



DrumBeat: August 12, 2008

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Topic: [Miscellaneous](#)

[High gas prices make motorists click on carpool sites](#)

NEW YORK — Robert Gilliland didn't think much about carpooling until gas prices got out of control. Now, he's happy to trade his motoring freedom for \$120 in weekly savings.

Gilliland found one rider through the classifieds website Craigslist and another using the carpool-matching service eRideShare.com. Thousands of commuters like him have turned to the Internet to arrange shared rides as average gas prices hover around \$4 a gallon.

[Four-day work week gets A+ at college](#)

It was welcome news to students when Brevard Community College in Cocoa, Florida, decided to experiment with a four-day work week. A year ago, as energy costs headed up and the school faced cuts in state funding, college President James Drake, who drives a hybrid, decided to give the shortened work week a try.

It worked out better than anyone could have imagined, Drake says.

[TEPPCO: Low sulfur diesel out at Shreveport terminal](#)

NEW YORK (Reuters) - TEPPCO Partners said it was halting liftings of low sulfur diesel from its Shreveport, Louisiana, terminal from Tuesday afternoon until August 21, according to a notice sent to shippers.

[Opec output hits all-time record](#)

Opec last month pushed its production to the highest level in its 48-year history even as demand was slipping in the US and Europe, the International Energy Agency (IEA) said on Tuesday.

The combination of surplus supply and weaker demand has pushed oil prices to \$113.50 a barrel, down 24 per cent in the past month and the lowest level since late April.

The effort was led by Saudi Arabia, which had come under increasing pressure for doing too little to compensate for lower supplies from countries outside Opec, where growth has been lacklustre as fields have aged in countries such as the UK and Mexico.

[Russia's vast energy supplies worry US](#)

WASHINGTON - The Cold War competition between the United States and Russia — played out in Europe with the threat of mutual nuclear destruction — ended with the collapse of the Soviet empire nearly two decades ago.

But the Russian bear has re-emerged from its cave with a new and powerful weapon — the West's dependence on Moscow's vast energy supplies.

['Snake Oil': Debunking three 'truths' about offshore drilling](#)

We agree that the Arctic National Wildlife Refuge, with its varied and sensitive ecosystems, should be preserved. In the quest for new sources of energy, there are trade-offs. That pristine area must remain off-limits. But there are three "truths" masquerading as fact among drilling opponents that need to be challenged...

[Stop the rush to corn biofuel](#)

Despite a recent dip in gas prices, energy still tops the issues in the US campaign. The Bush administration stirred the debate last week by refusing a request to reduce a mandate for more corn ethanol in gasoline. Even John McCain opposes this false notion that converting a vital food into fuel helps energy security.

[General Motors VP says Australia must end oil dependence](#)

Australia must move quickly to end its dependence on imported oil for transport to capitalise on the country's massive bank of alternative energy sources.

LPG should be the first step, followed by everything from compressed natural gas to hydrogen and even solar power for plug-in electric cars, according to the energy expert at the world's largest carmaker.

"If I did have that magic wand in Australia I would definitely focus on energy diversity," Larry Burns, the vice-president for planning at General Motors, said in Melbourne yesterday.

[Problems at Petro-Canada refinery lead to gasoline shortages](#)

CALGARY — Petro-Canada warned Tuesday that problems at its Edmonton refinery may result in gasoline shortages at its stations in Alberta and parts of British Columbia.

The company said that a problem with a catalytic cracker at the 125,000 barrel per day refinery would lead to a shortfall in supplies. The company is working to fix the problem and is shipping gasoline from alternative sources.

“We are running on available inventories right now,” said Jon Hamilton, a spokesman for Petro-Canada. “We’ve communicated with other gasoline suppliers in the area ... to see if there is any available supply. We’ve also looked internationally.”

[Oil in troubled mountains](#)

MONTREAL - The armed conflict between Russian and Georgia has further exposed the fragile position of the energy links running through the smaller country from the Caspian Sea to developed market economies.

Russian forces are placed to disrupt oil flows through the Baku-Tbilisi-Ceyhan (BTC) pipeline, which has carried Caspian Sea oil from Azerbaijan across Georgia to Turkey since 2006, and the Baku-Tbilisi-Erzurum pipeline, which opened last year and exports gas to Turkey, as well as the older Baku-Supsa "early oil" line that runs to the Georgian Black Sea coast.

[It is largely about oil pipelines](#)

As Russia's unnecessary, immoral and illegal military campaign in Georgia grinds onward, the world should not be fooled by President Dmitri Medvedev's claim that his troops are fighting "to restore peace to South Ossetia."

