



Drumbeat: June 26, 2010

Posted by [Leanan](#) on June 26, 2010 - 8:45am

Topic: [Miscellaneous](#)

[India Frees Gasoline, Diesel Prices to Help Cut Government's Expenditure](#)

India decided to free prices of gasoline and diesel, saying they would be market driven in line with a panel's recommendations, to cut fuel subsidies and limit losses of state-run refiners including Indian Oil Corp.

A panel led by Finance Minister Pranab Mukherjee also agreed to increase prices of cooking gas and kerosene, which will continue to be under government control, Oil Secretary S. Sundareshan told reporters in New Delhi yesterday. Diesel prices are being raised by two rupees a liter for now and the fuel will eventually be freed from state control, he said.

[Shell begins pulling workers from U.S. Gulf due storm](#)

(Reuters) - Shell Oil Co said on Saturday non-essential workers from production platforms and drilling rigs in U.S.-regulated areas of the Gulf of Mexico oilfields were being evacuated due to the forecast path of Tropical Storm Alex.

[US, UK agree no gain from damaging BP-UK official](#)

(Reuters) - U.S. President Barack Obama and British Prime Minister David Cameron agreed on Saturday there was nothing to be gained from damaging BP, a British official said.

[Don't ignore low-income spill victims, advocates urge BP](#)

WASHINGTON — Vicky Townley is waiting to hear whether BP will compensate her for tip income she says she's lost because of the Gulf of Mexico oil spill.

"Things are so slow we're basically living from paycheck to paycheck, which is not very much," said Townley, a bartender in Gulf Shores, Ala., who filed her lost-wages claim three weeks ago.

[New Orleans Chef Sues BP Over Losses to Restaurants Selling Gulf Seafood](#)

Chef Susan Spicer, of Bayona restaurant in New Orleans and a judge on “Top Chef,” sued BP Plc for damages to restaurants that can’t access their customary supplies of fresh seafood from the Gulf of Mexico.

Spicer filed a proposed class action on behalf of chefs “whose occupation was destroyed and/or adversely and detrimentally affected” by the worst oil spill in U.S. history, caused by the sinking of the Deepwater Horizon rig off the Louisiana coast in April.

[BP ‘Reporter’ Flies Over Gulf Without Noting Slick](#)

A Facebook friend, Kristin Aldred Cheek, pointed me to a pretty wild bit of faux journalism recently concocted by BP as part of its public relations efforts related to the gusher in the Gulf of Mexico. On his blog, a BP “reporter,” Tom Seslar, describes a two-hour helicopter flight over the gulf with a team charting oil patches.

[BP defense: Palin pushes article comparing Obama to Hitler](#)

WASHINGTON — Sarah Palin is urging her followers to read an article likening President Barack Obama to Adolf Hitler in the way Obama pressured BP to set aside \$20 billion for oil spill damage claims.

“This is about the rule of law vs. an unconstitutional power grab. Read Thomas Sowell’s article,” Palin said in a note to followers sent via twitter.

[Oil hands](#)

On Saturday, beach-goers around the world joined hands in solidarity with the people of the Gulf of Mexico region, whose lives have been turned upside-down by the BP oil spill.

The “Hands Across The Sand” protest was designed to be a show of support for clean energy and a protest against drilling for new oil.

[40-year-old reactor to operate for 10 more years](#)

FUKUI — Kansai Electric Power Co has decided to extend operation of the 40-year-old No. 1 reactor at the Mihama nuclear power plant in Fukui Prefecture for another 10 years, which will make it the longest operating among domestic nuclear reactors, informed sources said Saturday.

[UAE exploring options on handling N-waste](#)

ABU DHABI — The UAE is not intending to domestically reprocess the spent fuel from the nuclear reactors to be set up in the country, Hamad Ali Al Kaabi, the permanent representative of the UAE to the International Atomic Energy Agency (IAEA) said here.

[New U.S. oil rigs face inspections, fines in proposed law](#)

(Reuters) - New U.S. oil rigs and wells would face strict new design and inspection rules under a draft law circulated by a key House of Representatives committee on Friday.

The House Energy and Commerce Committee will discuss the draft bill at a June 30 hearing -- one of several congressional initiatives to crack down on the oil industry in the wake of the environmental disaster caused by BP's(BP.N) Deepwater Horizon spill in the Gulf of Mexico.

The 34-page draft "blowout prevention act" outlines the conditions for drilling and operating new "high-risk" wells -- offshore or on land -- and aims to prevent future disasters.

