prices stay up, "That shift to small and medium-size cars and utilities ... is going to be permanent."

[16 sweet used fuel sippers](#)

Money-tight car buyers looking to save money on gas are turning to fuel-efficient used models. Consumer Reports says these are good bets.

[Gas guzzler graveyard](#)

High pump prices are hitting big SUVs hard and shrinking their numbers. Here's a look at a few former kings of the road.

[Wanted: Gas mileage AND all the goodies](#)

With gas prices going through the roof, vehicles that combine high mileage with low price and loads of utility are selling like crazy.

[Fuel-sipper smackdown](#)

Four ultra-fuel efficient cars hit the road to see which one was the best gas value. They all finished strong, but there was one clear winner.

[End to ethanol could stave off grain crisis](#)

BEIJING (Reuters) - Halting production of ethanol from grains would help ease global grains shortages in the short-term, the founder of the Earth Policy Institute think tank said on Tuesday.

Ethanol, a fuel made from corn, accounts for a 20 million ton increase in the amount of grains consumed each year, far outpacing growth of about 2 million tonnes a year on average in demand from China, Lester Brown told reporters in Beijing.

[Bush administration: Domestic sources of energy are off limits](#)

BILLINGS, Montana (AP) -- A new report from the Bush administration says most of the oil and more than 40 percent of the natural gas beneath public lands in the United States are off limits to drilling.

Opening those reserves would give energy companies access to an estimated 19 billion barrels of oil and 95 trillion cubic feet of natural gas, administration officials said.

[Controversial 'Blue Energy' was just diesel](#)

State Minister of Research and Technology Kusmayanto Kadiman, who also heads the BPPT, said the agency's research discovered that the chemical contents of Joko's fuel were no different from those of Pertamina's diesel sold on the market.

... Many scientists and lawmakers have criticized Yudhoyono for looking an for easy way to cope with the energy crisis by trusting the untested fuel and neglecting to develop renewable energy sources, such as geothermal and micro-hydro, to fire power plants in place of depleting fossil fuels.

[Mexico congress to substantially change oil bill](#)

MEXICO CITY (Reuters) - A key Mexican opposition party will make substantial changes to the government's oil reform plan, but a compromise bill will be ready for a vote in Congress by September, a senior lawmaker said on Monday.

"We are going to make changes and the changes will be substantial," Sen. Francisco Labastida of the centrist Institutional Revolutionary Party, or PRI, said in a local radio interview.

[Soros warns of oil bubble](#)

According to prepared remarks, Soros will tell a congressional committee that while rising oil prices are the product of changes in the market, the commodity's steep price rise is partly a result of large investment institutions putting money in the oil futures market -- which is creating an oil market bubble.

[Oil executives say soaring costs hurt them, too](#)

WASHINGTON — Executives from the five biggest international oil companies on Wednesday said they are victims of high oil prices along with U.S. consumers, but Senate lawmakers showed little sympathy.

[New Jersey township plans 4-day workweek to cut energy costs](#)

The township plans to condense its work week from five to four days to save on rapidly rising energy costs and consolidate services in times of economic uncertainty.

[TankDepot.co.uk Tackles Oil Tank Security](#)

A Derwent Group business, TankDepot benefits from over three decades experience in the supply and installation of oil and liquid storage tanks. In fact, the company has been around long enough to remember the last energy crisis in the 1970s and is ideally placed to offer consumers sensible advice on the issue of oil tank security.

"Firstly, would you leave £1,500 in public view?", asks Philip. "Of course, you wouldn't. Yet a typical 2,500 litre domestic oil tank can contain up to £1,500 worth of oil. Recognising the value of fuel inside a tank is the first step to securing it.

[Coal put forward as alternative source of diesel](#)

With no relief in sight for oil prices, turning Australia's vast coal stocks into diesel could be a potential solution to the energy crisis.

[How to meet the oil challenge](#)

Nationalize all potential future fossil energy resources. Present investments in currently developed and producing energy resources should be left in the hands of the free market to realize their profits. But the free market and oil companies must not be trusted to act in our collective national best interests with regard to future energy issues.

[Bush would veto U.S. climate change bill](#)

WASHINGTON (Reuters) - Even before debate began on Monday on the first comprehensive climate change bill to reach the U.S. Senate floor, the White House said President George W. Bush would veto it in its current form.