The Russian assault has very little to do with Georgian President Mikheil Saakashvili's ill-advised decision to send troops into that troubled region, and owes much more to Moscow's determination to control energy supplies in the Caucasus and strengthen its position as a near-monopoly supplier to Europe.

[Georgia conflict casts shadow for investors](#)

LONDON (Reuters) - The sudden outbreak of the Georgian conflict has left investors looking nervously at other economies in the region, with Ukraine and the Baltic states seen particularly exposed to a resurgent oil-rich Russia.

Russian equities and the rouble have already fallen on the conflict, while Georgia has faced credit ratings downgrades and is seen likely to suffer further economic fallout even if the actual fighting ends quickly.

"Going to war with Russia is bad for your creditworthiness, to put it mildly," said Edward Parker, head of emerging European sovereigns and ratings agency Fitch.

[New Report Details Historic Mass Extinction Of Amphibians; Humans Worsen Spread Of Deadly Emerging Infectious Disease](#)

Amphibians, reigning survivors of past mass extinctions, are sending a clear, unequivocal signal that something is wrong, as their extinction rates rise to unprecedented levels, according to a paper published by the Proceedings of the National Academy of Sciences (PNAS). Humans are exacerbating two key natural threats – climate change and a deadly disease that is jumping from one species to another.

[Oil from the OCS Moratoria Areas – A Gusher? Or Too Little, Too Late?](#)

We have all seen by now the commercial where Boone Pickens warns that we "...cannot drill ourselves out of this energy crisis..." At the same time, the White House asked Congress to lift the ban on offshore drilling in the moratoria areas of the Outer Continental Shelf (OCS) and polls show that a large majority of the US population believes that offshore drilling can lower gasoline prices. To find out where the truth lies, let's look at some data so that we can decide if lifting the ban on OCS drilling is a sound business decision.

[BP begins marketing Thunder Horse crude: traders](#)

NEW YORK (Reuters) - BP Plc has begun marketing production from its 250,000 barrels per day Thunder Horse oil field in the U.S. Gulf of Mexico, U.S. cash crude traders said on Tuesday.

BP was offering Thunder Horse crude at prices comparable to light sour Eugene Island for September pipeline injection, traders said.

[BP still waiting for damaged Turkish pipeline to cool](#)

BP is waiting for an oil pipeline in eastern Turkey to cool before it can assess the damage after an explosion last week and has shut oil and gas pipelines across Georgia on security concerns.

...Damage assessments in Turkey "will probably start over the next day or two," Murat Lecompte, external affairs director for pipeline operator BTC Co., said in a telephone

interview. "How long the assessment will take we don't know yet."

[Carolyn Baker: No Longer a Lunatic](#)

It's the same with everyone I speak to who's been watching the downward spiral of empire for any length of time: "I can't believe how fast things are unraveling", we all say to each other. The incessant mantra these days from people who haven't been paying attention is that "things are going to get better", but almost no one is denying that we are in uncharted waters beyond anything we've experienced since the Great Depression. The uninformed are traumatized, and traumatized people almost always revert to "it's going to get better" thinking in order to cope with their current plight.

I continue receiving emails from former students and former readers of *Truth To Power* which essentially state, "We thought you were a raving lunatic when you were telling us this stuff five years ago, but everything you said would happen is happening." Included in these comments are reports of foreclosures, bankruptcies, lost jobs, loss of student loan funding, medical bills that can never be paid off, applying for food stamps, regular trips to food banks, illnesses that cannot be treated because of lack of insurance or funds, depression, rage, profound ennui, and a sense of meaninglessness.

[India: Coal minister denies fuel shortage for power plants](#)

New Delhi (IANS) Minister of State for Coal Santosh Bagrodia Tuesday said there was no shortage of coal for power plants, and instead accused them of not maintaining 20 days' stock as per norm.

'Actually, there is no real shortage of coal for power plants. Wherever there is a shortage or delay in supply, it is because of infrastructure or law and order problems or sabotage,' Bagrodia told reporters here.

[Jordan - Fuel delivery chaos to subside](#)

(MENAFN - Jordan Times) Gas stations Monday were still struggling with a state of chaos with long lines of vehicles waiting to fill up amid a shortage of gasoline 90 (octane number) in the local market following a decision to lower fuel prices.

But concerned parties said the situation is expected to end soon and the demand-supply circle will be stabilised.

[Electricity shortage to hit GCC real estate](#)

A shortage of electricity in the Northern Emirates and other GCC states will bankrupt many real estate developers if they fail to introduce private generation, says a top energy analyst.

