



## Drumbeat: February 23, 2010

Posted by [Leanan](#) on February 23, 2010 - 9:03am

Topic: [Miscellaneous](#)

### [U.S. driving decline is in reverse](#)

The historic drop in driving that began in 2007 and the dramatic decline in gridlock that accompanied it have ended, according to a report today by a firm that tracks congestion in the USA.

Using 12-month averages, the study found that driving increased by 0.3% in September, 0.2% in October, 0.3% in November and 0.2% in December over the same periods a year earlier, according to federal data.

bust in prices.

The rise of shale gas in Canada further blurs an already uncertain outlook for the natural gas supply-and-demand balance in North America, leading some companies to seek a way out of a market that historically has been self-contained. It also represents a stark reversal of previous forecasts, some of which predicted that the decline in Canada's conventional gas supplies would force it to become a net importer of gas by 2030.

### [Oil Search Warns on Possible LNG Glut](#)

Australian energy producer Oil Search Ltd is warning of a possible glut of liquefied natural gas (LNG) in coming years when several large projects come online.

### [Aramco adds gas muscle](#)

State oil company Saudi Aramco has brought online the expanded Juaymah and Hawiyah gas plants, sources close to the project said.

Aramco is focusing on meeting domestic gas demand after completing last year a crude expansion project to boost output capacity to 12.5 million barrels per day. Gas demand in the kingdom is growing annually by 7% as oil revenues fuel economic expansion.

Aramco aims to raise gas supplies 30% to 8 billion cubic feet per day in five years.

### [Saudi announces major gas find](#)

Saudi Arabia on Tuesday reported a commercially-viable natural gas field in its northern Jalamid area. Tests showed the Jalamid-3 discovery well in Al-Sannara reservoir flowing at 12.1 million cubic feet per day.

The well was drilled to a total depth of 2,986 meters, the official SPA news agency, said citing Petroleum and Mining Minister Ali al-Naimi. 'This well can produce greater quantities under normal production conditions,' Naimi added.

### [Al Khaleej Phase 2 comes on stream](#)

Qatar Petroleum and ExxonMobil said today the Al Khaleej Gas-Phase 2 (AKG-2) project started up with 1.25 billion cubic feet per day of sales gas capacity aimed at meeting demand from local industry.

### [Total pledges no French refinery closures](#)

Total has pledged not to close or sell any French refineries other than its Dunkirk plant for five years, clearing the way to end a week-long strike that has embarrassed the government ahead of key March regional elections.

### [Noble, Pemex Discuss Rig-Contract Renewal in Mexico](#)

(Bloomberg) -- Noble Corp., the largest supplier of jack-up rigs in Mexico, is in talks with Petroleos Mexicanos to renew rig contracts that expire this year, Chief Executive Officer David Williams said.

The company has 13 of its 62 rigs -- 12 jack-ups and one deepwater rig -- leased to the Mexican state-owned oil company known as Pemex, Williams said. "Pemex has a need for them, whether or not the rig availability matches their timing, that's up to them to decide," he told reporters in Dubai today.

### [Nigeria says Total to invest \\$20 bln in gas, deepwater](#)

ABUJA/PARIS (Reuters) - Total and its partners will invest \$20 billion in deepwater oil and gas exploration in Nigeria over the next four to five years, the country's acting president and the French firm said on Tuesday.

### [Anadarko Starts New Well at Potential 'Mega Project' in Brazil](#)

(Bloomberg) -- Anadarko Petroleum Corp., the second-largest U.S. natural-gas producer, said it started an exploration well in Brazil that may become the company's next "mega project."

### [Nigeria stability depends on 2011 poll planning - U.S.](#)

WASHINGTON (Reuters) - The United States pressed Nigeria's caretaker president on Tuesday to revamp the oil giant's tattered election machinery, saying it must hold credible polls in 2011 or risk increased instability.

U.S. Assistant Secretary of State Johnnie Carson said acting President Goodluck Jonathan, who stepped in this month to fill the power vacuum left by President Umaru Yar'Adua's near three-month absence in a Saudi hospital, was making a good start but that Africa's largest oil producer remained in dangerous political territory.

