



## Drumbeat: August 5, 2010

Posted by [Leanan](#) on August 5, 2010 - 9:12am

Topic: [Miscellaneous](#)

### [Oil glut in Middle East as crude sales falter](#)

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### [Oil Rig's Owner Had Safety Issue at Three Other Wells](#)

The company that owned the oil rig that exploded in the Gulf of Mexico in April had widespread safety concerns about several of its other rigs in the gulf, and a month before the disaster it commissioned a broad review of the safety culture of the company's North American operations, according to confidential internal reports.

In response to “a series of serious accidents and near-hits within the global organization,” Transocean, the world's largest offshore drilling company, commissioned the risk management company Lloyd's Register to investigate its Houston headquarters and three other gulf rigs besides the Deepwater Horizon to assess its safety culture.

The confidential internal reports, obtained by The New York Times, offer an unusually candid view of safety and maintenance concerns within the world's largest offshore drilling company, and they indicate that the problems highlighted in earlier reports provided to The Times about the Deepwater Horizon were not limited to that rig, which exploded on April 20, leading to an oil spill that is estimated to have poured at least four million barrels of oil into the gulf.

### [BP has backup plans for oil spill if kills fail](#)

(Reuters) - While U.S. officials welcomed the initial success of BP's latest attempt to plug its Gulf of Mexico oil well, the company still has backup options in the event something goes wrong again.

### [Fla. developer sues Halliburton over Gulf spill](#)

NEW YORK -- Florida real estate developer St. Joe Co. is suing Halliburton Co. over its role in the rig explosion that led to the massive oil spill in the Gulf of Mexico.

### [U.S. sanctions on Iran may exempt oil exports](#)

The U.S. is unlikely to include oil exports as part of its sanctions program against Iran, which will be revealed in October, a senior government official said yesterday.

“Sanctions being imposed on Iran are creating problems for Korean firms, and the Korean government is reviewing ways to minimize the damage,” Knowledge Economy Minister Choi Kyung-hwan told reporters yesterday. “The oil sector, however, isn’t likely to be included in the sanctions against Iran.”

### [Belarus to import Venezuela oil via Lithuania](#)

(Reuters) - Belarus is testing new routes for its oil imports from Venezuela, eyeing shipments via Lithuanian ports, as Minsk seeks to diversify crude deliveries due to strained relations with Russia, its main energy supplier.

### [China Overtakes U.S. as Saudi Arabia of Wind Power](#)

The United States has been called the Saudi Arabia of wind. But for the first time ever, China has exceeded the U.S. in newly installed wind capacity.

### [Go into free solar panel deals with your eyes open – warn campaigners](#)

Following an announcement from a company who say they intend to provide free solar panels to 100,000 households, Consumer Focus and the Centre for Sustainable Energy are warning consumers to investigate the details of such schemes to avoid future problems.

## [As It Shrinks, the Dead Sea Nourishes Promises of an Economic Bloom](#)

The water level has been dropping steeply since the 1960s, mainly as a result of Israel, Jordan and Syria diverting almost all the waters of the Jordan River, which used to feed the Dead Sea, for domestic use and agriculture. Potash industries on both the Israeli and Jordanian sides of the lake also play a significant role in depleting the Dead Sea, since the extraction process relies heavily on evaporation ponds. The southern basin, where the industries and the Israeli hotel district are located, was always shallow. Now it would be completely dried out were it not for the industrial evaporation pools, whose water is artificially pumped in from the northern part.

One proposed solution is to construct a water conduit from the Red Sea to the Dead Sea, which would generate hydroelectricity and provide desalinated water, primarily to Jordan, which is acutely short of water, and also help refill the Dead Sea. The governments of Israel, Jordan and the Palestinian Authority agreed to a World Bank-sponsored feasibility study that has begun.

## [The Sand Smugglers](#)

The causeway linking Singapore to the southern tip of the Malaysian peninsula is normally clogged with cars and trucks making the short international journey, but things got particularly bad on Feb. 1, when traffic came to a grinding halt. Thirty-seven trucks were abandoned where they stood on the Malaysian side, just yards away from a customs checkpoint, their drivers having simply walked away. Upon further investigation, it was discovered that they were carrying an illegal substance -- but not drugs, illegal migrants, or precious jewels. They were carrying sand.

