



Drumbeat: November 2, 2011

Posted by [Leanan](#) on November 2, 2011 - 9:00am

[Russia oil output hits new high after duty cut](#)

MOSCOW (Reuters) - Cuts in the export duty pushed Russia's oil production, the world's largest, to a post-Soviet high of 10.34 million barrels per day (bpd) in October, the Energy Ministry said on Wednesday.

This compared with a previous record high of 10.30 million bpd hit in September.

But gas output at the world's top producer, Gazprom, slumped year-on-year on the back of high gas prices.

Russia has kept ahead of Saudi Arabia as the world's largest crude producer. Last month the kingdom's output declined to 9.4 million bpd from 9.5 million bpd, according to a Reuters survey.

[Crude Gains on European Debt Crisis Talks as U.S. Fuel Stockpiles Decline](#)

Oil rose in New York for the first time in four days on speculation European leaders will push Greece to accept their rescue plan, reducing the chances the region's debt crisis will worsen and curb economic growth.

Futures rose as much as 1.1 percent, reversing a decline of 1.3 percent, as European leaders prepared to tell Greece there is no alternative to budget cuts in their bailout plan. Gasoline and distillate-fuel stockpiles in the U.S., the world's biggest oil consumer, probably fell for a fifth week, according to a Bloomberg News survey before an Energy Department report today. Goldman Sachs Group Inc. recommended investors buy long-dated crude futures in New York and London.

[Cost of gasoline drops one cent in the last week](#)

WASHINGTON — U.S. gasoline prices dipped for the second straight week, falling one penny a gallon, the Energy Department said Monday.

The national price of regular unleaded gasoline dropped to \$3.45 a gallon in the week ending Monday, the agency said in its weekly survey of service stations.

[Growth in Asia threatens to backfire](#)

Asian countries could become a victim of their own success as strong economic growth pushes oil prices higher.

[Frontline to Sell Three Crude Oil Tankers, CEO Jensen Martin Jensen Says](#)

Frontline Ltd., the oil tanker operator led by Norway-born billionaire John Fredriksen, said it's looking to sell three more 1990s-built ships as the company modernizes its fleet while earnings plunge.

[Oil price fails to rattle Opec](#)

The first signs of an Opec consensus start to emerge ahead of next month's meeting.

[Pendulum swings on American oil independence](#)

The true significance of the oil rush, however, will be felt far beyond this rural state on the Canadian border. Along with similar booms that are under way or expected across North America, from Alberta to Texas, it is a development that holds profound implications for the economy of the US and its status as superpower. In prospect is energy independence – a decades-old dream of American politicians of all stripes.

“Over the past couple of years, there has been a great U-turn in US oil supply,” says Daniel Yergin of IHS Cera, the research group. “Until recently, the question was whether oil imports would flatten out. Now we are seeing a major rebalancing of supplies.”

[The Oil Map of the World Is Shifting to the West](#)

The technological breakthroughs in seismology and fracking are allowing access to reserves unknown just a few years ago, putting the lie to the now-discredited theme of “peak oil” developed by M. King Hubbert in 1956 and considered an unchangeable conclusion as to when production of oil will reach its peak and then begin its decline (with all manner of negative effects predicted following that peak). This discredited theme has often been used to push for alternative energy development efforts, especially by — but not limited to — the present administration in Washington.

[A halloween chart: the ghost of gas past](#)

In the spirit of Halloween I wanted to find a really terrifying chart; something that would expose a disturbing trend lurking within the fog of the usual dark market chatter;

something that would upset gullible balance sheets and income statements for years to come; something that would scare the pants off unsuspecting oil and gas executives – or at least unwary investors.

After rummaging through my data closet, I found Figure 1. I was sure it would do the trick. But I'm also thinking it might be a treat. Trick or treat? Let's take a cautious peek behind the numbers.

[Shell lifts force majeure on Nigerian Forcados oil](#)

Reuters) - Royal Dutch Shell's Nigerian venture has lifted a force majeure on exports of Forcados crude following the completion of repairs to a pipeline, Shell said on Wednesday.

