



Drumbeat: February 11, 2011

Posted by [Leanan](#) on February 11, 2011 - 10:25am

[Fighting over Big Oil's \\$4 billion a year windfall](#)

NEW YORK (CNNMoney) -- The top five oil companies in the United States made nearly \$1 trillion in profit since 2000.

The Obama administration is eying that huge pile of cash as it looks for ways to pay for its renewable energy and energy efficiency programs.

But the oil industry wants the government to keep its hands off its cash, saying it already shoulders a massive tax burden. The industry says it has a tax rate of 48% -- one of the highest for any sector -- and pays nearly \$100 million a day in state, local and federal taxes. That adds up to more than \$36 billion a year.

[Hundreds of Iraqis protest lack of basic services](#)

BAGHDAD (Reuters) - Hundreds of Iraqis took to the streets Friday to demonstrate against a lack of basic services, the latest in a series of protests that have swept the country as turmoil rocks other parts of the Arab world.

Iraq has been slow to get back on its feet almost eight years after the U.S.-led invasion and is trying to tackle severe water shortages and a sporadic electricity supply. Infrastructure remains badly damaged.

[U.S. natgas rig count slips 5 to 906-Baker Hughes](#)

NEW YORK (Reuters) - The number of rigs drilling for natural gas in the United States fell this week for a second straight week, slipping five to 906, oil services firm Baker Hughes said on Friday.

[Brazil Set to Become a Top Oil Producer](#)

Petrobras has ambitious capital expenditure plans set to grow it rapidly, especially compared to the larger economy. The company wants to invest \$224 billion into developing these fields by 2014.

That includes a huge amount of new equipment, such as 28 drilling ships, equal to a third of today's global fleet. The project also requires 146 additional supply ships, 8 FPSOs and 72 large oil tankers.

By the time it buys all of that, Petrobras will have more ships than most nations' navies!

Yet it does really need all of them due to the depth and remoteness of the fields. For example, rather than pipe oil to the coast, it will store it on floating platforms before taking it to shore in tankers.

[Arbitrators find for Chevron in Ecuador dispute](#)

(Reuters) - International arbitrators ordered Ecuador to suspend enforcement of any judgment against Chevron Corp in a marathon environmental case against the U.S. oil company, according to an order posted on Chevron's website.

The order, dated Feb. 9, came a day after a U.S. judge issued a temporary restraining order against the Ecuadorean plaintiffs to stop them going outside the United States to seek enforcement of any ruling against the company.

[Unethical to Brand Oil Sands Ethical?](#)

Critical debate is important because arguments that the oil sands contain almost half the world's total known oil reserves and will therefore ensure world peace, global food and energy supplies for the next half century are dangerously flawed. Current oil sand production of two million barrels a day is technically limited by water availability to approximately a maximum of five million barrels a day, a mere fraction of the world's daily consumption. This misrepresentation promises economic stability yet ignores global (peak) oil supply concerns, the technical upper limit of oil sand production, and climate change. Alberta's oil sands development will not deliver global economic stability in the face of these issues.

[Feed-in tariff review accused of demolishing investor confidence](#)

Renewable energy investors are dumping solar projects and revising their investment strategies in the wake of the government's surprise announcement that it is to formally review the feed-in-tariff (FIT) incentive scheme.

[Your city is about to get a whole lot bigger](#) (interview with Jeff Rubin)

How can cities prepare for a peak oil future?

The trend from the last four decades has been suburban sprawl. Increasing amounts of car ownership and huge extension of freeways moving into the hinterland has seen people moving from the cities to the suburbs. This is an unsustainable practice. Firstly,

the cost of commuting is going to increase. Secondly, we're going to find that much of the prime agricultural land that has been paved over to accommodate urban sprawl, like in Southern Ontario, will be needed for [agriculture].

In a world of triple-digit oil prices, we're not going to get chicken wings from China. Sure, the wages are going to be cheaper there. But what we save we'll more than squander on [the fuel it takes to get] food here. So there's going to be a move back to local or regional agriculture dictated by higher prices. You're going to see a movement of people from far-flung suburbs back into the city.

[Oil-Drilling Boom Under Way](#)

Oil-drilling activity in the U.S. has accelerated to a pace not seen in a generation as energy companies, oilfield contractors and landowners rush to exploit newly profitable sources of crude.

