



# Drumbeat: September 25, 2009

Posted by Leanan on September 25, 2009 - 8:48am Topic: <u>Miscellaneous</u>

#### U.S. natural gas rig count climbs 5 to 710 for week

NEW YORK, Sept 25 (Reuters) - The number of rigs drilling for natural gas in the United States climbed five this week to 710, according to a report on Friday by oil services firm Baker Hughes in Houston.

The U.S. natural gas drilling rig count has gained in nine of the last 10 weeks but is still down sharply since peaking above 1,600 in September last year, standing at 849 rigs, or 54 percent, below the same week last year.

During the week ended July 17, 2009, the natural gas rig count dipped to 665, its lowest level since May 3, 2002, when there were 640 gas rigs operating.

30 years of political promises to resolve that problem we have refused to take the steps necessary to do so, including funding massive nuclear energy development and drilling for all of our currently-known resources as a bridge while those nuclear plants are brought online. There is and has been zero political or public will behind accepting that resolving these problems does not lie in "pie in the sky" battery, solar and wind technologies, but rather through aquacultureproduced bioldiesel, massive nuclear power development and full exploitation of our existing fossil-fuel stores, all of which will cause energy costs to rise and exact what amounts to a tax on the American people. In short we demand not only cheap TVs from China and cheap blue jeans from Vietnam but cheap gasoline from Saudi Arabia, and combined this makes addressing trade imbalance politically impossible.

# An alternative G20 model

On the eve of the world summit, G20 leaders – who have presided over the biggest financial expansion and the most catastrophic economic failure since the 1930s – bickered over the arrangement of the IMF's "deck chairs" and squabbled over whether to rap bankers on the knuckles.

No leader has risen above the fray to address the scale of the "triple crunch" threatening the world: sustained economic failure, the climate change threat and peak oil. Nor is there a world leader willing to confront, subdue and discipline the finance sector as Roosevelt did in 1933. Instead today's leaders scramble with undue haste for a return to "business as usual".

# Cabot Oil ordered to shut fracturing ops in Penn.

(Reuters) - Pennsylvania regulators said they ordered Cabot Oil & Gas Corp (COG.N) to stop all hydraulic fracturing (fracking) operations in Susquehanna County until it completed a number of important engineering and safety tasks.

Cabot voluntarily shut down fracking operations at the Heitsman well in Dimock Township on Tuesday afternoon, following three separate spills in less than one week, said the Pennsylvania Department of Environmental Protection in a statement.

# The Resolute Ahmadinejad Knows How To Survive

Ahmadinejad is a survivor.

The first time he ran for the presidency of Iran, while careful not to offend the establishment, he said all the right things to get elected — promoting economic and social justice, cash payments from oil revenues to families in the name of equity, eradication of corruption, better educational opportunities and health care for all, an Iran that could defend itself against foreign aggression, and no compromise on Iran's right to nuclear enrichment. His tactics worked.

# Gore-Backed Car Firm Gets Large U.S. Loan

WASHINGTON -- A tiny car company backed by former Vice President Al Gore has just gotten a \$529 million U.S. government loan to help build a hybrid sports car in Finland that will sell for about \$89,000.

The award this week to California startup Fisker Automotive Inc. follows a \$465 million government loan to Tesla Motors Inc., purveyors of a \$109,000 British-built electric Roadster. Tesla is a California startup focusing on all-electric vehicles, with a number of celebrity endorsements that is backed by investors that have contributed to Democratic campaigns.

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54 percent, below the same week last year.

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## Oil market response to Iran-West tension

LONDON (Reuters) - Heightened tensions between the West and oil exporter Iran pulled crude prices off an eight-week low on Friday, sending them back above \$66 per barrel.

News of Iran's second uranium enrichment plant may heighten Western calls for tougher U.N sanctions against the Islamic Republic -- a move which could ultimately increase the risk of a supply disruption in the key crude producing region.

#### The Himalayan Gas Tango

Through September 2009, the government of India has issued a variety of statements designed to quell India's long-lived China bogey. It has done so to contain what it calls panic and scare-mongering about alleged incursions over the India-China border by units of the People's Liberation Army. The 'incidents' (as the Indian media like to call the events) have all occurred over India's north-western border with China, in the mountainous Jammu and Kashmir state.

