



DrumBeat: September 27, 2008

Posted by [Leanan](#) on September 27, 2008 - 10:31am

Topic: [Miscellaneous](#)

[Lehman-Backed Muni Gas Bonds Trade for Cents; Deliveries Halted](#)

(Bloomberg) -- Tax-exempt bonds guaranteed by Lehman Brothers Holdings Inc. for a gas-supply contract may be worth little more than unsecured debt after the bankrupt underwriter's commodity unit stopped deliveries last week.

Main Street Natural Gas, a financing vehicle of the Municipal Gas Authority of Georgia, terminated the contract funded by \$709 million in bonds sold five months ago, after Lehman's subsidiary failed to deliver gas for five days beginning Sept. 18. New York-based Lehman, which filed for bankruptcy on Sept. 15, owes a termination payment that would provide enough money to redeem the bonds Sept. 30.

``We don't expect payment due to the bankruptcy, so the bondholders will likely join unsecured creditors in bankruptcy court," said Susan Reeves, chief financial officer of the Kennesaw, Georgia-based authority, which provides gas for municipalities from Florida to Pennsylvania. ``We don't believe any other avenue is likely at this point."

The utilities that received gas from the deal, including Tallahassee, Florida, lose the savings from market price that the tax-exempt financing created for them. The default may also damp issuance of similar bonds through which local entities lock in long-term energy supplies at a discount through deals backed by financial firms, according to Merrill Lynch & Co.

[Senate sends big spending bill to Bush to sign](#)

WASHINGTON - Automakers gained \$25 billion in taxpayer-subsidized loans and oil companies won elimination of a long-standing ban on drilling off the Atlantic and Pacific coasts as the Senate passed a sprawling spending bill Saturday.

[Kicking oil habit harder than they say](#)

ORLANDO — Barack Obama and John McCain are promising voters a Tomorrowland of electric cars and high-speed trains and solar panels, a vision of American life without a drop of imported oil.

But their plans to get there look more like Fantasyland.

[We can't have cheap oil and alternative fuels](#)

On the campaign trail, some candidates are taking an "all of the above" approach to energy policy. They want us to "drill, baby, drill" and promote other renewable energy sources, too.

At first, this seems appealing. Energy is a big problem, and who doesn't want to look at all the solutions? Yet, as anyone who has ever taken a multiple-choice test knows, "all of the above" isn't always the right answer. What if your doctor took an "all of the above" approach to your health care? He or she might advise both watchful waiting and immediate surgery. Or what if the quarterback took the snap and decided to simultaneously hand off and pass?

An "all of the above" approach doesn't work when the options are fundamentally incompatible. That's why the "all of the above" or so-called "balanced" energy policies out there don't make sense. We can't "drill, baby, drill" and become leaders in alternative energy.

[Bond measure offers rebates for greener vehicles](#)

T. Boone Pickens, the Texas billionaire oilman who says he wants to break America's addiction to foreign oil, is betting that Californians are willing to help pay for cars and trucks that don't run on petroleum.

Pickens' natural gas fueling company, Clean Energy Fuels Corp., is the chief sponsor of a Nov. 4 ballot initiative that authorizes a \$5 billion bond to fund alternative energy development and provide rebates up to \$50,000 for buyers of vehicles that run on natural gas and other non-petroleum fuels.

[Lester R. Brown: Mobilizing to Save Civilization: What You and I Can Do](#)

One of the questions I am frequently asked when I am speaking in various countries is, given the environmental problems that the world is facing, can we make it? That is, can we avoid economic decline and the collapse of civilization? My answer is always the same: it depends on you and me, on what you and I do to reverse these trends. It means becoming politically active. Saving our civilization is not a spectator sport.

We have moved into this new world so fast that we have not yet fully grasped the meaning of what is happening. Traditionally, concern for our children has translated into getting them the best health care and education possible. But if we do not act quickly to reverse the earth's environmental deterioration, eradicate poverty, and stabilize population, their world will decline economically and disintegrate politically.

