



Drumbeat: March 7, 2012

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[America's changing energy choices](#)

This week, the American Security Project released the 2012 edition of its annual White Paper, "America's Energy Choices". The paper details a range of options for America's energy future, ranging from coal to natural gas and solar to tidal power. It shows how each contributes to America's energy make-up and how our business and political leaders should weigh the competing priorities of energy security, economic stability, and environmental sustainability when making decisions.

In preparing the update for this year's report, it is clear that fundamental changes are underway in America's energy supply and demand structure. While these changes will take decades to play out, the trends show that the U.S. is moving away from its consumer-oriented energy structure towards an economy that shows an interest in energy production, and even exports.

[The Peak Oil Crisis: East Coast Refineries Redux](#)

It has been six weeks since we last discussed the problems that could be in store for the U.S.'s East Coast due to closing of refineries in the Philadelphia area.

Last week, the U.S. Department of Energy issued a second, more detailed report on what could happen to the availability of oil and prices in the event the third and largest of the three Philadelphia refineries in question be forced to close down this coming July. In contrast with most DoE reports, this one contains a clear, unambiguous warning that there likely will be serious troubles later this year and on into 2013 in the form of local shortages and higher prices for gasoline and other oil products.

[Oil Rises in New York on Forecast of U.S. Fuel Supply Drop, Jobs Increase](#)

Oil climbed from the lowest price in more than two weeks in New York on forecasts that gasoline supplies are falling and employment increasing in the U.S., the world's biggest consumer of crude.

Futures gained as much as 0.9 percent before government data today that may show motor-fuel inventories slipped by 1.6 million barrels last week. Stockpiles decreased 2.25 million barrels, the most since November, the industry-funded American Petroleum Institute said yesterday. U.S. employers probably added 210,000 jobs in

February after gaining 243,000 in January, according to a Bloomberg survey before a March 9 report.

[LNG Glut Risk Has Qatar Sealing 20-Year Asia Supply Deals: Energy Markets](#)

Qatar is seeking contracts to sell liquefied natural gas to Asia for as many as 20 years as the prospect of booming supplies from Australia, the U.S. and Africa raises the likelihood of a slide in prices.

[Finally! Prices at the pump ease after 27-day streak](#)

For the first time in nearly a month, you may notice prices at the pump a little bit easier on the wallet.

The nationwide average for gasoline prices eased Tuesday, marking the first decline after 27 straight days of increases, according to the motorist group AAA.

[Gas Prices Spiked By Speculators, Congressmen Claim](#)

Excessive speculation in the oil futures market may be costing you 15 percent or more at the gas pump and playing a "significant" role in rising gasoline prices, according to a joint letter from 68 members of Congress that ABC News has obtained.

The joint letter, which cites a recently updated report by the St. Louis Federal Reserve titled "Speculation in the Oil Market," urges immediate action by the Commodity Futures Trading Commission to install caps on the biggest traders on Wall Street, preventing them from controlling unusually large positions in the oil futures trading market.

[It's Not Obama's Fault That Crude Oil Prices Have Increased](#)

Is President Obama responsible for spiraling price of gasoline? Republicans say yes, but the facts say no.

Why have gasoline prices increased since the start of the year? The simplest explanation is that the price of crude oil has increased. Specifically, the spot price for Brent (North Sea) crude has increased \$16 a barrel since January. Given that there are 42 gallons to a barrel, that works out to a 38 cent increase in the price of a gallon of oil. Spot prices for gasoline trade in New York have increased about 41 cents per gallon over the same time frame. So there you go.

[Obama Can Control Some Factors That Affect Oil Prices: Domestic energy production has](#)

[increased despite president, not because of him](#)

There are countless factors that affect oil prices, and some of them fall outside the president's immediate control, but to argue that an American president has zero ability to impact domestic gasoline prices is simply false. As most people know, the price of gasoline is largely determined by the price of oil. The recent increase in oil prices, and the subsequent increase in gasoline prices, is largely due to a potential disruption in the supply of Iranian oil--there has been no actual decline in international oil production. Conversely, allowing America's oil and natural gas producers to explore our vast oil reserves would absolutely quell concerns about future oil production, increase international spare capacity, and bring down the price of gasoline.

