



## Drumbeat: December 8, 2009

Posted by [Leanan](#) on December 8, 2009 - 9:11am

Topic: [Miscellaneous](#)

### [Big Oil Worries About The Next Boom](#)

What's the biggest concern facing Rostand's clients now? "Whether they will have enough people to face the surge in demand in three to five years from now."

This is interesting for several reasons. First, that oil companies expect a surge in demand when the global economy recovers. Second, that they're not worried about Peak Oil--the pessimist dogma that oil fields have been run down so much that supply growth will soon be impossible. (Says Rostand, "There's enough resources to provide the oil that the world will need for many years to come.") Rather the worry is that oil and gas companies, Schlumberger included, that cut hundreds of staff when prices plunged, won't have enough hands on deck to develop new resources fast enough when demand growth returns.

### [Cash for Caulkers could seal \\$12,000 a home](#)

NEW YORK (CNMoney.com) -- President Obama proposed a new program Tuesday that would reimburse homeowners for energy-efficient appliances and insulation, part of a broader plan to stimulate the economy.

The administration didn't provide immediate details, but said it would work with Congress on crafting legislation. Steve Nadel, director at the American Council for an Energy-Efficient Economy, who's helping write the bill, said a homeowner could receive up to \$12,000 in rebates.

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the world will need for many years to come.") Rather the worry is that oil and gas companies, Schlumberger included, that cut hundreds of staff when prices plunged, won't have enough hands on deck to develop new resources fast enough when demand growth returns.

### [Logistical nightmares may doom U.S. surge in Afghanistan](#)

Logistics will be the key to introducing 30,000 soldiers and Marines into Afghanistan in the next six to seven months, and to confronting the Taliban over the next 18 months. This reflects an old saying in the military: Amateurs study strategy, and professionals study logistics. Nevertheless, no one on the Senate and House Armed Services and Foreign Affairs committees last week asked either Secretary of Defense Robert M. Gates or Joint Chiefs Chairman Mike Mullen about the significant logistics problems they will face in Afghanistan.

The logistics nightmare will be one of the reasons Afghanistan will turn out to be President Barack Obama's brier patch.

### [U of A's David Schindler confirms untold levels of oil sands pollution on the Athabasca](#)

After an exhaustive study of air and water pollution along the Athabasca River and its tributaries from Fort McMurray to Lake Athabasca, researchers say pollution levels have increased as a direct result of nearby oil sands operations.

### [Four incisive essays on the Noughties](#)

At the beginning of the decade, the environment was seen by most politicians as just one minor issue among many, despite an early spike in Green Party votes in 1989. Indeed, during the first debate MSPs held on transport issues, climate change was mentioned only once, but it was still not seen as a reason to refrain from big increases in road-building. Peak oil, the fact of finite supplies, was still dismissed as a fringe idea by the oil companies, which privately knew better, and energy debates in Scotland were typically just sterile disagreements about the ownership of the North Sea's fossil fuel assets, rather than the sustainability of burning the stuff until it was all gone.

But the turn of the millennium saw the UK's first Green parliamentarians elected too, in the now familiar shape of Robin Harper here in Scotland, then joined by Caroline Lucas and Jean Lambert, representing English regions in Europe. In wider activism, the road and runway protests of the previous decade inspired a broader range of environmental direct action, with targets including genetically modified crops and the arms trade. For many activists, these issues joined the dots between straightforward environmental causes and the social and economic consequences of corporate power. Links developed with those who were campaigning on other aspects of global justice, such as health and trade reform; many people who eventually joined the Make Poverty History movement

began their political journey with the anti-GM movement and an awareness of food politics.

### [Lester R. Brown: The Localization of Agriculture](#)

In the United States, there has been a surge of interest in eating fresh local foods, corresponding with mounting concerns about the climate effects of consuming food from distant places and about the obesity and other health problems associated with junk food diets. This is reflected in the rise in urban gardening, school gardening, and farmers' markets.

