IEA Raises Forecast for Global Oil Consumption Even as 2011 Growth Slows

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Crude demand worldwide will average 87.9 million barrels a day in 2011, the IEA said today in its monthly oil market report. While that is 50,000 barrels a day more than the Paris-based adviser forecast last month, it lags behind the upward revision of 80,000 barrels for this year’s estimate. There are “significant downside risks” that demand will slow on an uncertain global economic outlook, the IEA said.

“Global economic activity is seen expanding by 4.5 percent this year but remains capped at 4.3 percent next year,” according to the report. “Concerns that the global economic recovery may falter from the second half of 2010 pose a significant downward risk to the forecast.”

BP’s oil spill in the Gulf of Mexico has placed the ability of the industry to find important new oil supplies on “a knife-edge,” the International Energy Agency, the rich country’s watchdog, warned on Wednesday.

“Macondo also places the ability of the industry to access important new reserves on a knife edge. Some 30 per cent of existing global oil, and nearly 50 per cent of new supplies by 2015, needs to be sourced from offshore, much of it from deep water,” the IEA said in its monthly oil market report.

Fast-Growing China Consumed Less Energy Than U.S. Last Year, Xinhua Says

China, the world’s fastest-growing major economy, consumed less energy than the U.S. last year, the official Xinhua News Agency said, citing a government statement.

Energy use reached 2.146 billion metric tons of oil equivalent, at least 200 million tons less than U.S. consumption, Xinhua said, citing a joint statement by the National Energy Administration and National Bureau of Statistics. China’s energy consumption per capita was 1.61 tons of oil equivalent in 2009, one-fifth of the U.S., according to the Xinhua report.
Rosneft vows to get back $430 mln paid to Yukos

(Reuters) - Russia's state-owned oil giant Rosneft said it aimed to get back the $430 million paid out to Yukos Capital earlier this week following a protracted lawsuit between the firms.

"Rosneft has complied with the Dutch court's decision but is expecting to regain control over the disbursed funds," the company said in a press release on Wednesday.

Fuel Production in India Is Normal After Mumbai Port Closure, Refiners Say

India’s state refiners said fuel production at their plants in Mumbai is normal and no shortage is foreseen as the nation’s busiest container harbor in the city remained closed for the third day after a ship collision.

Oil and Natural Gas Corp., operator of India’s biggest oil field off the west coast, is diverting crude to the two facilities through pipeline to compensate for blocked seaborne imports, the refiners said.

Gas and oil supply disruption causes 3,500MW shortfall

ISLAMABAD: Disruption in the supply of natural gas and fuel oil because severe damage caused by flood to some major installations and transportation network has resulted in a shortfall of more than 3,500 megawatts of electricity, leading to up to seven hours of loadshedding across the country.

The power shortage will persist longer than estimated also because of a delay in the commissioning of some under-construction power projects which were nearing completion. Six power stations of about 1,500MW are already off the national grid.

The energy conundrum

The latest oil shock has re-emphasized the urgency for India to evolve a solution to secure its energy needs such that they mitigate, if not preclude, such economic shocks. All the more so because the existing energy plan envisages India’s dependency on imports to increase to 90% by 2030—a period in which it strives to achieve double-digit growth as part of a strategy to push for greater inclusiveness. This is not surprising given that its consumption of petroleum products has grown at an annual compounded growth rate of around 4% in the last seven years and, according to the International Energy Agency, consumption is expected to rise to 135 million tonnes (mt) per annum by 2012 from 112 mt now.
Anadarko removes non-essential staff from Independence

(Reuters) - Anadarko Petroleum said on Wednesday it removed non-essential personnel from its key natural gas facility, Independence Hub, as well as Neptune facilities in the Gulf of Mexico on Tuesday evening.

Repsol to Sell Shares in Brazilian Unit to Fund Offshore Fields

Repsol YPF SA, Spain’s largest oil company, filed to sell voting shares in its Brazilian unit to fund exploration and production at offshore fields.

Texas oil interests line up for Proposition 23

Money has always been crucial in California politics. As far back as the mid-1960s, the legendary Assembly Speaker Jesse Unruh called it "the mother's milk" of his profession.

