



DrumBeat: August 19, 2008

Posted by [Leanan](#) on August 19, 2008 - 9:30am

Topic: [Miscellaneous](#)

[The Great Oil Bubble?](#)

The markets are rejoicing as the “great oil bubble” loses air and rapidly heads back to its proper double-digit price. The rejoicing may be a bit premature as the underlying supply and demand fundamentals do not appear to support “proper” prices for oil.

Between 2004 and 2007, global oil consumption grew by 3.9%, driven by emerging giants China and India (40% of the world’s population) and other rapidly growing emerging economies. While consumption has exploded, production has not kept pace. Non-OPEC production growth has slowed well below historical averages. And the only country with significant spare production capacity is Saudi Arabia. Unfortunately, Saudi spare capacity is not independently verified, and the vast majority of their current production is from the giant Ghawar oil field, a dowager now 57 years old which still produces nearly 5 million barrels a day.

[Stagflation? Or just stagnation?](#)

The inflation figures for July were ugly. But oil prices have fallen and the dollar has strengthened in August. Too bad a global slowdown is the reason.

[Poland seeks LNG port as fast as possible](#)

WARSAW (Reuters) - Poland's government supported on Tuesday the construction of the liquefied natural gas (LNG) port on the Baltic coast as a strategic investment in the country's drive for energy supplies diversification. Poland uses around 14 billion cubic metres of gas every year but produces only about one-third of the amount and almost half of its gas import come from Russia.

[Petrobras to Build \\$11.1 Billion Refinery in Ceara](#)

(Bloomberg) -- Petroleo Brasileiro SA, Brazil's state-controlled oil company, plans to build an \$11.1 billion low-sulfur refinery in the country's northeastern Ceara state.

The refinery will be able to process 300,000 barrels of oil a day, according to a release that Rio de Janeiro-based Petrobras distributed in Fortaleza, Brazil. Production is scheduled to start in 2014 with a processing capacity of 150,000 barrels a day. Full capacity should be reached in 2016.

[Nigeria militants kill 3 in battle over oil turf](#)

PORT HARCOURT, Nigeria (Reuters) - At least three people were killed in a turf dispute between rival armed gangs in Nigeria's oil-producing Niger Delta, one resident and a security source said on Tuesday.

The gun battle over control of stolen oil in Sama, a village near the main industrial city of Port Harcourt, prompted hundreds of residents to flee early Tuesday morning, said a female resident who asked not to be named.

[Libya Sees OPEC Holding Oil Output Steady](#)

OPEC is unlikely to change its oil output at a meeting next month and a decline in oil prices will probably be temporary, the top oil official for OPEC member Libya said on Tuesday.

[Iraq to Sign \\$1.2B Oil Service Deal with China](#)

Iraq will sign a \$1.2 billion oil service contract with China to replace a production-sharing deal agreed under Saddam Hussein, an Iraqi newspaper quoted oil minister Hussain al-Shahristani as saying on Tuesday.

[Western GOM Oil, Gas Lease Sale Opens Wednesday](#)

Secretary of the Interior Dirk Kempthorne will officially open the Minerals Management Service's Outer Continental Shelf (OCS) oil and gas Lease Sale 207 for the Western Gulf of Mexico at 9 a.m. CDT, Wednesday, August 20, 2008 in New Orleans, Louisiana. Secretary Kempthorne will open and read the first bid.

[Iraq Tops Alaska As US Relies More On OPEC](#)

NEW YORK (Dow Jones)--The U.S. got more crude oil from Iraq than Alaska in June as imports from OPEC continued to top domestic production. A review of U.S. data shows that in 17 of 18 months dating to January 2007, crude-oil imports from the Organization of Petroleum Exporting Countries exceeded U.S. production levels.

The figures shine a spotlight on the main points of the long-overdue debate over energy policy in the world's biggest oil consumer.