China to rely on coal 'for long time': Beijing official

BEIJING (AFP) – China will continue to rely on coal for most of its energy needs "for a long time", a senior official said on Friday, just days after President Hu Jintao pledged action on its greenhouse gas emissions.

"It is an indisputable fact that China mainly relies on coal for its overall energy structure. Such a structure will remain hard to change for a long time," Zhang Guobao, head of the National Energy Administration, told reporters.

# China discovers combustible ice in land-based regions

BEIJING (Xinhua) -- China has successfully excavated combustible ice, a kind of natural gas hydrate, in permanent tundra in the south margin of the country's northwestern Qilian Mountains, the Ministry of Land and Resources said Friday.

Detroit: The Death — and Possible Life — of a Great City

Detroit must address the fact that a 138-sq.-mi. city that once accommodated 1.85 million people is way too large for the 912,000 who remain. The fire, police and sanitation departments couldn't efficiently service the yawning stretches of barely inhabited areas even if the city could afford to maintain those operations at their former size. Detroit has to shrink its footprint, even if it means condemning decent houses in the gap-toothed areas and moving their occupants to compact neighborhoods where they might find a modicum of security and service. Build greenbelts, which are a lot cheaper to maintain than untraveled streets. Encourage urban farming. Let the barren areas revert to nature.

# Precious Metal

Battery-powered electric vehicles may be heralded as the next big thing, but will lithium reserves that are already being devoured by consumer electronics be enough meet future demand?

# Nuclear Loan Guarantees Should Be Doubled - US Energy Secretary

WASHINGTON -(Dow Jones)- Federal loan guarantees for new nuclear power plant construction should be at least doubled to allow construction of four to five additional plants, U.S. Energy Secretary Steven Chu said late Thursday.

# Recession slows U.S. wind power growth rate

LOS ANGELES (Reuters) - The United States will add 6,000 megawatts in wind power this year, down nearly 30 percent from last year as the credit crisis slowed expansion of the renewable energy source, an industry group said on Thursday.

Wind power has been one of the fastest growing sources of power generation, and the 2009 additions are equivalent to about six coal-fired power plants.

"The lion's share of that was commissioned on or before the economy went south," Denise Bode, head of the American Wind Energy Association told a news conference.

# The End Of Globalization

Jeff Rubin has gone as far as to suggest the present global financial crisis wasn't started by the sub prime mortgage crisis. Instead it was the July 2008 price peak to \$147 per barrel that caused the financial meltdown. Rubin writes, "What put the world economy really in recession, is not Wall Street, but triple digit oil prices..."

Many economists disagree with Rubin's hypothesis but do believe the massive oil price rise may well have been the tipping point that started what now is called "The great recession"-there's still a reluctance to use the word depression and thereby conjure up images of "The Great Depression".

#### Chesapeake to Sell Half Its Pipelines in Barnett Shale

Oklahoma City-based Chesapeake Energy, which has a large regional office in Fort Worth, said late Thursday that it will raise \$588 million in cash by selling half its natural gas pipelines in the Barnett Shale of North Texas, as well as properties in other petroleum basins.

# EU: carbon policy could leave UK in the dark

Britain's old coal-fired power plants have only six more years to live at the most. Their death sentence has been passed by the European Union, which decreed that the most polluting stations must be retired after a fixed number of hours. But experts predict that the phasing out of these reliable but dirty old beasts will leave the UK facing a catastrophic shortage of energy that may lead to power cuts and vastly inflated bills.

#### Russia plays pipeline politics

BEIJING - While the United States is engrossed in Iraq and Afghanistan - even planning a troop surge in the latter - a new and bigger strategic risk looms in a much more sensitive area - Europe and Russia. The challenge is about energy and influence in the "old continent", still the richest industrial area in the world.

#### Kazakhs mulls over transport for oil boost

Kazakhstan, which plans to double oil production in the next decade, is in talks with Caspian Sea neighbour Azerbaijan to find new routes for delivering its extra crude volumes to the Black Sea and beyond.

