



Drumbeat: February 13, 2012

Posted by [Leanan](#) on February 13, 2012 - 9:32am

[In the Pipeline: Peak oil unable to avert energy crunch](#)

A report issued in February 2010 by the US Joint Forces Command stated that "by 2012, surplus oil production capacity could entirely disappear, and as early as 2015, the shortfall in output could reach nearly 10 million barrels per day."

It goes on to say that a severe energy crunch is inevitable and "one should not forget that the Great Depression spawned a number of totalitarian regimes that sought economic prosperity for their nations by ruthless conquest." One hopes that this is not the US agenda - or is it?

[Oil Rises as Iran Supply Threat Grows, Greece Passes Austerity Measures](#)

Oil recovered from a three-day low in New York as concern grew that a ban on Iranian crude may cut supplies while the Greek parliament's approval of austerity measures boosted hope for a solution to Europe's debt crisis.

Futures climbed as much as 1.3 percent as the euro headed toward a two-month high after 199 lawmakers supported the bill in a roll-call vote shown live on state-run Vouli TV, against 74 who opposed it. The measures were needed for a 130 billion-euro (\$172 billion) aid package, Greece's second since May 2010. Oil may extend gains after companies controlling more than 100 supertankers said they would stop loading cargoes from Iran, tightening sanctions on OPEC's second-biggest producer.

[Price of gas up nearly 12 cents in last 3 weeks](#)

The average price for a gallon of gasoline in the United States rose nearly 12 cents in the past three weeks to about \$3.51, due in part to higher prices for North Sea crude oil, according to the nationwide Lundberg Survey.

The national average for a gallon of regular gasoline rose 11.57 cents to \$3.5101 as of February 10, the survey of about 2,500 gasoline stations in the continental United States found.

[Italy sees gas shortfall from Russia Monday-Snam data](#)

(Reuters) - Italy, a major consumer of Russian gas in Europe, expects to inject 92.5 million cubic metres (mcm) of gas from Russia into the national network on Monday compared to the 108.0 mcm requested, data from gas transport network Snam showed.

[Iraq Opens Offshore Oil Facility to Boost Export Capacity in Persian Gulf](#)

Iraq, seeking to maximize crude oil exports, opened the first of four planned offshore mooring facilities in the Persian Gulf and intends by March to add 200,000 barrels a day to its capacity for loading tankers there.

The new single-point mooring unit, extending into the sea from the southern oil terminal of Fao, has a potential export capacity of 850,000 barrels a day, Falah al-Amri, chairman of the State Oil Marketing Organization, said in an interview.

[Iran Sanctions Tighten as Shippers Stop Loading](#)

Sanctions on Iran are tightening after Overseas Shipholding Group, Frontline Ltd. and owners controlling more than 100 supertankers said they would stop loading cargoes from the Organization of Petroleum Exporting Countries' second-largest producer.

[Kenya Power to Raise Electricity Costs, Business Daily Reports](#)

Kenya Power Ltd. will raise electricity tariffs from this month after it increased use of diesel-generated plants amid a decline in water levels at hydropower dams, Business Daily reported.

[Iran Won't Yield to Pressure, Foreign Minister Says; Nuclear News Awaited](#)

Iranian Foreign Minister Ali Akbar Salehi said the country will never cede to international pressure, the same day President Mahmoud Ahmadinejad promised to announce a milestone in the country's nuclear field.

"This nation will never ever yield to pressure from outside," Salehi told reporters in Tehran yesterday. "When you can't differentiate between people and the government, what does pressure mean?"

[Ahmadinejad's 'Major' Nuclear Progress Comment Follows Rhetorical Pattern](#)

Iranian President Mahmoud Ahmadinejad's announcement that he will soon unveil a "major" nuclear development may be part of a strategy he's employed since 2006 of promising breakthroughs and delivering incremental gains.

[India IOC may renew Iran crude oil deal in FY1](#)

(Reuters) - State-run Indian Oil Corp Ltd, the country's largest oil refining and marketing company, may renew an annual deal with Iran to buy 1.5 million tonnes of crude oil for the fiscal year starting April 2013, its chairman said.

[Russia says it's open to an agreement on Syria; Homs under attack again](#)

(CNN) -- As Arab League officials try to quash the massacre in Syria, U.N. diplomats are expected to consider a draft resolution Monday that would "strongly condemn" human rights violations by Syrian authorities.

Meanwhile, Russia said it's open to supporting an international agreement on Syria -- though it needs to hear more about a proposal by the Arab League.

But for every moment of chatter, reports of bloodshed intensify.

[South Sudan pins hopes for growth on pipeline](#)

The economy of South Sudan, the world's youngest nation, which draws 99 per cent of its income from oil, is set to grow as plans for a pipeline bypassing the north progress.

