



## DrumBeat: January 14, 2009

Posted by [Leanan](#) on January 14, 2009 - 9:55am

Topic: [Miscellaneous](#)

### [Obama energy goal hard to meet: Bodman](#)

WASHINGTON (Reuters) - President-elect Barack Obama will have a hard time significantly increasing America's alternative energy production, outgoing U.S. Energy Secretary Sam Bodman said on Wednesday.

As part of his economic stimulus plan, Obama wants to double output of alternative energy over the next three years.

"I think it's going to be extremely difficult to get there in three years," Bodman said in a final briefing with reporters before he leaves office next week.

### [Shaky economy means 'bye-bye baby' for some](#)

From a demographic standpoint, a small drop in U.S. birth rates would not pose a concern. The U.S. birth rate has been at replacement levels for the past three decades, which, plus immigration, ensures the population remains robust.

There were 4.2 million babies born in 2006, the largest number in more than four decades, according to the latest CDC figures. More concerning would be an extreme change similar to many European countries, where birth rates have fallen below 1.5 children per woman, a point where the population ages and can't sustain itself.

"The No. 1 thing I would expect to see in this calendar year is postponement," says S. Philip Morgan, a sociology professor at Duke University who studies fertility trends. "But if this translated into a long-term fertility drop, it would be a big deal," Morgan says.

### [Apache sees tough 2009, may have writedowns](#)

HOUSTON (Reuters) - Apache Corp may write down the value of some assets in 2009 because of a sharp drop in energy prices, but this would not affect its \$2.3 billion credit facility, the independent oil and gas company said on Wednesday.

## [Switched-On Highways](#)

Electric cars are cheaper and faster than any hybrid on the market, says Shai Agassi.

## [Crude Oil Falls After U.S. Supplies Increase to 16-Month High](#)

(Bloomberg) -- Crude oil fell after a U.S. government report showed that stockpiles climbed to a 16-month high as fuel demand tumbled.

Inventories of crude increased 1.14 million barrels to 326.6 million last week, the highest since Aug. 31, 2007, the Energy Department said. Supplies of gasoline and distillate fuel also rose. Fuel demand dropped 6 percent to an average 18.6 million barrels a day, the largest one-week decline since February 2004.

“There is not one bullish element in this report,” said Rick Mueller, director of oil markets at Energy Security Analysis Inc. in Wakefield, Massachusetts. “Demand is poor. Even with cold weather refiners are producing more fuel than is needed.”

## [Bank Loses Investment Grade](#)

Gazprombank, the country's third-largest bank, saw its credit rating lowered to "junk" status by Standard & Poor's on Tuesday.

...Gazprombank is 42 percent owned by Gazprom and is the main provider of financial services to the gas giant.

## [Russia Calls Energy Summit in Moscow to Resolve Gas Dispute](#)

(Bloomberg) -- Russian President Dmitry Medvedev called an emergency summit in Moscow to resolve a dispute with Ukraine over prices and transit fees that's disrupted shipments to the European Union for eight days.

EU nations and Ukraine have been invited to the Jan. 17 meeting, which will also seek to prevent a repeat of the crisis that's paralyzed supplies to the 27-nation bloc, Medvedev told state television.

## [Gazprom's Not-So-Quick Recovery](#)

In a twist of irony, Gazprom, the Russian gas giant that everyone feared could be used by the Kremlin, has become the victim of political play.

It's a week since Gazprom turned off Europe's gas pipes through the Ukraine, amid a dispute over prices, and analysts are already warning that the costs to the company could be significant and irrecoverable.

### [Saudi oil minister: OPEC committed to stability, but market not reflecting fundamentals](#)

CAIRO, Egypt (AP) — While benefiting global economic recovery efforts, current low oil prices are not reflective of true supply-demand fundamentals, Saudi Arabia's oil minister said Wednesday, stressing that OPEC was committed to bringing stability to the market.

"Stability means oil prices maintained at a level that encourages investment, helping create a climate conducive for the development of all viable energy sources," Ali al-Naimi said.

