



DrumBeat: January 16, 2009

Posted by [Leanan](#) on January 16, 2009 - 9:53am

Topic: [Miscellaneous](#)

[Venezuela Says \\$70 Oil Needed to Maintain Investments](#)

(Bloomberg) -- Oil prices need to rise to about \$70 a barrel to sustain investment in fields and avoid shortages, Venezuelan Energy and Oil Minister Rafael Ramirez said.

The South American country is discussing prices with other members of the Organization of Petroleum Exporting Countries, Ramirez said today in an interview today in Machiques, Venezuela.

“We’ve spoken of a price band of \$80 to \$100 a barrel,” he said, declining to specify an immediate price target. “The priority is to stabilize the market and avoid a cycle of disinvestment,” particularly in projects such as deep water and the Canadian tar sands.

[Venezuela to Tap \\$12 Billion in Bank Reserves, Chavez Says](#)

(Bloomberg) -- Venezuela will use \$12 billion of its international reserves to finance spending this year amid a drop in prices for oil, the country’s top export, President Hugo Chavez said today.

[Conoco and Exxon PDVSA-supplied refineries normal](#)

NEW YORK (Reuters) - ConocoPhillips (COP.N) and Exxon Mobil Corp (XOM.N) said on Friday their refineries supplied by Venezuelan crude were operating normally after Venezuela announced it had halted oil shipments to them.

[Number of active oil rigs drops by 21](#)

HOUSTON — The number of rigs actively exploring for oil and natural gas in the United

States dropped by 21 this week to 1,568.

Of the rigs running nationwide, 1,235 were exploring for natural gas and 324 for oil, Houston-based Baker Hughes Inc. reported Friday. A total of nine were listed as miscellaneous.

A year ago, the rig count stood at 1,732.

[Petrobras Brazil Dec oil output up 1.1 pct yr/yr](#)

SAO PAULO (Reuters) - State-run oil company Petrobras said Friday its crude output in Brazil in December averaged 1.876 million barrels per day, up 1.1 percent from the same month a year ago.

Last month's output was up 1.7 percent from 1.845 million in November.

[Petrobras to Invest \\$1.1 Billion in Bolivian Gas](#)

(Bloomberg) -- Brazilian President Luiz Inacio Lula da Silva plans to invest \$1.1 billion to develop Bolivia's natural-gas reserves as the Andean nation struggles to meet supply contracts to Brazil and Argentina.

Brazil's state oil company "has made the commitment to invest \$1.1 billion in the coming years," Lula said at a press conference late yesterday in the Brazilian town of Ladario, which borders Bolivia. "We need gas and we will act with the Bolivian government to fulfill that need."

[Chile to Post 'Moderate' Energy Demand Growth, Tokman Says](#)

(Bloomberg) -- Chile, the world's biggest producer of copper, expects "moderate" growth this year in energy demand after usage shrank for the first time in 26 years in 2008, Energy Minister Marcelo Tokman said.

This year, Chile has more generators running, higher dam reservoir levels and a better distribution network for diesel, which is used during natural-gas shortages, Tokman said.

[U.S. Issues Plan for Shipping Nuclear Waste to Yucca](#)

(Bloomberg) -- The U.S. Energy Department released a plan to ship nuclear waste to a repository at Yucca Mountain in Nevada beginning no earlier than 2020.

The report was issued today, the final work day of the Bush administration, in an effort to get comments from state, tribal and local officials, the agency said. The underground Yucca site would hold waste from nuclear power plants nationwide.

[Kenya: Kibaki declares famine National Disaster](#)

President Mwai Kibaki on Friday declared the current food shortage facing the country a National Disaster and launched a campaign to raise over 37 billion shillings required to address the situation.

The President further directed all arms of the government to marshal available resources in order to respond effectively to the situation.

[Argentina Corn Planting to Drop 26% to 2.38 Million Hectares](#)

(Bloomberg) -- Argentine corn planting will drop 26 percent for the coming harvest as a drought discourages growers from sowing the grain, the Buenos Aires Cereals Exchange said.

