



Drumbeat: June 15, 2011

Posted by [Leanan](#) on June 15, 2011 - 10:18am

[Oil hits lowest level since February](#)

NEW YORK (CNMoney) -- Oil prices plunged more than 4% Wednesday to their lowest level in nearly four months, as fears over Greece's debt issues pushed both stock and commodity prices broadly lower.

Oil prices closed down \$4.56, or 4.6%, to \$94.81 a barrel, its lowest close since Feb. 18.

Crude prices took their cue from the stock market, where Wednesday's sell-off sent the Dow down more than 200 points..

"The speculators are running for the door," said James Cordier, president of Liberty Trading Group.

[Risk attitude, not peak oil, will shape energy future: Kemp](#)

(Reuters) - Fears about peak oil are misplaced. Peak oilers focus on reserves and production of conventional (light) crude and ignore the much larger hydrocarbon base of heavy oils, coal, natural gas, kerogen and gas hydrates.

[Yemen's militants step up attacks amid turmoil](#)

SANAA, Yemen — Al-Qaida-linked militants temporarily seized parts of a provincial capital in southern Yemen on Wednesday, the latest in a series of brazen attacks by extremists taking advantage of the turmoil in the poor Arab nation.

The increasingly bold fighters are expanding their reach after wounded President Ali Abdullah Saleh left Yemen for Saudi Arabia and cast the country into deeper chaos. Their gains in a nearly lawless region of southern Yemen lend urgency to U.S. efforts to bolster military capabilities that can be used to strike at the terrorist network.

[U.S. helicopters fire on attackers in Iraq oil hub - military](#)

(Reuters) - U.S. military helicopters fired on suspected militia fighters in southern Iraq on Wednesday, killing one, in a rare American air strike responding to a rocket attack on

an airport, the U.S. military said.

The U.S. response at Basra came at a sensitive time as Baghdad and Washington debate whether American soldiers need to stay past a planned withdrawal at the end of 2011 after they finished combat missions last year.

[China firm on Russia gas price, Hu heads to Gazprom](#)

MOSCOW (Reuters) - China and Russia have failed to come closer in tough price talks between their national energy giants despite hopes that President Hu Jintao's visit to Moscow would herald a breakthrough.

Negotiators for China National Petroleum Corp (CNPC) have signalled they will pay no more than \$250 per thousand cubic metres, sources at Gazprom (GAZP.MM) said on Wednesday.

[U.S. pickup sales hit bump in road this spring](#)

"We were seeing a reaction from people starting to say, 'I'm hearing some mixed signals in the economy, and I don't know if I can handle \$4-a-gallon gas and a new truck payment,'" Ford analyst George Pipas said. "It's just temporary."

[Amazon activist killed after dispute with logger](#)

RIO DE JANEIRO — A landless peasant activist was killed by a gunshot to his head outside his home in Brazil — the fifth murder in a month likely tied to the conflict over land and logging in the Amazon.

[U.S. births down for 3rd year; economy may be factor](#)

U.S. births apparently have declined for a third year in a row, probably because of the weak economy.

[Analysis: Saudi supply increase cheapens OPEC crude](#)

(Reuters) - Saudi Arabia's solo move to boost output is widening the price gap between undersupplied light crude and abundant lower-quality oil, and will force producers to offer their heavy grades to customers at deeper discounts.

Lower relative values for high-sulphur crude hurt most members of the Organization of the Petroleum Exporting Countries and benefit refiners that have the upgrading capacity to process heavy oil into light fuels.

[WikiLeaks cables show worry about Saudi oil security](#)

WASHINGTON -- When al-Qaida suicide bombers tried on Feb. 24, 2006, to blow up Saudi Arabia's Abqaiq oil processing facility, arguably the world's most important petroleum hub, it was taken as a sign of strength that internal security had foiled the attack.

Secret U.S. State Department cables obtained by WikiLeaks and shared with McClatchy Newspapers and other news organizations show otherwise.

[Platts: OPEC Boosts Oil Output in May](#)

The Organization of the Exporting Countries (OPEC) pushed out an additional 200,000 barrels per day (b/d) of crude oil in May, boosting output to 29.04 million b/d from 28.84 million b/d in April, showed a just-released Platts survey of OPEC and oil industry officials and analysts.

OPEC kingpin Saudi Arabia, which vowed after OPEC's June 8 meeting in Vienna to ensure that world oil markets would not suffer any supply shortage, accounted for most of the additional barrels.