The number of rigs aiming for oil in the U.S. is the highest since at least 1987, according to Baker Hughes. The 818 rigs tallied by the oilfield-service company last week are nearly double last year's count and about 10 times the number in the late 1990s.

While the drilling surge is unlikely to yield enough crude to alter the global oil-supply picture, analysts predicted that the new activity, centered on so-called unconventional reservoirs, could greatly boost domestic oil production and help offset declining output in Alaska and the Gulf of Mexico.

[Exxon Looking for Buyers for Some Poland Shale Gas](#)

Exxon Mobil's move comes at a time when demand for gas produced in Europe is expected to grow vigorously as countries intensify their efforts to reduce their dependence on Russia as a supplier. Exxon and its rivals are hoping to meet Europe's need for new local supplies by using the same techniques that led to a huge boost in U.S. gas production in recent years.

[Barnett Shale in Denton, Wise Counties Is Candidate for EPA Study](#)

The Barnett Shale in Wise and Denton counties is a finalist for a so-called retrospective study, which will investigate possible contamination of drinking-water supplies from oil and gas industry operations in areas where drilling and hydraulic fracturing have already occurred.

[Canada to review PetroChina shale buy](#)

Canada will review PetroChina's proposed C\$5.4 billion (US\$5.5 billion) purchase of half of a shale gas project from Encana Corporation, Industry Minister Tony Clement said today.

[Australian Coal Premium May Widen on China, India Growth](#)

Australian coal's premium over Europe is poised to widen as economies in China and India expand after it narrowed 57 percent in the past month as floods in Queensland receded and demand for winter heating eased.

[Shell, Aramco May Build Indonesia Plant, Hidayat Says](#)

Royal Dutch Shell Plc, Europe's largest oil producer, may build a refinery in Indonesia even as National Iranian Oil Co. scrapped a similar plan, Industry Minister Mohamad Hidayat said.

[US diplomat calls African dictator a good guy](#)

JOHANNESBURG – A U.S. diplomat calls Equatorial Guinea's dictator of 31 years one of "the good guys" in leaked diplomatic cables urging Washington to engage with its third largest oil supplier or risk endangering energy security.

[Kjell Aleklett: The Guardian, Wikileaks cables and oil production in Saudi Arabia](#)

The problem with Saudi Arabia is "recovery factors". They say that, at the start of production they had over 716 billion barrels (Gb) and that they have a recovery factor of 51%. The global average currently stands at 30% and in future might possibly reach 40%. Saudi Arabia says that they are much better at recovery than others. It is by using the 51% recovery factor that Saudi Arabia estimates their reserves as 226 Gb. But with a recovery factor of 30% their remaining reserves would only be 76 Gb and if it is 40% then the reserves would be 147 Gb. One can interpret the statement by Sadad al-Husseini as meaning that he does not believe in a recovery factor of 51%.

[David Strahan: Saudi powerless to delay global peak](#)

So according to al-Husseini's numbers, Saudi production will peak in the early-to-mid 2020s, probably at a level scarcely 2 million barrels per day higher than current output. But by then the loss of existing production to depletion means the world will need some 40-60 mb/d of new capacity just to stand still. If al-Husseini is right - and his overall message has been consistent for several years - he simply confirms what many have long suspected: Saudi Arabia is quite incapable of staving off the global peak or even quenching the oil price in the medium term.

[Malawi's Fuel Shortage Is Due to a Lack of Foreign Currency, Minister Says](#)

Malawi is suffering from a fuel shortage because the country doesn't have enough

foreign currency to pay importers, Finance Minister Ken Kandodo said.

“The situation is pathetic,” Kandodo said in parliament in the capital, Lilongwe, yesterday. “We have inconvenienced the public and the economy is affected.”

Importers are demanding cash payments because Petroleum Importers Ltd. hasn’t repaid all debts from deliveries made on credit, Grain Malunga, the minister of energy, said on Capital Radio yesterday.

[Malawi CSOs organise peaceful protest against fuel shortage](#)

APA-Lilongwe (Malawi) Malawi civil society organisations will on Monday take the streets of the capital Lilongwe in protest against fuel shortage which has hardly hit the country recently, APA learns here.

