



## Drumbeat: January 21, 2012

Posted by [Leanan](#) on January 21, 2012 - 10:16am

### [Growing U.S. energy output a threat to Canada](#)

While the media fixates on the political spin around the Obama government's rejection of TransCanada's Keystone XL pipeline, there's another, more important element to this story that has been grossly underplayed: growing domestic U.S. oil production, which will slash U.S. dependence on imported oil in the years ahead.

After decades of decline, U.S. oil output is growing rapidly again, thanks to the use of fracking (hydraulic fracturing) technology to open up previously untapped tight oil or shale oil deposits. (So much for Peak Oil theory.)

### [Oil Declines to One-Month Low on Chinese Manufacturing, Europe Concern](#)

Oil fell to the lowest level in a month as Chinese manufacturing contracted and negotiations to resolve Greece's debt crisis entered a third day, fanning concern that Europe's economy will slow.

Oil declined 1.9 percent as the preliminary January reading of a Chinese purchasing managers' index showed the country's manufacturing declined for a third month. The euro weakened as talks in Athens on debt swaps resumed. Prices extended losses after sales of previously owned U.S. homes grew less than expected.

### [Gasoline Supplies at 10-Month High](#)

The U.S. Energy Department's weekly inventory release showed an unexpected decrease in crude inventories on the back of lower imports, though product demand continues to be weak. Gasoline supplies rose for the third straight week to reach their highest level since early March 2011. The agency's report further revealed that distillate stocks posted another build. Meanwhile, refinery utilization rate was down by 1.9%.

### [China Cuts December Gasoline Exports, Imports More Diesel Before Holiday](#)

China cut gasoline exports to the lowest level in almost three years in December and diesel imports reached their 2011 high as fuel was stockpiled to meet increased demand

for transport around the Lunar New Year break.

Net gasoline exports fell to 164,392 metric tons last month, the lowest since March 2009, and net purchases of diesel were around 210,000 metric tons, according to data released by the General Administration of Customs today.

### [China's Dec Saudi crude imports 4th highest on record](#)

BEIJING (Reuters) - China's crude oil imports from Saudi Arabia rose to 1.12 million barrels per day in December, the fourth-highest on record on a daily basis, Chinese customs data showed, as the world's top oil exporter pumped just under the 10 million bpd mark.

### [Congress has legal clout on Keystone pipeline: study](#)

(Reuters) - The Congress has the constitutional right to legislate permits for cross-border oil pipelines like TransCanada's Keystone XL, according to a new legal analysis released late on Friday.

The study by the nonpartisan Congressional Research Service could give a boost to Republicans drafting legislation to overturn a decision this week by President Barack Obama to put the \$7 billion Alberta-to-Texas project on ice.

### [BP joins in £250m gas storage project in North](#)

A unit of oil giant BP has secured an option to acquire over a 50pc stake in a planned £250m (€300m) gas storage project in Co Antrim. The facility would be the largest of its kind on the island if construction proceeds.

### [Gulf comeback bodes well for oil field services](#)

The resurgence of deep-water drilling in the Gulf of Mexico has the region on track to return to normal by year's end, boosting profits for oil field services companies, analysts say.

The Gulf comeback improved year-end financial results for Schlumberger, the world's largest provider of oil field services and equipment. The company reported a 36 percent increase in its fourth-quarter profit Friday.

### [China Urges Sudan, South Sudan To Resolve Oil Dispute With Talks, Respect CNPC Rights](#)

BEIJING – China on Saturday urged the governments of Sudan and South Sudan to

remain calm and restrained and resolve their differences over oil exports through "negotiation at an early date".

"Oil is the economic lifeline shared by Sudan and South Sudan," Chinese Foreign Ministry Spokesman Liu Weimin said in remarks posted on the ministry's website, adding that the Beijing government "hopes that the two governments will fulfill their commitment to protecting the legal rights of Chinese enterprises and those of other partners."

### [Yemeni President Saleh granted immunity](#)

Sanaa, Yemen (CNN) -- Yemen's parliament approved a controversial law Saturday that ensures President Ali Abdullah Saleh complete immunity from prosecution.

The law was delayed for weeks as Saleh insisted on specific changes guaranteeing his aides partial protection from legal actions.

