



## Drumbeat: March 4, 2011

Posted by [Leanan](#) on March 4, 2011 - 10:24am

### [Future oil supply: The changing stance of the International Energy Agency \(paper\)](#)

The IEA was established in 1974 with a mandate to promote energy security amongst its members, namely the states of the OECD, and to advise those members on sound energy policy. Its recent forecasts of the medium and long term prospects for oil supply, however, have wavered, alternating from optimistic to pessimistic and back again. For policy-makers, such inconsistency is difficult to deal with. Firstly we examine whether the changing outlooks seen in IEA forecasts made between 2007 and 2010 truly reflect a demonstrable, underlying change in the known facts, and we can find no such factual changes reported by the IEA. Secondly we examine whether the serious criticisms of the IEA's (2008) forecast made by other analysts have yet been addressed, and we conclude that they have not. Thirdly we consider the possible effects of the current economic downturn upon the IEA's assumptions and upon future oil supply. We conclude that all the forecasts made by the IEA appear to be too optimistic throughout this period.

*(The paper is behind a paywall [here](#).)*

### [Oil price surge: Up 7% this week](#)

NEW YORK (CNMoney) -- Oil prices rose more than 2% Friday, climbing above \$104 a barrel, as the turmoil in Libya showed no sign of abating.

The benchmark U.S. oil contract, West Texas Intermediate, jumped \$2.51, or 2.5%, to settle at \$104.42 a barrel for April delivery. Oil prices are currently trading at the highest levels since September 2008, having jumped 6.7% just this week.

### [Dow tumbles as oil fears re-emerge](#)

Traders said that as long as oil remains at elevated levels and the Middle East unrest remains unresolved, stock performance will continue to closely track the price of oil.

"Oil above \$100 a barrel will remain a persistent headwind to the equity markets, but the bigger question is how long does oil remain at these levels," said Michael James, senior equity trader with Wedbush Morgan Securities.

### [Oil prices may be up, but U.S. drivers aren't cutting](#)

(Reuters) - As gasoline prices soared in February, Americans bought big pick-up trucks.

For all the talk about \$100-a-barrel oil snuffing out the economic recovery like similar spikes did in decades past, it has so far inspired only modest changes in U.S. consumer behavior and attitudes.

Part of that reflects psychology. Although gasoline prices in late February recorded their biggest weekly gain since Hurricane Katrina disrupted petroleum supplies in 2005, they are still well below the \$4-a-gallon levels hit during a 2008 price spike.

"We've been at \$4 before -- it wasn't for very long, but we have hit that number," said Nigel Gault, chief U.S. economist with IHS Global Insight in Lexington, Massachusetts. "Round numbers do still matter, \$4 does still have shock value. Does it have the same shock value this time around as it did in 2008? It probably doesn't."

### [US natgas rig count at lowest in year-Baker Hughes](#)

NEW YORK (Reuters) - The number of rigs drilling for natural gas in the United States fell this week to the lowest level in more than a year, dropping seven to 899, oil services firm Baker Hughes said on Friday.

### [Dozens of civilians killed in Libya battle, witnesses say](#)

At least 30 civilians were killed on Friday when security forces loyal to Libyan leader Moammar Gadhafi tried to retake a town near the capital that has for days been defying his rule, two residents told Reuters.

### [Middle East revolutions and the fate of the petrodollar](#)

As revolution fans across the Middle East, there are reams of commentary on the reasons behind the spectacular conflagration. Some are sage, such as Shahid Alam's insightful analysis of the "dignity deficit" that the Muslim world suffers from. Others verge on doomsday comic, pinning the blame on unruly natural causes than self-evident political ones, such as Paul Krugman's warnings of natural disasters and their impact on world food supply. Even Hillary Clinton, who is usually so serenely autocratic, struck a somber note in a recent Munich visit, declaring that "the status quo is not sustainable."

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### [Shell chief Peter Voser warns oil demand could outstrip supply](#)

Peter Voser, the chief executive of Royal Dutch Shell, believes the \$116 oil price caused by the Middle East crisis will soon ease back, but warned of a longer-term shock where "supply cannot meet demand".

### [Mexico's Pemex: 2010 Net Loss \\$3.8 Bln vs \\$3.4 Bln 2009](#)

MEXICO CITY (MNI) - State oil company Pemex reported Tuesday it posted a net loss of \$3.8 billion last year, compared to \$3.4 billion in 2009, while production fell just 1% after plunging in the prior two years.

During 2010 as a whole, Pemex produced an average of 2.58 million barrels per day, down from 2.6 million a year earlier, which is much better than the declines of 6.8% and 9.2% in 2009 and 2008, respectively.

### [Two Mexico oil workers murdered in drug war hot zone](#)

MEXICO CITY (Reuters) - Two employees of Mexico's state oil monopoly Pemex were killed and their bodies dumped near a major natural gas field this week by suspected drug gang hitmen, industry sources and authorities said on Thursday.

The slayings represent an escalation of violence against Pemex, which has become a target for extortionists and kidnappers in the north of the country.

### [Greater Investment in Electricity Could Spark African Economic Growth, say Analysts](#)

Economic growth in many sub-Saharan countries has been stunted by an energy crisis that many say will continue without more government and private investment.

