



Drumbeat: February 2, 2011

Posted by [Leanan](#) on February 2, 2011 - 10:28am

[OPEC's Oil Reserve Revisionism](#)

What's with OPEC member's recent oil reserve revisionism? First Venezuela, then Iraq, followed closely by Iran, and then again by Venezuela, in anticipation of further upgrades from Kuwait and Iraq.

Does Saudi Arabia still hold the world's biggest reserves? Not according to Venezuela. And is there more oil in Iraq than in Iran? Or will Kuwait soon announce it has more than both?

It's, to say the least, a bit puzzling, if nothing else because OPEC members have for decades tried to hide, not broadcast, how much oil they have.

[Egypt Unrest Poses 'No Real Threat' to Oil Via Suez, IEA Says](#)

(Bloomberg) -- Oil transit through the Suez Canal isn't currently at risk from anti-government protests in Egypt, said Fatih Birol, chief economist at the International Energy Agency.

There is "no real threat" to flows through the canal, Birol said today in a Bloomberg interview in Moscow. "We hope to see the market calm down because it is not good news for anybody in the market: consumers, producers or anybody."

[Suez Canal Crisis: Are We Headed Toward \\$5 Gas?](#)

Fears that the Suez Canal will be closed as a result of the political unrest in Egypt are the latest sign that the price of oil remains as much a psychological measure of market confidence as an actual read of economic strength.

[Bigger OPEC hike seen due Mideast tensions - BP](#)

(Reuters) - Oil exporter group OPEC is likely to increase output by "more rather than less" in response to tensions in the Middle East, the chief economist of oil major BP told Reuters Insider Television on Wednesday.

[Fuel shortage leads to queues at Cairo petrol stations](#)

A shortage of fuel has led to long lines at petrol stations in Egypt's capital, on the ninth day of anti-presidential protest.

Only state petrol stations in Cairo continue working on Wednesday, while private petrol station managers say they are running out of fuel as they are unable to pay for supplies as banks remain closed.

[Analysis: Egypt turmoil will reshape U.S. role](#)

WASHINGTON — The protests rocking Egypt could change the political landscape of the all the Arab countries and beyond. Possible outcomes range from pro-democracy forces taking charge in Cairo to, in a worst case, an all-out war that brought in Israel and Iran.

In between, there could be a long period of instability that could breed economic chaos across the region and derail economic recoveries in the United States and Europe.

[Egypt's unrest may have roots in food prices, U.S. Fed policy](#)

WASHINGTON — Economists and experts in food security have warned repeatedly in recent years that an unbridled rise in food prices could trigger the very kind of explosion of citizen anger that's now threatening to topple the Egyptian government. Such anger is likely to rise elsewhere, too.

A large nation with lots of desert, Egypt must import more than half of its food supply. Since 2008, there's been sporadic unrest there as the cost of staples, from bread to fruits to vegetables, has gone up steadily.

[Genetic diversity lost with the damage of Egypt's deserts gene bank](#)

The effort to maintain the world's biodiversity has taken another hit. In the chaos surrounding the political unrest and public uprising in Egypt, looters have badly damaged the country's Desert Research Center in El Sheikh Zowaid in North Sinai. The center houses the Egyptian Deserts Gene Bank (EDGB), and — according to the Global Crop Diversity Trust — equipment has been stolen and the cooling system has been damaged.

[Mid-East unrest could increase global phosphorus threat](#)

Two Australian experts in global phosphorus have warned instability in the Middle East and North Africa could threaten world food security, due to the high proportion of global

phosphate rock reserves in the region.

[BP faces investigation for allegedly manipulating gas market](#)

BP is being investigated by US regulators over alleged manipulation of the gas market, it has emerged.

The US Federal Energy Regulatory Commission (Ferc) notified BP of its preliminary conclusions relating to the alleged manipulation in November, a footnote to BP's annual results, released yesterday, revealed.

[Airlines add fuel surcharges, the first since '08](#)

It looks like airlines are charging more to fly.

