



## Drumbeat: February 8, 2012

Posted by [Leanan](#) on February 8, 2012 - 9:34am

### [Oil, Food, Water: Is Everything Past Its Peak?](#)

An unprecedented crisis faced America. Oil production was going to peak in just three to five years, resulting in foreign oil addiction and economic calamity. The scientist responsible for slapping the nation into consciousness implored industry and government to act: "The smug complacency that habitually blinds the American public must be torn," wrote David White, chief geologist of the U.S. Geological Survey. It was 1920.

More than 90 years later, tempers still flare over the prospect of global "peak oil." Last week a commentary in the prestigious journal Nature argued, "oil's tipping point has passed." It's the most recent high-profile salvo about whether, or how soon, the petroleum extraction that drives the global economy will reach a plateau and then, inevitably, decline.

### [Oil prices will rise as supplies tighten? Hardly.](#)

Oil prices, which fell below \$97 a barrel on Monday, are not poised to surge in the long run because long-term production is declining. Better technology and, if needed, higher oil prices mean the long predicted peak in oil production is a long way off.

### [Oil Gains a Second Day on Demand Outlook as API Says U.S. Stockpiles Drop](#)

Oil rose to its highest in a week in New York after a report showed U.S. stockpiles shrank, signaling increased demand in the world's biggest crude consumer.

West Texas Intermediate futures climbed to \$99.65 a barrel, the highest since Jan. 31. Crude inventories fell 4.5 million barrels in the seven days ended Feb. 3, the first drop in three weeks, the American Petroleum Institute said after yesterday's settlement. Analysts surveyed by Bloomberg News had forecast today's Energy Department report would show supplies rose 2.5 million barrels.

### [China to Increase Domestic Diesel, Gasoline Prices First Time in 10 Months](#)

China, the world's second-biggest oil consumer, raised domestic fuel prices for the first

time in 10 months to spur production by refiners including China Petroleum & Chemical Corp. and PetroChina Co.

### [UK prompt gas down 15 pct on ample supply](#)

(Reuters) - British prompt gas prices plunged 15 percent on Wednesday as ample supplies offset above-average demand, but near-term prices stayed at six-year highs as three forecasters raised the possibility of prolonged freezing weather through February.

### [Energy independence? U.S. is almost there](#)

The U.S. is the closest it has been in almost 20 years to achieving energy self-sufficiency, a goal the nation has been pursuing since the 1973 Arab oil embargo triggered a recession and led to lines at gasoline stations.

Domestic oil output is the highest in eight years. The U.S. is producing so much natural gas that, where the government warned four years ago of a critical need to boost imports, it now may approve an export terminal. Methanex Corp., the world's biggest methanol maker, said it will dismantle a factory in Chile and reassemble it in Louisiana to take advantage of low natural gas prices. And higher mileage standards and federally mandated ethanol use, along with slow economic growth, have curbed demand.

### [Everything you know about shale gas is wrong](#)

I have already shown that we do not have a 100-year supply of natural gas, and that gas production is not profitable at today's prices. I also noted that the U.S. Energy Information Administration recently slashed its resource estimate by 42 percent.

But now there's even more bad news: U.S. gas production appears to have hit a production ceiling, and is actually declining in major areas.

### [How to profit as the shale gas revolution disappoints](#)

There is no doubt that shale will lead to cheaper energy - already gas prices in the US (though not elsewhere) are at record lows - but it's not a miracle cure. It has problems of its own; and that means there's a good chance that shale will disappoint some of its more enthusiastic fans, as well as consumers hoping for permanently lower energy prices.

### [Norway to expand Arctic seabed surveying](#)

(Reuters) - Norway intends to expand surveys of a previously disputed area in the Arctic offshore region bordering Russian waters ahead of potential oil exploration,

Norway's prime minister said on Wednesday.

### [Statoil boosts 2012 spending in shale oil bet](#)

OSLO (Reuters) - Oil firm Statoil is raising capital spending this year as it bets on the development of shale oil in the United States to help raise its output by a third over the next decade.

### [Encana's pitch is about more than natural gas](#)

Encana Corp. is North America's second-largest natural gas company. Just don't tell Encana that.

Eric Marsh, the company's man in charge of its U.S. division, on Tuesday tried to hammer home a message Encana has been touting for months. It is expanding its natural gas liquids production. It is searching for oil. It has been stealthily collecting land housing these more valuable resources for ages now. It has more oil and natural gas liquids announcements coming down the pipe. So don't just call it a natural gas company.