The ex-Soviet republics are considering various options, including construction of a new pipeline, to add to the volumes now shipped by tanker across the Caspian Sea, Reuters reported Kazakh and Azeri officials as saying today.

#### South Korea Predicts Oil Prices to Rise to \$75 in 2010

South Korea on Friday predicted the international oil prices are likely to rise to an average of \$75 per barrel in 2010.

According to a report prepared by the Ministry of Strategy and Finance, the price of the

benchmark Dubai crude stood at \$60 per barrel this year, and it will rise to \$75 in 2010 as the global economy is showing signs of recovery.

#### EU: energy security is in the pipeline

After years of dithering, and despite Moscow's threats, agreement has been finalised for a project to bring non-Russian gas to Europe.

#### LNG terminal opens in Saint John

Repsol and Irving Oil officially opened their controversial liquefied natural gas terminal in Saint John, N.B., on Thursday.

About 400 people attended the Canaport LNG commissioning ceremony, including politicians and energy-sector officials, who were all shuttled in from the facility's entrance on Red Head Road to a large white tent, where violinists played.

The \$1-billion terminal is the first to be built in Canada and the first land-based LNG-receiving and re-gas terminal built on the East Coast of North America in 30 years.

#### Petrobras Eyes Ultra-Deepwater Prospects Off Bahia

Brazilian state-run energy giant Petrobras (PBR) is currently researching possible ultradeepwater oil prospects off the coast of northeast Brazil, company CEO Jose Sergio Gabrielli said Friday.

Quoted by the local Estado news agency, Gabrielli said in Brasilia that "there could be (subsalt oil there), we're there conducting research. We have to drill to see."

#### Officials Tout Offshore Drilling in Bipartisan Letter to Salazar

Georgia's two Republican senators joined their colleagues in the upper chamber of the U.S. Congress in pitching for opening offshore waters to new natural gas and oil development and leases.

Sens. Saxby Chambliss and Johnny Isakson were among 35 signers of a bipartisan letter to Interior Secretary Ken Salazar asking him to support a proposal by the U.S. Minerals Management Service to open up new offshore areas.

Chevron Seeks to Foist \$27 Billion Amazon Liability on Ecuador

(Bloomberg) -- Chevron Corp., the second-largest U.S. oil company, may force Ecuador's government to foot the bill for a \$27 billion environmental lawsuit marred by allegations of bribery and political interference.

Chevron asked the Permanent Court of Arbitration in The Hague to shift responsibility to Ecuador for paying any damages that a group of Amazon Basin residents could win in a 16-year- old toxic-waste lawsuit, according to a company statement yesterday. An investigator appointed by the Ecuadorean court overseeing the case estimated that damages could be \$27 billion, more than half of the Andean nation's gross domestic product.

# Saudi offers mid-October Jubail fuel oil

SINGAPORE: Saudi Aramco is offering via private talks a cargo of 380-cst fuel oil for mid-October loading, its fifth parcel in three weeks, as it rides on buoyant Middle East and east Asian demand, traders said yesterday.

# Malta: Gas supply was about to finish, report reveals

A three-day cold spell in December 2007 and a delayed shipment of gas because of bad weather left Enemalta with "only 90 minutes" of gas supplies, a dossier published by the government has revealed.

The internal Enemalta dossier, drawn up in March 2008, just two days before the general election, said the corporation had a low capacity of storage and this meant it was "not in a position to secure continuity of gas during peak periods arising from abnormal cold spells".

# Nigeria: Government Must Save Manufacturing Companies From Folding Up

Lagos — Niger Delta Budget Monitoring Group (NDEBUMOG) has called on the Federal Government to introduce policies that would save manufacturing companies from folding up or relocating from the country.

The call is coming at a time most manufacturing companies in the country are experiencing multidimensional difficulties, ranging from deteriorating infrastructure, energy crisis, as well as low patronage of locally manufactured products.

# China Considers Cutting Wholesale Power Prices, Citigroup Says

(Bloomberg) -- The Chinese government is considering cutting wholesale power tariffs

to lower costs for grid companies, Citigroup said, without citing anybody.