American Airlines added fuel surcharges of as much as \$5 each way on most routes. And United Continental Holdings Inc. has its own \$3 each-way surcharge.

[India says no solution on Iran oil payment issue](#)

(NEW DELHI) - India said Wednesday it is yet to resolve a crude oil payment problem with Iran after the South Asian nation's central bank halted payments through a financial clearing house.

[Natural Gas Shales A Game Changer, But LNG Exports?](#)

It is popular to proclaim that the energy world has changed – unconventional natural gas is now conventional – but has it really?

[Saudi Aramco Says Jeddah Refinery Not Affected by Heavy Floods](#)

Saudi Aramco, the world's largest state-owned oil company, said its 350,000 barrel-a-day refinery in Jeddah was not affected by lethal floods that struck the Red Sea port last week.

[US embassy cables: Is Saudi boom reaching its limits?](#)

With temperatures reaching 115 degrees, the Eastern Province of Saudi Arabia is both literally and metaphorically "too darn hot." With vast investments being made in oil and petrochemical projects, post hears constant complaints of shortages of materials, qualified workers, and infrastructure. All of the residential compounds in the Eastern

Province with adequate security have long waiting lists. Aramco's CEO in a recent meeting with the CG admitted that one of his most pressing challenges is finding qualified engineers for all of Aramco's new projects. This cable summarizes data suggesting that the enormous economic boom that the Eastern Province is witnessing may be approaching capacity limits.

[Iraq readies restart of Kurdish flows](#)

Iraq is very close to resuming crude oil exports from the Kurdish region with the initial flow expected at 10,000 barrels per day from the Tawke field, government and regional officials said today.

[Greece secures Azeri gas](#)

Azerbaijan plans to sell 0.7 billion cubic metres of gas per year directly to Greece, bypassing Turkish intermediaries, the ex-Soviet country's Energy Minister Natic Aliyev said today.

[Natural Gas: It's Not Easy Being Green](#)

But with increased scrutiny from regulators, more communities' being directly exposed to natural gas exploration, and questions arising about the fuel's global climate benefits, a more variegated view of natural gas is emerging.

Of course, nearly everyone agrees that natural gas has advantages over other fossil fuels. The question is, how great are those advantages and under what conditions — regulatory and otherwise — are those advantages best obtained?

[Pakistan improves incentives in new tight gas exploration policy](#)

Karachi (Platts) - Pakistan has approved a new tight gas exploration policy with improved incentives as compared with its 2009 policy, to overcome the country's gas shortfall and attract foreign investment, a petroleum ministry official said Wednesday.

['Power crisis fatal for economy'](#)

ISLAMABAD: The present energy crisis is hampering economic growth and leading the industry towards a total shut down, Pakistan Computer Association (PCA) Central President, Munawar Iqbal, said at the general body meeting of the association.

[Sale of gas, petrol suspended](#)

LAHORE - ALREADY annoyed at energy crisis, Lahorites once again were sandwiched between non-availability of petrol and CNG on Monday evening.

[UK home gas use sinks due to higher energy efficiency](#)

(Reuters) - British household gas demand has fallen sharply in four years mainly due to improved home energy efficiency, according to a report published on Wednesday.

[Sales at GM, Chrysler up 23% in January](#)

Auto sales rose 17.3% in January, evidence an auto sales recovery remains firmly underway in an industry that was decimated by the recession.

[Volt sales are kicking the Leaf's butt](#)

NEW YORK (CNNMoney) -- In January, General Motors sold 321 Chevrolet Volt cars. Meanwhile, Nissan, its fiercest electric car competitor, has sold just 87 Leaf cars in the U.S.

[GM plans to build a less expensive Volt](#)

NEW YORK (CNNMoney) -- The Volt has won nearly every major award offered and stirred up tons of interest, but one criticism persists: The price is way too high.

[Growing an American Electric Car Industry, a Tale of Two Companies](#)

Not long after the auto bailouts, the financial crash and the election of President Obama, General Motors Co. had a choice to make.

It had designed an electric car, the Chevrolet Volt, to prove it could build something besides gas guzzlers. To make this car even close to affordable, it would need a battery unlike any that had been made before.

