



Drumbeat: February 11, 2010

Posted by [Leanan](#) on February 11, 2010 - 8:54am

Topic: [Miscellaneous](#)

[Ahmadinejad: Iran is now a 'nuclear state'](#)

TEHRAN, Iran - President Mahmoud Ahmadinejad claimed Thursday that Iran has produced its first batch of uranium enriched to a higher level, saying his country will not be bullied by the West into curtailing its nuclear program a day after the U.S. imposed new sanctions.

Ahmadinejad reiterated to hundreds of thousands of cheering Iranians on the anniversary of the 1979 foundation of the Islamic republic that the country was now a "nuclear state," an announcement he's made before. He insisted that Iran had no intention of building nuclear weapons.

d fuels makes the economy vulnerable to costly swings in oil prices, and could carry "significant national security costs," the advisers said. Climate change could act as a "threat multiplier" as some unstable regions in the world become more volatile, the report said, citing a study by CNA Corp., a nonprofit research group.

[Iraq Will Use Argus Crude Price Formula From April](#)

(Bloomberg) -- Iraq, holder of the world's third- largest crude reserves, will begin pricing oil it sells to the U.S. off the Argus Sour Crude Index starting from April, an Oil Ministry official said today.

[Nigeria's Acting Leader Woos Oil Companies](#)

Nigeria's new acting president, Goodluck Jonathan, is attempting to breathe life into the nation's ailing energy sector just two days after assuming the duties of President Umaru Yar'Adua, who has been out of the country since November with health problems.

Mr. Jonathan summoned several executives from foreign oil companies on Thursday to meet with top Nigerian officials. A focal point of the talks: militants who have sabotaged pipelines, disrupting production and oil prices.

[Petrobras Finds 25 Million Barrels of Oil in Brazil](#)

(Bloomberg) -- Petroleo Brasileiro SA, Brazil's state-controlled oil company, said it found about 25 million barrels of recoverable oil in shallow waters of the nation's Campos Basin.

Production at the 4-PM-53 oil well will start this year, the Rio de Janeiro-based company said today in a regulatory filing. Petrobras, as the company is known, plans to drill additional wells at the field this year and said each well will produce about 3,000 barrels a day.

[FACTBOX - Venezuela development plan for Orinoco oil belt](#)

(Reuters) - Venezuela has launched a massive plan to develop the nation's vast Orinoco heavy crude oil belt, considered one of the largest in the world, that is slated to add 2.1 million barrels per day of new production.

[Sharon Astyk: Pick up your hat \(response to John Michael Greer\)](#)

In *Depletion and Abundance* I write about the difficulty of committing to a lifestyle change in a world where you always seem to have more time, where defining events are always on the horizon but never present. I use the phrase "time to pick up your hat" which I take from a short story by Robert Heinlein, as a way of thinking both about how difficult it is to change and how necessary.

[Light rail may make tracks](#)

Two separate proposals for the future of public transport in Sydney have called for a light-rail network to service the Eastern Suburbs including stops at North Bondi and Darlinghurst.

Planning expert Gary Glazebrook, a senior lecturer at the University of Technology, Sydney, has released a report prescribing key upgrades to Sydney's public transport system to meet concerns about "peak oil, climate change and links between obesity and health".

[Water-gulping cos' risk disclosures run dry -report](#)

WASHINGTON (Reuters) - Most publicly traded companies that depend on water do not adequately disclose their financial risks to droughts and future regulations, even as water scarcity problems mount, according to a report released on Thursday.

[Kicking carbon: A thousand whacky ideas may bring a few answers](#)

PLANTING nut trees and salvaging old frying fat to make biodiesel are among ideas devised by communities across Britain competing for government money to fight climate change. Twenty-two struck lucky. Over the past two months the Department of Energy and Climate Change (DECC) has given these winners of the Low Carbon Community Challenge (LCCC) grants of up to £500,000 (\$780,000). Most of the projects involve small communities of 1,000 to 3,000 people planning a mix of measures such as new hydro-, wind, solar and biomass power; home insulation; electric transport and growing their own food.

[Ahmadinejad: Iran is now a 'nuclear state'](#)

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Ahmadinejad reiterated to hundreds of thousands of cheering Iranians on the anniversary of the 1979 foundation of the Islamic republic that the country was now a "nuclear state," an announcement he's made before. He insisted that Iran had no intention of building nuclear weapons.

