



DrumBeat: July 10, 2008

Posted by [Leanan](#) on July 10, 2008 - 9:08am

Topic: [Miscellaneous](#)

[Coming to a city near you?](#) - *Be very afraid, please*

AMERICA and Israel often hint at military action to stop Iran's suspected nuclear-weapons programme. The latest rumblings, however, may be more serious. The atmosphere has been charged by a combination of factors: Iran's expanding uranium-enrichment programme, faltering diplomatic efforts to halt it, a dying American administration and a nervous Israel. Throw in the latest war games by Israel, America and Iran—and Iran's apparent rejection of the latest international incentives to halt its nuclear work—and some reckon the sparks could soon fly.

[OPEC exports rise to peak for this year - analyst](#)

LONDON: OPEC oil exports, excluding Angola and Ecuador, will rise by 80,000 barrels per day (bpd) in the 4 weeks to July 26, an analyst who tracks future flows said on Thursday.

Seaborne crude exports from 11 members of the Organization of the Petroleum Exporting Countries, including Iraq, will rise to 24.95 million bpd from 24.87 million bpd in the 4 weeks to June 28, British consultancy Oil Movements said in its latest estimate.

[Peak oil: petrol to reach \\$8 a litre](#)

PETROL could hit \$8 a litre within a decade as oil production begins to dwindle and demand continues to soar, a CSIRO study to be released today says.

The study, Fuel For Thought, warns this would add up to \$220 a week to the cost of running a medium-sized passenger vehicle by 2018, resulting in severe social and economic consequences.

[Gazprom is raising prices... for everybody!](#)

On July 8, Gazprom CEO Alexei Miller reported his company's plans to Prime Minister

Vladimir Putin. He spoke about a steady, long-term growth of gas prices for all consumers, be it in Western Europe, next-door neighbors, or at home.

[Steam loss shuts Petro-Canada Alberta refinery](#)

CALGARY, Alberta (Reuters) - Petro-Canada said on Thursday it has shut down its 135,000 barrel per day refinery in Edmonton, Alberta, after an unspecified incident forced the company to depressurize some units after steam boilers lost water.

[Yes, U.S. Gas Use Dropped; But So Did Production](#)

The weekly report from the Energy Information Administration (EIA) was released yesterday, and the headline that was picked up by the media was that gasoline usage over the July 4th holiday hit a five-year low, and dropped 3.3% from last year to 9.347 million barrels a day. This fits in nicely with my thesis that oil prices are ridiculously overpriced, and was a source of considerable joy for me when I read it last night.

[Greer: Trailing edge technologies](#)

One of the worst of the booby traps built into the contemporary mythology of progress, it seems to me, is the notion that the way out of any difficulty is to keep moving the way we are already going, and do it faster. It may seem obvious that if you've gone down a blind alley, the only way out begins by shifting into reverse, but it takes very little attention to the current political scene to notice that this bit of common sense is far from common just now.

For a case in point, listen to the pundits – a sizeable chorus of them just now – who insist that the only way to bring soaring prices of oil, food, and other commodities back to earth is to push forward with the project of economic globalization. The problem here is that globalization was never more than an artifact of the final blowoff of the age of cheap oil, and as that age ends, so do the economic factors that made globalization work.

[River use banned after French uranium leak](#)

Residents in the Vaucluse, a popular southern French tourist destination, were banned yesterday from drinking well-water or swimming or fishing in two rivers after a uranium leak from one of France's nuclear power plants.

[British Energy's nuclear power output slides](#)

British Energy, the UK's largest nuclear power plant operator, said that its electricity output fell by 17 per cent in the second quarter. A glitch at Sizewell B, the nuclear power

station, triggered blackouts that hit up to 500,000 homes in May. Figures yesterday showed that the company's entire electricity output was only 11.4 Terawatt hours (TWh), down from 13.8 TWh in the same quarter last year.

[The nuclear solution](#)

Nuclear power is the key to resolving three global crises – food, global warming, and resource distribution.