### [Power barges seen as solution to Mindanao energy crisis](#)

MANILA, Philippines — Using power barges is the "only viable solution so far" to the energy crisis in Mindanao caused by a dry spell spawned by El Niño, one of the co-chairs of the Joint Congressional Power Commission (JCPC) said Monday.

### [Eastern Europe Looks to Neighbors to Break Russia's Energy Grip](#)

BUDAPEST — With the European Union's Nabucco natural gas pipeline facing new delays and Russia's South Stream project still under negotiation, the countries of Eastern Europe are turning more to one another in search of quicker — and less expensive — ways to secure a reliable supply of gas.

At stake for these countries is energy security and diversification, issues that will dominate a summit meeting Wednesday in Budapest of the Polish, Czech, Slovak and Hungarian leaders, collectively known as the Visegrad Four.

### [Central Asia's Energy Wars](#)

Since the winter energy crisis two years ago, when freezing temperatures lasted for several weeks, cooperation dynamics within Central Asia have witnessed rapid change. Upstream Kyrgyzstan and Tajikistan, which rely on electricity imports during winter, were hit particularly badly as they were unable to supply the population with enough electricity and gas. Consequently, Tajikistan was forced to declare a humanitarian crisis.

The crisis revealed the poor management of energy resources on the part of Central Asian governments and their failure to build effective regional energy cooperation. To

make matters worse, last December, Uzbekistan left the regional electricity network that linked all the Central Asian states (EDM, December 3, 2009). Tashkent's decision affected Dushanbe's ability to transmit its own electricity through Uzbek territory. While the regional electricity network was built during the Soviet period, Uzbekistan was able to leave the regional system by constructing its own energy plants.

### [US Lawmakers: Reveal Names of Iran Sanctions Act Violators](#)

U.S. Secretary of State Hillary Clinton should reveal the names of companies with "problematic" business dealings with Iran and sanction them, 30 lawmakers urged her in a letter released Monday.

### [Hiring Freezes Hamper Weatherization Plan](#)

WASHINGTON — President Obama's plan to create jobs and rein in energy costs through a steep increase in funds for weatherization of low-income homes has so far borne little fruit, with many of the biggest states meeting less than 2 percent of their goals to date, the Department of Energy's inspector general said in a report issued Tuesday.

The inspector general, Gregory H. Friedman, called the lack of progress "alarming." Far into the nation's winter heating season, the program for the most part has neither saved energy nor put people to work, he wrote.

### [Feds holds geothermal lease sale for Utah, Idaho](#)

SALT LAKE CITY (AP) - The federal government planned to hold a lease sale Tuesday for public lands suitable for geothermal development.

The Bureau of Land Management in Salt Lake City was to auction 17 parcels in Utah and 10 in Idaho.

### [Nuclear power is too risky](#)

Palo Alto, California (CNN) -- If our nation wants to reduce global warming, air pollution and energy instability, we should invest only in the best energy options. Nuclear energy isn't one of them.

Every dollar spent on nuclear is one less dollar spent on clean renewable energy and one more dollar spent on making the world a comparatively dirtier and a more dangerous place, because nuclear power and nuclear weapons go hand in hand.

### [Playing with nuclear fire](#)

The current debate over the unexplainable and apparently unfixable leak at the Vermont Yankee nuclear power plant about whether or not the radioactive tritium in the leak constitutes a threat to the environment, with no mention of what it says about the condition of the plant itself, would be laughable if it were not so serious.

Would anyone fly on an airplane that had an unexplained and unfixable leak, even if the leak did not harm the environment, especially if the plane was at the end of its designed life span and had a history of broken parts and mishaps?

Would anyone think of trying to use it for another 20 years? And as a final absurdity, would any one think of flying it 20 percent faster than it was designed for when it was new?

### [Power Trip: From Oil Wells to Solar Cells](#)

In her first book, journalist Amanda Little breaks the mold of clean energy book by talking to big oil, NASCAR fans, doctors and clean energy pioneers.