[EPA Report Says Biofuels Bad for the Environment](#)

The world is on the brink of an energy crisis and what could be termed an “energy revolution” is on the rise to address the need for clean affordable power. Renewable energy sources like wind, solar and geothermal are gaining ground in the energy sector, but perhaps one of the greatest hopes—especially in the transportation and diesel machinery industries—is biofuels. The ability to store a liquid as a combustible energy source is an oftentimes overlooked advantage that biofuels have over electrical storage systems such as lithium batteries. The commercial airline sector is certainly investing in

a biofuels future, and mining companies are beginning to take advantage of biodiesel to power their gargantuan machinery.

However, the EPA has released the first draft of their report: *Biofuels and the Environment: The First Triennial Report to Congress (EPA/600/R-10/183A)*. The report is the result of the 2007 governmental mandate to increase biofuel production in the US to 36 billion gallons per year by 2022. It finds that biofuel production in the United States has not proven to be environmentally sound, particularly corn ethanol production. Water contamination through chemical runoff, the destruction of natural habitats, and concerns over invasive species through the increased demand for feedstocks are just a few of the major concerns put forth in the EPA's findings.

[Davos Panel: Can Wind Power Win?](#)

Wind, oil, and gas: Ditlev Engel, the CEO of Vestas Wind Systems, a wind-turbine manufacturer, said that while wind covers only 2 percent of electricity consumption today, his company believes in the future it will become much more significant. The vision: "We believe wind is the only source of energy that in the future is going to be recognized on par with oil and gas," Engel said.

[In Novel Approach to Fisheries, Fishermen Manage the Catch](#)

An increasingly productive way of restoring fisheries is based on the counter-intuitive concept of allowing fishermen to take charge of their own catch. But the success of this growing movement depends heavily on a strong leader who will look out not only for the fishermen, but for the resource itself.

[Experts Debate Limits of Fish Farming](#)

Aquaculture is overtaking traditional fishing in global production, the United Nations Food and Agriculture Organization reported Monday. But a scientist with the organization predicted that growth would slow as space for the food farms dwindled and concerns grew about their effects on the environment.

[Energies of the Future](#)

Every Wednesday, Michio Kaku will be answering reader questions about physics and futuristic science. If you have a question for Dr. Kaku, just post it in the comments section below and check back on Wednesdays to see if he answers it.

Today, Dr. Kaku addresses a question posed by Davis Tan: What future energy source will solve our energy crisis?

[7-Eleven Experiments With Eco-Friendly Stores](#)

KYOTO — At the 7-Eleven across from the Shusse Inari shrine here, the glare of fluorescent light bulbs that is synonymous with convenience stores has been replaced by the soft glow of light-emitting diodes, or LEDs, that consume half the energy and last much longer.

The store, which opened a year ago here in the birthplace of the Kyoto Protocol, is the prototype of the latest eco-friendly 7-Eleven, one of 100 that will be open in Japan by the end of February.

[Malaysian Forest Ebbing at Rapid Rate, Report Says](#)

Malaysia is cutting down forests at more than triple the average rate of the rest of Asia, with the destruction concentrated in the highly biodiverse peatland forests on the island of Borneo, a new analysis of satellite data reveals.

[UK's greenhouse gas emissions reductions an 'illusion'](#)

The UK may appear to have made great progress in reducing its carbon emissions, but declaring only what it produces, rather than consumes, presents a skewed picture of its carbon responsibilities and the balance sheet.

[EU climate change impact studied](#)

BRUSSELS (UPI) -- Britain will face higher costs as a result of climate change than some other European Union countries, due mostly to rising sea levels, a report says.