[Fuel shortage prompts U.S. to issue Comoros travel alert](#)

As the Union of the Comoros continues to experience fuel shortages, the State Department has issued a travel alert for the African nation. The department is concerned that the shortages may lead to civil unrest and demonstrations with violence directed toward foreigners.

[Steel loads switch from road to canal](#)

A Leeds metal firm has started shifting steel by canal rather than truck in an effort to save fuel costs and become greener.

[Coal king Peabody cleans up](#)

The supply crunch is delaying shipments, forcing utilities to scramble to keep coal-fired plants running. "We're having to work very hard to get our coal delivered," says Vince Stroud, head of regulated fuels for Duke Energy.

If the shortage persists into next year as expected, utility inventories will likely fall so low they might have to scale back coal generation, replacing it with pricier natural gas, says Seth Schwartz, a principal at consulting firm Energy Ventures Analysis. Alternatively, he says, utilities will face another steep price increase — up to 70% — for coal, further pushing up power prices.

Boyce makes no apologies for the exports, saying utilities "are competing on a global basis to buy that coal, and they've never had to do that before."

[China power firms' coal stocks still low](#)

Coal supply is tight as the increase in coal production capacity has failed to catch up with the expansion in power generating capacity, as well as surging demand from other sectors including steel and metal industries. The compulsory closure of small and unsafe coal mines has also compounded supply problems.

But a surprise hike in on-grid prices, unveiled on Tuesday and the second one in two months, could provide generators with more financial resources to stockpile the fuel they need and help China overcome the power crisis when demand falls in coming months.

[On American sustainability - summary](#)

Our American way of life is unsustainable; rather than attempting to perpetuate it, we must transition beyond it—quickly. Should we fail to do so, our society will collapse—in the not-too-distant future...

[A Failure to Prepare for the What Should Have Been Expected](#)

The U.S. auto industry has a long history of fighting safety, environmental and fuel efficiency measures. In recent years, they have consistently fought measures to improve vehicle fuel efficiency. They did not have the foresight to prepare for the time when oil would no longer be cheap. To their credit, Toyota and Honda came out with hybrids years ago and have worked hard on fuel efficiency technologies beyond conventional hybrids.

An unbiased analysis of oil production data over the years should have made it obvious that there was a coming problem. Unfortunately most people believe their beliefs rather than believing data. I've been warning about a coming oil crisis for 15 years or longer. To make people aware of the problem, I wrote a book which was published in 2005. Below is an excerpt from the final chapter.

[Unraveling the Unraveling](#)

Samuel Clemens, a.k.a. Mark Twain said: "History doesn't repeat itself; at best it sometimes *rhymes*"

There is evidence for this, but when it does rhyme it is because it is a different stanza from the same song. If we are about to rhyme with past events, that would suggest that we will not collapse into a great smoldering heap in a few months or years but a slow decline over several generations to a civilization more akin to how we lived around the end of the 19th century.

Recent disparate events have made me reconsider some of my beliefs.

[Energy plan lacks clear goals](#)

In July, the Department of Public Service released the draft Vermont Comprehensive Energy Plan. Like the climbers, the Department checked yesterday's forecast. The plan describes the current priorities as affordability, environment and (for electricity), reliability. It contains 27 strategies with 68 specific recommendations. If yesterday's weather continues and everything in the plan goes right, we may be just fine.

[Riding the money train](#)

Railroads are benefiting from the global commodities boom - and the fact that trains are more fuel-efficient than trucks.

[Food waste buckets in the kitchen pricked town's conscience](#)

With the town's reputation for gourmet eating, bi-monthly farmers' markets, an annual food festival and formerly featuring more Michelin stars than any town outside London, its people might have been expected to appreciate the value of food. Preparatory research had shown, however, that each household was throwing away 4.2kg (9lb) of food leftovers each week.