[Offshore drilling loses some support](#)

WASHINGTON — Public support for offshore oil drilling is dropping as sharply as BP's stock as the spill from the April 20 Deepwater Horizon explosion continues to spread across the Gulf of Mexico.

The most recent Pew Research Center nationwide poll taken June 16-20 showed that a majority of Americans surveyed (52 percent) oppose increased offshore drilling, a 14 percentage point increase from last month. However, only 22 percent supported a total ban on offshore drilling, while 35 percent favor banning only new drilling.

[How Much Has Spilled, and How Far? Seeking Answers as Questions Mount](#)

Since the Deepwater Horizon oil rig exploded in the Gulf of Mexico in April, killing 11 and setting off the biggest maritime oil spill in the nation's history, questions about the potential dimensions of the disaster have only multiplied from week to week. Readers have been asking whether the oil can be contained, how serious the damage will be and what they can do to help. Following is a primer on the spill.

[How much oil is really gushing?](#)

WASHINGTON — Billions of dollars and the future of one the world's lushest ecosystems could all ride on one elusive number: the precise amount of oil gushing from the broken BP well at the bottom of the Gulf of Mexico.

Evidently, it's not an easy number to calculate. Estimates have ranged from a 1,000 barrels a day to 100,000 barrels a day. Some say it depends who's doing the figuring; others point to the unpredictable conditions that go along with drilling for oil deep beneath the seabed.

[Moratorium Won't Reduce Drilling Risks](#)

"This case asks whether the federal government's imposition of a general moratorium on deepwater drilling for oil in the Gulf of Mexico was imposed contrary to law. Before the Court is the plaintiffs' motion for preliminary injunction. For the following reasons, the motion is GRANTED."

So began a stinging 22-page decision, issued this week by a Federal District Court judge, Martin L. C. Feldman. He was rejecting, pretty much out of hand, the Obama administration's plan to place a six-month moratorium on all drilling projects in the Gulf of Mexico. It would have amounted to a shutdown of 33 deepwater rigs, the kind that can drill the deepest and are the most complex to operate — and the kind that can cost well over \$500,000 a day even when they're just sitting idle.

[On The Gulf, Oily Ships Cleaned One At A Time](#)

The crude oil gushing in the Gulf of Mexico isn't only a problem when it hits beaches or fouls sensitive marshland. The floating slick offshore can make a mess of the commercial ships that traverse Gulf waters, and then track that oil into shipping channels, ports and marinas.

Just south of Mobile, Ala., The Resolute, a seagoing tug, is positioned near the entrance of a ship channel. The 100-foot tug would normally be docking and sailing ships in and out of Mobile harbor, but now it has been converted into a floating decontamination station. Oily ships can stop and get a wash before they come into port.

[Can BP's Tony Hayward survive after the scalding from the oil spill?](#)

In the course of two months, BP chief executive Tony Hayward has gone from paragon to punching bag.

[Mississippi Man Charged With Repairing BP's Image](#)

Bob Dudley, a BP executive from Mississippi picked to replace CEO Tony Hayward, has a quite a task ahead of him: Take on efforts to clean up the oil spill in the Gulf of Mexico – and repair BP's bruised image.

[Little spent on oil spill cleanup technology](#)

ON BARATARIA BAY, La. (AP) -- While oil companies have spent billions of dollars to drill deeper and farther out to sea, relatively little money and research have gone into finding new, improved ways to respond to oil spills in deepsea conditions like those in the Gulf of Mexico.

Experts say the massive Gulf spill has exposed a failure by the industry and the federal government to commit adequate resources to oil cleanup and response technology.

[Everything You Need To Know About The Future Of Oil & Gas](#)

Big picture trends include a few more years of rising oil supply, with demand shifting to emerging markets. There's a steady shift to liquid natural gas and a slow move to renewables. Peak oil and demand pressure are looming -- but maybe not till the end of the decade.

[Dubai ruler says will go ahead with all projects - CNN](#)

(Reuters) - Dubai's ruler said the emirate would go forward with all development projects within a year in an interview with CNN broadcast on Friday, after billions of dollars worth of projects were cancelled in the wake of the global financial downturn.

[Dutch court orders Rosneft payment](#)

The Dutch Supreme Court has issued a final ruling ordering Rosneft to pay \$400m in claims by a former affiliate of Yukos, the bankrupt Russian oil group that was controversially taken over by the Russian state oil company, the affiliate said.

