



DrumBeat: July 2, 2009

Posted by [Leanan](#) on July 2, 2009 - 9:39am

Topic: [Miscellaneous](#)

[Hurricanes May Increase in Gulf as El Nino Shifts in Pacific](#)

(Bloomberg) -- A shift of warming patterns in the Pacific Ocean may mean more seasons of increased hurricane activity in the Atlantic and more storms entering the oil-rich Gulf of Mexico, according to a study in the journal Science.

The warming of Pacific waters -- a phenomenon called El Nino -- has been moving toward the central Pacific, meaning more storms will form in the Gulf and Caribbean, researchers at Georgia Institute of Technology said in the study. Traditionally, when the eastern Pacific warms up, hurricane activity in the Atlantic falls.

[Number of active oil rigs up by 11](#)

HOUSTON (AP) -- The number of rigs actively exploring for oil and natural gas in the United States rose by 11 this week to 928, the third consecutive week for an uptick after months of declines.

Of the rigs running nationwide, 688 were exploring for natural gas and 229 for oil, Houston-based Baker Hughes Inc. reported Thursday. Eleven were listed as miscellaneous. The report was released a day early because of the July Fourth holiday.

[4th pipeline bombing in northeastern B.C.](#)

A fourth explosion has occurred at an EnCana Corporation natural gas facility in northeastern B.C, just east of Dawson Creek.

RCMP said EnCana gas line workers discovered a partially destroyed metering shed on Sunday at a wellhead near the community of Tomslake.

Investigators said the damage was the result of what appeared to be a deliberate attack similar to three other blasts that occurred at Encana operations in October.

[Mexico's Credit Rating Will Be Cut in Third Quarter, Loser Says](#)

(Bloomberg) -- Mexico's credit rating will be cut in the third quarter as the government struggles to muster congressional support for legislation that would ease the nation's dependence on oil revenue, said Claudio Loser, a former International Monetary Fund Western Hemisphere director,

[ANALYSIS - In China, India, higher fuel prices not yet high enough](#)

NEW DELHI/BEIJING (Reuters) - At some point, the theory goes, Chinese and Indian consumers will begin to feel the pain of rising fuel costs, adjusting their habits to use less gasoline, just as motorists from Japan to America have done.

But even after a pair of surprise prices hikes this week, taking Chinese pump rates to their highest ever and elevating the cost of gasoline well above relatively cheap American petrol, officials and analysts are agreed: we're not there yet.

The economic expansion of the world's two most populous nations underpins the base case for medium-term oil bulls who believe \$70 a barrel is only the beginning, but the question of demand "elasticity" -- whether fuel use contracts in the face of higher prices -- could call those forecasts into question.

[Russia's new oil export route forces hard choices](#)

MOSCOW (Reuters) - Russia is not producing enough oil to fill a new \$4 billion pipeline to the Baltic, which is meant to cut reliance on export routes via neighbouring states, without making hard choices about flows through other outlets.

Diverting exports from other routes would risk losing market share to rival OPEC producers or harming ties with key energy partner Germany.

[Gazprom's Recent Deals Should Be a Red Flag to the Rest of Europe](#)

Presumably the wily Azeri president Ilham Aliyev is well aware of Gazprom's practices, and is watching Gazprom's heavy-handedness with Turkmenistan carefully. So why would he deal with this devil? Perhaps this is wishful thinking on my part, but what would make sense is that Aliyev is losing patience with European dithering over Nabucco. By showing a willingness to deal with Gazprom, he is sending a shot across the bow of the EU nuchs, letting them know with actions rather than words that they need to move sooner rather than later or Nabucco is going to turn into a, well, pipe dream.

Will the Europeans get it through their thick skulls? I highly doubt it. They are so divided--with Russia and Gazprom merrily promoting and exploiting those divisions--that they will be mightily pressed to get their act together soon. If they don't,

Azerbaijan may figure that it has no real alternative but Gazprom. And what a pity that would be.