[Once Stigmatized, Food Stamps Find Acceptance](#)

After a U-turn in the politics of poverty, food stamps, a program once scorned as "welfare," enjoys broad new support. Following deep cuts in the 1990s, Congress reversed course to expand eligibility, cut red tape and burnish the program's image, with a special effort to enroll the working poor. These changes, combined with soaring unemployment, have pushed enrollment to record highs, with one in eight Americans now getting aid.

"I've seen a remarkable shift," said Senator Richard G. Lugar, an Indiana Republican and prominent food stamp supporter. "People now see that it's necessary to have a strong food stamp program."

[EnCana Profit Declines Less Than Analysts Estimated](#)

(Bloomberg) -- EnCana Corp., Canada's largest natural-gas producer, posted a smaller decline in fourth-quarter profit than analysts predicted and said it's already pumping as much fuel as it forecast for 2010 without restarting all the wells the company idled because of low prices.

[Statoil trims output growth goal due weak gas](#)

OSLO (Reuters) - Norway's Statoil posted a bigger than expected drop in fourth-quarter operating profit on Thursday and trimmed its oil and gas production growth target due to weakness in natural gas markets.

Hit by lower gas prices compared to a year ago, adjusted operating profit slumped to 34.4 billion Norwegian crowns (\$5.84 billion) in October-December from 43.4 billion a year earlier.

[Venezuela Seeks God's Help Amid Energy Crisis](#)

A state-run power company is urging its employees to seek divine intervention to help Venezuela resolve severe electricity shortages that prompted President Hugo Chavez to declare an energy emergency.

[Government re-launches measures to secure energy supply](#)

Following a decree declaring electricity emergency in Venezuela and the implementation of corrective measures to ease energy crisis, the Venezuelan government now has announced for four months several measures to solve the power deficit, but it has not achieved the expected results.

[Pemex May Produce 2.3 Million Barrels a Day, S&P Says](#)

Bloomberg) -- Petroleos Mexicanos, the state-owned oil company, may pump 2.3 million barrels of oil a day this year, Standard & Poor's analyst Jose Coballasi said.

"This reflects a dose of reality that in general Pemex has had to lower its forecasts in previous years," Coballasi said today at an event in Mexico City. S&P's crude forecast would represent an 11.6 percent decline from 2009, according to Bloomberg calculations.

[Nigeria: Fuel Scarcity - AP Orders 10 Cargoes of Petrol](#)

Lagos — Indigenous petroleum products marketer, African Petroleum (AP), has become the firm's major marketing firm in the country to announce huge import of petrol after government wiped off its debt to private importers under the Petroleum Support Fund (PSF).

Petroleum products marketers in the country had blamed fuel import failures and internal supply crisis on protracted indebtedness of government to the marketers whose

margins, they claimed, were trapped in Petroleum Products Pricing Regulatory Agency (PPPRA) which administers the (PSF).

[Govt expects Coal shortage to touch 15% by 2012](#)

The coal shortage in India is likely to touch 15 per cent to 81 million tonnes (mt) by the end of the current Plan period ending March 2012, according to the government's latest estimate.

[Saudi Aramco: Energy Ties with Japan Grow Stronger](#)

The FINANCIAL -- The relationship between Saudi Aramco and Japan benefits both and is growing more multifaceted, Mohammed A. Al-Omair, executive director of Refining and NGL Fractionation, said Jan. 27 at the 28th International Symposium of JCCP (Japan Cooperation Center Petroleum).

[Diesel kept on tankers in Asia at unusually high vol](#)

SINGAPORE/DUBAI (Reuters) - Gas oil stored on tankers in Asia has swelled to unprecedented volumes of at least 14 million barrels and could rise further as weak global demand persists, prompting traders to turn to this region for support.

The volumes, which are enough to meet 16 percent of global daily oil demand, come as the current East-West arbitrage economics was not viable, even as Western distillate supplies are gradually drawn down during the cold winter.

[Iraq on road to stamping out oil graft](#)

Iraq took a step towards leaving its reputation for corruption and the misuse of oil cash behind today, as the Extractive Industries Transparency Initiative (EITI) board accepted its bid to become a candidate member.

[Warrant details stun bombing suspect](#)

Wiebo Ludwig, the man arrested and released last month in connection with bombings against EnCana gas pipelines in B.C., says he can't believe how many offences were attributed to him in a warrant that allowed police to search his property.

