Drumbeat: December 18, 2010

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South American mountains hold key to electric car's future: lithium for batteries

IN SUSQUES, ARGENTINA It's the lightest of all metals, skitters wildly on water and can unexpectedly explode. To mine it commercially requires an elaborate process involving drilling, evaporation tanks and chemical processing.

But if President Obama is to fulfill his goal of putting 1 million electric cars on the road by 2015, a once-obscure metal crucial for the batteries in those cars, lithium, will probably be mined by the tens of thousands of tons here in the high Andes. Its boosters say lithium will one day rival petroleum in value, and that has prompted a race to secure mining rights across this craggy, bone-dry mountain range where vast salt flats contain some of the world's largest deposits.

Chevron Says Wafra Oil Field Production Using Steam Is 'Very Promising'

Chevron Corp., the second-largest U.S. energy company, said a pilot project to boost production by injecting steam into an oil field shared between Saudi Arabia and Kuwait showed "very promising" results.

Chevron is trying to boost production from the Wafra field in the so-called Neutral Zone shared between the two countries by as much as 600,000 barrels a day once a new method for injecting steam is applied on a large scale.

Coast Guard Report Examines Oil in Sea Floor Near Blown-Out BP Well

A federal report released Friday detailed the levels of oil that remain lodged in sea floor sediment around the blown-out BP well in the Gulf of Mexico.

The oil was found in concentrations too small to collect in most areas, and below harmful levels. But the area spanning a mile and a half around the well had concentrations of oil mixed in with drilling mud at levels high enough to raise concerns about harming marine life. Chemical tests confirmed that it matched BP oil, and officials said there was no practical way to clean it.

A BP offshore oil platform suddenly shows signs of a potentially devastating leak. Bubbles form in the seawater. Alarms sound. Panicked oil workers flee the rig. That may sound like the moments that preceded last April's Deepwater Horizon explosion in the Gulf of Mexico, but it actually describes an event 19 months earlier, in the Caspian Sea waters of tiny Azerbaijan. There are uncanny echoes of the Azerbaijan incident in the Deepwater Horizon tragedy, including the likely cause — a faulty cement job. But there was one marked difference: While the Gulf explosion created an ongoing political firestorm, the Azerbaijan leak remained almost forgotten until last week, when another leak — this time of diplomatic cables, released by WikiLeaks — showed just how close BP had come to a major disaster in the Caspian.

Nigeria Rebels Claim Responsibility for Attacks on Delta Oil Flow Stations

The Niger Delta Liberation Force claimed responsibility for bomb attacks yesterday on three oil flow stations in Nigeria's Delta State belonging to Eni SpA's Agip unit and Chevron Corp.

The attacks are a prelude to "a massive bombing soon where oil facilities, oil well heads, major distribution pipelines to the sea depot and refineries" will be targeted, Mark Anthony, a spokesman for the group known as NDLF, said today in an e-mail.

India: Coal shortage to beat mid-term projections

Within six months of the Mid-Term Review highlighting insufficient domestic coal production, current estimates have beaten the review's coal shortage projections. The review's assessment of coal production growth was already a downward revision from an initial estimate of 680 million tonnes by 2012.

<u>Iraq entices investors to bid for power profits</u>

BAGHDAD -- Iraq asked investors Saturday to compete to build four power plants and help the country meet burgeoning electricity demands, promising a healthy profit for the winners.

Why Night Raids May Doom U.S. Prospects in Afghanistan

Night-time raids by Special Forces have become a mainstay of the U.S.-led war against the Taliban in Afghanistan, but they have turned much of the local population in the war zone against the Western presence. The conflicting narratives over what transpired in an Oct. 3 raid in the rugged farming hamlet of Loyi Rud, near the Pakistan border, is typical of the disconnect between the NATO mission and many of those it purports to protect. And that disconnect dims the prospects for success of the U.S. war strategy reaffirmed Thursday by the Obama Administration following a progress review.

'Win-win world' is possible

The world economic system is now creating disagreement and discord between nations, writes Gideon Rachman in 'Zero-Sum World' (www.atlantic-books.co.uk). He adds that new rivalries are emerging with the decline of American power; and the world's major powers are finding that they cannot solve the big global problems such as climate change and nuclear proliferation, terrorism and failed states, energy and food security.

Our increasing use of biomass could mean trouble for our planet

According to research released by NASA, humans are using more and more plant life for "food, fiber, building and packaging materials and biofuels." That increase is happening not just overall as the world population increases but also per person.

WikiLeaks cables: Dalai Lama called for focus on climate, not politics, in Tibet

The Dalai Lama told US diplomats last year that the international community should focus on climate change rather than politics in Tibet because environmental problems were more urgent, secret American cables reveal.