[America needs to reduce its dependence on oil](#)

Dependence on finite resources such as oil will have a definitive end when these sources have been exhausted. Some argue that peak oil (the point at which half the oil has been used) has already been passed, and many more suggest that at the current increasing rate of consumption it will be reached soon.

The transition to a non-oil based economy will be a long and arduous one, and needs to begin immediately. Some steps have been taken in the right direction, but there are others that deceive the public into thinking they will aid pockets at the pump. Two great examples of this are the Obama administration's requirement for increased fuel efficiency and the proposition to build the Keystone pipeline connecting Canadian oil fields to refineries in Texas.

[Petrol price debate fuels the need for a different outlook](#)

"Energy markets can be thought of as suffering from appendicitis due to fossil fuel subsidies," says Fatih Birol, the chief economist of the International Energy Agency. "They need to be removed for a healthy energy economy."

In the UAE, however, the FNC has been discussing increasing subsidies.

[Goldman Takes Lead in M&A List Spurred by Natural-Resource Deals](#)

Glencore International Plc's \$37 billion announced takeover of coal exporter Xstrata Plc in February -- the biggest mining deal ever -- signals that natural-resource tie-ups may dominate mergers and acquisitions again this year after doing so in 2011.

[Enbridge Restarted Line 14 Pipeline Segment Tuesday - Reuters](#)

Enbridge Inc. (ENB) on Tuesday restarted the Line 14 segment of a pipeline which supplies Canadian crude oil to the U.S. Midwest, and expects to restart the remaining

portion on Thursday, Reuters reported Tuesday on its website.

[Obama Plays Down Iran War Talk in Bid to Avert Israel Strike](#)

President Barack Obama said there is a “window of opportunity” for diplomacy and sanctions to compel Iran to give up any effort to develop nuclear weapons, while Israeli Prime Minister Benjamin Netanyahu told U.S. lawmakers those efforts won’t work.

Their divergent comments -- Obama at a news conference yesterday and Netanyahu on Capitol Hill -- highlighted the differences that persist between the two leaders over the need for military action against Iran a day after they presented a unified front at the White House.

[France says Iran 'two-faced', sceptical talks can succeed](#)

(Reuters) - France voiced scepticism on Wednesday that planned fresh talks between six world powers and Iran would succeed since Tehran still did not seem sincerely willing to negotiate on the future of its controversial nuclear programme.

[The Battle for Canada’s Oil Sands](#)

There is an intense battle going on for Canada’s oil. The world’s third-largest oil reserves are up for grabs. But will there really be any winners, or is this another example of a meat grinder whose cost will be measured in both the lives of people and the environment that is destroyed?

One hundred and seventy billion: That is the number of economically recoverable barrels of oil the Canadian oil sands are estimated to hold. It is a big prize. At \$100 per barrel, it is a \$17.3 trillion prize, enough to pay the official U.S. federal debt with trillions to spare. In a world of global population growth and “peak oil” constraints, it is an economy-changing, potentially country-changing prize that could skyrocket in value even higher in the years ahead.

[Coal, Nuclear And Natural Gas: What Will Keep The Lights On?](#)

The fuel of the future is very different depending on where in the world you live.

The complex dynamics between three major global power generation fuels – coal, nuclear and natural gas, remain in flux. A recent event hosted by the Manhattan Institute in New York presented the options for a world balancing development with fears about resource scarcity, volatile markets and difficult-to-limit emissions growth from traditional and well-understood incumbent generation fuels.

[BP awards former CEO Hayward \\$1.1 million bonus](#)

LONDON -- Former BP chief executive Tony Hayward received a bonus from the UK oil major last month worth about £720,000 (\$1.1 million) in shares, despite his July 2010 resignation following the Gulf of Mexico oil spill.

[Japan disaster dims hopes for US nuclear rebirth](#)

Long before the accident at Fukushima, Japan, the U.S. nuclear power industry faced major headwinds, led by the rising cost of generating kilowatts by smashing atoms. The tsunami and subsequent meltdowns at the Japanese plant made matters worse.

