



Drumbeat: April 22, 2010

Posted by [Leanan](#) on April 22, 2010 - 9:19am

Topic: [Miscellaneous](#)

[Iran begins war games in Persian Gulf oil route](#)

TEHRAN, Iran (AP) -- Iran's elite Revolutionary Guard held war games Thursday in the strategic Persian Gulf oil route, the Hormuz Strait, a show of its military strength at a time when the country's leaders are depicting President Barack Obama's new nuclear policy as a threat.

Ahead of the military maneuvers, Supreme Leader Ayatollah Ali Khamenei accused Washington of trying to dominate the world through its nuclear arsenal and vowed that Iran would not bend before what he called "implicit atomic threats."

[Portugal oil refineries raise output after strike](#)

LISBON (Reuters) - Portugal's two refineries run by Galp Energia were restoring output on Thursday after a three-day strike by workers, who threatened more stoppages if the company refuses to negotiate a pay rise.

[Negligence Lawsuit Filed in Oil Rig Fire](#)

(CBS/AP) The companies involved in an oil platform explosion off the Louisiana coast are being sued for negligence.

The lawsuit was filed in New Orleans on Thursday on behalf of a Mississippi man who worked on the rig and is one of 11 people still missing after the blast.

[Peak Oil Deniers Remain Oblivious](#)

Despite the rush of warnings this year, peak oil deniers are still ignoring the signs.

You know them. They're the ones sitting in the corner, their tin foil hats neatly perched atop their head as they plan out their next tirade. Their whining is always ridiculous, often making outlandish assumptions and citing wild sources.

Take last week, for an example. I was told that all the world's oil problems would be solved if the U.S. only opened up ANWR.

Regardless of how you feel about opening up ANWR, do you *honestly* believe it's the solution to the peak oil crisis?

[Earth Day economics -- reality gets bagged; Mr. Obama goes to Wall Street](#)

Today might be a good one to take stock of the near-death experience we had two years ago with the many chickens of unsustainability coming home to roost, from high oil prices and the leading edge of global peak oil, to Ponzi scheme sprawl and an economy increasingly based on swindles and casino capitalism. The many unsustainable aspects of our highly complex society won't go away. They've just taken a breather during the Great Recession. Sadly, we'll soon get more painful object lessons.

[This Earth Day, pray for Peak Oil](#)

As we celebrate the good things we're trying to do for our planet on Earth Day, we need to keep in mind that, while we win a small battle every time we recycle or reduce our consumption, the bigger war is still being lost--and being lost more and more quickly every week. And ironically, it just may be that those who consume the least are doing the most...damage.

It's a paradoxical situation to be in. It's been noted (and probably in these pages before, by me) that if Canada was to disappear completely off the face of the Earth, carbon footprint-wise, the 'saving's wouldn't even cover one year's *increase* in China's emissions, let alone those of the rest of the world.

[From Earth Day to "Eco-Terrorism"](#)

Today is the 40th anniversary of Earth Day and everyone, it seems, is "going green." With widespread oil shortages due to peak oil looming within five years, and the startling effects of climate change becoming shockingly clear, environmentalism is more accepted and urgently needed than ever.

So why is the "number one domestic terrorism threat," according to the FBI, the "eco-terrorism, animal rights movement"?

[My Country Went to Iraq and All I Got Was This Global Empire](#)

Ultimately, the U.S. doesn't have to "win" or even control territory; it simply has to deny control to others, introduce a permanent uncertainty and unease in their plans,

and establish forward bases for power projection.

Much has been made of "civilian" Chinese guarding oil facilities in Sudan. China (and every other "great power") has its own "noble cause" of wrapping up resources. But the Chinese lack the ability to project power; they have no airlift capacity, no aircraft carriers, and no global network of bases. While the U.S. effectively controls or influences most of the globe's remaining fossil fuels, China has to make do with a deeply unstable Africa, where the winds of revolution might sweep the party you did business with from power.

[On the 40th Anniversary of Earth Day, Let's ... Go Shopping!](#)

Just to be clear: recycling, using compact fluorescents, cutting home energy use, and the rest of the "what you can do" propaganda is better than their opposites. And before the angry e-mail starts arriving, let me note that I do the usual green things—use mass transit (easy in New York and its suburbs), walk almost everywhere else, recycle, sun-dry clothes (do not try this at home if you have teenagers: *Mom, my shirt is stiff!*), keep the house cold in winter (ditto: *Mom, I can see my breath in here!*) and hot in summer.

The problem with the emphasis on changing individual behavior is this: it makes too many of us believe we have done our part.

[Acidic oceans worsening, experts warn](#)

Manmade emissions of carbon dioxide are making our oceans more acidic — and thus threatening corals and shellfish — at a rate unseen in at least 800,000 years, a blue-ribbon panel of scientists reported Thursday.

"Ocean acidification is a growing global problem that will intensify with continued CO₂ emissions and has the potential to change marine ecosystems and affect benefits to society," the panel warned in its report for the National Research Council and Congress.

[Kuwaiti oil reserves higher than announced](#)

Oil reserves in Kuwait's largest oilfield, Burgan, are higher than have been published and new figures for all reservoirs are to be announced soon, a minister said on Thursday.

"Reserves in Burgan oilfield are much higher than what is being circulated," deputy premier for economic affairs Shaikh Ahmad Fahad al-Sabah was cited as saying by the official KUNA news agency.

Greater Burgan oilfield is the world's second largest field after Ghawar in Saudi Arabia, with reserves previously estimated at around 70 billion barrels.

It has been producing about three-quarters of Kuwait's output of 2.2 million bpd.

"New figures for the reserves in all Kuwaiti oil reservoirs will be made public soon," KUNA quoted Shaikh Ahmad as telling an oil conference.

[Africa's New Oil Riddle](#)

It's hard to imagine a starker illustration of getting it wrong than an oil shortage in one of the world's biggest oil producers. But that's exactly what regularly happens in Nigeria, as gas stations run dry and thousands of motorists and truckers jam driveways and spill out onto freeways. Partly this is a question of how Nigeria messes up its oil industry — rotting refineries, poor distribution, price-hiking hoarders — and partly it's a sign of how oil messes up Africa. Auwal Musa Ibrahim is an anticorruption campaigner who heads the Civil Society Legislative Advocacy Centre in Nigeria's capital Abuja. Stranded for days at his office during a fuel drought last December, he fumed, "Our oil powers the world. But in Africa, it creates places [in which] no longer do people think about how to build a nation, only how they can steal from it."