Dreaming of a trashy Christmas

NEW YORK (CNNMoney.com) -- 'Tis the season to be jolly, and unfortunately, to toss also out a lot of trash.

In the period between Thanksgiving and New Year's, American households generate 25% more waste. That's about 1 million extra tons of trash each year, according to the Environmental Protection Agency.

How Green Is Your Artificial Christmas Tree? You Might Be Surprised

In the most definitive study of the perennial real vs. fake question, an environmental consulting firm in Montreal found that an artificial tree would have to be reused for more than 20 years to be greener than buying a fresh-cut tree annually. The calculations included greenhouse gas emissions, use of resources and human health impacts.

An Efficient Way to Play Madden Football

Playing Madden NFL 11, the popular EA Sports video game, consumes roughly six times more electricity on the Sony PlayStation 3 and the Microsoft Xbox 360 than on the Nintendo Wii, according to engineers at the institute's lab in Knoxville, Tenn. The Wii

drew an average of 13.7 watts vs. 84.8 watts for the PlayStation and 87.9 for the Xbox. (The figures do not count the TV screens that the boxes must be connected to.)

Pittsburgh Steelers Treat Fans to a Solar Powered Tire Pump

The Pittsburgh Steelers have partnered up with a local environmental initiative to bring a solar powered tire pump to fans tailgating at this Sunday's game versus the New York Jets. The matchup is also among the home games in which the Steelers have teamed up with aluminum giant Alcoa to promote recycling by football fans, and it provides a glimpse into the new alliances that are forming to push economic growth forward while cutting greenhouse gas emissions and conserving resources.

<u>Cheapest Christmas ever</u>

NEW YORK (CNNMoney.com) -- It may not seem like it when the credit card bill comes due, but many popular Christmas presents are at their cheapest level of all time.

Toys are 55% cheaper today then they were in 1980, according to the Consumer Price Index. And that's a raw number, not adjusted for inflation. If a toy was \$100 in 1980, it's \$45 now -- never mind the fact that \$100 then would be worth \$265 today.

Iran trims petrol ration, first step in subsidy cut

TEHRAN (Reuters) - Iran has reduced the ration of heavily subsidised gasoline motorists can buy each month, an official said on Saturday, in a tentative first step towards slashing long-standing government price supports. Iranians have been expecting a big rise in the price of gasoline for the last three months as the government starts to phase out the \$100 billion spent annually to hold down prices of essentials like fuel and food.

Amid fears over a hostile public reaction, gasoline subsidies which allow Iranians to fuel their cars for just 1,000 rials (about \$0.10) per litre had not been touched until now and the measure announced on Saturday was less severe than expected.

People rioted when the government started rationing subsidised petrol in 2007 and some analysts say big price hikes could reignite unrest which flared after President Mahmoud Ahmadinejad's disputed re-election last year.

Iranian politicians have discussed cutting subsidies for years to stem wasteful consumption of valuable resources but Ahmadinejad has finally pushed the measure through at a time when Iran is under increasing pressure from sanctions imposed by countries concerned about its nuclear programme.

Fuelling energy uncertainty

However, the over-arching energy issue to watch - bringing potential for conflict - is the oil price.

It's been creeping upwards, with Brent crude today above \$91 per barrel.

There's a return to the talk of 'peak oil'.

Goldman Sachs has been warning of cruising past the \$100 mark next year.

Last month, the International Energy Agency said the price of oil is on track to rise to around \$110 a barrel in 2015.

Long-term, by which it means 2035, it's talking about \$200 per barrel.

Crude Oil Rises as Leading Indicators Index Gains by Most in Eight Months

Crude oil rose as the index of U.S. leading economic indicators increased in November by the most in eight months, a signal that the recovery will strengthen next year and boost fuel demand.

Oil gained 0.4 percent on the U.S. report and one that showed German business confidence unexpectedly climbed to a record in December. U.S. fuel consumption jumped 6.5 percent in November from a year earlier, according to a report today from the American Petroleum Institute.

Total U.S. Oil, Natural Gas Rig Count Falls 14 to 1,709, Baker Hughes Says

Oil and natural gas rigs operating in the U.S. fell from a 23-month high this week, according to data published by Baker Hughes Inc.

The combined oil and gas rig count declined by 14 to 1,709, the first drop in four weeks. Last week, the figure was at its highest level since Dec. 19, 2008. The rig count rose to a 22- year high in 2008, peaking at 2,031.

Shahristani to stay as Iraq oil minister - sources

(Reuters) - Iraqi Oil Minister Hussain al-Shahristani, the architect of deals with oil majors that could vault Iraq into the top ranks of global producers, will keep his job in Iraq's new government, senior officials said on Saturday.

Shahristani led the oil ministry as it set Iraq on an ambitious path to boost its production capacity to 12 million barrels per day in the next six or seven years, rivalling global leader Saudi Arabia, from 2.5 million bpd now.