[Sinopec says to boost oil capacity in Xinjiang](#)

(Reuters) - China Petroleum and Chemical Corp (Sinopec) plans to invest 53 billion yuan (\$8.41 billion) by 2015 to boost refinery capacity and build up oil and gas production in northwestern Xinjiang region, company officials said on Monday.

The top Asian refiner planned to double the capacity of its Tahe refinery in Kuqa county to 10 million tonnes per year, or 200,000 barrels per day (bpd), by 2015, a company official said.

[Chesapeake sets new asset, debt sales](#)

(Reuters) - Chesapeake Energy Corp said it would try to raise \$10 billion to \$12 billion from asset sales and issue another \$1 billion in debt to cover spending this year amid the weakest natural gas prices in a decade.

[Kuwait c.bank governor resigns over rising spending](#)

Last year's uprisings in the Arab World emboldened workers in Kuwait to stage a string of strikes which added to upward pressure on wages of state employees. A strike at the

national airline ended with a 30-percent wage hike, local media reported; oil sector workers received a wage rise after a strike threat.

Some top Kuwaiti economic policymakers, including Sheikh Salem and the finance minister, publicly urged the government to restrain spending and reduce waste in the budget last year. The finance minister said public sector wages had risen to about 85 percent of the country's oil revenues, which he called "a real danger".

[Criticism of Chevron Grows Over Use of "Secret" Panel to Evade \\$18 Billion Ecuador Judgment, says Amazon Defense Coalition](#)

NEW YORK /PRNewswire-USNewswire/ -- The Andean Commission of Jurists and five prestigious international law experts from around the world have joined a growing chorus of criticism targeting Chevron's attempt to use a secret investor arbitration as part of its campaign to evade an \$18 billion environmental judgment in Ecuador, according to letters released today.

[China May Hold Shale-Gas Auction as Early as End of February](#)

China, estimated to hold more gas trapped in shale than the U.S., may hold its second auction of exploration areas as early as this month, according to an official at the Ministry of Land and Resources.

[Pennsylvania impact fee for gas drillers comes with a catch](#)

When legislators agreed last week to charge impact fees for the natural gas industry, generating millions of dollars, the money came with a catch.

The measure also imposed statewide zoning and land-use rules for pipelines and wells - summarily killing off dozens of local land-use ordinances in the process.

[Shale gas threatens nuclear power renaissance](#)

The failure of Japan's Fukushima nuclear plant to withstand an earthquake and tsunami last March sparked fears that popular concerns and higher insurance and construction costs could stifle a nuclear renaissance. But nearly a year later, the biggest hurdle is freshly opened shale gas resources that are pushing the price of conventional energy to record lows.

[Nuclear plant work in progress with 2017 target](#)

In Abu Dhabi's remote coastal outpost of Baraka, 4,000 people are at work on the infrastructure needed to bring nuclear power to the Arab world for the first time.

[Our judgement was distorted by Chernobyl tales](#)

Even if you are sceptical about global warming, the case for reducing our dependence on carbon as an energy source is overwhelming.

In the first instance carbon fuels are non-renewable. They will run out. There will come a time when the oil, gas and coal will be gone. Many argue that we are already at or near "peak oil", when the maximum rate of petroleum extraction is reached, and production begins to decline.

[Tepco Says Fukushima Reactor Temperature Breaches Safety Limit](#)

Tokyo Electric Power Co. (9501) said the temperature in one of the damaged reactors at its Fukushima nuclear station rose to levels above safety limits even as it injected increased amounts of cooling water.

[Japanese Power Utilities Import 39% More Liquefied Natural Gas in January](#)

Japan's 10 regional power utilities increased their imports of liquefied natural gas by 39 percent in January, when most of the country's nuclear reactors remained idled over safety concerns.

[Tokyo Elec cuts oil use outlook as power demand falls](#)

TOKYO (Reuters) - Tokyo Electric Power Co on Monday further trimmed its outlook for the amount of oil it will use this financial year due to lower power demand following the earthquake in March 2011.

Tokyo Electric, known as Tepco, projected oil consumption of 7.56 million kilolitres (130,000 barrels per day) for the year ending March 31, up from 4.75 million kl a year earlier, but down from its January outlook of 8.09 million kl.

[Tepco Widens Full-Year Loss Forecast as Fukushima Costs Mount](#)

Tokyo Electric Power Co. (9501), which received an \$8.9 billion lifeline from the Japanese government, widened its full-year loss forecast as compensation and clean-up costs rose after the Fukushima nuclear disaster.

