



DrumBeat: July 30, 2008

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Topic: [Miscellaneous](#)

[Russia further cuts its oil deliveries to Czech Republic](#)

BERLIN: Russia has further reduced its oil deliveries to the Czech Republic, bringing total July cutbacks to 50 percent, senior Czech officials said Wednesday, a disruption that is again calling into question Russia's reliability as an energy supplier to Central and Eastern Europe.

Supplies were reduced about 40 percent early in the month. A further cut in the past few days reduced the flow to half its pre-July level, officials said.

['Dreamtowns' offer refuge from big cities](#)

America may be a metropolitan nation, but most of us don't seem very happy about it.

A total of 252 million people — 83.5 percent of all Americans — live in metropolitan areas. That includes 164 million in the 51 biggest metros, the ones with populations above 1 million.

Yet a substantial number of these residents of big cities and inner-ring suburbs don't have their hearts in it. They would prefer to live on the suburban fringe or in small-town America, as repeatedly shown by surveys during the past decade.

[Making the Shift to Sustainability](#)

I hate to break it to you, but simple steps, like changing your light bulbs and driving a hybrid car, though they are good steps in the right direction, will not be enough to save our world from collapse. If we consider "Plan A" to be business as usual, which is currently consuming, depleting, and poisoning the natural systems that maintain life on Earth, then we might call a sustainable alternative "Plan B". It has been estimated that a viable Plan B could be implemented by diverting just 1/6th of the world's current military expenditures to supporting and implementing the sweeping changes needed to shift our world's course from collapse to sustainability. Are we that stupid, short sighted, or selfish that we can't devote this much to saving our planet?

[Truck builders looking back to the future](#)

So with some truck buyers turning their noses up at pickups because of high gas prices, automakers must still find a way to appeal to them. Some are looking at producing the compact pickups popular in the 1970s and '80s as a way to do that.

[Study: U.S. has up to 50% more natural gas than once thought](#)

U.S. natural gas reserves are far more plentiful than previously estimated, says an industry study being released today — a discovery that heralds a potential remedy to the energy crisis.

The report says the U.S. has up to 50% more natural gas reserves than earlier projections because of higher-than-expected yields from 22 shale formations in 20 states.

The industry says the findings should prod policymakers to provide incentives to wean the nation from \$4 gasoline and move to compressed natural gas as a standard fuel in many cars and trucks.

[UK: Soaring energy bills will fuel inflation](#)

The soaring energy bills faced by millions of British Gas customers are also bad news for the Bank of England's efforts to keep a lid on inflation.

The official measure of the cost of living - the Consumer Prices Index - is currently almost double the Bank's 2 per cent target, reaching 3.8 per cent in June.

[Solving the energy crisis: You decide](#)

As Americans grapple with record oil and gas prices, politicians facing angry voters have offered up a variety of solutions. Tell us what you think.

[The latest bubble to burst? Trucks and SUVs](#)

Thanks to \$4-a-gallon gasoline, the bottom has dropped out of new-vehicle demand for pickups and SUVs. The housing bust has also hurt pickups directly, since many are bought for use in construction businesses. Those factors have had a corresponding effect on used-car values for those vehicles.

"I've never seen anything like it, where segments have fallen as much as they have and as quick as they have," says Ricky Beggs, vice-president and managing editor of Black

Book, a widely used industry benchmark for trade-in prices and used-car auction data.

[Delta doubles second-bag fee to \\$50](#)

ATLANTA - Delta Air Lines Inc., the nation's third-largest carrier, will double its charge for checking a second bag on a domestic flight as part of a set of fee increases to help offset the high cost of fuel.

[Pedal power challenges car culture as cyclists seize Los Angeles freeways](#)

Los Angeles, meet the bicycle.

Of all the least-expected consequences of soaring fuel prices, this has to be near the top of the list: swarms of cyclists are taking to the intimidating, multi-lane thoroughfares of Los Angeles, some even defying the law and whizzing between the stationary cars on the gridlocked freeways.

The result is a city of diehard motorists in need of some anger management. Criminal charges have already been filed against one driver accused of deliberately braking in front of two cyclists in the wealthy suburb of Mandeville Canyon — home of the world's most famous Hummer-driving road hog, Arnold Schwarzenegger. Both cyclists ended up in hospital.