### [Edward Burtynsky takes aim at bigger picture](#)

Q: In the past, your work with heavy industry hasn't necessarily been topical – railways, mining, ship-breaking all operate at an astonishing scale but aren't necessarily front-of-mind issues. With oil, and now water, you've turned to some real hot-button subjects.

A: I think, as I'm progressing through this train of thought, which started 30 years ago, the next logical step for me as an artist – this is where it was pointing to. Mining, resource extraction – those are big issues. I think when we're engaged with transforming a landscape for our own use, it always raises a lot of questions because of the scale at which we engage.

But here, with the water issue, the difference is that there's a water crisis brewing. You can talk about climate change or peak oil; either one of these can bring on seismic changes in our society. But water has the most potential for dramatic, immediate impact. For instance, when water's not there, there's not a lot of time. Within days, cities collapse, society starts to unravel.

### [The Green in the Machine](#)

A long shelf of new books has been coming into print with the goal of helping general audiences make sense of what's happening. Nearly every one of these offerings sees

global climate change as a dark cloud on the horizon that will stress societies and ecosystems and cause general mayhem. Compared with a decade ago, a surprisingly large number see climate change as a challenge so great that it will force humans to rethink their relationship with nature and to redesign industrial society so it leaves a much-smaller footprint on the planet.

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### [Oil Falls for First Time in Six Days on Dollar, Supply Outlook](#)

(Bloomberg) -- Crude oil fell for the first time in six days as the dollar strengthened and a workers' union at Total SA said it expects to settle a dispute with the company that has halted some refineries in France.

U.S. crude supplies probably grew for a fourth week and gasoline inventories may have risen from their highest in almost two years, according to a Bloomberg News survey of analysts before tomorrow's Energy Department report. A union representing Total SA workers said some of the company's French refineries have been halted by a strike. An official for the union said he was confident the dispute would be resolved today.

### [Latin America backs Argentina as Britain begins Falklands oil quest](#)

Argentina cemented a Latin American front over the Falklands yesterday as a British oil rig began drilling in the disputed seas around the islands.

Regional leaders at the Rio Group summit in Mexico were expected to sign up for a resolution backing Argentina in its escalating row with Britain after Brazil and Chile pledged their support.

Venezuela's vociferous President, Hugo Chávez, set the tone of the summit, offering military support. Characterising Britain as an imperialist relic, Mr Chávez demanded the return of "Las Malvinas", as they are known to Argentinians.

### [CNPC, Sinopec push up oil prices to cut stockpiles - report](#)



China National Petroleum Corp (CNPC) and China Petroleum & Chemical Corporation (Sinopec), the country's leading oil and gas producers, began to heat up wholesale prices of refined oil following the rebound of crude oil prices in the international marketplace.

Between Feb. 20 and Feb. 22, wholesale prices of diesel and gasoline rose more than 100 yuan (\$14.64) per ton, the National Business Daily reported Monday.

Market analysts said price hikes by the two companies will trigger panic buying, which will help reduce stockpiles and sales losses for the two companies.

### [Total Meets Unions to End French Refinery Strike](#)

(Bloomberg) -- Total SA is meeting with unions in Paris today to resolve a strike at its French refineries that threatens nationwide fuel shortages.

"We want answers on the future of Flanders and for the other refineries in France," Philippe Wullens of the Sud-Chimie labor union said as he entered talks with management at Total headquarters. Wullens later said he wanted a guarantee that Total will keep its other refineries running for five years.

### [Bulgaria ditches plan to list gas network operator](#)

SOFIA (Reuters) - Bulgaria has ditched plans to float part of its gas network operator on the market, an energy minister said on Tuesday, which media reports said was to prevent Russia gaining more influence over the Balkan country's gas supply.

### [Nigeria oil reform would worsen bad situation - Shell](#)

ABUJA (Reuters) - Nigeria's proposed oil industry reforms could drive away \$50 billion in investment if passed in their current form and make a bad situation for the sector even worse, Royal Dutch Shell (RDSa.L) said on Tuesday.

Oil majors say the terms proposed in the Petroleum Industry Bill (PIB) will make it hard for them to develop new resources in deep offshore waters as well as to run current operations.

