



Drumbeat: January 20, 2012

Posted by [Leanan](#) on January 20, 2012 - 8:58am

[Fossil fuel subsidies: a tour of the data](#)

One of the most surprising and alarming issues in the climate and energy arena is the fact that the fossil fuels causing global warming continue to receive substantial government support, making them artificially cheap and encouraging more of them to be consumed. It's a form of madness that my colleague Damian Carrington put his finger on recently when he wrote that "the house is ablaze and we are throwing bucket after bucket at it – buckets of petrol."

What's particularly baffling is that while government support given to environmentally beneficial renewable power sources is subject to seemingly endless media and political scrutiny, the 500% larger subsidies given to oil, gas and (to a much lesser extent) coal rarely get much attention.

[Crude Futures Trim Weekly Gain as Greek Risk Offsets U.S. Rebound Hopes](#)

Oil declined in New York, trimming a weekly advance, as protracted negotiations to resolve Greece's debt crisis fanned concern that the region's turmoil will harm fuel consumption.

West Texas Intermediate futures dropped as much as 0.9 percent as talks in Athens on debt swaps entered a third day, with Greek officials and private creditors struggling to agree on a plan. Still, prices are up 1.1 percent this week on signs of recovery in U.S. employment and manufacturing, and concern that tensions between Iran and Western nations will lead to a disruption in Middle East exports.

[\\$4-a-gallon gas likely this spring, analysts say](#)

New York (CNN) -- Get ready to pay \$4 or more at the pump this spring: Analysts say gas prices could hit a record high.

Fred Rozell, retail pricing director at Oil Price Information Service, says he expects the national average for a gallon of regular unleaded gasoline to reach \$4 to \$4.25 per gallon for regular gasoline when the market peaks, sometime in between April and early May.

[Global LNG-Asian LNG prices weaker on ebbing demand](#)

PERTH (Reuters) - Asian liquefied natural gas spot prices dropped lower for the seventh straight week to just above \$15 per million British thermal units (mmBtu) LNG-AS due to low demand from well-stocked buyers in North Asia.

The world's top two LNG buyers, Japan and South Korea, had stocked up well ahead of the winter and prices may even dip further as spring approaches, according to market sources.

[Canadian Inflation Down To 2.3% For 2011, Gas Prices Fall Further In December](#)

(RTTNews.com) - Canadian inflation eased in December as consumers continued to pay lower prices at the pump, official data showed Friday. Consumer prices rose 2.3 percent in the 12 months to December, following a 2.9 percent increase in November, according to Statistics Canada.

[C.bank chief: Saudi to keep oil price stable](#)

(Reuters) - Saudi Arabia's central bank chief said on Friday that his country would offer excess oil production capacity if needed to balance oil prices, and that he expected prices to stay stable.

[Barrelling towards fuel shortages](#)

Tension between Western powers and Iran, which has been simmering for decades, has heated up considerably in recent weeks and is in danger of boiling over into full-scale military conflict.

Because South Africa sources about a quarter of its crude oil imports -- about 100 000 barrels a day -- from Iran and another quarter from neighbouring Saudi Arabia, geopolitical events involving these countries could seriously knock the local economy.

[Strikes, Protests Paralyze Sicily](#)

Heralded as the "Five Days of Sicily," members of the Pitchforks Movement of farmers, and the Shock Force truck drivers' consortium have paralyzed the Italian island, Sicily.

Striking transportation workers are blocking main roads with their trucks to protest against Italy's Prime Minister Mario Monti's cutbacks. The drivers, belonging to the Association of Sicilian Businesses, have also been joined by farmers and fishermen.

The main complaint of the protesters is the excessive rise in fuel costs. According to the organizers, the five-day strike that will last until Friday night.

[Iran warns region against "dangerous" stance on Hormuz](#)

(Reuters) - Iran's foreign minister warned neighboring states not to put themselves in a "dangerous position" by aligning themselves too closely with the United States in the escalating dispute over Tehran's nuclear activity.

Confrontation is brewing over Tehran's nuclear work, which Washington and other powers say is focused on developing atomic weapons. Iran dismisses the accusation.

[U.S. Holds Military Talks With Israel on Iran as EU Readies Asset Freeze](#)

Israeli leaders held talks with the top U.S. military commander, General Martin Dempsey, who arrived after the postponement of a joint exercise that was to be the biggest ever for the two allies.

