



Drumbeat: April 17, 2009

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Topic: [Miscellaneous](#)

[The good oil is that stocks are already running thin](#)

AUSTRALIA'S abundant endowment of natural resources has provided a cushion against the need for energy security policies. No longer.

Declining domestic oil production, refinery disruptions, extended supply lines, geopolitical turmoil and the carbon constrained future are all sending warning signals: Australia's easy energy ride is over, and moves to encourage renewable transport energy sources are long overdue.

It is a message the Howard government ignored. Rudd so far has shown little interest.

Given Australia's increasing reliance on oil imports, and our relative isolation, such political apathy is a mystery.

[US natural gas rig count slides to 6-year low](#)

NEW YORK (Reuters) - The number of rigs drilling for natural gas in the United States fell 30 to 760 last week, the lowest level in more than six years, according to a report issued on Friday by oil services firm Baker Hughes Inc in Houston.

U.S. natural gas drilling rigs have been in a steady decline since peaking above 1,600 in September and now stand about 701 below the same week last year, the lowest level since March 14, 2003, when there were 754 gas rigs operating.

[Number of active oil rigs falls by 30](#)

HOUSTON — The number of rigs actively exploring for oil and natural gas in the United States fell by 30 this week to 975, down nearly half from a year ago.

Of the rigs running nationwide, 760 were exploring for natural gas and 205 for oil, Houston-based Baker Hughes Inc. reported Friday. A total of 10 were listed as miscellaneous.

A year ago, the rig count stood at 1,827. The U.S. count is down 52 percent since the end of August as weak energy demand has hampered oil-field activity.

[Venezuela says OPEC should restore oil price bands](#)

CUMANA, Venezuela (Reuters) - OPEC should create an oil price band of \$70 to \$90 per barrel if oil prices stabilize, Venezuela's oil minister said on Friday, adding he expected prices to reach \$60 per barrel by the end of the year.

The Organization of the Petroleum Exporting Countries in 2005 abandoned a price band system, which seeks to keep oil prices within a set range, that was adopted in 2000.

[Iraq parliament promises to push Shell out of gas deal](#)

Expectations that foreign companies will cash in on Iraqi oil riches were called into question tonight after a key parliamentary body in Baghdad pledged to "push Shell out" and halt a forthcoming licensing round.

The warning from Jabir Khalifa Jabir, secretary of the Iraqi parliament's oil and gas committee, was seen by financial analysts as a serious threat to western investment opportunities in a country that holds the second-largest oil reserves in the world.

[Kazakhstan expects more deals with Chinese firms](#)

BOAO, China (Reuters) - Kazakhstan is working with China to ink more deals in both energy and non-energy sectors following this week's \$10 billion oil-for-loan deal, a senior Kazakh official said on Friday.

[On Globalization, Economics, And The History of Food Crises](#)

Early economists were struck by the fact that the 17th century Dutch economy flourished, despite the fact that it was heavily dependent on imports for everything. Although the Dutch had developed the most intensive farming techniques in Europe, economists paid virtually no attention to that part of their economy. Instead, they marveled at Dutch trade and finance and the sophisticated futures markets.

Agriculture appeared to be the alternative to capitalism, because every culture seemed to be relatively self-sufficient, rather than dependent on traded commodities. Its products are not valuable enough to export abroad. As I described in my book, *The Invention of Capitalism*, early economists were very concerned to find ways to squeeze people off the land in what Marx called primitive accumulation.

[Court blocks Bush-era Alaska offshore drilling](#)

WASHINGTON - A Bush-era program to expand oil and gas drilling off the Alaska coast was blocked Friday by a federal appeals court because of environmental concerns.

The Bush administration's Interior Department failed to consider the offshore environmental impact and marine life before approving an oil and gas leasing program in the Beaufort, Bering, and Chukchi seas, the three-judge panel in the District of Columbia ruled.