[Jordan Goes Nuclear Unhindered](#)

Qatarneh says those world powers that shoulder the burden of standing up to Teheran's nuclear ambitions need to prove to the rest of the world that they have no problem extending a helping hand to "benign" countries in the region such as Jordan, the Gulf states, Morocco, Egypt, Turkey, and others that have declared plans to build their own reactors.

"The other factor is the rising oil prices. Jordan has no choice but to tap into its potential and no one can blame such a resource-strapped country for looking for alternatives to conventional fuel," he adds.

[Jordan Among 5 Richest Countries in Oil Shale](#)

Jordan is among the five richest countries in oil shale in the world, according to Director General of the Natural Resources Authority (NRA) Maher Hijazin.

He said that the Kingdom's estimated reserves of oil shale is about 40 billion tonnes and expected to be doubled in the coming years.

[Lifting drilling ban wouldn't do much for gas prices, report says](#)

According to the Center for Economic and Policy Research (CEPR) in Washington, however, there's not enough oil in offshore areas to make much difference in world prices – which drive most worldwide pump prices, including those in the United States.

[OPEC Rakes in \\$671B in 2007, Stands to Double Revenues in 2008](#)

The Energy Information Administration (EIA) estimates that members of the Organization of the Petroleum Exporting Countries (OPEC) earned \$671 billion in net oil export revenues in 2007, a 10% increase from 2006. Saudi Arabia earned the largest share of these earnings, \$194 billion, representing 29% of total OPEC revenues. On a

per-capita basis, OPEC net oil export earnings reached \$1,137, an 8% increase from 2006.

[The Latest Oil Shock](#)

LONDON - The world is facing the prospect of its third oil shock in 100 years, as oil prices have jumped over 40.0% this year as supply struggles to keep pace with rising consumption in emerging markets, rising cash flows from hedgers and growing tensions between Iran and Israel.

[Air Canada to cut 2,000 jobs](#)

Air Canada will lay off as many as 2,000 employees as it trims back flying in the face of soaring fuel costs, the first sign that even the relatively healthy Canadian airline sector is having trouble coping with record high oil prices.

[China's crude oil import up 11% in first half](#)

BEIJING -- China, the world's second-largest energy consumer, imported 11 percent more crude oil in the first half of 2008 than in the year-earlier period.

[OPEC sees lower oil demand, warns on investment](#)

VIENNA (Reuters) - OPEC on Thursday warned of growing uncertainty over demand for its oil in the years ahead, raising doubts whether multi-billion-dollar investments in new supply will be needed.

OPEC, in its 2008 World Oil Outlook, said demand for its oil could fall to 31 million barrels per day (bpd) in 2012, below current production, as additions to supply excluding OPEC crude outpace growth in demand.

[Another Fine Mess in the Oil Business](#)

Sweeping changes inside Russia's oil and gas sectors in recent years have dented Western investors' faith in the country's rule of law. Caught up in a state effort to claw back control of lucrative assets, some were left badly scarred. In 2006 BP rival Royal Dutch Shell was forced to give up control of the Sakhalin-2 oil and gas project off Russia's eastern coast after the country's environmental regulators threatened to shut it down. Gazprom, Russia's state-owned energy company, duly took over the operation.

[BP, Russian Billionaires May Clash Again Over TNK-BP CEO Firing](#)

(Bloomberg) -- BP Plc, Europe's second-largest oil company, may clash again with Russian billionaires in an effort to keep its Russian unit's chief executive officer in the post, even as one investor said today that compromise is possible.

[UAE: Heavy demand causes diesel shortage](#)

The Northern Emirates are suffering from a diesel shortage because of heavy demand and disruption of deliveries to Abu Dhabi National Oil Company (Adnoc) outlets. The company says the supply problems are caused by a lack of tankers – but transport industry sources say a lack of drivers for the vehicles is to blame.

[West Australia Gas Shortage to Cost A\\$6.7 Billion](#)

(Bloomberg) -- The natural gas shortage in Western Australia, generator of more than a third of the nation's exports, may cost the state A\$6.7 billion (\$6.4 billion), the Chamber of Commerce and Industry said.

“The gas crisis has already cost the Western Australian economy in the vicinity of A\$2.4 billion,” the chamber said today in its quarterly report. “With gas supply expected to be restricted until December 2008, CCI estimates the overall cost to be around A\$6.7 billion.”