[Japan offers U.S. support on Iran, less clear elsewhere in Asia](#)

(Reuters) - Japan pledged on Friday to keep cutting purchases of Iranian crude in the clearest public offer of support yet among Asia's big buyers for U.S. efforts to tighten an international noose around Iran in an escalating dispute over its nuclear ambitions.

[EU's Iran oil embargo held up by Greek call for guarantees](#)

(BRUSSELS) - European Union talks to agree an oil embargo against Iran were held up Friday as the bloc sought new suppliers for Greece who could match the conditions offered by Tehran to the cash-strapped nation.

Diplomats said Greece, which relies on Iranian oil for more than a third of its total oil imports, had concluded "good financial arrangements" with Iran that included 60-day payment and no financial guarantees.

[French President Sarkozy urges much tougher sanctions on Iran, including oil embargo](#)

PARIS — French President Nicolas Sarkozy is urging stronger, more decisive sanctions against Iran over its nuclear program.

France wants the entire European Union to impose an embargo on Iranian oil and freeze the international assets of Iran's central bank to force it to halt the suspected development of nuclear arms.

[How US strategic oil reserve might fill Iran gap](#)

The new US and European Union sanctions targeting Tehran's oil exports would surely hit the country's economy and, conceivably, force a change of course over its nuclear programme. But they are also likely to push oil prices up, hurting the west.

Philip K. Verleger, a veteran oil economist and a visiting fellow at the Peterson Institute for International Economics, has proposed an imaginative – and most likely controversial – solution to the problem: Washington should release a significant chunk of its strategic petroleum reserve (SPR) because, according to his estimate, it is holding much more oil than is necessary.

[Syria says lost \\$2 billion from oil sanctions](#)

(Reuters) - Western sanctions on Syrian oil exports have cost the country \$2 billion since September, Oil Minister Sufian Alao was quoted as saying on Friday.

The official SANA news agency quoted Alao as saying that Syria was still trying to replace European Union crude oil contracts with new customers, but was having trouble securing shipping insurance and trade credit.

[Bahrain protesters greet air show with black smoke from burning tires](#)

MANAMA, Bahrain — Anti-government protesters in Bahrain have set off pillars of black smoke from burning tires in apparent attempts to embarrass officials on the opening day of the country's air show.

The plumes were visible by people attending the aviation event, which includes American warplanes.

['Unemployed graduates' set themselves alight in Morocco](#)

The Moroccans were part of the "unemployed graduates" movement, a loose collection of associations across the country filled with millions of university graduates demanding jobs. The demonstrations are often violently dispersed by police and in some towns and cities have resulted in sustained clashes.

While the official unemployment rate is only 9.1 percent nationally, it rises to around 16 percent for graduates.

[Oil Grab in Falkland Islands Seen Tripling U.K. Reserves](#)

Thirty years after Margaret Thatcher fought a 74-day war with Argentina over the

Falkland Islands, the prospect of an oil boom is reviving tensions.

Oil explorers are targeting 8.3 billion barrels in the waters around the islands this year, three times the U.K.'s reserves. Borders & Southern Petroleum Plc (BOR) will drill the Stebbing prospect next month, one of three Falkland wells that Morgan Stanley ranks among the world's top 15 offshore prospects this year. Meanwhile, Rockhopper Exploration Plc (RKH) is seeking \$2 billion from a larger oil company to develop the Sea Lion field, the islands' first economically viable oil find.

[Abu Dhabi in delicate dance over oil](#)

Western oil companies such as ExxonMobil and Shell have reason to put on a good showing at the summit.

[Schlumberger Profit Rises as Drilling Booms](#)

Schlumberger Ltd. (SLB), the world's largest oilfield-services provider, said fourth-quarter profit rose 36 percent as higher crude prices pushed oil companies to boost exploration and production spending around the world.

[Where Will Exxon Mobil Be In 2040?](#)

Investors can be confident that there will be supplies as well as demand well into 2040 and later. Those invested in Exxon Mobil and other oil companies can stay invested for decades to come.

[Wildcatter Finds \\$10 Billion Drilling in North Dakota](#)

Hamm is the man who bought the Bakken, the shale formation that's the biggest U.S. oil find since Alaska's Prudhoe Bay in 1968. The Bakken stretches from central North Dakota into the northeastern corner of Montana and up into southern Saskatchewan and Manitoba in Canada. He leased his first acres and drilled his first wells in North Dakota nearly 20 years ago, and stayed with it when others gave up.

Today, Continental, with a stock market value of \$14 billion, vies with oil giants such as Hess for the most Bakken acres under lease -- more than 900,000 -- the most drilling rigs -- 24 -- and the most wells -- more than 350.