[IEA 'Still Assessing' Oil Market after OPEC Stalemate](#)

The International Energy Agency is in talks with member countries following last week's OPEC meeting and is "still assessing" the oil market situation before considering any potential response, Executive Director Nobuo Tanaka said Tuesday.

Tanaka reiterated that the IEA "stands ready to act" if the market requires additional oil. At the same time, Tanaka, whose organization represents consuming countries, expressed confidence that Saudi Arabia could pump additional oil to meet supplies, he said in an exclusive interview with Dow Jones Newswires. The IEA has authority to coordinate an emergency response of oil from its member governments.

[ANALYSIS: OPEC Indecision Underscores Market Sensitivity](#)

Like a seesaw poised to go this way or that, the oil market teeters in a delicate balance in the wake of OPEC's indecisive most recent meeting.

The major producing nations failed to reach an accord on a plan to raise production quotas at the June 8 meeting, marking the first time in some two decades that OPEC members were unable to agree.

[Mega-projects progressing off Saudi Arabia](#)

DHAHRAN, Saudi Arabia – Saudi Aramco has provided an extensive update of its exploration and production programs offshore Saudi Arabia in its 2010 review.

In the Red Sea, the company stepped up seismic activity last year in relatively unexplored areas which it claims hold potential for significant reserves.

[Aramco to provide Europe, Asia with extra oil](#)

(MENAFN) Dharan-based Saudi Aramco, Saudi Arabia's state oil company and the largest crude oil exporter in the world, offered additional supplies to refiners in Asia and Europe, Times of Oman reported.

[The oil production story: Pre- and post-peak nations](#)

The world oil production data below tell a story about: 1) nations that are past peak (see “Peak Year,” turquoise fill), because of geologic limits (e.g., US, Norway, etc.) or other reasons; and 2) nations that have yet to peak (see “na” under “Peak Year;” Saudi Arabia, UAE, China), or if they have peaked it is not yet clear. An equally interesting trend is—irrespective of peaking—whether or not nations are increasing (first column; Brazil); have either flat or volatile production (second column, in blue; Iran, Iraq); or are experiencing decreasing production (third column, in red); the 2009 OPEC quotas continue to complicate the overall numbers here. Also, follow the trend of oil production nations whose exports are declining. Six non-OPEC nations increased by over 100,000 barrels/day-year (vs. 12 in 2004); two non-OPEC experienced declines over 100,000 barrels/day-year (also two in 2004). Peak appears to be close but not yet; we were on relatively plateau production during 2005-2008, then down in 2009, up strongly in 2010, up so far in 2011. Keep following the increasing roles of economic-driven demand destruction, violence, the Arab Spring, resource nationalism, timing of production investment and peak oil exports.

[Analysis: Shale Boom, Independents Drive U.S. Reserves, Capital Spending](#)

The U.S. shale oil and gas drilling boom boosted U.S. oil and gas reserve growth to a five-year high in 2010, while upstream spending more than doubled from 2009 to 2010 largely due to producers' acquisitions of shale properties, according to Ernst & Young's fourth annual U.S. E&P Benchmark Study.

The survey of the 50 largest oil and gas companies by end-of-year reserves found that end-of-year oil reserves grew 11 percent from 16.1 billion barrels in 2009 to 17.8 billion barrels in 2010, and natural gas reserve grew 12 percent from 156.2 Tcf in 2009 to 174.3 Tcf in 2010, the strongest combined annual growth posted from 2006 to 2010.

[Turkish PM, Syrian envoy to meet as refugee numbers mount](#)

Istanbul (CNN) -- The Turkish prime minister plans to huddle with a special Syrian envoy on Wednesday in an effort help stem the growing tide of refugees racing into Turkey from conflict-wracked Syria.

The number of Syrians who've crossed the border now stands at 8,421, according to Turkey's disaster and emergency management directorate. That flight has been spurred by violence and a military offensive in the conflict-scarred country, and Turkey is worried that the border crisis could deteriorate and destabilize the region.

[Kudrin: Ruble May Hit RUB26-RUB24 Vs Dollar If Russia Spends Oil Cash](#)

MOSCOW -(Dow Jones)- The ruble may move to RUB26-RUB24 against the dollar if Russia spends its oil windfall income, Finance Minister Alexei Kudrin said Wednesday.

