



## Drumbeat: May 5, 2010

Posted by [Leanan](#) on May 5, 2010 - 9:14am

Topic: [Miscellaneous](#)

### [Richard Heinberg: China's Coal Bubble...and how it will deflate U.S. efforts to develop "clean coal"](#)

The conventional wisdom in energy-and-environment circles is that China's economy, which is growing at a rate of eight percent or more per year, is mostly coal powered today and will continue to be so for decades to come. Coal is cheap and abundant, and China uses far more of it than any other nation. The country is trying to develop other energy sources fast—including nuclear, solar, and wind—but these won't be sufficient to reduce its reliance on coal. That's one of the reasons it is important for the U.S. to develop "clean coal" technology, which China can then begin to adopt so as to reduce the horrific climate impacts of its coal-heavy energy mix.

Most of this conventional wisdom is correct, but some of it is plain wrong—so wrong, in fact, that environment-, economic-, and energy-policy wonks are constructing scenarios for the future of U.S. and world energy, and for the global economy, that bear little or no resemblance to the reality that is unfolding.

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[w.chron.com/dispatch/story.mpl/business/6991278.html](http://w.chron.com/dispatch/story.mpl/business/6991278.html)>New tactic might seal leaking well sooner, BP CEO says

The runaway well spewing crude into the Gulf of Mexico might be sealed within as little as two weeks using a new, untested approach that has emerged in the last two days, BP CEO Tony Hayward told the Houston Chronicle today.

The method, which he called "top kill," involves reconfiguring existing wellhead equipment to provide a conduit for pumping heavy fluids into the well. That would stop the flow and allow for a permanent seal, Hayward said during a visit to the BP operations center in west Houston that is headquarters for the spill response.

### [Richard Heinberg: China's Coal Bubble...and how it will deflate U.S. efforts to develop "clean coal"](#)

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energy sources fast—including nuclear, solar, and wind—but these won't be sufficient to reduce its reliance on coal. That's one of the reasons it is important for the U.S. to develop "clean coal" technology, which China can then begin to adopt so as to reduce the horrific climate impacts of its coal-heavy energy mix.

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### [US oil cuts challenge producers](#)

Rising petrol prices in the US, the world's largest oil consumer, will reduce the country's fuel thirst for years to come, presenting challenges to oil exporters investing tens of billions of dollars to raise exports.

Fuel use would normally expand with the current economic recovery, but the rise would be countered by the US government's green-energy policies and rising petrol prices, which encourage motorists to drive less and switch to more fuel-efficient cars, says a forecast by the Japanese investment bank Nomura Securities.

### [Sinopec, PetroChina sell oil at lower prices overseas](#)

Sinopec and PetroChina, China's two oil giants, are reportedly exporting fuel at prices nearly 10 percent lower than their domestic retail prices, according to China Business News (CBN) on May 4.

...Meanwhile, weak domestic demand causes oil manufacturers to increase their oil export in spite of unsatisfactory profits. Statistics from General Administration of Custom shows that the total sum of export in March was 2.64 million tons, an increase of over 70 percent than the same period last year.

### [Moody's: Latin American oil companies need more investment to produce](#)

State-run oil companies in Latin America face rising needs of capital investment and financing to increase oil and gas production as energy demand increases, stressed on Tuesday risk rating agency Moody's in a report to investors, Efe said.

### [Mexico cuts petchems crude runs, helps oil exports](#)

MEXICO CITY (Reuters) - Mexico has slashed the processing of crude oil at a major petrochemicals installation which has allowed state oil monopoly Pemex to divert

supplies to export markets, company officials said on Tuesday.

### [Iraq Takes Extra Security Measures to Protect Oil Fields](#)

Iraq has begun implementing extra security measures to protect oil fields in and around the south-eastern city of Basra, security sources announced on Wednesday.

Iraq's oil pipelines have frequently been attacked in the past. Last month, a bomb destroyed a section of pipeline linking northern Iraqi oil fields to the Turkish port of Ceyhan.

### [Bitumen opens new export road for Iranians](#)

The boom in infrastructure development in Asia and the Middle East has opened a little-noticed outlet for Iran to strengthen trade ties with its neighbours, while increasing export opportunities for the region's smaller oil producers.

The commodity involved is bitumen, a term for oil that is so dense and sticky that it sinks in water. It has often been a target of environmental protests over oil.

It can also be produced in petroleum refineries, where it may be called "refinery bottoms" or "asphalt".

### [Pakistan wants better energy ties to Iran](#)

ISLAMABAD, Pakistan, (UPI) -- Islamabad wants to enhance its bilateral ties with Iran in oil exploration and energy development, a financial adviser to the Pakistani prime minister said.