Within a few months of starting house-to-house food waste collections to fuel the anaerobic digester, the amount wasted by each family had fallen to 3.6kg. Officials are convinced that the introduction of collections made clear to householders just how much of their weekly shopping was being wasted.

[Oil up on expected drop in gas supply](#)

Crude jumped after an estimate from Platts, the energy research arm of McGraw-Hill Cos., predicted a 3 million barrel decline in gasoline stocks for last week and an increase in refinery utilization of 0.4%.

A rise in refinery production would drive up demand for raw crude oil.

A decline in gasoline stocks would indicate that refiners had cut production too much, according to Brian Hicks, fund manager at U.S. Global Investors in San Antonio, Texas.

"We've seen refineries pull back because refining hasn't been profitable," said Hicks.

[Saudi oil subsidy at stake over Musharraf exit](#)

SAUDI Arabia thrust itself into the Pervez Musharraf impeachment drama last night when it warned that a huge oil subsidy that provides life support for the moribund Pakistan economy was at risk unless he was given an "exit with dignity".

As a deadline tonight approached for the Pakistani President to "quit or else", the House of Saud's powerful intelligence chief Prince Muqrin bin Abdul Aziz, acting as a personal emissary of King Abdullah, injected himself into the impasse.

One source described it as "banging heads together and trying to get all sides to see sense before the point of no return is reached".

[Asia Seen Digging Into Middle East](#)

- The Asian energy invasion of the Middle East looked set to deepen on Tuesday, with China's state-owned oil company reportedly close to an oil-service deal in Iraq--the first of its kind since the American invasion--while construction firms from Japan and Korea also hoped to get a slice of two big export refinery projects in Saudi Arabia.

China in particular has proven particularly eager to strike deals in the Middle East, at a time when it is looking to feed its booming domestic appetite for energy. Iraq could be its next destination, according to published reports, which said Oil Minister Hussain al-Shahristani as saying that he would fly to China at the end of August to discuss a \$1.2 billion oil-service deal with China National Petroleum Co.

[Government Says Still Paying Part of Fuel Bill - Jordan Times](#)

AMMAN -The government says it has incurred around JD121 million to cover the difference between actual prices of fuel and the ones decided by a pricing panel since fuel prices were floated in February.

The announcement was made amid criticism that the latest update of fuel prices at 5 per cent was "disappointing" due to the relatively huge drop in the prices of crude oil on the international market.

[McCain, Obama Promise Plug-in Cars as Detroit Charts a Timetable](#)

Car-tech experts evaluate the stances of Senators John McCain and Barack Obama on America's future electric vehicles, including funding for battery research, tax credits and loan guarantees for a struggling American auto industry.

[Solar power has potential, says GM exec](#)

A senior General Motors executive says Australia should invest in cleaner energy alternatives such as solar power as a way to reduce the nation's dependence on oil.

GM vice president, R&D and planning Larry Burns says new sources of cleaner energy are the only solution moving forward, reducing the near dominance of petroleum-based energy in existing forms of transport.

[Family rice operation goes solar in a big way](#)

Family-owned Far West Rice has met the challenge of energy uncertainty by installing

the largest solar facility at any rice plant in the country at its processing plant south of Chico.

The bold decision to put up an impressive bank of more than 5,500 solar panels on a four-acre piece of land between the processing facility and nearby rice fields is expected to improve long-term energy security and actually reduce costs.

[How to Make 4 Alternative Fuels at Home: Goodbye, Big Oil!](#)

Ready to make your own gas alternative? These products can give you a start—but energy independence won't come cheaply.

[Wasted Energy: Debunking the Waste-to-Energy Scheme](#)

Like any other vampire, “waste to energy” technology, e.g., burning garbage for electricity, needs a good, swift stake to the heart.

Decades after garbage incinerators disappeared from U.S. cities, burning garbage with energy recovery made a dash for federal, state and city subsidies following the energy crisis in the 1970s and '80s. It had a brief flurry of activity but, by the time the '90s hit, was on the decline. Only 30 of 300 proposed plants were ever built—the last ones in 1995 as the result of some dubious political shenanigans in Syracuse, New York and Montgomery County, Maryland.