[Pakistan: ‘Fewer power outages expected in summer’](#)

Engineer Kahlid called for short, mid and long term energy policies along with control misuse of electricity to avert the crisis. He said there were 100 million mobile phone users while a cellular set took 30 to 40 watts electricity for charging and people all night keep it charging which was wastage of energy. He said the UPS consumed five electricity units to produce a single unit. He said Pepco operated its gas-based power plants on furnace oil during the winter which increased the cost of electricity. Thus, there was need to suspend the gas to CNG stations during the winter, he demanded.

[Botswanan firms face petrol price increase](#)

Businesses in Botswana could face higher fuel prices after the government was forced to find alternative sources to its traditional supplies in South Africa.

[Enough Childish Name Calling](#)

The article continues into familiar territory encountered by steady staters: there are no limits to growth; steady staters and their ilk are doomsday environmentalists trying to spoil everybody’s consumption party; seeking to debunk Malthus and Ehrlich because their predictions have not (yet) manifested – which, based on current trends that a lot of people are very, very worried about, is arguably a bit of premature congratulation.

[U.S. Proposes New Forest Management Plan](#)

While mining and timber industry groups seemed to take a wait-and-see attitude, several environmental advocacy groups quickly expressed deep disappointment over what they saw as setbacks for conservation.

“The bottom line is that this is a significant rollback of required protections for wildlife and habitat compared to what currently exists,” said Rodger Schlickeisen, president of Defenders of Wildlife, an advocacy group that through litigation halted two forest management plans proposed by the administration of President George W. Bush. “It is amazing. The public had the right to expect more from the Obama administration.”

[House Republicans Take E.P.A. Chief to Task](#)

WASHINGTON — Congressional Republicans on Wednesday opened a formal assault on the authority of the Environmental Protection Agency to regulate greenhouse gases, raising doubts about the legal, scientific and economic basis of rules proposed by the agency.

[Run your car on compost](#)

What if you could fill up your car's gas tank with fuel you made at home from food scraps, old newspaper and the remains of last night's Cabernet?

That's the idea behind E-Fuel, a 25-employee Silicon Valley startup that recently started selling a small-scale ethanol production system for turning household compost into high-octane homebrew. Such compost is abundant: Americans throw away some 30 million tons of food scraps each year.

[Growth of Wood Biomass Power Stokes Concern on Emissions](#)

Across the U.S., companies are planning scores of projects to burn trees and wood waste to produce electricity, claiming such biomass plants can be carbon-neutral. But critics contend that combusting wood is not really a form of green energy and are urging a go-slow approach until clear guidelines can be established.

[A Peak Oil Animation - The Club of Rome](#)

Peak Oil represents the point in time when roughly half of the ultimately available oil has already been used.

Many scientists and experts believe that we are very close to the peak of conventional oil today. We may have already passed the peak.

[Crude Oil Advances in New York After Mubarak Speaks, Refuses to Resign](#)

Oil rose as Egyptian President Hosni Mubarak defied calls for his resignation, stoking speculation that renewed turmoil may disrupt crude supplies through the North African

country.

Futures climbed as much as 1.2 percent in New York after Mubarak reiterated late yesterday he intends to stay on as president until elections in September, while handing some powers to Vice President Omar Suleiman in a bid to placate opponents. Prices reached a two-year high last week on concern the unrest may curb oil flows through Egypt's Suez Canal and spread to other oil-producing nations in the Middle East.

[Shell's Ormen Lange Gas Field Halt Boosts U.K. Prices](#)

Royal Dutch Shell Plc halted natural-gas output from its Norwegian Ormen Lange field, Europe's third-largest, reducing supply and boosting U.K. gas and power prices.

"Production at Ormen Lange was shut in this morning due to a technical problem," Kim Blomley, a company spokesman, said by telephone from The Hague. "We are trying to restore production from Ormen Lange as soon as possible."

[Rising cost of Brent crude creates opening for Gulf oil](#)

The rise of Brent crude above US\$100 a barrel could help Gulf producers sell more oil. Yesterday, Brent exceeded \$102 while West Texas Intermediate (WTI) crude fell below \$86.

The near record price spread of more than \$15 per barrel between the two leading crude oil benchmarks is reflected in unusually wide spreads between Brent and other crude grades, opening up selling opportunities for Gulf producers.