### [Pakistan: 'Coal reserves to resolve energy crisis'](#)

HYDERABAD: Sindh Chief Minister Syed Qaim Ali Shah on Tuesday said development of the country depended on coal-based energy as it generated cheap electricity and the government was making all-out efforts to use the available coal reserves for power generation.

### [The risks and rewards of offshore drilling](#)

NEW YORK (CNNMoney.com) -- The spilled oil lapping at Gulf Coast beaches and wetlands is one tragic result of offshore drilling.

As the administration's plans to expand drilling proceed, what do we get in exchange for putting more of our coastal environment, and the fishing and tourism economies that depend on it, at risk?

### **First, what we won't get**

**It won't make the United States energy independent:** We simply use too much oil.

### [BP Provides States \\$100M for Contingency Plans](#)

BP announced Wednesday that it has made \$25 million block grants to each of the states of Louisiana, Alabama, Mississippi, and Florida to help accelerate the implementation of Area Contingency Plans (ACPs). ACPs are approved plans that address the removal of a worst-case spill. They are designed to mitigate or prevent a substantial threat to sensitive areas.

### [Unified Command Activated for Florida's West Coast](#)

In response to the possibility of the Deepwater Horizon oil spill affecting the West Coast of Florida, representatives from BP, the U.S. Coast Guard, and the Florida Department of Environmental Protection (DEP) are meeting to plan a multi-agency response, the Deepwater Horizon Incident Joint Information Center reported Wednesday.

### [Oil rig survivors recall a hiss before the blast](#)

Minutes before the Deepwater Horizon exploded in fire, workers on the deck heard a thump, then a hissing sound. Gas alarms sounded and the rig shook.

Seawater and mud containing gas from the well spewed up through the crown of the derrick and rained down on the drilling floor; fumes reportedly moved into the "safe zones" where the electric generators are located. The generators raced out of control as they sucked gas into the air intakes.

### [Crews prepare to take oil contraption to Gulf](#)

PORT FORCHOUN, La. (AP) -- A 12-man crew is making final preparations to take a 100-ton contraption to the Gulf of Mexico to help funnel out oil spewing from the bottom of the sea.

The 280-foot supply boat Joe Griffin was docked at Port Fourchon on Wednesday, but is expected to head out as early as late afternoon to the leak site about 50 miles off the Louisiana coast.

### [Va. governor committed to drill despite Gulf spill](#)

RICHMOND, Va. (AP) -- Virginia's governor says he remains committed to making his state the first on the East Coast to drill offshore for oil and gas, despite the Gulf of Mexico oil spill and wilting political support for new drilling.

### [Visualizing the Gulf oil spill in layers](#)

Google Crisis Response has a [series of images showing the Gulf Oil Spill layers](#). From the "current spill extent" and a map of closed fishing areas to satellite images of the spill - the layering graphic demonstrates the extent of the crisis.

### [A little context for the BP oil spill: It isn't the Apocalypse](#)

In July 1979 The Washington Post dispatched me to the island of Trinidad and Tobago to cover the first collision of fully-loaded supertankers. The two ships in question, each more than 1,000 feet long, were loaded with a total of 3.5 million barrels of crude oil - enough to supply 20 per cent of the daily consumption of the entire U.S. at that time.

I knew something about oil. I had grown up in Louisiana around wells and derricks. As a reporter I had written about refineries, ridden tankers and helicoptered to offshore rigs. I figured the oil spill off Tobago would be the environmental disaster of all time. But guess what happened to that environmental disaster?

It never happened.

### [The BP Oil Spill Is a Game Changer for Alternative Energy](#)

It could be the worst environmental disaster in U.S. history... and it's a game changer for alternative energy. In the near future, we can expect momentum and political will to shift decisively away from the mad quest for crude oil - here's why.

### [Perception of shortage hikes fuel costs](#)

CHARLESTON, W.Va. -- Gas prices are going up, and they're going to continue to rise as the summer travel season inches closer.

But there's a new factor this year that will could force people to shell out even more: 5,000 barrels of oil leaking into the Gulf of Mexico every day.

Experts say that amount won't put a huge dent in gasoline supplies, but it creates that

perception. Motorists worry that the price will rise, and fill up sooner, thus boosting demand and sending the price up.

### [Saudi Arabia: power versus oil](#)

Saudi Arabia is at a crossroads. Electricity demand is expected to rocket over the coming years, creating the need for massive investment and expansion in its power sector. However, the Kingdom's oil wealth and the resulting low oil prices, is encouraging an increasing amount of the country's power mix to be oil-fuelled, a phenomenon which if left unchecked, has the potential to bite heavily into the country's oil export potential, which remains the beating heart of the Saudi economy.