[The world oil market on a knife-edge](#)

After failing to find agreement at a summit in Saudi Arabia on June 22, last week's industry event in Madrid frequently resembled a dialogue of the deaf with both sides sticking to their positions.

OPEC Secretary-General Abdallah al-Badri called on the United States to stop “harassing OPEC countries”, and Indonesian President Susilo Bambang Yudhoyono called for end to the blame game.

Consumer states led by the United States are clamoring for more oil in a bid to cool the market.

But most members of the Organization of Petroleum Exporting Countries remain firmly against any increase in their production and blame speculators and the fall in the dollar for the remarkable run up in prices, which have doubled in the last 12 months.

[High diesel prices to last through the summer](#)

High prices for diesel fuel will continue over the summer and may only begin to ease

next year, according to the International Energy Agency (IEA), which has given warning of continuing tightness in the world's refining markets.

A worldwide shortage of middle distillates — oil products that include motor diesel and jet fuel — is continuing because of a surge in Chinese imports and the falling profitability of the refining sector. The price of road fuels would only begin to ease towards the end of the year and more likely by early next year, the IEA cautioned in its latest Monthly Oil Report, published today.

[Toyota to shift U.S. manufacturing efforts](#)

DETROIT (AP) -- Toyota Motor Corp. will start producing the hybrid Prius in the U.S. for the first time as the Japanese automaker adjusts its U.S. manufacturing operations to meet customer demands for smaller, more fuel-efficient vehicles.

[Mexico centrists like oil contract plan, eye graft](#)

MEXICO CITY (Reuters) - A key Mexican opposition party could back a central part of a government plan to boost private investment in oil drilling, but wants tweaks to the proposal to prevent corruption, a lawmaker said on Wednesday.

[Australia - Report 'no fuel' suspicion: watchdog](#)

THE Petrol Commissioner has asked motorists to report petrol stations they suspect are withholding fuel when the price cycles are low.

"It is a serious issue and there are significant penalties involved," Pat Walker warned retailers yesterday.

[Congress Feels Pressure for Action on Oil Prices](#)

After spending a week in their states and districts with angry and frightened consumers, many lawmakers have returned to Capitol Hill convinced that Congress cannot afford a prolonged stalemate over energy policy.

[Pakistan: High energy cost forces millers to halve flour production](#)

RAWALPINDI: The twin city millers have halved flour production due to rising cost to grind wheat.

All Pakistan Flourmills Association, Rawalpindi region, Chairman Abdur Rehman told

Daily Times on Wednesday that flourmills of Islamabad and Rawalpindi used to produce 80,000 flour bags a day but the production had been cut by a half due to rising electricity and fuel prices.

['Food versus fuel debate is far too simplistic'](#)

THE indication this week from Ruth Kelly, the Transport Secretary, that there will be a major rethink on the initial target of a 5 per cent biofuel content in diesel by 2010 has been met with disbelief by the farming industry.

[California to shame the owners of gas-guzzlers](#)

As if sky-rocketing petrol prices weren't already hurting them enough, the drivers of America's fleet of Hummers, monster trucks, and gas-guzzling SUVs are about to suffer sustained public humiliation, courtesy of the green lobby.

The state of California has announced plans for all new vehicles to carry "global warming" stickers next to their number plate, giving car owners – and their fellow motorists – an instant assessment of their carbon footprint.