[Phil Flynn: Life Liberty and Oil!](#)

How can you have prices rise when demand is so bad? There were no fireworks on the demand side as the EIA reported that total products supplied over the last four-week period has averaged 18.4 million barrels per day, down by 5.8 percent compared to the similar period last year. Over the last four weeks, motor gasoline demand has averaged nearly 9.2 million barrels per day, up by 0.9 percent from the same period last year. Distillate fuel demand has averaged about 3.4 million barrels per day over the last four weeks, down by 9.4 percent from the same period last year. Jet fuel demand is 13.2 percent lower over the last four weeks compared to the same four-week period last year. It is the less than spectacular supply and demand numbers, especially compared to a year ago, that leads market critics to say the market is out of whack with the fundamental realities.

[How Institutions Manipulate the Price of Oil](#)

A recent article shows the chart to the left which demonstrates the correlation between crude oil prices and the size of the passive long-only institutional investor.

[Obama energy policy to cost taxpayers](#)

President Obama has targeted oil, natural gas and coal - all carbon fuels - for higher taxation, an energy expert told a Tulsa luncheon on the eve of the "cap and trade" vote last week in the U.S. House.

Bob Tippee, editor of the Oil & Gas Journal, told a meeting of the Energy Advocates that Obama wants to adopt the "California view."

Obama's policy would cost the oil and gas industry at least \$50 billion a year.

[Mexican Oil Revenues Fall 10% Despite Hedging](#)

Mexico's oil-export tax revenues totaled 363.58 billion pesos (\$27.34 billion) between January and May, 10.3 percent less than in the same period of last year, officials said.

That drop occurred even though the Mexican government -- acting last summer when oil prices were widely predicted to fall from a record high of \$140 a barrel -- hedged the price of crude exports at \$70 a barrel for all of 2009.

[Energy Minister urges talks over North Sea tax breaks](#)

New Energy Minister Lord Hunt called last night for more dialogue between the offshore oil and gas industry and the Treasury over the tax breaks needed to maximise the extraction of North Sea resources.

Addressing a Subsea UK reception in the Commons, he gave a muted response to the highly-critical report issued by the Commons energy and climate change committee, which warned that without more help to encourage development and exploration, the industry could go into decline and put 50,000 jobs at risk.

[Is Madison making the right choices on transit?](#)

Madisonians, like most Americans, are in denial about the impact of peak oil and global warming. It will not be possible to continue our car-oriented lifestyles and sprawling development mentality and still meet urgent carbon-reduction goals.

Authorities should make transit decisions with an eye on a very different future, not the antiquated status quo of the past 50 years.

[Money train: The cost of high-speed rail](#)

The president is pledging \$13 billion for a high speed rail system, but some experts fear it will never cover its own costs.

[House Probes Resignation at Amtrak](#)

WASHINGTON -- A House committee is investigating the recent resignation of Amtrak's inspector general, citing concerns about oversight at the publicly funded corporation at a time when it is set to spend more than \$1 billion in federal stimulus funds.

[Is Bicycling Bad for Your Bones?](#)

In his study, the bone density of 32 male, competitive bike riders, most in their late 20s and early 30s, was compared to that of age-matched controls, men who were active but not competitive athletes. Bone scans showed that almost all of the cyclists had significantly less bone density in the spine than the control group. Some of the racers, young men in their 20s, had osteopenia in their spines, a medical condition only one step below full-blown osteoporosis. "To find guys in their twenties with osteopenia was surprising and pretty disturbing," Smathers says.

[The alternative choice](#) - *Steven Chu wants to save the world by transforming its largest industry: energy*

WHETHER Steven Chu, America's energy secretary, would be flattered or horrified by the comparison is unclear, but he and Margaret Thatcher have something important in common. They are both scientists who have risen to political power. That Mr Chu has a Nobel prize for physics, whereas Lady Thatcher swiftly abandoned chemistry for the more lucrative pastures of the law, does not make the comparison unfair. What matters is that both of them understand something that some politicians from softer intellectual backgrounds often seem to forget: you cannot negotiate with nature. Nor can you ignore it, for it will not go away.

Lady Thatcher showed her mettle in this regard in 1989, when she became the first politician of stature to raise the alarm about global warming. When her adviser Crispin Tickell pointed out to her that the level of carbon dioxide in the atmosphere was rising and that carbon dioxide was a greenhouse gas, she got the point instantly and alerted the world in a speech to the United Nations. Mr Chu's job is harder: he is charged with spotting, nurturing and promoting promising energy technologies, thereby helping America to create the tools that the world needs to wean itself off fossil fuels.