[Russia urges Iran to be constructive on nuclear issue](#)

(Reuters) - Russia urged Iranian President Mahmoud Ahmadinejad on Wednesday to be "more constructive" in his cooperation with global powers on nuclear issues, Foreign Minister Sergei Lavrov said.

[ENI chief lashes out at Nabucco pipeline: "not a solid project"](#)

Brussels - The Nabucco energy pipeline, widely seen in Brussels as key to reduce Europe's dependency on Russian gas supplies, 'is not a solid project,' the head of Italian energy company ENI, Paolo Scaroni, said on Wednesday.

ENI is one of the closest allies within the European Union of Russian energy giant Gazprom. The two have teamed up to build another pipeline, South Stream, which aims to link up south-eastern Europe with Russian gas supplies.

[China Says Won't Use Force in South China Sea](#)

China said Tuesday it wouldn't resort to the use of force in the tense South China Sea, after its neighbors expressed concern about its more assertive maritime posture.

"We will not resort to the use of force or the threat of force," Foreign Ministry spokesman Hong Lei told reporters.

[In search of fuel in oil-rich UAE](#)

(Reuters) - Rashed al-Ali spent two hours hunting for petrol before ditching his car. He

then walked to a highway to hail a taxi to try to find any place where he could fill his jerrycan with fuel.

His story is part of what has become a typical morning rush hour routine for hundreds of workers in the United Arab Emirates, where petrol stations ran dry last week.

[Suppliers send fuel warning flying in the air](#)

LAHORE – Petrol shortage persisted at almost all pumps in the City on Tuesday, despite a strong warning to oil marketing companies by the Punjab government to resume supply from their stocks otherwise their licences would be cancelled.

Major refineries were also asked to increase their output at maximum level.

[Govn't to tax high power consumption in Venezuela](#)

A year and three days after the government suspended power-rationing measures, following the 2010 energy crisis, Venezuelan authorities announced the return of power saving measures. Further, a reward and punishment plan for heavy household power consumers -which was previously implemented in Caracas only- will be extended to virtually all the country.

[Colombia to supply electricity to Venezuela](#)

Colombia announced on Tuesday that it has begun to deliver electricity to Venezuela, as part of a plan that will be in place as long as the energy crisis in Venezuela, which on Monday announced an energy-saving program, continues.

The delivery of electricity began on Monday from Colombia's northern department of La Guajira to the Venezuelan state of Zulia, said the Colombian Ministry of Mines and Energy in a statement.

[Premier proposes supplying gas to Europe](#)

The Premier Colin Barnett has raised the prospect of Western Australia supplying emergency power to Europe.

[Impact Fee Proposed on Natural Gas Wells](#)

A state Senate measure to charge natural gas drillers a per-well impact fee will be getting some tweaks today, in an effort to move forward on the measure as lawmakers head into final budget talks.

One lawmaker says those are the beginning of a more comprehensive revamp to the drilling fee legislation, which is being negotiated by supporters in that chamber

[State Lawmakers Consider Tax Trust Fund](#)

Kriesky's proposal projects that a 1 percent severance tax hike on coal, oil and gas extraction and production could raise \$100 million in its first year. A "Severance Tax Permanent Fund" could have a principal balance of \$612 million by 2015, \$1.18 billion by 2020 and \$3.77 billion by 2035.

The state's entire general fund is just over \$4 billion now.

[Coal, batteries, and China's long, hot summer of protests](#)

No historical analogy is precise -- no two sets of circumstances can be precisely the same, and I am not suggesting that China is headed toward public chaos. But I am arguing the opposite: that the Chinese government, grasping that social stability is key to staying in power, will do everything required to tamp down unrest.

[When will we see solar panels on the White House?](#)

Last year president Obama promised to install solar panels on the White House by the end of spring. So where are they?

[Japan Showa Shell says eyeing solar farm on oil refinery site](#)

(Reuters) - Showa Shell Sekiyu KK , the world's second biggest thin-film solar cell maker, said on Wednesday that it could build a 7-8 megawatt solar farm on the site of a 120,000 barrel-per-day oil refinery south of Tokyo that is scheduled to close by September.

[Discredited doomsayers](#)

A more consequential example is the Ehrlichs. To give them credit, their take on how life as we know it will end was (and is) all too plausible: we'll simply run out of resources. As for when, on the other hand, their methodology was just a couple pegs above Browning's. They predicted demographic disaster by extrapolating the trend du jour, which showed the earth's population rising at a geometric rate. If that kept up, they wrote, in 900 years the planet would house 60 million billion people.