The scheme is more aptly described as “wasted energy,” as the energy produced through incineration at the plants is quite small compared to the amount of energy needed for extraction, processing and distribution, to replace the materials destroyed.

[Bill Clinton: 10 Things the U.S. Government Should Do For Clean Power](#)

The 42nd U.S. President, Bill Clinton, delivered a top 10 laundry list of actions that the U.S. government should take to help solve the energy crisis during a speech to kick off the National Clean Energy Summit in Las Vegas on Monday night. Along with the list, which advocated various incentives to accelerate the proliferation of clean technologies, Clinton suggested some more controversial plans: he raised the idea of a single state, like Nevada, or an area like Puerto Rico becoming energy independent — he said this could “rock the world.” And beyond his concrete policy advice, Clinton also confirmed previous reports that his foundation is looking into helping build solar thermal projects in India.

[Kunstler: Russia's Return Bites the Neocons' Grand Energy Scheme in the Ass](#)

You have to ask what were they smoking over at the Pentagon and the CIA when they thought they could control Russia's close neighbor.

[Kunstler: Suburban Legend](#)

The American suburb was the greatest misallocation of resources in the history of the world... Why? Because it has no future, because we're not going to be able to run it... We don't have the resource base to run it.

A lot of the delusions that are now rampant in the country all focus on the alternative energy scene. I want to be very clear about this, I am in favor of alternative energy. I think we're going to do everything we possibly can. But the key to understanding alternative energy is this: First of all, we are going to be disappointed by what it can do for us, and second, it is not going to change the fact that we have to make other arrangements for all the important activities of daily life...

[In Rural New York, Windmills Can Bring Whiff of Corruption](#)

Lured by state subsidies and buoyed by high oil prices, the wind industry has arrived in force in upstate New York, promising to bring jobs, tax revenue and cutting-edge energy to the long-struggling region. But in town after town, some residents say, the companies have delivered something else: an epidemic of corruption and intimidation, as they rush to acquire enough land to make the wind farms a reality.

"It really is renewable energy gone wrong," said the Franklin County district attorney, Derek P. Champagne, who began a criminal inquiry into the Burke Town Board last spring and was quickly inundated with complaints from all over the state about the wind companies. Attorney General Andrew M. Cuomo agreed this year to take over the investigation.

[Inflation flares 1.2% in July, housing starts drop](#)

WASHINGTON — Wholesale prices took another unexpectedly steep jump in July and shot up at the fastest year-on-year rate in 27 years, according to a government report Tuesday that is certain to fan fears about a surge in inflation.

...The July price pressures reflected in part the big surge in energy costs during the month that pushed crude oil prices to a record \$147.27 per barrel and sent gasoline pump prices to an all-time high \$4.11 per gallon on average nationwide.

Crude oil prices have fallen by more than \$30 per barrel since then, raising hopes the surge in inflation will abate.

But the price spikes in a number of areas seen in July raised concerns that the prolonged surge in energy prices is beginning to show up more broadly throughout the economy.

[Algeria Pipeline Fire Injures 14, Stops Gas Flow](#)

(Bloomberg) -- A fire in a natural-gas pipeline in Algeria yesterday injured 14 people and stopped the flow of the fuel, state oil company Sonatrach said.

The pipeline burst at 3:15 a.m. local time yesterday in a corroded section near Zemmoura in western Algeria, Sonatrach said in a statement published by state-run APS news service.

[Venezuela to Call for OPEC Production Cut If Oil Keeps Falling](#)

(Bloomberg) -- Venezuela, South America's biggest oil producer, will propose that the Organization of Petroleum Exporting Countries cut oil output quotas if crude prices continue to fall, Energy and Oil Minister Rafael Ramirez said.