[Iran announces second natural gas find near Toos](#)

(Reuters) - Iran has found a second gas field in the Khorasan Razavi province where a major natural gas find was announced last week, an official said on Saturday.

[Colombia must learn from Venezuela oil mistakes-execs](#)

CARTAGENA, Colombia (Reuters) - Colombia should learn from the mistakes of neighboring Venezuela if it wants to make the most of booming investment in its crude oil sector, oil industry executives told a conference on Friday.

"Colombia is doing all the right things. Venezuela is doing all the wrong things," Alange Energy (ALE.V) President Luis Giusti told the World Petroleum Council's regional meeting here.

"Colombians should be very pleased about what is happening here."

[Cuba, Russia cooperate to boost oil, natural gas production](#)

The Cuba-Russia cooperation in oil exploration on Friday strengthened further as Russia opened an office of its oil enterprise JSC Zarubezhneft in Havana.

The opening of the Russian oil giant office was deemed as a boost to enhancing the Cuban capability to increase oil and natural gas production on the Caribbean island.

[Is It Energy's Turn Now?](#)

With the overhaul of financial regulation nearing completion, some Democrats are hoping that Congress can turn to the next big legislative challenge – energy and climate change. There is no consensus yet what such legislation should include, but there is strong determination on the part of the White House and Democratic leaders in Congress to try to move something – anything – before Congress leaves town in August.

[Traveling Mother Earth](#)

As spilled oil clouds the Gulf of Mexico, maybe it's time for travelers to think about the toll they take on the planet. There are smart ways to counteract it.

[Natural Disasters Happen. Will Your Home Be Ready?](#)

THE oil spill wreaking havoc in the Gulf of Mexico may be capturing your attention at the moment. But the odds are far greater that a natural disaster – a hurricane, wildfire or windstorm, for instance – will affect you.

The insurance industry is reminding homeowners of those odds this month, at the official start of the hurricane season, noting that forecasters have said it may be a bad one.

[Sea energy could generate billions in exports, council told](#)

WAVE AND tidal energy could supply a significant share of the future electricity needs of Ireland, Northern Ireland, the United Kingdom, the Isle of Man and the Channel Islands, the British-Irish Council (BIC) has heard.

It could also generate billions of euro worth of energy exports and create tens of thousands of jobs, the council heard.

[A Solar Bulb May Light the Way](#)

Nearly 130 years after Thomas Edison created the first marketable incandescent light bulb, nearly two billion people around the globe still live their lives without a steady supply of electric light. The problem is not light bulbs, of course, but living off the grid.

[Genetically Altered Salmon Get Closer to the Table](#)

The Food and Drug Administration is seriously considering whether to approve the first genetically engineered animal that people would eat — salmon that can grow at twice the normal rate.

[Caribbean Storms Strengthen, May Head for Oil Spill](#)

Residents and businesses along the Gulf of Mexico face a weekend of watching and planning as the season's first tropical storm formed off the Yucatan Peninsula.

The storm, called Alex, is about 220 miles (354 kilometers) east-southeast of Belize City and is moving west-northwest at 8 mph, according to a U.S. National Hurricane Center bulletin issued at 5 a.m. Eastern Time. It has maximum sustained winds of 40 mph, just above the 39 mph threshold needed to be classified a tropical storm.

[BP halts oil capture due to storm](#)

BP has announced that it will suspend oil-capture efforts over its blown-out well five days before the potential onset of gale-force winds in the Gulf of Mexico.

[BP Relief Well May Begin Plugging Leak in a Few Weeks](#)

BP Plc said it drilled near its Macondo well beneath the seafloor in the Gulf of Mexico and may begin efforts in a few weeks to plug a leak that caused the biggest oil spill in U.S. history.

[Counterpoint to “A ‘Nightmare’ Scenario for the Gulf Oil Spill”](#)

That said, an actual editor at The Oil Drum has posted a logical response to DougR that is worth reading. She calls it “BP’s Deepwater Oil Spill — Response to DougR’s Concerns — and Open Thread 2” and my only criticism of this piece is that she does not explain to us why the editors at The Oil Drum legitimized DougR by promoting his comment to full-post status. This criticism becomes even more relevant after you see DougR thoroughly discredited.

[Oil Burning Stirs Fear for Sea Turtles](#)

One method for combating the massive oil spill caused by the explosion of the Deepwater Horizon Rig has been to corral some of the thicker oil in the Gulf of Mexico and burn it. This week there was an alarming report from a boat captain saying that sea turtles were being burned alive.