[Coastal Sensitivity to Sea-level Rise: A Focus on the Mid-Atlantic Region](#)

- Rising water levels are already an important factor in submerging low-lying lands, eroding beaches, converting wetlands to open water, and exacerbating coastal flooding. All of these effects will be increased if the rate of sea-level rise accelerates in the future.
- Most coastal wetlands in the mid-Atlantic would be lost if sea level rises one meter in the next century. Even a 50-cm rise would threaten most wetlands along the Eastern Shore of Chesapeake Bay.
- Possible responses to sea level rise include seawalls, bulkheads, and other shoreline armoring; elevating buildings and land surfaces (including beaches and wetlands); and allowing shorelines to change and moving structures out of harm's way. Those three approaches have very different environmental and social impacts.
- Preparing now can reduce the eventual environmental and economic impacts of sea level rise.
- Some governmental and nongovernmental organizations are already starting to prepare for sea level rise.

[Slight Changes in Climate May Trigger Abrupt Ecosystem Responses](#)

Slight changes in climate may trigger major abrupt ecosystem responses that are not easily reversible.

Some of these responses, including insect outbreaks, wildfire, and forest dieback, may adversely affect people as well as ecosystems and their plants and animals.

The U.S. Geological Survey led a new assessment of the implications of a warming world on "ecological thresholds" in North America. The report, which was commissioned by the U.S. Climate Change Science Program and authored by a team of federal and academic climate scientists, is based on a synthesis of published scientific literature and addresses what research and steps are needed to help mitigate resulting effects.

[Great Lakes Water Levels Sensitive To Climate Change](#)

"In the distant past, there were great fluctuations in the water level of the Great Lakes, but it was thought to have been related entirely to the advance and retreat of the glaciers," said URI geological oceanographer John King, who led the study with URI visiting scientist Michael Lewis, emeritus scientist with the Geological Survey of Canada. "But the last time lake levels fell dramatically – down to 20 meters below the basin overflow outlets – it was due to dry climate conditions."

[Arctic Heats Up More than Other Places](#)

Temperature change in the Arctic is happening at a greater rate than other places in the Northern Hemisphere, and this is expected to continue in the future.

As a result, glacier and ice-sheet melting, sea-ice retreat, coastal erosion and sea level rise can be expected to continue.

A new comprehensive scientific synthesis of past Arctic climates demonstrates for the first time the pervasive nature of Arctic climate amplification.

[For Wind Turbine Manufacturers, the Layoffs Begin](#)

President-elect Barack Obama will spend part of today touring a factory near Cleveland that makes parts for wind turbines – an example of the "green jobs" that he hopes to promote in the stimulus package.

But some of those jobs in the wind industry are becoming casualties of the economic slump. North Dakota-based D.M.I. Industries, which manufactures turbine towers, is laying off 20 percent of its workers across three plants — in Tulsa, Oklahoma, Stevensville, Ontario and West Fargo, North Dakota.

The news comes barely six months after the company announced expansion plans that would make it the “largest wind tower manufacturer in North America.”

“Quite frankly, I was shocked,” the major of West Fargo, Rich Mattern, told The Associated Press earlier this month. “I thought they were bulletproof. I never guessed that they would be in trouble.”

[Pemex to fine Weatherford for delays](#)

Pemex is preparing to fine Weatherford International for missing deadlines on two oil drilling contracts awarded to the company last year.

Industry executives said Weatherford is in a tough spot because it underestimated the cost and difficulty of the two projects.

[Venezuela confirms \\$230 mln Lyondell exposure](#)

MACHIQUES, Venezuela (Reuters) - Venezuela's state oil company PDVSA is owed \$230 million by bankrupt U.S. chemicals group Lyondell Chemical Co, Oil Minister Rafael Ramirez said on Friday.

Lyondell's U.S. operations filed for Chapter 11 bankruptcy protection on Jan. 6 weighed down by heavy debts, volatility in oil prices and reduced demand due to the economic downturn.

[Russian gas, Mideast crisis bare EU divisions](#)

BRUSSELS, Belgium: Who listens to the EU these days? Not Russia and Ukraine, who ignore Europe's pleas to resume gas deliveries to Western Europe. Nor Israel, whose relentless assault on the Gaza strip continues amid EU demands for moderation.

The reason for the shrug off may lie in the challenges Europe faces in speaking with one voice.

[Minnesota schools closed after fuel issues in buses](#)

BLOOMINGTON, Minn. -- The Bloomington School District is closing schools Friday, after extremely cold temperatures caused the biodiesel fuel in school buses to clog.

The problem left dozens of students stranded Thursday -- some for up to 30 minutes in the dangerous cold.

Superintendent Les Fujitake said the district could not ensure the buses would not encounter the same issues Friday morning as temperatures remain below zero in the Twin Cities and therefore they decided to close schools in Bloomington.

