



# Drumbeat: April 8, 2010

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U.S. Pitches Shale Gas Studies Overseas

The Obama administration has asked nearly a dozen countries, including China and India, if the U.S. can assess their potential shale gas resources, a senior State Department official said Wednesday.

David Goldwyn, the department's International Energy Affairs Coordinator, said on the sidelines of a conference that if the assessments confirm U.S. Geological Survey estimates for shale gas resources, the new fuel source could transform the nations' energy policies and consumption.

governors and its 5,600 mayors are all looking to garnish their budgets. Civic groups want their cut of royalties to fight poverty, scientists to fight climate change and students to improve education. "Pre-salt oil is like a pretty woman on a dance floor full of men," Luiz Inácio Lula da Silva, Brazil's president, put it bluntly. "Everybody wants a go."

That is troubling for Rio de Janeiro, which as Brazil's main oil province has until now enjoyed the lion's share of royalties. Most of the new deposits lie off the shores of Rio and São Paulo states. Last month the lower house of Congress approved by 369 votes to 72 a bill by Ibsen Pinheiro, a congressman from southern Brazil, that would radically redistribute the oil bounty among all states and municipalities. To many Brazilians, spreading the wealth seems reasonable.

How Kyrgystan Violence Could Impact U.S.

The swift collapse of the government isn't just a nightmare for the nervous rulers of the region; it's a serious cause for concern for both Central Asia's big neighbors, Russia and China, as well as for Western countries trying to fight wars against an Afghan insurgency as well as wider wars on terrorism and drugs. What Kyrgyzstan tells us is that the rulers of the oil-rich Central Asian nations are in fact far less stable than they pretend. Until the Tulip Revolution, four of the five former Soviet republics that make up the region were still run by the Communist-era strongmen—who controlled an estimated 35 percent of the world's natural-gas supplies. Two remain in power, Kazakhstan's 70-year-old Nursultan Nazarbayev and Uzbekistan's 72-year-old Islam Karimov. Both have been criticized for human-rights abuses, and the likelihood is that they will crack down even harder in response to the events in Kyrgyzstan's capital, Bishkek.

# Talking transportation — Peak oil and the end of life as we know it in Northeast

You think things are bad now? Just wait. We could be inches or minutes away from a global economic crisis that will make the current recession look like fun — the day we realize we're running out of oil.

For decades we've lived (and driven) in denial, somehow assuming we have the "right" to cheap gas and, therefore, low-cost transportation. Now it's time to face reality and consider what will happen when - not if - gas hits \$10 a gallon. The following are my and others' hypotheses. Follow the embedded links for recent news coverage that contribute to my theories. These things haven't happened - yet:

# Valero Said to Sell Refinery to PBF for As Much As \$230 Million

(Bloomberg) -- Valero Energy Corp. will sell its Delaware City, Delaware, refinery to PBF Investments LLC for \$200 million to \$230 million, according to two people familiar with the negotiations.

# Credit is Dead. Long Live Cash!

Texas electricity provider First Choice Power in January launched a prepaid service called Control First. "In Texas, there are about a million households who have slim credit or no credit at all," says company president Brian Hayduk. Without requiring a deposit or credit, customers are permitted to prepurchase a set amount of electricity —say \$100 per month. The company installs a smart meter that lets people know how much they've used—which spurs customers to manage their energy use more intelligently.

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# U.S. Energy Secretary: Nat. Gas Reserves May Have Doubled

U.S. natural gas reserves may have doubled thanks to new drilling technologies, U.S. Energy Secretary Steven Chu said Tuesday.

U.S. natural gas reserves have definitely gone up by about 30 percent and "probably has doubled," Chu said in a keynote speech at a conference in Washington co-hosted by the U.S. Energy Information Administration (EIA) and Johns Hopkins University.

# Natural Gas Extends Decline on Bigger-Than-Forecast Supply Gain

(Bloomberg) -- Natural gas futures extended declines in New York after a government report showed that U.S. inventories increased more than analysts anticipated.

Stockpiles gained 31 billion cubic feet in the week ended April 2 to 1.669 trillion cubic feet, the Energy Department said. Analysts forecast a rise of 28 billion, and the five-year average change is an increase of 11 billion. An unexpected rise in the number of Americans filing initial jobless claims also weighed on futures.