Many economists agree that increasing the region's energy supply is essential for economic growth and poverty reduction. Improved investments would also help African governments meet the U.N.'s Millennium Development Goals, which encourage drastic reductions in poverty and illness by 2015.

### [Gazprom Considers Sakhalin Oil Refinery](#)

Gazprom is looking to build a refinery in Sakhalin where international consortiums have been producing crude for export in multibillion-dollar projects, company chief Alexei Miller said.

### [Petrobras not planning fuel price hike - minister](#)

BRASILIA (Reuters) - Brazilian state-run oil company Petrobras is not planning to raise fuel prices for domestic consumers, the country's energy minister said on Friday, contradicting a newspaper report.

Petrobras has not changed the sale price for fuels in Brazil since 2009, when it cut prices for gasoline and diesel in response to the tumble in oil prices sparked by the global economic downturn.

### [Mozambique: Nacala Port Denies Malawian Claims](#)

Maputo — The director of the northern Mozambican port of Nacala, Agostinho Langa, on Wednesday categorically denied recent claims by Malawian President Bingu wa Mutharika that fuel shortages in Malawi are caused by congestion in the ports of Nacala and Beira.

### [Enbridge to shut crude Line 6B for maintenance](#)

NEW YORK (Reuters) - Enbridge Inc said on Friday it will shut down its 290,000 barrel per day Line 6B crude oil pipeline next week to make repairs.

The shutdown will be the second in a month, as per the company's plan to perform a two-phase maintenance work on the line.

### [SBM Sees Oil Majors Trying to Push Risks to Sub-Contractors](#)

Major oil companies are increasingly trying to push liabilities of offshore oil projects onto sub-contractors as risk awareness has grown in the wake of the BP Macondo incident last year, according to oil services group SBM Offshore's chief executive.

### [Government says BP's Atlantis platform is safe](#)

(Reuters) - A government probe of BP Plc's Atlantis production platform in the Gulf of Mexico found no evidence of significant safety breaches, the Interior Department said on Friday.

A former BP contractor, Kenneth Abbott, filed a lawsuit in 2009 charging that the Atlantis oil and natural gas platform lacked key final engineering documents.

### [Is The Oil Industry on The Verge of Major Restructuring?](#)

The reserve results of ExxonMobil, Shell's gas production statement and the rash of major oil company purchases of gas shale assets in the U.S. and Canada are signaling a sea change in the petroleum industry.

### [Study Reveals Gaps in Produced Water Impact on Arctic Environs](#)

With its extreme, cold environment, fragile biota and slow recovery rate from oil spills, the Arctic poses unique challenges for managing produced water from oil and gas operations, and further study is needed into the long term impact of produced water treatment in the region, according to researchers at the ABS Harsh Environment Technology Center (HETC) based at Memorial University of Newfoundland (MUN).

### [Petrol trade group sues over bears](#)

An Alaskan petroleum industry trade group has sued the US government over its designation of 484,700 square kilometres as polar bear critical habitat, claiming it covers too much territory and could cost tens of millions of dollars or more in economic effects.

### [Profit from the scramble for alternatives to oil](#)

Amid the turmoil in the Middle East, only one thing has been able to keep any sort of lid on the oil price: the promise that Saudi Arabia can step in to fill any gap in production left by a revolution in Libya, or elsewhere. Saudi is seen as the 'central banker' of oil, as Fatih Birol of the International Energy Agency (IEA) puts it. Of course, investors are frightened of what could happen if Saudi Arabia faces similar turmoil (which isn't out of the question, see below).

But there's a more worrying possibility. What if Saudi Arabia simply doesn't have the capacity to produce as much oil as it says it does? "

### [Oil and Debt and Never the Twain Shall Meet](#)

Oil prices and loan servicing will hollow out the United States economy like a bloated corpse in a tank full of piranhas, and there is no one in a significant position of power who has the temperament or ability to fix either problem.

### [The best way to profit from the oil shock](#)

So here's an interesting fact that may have escaped your attention. US oil output in 2010 rose to its highest level since 2002. In fact, reports the FT, analysts believe that the US was "the largest contributor to the increase in global oil supplies last year over 2009 – and is on track to increase domestic production by 25% by the second half of the decade".

### [Grains and Revolution: Key Ingredient in Your Trading Recipe?](#)

The noteworthy part is that it wasn't the longstanding, oppressive nature of the ruling regimes in Tunisia, Egypt, Algeria, (insert next country here) that actually drove the people into a revolutionary spiral. These regions have been under the same power

structures for many generations now. Some outlets have reported that the internet (social networking sites), with its increased reach, was a major contributing factor in toppling several regimes thus far, stirring unrest in others. However, the internet was simply a forum that enabled coordination of the masses; it wasn't THE actual tipping point event that knocked over the first proverbial domino in the Middle East.

The tipping point was a factor that is not new in inspiring revolutions throughout history: HUNGER. Yes, the people in these countries did build a pent up anger, as they do not live in conditions as free as we in more democratic regions of the world are fortunate to enjoy. However, their anger did not boil over until recent dramatic increases in food prices set the stage for a desperate revolt, leading to what is playing out today, with the latest major unrest happening in Libya.

### [Republicans see rising gas prices as political weapon to weaken Obama](#)

Reporting from Washington — As Republicans continue to cast about for ways to weaken President Obama in advance of next year's elections, it appears they believe they have found one solid line of attack: rising gas prices.