[Europe gas supply vulnerable to Qatar shipments](#)

LONDON (Reuters) - Europe's energy supply may be more vulnerable this year as shipborne gas, relied upon to ease dependence on pipelines from suppliers like Russia or Libya, is likely to sail to more lucrative fast-growing Asian markets, analysts said on

Friday.

North-west Europe, especially Britain, depended on Qatar for nearly all of its liquefied natural gas (LNG) last year.

[Gazprom To Start South Stream Construction In December 2012](#)

MOSCOW – Russian state-controlled gas producer OAO Gazprom (GAZP.RS) said Friday it will significantly speed up the South Stream gas pipeline to Europe and plans to begin construction in December.

[Australia's LNG boom fizzles](#)

Just a few years after it started, Australia's liquefied natural gas bonanza may be drawing to a close, throttled by swelling costs, tightening credit and mounting foreign competition to supply Asian buyers.

[EPA Providing Water to Homes Near Pennsylvania Fracking Site](#)

The Environmental Protection Agency will deliver water to four families in Dimock, Pennsylvania, where residents say their water has been contaminated during hydraulic fracturing by Cabot Oil & Gas Corp. (COG)

The EPA will also test water at 60 homes to assess whether any residents are being exposed to hazardous substances, the agency said in a statement.

[Chevron rig fire on 5th day off Nigeria's coast; 2 foreign workers presumed dead](#)

LAGOS, Nigeria — Chevron Corp. says it is still trying to extinguish a five-day old fire on its rig off Nigeria's coast after presuming two foreign workers dead.

Chevron said Friday it is preparing to drill a relief well to fight the fire.

[Republicans Look for Alternatives After Keystone XL Rejected](#)

Congressional Republicans who tried to force President Barack Obama's hand on the Keystone XL pipeline now want to take away his authority on the issue altogether, extending a debate with the administration over jobs and the environment.

[Keystone XL Pipeline Seen Moving Ahead on Alternative Route](#)

TransCanada Corp.'s \$7 billion Keystone XL oil pipeline still will move ahead with an alternate route after President Barack Obama's decision to deny a permit, investors, public officials and analysts say.

[Obama's Keystone pipeline nix worries small business](#)

NEW YORK (CNNMoney) -- The hopes of some small business owners in the Nebraskan towns of Fairbury and Steele City were crushed when the Obama administration rejected a proposed expansion of the Keystone oil sands pipeline.

[The Keystone Pipeline Is No Victory for Environmentalism](#)

And at most, it's merely a symbolic and short-lived win. To ensure the end of tar sands oil, the government will have to enact measures to make high-carbon fuel unprofitable.

[US oil pipeline: Storm in a barrel?](#)

As the US shelves the TransCanada project, we ask if the real reason is environmental concerns or a political ploy.

[Canada's Oil Sands: Are We Exporting Canada's Energy Security?](#)

Now that the Keystone XL pipeline project looks like it's future is up in the air, I thought that it was timely to take a look at a recent paper by J. David Hughes of Global Sustainability Research Inc. entitled "The Northern Gateway Pipeline: An Affront to the Public Interest and Long Term Energy Security of Canadians". This paper provides an interesting look at the rationale behind the building of the Northern Gateway Pipeline (NGP). To assure you that Mr. Hughes is qualified to speak on the issue, he was employed as a petroleum geologist for the Geological Survey of Canada for 32 years.

[Exxon to pay Montana \\$2.4 million in spill accord](#)

(Reuters) - Exxon Mobil Corp. would pay more than \$2 million in penalties and cleanup costs to Montana for a pipeline rupture in July that spilled an estimated 1,500 barrels of oil into the Yellowstone River, according to a proposed legal settlement unveiled on Thursday.

[A Judge Rules Vermont Can't Shut Nuclear Plant](#)

WASHINGTON — A federal judge on Thursday blocked Vermont from forcing the Vermont Yankee nuclear reactor to shut down when its license expires in March, saying that the state is trying to regulate nuclear safety, which only the federal government can do.

[Railroad companies fight safety rules, with help from GOP and Obama](#)

Less than four years after a California train disaster spurred passage of major safety legislation, railroad companies are pushing hard to relax the law's chief provision.

They have won over key Republicans, and extracted a major concession from the Obama administration, in their bid to scale back and delay a system to prevent crashes such as the head-on collision that caused 25 deaths and 135 injuries in Chatsworth, Calif.