With the fast-growing local foods movement, diets are becoming more locally shaped and more seasonal. In a typical supermarket in an industrial country today it is often difficult to tell what season it is because the store tries to make everything available on a year-round basis. As oil prices rise, this will become less common. In essence, a reduction in the use of oil to transport food over long distances—whether by plane, truck, or ship—will also localize the food economy.

### [3 Bets the DOE Is Placing on Science to Break the Climate Stalemate](#)

The Advanced Research Projects Agency for energy put out its second call for new ideas, and this time, the agency has narrowed its focus to three research fields.

The new arm of the Department of Energy, which is dedicated to high-risk, high-reward innovations, is betting \$100 million on batteries for cars, new materials for capturing carbon, and microorganisms that can convert sunlight and carbon dioxide directly into fuels.

### [U.S. EIA cuts 2010 world oil demand outlook](#)

WASHINGTON (Reuters) - The U.S. Energy Information Administration on Tuesday said it expected world oil demand to rise 1.1 million barrels per day in 2010 from 2009.

### [EIA sees U.S. natgas production down 3.1 pct in 2010](#)

NEW YORK (Reuters) - The U.S. Energy Information Administration on Tuesday slightly raised its estimate for domestic natural gas production in 2009, noting minimal hurricane disruptions this year and significant growth in onshore shale output have contributed to increased supplies.

### [Chinese Firms Propose \\$50 Billion Oil Buy in Nigeria](#)

NEW DELHI -- Chinese companies have proposed investing \$50 billion to buy 6 billion barrels of oil reserves in Nigeria, the African nation's presidential adviser on energy said Tuesday.

"Chinese companies have made proposals to buy reserves in Nigeria. Specifically, their application is to acquire 6 billion barrels of oil reserves, which we are currently discussing," Emmanuel Egbogah told reporters on the sidelines of an industry conference.

### [Iran threatens protesters after detaining 200](#)

TEHRAN, Iran - Iran threatened tougher action against protesters Tuesday after more than 200 were arrested during marches by tens of thousands at universities across the country, the biggest anti-government rallies in months.

The warning suggested that Monday's unrest raised authorities' concern that the protest movement could pick up new steam. The protests Monday turned into fierce clashes between youths throwing stones and riot police and militiamen wielding batons and tear gas.

### [OIL: A Market Psychology of Fear?](#)

VANCOUVER, Canada (IPS/TerraViva) - With or without a binding deal at the climate talks in Copenhagen this month, it seems the world may have to cut its oil consumption, as emerging geological and economic trends limit the availability and affordability of petroleum.

Back in the 1970s, Saudi Arabia's flamboyant oil minister Sheik Ahmed Zaki Yamani articulated what has become conventional wisdom for policymakers around the planet: "The Stone Age didn't end for lack of stone, and the oil age will end long before the world runs out of oil."

Today, an increasing chorus of voices is challenging that prediction. While the world isn't running out of oil in any absolute sense, a daunting picture on the availability and thus affordability of supply compared with expected demand increases is beginning to emerge.

### [Mexico hedges 230 mln bls oil exports for 2010](#)

NEW YORK (Reuters) - Mexico has hedged 230 million barrels of oil exports for 2010 in an effort to provide stability for the federal budget, Finance Minister Agustin Carstens.

The volume hedged represents nearly all of Mexico's anticipated net oil exports,

according to Reuters calculations.

### [ExxonMobil: Large-Scale LNG Projects Needed](#)

Large-scale liquefied natural gas (LNG) projects will be necessary to meet increasing global demand for natural gas, Tom Walters, president of ExxonMobil Gas and Power Marketing Company, said today at a panel presentation at the International Petroleum Technology Conference (IPTC) in Doha.