[Mark Lynas: the green heretic persecuted for his nuclear conversion](#)

Just a month ago I had a Damascene conversion: the Green case against nuclear power is based largely on myth and dogma. My tipping point came when I discovered just how much nuclear power has changed since I first set my mind against it. Prescription for the Planet, a new book by the American writer Tom Blees, opened my eyes to fourth-generation “fast-breeder” reactors, which use fuel much more efficiently than the old-style reactors, produce shorter-lived waste and can also be designed to be “walk-away safe”.

Best of all, these new reactors – prototypes of which have already been tested – can produce power by burning up existing stocks of nuclear waste. As Blees puts it: “Thus we have a prodigious supply of free fuel that is actually even better than free, for it is material that we are quite desperate to get rid of.” Who could object to that?

[Don't Dump The Deal](#)

Should Congress abandon the nuke pact now, Americans, not Indians, will end up isolated.

[Yemen rounds up tribesmen after oil pipeline blast](#)

SANAA (AFP) - Yemeni security forces arrested more than 10 tribesmen east of the capital Sanaa after an oil pipeline was blown up, tribal sources said on Saturday.

The men from the Al-Suhman tribe were rounded up in Khawlan, 50 kilometres (30 miles) from Sanaa hours after the pipeline was blown up on Friday morning, the sources told AFP.

[Sharon Astyk - Peeling the Onion: What's Behind the Financial Mess?](#)

I'm going to suggest that if you peel off the layers of the financial crisis, we're going to find some pretty basic things. And one of the basic things is, well, food. It seems sort of anti-climactic, I think, if you are a pundit, to talk about the cost of rice and soybean oil as part of the root problem of such a massive financial crisis, but I suspect we'll find it there. And underneath the food, I think we'll find oil.

[Atlanta Thirsts for Gasoline After Gustav, Ike Cut Fuel Supply](#)

(Bloomberg) -- Hurricanes Gustav and Ike are making their presence felt in the U.S.

South almost two weeks after the last of the storms slammed the Gulf Coast, as evidenced by the gas lines in Atlanta.

At a Shell gasoline station this morning in Atlanta's Midtown district, about 25 drivers waited for a chance to pump what's become a rare commodity. The line clogged a side street, causing backups on Peachtree, the city's main thoroughfare.

[Gas shortage impacting local-government services](#)

City workers have been coming in at odd hours, often late at night, to get fuel while the getting is good, Ferry said. Police officers are on duty 24 hours a day, of course, "and can fuel the extra cars anytime," Ferry said.

When it is safe to do so, the water department meter readers have been making their rounds on electric golf carts, Ferry said. And nonessential travel for staff has been curtailed.

[Businesses in bind over gas shortage](#)

Chancey's Wrecker Service has seen a surge in business - gas deliveries and out-of-fuel tows.

And because fuel is harder to find, it's stopped bringing gas to stranded motorists, instead towing them to their residence or a gas station. Workers did 20 tows Thursday, said Joanne Scott, a secretary and dispatcher.

The gas shortages are straining businesses in the area, especially those making deliveries or servicing clients in the field.

[Gas could stabilize in weeks](#)

Ryan Mossman, the vice president and general manager of fuel management for Houston-based FuelQuest, said Oct. 13 -- Columbus Day -- is a good target date for the Augusta area's supply woes to wane.

It takes seven days or more to restart a refinery, Mr. Mossman said.

Then it takes four to six days for the gasoline to travel 900 miles from Texas to the North Augusta terminal, where most of the gas stations in the Augusta-Aiken area normally get their supply.

"It travels about 3 to 5 miles per hour," Mr. Mossman said.

[Drivers Camp Out At Gas Station Waiting For Fuel](#)

CHARLOTTE, N.C. -- The gas shortage is so severe that people are sleeping in their cars.

Thursday night, dozens of drivers snoozed in their cars yards from gas pumps as stations across the Charlotte area waited for gas shipments.