However, the Kingdom need not go down this path. Its wealth could be channeled into new nuclear build and the fact that the desert sun delivers around 7000W/m<sup>2</sup> over an average of 12 hours a day, means that it has vast potential from the perspective of solar power. This could well enable Saudi Arabia to go on exporting energy long after it ceases to be one of the world's largest oil producers.

### [Conoco Phillips withdrawal from Yambu project sends a serious industry signal](#)

An interesting article on 4/29/10 MEED by Peter Salisbury "A false dawn for the downstream petrochemical industry". Conoco Phillips withdrawal from the \$10+ Billion project, is a sure signal that the medium-term future of refining and petrochemical markets is not rosy. It is as well a confirmation that the company is still recovering from the 2006 outlay of \$35.6 B to acquire Burlington Resources.

### [Saudi petrochem income to rise five-fold](#)

New projects will ally with higher prices to boost Saudi Arabia's petrochemical earnings by nearly five times in 2015 as the Gulf kingdom is pushing ahead with a major drive to diversify its oil-reliant economy, according to a local study.

### [Saudi Arabia raises light crude prices to US, Asia](#)

Saudi Aramco, the world's largest state owned oil company, raised the official selling prices for all light and medium crude grades for customers in the US and Asia in June.

The company increased the formula price of its Arab Extra Light crude exports to the US the most, raising it by 35 cents a barrel to \$1.70 above the Argus Sour Crude Index, the Dhahran based oil company said in an emailed statement today.



[Russia-Ukraine gas dispute 'highlights need for EU diversification'](#)

In January 2009, a dispute between Russia and Ukraine over the non-payment of gas bills resulted in 18 European countries suffering either a major reduction in or termination of their gas supplies from Russia transported through Ukraine.

Speaking in the European parliament on Wednesday, Slavtcho Neykov, the director of Vienna-based group, the energy community, said "At the risk of sounding cynical, the crisis was a sort of necessary medicine that consumers were forced to swallow in order to fully bring home to them the reality and importance of energy security supply issues.

[Bribery scandal darkens South American unity conference](#)

Between 2007 and 2009, Argentina imported over \$1.225 million in fuel oil from Venezuela in order to address an imposing energy crisis. With these funds, according to accusers, Chavez's government purchased agricultural machinery from Argentine companies which allegedly paid kickbacks to officials of Argentina's government while Nestor Kirchner served as president. His wife, Cristina Fernandez de Kirchner, is currently the president of the South American republic.

[Wash. fines BP refinery for safety violations](#)

BLAINE, Wash. — The Washington state Department of Labor and Industries has fined the BP Cherry Point refinery near Blaine \$69,200 for 13 serious safety violations.

The department said Wednesday that the petroleum refinery failed to follow rules for managing hazardous chemicals, including not routinely inspecting or maintaining safety devices such as pressure safety valves.

[Inconvenient? You Ain't Seen Nothing Yet](#)

Get used to it, baby: if there were an easier available place to find new oil than a mile beneath the sea, they'd be drilling there. The accident in the Gulf of Mexico, however damaging it is already, however widely it may spread, is minor compared with what is happening, invisibly, above our heads. That's the message of Bill McKibben's new book, *Eaarth*, and what he's been warning about for over two decades.

Each era is unimaginable to the era just before, except to a tiny circle of visionaries such as McKibben. Some of these visionaries are misguided, but this author bases his diagnosis on scientific evidence, even when, as in this case, the evidence has momentous implications for our "way of life."

## [Greenland Oil Rush Looms as Exxon Eyes Cairn's Bet](#)

The potential rewards may justify the cost of Arctic drilling: Greenland's waters could hold 50 billion barrels of crude and gas, the U.S. Geological Survey estimates, enough to meet Europe's energy demand for almost two years. More companies are on the way. Royal Dutch Shell Plc and Statoil ASA were among bidders in this week's auction of offshore drilling rights.

After six failed attempts by explorers in Greenland over the past 30 years the rush is on as global warming eases Arctic exploration and because of dwindling resources in areas such as the North Sea. For Greenland's 56,000 inhabitants, largely dependent on shrimp exports, petroleum may also bring wealth and allow more independence from Denmark, which has held sway over the world's largest island since 1721.

## [Groups challenge Shell's Arctic air permits](#)

ANCHORAGE, Alaska - Alaska Native and conservation groups have filed challenges to clean air permits the Environmental Protection Agency granted Shell Oil for drilling exploration wells in the Beaufort and Chukchi seas.

