DENVER (AP) -- As the United States became the world leader in wind power, venture capitalists poured money into alternative energy projects until the recession hit in October, drying up investments and stalling projects.

The quick turnaround shows how rapidly the global economy deteriorated and how fast money for alternative energy dried up.

Fourth-quarter venture capital investment totaled $954 million, down 44 percent from $1.7 billion invested in the third quarter of 2008, according to an analysis released Tuesday by Ernst & Young LLP. For the year, venture capital investment hit a record $4.7 billion.

There is a wide belief that the alternative energy will experience immense growth in the coming years, yet frozen credit markets and falling stock prices have been particularly harsh on the sector.

China: The new wind superpower

The numbers are in, and as expected 2008 set a record year for the worldwide wind industry as new wind farms generating a total of 27,000 megawatts of greenhouse gas-free electricity came online, according to the Global Wind Energy Council.

The quick-click headline was that the United States overtook the world’s green superpower, Germany, by installing 8,358 megawatts in 2008 - a 50% jump from the previous year and enough wind energy to power two million American homes. But the big story this year will be China’s rapid emergence as the next global wind power.

Peak Lithium: Will Supply Fears Drive Alternative Batteries?

Saudis like to say that the stone age didn’t end for a lack of stones. But could a lack of lithium end the electric car age before it begins?
Shell, US refinery workers union agree on contract

HOUSTON (Reuters) - The United Steelworkers union and Shell Oil Co agreed to a basic contract for U.S. refineries and chemical plants on Tuesday, preventing a possible nationwide strike 30,000 refinery workers, according to the union.


On September 10, 2001, precisely one day before the 9/11 terrorist attacks, Secretary of Defense Donald Rumsfeld told senior staff that the Pentagon was wasting $3 billion a year by not outsourcing many non-combat duties to the private sector. “At bases around the world, why do we pick up our own garbage and mop our own floors?” he asked. Soon after, this fortuitously-timed shift in the way the military wages war would bring immense profits to Texas-based military contractor Halliburton, an oil industry service company whose former CEO was Vice President Dick Cheney. Armed with lucrative no-bid contracts, Halliburton/KBR, its affiliates, and sub-contractors would soon provide most of the infrastructure that supports the war in Iraq. Ultimately, the company would face allegations of corruption, negligence, fraud, and corporate crime.

Predicting a Different Kind of Oil Deal

Tony Hayward, BP’s chief executive, played down talk of consolidation between Western oil majors Tuesday, as his company announced its first quarterly loss in seven years. But he did say that the crash in oil prices might spark another kind of energy transaction: deals with state-owned oil companies.

“I’m not certain that the industrial logic is terribly compelling,” he said Tuesday on a conference call with reporters, referring to a merger between two of the oil majors, which in addition to BP include ExxonMobil, ChevronTexaco, Total, Eni and ConocoPhillips. “It may be more sensible to think about combining I.O.C.’s” — meaning international oil companies — “with technology and capability, with N.O.C.’s” — or national oil companies — “with resources,” he added.

That notion is bound to shock many in the energy industry. The thought that France’s Total or ExxonMobil of the United States could one day be controlled by companies owned by, say, the Saudi, Venezuelan or Russian governments, is apt to cause government officials in Western capitals some severe heartburn.

Auto sales are worst in 26 years

NEW YORK (CNNMoney.com) -- Auto sales tumbled even more than expected in January to their worst levels since at least 1982, as a pullback in purchases by rental car companies became the latest problem for the troubled industry.
General Motors reported that its sales plunged 49% from a year ago. Ford Motor said sales fell 39% at its Ford, Lincoln and Mercury brands, and 40% overall when including sales at Volvo, which Ford is trying to sell.

But it wasn't just the U.S. automakers reporting sharply lower sales. Toyota Motor reported a 32% decrease in its U.S. sales, while sales at Honda Motor tumbled 28%.

The limits of energy storage technology

"The maximum theoretical potential of advanced lithium-ion batteries that haven't yet been demonstrated to work is still only about 6 percent of crude oil."

No plans to shelve Sunrise oil sands project: BP

CALGARY, Alberta (Reuters) - BP Plc and Husky Energy Inc still aim to go ahead with the C$10 billion ($8.1 billion) Sunrise oil sand project, with BP's chief executive saying on Tuesday a final decision on the plan is expected next year.

Tony Hayward, BP's chief executive, said the partners should proceed with the oil sands production and refining joint-venture, even as most other new projects in the high-cost region are deferred, delayed or canceled because of low oil prices.