[Turtle Deaths Called Result of Shrimping, Not Oil Spill](#)

A National Oceanic and Atmospheric Administration scientist says he believes most of the dead turtles that have been examined since the Gulf of Mexico oil spill died not from the oil or the chemical dispersants put into the water after the disaster, but from being caught in shrimping nets, though further testing may show otherwise.

[Iraq oil minister sees oil prices as acceptable](#)

BAGHDAD - Iraqi Oil Minister Hussain Al Shahrstani said on Saturday he viewed current oil prices of between \$70 and \$80 per barrel as acceptable and balanced, and likely to endure for the rest of the year.

‘These prices seem acceptable and balanced in the oil market and it’s expected to continue,’ Shahrstani told reporters in Baghdad when asked if the price range of \$70 to \$80 per barrel was likely to persist for the rest of 2010.

He said the oil producer’s group OPEC had spare capacity and could add output at any time.

[Native activist takes oil sands protest to Toronto](#)

Clayton Thomas-Muller, a 34-year-old Cree activist who works for indigenous rights and environmental justice, says Alberta’s oil sands patch is killing native communities — culturally and literally.

In town for Friday night's G20-related Shout Out for Global Justice at Massey Hall, Thomas-Muller says he has "come to call out Canada on the global stage on its failed energy and climate policy and to highlight its gross human rights record."

[Canada: Judge Finds Oil Company Guilty in Deaths of 1,600 Ducks](#)

An Alberta judge found Syncrude Canada Ltd., the biggest producer in Canada's oil sands, guilty on Friday of charges stemming from the deaths of 1,600 ducks that landed on a toxic tailings pond in northern Alberta in 2008.

[Cost for new Iraq refineries seen at \\$20 bln](#)

BAGHDAD - The estimated cost of building four new refineries in Iraq to add some 740,000 barrels per day of refining capacity is more than \$20 billion, Iraqi Oil Minister Hussain Al Shahrstani said on Saturday.

[China May Have Ethylene Shortfall as Demand Outpaces Supply, Sinopec Says](#)

China, the world's fastest-growing major economy, may have a shortfall of ethylene by 2015 as demand growth for the plastic raw material outstrips increases in capacity, according to the nation's top oil refiner.

[Clean energy still a long-term solution](#)

We will not be done with petroleum products for a long, long time. Not just the little synthetic fibers, cosmetics and such but those products that burn, or nearly do, in engines. We are trifling with hybrid vehicles or battery powered cars, which are small, even cute. But we're Americans. We don't like that.

We want larger cars that don't speak to claustrophobia and range farther afield than the limits posed by the batteries being used today. We won't be a nation of small cars, eminently crushable by the full-sized pickup trucks of which we won't let go, which themselves would need a battery the size of a diesel engine to make the truck useful.

[What Peak Oil?](#)

I've been going through the International Energy Agency's new forecast for medium-term oil and natural gas markets, issued yesterday. In contrast to the IEA's warnings of last summer concerning an imminent oil supply crunch, the agency now sees ample supplies to accommodate the level of demand growth it anticipates for the next five years. Yet while this scenario does not envision a peak in global oil supplies before 2015,

its components offer ample cause for concern about the growing market power of OPEC and the risk of geopolitical disruptions. It also signals the growing importance of non-traditional sources of liquid fuels, including natural gas liquids (NGLs) and biofuels, which are included in the IEA's oil supply & demand balance.

[The fossil-fuel fallacy](#)

In 1956, geophysicist Marion Hubbert's research on the estimated oil reserves and projected oil production in the US, concluded a peak would occur between 1966 and 1972 — Peak Oil Theory. When his projections coincided somewhat with the first oil shortage in 1973, it reverberated world wide. This was short-lived, however: Soon new supplies were discovered offshore, in Alaska and elsewhere. Yet the finite fossil origins of oil were still jealously clung to, even though big oil knew of the more plausible abiotic origin even then.

[The darkest art of Zarg-chasm](#)

Laissez-faire capitalism is all about business regulating itself. A self-regulating sphere in an ever-changing business cosmos. Makes it sound exciting, right? putting it this way, as indeed it is. Or was, until political charlatans began to interfere.

The fact that politicians nowadays regard themselves as exempt from the above formula, and able to interfere in the running of sovereign companies, with the excuse that its all for our own good, is the saddest thing of all. Try to imagine, say, a solar power company presenting an advertising campaign, claiming that world oil extraction will peak by 2014-16, and dry up in a few decades. And further imagine that this campaign will not place them in a court of law. Their peak oil claim would be challenged, and evidence would have to be forthcoming. Unfortunately for them, yet fortunately for us and our oil shares, NO evidence is to be had. It doesn't exist. It's simply a damned lie.