Bush himself slammed the bill, saying it would cost the U.S. economy \$6 trillion. His estimate drew quick denials from those who support the legislation, including Sen. Barbara Boxer, a California Democrat and longtime environmentalist.

[Few heed warnings of financial disaster](#)

We have a good early-warning system for financial disasters. Unfortunately, very few investors or consumers pay attention.

[GM to close 4 factories, may drop Hummer: Automaker to curtail truck, SUV production amid soaring fuel prices](#)

WILMINGTON, Del. - General Motors is closing four truck and SUV plants in the U.S., Canada and Mexico as surging fuel prices hasten a dramatic shift to smaller vehicles.

CEO Rick Wagoner said Tuesday before the automaker's annual meeting in Delaware the plants to be closed are in Oshawa, Ontario; Moraine, Ohio; Janesville, Wis.; and Toluca, Mexico. He also said the iconic Hummer brand may be discontinued.

[Really, Really Bad News About Oil](#)

Some years ago I wrote a paper called 'A 'New' World Oil Market' (2004), which I presented at a conference somewhere. The intention of that paper was to argue that the world oil market was in the process of a rapid transition, and the combination of resource scarcity and accelerating demand (relative to supply) would cause a

fundamental shift in the market. I said in that paper essentially what I am going to say here, only at that time I couldn't prove a few of the things that needed proving. All that has changed: it changed when the price of oil reached \$100/b and continued to rise, because with that price and the present movements of global oil supply and demand, proofs are no longer necessary. This time the wolf is here!

[China fuel shortage led by supply, not demand - exec](#)

BEIJING (Reuters) - China's fuel shortage is caused more by declining supply than by increasing demand, an executive with Sinopec SenMei (Fujian) Petroleum Co said on Tuesday.

[Ireland: Teagasc 2030 Foresight conference](#)

In 2030, we are in the post-peak oil era with conventional oil production declining steadily. The Chinese and Indian economic superpowers have accelerated the increase in global energy demand. Oil prices fluctuate at around \$300 per barrel.

Agriculture is now centre stage in terms of global food and energy security.

[Economic depression in America: Evidence of a withering economy is everywhere](#)

In Santa Barbara parking lots are being converted into hostels so that families that lost their homes in the subprime fiasco can sleep in their cars and not be hassled by the cops. The same is true in LA where tent cities have sprung up around the railroad yards to accommodate the growing number of people who've lost their jobs or can't afford to rent a room on service-industry wages. It's tragic. Everywhere people are feeling the pinch; that's why 9 out of 10 Americans now believe the country is now headed in the wrong direction and that's why consumer confidence is at its lowest ebb since the Great Depression. This is the great triumph of Reagan's free trade "trickle down" Voodoo economics; whole families living out of their cars waiting for the pawn shop to open.

[What they said on hot energy topics](#)

PEAK OIL

Nobuo Tanaka, Executive Director of the International Energy Agency: "I am always asking my staff is there peak oil coming. Before 2030, we don't think we need to worry. We have abundant resources under ground, so the issue is over ground."

"I'm not siding with peak oil."

Lars Josefsson, President and Chief Executive of Vattenfall VATN.UL, Sweden's state-owned utility: "I would not get into the religious debate about peak oil, but I think the

world will have big difficulties in significantly increasing its oil production."

"Global investment levels are too low Oil will come from places more difficult, more distant, more costly and on top of that oil is in areas that don't have stability."

Ayman Asfari, chief executive of Petrofac, UK-based oil services company: "With oil you have this finite resource. It's like hiding 100 Easter eggs and you find the first 50 with 5 or 10 percent of the effort and for the last 10 it requires 90 percent of the effort."

"The effort is translated into a lot more cost."

[US Housing Industry - A Monument to Futility](#)

The economic headwinds that have been buffeting the United States for the past several months are only increasing in velocity despite the Herculean efforts of the powers-that-be to bolster the system against collapse. At this point, the domestic economic picture can only be described as ominous. Energy prices have risen from dangerously high to prohibitively high. Housing prices are continuing to drop at alarming rates in many sections of the country. Banks remain reluctant to lend either to individuals or corporations for virtually any type of transaction. And our political and business elites remain a prosper of Hollow Men who continue to whistle past the graveyard as their limousines chauffeur them home each night to their gated mansions.

[Doomsday: What happens when gas is \\$10 a gallon](#)

For decades we've lived (and driven) in denial, somehow assuming we have the "right" to cheap gas, and therefore, low-cost transportation. Now it's time to face reality and consider what will happen when (not if) gas hits \$10 a gallon.