[Wesley Clark: Ethanol's field general](#)

(Fortune Magazine) -- If ever there were an industry in need of a general, it's the ethanol industry. Already under siege from food companies blaming biofuels for rising grocery prices, ethanol companies are now seeing their profit margins crushed by falling prices for their product. Compounding the problem, many environmentalists -- who five minutes ago seemed to be in ethanol's corner -- have turned against the corn-based fuel.

Reporting for duty in ethanol's counterattack: Wesley Clark, the retired four-star general and former NATO commander, who signed on in February as co-chairman of an upstart ethanol trade group called Growth Energy. Clark, 64, has fully embraced the private sector since ending his run for the Democratic presidential nomination in 2004. In addition to co-chairing Growth Energy, Clark is on the board of Dutch wind-turbine maker Juhl Wind and serves as chairman of the New York investment bank Rodman & Renshaw. At Growth Energy, Clark has lobbied against efforts in California to hold ethanol accountable for deforestation in Brazil, he's pushed back against claims that diverting corn to ethanol drives up food prices, and he's spoken out in favor of a Growth Energy proposal to increase the maximum allowable ethanol blend in conventional gasoline to 15% from 10%.

[Oil Falls, Gasoline Drops to 5-Week Low as U.S. Payrolls Slip](#)

(Bloomberg) -- Crude oil fell and gasoline slipped to a five-week low on a report showing the U.S. unemployment rate rose last month, a signal that fuel demand in the world's

largest energy-consuming country will be slow to rebound.

[Energetic blackmail](#)

IN BLACKMAIL timing can be everything. The governments of Russia and Ukraine have cause to ponder this after failing to extract billions of euros from the European Union in the name of keeping Russian gas flowing to Europe next winter.

Thanks to recession and competition from cheaper suppliers, European demand for Russian gas has fallen. It is also summer. So right now governments and gas companies are unusually brave over threats to cut off the gas. They have resisted pressure to give Ukraine a huge loan that both the Russians and Ukraine's squabbling leaders say is needed to avoid another dispute like the one that blocked Russian gas in January, affecting 18 of the 27 EU countries. Whether Europe's nerve will hold as winter approaches remains to be seen. Russia supplies 42% of all EU gas imports, and its share is rising.

[Russia's Gazprombank puzzles analysts as NPLs stable](#)

MOSCOW (Reuters) - Gazprombank, the banking arm of Russian state energy company Gazprom, puzzled analysts on Thursday by showing its share of non-performing loans (NPLs) stayed unchanged in the first quarter of 2009.

Top Russian banks such as state-controlled Sberbank (SBERO3.MM) and VTB (VTBR.MM) are struggling with losses as bad loans rise.

[BP shuts alternative energy HQ](#)

BP has shut down its alternative energy headquarters in London, accepted the resignation of its clean energy boss and imposed budget cuts in moves likely to be seen by environmental critics as further signs of the oil group moving "back to petroleum".

[Beacon Power, Nordic Windpower Get Loan Guarantees](#)

(Bloomberg) -- The U.S. Energy Department issued \$59 million in conditional loan guarantees to Beacon Power Corp. and Nordic Windpower, part of a four-year-old program for alternative energy that has yet to finance any projects.

The conditional loan guarantees announced by the department today, which are the second and third issued, are contingent on the companies providing further financing.

[Estimating errors in U.S. oil demand](#)

(Reuters) - The market is transfixed by the weekly inventory and consumption estimates for crude oil and products published by the U.S. Energy Information Administration (EIA). But the backward-looking nature of parts of the reporting system makes it liable to miss turning points. Consumption and exports numbers are especially vulnerable to errors.

For the last three years, preliminary estimates for U.S. petroleum consumption (more formally called "product supplied to the domestic market") published in the EIA's Weekly Petroleum Status Report (WPSR) have been revised down when more comprehensive data becomes available in the Petroleum Supply Monthly (PSM) published six weeks later. The core of the problem is the statistical system's struggle to account for soaring exports of refined products, especially distillates to Europe. Because the agency is systematically under-estimating exports, it is over-estimating consumption, and being forced to trim the figures when more data becomes available.