That was crazy talk, as the Ehrlichs themselves acknowledged. Their forecast of imminent mass starvation, intended more seriously, was also unfounded. Environmentalist Barry Commoner, hardly an optimist, pounded the Ehrlichs for their

apocalyptic warnings. He noted that developing countries typically experienced a "demographic transition," when birth and death rates got temporarily out of phase and the population spiked up, only to flatten out later. Commoner thought the same thing would happen on a global scale, and events so far have borne him out.

[Dmitry Orlov: The sermon to the sharks](#)

The publisher was kind enough to provide me with a review copy of John Michael "The Archdruid" Greer's recently published book *The Wealth of Nature: Economics as if Survival Mattered*. It took me a couple of days to get through the book, which I did although much of the material was not new to me, for the sake of his exposition: John Michael is an erudite and patient writer, good at explaining away the various fallacies around money, energy and the pursuit of everything that bedevil our increasingly morbid industrial civilization. I read and I nodded, and it was not until I arrived at the last chapter, "The Road Ahead" that I started shaking my head, because a paraphrase of the title sneaked into my brain, one that I couldn't shake: *Preaching to Sharks: Economics as if the Survival of Economists Mattered*.

[Book Giveaway: The Wealth of Nature](#)

We've got another book giveaway opportunity for our wonderful readers. Additionally, before we get into that, we also have a coupon code for all readers which will allow you to get free shipping if you buy the author's 3 books.

[Sierra Club goes totally peak oil -- almost](#)

I was pleasantly surprised to see that Michael Brune's book *Coming Clean: Breaking America's Addiction to Oil and Coal*, just released in a revised edition to talk about the Deepwater Horizon spill, more or less starts with peak oil.

Why surprised? Because mainstream environmentalists often shy away from the topic. Maybe the idea that cheap oil is running out and that the world doesn't have anything to replace it with except a little clean energy and a lot of conservation, cutting back and powering down, scares the foundations and corporations that provide funding for big green groups?

[New Zealand: Cycling into the future](#)

DCC transportation and planning manager Sarah Connolly has said the possibility of government funding, merging the work with roading upgrades and spreading it across two or three decades would make the cost easier to bear for ratepayers. The next stage of the project would see it put out for public consultation.

There are, of course, a number of long-term benefits in such a network. The age of peak oil has arrived - whereby the cost of fuel for motorised vehicles is unlikely to decrease

over time.

[Counter-intuition 101: Why recent bad economic news means it's time for working less](#)

So what's the alternative to slashing government programs, budget cutting, and more concentrated wealth at the top? The centerpiece of a new approach is to re-structure the labor market by reducing hours of work. That may seem counter-intuitive in a period when the mainstream message is that we are poorer than ever and have to work harder. But the historical record suggests it's a smart move that will create what economists call a triple dividend: three positive outcomes from one policy innovation.

[UK ministers ignored 'peak oil' warnings, report shows: Report reveals threat of civil unrest from energy shortages, which has been played down as 'alarmist' by ministers](#)

The government was warned by its own civil servants two years ago that there could be "significant negative economic consequences" to the UK posed by near-term "peak oil" energy shortages.

Ministers were told it was impossible to know exactly when production might fail to meet supply but when it did there could be global consequences, including "civil unrest."

Yet ministers consistently played down the threat with [the contemporaneous Wicks Review into energy security \(pdf\)](#) effectively dismissing peak oil as alarmist and irrelevant.

[Misunderstanding Peak Oil](#)

For one of the more basic things about economics is that there is no such thing as "supply" or "demand". There is only "supply at a price" and "demand at a price".

So, if supply does fall then price will rise. That price change will reduce demand and thus supply and demand will balance.

[Oil Declines as Concerns Over European Debt Counter U.S. Inventory Drop](#)

Oil fell from a three-day high in New York amid concern that Europe's debt crisis will threaten the region's economic recovery and curb demand.

Futures slid as much as 1.2 percent, after posting their biggest gain in almost a month yesterday, as European Union finance ministers struggled to break a deadlock on a second rescue plan for the Greek economy. U.S. crude stockpiles fell by 3.01 million barrels last week, the industry-funded American Petroleum Institute said yesterday. A Bloomberg survey indicated government data today may show a decline of 1.8 million barrels.