Ruble Weakens to Within Striking Range of Bank’s Target Basket

(Bloomberg) -- Russia’s ruble depreciated to within 0.1 percent of breaching the central bank’s target against the dollar-euro basket as concern about slowing growth and lower oil prices deterred investors from the emerging-market economy.

Former Interior Dept. official gets probation

NEW ORLEANS – A former supervisor in the Interior Department's Minerals Management Service, which regulates oil and gas operations on leased federal property, was sentenced by a federal judge on Tuesday to one year probation and fines totaling $3,000.

Kyrgyzstan closing US base key to Afghan conflict

MOSCOW – Kyrgyzstan's president said Tuesday that his country is ending U.S. use of a key airbase that supports military operations in Afghanistan.

A U.S. military official in Afghanistan called President Kurmanbek Bakiyev's statement
"political positioning" and denied the U.S. presence at the Manas airbase would end anytime soon.

**Venezuela says debt down $150 million in 2008**

CARACAS, Venezuela - Venezuela says it reduced its debt by $150 million, or less than 1 percent, in 2008 even as oil prices fell.

Finance Minister Ali Rodriguez says Venezuela now has slightly more than $43 billion in public debt, or 13.5 percent of gross domestic product.

**Oil & gas transportation cos cautious on 2009**

(Reuters) - Oil and gas storage and transportation companies Magellan Midstream Partners LP and Teppco Partners LP sounded a cautious note for 2009 as uncertainty looms amid the weak economic environment.

Magellan, which reported a better-than-expected quarterly profit on Tuesday, declined to provide any concrete outlook, and said: "The uncertainty surrounding any earnings or distribution guidance makes such guidance unwarranted at this time."

**Quebec wants to be Obama's go-to source for green energy**

Quebec Energy Minister Claude Béchard is ordering Hydro-Québec to speed up construction of hydro dams now that the United States is expressing more interest in renewable energy under President Barack Obama.

The province is giving the utility an extra six months to update its strategic plan in order to address the increased demand for renewable energy expected to come from the U.S. under the new administration.

**Air force one: America has become the world leader in wind power**

IN ONE policy area, at least, there is good news for President Barack Obama: his pledge to find alternative energy sources to wean America off its dependence on foreign oil is already being put into action. Last year America ramped up wind-power capacity to 25 gigawatts (GW) in 2008, overtaking the previous leader, Germany, according to new data from the Global Wind Energy Council. America added 8.4GW of installed power in 2008, more than any other country. China is also investing heavily in wind power, nearly doubling its capacity for the fourth year running. Global capacity grew by 29% last year, the highest annual increase for six years.
**The Myth of the Efficient Car**

Let’s get something straight about green industry: in its basic form it means we all have to buy new stuff ... lots of it. As an industrial policy that will create jobs and increase spending, it’s pretty sound. As an environmental policy, it’s largely a fraud.

Nowhere is it more disingenuous than the pursuit of the fuel-efficient car. In their effort to stave off collapse of their industry, auto executives have continually cited their efforts are building the high-efficiency cars of the future. The problem is, there are no cars of the future, and the looming catastrophe of global pollution, including climate change, will never be solved by building more cars – efficient or otherwise.

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**Chrysler: Jan. industry sales could drop 35 pct.**

ROMULUS, Mich. — Chrysler LLC sales chief Steven Landry said Tuesday that U.S. industry sales could drop as much as 35 percent in January to the lowest rate in 25 years.

After meeting with Chrysler dealers at a suburban Detroit hotel, Landry told reporters that the annualized sales rate for the month could drop below 10 million for the first time in a quarter century, led by a large drop in fleet sales. Automakers release their January sales results later Tuesday.

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**Dangerous Oil**

There has been much debate recently within the defense community between adherents of the so-called “era of persistent conflict,” which posits future war will look a lot like today’s low-level wars in Iraq and Afghanistan, and those who believe we must maintain our traditional focus on large scale conflict against conventional armies. Thus far, the debate has been seen as occurring between two equally valid points of view with no real right or wrong answer. But I think such a belief is dangerously wrong because the differences between the two couldn’t be more significant, and the consequences of getting this choice wrong could be devastating for the United States owing to one crucial factor: oil and its declining availability in the near future.

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**Saudi cuts Karan gas field costs, faces delay-paper**

RIYADH (Reuters) - Top oil exporter Saudi Aramco has saved at least 20 percent on the costs of developing the Karan gas field after asking companies competing for the contract to resubmit bids, a local newspaper reported on Tuesday.