Economist Dr Anas Alhajji, who toured the Gulf recently to determine the effects of power shortfalls in region, told Emirates Business the problem was likely to worsen and alternative measures would have to be taken to deliver projects.

[Sri Lanka: Fuel shortages hinder medical procedures at Kilinochchi Hospital](#)

A severe fuel shortage is hampering important life saving medical procedures at the Kilinochchi Hospital, according to a report published on Sri Lanka's premier Tamil daily - Virakesari's website.

Patients requiring respiratory therapies and ventilation also refrigeration needed for certain medicines - are depended on fuel using generators for electricity at the Kilinochchi hospital. Without sufficient stock of fuel, patients face life threatening dangerous situations and medicines worth several lakhs of rupees are feared to be spoiling, according to Virakesari report.

[Toyota sees potential for exporting U.S. trucks](#)

TRAVERSE CITY, Michigan (Reuters) - Toyota Motor Corp is considering exporting U.S.-made trucks including its full-size Tundra after scaling back its sales expectations for the U.S. market under pressure from record fuel prices and a slumping housing market.

[11 mileage-obsessed questions](#)

It's never been easy to buy a car, but with soaring gas prices, you may have a lot more to ask about what's best for you. Here are the answers.

[Monbiot: Old King Coal is a brave old soul, but he is talking utter nonsense](#)

Arthur Scargill is a brave man. He was brave to come to the climate camp at Kingsnorth last week. Though we disagreed with most of what he said, he earned our respect for his willingness to debate. He is brave to return to public life after suffering one of the nastiest vilification campaigns in British history, and is brave to be fighting for coal again. He is especially brave to offer to asphyxiate himself in the interests of science. Many people would be willing to help him perform this experiment at the earliest opportunity.

But he is also wrong. In his article last week demanding a return to coal and accusing me of selling out, Scargill suggested that radioactive discharges are more dangerous than

carbon emissions. This, of course, is nonsense; but if he really believes it he should be campaigning against the burning of coal.

[Cue the sun: polluters back a solar system](#)

A PROPOSAL to build the world's biggest solar power station in the outback within three years has been backed by some of the nation's biggest polluters, including BHP Billiton, Rio Tinto and Woodside Petroleum.

The solar thermal plant would generate 250 megawatts of electricity at peak times, enough to power about 100,000 households, at a start-up cost of almost \$1 billion.

[Reading China's oil demand is getting harder](#)

BEIJING (Reuters) - Oil traders have long been accustomed to reading the tea leaves for clues to the true state of fuel consumption in China, but even the savviest analysts are being tested this year by a befuddling mix of signals.

An unexpected second month of weak crude oil imports reported on Monday gave fresh vigour to the bears, who read it as a signal that refiners had overestimated demand; bulls are still enraptured by surging diesel and gasoline imports, which they say may continue as industries resume operations after the Olympics.

Both could be wrong.

[Pelosi open to vote on offshore drilling](#)

(CNN) -- U.S. House Speaker Nancy Pelosi reversed her opposition to a vote on offshore drilling on "Larry King Live" on Monday night, saying she would consider a vote if it were part of a larger energy package.

[Trip to ANWR yielded answers on oil drilling](#)

In the middle of July I spent my own campaign money on a trip to the Arctic National Wildlife Refuge where I led a group of seven congressional candidates from around the country on a fact-finding mission to learn about energy independence. I spoke with energy experts, environmental experts, local community leaders and regular Alaskans about their thoughts on drilling for the 16 billion barrels of oil that are located in the coastal plain of ANWR.

I learned firsthand that it won't take 10 years for more domestic oil to reach American gas tanks. If we can get the federal government to remove the unnecessary and

burdensome regulations that currently prohibit drilling in the coastal plain of the refuge, we can have more American oil flowing onto the market in five years.

[What's the Deal With Offshore Drilling?: Will it do any good at all?](#)

John McCain is talking a lot about opening up new areas to offshore drilling, and now Barack Obama appears willing to consider the idea, too. A government report supposedly found that drilling won't lower gas prices, but I've also heard that the report was flawed. What's the deal with offshore drilling?

[Valero to Launch \\$2.4 Billion Arthur Refinery Expansion](#)

PORT ARTHUR, Texas -- Valero Port Arthur Refinery's groundbreaking for its crude oil expansion project will kick off at 1 p.m. on Wednesday, August 13.

Among those in attendance will be honored guest speaker Senator Kay Bailey Hutchison, a proponent of industrial expansion, who will speak on the current energy crisis. "It's important to the senator to increase U.S. domestic energy supplies," Matt Mackowiac, press secretary for Sen. Kay Bailey Hutchison, told *The Port Arthur News*.