[John Michael Greer: Where Economics Fails](#)

Understand current economic thought and you understand most of the mistakes that are dragging industrial civilization down to ruin. The Energy Information Administration (EIA), a branch of the US government, has become infamous in the peak oil scene over the last decade or so for publishing estimates of future petroleum production that have no relationship to geological reality. Their methodology, as described in EIA publications, was simply to estimate probable increases in demand, and then to assume that increased demand would automatically be met with a corresponding increase in supply. Quite a few peak oil writers have suggested some dark conspiracy behind this blithe disregard for the limits of a finite planet, but it takes only a few minutes' worth of reading to identify the real culprit as the standard notion of the law of supply and demand taught in every first-year economics textbook today.

[Iraq to push back second oil bidding round](#)

Iraq is planning to push back its second oil bidding round to develop 11 oil and gas fields after a disappointing showing in the first offer.

The process had been scheduled to be completed by end of this year.

But Oil Ministry spokesman Assem Jihad says the second round will be held at a later date that has yet to be determined.

[Oil's history, for better or worse](#)

On June 1 1932, some 7½ months after they sunk a drill into the ground in the shadow

of a scraggly hill called the "Mountain of Smoke", a group of prospectors and scallywags led by the New Zealand owner of a pharmacy in Aden hit oil 35km south of Manama.

Today, like a metal shrub with twisted branches, a capped well juts from the rocky ground marking the original spot where the massively prolific Arabian Oil Basin was first tapped.

Nearby is a plaque commemorating Jabal Ad Dukhan No 1 and a museum bearing the sign, "It All Began in Bahrain".

[Pakistan: Vegetables getting out of common man's reach](#)

LAHORE - The transporters, businessmen, growers, consumers and general public have strongly rejected the sharp increase in the fuel prices announced by the so-called people friendly PPP-led government and said that it would push more people below the poverty line besides multiplying the miseries of the already inflation-stricken public.

[Weak auto sales continue into June](#)

NEW YORK (CNNMoney.com) -- Most major automakers reported weaker than expected U.S. sales for June, proving yet again that the industry's pain hasn't ended. But there are some glimmers of hope.

[Rail crisis: London-to-Edinburgh route to be nationalised](#)

The government is to nationalise Britain's largest rail franchise after National Express confirmed that it can no longer afford the £1.4bn east coast contract.

In a serious blow to franchise policy, the Department for Transport will take the London-to-Edinburgh route into public ownership at the end of the year. The transport secretary, Lord Adonis, said the contract will be put back up for auction to private companies at the end of next year but it is expected to fetch much less than £1.4bn, leaving the state with a gap in its rail budget.

"It is simply unacceptable to reap the benefits of contracts when times are good, only to walk away from them when times become more challenging," said Adonis.

[First Biodiesel Pipeline Starts Operations](#)

A commercial shipment of biodiesel has moved through a pipeline in the United States for the first time, according to Kinder Morgan Energy Partners, a pipeline company.

A 5 percent biodiesel blend moved from Mississippi to Georgia, and also from

Mississippi to Virginia, via the Plantation Pipe Line Company, which is owned jointly by Kinder Morgan with a 51 percent stake, and Exxon Mobil with 49 percent. Last December, Kinder Morgan announced that the nation's first ethanol pipeline had begun service.

[Heading into the holiday: Fewer miles at higher cost](#)

The nation heads into the Independence Day holiday weekend amid the longest and steepest decline in driving since the invention of the automobile.

Since the number of miles traveled by motor vehicles in the USA peaked in November 2007, the nation's 12-month total has dropped by 123 billion miles, or slightly more than 4%. That's a bigger decline than the drop of just above 3% during the 1979-80 Iranian revolution that triggered a spike in gasoline prices in the USA.

The 4% drop is the equivalent of taking between 8 million and 10 million drivers off the road.

"We may be witnessing the beginning of a fundamental shift in American driving habits," says Ed McMahon, senior research fellow at the Urban Land Institute, a non-profit group that promotes innovative development.

[Oil Falls to Lowest in a Week on Forecast U.S. Shed More Jobs](#)

(Bloomberg) -- Crude oil fell to the lowest in a week before a report forecast to show U.S. unemployment increased last month, signaling the world's largest energy user remains mired in recession.