Walters joined a group of industry leaders in a panel entitled: "The Global Gas Outlook: New Gas Chains." Presenting information from ExxonMobil's 2009 Energy Outlook, Walters noted that despite the current economic environment, economic progress will be a key driver of energy demand over the long term. "We expect global energy demand to grow from about 230 million barrels a day of oil equivalent (MBDOE) in 2005 to over 300 MBDOE by 2030 -- an increase of almost 35 percent," he said.

### [Brazil to Delay Oil Licenses Auction on Environment Concerns](#)

(Bloomberg) -- Brazil will delay an 11th round of bidding for oil-exploration licenses because of concerns that production in the area may harm the environment, Marcio Zimmermann, the Energy Ministry's executive secretary, said.

### [Mothballing refinery buys state some time](#)

Delaware officials believe they have received a small ray of hope about the future of the Delaware City Refinery.

Delaware Economic Development Office Director Alan Levin said Monday that Valero Energy intends to keep the refinery idle but will not tear it down for a year, while the company considers options.

### [Saudi budget to record high surplus in 2009](#)

Strong oil prices will allow Saudi Arabia to bask in a high budget surplus for the seventh successive year in 2009 despite a sharp increase in expenditure and hidden spending by Saudi Aramco, a Saudi investment firm said yesterday.

The Riyadh-based Jadwa Investments said the surplus would be much higher than had been expected although the world's oil superpower had projected a deficit when it announced its record 2009 budget in late 2008.

### [Kenya: Diesel shortage looms this season](#)

Kenya Shell says although MT Oriental Green arrived on November 29, 2009, the vessel had been denied priority to discharge 27,013 metric tons (MT) of diesel imported by the firm on behalf of the industry.

Instead, the ministry of Energy had informed Kenya Pipeline Company (KPC) to give priority to another tanker carrying diesel for Kenya Electricity Generating Company (KenGen) emergency generators over the Shell's contracted vessel.

### [Pakistan: People face twin problems of gas shortage, hike in LPG price](#)

PESHAWAR: The provincial capital is nowadays facing shortage of natural gas coupled with rise in liquefied petroleum gas (LPG) price, adding to the worries of the crises-hit dwellers. The consumers are facing difficulties because of the gas loadshedding, while LPG prices have already jumped to Rs100 per kilogram.

The hours-long suspension and low pressure of gas have put housewives in trouble as they face difficulty in preparing breakfast and meals. On the other hand, the LPG is being sold at Rs100 per kilogram. Gas pressure remains too low to cook meals, let alone other chores like heating rooms.

### [Is Thomas Edison's model still the right one?](#)

Deloitte's Canadian branch has published a paper ([Empowering Ideas](#)) that I feel accurately identifies many of the key issues that are of great consequence to the energy industry as well as energy consumers (i.e. virtually everyone in North America).

Deloitte focuses on 10 specific emerging issues in the paper, each affected by three overarching trends: the need to tackle infrastructure obsolescence, the challenge of keeping the looming energy crisis at bay and the development of divergent ownership models.

### [An Effort to Spread Green Power to Coasts](#)

WASHINGTON — For 40 years, the North American electric system has operated as three loosely linked grids, but a new transmission company is aiming to unite them. That union, if consummated, could have strong implications for renewable energy.

The company, Tres Amigas, proposes a huge power hub near Clovis, N.M., covering more than 20 square miles. It would be remote from populated areas but near the fulcrum of the continent's wind and solar resources. Tres Amigas plans to make regulatory filings on Tuesday in pursuit of its goal.



The project could, backers say, transform a region that is a sparse frontier for transmission lines into a robust intersection that would allow immense transfers of power across the country. The direction of flow would depend on where the wind was blowing, the sun was shining and the temperatures were creating extra electrical demand.

### [Homewreckers](#)

A couple I know – we'll call them Bob and Nancy – lived in a century-old house in the middle of their town, a few miles from their jobs and surrounded by long-time neighbours. When the last of their children left home, they announced it was time they looked for a bigger house.