"I was told last night between 11 and 12; then I was told this morning," said Kelly Davis, who sat in her car at the Citgo on Lawyers Road.

Davis is stuck in Charlotte. She came to the Queen City for a vacation and can't get back to her home in Pennsylvania. She was supposed to return Thursday.

[Forsyth retailer balks at 'ridiculous' prices for gas](#)

CUMMING – The executive who buys gasoline for BJ's Wholesale Club stations, including one in Cumming, won't pay prices he labeled as ridiculous when he knows they will drop in just a few days.

"Wholesalers would not sell product to unbranded retailers in Georgia, therefore we ran out of product in Cumming for nearly three days," said Scott Margherio, BJ's Warehouse Club vice president of Fuel and Auto Operations. "Even if we could find product, BJ's would not attempt to pass on a \$1.60/gallon cost increase to our members, therefore we would rather be out of product than procure product at suc

[Lessons hurt the worst when learned in crisis](#)

I think by now saying that we have a little bit of an energy problem in the U.S. isn't a great leap of faith.

These past two weeks have been a delightful reminder of such economic theories as supply and demand, scarcity, and survival of the cattiest. Luckily, most of us probably didn't break out in a fight in line to buy gas, but reports of it did circulate.

[We can keep gas if price not right, Iran tells UAE](#)

TEHRAN (Reuters) - Iran said on Saturday it would sell gas to Crescent Petroleum of the United Arab Emirates if the price previously agreed was raised but is building facilities so it could use the fuel at home if not.

Oil Minister Gholamhossein Nozari also told Fars News Agency a Pakistani team would visit Iran in days for talks on another gas export project that has been under discussion

for years.

Iran, the world's fourth largest oil exporter, has been slow to develop gas exports despite huge reserves partly because U.S. sanctions have hindered the building of plants to make liquefied natural gas (LNG) for shipment. Iran now relies on pipelines.

[Kyrgyz Government Considers Buying Turkmen Natural Gas - PM](#)

Bishkek, 26 September: Kyrgyzstan's current debt to be paid to Uzbekistan for natural gas is about 2m dollars, Prime Minister Igor Chudinov said in parliament today during the discussion of an issue related to preparing economic sectors and the country's people for the autumn and winter periods of 2008-2009.

An MP from the faction of the Social Democratic Party, Murat Dzhurayev, said that if Kyrgyzstan bought natural gas at 300 dollars this year it needed over 210m dollars or 8bn soms to buy it. The MP also asked how much Kyrgyzstan owed to Uzbekistan for natural gas.

[Lights out: Lebanon faces looming power crisis](#)

Oil prices have tripled since 2004. Electricity outages have doubled in Lebanon since 2005. Lebanon's electricity utility has been vulnerable to crude oil price shocks than ever. Consumers and businesses are spending two times their electricity purchase in this staggering situation. Josephine Nassralla conducted the following interview for The Daily Star with energy expert Roudi Baroudi about this crucial element of Lebanon's economy and the sector governance.

[The 2008/09 Agricultural Season Fertiliser Shortage](#)

A farmer in Zimbabwe this season will pay US\$ 1.08 per kg of fertiliser as compared to US\$0.45 per kg for his counterpart in a neighbouring functioning economy. Therefore, to plant one hectare of maize the farmer will fork out US\$594.00 per hectare, assuming the rains are good, the seedbed is perfect and germination is within the acceptable 95-99% range. However most farmers will have to replant or embark on "gap filling" because there is never a perfect season.

A sixty-horsepower tractor requires 35 litres of diesel per hectare to plough one hectare of land and then another 20 litres per hectare to disc with a harrow. 10 litres per hectare is further required for planting. The fuel requirement for a single hectare becomes 65 litres of diesel, which costs US\$2.05 per litre in Zimbabwe. Therefore US\$133.00 per hectare is required for land preparation without accounting for combine harvester costs.