U.S. fuel demand in the four weeks ended June 26 dropped 5.8 percent from a year earlier, while demand for distillate fuel including heating oil and diesel, fell 9.4 percent, according to a Department of Energy report yesterday. The Labor Department will likely report the U.S. shed an additional 365,000 jobs in June, a Bloomberg survey showed.

[Barclays Raises U.S. Oil Forecast 15% on Fundamentals](#)

(Bloomberg) -- Barclays Plc raised its third-quarter forecast for West Texas Intermediate crude oil by 14.5 percent from an estimate in June, citing expectations for fundamentals in commodity markets to return to "normalcy."

The forecast for benchmark futures contracts traded on the New York Mercantile Exchange was revised to \$71 a barrel from \$62, Barclays Capital analysts led by Paul Horsnell said in a weekly report yesterday. Barclays increased its projections for Brent crude by 9.5 percent to \$69 a barrel and left forecasts for the fourth quarter and 2010

unchanged.

[‘Oil over \\$100 would hurt global economy’](#)

"Hopefully in the third quarter and fourth quarter, it won't surpass \$100 as this will fuel recession again," Sheikh Ahmad al-Abdullah al-Sabah told reporters in parliament.

Oil had already hit the price that Opec was looking for in the second half of the year, he said. Speculators and US dollar weakness were among the factors behind the rise, Sheikh Ahmad said.

[Asian LNG Spot Trade May Shrink 73% This Year, Repsol Says](#)

(Bloomberg) -- Shipments of liquefied natural gas to Asia from the Atlantic Ocean area may shrink by about 73 percent this year as Japan and South Korea, the world's biggest buyers, cut imports, said an official from Repsol YPF SA.

Supplies of spot LNG from projects from countries such as in Nigeria, Equatorial Guinea, Egypt and Algeria may fall to about 4 million metric tons this year, or to 2006 levels, from about 15 million last year, said Strategic Planning Director Ane Arino Ochoa at Spain's largest oil company.

"We expect a reduction in LNG traded this year because of the economic crisis," she said after speaking at the Next Generation LNG conference in Singapore yesterday. "There will be a surplus of LNG in the global markets in the short term."

[India Gas Demand Set to Rise as Fertilizer Makers Add Capacity](#)

(Bloomberg) -- India's demand for natural gas is set to increase as fertilizer makers spend as much as 50 billion rupees (\$1 billion) in the next three years to boost capacity by 35 percent, an official said.

Fertilizer companies may need an additional 24 million cubic meters a day of gas to feed new plants and existing ones that are switching from using naphtha and fuel oil, Satish Chander, director-general of the Fertilizer Association of India, said by telephone from New Delhi.

[India - Econ survey: decontrol petrol, diesel prices](#)

NEW DELHI (Reuters) – India should end controls on prices of petrol and diesel and allow entry for private and foreign firms in the energy sector, a finance ministry survey

said on Thursday.

[PVM Loses About \\$10 Million in Unauthorized Trades](#)

Bloomberg) -- PVM Oil Futures Ltd., a unit of the world's biggest broker of over-the-counter oil derivatives, said it lost just under \$10 million as a result of unauthorized trading in futures contracts on June 30.

"As a result of a series of unauthorized trades, substantial volumes of futures contracts were held by PVM," Robin Bieber, director of PVM Oil Futures Ltd., said in an e-mailed statement today. "When this was discovered the positions were closed in an orderly fashion. PVM suffered a loss totaling a little under \$10 million."

[BP Pay Changes for Contract Workers Threatens North Sea Strikes](#)

(Bloomberg) -- BP Plc, Europe's second-largest oil company, plans to cut pay for North Sea contract staff, risking strike action later this year.

BP wants to reduce the cost of offshore platform workers employed through contractors and plans to end discretionary payments including overtime built-in to the day rate and automatic night shift payments. The changes cut pay as much as 20 percent for 800 people, union leaders say.