[Congress, Regulators Target 'Bad' Speculation](#)

(Bloomberg) -- The U.S. Congress is taking time out from whatever it does in an election year to look into soaring food and energy prices. Just the thought is scary.

[Australia: Fuel pain could be a blessing for public transport](#)

While freight cost and food prices soar due to higher fuel prices, the bus industry is boosted by greater patronage and more exposure as a crucial service.

The greater need for public transport unfortunately highlights the stereotypical overcrowding, unreliable service and inconvenience of users on some networks which can't adapt quickly enough to the sudden patronage surge.

This is negative media which needs to be combated and reversed into positive spin.

[Reassess I-5 bridge project, group asks](#)

Saying that people already are driving less because of rising gas prices and a growing awareness of climate change, an advisory group recommended Monday that planners take another look at the scope of a new Interstate 5 bridge over the Columbia River.

The Sustainable Development Commission, whose members are appointed by the city of Portland and Multnomah County, called for an updated traffic analysis using current gas prices and considering other factors.

[New Zealand: Gearing now for peak oil shock](#)

A movement that "stops the 'overwhelm'; the feeling 'but what can I do'? It's an opportunity for people to come from an individual standpoint and make a difference."

That's how Normandale resident Juanita McKenzie describes Transition Towns. It's a model in which community-based initiatives facilitate transition from a globalised, oil-dependent society to a resilient, re-localised society that can thrive in a world where there is less abundant cheap oil.

[Analysis: Oil showing classic ingredients of an asset bubble](#)

Over the past two weeks, the crude oil forward curve has flattened dramatically. Fundamental changes cannot explain sudden, severe price or curve movements. As in the dot-com period, when 'new economy' stocks became popular, a growing number of Wall Street analysts have been repeatedly raising their forecasts as oil prices have risen. These revised forecasts have been partially responsible for new investor flows, driving prompt and forward prices to perhaps unsustainable levels, says a Lehmann Brothers Energy Special Report.

[Shell, Statoil Say Strike May Cut Norway Oil Output](#)

(Bloomberg) -- Royal Dutch Shell Plc and StatoilHydro ASA may be forced to cut as much as 220,000 barrels a day of North Sea oil production, about 9 percent of Norway's total output, if rig managers strike this weekend.

[Kurdistan PM Barzani says Iraq should triple crude oil export capacity](#)

DUBAI, United Arab Emirates: Kurdistan's Prime Minister Nechirvan Barzani said Tuesday Iraq should boost crude oil export capacity to 6 million barrels a day, three

times the amount the country is exporting now.

"We think Iraq needs to export more oil," Barzani said to reporters after a press conference in Dubai. "Iraq has (the) capacity to export six million barrels a day, but they're happy with two million."

[Dakota Oil Fields of Saudi-Sized Reserves Make Farmers Drillers](#)

(Bloomberg) -- John Bartelson, who smokes Marlboro Lights through fingers blackened with tractor grease, may look like an average wheat farmer. He isn't. He's one of North Dakota's new oil barons.

Every month, he gets a check for tens of thousands of dollars from a company in Houston called EOG Resources Inc., which drilled two oil wells on his land last year.

[IEA may trim world oil demand further](#)

LONDON (Reuters) - World oil demand is shrinking more quickly than first thought due to weak consumption in some major consuming countries, the International Energy Agency's head said on Monday.

The IEA may cut its forecast for world oil demand growth further, said Nobuo Tanaka, executive director of the agency which advises 27 industrialised countries, during the Reuters Energy Summit.

He also conceded that a forecast of around 100 million barrels per day (bpd) for oil supply in 2030 was "more reasonable" than a higher IEA estimate which some industry officials doubt can be achieved.

"We are saying that we may see a further demand slowdown for the June report," Tanaka said. "How much, I don't know."

[\\$4 Gas: Fueling Our Fears](#)

Some analysts say the prices are driven by speculators, and that they can't stay this high. But Walter Youngquist, a petroleum geologist in Eugene, says it will only get worse. We've only just begun to feel the effects of the declining supply of a finite resource.

"I don't think people recognize what peak world oil production really means," Youngquist said. "The peak and then decline of world oil production, which is upon us now, will affect more people in more ways than any other event in human history."