Exxon Mobil Corp. spent \$4.07 million in the third quarter to lobby the federal government on offshore oil drilling laws and other issues, according to a disclosure report.

That's a 43 percent drop from the \$7.16 million that the Irving, Texas, oil giant spent in the year-ago period, but 62 percent higher than the second quarter of this year.

Ecuador judge closes proof phase of Chevron suit

(Reuters) - The Ecuadorean judge hearing a \$27 billion environmental damages case against oil producer Chevron Corp told Reuters on Friday that he has closed the evidentiary phase of the trial.

<u>Chevron Forces Legal Change</u>

Ecuadorians suing Chevron Corp. over alleged pollution in their country have hired new lawyers and are overhauling their legal strategy after a year of aggressive legal moves by the oil giant splintered their legal team.

Transocean ordered to turn over rig safety records to government panel probing Gulf oil spill

NEW ORLEANS (AP) — A federal judge has ordered Transocean Ltd. to turn over a batch of safety records to a government panel probing the deadly rig explosion that spawned the massive Gulf oil spill.

For Some Investigators, BP Oil Spill Is Just Beginning

It's been nearly eight months since the Deepwater Horizon tragedy killed 11 workers and spilled millions of gallons of oil in the Gulf of Mexico. Since April, federal agencies have launched a series of separate investigations and this week the U.S. Chemical Safety Board held its first round of public hearings. Host Scott Simon talks with NPR's Jeff Brady about the continuing investigations into the causes of the BP oil spill.

Royal Dutch Shell Preparing 3 Plans for Gulf of Mexico Deep-Water Wells

Royal Dutch Shell Plc, Europe's biggest oil company, is preparing three exploration plans to meet new requirements for deep-water wells in the Gulf of Mexico after the U.S. lifted a drilling ban, a spokeswoman said today.

Africa: Wikileaks Cables - Antidote to Corruption in Region?

Thursday, 17 December 2009, 11:37 S E C R E T SECTION 01 OF 02 KAMPALA CLASSIFIED BY: Donald Cordell, Economic Officer, State [Department]

'1. Tullow Oil claims senior Ugandan government officials were 'compensated' to support the sale of a partner/rival firm's exploration and production rights to Italian oil company ENI (ref. A).

'Tullow Vice President for Africa Tim O'Hanlon identified XXX and YYY, as Ugandan officials who benefited from the sale of production rights by Heritage Oil and Gas to [Italy's] ENI. {O'Hanlon] requested U.S. assistance in ensuring the open and transparent sale of oil assets.

WikiLeaks: Sudan's president 'stashed \$9 billion'

Omar al-Bashir, the Sudanese president, is suspected of siphoning off \$9 billion from his country's oil boom and depositing much of it in British banks, according to a leaked US diplomatic cable.

Venezuela assembly gives Chavez decree powers

(Reuters) - Venezuela's parliament gave President Hugo Chavez decree powers for 18 months on Friday, outraging opposition parties that accused him of turning South America's biggest oil producer into a dictatorship.

The move consolidated the firebrand socialist leader's hold on power after nearly 12 years in office, and raised the prospect of a fresh wave of nationalizations as the former paratrooper seeks to entrench his self-styled "revolution."

Alberta oil "demarketed"?

After watching a youtube video of Vivian Krause speaking to a Canadian parliamentary standing committee on Natural Resources, I simply don't get it. Does the Oil and Gas industry need protection from the environmental foundations to continue to make record profits and protect their market? I don't think so, they are quite capable on their own; between using highly paid lobbyists and having direct influence over elected officials, or simply through our unbridled consumption of petroleum based products, their market is well protected.

The Resiliency Factor

We know cities of the future will be vastly different than they are today, yet we are not doing much to change business-as-usual. For example, we keep planning and building auto-dependent suburbs knowing well that they — and the lifestyles they make possible — could soon be outdated. Either they will be too expensive to maintain due to peak oil,

or they will be outlawed for their excessive carbon emissions, or both. Whatever way it happens, the age of fossil fuels is drawing to a close and we will need a long goodbye to prepare for its replacement. That is why it is important to begin the transformation now and to get it right.

Time for a New Dialogue on Green Energy

At the National Policy forum, held in Washington, D.C., Mike Eckhart, president of ACORE, asked, "Will clean energy win? If so, how and when?"

Despite, or possibly because of, a reorder of power in the House and Senate, many said that while clean energy faces challenges, it will and already is winning. The consensus was that if America cares to solve its problems of unemployment, energy dependence and yes, for a silent majority, climate change risk, we can expect much more momentum around clean energy policy and deployment over the next two years.