[Are we at the peak of oil production?](#)

There are some that believe that the ever increasing rise in gas prices over the past years is a clear indication of peaking. The spike of oil prices and crash in 2008 is said to be the peak point of production. This is a question we cannot fully know the answers to till probably 5 or 10 years out. Raymond James, the investment company that the Buccaneers football team's stadium is named for, released a press release declaring peak oil: "represents a paradigm shift of historic proportions. Unfortunately, mankind better get ready to live in a peak oil world because we believe the 'peak' is now behind us."

[Flashing Lights on the Console](#)

KMO welcomes Albert K. Bates back to the program, and they sit down together for a chat with Richard Heinberg, author of *Peak Everything*. Albert admits that he's finding it hard to maintain his "soft lander" status in the face of mounting evidence, and Richard talks about the themes in his new book, *Blackout: Coal, Climate and the Last Energy Crisis*.

[Our idea of progress must change](#)

We've raised our standard of living to record heights -- so high, in fact that, if everyone lived like we do in North America, we would need three or four earths. To keep our way of life rolling along, we need to make more things. As the satirical newspaper The Onion put it, quoting a fictional Chinese worker: "Often, when we're assigned a new order for, say, 'salad shooters,' I will say to myself, there's no way that anyone will ever buy these . . . One month later, we will receive an order for the same product, but three times the quantity . . . I hear that [North] Americans can buy anything they want, and I believe it, judging from the things I've made for them. And I also hear that, when they no longer want an item, they simply throw it away. So wasteful and contemptible."

But such is our personal measure of progress: whoever has the most stuff when they die, wins.

[Nova Scotia needs a new deal](#)

I want to come back to a second to the beginning of this. I'm not sure that what we want to look at is called "recovery." I think we're talking about a restructuring of the economic system and it won't look the same---it can't look the same. I've got a quote here from George Monbiot, who says, "Climate breakdown, peak oil and resource depletion will all dwarf the current financial crisis, in both financial and humanitarian terms." So unless we start thinking long-term, this current economic meltdown is going to seem like very small potatoes.

[Feds, Colo. hash out agreement on oil, gas rules](#)

DENVER — Colorado's new oil and gas rules, denounced by the industry as the most burdensome in the country, now apply to federal land as well as private and state land.

Stricter oil and gas regulations took effect on private and state land in Colorado on April 1. Enforcement of the rules was delayed on federal land to give state and federal officials time to sort through any conflicts.

[Oil Contract Rows Rock Uganda Ahead of Production](#)

The Ugandan government is embroiled in disputes with politicians and activists over its failure to reveal the contents of contracts with oil-exploration companies operating in the country ahead of the start of oil production on the Ugandan side of the Albertine Rift on the country's western border.

[Iran 'disqualifies' EU from talks](#)

The EU is no longer qualified to take part in talks on Iran's nuclear programme, Iran's military chief says.

Maj-Gen Hassan Firouzabadi, Iran's chief of staff, accused the EU of "interference" in riots which followed June's disputed presidential elections.

[Kenya unveils renewable energy drive](#)

NAIROBI (AFP) – Kenya on Wednesday unveiled extensive plans to invest in renewable energy, including free distribution of one million energy-saving light bulbs in exchange for ordinary bulbs.

The measures announced by Prime Minister Raila Odinga also include subsidising the price of solar water heaters for public institutions, firms and households.

[Kenya: Sex in a Time of Famine](#)

"Prostitution seems to be the only option out of hunger. The relief food offered by the government is too little and irregular," says Mr Keleli.

About 75 per cent of people in this region live below the poverty line. The land is semi arid and unproductive, with very little economic activity.

Charcoal burning has for a long time been the only means of upkeep. But with the current drought, trees have diminished, leaving residents with no reliable source of livelihood.

[Clean Energy Investment Leaps In Second Quarter](#)

LONDON - Global investment in clean energy and climate-friendly technologies leapt in the last three months but full-year levels won't recover until 2010 or 2011, analysts said on Wednesday.

Falling energy demand and more expensive debt have hurt large renewable projects for example in wind and solar power. Recession has cut risk appetite, curbing funding for clean technology start-ups.

But global clean energy investment rebounded in the past three months, after a 44 percent collapse in the first quarter, and stimulus spending could spur a return to last year's funding levels in 2010, according to research group New Energy Finance.

"It's a big bounce back," said Michael Liebreich, NEF chief executive, referring to preliminary numbers to be published later this week or next.