[FedEx CEO: Let's end our need for oil](#)

FORTUNE -- Every day more than 285,000 FedEx team members deliver some 7 million packages to 220 countries. Every 24 hours our aircraft fly 500,000 miles, and our couriers travel 2.5 million miles. We accomplish this with 670 aircraft and 70,000 motorized vehicles worldwide -- nearly every single one of which is fueled by oil, the lifeblood of today's mobile, global economy. We are all dependent upon it, and that dependence comes at a significant cost. U.S. armed forces expend enormous resources protecting chronically vulnerable oil transit routes and infrastructure around the globe. Oil dependence influences U.S. foreign policy, requiring us to accommodate governments that share neither our values nor our goals. Every American recession over the past 35 years has been preceded by -- or occurred concurrently with -- an oil price spike. And petroleum was responsible for 43% of U.S. energy-related CO2 emissions in 2009.

We cannot continue down this path. There is, however, a solution that may become economically attractive sooner than most think: cars and trucks powered by electricity.

[How Egypt spells oil spike](#)

You surely don't care that Egypt is addicted to foreign oil. But the upshot of its switch to net petroleum consumption is that other, bigger oil addicts – such as the United States, which you may well care about – will inevitably find themselves fighting over a smaller supply of global oil exports. The terms of this battle will surely involve higher prices.

This is one reality of so-called peak oil -- a school of thought that contends, over the loud objections of Exxon et al., that global crude production has likely gone as high as it will.

[Mubarak supporters, opponents clash](#)

CAIRO (AP) — Hundreds of pro-government supporters attacked protesters Wednesday in Cairo's central square, where thousands were pushing ahead with demonstrations demanding the ouster of President Hosni Mubarak.

Mubarak supporters were out in the streets for the first time Wednesday in large numbers, with thousands demanding an end to the anti-government movement a day after the president went on national television and rejected demands for him to step down.

[Mubarak Moves to Regain Streets as Turmoil Hits Yemen](#)

Egyptian President Hosni Mubarak sought to regain control of Cairo's streets hours after protesters rejected his promise to stand down later this year as unrest in the region spread to Yemen.

The Egyptian army said protesters should return to their homes, in a statement by a military spokesman on state television.

[How Protests in the Middle East Could Choke Our Oil Addiction](#)

A major conflict in the Persian Gulf could interrupt oil supplies and have massive repercussions in the US.

[Egypt unrest threatens gas supplies, Israel fears](#)

JERUSALEM (AFP) – Israel expressed concern on Tuesday that its natural gas supplies from Egypt could be threatened by the ongoing popular uprising to oust President Hosni Mubarak.

[Mubarak's Exit to Upend U.S. Policy in Arab World](#)

(Bloomberg) -- Egyptian President Hosni Mubarak's announcement that he won't seek reelection sets in motion a perilous period in Egypt and across the Arab world after decades of predictability under U.S.-allied strongmen.

The dilemma for the U.S. as popular protests sweep the Middle East and North Africa is to back away from repressive leaders without encouraging Islamic radicalism, analysts say. The White House will have to maneuver deftly, they add, to help allies transition to new leadership that won't threaten key U.S. interests in the region: security for Israel and the world's energy supply.

[Why the Egyptian Uprising is Extremely Bad News](#)

The dictator of Tunisia has fallen and it appears possible that Hosni Mubarak's 30-year reign may also soon come to an end, and for all those cheerleaders from both the Bush and Obama administrations claiming credit--not to mention social media nitwits who think Twitter is fomenting democratic revolution--please shut up. As usual, the media's grasp of what is happening is either willfully ignorant of the facts or downright naïve.

[Egypt's Improbable Path Traces Four Points: Mohamed A. El-Erian](#)

Finally, while the instability in Egypt is being driven mainly by internal factors, it would be foolish to ignore external contributors. Egyptians are feeling the pain of surging commodity prices and food inflation. This problem will become more acute as some other governments around the world boost their stockpiling of foodstuff to guard against social unrest.

[Yemen's Leader Pledges Not to Seek Re-election](#)

BEIRUT — President Ali Abdullah Saleh of Yemen said on Wednesday that he would not run for re-election when his term ends in 2013, a stunning concessions to protesters that marked yet another reverberation of the anger that has rocked the Arab World.