### [OPEC may trim supplies more, ignore low price calls](#)

OPEC, the supplier of 41 percent of the world's oil, may deepen supply cuts in coming weeks to revive the price of oil, ignoring pleas by consumers to keep costs down as the world's economy faces its worst recession since World War II.

The Organization of Petroleum Exporting Countries is "willing to cut 2 million more, 4 million more barrels to preserve the price of oil," Venezuelan President Hugo Chavez told the National Assembly in Caracas on Tuesday. Saudi Arabia, the world's largest oil exporter, said it will trim output next month to below its OPEC-agreed target, without waiting for a March 15 meeting.

"They are making announcements of oil cuts in the hope that prices will go up, but they should understand the world economy needs a break from high oil prices," Richard H. Jones, the deputy executive director of the International Energy Agency, told the Petrotech petroleum conference in New Delhi today. The Paris-based agency advises 28 oil-importing nations on energy policy.

### [Report: Iran signs oil deal with China](#)

TEHRAN, Iran (AP) -- Iran's official news agency says the country has signed a \$1.76 billion deal with China to develop the North Azadegan oil field in southwestern Iran near the Iraq border.

The IRNA report says the deal was signed Wednesday between the National Iranian Oil Company and the China National Petroleum Corp.

### [Qatar Halts LNG Output at Qatargas-1 Plant on Fault](#)

(Bloomberg) -- Qatar, the world's biggest producer of liquefied natural gas, halted production of the fuel at its Qatargas-1 plant on Jan. 8, idling about a third of the country's total output.

"There is a mechanical problem," a spokesman for Qatargas said today in a telephone interview, declining to be identified because of company policy. "Qatargas-1 is currently shut down."

### [A Chill Blows Through Wind Power](#)

The financial crisis has hit the wind power industry hard as credit has dried up. Will government spending provide the needed stimulus?

### [TVA ordered to clean up coal-fired plants](#)

(CNN) -- A federal judge has ordered the Tennessee Valley Authority to clean up four coal-fired plants that he said were engulfing parts of North Carolina with air pollution -- emissions that fouled the region's health, economy and natural resources.

### [Greenhouse-Gas Limits Touted by Industry to Congress](#)

(Bloomberg) -- The most detailed proposal yet by industry and environmentalists to reduce U.S. greenhouse-gas emissions will call for raising the costs of new coal plants and rewarding nations for protecting forests.

### [Environmental group wins oil and gas appeal](#)

ALBUQUERQUE, N.M. - U.S. Forest Service officials, in a rare move, have granted an appeal by a Western environmental group concerned about the impacts of potential oil and gas development on tens of thousands of acres in northern New Mexico.

### [Enjoy low food prices, they are not here to stay](#)

At least the price of stuff is coming down. Faced with a rash of corporate bankruptcies and the threat of mass unemployment, the only piece of good news for the Government is that white van man isn't screaming about the cost of filling up. Demand destruction has done its grim job and diesel is back below £1 per litre.

The fall in oil and metal prices is unprecedented. Commodity hedge funds that gobbled greedily in the spring found in August that someone had turned off the power and the

choc ices had dissolved into a sticky mess. Over the past five months, a barrel of crude oil has lost three quarters of its value. So rapid and steep has been the commodities collapse that for many companies, mines and wells are loss-making. The outlook is even worse because at these prices – oil at less than \$40 a barrel, for example – investment in new projects is not economic.

Loss-making oil and metal barons? Who cares. But this is not just about the economics of oil, it is also about the economics of food and it is about why very low prices today will engender very high prices tomorrow.

### [IEA may slash demand forecast](#)

"We are likely to cut our demand forecast, although I don't know by how much," Tanaka told Reuters on the sidelines of an energy forum in Tokyo.

"It's because the economic situation is extremely bad," he added.

### [EIA Predicts 'Fairly Loose Oil Market' over Next 2 Years](#)

The U.S. on Tuesday forecast that crude oil markets will stay "fairly loose" over the next two years, noting that OPEC will have difficulty implementing pledged crude output cuts.

