



DrumBeat: January 2, 2009

Posted by [Leanan](#) on January 2, 2009 - 9:34am

Topic: [Miscellaneous](#)

[Oregon looks at taxing mileage instead of gasoline](#)

PORTLAND, Ore. – Oregon is among a growing number of states exploring ways to tax drivers based on the number of miles they drive instead of how much gas they use, even going so far as to install GPS monitoring devices in 300 vehicles. The idea first emerged nearly 10 years ago as Oregon lawmakers worried that fuel-efficient cars such as gas-electric hybrids could pose a threat to road upkeep, which is paid for largely with gasoline taxes.

"I'm glad we're taking a look at it before the potholes get so big that we can't even get out of them," said Leroy Younglove, a Portland driver who participated in a recent pilot program.

The proposal is not without critics, including drivers who are concerned about privacy and others who fear the tax could eliminate the financial incentive for buying efficient vehicles.

But Oregon is ahead of the nation in exploring the concept, even though it will probably be years before any mileage tax is adopted.

[Russia looks to re-route EU gas](#)

Russian gas giant Gazprom says it can no longer depend on Ukraine as a transit route to the EU and is looking to develop alternatives.

In a BBC interview, the deputy chairman of Gazprom, Alexander Medvedev, said he hoped EU countries would back the move.

[Russian gas exports to Romania fall by 30-40 pct](#)

BUCHAEST (Reuters) - Russian natural gas supplies to Romania suddenly fell by 30-40 percent on Friday as a result of the Russia-Ukraine gas row, the head of Romania's

state-controlled pipeline operator Transgaz said.

[U.S. to Add 12 Million Barrels to Strategic Petroleum Reserve](#)

(Bloomberg) -- The U.S. Energy Department plans to add 12 million barrels of oil to the nation's Strategic Petroleum Reserve, the first increase since before prices surged to a record in July.

[New national security strategy highlights Arctic](#)

A new Russian national security strategy will be adopted in February, Secretary of the Russian Security Council, Nikolay Patrushev confirms. The new strategy, which will cover the period until 2020, includes a high level of focus on the energy potentials of the Arctic.

Speaking in a recent meeting with the Russian Academy of Sciences Presidium, Mr. Patrushev said that the new strategy is planned adopted in February this year, Interfax reports.

According to newspaper Kommersant, which has obtained a copy of the document, the new strategy presents the USA as Russia's continued main competitor in global affairs. It also concludes that Russia has overcome the political, social and economic crisis of the 1990s and that it thus has "restored the possibility to protect its national interests" and that is now "a key player in a world of multi-polar international relations".

[Number of active oil rigs drops by 98](#)

HOUSTON — The number of rigs actively exploring for oil and natural gas in the United States dropped by 98 this week to 1,623.

[China starts Iraq's first foreign oil work in decades](#)

BAGHDAD (Reuters) - The Chinese National Petroleum Company (CNPC) started work on a \$3 billion oil project in Iraq on Friday, the first foreign firm to begin such work since dictator Saddam Hussein nationalised the industry decades ago.

A CNPC delegation formally opened the al-Ahdab oil field project in Iraq's eastern province of Wasit, officials there said.

[ExxonMobil wrestles over Point Thomson](#)

ExxonMobil wants to start drilling wells in Alaska's North Slope, but the oil giant said the state is denying a drilling permit for the 106,201-acre field known as Point Thomson and is therefore taking its case to Alaska's Superior Court.

[Poland sees gas deliveries from Ukraine drop](#)

WARSAW (Reuters) - Deliveries of natural gas to Poland from Russia via Ukraine fell 6 percent on Friday afternoon, gas operator Gaz System and gas monopoly PGNiG said in a statement.

[Ukraine's Naftogaz denies theft of European gas](#)

KIEV (Reuters) - Ukraine's state-run gas company, Naftogaz on Friday denied a claim by Russia's Gazprom that it had been stealing gas destined for Europe.

"Naftogaz considers that any statement from official representatives of Gazprom about the unsanctioned siphoning off by Ukraine of Russian gas destined for Europe is untrue," Naftogaz said in a statement.

[OPEC to Cut Crude Shipments by 1%, Oil Movements Says](#)

(Bloomberg) -- OPEC will cut daily shipments of crude oil by 1 percent in the four weeks to Jan. 17 as the group enacts supply reductions announced in the past four months, according to industry consultant Oil Movements.