[Oil Shock and Inflation Ahead](#)

Slogans are comforting and easy to learn. Since late 2008 the hard-worked slogan is that cheaper oil, today, is one of the few rays of sunshine for the recession-wracked global economy. Today's variant of the mother slogan "High oil prices hurt economic growth" has little or no proof to offer, for example cheaper oil helping recovery of 4WD car sales, airline passenger numbers, house building activity, world steel output, or production of plastics, pesticides and fertilizer. The fallback slogan for cheap oil aficionados is that even if it doesn't restore growth, cheaper oil will hold down inflation.

Oil prices themselves are far above the 'nice price' of the late 1990s and first few years of the 21stC, that is below 30 USD/bbl, and at present are tending to be "surprisingly firm" at around 50 USD/bbl. This is attributed to surprisingly firm discipline among OPEC suppliers facing their own problems of economic recession and falling investment, not only in the oil and gas sector. When as likely by June-July prices bounce back above the 'psychological ceiling' of 60 dollars, despite the recession, the mother slogan that high oil prices destroy economic growth can be dusted off and recycled, as an explanation why the recession just keeps on keeping on.

[Kurds discover 3bln to 4bln barrels](#)

Iraq's largely autonomous Kurdish north has discovered 3 billion to 4 billion barrels of oil, and hopes for far more, a minister said.

[Reliance Gives Up Jamnagar Refinery Export Status](#)

(Bloomberg) -- Reliance Industries Ltd., India's most valuable company, surrendered the export-oriented unit status of its refinery to sell fuels locally.

The change, effective yesterday, will enable the refiner to cater to both the local and overseas markets efficiently, Reliance said in an e-mailed statement today.

[Huge manhunt over \\$40 million Army fuel theft](#)

ALEXANDRIA, Virginia - A former U.S. Army contractor convicted of stealing \$40 million worth of fuel from a military base in Iraq is helping authorities in a global search for other suspects in the case, according to court records.

One suspect has already been arrested in the Philippines and now awaits indictment from a federal grand jury in Virginia.

[Just what is it with evangelical Christians and global warming?](#)

A poll this week showed that only 34% of America's white evangelical Protestants accepted there is solid evidence that global warming is real and that it is attributable to humans.

[EPA to Propose Regulating Greenhouse Gas Emissions](#)

The Environmental Protection Agency today plans to propose regulating greenhouse gas emissions on the grounds that these pollutants pose a danger to the public's health and welfare, according to several sources who asked not to be identified.

The move, coming almost exactly two years after the Supreme Court ordered the agency to examine whether emissions linked to climate change should be curbed under the Clean Air Act, would mark a major shift in the federal government's approach to global warming.

[Oil production puts Russia on collision course](#)

OPEC is squaring up for a spat with Moscow as it becomes increasingly frustrated with Russia's reluctance to curb oil output as agreed with the international cartel.

[Cash-rich China courts the Caspian](#)

The global downturn is spreading to Central Asia. It may lead to a marked shift of fortune in the Great Game for control of Caspian energy reserves. On the surface, the intensity of the rivalries may appear to have subsided, as the principal protagonists - Russia and the West - brood over the precarious state of their own finances and prioritize fixing their domestic economies.

But the slowing down of the Great Game bears a deceptive appearance. China gains out of any changing equations. Of all the major economies of the world, it is in China that the government's 4 trillion yuan (US\$585 billion) stimulus package may have begun

showing results, which puts the economy in a "better-than-expected" shape, as Premier Wen Jiabao said on Thursday.

[Russia, Azerbaijan seek broader gas ties](#)

Talks between Russia and Azerbaijan on Friday paved the way for a gas supply agreement that may undermine Western Europe's efforts to reduce their energy dependence on Russia.

"We have a very high chance of entering a full-blown agreement" on gas supplies, Russian President Dmitry Medvedev told reporters after a meeting with his Azeri counterpart, Ilham Aliyev.