[Phil Flynn: What is it all about?](#)

Peak oil from Russia with love. Is Russia's new President, Dmitry Medvedev, going to be friendly to foreign oil interests. Well in case you missed it, last week's Wall Street Journal reported on growing tension between BP's partners in Russian oil ventures TNK-BP. The Journal reported that Russia sought the ouster of the unit's CEO Robert Dudley. BP refused saying that the escalating dispute could shape BP's future and the role of foreign companies under Russia's new president. The Wall Street Journal says that in February, 2003 BP announced the new Russian joint venture. Then under pressure in 2007, BP agreed to sell a big stake in a big Siberian gas field to Gazprom and form a global joint venture with the Russian gas giant. Then in 2008 the Russian security services raided BP offices and questioned employees. They arrested low level employees on espionage charges. If that wasn't enough, the Russian government also said they were investigating BP for Tax evasion. The same trumped up charge that sank YUKO's.

[What's Driving Skyrocketing Oil Prices?](#)

Global supply is stretched thin. Some argue this is because the world is at or near "peak oil production," a tipping point when half the world's oil has been extracted, and yields begin to decline, with very major price effects.

A different view is uncomfortable with the apocalyptic element of peak oil theory. From this vantage point, more oil -- or close substitutes, like tar sands or shale -- is available, but it is harder and more expensive to get. This is the preferred view of the oil industry analysts (many of whom note that much oil that is easily attained from a technological standpoint -- for example, in Iraq -- is hard to reach for political reasons).

[Indonesia: President challenges experts to seek new energy](#)

Jakarta (ANTARA News) - President Susilo Bambang Yudhoyono again challenged experts in energy to find new energy resources to replace fossil energy, a minister said.

"On behalf of the people, the president asked the best experts in energy to seek and find new energy and technology to replace `peak oil`," Research and Technology Minister Kusmayanto Kadiman said after the meeting between the head of state and around 60 energy experts at the state secretariate building here on Monday.

[Has Oil Production Reached a 'De Facto' Peak?](#)

On one side of the net are analysts looking at graphs of oil production and saying something along the lines of Boone Pickins' recent summary of world oil: we need 87 but can only produce 85. I'm not sure where Boone gets his numbers, since last I looked (see below) the all liquids graphs were showing 87 mb/d being produced in recent months.

But that's not the point. The point is that a lot of people are running around saying "peak oil is here" because, the fact is, there has been more or less of a plateau in both light sweet and all liquids production since about mid-2006, give or take a little.

On the other side, looking at the same graphs, is a group yelling "it's not peak oil, it's speculators! speculators!" Their point is that even though there has been a production plateau, that has nothing to do with the earth's ability to yield higher flows of oil. In fact, they say, plenty more oil could be produced if it weren't for hoarding, violence, and incompetence on the parts of various national oil companies...and speculators.

[Out of Gas](#)

Don't worry about us, dear readers...we have not lost a wink of sleep to the peaks ...neither Peak Oil nor Peak Food bothers us. No, it is not the peaks that disturb our sleep...it's the valleys.

[Peak Everything: 8 Things We Are Running Out Of And Why](#)

Why is everything running out at the same time? We did a series on Planet Green where we looked at why those basic things that we take for granted, like water, food and fuel are getting expensive and scarce, all at once.

[Stable dollar could reverse oil run](#)

It looks increasingly likely the Fed is through cutting rates - and that argues for a strengthening greenback and an end to surging oil prices.

[Let's Just Call It 'Cap and Tax'](#)

The current plan for dealing with global warming would trigger a lobbying frenzy to win new subsidies and preferential treatment.

[OECD boss hails high oil prices](#)

The soaring cost of oil is welcome as it sends a clear signal to consumers and firms to curb their use of fuel, the head of the OECD has said.

Speaking at the annual meeting of the world's richest nations, Angel Gurría said it would be "disastrous" if they cut fuel taxes or subsidised prices.

"The best solution to high oil prices is high prices" to cut demand, he said.

[U.N.: Food production must rise 50% by '30](#)

ROME (AP) — World food production must rise by 50% by 2030 to meet increasing demand, U.N. chief Ban Ki-moon told world leaders Tuesday at a summit grappling with hunger and civil unrest caused by food price hikes.

The secretary-general told the Rome summit that nations must minimize export restrictions and import tariffs during the food price crisis and quickly resolve world trade talks.

"The world needs to produce more food," Ban said. "Food production needs to rise by 50% by the year 2030 to meet rising demand."