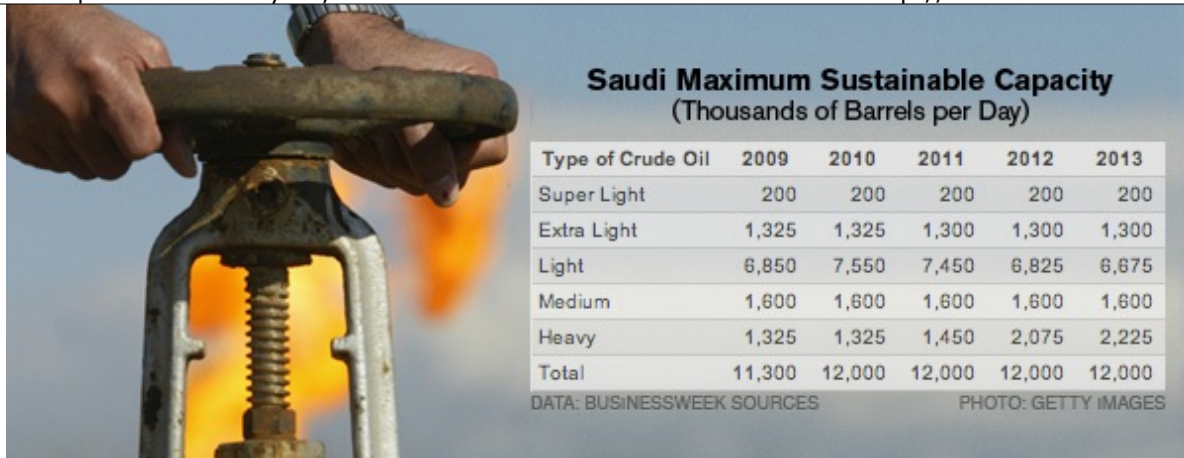
[Transport: Emissions deal may add to cost of long-haul flights](#)

Passengers could face a further increase in air fares after the European parliament yesterday approved a carbon emissions trading scheme that will include airlines from 2012. Green campaigners said the plans were not harsh enough.

[Interview: Peter Head](#)

LONDON, England (CNN) -- Peter Head is a Director of Arup, a global firm of designers, engineers, planners and business consultants. He's playing a leading role in the planning and building of China's first eco-cities -- Dongtan and Wanzhuang.

[Saudi Oil: A Crude Awakening on Supply?](#)



The Saudis say they can ramp up production to 12.5 million barrels a day. But a field-by-field breakdown obtained by *Business Week* shows that's not likely.

[A dizzying cycle: As drivers shift to transit, prospective fares rise](#)

Now that thousands of Twin Cities drivers are responding to high fuel prices by switching to buses and trains, Metro Transit is proposing the next logical step: raising fares because of — you guessed it — high fuel prices.

It's a dizzying cycle that leaves transportation thinkers chasing their tails and asking a nettlesome question: As commuters finally begin ditching their cars for a cheaper, cleaner and more efficient mode of travel, is this the right time to punish their good behavior? Is this really the right time for a fare increase?

[N.E. leaders seek more US heating oil aid](#)

Alarmed by zooming energy costs, four New England governors yesterday called on the federal government to increase the region's home heating assistance to \$1 billion, from \$252 million last winter.

[State energy effort good, but needs feds' help](#)

For many -- if not most -- Mainers, the only subject these days is the cost of energy.

It's frightening when it costs more than \$70 to fill up your gas tank. Where's the money for the next tank going to come from? It's beyond frightening to contemplate the prospect of paying from 50 percent to 75 percent more this winter than last for heating oil. Where's that money going to come from? The food budget? The college tuition budget? The insufficient Social Security payments that come once a month? The paychecks that last year couldn't cover all the family's needs?

[America Braces for Highest Heating Costs Ever](#)

Research from The National Energy Assistance Directors' Association (NEADA)--an organization representing state-run low income energy assistance programs--predicts that the national average cost to heat a home with oil this winter will be \$2,593, up from \$1,962 last winter.¹ A typical household fuel delivery that cost \$500 last winter will climb to at least \$850 this winter--an increase of nearly 60% in just one year.

[Asphalt shortage could shut down work zones](#)

AURORA | A nationwide shortage in asphalt supplies will have an immediate effect on the city's paving operations and, depending on deficiency of materials, could impact the condition of local streets into 2009.

[Nigeria: Rising prices of diesel, kerosene](#)

The rising prices of kerosene and low pour fuel oil (LPFO) or diesel in the Nigerian market require the Federal Government's urgent intervention to arrest the unnecessary burden the development is imposing on consumers and the economy. Obviously, the development is an added stress on low income earners who depend on kerosene for cooking, and corporate organisations which virtually rely on diesel for energy. It is unacceptable that kerosene is currently being sold to consumers at between N70 and N100 per litre instead of the recommended price of N50 per litre. Again, the price of diesel has reached an alarming N160 per litre instead of the official N70 per litre. Market feelers indicate that the price of diesel may soon hit N200 – a situation that will put many industries in serious energy crisis.