Shell Petroleum Development Co. had declared force majeure on Forcados loadings in October, November and December on Oct. 10 because it had to shut down some production because of a sabotage attack on the Trans Forcados Pipeline.

[Royal Dutch Shell: 'Unprecedented' number of oil thefts target its Nigeria operation](#)

LAGOS, Nigeria — Royal Dutch Shell PLC says its Nigerian subsidiary faces an “unprecedented” level of oil thefts targeting its operation in the oil-rich African nation.

Shell said in a statement Wednesday that it has seen 10 spills caused by theft since the end of August. The company said it had to shut its Imo River field in August, which produces about 25,000 barrels of oil a day.

[Nigeria: Reps to Investigate Illegal Bunkering](#)

The House of Representatives has resolved to conduct an investigation into the activities of illegal bunkering in the coastal region.

The investigation which will be conducted by a joint committee of Navy and Petroleum Resources, will also unravel the owners of the illegal vessels in Nigeria, the patrons of illegal crude in the international market and the role of security agents in the activity. Moving a motion on the matter during Tuesday's plenary session, chairman of the committee on Inter-Parliamentary Relations, Hon Daniel Reyenieju, said that he was worried that people involved in bunkering activities were causing harm to government installations and revenue through its constant vandalism and theft of hundreds of thousands of barrels of the nation's crude oil.

[Oil minister Jaipal Reddy hopes for fuel price review this month](#)

He said revenue losses of India's oil marketing companies because of sales at subsidised rates are expected to hover at Rs 1.3 trillion (\$26.38 billion) in this fiscal year ending March 31, 2012.

[Iran sacks oil manager over dual citizenship](#)

TEHRAN (Reuters) - Iran has fired the head of an oil company because he was discovered to have dual nationality -- a sensitive issue after a top bank manager fled to Canada during a huge fraud scandal, the Vatan-e Emrouz daily reported on Wednesday.

[GAIL India eyes \\$1 bln shale gas assets](#)

(Reuters) - State-run gas utility GAIL India aims to invest \$1 billion in one year's time in shale gas assets, particularly in the United States and Canada, its chairman and managing director said on Wednesday.

[Gazprom says gas will flow to S.Korea in '17-reports](#)

Analysts are skeptical about the prospect of Russian gas supplies to South Korea by a pipeline as it has to go through the territory of Seoul's old adversary, North Korea.

[State Department Defends Contractor Chosen for Pipeline Study](#)

The State Department defended its decision to award a sensitive environmental impact study on the Keystone XL pipeline to a company that had previous ties to TransCanada, the company seeking a permit for the 1,700-mile project, which would run from the tar sands of Alberta to the Gulf of Mexico.

In a written response Monday to Congressional inquiries, the department said the perception that Cardno Entrix, an environmental contractor in Houston, had a conflict of interest was based on a misunderstanding.

[Reactor in Japan Restarts, a First Since the Tsunami](#)

TOKYO — A nuclear reactor in western Japan began starting back up on Tuesday after a month's hiatus, the first reactor in the country closed for any reason to win approval from a local government to resume operations since the Fukushima nuclear disaster.

[Tepco Detects Signs of Nuclear Fission at Fukushima, Raising Risk of Leaks](#)

Tokyo Electric Power Co. detected signs of nuclear fission at its crippled Fukushima atomic power plant, raising the risk of increased radiation emissions. No increase in

radiation was found at the site and the situation is under control, officials said.

The company, known as Tepco, began spraying boric acid on the No. 2 reactor at 2:48 a.m. Japan time to prevent accidental chain reactions, according to an e-mailed statement today. The detection of xenon, which is associated with nuclear fission, was confirmed today by the Japan Atomic Energy Agency, the country's atomic regulator said.