[FACTBOX - China's options to end its power shortage](#)

(Reuters) - China is facing its worst summer power shortages in four years, because generators cannot source coal supplies or refuse to pay soaring fuel prices while they have to sell their power at unprofitable state-set tariffs.

The government has years of experience in trying to keep diesel and gasoline pump prices down while international crude markets soar, so it has a range of policy options to end the shortage -- but none of them promise an easy solution.

[Coal paucity may force Nalco's alumina refinery to shut down](#)

India's second largest aluminum producer—National Aluminium Co (Nalco)— may be forced to shut down its alumina refinery in Orissa within a few days due to acute paucity of coal. “We have received no coal from Mahanadi Coalfields Ltd (MCL) for the past seven days. Though we have managed to acquire 3,000 tonne of coal via e-auction route, it will only last for next two days,” said Nalco CMD CR Pradhan. He pointed out that the quality of coal received was very poor and contained stones too.

[Indonesia: About 2,000 industries ready to shift Saturday, Sunday days-off](#)

The government has called on industries to shift their Saturday and Sunday days off to week days so that power supply surpluses on Saturdays and Sundays can be put to productive use and their need for power on weekdays can be reduced.

[Asphalt shortage stalls Pierce County roadwork, repairs](#)

Blame cokers. Or light crude. Or the rising price of oil. Either way, Pierce County has run out of asphalt. The county announced Tuesday that it was canceling preventative chipsealing maintenance of 48 lane miles of roads because of a shortage of liquid asphalt.

[Riders flock to T in record numbers](#)

In a world of \$4-a-gallon gasoline prices, grocery bills that break the family piggy bank, a seemingly endless home foreclosure crisis, and rising anxiety about the unsettled state of the US economy, there is at least one winner: the MBTA.

In fiscal 2008, according to numbers to be released today by the Massachusetts Bay Transportation Authority, nearly 375 million people took public transportation, 21 million more riders than the state agency had in fiscal 2007, a 6 percent leap and the highest ridership total in the agency's 44-year history.

[Bush to talk energy, push for offshore drilling](#)

(CNN) -- President Bush will meet with his Cabinet on Wednesday and is expected to discuss congressional efforts to combat high gas prices.

After the meeting, the president will make a statement about energy and gas prices, with Cabinet members and Vice President Dick Cheney by his side in the Rose Garden.

[Global trade talks fall apart](#)

The issue that scuttled the talks involved a demand by India and China for the right to increase tariffs if food imports surged. Both countries have several hundred million small-scale farmers whose livelihoods would be threatened by larger, more efficient U.S. and European producers.

Critics of the Doha process, saying rich countries were pushing a deal that would hurt food consumers everywhere, welcomed the talks' end. "Thank God no deal was reached," said Public Citizen's Lori Wallach.

[What are the real implications of peak oil in a culture where common sense has been suppressed by consumerism?](#)

It's an abundance of energy that makes possible the kinds of excess that many parents practice with their children. It is also energy that elevates and continuously upgrades our expectations, which then in turn become the new societal norm. Our common sense tells us these expectations as to what is normal, have little basis in reality and in many ways are harmful to our children. So why then do parents that know all the reasons that they shouldn't do something, do it anyway? Whatever force it is that encourages moms and dad to throw away the parental rulebook must be effective indeed and the only way that rulebook can be ignored, is if a definitive effort has been made to render it obsolete.

[Beijing pollution index shows improvement](#)

BEIJING (AP) — Beijing's dirty air showed dramatic improvement Wednesday, with a city environmental official saying curbs on cars and factories are having the desired effect in cleaning up the air for the Olympics.

The air pollution index dropped to 44 on Wednesday, less than half what it was a day earlier, and the lowest since July 20 when a series of drastic measures were implemented to improve air quality ahead of the games.

[Will pond scum become the new oil?](#)

A 2004 study by Michael Briggs at the University of New Hampshire, using an NREL model for algae production, estimated a cost of \$308 billion to build enough farms in the United States to "replace petroleum transportation fuels with biodiesel." An additional \$46 billion would be needed to maintain them, the study concluded.

In the wake of the current energy crisis, those numbers are beginning to look like a bargain. The United States imported more than 10 million barrels a day last year at an average price of \$72 a barrel and the average price of crude oil has hovered above \$100 dollars a barrel for the past few months, according to the U.S. Energy Information Administration.