[World-class Vancouver also has a dark underbelly](#)

Sprawling suburbs emerged after the Second World War in response to unprecedented population growth (more than four billion globally since 1950), an abundance of cheap oil and the proliferation of the automobile. With peak oil on the doorstep, we're finding that the great American dream of a large single-family home on a big lot far from the city centre no longer makes sense. Why not?

First, the cost of providing and maintaining infrastructure such as sewers, electricity, garbage pickup, roads and street lights is high because suburbs are widely spread out. Taxes do not recover these costs, so municipalities are caught in a bind: The faster they grow, the poorer they become. The escalating price of oil only hastens the financial drain.

[Mexico-led \\$7bln Centam refinery project in jeopardy](#)

MEXICO CITY (Reuters) - An ambitious Mexican-led project to build a \$7 billion oil refinery in Central America is under threat after potential builders backed off from the project this week.

An international bidding process led by a unit of Mexico's state oil company Pemex concluded on Monday with none of the four qualified companies presenting offers for the project, Mexico's energy ministry said on Thursday.

Guatemalan Energy Minister Carlos Meany told Reuters the failure of the bidding process after months of delays could lead to the project being scrapped.

[Financial crisis feeds volatility in oil](#)

KUWAIT CITY: US crude dived below the US\$100 per barrel mark for the first time since 27th Feb 2008 to settle at US\$91.49 per barrel on 16th Sep 2008, before recovering to US\$104.55 per barrel on 19th Sep 2008. US crude fell 8.6% during the review period (Aug 19-Sep 19, 2008). Worldwide credit crunch in the aftermath of subprime crisis, appreciation of the US dollar to a one-year high against the Euro, minimal damage from Hurricane Gustav overwhelmed the geo-political risk arising from conflict in the Caucasus and potential damage by Hurricane Ike to pull down crude prices to a seven month low on 16th Sep 2008.

[Energy expansion costs soar in Gulf region](#)

Dubai: Tightening credit conditions in the world's top oil exporting region are raising the cost of expanding energy capacity and adding to delays but are unlikely to derail strategic projects.

Interbank lending rates have risen across the Gulf Arab region as global financial turmoil has left banks struggling to finance expansion of infrastructure, real estate and industry.

[Unstable economy raises energy prices](#)

Olivier Jakob at Petromatrix, Zug, Switzerland, said, "The Washington soap opera is taking so much of traders' attention that market liquidity is coming off." He noted that trading volume was "relatively low" Sept. 24 in the New York market despite the release that day of the latest Department of Energy report on US inventories. "Open interest continues to decline to new lows for the year and soon to new lows for 2 years," Jakob said. "All the main commodities are in a declining trend of open interest. With so much public outrage on the Wall Street bailout, we see little chance that the commodity futures market will be able to escape a regulatory change, and the more commodity prices increase, the more immediate the risk becomes."

Nonetheless, the financial rescue plan in Washington "seemed to be a done deal until the candidates [Sen. John McCain (R-Ariz.) and Sen. Barack Obama (D-Ill.)] invited themselves to the show," said Jakob. "The easiest way to become an overnight leader is to break a deal and then become the savior of it. The latest political debacle will not help consumer sentiment."

Even if the plan is passed, it will do nothing to improve oil demand. "This plan is a rescue plan to prevent a collapse of the financial system and not a plan to boost the economy," Jakob said. "The rescue plan's impact on the economy will be a lengthy process and will not immediately put the US driver back on the road."

[Norway Finds Virtue \(and Value\) in Transparency](#)

FED by its vast North Sea oil riches, Norway's 10-year-old sovereign wealth fund, called the Pension Fund, has grown to more than \$400 billion under management. It ranks as the world's second-largest sovereign fund behind the \$875 billion Abu Dhabi Investment Authority.

The Pension Fund is managed by the Central Bank of Norway, and only 4 percent a year goes into the country's budget. Yngve Slyngstad (pronounced ING-vay SLING-stad), who became the fund's chief executive in January, has witnessed firsthand how the market's latest convulsions affect a fund of this magnitude.