Grid companies who buy electricity from generators are making losses and they have "huge" capital expenditure requirements, analysts Pierre Lau and Maggie Mok said in a research note today. The companies' capital spending between 2009 and 2011 is estimated at 1.5 trillion yuan (\$220 billion), twice the expenditure for 2006 to 2008, the analysts said,

# Motoring Memories: American diesel cars

Although diesel engines are more efficient and economical than gasoline engines, the clatter, smell and smoke of earlier models found little favour with North American motorists until the 1970s when energy crises threatened gasoline supplies. And even then, their popularity in cars was fleeting.

In Europe, where fuel is much more expensive, motorists enthusiastically embraced the oil sipping diesel. Daimler-Benz introduced the world's first diesel production car, the Mercedes-Benz 260D, in 1936. Although meant for taxi use, the 260D's economy and durability appealed to ordinary motorists and Daimler-Benz became a strong diesel car advocate.

# An Immune System for the Planet: Bill McKibben on Organizing Popular Action When Political Leaders Disappoint

I thought Obama was quite disappointing. It felt to me like he was pre-excusing failure both in Washington and in Copenhagen. If this is as important as he says it is--and in fact, it's far more important than he says it is--then you've got to do more than the occasional speech or reference. You've got to go out and campaign. This guy knows how to campaign. I think we'll know he's completely serious the day he fires up Air Force One and the day begins with the whole press corps in tow in Barrow, Alaska and ends in McMurdo Station in the Antarctic.

# North Sea has potential to store over 100 years worth of UK power station CO2 emissions says DECC

Energy and Climate Change Secretary Ed Miliband said:

"There's enough potential under the North Sea to store more than 100 years worth of CO<sub>2</sub> emissions from the UK's power fleet. We are also working closely with Norway and other North Sea Basin countries to ensure the North Sea fulfils its potential in the deployment of CCS in Europe. We want to get the UK regulatory framework in place so we can harness that potential and make the North Sea part of the CCS revolution.

## We need land to grow food. We need a Community Land Bank

The concept is simple. The Bank would negotiate for land, hold it and then release it to user groups under legally enforceable contracts, attracting charitable funding as appropriate, and facilitate transfers of tenants (community gardening groups) across a portfolio of land holdings. The Land Bank would also arrange insurance and ensure legal and technical compliance. In effect, it would be a safe pair of hands in which both land owners and users could trust.

The catalyst behind this idea is the rapid rise in demand for land to cultivate for food. Hardly a day seems to go by without some reference to the growing waiting lists for allotments – some estimates suggest that there are now 100,000 people on waiting lists for the current 300,000 plots. In London you might have to wait for ten or more years, in Bristol the wait can be up to three years.

# Author's 'Food' Lecture Draws Attention On Campus

MADISON, Wis. -- The author of a book about food that has sparked debate on the University of Wisconsin-Madison campus gave a lecture Thursday night in which he presented his ideas to supporters and critics in attendance.

UW-Madison selected Michael Pollan's best-selling book "In Defense of Food" for a campus-wide reading program, and the book's selection has set off a debate over the American diet and food production system in classrooms and far beyond campus borders.

# For the World's Hungry, the Recession Is Far from Over

It's late morning and Minara Khatoon's five young children haven't eaten yet. They sit huddled on the dirt floor of their mud thatch hut, waiting as their mother stokes a makeshift fire with straw and dry leaves to prepare what will be their main — and perhaps their only — meal of the day. Minara has just returned to her home in the riverside village of Kapasia, 192 kilometers north of Bangladesh's capital, Dhaka, with a monthly supply of wheat grain given to destitute rural families like hers by the United Nations' World Food Program (WFP). The food aid helps, but only lasts Minara's landless peasant family —among the poorest of the poor in what is already Bangladesh's most impoverished district — for 20 days. Her husband doesn't work due to a chronic asthma condition so to make ends meet she toils as a maid in wealthier households during the day and at night cobbles together handicrafts to sell in a local market. "This is how we survive," says Minara, pounding fistfuls of wheat on an earthen plate, her tired face far older than that of a woman of her 30 years.