[Soaring inflation threatens peg to \\$US](#)

Inflation for states in the Persian Gulf is still rising at breakneck speed, new data signalled yesterday, spurring calls for the gas-exporting emirate of Qatar to stop pegging its currency to the flagging American dollar – casting a shadow over U.S. efforts to restore support for the greenback.

[Kuwait preparing inflation-fighting plan - minister](#)

KUWAIT (Reuters) - Kuwait will unveil a new inflation-fighting plan next week, a government minister told Reuters on Tuesday, as price rises remain near record levels in the oil-exporting nation.

Commerce & Industry Minister Ahmad Baqer, who was appointed last week, told state news agency KUNA on Monday the ministry would clamp down on price rigging and increase subsidies for basic commodities affected by a global surge in food costs.

[Canada: Consumers less confident as gas prices soar](#)

TORONTO (Reuters) - Consumer confidence dropped to its lowest level in nearly seven years in May, as concerns about future finances intensified amid record high gas prices, the Conference Board of Canada said on Monday.

[Apache Explosion Affects West Australia Gas Supplies](#)

(Bloomberg) -- Apache Corp., operator of oil and gas projects on five continents, said an explosion at its plant off the coast of Western Australia will affect natural-gas pipeline deliveries to the domestic market for ``a number of days."

[Chevron-Led Caspian Pipeline Group Posts First Profit in 2007](#)

(Bloomberg) -- The Chevron Corp.-led Caspian Pipeline Consortium reported its first profit in 2007 after increasing the tariff to pump oil from Kazakhstan to the Black Sea.

[ConocoPhillips 'facing oil trading probe'](#)

US supermajor ConocoPhillips said today it was subpoenaed last December by the Commodity Futures Trading Commission (CFTC) as part of the agency's six-month investigation into manipulation of the oil market.

[Pickens Says CFTC Probe of Oil a 'Waste of Time'](#)

(Bloomberg) -- A U.S. probe into whether speculators manipulated oil prices up to more than \$135 a barrel is a "waste of time," billionaire hedge-fund manager Boone Pickens said yesterday.

... "There's nothing to it to start with," Pickens said in interviews at an American Wind Energy Association conference in Houston. "That's not what's happened. You have 85 million barrels a day of oil available in the global energy market and 86.4 million barrels a day of demand. So the price of oil is going to go up until you can kill demand."

[Philippines: DOE to investigate oil, LPG price hikes](#)

The Department of Energy on Tuesday said it will investigate local oil companies and distributors of liquefied petroleum gas for allegedly imposing price increases that do not reflect actual fluctuations in the world market.

[In Spain, Water Is a New Battleground](#)

FORTUNA, Spain — Lush fields of lettuce and hothouses of tomatoes line the roads. Verdant new developments of plush pastel vacation homes beckon buyers from Britain and Germany. Golf courses — dozens of them, all recently built — give way to the beach. At last, this hardscrabble corner of southeast Spain is thriving.

There is only one problem with the picture of bounty: this province, Murcia, is running out of water. Swaths of southeast Spain are steadily turning into desert, a process spurred on by global warming and poorly planned development.

[Tony Blair: America on the right track](#)

The climate change bill that senators are to begin debating this week is a hugely important signal of intent on behalf of U.S. legislators. Yes, negotiations could still alter the legislation. But the bill's core proposition is correct: Unless the United States radically reduces its greenhouse gas emissions, along with other major emitters, the damage to the climate will be irreversible.

[Barton a steadfast skeptic on climate change](#)

"I don't think the U.S. is going to be able to convert its economy to get to these lower emissions levels," Mr. Barton said. Summing up the argument he'll make in the coming months, he added: "It doesn't make sense. It's not necessary. It costs a fortune."

[Trouble with Congress' Green Gambit](#)

It's a truism in politics: support for environmental causes tends to be broad, but shallow. Broad, because most voters support political action to protect the Earth, and not even the most conservative of politicians want to be seen as standing against it. Shallow, because few Americans really allow environmental issues to dictate their votes - and politicians know it.

[NASA's own watchdog: Agency misled on global warming](#)

WASHINGTON - NASA's press office "marginalized or mischaracterized" studies on global warming between 2004 and 2006, the agency's own internal watchdog concluded.

In a report released Monday, NASA's inspector general office called it "inappropriate political interference" by political appointees in the press office. It said that the agency's top management wasn't part of the censorship, nor were career officials.



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