[Fuel Oil Refining Margin to Rise on Lower Supply, Lehman Says](#)

(Bloomberg) -- The refining profit, or margin, to make heavy fuel oil will rise through 2010 as production falls amid refiners' investment to make more expensive gasoline, diesel and jet fuel, Lehman Brothers Holdings Inc. said.

New York Harbor fuel oil's so-called crack, or margin, to crude may narrow to minus \$10 a barrel in 2009 from an estimate of minus \$22 a barrel this year, Lehman analysts Michael Waldron, James Crandell and Edward Morse said in a report titled "Bottoms Up" dated Aug. 18. Fuel oil is mainly used for electricity generation and to power ships.

[Russian-Canadian energy deals possibly at risk](#)

OTTAWA (Reuters) - Canadian Prime Minister Stephen Harper allowed on Tuesday for the possibility of commercial gas deals with Russia being put at risk by Russia's military actions in neighboring Georgia.

[India may raise diesel prices for industries](#)

NEW DELHI (Reuters) - The government may charge higher diesel prices for industrial users and allow Reliance Industries to sell gas oil from its export-focused refinery to local retailers struggling to meet soaring demand, senior officials said.

Diesel sales have risen sharply despite the government's move to raise fuel prices by about 10 percent in early June.

[China Lifts Electricity Rates For Coal-fired Utilities By 5%](#)

China will lift electricity rates charged by coal-fired power utilities by about 5%, in an effort to help the state-run power producers offset rising fuel prices, the National Development and Reform Commission said late Tuesday.

[Organic food sales feel the bite from sluggish economy](#)

High gas and food prices appear to be nibbling away at the high growth rates long enjoyed by organic and natural food makers and sellers.

[Hundreds Of Motorists Line Up For Gas At 35 Cents A Gallon](#)

Over 400 motorists jumped at the chance to get gas at a price only seen in the 1970's, and David Knoche, owner of the Exxon, jumped at the chance to give it to them.

“We found out by the Maryland Environmental Program that we had to replace the tanks in the ground, and the expenditure was just too high for us to invest in new tanks, so we decided to have a going out sale and to do that we went back to the 1970s and got the prices up and sold the gasoline as long as it lasted,” he explained.

[Thieves loot cemeteries for metal](#)

Ghouls have made a resurgence in cemeteries throughout the United States, prying plates and ornaments from headstones and selling them to scrap yards.

A rise in metal prices is driving the thefts, detectives say. Prices for copper, brass and bronze — metals that are commonly found in cemetery remembrances — have in some cases quadrupled in price in the past four years.

Because the metals can be hammered out of shape, the thefts are virtually untraceable.

[Looking For Energy, Google Goes To Hell](#)

Google.org, the philanthropic arm of search giant Google, announced it would try to help spur companies to reach underground to produce clean electricity. It is investing a total of \$10 million in a geothermal energy company called AltaRock Energy and a drilling company called Potter Drilling, and it is funding research and mapping efforts and a policy agenda.

[More women 40 to 44 remaining childless](#)

The number of women ages 40 to 44 who remain childless has doubled in a generation, the U.S. Census reported Monday.

In June 2006, 20% of women in that age group remained childless. Thirty years ago it was 10%.

"A lot of women are having no children," Jane Lawler Dye, the author of the report, says. "Also, the women who are having children are having fewer children."

[The Economist Debates Our World Energy Crisis](#)

"We can solve our energy problems with existing technologies today, without the need for breakthrough innovations."

Conservation or innovation? Practising what we know or pushing the boundaries of what we hope? Will the reduction of global energy consumption be enough to sustain current fossil-fuel reserves? Or should all efforts be directed towards discovering new technologies that broaden the world's energy portfolio? Which option is the more important to support, in the near term, by providing additional resources and enacting strong public-policy initiatives? Given that both efforts are currently being explored in parallel, where should the centre of gravity lie?

