



Drumbeat: February 19, 2011

Posted by [Leanan](#) on February 19, 2011 - 11:36am

[OPEC December Oil Exports Fall 2% as Saudi Shipments Decline](#)

OPEC's oil exports fell 2 percent in December from a month earlier as Saudi Arabia, the world's largest exporter, reported a decrease of 4.9 percent.

Total exports by the Organization of Petroleum Exporting Countries, excluding Algeria and the United Arab Emirates, fell by 387,000 barrels a day to 19.4 million barrels a day, the Joint Data Initiative website, which compiles data supplied by governments in an attempt to improve transparency, showed today.

[Stuart Staniford: Brent-WTI spread](#)

As you can see, the amount of spread is unprecedented. It's also very recent - the spread was \$2.20 as recently as the first week of January, this year. That makes me a bit wary of explanations based on long-term factors like the growth in Bakken oil, tar-sands production, or lack of pipelines out of Cushing - why would the market have been suddenly surprised in the last few weeks?

[Southwest blames fuel for latest fare increase](#)

DALLAS — Southwest Airlines Co. is raising fares by \$10 for a round trip, saying it needs the money to offset higher fuel costs.

[The Oil Market New World Order: 3 Ways to Profit](#)

The Gulf of Mexico's reign as "King of the Oilfields" will soon be over.

Instead, it's time to switch your attention to the tens of billions of barrels of light, sweet crude waiting to be discovered offshore in both South America and West Africa.

[South Sudan Rules Out Sharing Oil Revenue with North](#)

The new state of South Sudan that is expected to officially become the world's newest

state in July, has no intention of continuing to split the proceeds from oil revenue, said an official in the South's ruling party.

[Army seizes Citibank, 3 others in Ivory Coast](#)

ABIDJAN, Ivory Coast — Ivory Coast's leader, who is clinging to power, seized four major international banks Friday that had closed their operations earlier this week, in an effort to pay civil servants during a deepening liquidity crisis.

[30 wounded in Kuwait protests on Friday - sources](#)

KUWAIT — Thirty people were wounded in Friday's clashes in Kuwait between security forces and stateless Arabs demanding citizenship, security sources said on Saturday. The protest in Jahra, northwest of Kuwait City, was the first in the oil-producing Gulf Arab state since a wave of unrest began sweeping across the Middle East in December.

Fifty people were arrested after the demonstration, the security sources said. A similar protest in the village of Salibiya also drew 80 protesters on Friday, they said.

[Protesters return to square in Bahrain capital](#)

MANAMA, Bahrain (AP) — Thousands of singing and dancing protesters streamed back into Manama's central Pearl Square Saturday after Bahrain's leaders withdrew tanks and riot police following two straight days of a bloody crackdown by security forces in the tiny monarchy.

The royal family, which was quick to use force earlier this week against demonstrators in the landmark square that has been the heart of the anti-government demonstrations, appeared to back away from further confrontation following international pressure from the West.

[Libya: Snipers shoot mourners, killing at least 1](#)

CAIRO — Moammar Gadhafi's forces fired on mourners in the eastern city of Benghazi, wiped out a protest encampment and clamped down on Internet service throughout Libya Saturday as the regime tried to squelch calls for an end to the ruler's 42-year grip on power.

[BP set for petrochemicals expansion](#)

BP will proceed with a major petrochemicals expansion project in China and is considering building another large plant in Asia's most populous country.

The decision, announced on Thursday, is the latest indication that the UK oil group, which has shed billions of dollars of assets in recent months to help pay costs related to the Macondo oil spill last year, retains the financial capacity to invest heavily in strategic projects.

[Mimicking photosynthesis path to solar-derived hydrogen fuel](#)

Inexpensive hydrogen for automotive or jet fuel may be possible by mimicking photosynthesis, according to a Penn State materials chemist, but a number of problems need to be solved first.