### [Analysis: \\$5 a gallon gas? Listen up, Obama!](#)

The current mess presents U.S. President Barack Obama with a critical opportunity to forge change, to grab the steering wheel and lead in a way that drivers — both Republican and Democratic — can stand behind.

### [Steve Forbes Blasts Obama's 'Anti-Energy Policies'](#)

With gas prices spiraling ever higher, former GOP presidential candidate and Forbes Magazine Publisher Steve Forbes slammed the Obama administration's reluctance to drill for oil on Wednesday, accusing the administration of having "anti-energy policies."

Forbes said Congress should rake administration officials "over the coals" on the oil-exploration issue.

### [GM CEO: Carmakers Didn't Learn Nuthin' From Last Gas Crunch](#)

You might reasonably assume that after the gas spike of 2008, which decimated the U.S. auto industry, carmakers would have prepared extensively for Gas Crisis 2.0. But according to General Motors (GM) CEO Dan Akerson, you'd be wrong! He says the industry needs at least *two gas crises* to get its act together.

### [Oil hits \\$100 a barrel](#)

So is Nixon's goal of U.S. energy independence a mere dream? Daniel Yergin is author of "The Prize: The Epic Quest for Oil, Money and Power." He says energy independence has always been an elusive goal, given our lifestyle and the breadth of the American economy. Until we all start driving cars fueled by some economical alternative to oil, Yergin argues we should set more practical goals.

## [THE PRIZE: The Acclaimed TV Series About the Rise of the Oil Industry; and Our Enslavement](#)

AUTO CENTRAL - Nearly 20 years ago, a young Daniel Yergin wrote "THE PRIZE: The Epic Quest for Oil, Money & Power." It's the true story of how the petroleum oil industry was founded and how it has become the chain that keeps us in bondage to gasoline. In 1993, Yergin's book became the basis for a dynamic multi-part television series of the same name.

As part of The Auto Channel's coverage of alternative fuels and energy sources we proudly make this video series available to our you in the hope that you will join us in our determination to end the oil industry's control of world politics and the economy.

## [More jobs means worse traffic congestion](#)

Workers spent 4.8 billion hours slowed or stuck in traffic due to congestion during 2009, according to a recently released report from the Texas Transportation Institute at Texas A&M. That was an improvement over 2006, when a record 5.25 billion hours were wasted. But it still equates to an average of 34 extra hours per year on the road.

And the good days are about to end.

## [Nepal's first wind energy centre turns into ruins](#)

GORKHA: The country's first wind energy centre became a picture of neglect for more than two decades. Worst, it has turned into ruins now, thanks to utter indifference shown by authorities concerned.

Local residents say nobody bothered to repair the 20-KW energy centre constructed in 2046 BS even it remained closed even since two months after its establishment. The centre that produced electricity only for two months was shut down after its two fans were destroyed by high wind blowing from the north, said Dhara Gurung, a tourism entrepreneur in Kagbeni.

## [The Real El Dorado](#)

One of the great pieces of scientific research undertaken in recent years was the economic analysis of big and global versus small and local in the production and use of biochar. The results were surprising to many, not the least the university researchers

who are mainly funded by Big Ag. What they found by doing sensitivity analysis of the bottom line is something permaculturists have known for a long time. We call it "stacked function." If a large central facility hauls biomass in from a great distance, using big trucks, big grinders, a drying and curing stage, and then a multi-story pyrolysis kiln, it can produce massive amounts of biochar, which then has to be packaged and transported to distant farms and gardens. All of that is extraordinarily capital, energy and fuels intensive, and the process heat is usually just wasted in the manufacturing, adding to global warming.

Alternatively, a small- to medium-sized farmer (a good example is Thomas Harttung in Denmark) might produce biochar from farm wastes like chicken manure, straw, corn stover, etc. in a kiln inside a greenhouse. None of the heat is wasted. It warms the areas being used to produce vegetables in winter, or to heat the animal barns. In summer it might run a Stirling engine and make electricity, or a heat engine to pump water. All of these energy services represent profits to the farmer that are in addition to the production of biochar. Because it is produced on site, the distances traveled to bring feedstocks and send soil amendments is very short and can even be done with human and animal labor.

### [SLRD receives Peak Oil Task Force report](#)

The Squamish-Lillooet Regional District received a final report from its Energy Resilience (Peak Oil) Task Force at a monthly board meeting on Monday.

The task force, struck by the regional district in March of 2010 to help its communities deal with a presumed drop in global oil supply, delivered a report with a spate of recommendations in areas such as administration, building, planning and emergency services.

### [US eco-extravagance not an option for China](#)

It's very well to be rich. It would be even better if we were as rich as Americans, the envy of the rest of the world.

But how many of us have given serious thought to the problem: What if we were really as wealthy as Americans?

### [WKU Students in Sustainability Course Prepare for Challenges](#)

Led by Adjunct Professor Dr. Cari Bourette, eight Western Kentucky University students studying sustainability are engaged this semester in a community practicum that addresses the challenge of transitioning to a more sustainable environment.

### [We are living in a materials world](#)



Contractors find themselves between a rock and a hard place - the rock is the relentless rise of raw materials; the hard place is feeble demand and low margins. But is there anything they can do about it?