### [EIA: OPEC Members Could Barrel in \\$387B in Oil Revenues for 2009](#)

Based on projections from the EIA January 2009 Short Term Energy Outlook (STEO), members of the Organization of the Petroleum Exporting Countries (OPEC) could earn \$387 billion of net oil export revenues in 2009 and \$526 billion in 2010. Last year, OPEC earned \$972 billion in net oil export revenues, a 42 percent increase from 2007. Saudi Arabia earned the largest share of these earnings, \$288 billion, representing 30 percent of total OPEC revenues. On a per-capita basis, OPEC net oil export earning reached \$2,691, a 40 percent increase from 2007.

### [Qatar oil min says \\$70 right price for oil](#)

NEW DELHI - Oil at \$70 a barrel is the right price to keep companies and producers investing in new resources, Qatar's oil minister said on Wednesday.

"Low oil prices will reflect a freeze in investment in new resources. When growth comes back, we will have another shock, as resources will not be there to meet demand," Abdullah al-Attiyah said on the sidelines of Petrotech, India's biggest oil and gas conference.

## [The Russian Gas Trap](#)

At the time of this writing, the natural gas crisis in Europe is entering its 13th day.

While the topic has only penetrated the Western mind as an issue in recent years, Russia and Ukraine have been spatting about the details of natural gas deliveries, volumes, prices and transit terms since the Soviet breakup in 1992. In the end, a deal is always struck, because Russia needs the hard currency that exports to Europe (via Ukraine) bring, and Ukraine needs natural gas to fuel its economy. But in recent years, two things have changed.

## [EU Nations Threaten To Sue Russia, Ukraine Over Gas](#)

Several European countries that have been left out in the cold by a natural gas dispute between Russia and Ukraine are threatening to sue both Moscow and Kiev.

## [Slow start to Mexico oil reform as board delayed](#)

MEXICO CITY (Reuters) - The implementation of Mexico's 2008 energy reforms has gotten off to a slow start after the government failed to make key appointments at state oil company Pemex.

The legislation called for President Felipe Calderon to nominate four so-called professional directors to the Pemex board by the end of December but the government has so far not made any announcements.

## [Bolivia primed to pump up volume](#)

Bolivia aims to boost natural gas output by 6 million cubic metres per day this year on the back of \$1.5 billion in investment from state-run YPFB and foreign energy companies, Energy Minister Saul Avalos said.

The planned investments would allow Bolivia to increase production by roughly 15%, Avalos told Reuters in an interview.

## [BP Shuts Angola's Greater Plutonio Crude Oil Output](#)

(Bloomberg) -- BP Plc, Europe's second-largest oil company, shut crude production from the Greater Plutonio fields off Angola in January "for operational issues."

The company stopped production from Jan. 11 for "several days," BP spokesman Toby Odone said in a telephone interview today.

Odone declined to specify the reason for the shutdown, adding that it wasn't the result of a cut in OPEC production quotas.

### [Transneft Says Credit Crisis Stalks China Pipeline](#)

Russian oil pipeline monopoly Transneft says it is sticking to plans to launch a major oil route to China this year even though contractor problems caused by the global financial crisis pose a threat.

President Nikolai Tokarev said on Tuesday that Transneft aims to launch the 2,700-km oil pipeline to the Chinese border at the end of 2009, already a year late after the initial plan changed in 2007.

### [Major power cuts cause unrest in Nepal](#)

The government in Nepal has announced major power cuts to battle the growing shortage of electricity in the country. From this week, supplies will be cut off to homes and businesses for a staggering 16 hours a day. Industries are running on less than 20 percent of their capacity. Nepal's Maoist government has declared a "national power crisis."

### [The Philippines: Oil prices rolled back; LPG price hike noted](#)

Five oil companies cut pump prices by 50 centavos, it was learned yesterday.

The "Big Three" oil firms – Pilipinas Shell, Petron Corp. and Chevron Philippines (formerly Caltex) – enforced the half-peso cutback on diesel, gasoline and kerosene at 12:01 a.m. yesterday.

### [Questions remain about repairs to transmission line](#)

Questions still remain one day after an avalanche that knocked out a Snettisham transmission line 40 miles south of Juneau, causing the city to rely on backup diesel generators for power.