The cost of the project has fallen by at least $1 billion from previous estimates that pegged it as high as $5 billion, Saudi daily al-Watan reported without citing a source.
Aramco asked companies to resubmit bids to reflect the fall in the prices for steel and raw materials since last summer.

The start up of output could be delayed to 2012 from 2011, the newspaper added. Aramco has yet to name a winner for the project, Watan reported.

**Aramco to self-finance 50 percent of new refinery**

RIYADH, Saudi Arabia: An oil executive says state-run Saudi Arabian Oil Co. will self-finance 50 percent of a roughly $8 billion joint-venture refinery with France's Total SA.

**BP, Husky Miss Target for Alberta Oil Sands Project Sanctioning**

(Bloomberg) -- BP Plc, Europe's second-largest oil company, and Husky Energy Inc. missed their target to sanction an oil sands project development in Canada last year because of high industry costs and falling oil prices.

BP and Husky agreed in 2007 to spend about $5.5 billion through 2015 to bring oil from Alberta's oil sands to the markets. The partners missed their 2008 target to make a final investment decision on spending for the project, which would allow first bitumen production in Canada to start in 2012.

**Marathon posts net loss on oil sands charge**

HOUSTON (Reuters) - Marathon Oil Corp (MRO.N) reported a fourth-quarter net loss compared with a year-earlier profit as the integrated oil and gas company took a charge of $1.4 billion to write down the value of its Canadian oil sands project.

The net loss for the Houston-based company was $41 million, or 6 cents share, compared with net income of $668 million, or 94 cents per share a year earlier, Marathon said on Tuesday.

**Big Oil Takes One on the Chin**

The Big Oil gang has started to report earnings with ExxonMobil, Chevron, and ConocoPhillips reporting last week. At first glance, it's somewhat surprising that, while Exxon's results slid year over year on lower crude prices, Chevron managed to eke out a gain. But if you back out one-time items, Chevron also suffered a slippage.

Let's take a look at the different companies' respective results and try to find a pattern that might benefit us as we look at energy's probable year ahead.
We all need BP's cash pipeline

The reason why this matters to the rest of us is that BP is one of the few large companies propping up our creaking pensions system. Since the near-collapse of British banking, BP, Shell and a handful of drug companies account for a greatly increased proportion of the dividends paid out by FTSE 100 companies. Thanks to the previously soaring oil price, BP has increased dividends by 30% to $13.3bn (including share buy-backs). Few other companies in the world can match it for putting money into the retirement plans of millions of British people.

How Business Can Help Untangle the Mess

The decline in oil prices from $147 to $41 per barrel shouldn't make us complacent about the severity of the energy crisis. Near-term, the best opportunity to reduce dependence on foreign oil is through a massive efficiency program. Increased fuel efficiency and emission reductions for vehicles should be combined with a national initiative to drive efficiency improvements throughout industry and homes. Meanwhile, we need to create cost-effective sources of renewable energy through technology breakthroughs and the formation of startup companies developing innovative solutions.

Sprott Says U.S. at Start of Depression That Will Boost Gold

(Bloomberg) -- Eric Sprott, the Canadian money manager who last year predicted banking stocks would collapse, said the U.S. is at the beginning of an economic depression that will help gold prices more than double.

Crisis could open Russian energy to West again

MOSCOW (Reuters) - A decline in output of Russia's star asset, oil, could provide a rare opportunity for foreign firms to gain more access to its energy sector, even though the sting of Moscow reneging on previous deals still hurts.

Speaking at the World Economic Forum last week in Davos, Prime Minister Vladimir Putin surprised investors by calling for "mutual access" to energy assets to boost greater energy security. He added Russia should not revert to "isolationism".

Analysts said that the weight of the global financial downturn could soften resource nationalism.

"At least for 2009, or as long as this crisis persists, the problem will lead to a controlled opening (to the West)," Cliff Kupchan, Director of Europe and Eurasia at Eurasia Group, told Reuters.
Oil hovers above $40 after more grim economic news

VIENNA – Oil prices stabilized Tuesday, with benchmark crude trading just above $40 a barrel after grim U.S. economic news weighed on the market overnight.

But expectations were that prices could face new downward pressure as traders look to indicators, such as the stock market's performance, for signs of the depth of the global recession.

Bernstein Cuts 2009 Crude Forecast to $50 a Barrel

(Bloomberg) -- Sanford C. Bernstein & Co. cut its average oil price forecast for 2009 to $50 a barrel from $70 because of weaker demand in the U.S. and China and spare production capacity.

Demand growth is estimated at minus 1.2 million barrels a day from minus 600,000 barrels a day, Bernstein analysts including Benjamin Dell said in a report today. Spare capacity is expected to rise to 4.4 million barrels a day from 3.3 million barrels a day, according to the report.