"I felt like a pincushion," he told CBC News on Wednesday. "Everything was attached to me. I couldn't believe how much I was responsible for as far as they were concerned, even when it didn't relate to me in the wildest of ways."

[The Next Crisis: Prepare for Peak Oil](#)

Against the gloomy economic backdrop that Europe currently provides, siren voices shrieking that a potential energy crisis is imminent and could be worse than the credit crunch are liable to be dismissed as scaremongers. Since they are led by Sir Richard Branson, whose Virgin group runs an energy-guzzling airline, and include Brian Souter, who runs Stagecoach, another energy-hungry transport business, they are also at risk of being seen as self-interested scaremongers.

But the work of the Industry Taskforce on Peak Oil and Energy Security shouldn't be disparagingly dismissed. Its arguments are well founded and lead it to the conclusion that, while the global downturn may have delayed it by a couple of years, peak oil—the point at which global production reaches its maximum—is no more than five years away. Governments and corporations need to use the intervening years to speed up the development of and move toward other energy sources and increased energy efficiency.

[The Oil 'Crunch' Nears](#)

Where their argument stands out is in the timeline for when the crunch will start to destabilize the economy, politics and society in general: as early as 2015. According to the research, carried out by consulting firm Arup, oil production levels will grow from the current 85 million barrels per day to peak at 95 million in about five years. Production won't increase beyond that because of extraction difficulties and soaring demand from emerging markets.

['Britain should prepare itself for an imminent oil price shock'](#)

Peak oil prices are an imminent risk to the stability of the British economy and the standard of living of its most vulnerable members, an industry taskforce warned yesterday.

Despite the extra two years' grace thanks to the recession, the rising cost of oil will affect every aspect of British lives within five years, warned the UK Industry Taskforce on Peak Oil and Energy Security, which includes Sir Richard Branson's Virgin Group, the transport giant Stagecoach and the engineering consultancy Arup among its members. Travel, food, heating and retail costs are particularly exposed.

"Oil remains the building block of economic life and the UK is very vulnerable to big price rises in the future," Sir Richard said.

[Oil crunch 'just five years away'](#)

Business leaders, including Sir Richard Branson, have criticised ministers for not doing enough to avoid a potential oil crunch and are calling on the next government to take action.

"Governments need to urgently, urgently wake up," insists Sir Richard in an interview with the BBC News website.

[Britain 'faces fuel shortages and dearer food by 2015'](#)

THE UK will be hit by an "oil crunch" within five years that will push up food prices and threaten to bring transport grinding to a halt, business leaders have warned.

[Oil shortages by 2020 due to Western 'profligacy' says energy boss](#)

Ian Marchant, who heads the £10bn FTSE-100 company, is among a group of corporate leaders warning that the world's demand for oil is on the brink of outstripping industry's ability to produce.

"The West has been far too profligate in its use of oil and the price is going to say: stop it now and start using your oil as a scarce commodity," Mr Marchant said.

[You don't need to be a Mad Max survivalist to take 'peak oil' seriously](#)

If you believe in the concept of peak oil, it's highly possible that you could be a Mad Max survivalist stockpiling tin cans and growing root vegetables – or these days, you might also be the highly respected chief executive of a FTSE 100 company.

The problem with this term is that it covers such a multitude of viewpoints, ranging from extreme, near-nutcase alarmism to those who want to warn that oil is finite and the world should be making plans to wean ourselves off the black stuff sooner rather than later.

[Oil exploration costs rocket as risks rise](#)

Despite escalating challenges, the annual rate of discovery of new fields has remained remarkably constant at 15-20 billion barrels, more than enough to compensate for the loss of existing reserves that are declining at between 5 and 15 percent a year.

But the cost of this success is staggering, and unless consumers pay more for oil in future, some analysts think we could face an energy supply crunch within a few years.

"The age of cheap oil has gone and it is not going to come back," said Paul Stevens,

senior research fellow at the Royal Institute of International Affairs at Chatham House in London.

[The Peak Oil Crisis: Government in Transition I](#)

All it takes is a snowstorm or two to remind us how dependent we have become on government at all levels.

Sitting at home waiting for the plows should remind the more perceptive among us that we are no longer in the 18th century where nearly every family, equipped with an ax and a rifle, could provide for its own food, safety, shelter, and general well-being without the need for outside help. Today, when the lights go out, we rely on government to rush us to shelter where we are kept warm, fed, and even entertained until the lights come on again.

