



Drumbeat: March 6, 2010

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Topic: [Miscellaneous](#)

[CERAWEEK - Stable oil prices shouldn't breed complacency](#)

HOUSTON (Reuters) - Oil company executives should not get too complacent about how oil prices settled in the \$70-\$80 a barrel range over the last several months as the economic recovery has yet to catch up, the head of consultancy IHS Cambridge Energy Research Associates warned ahead of the CERAWeek conference next week.

While crude appears to have found a sweet spot, the global recession has eroded demand for gasoline and diesel, and Washington wants to regulate the carbon-intensive energy industry's emissions.

And after two straight yearly declines in global oil demand took prices from their 2008 heights near \$150 a barrel to about \$32 in December 2008 before recovering to about \$80 currently, sure signs of economic recovery that industry officials and government policy-makers crave aren't quite there.

"One lesson we've learned about the oil price - never to be too confident about stability," said Daniel Yergin, chairman of IHS Cambridge Energy Research Associates and author of the Pulitzer Prize-winning history of the oil industry, "The Prize."

so far. In fact, over the last four months, the U.S. land rig count has increased more rapidly on an absolute basis than in any other four-month period over the past decade.

[Somali pirates demand \\$20m for hijacked tanker](#)

Somali pirates have demanded a \$20m ransom for a Saudi product tanker hijacked in the Gulf of Aden on Monday.

Arab News reported that a spokesman for the owner of the vessel, International Bunkering had confirmed that a ransom had been offered, although he was unaware of the progress of negotiations.

[4 Tips to Beat the NEXT Crisis](#)

After over 18 months of recession, world oil consumption is roaring back to its pre-crash peak. The International Energy Agency says oil demand will probably hit 86.5 million barrels a day this year. That is equal to a thousand barrels a second. The growth in demand isn't in the U.S. — we're using oil at 2005 levels. Instead, it's the growth in China, India and other emerging markets that is driving global demand now.

[Poorly maintained ships in Marshall Islands lead to fuel shortage](#)

The second largest urban centre in the Marshall Islands, Ebeye, has been short of gasoline and kerosine for several weeks because poorly maintained ships are out of action.

[Venezuelan businesses consider 1-day shutdown to curb energy consumption amid crisis](#)

CARACAS, Venezuela - Venezuelan industries and retailers may close their doors one day a week in an effort to curb electricity consumption and help the government cope with an energy crisis.

[Consumer group doubts power supply crisis in Mindanao](#)

MANILA, Philippines - EmPower Consumers Alliance has raised doubts on government's pronouncements of a power supply crisis in Mindanao, saying it could be a ploy to force the use of nuclear energy and raise power rates.

[Several towns in state of calamity due to drought](#)

MANILA, Philippines - Local officials of several towns in Luzon and the Visayas plan to declare a state of calamity in their areas after agricultural crops and livestock were wiped out by the current dry spell brought by the El Niño phenomenon.

[Ghana: Water Shortage Hits Takoradi](#)

Mark Teiko Codjoe, Production Manager of GWC, attributed the acute water shortage in the Twin-City to the fact that the Pra River at Daboase and the Anankwa River at Inchaban, which served as the sources of raw water supply in the metropolis, were drying up.

He said as a result, the GWC treatment plants at Daboase and Inchaban could no longer supply the stipulated quantity of water to consumers in the metropolis.

[Homeowners will 'foot the bill' for energy efficiency](#)

People with an energy efficient home will save less than those with very inefficient ones, according to one expert.

Gareth Kloet, head of utilities at Confused.com suggested that the savings made by homeowners will depend on the body responsible for the installations, who ultimately want to "protect their revenue".

He said: "We appear to be facing an energy crisis with an infrastructure that in Ofgem's own words, is simply not fit for purpose and a government that has put us firmly on the hook for reducing our emissions."

[Exclusive: Famed NYT reporter tells Michael Moore capitalism driving humanity's downfall](#)

"All sorts of people who have spent their lives studying climate change, from Bill McKibben on down, have warned us that we don't have a lot of time left," Hedges said. "So it's not just that capitalism has destroyed our economic system and hijacked our political system, but it literally is extinguishing the system that sustains life. If that's not thwarted soon...then we will begin to see massive dislocations, environmental refugees, further depleting of natural resources. Overpopulation is also an issue. The UN estimates that by 2050 the size of the planet will double."