[\\$4 gas a thing of the past, at least for now](#)

Four-dollar gas is quickly becoming a thing of the past, but not before siphoning billions from consumers and forcing the economy into low gear.

After topping \$4 a gallon in 17 states and threatening to surpass the all-time record of \$4.11, reached in July 2008, regular-grade gasoline now averages \$3.69. That's 29 cents below May's \$3.98 high. Gas prices now average \$4 only in Hawaii, Connecticut and Illinois and \$4.24 in Alaska.

The slide in prices — linked to rising inventories and soft demand — could continue through summer, soothing fragile consumer sentiment and potentially boosting the sluggish economy.

[Saudi, U.S. debated oil reserve swap before OPEC - sources](#)

(Reuters) - It was to be a swap felt around the world -- a plan privately discussed by the world's largest oil exporter and the globe's biggest consumer to take the heat out of \$120-plus oil prices.

In the weeks leading up to the failed June OPEC meeting, U.S. and Saudi officials met to discuss surprising the market with an unprecedented arrangement: exchanging urgently-needed high-quality crude oil stored in the U.S. emergency reserve for heavier, low-quality oil from Saudi Arabia, according to people familiar with the plan.

[Iran sees no need for emergency OPEC meeting](#)

TEHRAN: Iran said on Wednesday there was no market demand for Saudi Arabia's output increase nor any need for an extraordinary OPEC meeting as the market was "balanced."

[OPEC eyes record revenues above \\$1-trillion](#)

The last meeting of the OPEC oil cartel ended in disarray. But the collapse will not affect the finances of the group. The earnings of the members of the cartel, from Saudi Arabia to Iran, are set to break above the \$1-trillion (U.S.) mark this year for the first time, beating the \$965-billion peak set in 2008, according to the U.S. government.

[Oil to spike again before new recession: Robeco](#)

The world is heading for a fresh oil price spike before collapsing into a crisis, a prominent fund manager said on Monday, adding that China's unquenchable thirst for natural

resources could lead to rising tensions.

Peter Csoregh, senior portfolio manager of Robeco's Natural Resource equities fund, said oil prices could hit previous peaks of \$147 a barrel given that growing demand from developing markets such as China continues to outpace new sources of supply.

[Does Oil Price Divergence Reflect Demand?](#)

Brent has diverged from West Texas Intermediate, and is now carrying a risk premium of close to \$20 per barrel over WTI. That premium differential is a reflection of geographic proximity and more accentuated dependency on the Middle East/North Africa sources by European markets, not demand

[Shell starts to fire up Pearl plant in Qatar](#)

Shell's multibillion-dollar gamble in Qatar is starting to pay off.

The oil major is bringing online the various parts of a huge US\$19bn (Dh69.78bn) plant designed to convert the emirate's natural gas resources into fuel. It shipped its first cargo to Europe yesterday, and a second is planned for the coming weeks, according to Shell.

[Nigeria police destroy bomb near local oil workers' quarters in N. Nigeria, no casualties](#)

KANO, Nigeria — Police say a special squad has detonated a bomb near a compound housing local oil workers in Nigeria's restive north.

[Oil companies play a waiting game on Libyan crude](#)

Oil companies are playing a waiting game in Libya five months into a civil war whose outcome is still uncertain.

A key question is how and with whom they will need to negotiate to revive production of 1.6 million barrels per day that formed the country's economic backbone until the fighting broke out.

[Libya's Rebel Government Seeks \\$3.5 Billion in Aid as Oil Production Stops](#)

Libya's rebel government is seeking \$3.5 billion to cover its budget for six months as sales of crude stopped after oil fields were destroyed, said Mahmoud Badi, the president of foreign investments and sovereign assets.

“Oil sales have been stopped because there has been an aggression on the oil fields and the producing fields were destroyed,” Badi said in an interview in Abu Dhabi yesterday. “We were only able to sell one cargo for \$90 million to \$100 million and after that we were not able to.”

[ENI hopeful Libya to return to normal in a year](#)

(Reuters) - The chief executive of Italian oil major ENI is optimistic that the energy situation in Libya will return to normal in a year's time and expects a new government to cooperate with foreign firms in the country.

CEO Paolo Scaroni said the company had no plans to replace Libya with another supplier.

[Syrian army readies sweep of second town, as Damascus calls for terrified refugees to return](#)

GUVECCI, Turkey - Syrian army units were poised to sweep into another northern town on Wednesday to crush anti-government protests, sending residents running for their lives as Bashar Assad's regime sought to control the spectacle of thousands of terrified refugees streaming across the border into Turkey.