Elements in biodiesel fuel turn into a gel-like substance at temperatures below 10 degrees. District spokesman Rick Kaufman said some buses couldn't operate at all and others stalled while picking up students.

[Platts survey: December OPEC oil output fell to 30.74 mil. barrels per day](#)

The 13 members of the Organization of the Petroleum Exporting Countries (OPEC) pumped an average 30.74 million barrels per day (b/d) of crude oil in December, according to a Platts survey of OPEC and oil industry officials just released. This is a decline of 640,000 b/d from the November level of 31.38 million b/d. The total includes Indonesia, which left the oil producer group at the end of the year.

Excluding Indonesia, production from the other 12 members fell by 630,000 b/d to 29.86 million b/d from the November estimate of 30.53 million b/d, the survey showed.

"This is nowhere near the amount of cuts needed if OPEC wishes to balance the market, and OPEC knows it," said Platts Global Director of Oil John Kingston. "That's why they were willing in December to make further cuts to production. Outside of the price, the most important number to watch in coming weeks is OPEC's actual production in January."

[The current crisis was predicted 30 years ago](#)

The Club's first report, which had the tell-tale title "Limits to Growth," caused a shock. It was compiled by a group of scientists headed by Dennis L. Medows, who decided to create a cybernetic model of global development. Having focused on five global processes: fast industrialization, population growth, increasing shortage of food, depletion of non-renewable resources, and degradation of the environment, they modeled the future on a computer.

The emotionless machine produced an answer that sounded like a verdict: the human race is in for a disaster. Considering that the population was growing at a rate of over

two percent annually at that time, while industry was growing at up to five to seven percent, modern civilization was bound to reach the limits of growth in the first decades of the 21st century. Mineral resources will have been depleted; environmental pollution will have become irreversible; a sudden uncontrolled drop in the population and decline in production will have become inevitable. Millions of people will have died as a result of man-made catastrophes, spontaneous economically motivated social conflicts and unknown pandemics.

[More Evidence That Peak Oil Is A Reality Just Around the Corner](#)

In the last month or so there have been two very public indications that not even the Middle East's oil states are counting on endless supplies of the black gold which in the space of one or two generations moved their economies from the 18th century to modernity.

[Angola's March oil exports to fall below OPEC target](#)

LONDON (Reuters) - Angola is set to export 1.5 million barrels per day (bpd) of crude oil in March, down from 1.6 million bpd in February due to shipment delays and OPEC supply curbs, trade sources said on Friday.

The drop is the latest indication that members of the Organization of the Petroleum Exporting Countries are delivering on pledges to cut output agreed in response to a \$100-a-barrel collapse in oil prices since July.

[Proven reserves of Petrobras grow 1.2 pct in 2008](#)

SAO PAULO (Reuters) - Brazil's state-run oil company Petrobras said late Thursday it ended 2008 with proven reserves of 14.09 billion barrels of oil equivalent (boe) in Brazil, up 1.2 percent from 2007.

Crude and condensates totaled 11.97 billion barrels, while natural gas reserves totaled 337,624 billion cubic meters.

[Petrobras Oil Reserves Are 'Comfortable,' Itau Says](#)

(Bloomberg) -- Petroleo Brasileiro SA's proven oil and gas reserves put the company in a "comfortable position," according to Paula Kovarsky, an oil and gas analyst at Itau

Corretora.

Reserves fell 4.4 percent to 11.2 billion barrels of oil and natural-gas equivalent at the end of last year, according to U.S. Securities and Exchange Commission standards, as lower oil prices made some resources uneconomic, Rio de Janeiro-based Petrobras, as the company is known, said late yesterday in a statement.

[Not just a refinery, a super refinery](#)

The refinery's most interesting feature is that it is one of the world's most complex. This enables it to turn cheaper heavy crudes into top quality products that meet increasingly tough specifications in western fuel markets. By doing so it will be able to compete with almost every refinery in the world. Because of its location in Jamnagar, Gujarat, India, it's also perfectly situated to dispatch cargoes quickly and efficiently to a global customer base.

[Obama energy goal ambitious but attainable: IEA chief](#)

TOKYO (Reuters) - President-elect Barack Obama's aim to greatly increase U.S. alternative energy production is ambitious but attainable, the head of the International Energy Agency (IEA) said on Friday.

[Poll: Americans believe Obama will deliver despite down times](#)

Their clear priorities are the issues that hit home. On a list of campaign promises, five pocketbook issues take the five top spots, among them expanding health care for children and reducing health care costs. They include doubling the production of alternative energy, a step Obama says would help reduce reliance on gas and its volatile market.