“Do you mean a smaller house?” I asked.

“No,” they said, surprised. “We mean a bigger house.” They had some extra money now that they were not raising children, and they wanted to invest it for retirement.

Their later years, however, did not turn out as relaxing as they had hoped. Both husband and wife had to work full-time to pay for their massive new house, and their few free hours were spent on the monumental task of cleaning and maintaining it. They gave their old house to their son and his wife, who worked all day to pay for that house's mortgage and maintenance. The son's child – my friend's grandson – was put into day care while parents and grandparents worked long hours. Reading between the lines, I gathered that they ate on the run, often felt ill and depressed, and rarely saw their families.

It was not my business how they lived, and maybe there was more to the story – leaky roof, neighbourhood conflict, who knows. As far as I could tell, though, they had neatly divided an obvious solution into several costly problems.

### [The Elephants of Doom in Copenhagen](#)

This is the brave new world of "ecological modernization": we can have our cake (economic growth) and eat it too (climate stability). Indeed, economic growth is how we can afford to do all this, and markets are how we will direct it.

This is the official ideology of Copenhagen. This is the agenda.

### [The Complexity Myth](#)

So, why is complexity a bad thing? The phrase I want to explain here is, “Built-In Complexity”. As you have seen, something we have become conditioned to take for

granted, such as a television, is highly complex; but more than that it has complexity built into it simply, as I have said, because it is a product of Industrial Civilization. Civilizations operate on top-down principles, with policy flowing down from those who are the ultimate recipients of the wealth and power that flows up to them. In order to control something as vast as a civilization, especially the one that currently dominates the globe, complexity is inevitable.

### [Energy industry geoscience and pools of moral hazard](#)

The world is facing some very difficult choices related to the energy industry. Foremost is the possibility of human-induced climate change. Another which is not on people's radar now but will re-emerge as world oil demand recovers is peak oil. CERA states that oil production won't peak until 2030, but wait; that's only 20 years from now. Our society wasted the opportunity of last 36 years since the 1973 - 1974 OPEC oil embargo to insulate ourselves from future oil shocks, so 2030 is not that far off. Water rights also come to mind, especially as they relate to hydrofracing of unconventional reservoirs in the arid U.S. West.

I do not here wish to disclose my positions on any of these issues, nor will I attempt to change yours. You may breathe an appropriate sigh of relief. Rather, I want to point out that our geoscience profession is tip-toeing around, and possibly into, deep pools of moral hazard based on the fact that our industry is one which wields an incredible amount of money, power, and influence. The danger here is that the individual geoscientist may find it easier to at times succumb to the prevailing group mentality and just go along with the program, rather than think and feel things through for himself or herself. This self-silencing could have the deleterious effect of removing a potentially influential voice (one's own) from the debate. There could also be negative long-term mental & emotional effects for the geoscientist - guilt and remorse - for a decision made in conflict with one's inner moral compass.

### [IHS CERA: Falling Costs for Upstream O&G Facilities Bottoming Out](#)

The costs of building and operating upstream oil and gas facilities -- which fell drastically in Q1 2009 after a prolonged period of escalation -- appear to be bottoming out, according to two cost indexes developed by IHS Cambridge Energy Research Associates (IHS CERA).

The IHS CERA Upstream Capital Costs Index (UCCI), which tracks costs associated with the construction of new oil and gas facilities continued to decline, down 4 percent over the past six months, though costs are approaching their bottom, the report finds. Its index score is now 202. The UCCI's counterpart, the IHS CERA Upstream Operating Costs Index (UOCI), which measures operating costs for those facilities rose by 1 percent in the past six months after falling 8 percent during the prior year. The UOCI index score is now 168.



### [Pemex Slashes 2010 Chicontepec Budget by 22%, Boosts Cantarell](#)

(Bloomberg) -- Petroleos Mexicanos, the state-owned oil company, cut the proposed 2010 budget for its \$11.1 billion Chicontepec field by 22 percent and almost doubled next year's spending on the aging Cantarell deposit.