# Russia Won't Cut Natural-Gas Output to Support Prices

(Bloomberg) -- Russia doesn't plan to cut natural- gas production to support plummeting prices after Algeria suggested the Gas Exporting Countries Forum should seek to limit supply when it meets this month.

"That is not possible," Energy Minister Sergei Shmatko told reporters today in Moscow when asked about reducing output.

# Venezuela gives Chevron gas extraction go-ahead

CARACAS (Reuters) - Venezuela on Thursday said Chevron can extract and sell natural gas from part of the Plataforma Deltana gas field, located offshore from the Orinoco delta.

# Baker Hughes: U.S. Rig Count Continues to Climb

Baker Hughes reported that the international rig count for March 2010 was 1,074, up 6 from the 1,068 counted in February 2010, and up 62 from the 1,012 counted in March 2009. The international offshore rig count for March 2010 was 295, down 6 from the 301 counted in February 2010 and up 14 from the 281 counted in March 2009.

US Jan oil demand off 1.44 pct vs prev estimate-EIA

WASHINGTON (Reuters) - U.S. oil demand in January was 271,000 barrels per day less than previously estimated, and down 597,000 bpd from a year earlier, the Energy Information Administration said on Thursday.

### Angola's Oil Output to Rise 16 Percent on Discoveries, Licenses

(Bloomberg) -- Angola, which vies with Nigeria as Africa's biggest oil producer, expects new discoveries to boost crude output by 16 percent next year.

Oil production will reach 2.2 million barrels a day by 2011, compared with 1.9 million barrels at present, Deputy Petroleum Minister Anibal Octavio da Silva said.

"New ultra deepwater fields will come on stream and new exploration licenses are being granted," he told a conference in Cape Town today. "More than 30 new oil discoveries are under development."

# Economist: Natural gas price drop behind HST hike

A leading Canadian economist has blamed Nova Scotia's new 15 per cent HST on sluggish natural gas markets.

"The provincial government had to resort to an increase in the value-added tax when anticipated natural gas revenues did not materialize," Avery Shenfeld, chief economist at CIBC World Markets, said Wednesday.

# Deadliest Maoist Raid Highlights Mittal, Posco India Challenge

Resistance from property owners, some backed by Maoist or Naxalite rebels, and delays in approvals for land and mines have stalled more than \$80 billion of projects in India that would double national steel output. Yesterday's attacks are a setback to India's efforts to rid the eastern states of left-wing guerillas and open up regions rich in iron ore, coal, bauxite and manganese to investment.

"If the global players had got a footprint in India they could have really made a good return on their investment," said Abhisar Jain, metals and mining analyst with ICICI Securities Ltd. in Mumbai. "India as a whole will stand to lose if no global player is able to put up its plant here."

Chavez announce rainfall in central Venezuela will help reverse energy crisis

Heavy downpours that have swept away two people and flooded homes in central Venezuela were hailed by President Hugo Chavez as an early start to the rainy season that may mark the end of an extended electricity crisis.

### Porsche's fuel-efficient future

The German sports car maker insists that it will meet future fuel economy requirements in its own way.

### Paul R. Ehrlich: The MAHB, the culture gap, and some really inconvenient truths

The human predicament—climate disruption, loss of biodiversity and ecosystem services, toxification of the planet, the potential impacts of nuclear war, and social and economic inequities that impede solutions to escalating environmental problems—has been amply described. Although the steps needed to solve the predicament are clear, few have been taken—even as the situation steadily declines. The trend in greenhouse gas emissions has continued rapidly upward. The extermination of biodiversity and loss of natural services has proceeded unabated. The number of hungry people has hit an all-time high, which means that so has the number of immune-compromised individuals. That, combined with continued rapid population growth, increases the probabilities of vast epidemics. In Asia, melting of the Himalayan water tower and rising temperatures threaten the food supply of 1.6 billion people whose countries are armed with nuclear weapons. There also have been increasing signs of great toxic peril for humanity and its life-support systems, with a growing threat from the release of hormone-disrupting chemicals that could even be shifting the human sex ratio and reducing sperm counts.

Despite the clear warnings about the predicament almost two decades ago from the scientific community, precious little has been done. That's why a group of social and natural scientists and scholars in the humanities is starting the Millennium Assessment of Human Behavior (MAHB, pronounced "mob"). The admittedly ambitious aim is to change human behavior to avoid a collapse of global civilization.