"The PIB threatens to make a bad situation worse ... If passed in its current form it will take years to correct its mistakes," Shell's Executive Vice President for sub-Saharan Africa, Ann Pickard, told an industry conference in Abuja.

### [Shell to Seek 800 Million-Euro Offers for LPG Unit](#)

(Bloomberg) -- Royal Dutch Shell Plc, which is seeking to focus on exploration and production, may sell its liquefied petroleum gas distribution unit, four people with knowledge of the plan said.

### [Iran to issue \\$1 bln bonds for energy sector-agency](#)

TEHRAN (Reuters) - Iran will issue bonds worth \$1 billion in local and hard currency in coming days to help finance development of its energy sector, student news agency ISNA quoted a senior oil official as saying on Tuesday.

### [How investors can beat the oil crunch](#)

Oil prices passed the \$80 a barrel mark this week, but a growing number of analysts are expecting the black stuff to head back into three figure territory, even before the year is out as we head into a major oil crunch.

### [DNO Seeks Growth Outside Iraq Amid Oil Export Dispute](#)

(Bloomberg) -- DNO International ASA, the first foreign company to pump oil in Iraq since the 1970s, may invest outside the war-torn country as the regional Kurdish authority and Baghdad officials argue over export payments.

“It’s important for us to look for opportunities in other areas, to have a more diversified portfolio,” Chief Executive Officer Helge Eide said in an interview in Oslo. “We’re looking at eastern Africa, northern Africa and the Middle East onshore. That’s where we have been focusing our new venture activity, with Tunisia being the first opportunity.”

### [Aramco's JV lubricants' plant expansion to cost \\$1 bln](#)

DUBAI (Reuters) - Saudi Aramco Lubricating Oil Refining Co (Luberef) expects the cost of expanding its Yanbu refinery to be nearly \$1 billion, an Aramco executive said on Tuesday.

### [Halliburton May Grow Alone as Schlumberger, Baker Do Takeovers](#)

(Bloomberg) -- Halliburton Co., the world’s second- largest oilfield-services provider, may focus on growing from within by boosting market share as its top competitors work on completing two of the industry’s biggest takeovers on record.

Houston-based Halliburton is already positioned to compete in the hottest growth areas -- deepwater and U.S. shale-gas projects -- so it doesn’t need to rush to counter deals by Baker Hughes Inc. and Schlumberger Ltd. with a takeover of its own, said Roger



Read, an analyst at Natixis Bleichroeder in Houston.

### [A tale of two countries to give hope to others](#)

What do Oman and Colombia have in common? Sunny weather, nice beaches and friendly people, perhaps. A less obvious connection, though, is vital for oil markets: both are significant non-OPEC producers that have recently reversed their declining production.

### [US Dep. of Energy: Egypt oil production to drop](#)

The United States Department of Energy predicted a decrease in the production of oil in Egypt, which is not a member of the Organization of Petroleum Exporting Countries (OPEC), according to Bikya Masr

It said in a report published this month that it expects a decrease in the country's oil production during the monitoring period that runs from 2009 through 2011.

### [Russia threatens BP Kovykta assets](#)

Russia's Natural Environment Inspectorate, RosPrirodNadzor, has recommended that BP's joint venture in Russia, TNK-BP, be stripped of the giant Kovykta natural gas project in eastern Siberia.

### [Don't cosy up to Russia, Europe](#)

In the capitals of European democracies, leaders are hailing a new era of co-operation with Russia. Berlin claims a "special relationship" with Moscow and is moving forward on a series of major energy projects with Russian energy giant Gazprom, one of which is led by the former German chancellor Gerhard Schröder,. Italian prime minister Silvio Berlusconi traveled to St Petersburg late last year to join in the celebration of his "great friend" Vladimir Putin's 59th birthday. And in Paris, negotiations are under way for a major arms sale that would allow Russia to acquire one of the most advanced ships in the French navy.

At the same time, democratic dissent inside Russia has been ruthlessly suppressed. On 31 January, the Russian government refused to allow the peaceful assembly of citizens who demonstrated in support of ... the right to free assembly, enshrined in article 31 of the Constitution of the Russian Federation: the right "to gather peacefully and to hold meetings, rallies, demonstrations, marches and pickets".