[Oil falls as storm threat eases](#)

Oil prices briefly dropped below \$112 a barrel Tuesday, extending the previous session's decline as Tropical Storm Fay avoided oil-producing infrastructure in the Gulf of Mexico.

By midday in Europe, light, sweet crude for September delivery was down 54 cents at \$112.33 after falling as low as \$111.78 barrel earlier in electronic trading on the New York Mercantile Exchange.

[Russia's oil exports decline 5.2% to 897 mln bbls in 1H08](#)

MOSCOW (RIA Novosti) - Russia's oil exports declined 5.2% year-on-year in January-June to 122.5 million metric tons (897 million barrels), the country's top statistics body said on Tuesday.

[Peak oil: Mayberry, not Mad Max](#)

Take one of the more pessimistic projections of the future, from the Association for the Study of Peak Oil, and assume that by 2030 the world will have only two-thirds as much energy per person. Little breakdowns can feed on each other, so crudely double that estimate. Say that, for some reason, solar power, wind turbines, nuclear plants, tidal power, hydroelectric dams, biofuels, and new technologies never take off. Say that Americans make only a third as much money, cut driving by two-thirds. Assume that extended families have to move in together to conserve resources and that we must cut our flying by 98 percent.

Many would consider that a fairly clear picture of collapse. But we have been there before, and recently. Those are the statistics of the 1950s--not remembered as a big time for cannibalism [as peak oiler Dmitri Orlov predicts as a possibility -- RD]. The world in 1950 used 10 million barrels of oil a day instead of our 85 million, and only a third of that increase is due to population growth. The rest is just us-- and it is mostly us in the West--driving, flying, buying, consuming, and discarding more in a month than our grandparents did in a year. The popular image of the '50s as an age of conspicuous consumption, suburban sprawl, and TV dinners misses the point. Those things were newsworthy then because they were new and unusual.

[Consume like it's 1969](#)

Another question on which the ecological economists and the mainstream diverge is whether growth has a ceiling, or limit.

The ecological school says yes: Resources are finite, so growth can't continue for ever.

The mainstream says no: "Technological advance allows us to work with given resources (labor, capital, raw materials) more efficiently," Law said. "As long as we have technological progress, we can have growth in real per capita incomes."

So runs the debate, but if the era of cheap oil is really over, as Farley sees it, the balance might shift.

[OPEC likely to cut oil production](#)

The Organization of Petroleum Exporting Countries may decide to cut the cartel's oil output quota as the price of crude risks falling under \$100 a barrel, energy consultancy CGES said yesterday.

..."The CGES believes that OPEC member-countries, facing increased government spending and rising inflation, will not be happy to see prices fall far below \$100 per barrel," added the report.

[China to get key oil reserve bases by year end](#)

China will complete the construction of its first four strategic oil reserves by the end of this year, a senior government official said Monday.

"The progress has been smooth and all the four bases will be completed by the year end," Zhang Guobao, administrator of the National Energy Administration (NEA), said after a press conference in Beijing. "Their total capacity will amount to 16.4 million cu m."

China started to build its strategic oil reserves in 2004, in order to fend off the risk of oil shortages and reduce the impact of oil price fluctuations. The government plans to build strategic oil reserves in three phases over 15 years, involving an estimated investment of 100 billion yuan (\$14.6 billion).

...The central government is now reportedly selecting locations for the second batch of strategic oil reserves.

[China growth a clear oil price signal](#)

Chinese economic growth can deliver a potentially massive boost to global energy demand with clear implications for long-term oil prices, Dallas Federal Reserve Bank President Richard Fisher said overnight.

..."Japan consumes 14 barrels of oil a year per capita," noted Fisher, a former deputy U.S trade representative who helped negotiate China's entry into the World Trade Organization.