Spending at onshore Chicontepec would fall to 21.1 billion pesos (\$1.6 billion) from a proposed 27.1 billion pesos this year, according to a company presentation on the Web site of Mexico's Congress.

### [Iraq to auction vast oilfields](#)

BAGHDAD (Reuters) - The threat of bombs and violence will compete with the lure of some of the world's most promising oilfields when oil majors fly into Baghdad this week to bid in Iraq's second auction of oil contracts since the U.S. invasion.

The risks, nearly seven years after U.S. forces toppled Saddam Hussein, were on display on Tuesday when a series of car bombs killed 112 people in the capital, rattling the windows of the Oil Ministry where the December 11-12 auction will be held.

### [Salazar Conditionally OKs Shell's Exploration Plan in Chukchi Sea](#)

Secretary of the Interior Ken Salazar today announced that the Department's Minerals Management Service (MMS) has approved, with conditions, Shell Gulf of Mexico, Inc.'s Exploration Plan to drill three exploratory, information-gathering wells in the Chukchi Sea.

"A key component of reducing our country's dependence on foreign oil is the environmentally-responsible exploration and development of America's renewable and conventional resources," said Salazar. "By approving this Exploration Plan, we are taking a cautious but deliberate step toward developing additional information on the Chukchi Sea."

### [The Myth of Clean Coal: Analysis](#)

The new buzzword is "clean coal"—and it's being portrayed as the high-tech, low-emissions fuel of the future. Senators John Kerry, D-Mass., and Lindsey Graham, R-S.C., recently wrote a New York Times op-ed piece calling for the United States to become the "Saudi Arabia of clean coal." U.S. energy secretary Steven Chu has called on his counterparts around the world to promote the "widespread affordable deployment" of clean-coal technology. A current climate bill in the U.S. Senate proposes a complex regime of taxes and subsidies intended to cut America's greenhouse gas emissions by 20 percent by 2020. But the bill effectively gives the coal industry a pass on cutting

emissions until "sufficient commercial-scale" clean-coal technology has been deployed. Why try to reduce our dependence on coal today, the reasoning seems to be, when fabulous, guilt-free clean coal is just around the corner?

There's just one problem with this scenario: Coal will never be clean. It is possible to make coal emissions cleaner. In fact, we've come a long way since the '70s in finding ways to reduce sulfur--dioxide and nitrogen-oxide emissions, and more progress can be made. But the nut of the clean-coal sales pitch is that we can also bottle up the CO<sub>2</sub> produced when coal is burned, most likely by burying it deep in the earth. That may be possible in theory, but it's devilishly difficult in practice.

### [Burn a Tree to Save the Planet? The Crazy Logic Behind Biomass](#)

It might seem crazy that anyone would think the incineration of wood and its byproducts are a green substitute for toxic fuels such as coal. Think again.

### [Exxon Says EPA Rules 'Least Efficient' Way to Reduce Emissions](#)

(Bloomberg) -- Exxon Mobil Corp., the biggest U.S. oil company, said the Obama administration's plan to treat carbon dioxide as a health hazard is the "least efficient and least transparent" way to cut emissions tied to climate change.

The U.S. Environmental Protection Agency's declaration yesterday on regulating carbon dioxide signals rules that would be more harmful to the economy and the oil industry than pending climate legislation in Congress, said Kenneth Cohen, Exxon Mobil's vice president for public and government affairs.

"I don't believe the EPA was set up to deal with a problem of this type, a regulatory challenge of this type," Cohen said yesterday in an interview in Bloomberg's Dallas bureau. "Every industrial activity will be affected by the decision."