### [IAEA heaps pressure on Tehran](#)

In a new report, the International Atomic Energy Agency (IAEA) suggests for the first time that Iran is actively pursuing a nuclear-weapons capability.

Shannon Kile, a senior non-proliferation expert at the Stockholm International Peace Research Institute, discussed the report and the tougher mood at the UN watchdog agency with RFE/RL correspondent Charles Recknagel.

### [Bloom Box generates buzz, skepticism with 60 Minutes spot](#)

The Bloom Box 60 Minutes segment has sparked interest, and the device has potential to be a game-changer. But the challenge of developing an affordable, reliable fuel cell has been around for a century, experts say.

### [Leaving the Trash Behind](#)

Even before they board, air travelers throw away trash of all sorts — including paper, plastic and food waste — and airports and airlines recycle only a small portion of it.

An estimated 7.5 million pounds of trash is generated every day. While the Natural Resources Defense Council, an environmental advocacy group, says that 75 percent of that trash is recyclable, it has found that only 20 percent reaches a recycling center.

“It does not make sense to acquire oil from the Middle East or the north slope of Alaska and turn it into a plastic bottle, use it once and throw it away,” said Allen Hershkowitz, a scientist at the council.

### [All-electric cars mean more EMI](#)

When Ford Motor was developing its Escape hybrid, it would shut off as it left a particular supermarket parking lot in California, says Scott Staley, chief engineer of electric and fuel-cell vehicles.

The cause discovered: a wireless fence to alert the store when shoppers tried to take shopping carts outside the lot.

### [U.K. Can't Rely on Market to Transform Energy, Report Says](#)

(Bloomberg) -- Britain can't rely only on markets alone to develop electricity networks that can support electric cars and decentralized generation or renewable energy, according to a government report released today.

### [Cash-for-clunkers rebates offered on new appliances](#)

Three dozen states will launch programs in March and April to distribute almost \$300 million in rebates to consumers buying energy-efficient appliances.

The federally funded programs, similar to the cash-for-clunkers auto rebate program last year, are intended to improve energy efficiency and stimulate the economy. Rebates differ by state and appliance.

### [German Solar-Park Aid Cut Less Than Expected in Draft](#)

(Bloomberg) -- German Chancellor Angela Merkel's government has toned down plans to slash subsidies for solar parks, potentially improving the outlook for companies such as Phoenix Solar AG and Q-Cells SE, draft legislation shows.

Germany plans a cut of 15 percent for solar parks built after July 1, less than the 25 percent the Environment Ministry proposed in January, the unpublished draft dated Feb. 22 shows. Subsidized rates for systems put on conversion sites such as former dumps and army bases will be cut by 11 percent. Rates for rooftop systems will be cut by 16 percent as planned, while farmland converted to take solar systems won't be subsidized anymore from July 1, according to the draft.

### [U.S. Offers Solar Project a Crucial Loan Guarantee](#)

The United States Department of Energy offered a \$1.37 billion loan guarantee on Monday to a California company planning to build a large-scale solar power plant in the Southern California desert.

### [Nuclear power's time has come](#)

(CNN) -- For decades, pioneering environmentalist Stewart Brand, the founder and editor of the Whole Earth Catalog, opposed the use of nuclear power. Now he sees it as vital to efforts to combat climate change.

### [EU will hit renewables targets, says wind agency](#)

The EU will exceed its target to produce 20 per cent of its energy from renewables by 2020, according to new analysis by the European Wind Energy Association (EWEA) released last week.

The report, which assessed all forms of renewable energy, found that 13 of the 27 EU

member states are likely to meet their national targets for renewable energy capacity, with a further eight set to exceed their EU imposed goals.

### [Small family farms in tropics can feed the hungry and preserve biodiversity](#)

Conventional wisdom among many ecologists is that industrial-scale agriculture is the best way to produce lots of food while preserving biodiversity in the world's remaining tropical forests. But two University of Michigan researchers reject that idea and argue that small, family-owned farms may provide a better way to meet both goals.