### [Day of reckoning looms when fossil fuels run out](#)

A COLLEAGUE of mine, a car owner himself, yearns for the day when oil is depleted.

By that time, he believes, we will be living in a world free of noise and pollution.

Although there is still much controversy over the exact date that will happen, that date is nearing.

### [Leading the charge away from fossil fuels](#)

A barrel of oil is equivalent to about 159 litres. That's a 200 litre fuel drum minus 18 cm cut off the top. So what does a day's worth of oil energy look like, measured in this approximation of an oil barrel?

Stand 89.3 million of these drums side-by-side, and they would stretch 52,240 kilometres—about 1.3 times around the Earth.

That's a powerful thirst for oil. Because it is for something that is finite, it is a thirst can't be maintained.

### [John Michael Greer: The distant sound of hoofbeats](#)

There are moments when the things nobody wants to talk about brush the surface, like deepwater fish rising briefly to catch the sun on their backs before plunging again into the underwater shadows. Two of those moments happened in the last few days, and I'd like to discuss them briefly before we get back into the practicalities of life in an age of declining energy availability.

### [ABC North Coast to launch Local Larder](#)

ABC North Coast's Local larder is an initiative designed to support the Northern Rivers Food Links Project in their aim to secure a sustainable food future for the North Coast region.

### [Can we get smart fast in an oil crunch?](#)

As political turmoil continues to rage across oil-producing regions in the Middle East and Northern Africa and the price of Brent crude climbs past \$115 a barrel, now might be a

good time to look at how we could speed up the transition to a smarter, more energy efficient society.

### [Fleeing Vesuvius: Overcoming the Risks of Economic and Environmental Collapse](#)

With a depth of analysis that borders on the academic, *Fleeing Vesuvius* leaves almost no stone unturned and no aspect of living untouched in its sweeping treatise on how to avoid what it regards as the impending collapse of civilisation and how to deal with the current crisis we have found ourselves in. Compiled by contributors specialising in a range of sectors including finance, business, food, media, politics, community organisation, energy, architecture, psychology and all the nooks in between, it is as pervasive as it is drastic.

("Fleeing Vesuvius is a collection of twenty-seven essays by well-known international authors, all leading thinkers in their fields. Luminaries such as David Korowicz, Richard Douthwaite, Nate Hagen, Dmitry Orlov, and Dan Sullivan weave together the threads of peak oil, resource depletion, economic instability, and climate change and offer far-reaching solutions.")

### [China Reportedly Plans Strict Goals to Save Energy](#)

HONG KONG — With oil prices at their highest level in more than two years because of unrest in North Africa and the Middle East, the Chinese government plans to announce strict five-year goals for energy conservation in the next two weeks, China energy specialists said Friday.

Beijing's emphasis on saving energy reflects concerns about national security and the effects of high fuel costs on inflation, China's export competitiveness and the country's pollution problems.

Any energy policy moves by Beijing hold global implications, given that China is the world's biggest consumer of energy and largest emitter of greenhouse gases. And even the new efficiency goals assume that China's overall energy consumption will grow, to meet the needs of the nation's 1.3 billion people and its rapidly expanding economy.

### [Libya Oil Facility At Zueitina Reported Damaged, Ablaze -Reuters](#)

An oil facility in the eastern Libyan port of Zueitina has been damaged and is on fire, Reuters reported Friday, citing news channel Al Jazeera, which aired video said to be of the facility, with black smoke rising from it.

Elsewhere in Libya, Reuters reported rebels advancing toward the key Ras Lanuf oil terminal, 600 kilometers (400 miles) east of the capital, Tripoli. They called for foreign governments to set up a no-fly zone after three days of attacks by government jets.

### [Russia protects EU from most Arab gas cuts](#)

(Reuters) - Europe has barely noticed the loss of Libyan gas since violence flared and workers fled in late February, thanks largely to Russia, but fears remain of wider unrest in the Arab world hitting bigger suppliers.

Russia has eagerly made up for the loss of about 2 percent of Europe's gas since Libyan exports stopped in late February.

### [Russia's Putin reiterates call for end to oil dependence](#)

Despite the high prices for oil and other primary commodities, Russia should work to overcome its dependence on oil revenues, Prime Minister Vladimir Putin said on Friday.

"Whatever the situation on global markets, it is obvious that Russia should move away from its dependence on raw materials," he told a regional conference of the ruling United Russia party that he heads.

### [San Bruno blast an 'anomaly,' industry exec says](#)

The pipe defect implicated in the deadly explosion of a Pacific Gas and Electric Co. natural gas transmission line in San Bruno was an "anomaly" that does not necessarily signal a broader danger for gas companies or their customers, an industry executive testified Thursday.

### [Extreme Wind Farming Gets \\$102 Million Blast](#)

Wind farms suffer from a problem: They're built to harness wind, but are still vulnerable to wear-and-tear caused by severely windy conditions. Enter the Record Hill Wind project, a Yale University Endowment-funded 50.6 megawatt wind power plant set to start construction this year in rural Maine. The project, which just scored a \$102 million loan guarantee from the Department of Energy, will tackle the wind wear-and-tear conundrum, and produce enough energy to power over 50,000 homes, to boot.