[Chevron Brings Forward Plans for West Australian Gas](#)

(Bloomberg) -- Chevron Corp. said its Gorgon liquefied natural gas venture in Western Australia will bring forward plans to build a plant to supply fuel to the local market and help prevent energy shortages in the state.

[Mitsubishi Buys LNG From World's First Floating Plant](#)

(Bloomberg) -- Mitsubishi Corp., Japan's largest trading company, agreed to buy liquefied natural gas from the world's first floating plant that Flex LNG Ltd. is developing in Nigeria to meet rising demand for cleaner-burning fuels.

[Volkswagen hits road with hydrogen fuel cell car](#)

Volkswagen Group of America Inc. is planning a coast-to-coast tour of its hydrogen fuel cell car, the HyMotion Tiguan.

Mapping a route from Portland, Maine, to Los Angeles, the Herndon-based car maker said the road show will wind through 31 cities to showcase a new environmentally friendly fuel that emits nothing more than water vapor.

[Oil and Natural Gas Fuel Caspian War](#)

Michael Klare: The conflict between Russia and Georgia is driven by a number of factors, including Russia's determination to retain a dominant role in what used to be the Soviet Union and Georgia's desire to regain control over two breakaway areas -- Abkhazia and South Ossetia -- that it believes are part of its sovereign territory. Personality also plays a role, with Georgian president Mikheil Saakashvili keen to demonstrate his mettle by regaining control over the two rebel areas and Russian leaders equally resolved to humiliate him.

But underlying all this is a larger, more significant contest: a geopolitical struggle between Russia and the West over the export of Caspian Sea oil and natural gas.

[Battle for Oil: EU's hope to bypass Russian energy may be a pipe dream](#)

Georgia may have no natural resources to speak of, yet it has become a key player for Europe, due to 155 miles of pipeline that snake across its territory.

The Baku-Tbilisi-Ceyhan pipeline is the only practical route for carrying Caspian oil to Western markets that avoids Russia – a treasured asset for the a European Union trying to reduce energy dependence on Moscow.

[Oil: Does Supply and Demand Still Apply?](#)

We consistently hear from oil bulls that we've reached peak oil as production can no longer keep up with demand. We discussed the demand situation here, but what about the supply? Have we reached a point where we just don't have enough oil to supply demand? In the short term we're close, but in the long term, with prices at these levels, productive capacity will grow. There are many articles that discuss how supply and demand work, but here let's take a look at past data for the oil industry to see this in action.

[Dipping oil prices shift focus from alterantive energy sources](#)

Less money means less money for exploration, upgrading existing infrastructure, increasing refining capacity and researching alternative energy sources.

We're looking at a vicious cycle here.

[Australia: Key senator turns off FuelWatch](#)

The petrol plan, which still requires the green light from Parliament, includes a proposal that retailers must lock in their prices each day and inform the Australian Consumer and Competition Commission.

Fines would then apply if they increased or even lowered their petrol prices throughout the day.

The scheme's first petrol commissioner Pat Walker quit last month for family reasons and the federal Opposition is now warning the scheme is either "dead" or preparing to receive "last rites" in the Senate.

[Plugging into Energy Policy Consensus](#)

What is important about the plug-in hybrid is not the technology. It is the technology's demonstrated ability to build consensus among disparate interests whose constant warfare has paralyzed energy policy for decades.

[New Zealand: Fuel security is right on our doorstep](#)

Energy security is paramount; but what can New Zealand do to enhance this?

We can begin by adjusting our lives by walking and cycling more, using more fuel-efficient vehicles and using public transport, especially where it is electrically driven. In this context, the taking back of the railways, as a strategic asset, might well be a very wise decision.

[Transport costs could alter world trade](#)

Crude prices have backed off last month's run toward \$150 a barrel. But they persist above \$110 a barrel, a level that was hard to fathom even a year ago. The end of cheap oil heralds a potentially dramatic reshaping of the globalized trade flows that have emerged in the past two decades. Rising transport costs are suddenly a key factor in decisions about both where to place factories and how much inventory to stockpile.

For now, the trend seems to favor the United States. Swedish furniture maker Ikea opened a new plant in Virginia. Midwestern steelmakers are thriving. And consumer products giant Procter & Gamble is considering new distribution centers. All, some say, because the cost of moving things from far-away places is beginning to trump the savings involved in using far-away, low-wage workers.

"Globalization is reversible," says Jeff Rubin, an analyst at CIBC World Markets in Toronto.

[Georgia conflict 'a threat to strategic energy supplies'](#)

PARIS (AFP) - Fighting in Georgia threatens a strategic energy hub, the IEA warned on Tuesday, shortly before Georgia said Russia had attacked a pipeline normally carrying up to a million barrels of oil a day westwards.