He was talking about campaign donations from both individuals and businesses. But this year, the role of money has acquired entirely new dimensions.

Beyond BP: Michael Klare on US Energy Policy

The disaster engendered by the explosion and subsequent hemorrhaging of British Petroleum’s Deepwater Horizon oil rig in the Gulf of Mexico has thrust energy costs —economic and environmental—back into the public discourse in a way not seen since gasoline prices went ballistic in the summer of 2008. That summer, with prices hovering in the $4-per-gallon range, Hampshire College’s Michael Klare published Rising Powers, Shrinking Planet: The New Geopolitics of Energy (Metropolitan Books, Henry Holt & Co., New York).

Vogue’s oil-inspired spread stirs muck in August issue

There she is again, lying on her back in a feathered dress, and in close up, her hair and face sleek with oil.

A stirring photo spread in the August issue of Vogue Italia was inspired by the Gulf oil spill, leaving readers wondering if the magazine crossed from evocative to insensitive. Editor-in-Chief Franca Sozzani understands the debate stretching from blogosphere to beaches and said the motivation is straightforward.

Solar power could boost Sharjah’s energy security
DUBAI — Sharjah finally broke its syndrome of denial over its energy crisis recently and issued an apology to the public. It came as a welcome respite during a summer of discontent for residents.

**Mankind must abandon earth or face extinction: Hawking**

LONDON (AFP) – Mankind's only chance of long-term survival lies in colonising space, as humans drain Earth of resources and face a terrifying array of new threats, warned British scientist Stephen Hawking on Monday.

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**Oil Falls for Second Day as China Output Growth, U.S. Productivity Slow**

Crude oil fell for a second day as a demand outlook from the International Energy Agency coupled with data from the U.S. and China reinforced concerns that the recovery is faltering.

The IEA, an adviser to the Organization for Economic Cooperation and Development, raised its 2011 demand forecast by 50,000 barrels a day while noting “significant downside risks” to consumption. Oil slipped after China’s industrial output grew the least in 11 months and U.S. data showed worker productivity dropped in the second quarter. The Energy Department will release its weekly report today.

**Q1 set to lose its crown as peak oil demand season**

The typical drop in world oil demand between the first and second quarters of the year is disappearing, and could even be reversed as the global market increasingly takes its
Cue from consumption trends in non-OECD countries, according to the International Energy Agency.

The established seasonal pattern of oil demand has historically seen demand peak in the first quarter, when the rich countries of the OECD consume greater quantities of fuel for heating. Demand then normally falls away sharply in the second quarter, making this is a time when many refiners plan scheduled maintenance.

But this pattern is being turned on its head, as the growing importance of non-OECD demand means that the very different consumption patterns in developing countries are now setting the tone for the wider global market, the IEA says in its August monthly oil market report.

Europe Halts Naphtha Shipments to Asia for a Second Month

Asian petrochemical companies may import little or no naphtha from Europe for a second month in August amid ample supplies and weak demand in Japan.

There may be no shipments of the oil product, used to make petrochemicals and gasoline, in August according to the median estimate in a Bloomberg survey of four Europe-based traders, who declined to be identified as they aren't authorized to speak about transactions. The dearth of cargoes compares with 300,000 metric tons in June and 500,000 tons in May.

Oil refiners to run more crude in Q3 - IEA

LONDON (Reuters) - The world's oil refineries will process an average 74.7 million barrels per day in the current July-September quarter, rising from a year earlier and the previous quarter, the International Energy Agency said on Wednesday.

"The third quarter 2010 global crude runs are estimated at 74.7 million bpd, 70,000 bpd higher than our last estimate and 1.1 million bpd above the third quarter 2009," the IEA said in its monthly oil market report.

China Imported More Than 55% of Oil Needs in First Half, Securities Says

China imported more than 55 percent of its oil needs in the first half of the year, the Shanghai Securities News reported, citing data from the China Petroleum and Chemical Industry Association.