"Shell's drilling threatens to pollute the air we breathe, and EPA needs to regulate the emissions more strongly," said Caroline Cannon, president of the Native village of Point Hope, in a prepared statement. Point Hope is an Inupiat Eskimo village of 713 on the coast of the Chukchi Sea, 330 miles southwest of Barrow.

## [Is China filling the gap in Iranian gasoline imports?](#)

Iran's oil minister may have considered the threat of gasoline import sanctions "a joke" last month, but a Reuters report on Wednesday suggests that the country's motor fuel imports may have drop as much as 20 per cent in May, compared to last month.

Citing industry sources, the report says companies are pulling back from Iran, amid growing talk of sanctions over Iran's nuclear programme.

## [Venezuela supplying 150,000 bpd crude to India](#)

NEW DELHI, May 5 (Reuters) - Venezuela's Vice Minister for Foreign Affairs Temir Porrás Ponceleon said on Wednesday his country is currently supplying 150,000 barrels per day (bpd) of crude oil to India and there was a potential to raise supplies.

India, Asia's third biggest oil consumer, imports about 76 percent of its crude oil needs.



### [Chile mulls private stake in state oil firm - report](#)

SANTIAGO (Reuters) - Chile's state oil company ENAP could open a stake to private investors to raise capital, Energy Minister Ricardo Reineri was quoted as saying by the Financiero newspaper, in a move that could raise tensions with unions at the firm and at state copper giant Codelco.

### [E.P.A.'s Plan to Regulate Coal Ash Draws Criticism](#)

The Environmental Protection Agency issued a long-awaited proposal Tuesday to regulate coal ash, the toxic byproduct of burning coal to produce power. But the agency deferred a decision on whether to treat it as hazardous waste, drawing criticism from environmentalists who had hoped for a stronger stance.

Instead, the agency offered two alternatives, one that would regulate coal ash under strict hazardous-waste rules, and a weaker and less expensive option that would regulate it under the same framework that governs household garbage. The agency will choose between the options sometime after a 90-day comment period.

### [China Said to Seek Brazil, U.S. Soybean Supply on Argentine Ban](#)

(Bloomberg) -- China, the biggest user of cooking oils, told state-owned trading companies to seek supplies of soybean oil from Brazil and the U.S. as it kept an embargo on imports from Argentina, two company executives with direct knowledge of the matter said.

### [Fears That a Lush Land May Lose a Foul Fertilizer](#)

Farmers are worried that treated wastewater may strip away some of the natural fertilizers that have helped make Mezquital Valley in Mexico so productive.

### [Oil spills, green entrepreneurs and the Icelandic ash cloud](#)

The concept of Peak Oil has been used by many organisations and movements – notably Transition Town - as a reason to cut our dependency on oil. Personally, I am always a little wary of using the concept as it is incredibly hard to judge when the Peak Oil point will be reached both because of the secrecy around the level of known existing oil reserves and because of the speed at which new technology is developing.

### [A toast to those who leave free stuff at the curb](#)

A teacher named Mike Morone in suburban Rochester, N.Y., understands this perfectly. He got his start recycling old computers and e-mailed me the other day to say he was now launching "Give Your Stuff Away Day." ([giveyourstuffaway.com](http://giveyourstuffaway.com)).

It's set for May 15.

Morone said he wanted to give people enough time to organize their neighborhoods, round up whatever might be lurking in the cellar or garage, then slap FREE signs on it all.

### [Nomura Boosts 2010 Oil Price Forecast by 18% to \\$85](#)

(Bloomberg) -- Nomura Holdings Inc. raised its oil price forecast for this year to \$85 a barrel from \$72 as the global economic recovery gathers pace.

### [Saudi Arabia global oil exports to wane post-2010](#)

"Along with China and India, we do expect Saudi Arabia to be one of the largest sources of global oil demand," says Amrita Sen, oil analyst at Barclays Capital. "And given Saudi's importance in the oil market as the swing producer, in the longer term, this can impact their ability to control the market at the margin. However, this is unlikely to have a significant impact this year, given the substantial spare capacity it is sitting on, though that buffer could get eroded sooner rather than later in the coming few years."

### [Statoil Profit Triples on Gain in Oil Prices, Output](#)

(Bloomberg) -- Statoil ASA, Norway's largest oil and gas company, said first-quarter profit tripled as crude prices and production gained.

### [Petroplus Sees 'Better Days' Ahead for Oil Refiners](#)

(Bloomberg) -- Petroplus Holdings AG, Europe's largest independent refiner, expects higher margins from turning oil into fuels such as gasoline and diesel as demand increases after the recession.

"We believe better days are ahead," Chairman Thomas D. O'Malley said today in an earnings statement. Last year "was the perfect storm which negatively affected the world's refining industry. Storms don't last forever and it seems to have passed."