# Drought to Pare India Oilseed Crop, Supporting Palm Oil Imports

(Bloomberg) -- India, the biggest buyer of palm oil after China, may producer fewer monsoon-sown oilseeds as dry weather in the main growing areas reduced sowing of peanuts.

#### Russian Oil and Gas Industry Surprises Analysts

Russia is the biggest oil producer in the world, but the Russian domestic market is not as big as the oil production. Russia's consumption of hydrocarbons is only about 25% of the domestic oil production, so Russia exports the majority of oil it produces and whatever it refines.

I think the biggest issue that concerns most investors as far as Russian oil production is concerned is the growth rate or decline rate. At the start of the year, there were calls made by quite a large number of commentators that Russian oil production would decline this year by quite a considerable amount. The numbers published were between 1% and 5% and even 7%.

In actual fact, the Russian production is up this year. Year to date it is up 0.4% and we believe it will be up 0.3% for the full year. This growth has really surprised a lot of market commentators.

#### Arctic Oil Tempts Norway to Seek Drilling at 'Gates of Hell'

(Bloomberg) -- Norway started a push to explore for oil and natural gas in more remote regions like its Arctic volcanic island of Jan Mayen, as the country seeks to reverse almost a decade of dwindling North Sea output.

"We've explored an increasingly large part of the Norwegian shelf," Oil Minister Terje Riis-Johansen said in an interview on a trip to the barren outpost on Sept. 23. "If we now wish to develop Norway as an oil and gas nation, it will have to be in other areas."

Diminishing access to traditional reserves is prompting countries to turn to unconventional sources such as oil sands and shale-rock formations to meet demand. Russia, Canada, the U.S. and Iceland are vying for a stake of the Arctic, which may hold as much as 50 percent of the world's undiscovered oil, according to BP Plc.

#### Shell Output Set to Pass BP With \$40 Billion Spent on Projects

(Bloomberg) -- Royal Dutch Shell Plc, held back by almost seven years of falling production, is set to overtake BP Plc after about \$40 billion of investment from Qatar to Brazil.

Shell will boost its oil and gas output by a third, adding 1 million barrels a day to capacity by the end of 2012, according to company estimates. That would push Shell to 4.25

million, more than the 4.1 million BP anticipates for 2012.

#### Indonesia's Cepu Oil Field to Miss 2010 Output Target

(Bloomberg) -- Indonesia's Cepu oil field, jointly run by Exxon Mobil Corp. and stateowned PT Pertamina, will miss its 2010 crude output target of 165,000 barrels per day, BPMigas, the country's oil and gas regulator, said.

"Peak production should be in May 2010, but it is impossible for Exxon to achieve it," Hadi Purnomo, vice chairman head BP Migas said today in Jakarta.

#### Slumping Energy Demand Has Bottomed, Fund Manager Melis Says

(Bloomberg) -- The decline in energy demand and drop in German electricity prices may have ended, according to the chief executive officer of hedge-fund manager Energy Capital Management BV.

"The forward prices are at lows, the spot prices are at lows," CEO Marcel Melis said yesterday at an energy markets and derivatives conference in London. "One thing is for sure -- energy consumption will not decrease anymore."

#### Oil Heading to Test Support in Low \$60s: Technical Analysis

(Bloomberg) -- Crude oil may test support in the low \$60s after breaking a trend of rising prices that began in February, according to technical analysis by Newedge Group.

If prices drop below \$65 a barrel, there will be support in the \$63.60-to-\$63.75 area and then at \$61.38, said Veronique Lashinski, a senior research analyst for Newedge USA LLC in Chicago. Crude oil for November delivery fell 3.9 percent to \$68.97 on Sept. 23, ending more than seven months of price gains that started on Feb. 18 when the contract slipped to \$45.87.

# Crude Oil May Decline Amid Rising Fuel Supplies, Survey Shows

(Bloomberg) -- Crude oil futures may decline in anticipation of extended increases in U.S. fuel supplies as demand drops.

Twenty-four of 44 analysts surveyed by Bloomberg News, or 55 percent, said futures will drop through Oct. 2. Seven respondents, or 16 percent, forecast that the market will rise and 13 said prices will be little changed. Last week, 38 percent of analysts said oil would fall.