[Obama, politics and nuclear waste](#)

President Barack Obama has pulled the plug on the entire Yucca Mountain enterprise, million-year safety study and all, by writing it out of his financial year 2011 budget, which begins in October.

Yucca Mountain's death by budgetary axe defies logic. It coincides with Obama's stated support for expanding nuclear power. More reactors mean more waste, now piling up above-ground at sites scattered around the country.

[Setting Wind Power Records in Texas](#)

Texas, the nation's wind-power leader, set a new record for wind generation this morning, when — at 6:37 a.m. — about 19 percent of the electricity on the state's main grid was supplied by turbines.

[For Lighting, an Exception to 'Buy American'](#)

The Department of Energy has waived a "buy American" requirement for government projects receiving money from last year's stimulus bill so that recipients can purchase

energy-efficient lighting products for public buildings and roadways.

[Our Toxic Waterways: Flushing Away Our Future?](#)

Evidently, the world's waterways are a giant toilet into which we can dump anything and everything, and then simply flush it all "away." As if river currents and rolling waves will pull our pollution into some giant cosmic garbage disposal.

[CERAWEEK - Stable oil prices shouldn't breed complacency](#)

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[The heat continues to rise on the cost of producing shale gas](#)

I try not to get into arguments over other people's religious convictions. Even if you win your point, you make an enemy. That's been a conventional understanding since the Thirty Years War. Sometimes, though, you have to clear your throat and carefully offer a heretical thought, if lives or large amounts of property are at risk.

For example, I think it might not be a bad idea to examine the faith-based assumption that the US has a virtually unlimited supply of natural gas from shale formations that can be extracted at a low price for the indefinite future. Perhaps the few people who think shale gas will be produced at a higher cost, and more slowly, than generally believed should be heard out, rather than be executed or sentenced to work in the salt mines. If you disagree, I will quickly withdraw that comment.

[Ukraine's president heads to Moscow to discuss gas](#)

Ukraine's new president Viktor Yanukovych has arrived in Moscow to meet with his Russian counterpart Dmitry Medvedev in hopes of getting Russia to cut gas prices for his country.

Yanukovych, who was sworn in last week, is anxious to review the 2009 gas deal with Moscow that bound Ukraine to pay European gas prices, which are much higher than Ukraine previously paid.

[Abu Dhabi awards \\$300 mln Shah gas work-paper](#)

DUBAI (Reuters) - Abu Dhabi and ConocoPhillips have awarded a 1.1 billion dirham (\$300 million) construction contract for their Shah gas project to Al Jaber Group, Emirati newspaper al-Ittihad reported on Saturday.

[Power Prices May Rise in Second Half, China Power's Lu Says](#)

(Bloomberg) -- China, the world's second biggest energy user, may increase wholesale electricity prices for coal-fired power plants in the second half, China Power Investment Corp. President Lu Qizhou said.

[CNOOC, Total pitch oil plans to Ugandan government](#)

KAMPALA (Reuters) - Global petroleum firms Total and China National Offshore Oil Corporation, CNOOC, have presented their investment plans in Uganda's emerging petroleum industry to the government, an official said.

[Why There Will Be No Recovery](#)

When oil crossed \$120 a barrel for the first time in May 2008, oil cornucopians knew they were in trouble...

Prices had quadrupled in just five years, yet had failed to bring new production online. Regular crude had flatlined around 74 million barrels per day (mbpd). The case for peak oil was looking stronger with every new uptick in crude futures.

The following month, prominent peak oil critic and cornucopian Daniel Yergin of IHS-CERA changed his stance: The peak oil threat would be neutralized by *peak demand*. Gasoline consumption had peaked in the U.S. and Europe, he argued, due to the combined effects of increasing efficiency, biofuels, and the recession.

[Peak Oil task force](#)

Having tried to interest people in the earthshatteringly important subject of peak oil for more than five years, I'm delighted - but also horrified - to see the likes of Richard Branson discussing the urgent need for society, businesses and individuals to take it seriously.

But when I posted about this recently I was dismayed to find that comments suggest some people don't believe Branson is sincere. I'm at a loss to explain why somebody who runs an airline, train companies and bus fleets would pretend that there's a problem about oil if there wasn't.