[Iraq addressing oil infrastructure shortfalls](#)

BASRA (Reuters) - Iraq needs foreign companies to invest in drilling more oil wells as it does not have the capacity on its own to more than double national output of 2.3-2.4 million barrels per day of crude, the oil minister said.

Oil Minister Hussain al-Shahristani said Iraq has 70 new oil wells ready to start pumping crude in the next two months but lacks the infrastructure and resources to add much more than another 100 in its southern fields without foreign investment.

[Tesla's Elon Musk: the democratisation of electric cars is speeding up](#)

Just as no credible scientist questions whether the world is getting warmer, no credible automotive engineer questions whether electric vehicles (EVs) are more energy efficient than internal combustion engine vehicles or hybrids. The automotive industry, which for years experimented with hydrogen fuel cells, biofuels and other alternatives, has reached a clear consensus: the future is electric.

[Fighting Real Parrots With a Fake Owl](#)

Many of Con Edison's challenges are well known — blackouts and steam pipe explosions included — but a lesser-known problem has proved no less nagging: How to protect its equipment from the thousands of monk parakeets that nest in the utility poles of Queens and Brooklyn.

These birds — also called monk parrots or Quaker parrots — are attracted to the heat given off by the transformers and other equipment high up on the utility poles. Their nests often wreck the electrical equipment by engulfing the electrical devices and blocking ventilation.

[New study warns damage to forests from climate change could cost the planet its major keeper of greenhouse gases](#)

"We normally think of forests as putting the brakes on global warming, but in fact over the next few decades, damage induced by climate change could cause forests to release huge quantities of carbon and create a situation in which they do more to accelerate warming than to slow it down," said Risto Seppälä, a professor at the Finnish Forest Research Institute (Metla) and Immediate Past President of IUFRO, who chaired the expert panel that produced the report.

[Back to the dark ages](#)

The three-day week began at midnight on New Year's Eve in 1973, a Monday. The Heath administration decreed that until further notice all businesses except shops and those deemed essential to the life of the country would receive electricity only on Mondays, Tuesdays and Wednesdays, or on Thursdays, Fridays and Saturdays. Non-essential shops would get power only in the morning or the afternoon. When the electricity was off, affected businesses would have to make do with candles, gas lamps, private generators or moving their workers next to windows to make the most of the brief winter daylight. Employees would have to wear extra clothes to keep warm.

Four days before the restrictions started, the archbishops of Canterbury and York suggested every British congregation should pray that, "God may guide us in facing the present crisis with wisdom, justice and self-sacrifice." Two days before, the Daily Mail said "industry minister Tom Boardman has said that a two-day week could not be ruled out." The national emergency that followed would last for just over two months. Yet its roots went back much further than the winter of 1973-4. One of them was Heath's economic policy.

[BP Well Positioned For The Future, 2009 Challenging](#)

BP Group Chief Executive, Tony Hayward, said Thursday that the company is well positioned to face the current economic environment and to turn it into an opportunity that, going forward, will set it apart from its competition.

He added, "BP has been, and remains, an organization operating at the frontiers of the energy industry. Our technology and capability allow us to take on challenges that others cannot -- or choose not -- to confront, securing access to new resources now as in the past -- from Iran 100 years ago to the Canadian arctic Thursday.

[Southwest Airlines freezes hiring after losing \\$91 million](#)

Once relentlessly profitable Southwest Airlines reported its third-consecutive quarterly loss Thursday amid what CEO Gary Kelly called the "toughest revenue environment in our history."

The discount airline reported losing \$91 million, or 12 cents a share, in the first three months. It ordered a hiring freeze and offered employee buyouts.

[EPA to review system gauging air emissions](#)

In a move that could signal a fundamental shift in how industrial pollution is regulated, the U.S. Environmental Protection Agency has pledged to reconsider how it estimates the amount of toxic chemicals that refineries and petrochemical plants release.