### [Iran MPs take no action on EU oil embargo, go into recess](#)

(TEHRAN) - Iranian lawmakers on Wednesday went into a near month-long recess without taking any action on a threat to impose a pre-emptive oil embargo on European Union countries.

### [Dip in Iran's oil supply gets China to buy from Saudi, Russia](#)

Beijing/London: China is scouring the world for alternative oil supplies to replace a fall in its imports from Iran, as it seeks to negotiate lower prices from Tehran, and has been drawing heavily on Saudi Arabia.

Industry sources told Reuters that Beijing had bought the bulk of an increase in crude oil supplies from top oil exporter Saudi Arabia in the last few months.

### [Iran defaults on rice payments to India](#)

(Reuters) - Iranian buyers have defaulted on payments for about 200,000 tonnes of rice from their top supplier India, exporters and rice millers said on Tuesday, a sign of the mounting pressure on Tehran from a new wave of Western sanctions.

The default prompted the head of the All India Rice Exporters' Association to call on members to stop rice exports to Iran based on credit, which would be a fresh blow to a country where imports of staple foods are already being hampered by sanctions.

### [Signs build that Iran sanctions disrupt food imports](#)

(Reuters) - More evidence emerged on Tuesday of the crippling impact of new sanctions on Iran, with international traders saying Tehran is having trouble buying rice, cooking oil and other staples to feed its 74 million people weeks before an election.

New U.S. financial sanctions imposed since the beginning of this year to punish Tehran over its nuclear program are playing havoc with Iran's ability to buy imports and receive payment for its oil exports, commodities traders said.

### [Iran says to go green as oil sanctions tighten](#)

DUBAI: Iran should invest in renewable energy to preserve its hydrocarbon reserves, Iranian energy minister Rostam Qasemi said on Wednesday, as tightening sanctions make it increasingly difficult for Tehran to sell oil.

With Iran's biggest buyers cutting imports of its crude and looking for other suppliers, Tehran says the time is right for the world's fifth largest oil producer and the second biggest gas holder to go green.

### [Argentina takes Falklands spat with U.K. to U.N.](#)

(AP) BUENOS AIRES, Argentina - President Cristina Fernandez said Tuesday that Argentina will formally complain to the U.N. Security Council that Britain has created a serious security risk by sending one of its most modern warships to the disputed Falkland Islands.

She accused British Prime Minister David Cameron of militarizing their nations' dispute over sovereignty of the South Atlantic archipelago, which Argentines say the British stole from them nearly 180 years ago.

### [Falkland military claims rejected](#)

Downing Street today rejected Argentine claims that Britain is creating a risk to international security by "militarising" the long-running dispute over the Falkland Islands.

### [Argentina Suspends Oil Incentive Program for YPF, Pan American](#)

(Bloomberg) -- Argentina's government suspended a program meant to boost incentives for energy exploration and production for companies including YPF SA, Pan American

Energy LLC and Petrobras Argentina SA, the Planning Ministry said in an e-mailed statement today.

The government expects to save 2 billion pesos a year by suspending the program, according to the statement.

### [Argentina Could Use Bank Reserves to Pay for YPF, Barclays Says](#)

Argentina has the cash reserves to make a tender offer for Repsol YPF SA's YPF unit, the country's largest energy company, and will likely put further pressure on the industry to boost output, Barclays Capital said.

### [Slaughter in Syria: Rocket attacks, blood in the streets and a relentless fight for freedom](#)

Throughout Syrian neighborhoods, the bombardment does not stop. It is relentless in its power. And it spares nobody, regardless of age.

Rocket and mortar fire pelts the town and the people striving to defend themselves against what they say is a brutal regime.

### [U.S. military beginning review of Syria options](#)

Although the U.S. focus remains on exerting diplomatic and economic pressure on Syria, the Pentagon and the U.S. Central Command have begun a preliminary internal review of U.S. military capabilities, CNN has learned.

The options are being prepared in the event President Barack Obama were to call for them. Two senior administration officials who spoke about the review to CNN emphasized that U.S. policy for now remains the use of non-military options.

### [No Libya play for the West in Syria](#)

(CNN) -- Amid growing outrage over civilian casualties in Syria, there are ever more urgent calls to aid -- or at least protect -- the uprising against President Bashar al-Assad. There is renewed talk of creating safe havens and humanitarian corridors inside the country. And those demanding tougher measures are again asking why events in Syria should not prompt Libyan-style intervention by NATO and its Arab allies.