The key to keeping Record Hill's wind farm in pristine condition is Turbine Load Control technology, a system of software and sensors that allows the turbines to generate electricity during rough weather instead of being shut down. In addition to cutting down on turbine wear-and-tear, the technology is also expected to cut down on management and operation costs and extend the lifetime of turbine components.

### [Rising Gas Prices Hit Home](#)

HOMESTEAD, Fla. — This Miami exurb flourished in the housing boom but has fallen hard during the bust, with one of the highest foreclosure rates in the nation for the past two years. Rising gasoline prices are making a bad situation even worse.

...Higher gas prices are now hitting hard around Homestead, where many residents drive some 30 miles to work in Miami, adding to homeowners' strain. So while the foreclosure problem is starting to abate in many cities, the problem in places like Homestead could grow.

"The people who bought in Homestead were generally people who were on the margin to begin with. It's not a good sign when gas prices go up and become an added cost factor for these struggling homeowners," said Ned Murray, associate director of the Metropolitan Center at Florida International University, a Miami-based applied-research institute.

### [Oil rises to near \\$103 as Libya conflict escalates](#)

Oil prices rose to near \$103 a barrel Friday as Libyan government and rebel forces dug in amid fierce fighting while protests restarted in the capital Tripoli, raising investor fears of protracted oil output cuts.

### [Russian oil production levels close to record](#)

Russian oil production is near the post-Soviet record set last October, and could soon overtake it.

Output of 10.23 million barrels per day (bpd) last month was 0.2 per cent higher than in January and 1.5 per cent higher than in February last year, according to the latest government data.

That approaches the 10.27 million bpd pumped in October, a month in which Russian production is less prone to weather-related disruptions.

### [Norway Oil Drillers Hit Record Dry Spell as Reserves Wane](#)

Statoil ASA and Eni SpA are among companies with plans to drill a record number of wells in Norway's far north this year to help the world's second-largest gas exporter to sustain output. So far, they've struck out.

### [Richards Bay Coal Terminal Shipments Declined 7.4% in February](#)

RBCT, whose owners include BHP Billiton Ltd. (BHP) and Anglo American Plc (AAL), said in January that first-quarter exports will be affected by train derailments following heavy rains. The reduced rail service forced coal suppliers to tap stockpiles, which shrank to 1.7 million tons at the end of 2010 from 2.98 million tons on Nov. 30.

### [Hydropower 'Stealing' Share From Natural Gas](#)

U.S. natural gas prices are poised to extend their longest-ever decline as heavier-than-normal rainfall boosts hydropower generation from plants in the Pacific Northwest, cutting demand for gas-fired electricity.

### [Oil shock could push world food prices higher](#)

NEW YORK (CNMoney) -- Food prices worldwide continued to rise in February, and the recent spike in oil prices could push food costs even higher in the months ahead, according to a report from the United Nations.

### [Should the United States tap its oil reserves as crude rises?](#)

As it released its monthly consumer outlook index today, Royal Bank of Canada said that one in every three consumers in the United States has already cut back on discretionary spending because of the increase in prices at the gas pump.

### [Gas prices are going lower. Really](#)

So long as oil supplies from the Persian Gulf remain relatively undisrupted -- and most analysts think they will -- there's a strong case that gas prices could fall 25 to 75 cents a gallon from their current perch of \$3.43.

"I'm not buying into this," Addison Armstrong, director of market research at the brokerage Tradition Energy, said of the domino theory in the Middle East.

### [Oil price surge not a recovery killer](#)

SAN FRANCISCO (MarketWatch) — The sudden surge in oil prices in response to turmoil in Northern Africa and the Middle East has shocked the stock market out of its winter carnival, but a new, oil-led bear market is not on the horizon.

### [Thailand Raises Retail Diesel Subsidy While Considering Increasing Prices](#)

Thailand's government increased its diesel subsidy to oil companies by 0.5 baht (2 cents) per liter, which will deplete the state oil fund soon, Energy Minister Wannarat Charnnukul said.

The government will need to seek other measures, including raising pump prices or decreasing excise taxes, Wannarat told reporters in Bangkok today.

### [Black days](#)

Political uprisings in North Africa and the Middle East have sent crude oil prices soaring. But this is only the tip of the iceberg. Higher oil prices, if not cushioned, pose the biggest threat to South Africa's economic growth

### [MSPs demand action to curb rising price of petrol](#)

MSPs last night took a stand against rising petrol prices, backing an SNP motion calling on Chancellor George Osborne to scrap next month's fuel duty increase.

The debate came as a petition was handed into Downing Street and the pressure builds on the Coalition not to increase VAT on fuel next month.

### [Costs of revolution paid for at the bowser](#)

Early signs were missed and by the time a second opinion confirmed long incubating unease, the prognosis was the revolt that unseated dictators in Tunisia and Egypt and is embroiling Libya's Muammar Gaddafi in a violent last stand.

So far, an energy-dependent world has comforted itself with the perception - perhaps delusion - that Saudi Arabia is the most benign of Middle East autocracies, partly because disruption there does not bear contemplating. The Saudis control one-fifth of known oil reserves and supply one-tenth of the nearly 87 million barrels the world consumes daily.

### [Oil crunch inevitable as Arab world revolt intensifies](#)

SAUDI ARABIA'S Tadawul stock index has tumbled 11 per cent in wild trading over the past two days, led by banks and insurers. Dubai's bourse has hit a seven-year low.