Iran hit by tough fuel sanctions
Tougher sanctions against Iran appeared to have halved the country’s petrol imports last month, according to a monthly report from the International Energy Agency.

As a result Iran has been forced to pay a 25 per cent premium to market prices for its petrol deliveries as many companies shy away from supplying the country, the International Energy Agency reported on Wednesday.

**Turkey backs petrol sales to Iran despite sanctions**

ANKARA (Reuters) – Turkey will support petrol sales by Turkish companies to Iran, Energy Minister Taner Yildiz told Reuters on Wednesday, despite U.S. sanctions that aim to squeeze the Islamic Republic’s fuel imports.

**Russia's LUKOIL resumes gasoline supply to Iran -trade**

SINGAPORE/MOSCOW (Reuters) - Russian oil giant LUKOIL has resumed gasoline sales into Iran in partnership with China’s state-run firm Zhuhai Zhenrong, even as the United States urges the international community to be tough with Tehran.

**Russia's last unallotted big oil fields a hard sell**

MOSCOW (Reuters) - Russia has finally set a date to auction off its last unallotted big oilfields, but analyst say the terms it set out for a potential buyer make the deposit difficult to use and develop.

**ExxonMobil lifts Nigeria force majeure**

US supermajor ExxonMobil said today its Nigerian unit had lifted a three-month old force majeure on Qua Iboe oil shipments.

**Jeff Rubin: Boone Pickens’ plan full of hot air**

T. Boone Pickens’ plans to save the United States from its energy dependence on so-called hostile petro-powers is, simply put, full of hot air. The abundance of shale gas in the U.S. will no more free the country’s motorists from dependence on foreign oil than have either the American production of over ten billion gallons of corn-based ethanol or the rollout of GM’s electric-powered Volt.

There’s a reason for the fact that, for a given amount of energy, natural gas prices today trade at a fraction of the price of oil. If people could just switch from using one fuel to the other, that price gap would quickly be arbitraged away. But they can’t — at least not where it counts the most.
July power output rises 12% to record

China increased power generation to a record in July to meet summer electricity demand.

Output rose 12 percent from a year earlier to 377.6 billion kilowatt-hours, according to data released by the National Bureau of Statistics Wednesday. That surpassed the previous all-time high of 350 billion kilowatt-hours in December.

8,000 People? E.P.A. Defers Hearing on Fracking

After successfully holding hearings around the country on the impact of the natural gas drilling method known as hydraulic fracturing, officials with the federal Environmental Protection Agency ran into a hurdle this week in New York State: finding an acceptable site for a hearing and for the passionate crowds expected to show up for it.

The agency announced on Tuesday that it was canceling an all-day hearing that had been scheduled for Thursday at the OnCenter Complex Convention Center in Syracuse after Onondaga County officials expressed concern that they had not been given enough time to prepare security in anticipation of rallies and protests at the event.

Peak oil is the villain governments need

Using the threat of a high oil prices is a sell the public will buy into – unlike intangible arguments over climate change.

Louisiana Declares Emergency as Gulf Storm Builds

Governor Bobby Jindal declared a state of emergency for Louisiana after a tropical depression in the Gulf of Mexico was forecast to strengthen into a bigger storm and slam into the southern state tomorrow.

The Twilight of Matt Simmons

I can still vividly recall his describing to me his wading through a three feet-high stack of Saudi oil field engineering reports, the consensus of which convinced him that Saudi Arabia's oil fields were in serious trouble, a conclusion that was not only the underlying premise of his book, but also earned him the reputation of an oil and gas industry gadfly, as well as a favorite cable news guest as oil prices briefly crested -- propelled mainly by greedy speculators -- at nearly $150 a barrel the summer of 2008. A year earlier he
correctly predicted that the price would climb to over $100.

Maine loses a 'visionary' on energy alternatives

U.S. Sen. Olympia J. Snowe, R-Maine, called Simmons one of the nation's most prominent and innovative energy scholars.

"Matt possessed a unique and powerful voice as a leader in the energy industry to reduce our dependence on foreign sources of oil," Snowe said in a prepared statement.