[Thailand: Strong Case For Govt To Float the Price of Gas](#)

If anything, huge subsidies for liquefied petroleum gas (LPG) and the gas shortage last year could serve as a reminder to the National Energy Policy Council that floating the gas price would be the best solution to ensure efficient use of the fuel.

[Australia: Govt criticised for unleaded fuel shortage](#)

The Motor Trade Association says the shortage of unleaded fuel is having a substantial effect on some petrol stations around Adelaide.

A delayed Mobil fuel tanker is being blamed for the shortages and it is the second time in nine days that some stations have been left without unleaded petrol.

The Association's executive director John Chapman says it is up to the Government to ensure a constant supply of fuel throughout the state.

[Energy Lessons for Europe and the U.S. from the 1973 Arab Oil Embargo](#)

Across eastern and central Europe, anger is rising over the cutoff of Russian natural gas due to the dispute between Russia and Ukraine. While feeling angry is justified in such a crisis, the governments in this region would be best advised not to get mad at Russia but to get more secure in energy supplies and smarter in energy usage. They and the Obama administration could learn valuable lessons from how the United States responded to the 1973 Arab Oil Embargo.

[Grazing Assistance Available Through NRCS](#)

"With feed and fuel prices on the rise, more and more farmers are considering grazing for their livestock operations," said Malot. Farmers like Forrest Stricker of Wernersville, Pennsylvania have gained immense benefits from switching to grazing and letting their cows work for them.

[Why We'll See \\$200 Oil Soon](#) (David Kent, President of Rigzone)

Will oil prices drop to \$20, or will they catapult to \$200? In the short-term, it is anyone's guess. In the long-term, the answer is simple -- if we use a little history and a bit of common sense. Growing up in an oil family and working within the industry for the past decade, I have experienced some interesting times. The oil and gas industry is notorious for its cyclical nature and dramatic ups and downs. And no matter how many times you go through these cycles, it seems "When it is up, we don't see how it can ever go down; and when it is down, we don't see how it can ever go up," as a good friend recently summed it up. With that said, I do not believe low commodity prices and rig counts will be here for long. Simply put, our industry rises and falls with the price of oil and gas, and two simple truths will provide upward pressure on prices for decades to

come. Those truths: 1.) supply is finite, and 2.) the world population continues to grow at a tremendous rate.

[Mexico, Pakistan face 'rapid and sudden' collapse: Pentagon - Report tries to forecast 25 years into the future](#)

A new Pentagon report that tries to predict the type of challenges the U.S. military will face over the next 25 years warns that Mexico and Pakistan could face a "rapid and sudden" collapse.

...Expect severe shortages. By 2012 "surplus oil production capacity could entirely disappear and as early as 2015, the shortfall in output could reach 10 million barrels a day."

"The implications for future conflict are ominous," it says. "If the major developed and developing states do not undertake a massive expansion of production and refining capabilities, a severe energy crunch is inevitable."

[Robert Bryce - Crunching the Data: The Ten Most Coal-Reliant Countries](#)

While there's no question that other sources of energy -- particularly nuclear and natural gas -- can provide large amounts of electric power and do so with far less carbon dioxide emissions and pollutants than coal, the problem remains one of scale. (Renewables are fine, but they cannot provide the baseload power and large quantities of power needed in the near term.) But there are significant financial, political, and structural constraints on those alternatives to coal. And those obstacles take us back to a familiar question: If not coal, then what?

A bit of data crunching from the latest BP Statistical Review of World Energy yields a list of the most coal-reliant countries. And that list provides some hints as to why achieving a global carbon emissions reduction plan will be so difficult.

[Serbia seeks partner to build two power plants](#)

BELGRADE (Reuters) - Serbia announced on Friday a tender for the construction of two coal-powered thermal plants, seeking partners for a 2 billion euro (\$2.65 billion) investment, the energy ministry said.

[Indian coal imports growing at 17% annually](#)

BL reported that coal imports have recorded a compounded annual growth rate of 17.1% between 2003 and 2008. Simultaneously, exports of coal have come down during this period with a CAGR of (-) 0.1%.

[Saudis go it alone with new cut in oil output](#)

Saudi Arabia said yesterday it had unilaterally cut oil production by more than its agreed Opec limit.