[Transocean Deepwater Horizon oil rig explosion shows new risks](#)

Atlanta — The dramatic oil rig explosion and fire aboard the Transocean Deepwater Horizon rig 50 miles off the Louisiana coast illustrates the growing risk for oil companies as they drill ever deeper into the earth's crust to satisfy domestic and international demand for fuel.

As the US moves to open up more deep water areas for oil exploration and companies prepare to open up deep reserves off the coast of Brazil and Angola, the possible explosion and fire aboard the Deepwater Horizon rig, owned by Houston-based Transocean and leased by BP, is a reminder of how the task of supplying the world's oil amid dwindling reserves is becoming ever-more complex — and dangerous — despite technological advancements.

[A look at deadly oil industry accidents](#)

NEW ORLEANS — Eleven workers were missing after an oil rig explosion off the Louisiana coast. Here's a look at some of the deadliest oil industry accidents in the United States.

[Even with high technology blowout prevention equipment, danger lurks below](#)

To my knowledge, this is the first serious blowout and fire to occur on this latest generation of deepwater drilling equipment. In theory, with modern blowout control

equipment, such an event is virtually impossible. But every seasoned driller knows that the possibility of deadly danger is never far away.

[Blast Jolts Oil World](#)

Some industry analysts said they feared the accident might temporarily damp the pace of oil development in the deepest reaches of the Gulf, which has become a significant exploration hotspot for international oil companies seeking new sources of petroleum. The industry is booming, and has been challenged by a tight supply of rigs and skilled workers.

The accident comes at a sensitive time politically for the industry. President Obama late last month proposed allowing drilling in new areas of the eastern Gulf of Mexico and off the southern Atlantic coast, where it was banned. Supporters argue the industry has become much safer. The Transocean fire could be an untimely reminder of risks.

"Is there a domino effect from this?" asked Arun Jayaram, a Credit Suisse analyst. "It seems like there would be some collateral damage."

[The majors scaling back refining globally; not in hotspots for growth](#)

The US oil majors have not just decided that refining is not going to be profitable in the US, it seems, but in other parts of the world as well. ConocoPhillips said on Wednesday it has informed Saudi Aramco it will end participation in the new refinery project being built in Yanbu Industrial City.

[Calgary driller pulling rigs out of Mexico](#)

CALGARY - Xtreme Coil Drilling Corp., the Calgary-based service company among the most heavily invested in Mexico, is moving two of its 10 rigs from the country to the United States, it announced Wednesday.

The move comes as national oil company, Pemex, continues to scale back exploration and development in the Chicontepec oilfield of east-central Mexico due to less-than-stellar results from a program in which it has already invested more than \$3.4 billion US.

[Mexico Left to Play Catch-Up as Oil Majors Drill Deep in Gulf](#)

Officials at state oil monopoly Petroleos Mexicanos, or Pemex, can do little more than watch from the sidelines as oil majors break deep-drilling records on the U.S. side of the Gulf of Mexico.

The recent startup of the massive Perdido offshore drilling hub -- a joint-venture of Royal Dutch Shell Plc, Chevron Corp., and BP Plc -- even has some Mexicans fearful that oil from the Mexican side could seep over and get sucked up in what has been dubbed locally as "the drinking straw effect."

[API: Govt Collects \\$3B from Deepwater Leases](#)

Two new studies commissioned by the American Petroleum Institute show that oil and natural gas companies paid the U.S. government more than \$3 billion for leases under the 1995 Deep Water Royalty Relief Act, spent \$37 billion to develop them, paid billions in production-related taxes, created thousands of jobs and pumped billions into the economy.

[Iran May Stop Gas Exports If Prices Not 'Reasonable'](#)

(Bloomberg) -- Iran, holder of the world's second- largest gas reserves, may stop exporting the fuel if prices do not reach a "reasonable" level, according to the Persian Gulf country's oil minister.

"We would prefer to inject the gas into our oil wells or convert it to other products," Masoud Mir-Kazemi was cited by the state-run Iranian Students News Agency as saying today at the opening of the 15th International Oil, Gas, Refining & Petrochemical Exhibition in Tehran.

[Isaac Tshuva: Israel's Gas King](#)

Isaac Tshuva arranges sugar packets on a table at his Leonardo City Tower Hotel in Tel Aviv, each one representing the location of a gas deposit off the Israeli coast: The uppermost packet is the Tamar field that his company, Delek Group, helped discover last year. Two packets below it are smaller strikes to the south, which Tshuva says indicate there's more gas still to be tapped. "The amounts we've found are going to fulfill much of Israel's energy demand for the next two decades," says the 61-year-old billionaire, whose family immigrated to Israel from Libya in 1948 when he was an infant. The discoveries have turned Tshuva into Israel's energy king and the country's sixth-richest citizen, with an estimated net worth of \$2 billion, according to *TheMarker*, a Tel Aviv business daily. The gas finds ultimately could meet half of Israel's energy needs and provide the country with the energy independence that is vital to its security.

[Shell Executive: Long-Term Gas Contracts to Retain Key Role](#)

Royal Dutch Shell PLC (RDSB) senior executive Malcolm Brinded said Thursday he thinks long-term natural gas contracts will continue to play a key role in the industry because of the huge up-front costs of building gas export projects.

[Flights to North Sea Oil Fields Halted Due to Ash](#)

Helicopter flights from Aberdeen to oil and gas platforms in the U.K. North Sea have been suspended again due to the danger from the volcanic ash cloud drifting over from Iceland, said a spokesman for Bond Offshore Helicopters Thursday.

"There is no flying from Aberdeen at this time," said the spokesman. "A red zone is located just outside Aberdeen and is forecast to move over the city this afternoon."