Matt Simmons embodied integrity

What I remembered first when I learned that Matthew R. Simmons died at his summer home in Maine on Aug. 8 was the anguish in his voice when we spoke by telephone in early 2001 as it became increasingly clear that Enron Corp.'s problems extended to other companies and businesses.

“It’s truly awful,” he said when I mentioned my dismay that the so-called Chinese Wall between investment banks’ research and marketing departments had simply disappeared. “It will take years, if not decades, for our business to regain the trust it has lost. I’m not certain that it ever will.”

RIP Ted Stevens, architect of the Alaskan petrostate

Stevens was a gruff politician of the old school, of a generation of senators whose other members -- Fritz Hollings of South Carolina, Robert Byrd of West Virginia -- have nearly all retired or passed on. It's hard to overstate the stature he enjoyed among Alaskans, who routinely referred to him as Uncle Ted, and who kept him in office for all but one decade of Alaska's half-century of statehood. In the view of his constituents he was less Alaska's senator than its patriarch, the leader who guided Alaska's transformation from a territorial outpost to a modern petrostate.

BP oil spill evidence to be collected by suspects

NEW ORLEANS, Louisiana (AFP) – Key evidence on one of the world's worst oil spills could soon be in the hands of the leading suspects as BP and partner contractors are set to start salvaging the wreckage of the Deepwater Horizon oil rig.

The US government is leading what could become a criminal investigation into the disaster. But it does not have the technical expertise to gather evidence some 5,000 feet (1,500 meters) below the surface of the Gulf of Mexico.
U.S. Lawyers Seek Dismissal of Lawsuit Challenging Deepwater Drilling Ban

U.S. regulators asked a New Orleans federal judge to throw out a lawsuit seeking to lift a deep-water oil and gas drilling ban, arguing that new government rules make the litigation irrelevant.

Australian Labor Party to Bolster Offshore Oil Safety Agency If Re-Elected

Australia’s governing Labor Party would expand the powers of the National Offshore Petroleum Safety Authority should it win re-election on Aug. 21, Resources and Energy Minister Martin Ferguson said.

Australia may create a single offshore oil and gas regulator, Ferguson said at a conference in Perth today. The government is still studying a June report into last year’s oil spill from PTT Exploration & Production Plc’s Montara well and won’t release the findings before next weekend’s vote, he said.

UBS Sued for Copying Oil Reports in Investor Research

(Bloomberg) -- UBS AG’s U.K. unit was sued for allegedly copying articles from oil and gas publications and reprinting them in the investment research it distributed to clients.

Energy Intelligence Group Inc., based in New York, said its publications, which include International Oil Daily, World Gas Intelligence and Petroleum Intelligence Weekly, were copied by UBS Ltd. at least 10 times during 2006 and 2007, according to the lawsuit. Energy Intelligence articles or portions of them were reprinted in UBS’s own investment research publication, Daily Oil News, according to the suit filed in a London court last month and made public this week.

Giant iceberg drifting toward Canada could threaten ships, oil platforms

The Canadian government’s top ice experts have begun planning how to deal with a massive iceberg that broke off a Greenland glacier last week and is expected to drift south over the next two years into East Coast shipping lanes and toward offshore oil platforms.

NASA, the European Space Agency and a host of academic institutions are already helping Canadian officials monitor and analyze the mammoth object, the biggest free-floating mass of ice in the Arctic Ocean in 50 years.

Chefs help craft healthier school lunches with local food
On his first day on the job as director of food and nutrition for Baltimore City Schools, chef Tony Geraci brought in 40,000 pounds of tree-ripened, Maryland-grown peaches for students.

On that day two years ago, he sat in the cafeteria with several second-graders who were eating fresh peaches for the first time in their lives.

**Alberta offers cash for greener lighting**

The Alberta government is offering financial rebates to businesses that use advanced lighting equipment to reduce energy consumption and greenhouse gases.

Restaurants, offices, and warehouses become eligible for rebates if they make their buildings more energy efficient.

**Recycling Land for Green Energy Ideas**

LEMOORE, Calif. — Thousands of acres of farmland here in the San Joaquin Valley have been removed from agricultural production, largely because the once fertile land is contaminated by salt buildup from years of irrigation.