[Egypt's Protests Inspire Russian Opposition Activists](#)

The leaders of Russia's opposition have long been looking for a new refrain - something beyond their hackneyed chants of "Russia without Putin!" - and on Monday night, when they gathered for a protest in downtown Moscow, they seemed to have found one. It came off as a kind of Egypt envy, the revolutionary bug that has afflicted many of the world's dissidents since an uprising broke out a few weeks ago in Tunisia and spread to Egypt. For Russia's opposition, the events in the Arab world have raised some frustrating questions: What's the difference between our leaders and Egypt's teetering President? Why won't the revolution come to us?

[Oil Trades Near 28-Month High as Egypt Riots Add 'Risk Premium'](#)

Oil traded near its highest price in more than two years as concern that protests in Egypt may endanger Middle Eastern exports countered signs of rising supplies in the U.S., the largest crude consumer.

...“The chief reason for oil’s rally through \$100 is the return of the geopolitical risk premium,” said Christopher Bellew, senior broker at Bache Commodities Ltd. in London. “There has been a fresh inflow of speculative positions, though with stocks and spare production capacity ample, conditions don’t suggest a surge to new records.”

[OPEC’s Libya hails \\$100 oil, sees no need to meet](#)

PARIS/LONDON - OPEC member Libya rejected on Tuesday the need for OPEC to meet this month in order to discuss raising production, saying that oil at \$100 a barrel is justified by a weaker dollar and rising food costs.

Libya’s top oil official Shokri Ghanem hailed higher prices, a stance that was at odds with moderate OPEC members such as Saudi Arabia, which have maintained that they favor prices below current levels.

[African Unrest Puts Europe's Natural Gas Supply at Risk as Oil Passes \\$100](#)

The unrest in Egypt that forced BG Group Plc and Statoil ASA to stop drilling threatens a region that represents more than 15 percent of Europe’s natural gas supply and 4 percent of the world’s crude oil.

[Jeff Rubin: Which price is really the world benchmark for oil?](#)

The divergence is no mystery. Unlike Brent crude from the North Sea, which can be shipped to refineries pretty much anywhere in the world, oil in storage at Cushing can only be absorbed by refineries in the U.S. Midwest. With nowhere else to go, WTI is not even an accurate barometer for oil prices in the U.S. market, let alone the global market. For example, the price spread between it and Light Louisiana Sweet on the Gulf coast is as big as its spread with Brent. And by all accounts, the spread between WTI and Brent is going to become even bigger, rendering the former increasingly irrelevant as a global pricing benchmark.

[A Welcome Return for \\$100 Oil](#)

The reality is that Egypt has little impact on the physical oil market. Crude that moves through the Suez Canal and SUMED Pipeline only accounts for 2.5% of global demand — a mere 2.1 million barrels per day.

That should be your siren. A blaring, piercing, deafening warning that the tiniest disruption in supply will send traders — and, therefore, price — over the edge.

[Oil Prices Move Up Steady Toward New Climax](#)

Hamsayeh.Net - Oil price is fast approaching what so many analysts call the new median at \$150 dollars a barrel due to the ongoing global geopolitical dislocation happening around the world including Egyptian uprising, continuous growth of the economies of East Asia and the peak oil phenomenon.

[Costly oil's winners and losers in UAE and Gulf](#)

Crude's climb back into triple-digit territory will boost the economies of Middle East oil exporters, even as it hurts the region's oil importers, including Egypt, Tunisia, Lebanon and Jordan.

The biggest regional winner will be the GCC, whose member states' economies are all heavily dependent on hydrocarbon exports. The single country that stands to benefit most is Iraq - crude exports account for about 95 per cent of its foreign revenues.

[Reliance Fuel Exports Double to Highest in Five Months](#)

Reliance Industries Ltd.'s fuel exports from the world's largest refining complex doubled in January to the highest in five months, driven by a surge in diesel shipments.

[Austin Energy implements rolling blackouts](#)

Austin Energy is shutting off power across the city this morning to mitigate circuit overloads, officials announced early Wednesday.

The Electric Reliability Council of Texas demanded the rolling blackouts after generation shortages resulted from Texans cranking up the heat. Weather has lingered well below freezing with wind chills falling near 3 degrees.