[Japan promotes solar power, wind energy and geothermal energy after Fukushima](#)

In the long process of rebuilding after the triple disasters, the country should focus on

renewable energy, like wind power, solar energy (photovoltaic and concentrating solar thermal power) and geothermal energy.

[Don't overlook Aussie Gas Stocks](#)

The cries that the world is running out of oil have been around a long time. Although it is inevitable that petroleum is a finite resource which one day will be exhausted, the question is when. The factor ignored by many Peak Oil Predictors is technology.

Concern about Peak Oil reached a crescendo during the Oil Crisis of the 1970's. At that time, had any futurist predicted we would soon be drilling for oil over a mile below the surface of the ocean, he or she would undoubtedly been carted away for a psychiatric evaluation.

[Peak oil moves to the mainstream](#)

Something quite momentous happened on 26 January 2012. While most Australians were distracted with celebrating their national day, the world's leading scientific journal, Nature, published its first serious commentary on peak oil. That's right, peak oil took its final step from "extremist fringe conspiracy theory" to general acceptance by the world's scientific community. The authors of the Nature article were David King, a former chief scientific advisor to the UK government and James Murray, founding director of the University of Washington's Program on Climate Change.

[Next GFC a perfect storm: expert](#)

Australia is about to be hit hard by a second global economic crisis and unlike the last time, recovery will be far from short and sweet, a global finance expert says.

Canadian finance and energy analyst Nicole Foss said a combination of energy shortages, climate change, population growth, food insecurity and political unrest were brewing a "perfect storm" that would ruin society as we know it.

[Europe's Energy Suicide Pact](#)

US media is warning gasoline consumers they are threatened with a possible mega price hike. If the long drawn out Iran crisis moved to war action like closing the Hormuz Straits this could spike barrel prices to \$200, nearly doubling average US forecourt gasoline prices to \$6 a gallon.

Today in Europe, with the Straits of Hormuz wide open, European gasoline buyers pay an average of around \$2.15 or 1.60 euro per litre. This is \$8.05 for one US gallon and \$335 per barrel.

[Isle of Man 'lacks cohesive strategy' on renewable energy](#)

An environmental action group has warned that "time is running out" for the Isle of Man government, in the race to reduce gas and oil dependency.

Tynwald has pledged to have 15% of the island's electricity generated from renewable sources by 2015.

Friends of the Earth Isle of Man said the island "lacks a cohesive strategy" despite its parliamentary commitments.

[Green Energy Profit Crash Deters New CEOs](#)

Renewable energy companies are losing their allure with top executives after profits and stock prices collapsed across the industry, making it more difficult for boards to replace underperforming managers.

[The World's First Plantagon Greenhouse for Urban Agriculture Breaks Ground in Sweden](#)

The first Plantagon Greenhouse breaks ground. A new type of greenhouse for vertical farming, an international Centre of Excellence for Urban Agriculture, a demo-plant for Swedish clean-tech and a climate-smart way to use excess heating and CO₂ from industries. The potential is tremendous and ambitions high for the new greenhouse being built in Linköping, Sweden, near the regional energy company, Tekniska Verken. Not least, it will be a new landmark for the people in Linköping to enjoy.

[Pro-oil lobby retreat urges feds to deliver climate-change solutions](#)

OTTAWA — A taxpayer-funded pro-oil lobbying retreat, involving Canada's European diplomats and industry, has urged the federal government to deliver real climate change solutions to restore the country's sagging environmental reputation.

[Satellites for Climate Checks Get Boost After Durban Talks](#)

Brazilian deforestation and melting polar ice caps are feeding a boom in demand in the \$2.1 billion market for satellite data, images and services used to monitor the planet.

[EU Will Keep Airline-Emissions Levies](#)

The European Union will press ahead with emissions levies for international airlines, putting the bloc on course for a trade spat with countries including China, India and the U.S.

“The EU will not suspend the legislation,” Siim Kallas, the European Commission’s vice president for transport, said today in Singapore at an airline conference. “It’s a very high- profile environmental issue.”

[With climate change, today's '100-year floods' may happen every three to 20 years: research](#)

Last August, Hurricane Irene spun through the Caribbean and parts of the eastern United States, leaving widespread wreckage in its wake. The Category 3 storm whipped up water levels, generating storm surges that swept over seawalls and flooded seaside and inland communities. Many hurricane analysts suggested, based on the wide extent of flooding, that Irene was a “100-year event”: a storm that only comes around once in a century.

However, researchers from MIT and Princeton University have found that with climate change, such storms could make landfall far more frequently, causing powerful, devastating storm surges every three to 20 years. The group simulated tens of thousands of storms under different climate conditions, finding that today’s “500-year floods” could, with climate change, occur once every 25 to 240 years. The researchers published their results in the current issue of *Nature Climate Change*.



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