Riyadh's decision to step outside the group underlines how severely Opec, the oil cartel that supplies about 40 per cent of the world's oil, is struggling to reverse a slide in prices, in spite of the record 2.2m barrel a day cut it announced last month.

[Of continued slide and OPEC's resolve](#)

(MENAFN - Arab News) Producers are deeply concerned because the demand is dropping faster. And there are now very apparent steps to somehow balance the markets. The very issue of demand security that OPEC has been highlighting all these turbulent years seems so pertinent at this stage.

[Aramco seeks 400,000T diesel for March-Dec](#)

Saudi Aramco is assessing offers into a semi-term tender to buy a monthly 35,000-40,000 tonnes of gas oil from March to December supplies, traders said on Friday.

The tender closed on Thursday, with offers to stay valid until January 28. The cargoes of 0.5 percent, if awarded, are slated for the region on the Red Sea.

Saudi Arabia has turned a net importer of diesel for at least over the last two years, thanks to petrodollar investment on road and building infrastructure.

[Qatar, Exxon, Total Declare 'Force Majeure' on LNG](#)

(Bloomberg) -- Exxon Mobil Corp., Total SA and Qatar Petroleum declared "force majeure" after halting output of liquefied natural gas for a ninth day at the Qatargas-1 plant, the project's biggest buyer said.

[Europe gas crisis prompts jokes in Russia, Ukraine](#)

Russian Prime Minister Vladimir Putin and Belarussian President Alexander Lukashenko are roasting Ukrainian President Viktor Yushchenko on a skewer.

Lukashenko asks: "Vladimir Vladimirovich, why are you turning the skewer so quickly? He won't be cooked well enough."

Putin: "Hmmm. When I rotate it slowly, he steals the coal."

[Regulators rudely stir Woodside from California dreaming](#)

THE Californian gas supply dreams of Australia's biggest oil and gas producers are dead in the water.

Trumpeted in recent years as a \$60 billion market ready for the taking, poor market conditions and California's tough and highly political permitting process for offshore gas-receiving terminals have now killed off the aspirations in that area of both BHP Billiton and Woodside.

[Zimbabwe: Govt Departments in Fuel Crisis](#)

A FUEL shortage is looming in the country amid revelations that government departments have run out of fuel.

Officials at National Oil Company of Zimbabwe (Noczim) on Tuesday told businessdigest that most government departments had not received consistent fuel supplies since December because of foreign currency shortages.

[Nepali major parties to declare vital sectors "shutdown prohibited zones"](#)

KATHMANDU (Xinhua) -- The major six political parties of Nepal on Friday reached an agreement to declare the indispensable service sectors such as hospital, industries, transportation and custom offices as "shutdown prohibited zones".

[French strike cuts 11,235 MW in nuclear capacity-CGT](#)

PARIS (Reuters) - The French CGT union said on Thursday a 24-hour strike in the nuclear sector had cut 11,235 megawatts (MW), or 17 percent of the nuclear capacity, by 1530 GMT, pushing intraday power prices higher.

The union warned that if the management of state-backed nuclear energy operator EDF did not listen to the demands of the workers, who are striking over pay and working conditions, those actions would be repeated.

The strike was taking place in 17 of France's 19 nuclear power plants, the official said.

[Korean firm starts feasibility study for Bataan nuclear plant revival](#)

MANILA, Philippines - Experts from Korea have started a feasibility study for the possible revival of the Bataan Nuclear Power Plant (BNPP).

Froilan Tampinco, president of National Power Corporation (Napocor), said in an interview that the team from the Korea Electric Power Corp. (Kepco) arrived in the country Monday and initiated the pre-feasibility studies in the more than 20-year-old and the only nuclear power plant in the Philippines.

[Army Green: Why the Pentagon's Energy Plans Matter](#)

What does the U.S. Army's planned acquisition of 4,000 golf-cart-looking electric vehicles have to do with America's clean-energy future?

A lot, potentially. It's the latest sign that the Pentagon, reeling from high fuel costs and an even higher cost in human life from long and vulnerable fuel-supply lines, is finally starting to take energy efficiency seriously, seven years after first flagging the issue. And when the Pentagon throws its weight and considerable budget behind something, from aviation to the Internet, the innovations inevitably tend to trickle down to the rest of the national fabric.

[Eco-friendly computing](#)

As the world is looking at ways of fighting an imminent energy crisis and fixing ecological imbalances, adopting green practices has become a business imperative and is not merely a passing fad. What is reinforcing the need to go green is the association of green technology with improvements in business productivity and a significant reduction in energy costs, in addition to its contribution to a healthier environment for the entire

ecosystem.