BP Posts First Quarterly Loss in Seven Years on Oil

(Bloomberg) -- BP Plc, Europe’s second-biggest oil company, reported its first quarterly loss in seven years as the global recession spurred a record plunge in crude prices.

The loss was $3.3 billion, or 18 cents a share, compared with net income of $4.4 billion, or 23 cents, a year earlier, London-based BP said today in a statement. Excluding one-time items and gains or losses from inventories, earnings missed analyst estimates.

Chavez doubts U.S. can shake oil needs

CARACAS, Venezuela (CNN) -- Venezuelan President Hugo Chavez said he supported U.S. President Barack Obama's efforts to find alternative energy sources but doesn't believe the United States can do it.

"I don't know how he will achieve what he said he would," Chavez said in an exclusive 30-minute interview with CNN en Espanol's Patricia Janiot Monday night. "It's very difficult for the United States to diminish its use of oil."

Russia oil fund to cover budget shortfalls
MOSCOW (Reuters) - Russia's oil wealth funds should cover any budget deficits for at least the next three years, and some of the money may also be used to give more support to the financial system, a Finance Ministry official said on Tuesday.

Gazprom Offers Puts on Ruble Bonds for First Time

(Bloomberg) -- OAO Gazprom will offer put options for the first time on 15 billion rubles ($414 million) of bonds, giving investors the right to demand repayment before the notes come due.

Indonesia sees natural gas output up 2 pct in 2009

JAKARTA (Reuters) - Indonesia is targeting a 2 percent rise in natural gas output to 7.56 billion cubic feet per day in 2009, the energy minister said on Tuesday, with 37 percent due for export via pipelines or in the form of liquefied natural gas (LNG).

Indonesia has been seeking to channel more gas to the domestic market for use in power stations and fertiliser plants to help replace oil products that need to be imported.

Nigeria oil union threatens strike over insecurity

LAGOS (Reuters) - Nigeria's senior oil workers' union threatened to begin an indefinite strike from Monday Feb. 9 unless the government improves security in the Niger Delta, the country's restive oil heartland.

Atlantic Canada's drivers pay more for gas regulation: think-tank

The Atlantic Institute for Market Studies says the regulation of gasoline prices has cost New Brunswick drivers about $9.4 million, and about $155 million for drivers throughout Atlantic Canada since regulation was established.

Gas regulation was established in New Brunswick in 2006 with the intent of stabilizing the volatile gasoline market.

But a new report from the Atlantic Institute for Market Studies, a Halifax-based think-tank, says consumers are paying more under regulation than they would if prices were allowed to fluctuate naturally.

Future oil powers invest beyond the political cycle

The collapse of oil prices in the past six months has shut down some of the most...
extreme “peak oil” theorists. But I notice that those who make it their business to fret over such issues have now started to warn that we may have already passed the peak of oil demand. The world may never again burn 32 billion barrels as it did last year, as consumers shift unequivocally to other forms of energy, they say.

What on earth will we do with all those billions of barrels left in the ground when we have moved on to nuclear fission, or indeed fusion?

**Stimulus bill may add highway, transit funds**

Murray’s plan would increase the money in the bill for highway projects by almost 50 percent, to $40 billion, reflecting complaints from lawmakers in both parties that Obama’s plan doesn't do enough to relieve a backlog of unfinished projects. Mass transit programs would get a $5 billion boost, while water projects would get $7 billion more.

**Ex-wildlife managers: Approve new oil, gas rules**

DENVER (AP) -- About 60 former state and federal wildlife managers are urging legislators to approve new oil and gas regulations in the face of industry warnings that the rules will cost the state jobs and tax revenue.

The letter sent Monday to legislators says the regulations developed over 18 months are weaker than what they believe are necessary to protect Colorado's big-game herds, native trout and other wildlife in the aftermath of record natural gas development.

**Kunstler: Road Trip**

"We will not apologize for our way of life...."

This unfortunate phrase from President Obama’s otherwise sturdy inaugural address, echoed through my mind last week as I cruised the suburban outlands of Montgomery, Alabama. All the usual commercial furnishings of consumerist America hugged the flattish ochre and dusty-green landscape of played-out cotton fields where thirty feet of topsoil has washed away in the two hundred years since the mainly English settlers shoved out the native Alabamu, Coosa, and Tallapoosa. Along the low horizon, mall followed strip mall followed "lifestyle center," book-ending the "one house" failed subdivisions of otherwise empty unsold lots in a cavalcade of floundering enterprise. It seemed at times as if the terrain was a kind of sea-like expanse, and all the retail boxes ghost ships drifting to oblivion.