### [Pipeline explosion rocks Syria](#)

An explosion has damaged a pipeline feeding a Syrian oil refinery, adding to pressure on fuel supplies as the uprising against the government of Bashar Al Assad nears its 11th

month.

Yesterday a plume of smoke could be seen rising from the pipeline that carries crude from the Rumailan field to a refinery in Homs, Reuters reported.

### [Five missing after Japan refinery tunnel collapse](#)

Divers were searching for five workers after an undersea tunnel collapsed at one of Japan's biggest oil refineries Tuesday, emergency services said.

### [Chevron oil refinery bosses could face manslaughter charges after four deaths](#)

MANSLAUGHTER charges are being considered against bosses of the Chevron oil refinery where four people were killed last summer, police have said.

Three men and one woman were killed in the massive explosion at the plant on June 2 in what was described as the UK's worst refinery disaster for almost four decades.

### [DEC: Some hydrofracking permits 'conceivable' in 2012](#)

ALBANY -- The state's top environmental regulator said today it's "conceivable" a handful of permits could be issued this year for high-volume hydraulic fracturing, but said a final decision is "months, not years" away.

### [After Early Gallop, Albany Slows to Crawl in Making Decision on Gas Drilling](#)

When Gov. Andrew M. Cuomo took office last year, his administration seemed to be in hurry-up mode as it decided whether to allow hydraulic fracturing, a controversial gas drilling process. State regulators kept to tight deadlines to produce for public review an environmental impact study and proposed drilling rules, and the state's top environmental official said drilling permits could be granted as early as this year.

But now, a decision on the process, known as hydrofracking — its scope, its timing or whether it will happen at all — seems much more uncertain, and the approval process has slowed considerably despite almost four years of study, debate and intense lobbying on both sides of the issue.

### [Europe at an energy crossroads](#)

BRUSSELS - The invention of the steam pipe, spinning Jenny and other technologies dramatically increased production speeds and revolutionised European society in the 1800s.



We need to stoke the boilers again, but this time we need to do it with affordable, clean and safe energy and that is why the EU stands at an unprecedented energy crossroads, facing an urgent need for huge power investments in the next two decades.

### [The Real Cost of 'Peak Oil'](#)

Now that the world is awash in oil, the only people talking about peak oil are those who oppose the idea. They are dancing on what they depict as the grave of what they call a "theory" that wasn't worth the graph paper it was plotted on.

Well, I still think that the peak oil model is a useful description of what we see happening in the oil industry today—even if West Texas Intermediate, the US benchmark, closed at a twitch under \$100 a barrel last week. (Brent crude, the European benchmark, closed at \$114.58.)

### [Imagine a world without oil: Infographic](#)

Thanks to our oil addiction, such a world would include rolling blackouts, minimal transportation, dwindling food supplies and possibly war.

### [Malthus' dire warning rings hollow](#)

The dire predictions of Malthusian overpopulation have never come to fruition in over 200 years of history. To the contrary, history has taken a course that is completely contradictory to what both Malthus and Ehrlich predicted.

Instead of mass starvation, we witness billions rise from poverty. Instead of the iron law of population, we see capitalistic development widen the scope of the human experience. Thanks to the works of economists like Amartya Sen and Julian Simon, we can now see that we live in a world of potential cornucopia, where the engines of capitalism and liberal democracy allow each human being to be ever more confident that the world will improve in his or her lifetime.

### [The Alternative Energy Matrix](#)

The primary "mission" of late has been to sort possible future energy resources into boxes labeled "abundant," "potent" (able to support something like a quarter of our present demand if fully developed), and "niche," which is a polite way to say puny. In the process, I have clarified in my mind that a significant contributor to my concerns about future energy scarcity is not the simple quantitative scorecard. After all, if it were that easy, we'd be rocking along with a collective consensus about our path forward. Some comments have asked: "If we forget about trying to meet our total demand with one source, could we meet our demand if we add them all up?" Absolutely. In fact, the abundant sources technically need no other complement. So on the abundance score

alone, we're done at solar, for instance. But it's not that simple, unfortunately. While the quantitative abundance of a resource is key, many other practical concerns enter the fray when trying to anticipate long-term prospects and challenges—usually making up the bulk of the words in prior posts.