[Environmentalists, businesses reach compromise](#)

Governmental inaction is prompting environmental groups and big business to cut unprecedented deals to promote energy exploration and other development in return for major conservation initiatives.

The agreements preserve large amounts of undeveloped land, impose stricter

environmental practices than required by law and generate big investments in alternative energy. The deals also clear the way for oil drilling, new power plants and large residential developments.

[Coalition is seeking more offshore drilling](#)

WASHINGTON — Frustrated by Washington's election-year failure to address painfully high energy prices, lawmakers from both parties are teaming up to push for more drilling offshore.

Bypassing their own congressional leaders and committee chairs, coalitions in both the House and Senate are cobbling together compromise energy plans they hope will generate a groundswell of public support and force Congress and the White House to take concrete action to address the nation's energy crisis.

[Oil prices drop, easing fear of energy shock](#)

NEW YORK – Is oil's meteoric rise finally burning out?

Oil prices continued their overall slide Tuesday, tumbling more than \$2 a barrel, finishing at their lowest level in seven weeks.

The sharp drop in energy prices since the beginning of the month is turning into a rare bright spot in a bleak economic landscape. For the moment, at least, fears of a prolonged energy shock seem to have subsided.

[Mexico says reform won't reverse oil woes fast](#)

MEXICO CITY (Reuters) - It will be hard for Mexico to restore flagging oil output before 2020 to recent levels of 3 million barrels per day, even if the government pushes through a plan to boost foreign investment in production efforts, a top energy official said on Tuesday.

Mexico's status as a top supplier of crude oil to the United States is under threat because of a steady fall in output, which in the last year has slipped below the country's recent production goal of 3.0 million bpd.

[As fuel costs rise, more people opt to share a ride](#)

ROUTE 95 Peering out the passenger seat window of a three-person carpool, Sharon Raiche scans the morning rush-hour traffic and observes one of the great ironies of the

current energy crisis.

The cars, pickup trucks and SUVs that crowd the highway for the daily ritual almost all have a single passenger — the driver. Even with gasoline prices at near-record levels, the vast majority of Americans drive to work, and they drive alone.

“Nobody carpools,” says Raiche as she looks cars with only one occupant headed north toward Providence.

Well, almost nobody.

[Drought triggers energy crisis in Iran](#)

Iran is considering raising electricity prices five-fold as early as September in order to curb domestic consumption as it grapples with a power crisis brought on by the worst drought to hit the country in more than a century.

The drought has caused hydroelectric output to fall 75 per cent, Alyssa Rallis, an economist with the energy consulting firm Global Insight, said in a new report. In partial compensation, the mostly gas-fuelled thermal power plants have increased production by 25 to 27 per cent, she said, citing Fars News.

[Domestic Energy Access](#)

To make matters worse, we hear more and more babble about “peak oil,” the notion that the planet has reached some technological limit on the amount of petroleum and natural gas that can be extracted from the Earth. This is sheer nonsense. The world has an ample inventory of fossil fuels, including more than 40 years of proven oil and 60 years of proven natural gas. And a sizeable portion of those reserves is located right off the coast of Florida.

[Rival factions clash in Nigeria oil region - army](#)

PORT HARCOURT, July 30 (Reuters) - Rival militant factions in Nigeria's oil-producing Niger Delta have clashed in an apparent turf war, killing at least one soldier from an army unit sent to intervene, a military spokesman said on Wednesday.

...The fighting underscores the deteriorating security situation in the delta, the heartland of Nigeria's 2 million barrels per day oil industry, where militants have been blowing up pipelines and criminal gangs kidnapping people for ransom.

"It is just getting messier. It looks like there is a rupture developing between the main protagonists," one private security contractor working in the world's eighth biggest crude oil exporter said.

[Dutch report warns of oil crisis in 2010](#)

A sustained period of worldwide oil scarcity will begin sooner than generally forecast and could spark off military conflicts in Africa, according to the Dutch Clingendael institute for international relations, reports Wednesday's Volkskrant.

According to Clingendael, the oil shortage will begin to bite in 2010, five years earlier than predicted by the International Energy Agency.

Note: there's a PDF of the report in English, [here](#).

[Motorists help gasoline prices slide](#)

Gasoline prices skidded sharply lower during the last week partly because motorists have been curbing their driving -- cutting back so much that Transportation Secretary Mary E. Peters warned Monday of a looming shortfall in the fund that pays for highway and bridge construction and repairs.