It is amazing how many among us still don't grasp that we are an interdependent whole, needing many specialized skills and institutions to sustain life. In today's America, only a miniscule percentage has the skills, knowledge, land, and lifestyle to survive without outside help. For most of us, it is the collective, in the form of government, that holds our civilization together - water, sewers, public health, roads, buses, and yes, even snow plows.

[Peak Oil Solution: The Simmons Plan](#)

You remember the Pickens Plan, right? T. Boone Pickens' ill-fated attempt to change the face of the U.S. energy industry by building wind turbines across the midwest and using compressed natural gas to power a new generation of cars.

Well get ready for the Simmons Plan. This iteration has been hatched by Houston investment banker and Peak Oil worrywort Matt Simmons. The gist: 1. build the world's biggest windfarm off the windy coast of Maine. 2. Use the electricity generated to desalinate and de-ionize sea water. 3. Use that water, plus electricity and air, to manufacture ammonia. 4. Pipe the ammonia to shore and use it to power a new generation of cars.

[Global oil demand growth revised up for 2010 - IEA](#)

LONDON (Reuters) - Global oil demand will grow by 120,000 barrels per day more than previously expected in 2010 to average 86.5 million barrels per day, the International Energy Agency (IEA) said on Thursday, but all growth will come from emerging markets.

The Paris-based adviser to 28 industrialised economies added that demand would grow by 1.6 million bpd in 2010 after falling by 1.3 million bpd last year. It raised its forecast

of the need for OPEC oil this year by 300,000 bpd.

The monthly report indicates demand from industrialised nations could have peaked.

[Iraq Raises Oil Prices to U.S., Curbs Them for Europe](#)

(Bloomberg) -- Iraq raised the official selling prices for crude delivered to the U.S. and lowered them for Europe, the Oil Ministry's marketing department said today.

The March price for Basrah Light oil for delivery to the U.S. rose by 80 cents to a discount of \$4.35 below West Texas Intermediate crude, according to a statement from the ministry. The price for Europe declined by 20 cents to a \$1.70 discount to Dated Brent, while the Asia price fell to a 45-cent discount to the average of Oman and Dubai oil prices.

[China Economy Will Slow, Hurt Commodities, Faber Says](#)

(Bloomberg) -- China's economy will slow down "meaningfully" and may even be at risk of a "crash" because of the nation's excess capacity and as loan growth slows, investor Marc Faber said.

[ANALYSIS - China silence signals softening on Iran sanctions](#)

BEIJING (Reuters) - China's silence sometimes speaks volumes, and with growing international momentum for new sanctions on Iran, Beijing's recent reticence suggests it may give ground if it can insulate its oil and business ties.

[Iran Urges Russia to Keep 'Strategic' Link, Set Oil Price Floor](#)

(Bloomberg) -- Iran, facing tougher sanctions over its nuclear program, urged Russia to remain its "strategic" partner and work together to boost oil prices.

"We see our relations as strategic and expect the same from Russia," President Mahmoud Ahmadinejad said, according to a transcript of an interview he gave to Russian magazine VIP- Premier, which was confirmed by the Iranian Embassy in Moscow. "We don't plan to relinquish our relations with Russia to benefit the West."

[Ahmadinejad warns Israel against any military move](#)

TEHRAN (Reuters) - Iran's President Mahmoud Ahmadinejad said Israel should be

resisted and finished off if it launched military action in the region, state broadcaster IRIB reported on Thursday.

[Low oil prices: A tool to control Iran](#)

NEW YORK (CNNMoney.com) -- A desire to bring Iran to the bargaining table over its nuclear program could keep oil prices low worldwide for the next several months.

The country is the world's fourth-largest oil exporter, getting most of its revenue from oil sales, and needs prices near \$100 a barrel to adequately sustain its government spending.

With oil prices near \$70 a barrel and with its political instability, it may be more willing to enter discussions about its nuclear program which many say is designed to get nuclear weapons.

[Tullow to Complete Uganda Talks Soon; Total in Talks](#)

(Bloomberg) -- Tullow Oil Plc expects negotiations to bring in partners to develop Ugandan projects to be completed "swiftly" as Total SA said it was in "advanced talks" with the U.K. explorer.

Tullow is seeking help to develop oil fields in Uganda's Lake Albert, which require about \$5 billion in investment as well as government approval. Uganda wants to avoid any one company dominating its oil industry after Tullow exercised first rights over fields being sold by Heritage Oil Plc, seeing off a challenge from Eni SpA.