[Reflections on Eyjafjallajökull: let's not waste another wake-up call](#)

Rather than seeing the past few days as an interruption to our inherent right to go wherever in the world we want to whenever we want to, perhaps we ought to reflect on the awesome power that fossil fuels have brought, albeit temporarily, to our lives.

[Oil Industry Uses PBS Nova to Scare Voters About the "Risk" of Clean Energy](#)

For somebody old enough to remember PBS before "fair and balanced" news, last night was a shock.

"Energy: the Big Gamble" on PBS Nova contained blatant lies about the pending climate legislation in California. *Funding for NOVA* is provided by ExxonMobil, Pacific Life, David H. Koch... This is the same Koch family, that makes its billions off oil and gas, that Greenpeace found had spent \$25 million from 2005 to 2008 funding climate denial. This show was designed to scare US voters, and initially, California voters who now face the oil industry's ballot initiative to put a stop to pending climate legislation, AB32 to move the state to a clean energy economy.

[Pakistan turns off lights to end energy crisis](#)

ISLAMABAD (Reuters) - The Pakistani government announced on Thursday measures to cut state electricity consumption by half, as Pakistan battles a chronic energy shortage which is inflaming public anger and stifling industry.

Prime Minister Yusuf Raza Gilani and Water and Power Minister Raja Pervaiz Ashraf announced the measures -- including turning off lights and air-conditioners in government offices -- to reduce a daily shortfall of 4,500-5,000 megawatts (MW) and encourage energy conservation in the private sector.

[Pakistan: July-March oil import bill down by 1.42 per cent](#)

Analysts said that the oil import bill has been witnessing gradual increase during the last few months owing to the rise in the international prices and strong domestic demand for electricity generation.

Monthly rise in the oil import bill is alarming because it will put pressure on the rupee against the dollar.

[Power plays in Pakistan](#)

To say Pakistan's power crisis is worsening on a daily basis is to say the least. With an electricity shortfall that is spiraling out of control and unannounced power cuts of up to 12 hours in many areas of the country, the government of Pakistan is trying to figure out how to pull the plug on Pakistan's energy crisis. Unfortunately for them, it will take more than a bit of effort.

[Pakistan: 'Govt developing alternative fuel resources'](#)

PROVINCIAL Minister for Finance and Planning and Development Tanvir Ashraf Kaira said that the government had been paying full attention to develop the alternative fuels such as ethanol and bio-diesel to overcome energy crisis in the country.

[Zvi Tavor, why do Israelis still not know how to use solar energy effectively?](#)

"I think that in the near future, there will be no choice and they will have to do so. When the price of a barrel of oil was low, it did not interest anyone. But when the price started rising to \$100 a barrel, suddenly everyone understood. After that, the price dropped, and enthusiasm waned again. In my opinion, we have sufficient space in the Negev to develop solar energy, and eventually, we have to think about what our priorities are. Should we grow more oranges or find answers to the energy crisis? We need economists to make the calculations."

[Q+A-Is there a way to end Pakistan's energy woes?](#)

ISLAMABAD (Reuters) - The Pakistani government announced on Thursday measures to cut state electricity consumption, as Pakistan battles a chronic energy shortage which is inflaming public anger and stifling industry.

Here are some questions and answers about the power sector in Pakistan.

[Uganda: Minister Onek regrets oil pipeline comments](#)

The Minister of Energy, Hilary Onek has retracted the comments he recently made about Tamoil East Africa Limited in regard to the ongoing fuel shortage, absolving the Libyan-backed company of any blame.

Onek had claimed that Tamoil was offering petty excuses for the delay to construct the oil pipeline from the western Kenyan town of Eldoret to Kampala. He also said that the same company had failed to manage the Jinja fuel reservoirs.

[Report: U.S. electricity demand drops](#)

U.S. electricity demand fell 4.2 percent last year, the largest drop in 60 years, according to the Federal Energy Regulatory Commission.

In the agency's "State of the Markets Report 2009," only three of the 11 recessions in the past 60 years have resulted in a drop in electric demand, and officials said in the report "falling power demand is rare."

A steep decline in the industrial sector was blamed for some of the change along with relatively mild summers. In the residential and commercial sectors, though, demand also slid 1 percent, according to the federal regulator's report.

[The economics of modern-day piracy](#)

This month, a South Korean super-tanker, with \$200 million worth of crude oil, was seized by pirates over 600 nautical miles off the coast of Africa.

"Once they start attacking that far out, it's the (whole) Indian Ocean," that is under siege, warns Roger Middleton, a leading British expert on piracy. "And it means you're looking at trade going from the Gulf of Asia to southern Africa."

[From an Economy of Consumption to an Economy of Sustainability](#)

What do all these developments, and the sleazy behavior of some on Wall Street (e.g. Bernie Madoff), say about our national values? Is it possible that there is a disconnect between what we profess, including our religious values, and our economic system and behavior?

These questions occurred to me as I researched the thinking of economist/environmentalist E.F. Schumacher (1911-1977). In the 1950s and 1960s he was already practicing organic gardening and had solar panels on the roof of his house. In the 1970s he was popular with the youth of the counter-cultural movement, was invited to the White House to chat with Jimmy Carter, and influenced California Governor Jerry Brown, who spoke at his funeral in London. Today there are various Schumacher societies and other institutions that carry on his work, but among the

general public he is rarely mentioned.

[John Michael Greer: Economic superstitions](#)

It's been a while since we've had so clear a reminder that the intricate and fragile clockwork of industrial society depends so completely on Nature's whims, but as usual, most people managed not to get the memo. Me, I didn't give it much thought, since I was reading a different and more familiar memo, the one brought every spring by lengthening days and the waning risk of frost. I was out in the garden planting bush beans, dwarf peas, and Danvers carrots, since the weather was warm and the Moon was in a fertile sign.

[US Navy to launch Great Green Fleet](#)

The US navy is set to be both green and mean with the dawning of an new eco-friendly assault force that will mind its carbon footprint as it destroys its enemy. It is to launch "the Great Green Fleet", a fighting force of ships, submarines and planes powered entirely by biofuels. The first group will be tested in 2012, and the navy plans for it to be operational by 2016.