[Venezuela, Russia in \\$1 Billion Accord](#)

MOSCOW -- Russia announced ambitious plans Friday to enhance its armed forces and nuclear arsenal while extending a \$1 billion loan to Venezuela to purchase arms and exploring the possibility of forming a gas cartel with the Latin American nation.

Speaking during a meeting with commanders following military exercises in southern Russia, President Dmitry Medvedev cited the nation's recent war with Georgia in calling for an urgent drive to upgrade Russian military capabilities within 12 years, including the country's ability to deter nuclear attacks.

[Adak's woes continue as RCA pulls city's utility certificate](#)

Since July, the city has had intermittent problems getting fuel from the Aleut Corp. because the city was in arrears on paying the corporation's subsidiary, Aleut Enterprises, for the fuel, said city clerk Chrissy Dushkin.

Meanwhile the Aleut Corp. was in arrears paying sales tax to the city, "because they wanted to deduct it from our (fuel) bill," Dushkin said.

Dushkin estimated that the city owed Aleut Enterprises about \$500,000 for fuel, a debt that in part was the result of Adak Fisheries owing the city upward of \$600,000 in sales taxes and utility bills.

[Refinery talks loom as BP shuns replacement workers](#)

HOUSTON (Reuters) - BP, which has worked to mend relations with unionized workers since a deadly refinery explosion, will not have replacement refinery workers on hand going into contract negotiations late this year, a company spokesman said.

If talks with the United Steelworkers union break down, leading to a nationwide work stoppage, BP plans on halting production at its four union-represented refineries in California, Indiana, Ohio, and Texas, said BP spokesman Daren Beaudou.

[Saudis using oil as a weapon against Iran?](#)

A Business Week article on Saudi Arabia portrays a kingdom eager to pump oil far above its OPEC quota despite a rapid decline in the price of oil on the world markets. This places them in an adversarial relationship with Iran and Venezuela - two allies. Why might the Saudis engage in this practice? One, is they want to prevent a collapse in demand that might bring about a harsher collapse in prices.

However, there might be another reason: to destabilize Iran, an arch-foe of Saudi Arabia. Iran is a Shiite power intent on achieving hegemony throughout the Middle East. Saudi Arabia sees itself as the leading Sunni power and a protector of two of the holiest sites of the Sunni branch of Islam (Mecca and Medina).

[Energy spent \\$480,000 lobbying government in 2Q](#)

Utility giant Energy Corp., whose operations in Louisiana, Texas and Arkansas, were devastated by hurricanes Gustav and Ike this month, spent \$480,000 in the second quarter to lobby on disaster assistance for power transmission and distribution facilities and other issues, according to a recent disclosure report.

Energy also lobbied on low-enriched uranium, energy legislation, greenhouse gas emissions, renewable energy and plug-in electric vehicles

[The wind at his back: George Smitherman's green-energy odyssey has minister 'jazzed' over Ontario's potential](#)

NIAGARA FALLS—In just nine weeks George Smitherman has likely learned more about the green-energy industry than any energy minister before him, and then some.

[Two-wheel drive: Wheeled Migration takes on 500 miles of roadways, and that's just the beginning](#)

So for about the 30 Wheeled Migration riders who rolled into Cal Poly for the CSU/UC/CCC sustainability conference, it was the journey, and the surprises along the way, that made the trip so special.

“The conference was nothing compared to the ride,” insisted Michelle Wurlitzer, a Butte College sophomore, who, despite her relative biking inexperience, was determined to complete the trip.

[Oil, or What? Life After Capitalism](#)

Cheney and every other politician have said we are "addicted" to oil. And it all comes down to one question, ultimately, though it is a large one: can we kick the habit? Is it even possible to find a substitute resource and convert our entire industrialized world to it? And if not, what else must happen if we are to avert the transformation of our planet into a facsimile of silent, dusty Mars?