..."OPEC are baring their fangs but the market is still skeptical," Oil Movements founder Roy Mason said in a telephone interview from Halifax, England. "They're still well short of the targets announced earlier this year, and nowhere near the ones announced in December."

Shipments from the Middle East will decline 1.2 percent to 16.96 million barrels a day in the period to Jan. 17, Oil Movements said.

[ANALYSIS - Economic crises sharpen Russia-Ukraine gas row](#)

KIEV/MOSCOW (Reuters) - The deepening economic crises that have gripped both Russia and Ukraine may make it harder to find a resolution to the row over cut-off gas supplies, analysts said on Friday.

Russian state-controlled gas behemoth, Gazprom, halted supplies to Ukraine on New Year's Day at 0700 GMT, provoking memories of a similar cut-off three years ago that briefly reduced gas supplies to some European Union customers.

There is little room for manoeuvre.

"The very severe financial stringency for both sides, but especially for Ukraine, will make this negotiation even more protracted than in previous gas crises," said Christopher Granville, managing director of Trusted Sources, an emerging markets research company in London.

[Fog closes Houston Ship Channel, stalls 20 vessels](#)

HOUSTON (Reuters) - Fog has closed the Houston Ship Channel, including Galveston and Texas City, to oceangoing vessel traffic, the U.S. Coast Guard said Friday.

[Fog closes Lake Charles, La., ship channel - pilots](#)

HOUSTON (Reuters) - Fog has closed the ship channel to the refining and petrochemical center at Lake Charles, Louisiana, the local pilots organization said.

[Russia says Europe gas flows on Jan. 3 in doubt](#)

MOSCOW (Reuters) - Ukraine has not given agreement to ship the full volume of gas to Europe on Saturday that Russia has requested, Russian gas export monopoly Gazprom said on Friday.

"The Ukrainian side for the next 24 hours has not agreed to the needed transit volume," Gazprom spokesman Sergei Kupriyanov said at a Moscow news conference.

[Hungary says gas pressure from Ukraine drops](#)

BUDAPEST (Reuters) - Pressure on Hungary's natural gas pipeline that ships Russian gas via Ukraine is dropping, oil and gas firm MOL said on Friday.

[Russia accuses Ukraine of stealing gas](#)

Russia accused Ukraine of stealing gas destined for the rest of Europe today, a day after cutting supplies to its neighbour in a contract dispute.

The volumes Russian export monopoly Gazprom (GAZP.MM) said Ukraine was siphoning off were small, but the accusation suggested Moscow was in no mood for compromise in a re-run of a 2006 argument that led to supply shortages across the EU.

Gazprom said it was responding to Ukraine's actions by increasing exports via alternative routes, including Belarus. Energy companies in Europe said they had not felt any disruptions to their supplies since the cut-off.

"The Ukrainian side openly admits it is stealing gas and is not ashamed of this," Gazprom spokesman Sergei Kupriyanov said.

[Countries in tug-of-war over Arctic resources](#)

(CNN) -- One of the planet's most fragile and pristine ecosystems sits atop a bounty of untapped fossil fuels.

The U.S. Geological Survey estimates that 90 billion barrels of oil, 44 billion barrels of natural gas liquids and 1,670 trillion cubic feet of natural gas are recoverable in the frozen region north of the Arctic Circle.

And the fight over who owns those resources may turn out to be the most important territorial dispute of this century. Russia, Canada, the United States, Denmark, Norway, Sweden, Iceland and Finland all have a stake in the Arctic's icy real estate.

[A Surge in Bicyclists Appears to Be Waiting](#)

After a summer of their dreams, bicycle store owners are facing a grim reality this winter.

Big increases in business this year led some shop owners to think that they were largely insulated from a slowing economy. But the economy has continued to spiral downward, taking bicycle sales and much else with it.

The question now is whether all the bicyclists who appeared last summer will be back next summer.

“This is not like the rest of the recessions we’ve been through,” said Jay Graves, who owns six Bike Gallery stores in Portland, Ore., the first of which his father started in 1974.

[Energy in the real world](#)

Solar and Wind are not renewable. The energy from solar and from wind is available but not renewable. An oak tree is renewable. A horse is renewable. They reproduce themselves.