[U.S. military shrinking its carbon 'boot print'](#)

WASHINGTON -- From solar-powered water-purification systems in Afghanistan to a Navy jet-fueled in part by biofuel, the U.S. military is taking a lead role in shrinking the U.S. carbon "boot print," an independent report said Tuesday.

The Department of Defense accounts for 80 percent of the U.S. government's total energy consumption, and most of the energy it uses currently comes from fossil fuels, according to a new report by the Pew Research think tank's Project on National Security, Energy and Climate.

[Local economies close the distance between us](#)

In my neighborhood, things began to change last year. First a restaurant opened and then a teashop. And then, like a gift from heaven, a small food market opened. Stop by in the early evening and you'll find a row of bicycles parked out front and the store's narrow aisles packed with people pondering their dinner options and chatting with their neighbors.

This little store is not only a hub of social activity. It's also an economic engine of surprising proportions. Studies show that spending a dollar at an independent business generates about three times as much benefit for your local economy as spending a dollar at a chain. The reason is that, unlike chains, which siphon money out of a community,

local businesses spend much of their revenue buying goods and services from other local businesses. They bank at a local bank, hire a local accountant, get their printing done at the local print shop.

[At 40, Earth Day Is Now Big Business](#)

So strong was the antibusiness sentiment for the first Earth Day in 1970 that organizers took no money from corporations and held teach-ins “to challenge corporate and government leaders.”

Forty years later, the day has turned into a premier marketing platform for selling a variety of goods and services, like office products, Greek yogurt and eco-dentistry.

[An Earth Day Pitch Raises Eyebrows](#)

The Center for Biological Diversity announced that it would distribute 250,000 free condoms this Earth Day to highlight the link between the swift growth in the human population and the peril to other species. (They gave away 100,00 for Valentine’s Day, as well.)

The condoms are packaged with catchy captions like “Hump Smarter and Save a Snail Darter,” or “Wrap with Care and Save a Polar Bear.”

But the condoms were made of latex, a form of enhanced rubber that does not easily decompose in the natural environment and has been a major source of trash on beaches.

[Food aid shortfall threatens Yemen](#)

As the international community focuses on defeating al-Qaeda in Yemen, millions of ordinary people in the country on the south-west tip of the Arabian Peninsula are quietly starving as vital deliveries of UN food aid are severely cut due to a lack of funding.

By the end of June 2010, analysts predict, the WFP will have no food to distribute to Yemen's millions of hungry.

[Peak Phosphorus](#)

From Kansas to China's Sichuan province, farmers treat their fields with phosphorus-rich fertilizer to increase the yield of their crops. What happens next, however, receives relatively little attention. Large amounts of this resource are lost from farm fields,

through soil erosion and runoff, and down swirling toilets, through our urine and feces. Although seemingly mundane, this process cannot continue indefinitely. Our dwindling supply of phosphorus, a primary component underlying the growth of global agricultural production, threatens to disrupt food security across the planet during the coming century. This is the gravest natural resource shortage you've never heard of.

[Durham, a Tobacco Town, Turns to Local Food](#)

Hundreds of outlying acres of rich Piedmont soil have “transitioned” from tobacco, and now sprout peas, strawberries, fennel, artichokes and lettuce. Animals also thrive in the gentle climate, giving chefs access to local milk, cheese, eggs, pigs, chickens, quail, lambs and rabbits.

“You can see the change, just driving from here to the coast,” two hours away, said Amy Tornquist, the chef and an owner of Watts Grocery, a restaurant near the Duke campus. Ms. Tornquist, 44, has lived in the area all her life. “You never saw sheep when I was young, you never saw cattle in the fields — it was all tobacco all the time,” she said. Ms. Tornquist’s restaurant isn’t blatantly farm to fork: it’s simply a given in Durham these days.

[Food Vs. Fuel: Growing Grain for Food Is More Energy Efficient](#)

ScienceDaily — Using productive farmland to grow crops for food instead of fuel is more energy efficient, Michigan State University scientists concluded, after analyzing 17 years' worth of data to help settle the food versus fuel debate.

"It's 36 percent more efficient to grow grain for food than for fuel," said Ilya Gelfand, an MSU postdoctoral researcher and lead author of the study. "The ideal is to grow corn for food, then leave half the leftover stalks and leaves on the field for soil conservation and produce cellulosic ethanol with the other half."

[Once-hidden EU report reveals damage from biodiesel](#)

BRUSSELS (Reuters) - Biofuels such as biodiesel from soy beans can create up to four times more climate-warming emissions than standard diesel or petrol, according to an EU document released under freedom of information laws.

[The Dandelion King](#)

As I've told my neighbors, I feel bad about lowering the value of their property. I mean, it isn't my *goal* to have a front yard that, by standard reckoning, is unattractive. The unkempt look of my lawn is just a byproduct of a conclusion I reached a few years ago: the war on weeds, though not unwinnable, isn't winnable at a morally acceptable cost.

[Volcano Crisis Could Delay Emissions Regulation, Airline Chief Says](#)

The top representative for the airline industry asserted Thursday that the disruption caused by the eruption of an Icelandic volcano had undermined efforts to include aviation in the European Union's Emissions Trading System.

[Geological Society Presses on Climate Threat](#)

The Geological Society of America, after some tussling last year, has updated its official statement on global climate change, strongly aligning with statements by the world's scientific academies, the American Geophysical Union, and a letter to Congress from 18 American scientific associations last year.

[Transocean rig sinks, says Coast Guard](#)

At 10:20 a.m. the Transocean Deepwater Horizon rig sunk, according to a Coast Guard spokesman.

The vessel, which has been burning since about 10 p.m. Tuesday night was completely submerged, said the spokesman but the fire continued to burn.

[Aramco extends Yanbu bid process after Conoco exit](#)

KHOBAR, Saudi Arabia (Reuters) - State oil giant Saudi Aramco has asked for more time from bidders for deals to build its Yanbu refinery after partner ConocoPhillips pulled out, industry sources said on Thursday.

[Saudi output steady despite rising oil prices](#)

DUBAI - Saudi Arabia, the world's top oil exporter, is pumping around 8.05 million barrels per day (bpd) of crude in April, a senior Gulf OPEC delegate said on Wednesday, little changed from March.