### [Why leading for sustainability is different](#)

When I started doing research with organisations determined to achieve higher levels of sustainability, I didn't expect to find anything particularly unique. After all, isn't it just like any other change initiative, with its attendant problems of inertia, resistance and lack of buy-in?

A number of case studies later, however, I'm convinced there are specific ways in which leading organisations towards sustainability-focused goals is different. In particular, those attempting to make this kind of shift need to spend a significant amount of time on three key activities: Defining, translating and containing emotional responses.

### [Green Big Brother? Why the backlash against environmentalism has grown.](#)

I think there is a deeper issue here related to property rights and theory of the second best. Do individuals have the property rights to continue to produce their current level of greenhouse gas emissions? Put simply, if you live in the suburbs and drive to work and air condition your large house and if you like to barbecue big steak dinners, you are unintentionally producing a lot of greenhouse gas emissions. This is even more likely to be the case if your electricity is generated by coal fired power plants.

### [Are smart meters a plot to overthrow the United States?](#)

Peak oil theory ignores that, at higher prices, hard-to-access hydrocarbons become producible. In a mirror image, the U.S. energy independence crowd says nothing about the price at which the hydrocarbon bonanza they see will be cost-effective to extract. Mackay writes that popular delusions will always be with us, and the noise surrounding energy suggests he is right.

### [Why Energy Efficiency Isn't All It's Cracked Up to Be](#)

When *New Yorker* writer David Owen moved his family from Manhattan to a small town in northwestern Connecticut in 1985, it seemed like a green decision. Their tree-shaded house had been built in the 1700s and sat across from a nature preserve. Deer, wild turkeys and even bears could be seen in their yard; woods surrounded their neighborhood. It was a bucolic country existence, something out of a nature poem.

Yet for the global environment, the move was a minidisaster. The Owens' electricity consumption went up more than sevenfold, and the lack of both public transportation and dense housing that's typical of Connecticut (and much of the rest of the U.S.) meant the family had to buy several cars. And those cars got driven — a lot. Owen notes that



he and his wife now put some 30,000 miles a year on their odometers, burning carbon with every gallon. Access to trees and wildlife and cleaner air in Connecticut was great, but for the climate, it's dense and efficient Manhattan — where cars are optional and living space is much tighter — that does less damage per capita.

### [12 greenest cars of 2012](#)

The American Council for an Energy Efficient Economy has released its list of the most environmentally friendly cars of 2012, but there's one glaring omission.

### [Fisker Stops Work on Car Factory After U.S. Blocks Loan](#)

(Bloomberg) -- Fisker Automotive Inc. said it halted work on a Delaware auto factory to make plug-in sedans after the U.S. Energy Department blocked access to its federal loan, citing unmet milestones.

### [Fisker is not another Solyndra ... yet](#)

NEW YORK (CNNMoney) -- When Fisker Automotive announced it was laying off about two dozen workers at its Delaware factory, comparisons arose to Solyndra, the solar cell manufacturer that went bankrupt despite billions of dollars in U.S. government help.

Yes, the California based electric car maker and Solyndra both got a lot of government assistance, but analysts say those comparisons are unfair and premature.

### [Capitalism's destructive car mania detailed](#)

The car, say Canadian authors Bianca Mugenyi and Yves Engler, who took a bus ride across the United States, is a doomed jalopy going nowhere. It fails, especially in the “home of the car”, on every green count.

### [New energy supplies may rock orthodox auto beliefs](#)

New discoveries of natural gas threaten to overturn many assumptions about energy supplies and may also bring big changes in the way cars are powered.

### [Walk to School in Winter - It's Cool!](#)

TORONTO /CNW/ - February is Heart Month in Canada and Wednesday, February 8 has been declared Winter Walk Day. St. Cecilia Catholic School in Toronto is one of approximately 500 schools across Canada that will be walking - or snow shoeing, skiing

or skating to school.

### [Saudi firm in deal to build \\$1bn solar project](#)

Saudi-based Idea Polysilicon Company (IPC), a top integrated polysilicon and solar wafers firm, has signed an agreement with Germany's Centrotherm Photovoltaic to help develop its SR4 billion (\$1.06 billion) industrial complex in Yanbu.

### [On the shelves: Post-apocalyptic fiction offers lessons](#)

Authors, again borrowing from current events, are exploring how social and economic collapse could end society as we know it, providing us an alarming window into a very possible future. These books go beyond cautionary tales; they provide important lessons in how to survive both short and long systematic failure.