But large swaths of those dry fields could have a valuable new use in their future — making electricity.

**Russian wildfires raise Chernobyl radiation fears**

MOSCOW (AP) — Russian emergency workers have increased forest patrols in a western region previously contaminated by the 1986 Chernobyl nuclear disaster, trying to prevent wildfires from spreading harmful radiation, officials said Wednesday.

At least six wildfires were spotted in the Bryansk region this week — the part of Russia that suffered the most from the Chernobyl catastrophe in what was then Soviet Ukraine— and fire crews quickly extinguished all of them, Emergency Situations Ministry spokeswoman Irina Yegorushkina said. Her agency also had reported sporadic wildfires last week, saying all had been put out.

**Climate Regulation's Newest Foe: Enviros?**

The Environmental Protection Agency’s plan to roll out regulations on planet-warming gases may hit a snag in the coming months—opposition from environmentalists. While industry groups are mounting major legal challenges to the agency’s ability to regulate
greenhouse gases, the EPA's decision to scale back the number of pollution sources subject to these new rules has raised the ire of greens who worry the agency isn't being aggressive enough.

Greens Great in Tasmania Says Greens Deputy Leader, Christine Milne

Tasmanians with an eye on the environment, climate change, the economy and the state of our health system need look no further than The Greens on August 21, says Australian Greens Deputy Leader, Christine Milne.

Speaking at the launch of the Tasmanian Greens Federal election campaign, Senator Milne said the Greens offer a comprehensive range of policies that will see Tasmania thrive as a leader in creativity, competitiveness, safety and innovation as the world tackles climate change and peak oil.

In Vancouver, No Traction for a Bicycle Backlash

Radio sportscaster Dave Pratt of the Pratt and Taylor Show, "the sports fanatics' #1 choice on the drive home," has a reputation across the Lower Mainland for his daily rants about all things sports.

But lately, the middle-aged, leather-pants-wearing bachelor has embarked on a personal vendetta against Vancouver city council for its bike-friendly behaviour. Mayor Gregor Robertson's dream of a downtown network of separated bike lanes has created a traffic nightmare for commuters trying to get to and from work, he says.

Russia Approves TNK-BP Carbon Emissions Project

MOSCOW -(Dow Jones)- Russia has approved a project by TNK-BP Holding to sell emissions reduction units, or ERUs, on the international market, the Anglo-Russian oil major said Wednesday.

The project, which will be implemented under the Kyoto Protocol, will seek to utilize associated gas from TNK-BP's Samotlor oil field. TNK-BP has been granted the right to sell ERUs equivalent to 846,000 tons of carbon dioxide.

U.N. Chief Recommends Small Steps on Climate

UNITED NATIONS — Ban Ki-moon, the United Nations secretary general, said Monday that he doubted that member states would reach a new global climate change agreement in December at a conference in Mexico.
Mr. Ban, who was the head cheerleader for reaching a deal during the 2009 conference in Copenhagen, suggested that a better approach might consist of small steps in separate fields that built toward wider consensus rather than aiming for one sweeping pact.

Frozen jet stream links Pakistan floods, Russian fires

Raging wildfires in western Russia have reportedly doubled average daily death rates in Moscow. Diluvial rains over northern Pakistan are surging south – the UN reports that 6 million have been affected by the resulting floods.

It now seems that these two apparently disconnected events have a common cause. They are linked to the heatwave that killed more than 60 in Japan, and the end of the warm spell in western Europe. The unusual weather in the US and Canada last month also has a similar cause.

Think this summer is hot? Get used to it

This summer's stifling, deadly heat along the Eastern Seaboard and Deep South could be a preview of summers to come over the next few decades, according to a report about global warming to be published Wednesday by the National Wildlife Federation and the Asthma and Allergy Foundation of America.

In fact, according to NWF climate scientist Amanda Staudt, the summer of 2010 might actually be considered mild compared with the typical summers in the future. "We all think this summer is miserable, but it's nothing compared to what's in store for us," she says.