The stable production indicates the kingdom has yet to respond with an increase in supply to oil prices that have moved above the \$70-to-\$80 a barrel mark that OPEC's biggest producer has pegged as fair for consumers and producers.

"April production is 8.05 million bpd," the delegate told Reuters.

[Iran oil sector "helped" by sanctions, says minister](#)

TEHRAN (Reuters) - Iran's oil industry has not been dented by sanctions, Oil Minister Massoud Mirkazemi said on Thursday, dismissing a potential threat to the country's vital gasoline imports as "a joke."

[Shell sees global gas demand up](#)

PARIS (Reuters) - Global demand for gas is set to rise constantly over the next 20 years amid plentiful reserves and its increasing use to produce power, a senior executive at Royal Dutch Shell said on Thursday.

"We see global gas demand growing by at least 2 percent a year over some decades, so by 2030 we look at gas demand hitting 4.5 trillion cubic meters of gas per year," Malcom Brinded told an oil conference. "That's 50 percent up from today's level."

Brinded was equally bullish on prospects for liquefied natural gas, which he saw growing "a lot faster" than overall gas demand, driven by China's economic growth and higher demand in Europe and countries such as Malaysia, Thailand, Singapore, Pakistan, Kuwait, the United Arab Emirates and Bahrain.

[Lofoten May Attract \\$50 Billion in Oil Investments](#)

(Bloomberg) -- Opening areas off Norway's Lofoten and Vesteraalen islands for oil and gas exploration may attract 300 billion kroner (\$50 billion) in investments over a 20- to 30-year period starting next decade, a study found.

[Noble Corp tightens on costs in challenging market](#)

SAN FRANCISCO (Reuters) - Noble Corp, the third-largest offshore oil rig contractor by value, said on Thursday it is tightening up on spending due to challenging market conditions and lowered its cost estimate for 2010.

[Tata May Beat Hyundai in India Helped by World's Cheapest Car](#)

(Bloomberg) -- A Tata Motors Ltd. factory opening this month in western India to assemble the \$2,500 Nano, the world's cheapest car, may help the company surpass Hyundai Motor Co. this year as the nation's second-largest automaker.

The plant in Sanand will start producing the Nano by April 30 and make up to 250,000 a year, said Debasis Ray, a spokesman for the Mumbai-based company. That's about 80 percent of Hyundai's India sales last fiscal year, based on industry data.

[New Jersey woman teaches how to make self-sustaining fruit and vegetable gardens](#)

Gardening is more than a hobby for Linda Grinthal.

The mother of three grows fruit, vegetables and herbs on her farm in Lafayette while honing her survival skills for uncertain times. Looming oil shortages, she believes, could impact suburbia sooner than projected.

She envisions a future in which supermarkets are shuttered and cars become relics as society circles back to agrarian culture. Her outlook is rooted in books like James Howard Kunstler's "The Long Emergency," which cautions that depleted petroleum supplies can't sustain the strip-mall status quo.

[Differing shades of green](#)

Bill McKibben and Robert Bryce agree about little, but both seek to transform Americans' understanding of the relationships of energy use, global warming, and the economy. Because they offer important but sharply divergent perspectives, it is good to read their books in tandem.

[Why most green gadgets suck \(and how to make them better\)](#)

Let's take a look at some of reasons why green gadgets still suck and then figure out what we need to do to improve the odds of future products saving the world.

[The Tide Has Changed For Dutch Dikes](#)

Joost Schrijnen, a managing director with the committee, wants to create a delta that is cleaner, more pleasant and more natural. With all the focus on safety after 1953, Schrijnen said, "other aspects were neglected." He now wants to change that. "But without sacrificing safety," he added.

Opening water locks would allow the tide to return to now stagnant waters, the report stated. This would be a boon to nature, because certain plants and animals, which have all but disappeared since the estuaries were closed off, can return. Deeper into the delta lies a fresh water basin where smelly algae bloom in the summer. Allowing salt water to reach these outer stretches again could improve conditions for residents and holiday-makers. A hole in the Brouwersdam, for example, would allow for tides as high as 50 centimetres. The opening would make an ideal site for a tidal power plant, which is also being considered by the committee.

[Edging Back to Nuclear Power](#)

FOR the first time since the 1970s, the Nuclear Regulatory Commission has announced a step that it once took routinely: appointing an inspector for a new reactor construction project.

With 17 applications in hand from companies that want to build 26 reactors, the agency is likely to name a lot more inspectors; it also expects five more applicants in the next few years.

Is this the long-awaited renaissance of the nuclear construction business, after years of being moribund?

See also: [Nuclear Power: A Resurgence, an Opportunity](#) (slideshow)

[Saudis see demand peak looming](#)

Oil use will probably peak in emerging markets by early next decade, a senior adviser to Saudi Arabia's oil minister said today.

"I think that peak demand will come before peak of supply," Reuters quoted Ibrahim Al-Muhanna, advisor to Saudi Oil Minister Ali Naimi, saying in answer to questions at a conference in Paris.

"The demand in emerging economies will take time to peak but definitely it will peak maybe this decade or early next decade," he said.

A six-year oil price rally that ended in 2008 had led to increased interest in the theory that world oil supply may be nearing its peak as easily accessible reserves dwindle.

That issue faded as economic slowdown eroded demand.

[Financial blog editor Stoneleigh to address next BCAG meeting](#)

The Brockville Climate Action Group (BCAG) has invited Stoneleigh, editor of the popular financial blog 'The Automatic Earth', to its April 25 meeting to explain clearly why the green shoot economy will not prove durable, how the concepts of peak oil, empire and credit bubbles intersect, and how we as individuals can prepare for a very different financial future than we may have been envisioning.

The Automatic Earth is a donation-supported, labour-of-love website that tracks and analyzes the intersection between finance and energy, with occasional forays into environment and climate change. Prior to starting The Automatic Earth, Stoneleigh and her writing partner, Ilargi, were the editors of the Canadian section of the site 'The Oil Drum'. Stoneleigh holds advanced degrees in biology, law, and systems theory. She currently works in the energy field and lives in eastern Ontario.

[Betting on higher oil prices](#)

"The real source of our current high oil prices -- and the reason why they'll stay high for a long time to come -- is pure and simple science.