### [Bill McKibben: Why Politics-As-Usual May Mean the End of Civilization](#)

When it comes to global warming, however, this is precisely why we're headed off a cliff, why the Copenhagen talks that open this week, almost no matter what happens, will be a disaster. Because climate change is not like any other issue we've ever dealt with. Because the adversary here is not Republicans, or socialists, or deficits, or taxes, or misogyny, or racism, or any of the problems we normally face -- adversaries that can change over time, or be worn down, or disproved, or cast off. The adversary here is physics.

### [Dark Side of a Natural Gas Boom](#)

DIMOCK, Pa. — Victoria Switzer dreamed of a peaceful retirement in these Appalachian hills. Instead, she is coping with a big problem after a nearby natural gas well contaminated her family's drinking water with high levels of methane.

Through no design of hers, Ms. Switzer has joined a rising chorus of voices skeptical of the nation's latest energy push. "It's been 'drill, baby, drill' out here," Ms. Switzer said bitterly. "There is no stopping this train."

Across vast regions of the country, gas companies are using a technology called hydraulic fracturing to produce natural gas from previously untapped beds of shale. The push has been so successful that the country's potential gas reserves jumped by 35 percent in two years. The new supplies have driven down natural gas prices for consumers and might help the global environment by allowing more production of electricity from natural gas, which emits fewer global warming emissions than coal.

What the drilling push will do to local environments is another matter.

### [Oil extends four day sell-off, falls to near \\$73](#)

Oil prices dropped to near \$73 a barrel Tuesday after a strengthening U.S. dollar extended a four day sell-off in crude to two-month lows.

### [FACTBOX - What OPEC has said before Dec 22 meeting](#)

REUTERS - The Organization of the Petroleum Exporting Countries meets to consider oil output policy on Dec. 22 in Luanda, Angola.

The 12-member group, which pumps more than a third of the world's oil, has kept its production target unchanged at meetings held earlier this year.

### [Tough times force OPEC members to close ranks](#)

CAIRO (AFP) – Divisions within OPEC have eased as the dual threat of the global economic crisis and climate change talks force oil producers to be pragmatic and unified, analysts said on Sunday.

Two years ago, when oil prices soared to nearly 100 dollars a barrel, the oil exporters cartel, which includes both allies and foes of the United States, was severely tested.

The Organisation of Petroleum Exporting Countries was then torn between price hawks like Algeria, Iran, Libya and Venezuela on one side and nations like Saudi Arabia which wanted moderate prices in the interests of consumers.

But the stance of the price hawks has since lost support, leading to a convergence of positions within the bloc.

### [Transocean Rig Rents Seen Sinking as Panic Buying Turns to Glut](#)

(Bloomberg) -- Transocean Ltd. and Diamond Offshore Drilling Inc., the world's biggest deepwater oil drillers, may face a drop in rig-rental revenue because of a glut of vessels that can operate in oceans two miles (3.2 kilometers) deep.

The oversupply will develop in 2011 as rigs that drillers started building when oil prices surged to a record last year are completed, said Jud Bailey, an analyst at investment bank Jefferies & Co. in Houston. Rig rents are likely to drop 10 to 15 percent and stay down until new deepwater developments create enough demand to end the surplus in 2012 or 2013, he said.

"It was a classic case of panic on the part of operators when oil was over \$100," Bailey said. "A part of that panic was just the fact that they couldn't get a rig. When that psychology reverses, it can be a pretty powerful dynamic."

### [Exxon OKs gas project, despite finance worries](#)

SYDNEY (AFP) – Energy giant Exxon Mobil Tuesday approved a 15 billion US dollar liquefied natural gas (LNG) project in Papua New Guinea, potentially the largest ever such deal for the impoverished Pacific country.

The venture's United States-based lead partner said the green light was conditional on securing binding contracts with two more Asian customers and finalising financial arrangements, expected by early 2010.

### [Total May Close Dunkirk Oil Refinery as Refining Profits Drop](#)

(Bloomberg) -- Total SA, Europe's largest refiner, may close its Flanders plant in northern France permanently as falling fuel-processing profits force capacity reductions.