"We are focused on the hardest way to make fuel," said Thomas Mallouk, Evan Pugh Professor of Materials Chemistry and Physics. "We are creating an artificial system that mimics photosynthesis, but it will be practical only when it is as cheap as gasoline or jet fuel."

[Smart lights, bright savings](#)

Lighting represents 22% of electricity usage in the Middle East – a much higher statistic than anywhere else in the world. If GCC consumers switch the lights in their homes to more efficient solutions, this will save up to \$400million and 5.1 megatonnes in carbon dioxide emissions annually.

[“Localization is the Economics of Happiness”](#)

Our global economy is effective at many things—moving huge quantities of goods across great distances, for example, or turning mortgages into profits. What it's not so good at is determining whether these activities are worthwhile when it comes to improving the lives of the people who live and work within the economy (not to mention preserving the natural systems on which the whole shebang depends). In many cases, economic policies that increase trade or production actually *decrease* well-being for millions, even billions, of people.

[Local, Organic Milk: Nice Idea, but Try Making a Profit](#)

MOO Milk's journey is a cautionary tale: true grit, a laudable philosophy and a hot trend aren't enough to create a viable business.

"There are folks who support what we do, but there's not enough of them up here," said David Bright, a former newspaper reporter and the organization's treasurer. "So far, I haven't been able to find 6,000 people who will buy a gallon of our milk each week."

[Green Roof Collapses in Illinois](#)

Green roofs have become increasingly popular in the United States as a way to beautify and insulate buildings and reduce heat pollution in urban areas, but last week one drew attention for a far different reason: it collapsed.

A 700-by-50 foot section of a roof over a parking area buckled on Feb. 13 at a garden pond construction and supply company in St. Charles, Ill., west of Chicago. No one was injured in the collapse, which occurred on a Sunday afternoon when few people were working at the company, Aquascape Inc.

[The gender divide reaches climate change](#)

New research indicates that the gender divide has spilled over into the climate change debate, with a French report suggesting that men are bigger eco-offenders than women.

Two independent studies carried out by separate teams of European scientists looked at data on the consumption and daily lifestyles of men and women in industrialised countries. One found that a typical French man causes emissions of 39.3 kilograms (kg) of carbon dioxide (CO₂), whereas a woman causes 32.3kg.

[U.S. charges global warming company was a fraud](#)

(Reuters) - CO₂ Tech Ltd, a publicly traded company that lured investors with claims about products and services to fight global warming, was full of nothing but hot air, the U.S. Securities and Exchange Commission said on Friday.

It said the U.S. Justice Department had filed criminal fraud charges against six men, including stock promoters and traders, involved in a so-called "pump-and-dump scheme" built around shares of the company, which was purportedly based in London but had no significant assets or operations.

[Global warming 'may increase water-borne diseases'](#)

WASHINGTON (AFP) – Climate change could increase exposure to water-borne diseases originating in oceans, lakes and coastal ecosystems, and the impact could be felt within 10 years, US scientists told a conference in Washington on Saturday.

[Curbing soot could slow climate change: U.N.](#)

OSLO (Reuters) - Strict curbs on soot and ozone air pollution would limit global warming by 0.5 degree Celsius (0.9 F) in a step toward achieving tough world climate goals, a U.N.-backed study showed on Friday.

Stricter limits on "black carbon" soot and tropospheric ozone -- a greenhouse gas that is

a big component of smog -- would also clear the air and so reduce human deaths and improve crop yields, especially in Asia, it said.

[Judge Tells Government to Resume Permits for Drilling](#)

WASHINGTON — A federal judge in New Orleans on Thursday ordered the Obama administration to move quickly on permits for new deepwater oil wells in the Gulf of Mexico, saying that the government could no longer justify long delays in allowing new projects to go forward.

Judge Martin Feldman, of the United States District Court for the Eastern District of Louisiana, said that the Interior Department was required to act on drilling applications “within a reasonable time.”