### [Petrobras to Sell Argentine Assets for \\$110 Million](#)

(Bloomberg) -- Petroleo Brasileiro SA, Brazil's state-controlled oil producer, said it will sell part of its assets in Argentina to Oil Combustibles SA for \$110 million, including a refinery, gasoline stations and inventories.

The sale by the company's Petrobras Energia unit includes inventories of crude oil and other products for about \$74 million, according to a Brazilian regulatory filing today.

### [Drilling for oil is more risky than it used to be](#)

Even if you set aside the climatic impacts of using oil to fuel our civilisation, there are environmental risks associated with drilling for it and transporting it. But I'm not sure that many people fully appreciate that for the newer oil fields that are being developed, and proposed for development, these risks are potentially much higher. The fact that current industry practices have, on the whole, not led to major spills in the past couple of decades\* is no guarantee that they reduce the risks to acceptable levels at these new, more extreme drilling locations. This is especially true when, in the absence of rigorous regulatory scrutiny, oil companies are tempted to take shortcuts that may not have led to disaster in the past, but could be catastrophic where the margins of safety are lower.

### [Sunken oil platform owner had safety concerns](#)

DALLAS — Transocean Ltd., which owned the drilling rig that exploded in the Gulf of Mexico, eliminated bonuses for top executives last year over concerns about safety problems at the company.

### [BP oil tanker said to be diverted from Gulf of Mexico](#)

BP diverted an oil tanker to Europe from the Gulf of Mexico, where a spill from a rig leased by the company may disrupt shipping, according to a shipbroker with direct knowledge of the decision.

The vessel left West Africa in mid-April and is about 100 miles (160 kilometers) off the west coast of Jamaica, ship-tracking data collected by AISLive Ltd. show. The ship changed course and started heading east Tuesday, when it was still about 1,200 miles away from Houston, the data show.

### [Q&A: The Dome and the Well](#)

BP and the federal government are working frantically on solutions for plugging and containing the spill in the Gulf of Mexico. But shutting off a gushing well that lies under 5,000 feet of water will require a delicate feat of engineering.

## [Slogans and Facts](#)

In 2000, BP underwent a major corporate face lift, unveiling a new green-and-yellow sunburst logo and a fresh slogan: "Beyond petroleum." The rebranding effort cost upwards of \$125 million annually, but it soon propelled the company from the bottom of the pack to the forefront among competitors in the public's opinion of its overall reputation and environmental responsibility.

## [BP's Cleanup Uses Detergent-Like Chemical to Attack Oil Slick](#)

(Bloomberg) -- BP Plc is fighting the oil slick menacing the Gulf Coast with more than 150,000 gallons of a detergent-like chemical intended to blend oil and water.

The chemicals use the Gulf waves as a giant wash tub to scrub the oil from the water, eventually dropping it to the seafloor where deep-sea microbes will feast on it for centuries, said James N. Butler, a professor emeritus of applied chemistry at Harvard University who has studied dispersants.

## [Jeff Rubin: Oil disaster may prove tipping point for world oil production](#)

What are the consequences of another Three Mile Island?

Will the unfolding environmental catastrophe from the ruptured Deepwater Horizon well in the Gulf of Mexico become deep-water oil's equivalent to the Three Mile Island accident?

In terms of environmental degradation and economic cost, it's already become much more. The real legacy of Three Mile Island wasn't what happened back in 1979, though, but rather what happened, or more precisely didn't happen, over the course of the next 40 years in the United States. Literally overnight, the near-meltdown of the reactor core changed public acceptance of nuclear power plants. No company in the U.S. has built a new one since.

## [Time to plan for peak oil crunch](#)

The world may be basking in the warm glow of economic recovery, but some observers are warning of an unseen spectre, lurking in the background.

Just as the global economy has strengthened in recent months, so has the price of oil.

The warning bells are sounding.

## [Oil is not the enemy](#)

When it comes to demonizing our most important hydrocarbon, environmentalists have found allies in the peak-oil movement. But the truth is that oil can -- and will -- play a key role in our efforts to create a sustainable energy mix. And we have more of it than we think.

## [Peak Oil Update: Why the US is in Dire Energy Straits](#)

How's the oil supply looking in the US? Not particularly good, writes our good friend and colleague David Galland.

After a brief respite during the Great Deleveraging, as oil dropped to \$35/barrel, it's been on a relentless climb back up. David dives into the supply and demand fundamentals facing America here...

## [Here Is The Homegrown "Revolution" That Could Save Us From An Oil Crisis](#)

Shale oil and natural gas has long been lauded as a potential savior for the U.S. energy market, but many don't realize just how substantial reserves of these materials are.