#### The Ecological Revolution!

This book is a major achievement. It combines enormous breadth of scholarship with consummate theoretical integration to produce a powerful political argument. It should be required reading for anyone who cares about the future of humanity and the planet - that is, everyone! I do have some disagreements, but these take the form of an agenda for future dialogue rather than substantive criticisms.

#### Can earth survive climate change? Author McKibben sees a chance

"The world hasn't ended, but the world as we know it has -- even if we don't quite know it yet," he writes. "It's a different place. A different planet. It needs a new name." Since it's earth-like, he says, let's call it "Eaarth." McKibben sees a slight chance we could still save the planet.

Stunner: Nature's review of 20 years of field studies finds soils emitting more Co2 as planet warms

The most worrisome amplifying feedback is the defrosting of the tundra (see "Science stunner: Vast East Siberian Arctic Shelf methane stores destabilizing and venting). Another major, related feedback now appears to be soil respiration, whereby plants and microbes in the soil give off more carbon dioxide as the planet warms.

# John Michael Greer: The twilight of the machine

The end of the age of cheap abundant energy, as last week's Archdruid Report argued, brings with it an unavoidable reshaping of our most basic ideas about economics and, in particular, economic development. For the last three centuries or so, the effective meaning of this phrase has centered on the replacement of human labor by machines. All the other measures of development – and of course plenty of them have been offered down through the years – either reflect or presuppose that basic economic shift.

The replacement of labor with mechanical energy has even come to play a potent role in the popular imagination. From the machine-assisted living of The Jetsons to the darker image of reality itself as a machine-created illusion in The Matrix, the future has come to be defined as a place where people do even less work with their own muscles than they do today. All this is the product of what an earlier post called the logic of abundance: the notion, rooted right down in the core of the contemporary worldview of industrial society, that there will always be enough resources to let people have whatever it is that they think they want.

#### Solar greenhouses, Chinese-style

In Europe and North America, eating fresh perishable produce out of season usually means hauling it in refrigerated containers from regions where it's in season, or growing it locally in heated greenhouses. Our large greenhouses tend to use technology developed in Holland: Huge boilers burn through prodigious amounts of natural gas, coal, wood, or other fuel to fill a network of pipes with hot water, radiating heat into vast leaky structures clad in a single pane of glass. Although these greenhouses boast extremely high yields, the amount of fuel needed to heat them generally far exceeds the amount that would be needed to haul an equivalent amount of produce from a region where it's in season.

There are alternatives. One is the high tunnel, a simple unheated hoop structure clad in clear plastic. Small farmers in North America are increasingly building high tunnels to extend their growing season without spending a lot of money on energy-intensive technology.

### Ireland 'among most vulnerable' to peak oil

HERE'S a conundrum: restarting global economic growth will, by definition, push up energy costs. Rising energy costs will in turn choke off that economic recovery, leading to a fall in energy prices. Try to restart growth again, and the brick wall of energy costs magically reappears. Repeat ad infinitum.

It is hard to overstate the extent to which our daily lives are subsidised by cheap, plentiful oil. Every 24 hours, Ireland burns around 200,000 barrels. That's the daily equivalent of the muscle power of 2.4 million men, each working for a full year.

Our entire way of life depends on abundant, inexpensive oil. This era is now drawing to a close. Five years ago, the Hirsch report published by the US department of energy concluded that the world has "never faced a problem" as difficult as peak oil, adding that: "without massive mitigation more than a decade before the fact, the problem will be pervasive and will not be temporary". Oil peaking will be, it warned, "abrupt and revolutionary".

The advent of peak oil is, by definition, the end of decades of relentless economic growth, since this dramatic phase in human history has been entirely predicated on ready access to vast amounts of cheap energy.

#### Oil hovers below \$86 as 2-month rally stalls

SINGAPORE – Oil prices hovered below \$86 a barrel Thursday in Asia after the U.S. reported rising crude inventory levels, suggesting demand remains muted.

# Iraq's Overly Optimistic Oil Plans

Iraq has the potential to be a major source of new oil in the next five to 10 years, but the process of scaling up production faces many obstacles.

# Saudi Aramco to Supply Full Oil Volume to Asia in May

(Bloomberg) -- Saudi Arabian Oil Co., the world's largest state-owned oil company, will supply full volumes of crude oil to Asia for loading in May.

Saudi Aramco, as the company is known, will provide 100 percent of cargoes sold under long-term contracts next month, according to a survey of refinery officials in Japan, China and South Korea who asked to remain unidentified citing confidentiality agreements with the Middle East producer.