### [Mass. residents sue electric utility](#)

WORCESTER, Mass.—Residents of three Massachusetts communities served by electric utility Unitil have filed a class action lawsuit against the company, alleging "gross negligence" in its response to last month's ice storm.

### [Chu vows to push nuclear power](#)

Steven Chu said on Tuesday that he would push as the new energy secretary to help the nuclear energy and clean coal industries jump-start their contributions to battle the nation's energy crisis.

The Nobel Prize-winning physicist told the Senate Energy and Natural Resources Committee during his confirmation hearing that he'd help streamline nuclear loan guarantees that would help the industry construct several new plants to produce low-emission energy and would push the Energy Department to examine options for recycling nuclear waste.

### [Sharon Astyk: Reasons for good cheer](#)

In the last couple of months, several major peak oil activists have confided to me that they have had moments of despair. In each case, these were not "doomers" or people who have long since thrown up their hands - instead, these are people making a difference, with viable plans for shifting the way we live, and they suddenly came up against painful economic reality - that the investments they'd hoped we make, many quite modest - simply aren't going to get made.

For many people who imagined peak oil as a steady build up in energy prices, or marked volatility, but trending upwards and leading only eventually to an economic collapse, the sudden shift into credit crisis is a crisis indeed - all of the signals that high energy prices were sending are erased now, and while demand is falling, so is the ability to invest in infrastructure.

### [A Bicycle Evangelist With the Wind Now at His Back](#)

PORTLAND, Ore. — For years, Earl Blumenauer has been on a mission, and now his work is paying off. He can tell by the way some things are deteriorating around here.

"People are flying through stop signs on bikes," Mr. Blumenauer said. "We are seeing in Portland bike congestion. You'll see people biking across the river on a pedestrian bridge. They are just chock-a-block."

### [Soylent black](#)



So here is yet another explanation for the secret: terra preta derives, at least in part, from a thousand years of burying the dead under the floors of the houses, in clay jars.

### [Slight Majority Of U.S. Energy CFOs Disagree That World Has Reached Peak Oil](#)

Approximately 48% of U.S. E&P chief financial officers believe that the world has reached its peak petroleum production rate or will reach it within the next few years, while another 52% disagree with that statement, according to a new survey by Chicago-based national professional services firm BDO Seidman LLP.

The BDO Seidman Natural Resources 2009 Outlook survey was conducted by Market Measurement Inc. in the fourth quarter and included input from 100 U.S. E&P CFOs.

The survey finds there are similarly differing opinions in predictions regarding when the world's demand for petroleum will peak—31% believe it will be in less than 10 years, 43% believe it will be in 10 to 20 years, 14% believe it will be 20 to 30 years and 8% think it will reach peak more than 30 years from now.

### [EIA again cuts 2009 US gas supply growth estimates](#)

NEW YORK (Reuters) - The U.S. Energy Information Administration on Tuesday again cut its estimate of domestic natural gas production growth in 2009 and further increased the expected decline in demand as economic activity continues to slow.

In its January short-term energy outlook, EIA forecast U.S. marketed natural gas output this year would rise 0.41 billion cubic feet per day to 58.88 bcf daily, up 0.7 percent from last year but down slightly from a 0.9 percent gain forecast in its previous monthly report.

### [China to Cut Fuel Prices After Global Oil Declines](#)

(Bloomberg) -- China, the world's second-biggest energy user, cut fuel prices for the second time in a month to reflect the decline in global oil prices and reduce costs for factories as the economy slows.

### [StatoilHydro announces cost cuts for 2009](#)

OSLO, Norway — State-controlled Norwegian oil company StatoilHydro ASA announced plans Wednesday to cut its 2009 costs by 1.5 billion kroner (\$215 million) to adjust to weaker market conditions amid the world economic downturn and lower crude prices.

### [Gas-starved EU nations seek end to energy crisis](#)

MOSCOW – The leaders of several gas-starved European nations traveled to Ukraine and Russia on Wednesday, pressing them to restore supplies as the EU threatened both with legal action for halting energy deliveries in the midst of winter.

But Ukraine's natural gas company said for a second straight day it would not send Russian gas along to Europe. It claimed that Russia's gas monopoly Gazprom was trying to force it to cut service to parts of Ukraine in order to send the gas along.