[World Oil Demand Poised for First Two-Year Decline Since 1983, IEA Says](#)

(Bloomberg) -- Oil demand will fall for a second year, the first back-to-back contractions since 1983, as a deepening recession erodes consumer spending, the International Energy Agency said.

The adviser to 28 nations cut its global 2009 forecast by 1 million barrels a day on expectations the economic outlook will deteriorate. The IEA estimates consumption will shrink 0.6 percent to 85.3 million barrels a day. Forecasters including OPEC, JPMorgan Chase & Co. and Deutsche Bank AG have already said demand will fall this year.

“It’s a major shift,” said Gareth Lewis-Davies, an analyst at Dresdner Kleinwort Group Ltd. in London who worked at the IEA. “The weakness in oil demand is significant. This year there will be a lot of attention on their forecasts and they don’t want to be accused of being behind the curve.”

[Oil falls after IEA demand report](#)

LONDON (Reuters) -- Oil slipped towards \$35 a barrel on Friday after the International Energy Agency sharply cut its forecast for world oil demand and two of the biggest U.S. banks reported massive losses.

...U.S. light crude for February delivery was down 7 cents at \$35.33 a barrel by 6:30 ET, after hitting a low of \$34.77. The contract, which expires on Tuesday, touched a low of \$33.20 on Thursday, the weakest in nearly a month.

The price of oil for delivery in February has fallen about 14% so far this week, as a string of dismal figures from major economies stung investor confidence and portended further weakness in oil demand in months ahead.

[Ukraine and EU leaders seek to end gas cutoff](#)

KIEV, Ukraine – The Ukrainian president hosted a bevy of European officials for talks Friday on the natural gas crisis, throwing Russia's plans for a weekend summit in Moscow into disarray.

[Russian gas cutoff energizes nuclear comeback](#)

Milan, Italy – Europe's natural gas crisis is causing a nuclear fallout of sorts.

With the squabble between Russia and Ukraine leaving much of the continent with uncertain gas supplies, some governments seem to be getting over their "Chernobyl complexes" and are returning to nuclear energy, hoping it will provide a form of reliable, domestically produced energy.

[Alexander Medvedev: Russia Is Trying to Get Gas to Europe, Ukraine is the obstacle](#)

For all the obfuscation surrounding the issue, the reason this has not happened is simple. Gazprom, as required by the agreement, notified Ukraine of its intention to pipe gas to European customers on Tuesday, Wednesday and again yesterday. We opened the taps to start the flow. The Ukrainian transit company, Naftogaz Ukrainy, refused to let the gas through, citing a flurry of contradictory reasons.

[Oil price weakness pressures Iran, Venezuela: CIA](#)

WASHINGTON (Reuters) – Weak global oil prices threaten to destabilize major oil producers Iran and Venezuela, but Russia is better able to manage because of its sovereign investments, CIA Director Michael Hayden said on Thursday.

"Here's one (event) that's destabilizing, but it could be positive," Hayden told reporters.

He said global prices hovering around \$40 per barrel could increase the bite of sanctions aimed at persuading Iran to give up its nuclear program, and could shake the government of Venezuelan President Hugo Chavez, who has been an irritant to U.S. policy in Latin America.

[Senator to push energy issues as Interior chief](#)

WASHINGTON – Sen. Ken Salazar said Thursday he would help wean the U.S. off foreign oil if he leads the Interior Department, telling lawmakers at his confirmation hearing that he would seek to expand renewable energy on public lands and promote the "wise use" of traditional energy sources.

[Bear Market in Crude Oil](#)

Now everyone worries about a deepening of the global recession, wondering if we'll ever see \$50+ oil again. Here's a quote from today's AP report summing up the current attitude:

" "The bull oil era is officially over," said Phil Flynn, an analyst at Alaron Trading Corp..."

I think that says it all, don't you? Still, it might be a little bit premature to write off a future rise in the price of crude oil.

Just as Matthew Simmons was a little early/wrong in his warnings last summer of \$9 and \$10 gasoline and possible oil shortages , I think the same might be said (in retrospect) about this latest call from Flynn.

It makes me wonder if this quote might be nearer to heralding a bottom in oil prices than anything else.

[Brazil's Petrobras cancels platform tender](#)

SAO PAULO (Reuters) - Brazil's state-run oil company Petrobras said late Thursday it canceled tenders for the construction of the P-61 and P-63 production platforms as it considered the prices bid too high given current market conditions.