[On Being a 21st-Century Peasant](#)

For the sake of argument, let's assume McKibben is right about peak oil. Does that mean the era of expansive global civilization and economic growth is over? Not necessarily. Transportation might become increasingly electrified, perhaps using new-fangled traveling wave nuclear reactors. This would reduce the demand for oil, keeping its price relatively lower for farming uses. In addition, biotechnologists have developed crop varieties that use two-thirds less nitrogen fertilizer than conventional varieties do, which also would reduce the demand for oil in farming. Civilization could well save itself by means of technological fixes and economic growth.

McKibben sees a retreat from modernity as our only option because he believes humans have reached the limits of our creativity. But there's every sign that our capacity to innovate around problems remains limitless.

[Britain To Introduce First-Ever Immigration Cap](#)

Thousands of foreign workers will be turned away from Britain next month when the Government introduces an immigration cap for the first time.

Theresa May, the Home Secretary, is to announce a nine-month temporary limit to prevent a last-minute influx as workers from outside the EU try to beat permanent new controls due to come into force next April.

Just 24,100 workers from outside the EU will be allowed into the country before then and highly skilled migrants will have to meet more stringent conditions. But it will not be enough for the Conservatives to meet their election pledge to reduce net migration — which includes students and EU citizens — to beneath 100,000 this year.

[Lobster Catch-22](#)

It sounds like that hideous line from the Vietnam War about having to destroy a village in order to save it. Only this time, it's being applied to the lobster industry in Long Island Sound.

The Atlantic States Marine Fisheries Commission is now weighing a recommendation to halt all lobster fishing in southern New England waters for five years. Experts say it would be a last-ditch effort to save our dwindling lobster population from vanishing completely, and it could go into effect as early as next year.

Lobster fishermen argue they won't be able to survive that kind of ban. They'd have to sell their boats, traps and dock facilities. By the time such a ban was lifted, there probably wouldn't be commercial lobster operations anywhere along the Connecticut shoreline.

[Scientists Question EPA Estimates Of Greenhouse Gas Emissions](#)

The approach the U.S. Environmental Protection Agency (EPA) uses to estimate greenhouse gas emissions from agricultural anaerobic lagoons that treat manure contains errors and may underestimate methane emissions by up to 65%, according to scientists from the University of Missouri.

Anaerobic lagoons treat manure on some animal feeding operations prior to application to crops as a fertilizer. Methane, one byproduct of the treatment process, has 21 times the warming potential of carbon dioxide.

[Global warming fight fizzles](#)

After the July 11 Upper House election, the Diet is to revive discussion on a bill designed to combat global warming. It calls for reducing greenhouse gas emissions by 25 percent from 1990 levels by 2020. But the 25 percent reduction is conditional on all other major emitter-nations setting similarly ambitious targets. This stipulation sets the stage for failure as it leaves little incentive for companies and society to adopt effective emission-cutting measures. The government should rethink its approach.

[Field Museum examines climate change](#)

In 1600, about the time Europeans had exhausted their forests of wood to burn, they began to burn coal – the first in a series of events that have culminated in a very loud, contentious worldwide debate and the creation of a sizable traveling exhibit on global warming that opened Friday at the Field Museum.

"Climate Change," an exhibit organized by the American Museum of Natural History in collaboration with the Field and several other museums, remains at the Field through Nov. 28.

[Climate Change Scientists Turn Up the Heat in Alaska](#)

ScienceDaily – Scientists at the Department of Energy's Oak Ridge National Laboratory are planning a large-scale, long-term ecosystem experiment to test the effects of global warming on the icy layers of arctic permafrost.

[Higher Wetland Methane Emissions Caused By Climate Warming 40,000 Years Ago](#)

40,000 years ago rapid warming led to an increase in methane concentration. The culprit for this increase has now been identified. Mainly wetlands in high northern latitudes caused the methane increase, as discovered by a research team from the University of Bern and the German Alfred Wegener Institute for Polar and Marine Research in the Helmholtz Association. This result refutes an alternative theory discussed amongst experts, the so-called "clathrate gun hypothesis". The latter assumed that large amounts of methane were released from the ocean sediment and led to higher atmospheric methane concentrations and thus to rapid climate warming.



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