[As oil nears 20 percent "bear" market, bulls unfazed](#)

SINGAPORE (Reuters) - As the rout in oil prices nears the 20 percent mark that for stocks would signal a bear market, many analysts offer a word of caution -- don't mistake a healthy correction for the end of a multi-year bull trend.

[Restaurant Chains Close as Diners Reduce Spending](#)

Trips to the mall or the local tavern -- the casual outings that provide much of the business for midtier retailers -- are falling by the wayside, analysts said, as gas prices reach record highs and Americans tighten their household budgets.

"Even folks for whom \$3 gas is not necessarily a budget issue appear to be changing their behavior," said Bryan C. Elliott, an analyst at Raymond James & Associates.

[Gas Crisis Fuels Dubious Online Offers](#)

Want to cut your fuel costs by 60 percent, use water as fuel, receive a free \$1000 gas card, or lock down the price of gas to \$2.49 a gallon? You can find these offers on the Web -- but experts say most are bogus, designed to collect personal information, to get you to sign up for services you may not want, or to sell you pricey gizmos that won't save you a dime in fuel costs.

[Energy Conservation: Starting At Home](#)

This spring, Gov. Martin O'Malley signed a law that calls for a 15 percent reduction in electric use, per capita, over the next seven years. If successful, Maryland will reduce greenhouse gas emissions and achieve a cleaner environment. These efforts also will reduce the state's need to build new power stations and transmission lines. While no one will be rewarded for making that 15 percent reduction, or punished for failing to meet it, it is an important effort.

[Pickens on his energy plan](#)

Back in 1996 when Bob Dole ran for president and I was his energy advisor, and he told me, "Energy is a sleeping dog, and I'm not going to kick the dog. And then there's Clinton, and you won't be much use in this case, but just in case something happens, and the subject came up, I'll call you and you help me."

Well, he was right on: Nothing happened in '96. And he also told me on ethanol, he said, "Ethanol is, you say it's a bad fuel." I said, "Come on Bob, you spend more money making it than importing it." And he said, "Let me explain something to you about politics: There are 21 farm states, and that's 42 senators. Don't go any further." I'm getting the picture. I said, "They want ethanol." He said, "They're going to have ethanol." And so he said, "Don't waste any more of our time or your time telling us it's a bad idea, because they're going to do it."

[Turf War Hits Iraq's Oil Industry](#)

BAGHDAD -- A political turf war is threatening the stability of Iraq's biggest cash cow: the embattled but so-far dependable South Oil Co.

[Libya resumes oil deliveries to Switzerland](#)

GENEVA - Libya has resumed deliveries of oil to Switzerland which were cut off last Thursday in a diplomatic row over the arrest of Libyan leader Moamer Kadhafi's son, the head of the Swiss Petroleum Association said Wednesday.

"A tanker was loaded with oil yesterday and left Libya for Genoa," Rolf Hartl told AFP. "It is the first tanker to have left Libya since the beginning of the crisis."

[Venezuela worried by Barbados offshore oil plans](#)

Venezuela's government wants to know if Barbados plans to grant licenses for offshore

oil drilling within Caribbean waters claimed by the South American country.

Oil Minister Rafael Ramirez says foreign ministry officials plan to contact Barbados to discuss the possible violation of Venezuela's sovereignty in the Caribbean Sea.

[Libya says oil's drop is probably temporary](#)

LONDON (Reuters) - The sharp drop in oil prices from a record high earlier this month is probably temporary, but it would be worrying if it continued, the top oil official for OPEC member Libya said on Wednesday.

[U.N.: Millions Hungry in North Korea](#)

With shriveled harvests and a cutback in imports, North Korea has slipped back into a serious food shortage that is causing millions of people to go hungry, the United Nations announced Wednesday.

[4.5 Billion Years in Provence](#)

Recent radioactive leaks in France provide a cautionary tale for America's "nuclear renaissance."

[Giant chunks break off Canadian ice shelf](#)

OTTAWA - Giant sheets of ice totaling almost eight square miles broke off an ice shelf in the Canadian Arctic last week and more could follow later this year, scientists said on Tuesday.

In a development consistent with climate change theories, the enormous icy plain broke free sometime last week and began slowly drifting into the Arctic Ocean. The piece had been a part of the shelf for 3,000 years.



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