[General Motors considers fates of GMC, Pontiac](#)

DETROIT — General Motors, in its attempt to push its restructuring plan deeper than first proposed this year, is examining whether it makes sense to keep the GMC and Pontiac brands going, says a source briefed on the discussions.

[No cash? Barter for services with "dibits"](#)

With Dibspace, they hope to offer a place to unite the roofer sitting around with time on his hands and a client with a hole in his roof but no cash to repair it.

"It's not that there's not enough supply and demand," said Dominic Canterbury, an independent marketing consultant who started Dibspace with Aaron Brethorst and Dave Richardson. "The currency has dried up."

[Government Fuel Goals Beg For Higher Ethanol Blends, Study Concludes](#)

A new report on biofuels is urging that better infrastructure and more aggressive policies necessary if the nation is to meet its mandates for ethanol and other alternative fuels.

The report, by the National Commission on Energy Policy, argues that the nation needs to increase the amount of ethanol blended into gasoline, as well as make it easier for biofuels plants and pipelines to get government permits and make it easier to transport ethanol.

[Economist/activist says world on cusp of third industrial revolution](#)

Mankind is facing “the end of human civilization as we have come to we know it” because of global warming, according to activist Jeremy Rifkin, citing NASA climatologist James Hansen. But we are also on the cusp of a “third industrial revolution” that might be able to stave off collapse.

[Energy Secretary Chu, on Power Sources Old and New](#)

Romano: Do people get it? How would you rate our nation's understanding of the energy crisis?

Chu: I think virtually all Americans are uneasy about our growing dependency on imported oil. . . . [But] it's hard for people to actually think deeply about what will be happening 30, 50 years from today [on global warming]. Most societies have not had to grapple with the fact that something 50 years down the road can have some grave consequences.

[Mexico's Pemex forecasts daily oil output decline next year](#)

RIO DE JANEIRO, (Reuters) - Oil output at Mexico's state-owned firm Pemex is expected to fall to about 2.6 million barrels per day in 2010 from an expected 2.7 million bpd in 2009 due to technical disruptions at its main oil field, Chief Operating Officer Raul Livas said in an interview on Thursday.

The expected fall is due to lower production at the giant Cantarell field, he said, adding that output should remain at a relatively stable level going forward.

[Petrobras Seeks New Rigs, Marches on with Expansion Plan](#)

Petroleo Brasileiro SA (PBR), or Petrobras, will start seeking bids for new rigs in the next couple of months as it marches on with its ambitious five-year investment plan.

The Brazilian state energy giant in January announced it planned to invest \$174.4 billion in 2009-13, including \$28.6 billion this year -- an increase from \$23 billion in 2008, which is unusual as global oil majors including U.S. firms Chevron Corp. and ConocoPhillips are cutting back on investment.

[Mideast fuel oil prices set to rise next week](#)

DUBAI: Middle East fuel oil prices were poised for a boost next week after holding steady over the past seven days, as East of Suez supplies were expected to tighten due to refinery maintenance and a seasonal increase in demand.

Benchmark fuel oil differentials for 180-centistoke (cst) were pegged at \$5 a tonne this week, and maintained that level despite unexpected spot sales from Kuwait and Saudi Arabia. The spread from May to June fuel oil in Asia was pegged at minus 12.5 cents a tonne, closer to backwardation than it has been in months.

[Bangladesh: No respite from power cuts](#)

Life in the capital and elsewhere in the country has become miserable with the mercury rising and its effects worsened by frequent power cuts.

The HSC examinees are facing severe difficulties in taking their preparations due to rampant power outage while the erratic electricity supply is hampering production in factories as well as office works.

[Can oil from tar sands be cleaned up?](#)

IN THE Canadian province of Alberta the ground is skinned and gutted. Rising oil prices and dwindling reserves have pushed oil companies to exploit what was once considered unexploitable: tar sands, the dirtiest oil on Earth and the most expensive to extract.