Shutdown is one of four options being considered for the refinery near Dunkirk, a spokesman for the Paris-based company said by phone today. Total may sell, mothball or convert the site into a depot, he said, declining to name because of company policy. The Flanders plant, idled in September, is due for maintenance work in March.

### [The Philippines: Shell asks court to halt seizure of oil imports](#)

MANILA, Philippines - Pilipinas Shell Petroleum Corp. has asked the Court of Tax Appeals to issue a temporary restraining order (TRO) enjoining the Bureau of Customs (BoC) from seizing the oil company's imports as payment for P7.3 billion in alleged back

taxes.

Shell's legal counsel and former Ombudsman Simeon Marcelo argued that such move would restrain the supplies of the company and inevitably, result in higher oil prices.

### [Trouble in China's little Africa](#)

HONG KONG - In order to tap into Africa's rich mineral and oil resources, China has injected billions of dollars in aid and investment into the continent while at the same time giving a free pass on despotism and human-rights abuses to nations such as Zimbabwe and Sudan. Chinese merchants and laborers are also increasingly a presence.

This has given rise to heated international debate over whether Chinese leaders are practicing a new form of colonialism and whether ordinary Africans, and not just a corrupt elite, are benefiting from China's involvement.

A subplot often overlooked in this larger story, however, is the increasing number of Africans who have come to China to ply their trade. Lured by the promise of China's prolonged economic boom, they have arrived by the thousands seeking cheap goods that they can resell back home for a profit.

### [Senior Venezuelan minister resigns in bank scandal](#)

Markets recovered on Friday after Chavez stepped back from nationalization threats and made overtures to the owners of the oil exporting nation's top private banks. Monday is a bank holiday in Venezuela, South America's top oil exporter.

Chavez on Sunday accused his critics of trying to spark a bank run. He said he had no plans to nationalize big, healthy banks, but would not hesitate to do so if they broke the law or entered into problems.

"What I have said is that he who slips up, loses. Banker, I don't care if you are the biggest," Chavez said.

### [Gas engines quietly upstage electric cars at L.A. auto show](#)

But these days green is also an auto marketing tool – and good PR in a time of heavier government involvement in the industry. So the show underway here through Sunday is packed with glitzy alternative-power vehicles.

The truth is, however, that most are hype. The industry's mainstay for many years to come will be the same tried-and-true internal combustion gasoline engine that's powered cars for a century, augmented by a relative handful of diesels in the USA.

The potential life of the petroleum-fueled power plant is actually growing longer as automakers find increasingly sophisticated ways to make gas and diesel engines more efficient. And even with the refinements, they remain more affordable than the alt-power headliners.

### [Nine European nations agree on wind energy initiative](#)

BRUSSELS (AFP) – The energy ministers of nine European Union nations on Monday signed a deal to develop a massive offshore wind power grid in the North Sea and Irish Sea, as UN climate talks got underway in Copenhagen.

The text was signed on the margins of an EU energy ministers' meeting by Belgium, Britain, Denmark, France, Germany, Ireland, Luxembourg, the Netherlands and Sweden.

### [Brazil Won't Cut Renewable Energy Production Mix, Envoy Says](#)

(Bloomberg) -- Brazil, which powers millions of cars using domestic sugar cane, won't cut production of renewable energy even as the country's oil output rises, its climate ambassador said.

Renewable energy, especially hydroelectric and biofuel, accounts for about half of the power needs in South America's biggest economy, Brazilian envoy Sergio Serra said today in an interview.

"There will be no change to the energy mix," Serra said in Copenhagen, where Brazil is taking part in the second day of the United Nations climate summit that started yesterday and ends Dec. 18.