What we have in the United States was either too costly or too difficult to acquire before, and now we have the tools capable of extracting the wealth of resources beneath our collective feet, according to Continental Resources.

They have put together a presentation detailing just how wrong we are about our hydrocarbon based future, and how we can hope to reap the resources within and from friendly neighbors like Canada and Brazil as well.

## [Oil falls to near \\$82 as US crude supplies rise](#)

SINGAPORE – Oil prices fell to near \$82 a barrel Wednesday in Asia after a report showed U.S. crude supplies rose more than expected last week.

U.S. crude inventories rose 3.0 million barrels last week, the American Petroleum Institute said late Tuesday. Analysts had expected an increase of 1.5 million barrels, according to a survey by Platts, the energy information arm of McGraw-Hill Cos.

Inventories of gasoline and distillates also rose, the API said.

## [Oil Tops \\$100 for 2018 on Threat From BP Spill](#)

(Bloomberg) -- Crude oil futures for delivery in 2018 surged above \$100 a barrel this week as the BP Plc oil spill in the Gulf of Mexico led the government to consider a halt in future drilling.

The oil contract dated furthest into the future jumped after President Barack Obama said no new offshore drilling leases should be issued until a “thorough review” of the April 20 rig explosion. The leak is pouring an estimated 5,000 barrels a day into the Gulf.

### [Somali pirates board oil tanker; warship en route](#)

NAIROBI, Kenya—Somali pirates armed with automatic weapons boarded an oil tanker with 23 Russian crew onboard Wednesday, and a Russian warship was rushing to intervene, a European Union Naval spokesman said.

### [U.A.E.'s Bid for Caspian Gas May Weaken Russia's Hold on Europe](#)

(Bloomberg) -- The United Arab Emirates is tapping its \$328 billion sovereign wealth fund to invest in gas-rich Turkmenistan, seeking fuel for its own use while potentially challenging Russia's dominance as a supplier to Europe.

### [After Gulf Coast oil spill, scientists envision devastation for region](#)

The urgent question along the polluted Gulf of Mexico: How bad will this get?

No one knows, but with each day that the leaking oil well a mile below the surface remains uncapped, scientists and energy industry observers are imagining outcomes that range from bad to worse to worst, with some forecasting a calamity of historic proportions. Executives from oil giant BP and other energy companies, meanwhile, shared their own worst-case scenario in a Capitol Hill meeting with lawmakers, saying that if they fail to close the well, the spill could increase from an estimated 5,000 barrels a day to 40,000 barrels or possibly even 60,000 barrels.

### [Amount of Spill Could Escalate, Company Admits](#)

WASHINGTON — In a closed-door briefing for members of Congress, a senior BP executive conceded Tuesday that the ruptured oil well in the Gulf of Mexico could conceivably spill as much as 60,000 barrels a day of oil, more than 10 times the estimate of the current flow.

The scope of the problem has grown drastically since the Deepwater Horizon oil rig exploded and sank into the gulf. Now, the discussion with BP on Capitol Hill is certain to



intensify pressure on the company, which is facing a crisis similar to what the Toyota Motor Company had with uncontrolled acceleration — despite its efforts to control the damage to its reputation as a corporate citizen, the problem may be worsening.

### [New Orleans without seafood gumbo? Oil spill's unsavory toll.](#)

New Orleans – The BP oil spill and its effect on state fisheries may soon force a rewriting of New Orleans menus from the seafood cuisine that the Crescent City is best known for to less distinctive fare.

### [Lisa Margonelli: A Spill of Our Own](#)

Whether this spill turns out to be the result of a freakish accident or a cascade of negligence, the likely political outcome will be a moratorium on offshore drilling. Emotionally, I love this idea. Who wants an oil drill in his park or on his coastline? Who doesn't want to punish Big Oil on behalf of the birds?

Moratoriums have a moral problem, though. All oil comes from someone's backyard, and when we don't reduce the amount of oil we consume, and refuse to drill at home, we end up getting people to drill for us in Kazakhstan, Angola and Nigeria — places without America's strong environmental safeguards or the resources to enforce them.

### ['Every gallon of gasoline contains a tremendous amount of risk we don't account for'](#)

The U.S. has been increasing its oil use. But our output peaked in 1972 or 1973. So we use more but haven't increased our production by the same amount. So when your whole political response to spills is to punish the industry and make a statement with a moratorium on drilling, you have to understand that we're still using oil and its coming from other places. Some is coming from Canada and Norway and Mexico, and they have pretty good records. But on the whole, we're going towards dicier and dicier places. The big pockets of oil are in places that are politically or geologically difficult to get to. Deepwater off Angola, drilling in Nigeria, the Exxon project in Chad.