“Not acting at all is not a lawful option,” Judge Feldman wrote, adding that the delays are “increasingly inexcusable” and were causing drilling companies to relocate their rigs to foreign waters.

[Saudi Shi'ites hold small eastern province protest](#)

(Reuters) - Saudi Shi'ites have held a small protest in the kingdom's oil-producing eastern province, close to Gulf Arab neighbour Bahrain where unrest has cost six lives, local Shi'ite sources said on Saturday.

[Bahrain king offers dialogue to resolve crisis](#)

(Reuters) - Bahrain's king has offered a national dialogue "with all parties" in a conciliatory move to resolve a crisis that has killed four people and wounded hundreds, rocking the key regional ally of the United States.

[Alarmed by Bahrain violence, U.S. appeals to govt](#)

(Reuters) - President Barack Obama called on Bahrain on Friday to exercise restraint after the kingdom's security forces ignored Washington's earlier call for calm and opened fire on protesters demanding reforms.

Amid unrest across much of the Middle East, U.S. officials have voiced concern about violence on the island nation in talks with the government of Bahrain, which hosts a big U.S. military base and borders Saudi Arabia, the world's largest oil exporter.

[Crackdown on arms exports to Bahrain](#)

The government bowed to intense pressure last night and revoked a host of licences for arms exports to Bahrain and Libya, after Foreign Secretary William Hague said there was "no evidence" that security forces in the Gulf state had used British tear gas to suppress pro-democracy demonstrators. The French government has banned all arms exports to Bahrain and Libya.

[Amid a Sea of Upheaval, Algeria Is Still](#)

ALGIERS — Even as North African neighbors have smoldered, the oil-producing giant Algeria has kept a sullen calm in the wake of a stifled protest march here last week, with the regional upheaval, for now, not catching on.

[Oil Falls as U.S. Monitors Iran Plan to Send Warships to Suez](#)

Oil fell for the first time in three days as the White House said it was "monitoring" Iran's plan to send warships through the Suez Canal, calming concern that the move would ratchet up tensions in the Middle East.

[China hikes gasoline, diesel prices](#)

BEIJING (Xinhua) -- China will raise both gasoline and diesel prices by 350 yuan (about 53.2 U.S. dollars) per tonne, beginning Sunday, the National Development and Reform Commission (NDRC) announced Saturday evening.

[N.Y., Gulf Jet Fuel at 19-Month High Levels Amid Refinery Work](#)

Spot jet fuel spreads in New York and on the Gulf Coast reached their highest levels in 19 months as Hovensa LLC reduced rates at its St. Croix refinery in the U.S. Virgin Islands and airlines flew more.

The rates were lowered while a unit is started to replace a distillate desulfurization unit damaged in a Feb. 11 fire, Alex Moorhead, a Hovensa spokesman, said in an e-mail yesterday.

[Official: Venezuela oil company profits down](#)

Venezuela's energy minister says profits from the South American country's state-run oil company fell last year.

Rafael Ramirez says profits at Petroleos de Venezuela SA fell 28.8 percent in 2010 compared to 2009, despite an increase in international oil prices.

[Brazil's Petrobras to double oil production by 2020, says CEO](#)

Brazil's oil and gas production will double by 2020, chief executive of state-run energy giant Petrobras told Xinhua on Friday.

[Chevron asks court to block \\$9.5B Ecuadorean award](#)

Lawyers for Ecuadoreans who won a \$9.5 billion judgment against Chevron Corp. over a polluted rainforest have told a New York judge they won't attempt to collect for months.

[Chevron says it won't apologize](#)

NEW YORK — A Chevron Corp. lawyer said Friday that the company will not apologize for damage that an oil company it purchased is accused of causing to Ecuador's rain forest even though the refusal means a \$9.5 billion judgment against it will nearly double within days.

[Shell to sell Africa downstream stake for \\$1 billion](#)

(Reuters) - Anglo-Dutch oil giant Shell has agreed to divest the majority of its stake in most of its downstream businesses in Africa to two firms for \$1 billion, the company said on Saturday.