[California Nuclear Backlash Mounts After Japan Meltdown](#)

Two nuclear power plants perched near earthquake faults in California could struggle to get relicensed after a cascade of natural and nuclear disasters across the Pacific Ocean in Japan galvanized opposition groups.

[Our reactors still vulnerable, a year after Fukushima](#)

(CNN) -- A year after the Fukushima Daiichi nuclear disaster in Japan, the U.S. Nuclear Regulatory Commission is at a crossroads. Many of the agency's proposals to ensure such a calamity doesn't happen here are good in principle, but their effectiveness will depend on how well they are executed and how quickly.

[An Ad-Hoc Solution for Extra Nuclear Safety](#)

As the first anniversary of Japan's Fukushima Daiichi accident approaches, the good news is that the American nuclear industry is moving ahead promptly, without waiting for bureaucratic approvals, on stocking up on equipment like pumps, hoses and generators that could be useful in a variety of emergencies.

At least, that's how the industry put it at a news event on Tuesday morning. A few hours later, a group that is highly critical of nuclear power said the problem was that the industry was stockpiling the equipment without leaving time for regulators or the public to weigh in on safety issues.

[Japan's Nuclear Mobsters Escape Tsunami Pain](#)

A year after an earthquake in Japan (JGDPA GDP) touched off the worst nuclear crisis since Chernobyl, here's the question on my mind: Who's going to jail?

[Why buy that dress, movie, car or bike when you can rent?](#)

All this sharing seems to defy another deep-seated American value: ownership. We were once a country of garage sales and oversize closets. But collaborative consumption mirrors a cultural change, a shift cemented in the past decade by tech whizzes in dorm rooms. The rise of the sharing economy is deeply intertwined with our over-sharing society. We're revising the privacy settings of our real lives, too.

...“It's partly generational: The millennials are likely to be the earliest adopters of these companies,” Case said. “But there are also economic drivers and a concern for the environment that have created this sort of perfect storm that resulted in . . . these businesses developing so quickly.”

[More natural gas vehicles hitting the market this year, but widespread adoption still far away](#)

DETROIT - More natural gas-powered vehicles will hit the market soon, as rising gasoline prices, booming natural gas production and proposed tax credits make them a more attractive option. But they're a long way from being a common sight in U.S. driveways.

[GE, Chesapeake to Develop Natural-Gas Car-Fueling Service in U.S.](#)

General Electric Co. (GE) and Chesapeake Energy Corp. (CHK), the second-biggest U.S. natural-gas producer, will collaborate on products and services to fuel cars and trucks with domestically-produced natural gas.

The companies intend to have a multi-year collaboration that will improve access to compressed natural gas, which is most commonly used in taxicabs, transit buses and cars and liquefied natural gas, which is commonly used for heavy-duty industrial purposes, according to a statement today.

[Chevy Volt named European Car of the Year](#)

It's been a tough year for the Chevrolet Volt, General Motors' once-celebrated plug-in hybrid. But perhaps it's about to see its fortunes turn as a jury of Continental motoring journalists declare Volt and its Opel Ampera sibling the European Car of the year.

[High price soured Chevy Volt sales](#)

NEW YORK (CNNMoney) -- Despite winning a trophy case worth of awards -- including Motor Trend Car of the Year and North American Car of the Year -- the Chevrolet Volt plug-in car has failed to meet GM's sales expectations.

The problem is simple: The car's price is simply too high for most customers to swallow, according to analysts.

[Tennessee Professor Tries to Drive Across US on 10 Gallons of Gas](#)

Cliff Ricketts is on a mission. He is trying to drive across the country, from Savannah, Ga., to Long Beach, Calif., on less than 10 gallons of gasoline.

"This is a passion of mine," he said by cellphone. Ricketts, 63, a professor of agricultural education at Middle Tennessee State University in Murfreesboro, Tenn., says he's been concerned about American dependence on imported oil since 1979, when Iranian militants seized the U.S. embassy in Tehran, and the price of gasoline in the ensuing international crisis tripled, to \$1.50 per gallon.

[Fortum to invest 20 mln euros in bio-oil plant](#)

(Reuters) - Finnish utility Fortum Oyj will invest 20 million euros (\$26.2 mln) in the construction of a bio-oil production plant in southeast Finland amid growing demand for renewable fuels.