"It's known as Peak Oil, the well really is running dry."

Outstanding Investments then powerfully summarized the celebrated contention of geologist M. King Hubbard that the world is simply running out of oil, at any price.

[Volcanoes, flight disruptions and the high energy price effect](#)

This reminds us of an FT interview with Philips' chief executive Gerard Kleisterlee, in which he warned that "more regional" (ie, less far-flung) supply chains were likely to become more common in a world where energy becomes increasingly expensive. It will be interesting to see whether a focus on flight disruption risk may further motivate some companies to reduce their reliance on long-distance transport.

[Producer Prices Rise on Food Costs](#)

WASHINGTON (AP) — Wholesale prices rose more than expected last month as food prices surged by the most in 26 years.

The Labor Department said the Producer Price Index rose 0.7 percent in March. Analysts expected a 0.4 percent rise. A rise in gasoline prices also helped push up the index.

Still, there was little sign of budding inflation in the report, which measures price changes before they reach the consumer. Excluding volatile food and energy costs, wholesale prices rose 0.1 percent, matching analysts' expectations.

[Iraq's Recovery Fuels Profits as Life Returns to City Streets](#)

Seven years after the ouster of Saddam Hussein, Iraq has changed, Bloomberg BusinessWeek will report in its April 26 issue. Yes, convoys of SUVs packed with heavily armed security men still roar down Baghdad's busy streets. Armed gangs still prey on truckers. Iraq's political class struggles to form a new government. The few expat managers in the country live like prisoners: Every night, HSBC's Hogan holes up in a walled compound run by a security company.

Ordinary Iraqis, however, are living more normally than they have in years. Shops on Saadoun and Karrada Streets are filled with flat-screen TVs, computers, and clothing from China, Turkey, Iran, and Korea. Pedestrians have to step around the Turkish and Iranian refrigerators and stoves piled outside. At night many Baghdadis relax watching

one of the privately owned television channels that have sprung up, or checking the latest Iraqi Web sites.

[Iraq Oil Pipeline Explodes North of Mosul, Police Say](#)

(Bloomberg) -- An explosion blew a hole in an Iraqi pipeline, stopping crude oil exports via Turkey, a police officer in Mosul said.

Unknown assailants detonated the explosive charge on the pipeline that runs from Iraq's Kirkuk oil fields to the Turkish Mediterranean port of Ceyhan, said the police officer, who didn't want to be identified by name for security reasons. Army and police forces were deployed to the scene in al-Hadhar, near Mosul, and workers are trying to extinguish the fire, the police officer said.

[Half a million British Gas customers 'face prices shock'](#)

Almost half a million British Gas customers could face a "shock" when a five-year fixed price tariff comes to an end.

[Nigeria oil reform 'will free up funding'](#)

Nigeria's sweeping oil reform bill should resolve the Opec member's chronic funding shortfalls which have stalled expansion in the country's energy sector, a senior lawmaker said today.

[Why the US Fears a Nuclear Armed Iran](#)

The United States reached its peak oil production in the 1970's. There are simply no large oil field reserves left in the US that are able to meet a fraction of our country's need. The Guardian newspaper[5] reported on April 11, 2010, "The US military has warned that surplus oil production capacity could disappear within two years and there could be serious shortages by 2015 with a significant economic and political impact." What is even more troubling about this report is where it states: "The US military says its views cannot be taken as US government policy but admits they are meant to provide the Joint Forces with "an intellectual foundation upon which we will construct the concept to guide our future force developments." This report only further bolsters the fact that US military force deployment and action are being specifically driven by US oil concerns.

[ONGC Said to Seek Partners for Gas Field After Petrobras Exits](#)

(Bloomberg) -- Oil & Natural Gas Corp., India's biggest energy explorer, is seeking partners to replace Petroleo Brasileiro SA and Statoil ASA in a gas field that lies near the nation's biggest deposit, a company official said.

[UAE proposes site near Saudi border for reactors](#)

DUBAI, United Arab Emirates — The Emirates nuclear energy company announced Thursday that it has picked a site in the country's far western region as its preferred location for the federation's first atomic power plants.

The Emirates Nuclear Energy Corp. said it has submitted license applications for the proposed location to local regulators, who must give the green light to any nuclear sites.

[Gintech to Beat Taiwan Dollar Gains on Solar Demand](#)

(Bloomberg) -- Gintech Energy Corp., Taiwan's second-biggest solar-cell maker, expects to withstand the local dollar's gains because of rising demand for renewable energy.

[Why smartgrids could be answer to energy's future](#)

The future, as it has been pointed out by numerous others, will not look very much like the present for one important reason: We are running out of energy.

[GE to Debut Gearless Offshore Wind Turbine to Rival Siemens](#)

(Bloomberg) -- General Electric Co., the world's second-biggest maker of wind turbines, plans to introduce a 4 megawatt gearless wind turbine for offshore use in 2012 in a challenge to market leader Siemens AG of Germany.

Government incentives and pricing pressure for onshore models amid the economic slowdown make the offshore market more attractive, Mete Maltepe, global sales leader for wind energy at GE, said in a telephone interview on April 20.

[UK: Green Party candidate Matt Sellwood explains all in our Q&A](#)

Why should people vote for you?

Because I am offering that radical alternative. The three establishment parties are avoiding talking about Afghanistan, because they all believe we should be occupying that country. I don't - I'm in favour of immediate withdrawal. The three establishment

parties are all agreed on the need for massive cuts in public services. I'm not - I believe that we should significantly raise redistributive and environmental taxation instead. The three establishment parties are only paying lipservice to climate change and peak oil. I'm being honest about the significantly changed economic and social context that we will need if we are going to deal with those problems in the coming years.

[FUW Manifesto - Family Farms must be at centre of Government Rural Policies](#)

"With the world population expected to rise to between nine and 10 billion by 2050, and predicted reductions in global agricultural productivity per hectare, there is clearly a need for appropriate action that balances food production against environmental considerations, and mitigating climate change without compromising food security is one of the most significant long term challenges facing mankind.