## [John Michael Greer: A friendly greeting from annelids](#)

As the old proverb has it, talk is cheap, and talk on the internet seems to be cheaper than most. One of the reasons behind this blog's recent shift from analysis to action is precisely that we have plenty of the former and not enough of the latter. Thus it's time to roll up our sleeves, break out the tools, and get grubby. In this post, and over the weeks and months to come, I'll be examining specific pieces of the appropriate tech toolkit, sharing my experiences with them, and offering tips on at least some of the available resources. Not all my readers will be in a position to use all of the things that will be covered; some of my readers may have been doing one or another of them longer than I have. If you're in either group, please be patient; many other readers won't know this stuff, and each of the techniques I'll be covering casts useful light on green wizardry as a whole, so you may just learn something anyway.

## [What the Zapatistas Can Teach us About the Climate Crisis](#)

Probably the most commonly asked question of people just arriving at a deep concern

for the ecological crisis is, “What can I, as an individual, do to make things better?” The simple answer, which I learned from living among Zapatista villagers, is *nothing*. Because we have to stop acting as individuals if we are to survive; the Earth won't be affected by our individual actions, only our collective impact.

### [Megan Quinn Bachman: When truth is unbelievable](#)

As a college junior I frequented a website ([www.dieoff.org](http://www.dieoff.org)) where prognosticators observed that with accelerating rates of environmental destruction, overpopulation and fossil fuel depletion, modern civilization was on the verge of collapse.

Despite the alarmist tone, these writings were not pseudo-scientific rants, but well-researched articles by eminent authors spelling doom. And there were books on these subjects, too, such as Richard Heinberg's *The Party's Over: Oil, War and the Fate of Industrial Societies*. I kept my new-found realization that life as we knew it was coming an end to myself, for fear of being labeled a “Cassandra.”

Only that's exactly what I would soon become.

### [Oil glut in Middle East as crude sales falter](#)

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### [Weak sales feed glut in Gulf](#)

The increasing problems Iran is encountering in marketing its crude have placed a giant oil boom around the Gulf and Red Sea.

A regional oil glut, which also affects sales of crudes produced by Gulf states, was expected to dissipate at the end of the spring refinery maintenance season in the Far East.

Instead, although it has shrunk by about 40 per cent from a peak of more than 50 million barrels of Gulf crude in floating storage at the end of May, the oversupply is persisting well into the summer.

### [Kuwait's crude oil exports to Japan drop 47%](#)

(MENAFN) Japanese official data showed that Kuwait's crude oil exports to Japan have fell by 47 percent year-on-year in June to 4.86 million barrels for the sixth consecutive month, plunging 47 per cent year-on-year in June to 4.86 million barrels, state-run Kuwait News Agency reported.

### [Oil Falls in New York After Surprise Increase in U.S. Gasoline Stockpiles](#)

Crude oil fell for a second day in New York after U.S. gasoline inventories unexpectedly rose last week, signaling that economic recovery in the world's biggest oil consumer may be stalling.

A U.S. Energy Department weekly report yesterday showed gasoline supplies climbed to the highest level in at least 20 years for the last week of July. The country's jobless rate rose to 9.6 percent last month from 9.5 percent in June, according to a Bloomberg survey before a Labor Department report tomorrow.

"The market is vulnerable at best," said Johannes Benigni, chief executive officer of consultants JBC Energy GmbH in Vienna. "A correction is to be expected if fundamentals lead the market. I don't see oil prices above \$85, it's more likely we'll stay in the \$70 to \$80 trading range."

### [Oil Futures Contango Collapses as Cushing Inventories Swell](#)

Record oil stockpiles in the U.S. Midwest are reducing the premium traders will pay for later deliveries amid signs that fuel demand may be ebbing as the pace of the economic recovery slows.