[Jordan's king liberalizes, but stones still fly](#)

AMMAN, Jordan — Stone-throwing youths in a poor southern town exploded in anger at rough handling by police during a visit by King Abdullah II, a symptom of simmering popular frustrations in Jordan even as the monarch moves toward democratic reform.

The spurt of violence Monday, rare in Jordan while other Arab states were rocked by turmoil in recent months, pointed up Jordanians' resentment of heavy-handed control by the Hashemite kingdom's security forces.

[Air Arabia delays Jordan plans amid unrest, fuel prices](#)

(Reuters) - Low-cost carrier Air Arabia has delayed plans to establish a hub in Jordan due to regional unrest and soaring fuel prices, the airline's CEO said on Tuesday.

"With the current environment, we have delayed the Jordan plans... we will review the situation and take a decision," Adel Ali told Reuters by telephone.

[150 Chemicals Are No Longer Incognito](#)

This month the Environmental Protection Agency made public the names of 150 chemicals that were investigated in health and safety studies but whose identities were withheld as confidential business information.

[Cheaper gas forcing US coal plant retirements](#)

Low natural gas prices from plentiful new sources will allow utilities in the United States to solve several thorny problems while keeping electricity affordable, Exelon Corp Chairman John Rowe said on Tuesday. Ample gas from shale formations will allow utilities to quickly build more gas-fired plants to replace polluting coal plants, making "it possible to have a much cleaner supply while still being economical," Rowe told the Reuters Global Energy and Climate Summit.

"For the next decade, natural gas will dominate the new supply of electricity," Rowe said. Utilities are weighing the costs of pending federal regulations to reduce air pollution from coal-fired power plants, but Rowe said cheaper gas, not stricter regulation, is prompting companies to shut older, smaller coal units.

[What the frack?](#)

"Natural gas produces 43 percent fewer carbon emissions than coal for each unit of energy delivered, and 30 percent fewer emissions than oil," according to the Union of Concerned Scientists.

Don't, however, be fooled into thinking that just because methane produces a lesser amount of greenhouse gases when it's burned means that it is necessarily a green-friendly fuel. Especially, as is increasingly the case, when that natural gas is extracted from the earth by means of a process known as hydraulic fracturing, or fracking.

[Political Volleys Over Nuclear Waste](#)

House Republicans and some Democrats argued at a hearing on Tuesday that the chairman of the Nuclear Regulatory Commission had introduced politics into the government's consideration of a nuclear waste dump at Yucca Mountain. Others said this was hardly possible because the original choice of the site, in the Nevada desert, was nothing but politics to begin with.

[Green Curtain Sales Surge as Tokyo Faces Power Cuts This Summer](#)

"Green curtain" gardening kits sales are surging, shoppers are buying clothes designed to help them stay cool and a pizzeria owner is losing weight as Tokyo residents brace for a summer with less air conditioning.

[Hokuriku: won't buy extra fossil fuel despite nuclear issue](#)

(Reuters) - Japanese utility Hokuriku Electric Power Co said on Wednesday it has no plans to buy additional fossil fuel for the peak summer season despite uncertainties over the restart of nuclear reactors following the March 11 earthquake and tsunami.

[Japan's Richest Man Challenges Nuclear Future With Nationwide Solar Plans](#)

Billionaire Masayoshi Son has a track record in taking on monopolies after building a business that opened up the nation's telecommunications industry. Now he aims to shake up Japan's power utilities after the worst nuclear crisis in 25 years.

[Senate sidetracks move to repeal ethanol credit](#)

WASHINGTON – The Senate has sidetracked a move to end the federal subsidy for ethanol, a corn-based additive blended with gasoline to make alternative fuel.

The vote was 40-59, less than a majority and far fewer than the 60 needed to advance the measure drafted by Oklahoma Republican Sen. Tom Coburn.

[Chevron Bets on Volcanoes in Indonesia](#)

Chevron Corp. drilled 84 wells to a depth of two miles beneath the Indonesian rainforest to tap steam, not oil and gas, that's trapped in the world's richest store of volcanic energy.

The oil driller's geothermal plant, set among wild orchids and bamboo trees, uses 315 degree Celsius (600 degree Fahrenheit) heat to spin turbines 24 hours a day, generating electricity for Jakarta, a four-hour drive to the north. Chevron, which pioneered geothermal energy 20 years ago in Southeast Asia's biggest economy, is about to see competition.