Aramco's decision to provide full exports for a sixth month comes as the Organization of

Petroleum Exporting Countries agreed last month to leave production quotas unchanged from the fifth time since 2008. The group is exceeding the targets by the equivalent of a supertanker of crude a day.

### Aramco pride at 'pampered' Ghawar

Saudi Aramco has produced more than 65 billion barrels of oil from Ghawar, a top executive said, adding the state-run giant was "pampering" the world's largest oilfield.

The field has been pumping since 1951.

"Ghawar's original reserves are over 100 billion barrels. Ghawar is still going strong, we are pampering Ghawar...We can sustain production for many years to come," Saad Turaiki, vice president of Southern Area Oil Operations, told Reuters.

# Saudis unveil drill drive

State oil giant Saudi Aramco will drill at least 300 development wells on- and offshore this year, as well as 48 exploratoration probes, an executive said.

# Bill Clinton meets Saudi king on unannounced trip

Former US president Bill Clinton met Custodian of the Two Holy Mosques King Abdullah bin Abdulaziz in an unannounced two-day visit to the oil-rich kingdom, the Saudian news agency said. Clinton met Abdullah, the Saudi intelligence chief Prince Muqrin bin Abdulaziz, assistant defence minister Khaled bin Sultan and other top officials at the king's farm outside Riyadh Wednesday evening where they discussed "issues of mutual concern," agency said.

# JPMorgan Said to Double Tokyo Commodity Desk on Hedging Demand

(Bloomberg) -- JPMorgan Chase & Co. has almost doubled the number of its Tokyo commodity traders to meet demand from utilities seeking to use coal-derivatives to hedge against price swings, said a person with knowledge of the expansion.

# Energy Information Administration: Charting Natural Gas Consumption

The EIA just released their latest short-term outlook for energy. The commentary is good, if a bit dry. The charts are better, like the one showing natural gas consumption below.

### BP, Conoco say Alaska pipeline would cost \$35 bln

ANCHORAGE, Alaska (Reuters) - Denali, the company created by oil giants BP Plc (BP.L) and ConocoPhillips (COP.N) to build and operate a natural gas pipeline from Alaska's North Slope to North American markets, estimates the project will cost \$35 billion, according to documents filed on Wednesday with federal regulators.

The Denali pipeline, which would run 730 miles (1,175 km) in Alaska and 1,020 miles in Canada, will deliver about 4.5 billion cubic feet a day of natural gas to North American markets, according to the company's formal plan to solicit customers, filed with the Federal Energy Regulatory Commission.

# Russia's energy minister says Austria will join South Stream this month

MOSCOW (AP) — Russia's energy minister says Austria will join the Russian-backed South Stream pipeline project in April.

Russian news agencies are quoting Sergei Shmatko as saying Thursday that this would be the final deal before construction begins later this year.

#### Ukraine seeks pipeline threesome

MONTREAL - Ukraine's new government, formed by President Viktor Yanukovych after he was inaugurated in March, this week affirmed that the country's gas transportation network is for sale to no one, including Russian gas monopoly Gazprom.

At the same time, Russia has made it clear that it is willing to cooperate with the European Union in any project to modernize the network, which includes more than 60,000 kilometers of pipe plus 71 compressed air plants and 13 underground gas storage facilities. Last year, it carried over three-quarters of natural gas exports from Russia to Europe.

# Russia Energy Min proposes oil tax based on profits

MOSCOW (Reuters) - Russia's Energy Ministry has proposed taxing oil companies based on their financial results starting from 2012-2013, minister Sergei Shmatko said on Thursday.

#### Russia Lures Poland With Simpler Crude Oil Purchases

Reporters traveling with Russian Prime Minister Vladimir Putin to a meeting with

Putin's Polish counterpart, Donald Tusk, in Katyn on Wednesday were handed out a statement that provides yet another hint of Russia reshaping its relations with foreign oil-trade companies, and trying to mend fences with Poland.

In the statement, the Russian government said that starting in 2012 state-controlled oil producer Rosneft will ship Russian crude oil directly to Polish refiners PKN Orlen in Plock and Grupa Lotos in Gdansk, eliminating intermediaries.

# Khodorkovsky says no proof he stole oil

Russia's jailed former oil tycoon, testified for five hours in a packed courtroom on Wednesday, saying that none of the companies he is accused of stealing oil from ever reported the alleged theft.