The sell-off was triggered by the arrest of a Shiite cleric in the kingdom's Eastern Province after he called for democratic reforms and a constitutional monarchy. The province is home to Saudi Arabia's aggrieved Shiite minority and also holds the vast Ghawar oilfield.

### [BP-Reliance deal may encourage others](#)

NEW DELHI (Reuters) – BP's \$7.2-billion deal to jump into India's oil and gas sector with Reliance Industries is the first sign of new investment that could attract more players, helping to boost output and meet surging demand.

### [Total signs \\$4bn Russian gas deal](#)

The French oil group Total plans to acquire almost a fifth of Russia's biggest independent gas producer and will join a large project to export liquefied natural gas (LNG) from western Siberia.

### [Afghan oil and gas sector opens](#)

Afghanistan is seeking bidders for oil and gas exploration and production concessions in its Amu Darya Basin, the country's first move in four decades to open its hydrocarbon sector to international investment.

### [Philippines sends warplanes near disputed islands](#)

The Philippine military deployed two warplanes near a disputed area in the South China Sea after a ship searching for oil complained it was harassed by two Chinese patrol boats, officials said Thursday.

The Chinese vessels later left without confrontation, said Philippine military commander Lt. Gen. Juancho Sabban.

### [Saudi Arabia Must Keep Pumping Oil for Stability](#)

It's been more than a week since youthful Saudi Arabian demonstrators bucked the regional trend and cheered their ruler, celebrating his return to the kingdom from medical treatment abroad. Saudi Arabia remains relatively calm in a Middle East burning with revolutionary fervor.

All is not well in the desert kingdom, however, despite the respect many Saudis feel toward the frail 86-year-old they call the Custodian of the Two Mosques, King Abdullah bin Abdul-Aziz Al Saud.

### [Baker Hughes to take 1Q hit from Libya unrest](#)

Oilfield-services provider Baker Hughes Inc. said Thursday that unrest in oil-producing countries and cold weather in North America disrupted operations and will reduce first-quarter earnings.

### [London ship insurers add Libya to high-risk list](#)

LONDON, March 4 (Reuters) - London's marine insurance market has added Libya to a list of areas deemed high risk as violence escalates in Africa's third-largest oil producer, a senior market official said on Friday.

## [Qaddafi Strikes Rebels in West Libya; Battles Rage in Oil Ports](#)

Libyan leader Muammar Qaddafi sent troops to recapture towns in western Libya and prepared to quash protests in the capital, Tripoli, as rebels fought for control of oil ports on the country's central and eastern coastal strip.

Clashes in Misrata, a town about 90 miles (150 kilometers) east of Tripoli that was under opposition control, left at least 33 people dead and 120 injured, Al Arabiya television said, citing a witness. Government troops attacked Zawiyah, west of Tripoli and the nearest rebel-held town, and in the capital security forces set up checkpoints and searched cars before Friday prayers, the Associated Press reported.

## ['Comrade' Chavez proffers mediation role](#)

LONDON: Muammar Gaddafi and Hugo Chavez are old comrades in the struggle against imperialism and American hegemony, but the Libyan leader has probably never before been in such dire need of solidarity and help from his Venezuelan friend.

## [Witnesses: Security forces kill 2 in Yemen protests](#)

Harf Sofyan, Yemen (CNN) -- Security forces opened fire on anti-government protesters in northern Yemen on Friday morning, killing two people and injuring nine others, witnesses said.

The forces fired into the protesters in Harf Sufyan city to try and disperse them, witnesses said. Three army planes flying over the crowd also attacked the protesters, witnesses said.

## [More than 100 killed in disputed Sudan region](#)

JUBA, Sudan (AP) — Southern Sudanese officials have blamed the north's military for attacks that killed more than 100 people this week around a disputed town between north and south Sudan.

## [Iraqi forces use water cannon to disperse protests](#)

BASRA, Iraq -Iraqi security forces used water cannon and batons to disperse protesters in the southern oil hub of Basra on Friday as thousands of Iraqis rallied around the nation against corrupt officials and poor basic services.

Demonstrations against a shortage of jobs, electricity, water and other basic services have been rising as Iraqis demand reforms.



### [Cash can be key to quelling dissent](#)

As unrest roils in the Middle East, some regional leaders have turned to what has worked in the past to quiet the masses: payoffs.

Rulers of countries such as Bahrain, Jordan and Saudi Arabia have pledged incentives such as lower food prices and increased wages or offered cash payments to help insulate their ruling families from the protests sweeping through the region.

### [Chinese activists disappear amid calls for protests](#)

BEIJING — Chinese human rights activists have been disappearing ever since a mysterious call went out on the Internet for a "Jasmine Revolution" similar to the uprisings against authoritarian regimes in the Middle East — a call that was made again this week.

### [China Turns to Turkmen Natural Gas as Gazprom Seeks Price, Pipeline Deal](#)

China is turning to Turkmenistan for more gas as Russia's OAO Gazprom, the world's biggest producer, has yet to agree on prices and pipeline routes with Asia's fastest-growing market.

### [TNK will meet with BP to discuss Rosneft Arctic deal](#)

British Petroleum confirmed to the BBC that it will be attending a board meeting with the Anglo-Russian oil firm TNK-BP in Berlin on Friday. This was rescheduled after BP failed to attend a week ago.