This strip-mined landscape is bad enough, but another method of extracting the oil is on the rise, and it is even more damaging to the environment. Yet new technologies offer hope that tar sands could one day be transformed into one of the cleanest fossil fuels.

[Peta Asks Minister Smith To Go Vegetarian](#)

A recent UN report determined that raising animals for food generates almost 40 per cent more greenhouse-gas emissions than all the cars, trucks, ships and planes in the world combined. The report went on to say that the meat industry is "one of the ... most significant contributors to the most serious environmental problems, at every scale from local to global" and recommends that the meat industry "be a major policy focus when dealing with problems of land degradation, climate change and air pollution, water shortage and water pollution, and loss of biodiversity".

[Future-proof homes for a warmer world](#)

Global warming will change how we live. Models forecast that tropical storms are likely to become stronger and more frequent, drought will bring more forest fires, and shrinking ice caps will raise sea levels worldwide.

Some architects are now preparing for these challenges by attempting to design "future-proof" homes.

[Melting Glaciers Threaten Asia Security as Water Supplies Fall](#)

(Bloomberg) -- China and India water supplies will decline as global warming shrinks Himalayan Mountain glaciers, increasing the likelihood of regional disputes, according to a report by the Asia Society.

Asia, with half the world's population, has less fresh water than any continent except Antarctica, said Suzanne DiMaggio, director of social issues for the Asia Society, a New York-based nonprofit group that promotes Asian-U.S. relations. Water scarcity could trigger conflicts between villages in China and rivals India and Pakistan, and fuel water-borne disease and "large-scale" migration, according to the today's report.

Global warming from fossil fuel emissions is increasing the frequency of extreme weather, intensifying dry and wet seasons that can overwhelm crops, the report said. Lower crop yields from water shortages in China or India, the world's most populous nations and the top producers of wheat and rice, could affect world food prices.

"If we don't start addressing water access issues soon, we're likely to see growing incidents of destabilization and perhaps even outright conflict between countries and within countries," DiMaggio, an author of the report, said in an interview yesterday.

[Oil Heads for Biggest Weekly Drop in Two Months on Slack Demand](#)

(Bloomberg) -- Oil headed for the biggest weekly decline since February after a stronger dollar reduced its appeal as a hedge against inflation and reports showed falling fuel demand and rising stockpiles.

U.S. fuel consumption in the first quarter fell to the lowest for that period in 11 years, the American Petroleum Institute said yesterday in its monthly report. The U.S. dollar gained for a fourth day against the euro, limiting demand for crude as a currency hedge.

"We still have a picture of very low demand and a picture of stock builds," said Olivier Jakob, managing director of Zug, Switzerland-based Petromatrix GmbH. "That is why crude oil is not able to move any higher."

[Angola's Crude Exports Scheduled to Rise 7.3 Percent in June](#)

(Bloomberg) -- Angola will increase daily crude shipments, including the Palanca grade, by 7.3 percent in June as OPEC's production cuts stall.

[Brazilian oil chief: unlikely to join OPEC soon](#)

Brazil is unlikely to join the Organization of Petroleum Exporting Countries anytime soon, despite overtures from the cartel, the head of the nation's state-run oil company said Thursday.

Petrobras CEO Jose Sergio Gabrielli told The Associated Press that his company isn't yet a big enough oil exporter to warrant joining the organization.

[BP 'still committed' to Sunrise: chairman](#)

CALGARY -- BP PLC is considering a range of options to move forward the Sunrise oil sands project with partner Husky Energy Inc., including integrating carbon capture and storage to mitigate the environmental impact, chairman Peter Sutherland told the annual meeting of shareholders in London on Thursday.

The British oil major, Europe's second-biggest oil company, said in February it was slowing down the project, which would produce oil from the oil sands using steam-assisted gravity drainage technology, because it expects costs to come down as a result of the retreat in oil sands spending due to the oil price downturn.