Inventories in the 15-state region that includes Illinois rose to 97.7 million barrels in the week ended July 30, the highest level recorded since the data started in 1990, according to an Energy Department report yesterday. Supplies in Cushing, Oklahoma, the delivery point for New York futures contracts, were less than 1 percent below the all-time high set in May, the report said.

### [Crude Oil to Climb Toward Fibonacci Target of \\$83.55: Technical Analysis](#)

Crude oil in New York may reach \$83.55 a barrel as upward momentum pushes prices

higher, according to Societe Generale SA.

Oil for September delivery in New York will rise in an ascending channel toward the 61.8 percent Fibonacci retracement of the contract's drop in May, said Stephanie Aymes, a cross-commodity technical analyst at France's second-largest bank by market value. First, prices must move through \$82.85, the upper band of crude's current conduit.

### [Nomura to Boost Commodity Trading in Japan Fivefold to Meet Hedging Demand](#)

Nomura Holdings Inc. plans to increase the volume of its energy and commodities derivatives trade in Japan more than fivefold as producers seek to hedge fuel and raw materials against price movements.

### [Abu Dhabi to hike oil output capacity 29.6%: report](#)

ABU DHABI (AFP) – Oil-rich Abu Dhabi is planning to raise its oil production capacity by 29.6 percent to 3.5 million barrels per day by 2018 from 2.7 million bpd today, according to a report published on Thursday.

"Abu Dhabi has set ambitious targets to increase total production capacity from the current 2.7 million barrels of oil per day to 3.5 million bpd by 2018," said The Oil and Gas Year, Abu Dhabi 2010.

### [Venezuela Pares China Debt With \\$20 Billion Oil Accord](#)

Venezuela, the largest oil producer in South America, is shipping 200,000 barrels a day of oil to China to repay \$20 billion of debt borrowed from the Asian nation to finance power, agriculture and technology projects.

The OPEC member, planning to ramp up China shipments to 1 million barrels a day by 2012, is selling oil at market prices to repay the 10-year loan, Oil Minister Rafael Ramirez said yesterday in an interview in Caracas. Shipments to repay the cash represent half Venezuela's daily crude exports to China.

### [Halliburton balks at telling U.S. early of major deals](#)

(Reuters) - Halliburton Co, which did the cement work for the BP Plc oil well that ruptured, has balked at an Obama administration request to provide advance notice of major transactions it may make, while Transocean Ltd said it would provide some details.

## [BP Russia Talks Stoke Rally for TNK-BP Bonds, Erasing Loss Since Oil Spill](#)

Talks between Russia's government and BP Plc's newly appointed Chief Executive Officer Robert Dudley are stoking the best rally in 17 months for bonds of TNK-BP on expectations asset sales will help the Moscow-based affiliate.

## [Russia stresses keenness on bolstering ties with Kuwait](#)

(MENAFN - Kuwait News Agency (KUNA)) Acting chairman of the Russian side of the Kuwaiti-Russian Joint Cooperation Committee Julikov Maxim stressed Monday on the importance of bolstering ties with Kuwait and keenness on the Russian side to further cooperation and coordination with the Gulf country.

## [Workers Question China's Account of Oil Spill](#)

DALIAN, China — Three weeks after a flood of heavy crude oil fouled scores of miles of this immense northern city's beaches and rocky coastline, a remarkable — some would say heroic — cleanup effort has scrubbed away most traces of the spill.

Whether Dalian's government can eradicate damning accounts of a major industrial accident and a narrowly averted catastrophe that could have killed thousands, on the other hand, remains in considerable doubt.

## [Refiners scramble as Enbridge reworks cleanup plan](#)

Alberta (Reuters) - Refineries in the U.S. upper Midwest and southern Canada scrambled to secure alternative crude supplies on Wednesday as Enbridge Inc was forced to rework some of its cleanup plans for the company's ruptured pipeline in Michigan.

## [BP gets nod to seal runaway well in Gulf of Mexico](#)

NEW ORLEANS, Louisiana (AFP) – BP got the go ahead to cement over its runaway well in the Gulf of Mexico Thursday, one of the final steps needed to plug the oil spill at the center of the worst US environmental disaster.