['Oil storage at 25 year high'](#)

Norway's Frontline, one of the world's biggest oil tanker owners, said today oil companies were storing "about" 80 million barrels of crude oil at sea, possibly the highest in a quarter of a century.

"We think it's about 80 million barrels...but we are not 100% certain," the acting chief executive officer Martin Jensen told Reuters.

He said some 30 to 35 very large crude carriers capable of carrying two million barrels each and 10 Suezmaxes with a capacity of a million barrels each were being used by oil companies for floating storage in the last few months.

[The Peak Oil Crisis: Renovating Suburbia](#)

There has been a lot written lately about the coming demise of America's suburbs. The general thesis is that without cheap fuels for cars, lawnmowers and heating, suburban living will become untenable.

People will be forced to abandon their homes and make their way to cities, small towns

or rural communities where they can survive without gasoline. There is, of course, another side to this coin.

I will be the among the first to grant that suburbia is a creature of cheap energy, particularly gasoline, and unless there are some radical changes in the way we power our homes, feed and clothe ourselves and move about, there will be great difficulties ahead. There are two major problems that need to be solved in order to keep the widely scattered housing of suburbia habitable without cheap energy -- transportation and excessive residential consumption of energy.

[Surviving in the Tough Times Ahead](#)

Ian Sample's "Billions face food shortages, study warns", based on findings by researchers at Washington and Stanford Universities, points out some of the progressively difficult conditions that will likely lead to widespread starvation in times ahead. Its conclusions fit well with ones posed in Paul Chefurka's "World Energy and Population Trends to 2100" and "Peak Oil, Carrying Capacity and Overshoot: Population, the Elephant in the Room".

Such reports, certainly, are cause for alarm and dismay. This is because, with increasing credibility, they warn that humankind is quickly approaching critical choices in terms of whether we, collectively, want to undertake the necessary modification to shape the world to reasonably serve life in the future or plan to bequeath a hell onto the generations of people and other life forms that come after ours.

[Only part of TVA Coal Ash Disaster is Being Told](#)

If you hold a lump of coal in your hand, it seems harmless enough. But pulverize this, spray the powder into a boiler furnace, and you produce four things: 1) the Electric Power you are seeking; 2) Greenhouse Gases and particulates that go, unscrubbed, up chimneys and into our atmosphere; 3) Coal Ash remains, which, for lack of a safe means of disposal, remain as billions of gallons of toxic waste; and 4) profits for investors.

Why is this waste so many times more toxic than the original coal? Because the traces of unburnable arsenic and other heavy metals in the coal are concentrated a hundred times over in Coal Ash. Eat a helping of powdered coal, and it will make you sick. Eat a helping of Coal Ash, and you will likely die.

[Australia: Sustainability task a big one](#)

t is not an exaggeration to claim that the future of human prosperity depends on how

successfully we tackle the two central energy challenges facing us today:

- Securing the supply of reliable and affordable energy; and
- Effecting a rapid transformation to a low-carbon, efficient and environmentally benign system of energy supply.

[The New Paranoia: Hedge-Funders Are Bullish on Gold, Guns, and Inflatable Lifeboats](#)

During the final months of 2008, as the financial markets imploded, talk on trading desks turned to food and water stockpiles, generators, guns, and high-speed inflatable boats. “The system really was about six hours from failing,” says Gene Lange, a manager at a midtown hedge fund, referring to the week in September when Lehman went bust and AIG had to be bailed out. “When you think about how close we were to the precipice, I don’t think it necessarily makes a guy crazy to prepare for the potential worst-case scenario.”

Preparations, in Lange’s case, include a storeroom in his basement in New Jersey stacked high with enough food, water, diapers, and other necessities to last his family six months; a biometric safe to hold his guns; and a 1985 ex-military Chevy K5 Blazer that runs on diesel and is currently being retrofitted for off-road travel. He has also entertained the idea of putting an inflatable speedboat in a storage unit on the West Side, so he could get off the island quickly, and is currently considering purchasing a remote farm where he could hunker down. “If there’s a financial-system breakdown, it could take a year to reset the system, and in that time, what’s going to happen?” asks Lange. If New York turns into a scene out of *I Am Legend*, he wants to be ready.

[Turkmen leader fires top officials](#)

ASHGABAT, Turkmenistan – Energy-rich Turkmenistan's president has fired almost one-third of his Cabinet and the head of the state oil company in a large-scale reshuffle reminiscent of his eccentric predecessor's frequent purges.