[Chevron, Repsol, ONGC to Develop Venezuela Fields](#)

(Bloomberg) -- Chevron Corp. and Repsol YPF SA will lead development of two \$15 billion projects to pump and refine Venezuelan crude after winning the country's first oil auction since President Hugo Chavez took office 11 years ago.

[Renewables Industry Promotes Its Potential](#)

Funds from the \$787 billion stimulus package and other federal assistance kept growth in the renewable energy sector strong in 2009, a trend that will probably persist as federal investment continues to pay off over the coming year, industry leaders said in a teleconference Tuesday.

The picture was especially good for the solar industry, which created almost 20,000 new jobs in 2009 while adding 470 megawatts in generating capacity, a record, according to Rhone Resch, the president of the Solar Energy Industries Association. The

solar industry could create as many as 45,000 new jobs in 2010 if Congress extends several tax incentives and grant programs set to expire at the end of the year, Mr. Resch said.

[Electric bikes face long road in U.S.](#)

Already, electric bikes have gained mass acceptance in China, where 22 million are expected to sell this year, and are taking off quickly in Europe. In the U.S., they are still struggling to gain ground. But a growing number of analysts say the next few years could determine whether these bikes become a part of the U.S. cycling landscape or remain a novelty.

[Advocates Want Recycled Energy Listed as 'Renewable'](#)

CHARLESTON -- Advocates of "recycled energy" want the energy source reclassified as renewable energy under state law, arguing that such a move would spur investment in the technology.

Recycled energy, or "gray energy," is the process in which waste heat generated during the manufacturing process is captured and used to generate energy that is then fed back into the system. Advocates say such systems substantially reduce a plant's power demands and cut electricity bills and the facility's environmental impact.

[John Michael Greer: Becoming a Third World Nation](#)

In the course of writing last week's Archdruid Report post, I belatedly realized that there's a very simple way to talk about the scope of the brutal economic contraction now sweeping through American society – a way, furthermore, that might just be able to sidestep both the obsessive belief in progress and the equally obsessive fascination with apocalyptic fantasy that, between them, make up much of what passes for thinking about the future these days. It's to point out that, over the next decade or so, the United States is going to finish the process of becoming a Third World country.

[Slumburbia](#)

It's not our cities that are in big trouble: what will fill the empty homes and lots of suburban America?

[Could chicken manure help curb climate change?](#)

WARDENSVILLE, W.Va. — Here's a low-cost solution to global warming: chicken

manure.

At Josh Frye's poultry farm in West Virginia, the chicken waste is fed into a large, experimental incinerating machine. Out comes a charcoal-like substance known as "biochar" — which is not only an excellent fertilizer, but also helps keep carbon in the soil instead of letting it escape into the atmosphere, where it acts as a greenhouse gas.

[Animals Cope With Climate Change at the Dinner Table: Birds, Foxes and Small Mammals Adapt Their Diets to Global Warming](#)

Changes are happening primarily in higher latitudes, where Prof. Yom-Tov has identified a pattern of birds getting smaller and mammals getting bigger, according to most of the species he's examined. The change, he hypothesizes, is likely a strategy for survival. Prof. Yom-Tov, who has spent decades measuring and monitoring the body sizes of mammals and small birds, says that these changes have been happening more rapidly.

[I've never said the quotation seized on by climate-change sceptics across the globe'](#)

A QUOTE attributed to one of Wales' leading scientists and used extensively by climate change sceptics was fabricated, it was claimed last night.

Sir John Houghton, who played a critical role in establishing the Intergovernmental Panel on Climate Change (IPCC), denies ever saying the words: "Unless we announce disasters, no one will listen."

[Alternative futures of a warming world](#)

An international team of climate scientists will take a new approach to modeling the Earth's climate future, according to a paper in 11 February *Nature*. The next set of models will include, for the first time, tightly linked analyses of greenhouse gas emissions, projections of the Earth's climate, impacts of climate change, and human decision-making.

[Scientists seek better way to do climate report](#)

In Thursday's issue of the journal *Nature*, four IPCC authors call for reform, including Christy, who suggests the outright dumping of the panel itself in favor of an effort modeled after Wikipedia, the online encyclopedia. A fifth author, writing in *Nature*, argues the IPCC rules are fine but need to be better enforced.



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