[South Korea: Reckless Energy Use in the High-Priced Energy Era](#)

"In what other country, other than our own, can you find a growing insensibility toward energy despite the unprecedentedly high oil prices that have persisted over the past several months?"

So lamented an energy expert on Wednesday noon when the nation's daily power consumption reached an 11-month record high.

[Police: Theft ring stole tons of copper](#)

HOUSTON—Tyrone Fransaw has what he calls a good sense of humor, but he says there was nothing funny about losing his phone service last month.

“It happened one day and then it would come back. Then it would happen again. (It

was) frustrating. Yeah, very frustrating,” said Fransaw.

He said he thought it was a problem with AT&T.

Wednesday morning, police confirmed that four copper thieves were the culprits behind Fansaw's troubles.

[The oilman's new stripes](#)

WASHINGTON -- T. Boone Pickens is used to getting his way.

So when the famed U.S. oil tycoon and corporate raider launches a multimillion-dollar blitz to convince Americans to kick their foreign oil addiction by embracing wind energy and natural gas powered cars, the obvious question is what's in it for B.P.?

[Iraq's Complicated Oil Fields](#)

Despite the caricature of the all-powerful oil conglomerate, all this means the oil companies are more beholden to Iraqi's volatile politics than the other way around. "The industry can't control the internal politics of Iraq," said Adam Sieminski, chief energy economist at Deutsche Bank, "and that's what's preventing development."

[The Two Degrees Show - Climate Code Red](#) (podcast)

The most eminent US scientist and head of Nasa, Dr James Hansen, has said that we have passed the tipping point for Arctic and Greenland ice loss. This has dramatic implications for the possible acceleration of the rate of climate change. He suggests we now need to stabilise levels of carbon dioxide in the atmosphere at 350 parts per million (ppm) – lower than they are today (ca. 387 ppm). We discuss James Hansen's recent findings and their implications with Dr Stuart Parkinson, Executive Director of Scientists for Global Responsibility who was a reviewer on the IPCC's 2001 Report; and with Richard Hawkins of the Public Interest Research Centre who is preparing a UK edition of Climate Equity's "Climate Code Red" report for publication.

[The Hindenburg Omen](#)

Political pressure to bite the bullet and take the approach Paulson advocated continues to grow, however, because the consequence of Fed bailouts is inflation run amok. We are already into the worst of all possible scenarios, akin to the dreaded "stagflation" of the 1970s, with rising inflation and stagnating growth.

But the conditions are different now, and worse. Then, it was perpetuated by inflationary and wage hike pressures. The latter is not a factor this time, only energy

resource scarcity, something that will not be relieved for the foreseeable future.

[Shock, denial, frustration, anger??](#)

Unless you've been in a cave (and some of us may be before too long), the price of oil has literally brought the United States to the brink of its worse economic contraction since the Great Depression. And, depending on what happens with the price in the next few months, it could literally send many parts of the world into an economic free fall from which many of us in our lifetimes will never witness a full recovery. Here, too, we're partly to blame since we not only used oil as if it was going to be in ample supply forever, but we failed to listen to a worthy theory that is now proving to be correct.

[State TV: Iran test-fires more missiles for 2nd day](#)

TEHRAN, Iran (AP) — Iran test-fired more long-range missiles overnight in a second round of exercises meant to show that the country can defend itself against any attack by the U.S. or Israel, Iranian state television reported Thursday.

The weapons have "special capabilities" and included missiles launched from naval ships in the Persian Gulf, along with torpedoes and surface-to-surface missiles, the broadcast said. It did not elaborate.

[Using Oil Trusts to Beat Inflation](#)

Oil industry giants such as Exxon continue to insist that we have plenty of oil for decades, but then add that more investments are needed for offshore exploration. What they are really saying is that higher oil prices are due to Peak Oil – the decline in conventional oil reservoirs, which is forcing companies to focus on non-conventional oil. They use word games to hide the truth because they realize any possibility of Peak Oil will cause a push for alternative energy, which would threaten their monopoly. OPEC plays the same game. Washington goes along with these fantasies as well for a much bigger reason – the preserve the dollar-oil link.