He faces charges of embezzling more than \$25-billion worth of oil from three subsidiaries of his former company, Yukos, and laundering most of the proceeds. His lawyers have called these claims ridiculous.

# Our Friend, The Dragon

China is much in the news and on the minds of those of us in the West.

There is concern over China's human rights posture, its treatment of Tibet, its monetary policy, its massive trade surplus, its burgeoning defense budget, its contribution to global warming, and its impediment of internet freedom.

But there is one aspect of Chinese policy which causes unneeded concern when it is actually beneficial to the world economy and a win-win situation: China's aggressive efforts to develop oil and gas reserves.

# Chinese oil giants likely to bid for Brazil's new oil reserves

Chinese three oil giants, namely Sinopec, China National Petroleum Corporation (CNPC), and China National Offshore Oil Corporation (CNOOC), will likely bid for Brazil's offshore pre-salt oil reserves when auctions begin, according to recent statements by Brazilian officials.

As one of the most valuable oil and gas resources in South America, the prospects for Brazil's offshore pre-salt oil blocks are highly promising. Petrobras, Brazil's state oil company, said that it plans to invest a maximum of 220 billion U.S. dollars in exploring Brazil's offshore pre-salt oil reserves – including Tupi oil field – prior to 2014.

venezuela Flanta Centro Fower Flant fuleu Annu Crisis

(Bloomberg) -- Venezuela's largest thermoelectric plant has been idled since April 5 amid an electricity crisis as President Hugo Chavez plans to extend mandatory conservation measures through November.

The Planta Centro power plant, which has total generating capacity of 2,000 megawatts, has been completely offline for three days, the national grid operator said today on its Web site. The plant is conducting maintenance work and will restart a 350-megawatt turbine tomorrow morning, with another turbine coming online April 15, Electricity Minister Ali Rodriguez said.

# Nigeria Appoints First Female Oil Minister

Nigeria's acting president, Goodluck Jonathan, has sworn in the country's first female oil minister.

Diezani Allison-Madueke is a former executive of the oil giant Royal Dutch Shell. She will be responsible for reforming Nigeria's corrupt oil sector, which accounts for most of the nation's foreign earnings.

# French expert says we need nuclear power

Depletion of oil and gas reserves, concerns about energy security and the environmental threat of greenhouse gases means Ireland must consider nuclear power.

That's according to Dr Bertrand Barre, Scientific Advisor to the French energy company, Areva Group.

# Keeping One Eye on OPEC and the Other on the Fed

If money and its relative cheapness have fueled America's, and the world's, expansion, cheap energy has been played an equal role. As such there are many that think the only reason we were given two eyes is so we can keep one on OPEC while keeping the other on the Fed.

# Inflation Is Baked In The Cake

The end of imported deflation plus peak oil plus a dovish Federal Reserve is an inflation formula.

### Costs of driving shift up for 2010 as prices for gas, tires rise

It's official: Your driving costs are going up.

The average cost of owning and operating a sedan in the USA rose 4.8% this year to 56.6 cents per mile, or \$8,487 per year, a study out today by auto club AAA finds.

Rising gas prices are primarily responsible for the increased costs and also are lowering the resale or trade-in value of cars that don't get good gas mileage, says John Nielsen, director of AAA's approved auto repair and auto buying network.

# U.S. Mine Official Surprised by Size of Massey Damage

(Bloomberg) -- U.S. Assistant Secretary of Labor for Mine Safety and Health Joseph A. Main said he's surprised by how large an area was affected by an explosion at Massey Energy Co.'s coal mine in West Virginia that killed 25 people.

The explosion at the Upper Big Branch mine spanned about 12,000 feet of shafts. Rescue efforts in the worst mining accident in 26 years have been slowed by dangerous levels of methane gas. Rescuers are drilling holes in an attempt to reduce the gas levels, Massey said today in a statement.

# Barge Arrives to Pump Oil off Ship Stranded on Reef

(Bloomberg) -- A barge has arrived at the Shen Neng 1, grounded on Australia's Great Barrier Reef, before an operation to remove 975 metric tons of fuel oil from the stranded Chinese coal carrier.

The Shen Neng 1, which ran aground on April 3, hasn't leaked any oil in the last two days, Patrick Quirk, general manager of Maritime Safety Queensland, said. Any compensation and liability arising from damage to the Reef will be pursued "forcefully," Environment Minister Peter Garrett said in Rockhampton today, according to a transcript from his office.