[Toronto Power Outage Shuts Subway, Leaves Homes Cold](#)

(Bloomberg) -- A power outage in Toronto’s west end shut part of the subway service in Canada’s largest city and left homes without light and heat during frigid temperatures.

A section of the Bloor-Danforth line, which provides east- west transport in the city of 2.5 million people, isn’t operating and service has been replaced with shuttle buses, the Toronto Transit Commission said today on its Web site.

Power to the city's western side has been cut since about 10 p.m. yesterday, when a broken water main flooded a power facility, Toronto Hydro Corp. said. Customers will be without power for a minimum 18 to 24 hours from the time of the outage, the power authority said on its Web site.

[China Plans \\$14.6 Billion High-Voltage Lines Spending](#)

(Bloomberg) -- State Grid Corp. of China, the nation's largest power distributor, plans to spend more than 100 billion yuan (\$14.6 billion) to build ultra-high voltage electricity lines over the next three to four years.

[Meltdown 101: Why gas prices rise while oil drops](#)

The companies that process crude into products such as gasoline are sharply cutting production, in part because demand has fallen off so much. Less production means less supply, which tends to push prices up.

The gasoline producers are trying to make some money in the wake of a dismal 2008. When crude prices were so high in the first half of last year, refining margins - the difference between what refiners pay for crude and what they get for products they make from oil - were dismal. In the latter half of the year, margins improved as oil prices receded, but refiners continued to struggle because people were simply driving less and buying less gasoline.

[End of gas cap didn't cause price spike](#)

The state's suspension of a gasoline price cap hasn't resulted in excessive or inexplicable increases at the pump, according to a report analyzing Hawai'i petroleum pricing data.

The new report also calls attention to the potential for one or both of refineries here to close because of their slim profits and deteriorating outlook.

[U.S. solar panel makers prefer overseas](#)

Tax credits for makers of renewable energy products could revive the U.S. industrial sector. But most find other countries more attractive.

[Toyota, Honda Widen Production Cuts as Outlook Dims](#)

(Bloomberg) -- Toyota Motor Corp. and Honda Motor co., Japan's biggest automakers, widened production cuts amid forecasts that U.S. auto sales may hit a 27-year low this year.

Honda trimmed its domestic production plan by a further 56,000 vehicles to 1.17 million vehicles in the year ending March. Its larger rival is paring output through April 3 at U.S. and Canadian plants.

Fuji Heavy Industries Ltd., the maker of Subaru cars, and motorcycle maker Yamaha Motor Co. also announced production cuts today, as the global recession causes vehicle sales to tumble. Sales in the U.S., the world's largest auto market, may drop to 10.5 million this year, General Motors Corp. said yesterday.

[Nuclear the clean way to go - engineers](#)

AUSTRALIA will probably have to go nuclear to tackle climate change, engineers and scientists say.

They say nuclear power is the only reliable, proven source of electricity with a minimal carbon footprint.

They're tipping 15 per cent of the country's electricity will come from nuclear reactors by 2050.

And the first plant could swing into action just 10 years after approval is given.

[Paint for victory: new weapon in climate war is brilliant white roofs](#)

Painting your roof white could help slow climate change by reflecting sunlight back into space. So would painting the moon. Wild eco-goose chase or radical thinking?

[Switching crop variety could help solve climate change](#)

FARMERS in Europe and North America could help alleviate climate change by changing the varieties of crops they grow, claimed a study by scientists at Bristol University.

Selecting varieties with increased solar reflectivity could lead to an annual global cooling

of over 0.1 degrees C – almost 20 per cent of the total global temperature rise.

[Lagging behind on energy efficiency](#)

The obstacles that prevent homes from improving energy efficiency are well known. They relate to a lack of access to capital, payback periods that are often too long, a poor understanding of the benefits involved and also the fact that households have to be proactive to improve their energy efficiency – simply, there is too much inertia.

[Pakistan on brink of ‘water disaster’](#)

NEW DELHI: Pakistan is on the brink of ‘water disaster’ as a new study has predicted accelerated melting of glaciers and depletion of massive waters in the Indus Basin Rivers. It is believed that Pakistan’s water availability would plunge to 800 cubic meters per capita annually by 2020 from the current 1,200 cubic metres. Just 60 years ago, 5,000 cubic meters of water was available to every Pakistani citizen.



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