[Japan lawmaker drinks water from Fukushima plant](#)

A Japanese lawmaker has drunk a glass of water taken from a radioactive puddle inside a reactor building at the stricken Fukushima nuclear plant in a bid to prove decontamination efforts are working.

[Inside the Tesla Model S](#)

When Tesla Motors begins sales of the Model S sedan next year it'll be a huge move. The "boutique" electric car maker will go from selling a relative handful of its two-seat roadsters to tens of thousands of these much bigger -- but also much less expensive -- four-door cars.

If the Model S takes off, it'll be because drivers have made a big move, too. There has simply never been another car like this one. Yes, the Model S is a plug-in electric car that uses no gasoline, but that's just the start.

[Peer-to-peer car sharing gains investors, users](#)

SAN FRANCISCO – Thousands of drivers are borrowing cars from newfound friends for an hourly fee – and companies, both big and small, want in on the trend.

Google and General Motors have followed venture-capital firms in investing in the burgeoning peer-to-peer car-sharing movement, where start-up firms such as Getaround and RelayRides – the two most popular services – are changing the way consumers rent cars.

[Chris Martenson: Peak Oil Could Limit Economic Growth](#)

The next 20 years are going to be completely unlike the last two decades. How the world works, how stocks grow, the very nature of investing and how our economy functions—all of these are due for fundamental, earth-shaking change. As investors, we have to adjust the way we look at the world.

[Condo at the End of the World](#)

A new breed of survivalist is wealthy, educated, and plans to ride out 2012 in style.

[A Marine Learns an Important Truth about the Empire](#)

America faces a crisis far more dire than any it has faced before. The peak oil-induced end of the era of economic growth and the beginning of the period of permanent economic contraction will mean a free-for-all scramble by the elites to secure for themselves as much of the country's remaining wealth as possible.

[Think New Clean Energy Costs too Much? Oil Cost \\$500 a Barrel at Startup](#)

We are only hearing one side of this story, as conservatives bemoan the "cost" of investing in new sources of energy like solar and wind, as if dirty energy didn't cost anything to start up too.

But a contemporary account of startup costs in the the 19th century oil business is revelatory.

[Japan Has More Opportunity to Use Ethanol, Nansei Chief Says](#)

Japan has more opportunity to use ethanol as the nation's nuclear reactors are idled, according to Nansei Sekiyu K.K.

[Brazil Lacks Sugar Cane to Boost Ethanol Exports, Senator Says](#)

Brazilian sugar cane producers, which are preparing to increase ethanol exports to the U.S., don't make enough of the renewable fuel to do so, a lawmaker said.

[Residents fail to halt research into Scarborough Bluffs wind power](#)

A device implanted in Lake Ontario to measure wind will stay put for another year, despite opposition from residents who want to end the prospect of wind turbines off the Scarborough bluffs.

[European Bank Lending Squeeze Begins to Curb Solar-Panel Demand](#)

European banks are tightening credit lines for solar power developers, reducing demand for photovoltaic panels in the world's largest market for the technology, two of the industry's biggest suppliers said.

[Singapore to Install Floating Solar System in Trial Project](#)

Singapore's Economic Development Board and national water agency PUB will install a 2-megawatt floating photovoltaic pilot project at Tengeh Reservoir, the EDB said today in a statement.

[Energy Department couldn't manage stimulus money, watchdog says](#)

The federal watchdog who first raised concerns over the federal loan program used for the now-defunct solar company Solyndra is scheduled to testify on Capitol Hill Wednesday--his first appearance since the story broke.

Gregory H. Friedman is slated to tell lawmakers that the Energy Department's efforts to quickly distribute \$35.2 billion in economic stimulus funding "was more challenging than many had originally envisioned."

[U.N. Says 7 Billion Now Share the World](#)

Feeling claustrophobic? You're not alone. According to United Nations demographers, 6,999,999,999 other Earthlings potentially felt the same way on Monday when the world's population topped seven billion. But if you'd rather go by the United States Census Bureau's projections, you've got some breathing room. The bureau estimates that even with the world's population increasing by 215,120 a day, it won't reach seven billion for about four months.