# Canada's oil sands: Dirty but necessary?

(CNN) -- The first shock in new eco-documentary "Dirty Oil" comes in the first few seconds when a question is asked: where does most of the U.S.'s oil come from?

The answer according to the filmmakers is Canada. For the last seven years America's northern neighbor has been its number one supplier of oil.

### Colonie library to launch writers' series on Monday

COLONIE -- An appearance by Saratoga Springs writer Jim Kunstler will kick off a series of appearances by local authors at the Colonie town library.

Kunstler will speak at starting at 7 p.m. in the Stedman Room of the library on Albany-Shaker Road.

# Ocean Energy co-founder lecturing at UNE in Portland

Matthew R. Simmons, co-founder of the Ocean Energy Institute in Rockland, will deliver the third annual Paul D. Merrill Business Ethics Lecture today.

The event will take place at 4 p.m. on the University of New England's Portland campus. A reception will follow at the UNE Art Gallery.

Simmons will be speaking on "Our Fragile Energy System: Is It Sustainable? If Not, Where Do We Turn Next?"

### SLRD strikes Energy Resilience Task Force

Canada's first regional task force tackling energy resilience is ready to take shape in the Sea to Sky corridor.

The Squamish-Lillooet Regional District (SLRD) announced last week that it has struck an Energy Resilience Task Force as just one component of its Climate and Energy Planning Process, a strategy aimed at reducing greenhouse gases and building "regional resilience" in the face of phenomena such as climate change and peak oil.

# Two Yemeni students fly to UK to participate in an international public speaking competition

The winner, Nawaf chose his topic to be updated and international. Global Peak Oil as an alternative energy was the title of his speech. The other winner, Soha, surprised the audience with her unusual topic, particularly to her Yemeni generation and community. She talked about Males: the Future Dinosaurs, life without males.

### Manual for Civilization

My bet is that the reality of watching your civilization (and population) collapse is likely one of the worst things anyone could experience. I am also not so sure the problem is just knowing how to remake a technology. For instance after the fall of the great

Egyptian, Mayan, and Roman empires we had evidence and examples of their engineering achievements all around us. But aqueducts or senate buildings are worthless without a society around them to maintain, contextualize and protect them.

It is also worth pointing out that there are likely well over a billion people on earth who currently don't interact with formal economies or technological society at all. They will be very well adapted to a post collapse world, you should find some and make friends. They will likely be far more helpful than a manual on restarting the internet, because they know how to gut a deer.

In any case I thought I would create this blog post which I will try and keep updated as these proposals and efforts come to me (and hopefully come to fruition). I will also list some of the resources that I usually refer to when I get these inquiries.

# Jan Lundberg: The People Of The Brook Versus Supermarket Splendor

As an antidote to modern trends of artificiality and alienation, the Slow Food Movement can only go so far. It's a limited number of oblivious people who are presently eating fast food too fast, failing to ever fast, who can instead decide to make pasta asciutta by watching the onion and garlic turn golden in the pan of heating olive oil. To really address the root problem, people need to be out from under the oppression of overwork and employment, and be free from advertising by food corporations.

# Brazil Announces Temporary Elimination of Ethanol Tariff

On Monday, the Brazilian Chamber of Foreign Trade said it would remove the country's 20 percent ethanol tariff until Dec. 31, 2011, *Congress Daily* reports. With the temporary elimination of the tariff, Brazil was hoping to pressure the United States into lowering or removing its own tariff and taxes on imported ethanol. Currently, imported ethanol is subjected to a 2.5 percent ad valorem tax and an additional 54 cents a gallon surcharge, which terminates Dec. 31, 2010.

# US Air Force investing heavily in biofuel

President Barack Obama is leading a new drive to introduce more advanced biofuels into the military usage. Speaking at Andrews Air Force base he said, "Our military leaders recognise the security imperative of increasing the use of alternative fuels, decreasing energy use, reducing reliance on imported oil and making ourselves more energyefficient." He went further and called for 50% or more alternative fuels to be used in navy planes, ships and vehicles within the next decade.

Solar-powered plane makes successful maiden flight

 PAYERNE, Switzerland — At the pace of a fast bicycle, a solar-powered plane took to

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the skies for its maiden flight Wednesday, passing an important test on the way to a historic voyage around the world — a journey that would not use a drop of fuel.