In return, Saleh will step down from power in Yemen next month after ruling the country for more than 33 years.

### [Police: Dynamite bomb explodes near bridge in oil-rich Nigeria delta, no casualties](#)

LAGOS, Nigeria - Police say unknown bombers detonated locally made dynamite near an important bridge in Nigeria's oil-rich southern delta overnight, though no one was injured.

The blast happened Friday night in Yenagoa, the capital of Bayelsa state, the home of President Goodluck Jonathan. Bayelsa state police spokesman Eguavoen Emokpae said the bomb targeted a bridge, but caused little damage.

### [After threats, Iran plays down U.S. naval moves](#)

(Reuters) - Iran's Revolutionary Guard Corps said on Saturday it considered the likely return of U.S. warships to the Gulf part of routine activity, backing away from previous warnings to Washington not to re-enter the area.

The statement may be seen as an effort to reduce tensions after Washington said it would respond if Iran made good on a threat to block the Strait of Hormuz - the vital shipping lane for oil exports from the Gulf.

### [OPEC head to hold talks in Tehran on oil export via Gulf](#)

Tehran - OPEC head Abdul-Kareem Luaibi will on Saturday hold talks in Tehran with

Iranian officials on oil exports via the Gulf, the Mehr news agency reported.

Luaibi decided to visit Tehran after warnings by Iranian generals that the country might close the Gulf's Strait of Hormuz - a vital international oil shipping route - if oil sanctions were imposed on the Islamic state.

### [Iran oil to be sanctioned by Europe Monday](#)

NEW YORK (CNMoney) -- The European Union will announce tough new sanction on Iran's oil industry Monday.

According to a source familiar with the matter, the sanctions will ban the import of Iranian oil and also restrict Iran's trade in gold and precious metals, as well as freeze certain Iranian financial assets.

### [China tells Iranian delegation to return to talks](#)

BEIJING - China told a visiting Iranian delegation that returning to nuclear talks was a "top priority," the Xinhua news agency said on Saturday, in a meeting highlighting Beijing's efforts to reduce tensions that could threaten its oil supply.

The delegation, led by Supreme National Security Council deputy secretary Ali Baqeri, visited Beijing as lawmakers in the United States moved to detail punishment of foreign banks that do business with the Iran's central bank, the clearinghouse for its oil exports.

### [China Hedges Mideast Oil Bets Amid Iran Tensions](#)

China has become increasingly concerned about all the threats of conflict with Iran in the Persian Gulf, which supplies China with a great deal of its oil.

In fact, China is Iran's biggest customer. But Iran was not a stop on the Chinese itinerary — Saudi Arabia and the United Arab Emirates were.

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

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

### [ENI says Libya oil output back to pre-war levels](#)

TRIPOLI (Reuters) - Italian group Eni's oil output in Libya is almost back to its pre-

conflict levels at 260,000 barrels per day, Chief Executive Paolo Scaroni said on Saturday.

"Output has now gone back to its pre-war levels. It was 270,000 bpd (before the war), now it's 260,000 bpd," Scaroni told journalists in Tripoli.

### [Chevron appeals \\$18 billion ruling in Ecuador lawsuit](#)

SAN FRANCISCO/QUITO (Reuters) - Chevron Corp has filed an appeal with Ecuador's Supreme Court to review a judgment that the U.S. oil company pay \$18 billion in damages for polluting the Amazon jungle.

### [Toronto Hydro to ask energy board again for rate hike](#)

Toronto Hydro will be asking the Ontario Energy Board to reconsider a request to increase hydro rates, which was turned down earlier this month.

On Friday, a letter signed by the chairman of Toronto Hydro's board of directors was sent to the energy board, outlining why it says an increase is necessary.

### [Tepco to be nationalised for 10 years-Kyodo](#)

TOKYO (Reuters) - Tokyo Electric Power Co will in effect be nationalised for at least 10 years and is expected to become profitable in its 2013 business year, under a plan by a government body for funding nuclear disaster compensation, Kyodo news agency reported on Saturday.

The public fund is expected to inject 1 trillion yen (\$12.97 billion) into the operator of the crippled Fukushima Daiichi nuclear power plant in a de facto nationalisation of the firm, the news service said, citing sources close to the matter.