[Seven billion people can't afford a failure to communicate](#)

As the world welcomed a seven billionth person this week it prompted questions of just how many people can the planet sustain. It's a subject that inevitably winds its way to questions of peak oil and our use other non-renewable resources.

[7 Billion Reasons Malthus Was Wrong](#)

You'd think after 200 years, folks would eventually say, "That Malthus guy? Kind of wrong." Yet, with the (projected) birth today of the world's 7 billionth occupant, there's no shortage of media hand-wringing about the dim prospects of our world from here.

[The sustainability challenge of seven billion](#)

Strategies for managing resources need to be revised. We need an 'energy revolution' that is as radical and even more rapid than the industrial revolution - we need to steer away from fossil fuels and move towards renewables and energy conservation.

[The End Of Global Economic Growth](#)

The basic premise of *The End of Growth* is that the world economy has flat-lined. Not only is it contracting, rather than expanding as many politicians claim, but there are important reasons why it will never return to the pre-2007 growth rates that characterized the last century.

[Mending Dr PEMBy's broken ladder](#)

Just imagine for a few moments what the symptoms of a world at the limits to growth might include. Not just any world though, but one that has an economy that is global in nature, hyper-complex, industrial in form, credit driven, consumes resources (many of which are non-renewable) at an exponentially growing rate, and its financial system is designed around perpetual economic growth.

If this global economy was reaching the limits to growth it would be reasonable to expect that there would be warning signs. Symptoms that all was not well. Some possible symptoms, in no particular order, might include: Increased volatility in financial markets, whether they be in stocks, bonds, commodities, or precious metals; debt increasing to the point where the interest payments place a significant burden on society; increasing scarcity of key natural resources; increasing cost of living pressures on families and communities; increasing conflict between capital and labour; increasing political instability both in and between nations; increasing costs of dealing with the pollution caused by economic activity; and increasing difficulty in maintaining existing infrastructure and services.

A brief survey of news headlines around the world suggests that all of these symptoms currently exist to a greater or lesser degree.

[Transport expert promotes zero emissions trains](#)

If the price on carbon works as it's supposed to, it will change the way we transport people and goods across the country.

And if it doesn't then 'peak oil' might kick in for us.

[U.S. readings challenge China's smog claims](#)

(CNN) -- Beijing residents blanketed by smog are pointing to U.S. readings on pollution levels -- and slamming official reports from the Chinese government.

[Workers try to turn Asian carp into fertilizer](#)

LASALLE, Ill. - Workers along the Illinois River are hunting for invasive fish to turn into organic fertilizer, fillets and other commercial products.

The hope is to reduce the population of Asian carp threatening the Great Lakes. Originally imported to cleanse ponds in the South, Asian carp made it into Mississippi River waterways and have traveled north. The voracious fish can starve other species by consuming their food.

[Stone-Washed Blue Jeans \(Minus the Washed\)](#)

SAN FRANCISCO — From the cotton field in rural India to the local rag bin, a typical pair of blue jeans consumes 919 gallons of water during its life cycle, Levi Strauss & Company says, or enough to fill about 15 spa-size bathtubs. That includes the water that goes into irrigating the cotton crop, stitching the jeans together and washing them scores of times at home.

The company wants to reduce that number any way it can, and not just to project environmental responsibility. It fears that water shortages caused by climate change may jeopardize the company's very existence in the coming decades by making cotton too expensive or scarce.

[Breaking a Long Silence on Population Control](#)

Major American environmental groups have dodged the subject of population control for decades, wary of getting caught up in the bruising politics of reproductive health.

Yet, virtually alone, the Center for Biological Diversity is breaking the taboo by directly tying population growth to environmental problems through efforts like giving away condoms in colorful packages depicting endangered animals. The idea is to start a debate about how overpopulation crowds out species and hastens climate change — just when the world is welcoming Baby No. 7 Billion.



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