It isn't just driving cars and heating homes that makes us oil-junkies. Look around you, wherever you are right now. What do you see? What is it made of? My desk is a laminate surface on glued-together sawdust: flakes of wood and petroleum products shaped into a flat work surface. My keyboard is petroleum-derived plastic, as is almost everything connected to it. My shirt is cotton, but half my underwear is made of petroleum-derived synthetics. The cotton in my shirt no doubt was harvested, shipped, processed, woven and sewn by oil-driven machines, themselves made from metals produced at a high petroleum-based energy cost, and operated by underpaid and endangered human beings who could not afford to buy their own products in the stores.

[Elon Musk conducts on-line Q&A at WashingtonPost.com](#)

Washington, D.C.: Should not NASA be funding research to make Space Solar Power possible in this time of energy crisis as they did in the 1970's?

Elon Musk: No, I don't believe in space solar power. It will never be competitive with ground solar power. The cost of converting the electron energy to photon energy and then back again on the ground overwhelms the 2X increase in solar incidence. And that's before you consider the cost of transporting the solar panels and converters to orbit!

Washington, D.C.: What do you think of the future of Space Solar Power, especially built with Lunar Materials?

Elon Musk: Only good for people living on the Moon.

[Climate change experts seize the day: Oct. 7, 2008](#)

Hansen's message, titled "Target Atmospheric CO₂: Where Should Humanity Aim?" will be presented to scientists gathering in Houston, Texas, USA, on 5-9 October for the 2008 Joint Annual Meeting of the Geological Society of America (GSA), Soil Science Society of America (SSSA), American Society of Agronomy (ASA), and Crop Science Society of America (CSSA), the Gulf Coast Association of Geological Societies (GCAGS) with the Gulf Coast Section SEPM, and hosted by the Houston Geological Society (HGS).

Hansen's lecture will be broadcast live online (CDT) at <https://www.acsmeeings.org/programs/events/gsa/>.

[Gas shortages: get ready for more: The long lines and closed pumps seen across the South this week are a warning: inventories are way too low](#)

...In its most recent Weekly Oil Data Review, Barclays Capital pointed out that the U.S. gasoline inventory has reached its lowest level since August 1967, when demand was a little more than half its current level of 9.3 million barrels a day. At 178.7 million barrels, inventories are 21.6 million barrels below their five-year average.

None of this surprises industry watchers such as Matt Simmons, the chairman of Houston energy industry investment bank Simmons & Co. and chief spokesman for the Peak Oil movement. I recently wrote a profile of Simmons for Fortune ("The prophet of \$500 oil") and I can report that he has been warning about the potential of gasoline shortages in the U.S. for months.

"Our system is so fragile," he told me recently. "All you need is a tiny change to go from 'Oh, we're in fine shape' to an unmitigated disaster."

Simmons points out that the gasoline weekly stock reports have been trending sharply downward since last winter (with a brief upturn in the spring), and that even before Gustav and Ike we were in "just in time" supply mode.

Getting back to a safer level of extra capacity isn't simple, either. Once the refineries get back up and running, they'll drain the already low crude oil inventories. Unless gasoline demand stays low, Simmons believes, we'll have a hard time clawing back to stability.

That's why he worries about a top-up catastrophe that could cripple the trucking industry and disrupt food deliveries.

As he told me the other day: "If we end up having gasoline shortages, the odds are about 90% that Americans will do what we always do: We'll top up our tanks. And in topping up our tanks, within three or four days we'll drain the pool dry and then within seven days we'll run out of food."

[The future of energy](#)

LONDON, England (CNN) -- While many of the world's best business brains are exercising themselves over the current global banking and equities crisis, there is another issue which has the potential to dominate our lives far more in the longer term - energy.

Fossil fuels will not last forever, and the race is on to find viable replacements which will keep the globe moving by the time oil, coal and gas stocks run dry, or at least before they become ruinously expensive.