[Oil: How technology and prices interact](#)

CAPE TOWN - It is reasonable to think that the peak oil argument must inevitably prove to be correct: At some point we won't be able to find oil as quickly as we consume it. But the core issue has evolved to how technology and prices interact. Science and economics are pointing toward moderate prices and a gradual, non-dramatic move away from oil. Currently, oil fields are abandoned long before the last drop is extracted reflecting rising recovery costs. Sometimes science will advance or the price will rise

sufficiently that re-tapping an old oil field again becomes profitable. This demonstrates how technology is unevenly but unrelentingly moderating prices and helping to wean us off oil.

[Peak Not: Running Into Oil and Gas](#)

Back in the 1970s, James Schlesinger, the first secretary of the Department of Energy, warned about “a classic Malthusian case of exponential growth against a finite source.” Peak oil? Peak gas. How wrong he was a third of a century ago; how wrong are the peakists today.

[Gas Drilling Technique Is Labeled Violation](#)

Oil and gas service companies injected tens of millions of gallons of diesel fuel into onshore wells in more than a dozen states from 2005 to 2009, Congressional investigators have charged. Those injections appear to have violated the Safe Water Drinking Act, the investigators said in a letter to the Environmental Protection Agency on Monday.

[Total Anxious To Start On Uganda Oil Project - Executive](#)

KAMPALA Uganda -(Dow Jones)- France oil major Total SA is "eager" and "anxious" to commence the development of Ugandan oil assets, as it seeks to expand its African operations, a company executive said Wednesday.

[High Court puts brakes on BP-Rosneft deal](#)

LONDON (AFP) – The High Court in London on Tuesday granted a request by the Russian shareholders in TNK-BP Holding an injunction to halt a major exploration tie-up between BP and Rosneft.

[BP hopes for oil production off Alaska in 2013](#)

JUNEAU, Alaska – BP PLC estimates that it could begin producing oil off Alaska's coast in 2013, despite the fact that construction of the massive Liberty rig has been suspended indefinitely.

[BP fund underpays oil spill victims: Mississippi](#)

BILOXI, Mississippi (Reuters) – U.S. courts must compel the administrator of BP's \$20 billion oil spill fund to meet his legal obligations and stop short-changing victims of the Gulf of Mexico disaster, Mississippi said on Tuesday.

[Report Foresees Quick Gulf of Mexico Recovery](#)

The Gulf of Mexico should recover from the environmental damage caused by the enormous BP oil spill last year faster than many people expected, according to new estimates in reports commissioned by Kenneth R. Feinberg, the administrator of the \$20 billion compensation fund.

[BP logs first annual loss since 1992 on oil spill disaster](#)

LONDON (AFP) – Crisis-hit BP reported its first annual loss in almost two decades on Tuesday, as a result of the Gulf of Mexico oil spill disaster, and outlined fresh plans to shift focus away from the United States.

BP suffered a loss of \$4.9 billion (3.6 billion euros) last year, which was the first shortfall since 1992 and compared with a massive profit of \$13.955 billion in 2009, it revealed in a results statement.

[Shell Investment Pays Off With Output Growth as BP Scales Back](#)

Royal Dutch Shell Plc may become Europe's largest oil and gas producer as a \$100 billion spending program starts to pay off and closest rival BP Plc scales back.

[Commodities Traders May Face Curbs Under EU Proposal](#)

Commodity traders in the European Union may face restrictions including position limits under proposals from the European Commission aimed at curbing excessive price volatility.

Curbing the proportion of a commodity derivatives market that a single trader can control may help rein in "excessive speculation," the commission said in an e-mailed statement. Price fluctuations hurt farmers, food-makers and consumers, including in the poorest countries, the commission said.

[Shipping Rates Seen Bottoming on Demolitions](#)

Freight rates are poised to rise after tumbling to a two-year low as owners of ships hauling coal and iron ore scrap the most vessels in at least 28 years.