[New York Seeks Waste-to-Energy Proposals](#)

Mayor Michael R. Bloomberg announced Tuesday that the city was looking for a pilot "state of the art facility" that could handle a maximum of 450 tons of trash per day — out of a total of 10,000 tons currently in need of disposal — with plans to double that capacity if successful. The plant, which must be in New York City or no farther than 80 miles away, would be privately built and operated.

[Ok, So Maybe It is Gridcrash that Makes the Lights Go Out](#)

Quite a few years ago I wrote a piece arguing that the single most likely scenario for most of us having to deal with long term electrical shortages doesn't involve gridcrash scenarios, but the growth of poverty and utility shut offs. I suggested that people should be prepared to deal with electrical outages in large part simply because of the economic consequences of our situation. It isn't that I didn't believe anything could shut down the electric grid, I simply felt that realistically, the probabilities of more than short-term outages in the near term were pretty small.

In news that falls more in the astrophysicist's department than my own (hat tip to him for pointing this out to me), however, it turns out that at least one expert in Space Weather places the probability of a Carrington-style solar storm that could knock out transformers on a large scale at much, much higher than I'd ever considered - a one in eight chance by 2020. Ok, I was wrong - maybe you should be worried about gridcrash.

['The Long Emergency' long on alarmism, short on solution](#)

Reading "Emergency" made me want to buy a gun, a bicycle and some gardening tools. A better book would have aimed for less alarmism and more activism. If you're going to freak me out, tell me what to do about it. A good editor may have pointed this out --- and sliced through Kunstler's leaden writing, which can get repetitive and technical.

So after a fitful night of sleep, imagining the end of modern life as we've come to know it, I chose to stop worrying. Science, as it has so many times before, will come through for us in the end. If it doesn't, there's little I can do about it, and I'm not about to start hoarding canned goods in my basement.

[Doomsday Seed Vault's Birthday Brings 25,000 Gifts](#)

This week, the Doomsday Seed Vault in Norway is scheduled to receive nearly 25,000 samples of seeds from around the world, including those of grains that grow on one of the world's highest mountain ranges and a plant whose stems redden an Ecuadorean drink on the "Day of the Dead."

[Anthropocene: Why You Should Get Used to the Age of Man \(and Woman\)](#)

Welcome to the Anthropocene. It's a new geological epoch, one where the planet is shaped less by natural forces than by the combined activity, aspirations—and emissions—of more than 7 billion human beings.

[Climate change should be considered as security threat says African Union](#)

"Social tensions and the potential for violence could increase where the arrival of a climate-displaced population causes competition," Tadesse told the audience. "As the African population continues to rise and the demand for resources continues to grow, there is significant potential for conflicts over natural resources."

[Emissions scheme helps poorer nations use clean energy](#)

Rural households in developing countries will soon be able to swap kerosene lamps and diesel generators for clean renewable energy thanks to a financial incentive provided under the emissions reduction mechanism of the United Nations Framework Convention on Climate Change (UNFCCC), it was reported on Tuesday.

[A North Carolina Lifeline Built on Shifting Sands](#)

The Outer Banks are home to some of the nation's most celebrated beach communities. The road that links them, also called N.C. 12, offers an extreme example of the difficulty of maintaining houses, condos, roads and other infrastructure in the face of a climate-driven rise in sea level.

By some estimates, at least 70 percent of the ocean coastline of the lower 48 states is threatened by erosion. But the outlook here is unusually gloomy. In 2009, a federal report on erosion in the Middle Atlantic states predicted that if the sea level rises two feet this century — an estimate that many experts call optimistic — “it is likely that some barrier islands in this region will cross a threshold” and begin to break up. The report, produced by the Environmental Protection Agency, the United States Geological Survey and other agencies, said the Outer Banks were particularly threatened.

Already, Highway 12 floods repeatedly and is often cut by storms. Maintaining it “is totally a lost cause,” said Stanley R. Riggs, a coastal scientist at East Carolina University who is an author of a new book, “The Battle for North Carolina’s Coast,” which describes in depressing detail the difficulties of keeping the road open. “It will bankrupt the state,” he said.

But people who live and work on the Outer Banks say abandoning the road would make life impossible.



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