### [India, Russia Agree to Boost Atomic Power Cooperation](#)

(Bloomberg) -- Russia and India agreed to increase nuclear energy cooperation, boosting Rosatom Corp.'s prospects as it vies with international rivals to expand the South Asian nation's atomic capacity a planned 10-fold by 2020.

The deal, signed yesterday in Moscow, will allow Russia's state nuclear company, to negotiate on a price for additional reactors at the Kudankulam site in southern Tamil Nadu state, where the first two units are under construction. Rosatom can also study new sites for nuclear plants.

### [Food banks adapting for record demand](#)



Food banks facing record demand from needy Americans are testing new programs and turning to new donors to get food on their holiday tables.

### [Green on display at Copenhagen summit](#)

COPENHAGEN — From the moment one's airplane descends from the thick fog above Copenhagen, there is no doubt that this city has been given over to the United Nations climate summit.

"Stop climate change!" reads a giant yellow sign on a boat moored just below the flight path. Before travelers even clear customs, they are hit with a barrage of summit-related ads — including one showing an aged President Obama in the year 2020, apologizing for world leaders' failure to stop the planet from warming.

Free bicycles are available on loan. A giant windmill looms over the conference center.

"It's like Disneyland for environmental people," marvels Claude Weisler, 23, a French tourist.

### [Fix budget? Nah. Solve global catastrophe? Yes!](#)

People in the know here would never be surprised that the effort to launch a utopian, peace-loving, healthy-eating society would start in San Francisco.

But to do it at a time when the country is facing possibly its worst economic crisis since the Great Depression? This may not be the moment to consider turning Lincoln Park Golf Course into a food garden.

Yet here we are, poised this week to unveil a report that has answers for not only San Francisco's ills, but for the globe's — and in just 143 pages. And if you can forgive the unwieldy title, "San Francisco Peak Oil Preparedness Task Force Report," we now have confirmation that the Board of Supervisors, which assigned it, is not just a legislative panel, but a boiling cauldron of social engineering.

### [Millions in U.S. Drink Dirty Water, Records Show](#)

More than 20 percent of the nation's water treatment systems have violated key provisions of the Safe Drinking Water Act over the last five years, according to a New York Times analysis of federal data.

That law requires communities to deliver safe tap water to local residents. But since 2004, the water provided to more than 49 million people has contained illegal concentrations of chemicals like arsenic or radioactive substances like uranium, as well as dangerous bacteria often found in sewage.

### [EPA's carbon dioxide emissions ruling could raise energy costs](#)

The latest step by the government to regulate carbon dioxide emissions saddles industry with uncertainty and potentially higher costs, industry groups said Monday after the Environmental Protection Agency declared carbon dioxide a health hazard.

### [Russia's Carbon Credits Seen as Barrier to Warming Curb](#)

Does Russia hold hostage the future of a carbon cap-and-trade system that many experts see as a critical tool for curbing global greenhouse gases? Improbable as it may seem, the answer appears to be yes.

That is because Russia, as a result of the collapse of much of its heavy industry in the 1990s, owns one of the largest stocks of credits to offset carbon emissions.

### [This Decade Is Warmest on Record, 2009 Ranks Fifth](#)

(Bloomberg) -- This decade is set to be the warmest on record though 2009 won't be the hottest year, meteorologists said today, lending fuel to both skeptics and supporters of a global warming agreement being negotiated in Copenhagen.

Data from the U.K. Met Office and the United Nations' World Meteorological Organization show this year will be the fifth- warmest. The global average temperature was 0.44 degrees Celsius above the 1961 through 1990 average temperature of 14 degrees (57 degrees Fahrenheit), the WMO said in the Danish capital.

"This tells us that global warming is still rising," Vicky Pope, head of climate change advice at the Met Office, said in a telephone interview in Copenhagen, where two weeks of United Nations talks began yesterday to draft a climate deal. "Greenhouse gases continue to increase, and it's clearly important we reach an agreement in Copenhagen to reduce them."



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