That is because the price of Dubai crude, the regional benchmark, is not pegged to Brent, unlike the crudes pumped by west African states.

[Rise in industry's input costs fuels inflation worries](#)

The price of materials and fuel paid by UK manufacturers rose at an annual rate of 13.4% in January, according to the Office for National Statistics.

It means input costs rose at their fastest for more than two years and are above forecasts of a 12.6% annual rate.

[Oil Risk Premium on Egypt Limited by Alternatives, Nomura Says](#)

A further increase in oil prices because of political turmoil in Egypt is unjustified as supplies can be rerouted from the Suez Canal while stockpiles can make up for any shortfall, according to Nomura International Ltd.

[Have Saudis Overstated How Much Oil Is Left?](#)

While the world remains transfixed by the Egyptian revolt, a crisis with equally profound global consequences is quietly brewing elsewhere in the Middle East: WikiLeaks this week released U.S. diplomatic cables suggesting that Saudi Arabia may have vastly overstated its oil reserves — if true, that could dramatically accelerate the arrival of the long-feared "peak oil" moment, when oil production hits its final high before slowly declining, keeping prices rising for the foreseeable future and slowing global economic growth. But not all industry analysts are convinced by the claims in the cables.

[Peak oil will have an adverse effect on all economies](#)

The modern global economy has been built on cheap oil and its abundant availability. In spite of oil crises in the past, the world has so far survived unscathed. But what will happen to the world economy and to the Thai economy in particular in the aftermath of "peak oil"?

[Static in the fibre-optic](#)

For Australia, a big rise in oil prices would bring economic dislocation. Life in far-flung suburbs would change radically. Whether peak oil is true or not in all its detail, oil supplies cannot last forever. It is time our politicians and planners started factoring scarcer oil into their plans.

[Why Crude Prices Haven't Spiked Over "Peak Oil" Concerns in Saudi Arabia](#)

The original source of the cable — Sadad al Hussein, a former senior Saudi oil government official — has spoken openly in the past about his belief that global oil production will peak by 2015. His comments about Saudi Arabia's oil reserves probably sounded like just another one of his crackpot "peak oil" pronouncements.

What's more, soon after The Guardian reported the story, al Hussein declared the information in the cables were taken out of context. Al Hussein is now saying he doesn't challenge Saudi Arabia's "official" oil-reserve data — which puts the kingdom's reserves at 260 billion barrels — at all.

[Schork Oil Outlook: The 'Peak Oil' Question](#)

This revelation provided evangelical peak oilers with fresh new ammo.

So how did the oil markets react to this potentially explosive rumor? It depends on how you spell "rumour."

The oil market in New York finished the day down 23 cents, while the market in London jumped by \$1.90. Thus, either New Yorkers are skeptical (go figure!) or Londoners are excitable (when is the last time you saw an Englishman excited?).

[Leaked Cables Reveal U.S. Concerns Over Saudi 'Peak Oil'](#)

Dr. al-Husseini has voiced similar thoughts on peak oil and Saudi reserves on previous occasions, and the leaked cables did not move oil markets, signaling that their contents were unsurprising to oil traders.

[Leary: WikiLeaks Brings Misguided Joy to Preachers of Oil's Peak](#)

The pleasure was surely visceral. If it's in WikiLeaks, it's got to be true. Certainly it was a moment of triumphal satisfaction for the Peak Oil Pranksters. There it was in digital 'black and white,' embedded in cables released by WikiLeaks and headlined by the *Guardian*: "Saudi Arabia cannot pump enough oil to keep a lid on prices." The story reports that in November 2007 the U.S. Consulate General, subsequent to a meeting in Riyadh with a former Saudi Aramco "oil executive," cabled Washington that reserves of the world's biggest oil exporter were being overstated by nearly 40%. Really?!

[Jeremy Leggett - Peak oil: We are asleep at the wheel](#)

The peak oil debate – whether one uses the "P" word or not – involves huge stakes. If US diplomats based in Saudi Arabia harbour fears that the Saudis can't produce enough oil to head off ruinous oil prices, then they are merely telling the US government what a spectrum of UK industry is already telling the UK government. We are asleep at the wheel here: choosing to ignore a threat to the global economy that is quite as bad as the credit crunch, and quite possibly worse.