# China to build third phase strategic oil reserves

BEIJING (Xinhua) -- China will "certainly" build a third phase of strategic oil reserves to meet international standards of reserve capacity, Zhang Guobao, head of the National Energy Administration said Friday.

Zhang, also vice minister of the National Development and Reform Commission, said China was aiming for enough oil reserve to cover 90 days, the standards of Organization for Economic Co-operation and Development (OECD).

China's oil reserves at present is far from meeting that standard, he said.

#### Iran acknowledges second nuclear facility

(CNN) -- Iran has acknowledged the existence of a second uranium enrichment plant in a letter sent to the International Atomic Energy Agency, a spokesman for the nuclear watchdog agency said Friday.

# Recession Fallout: Fewer Women Having Kids

If the sidewalks seem less clogged with Bugaboo strollers these days and you can't remember the last time you had to diaper a doll at a baby shower, it's not your imagination or fuzzy memory. Birth rates in the U.S. fell 2% in 2008, the biggest drop in nearly four decades, and that trend is expected to continue. A new study out Sept. 23 from the Guttmacher Institute suggests that the timing is not a coincidence; the recession may be to blame, as women factor economic anxieties into their decision about having children.

#### How to Sustain a Local Economy

When The Chronicle entered the lower level meeting room of the downtown Ann Arbor library, the first things we noticed were three large trays of peanut butter and jelly sandwiches, cut into bite-sized wedges. As public forums go, this was an offbeat gnoshing choice.

It turned out that the sandwiches – and apples, soft drinks, potato chips and other food – were all sourced from Michigan, in keeping with the theme of Wednesday night's event. The panel discussion focused on the state's economic crisis, and how the community can respond to it. Buying local products is one example. Yesterday, San Francisco's Peak Oil Preparedness Task Force released their much anticipated report, a comprehensive and important tome that will hopefully serve as a primer, as well as a clarion call. Recently, films like Josh Tickell's wonderful "Fuel", "The Age of Stupid" and "An Inconvenient Truth" have also served as important reminders that we face real challenges in a world of diminishing resources.

Another fantastic film is "Crude", now playing at the Landmark Lumiere. Three years in the making, this cinéma-vérité feature from acclaimed filmmaker Joe Berlinger (Brother's Keeper, Paradise Lost, Metallica: Some Kind of Monster) is the epic story of one of the largest and most controversial environmental lawsuits on the planet. The inside story of the infamous "Amazon Chernobyl" case, Crude is a real-life high stakes legal drama, set against a backdrop of the environmental movement, global politics, celebrity activism, human rights advocacy, the media, multinational corporate power, and rapidly-disappearing indigenous cultures. Presenting a complex situation from multiple viewpoints, the film subverts the conventions of advocacy filmmaking, exploring a complicated situation from all angles while bringing an important story of environmental peril and human suffering into focus

# Author speaks of future oil, environmental, economic crises

The kind of society Americans know and support cannot continue, said James Howard Kunstler, author of "The Long Emergency", a book about the issues future generations will face regarding the oil crisis, global warming and living in suburbia. Kunstler spoke on Tuesday in Lewis Lab.

America does not know how to pay back its debt, and our resources are approaching their scarcity limits, he said.

Kunstler also spoke about the future of America and what must happen for the country to be able to thrive in the future.

# Urging a conclave on transportation in the Northampton-Greenfield-Amherst triangle

With the inexplicable non-green recent proposal by the Transportation Section of Pioneer Valley Planning Commission to take the train away from Amherst and give it to Northampton and other centers on the west side of the Connecticut River, many feathers have flown, as you surely know.

Since trains have lower carbon per passenger per mile than do buses, and buses lower than cars, and cars lower than SUVs, don't we need to publish that authoritatively far and wide right away to residents in the Northampton-Greenfield-Amherst triangle?