[Gas shortage wipes out weekend across the South](#)

RALEIGH, N.C. - This is how serious the Southeastern gas shortage has become: There's talk of calling off college football.

Not serious talk, of course. A petroleum executive's suggestion that No. 3 Georgia postpone its Saturday night game against No. 8 Alabama was quickly dismissed Friday by the Georgia governor's office as "ridiculous."

But the university's police chief did suggest fans who can't make a round trip to Sanford Stadium on a single tank stay home.

Weeks after Hurricane Ike shut down Gulf Coast refineries and dried up interstate pipelines, some panicked drivers are still waiting in long lines to top off their tanks at the few stations with fuel.

Many across the Southeast are keeping their cars in the garage this weekend, forced to cancel plans for fear they'll run out of gas.

[Oil market collapse waiting to happen](#)

The New York Mercantile Exchange (NYMEX) West Texas Intermediate (WTI) crude oil market price has become almost entirely irrelevant in the real world of physical and forward oil trading, which largely takes place, believe it or not, in Yahoo chat rooms. While NYMEX members still provide a massive pool of trading capital or "liquidity", the inconvenient truth is that oil market pricing power has moved across the Atlantic to the price of North Sea crude oil.

[Russia to build missile defence shield and renew nuclear deterrence](#)

Russia is to build new space and missile defence shields and put its armed forces on permanent combat alert, President Medvedev announced yesterday.

In a sharp escalation of military rhetoric, Mr Medvedev ordered a wholesale renovation of Russia's nuclear deterrence and told military chiefs to draw up plans to reorganise the armed forces by December.

He said that Russia must modernise its nuclear defences within eight years, including the creation of a "system of air and space defence".

[U.S. weighs measures against Russia - Rice](#)

NEW YORK (Reuters) - The United States is mulling what measures to take should Russia exploit the oil or minerals of two Georgian breakaway provinces it invaded last month, U.S. Secretary of State Condoleezza Rice said on Friday.

[Oil wealth fans ethnic flames in Iraqi town](#)

KHANAQIN, Iraq: In a mirror image of Kirkuk, the Kurdish town of Khanaqin near the border with Iran that holds sizeable oil reserves is being exposed to ethnic tensions and rival territorial claims.

The local Kurdish political leadership warns that the area could see an ethnic explosion, as they call for Khanaqin to join the adjoining autonomous Kurdistan Regional Government (KRG) of northern Iraq.

[New York expands probe of short selling](#)

ALBANY, N.Y. - New York Attorney General Andrew Cuomo is broadening his investigation of short selling on Wall Street, according to a senior official in his office.

Cuomo is turning to the massive credit-default swap market, which he believes may have been manipulated in order to give the impression that certain companies were in trouble.

[Gas protest aims to ignite debate](#)

Protesters are set to rally outside British Gas' Cardiff headquarters to demonstrate against energy price rises and the increasing economic crisis.

The People Before Profit Alliance are unhappy at the company's recent price rises but want its event to launch a public debate on the failing economy.

British Gas raised its electricity and gas prices by 9% and 35% in July.

[Small is beautiful for carmakers](#)

New car registrations fell by 7.3 percent in July and 15.6 percent in August compared with a year ago because of a general deterioration in consumer confidence and the effect of continuing high fuel prices. Over the first eight months of the year, new car registrations in Europe fell by 3.9 percent.

In Brazil, carmakers expect sales to slow in the second half after a spike in July. In Russia, August sales of imported cars were up 23 percent but that compares with the 40 percent of July. China's car sales fell 6.34 percent in August.

[Natural gas: The next alternative fuel?](#)

We've written about hybrids, clean-diesel engines, fuel-cell technology, ethanol and more.

That brings us to another entry in the auto industry's ongoing research and development of green-technology: compressed natural gas (CNG). Scientists are trying to determine which alternative fuel will best strike a balance between being environmentally friendly and commercial viability.

CNG might be the answer.