[Exxon Must Pay \\$1.2 Million for Workers' Radiation Exposure](#)

(Bloomberg) -- Exxon Mobil Corp., the largest U.S. energy company, must pay \$1.2 million to 16 Louisiana workers who claimed they were exposed to dangerous levels of radiation when they were cleaning used oil drilling pipes, a jury said.

[Chesapeake swapped 25 mln shares for land in 2009](#)

HOUSTON (Reuters) - Chesapeake Energy Corp, a natural gas producer known for a voracious appetite for land, issued 25 million shares to shore up its 2009 acquisition budget, an unusual move that was also dilutive for investors.

Low natural gas prices in 2009 hurt Chesapeake's ability to generate cash, so the Oklahoma City company issued \$429 million worth of its shares to trade for the right to drill, according to the company's regulatory filings.

[Peabody Declares Force Majeure at Australia Coal Mine](#)

(Bloomberg) -- Peabody Energy Corp., the biggest U.S. coal company, says production has halted and force majeure declared at its Wilkie Creek mine in Australia after heavy rain disrupted the rail network.

[PVEV : A Match Made in the Heavens](#)

What if you could do all your daily driving chores without ever stopping at a gas station to fill up?

What if you could provide your own fuel for such a vehicle at your own home?

What if this never contributed to pollution including noise pollution and was truly green and clean?

[U.S. needs fresh look at nuclear waste issue: Chu](#)

SANTA BARBARA, California (Reuters) - U.S. Energy Secretary Steven Chu said on Friday that the United States needs to come up with a better system for storing or disposing of radioactive nuclear waste than a planned repository near Las Vegas.

"The president has made it very clear that we are going to go beyond Yucca mountain. You should go beyond Yucca mountain," Chu said. "But instead of wringing my hands, let's go forward and do something better."

[Wind Turbine Syndrome, Part Myth, Part Mystery](#)

Now, as though no one could ever be happy with a technology that was clean, renewable, and cheap in comparison to solar energy (many utilities offer wind power at premium prices of two to three cents a kilowatt-hour), comes a report that wind turbines produce what is being called, "Wind Turbine Syndrome", a collection of symptoms that include heart disease, insomnia, migraines, panic attacks and vertigo. Wind turbines are also said to trigger epileptic seizures.

And this is just among the humans living near wind turbines. The cows are said to stop giving milk or wander away in a fugue. In the UK, a goat farmer says wind turbines near his goat farm caused 400 of the animals to "lose sleep and die."

[Demolishing Density in Detroit: Can Farming Save the Motor City?](#)

So it's come to this: Unable to provide basic services for all of his constituents, Detroit mayor Dave Bing is drafting plans starve his city down to a manageable size. Using proprietary data and a survey released by Data Driven Detroit, Bing and his staff will pick "winners and losers" amongst the city's neighborhoods and seek to resettle residents from the losers, those deemed most unlivable. With Detroit's tax base withering from the implosion of two-thirds of the Big Three, the housing crisis, and an ongoing exodus, Bing believes he has no other choice.

...Can Detroit really shrink its way back to greatness (or at least stop the bleeding)? Part of the problem is that it's been hollowing out for decades. A city of 1.85 million residents in 1950, Detroit had just 951,270 as of the last national census a decade ago, and the next--which is key to obtaining millions of dollars in federal funding--is expected to turn up only 800,000 this year. Some believe it might eventually slide to 700,000 before all is said and done. A quarter of the city is nothing more than vacant lots--40 square miles of "urban prairie." Bing plans to shrink the occupied portions further by tearing down another 10,000 buildings. That should earn praise from economists like Harvard's Ed Glaeser, who's suggested similar policies for other Rust Belt cities. And what will Bing do with all of that empty space? Turn over as many as 10,000 acres to John Hantz to farm.

[School drawing new farmers](#)

In the room were two couples in their 50s with high-tech backgrounds, three younger women, a retired man and a fellow originally from Indonesia. Their stories had several themes in common. They didn't want to be in a university degree program where they'd sit in a classroom for four years, or as one person put it "never get their hands muddy nor even know what a package of seeds was for."

Issues such as climate change, peak oil, seeking meaningful life changes or alternatives to create strong urban agriculture related food systems were some of the reasons why they were there. Plus the fact that this new school provides a balance of classroom theory and an apprenticeship approach which will include working in the fields and orchard of the Sharing Farm and other farms.