# Horizons Community Planning Article

I believe that planning strategies inadvertently influence people's lifestyle choices, amplifying their ease or hardship – which has everything to with people's economic circumstances (i.e. poverty). Therefore, it is critical to the health and wealth of communities to adopt a framework on which to grow that promotes healthy and useful development. All too often, towns grow according to the activities of the few with commercial interests and not necessarily in a way that is advantageous to all. I am not sure local leaders realize how affected we are by these decisions.

The most obvious and impactful case in point is how development is planned to cater the automobile and how those decisions dictate our lifestyle choices. During the settling of the west, small towns dotted the landscape because people needed to have access to goods and services near enough so the trip could made in one day by horseback or buggy. Many modern and prominent academics claim that the rise of the automobile has caused the widespread decline of small rural communities all over the world.

# Ask AP: Wind power and wildlife, jobless benefits

Wind power has its fans, but the turbines that turn breezes into energy are also generating concerns: Some worry that the huge contraptions might put wildlife at risk.

So has anyone considered illuminating them with floodlights or painting them hot pink, so animals know to stay away?

# Our future: a biomass-powered economy

AUSTRALIA should aim to run its economy on renewable energy sources by 2051, a new analysis argues, with rural areas playing a leading role in the creation of energy from biomass.

Within 40 years, given an early commitment, 90 per cent of Australia's transport fuel and 20 per cent of its electricity generation could come from bio-methanol or ethanol produced from wood, according to the report, "Powerful Choices".

For this to happen, currently cleared farmland, by 2051, will need to carry 40-60 million hectares of timber in plantings tightly integrated with traditional cropping and livestock production systems.

#### Clean-energy jobs touch off bidding wars between states

When Arizona economic development officials look across their state, they envision the Saudi Arabia of solar.

The state has sun, land, workers and proximity to California, the biggest solar market in

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Yet for years, Arizona has failed to attract the big solar manufacturers that build the mirrors, panels and other components for solar equipment. In the past three years, about 50 renewable-energy companies considered Arizona but opted to put plants — and jobs — in other states, says Barry Broome, CEO of the Greater Phoenix Economic Council.

"We've lost every one of the projects to incentives offered by other states," Broome says.

# Duke, FPL to switch to hybrid, electric vehicles

COLUMBUS, Ohio – Two of the nation's largest power generators said Thursday that they plan to begin switching their company cars and trucks to plug-in hybrid vehicles or all-electric vehicles starting Jan. 1 to help cut greenhouse gas emissions.

# China Backs Market Price for Wind Power

BEIJING -- A top Chinese energy policy official said Friday the price for wind power and other renewable energy should be set by market forces, rejecting calls for fixed prices, a system used in some countries to promote the use of renewable energy.

As China looks to renewables to fill more of its energy needs, many Chinese power companies are looking to develop wind energy but are worried about profitability and thus looking for price guarantees.

# New California rules allow timber firms to sell carbon credits

Environmental groups criticize the Schwarzenegger-backed changes, which allow the companies to benefit from the fight against global warming while continuing to clear-cut forests.

# Climate Change in Alps to Leave Europe High and Dry

Picturesque views of the snow-covered Alps may soon be relegated to picture books due to increasing climate change, a new European environmental report says. And it's not just skiers and tourism officials who are getting nervous about the fate of the continent's famous mountains.

Temperatures in the Alps are increasing at a rate more than twice the global average, according to a recent report by the European Environment Agency, "Regional climate change and adaptation: The Alps facing the challenge of changing water resources." The

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change has serious ramifications not only for the alpine climate itself, but also for the broad swath of Europe that relies on the water these "cherished but endangered mountains" collect and deliver.

#### 'Super-typhoons' forecast for second half of century

The effects of global warming will spawn "super-typhoons" packing winds of up to 288 kph in the second half of this century, causing unprecedented damage to Japan's coastlines, researchers warned.

"If a super-typhoon lands on Japan, the high tides could bring about more serious damage than that in the Isewan Typhoon," said Kazuhisa Tsuboki, associate professor of meteorology at Nagoya University and a member of the research team.

The Isewan Typhoon that struck the Ise Bay area facing Nagoya in 1959 killed more than 5,000 people, many of whom were swept away in the high tides.