[The Skyrocketing Price Of Gas: A Resultant Sociological Morass?](#)

I have been, I realize, writing a great deal of late about the rising price of oil. But there is, I think, a valid reason for this fuel fixation. I believe that, assuming recent cost increase trends continue (and I believe they will, considering political instability and Peak Oil factors, among others), this single issue may redefine society more than any other I've yet encountered (or will encounter) in my lifetime.

[Peak Oil: It Doesn't Translate Into Kurdish](#)

As oil prices again flirt with records, and the U.S. Energy Information Administration hustles to revise upward its forecasts for the price of oil and gas, the “peak oil” camp seems to win more converts every day. Even veteran oilmen like T. Boone Pickens say the era of “easy oil” is over. Just don’t tell the Kurds.

[Iraq's oil ministry set to sign deals for new refineries](#)

BAGHDAD — Iraq's oil ministry said today that it is close to signing contracts to build two new oil refineries in southern Iraq.

The ministry is expected to sign one contract for a 300,000 barrel-per-day refinery in Nasiriyah province by the end of July or early August, a senior oil official said.

The official said the ministry was studying proposals presented by international companies to build another 150,000-barrel-per-day refinery in Karbala.

[How the Greens Captured Energy Policy](#)

The only group in American that sees energy policy achieving some of their goals are the ones who oversaw its implementation from the beginning: the environmentalist Greens. It's obvious that our energy policy was intended not for the benefit of the public, or industry, or government, but almost solely to fit the agenda and goals of the Green movement, and not even the public agenda and goals, but the core agenda rarely referred to except through euphemism.

[This love that cranks my motor](#)

I'M in a destructive relationship. I know it's selfish and immoral and not doing anyone any good but I can't help it.

Every time I try to break it off, the thought of living without the object of my love and lust feels impossible.

So my oversized inner-city car stays right where she is in my undersized inner-city driveway. Together we guzzle natural resources, clog Sydney side streets and scrape bits off smaller vehicles that are silly enough to get in our way when were trying to park.

[The world they will inherit](#)

When Hawke's Bay farmers Greg and Rachel Hart's eldest child, George, was born four years ago they began to think about the world he would inherit.

Gradually, they came to the realisation that if something wasn't done he and others of his generation would be left with a polluted planet dangerously depleted of its natural resources.

[International Energy Agency sees robust oil demand in developing economies in 2008-2009](#)

PARIS: The International Energy Agency on Thursday slightly raised its forecast for global oil demand this year and said growth would continue in 2009 thanks to demand in developing countries.

Global demand for petroleum products such as gasoline, diesel and heating oil will grow by 1 percent, or 890,000 barrels a day, to 86.9 million barrels a day in 2008, the Paris-based watchdog said in its monthly report. That's up slightly from the 0.9 percent increase the IEA forecast last month.

In 2009 global oil product demand will expand by 1 percent or 860,000 barrels to 87.7 million barrels a day, the IEA said.

[Schools cutting bus service because of fuel prices](#)

School administrators are spinning their wheels trying to cope with the soaring costs of fuel for school buses. The bottom line: More students will walk farther this fall.

"All the less drastic measures have pretty much been exploited," says Robin Leeds of the National School Transportation Association. "All that sort of easy-picking fruit has been picked."

[Gas Prices Spur Drivers to Cut Use to Five-Year Low](#)

As average gas prices hit a record high of \$4.108 a gallon this week, the government released new data showing that drivers have cut back their use of the fuel to levels not seen in five years.

...Even through the Fourth of July weekend -- a time when Americans traditionally get on the road -- gasoline consumption dropped 3.3% from last year to 9.347 million barrels a day, according to weekly data released by the federal Energy Information Administration. For the first week of July, that is the least drivers have used since 2003, when consumption was 9.05 million barrels a day.