[BP shuts Georgia oil, gas pipelines as a precaution](#)

LONDON (Reuters) - BP has closed two oil and gas pipelines running from its Caspian Sea fields through Georgia but neither has been damaged by recent fighting in the country, a spokesman for the British oil major said on Tuesday.

Georgia accused Russia of bombing its fuel lines on Tuesday, allegations denied by Moscow.

[OPEC May Consider Supply Cut as Oil Stockpiles Rise, Iran Says](#)

(Bloomberg) -- Oil prices are falling because of an oversupply of crude, and OPEC may consider cutting production at its September meeting to achieve a supply-demand balance while maintaining sufficient excess capacity, Iran's OPEC governor said.

``I think the market is oversupplied, especially with the additional barrels of oil coming from spare capacity," Mohammad Ali Khatibi said in a phone interview from Tehran today. ``If producers prefer a balanced market, then the additional barrels should be removed, but if they decide there should be more stock build-up, then they will maintain production."

[IEA Raises Forecast for 2009 World Oil Demand; China Consumption May Gain](#)

(Bloomberg) -- The International Energy Agency, an adviser to 27 nations, raised its forecast for global oil demand next year and said it expects Chinese oil consumption to rise after the Olympic Games.

The IEA increased its forecast by 70,000 barrels to 87.8 million barrels a day, the Paris-based agency said today in its monthly report. Last week's pipeline explosion in Turkey may cut output from Azerbaijan by 30 percent this quarter and supplies are further threatened by military action in Georgia.

[Utilities trim trees near power lines or risk big fines](#)

A nationwide order to trim trees near power lines could decrease significantly the kinds

of power outages that plunge whole states into darkness, energy industry experts say.

"We have confidence it will have an impact," says Jim Owen, spokesman for the Edison Electric Institute, a trade group that represents private utilities.

"Now for the first time ever, you can be formally sanctioned and penalized and have to pay serious money" for letting trees grow into lines, Owen says.

[U.S. ship heads for Arctic to define territory](#)

NEW YORK (Reuters) - A U.S. Coast Guard cutter will embark on an Arctic voyage this week to determine the extent of the continental shelf north of Alaska and map the ocean floor, data that could be used for oil and natural gas exploration.

U.S. and University of New Hampshire scientists on the Coast Guard Cutter Healy will leave Barrow, Alaska, on Thursday on a three-week journey. They will create a three-dimensional map of the Arctic Ocean floor in a relatively unexplored area known as the Chukchi borderland.

[The coming collapse of western civilization as we know it](#)

The end of cheap oil is happening now. The economy is already suffering for it, and unlike the Great Depression, recovery will not be a simple matter of putting people back to work. The Great Resource War is already underway, mainly in the Middle East, but also in smaller skirmishes scattered areas around the world, disguised to many as the Global War on Terror (or drugs as in the case of Colombia).

Depressing? Yes. Optimism? There is some room for it, but only if we recognize that the paradigm shift is already underway and that action to a more positive, minimalist lifestyle needs to start, before nature demands it of us in more dramatic fashion.

[Are we science-savvy enough to make informed decisions?](#)

For decades, educators and employers have worried that too few Americans are preparing for careers in science. But there's evidence to support a new, broader concern in this election year: Ordinary Americans may not know enough about science to make informed decisions on key questions.

[Brazilian agriculture faces huge losses from climate change](#)

SAO PAULO (AFP) - Global warming will cause heavy financial losses to Brazil's agricultural sector over the next decade, a government study said Monday.

The losses will grow to five billion dollars by 2020 and 14 billion by 2070, according to the joint study by the Brazilian Agricultural Research Center and the University of Campinas.

[Seals give scientists unique glimpse under Antarctic ice](#)

SYDNEY (AFP) - Huge elephant seals have been recruited to help scientists break through a critical blind spot and chart climate change under the Antarctic sea ice in winter, researchers said Tuesday.

The seals, which can weigh up to three tonnes, are fitted with sensors that transmit previously unavailable data to satellites when they surface to breathe.

[On a planet 4C hotter, all we can prepare for is extinction](#)

We need to get prepared for four degrees of global warming, Bob Watson told the Guardian last week. At first sight this looks like wise counsel from the climate science adviser to Defra. But the idea that we could adapt to a 4C rise is absurd and dangerous. Global warming on this scale would be a catastrophe that would mean, in the immortal words that Chief Seattle probably never spoke, "the end of living and the beginning of survival" for humankind. Or perhaps the beginning of our extinction.



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