### I.B.M. and Saudi Researchers Collaborate on Solar-Powered Desalination Technology

Desalination is an energy-intensive process, which has limited the deployment of such plants outside desert regions like the Middle East. But I.B.M. and the Saudi research institute, the King Abdulaziz City for Science and Technology, plan to dramatically reduce the electricity costs by building a 10-megawatt solar farm that deploys ultrahigh concentrator photovoltaic arrays.

The technology will concentrate the sun 1,500 times on a solar cell to boost efficiency. That's about three times the solar concentration of most concentrating photovoltaic panels currently in operation.

### NRC to inspect Entergy Vermont Yankee reactor more

NEW YORK (Reuters) - The U.S. Nuclear Regulatory Commission said Wednesday it would conduct additional inspections at Entergy Corp's Vermont Yankee nuclear power plant due to the radioactive tritium leak the company stopped last month.

Entergy, which discovered the tritium leak in January, is remediating the contaminated soil and groundwater.

# A legacy of Katrina: Green homes

NEW ORLEANS -- In this city on the mend, hundreds of state-of-the-art sustainable, energy-efficient homes are being built in lower-income neighborhoods, a trend that's outpacing most of the rest of the country.

More than 500 homes are being built with features such as solar panels, rain-catching cisterns and eco-friendly materials in neighborhoods that received the brunt of the damage from the 2005 floods following Hurricane Katrina. Hundreds of other homes are being given green upgrades.

# China faces its biggest foe

HONG KONG - The Chinese leadership, long obsessed with snuffing out social unrest whenever and wherever it occurs, has encountered a foe that cannot be defeated by its four trillion yuan (US\$586 billion) economic stimulus package, its Great Firewall of Internet censorship or even brute force: Mother Nature.

As the nation celebrates the miraculous rescue of 115 miners trapped for eight days in one of the country's notoriously dangerous coal mines in northern Shanxi province, the worst drought in a century continues to seize China's southwest. While state-owned China Central Television trumpeted the heroic rescue effort and provided blanket coverage, the head of drought relief in China last week found himself denying media reports of abandoned villages and an exodus of refugees from stricken areas.

### EPA lead rule will cover more than half of U.S. homes

More than half of U.S. homes could soon be affected by a little-known federal rule to reduce lead exposure.

On April 22, the Environmental Protection Agency will begin requiring that contractors who work on pre-1978 homes be certified in lead-safe practices or face daily fines of up to \$37,500.

# Texas Oil Firms Oppose California Climate Law

WASHINGTON — Several Texas oil companies are bankrolling a petition drive to suspend California's path-breaking climate change law in a move that may prove a bellwether for national efforts to address global warming.

# Climate clash rekindles separatist grumblings in Alberta

EDMONTON -- Comments from Ontario and Quebec bashing Alberta's approach to climate change are causing some Albertans to think about separation, Alberta Premier Ed Stelmach said Friday.

# U.K. Set to Tax Electricity to Fund Carbon Capture and Storage

(Bloomberg) -- The U.K. is set to impose a levy on electricity suppliers such as E.ON AG, Electricite de France SA and Centrica Plc to fund greenhouse gas-reducing projects using carbon capture and storage technology.

# On the Energy Gap and Climate Crisis

1) Energy matters. Energy can produce bountiful supplies of drinking water. Energy enables food production, storage and dispersal. Energy enables mobility, connectedness, health and comfort. The late Nobelist in chemistry, Richard Smalley, devoted the last years of his life to delivering an admirable distillation of the benefits of abundant energy, and need for an energy quest.

2) Even with spreading efforts to conserve energy, a world heading toward roughly 9 billion people seeking decent lives will require far more of this resource than today's supplies and systems can provide. There is already an enormous energy gap on the planet, with some 2 billion people lacking the simple gift of illumination or a clean source of heat for cooking meals.

3) If countries like China and India follow the American pattern in transportation, ballooning demand for oil is bound to be a disruptive influence on world affairs with or without the climate impact of all those additional emissions of greenhouse gases. Think of it this way; the United States, with 307 million (heading toward 400 million) people, now consumes nearly 20 million barrels a day; India, with more than 1.1 billion people, is barely in first gear, currently using 2.67 million barrels of oil but poised for vastly increased demand. Add in projections of car use in China and you see why status-quo fuel choices don't hold up.

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