"If China used the same amount per capita as parsimonious Japan, Chinese consumption would total more than 18 billion barrels a year, an amount that dwarfs our country's 7.5 billion barrels," said Fisher,

[Exxon Halts Gas Supply to Fertilizer Plant in Aceh, Bisnis Says](#)

(Bloomberg) -- Exxon Mobil Corp. halted natural gas supply to a fertilizer plant run by PT Pupuk Iskandar Muda in Aceh province because of a broken pipeline, Bisnis Indonesia reported, citing company president Mashudianto.

Supply of 60 million cubic feet a day has been stopped since the first week of August and is slated to resume on Aug. 25 at the latest, the report said. Exxon is repairing the offshore pipeline, it said.

[Oil tank catches fire at Libya's Ras Lanuf](#)

(Reuters) - A crude oil storage tank in the area of Libya's oil refining and petrochemical site Ras Lanuf caught fire during maintenance early on Tuesday, the country's top oil

official said.

The fire was still burning, Shokri Ghanem, chairman of Libya's National Oil Corporation, told Reuters. There were no injuries and exports of products have not been affected, he said.

[With high oil prices, West Texas booms again](#)

KERMIT, Texas - While most Americans are tightening their belts, scrapping vacation plans and getting rid of their SUVs, in oil-and-gas rich West Texas, folks are living large – again.

Most homes sell quickly and command premium prices. Hotel rooms are in scant supply. Gas guzzlers are rolling off auto dealers' lots. Jobs are plentiful in the oil and gas fields and the businesses that serve them.

[Petrobras May Shift Exploration Drills to Brazil, Valor Says](#)

(Bloomberg) -- Petroleo Brasileiro SA, Brazil's state-controlled oil company, is considering using drills in the country's oil fields that were initially planned for use in the Gulf of Mexico, Valor Economico said, citing executive director for exploration and production, Guilherme Estrella.

[Middle East Infrastructure Projects Boom as OPEC Oil Exports Target \\$1 Trillion for 2008](#)

Oil export revenues earned by member countries of OPEC are set to reach a record total of over \$1 trillion by the end of 2008 and continue on an upward trend into 2009, according to estimates by the U.S. Energy Information Administration. In the first seven months of 2008, OPEC members earned a record \$642 billion for oil exports. Civil construction and power generation projects are growing at a record pace.

[Fuel adding to all farm costs: SAFF](#)

The South Australian Farmers Federation (SAFF) says high fuel prices are driving up the cost of nearly every aspect of farming, and could even affect interest rates.

The Federation has given a submission today to a select committee on the impact of peak oil.

Federation president Peter White says while petrol has fallen in price recently, diesel has not, and diesel is the main fuel used in farming.

[Peru suspends rights in jungle protest regions](#)

LIMA, Peru - Peru's government declared a state of emergency Monday in remote jungle regions where Indian groups are blocking highways and oil and gas installations to protest a law that makes it easier to sell their lands.

The 30-day decree published in the official gazette suspends rights to public gatherings and free transit in three northern provinces.

[Cement grab by Socialist Venezuela](#)

Venezuela has seized foreign owned cement plants on Tuesday, a show of strength as President Hugo Chavez moves forward with a plan to make South America's top oil exporter a socialist society.

[The Secret Deal For Iraq's Oil](#)

Four months before the United States invaded Iraq, the Department of Defense was secretly working with Vice President Dick Cheney's old company, Halliburton Corp., on a secret deal that would give the world's second largest oil services company total control over Iraq's oil fields, according to interviews with Halliburton's most senior executives.

[A Vision for Change: An American Energy Policy](#)

There's little difference between your "New Energy for America" and Senator McCain's "Lexington Project," especially since you have now reversed direction on offshore drilling. Your proposed alliance with the Senate's "Gang of 10" to allow increased drilling and to invest in renewables is not a visionary energy policy – it's just more hot air. The truth about energy is that nothing proposed by you or your opponent will make one whit of a difference when we pull up to the gas pump, either now or in the future.