Top of the agenda are plans for TNK-BP to join BP's Arctic exploration pact with Rosneft, the state-controlled oil firm.

### [The Inuit prepare to defend their rights](#)

WHEN in the Arctic, you should at least treat your host well. Royal Dutch Shell, an oil giant, had to learn this the hard way when planning to drill exploration wells in the Beaufort Sea off Alaska a couple of years ago. The firm had spent \$84m on offshore leases and had satisfied regulators. But it failed to win over the Inupiat, an Inuit group. They worried that icebreakers and drill ships would hurt the bowhead whales on which they depend. Their leaders and environmental groups sued American regulators for not following a 1970 law on environmental impacts. This allowed them to wrest a number of concessions from Shell, including a commitment to stop all offshore operations during the bowhead migration and hunt, should drilling ever proceed.

### [Shell seeks to soothe S.African fears on shale gas plans](#)

JOHANNESBURG (AFP) – Energy giant Royal Dutch Shell said Thursday a controversial plan to exploit natural gas in South Africa will only start in 2013 as it sought to soothe fears over the environmental impact.

"Our approach (is) based on the philosophy of no harm to people and no harm to the environment," Shell's general manager for new venture execution, Graham Tiley, told journalists in Johannesburg.

### [Pressure Limits Efforts to Police Drilling for Gas](#)

When Congress considered whether to regulate more closely the handling of wastes from oil and gas drilling in the 1980s, it turned to the Environmental Protection Agency to research the matter. E.P.A. researchers concluded that some of the drillers' waste was hazardous and should be tightly controlled.

But that is not what Congress heard. Some of the recommendations concerning oil and gas waste were eliminated in the final report handed to lawmakers in 1987.

"It was like the science didn't matter," Carla Greathouse, the author of the study, said in a recent interview. "The industry was going to get what it wanted, and we were not supposed to stand in the way."

### [Federal Officials Say They'll Examine Fracking Practices](#)

Testifying before Congress on Thursday, Obama administration officials said they planned to scrutinize the waste disposal practices of natural gas producers after reports that drilling wastewater containing radioactive material was being dumped in public waters without proper monitoring or treatment.

### [Panelists talk pros, cons of Marcellus shale drilling](#)

FROSTBURG — The conversation almost stayed civil Wednesday night.

About 150 people gathered at the Palace Theatre to hear two panelists discuss the pros and cons of drilling for natural gas in Western Maryland's portion of the Marcellus shale.

### ['Major victories for pipeline safety'](#)

New solutions are needed to improve safety of natural gas pipelines beneath neighborhoods, federal investigators said at the end of a three-day hearing on the Sept. 9 fatal blast in San Bruno.

### [BP won't give bonuses to Gulf managers](#)

LONDON (AP) — Oil giant BP says it isn't paying bonuses for 2010 to company executives who had responsibility for operations in the Gulf of Mexico, including former Chief Executive Tony Hayward and former head of exploration and production Andy Inglis.

### [Airlines likely to keep rising with price of oil](#)

NEW YORK — After a slump caused by the recession the travel industry is booming again, but any rebound could be threatened by a fuel-price rise, travel experts said.

### [AAA praises fuel-efficient tech and inflatable seat belts](#)

"It's seamless," says John Nielsen, AAA's director of auto repair and buying. "Nobody will know it's there. The engine turns off when the vehicle stops, but the air conditioner and power steering are still run by electric motors. It takes nothing away from driving the car." He says the technology provides a 3% to 8% increase in fuel economy, with the greatest savings coming in stop-and-go city driving.

### [Emissions Trading Contributes to the Spread of Electric Vehicles in Estonia](#)

(JCN Newswire) - Mitsubishi Corporation has concluded an agreement with the Estonian Government to purchase 10 million tons of emissions rights. Under the terms of this contract, MC will also be providing 507 electric vehicles, manufactured by Mitsubishi Motors, as well as support with regard to quick charging technology, a field in which Japan is a leading player. These activities will support the Estonian Government's goal of realizing an electric vehicle society.

### [Chinese solar producers bid for African business](#)

Chinese solar power producers are trying to attract more clients in Africa, where nearly two-thirds of the population lives off the electric grid.

### [UK facing 1970s-style oil shock which could cost economy £45bn – Huhne](#)

Britain is facing a 1970s-style oil price shock that could cost the UK economy £45bn over two years, the climate and energy secretary, Chris Huhne, is expected to warn in his first intervention on the issue since the start of Middle East political crisis.

### [Chris Huhne sets out his plan to get UK off 'oil hook'](#)

Getting the UK off the "oil hook" will make the country's economy more secure and stable, Energy and Climate Change Secretary Chris Huhne has said.

In a speech setting out plans for the move away from a dependence on fossil fuels, he said "it would be crazy" not to prepare for a low-carbon future.

### [U.S. Security Depends on Energy Innovation](#)

WASHINGTON — Future U.S. security may depend upon energy innovations that reduce dependence upon foreign oil. But the former Silicon Valley entrepreneur who heads the U.S. government's advanced-energy initiative said clean-energy technologies also will represent the biggest business opportunity in the coming decades.

### [Libya's Revolution Offers a Second Chance for Clean Energy](#)

The oil price spike of 2008 was quickly forgotten in the haze of economic recession, but Libya's revolution could put innovation back on track.