[Don't Panic: The World Won't Run Out of Oil Before the Weekend](#)

Schaeffer left me with this quote, which he said may be among the most revealing statistics in play for the energy markets.

"There are 700 cars for every 1000 Americans right now. There are 500 cars for every 1000 Europeans. Currently, there are 30 cars for every 1000 Chinese: And that number is expected to go up to 240 by the year 2035. That implies an enormous strain on existing crude oil supplies."

[US Diplomat in Saudi Arabia Concerned Saudi Oil Reserves Overstated by 40% - Wikileaks Cables From the US Embassy](#)

It is amazing how far the concept of Peak Oil has gone in the last decade. In the late

nineties and early 2000s only a small group of people were raising their hands warning that the world was sneaking up against the limit of how much oil could be produced on a daily basis. With oil under \$20 per barrel everyone ignored these folks thinking that they spent their days wearing tinfoil hats and their nights being abducted by aliens.

[Egypt's military supports Mubarak; protesters mass](#)

CAIRO – Egypt's military threw its weight Friday behind President Hosni Mubarak's plan to stay in office through September elections while protesters fanned out to the presidential palace in Cairo and other key symbols of the authoritarian regime in a new push to force the leader to step down immediately.

The statement by the Armed Forces Supreme Council – its second in two days – was a blow to many protesters who had called on the military to take action to push out Mubarak after his latest refusal to step down.

[Chris Martenson - Egypt's Warning: Are You Listening?](#)

The oil situation in Egypt has only very recently become an enormous and unavoidable issue.

The monthly peak occurred in December 1996 (the yearly peak was also 1996), and oil production is now down some 30 percent since then.

[Bolivian President Rattled by Protests](#)

Bolivian President Evo Morales has abruptly abandoned the southern highlands city of Oruro after protesters angered by rising prices booed him and set off dynamite.

Morales canceled plans to participate in a Thursday march, returning to La Paz, after people in the mining city mounted protests against rising food prices and shortages.

They are especially upset about a near doubling in the price of sugar after the government lifted subsidies.

[Earnings up for Venezuela's state oil company](#)

Venezuela's state oil company says higher world oil prices allowed it to increase earnings 35 percent during the first nine months of 2010.

[Norway and Russia officially split Barents Sea](#)

Norway has ratified the agreement on the Arctic, signed with Russia last year, defining the border between the two countries in the region, thus lifting the moratorium on prospecting the gas and oil deposits on the Arctic continental shelf.

[Russian injunction on BP-Rosneft deal extended](#)

MOSCOW (Reuters) - A court has extended an injunction on a deal between BP and Russian top oil producer Rosneft pending arbitration scheduled to start in early March, BP said on Friday.

[Gazprom announces 15 per cent price hike for gas to western Europe](#)

Moscow - Russian state energy giant Gazprom disclosed Friday it will be shipping more gas to western Europe this year - but also at higher prices, Interfax reported.

[Russia's Gazprom Neft to cut 2011 investments 6 pct](#)

(Reuters) - Gazprom Neft, the oil arm of Russia's top gas producer, Gazprom, is set to cut its investment programme 6.1 percent to \$4.6 billion in 2011, the firm said in its presentation for investors on Friday.

[China Eyes Mideast's Energy Resources](#)

Qatar is negotiating with China to supply the state-owned energy giant Sinopec with millions of metric tons of natural gas a year to feed the Middle Kingdom's voracious energy appetite.

[Watch Out America, China Is Coming For Your Oil And Gas!](#)

Is America ready for this? It oughta be. It's been nearly six years since Cnooc attempted an \$18 billion takeover of California-based Unocal, only to be rebuffed by xenophobic politicians raging on about protecting America's domestic energy supplies. Unocal was eventually bought by Chevron.

America's response to the proposed Unocal takeover was shameful and hypocritical. If Americans expect U.S. oil companies to be allowed to take equity positions in oil and gas fields around the world, how could we prevent a foreign company from owning fields here?

[Residents seek answers in Marcellus shale drilling](#)

Dozens of residents attended an informational meeting sponsored by the West Virginia

University Extension Service. These sessions are sponsored in part by Chesapeake Energy, a gas drilling company operating in West Virginia.