### [First Round: Entergy 1, Vermont 0](#)

Wherever the case goes from here, Vermont Yankee's recent history demonstrates some of the benefits and the pitfalls of a current trend in the nuclear industry in which a handful of companies specialize in owning and operating plants. Entergy operates 12 reactors at 10 sites, including Vermont Yankee's.

### [U.S. Ends Chevy Volt Battery Fire Probe](#)

U.S. regulators, who ended their investigation yesterday into the Chevrolet Volt, said electric- powered vehicles do not pose a greater risk of fire than gasoline cars.

“Based on the available data, NHTSA does not believe that Chevy Volts or other electric vehicles pose a greater risk of fire than gasoline-powered vehicles,” the National Highway Traffic Safety Administration said in an e-mailed statement.

### [Let's ban electric cars](#)

I've been thinking very, very hard about this, but at the end, there can be only one conclusion. We have to ban electric cars.

No, honestly, we do. And I have a very valid reason for this, let's face it, somewhat controversial assertion.

### [The future of diesel, gas and electric cars](#)

Here's the big picture in terms of gas, diesel and electric cars that came out of the just completed Detroit auto show.

### [Car Batteries Are Not Just For the Car](#)

Coda Automotive is supposed to start selling its electric sedan next month. On Friday, its parent company announced that it was also moving into a related line: stationary batteries for electricity storage.

### [Matt Simmon's Wind Dreams](#)

When Matt Simmons retired he undoubtedly realized that of the fifty states, Maine was the most highly dependent upon petroleum for its energy needs. Over 75% of Maine's households heat with fuel oil, no doubt he found we were completely dependent on others for our energy needs. Simmons established the Ocean Energy Institute (OEI) and brought his expertise and contacts in the off-shore oil industry to jump start a renewable energy industry in Maine. This state, settled by people who used wind and water for their transportation and trade, has a tremendous wind resource. Looking at wind maps of the continental US, the proximity of abundant offshore wind resources to densely populated areas is clearly evident.

### [China's Goldwind Expanding in U.S. as Rival Vestas Plans Cuts](#)

Xinjiang Goldwind Science & Technology Co., China's second-largest wind-turbine maker, indicated it's picking up market share in the U.S. as falling prices and expiring subsidies force rivals to pare back.

Goldwind bought two 10-megawatt wind farms in Montana to showcase its equipment and has taken orders in seven other U.S. states since it started sales in the region in

June 2010, according to a company statement released yesterday.

### [U.S. Wind-Farm Boom Set to Bust in 2013 as Obama Tax Breaks End](#)

A U.S. boom in wind farm projects is poised to bust in 2013 as tax breaks by President Barack Obama's administration prompt developers to rush through construction of new sites this year, according to Bloomberg New Energy Finance.

### [Some idle solar energy projects may soon connect to grid](#)

Two federal agencies and Southern California Edison say they're close to ending a long impasse that has made renewable energy projects sit unused. Negotiations with a third agency are tougher.

### [Solar Stocks Plunge as Germany Vows to Quicken Subsidy Cuts](#)

Solar stocks plunged around the world after Germany, the largest market for panels, said it will make quicker cuts to subsidized rates and phase out support for the industry by 2017.

### [India Misses Solar Target With 20-Fold Jump in Capacity in Year](#)

Indian solar power capacity expanded 20-fold in the past year to at least 356 megawatts, a third of the targeted level, after infrastructure, financing and weather-related delays, according to Bloomberg New Energy Finance.

### [Why the Clean Tech Boom Went Bust](#)

Anyone who has heard the name Solyndra knows how this all panned out. Due to a confluence of factors—including fluctuating silicon prices, newly cheap natural gas, the 2008 financial crisis, China's ascendant solar industry, and certain technological realities—the clean-tech bubble has burst, leaving us with a traditional energy infrastructure still overwhelmingly reliant on fossil fuels. The fallout has hit almost every niche in the clean-tech sector—wind, biofuels, electric cars, and fuel cells—but none more dramatically than solar.