[How to Play the Canadian Oil Sands](#)

Depending on where you sit on the political spectrum and what your economic interests are, you either buy into the peak oil story or you don't. But the real answer is that both

of these perspectives are correct in their own ways. The world's oil production has not, in fact, peaked. There's still a vast amount of oil out there and that production will continue to increase year after year for a long time. But the problem is that an increasing proportion of this supply is in places that are more difficult and more expensive to get to.

I call it "Peak EasyOil". Unlike global warming and the New York Yankees, I think that this is something that pretty much every one of us can agree on.

[Obama's Bid to End Oil Subsidies Revives Debate](#)

WASHINGTON — When he releases his new budget in two weeks, President Obama will propose doing away with roughly \$4 billion a year in subsidies and tax breaks for oil companies, in his third effort to eliminate federal support for an industry that remains hugely profitable.

Previous efforts have run up against bipartisan opposition in Congress and heavy lobbying from producers of oil, natural gas and coal. The head of the oil and gas lobby in Washington contends that the president has it backward — that the industry subsidizes the government, through billions of dollars in taxes and royalties, not the other way around.

[White House clean energy standard gets key support](#)

WASHINGTON (Reuters) — The White House on Monday won a key endorsement for its proposal to boost U.S. electricity generation by clean energy sources as the head of the Senate's energy panel said he could back the idea of including nuclear power in the fuel mix.

[AP sources: House GOP readies restrictions on EPA](#)

Officials say House Republicans intend to unveil legislation as early as Wednesday to ban the Environmental Protection Agency from regulating greenhouse gases under the Clean Air Act.

The bill is ticketed for quick progress through the House, and is likely to draw strong opposition from the Obama administration.

[Don't Buy the Clean Energy Illusion](#)

So now — under the guise of “clean energy” — we're going to pony up more for these guys, while the president smiles and tells the country that we're going to end all those fossil fuel subsidies?

They're not going to end anything. They're just going to give the fossil fuel welfare scam a fresh coat of "green" spin and hope no one notices.

[Silver lining for UAE over black gold price rise](#)

A two-year high for Brent prices brings with it the potential not only to boost the Government's oil revenues, but also to buoy renewable energy investment across the region.

[Endangered Elements Pose Threat To Green Energy](#)

The January issue of Chemistry World includes a warning on impending shortages of certain elements. Among them are the rare earth elements, in particular neodymium, production of which, it is reckoned, will have to increase five times to build enough magnets for the number of wind-turbines deemed necessary for a fully renewable future. My rough calculations indicate that this would still take 50 – 100 years to implement, depending on exactly what proportion of the renewable electricity budget would be met from wind power, and if the manufacturing capacity and other resources of materials and energy needed for this Herculean task will prevail.

[U.S. Pushes, but Reactors Are Lagging](#)

WASHINGTON — In his State of the Union address, President Obama proposed giving the nuclear construction business a type of help it has never had, a role in a quota for clean energy. But recent setbacks in a hoped-for "nuclear renaissance" raise questions about how much of a role nuclear power can play.

[EU can lead world on 'lateral' governance, says Rifkin](#)

Rifkin, an American economist and well-known author of the acclaimed book 'The European Dream', believes the world has reached the end game of a second industrial revolution. The global economic recovery is driving up oil and food prices, sparking social unrest.

The world has reached peak oil in terms of pro-capita reserves. The system will collapse once more when oil prices will rise to \$140 or \$150 a barrel again, Rifkin said.

According to the economist, this end game has set in motion a third industrial revolution, which will be based on continental energy infrastructure and governance.

[Urbanism in the Age of Climate Change: Urbanism Expanded](#)

Indeed, the simple attributes of urbanism are typically a more cost efficient

environmental strategy than many renewable technologies. For example, in many climates, a party wall is more cost effective than a solar collector in reducing a home's heating needs. Well-placed windows and high ceilings offer better lighting than efficient fluorescents in the office. A walk or a bike ride is certainly less expensive and less carbon intensive than a hybrid car even at 50 MPG. A convenient transit line is a better investment than a "smart" highway system. A small cogenerating electrical plant that reuses its waste heat locally could save more carbon per dollar invested than a distant wind farm. A combination of urbanism and green technology will be necessary, but the efficiency of urbanism should precede the costs of alternate technologies. As Amory Lovins of the Rocky Mountain Institute famously advocates, a "nega-watt" of conservation is always more cost effective than a watt of new energy, renewable or not. Urban living in its many forms turns out to be the best type of conservation.