### [Can nuclear power save Japan from peak oil?](#)

If the recent proclamations from various bodies, including the International Energy Agency, about our close proximity to the peak in world oil production are true, then Japan may be sitting on the equivalent of an energy security time bomb.

### [Maybe selling off government-owned fossil-fuel infrastructure isn't such a bad idea](#)

Walker's not alone in his inclination to sell off public infrastructure; for the past several years, budget-strapped governors and mayors all around the country have been trying to unload their roads, ports, and even parking meters for a temporary budget fix.

### [The time machine of the 1960s](#)

So, one of Forrester's students took up the task of making a big model of the whole world for the Club of Rome. His name was Dennis Meadows. At that time he wasn't a student any more, he was 28 years old, but he was young anyway. And so the research called "The Limits to Growth" was started. Dennis Meadows collected a group of young people and they started modeling the whole world for a future that spanned more than 100 years, up to the end of the 21st century. I am sure that they were absolutely thrilled by the challenge. I am sure that all of you would be thrilled. It was an incredible chance: use the computer as if it were a time machine and explore the future of the world! In the past few years, I have had the chance of meeting some of the people who worked on that project in person. Now, of course, they are in their 60s or 70s; but they maintain a lot of enthusiasm for these studies. They had the chance to see how their

scenarios have fared over almost 40 years of comparison with the real world. As I said, we are all time travelers.

So, what did they find with their virtual time machine? The results are described in a book titled "The Limits of Growth" which was published in 1972, almost 40 years ago. Today, if you heard about that study, you probably heard that it was all wrong. That it was a flawed study based on wrong data and that it had predicted that the world should have ended - maybe - in the 1990s and that, of course, didn't happen. Or, if you never heard about it, you may wonder why - if it was so new and important.

### [From toilets to tap: How we get tap water from sewage](#)

SINGAPORE — This island nation is aggressively promoting a solution to the water scarcity that vexes countries worldwide: recycling toilet water to drink.

It's an idea that many people find revolting. But, in Singapore at least, the nearly 5 million residents largely seem to have accepted it as necessary.

### [Federal Jury in Utah Convicts Environmentalist](#)

SALT LAKE CITY — A Utah man who infiltrated a sale of federal energy leases in December 2008 to protest United States policies about climate change was found guilty by a jury on Thursday of disrupting a government auction and faces up to 10 years in prison.

### [NASA: Rocket probably in ocean after failed launch](#)

Glory was launched on a three-year mission to analyze how airborne particles affect Earth's climate. Besides monitoring particles in the atmosphere, it will also track solar radiation to determine the sun's effect on climate change.

### [Emerging economies urged to tackle emissions responsibly](#)

Japan on Wednesday urged emerging economies whose emissions of greenhouse gases have been on the rise to "play a responsible role" in the global fight against climate change, stressing the need to establish "a truly fair and effective international framework" to curb global warming.

### [Carbon tax no climate cure-all: Lomborg](#)

CARBON taxes can do little to change global warming, controversial Danish political scientist Bjørn Lomborg said in Australia this week, but it could fund a genuine solution.

In Dr Lomborg's view, that solution lies in the ubiquitous availability of cheap green energy.

### [Norway says to widen carbon capture technology hunt](#)

OSLO (Reuters) - Norway will consider a wider range of technologies for a long-delayed flagship carbon capture project to avoid health worries from chemicals in the original plan, the government said on Friday. Environmentalists have strongly criticised Oslo for delays in the project designed to limit greenhouse gas emissions from the Mongstad oil refinery on the west coast, and have accused its operator Statoil of reluctance to invest.

### [Here's how the Arctic will look by the end of this century](#)

According to the study, by the end of the century, the annual average surface temperature in Arctic regions is projected to increase by 5.6 to 9.5 degrees Fahrenheit, depending on the greenhouse gas emission scenarios.

The projected redistributions of climate types differ regionally; in northern Europe and Alaska, the warming may cause more rapid expansion of temperate climate types than in other places, suggested the study.

### [Climate change 'will bring drought, not rain, to East Africa'](#)

[NAIROBI] East African environmental specialists have questioned new research that concludes that that climate change will bring increased drought, rather than more rain, to the region.

### [Thom Hartmann: Corporations Are Fueling Our Peak Oil Crisis](#)

In this ninth video in the series "Peak Oil and a Changing Climate" from *The Nation* and On The Earth Productions, radio and television host and author of *The Last Hours of Ancient Sunlight* Thom Hartmann talks about ways we can all help combat global warming. Speaking from the grounds of Wisconsin's 2010 Fight Bob Fest, Hartmann insists that Americans need to change the way we live if we are going to save the planet, and the first step has to be getting active in the political process.

He believes the weather's "global weirding" will be the thing most people notice first about our changing climate: tornadoes, hurricanes, floods and vanishing freshwater glaciers are extreme enough that they should eventually force people to adapt and take action.

But for Hartmann, who also wrote *Unequal Protection: How Corporations Became People—And How You Can Fight Back*, the most critical fact we must face is that "the unholy alliance of corporation and government is every bit as destructive as the alliance of church and state was perceived to be two hundred years ago." We have to to fight

back against the corporate capture of government, Hartmann says, because the companies profiting off our addiction to oil are doing everything in their power to keep us on our destructive course.



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