But, and a very important but, the human made equipment used to capture solar energy or wind energy is not renewable. In fact, there is considerable fossil fuel energy embedded in this equipment. The glazing on a solar collector of any kind – solar thermal water, solar thermal air, and solar electric – requires energy to manufacture. Aluminum comes from bauxite. It takes considerable energy to refine the bauxite. When I was fourteen, I worked loading trucks in an aluminum extrusion plant. The ingots of aluminum would be heated, pushed through a die to shape, then cut and put on carts. We would take these carts and move them into a small room heated to around 400 degrees F where they were baked. Because this was Florida, we would be fairly dripping with sweat when we would go into the room to remove the cart. By the end of the day, our shirts were caked with our own salt.

[Worldwide oil and natural gas reserves increase in 2009](#)

The higher crude oil and natural gas prices of the first half of 2008 brought about record drilling activity which brought about an increase in crude oil and natural gas reserves worldwide.

As the industry responded to record-high prices, production increased worldwide by 1.1 percent.

New estimates of world’s oil reserves total 1.34 trillion barrels, up 10.5 billion barrels from a year ago, according to the December 22 edition of the *Oil & Gas Journal*. The latest estimates of gas reserves total 6.254 quadrillion cubic feet, up 68.67 trillion cubic feet from 2007.

[Steel Industry, in Slump, Looks to U.S. Stimulus](#)

The industry itself is turning to government for orders that, until the September collapse, had come from manufacturers and builders. Its executives are waiting anxiously for details of President-elect Barack Obama's stimulus plan, and adding their voices to pleas for a huge public investment program — up to \$1 trillion over two years — intended to lift demand for steel to build highways, bridges, electric power grids, schools, hospitals, water treatment plants and rapid transit.

“What we are asking,” said Daniel R. DiMicco, chairman and chief executive of the Nucor Corporation, a giant steel maker, “is that our government deal with the worst economic slowdown in our lifetime through a recovery program that has in every provision a ‘buy America’ clause.”

[Nepal to import power from India in face of 'energy emergency'](#)

Kathmandu (PTI) Nepal plans to import power from India from tomorrow to overcome its severe energy crisis as it faces 16 hours daily blackout soon, an official said today.

[Power crisis continues across the country, triggers violent protests](#)

KARACHI: The ongoing power crisis has intensified across the country as two hours of load shedding is being observed after every hour. The Pakistan Electric Supply Corporation, despite its tall claims, have miserably failed to maintain the power supply. Meanwhile, country is generating near about 7500 MW of electricity against the overall demand of 11500 MW. In order to fill this gap, 15 hours of power cuts are being observed in urban areas while 20-hour long electricity load shedding is being reported in the rural areas.

[As Recession Deepens, So Does Milk Surplus](#)

As American dairy farmers increased their shipments of powdered milk, cheese and other dairy ingredients to foreign markets, their incomes rose. And the demand surge helped drive up the price of milk for American families. The national average for whole milk peaked at \$3.89 a gallon in July, up from an average of \$3.20 a gallon in 2006.

But now, demand for dairy products is stalling amid a global economic slowdown and credit crisis, even as supplies have increased. The result is a glut of milk — and its assorted byproducts, like milk powder, butter and whey proteins — that has led to a precipitous drop in prices.

[Biophysical Economics: In the future, economists will return to earth](#)

The proposals for bailouts, regulations and government spending sprees all share one tragic flaw: they assume no physical or biological limits to human growth. Most economists cling to an 18th century mechanical universe that conjured an "invisible hand" of God, that would allegedly convert private greed into public utopia.

Indeed, a few got rich, but the meek inherit an earth featuring child slavery, sweatshops, a billion starving people, toxic garbage heaps, dead rivers, exhausted aquifers, disappearing forests, depleted energy stores, lopped-off mountain tops, acid seas, melting glaciers and an atmosphere heating up like a flambé.

[Oil falls to below \\$42 a barrel](#)

LONDON – Oil prices fell below \$42 a barrel Friday after Russia and Ukraine said a dispute over natural gas payments wouldn't affect shipments to Western Europe.

Light, sweet crude for February delivery fell \$2.85 to \$41.75 a barrel in electronic trading on the New York Mercantile Exchange by noon in Europe. Trading was closed Thursday for New Year's Day.