Patricia Wylie of Glendale came to the meeting because she's concerned about water quality.

"I live just a short distance out of town and my dog goes and drinks the water that runs off of the hill and I have a friend who grew up playing in the creeks in our area and he has a young son and says he would never let his son play in the creeks because of what he has learned about the negative effects that this is having on our streams," said Wylie.

[Judge rules for Alaskan family in BP oilfield dispute](#)

ANCHORAGE, Alaska (Reuters) – A federal judge has ordered the U.S. Bureau of Indian Affairs to pay \$4.92 million to an Alaska family that claims the agency failed to collect adequate compensation for use of private land at the BP-operated Niakuk oilfield on the North Slope.

[Audits: PG&E delayed checking gas pipes for years](#)

SAN FRANCISCO – The California utility under fire following a huge natural gas pipeline explosion put off inspecting its lines for years and used less thorough inspection techniques than its own safety guidelines recommended, according to state audits released Wednesday.

[Allentown pipeline explosion revives natural gas worries](#)

It's unclear whether the recent accidents are part of a large trend caused by bad weather or an aging pipeline system.

[Alternative Energy: Why the President's Portfolio Approach Will Make us Leaders](#)

The U.S. Air Force is the largest consumer of petroleum in the military. Every day, it burns more than 7.0 million gallons of oil. And where do we get that oil? In 2010, the U.S. spent more than \$300 billion to import 4.2 billion barrels of oil, largely to make fuels needed to meet military and civilian transportation demands. One of the greatest threats to our economic and national security is the need to secure foreign oil. So, when President Obama confirmed a commitment to develop domestically renewable petroleum replacements from biomass, also known as bio-crude, he put a stake in the ground that alternatives are not just good for the environment, they're critical to our national and economic security. Bio-crudes are compatible with the DoD's current fleet of tanks, ships, and planes, which will be in use for the next 30 years.

[Gulf Coast Wind Farms Spring Up, as Do Worries](#)

South Texas now accounts for roughly one-ninth of the state's total wind capacity. A substantial amount of the recent growth on the Texas electric grid, which gets nearly 8 percent of its power from wind, came from the coast, said Barry Smitherman, chairman of the Public Utility Commission. Transmission infrastructure is plentiful along the coast, unlike that in West Texas. And coastal winds are strongest in the afternoons and in the summer, wind experts say. That correlates well to the electric grid's needs. West Texas winds, although more powerful, tend to blow strongest in the evening and overnight, and in the spring.

But the arrival of turbines along the Gulf shores has spawned a range of concerns, like their impact on birds and coastal habitat and the turbines' effect on military radar.

[Geothermal energy touted as last hope for Hawaii energy future](#)

It's been several weeks since the Geothermal Working Group submitted their preliminary report to the 2011 State Legislature.

It's also been weeks since the co-chair of that effort, Hamakua farmer Richard Ha, made public his lofty goal of buying HELCO, the island's power company, along with some partners.

[One Million EVs Is Difficult But Doable](#)

The Obama Administration's dream of seeing 1 million electric vehicles on the road is laudable and necessary, but it's going to require a Herculean effort if we're to pull it off.

Think about it. There are roughly 251 million vehicles on the road in the United States, so a mere 1 million doesn't sound like many — especially when Americans bought 12 million vehicles last year. But we're talking about electric vehicles, and that's a whole 'nother ballgame because exactly two automakers sell mass-market EVs at the moment. General Motors sold 326 Chevrolet Volts last month, while Nissan sold 87 Leafs.

[GM CEO Akerson says 'doors open' to alternative energy](#)

Just because General Motors (GM) is touting its Chevrolet Volt electric car technology, it hasn't stopped pursuing other energy alternatives, from hydrogen fuel cells to natural gas, General Motors CEO Dan Akerson said Wednesday.

"We're keeping all the doors open or ajar," said Akerson, who took over as CEO in September. "I really do think what is good for this country is good for GM."

[For Oil Exec, an Electric Car Can Wait](#)

For Mr. Colton, the argument against the electric car is purely economic. "One word tells you the whole picture, and it starts with the letter B: batteries are not ready for prime time," he said, noting that the last time he looked, the battery in the Leaf cost \$17,000.