[Get Ready for the Post-SUV World!](#)

With big-box vehicles waddling off into the sunset, we can expect the nation's roads to become safer and less crowded. But just as the end of the Cold War failed to bring with it a promised peace dividend, the end of the SUV era is unlikely to bring a "green dividend" -- unless it is accompanied by much bigger changes. The numbers show that even the complete disappearance of SUVs from the nation's roadways, without other fuel-saving developments, would put only a slight bend in the rising curve of national fuel consumption.

[We're not yet running on empty](#)

Quite recently I had lunch with the chairman of one of the world's largest oil companies. He has a simple test that tells him whether the surge in the world oil price is the result of supply or refining difficulties, or can be explained by other factors such as geopolitical uncertainty or financial transactions such as hedging - a polite word for speculation.

If, as he drives past the huge gauges at the oil-storage silos in Rotterdam, headquarters of the free market in oil, the dial registers close to full, he knows the upward movement in the oil price has little to do with supply. If the gauge is low, he knows that there is a potential production or refining problem and a genuine shortage.

[Sydney petrol price skyrockets](#)

The price of petrol has skyrocketed to record highs overnight, with some Sydney service stations selling unleaded fuel for 173.9 cents a litre.

...The price of 173.9 cents a litre - recorded at petrol stations on the lower north shore - is more than 15 cents higher than yesterday's average bowser price in Sydney, which the NRMA recorded at 158 cents a litre.

[Canada: SUV sales plummet as gas costs rise](#)

Cornwall Auto Sales' Mike Benoit said locals tend to purchase sport utility vehicles (SUV) nowadays for substance more than style.

"People buy SUVs because of need, to pull a trailer," Benoit said. "They bought them for style before; (but also) more for the image of them."

People with children favour mini-vans or cross-overs now, according to Benoit, or what Shawn Maloney, owner of Miller Hughes Ford, calls CUVs (crossover utility vehicles), a scaled back version of an SUV that combines the ride of a car with the storage abilities of an SUV and better fuel economy.

[India: Crude oil price hike plagues plastic makers](#)

The unprecedented hike in crude oil prices has started taking its toll on local plastic manufacturers.

Plastic products and engineering parts manufacturers are finding it difficult to procure the raw materials required for production in the wake of a 30-35 per cent hike in prices.

[School lunch programs hit by food prices](#)

WASHINGTON (AP) — Add schools to the list of places hit hard by rising food prices.

The school lunch program — long a reliable source of food for kids — is having serious trouble making cheap, healthy meals.

The culprit is food prices that have rocketed higher as fuel prices rise. It's not just the zooming cost of oil and gas; food prices are also driven by demand for corn-based ethanol, worldwide demand for food and the weak dollar, among other things.

[Northwest Air to Cut 2,500 Jobs to Blunt Fuel Costs](#)

(Bloomberg) -- Northwest Airlines Corp., the carrier being bought by Delta Air Lines Inc., will eliminate 2,500 jobs to counter record fuel costs.

[High-speed trains seize short-haul market as fuel cost cripples the airlines](#)

The airline industry has been crushed by the price of kerosene and deserted by passengers fed up with delays. After decades of disappointment, false dawns and virtually bankrupt Channel Tunnels, we have finally arrived at the age of the train and the evidence is in the crowd at St Pancras.

[Airlines: Curb oil speculation](#)

In open letter, 12 U.S. airlines call on Congress to curb excessive speculation that they say drives up oil and fuel prices, slamming the airline industry.

[White House rejects call to tap oil stockpile](#)

WASHINGTON - The White House on Tuesday rejected a call from House Speaker Nancy Pelosi to release oil supplies from the U.S. Strategic Petroleum Reserve to help bring down fuel prices.

[T. Boone Pickens: My Plan to Escape the Grip of Foreign Oil](#)

Consider this: The world produces about 85 million barrels of oil a day, but global demand now tops 86 million barrels a day. And despite three years of record price increases, world oil production has declined every year since 2005. Meanwhile, the demand for oil will only increase as growing economies in countries like India and China gear up for enhanced oil consumption.

[Energy Independence: The Final Frontier](#)

Who said the following?

“Our ability to meet our own energy needs is directly linked to our continued ability to act decisively and independently at home and abroad in the service of peace, not only for America, but for all nations in the world.”