### [Russia wants EU gas flow via Ukraine resumed on acceptable terms](#)

MOSCOW (RIA Novosti) - Russian President Dmitry Medvedev urged Gazprom CEO Alexei Miller to do everything possible to resume the flow of Russian gas through Ukraine, but only on conditions acceptable to Moscow.

### [Serbian power grid overloaded amid gas dispute](#)

BELGRADE, Serbia (AP) -- Serbia's government is warning that its power grid is getting overloaded, as thousands switch to electricity for heating amid gas shortages caused by the Russia-Ukraine energy dispute.

Authorities said the capital Belgrade is facing increased air pollution as residents and businesses switch from using natural gas to oil for heat.

### [Europe's energy myopia](#)

Russia and Ukraine's gas dispute was a chance for the EU to tackle coal consumption. Instead, the nuclear lobby stepped in.

### [Ruble Devalued to Six-Year Low as Gas Dispute Deters Investors](#)

(Bloomberg) -- The ruble fell to lowest in six years against the dollar after the central bank devalued the currency for the third time in four days and the government's dispute with Ukraine over gas shipments remained unresolved.

### [Niger Delta anger at 'execution'](#)

Militants in Nigeria's oil-rich Niger Delta region have claimed a gang leader was executed by soldiers.

But a military spokesman said that Tubotamuno Angolia - also known as Boy Chiki - was

killed as he tried to escape arrest.

The Movement for the Emancipation of the Niger Delta (Mend) said they would break a ceasefire with "spectacular attacks" on soldiers as a result.

### [China oil imports recover on stockpiling](#)

BEIJING (Reuters) - China's crude oil imports in December recovered from the year's lowest in November, as oil firms, as well as the state, rushed to build up stocks following the crash in oil prices.

The increase came despite ample fuel supplies and sluggish demand at the pump as the economy took a worse-than-expected toll from the global financial crisis.

### [Oil is weapon against Israel, U.S., says Iranian aide](#)

TEHRAN (Reuters) - An aide to Iran's top authority said on Wednesday oil could be used as a weapon against Israel, the United States and their allies, echoing an earlier call by an Iranian commander to impose a crude oil embargo over Gaza.

### [Iran to spend \\$1 bln on Lanka refinery - minister](#)

NEW DELHI (Reuters) - Iran is contributing \$1 billion to help Sri Lanka double the capacity of its refinery to 100,000 barrels per day (bpd), the oil minister of the island nation, A.H.M. Fowzie told reporters.

"Iran will be giving us \$1 billion and we will contribute about \$500 million for the expansion," he told reporters on the sidelines of the Petrotech conference.

### [New twist for Pickens in energy independence fight](#)

WASHINGTON – Texas oilman T. Boone Pickens is adding a new wrinkle to his push for U.S. energy independence: monthly updates to remind Americans how much money they're paying for foreign oil.

### [T. Boone Pickens seeks stimulus funds to convert trucks to natural gas](#)

WASHINGTON – T. Boone Pickens said Tuesday that he's seeking as much as \$28 billion from the economic stimulus plan to convert heavy-duty trucks from diesel to natural gas engines.

## [DART to reconsider natural gas engines for new buses](#)

Members of the DART board will hear new information today about the costs involved with choosing either diesel-powered or compressed natural gas engines for its new fleet of passenger buses.

## [Greening the stimulus](#)

**Bill McKibben:** I think we should at least keep in mind the possibility that we won't really get out of this economic crisis -- that far from being a cyclical downturn, it may be a signal of something more remarkable: the confluence of forces, like peak oil, finally starting to bring our growth era to an end. If so, it makes sense to push at least a little investment in the direction of infrastructure that would support a different kind of economy than the one we've spent the last hundred years building, i.e., globalized, centralized and always growing. I'd put some money into decentralized and local renewable energy and into rebuilding the local agricultural infrastructure that's been allowed to rot away. A few billion dollars would buy a bunch of slaughterhouses and small food processors, and it would serve as a kind of insurance that we may need -- especially since, however many green jobs we create, we're not going to entirely ward off climate change.