### [In defense of a moratorium on offshore oil drilling](#)

Dan Gatti, an environmental policy analyst at Environment America, writes in to dispute Lisa Margonelli's argument that we should shy away from a domestic moratorium on offshore drilling because it'll push oil production to areas of the world where spills are more frequent and more dangerous.

### [U.S. oil spill hurting energy moves in Congress](#)

WASHINGTON (Reuters) – The massive, uncontrolled oil spill in the Gulf of Mexico is roiling President Barack Obama's carefully laid plans to open up America's coasts to drilling again, while rattling Congress to a point where the oil industry's exploratory plans could face a big shake-up.

U.S. politicians are now in no mood to consider plans to open up new areas for drilling but if the crisis drags on, it could also affect exploration in existing production areas, such as the Gulf.

### [WH pushes to lift liability limit for Gulf spill](#)

WASHINGTON – The White House is pushing to lift the limit on how much BP pays for the Gulf Coast oil spill.

Press Secretary Robert Gibbs said Tuesday the administration wants to work with Congress to change a law that caps at \$75 million BP's liability for economic damages like lost wages or dwindling tourist dollars.

### [Chance of oil drilling off Calif coast appears dim](#)

LOS ANGELES – Gov. Arnold Schwarzenegger's decision to pull support for a proposal to expand oil drilling off the coast of Santa Barbara County effectively killed any short-term prospects for the project.

Prospects for reviving the proposal may not improve even after Schwarzenegger leaves office next year.

### [Oil spill's impact ripples across Gulf Coast](#)

The Gulf oil spill that is contaminating the waters off the coast of Louisiana could have an economic ripple effect extending to Florida and beyond, even if the slick doesn't cause extensive damage in those states.

Just the fear that the oil slick will reach the coasts of Alabama, Mississippi, Florida or beyond is already discouraging some tourists from planning trips to those areas and affecting the region's fishing industry. Concern over oil damage potentially could even put a damper on coastal real estate markets, economists say.

"It's very dramatic ... as far as how bad this thing can get," said Nathaniel Karp, chief U.S. economist with BBVA Compass, a regional bank based in Birmingham, Ala.

## [BP CEO Hayward tested by Gulf of Mexico spill](#)

LONDON — Tony Hayward promised to focus "like a laser" on safety when he landed BP's top job three years ago, heralding a new era for the company after a series of accidents — including the 2005 Texas City refinery explosion that killed 15 people.

But the baby-faced geologist may find his words haunt him.

## [Africa mining: Will mineral-rich countries start a cartel like OPEC?](#)

Dakar, Senegal — African leaders are pushing for tougher terms on mining concessions after 25 years of structural adjustment — when countries cut red tape and offered generous tax holidays to foreign prospectors.

The new dynamic was on display at a recent mining conference in Senegal. The chief executive officer of a multinational Africa mining firm was speaking, but Senegal's president didn't appear to be listening.

## [Nuclear Armed Bullies and NPT Review](#)

Countries belonging to the non-aligned movement (NAM) have stated that all countries have "a basic and inalienable right" to develop atomic energy for peaceful purposes. NAM members note that while Western nations repeatedly ask why Iran is so insistent on building nuclear power plants when the country has vast reserves of oil and natural gas, they never pose the same question to the Russians, who have built a large number of nuclear power plants despite having the largest natural gas reserves in the world. In any event, hydrocarbon energy resources are finite with many reports suggesting a peak oil production soon.

## [A Silver Lining in the Oil Spill and Boston's Water Disaster](#)

These are unqualified disasters by any measure and will harshly impact the people in those areas.

But, unfortunately, it is these kinds of disasters that Americans (and most people around the world) typically need to experience before they actually tackle a problem.

## [Are we really reaching peak oil?](#)

If any alternative to oil is to be broadly accepted by the world's teeming billions, it must perform like oil, span many different energy requirements like oil, fulfill all of the energy needs like oil does, and adapt to the dominant technological model that has been used for

about a century- internal combustion. This is just the energy side of the equation. The other side of the equation is just as demanding. Any alternative must not harm the environment either in its use or creation, it must be plentiful and easily accessible, it must be reasonably priced, and it may not potentially disappear in the future.

Unfortunately, no one alternative can fulfill all of the requirements that oil has provided ever since oil became the dominant energy provider. Each has their intrinsic problems.

### [Michael Ruppert comes to Brattleboro to talk about life without oil](#)

You might not find Michael Ruppert as much fun as Michael Moore. You might find parts of *Collapse*, the film in which director Chris Smith draws him out about his views of the impending violent downsizing of industrial civilization, less persuasive than other parts.