Answer: Richard Nixon. Amidst Watergate and the Viet Nam War, Nixon said we need a top-level government focus on energy independence equivalent to the US's program to put a man on the moon.

Nixon also wanted more public funding to explore Alaskan oil and gas, offshore oil reserves, nuclear energy and synthetic fuels from coal and oil shale. The United States, Nixon said, should be independent of all oil producing countries, “including our Canadian friends,” by 1976, saying that the United States must be independent in this area, and we can be.”

[OPEC chief warns of 'unlimited' oil prices if Iran is attacked](#)

VIENNA: The head of the Organization of Petroleum Exporting Countries warned Thursday that oil prices would see an "unlimited" increase in the case of a military conflict involving Iran, because the group's members would be unable to make up the lost production.

"We really cannot replace Iran's production - it's not feasible to replace it," Abdalla Salem El-Badri, the OPEC secretary general, said in an interview.

[Total withdraws from Iran amid political tensions](#)

PARIS: Total, the French oil giant, has decided to back away from planned investments in Iran because of political uncertainty, a company official said Thursday.

Total's withdrawal from the country, including a planned massive gas project in the South Pars gas field, makes it the last major Western oil company to give up on Iran amid pressure from Washington to stop doing business with the Tehran government.

The United States, Israel and other Western countries say Iran is seeking to developing nuclear weapons, but Iran says the program is for civilian purposes.

[Nigerian militants end cease-fire in oil region](#)

ABUJA, Nigeria - Nigeria's main militant group said Thursday it would resume attacks in the country's oil-rich river delta region because of Britain's recent pledge to back the government in the conflict there.

A top leader with the Movement for the Emancipation of the Niger Delta told The Associated Press that the group was abandoning a two-week-old cease-fire as of midnight Saturday. He spoke anonymously to avoid identification and capture by the authorities.

[Inpex Says Kashagan Oil Field Delayed by Two Years to 2013](#)

(Bloomberg) -- Crude-oil production at the Kashagan project in Kazakhstan, one of the largest discoveries in the last three decades, may be delayed by two years to 2013, Inpex Holdings Inc. said.

``It's more realistic to expect Kashagan production to start in 2013," Chief Operating Officer Katsujiro Kida told investors in Singapore yesterday. Inpex, Japan's biggest oil explorer, said it has an 8.33 percent stake in Kashagan.

[Egypt begins pumping natural gas into Syria as part of giant pipeline project](#)

DAMASCUS, Syria: Egypt has begun pumping natural gas to Syria by a pipeline running through Jordan as part of a giant project to export Egyptian gas to the Middle East and eventually to Europe, Syria's oil minister said Thursday.

[In Japan, resistance rises to nuclear-power plans](#)

As global interest in nuclear power grows, Tokyo Electric Power Co.'s struggle with the world's largest nuclear plant -- shut down after an earthquake a year ago -- illustrates how tricky and expensive operating such facilities can be.

[Argentine natural ice dam bursts for first time in winter](#)

BUENOS AIRES (AFP) - A natural ice dam in southern Argentina broke open spectacularly on Wednesday -- the first time it has burst in winter, prompting experts

to say climate change was the reason.

[Japan giving 300-million-dollar climate loan to Indonesia](#)

TOYAKO, Japan (AFP) - Japanese Prime Minister Yasuo Fukuda on Wednesday announced a loan to Indonesia of 300 million dollars in the first batch of aid under Tokyo's new initiative on fighting climate change.

[Key developing nations reject G-8 climate plan](#)

TOYAKO, Japan - China, India and other energy-guzzling developing nations on Wednesday rejected key elements of a global warming strategy embraced by President Bush and leaders of wealthy nations. And the U.N's top climate official dismissed the G-8 goals as insignificant.

[Decade-long Australian drought worsens](#)

CANBERRA, Australia - A decade-long drought in Australia's most important crop-growing region is worsening and there is little hope for relief from either saving rains or a new government conservation plan, officials said Thursday.

The Murray-Darling river system, which produces 40 percent of Australia's fruit, vegetables and grain, is facing an economic and ecological crisis because of a decade of below-average rainfall.



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