## [Looking for the oil? NOAA says it's mostly gone](#)

WASHINGTON – With a startling report that some researchers call more spin than science, the government said Wednesday that the mess made by the BP oil spill in the Gulf of Mexico is mostly gone already.

Out of sight, though, doesn't mean out of danger, nor is the Gulf now clean. The harmful effects of the summer of the spill can continue on for years even with oil at the microscopic level, a top federal scientist warned.

### [Gulf oil spill could have impact for 'decades': US official](#)

WASHINGTON (AFP) – The massive Gulf of Mexico oil spill could have an "impact for years and possibly decades to come," a top US official said Wednesday, speaking after BP successfully plugged the leaking well.

"We remain concerned about the long term impact," Jane Lubchenco, head of the National Oceanic and Atmospheric Administration, said at a White House briefing.

### [The Gulf oil spill's cost comes into focus](#)

NEW ORLEANS — Long after the cleanup crews and BP paychecks are gone, Gulf Coast fishermen will be dealing with dead oysters and a perception problem.

Salt marshes will struggle to regrow grasses raked by oil and digest stray pools of crude. Business owners will work to revive shuttered businesses and bruised economies in the wake of the Gulf of Mexico spill.

But the recovery is underway.

### [BP May Seek to Avoid Full Spill Responsibility, Transocean Says](#)

Transocean Ltd., owner of the Gulf of Mexico drilling rig destroyed in an explosion that triggered the worst accidental oil spill, said operator BP Plc may seek to avoid its full contractual responsibility for the disaster.

Transocean, which leased the Deepwater Horizon to BP, said in a regulatory filing that the company's contract protects it from penalties and liabilities other than for contamination resulting from operations controlled by the rig owner on or above the surface of the water.

### [In Gulf, Good News Is Taken With Grain of Salt](#)

NEW ORLEANS — There is little celebration on the Gulf Coast.

Even with the news of the tentative plugging of BP's well, the attention here has largely been focused elsewhere, on a week's worth of reports, culminating in a federal study



released on Wednesday, that the oil in the Gulf of Mexico has been rapidly breaking down and disappearing. These reports have been met, for the most part, with skepticism if not outright distrust.

### [White House: no one owes BP's Hayward an apology](#)

WASHINGTON (Reuters) – The White House said on Wednesday it owed no apology to outgoing BP chief executive Tony Hayward, after welcoming a report that showed pollution from the Gulf oil spill was less than many initially had feared.

"Nobody owes Tony Hayward an apology," White House spokesman Robert Gibbs told a news briefing, insisting the better-than-expected capture of the oil was in part due to the pressure the administration had put on BP to do more faster.

### [Russia oil boss welcomes Dudley](#)

MOSCOW (Reuters) – Russia's top oil boss gave a cool nod of approval to BP Plc's new Chief Executive Bob Dudley on Wednesday, while praising his predecessor Tony Hayward, ousted over his handling of the Gulf of Mexico oil spill.

Russia is a key part of BP's global operation, providing the company with a quarter of its reserves before the U.S. oil spill, so it is vital for Dudley to establish a good working relationship with the world's largest oil exporting nation.

### [Oil Spill Cleanup Workers Include Many Very, Very Small Ones](#)

Among the hidden stars of the gulf cleanup is an oil-hungry bacterium that Dr. Seuss could have named – Alcanivorax. It and fellow microbes are breaking down a significant amount of the oil that gushed into the environment from BP's runaway well, scientists say. The microbial feasting is known as biodegradation.

### [Reliance Agrees to Buy 60% Stake in Carrizo Shale Acreage for \\$392 Million](#)

Reliance Industries Ltd., India's biggest company by market value, agreed to buy its third shale- gas asset in the U.S. this year, acquiring a 60 percent stake in acreages held by Carrizo Oil & Gas Inc. and its partner.

### [In Dubai, a small challenger to SUV's hegemony](#)

Mazda is hoping for a little miracle.

The car maker hopes a new austerity will mean the Mazda2, its smallest car yet, will be able to leave its mark on roads ruled by the monster sport-utility vehicle.