### [W.Va. coal group wants Blair Mountain case tossed](#)

MORGANTOWN, W.Va. (AP) — Groups trying to protect Logan County's Blair Mountain from mining have no legal standing to sue because they don't own any of the property involved in the long-running dispute, the West Virginia Coal Association argues in a new court filing.

### [Farmers Plan Biggest U.S. Crop Boost Since 1984, Led by Corn](#)

U.S. farmers will plant the most acres in a generation this year, led by the biggest corn crop since World War II, taking advantage of the highest agricultural prices in at least four decades.

### [Honeybee die-off shouldn't sting](#)

For whatever reason -- probably a combination of pesticides, parasites, disease and poor nutrition -- honeybees have been dying off at an alarming rate.

The exact cause is still not known.

Now for the good news. Beekeepers have been able to rejuvenate their hives each year so that by summer the population is back to previous levels.

There's another bit of good news, too. Agricultural yields are rising, which means that while rejuvenating beehives is costly, the cost isn't making its way to the supermarket.

### [Farmers Can Grow Food for All, as Long as Ecosystems Hold](#)

Thomas Malthus, history's celebrated pessimist, wrote in 1798 that, should war and disease fail to claim humanity, "gigantic inevitable famine stalks in the rear, and with one mighty blow levels the population with the food of the world."

The concept of "peak food," that the production will reach an apex that can't be topped, is more a function of population than of agricultural limits. The world should be able to produce enough food to feed everyone when the human numbers peak late this century, says José Graziano da Silva, director general of the United Nations Food and Agriculture Organization (FAO). However, the strains on the global pantry are real. While the Earth has plenty of natural inputs -- land, nutrients and water -- humans face a growing challenge to manage them.

### [Can Concord grow its own food?](#)

Concord is at the center of a study by a group of graduate students from the Conway School of Landscape Design to assess the town's readiness to provide its own food.

Given the town's deep agricultural heritage, said Brooke Redmond of the Concord Community Food Report Project, Concord is well suited to developing its arable land to reduce its dependence on food from far-flung places such as Asia and Australia.

### [Urban Garden? Check. Now, Chickens.](#)

As with vegetable gardening, the green aspect of backyard chicken keeping is cutting down on the energy use and fuel emissions associated with transporting produce from remote farms to population centers. More important, store-bought eggs can seem far from risk-free for many people after the 2010 outbreak of salmonella that led to the nationwide recall of 500 million eggs.

Cities throughout the United States and Canada are now reforming land-use and health policies to allow and even encourage urban agriculture as a moneymaking enterprise. Yet urban chicken keepers are finding that backyard hens remain controversial. While some urban areas, including Nashville, have loosened chicken restrictions after much debate, others have decided the city is no place for a henhouse.

### [Green groups slam big oil on 'lobby-busting' tour](#)

OTTAWA — A powerful Canadian oil and gas industry group has been systematically lobbying European embassies in recent months against proposed climate change legislation that discourages high-polluting transportation fuels such as crude oil from the oilsands sector, environmental groups said Tuesday.

### [South Korean Lawmakers Vote for Limits on Greenhouse-Gas Emissions](#)

Lawmakers in South Korea voted to impose greenhouse-gas limits on the nation's largest companies, overruling industry opposition and laying groundwork for the third emissions-trading program in the Asia-Pacific region.

### [Seas will rise by 3 feet locally by 2100, report says](#)

NEW ORLEANS — A scientific report issued by Gov. Bobby Jindal's administration predicts that the Louisiana coast could see about 3 feet of sea level rise along the already low and vulnerable Louisiana coast by 2100 — a prediction that leaves this Cajun coast drowning and under siege from storm surge for decades to come.

### [Meteorologist Masters: “The Climate Has Shifted to a New State Capable of Delivering Rare & Unprecedented Weather Events”](#)

**Jeff Masters:** Climate is what you expect; weather is what you get. I like to think of the weather as a game of dice. Mother Nature rolls the dice each day to determine the weather, and the rolls fall within the boundaries of what the climate will allow. The extreme events that happen at the boundaries of what are possible are what people tend to notice the most. When the climate changes, those boundaries change. Thus, the main way people will tend to notice climate change is through a change in the extreme events that occur at the boundaries of what is possible.



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