By his calculation, batteries cost \$800 to \$1,000 per kilowatt-hour, and that has to be reduced to \$300 to \$500 for electric cars to make sense. And the comparison with the internal combustion engine is a no-brainer, at least for him.

[Ethanol pumping up food prices](#)

Get ready for higher food prices, which appear to be just around the corner for U.S. consumers and potentially a crippling burden for the world's poor.

...The immediate causes of the rise are clear: bad harvests due to drought in Russia, China and Argentina and floods in Australia, among other things. But a longer-term cause may come as a surprise:— 24% of the U.S. corn crop is now mandated to go to ethanol, taking slack out of the world food market and making price shocks more likely, agricultural economists say.

[Yet Another Route to Cellulosic Ethanol](#)

The Ineos concept has a leg up over some other approaches in that it anticipates three revenue streams. The factory will get paid for taking in plant waste or possibly household garbage and will produce electricity as well as ethanol at a huge savings in carbon dioxide output.

[China bids to ease drought with \\$1bn emergency water aid](#)

China has announced a billion dollars in emergency water aid to ease its most severe drought in 60 years, as the United Nations warned of a threat to the harvest of the world's biggest wheat producer.

Beijing has also promised to use its grain reserves to reduce the pressure on global food prices, which have surged in the past year to record highs due to the floods in Australia and a protracted dry spell in Russia.

[Extreme weather batters the insurance industry](#)

"One thing we as a society don't really do anymore is build for where we live. We build for how we want to live," said Julie Rochman, chief executive of the Institute for Building and Home Safety, the industry-sponsored group behind the wind tunnel initiative. "There's a wonderful ability to be living in denial and where disaster happened a long time ago we get disaster amnesia."

[2045: The Year Man Becomes Immortal](#)

Kurzweil believes that we're approaching a moment when computers will become intelligent, and not just intelligent but more intelligent than humans. When that happens, humanity — our bodies, our minds, our civilization — will be completely and irreversibly transformed. He believes that this moment is not only inevitable but imminent. According to his calculations, the end of human civilization as we know it is about 35 years away.

[EcoLogic: Living within the Earth's means](#)

"At least the leak isn't at our end of the boat."

I was living abroad when I first clipped that headline out of a London newspaper. I am reminded of it whenever I read articles about famine and drought, mudslides and wildfires, public education, unemployment and corporate bailouts. Really, I can apply that phrase to almost any current events topic. It perfectly illustrates our disconnect from one another and our environment.

[Will Carbon Nation succeed where An Inconvenient Truth failed?](#)

"Bin Laden hates this car" says the bumper sticker on former CIA director Jim Woolsey's plug-in hybrid. Though he's no longer in the secret service, Woolsey cares about defending America's national security, and for him that means weaning the country off its dependence on foreign oil.

The former spook turned clean-tech venture capitalist is just one of the all-American heroes who feature in Carbon Nation, an intriguing new documentary about climate change solutions aimed at the American right.

[Kent says no new laws needed to cut greenhouse gases](#)

Federal Environment Minister Peter Kent says Ottawa and the provinces will have to adopt tough new regulations to cut greenhouse gas emissions, but insisted that no new legislation is needed to carry out the Conservative government's environmental plan.

"What many people don't realize is that Environment Canada already has the legal tools it needs to execute our plan," Kent said in a speech Thursday to the Economic Club of Canada in Toronto. "It requires no new legislation."

[Climate: A New Study Finds That Global Warming Could Dry Out the Southwest](#)

The report found that the already dry states of the American Southwest—Arizona,

California, Nevada, New Mexico and Utah—will face a major water shortfall over the next century just based on population and income growth alone. (The region has long been one of the fastest-growing in the U.S., in part because of the hot and dry weather.) But climate change could make the situation much, much worse. According to the SEI study, global warming could increase the long-term water shortfall by a quarter, adding an additional 282 million to 439 million acre feet of water to the 1.815 billion acre feet shortfall already expected. Based on the price of adding reservoir capacity in California, meeting the baseline water shortage could cost \$2.3 *trillion*—yes, that's "trillion" with a "t"—plus \$353 billion to \$549 billion if climate change is factored in. Higher water prices would make adaptation even more expensive—assuming additional water could be found at all in a drier future.



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