[Disposal of spilled coal ash a long, winding trip](#)

While the Tennessee Valley Authority's cleanup has removed much of the ash from the river, the arsenic- and mercury-laced muck or its watery discharge has been moving by rail and truck through three states to at least six different sites. Some of it may end up as far away as Louisiana.

At every stop along the route, new environmental concerns pop up. The coal-ash muck is laden with heavy metals linked to cancer, and the U.S. Environmental Protection Agency is considering declaring coal ash hazardous.

[Xcel promises to cut Colorado pollution by 2017](#)

DENVER (AP) — Xcel Energy is promising to cut air pollution over the next seven years.

A deal announced Friday by Gov. Bill Ritter, the company and lawmakers will require Xcel to reduce pollutants by retiring or modifying Front Range coal-fired power plants by 2017.

[White House replaces Bush-era cups](#)

The last holdover from the Bush administration has officially been used up and tossed out: The White House has received its new, "green" hot beverage cups.

[Capture and reuse phosphorus, think-tank urges](#)

On Thursday, the International Institute for Sustainable Development - a Winnipeg-

based environmental think tank - released a report examining how phosphorus spilling into Manitoba's waterways doesn't just promote the growth of ecologically devastating algae.

The failure to capture and reuse phosphorus could contribute to a global food crisis as supplies of the vital fertilizer run low, say the authors of a report that highlights ways phosphorus can be recovered from human and animal waste.

[3 Questions: Hunt Allcott on behavioral economics and the energy crisis](#)

Behavioral economics is used to examine how consumers make decisions about everything from their life savings to which brands of jam they select in a supermarket. Hunt Allcott, a behavioral economist with a two-year appointment as the Energy and Society Fellow in MIT's Department of Economics and the MIT Energy Initiative, wants to apply his field's insights to the realm of energy use.

[Climate change debate grows heated](#)

Less than a month after CNN proclaimed "Last Decade Was Warmest Ever," a headline in Britain's Daily Mail shouted that a top climate scientist had taken a "U-turn" and now "Admits: There Has Been No Global Warming Since 1995."

Pity the poor reader, whipsawed in recent weeks by what appear to be conflicting signals on one of the most complex and momentous subjects of our time.

[Regional Rainfall in a Warming World](#)

Slowly but surely, a picture of climate change at the regional scale -- where it really matters -- is beginning to take shape.

Apart from the obvious warming at the high polar latitudes, which already is affecting Arctic sea ice, the rate of Greenland ice cap melting, and Antarctic ice shelves, new details are beginning to emerge about the impact of global warming in the Tropics -- the boiler-room of Earth's climate and weather.

[Climate change human link evidence 'stronger'](#)

In 2007 the IPCC's report concluded that there was "unequivocal" evidence that the Earth was warming and it was likely that it was due to burning of fossil fuels.

Since then the evidence that human activities are responsible for a rise in temperatures has increased, according to this new assessment by Dr Peter Stott and colleagues at the

UK Met Office.

[John Rockefeller leads charge against EPA on greenhouse gases](#)

To the applause of coal workers and dismay of environmentalists, lawmakers in the Senate and House led by Sen. John Rockefeller (D) introduced legislation Thursday that would delay by two years any regulation of greenhouse gases by the EPA.

Sen. John Rockefeller warned last week that he might present a delaying measure. He is part of a growing chorus of lawmakers unhappy with the EPA for its plans to start curbing emissions as soon as next year.

[Cap-and-trade key to US energy reform - Exelon CEO](#)

BOSTON (Reuters) - U.S. energy reform has stalled now that the Democrats have lost their filibuster-proof majority in the Senate and Republicans drift to a more negative position, a top industry executive said on Saturday.

"What I see is a series of disjointed, piecemeal approaches that will not yield the optimal solution," Exelon Corp Chairman John Rowe said in remarks prepared for a conference at the Massachusetts Institute of Technology.

[Arctic melt to cost up to \\$24 trillion by 2050: report](#)

(Reuters) - Arctic ice melting could cost global agriculture, real estate and insurance anywhere from \$2.4 trillion to \$24 trillion by 2050 in damage from rising sea levels, floods and heat waves, according to a report released on Friday.

"Everybody around the world is going to bear these costs," said Eban Goodstein, a resource economist at Bard College in New York state who co-authored the report, called "Arctic Treasure, Global Assets Melting Away."



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