[Guinea's Military Government Cuts the Price of Gasoline by 13%](#)

(Bloomberg) -- The military government of Guinea, which seized power on Dec. 23, has cut the price of gasoline by 13 percent after crude oil prices declined.

[Oil May Rise as OPEC Members Curb Output, Survey Says](#)

(Bloomberg) -- Crude oil may rise as the Organization of Petroleum Exporting Countries makes record production cuts to counter the deepest economic slump since World War II.

Seven of 14 analysts surveyed by Bloomberg News, or 50 percent, said futures will gain through Jan. 9. Five respondents, or 36 percent, forecast oil will fall and two said there will be little change in prices. Last week, 46 percent of analysts said prices would drop.

[Russian continues to withhold gas to Ukraine](#)

MOSCOW (AP) -- Ukraine sought support Friday in European capitals a day after Russia cut off gas supplies and hardened its stance on prices.

But the two countries pledged they would keep gas flowing to the rest of Europe, and as of late Friday afternoon there were no reports of interruptions in shipments beyond Ukraine.

[Russia-Ukraine gas row highlights EU's dependency](#)

LONDON (Reuters) - Russia's decision to cut off gas supplies again to Ukraine underlines the urgent need for Europe to reduce its dependency on Russian supply, because the annual row over payments seems unlikely to end soon.

[Angola Takes Helm as OPEC Enacts Record Output Cut](#)

(Bloomberg) -- Angola, OPEC's newest member, took over the group's presidency yesterday as producers implement a record output cut to reverse last year's slump in prices.

The rotating leadership of the Organization of Petroleum Exporting Countries passed to Angola from Algeria as the 12- member group starts a 9 percent reduction in its total production target agreed in December after prices crashed \$100 in five months.

[After worst year ever, commodities may lag recovery](#)

SINGAPORE (Reuters) - Commodities, until six months ago the darling of investors and an out-performing asset class, sealed their worst year on record with accelerating losses in the fourth quarter of the year, data showed on Thursday.

Industrial metals, crude oil and even grains took it on the chin as the world fell into recession and investors sold anything liquid or risky to cover deepening losses elsewhere or sock away cash for a brighter day, wiping out six years of nearly unbroken gains in the space of months.

[Executive of the Year 2009 - T. Boone Pickens](#)

Despite strong head winds, T. Boone Pickens tirelessly pushes plan to reduce America's

foreign oil dependence.

[UK: More uncertainty lies ahead for public services](#)

If there is one thing certain about the nature of the century that lies ahead, it's uncertainty. From climate change to water, energy and food supplies, Earth's life-support systems are creaking under the strain of humanity. For those who run public services, the prospect of a series of overlapping emergencies, each involving the raw materials of survival and each affecting unprecedentedly large numbers of people, is a formidable new challenge.

That may sound unduly apocalyptic – but then apocalypse is in the air, the subject of an increasing number of books, articles and official reports. The New Scientist earlier this year carried a discussion on the "end of civilisation". The American academic Jared Diamond's *Collapse* was one of a spate of recent books examining how societies break down. Gaia scientist James Lovelock has gone further, suggesting that humans could be reduced to a "rump" of half a billion "survivors" (the world's population is currently 6.8bn) with large areas of the planet becoming uninhabitable as climate change bites.

[Opportunities abound in 2009](#)

Our green challenges did not disappear when the stock markets collapsed. Climate change remains a real threat, even if gasoline prices are about half of their peak this summer. Peak oil production is also here, which is another good reason to conserve that resource in the long run.

It's unfortunate that carbon taxes cause such angst in this country. Fuel taxes are much higher in Europe, which is part of the reason European cars are more fuel-efficient.

[Tenn. residents fear impact of sludgy ash spill](#)

The piles of ugly, gray mess created a huge mudslide-like effect that destroyed three houses, displaced a dozen families and damaged at least 42 properties. The sludge spread across 300 acres and into the Emory River. It created an alien-looking landscape that resembles no recent natural disaster.

"We don't know what the long-term environmental effects of something this size are," Tennessee Gov. Phil Bredesen said Wednesday after viewing the damage. "We can speculate all we want or like, but to my knowledge, there's not been one this large in the past in this country."

It's that uncertainty — fear of the unknown — that's generating so much concern here. "This could be something that shows up in five or 10 years," says Raymond, 58. "It's not what's happening to people right now, it's what could happen to our children and grandchildren years down the road."