[May day launch for Tupi oil](#)

Brazilian state-run Petrobras is on target to pump the first oil from the Tupi on 1 May, company boss Jose Sergio Gabrielli said.

[German watchdog probes firms in wholesale power market](#)

FRANKFURT (Reuters) - Germany's cartel office said on Friday it has launched an investigation into the behaviour of utility companies including E.ON, RWE, EnBW and Vattenfall Europe in the German wholesale power market.

A spokesman said the antitrust watchdog will seek replies to data requests for power trading in 2007 and 2008 from 60 companies in the wholesale power market in May this year, but the overall probe was expected to take at least several months.

[Pipe problems halt Cepu flows](#)

ExxonMobil has temporarily halted output from the Cepu Block, one of Indonesia's biggest oil finds in a decade, because of pipeline problems, an official from the country's energy watchdog said today.

[PetroChina May Pay \\$1.4 Billion for Kazakh Oil Stake](#)

(Bloomberg) -- PetroChina Co., Asia's biggest crude producer, plans to pay as much as \$1.4 billion for a stake in an oil company in Kazakhstan to take advantage of lower commodity prices and expand overseas, Chairman Jiang Jiemin said.

[India Defers Oil Field Auction Over Gas Tax Break](#)

(Bloomberg) -- India postponed its largest auction of oil and gas fields on concern that the absence of a tax break for natural gas production will keep domestic and overseas bidders away.

"The confusion over the tax holiday for gas continues and that needs to be resolved," Oil Minister Murli Deora said by telephone today.

[Summertime gas prices could fuel road trips](#)

Take advantage of it while it lasts.

All indicators suggest gasoline prices have entered a period of stability, with market experts like Tom Mirabito Jr. suggesting that trend could continue at least over the summer.

"You're not going to see much movement in prices until the economy rebounds," said Mirabito, a recently retired convenience store industry executive who now lives in the Village of Springdale with his wife Sharon. "Then, you're going to see some big upticks."

[Canadian March Inflation Slows Unexpectedly on Gas](#)

(Bloomberg) -- Canadian annual inflation unexpectedly slowed in March on falling gasoline and car prices, which may add to expectations the Bank of Canada will adopt extraordinary policies to boost growth.

The year-over-year inflation rate fell to 1.2 percent from 1.4 percent in February, Statistics Canada said today in Ottawa. The consumer price index rose 0.2 percent from February, compared with 0.7 percent the previous month, the agency said.

[CSX expects volume drop, more furloughs in 2Q](#)

NEW YORK (AP) -- Railroad operator CSX Corp. said Wednesday it predicts double-digit declines in shipping volume to continue through the second quarter, and expects to furlough more employees as a result.

The Jacksonville, Fla.-based company said Wednesday in a conference call with analysts that sales will continue to be hurt as demand to ship goods by rail plummets. Railroads face stiff competition from trucking companies that have slashed rates to remain competitive, as well as overall economic weakness.

[Californians say "baby, baby, no more drilling"](#)

SAN FRANCISCO (Reuters) – U.S. Interior Secretary Ken Salazar confronted a host of sea creatures and polar bears on Thursday as costumed Californians told the new administration 'no' to offshore oil drilling.

Salazar did not hint at the contents of President Barack Obama's energy policy, but said it would address climate change and include oil and gas.

"We're not going to turn off the oil and gas requirements we have for this country overnight or even in a decade. We're going to see oil and gas production," he told a packed hearing on offshore drilling.

[Car industry shakeup opens door to China upstarts](#)

SHANGHAI — As ailing global automakers agonize over their survival strategies, China's upstarts are racing them to launch homegrown hybrid and electric vehicles in the only major market that is still growing.

Shanghai's biannual auto show, which opens Monday, will showcase these "new energy" vehicles, as the Chinese call them, alongside a cornucopia of conventional gas guzzlers, compacts, luxury and mid-range vehicles.