### [Breakthrough in seaweed biofuel reported](#)

Energy experts believe that seaweed holds enormous potential as a biofuel alternative to coal and oil, and US-based scientists say they have unlocked the secret of turning its sugar into energy.

A newly engineered microbe can do the work by metabolizing all of the major sugars in brown seaweed, potentially making it a cost-competitive alternative to petroleum fuel, said the report in the US journal Science.

### [The Man Who Fell for Fusion](#)

Whipple blithely notes that working units would probably emit gamma rays but that Rossi expects Underwriter's Laboratories to certify the e-Cat for home use.

### [Summer school inspiring sustainability](#)

Books have been bound, bees kept, tools sharpened, bicycles adjusted and seaweed eaten at the Transition Oamaru and Waitaki District Sustainable Skills Summer School which started on January 14.

### [Official Pack shot for Oil Rush revealed](#)

Today, videogame publisher Iceberg Interactive and game developer UNIGINE Corp., reveal the official pack shot of the naval strategy game Oil Rush. The global war for oil in the flooded post-apocalyptic world of "Oil Rush" starts with the digital release on January 25th 2012. The boxed version is set for a release date of February 24th in the UK, Benelux and Scandinavia and in Germany on February 23rd 2012.

### [Interior Candidate Bows Out](#)

The nomination of Rebecca Wodder, a longtime environmental advocate and former head of the conservation group American Rivers, expired at the end of last year. Expecting a bitter battle with an uncertain outcome, she asked that she not be renominated, according to an Interior Department spokesman. She was originally nominated last June.

### [With Keystone, it's Harvard vs. the heartland](#)

In the larger scheme of things, Keystone isn't that big a deal. Energy expert Vaclav Smil says the entire Keystone system would move just over 6 per cent of current U.S. crude oil consumption. The new pipeline would add just 1 per cent to the quarter of a million kilometres of existing oil pipelines that criss-cross North America. "Why, if pipeline safety is a key concern, have we not seen waves of civil disobedience?" he asked in a recent commentary. As for the biggest objection to Alberta's "dirty oil" – the fact that it produces more carbon dioxide than other oil sources – he says that, in 2010 alone, China's carbon dioxide emissions rose by 780 million tons. That's more than 40 times the annual emissions of all the oil that would flow through Keystone.



## [Bill McKibben: Keep Alberta's oil in the ground](#)

Put simply: Just as the planet's physical stability depends on Brazil's guarding its rain forest, so it depends on Canada's keeping that carbon in the ground. Put even more simply: The carbon in the tar sands can wreck the future. Start burning them on a grand scale, says Dr. Hansen, and it's "essentially game over" for the climate.

## ["Cold Front: Conflict Ahead in Arctic Waters," by David Fairhall.](#)

On Aug. 27, 2008, a NASA satellite hovering above the North Pole captured images that stunned climate-focused scientists around the world. Both navigable passages linking the eastern and western hemispheres were clear of ice at the same time, a first in recorded history. Based on the rare occurrence, climatologists began making bold predictions about the future of the far north. Some scientists claimed a new northwest passage would be reliably open for ice-free sailing in the summer months as soon as 2013. In David Fairhall's evocative new book, "Cold Front," the issue is not whether the polar ice sheet will melt — because in his mind it surely will — but what happens then.

## [Scientists fire salvo in Canada's bid to control Arctic seabed](#)

In the midst of a Cold War-esque spy scandal involving a Canadian naval officer accused of passing secrets to a foreign entity, Canadian scientists have quietly accomplished something likely to prove far more effective than espionage or military posturing in affirming — and extending — Canada's sovereignty in the North: They've published two academic studies about Arctic Ocean geology that lend solid support to the country's ambitious claims for new undersea territory in the region.

## [Feeding The World Gets Short Shrift In Climate Change Debate](#)

Food is getting elbowed out of the discussion on climate change, which could spell disaster for the 1 billion people who will be added to the world's population in the next 15 years. That's the word today from scientists wondering why food and sustainability get such short shrift when it comes to thinking about how humans will adapt to climate change.

In the past year, we've seen drought in Texas, floods in Australia and massive drought and wildfires in Russia, all of which have had a big impact on global food supply and prices. Those are good examples of the extreme weather events and changes in weather patterns that scientists expect to see with climate change.



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