[Brazil launches bus powered by hydrogen fuel cells](#)

SAO PAULO – Sao Paulo state officials have launched what they say is Latin America's first passenger bus with an electric engine powered by hydrogen fuel cells.

Gov. Jose Serra says the bus will start test runs on the streets of South America's biggest city in August and will be joined by three similarly powered vehicles next year.

[The Future of Transport](#)

With Peak Oil just around the corner, humans are going to be faced with very few options for mobility in the future – stop travelling or find alternative forms of transport. Imagine travelling with dozens of balloons or in a futuristic-looking helium ship or maybe in a car made of vegetables and powered by chocolate. Sound too good to be true? Check out our collection of the craziest forms of green transport.

[UK Wind Boom Spikes Prices, Threatens Plants: Study](#)

LONDON - The dramatic growth in wind turbines around the British Isles may lead to huge spikes in power prices by 2030 and threaten the viability of backup plants needed for calm periods, according to Poyry Energy Consulting.

Britain and Ireland have ambitious targets to reduce their carbon dioxide emissions, with wind turbines expected to reduce most of the climate warming gasses from the power sector.

But the level of wind energy envisaged will lead to extreme price swings by 2030, with times of negative prices when the wind blows hard and spikes to almost 8,000 pounds per megawatt hour when the wind drops, according to a new study by Poyry.

[Group: World failing to halt biodiversity decline](#)

GENEVA – Governments are failing to stem a rapid decline in biodiversity that is now threatening extinction for almost half the world's coral reef species, a third of amphibians and a quarter of mammals, a leading environmental group warned Thursday.

"Life on Earth is under serious threat," the International Union for Conservation of Nature said in a 155-page report that describes the past five years of a losing battle to protect species, natural habitats and geographical regions from the devastating effects of man.

[Brazil flora risk greater than thought: study](#)

RIO DE JANEIRO (AFP) – Nearly 2,300 plant species are at risk of disappearing from flora-rich Brazil, many more than once thought, according to an academic study released on Wednesday.

The research, carried out by 175 scientists, indicates the Brazilian government has dramatically underestimated the risk to the country's plant species caused by deforestation, fires and urbanization.

[Controlling Immigration Critical to Meeting Goals on U.S. Greenhouse Emissions, Finds New Report by FAIR](#)

Immigration, Energy and the Environment addresses America's stifled immigration policy debate: it finds that America's massive immigration-fueled population growth was the single largest contributing factor to the nation's increased energy consumption and carbon emissions over the past 35 years. Even without a massive amnesty for illegal aliens supported by President Obama and congressional leaders, immigration will be the driving factor as U.S. population approaches the half billion mark by mid-century.

[Canada and Japan blocking climate-change deal, Sir David King warns](#)

Canada and Japan were blocking a possible deal on climate change at the Copenhagen summit, Sir David King, the former Chief Scientific Adviser, warned yesterday.

Speaking at the World Conference of Science Journalists, Sir David said that the two countries had stepped into the breach left by the Bush Administration, which had strongly resisted cutting CO2 emissions.

“Copenhagen is faltering at the moment,” said Sir David. “The Americans are now fully engaged. But several countries are blocking the process.”

[Senate May Pass U.S. Climate Bill, Reject Treaty, Kerry Says](#)

(Bloomberg) -- The U.S. Senate may pass legislation to slow climate change and then fail to approve a global treaty that commits nations to do so, Senator John Kerry said.

Kerry, chairman of the Foreign Relations Committee, will be a leader in Senate efforts to place the first domestic curbs on greenhouse gases, after the House approved a measure last week. Even if a Senate bill passes, there may not be enough support to ratify an international accord incorporating the U.S. commitments, the Massachusetts Democrat said in an interview.

[China blasts US climate bill](#)

BEIJING (AFP) – China said on Thursday that it was "firmly" opposed to provisions in a new US clean energy bill that will make it easier to impose trade penalties on nations that reject limits to globe-warming pollution.

"China is firmly opposed to such measures," vice foreign minister He Yafei told reporters in Beijing.

"We are firmly against such attempts to advance trade protectionism under the pretext of climate change. It is not conducive to world economic recovery. It serves nobody's interests."



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