### [Make Poverty History: Make Clean Energy Cheap](#)

"If you gave me only one wish for the next 50 years," declared the world's wealthiest man during last week's TED 2010 conference, "I can pick who is president, I can pick a vaccine... or I can pick that [an energy technology] at half the cost with no CO2 emissions gets invented, this is the wish I would pick. This is the one with the greatest impact."

Bill Gates is right. And he is not just talking about the impact on climate change, which does of course present a major threat. He is also talking about one of the most critical global imperatives to make poverty history: *making clean energy cheap*.

### [Turf grass not always a 'green' thing, study shows](#)

UC Irvine research finds that the greenhouse gases absorbed by lawn can be more than offset by Earth-unfriendly maintenance practices.

### [Richard Branson's War On Carbon](#)

If someone other than Richard Branson had announced that he was waging war on the carbon dioxide molecule, it would probably have seemed a bit presumptuous. But we're talking about billionaire Sir Richard Branson, CEO of 360 companies including one that produced the first manned commercial spacecraft. If he's looking into it, it means he sees both a great challenge and a great opportunity.

Branson was in Copenhagen during the climate talks, but unlike many other businessmen who were waiting for their world leaders to take the lead, Branson had already realized what now seems quite obvious: Politicians are not going to offer real solutions--instead, it will be the private sector.

### [WWF-Canada and Loblaw Are Turning Down the Heat Across Canada](#)

TORONTO, ONTARIO--(Marketwire) - Today, Loblaw corporate and participating franchise stores across the country will turn down store thermostats by three degrees Celsius for WWF-Canada's *Sweater Day*. The initiative is designed to demonstrate how simple changes in behaviour at work and at home can help save our planet. Loblaw expects to reduce greenhouse gas emissions by about 5.6 tonnes in just one day.

### [EPA Takes Heat from Coal-state Dems](#)

( A P ) Eight Democratic senators from industrial states are challenging the Environmental Protection Agency's authority to regulate pollution blamed for global warming.

### [E.P.A. Plans to Phase in Regulation of Emissions](#)

WASHINGTON — Facing wide criticism over their recent finding that greenhouse gases endanger the public welfare, top Environmental Protection Agency officials said Monday that any regulation of such gases would be phased in gradually and would not impose expensive new rules on most American businesses.

### [Alun Anderson: I'd like a big volcanic eruption and an Arctic disaster](#)

I believe we have reached a tipping point with the arctic ice where anything that is politically plausible now will not save the ice. However, we can still reduce the warming on the wider arctic - the arctic lands - so that we have a chance to stop the runaway emissions of methane or at least to slow it down and make it happen over thousands of years instead of hundreds.

But on the arctic ice it's too late. I haven't met a single scientist who thinks there's anything we can do now that can save the sea ice in total. We might get some of it left in the corners of the Canadian islands which will be a very important refuge for the polar bear and other creatures.

### [Copenhagen: Billions in Aid Seen as Key to Climate Talks Success](#)

The allure of \$30 billion in climate aid for poor nations holds the key to helping restore confidence in U.N. talks on fighting global warming and stopping them from unraveling. But there's only months to figure out a way to start deploying the cash, say the world body, negotiators and greens.

### [Emissions vows not enough to avoid 2 deg C rise: UN](#)

NUSA DUA, Indonesia (Reuters) – Emission cuts pledges made by 60 countries will not be enough to keep the average global temperature rise at 2 degrees Celsius or less, modeling released on Tuesday by the United Nations says.

Scientists say temperatures should be limited to a rise of no more than 2 degrees Celsius (3.6 F) above pre-industrial times if devastating climate change is to be avoided.

### [Ice shelves disappearing on Antarctic Peninsula](#)

Ice shelves are retreating in the southern section of the Antarctic Peninsula due to climate change. This could result in glacier retreat and sea-level rise if warming continues, threatening coastal communities and low-lying islands worldwide.

Research by the U.S. Geological Survey is the first to document that every ice front in the southern part of the Antarctic Peninsula has been retreating overall from 1947 to 2009, with the most dramatic changes occurring since 1990. The USGS previously documented that the majority of ice fronts on the entire Peninsula have also retreated during the late 20th century and into the early 21st century.



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