[Prairie fire](#)

Were this no more than the result of an internal coup, few Canadians would sit up. But the Conservatives face unaccustomed opposition to both right and left. Ordinary Albertans care about strains in their health service and the budget deficit. And the provincial government's mismanagement of the tar sands has damaged Alberta's international reputation and left oil bosses privately calling for stricter regulation.

[Russia may tweak Arctic park border for oil firms: WWF](#)

Russia's Natural Resources Ministry wants to set an Arctic nature reserve's borders in a way that environmentalists say will subvert existing boundaries to accommodate the oil drilling plans of BP and Rosneft.

[Gazprom chief steps up attacks on shale gas](#)

Alexander Medvedev, deputy CEO of Gazprom, has been laying out his thoughts on the US shale boom, which threatens to knock his company off its pedestal as the dominant player in the natural gas market.

He likened the shale boom to the internet bubble, “which first blew up enormously and then flattened itself out to some rational and logical size”.

[Inter RAO Looks to Jordan Oil Shale for Mideast Growth](#)

ABU DHABI, United Arab Emirates — Inter RAO is considering possible involvement in the construction of a \$250 million complex for processing oil shale in Jordan, the company's chief executive Boris Kovalchuk said at the opening ceremony of a Middle East representative office Monday.

[IEC scouring the world for LNG tanker operators](#)

Plans to import liquefied natural gas to Israel entered a new phase yesterday with the Israel Electric Corporation's publication of an international request for information on the possible importation of natural gas by tanker ships. The tankers would have the capacity to use a floating buoy to pipe the gas onshore.

[Ukrainian deputy premier urges gas talks with Russia, EU](#)

Kiev should step up dialogue with Russia and the EU on modernizing the Ukrainian gas transportation system to secure its competitiveness, Ukrainian Deputy Prime Minister Serhiy Tihipko said on Saturday.

Tihipko has expressed concerns over Russia's plans to build three underground gas storage facilities in Slovakia saying this could pose a threat to the gas transit potential of the former Soviet state.

[Solar has more potential than Big Oil claims](#)

Is it any wonder that the public has stopped believing in Big Oil? According to two polls last month, 80 percent of the public supports more government spending on the rapid adoption of solar energy. With this level of public support, Obama should be criticized for following instead of leading.

Despite solar prices dropping year after year, oil prices continue to rise.

[U.N. nuclear body may highlight Iran military concerns](#)

(Reuters) - The U.N. atomic watchdog may soon spell out in more detail its concerns about possible military aspects to Iran's disputed nuclear program, Western diplomatic sources say.

[California urged to make disaster plans for climate change](#)

A bill was introduced on Thursday, urging California to make disaster plans in case global warming causes the sea level.

"Our seas are rising from climate change, which poses unprecedented risks for homes, businesses and commerce," said Assemblywoman Julia Brownley, who introduced the bill.

"California must immediately begin planning for this intrusion of water, particularly for the way it may damage valuable infrastructure such as ports," Brownley said.

[\\$20 million funds study to ensure NW wheat survives climate change](#)

SPOKANE — The federal government has awarded a \$20 million grant to universities in Washington, Oregon and Idaho that is designed to ensure that wheat farming in the Pacific Northwest will survive climate change.

The five-year grant from the U.S. Department of Agriculture will study the relationship between climate change and cereal crops, primarily winter wheat. Wheat is the No. 1 export through the Port of Portland, the largest wheat-export harbor in the U.S.

[Shareholders Offer a Spate of Climate and Environmental Resolutions](#)

After a year marked by Congressional paralysis on issues like global warming and renewable energy, and after a parade of energy-related disasters — including the huge oil spill in the Gulf of Mexico — social investment groups are signaling their displeasure with a suite of shareholder resolutions.

Not to be outdone, climate skeptics and opponents of government mandates supporting clean energy are sending up resolutions of their own.



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