[Brazil dam go-ahead sparks anger](#)

BRASILIA (AFP) – Environmentalists and indigenous people Thursday defiantly rejected the Brazilian government's decision allowing work to begin on a giant hydroelectric dam, while the state prosecutor filed an appeal to suspend the ruling.

[Australia Braces for 'Catastrophic' Cyclone](#)

SYDNEY, Australia — Thousands of people crammed into emergency shelters in the storm-battered state of Queensland on Wednesday seeking refuge from a huge cyclone that forecasters warned could be larger and "more life-threatening" than any storm in Australian history.

...Several mines, railroad lines and coal ports also stopped operating as Cyclone Yasi advanced. Forecasters warned that up to 3 feet of rain could fall over the next two days, creating the risk of flash flooding in a region already saturated from months of torrential rains.

[Coal Ships Seek to Avoid Path of Queensland Cyclone](#)

Coal ships sailed away from the Queensland coast after ports and rail transport lines were closed as Tropical Cyclone Yasi approached Australia, the biggest exporter of the fuel.

At least 32 vessels have headed out to sea after Hay Point harbor and the Abbot Point export terminal were shut, according to North Queensland Bulks Ports Corp. and Dalrymple Bay Coal Terminal Pty. Yasi, a category five storm, is expected to strike the coast late today, packing winds in excess of 280 kilometers (174 miles) an hour.

[Cyclone may be tipping point in climate policy debate](#)

SINGAPORE (Reuters) - Australia has endured two of its deadliest summers on record,

blamed in part on global warming, but record fires, floods and cyclones have not persuaded it to take strong action on climate change.

But some experts hope that Wednesday's arrival of giant Cyclone Yasi on the coast of Queensland, already hit by massive floods last month, will help bring more of a sense of urgency to the political debate over climate policy.

[In a Warm Room, the Globe Feels Hotter](#)

In a study, university students placed in a heated room expressed higher confidence that global warming was a proven fact than those placed in a neutral control room.

[India's Crops Affected By Erratic Climate](#)

India would be the hardest hit by climate change in terms of food production, said a study, "The Food Gap -- The Impacts of Climate Change on Food Production: A 2020 Perspective" released last month by the Universal Ecological Fund. The report predicts that crop yield in India would decrease by as much as 30 percent by the end of the decade.

While some regions of India are getting too much rain, other regions aren't getting enough, affecting crops ranging from coffee and tea to grapes and rice.

[Some scientists believe extreme weather events becoming the norm](#)

Just in December, some forecasters thought our mild winter would continue and we'd cruise through with only a handful of storms.

So what happened?

Climate change, according to many scientists.

Not a sudden change in the climate but a gradual change bringing us a pattern of extreme weather events. And although the atmosphere is warming, that doesn't mean snowstorms will stop anytime soon, said Charles Rice, a Kansas State University professor and climate change author.

[How Humans Are Changing the World](#)

The authors contend that recent human activity, including stunning population growth, sprawling megacities and increased use of fossil fuels, have changed the planet to such an extent that we are entering what they call the Anthropocene (New Man) Epoch.

They add: "The Anthropocene represents a new phase in the history of both humankind

and of the Earth, when natural forces and human forces became intertwined, so that the fate of one determines the fate of the other. Geologically, this is a remarkable episode in the history of this planet."

[Loss of Antarctic ice 'tongue' could change seas](#)

The loss of a massive "tongue" of glacial ice on the Antarctic coast — a natural protective barrier nearly four times the size of New York City — could affect ocean circulation patterns and be a harbinger of changes to come from global warming, scientists on a mission to the frozen continent say.



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