[The Peak Oil Crisis: Cold Fusion Update](#)

With LENR we seem to be dealing with a new natural phenomenon which is not as yet understood although there are numerous theories which attempt to describe what seems to be happening. These theories involve the dense mathematics of nuclear theory and are for the most part incomprehensible to the layman.

[ISU pushes sustainability, several projects in progress](#)

Indiana State University's new institute for Community Sustainability continues to implement sustainable solutions while raising awareness.

"There are a number of problems building to a head right now: global climate change, peak oil and job issues are a few among them," executive director for the Institute of Community Sustainability, Jim Speer said, "all of which can be solved with sustainable solutions."

[Dancing On History's Edge: Why This Is An Amazing Time To Be Alive](#)

If you are reading this, you are alive today, and that means you are part of this Great Unraveling/ Great Turning, or whatever name we choose to call it. If you, like me, are middle aged or beyond, we have lived through the apex of a global empire now passed irrevocably into decline.

[Thank God for the Jobs Crisis!](#)

Even the oil industry is sun setting. Imagine what that means for an entire economy and lifestyle absolutely dependent on oil. Here I'm not just referring to "Peak Oil Consumption" or to "Peak Oil" itself. Again according to Rifkin (this time in *The Empathic Civilization*) the new technology will soon turn every building into a energy power plant. Surplus energy will be stored in hydrogen cells. And the energy produced will be shared person-to-person across a "smart grid". The model here is file-sharing and the way it transfers information today. Think of the jobs that will be eliminated as a

result -- including those required by the energy wars that will be rendered superfluous.

This is not a pipe dream. The European Union has already committed to the model Rifkin describes. We are kept from discussing it only because our "drill, baby, drill" politicians have their heads so firmly stuck in the tar sands. Consequently, the U.S. economy is being left in the dust.

[Greedy Lying Bastards: US filmmaker attacks oil industry](#)

Craig Rosebraugh's new documentary highlights the 'influence, deceit and corruption' of fossil fuel industry.

[The Military's Push To Green Our Explosives](#)

But while some branches of government have displayed a penchant for caution, the United States Department of Defense has been more assertive in its intentions. One DoD research request, for example, asks synthetic biologists to create greener explosives and rocket fuels. In the "statement of need," the Strategic Environmental Research and Development Program (SERDP), which seeks to green the military, argues that microbes could eliminate the heavy-metal and toxic solvents in conventional explosives production.

[UNL research shows high-input agriculture systems are better](#)

It was previously believed that using high-input agricultural systems to produce crops would also produce more greenhouse gases and was dangerous for the environment.

Cassman and Grassini say that is not true.

According to their research, high-input farming is the most efficient way to produce crops because it results in the highest crop yield.

[Two groups of Cornell University scientists disagree on impact of hydrofracking on climate change](#)

ALBANY, N.Y. (AP) — Two groups of scientists at Cornell University are dueling over whether natural gas from shale is better or worse than coal when it comes to global climate change.

It's a significant question because proponents of shale gas development using the controversial practice of high-volume hydraulic fracturing argue that natural gas is a cleaner-burning "bridge fuel" from the age of coal to an era of wind, solar and other sustainable energy sources.

[U.S. announces climate change strategy](#)

WASHINGTON, Jan. 19 (UPI) -- The U.S. Interior Department has announced a strategy to help reduce climate change impacts on species, ecosystems and people and economies dependent on them.

Working with state, tribal and federal agency partners, the department has created a first draft national strategy to help policy makers and resource managers prepare for those impacts, a release from the Interior Department said.

[Come Hell With High Water](#)

DHAKA, Bangladesh — Earlier this month, Bangladesh’s foreign minister chided the world’s developed nations for failing to honor their pledge to help this low-lying, water-logged nation adapt to the effects of climate change. Of the \$30 billion that poor countries were promised three years ago, just \$2.5 billion have been disbursed. “Our achievements — social, economic, environmental — of the past decades” are at risk, Dipu Moni told the Guardian.

Bangladesh, much of which sits less than 20 feet above sea level, may be asking for the wrong thing. Clamoring for funds to mitigate the effects of a changing climate isn’t enough. If greenhouse gas emissions aren’t reversed in the next few decades, it may be impossible for some countries to adapt to global warming. Rather than rattling its cup, Bangladesh should be pounding tables in Washington, Beijing, Brussels and Delhi.



This work is licensed under a [Creative Commons Attribution-Share Alike 3.0 United States License](#).