[Coal Country: Washington Ups Support for Coal, Clean or Not](#)

Most of the attention focused on the energy bills languishing in Congress homes in on the long-awaited renewal of tax credits for clean energy.

But there's another fight brewing under the surface: The battle over coal. Both in the U.S. and overseas, figuring out a way to keep using coal has become a central plank in energy policy—including subsidies. Whether that coal is "clean" or not seems secondary.

[France plans to end biofuel tax breaks by 2012](#)

PARIS (Reuters) - The French government said on Friday it will phase out tax breaks for biofuels by 2012, arguing that higher oil and grain prices have removed the need for fiscal support.

[Canada: Tories to put curbs on bitumen shipments](#)

CALGARY - The Conservatives yesterday promised to prohibit oil companies from shipping bitumen from Canada's oil sands to countries that do not have equivalent greenhouse gas emission reduction targets --if they form government after the October election. One industry-watcher has already branded the policy as meaningless.

[Rich nations' greenhouse gases fell in 2006: survey](#)

OSLO (Reuters) - Rich nations' greenhouse gas emissions dipped for the first time in five years in 2006, easing 0.1 percent despite robust economic growth, a Reuters survey of the latest available information showed Friday.

The figures were less gloomy than a report this week, based on scientist estimates to 2007, which said world emissions were surging, led by rocketing growth in poor countries such as China and India twinned with a tiny rise by industrialized nations.

[Real alternatives on climate issue](#)

A year ago, Australian voters feeling the impact of drought placed climate change front and centre in their election – and ousted a right-leaning government that had ignored the issue. No sign of that here.

Canadians also claim they care about global warming. And our politicians insist they heed voters' concerns on climate change.

But in midcampaign, the environment has faded from Canada's political horizon. The media – and the electorate – have treated the issue as too complicated, the pitch as too dull, the costs as too high.

But doing nothing has costs, too. Climate change threatens our economic future. Yet Prime Minister Stephen Harper has concocted doomsday scenarios for the Liberals' proposed Green Shift, dubbing it "crazy economics." Echoing Harper's scaremongering,

NDP Leader Jack Layton warns Canadians will be hit in the pocketbook by the Liberal proposal – though not, magically, by his.

[Korea seeks to break climate talks deadlock](#)

AMSTERDAM, Netherlands - South Korea wants developing countries to put their plans for reducing carbon emissions on paper – a proposal it hopes will break the stubborn deadlock in climate change negotiations.

South Korea's chief climate negotiator, Rae-Kwon Chung, said Friday he would propose an international registry in which countries such as China and India would record their domestic carbon emission policies.

[World Bank collects 6.1 bln dlrs in pledges for climate funds](#)

WASHINGTON (AFP) - The World Bank said Friday that 10 nations had pledged more than 6.1 billion dollars to its new investment funds aimed at helping developing countries fight global warming.

The Climate Investment Funds, launched on July 1, are aimed at providing "interim, scaled-up funding to help developing countries in their efforts to mitigate increases in greenhouse gas emissions and adapt to climate change," the multilateral development lender said in a statement.

[Schwarzenegger to convene global climate summit](#)

SAN FRANCISCO - Gov. Arnold Schwarzenegger, a Republican who has challenged many members of his party to take climate change seriously, said Friday that he plans to invite lawmakers and governmental executives from around the globe to California this fall to address solutions to the problem.

[Climate change, fuel prices cutting into Lebanon forests: Urban sprawl, pollution join global hike in fuel prices to threaten forests in Lebanon.](#)

In addition to the common threats to forests such as urban sprawl and pollution, the global hike in fuel prices is taking its toll. "Lebanon has very cold winters and most of its population lives 500m [above mean sea-level]. Some live at heights between 1,800m and 2,000m.

"When you climb Mount Lebanon these days, all you hear is the sound of wood being sawed. People are preparing for the harsh winter. Although this is prohibited, many poor families cannot afford to buy diesel, so they cut down trees to secure some warm

days for their children,” Fakhreddine said.



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