### [Ford hopes free driver's ed in Vietnam leads to sales](#)

HO CHI MINH CITY, Vietnam — The cars idle at the starting line of an empty airfield that seems primed for racing. The engines start. And one by one, they take off — but with a steady glide rather than a screech of tires.

This is not an adrenaline-pumping driving school. But it's how Ford Motor is hoping to turn a nation of bikers and walkers into safe drivers. By offering driver training, the American automaker wants to gain an edge over the competition — and increase its modest foothold in this nascent auto market.

### [ANALYSIS - Empowered US EPA will not spark energy revolution](#)

WASHINGTON - The Obama Administration may yet notch some victories tackling planet-warming emissions but the larger war on climate change will not be won without legislation to kick-start innovation to ease the country's addiction to fossil fuels.

### [Bike agenda spins cities toward U.N. control, Maes warns](#)

Republican gubernatorial candidate Dan Maes is warning voters that Denver Mayor John Hickenlooper's policies, particularly his efforts to boost bike riding, are "converting Denver into a United Nations community."

"This is all very well-disguised, but it will be exposed," Maes told about 50 supporters who showed up at a campaign rally last week in Centennial.

### [Home appliances get tough new efficiency standards](#)

Industry and environmentalist groups agreed Tuesday on tougher efficiency standards for home appliances that, over the next 30 years, could save enough energy to power 40 percent of American homes for a year.

### [Beyond the leadership contest](#)

The crying need in political and civic life is for building convergence on the issues of economic and ecological reality that will be playing out over the next 20 to 30 years. No matter which party forms the next government, we are all staring down the double-

barrel threat of peak oil and climate change - with the debt barrel on the side. And we will all be dealing with the effect on our region of world-wide economic and social upheaval as the fossil fuel era fades.

Might it be possible for those devoted to public service and civic life to move beyond the adversarial mode of party politics into a convergence on best practices that sets up a new model of governance for the common good? Is this too much to hope for?

### [Indonesia: Greening our energy, greening the economy](#)

Concerns surrounding of global warming, peak oil, resource depletion, prices increase and tougher competition to get energy has contributed to the fast development of green energy. What this implied for Indonesia?

Indonesia is a fossil fuel producing country, exporting a significant amount of its natural gas and coal to East Asian industrial nations and recently to China and India. It was also formerly an OPEC member and was known as the world's largest exporter for LNG.

While traditional biomass energy resources are still widely used particularly in rural areas, Indonesia's commercial energy consumption is largely dominated by fossil fuels. In electricity generation, for example, fossil fuels' account for more than 95 percent of energy resources used to generate electricity, with coal accounting for the largest portion of this figure.

While demand for fossil fuels in Indonesia is increasing rapidly (both for domestic supply and exports), its fossil fuels reserves are on a declining trend.

### [Italian Investor's Biofuel Project Sparks Kenyan Opposition](#)

Kenyan conservation groups are opposing the biofuels project of an Italian businessman, saying the proposal to produce energy from jatropha may cause environmental damage.

### [Wheat Hits 23-Month High as Drought Shrivels Russian Crop](#)

Wheat extended a rally to the highest price in 23 months as Russia, the world's third-biggest grower, said it would ban grain exports from Aug. 15 because of the country's worst drought in at least a half century.

A ban would be "appropriate" to stop domestic prices rising, Russian Prime Minister Vladimir Putin told a government meeting in Moscow today. Putin's spokesman Dmitry Peskov later said a temporary ban would start Aug. 15.

### [Travelling by car contributes more to global warming than by plane](#)

LOS ANGELES (Bernama) -- A new study has found that driving a car increases global temperatures in the long run more than making the same long-distance journey by air, China's Xinhua news agency reported.

The new findings released by the American Chemical Society on Wednesday, however, said in the short run travelling by air has a larger adverse climate impact because airplanes strongly affect short-lived warming processes at high altitudes.

### [U.S. Companies Lobby for Technology Fix, Not CO2 Limit at Climate Talks](#)

U.S. companies are lobbying at UN climate talks in Bonn for incentives to spur technologies that could slow the pace of carbon emissions, abandoning a push to encourage a cap on gas emissions, a business lobby group said.



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