## [Choosing What Our Cities Will Look Like in a World Without Oil](#)

As we draw nearer to reaching the point of Peak Oil, it benefits us to imagine what our cities will look like in a world without oil. Does this conjure up images of cities turned into urban farms just to produce enough food for us all? Do we devote all our energy to growing, bartering and trading the food we grow? Or will the city become divided, with the wealthy moving to the center while higher costs of living force lower-income families to the outer-ring suburbs, where access to goods, services and transport will be limited?

## [Produce will sail into Ballard](#)

Sail Transport Network has teamed up with Sustainable Ballard and led a team of volunteers to haul an array of organic produce and food from Kitsap County Farmers to the public dock of Ballard's Shilshole Bay Marina.

Dave Reid, co-founder of Seattle Peak Oil, took the reigns as lead engineer for Seattle's Sail Transport Network. The concept, originally thought up by California activist Jan Lundberg, is to mitigate peak oil and climate change. The mission of the company is "natural transport for the local economy and community."

## [ConocoPhillips CEO urges balanced energy policy](#)

WASHINGTON – President-elect Barack Obama's plan to create a "green energy economy" is designed to address the problems of energy security, climate change and job creation, but its cost could be greater than policymakers realize, the chief executive of oil company ConocoPhillips said Tuesday.

"We agree that we must reduce the environmental footprint of energy production and consumption. But we must be realistic about the cost of green energy ... (and) about its true potential and how long it will take for commercial-scale supply contributions," ConocoPhillips Chairman and CEO Jim Mulva said in a speech at the National Press Club.

### [Conoco may take fourth-quarter writedown for Lukoil: analysts](#)

HOUSTON (Reuters) – U.S. analysts said on Tuesday that ConocoPhillips may need to take a big write-down in the fourth quarter related to its investment in Russian oil major Lukoil, as weakness in the crude oil market and other factors sap the value of the venture.

Conoco may need to take a year-end writedown as large as \$1.7 billion as it adjusts the value of its 20 percent interest in Lukoil, according to a note from energy investment bank Simmons & Co Int'l.

### [Conoco reports big oily water spill at Alaska field](#)

ANCHORAGE (Reuters) - A corroded pipeline ruptured on Christmas Day at ConocoPhillips' Kuparuk oil field in Alaska, causing one of the biggest-ever spills of oil-laced water on the North Slope, the Alaska Department of Environmental Conservation (DEC) said on Tuesday.

### [Environmental group pressures Nigeria to stop gas flaring](#)

LAGOS (AFP) – A global environmental group said Tuesday it has launched a campaign to push the Nigerian authorities to effectively ban gas flaring after the expiry of another government deadline.

### [Mexico president: no Obama talk of reopening NAFTA](#)

MEXICO CITY – Mexico's president said Tuesday that U.S. President-elect Barack Obama did not mention reopening the North American Free Trade Agreement when the two met, but did stress the need to address labor and environmental protection aspects of the pact.

### [Group sues on 'extreme-density drilling'](#)

LANDER -- A prominent environmental group is trying to stop the construction of new roads and new drilling pads on the Jonah natural gas field in western Wyoming.

The Laramie-based Biodiversity Conservation Alliance filed a lawsuit in the U.S. District Court of Wyoming on Tuesday in an attempt to protect native wildlife -- such as the declining sage grouse population -- in and around the 40-square-mile Jonah gas play south of Pinedale.

### [Industry Outlook - Alternative Energy](#)

Assuming that GDP growth is slightly negative for the next 3 to 4 quarters while the credit markets gradually strengthen, let's consider the outlook and opportunities for the Alternative Energy industry over the next 6 to 12 months. Many companies engaged in the solar power market offer profitability with strong average long-term annual earnings growth expectations of approximately 40%, stock price valuations significantly discounted from their recent historic highs, and a favorable political environment.

### [Mass. governor unveils big push for wind power](#)

BOSTON – Wind turbines would increasingly dot the Massachusetts landscape under a plan unveiled by Gov. Deval Patrick to ramp up the state's reliance on wind power over the next dozen years.