"There can be little doubt that joined up policies between Governments are needed to address these issues and the CAP, by design, provides just such a framework, allowing Europe to react to the imminent challenges that growing populations, global warming, rising sea levels, and peak oil represent in terms of food security."

[10 first steps to greener living](#)

Every journey begins with a single step. We've rounded up the 10 easiest ways for you to start moving toward a lighter lifestyle. Some cost nothing at all. Others provide a lot of bang for your eco-dollar. In every case, these ideas will save you money, cut energy use, and help balance your household's greenhouse gas budget -- the amount of carbon dioxide released into the atmosphere to produce goods or electrical power.

[Fossil-fuel subsidies hurting global environment, security](#)

A comprehensive assessment of global fossil-fuel subsidies has found that governments are spending \$500 billion annually on policies that undermine energy security and worsen the environment.

The study, titled "The Politics of Fossil-Fuel Subsidies" by David Victor, a professor of political science with UC San Diego's School of International Relations and Pacific Studies (IR/PS), was one of five released April 22 by the Global Subsidies Initiative (GSI) of the International Institute for Sustainable Development (IISD).

GSI's goal is to reform, reduce and ultimately eliminate fossil-fuel subsidies, which are highest in Iran, Russia, China, Saudi Arabia, India and Venezuela. The reform effort received a boost September 2009 when President Obama and other world leaders met in Pittsburgh, Pa., for the Group of 20 Summit. They agreed in a non-binding resolution to phase out fossil-fuel subsidies, but the measure didn't attempt to resolve difficult political issues such as how governments would actually achieve a phaseout. Victor's study addresses the political challenges.

[Fueling the Afghan War](#)

In Napoleon Bonaparte's day an army may have marched on its belly, as the French emperor famously quipped, but the modern-day American military campaign in Afghanistan needs not just food but also fuel. Diesel for the MRAPs and Humvees, aviation fuel for the planes and helicopters--that's the fodder for the military surge under way in Afghanistan. Fuel is precious there--they call it liquid gold--and the effort to keep it flowing has created an array of bizarre monopolies, strange alliances and allegations of corruption entangling the US government.

This is the story of two interlinked and secretive offshore companies run by a former Army intelligence officer. The firms run a specialized monopoly of massive proportions. Their niche: supplying aviation fuel for US military operations in Afghanistan--enough to fill two Olympic-size swimming pools each and every day of the year.

[Crude Oil Declines as Greece's Deficit Weakens Equities, Euro](#)

(Bloomberg) -- Crude oil declined for the first time in three days after the European Union said Greece's budget deficit last year was worse than previously forecast, sending equities and the euro lower.

Oil fell to near \$83 a barrel in New York as the dollar climbed against the euro, dimming the appeal of commodities for hedging inflation. A U.S. Energy Department report yesterday showed that crude inventories unexpectedly increased last week, stirring concerns that fuel demand in the world's largest energy user has yet to recover.

[Search Continues for Missing Rig Workers After Blast](#)

(Bloomberg) -- U.S. Coast Guard rescuers searched waters of the Gulf of Mexico through the night for 11 offshore oil workers still missing after an explosion and fire injured 17 people on a Transocean Ltd. drilling rig yesterday.

[FACTBOX - Saudi Arabia's oil refining capacity](#)

Saudi plans to boost refinery capacity have suffered several setbacks. Another plan to boost capacity to 400,000 bpd at Ras Tanura is on hold and may be shelved indefinitely. The kingdom failed to find a foreign partner for a plan to build a refinery at Jizan and will proceed with the project alone.

If all plans proceed, Saudi Arabia would boost domestic refining capacity by more than 1.7 million barrels per day from the current level of 2.1 million bpd.

[Russia Pays Ukraine \\$40 Billion to Halt 'Gas War'](#)

(Bloomberg) -- President Dmitry Medvedev agreed to spend \$40 billion to cement Moscow's ties with Kiev after five years of tension by cutting gas prices to Ukraine in return for an extended Russian naval presence in the Black Sea.

Russia will cut the natural-gas prices it charges Ukraine by 30 percent in a deal that obliges Ukraine to import more gas from its neighbor to the east. As part of the accord, Russia will keep its Black Sea Fleet base 25 years longer than the existing lease allows.

[Gazprom Group Inks Deal With Sempra LNG for Deliveries to U.S. Gulf Coast Terminal](#)

LONDON and SAN DIEGO, CA--(Marketwire) - Gazprom Global LNG Limited ("GGLNG") and Sempra LNG, a subsidiary of Sempra Energy, today signed an agreement that will allow GGLNG to supply liquefied natural gas (LNG) to Sempra LNG's receipt terminal in Lake Charles, La., near the U.S. Gulf Coast. The agreement provides GGLNG with another route to supply the United States with LNG from its growing portfolio and provides the Cameron LNG terminal with natural gas for the U.S. Gulf Coast and East Coast.

[Land Grab: Clean Energy Movement Can Leave Communities Divided](#)

The push for clean energy came to Deborah Rogers' farm about a year ago. Rogers, who makes goat cheese near Fort Worth, Texas, was working when she noticed something strange. Two baby goats, seemingly curled up sleeping, wouldn't wake up. They were dead.

Around the same time, Rogers began to notice dozens of gas wells popping up around her property. Worried about the possibility of toxic emissions, Rogers launched a crusade for safer drilling and sought help from local officials who weren't exactly sympathetic.

"Everyone made it pretty clear to me," Rogers said. "They said, 'Deborah, you're ruining the party.'"

[Massey Expects West Virginia Mine Disaster to Cost \\$212 Million](#)

(Bloomberg) -- Massey Energy Co., owner of the West Virginia coal mine where 29 people were killed this month, said it expects a second-quarter charge of as much as \$212 million for the accident, more than twice its 2009 earnings.

The costs will include \$80 million to \$150 million for benefits for families of the miners,

rescue and recovery efforts, insurance deductibles, legal and other contingencies, the company said yesterday in its first-quarter earnings statement. The value of the damaged equipment, development and mineral rights is an additional \$62 million, the company said.

[Feds Conduct Surprise Inspections Of 57 Coal Mines](#)

CHARLESTON, W.Va. (AP) — Nearly 60 problem U.S. coal mines have been hit with surprise inspections aimed at preventing another explosion like the one that killed 29 miners in West Virginia, the nation's chief mine safety regulator said Wednesday.