[India set to produce 700 MW solar power in 2011](#)

NEW DELHI (Reuters) – India is on track to produce 700 megawatts of solar power at a cost of \$2.2 billion by December, ahead of an initial target for an ambitious plan that seeks to boost green power generation from near zero to 20 gigawatts (GW) by 2022.

[Read it, grow it, eat it: Garden-to-table books](#)

“The Feast Nearby: How I Lost My Job, Buried a Marriage and Found My Way by Keeping Chickens, Foraging, Preserving, Bartering, and Eating Locally (All on Forty Dollars a Week),” by Robin Mather (Ten Speed Press, 2011;

\$24). Unfortunate circumstances prompted Mather, a former Chicago food journalist, to live as a locavore in rural Michigan. She couldn't grow that much herself, she writes, but she learned how to make the most of surpluses from the farmers markets by canning and preserving and all those other ways listed in the title.

Mather refutes the notion that eating locally and shopping at farmers markets is expensive. During the year she recounts, she worked within a small budget. The book includes recipes for making sauerkraut, hard cider and apple butter. Her journey is one of personal revelation and empowerment; there are broader lessons here as well.

[Transition Towns – Where Innovation Takes Place At A Certain Pace](#)

In the world of slow baked transformation Transition Towns is a rallying point. There are now 90 TN initiatives in the USA, 360 around the world, and a swathe of Mullers - groups mulling over how to make a difference to their locality, with increasing exposure in the major media outlets – but here's the real surprise. Transition Towns began in the backwoods of Ireland, not far down the road from the modest two bedroomed home of Peak Oil founder, Colin Campbell.

[War's Cost: To Gain Cooperation, People Punish Others](#)

War. What is it good for?

Getting people to work together, a new study finds.

People are more willing to reward collaborators and punish lone wolves in an effort to force cooperation in times of conflict, according to the research, which was conducted during the 34-day Israel-Hezbollah war in 2006. It's the first time that scientists have tested the influence of real-world conflict on people's cooperative behaviors, said study researcher Daniel Fessler, an anthropologist at the University of California, Los Angeles.

[Record 'Dead Zone' predicted in Gulf of Mexico](#)

The "Dead Zone" in the Gulf of Mexico – a region of oxygen-depleted water off the Louisiana and Texas coasts that is harmful to sea life and the commercial fishing industry – is predicted to be the largest ever recorded this year, federal scientists announced Tuesday.

[China's Drought Threatens Farm Income, Drinking Water, Wildlife and Hydropower](#)

SHANGHAI -- It is an annual tradition for Chinese to race dragon boats at the end of each spring, but this year, the tradition has run aground. Many streams and lakes along the Yangtze River have almost dried up.

The world's third-largest river -- stretching from the Himalayas thousands of miles to

the east meeting the sea -- has been experiencing its worst drought in decades. The drought is withering farmers' wallets, threatening a Chinese species even rarer than the panda and raising questions about a clean energy source that China hopes to bank its energy future on.

[Arizona blaze part of new era - more big wildfires](#)

WASHINGTON — The fires searing parts of the West are an eerie echo of the past, a frightening reminder of a once terrible danger that had been held largely at bay for decades.

The number of large wildfires has been rising for roughly the past 25 years, and they are lasting longer amid fire seasons that also last longer.

Is it global warming? Experts won't say that, pointing instead to a variety of factors ranging from local weather to insect infestations to more people living and camping out in the woods.

[Former Rep. Inglis to Launch Conservative Coalition to Address Climate Change](#)

A former Republican congressman who is an advocate for action to address climate change plans to launch a new conservative coalition this fall made up of Republicans who, like him, believe that human emissions are triggering global warming and that steps should be taken to stop it.

[It's not just CO2: Cutting soot and smog will limit climate change quickly, says new UN report](#)

AMSTERDAM - The struggle to contain climate change usually focuses on reducing carbon dioxide. But black carbon and ozone, the main ingredients of soot and smog, also add to global warming, and controlling them will act quickly to slow rising temperatures, a U.N. agency said Tuesday.

[California Redoes Its Greenhouse Gas Analysis](#)

Nothing focuses the mind like being told by a thesis adviser (or a judge) that your analysis is inadequate and that your degree (or your carefully constructed policy for reducing greenhouse gas emissions) will be on hold until you provide a better one.



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