**More families move in together during housing crisis**
The weak economy — which has brought surging foreclosures, sinking property values, vanishing home equity and mounting job losses — is playing a major role in family dynamics, pulling relatives under the same roof to pool their resources and aid relatives who’ve lost their homes.

Siblings are moving in with one another to help pay the mortgage. Adult children who’ve lost homes to foreclosure are moving back home with Mom and Dad. Even spouses in the throes of divorce are putting off separating, living together in awkward cold wars because they can't sell their houses.

14 green machines

They’re the cleanest vehicles on the road according to the American Council for an Energy Efficient Economy.

75 Countries Launch Clean Energy Agency

WASHINGTON (OneWorld.net) - Seventy-five nations including Germany, India, Kenya, and the United Arab Emirates launched last week the world's first multinational organization dedicated solely to promoting renewable energy worldwide.

New graduate school sets out to make sense of rapidly changing technology

SAN FRANCISCO - Technology is changing the world so rapidly that even geniuses need help making sense of it all.

That's the idea underlying Singularity University, an unconventional school that will host its first class of 30 graduate students this summer. They will take a nine-week course exploring ways to ensure technology improves mankind's plight instead of harming it.

Struggling solar firms look to public projects

GUILDFORD (Reuters) - John Fitzpatrick is in a buoyant niche of construction. Building subsidised homes for disadvantaged people, with solar panelled roofs for environmentally friendly power, he is funded by the government.

A scheme to halve the cost of installing solar panels on schools and social housing is aiding a solar power industry hit by the housing slump.

It’s tiny compared with U.S. President Barack Obama’s multi-billion-dollar plans to invest in cutting carbon emissions from government facilities. But as a slowdown threatens many renewable energy projects, such schemes offer hope for jobs.
**Areva to sign Indian nuclear deal this week: French minister**

MUMBAI (AFP) – French nuclear power engineering company Areva is to sign a deal this week with a number of Indian energy plants, France's foreign trade minister Anne-Marie Idrac said here Sunday.

Idrac said that a memorandum of understanding would be signed in the coming days, as part of French moves to tap into India's expanding civil nuclear sector.

**Buying local isn't always better for the environment**

Shopping locally may not be as good for the environment as having food delivered, according to new research by the University of Exeter (UK). Published in the journal *Food Policy*, the study shows that, on average, lower carbon emissions result from delivering a vegetable box than making a trip to a local farm shop.

**A carbon keeper: Crop waste sunk to the ocean deep**

A leading idea to fight global climate change is to permanently remove some of the carbon dioxide building up in the atmosphere.

Here's one way to do it: deep-six much of the world's agricultural waste.

**Study to assess global warming impact on infrastructure**

The Tasmanian Government has given $100,000 to help fund a project that will assess the risks posed to the state's infrastructure by climate change.

The research program will consider the best designs for the future and how existing infrastructure is likely to cope with the changing climate.

**Snow is consistent with global warming, say scientists**

Britain may be in the grip of the coldest winter for 30 years and grappling with up to a foot of snow in some places but the extreme weather is entirely consistent with global warming, claim scientists.
Like CO₂, water vapor also traps and radiates heat back towards the planet. Understanding the processes that control atmospheric humidity, they say, will be critical to projecting the degree of future global warming.

"There's no question CO₂ is driving changes in our planet's climate," explains Noone, "But a lot of the changes we are seeing are due to changes in the water cycle, and to the amount of water vapor in the air."

Scientist sees big picture as Earth warms

The biggest environmental issue in Britain for the past year has been the plan to build a third runway at London's Heathrow Airport. But the growth of air travel, some environmentalists claim, is a major cause of global warming, and John Sauven, director of Greenpeace UK, predicted that Heathrow would become "the battlefield of our generation." So protesters contacted James Hansen, one of the world's leading climate scientists, to back their campaign.

They assumed that Hansen, director of the Goddard Institute for Space Studies in New York, would back their campaign, because last year he helped to defend six British protesters charged with criminal damage after occupying a coal-fired power station in Kent. To the astonishment of the Heathrow protesters, he refused.

Climate change strategy now a key survival pillar

The current economic uncertainty is causing many companies to take refuge in cost reductions as they brace for the evolving economic storm. Many will be tempted to toss climate change agendas aside for now. But some business leaders say companies that comply with environmental targets or standards have already gained a competitive edge by reducing emissions to increase efficiency. What route should Canadian companies choose?

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