But even those who find veins of material in the 82-minute interview with Ruppert less than credible find them gripping. At the very least he provokes thought about the "collapse" of our way of life and how we ought to be preparing for it. The *New York Times* called the film, which was screened at the International Film Festival in Toronto last September, "Shockingly persuasive... Unexpectedly moving."

### [Northcote gardener ripe for protest](#)

"I took the initiative to convert a piece of unused public land to local food production.

"Imagine streets full of spring blossoms, a supply of free fresh fruit, summer-only shade, all while reducing climate change - who wouldn't want that?"

Mr Moore said the decision to remove the trees he had nurtured over three years contradicted a recent council push to spend \$50,000 identifying unused public space to grow food and up to \$30,000 on an annual produce competition.

### [Suburban living offers quality over quantity](#)

Out in Langley over the weekend, I was struck by just how pleasant life in the Lower Mainland suburbs can be with a large lot, a sizzling barbecue and a backyard full of kids.

And I thought how it wrong it was for politically correct politicians and transportation "experts" continually to rail against suburban sprawl as it were some form of disease.

### [Countering the arguments for sprawl living](#)

Then there is the concern about our limited oil resource, also known as peak oil theory. There is no dispute that oil is a commodity that is becoming even more difficult to find and refine. Look no further than the Gulf of Mexico today. Was this an aberration? No, it was the inevitable result of what happens when you can't find oil on land anymore. They're pushing 250 miles offshore to make sure you and I can drive to the grocery store.

### [HS2 – not blind faith, but could it be partially sighted?](#)

Chairman of High Speed Two (HS2) Sir Brian Briscoe tells Public Servant the new line will "probably" aid the transition to a low-carbon economy. Indeed, environmentalists point to a natural resources crunch – with imminent peak oil – and climate change as ample justification for the £30bn cost of HS2, in order to move away from short-haul aviation.

"The sustainability of the project depends upon how you generate the electricity to run the trains," says Sir Brian. "Rail is a more sustainable option than flying or travel by road, probably – or it could be if we start providing more electricity by renewables. It is a good way of moving large numbers of people between centres."

### [Higher Energy Bills, Wind Push Likely After U.K. Vote](#)

(Bloomberg) -- U.K. consumers can expect higher utility bills no matter which party wins tomorrow's election, with all three pushing to get more electricity from renewable sources and from plants that burn coal more cleanly.

### [Banking on Fuel-Sweating Flora](#)

A start-up company has broken ground on a Texas pilot plant that is supposed to produce ethanol and diesel in a radical new way: with an organism that sweats fuel.

The company, Joule Unlimited of Cambridge, Mass., has developed several patented gene-altered organisms that absorb sunlight and carbon dioxide and combine these into hydrocarbons.

### [Automakers Seek to Delay Ethanol Blending Raise](#)

WASHINGTON — Citing new test data, the auto industry says the federal government's plan to raise the amount of ethanol mixed into gasoline will damage cars and increase the amount of pollution they emit.

[Time to drive commuters away](#)

Opponents of the car park extension picketed a hustings meetings at Berkhamsted Town Hall on Wednesday (picture). Protester Bruce Nixon said the structure: "Disfigures a listed station, creates huge distress for nearby residents. There is no demonstrated need for it. It will not solve the problem or address the reason people park in neighbouring roads - ie the cost of commuting.

"This ugly solution, so-called, ignores the urgent need to address climate change and peak oil. It will be a monument to short-sightedness. We need solutions that provide more attractive alternatives to driving and parking, and gets people out of their cars. Peak time buses would be sustainable, so would car sharing, cycling and walking. Other towns all over the world have done just this. Their experience is that what works is to offer other options cheaper and more attractive."

[Cuccinelli tells U.Va. to hand over documents on climate change](#)

Attorney General Ken Cuccinelli is demanding that the University of Virginia turn over a broad range of documents from a former professor to determine whether he defrauded taxpayers as he sought grants for global-warming research.

The civil investigative demand asks for all data and materials presented by former professor Michael Mann when he applied for five research grants from the university. It also gives the school until May 27 to produce all correspondence or e-mails between Mann and 39 other scientists since 1999.

[As Weather Tracks With Climate Scientists' Grim Forecasts, an African Nation Is Awash in Misery](#)

The poorest of the poor still relieve themselves in the fetid field, and they use the river to bathe and irrigate tiny plots of vegetables. Water is life -- even in this polluted stretch of the Nairobi River Basin. But what happens when the rivers run dry?

Much of Kenya faced that grim reality last year, during what has been called the deepest drought in living memory. The failed rains, followed by flash floods, exacerbated existing water quality and quantity challenges and forced a fractious federal government to reassess the cost, scale and speed of adapting to a warming world.



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