The researchers from Nagoya University, the Japan Meteorological Agency's Meteorological Research Institute and other organizations said the super-typhoons will also be stronger than Hurricane Katrina, which killed more than 1,000 people in the southern United States in 2005.

#### Calif. bans high-emission paint thinners, solvents

SACRAMENTO, Calif. – California air regulators approved strict regulations Thursday for aerosol air fresheners, paint thinners and solvents as a way to lessen smog-forming emissions and reduce a health threat.

# Has China Really Gotten Serious About Climate Change?

To get a sense of how far the Chinese leadership has come on the issue of climate change in a relatively short period, consider a conference held two years ago on the tropical island of Hainan, where, every year, China invites the high and mighty from around the world to address the weighty issues of the day at a plush resort. The theme of the conference was "Green China," and if there was a single underlying idea, it was that China, having just become the world's largest emitter of CO2 gases, was going to jump wholeheartedly on the global bandwagon to combat climate change. But on the conference's final day, during the main event and keynote address, President Hu Jintao talked about China's commitment to economic reform, to maintaining its extraordinary pace of economic growth, to opening China's market further to foreign investment and products — but only the barest nod in the direction of climate change. A confused American environmental consultant left the speech sputtering. "What was *that* about?" he asked former U.S. Secretary of State Colin Powell, who was walking out with him. Powell laughed. "You know what the first thing is that Hu Jintao *doesn't* think about when he wakes up every morning?" Powell joked. "Climate change."

# EU CO2 Permits Rise After Commission Vows to Prevent Surplus

(Bloomberg) -- European Union carbon permits rose the most in almost eight weeks as the European Commission pledged to prevent surplus credits following a court ruling that overturned pollution limits on Poland and Estonia.

# Group Plans Market Standard for Emissions in China

WASHINGTON — A French emissions exchange and a Chinese exchange are forming a carbon market standard for China, marking a step toward a voluntary system to limit greenhouse gas emissions from agriculture and forestry in the world's top emitter.

# Rather Than Melt, some Glaciers Race to the Sea

The seas are rising, and climate scientists say they'll keep rising as the globe continues to warm, causing all sorts of problems along tens of thousands of miles of coastline around the world. What the scientists can't say for sure, though, is how much sea levels will go up, or how fast. That's largely because nobody knows for sure how the vast ice sheets covering Greenland and Antarctica — especially the glaciers that flow down and into the sea — will respond.

# At summit, doubts grow on reaching climate deal

PITTSBURGH, Pennsylvania (AFP) – European leaders voiced growing doubts on whether the world will meet a December deadline for a new climate deal as a summit here looked set to take up global warming in generalities.

# Krugman: It's Easy Being Green

Even corporations are losing patience with the deniers: earlier this week Pacific Gas and Electric canceled its membership in the U.S. Chamber of Commerce in protest over the chamber's "disingenuous attempts to diminish or distort the reality" of climate change.

So the main argument against climate action probably won't be the claim that global warming is a myth. It will, instead, be the argument that doing anything to limit global warming would destroy the economy. As the blog Climate Progress puts it, opponents of climate change legislation "keep raising their estimated cost of the clean energy and global warming pollution reduction programs like some out of control auctioneer."

The U.S. Secretary of Energy—channeling former Soviet leader Nikita Khrushchev perhaps?—has one thing to say in this week's *Science* to the greenhouse gases emitted by coal-fired power plants: we will bury you. Nobel Laureate Steven Chu's department has funneled \$3.4 billion in stimulus dollars to research and develop the technology known as carbon capture and storage (CCS).

# Behind the Furor Over a Climate Change Skeptic

WASHINGTON — Alan Carlin, a 72-year-old analyst and economist, had labored in obscurity in a little-known office at the Environmental Protection Agency since the Nixon administration.

In June, however, he became a sudden celebrity with the surfacing of a few e-mail messages that seemed to show that his contrarian views on global warming had been suppressed by his superiors because they were inconvenient to the Obama administration's climate change policy. Conservative commentators and Congressional Republicans said he had been muzzled because he did not toe the liberal line.

But a closer look at his case and a broader set of internal E.P.A. documents obtained by The New York Times under the Freedom of Information Act paint a more complicated picture.

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