[Matt Simmons: Energy Planning](#) (video)

Matt Simmons explains why planning in the oil & gas industry has been, and continues to be, particularly difficult.

[When oil goes bust](#) (Review of David Strahan's *The Last Oil Shock*)

The story of *The Last Oil Shock* has been told countless times. World oil production is expected to peak soon and then plateau—known as the peak oil theory—no alternative forms of energy can replace fossil fuels sufficiently and it's not far when we will have to kiss our car keys goodbye and our financial, trade and agricultural systems will struggle to cope, recessions, depressions, and global turmoil will ensue. The theory was put forward by Hubbert in the 1950s, and many geologists and scientists have elaborated on it. But David Strahan takes the reader through this oft-repeated story with elan,

revealing something new to even old eyes.

[Malaysian socialists: 'Unite to turn workers' frustration into a political struggle for socialism'](#)

One of the most widely known truths today is that capitalism is in deep crisis of its own making . The endless search for greater and greater profits with complete disregard for people and the planet has inevitably resulted in crises which capitalism itself cannot solve.

The clock cannot be turned back on global warming, which has resulted in major changes to temperature and natural phenomena, and which poses a serious threat to future life on Earth.

Capitalism has also created a crisis of resources. The resources of the world are being exhausted and depleted by unplanned production and wasteful exploitation. Peak oil production has been reached and we face the prospect of a world that is short of energy resources.

[Population growth poses threat to stability](#)

When most people imagine the end of human existence, they think of a nuclear holocaust or perhaps a catastrophic meteor strike terminating the bulk of the population in one fell swoop. Few seem to contemplate a scenario of lingering but languishing cities buckling under the weight of famine and resource lack.

[My contribution to Alstrynomics](#)

What we are told is capitalism is not capitalism at all, what we live under is CURRENCYISM. Capitalism would have a respect for capital. In capitalism, a tree standing would be worth money. In currencyism it is not worth anything till it is cut down. In capitalism, those who produce would be nurtured, and saving would be sacrament. In currencyism those that produce are cheated, and saving is a waste of leverage.

[World's largest nuke plant to restart in Japan](#)

KASHIWAZAKI, Japan (AFP) – A strong earthquake shut down the world's largest nuclear power plant here almost two years ago.

The clock is now ticking for it to restart -- but fears about a nearby seafloor faultline and a string of fires inside the dormant facility have deepened distrust in local communities.

[Pope to Pursue Heavenly Power in Europe's Biggest Solar Plant](#)

(Bloomberg) -- On pasture land a day's walk north of Rome, the inventor of radio Guglielmo Marconi set up a broadcasting service in 1931 for the Vatican.

The world's smallest state now intends to build the biggest solar plant in Europe for 500 million euros (\$660 million) on those same 740 acres near the medieval village of Santa Maria di Galeria, project engineer Mauro Villarini said in an interview.

[Canadian panel touts carbon pricing](#)

OTTAWA (AFP) – An environmental panel urged the Canadian government on Thursday to quickly implement a national carbon pricing policy if it is to meet its targets for cuts in greenhouse gas emissions.

In a report, the National Round Table on the Environment and the Economy said the cost of carbon would have to top 100 Canadian dollars (83 US) per ton by 2020, and rise to a maximum of 200 dollars.

[Climate change could worsen African "megadroughts"](#)

WASHINGTON (Reuters) – The recent decades-long drought that killed 100,000 people in Africa's Sahel may be a small foretaste of monstrous "megadroughts" that could grip the region as global climate change worsens, scientists reported on Thursday.

Droughts, some lasting for centuries, are part of the normal pattern in sub-Saharan Africa. But the added stress of a warming world will make these dry periods more severe and more difficult for the people who live there, the scientists said.

"Clearly, much of West Africa is already on the edge of sustainability, and the situation could become much more dire in the future with increased global warming," said University of Arizona climatologist Jonathan Overpeck, a co-author of the study published in the journal Science.



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