The Mine Safety and Health Administration did not immediately reveal how many problems were found during the weekend crackdown. A spokeswoman said that information is still being compiled.

[South Africa Boosts Coal Supplies to China, India on Growth](#)

(Bloomberg) -- South Africa's Richards Bay Coal Terminal, Europe's biggest source of coal burned for electricity, is boosting supplies to India and China as rebounding Asian economies build new power plants.

[Improving the fuel efficiency of U.S. light vehicles](#)

I recently highlighted grounds for pessimism about the ease with which the U.S. could significantly change our oil consumption habits. Here I highlight some interesting new research by U.C. Davis economics professor Christopher Knittel which offers a more optimistic assessment.

[Georgia confirms highly enriched uranium seizure](#)

NEW YORK — Georgia's president said his country had seized a shipment of highly enriched uranium, blaming Russia for creating the instability that allows nuclear smugglers to operate in the region.

Russia dismissed the claims Thursday and said Georgian President Mikhail Saakashvili's comments were "unsubstantiated" and amounted to propaganda.

[Military supports wind power despite radar worries](#)

PETERSON AIR FORCE BASE, Colo. — A U.S. general is trying to reassure the public

the military supports wind power and other alternative energy, despite his concerns that turbines may block radar that detects threats to North America.

Air Force Gen. Gene Renuart, head of U.S. Northern Command and the North American Aerospace Defense Command, wrote on his official blog this week that both commands are committed to homeland defense and clean energy.

Construction of a 338-turbine wind farm in Oregon has been put on hold while experts study whether it will interfere with a nearby radar station.

[Jeff Rubin: A glimpse into our future](#)

While airlines are on the front lines, just think of all the other ways the volcano has short-circuited the global economy. Consider the millions of meetings that never happened, the millions of business transactions that didn't get made, the millions of missed hotel and car reservations. And think of the thousands of airline passengers who took global travel for granted only to find themselves stranded in European airports.

[How bad science opened door for malaria](#)

Early environmentalists made pesticides one of their chief bugaboos. Rachel Carson, who helped launch the modern environmental movement, was among them.

In her now-famous 1962 book *Silent Spring*, she argued that DDT, when sprayed on a Michigan campus to halt the spread of Dutch elm disease, would spread far and wide and harm robins' ability to reproduce.

Carson was no doubt well-intentioned, but it turns out that she was flat out wrong about the effects of DDT. It didn't spread the way she thought it did, and no studies have ever been able to show that environmental exposure to DDT — even in large quantities — harms human health. It is less dangerous to humans than any number of natural chemicals, including some vitamins and medicines that we consume without a second thought. And when used in small quantities in malaria control, DDT protects people from deadly mosquitoes.

The public-health benefits it confers far exceed any of the unproven, theoretical risks.

[White House will go door-to-door for home retrofits](#)

To kick off Earth Day, Vice President Joe Biden announced that 25 U.S. communities will receive \$452 million to go door-to-door and offer energy efficiency retrofits.

[Going truly green might require detective work](#)

More than half of consumers say they would pay more for a product if they knew it was better for the environment, according to a national poll conducted this month by ad agency Venables Bell & Partners.

Yet, some of the spending is misplaced: Overhyped and overpriced enviro-friendly impostors share shelves with the truly planet- and human-friendly products. Misleading claims are so rampant, there is actually a term for it: greenwashing.

[Houses of 2020 will be all about energy](#)

The American house of 2020 will likely be smaller, smarter, more urban and efficient.

It might not look like a space-age Jetsons set, but just as iPhones and Google have revolutionized personal computing, technology will boost home IQ.

[Threats to Earth: 7 Little-Known Ecological Hazards](#)

Threats to the environment lurk among the things we see and use every day. We've singled out seven secret polluters whose negative impact on the planet is worse than it may seem.

[Your backyard could be a wildlife habitat](#)

Across the country, homeowners have been meeting criteria to make their properties hospitable to wildlife. Enrollment in the 37-year-old backyard certification program has grown by 400% since 2003, says program coordinator Roxanne Paul.

Backyard habitats are becoming increasingly important as species pressured by development and other forces seek new homes, says Doug Inkley, senior scientist for the federation. "Many (species) have been in decline. Providing a place for them is extremely educational, it provides good habitat, and it can be a safe endeavor."

[Sen. Voinovich Throws Curveball at Senators' Plan to Limit GHG Regs in Climate Bill](#)

Architects of the Senate climate bill yesterday confirmed plans to limit state and federal climate change programs but signaled that a sweeping measure from Sen. George Voinovich goes further than they plan to.

[Branson's 'Carbon War Room' Puts Industry on Front Line of U.S. Climate Debate](#)

Richard Branson, the British-born billionaire, equates global warming with the kind of threat posed by a world war. In a capitalist America, he argues, that means deploying private equity and ingenuity to beat a common enemy -- in this case, carbon emissions.

[States fear devil in details of climate bill](#)

SAN FRANCISCO (Reuters) – California and other states with aggressive environmental agendas said on Wednesday they fear a federal climate bill may unacceptably weaken their power, in a new sign of uncertainty over compromise legislation being crafted by Senator John Kerry and his allies.

[Study: River water temperatures rising](#)

CHARLOTTESVILLE — New research by a multi-institutional team of ecologists and hydrologists, including the University of Virginia's Michael Pace, shows that water temperatures are increasing in many streams and rivers throughout the United States – a trend that the researchers warn could eventually impact riparian ecosystems.

The study, published in the journal *Frontiers in Ecology and the Environment*, found statistically significant long-term warming in 20 major U.S. streams and rivers – including such prominent rivers as the Colorado, Potomac, Delaware and Hudson.

['Paltry' Copenhagen carbon pledges point to 3C world](#)

Pledges made at December's UN summit in Copenhagen are unlikely to keep global warming below 2C, a study concludes.

Writing in the journal *Nature*, analysts at the Potsdam Institute for Climate Impacts Research in Germany say a rise of at least 3C by 2100 is likely.

Happy Earth Day!



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