[Utilities Offer 'Green' Nuclear Plans to Customers](#)

Thinking about making over your home or business so that it runs greener? What about going nuclear?

That seems to be what at least two utilities are hoping customers will opt for as concerns grow about the damage created by planet-warming emissions from highly polluting sources like coal and from other fossil sources like gas.

[Energy fears fuel sales of firewood](#)

Americans are stoking their fires, shifting to wood-generated heat to save money. "People are going back to the older days of living," says Mel Barley of Fired Up Firewood in Lubbock and Amarillo, Texas. Sales of pinon, mesquite and oak firewood in October were double the same month a year ago, owner Randy Hair says.

"They're trying to ... save all the money they can," Barley says. "The more they save on fuel, the more money they have to buy other things."

[Chickens given roosts in urban backyards](#)

California Web developer and business consultant Rob Ludlow gets laughs when he tells people his pets make him breakfast.

It's no joke. Ludlow, his wife, Emily, and their two daughters have five egg-laying hens living in the backyard of their Bay Area home in Pleasant Hill, Calif. "Can your dog or cat claim the same?" Ludlow asks.

He is among the growing number of city dwellers across the country choosing chickens as pets — raising them for eggs that proponents say taste fresher, for pest control, for fertilizer and, as the economy continues to struggle, for a cost-saving source of protein.

Enthusiasts have been pecking away at multiple local laws this year and have persuaded officials in cities such as Fort Collins, Colo., Bloomington, Ind., and Brainerd, Minn., to change the rules.

[Hong Kong air pollution worst since records began: official data](#)

HONG KONG (AFP) – Air pollution across large swathes of Hong Kong last year reached its highest level since records began, despite government efforts to improve the environment, official figures showed Friday.

Hong Kong suffers high air pollution, caused partly by huge numbers of factories over the border in southern China, and there have been fears the problem could compromise its position as an international finance centre.

[Nasa climate expert makes personal appeal to Obama](#)

One of the world's top climate scientists has written a personal new year [appeal](#) to Barack and Michelle Obama, warning of the "profound disconnect" between public policy on climate change and the magnitude of the problem.

With less than three weeks to go until Obama's inauguration, Professor James Hansen, who heads Nasa's Goddard Institute for Space Studies, asked the recently appointed White House science adviser Professor John Holdren to pass the missive directly to the president-elect.

[Coral growth in decline at Great Barrier Reef](#)

"The data suggest that such a severe and sudden decline in calcification is unprecedented in at least the past 400 years," the researchers stated in the study, published in the peer-reviewed journal Science.

A reef expert not involved in the study described it as "very important." In a commentary posted on [newsvine.com](#) for [msnbc.com](#), John Bruno added that "the findings are frankly pretty scary."

[Climate scientists: it's time for 'Plan B'](#)

The plan would involve highly controversial proposals to lower global temperatures artificially through daringly ambitious schemes that either reduce sunlight levels by man-made means or take CO₂ out of the air. This "geoengineering" approach – including schemes such as fertilising the oceans with iron to stimulate algal blooms – would have been dismissed as a distraction a few years ago but is now being seen by the majority of scientists we surveyed as a viable emergency backup plan that could save

the planet from the worst effects of climate change, at least until deep cuts are made in CO2 emissions.

[Canada's forests, once huge help on greenhouse gases, now contribute to climate change](#)

VANCOUVER — As relentlessly bad as the news about global warming seems to be, with ice at the poles melting faster than scientists had predicted and world temperatures rising higher than expected, there was at least a reservoir of hope stored here in Canada's vast forests.

The country's 1.2 million square miles of trees have been dubbed the "lungs of the planet" by ecologists because they account for more than 7 percent of Earth's total forest lands. They could always be depended upon to suck in vast quantities of carbon dioxide, naturally cleansing the world of much of the harmful heat-trapping gas.

But not anymore.

In an alarming yet little-noticed series of recent studies, scientists have concluded that Canada's precious forests, stressed from damage caused by global warming, insect infestations and persistent fires, have crossed an ominous line and are now pumping out more climate-changing carbon dioxide than they are sequestering.



This work is licensed under a [Creative Commons Attribution-Share Alike 3.0 United States License](#).