Patrick said Tuesday he wants the state to be producing 2,000 megawatts of wind electricity annually by 2020, enough to power 800,000 homes — or about 10 percent of the state's current energy needs. The state has just nine major wind turbines now, producing less than seven megawatts of power annually.

### [Biofuel producers hope to rebound after tough year](#)

SCOTLAND, S.D. – Cellulosic ethanol, the next big hope for a biofuels industry hampered during the past year by volatile commodity price swings and shrinking profit margins, is continuing its slow march toward commercialization.

### [More U.S. backing seen possible for ethanol plants](#)

WASHINGTON (Reuters) - Congress may add \$1 billion to a U.S. loan guarantee program for construction of cellulosic ethanol plants, the president of a renewable fuels trade group trade said on Tuesday.

During a teleconference, Renewable Fuels Association President and CEO Bob Dinneen said lawmakers apparently were looking at \$1 billion for loan guarantees to bring new feedstocks into use.

### [Study: Nations that sow food crops for biofuel may reap less than expected](#)

Ethanol and biodiesel manufacturers have been extremely optimistic about the potential of food crops such as corn and soybeans to produce biofuels, but a new study suggests that the projections they relied on have not been realistic.

The study by University of Wisconsin and University of Minnesota researchers, published Tuesday in the journal Environmental Research Letters, determined the global yields of such crops have been overestimated by 100 percent to 150 percent.

### [Army goes electric with new Chrysler vehicles](#)

WASHINGTON (AP) — The Army on Monday received the first of 4,000 electric vehicles that it plans to lease for use on bases, a deal the military says is the largest acquisition of such vehicles in the U.S. and comes as automakers are touting electric technology.

### [Tesla Motors to Supply Batteries for Daimler's Electric Mini Car](#)

DETROIT -- Tesla Motors Inc. said it will supply batteries and chargers to Daimler AG for its new electric Smart car, which is slated to come out in the second half of 2010, as the race to get electric vehicles into the market heats up.

### [New tax credit for wind power](#)

WASHINGTON (AP) - Did you put off getting those new double-pane thermal windows or an energy efficient hot water heater or furnace? From a tax perspective, your procrastination could save you money.

Congress renewed the tax credit for energy improvements to homes, but skipped the 2008 tax year. The credit will reappear in 2009.

However, if you installed a small windmill to generate energy for your home, you may qualify for a credit for up to \$4,000 of the cost. Wind-produced energy was added for 2008 to the alternative energy sources under the Residential Energy Efficient Property Credit.

### [Halt all carbon emissions by 2050, says Worldwatch](#)

WASHINGTON (Reuters) - To avoid the most catastrophic effects of climate change, world carbon emissions will have to drop to near zero by 2050 and "go negative" after that, the Worldwatch Institute reported on Tuesday.

This is a deeper cut than called for by most climate experts and policymakers, including President-elect Barack Obama, who favors an 80 percent drop in U.S. carbon emissions by mid-century.

### [Study links swings in North Atlantic oscillation variability to climate warming](#)

The research team found the variability of the NAO decade-to-decade (multi-decadal scale) has been larger, swinging more wildly, during the late twentieth century than in the early 1800s, suggesting that variability is linked to the mean temperature of the Northern Hemisphere. This confirms variability previously reported in past terrestrial reconstructions.

"When the Industrial Revolution begins and atmospheric temperature becomes warmer, the NAO takes on a much stronger pattern in longer-term behavior," said Goodkin. "That was suspected before in the instrumental records, but this is the first time it has been documented in records from both the ocean and the atmosphere."

### [Obama to lead fight against climate change: Clinton](#)

WASHINGTON (AFP) – Incoming President Barack Obama will lead "a global and coordinated response" toward combating climate change, secretary of state designate Hillary Clinton told a Senate confirmation hearing Tuesday.

Clinton told Senator John Kerry, chairman of the Senate Foreign Relations Committee, that he was among "the very first in a growing chorus from both parties to recognize that climate change is an unambiguous security threat.

"At the extreme it threatens our very existence but well before that point it could well incite new wars of an old kind over basic resources like food, water and arable land," Clinton said.



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