[McCain, Obama Equally Gassy on Oil](#)

We're changing our habits. We're driving less, and driving more fuel-efficient cars when we do. The market is working. High gas prices are altering behavior and nudging us toward more conservation-oriented transportation habits.

So why are our politicians tripping over themselves to keep prices low?

[Timelinks designs city of the future](#)

Dubai-based environmental design company, Timelinks, will unveil a city of the future at the upcoming Cityscape Dubai.

...The city, called the Ziggurat project, will be in the shape of a futuristic pyramid which, according to Timelinks, could support an entire community of up to one million people by harnessing the power of nature.

“Ziggurat communities can be almost totally self-sufficient energy-wise. Apart from using steam power in the building we will also employ wind turbine technology to harness natural energy resources,” said Ridas Matonis, managing director Timelinks.

[Kuwait approves more anti-inflation steps](#)

Kuwait's government has approved a set of proposals from a committee tasked with developing a strategy to fight inflation, including a recommendation of more subsidies, reports said.

[Chinese oil firm targets coal-to-liquids](#)

A subsidiary of a Chinese state-owned oil giant has thrown its weight behind an ambitious, \$3 billion coal-to-liquids (CTL) project planned for South Australia.

[Israel: To curb fuel costs, Kibbutz Be'eri runs cars on liquefied petroleum](#)

When Transportation Minister Shaul Mofaz sent world oil prices shooting up two months ago with his comments on Iran, the members of Kibbutz Be'eri were much less worried than most Israelis.

For the past three years, the kibbutz has been switching its cars to run on liquefied petroleum gas instead of gasoline or diesel, which is saving the community over NIS 100,000 a month in fuel bills.

[Water expert slams biofuels at global conference](#)

STOCKHOLM, Sweden - The winner of the Stockholm Water Prize on Monday slammed the growing use of biofuels and urged people to eat less meat - to help cut the amount of water used in food production.

British professor John Anthony Allan said the effect of the growing use of biofuels "is too frightening to even begin to realize."

[Coal's toxic legacy to the Arctic](#)

Coal burning in western Europe and North America has been a prime source of heavy metal pollution in the Arctic.

Scientists plotted levels of thallium, cadmium and lead in a Greenland ice core and linked them to other chemicals indicating coal as the main origin.

[Tragedy of the global commons](#)

What a fine pickle for humanity. On one side is the very powerful argument of global warming and its potential effects on climate, and the call for steps to stop either the process, or plan for the necessary adjustments and, the major polluters arguing that technology will see us through. On the other side, forget Kyoto and Bali accords, the mega consumption economies of the northern hemisphere are pulling out all stops to find and extract more oil and gas, the raw materials that will keep adding greenhouse gases to the overburdened atmosphere.

[Australian PM urges more US climate change action](#)

WELLINGTON, New Zealand - Australian Prime Minister Kevin Rudd urged the United States on Tuesday to take more action on climate change and become more involved in the global debate on the issue.

As the only developed nation not to sign the greenhouse gas-controlling Kyoto Protocol, America's stance on climate change has made it easier for major developing countries to avoid acting, Rudd told the Australia-New Zealand Climate Change and Business Conference in the northern city of Auckland.

[Japan to label goods' carbon footprints: official](#)

TOKYO (AFP) - Japan is planning to label consumer goods to show their carbon footprints in a bid to raise public awareness about global warming, an official said Tuesday.

Under the plan, a select range of products from beverages to detergent will carry markings on the carbon footprint -- or how much gas responsible for global warming has been emitted through production and delivery.

[Mideast to get abundant rains](#)

Rainfall will be abundant in key parts of the Middle East in future, according to a new study of climate change in the region, contrary to earlier projections.

[Sea levels could rise 4m this century: climate expert](#)

The head of the climate change unit at the Australian National University and science adviser to the Federal Government , Professor Will Steffen, says he believes the scientific community is underestimating the speed at which the climate is changing.



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