Public transportation is the way to go

Millions of cars, each car carrying one or two passengers on the highway, guzzling a non-renewable natural resource, spewing carbon dioxide into the air, contributing to global warming are generating major economic externalities borne by the majority of the public who don't own or use private cars. Seen in this light, it is a form of social and economic injustice. While cars are here to stay, new and radical rethinking is required to address this imbalance. One way is to impose an economic surcharge on those who wish to enjoy the comfort of their private cars and subsidise those who opt to use public transportation.

While Malaysians are still far behind in adopting such a vision of public transportation, they are, nevertheless, quite ready to embrace public transportation for economic and personal reasons.

Bicycles vs Cars vs Trains: Interesting Trends via Google Books Ngram Viewer

This morning, my Twitter stream was quickly filled with tweets about this new tool from Google that allows one to search for words within the large Google Books collection. Called the Google Books Ngram Viewer, the tool has proven to be an interesting way to get a feel for how culture has changed throughout the past 200+ years, or more specifically, how that changing culture has been documented in the books written during this time.

Sharon Astyk: 300 Years of Fossil Fuels and Not One Bad Gal: Peak Oil, Women's History and Everyone's Future

The problem with Heinberg's history is that it is not "the history" of fossil fuels in 300 seconds, it is *a* history - a particular kind of history, one focused heavily on individual

heroic achievement (specific inventors, generally male and white, who are given more time and attention than those who machined, used and adapted the technologies into daily use) and one that leaves out a large chunk of the explanation for the growth of fossil fuel technologies out of the story - the roles and acts of women. Now it is perfectly reasonable for a very short history to leave things out. But if we have time to observe that Tesla invented alternating current and everyone has a cell phone, we also have time to observe that one of the largest social changes in human history altered conditions in the Global North so that instead of one person in a household using fossil fuels in the public economy - owning a car, supporting the consumer economy now there were two - or two households.

Peak Oil Books for Everyone

In a perfect world, all our friends and family would have a complete understanding of peak oil and we could all talk spend the winter holidays talking about those things that most concern us. And in a perfect world, none of us would still be shopping for holiday presents in late December.

The reality, however, is imperfect. Most of us have friends and families who don't "get it" yet, and some who are actively hostile. They may look askance at our concern with the price of oil or wonder why we're running on about this. The holidays are a good time to (gently) offer up a little new information that helps people make sense of what you are thinking about. And you may have to buy a few gifts anyway!

Pakistan, China sign 13 agreements and MoUs in various fields

ISLAMABAD: Pakistan, China sign 13 agreements and MoUs in various fields Pakistan and China on Friday inked 13 agreements and Memoranda of Understanding on cooperation in economy, energy, banking, security and technology.

Tax Cuts for Energy, Too

The tax package includes an extension for renewable energy grants and a tax credit for ethanol producers.

Siemens May Help Fund Cape Wind Power Project, U.S. CEO Says

Siemens AG is in talks to help finance the construction of Cape Wind.

Backing the controversial wind farm off the coast of Massachusetts would ensure that the developers purchase Siemens turbines and may spur demand for offshore wind power in the U.S., according to Eric Spiegel, chief executive officer of Siemens Corp., the Munich-based company's U.S. unit.

Dongfang Electric Receives \$3.06 Billion of Nuclear, Wind, Thermal Orders

Dongfang Electric Corp., China's third-largest power equipment maker, said it received 20.4 billion yuan (\$3.06 billion) of orders for thermal-, wind- and nuclear-power generating equipment from India and China.

Point Beach nuclear plant reactor remains shut down Friday

The Unit 2 reactor at Point Beach shut down on Monday afternoon because of a problem with the control rods inserting into the nuclear reactor. Rods are inserted into the reactor to stop the fission process during a nuclear plant shutdown.

But a test revealed the rods were not inserting properly. After determining this week that the rods could be fully inserted into the reactor, NextEra attempted to restart the reactor on Wednesday, only to have another problem occur that kept the reactor offline.

EPA has authority to regulate greenhouse gases

Unless and until Congress crafts legislation setting out a sound national policy to address our energy future as well as global climate change, it should not bar the Environmental Protection Agency from using its existing authority to require large new sources of greenhouse gases to install the best available control technology at the time they are constructed.

EU Carbon Permits Decline to Lowest Since July 28 on Rising Offset Supply

European Union carbon permits fell to their lowest price since July 28 as the United Nations- overseen regulator boosted the supply of offset credits.

Italian Financial Police Investigate Suspected Tax Fraud in Carbon Market

Italy's financial police are investigating companies in nine of the country's 20 regions for suspected tax fraud related to fake sales of carbon credits.

Arctic icecap safe from runaway melting: study

There is no "tipping point" beyond which climate change will inevitably push the Arctic ice cap into terminal melt off, according to a study released Wednesday.

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