



Drumbeat: March 9, 2012

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[Ohio: Hydraulic fracking led to earthquakes](#)

COLUMBUS, Ohio – A dozen earthquakes in northeastern Ohio were almost certainly induced by injection of gas-drilling wastewater into the earth, Ohio oil and gas regulators said Friday as they announced a series of tough new regulations for drillers.

Among the new regulations: Well operators must submit more comprehensive geological data when requesting a drill site, and the chemical makeup of all drilling wastewater must be tracked electronically.

[Exxon CEO says more fracking rules hinder development](#)

HOUSTON (Reuters) - State and local regulations in shale oil- and natural gas-rich plays across the United States provides sufficient oversight while adding federal layers hinders development, Exxon Mobil Corp Chief Executive Rex Tillerson said on Friday.

Tillerson, addressing an audience of energy executives at the annual CERAWEEK conference in Houston, said layers, complex regulatory professes in oil and gas development "has become an obstacle to getting anything done."

[Exxon's CEO Tillerson: I don't see gas prices topping \\$5](#)

Despite rising crude oil prices and threats to stability in the Middle East, the price of gas is unlikely to reach a national average as high as \$5 per gallon in the near term, ExxonMobil's Chief Executive Rex Tillerson told TODAY's Matt Lauer Friday.

"As I look at just the supply and demand fundamentals, I would not expect prices to reach that level," Tillerson told TODAY.

[The Conundrum: David Owen Explains How Good Intentions Hurt the Environment](#)

Owen's core argument is not that we shouldn't try to save the environment. Rather, he says that our focus on technological innovation, particularly efficiency, is misguided. He addresses problems inherent in several favored technologies and strategies, such as

solar panels and buy-back programs for older, inefficient vehicles. What will happen if we make more-efficient, more-affordable cars? Owen says that the number of drivers worldwide will skyrocket. Since that “green” car would not be entirely without environmental consequences, the bump in car ownership and driving (since a fuel-efficient car would mean spending less on gas) would likely have a net negative effect.

[Libya: Thousands protest against self-rule](#)

BENGHAZI, Libya — Thousands of Libyans are protesting a move by eastern tribal leaders and militia commanders to create a self-ruled region in the oil-rich eastern part of the country.

[Difference engine: Meet the meth drinkers](#)

The alternative fuel that ethanol producers fear most, clean-burning methanol, is enjoying an unexpected resurgence—thanks to the vast supplies of natural gas discovered in shale deposits beneath West Virginia, Pennsylvania, New York, Texas and Oklahoma. Even if the reserves turn out to be only half as extensive as initially thought, many liken the handful of states where shale-based natural gas is currently being tapped by hydraulic fracturing (“fracking”) and horizontal drilling to Saudi Arabia. Already, natural gas has fallen to its lowest price in a decade, and is expected to stay there for decades to come.

[Solyndra Critic’s Support for Carmaker Fails to Secure U.S. Loan](#)

House Energy and Commerce Committee Chairman Fred Upton, a critic of U.S. Energy Department lending, failed to win the startup carmaker Carbon Motors Corp. a loan to develop fuel-efficient police cars.

[Oil Price Distant From 1980s Agony When U.S. Income Adjusted](#)

Oil at \$110 a barrel is taking only half as big a bite out of Americans’ pocketbooks as it did in 1981, the last time Iranian shipments were disrupted.

The cost of a barrel of crude in the U.S., adjusted for total disposable income, was \$107.92 in January of this year, compared with a peak of \$213.44 in the same month in 1981, according to data compiled by Bloomberg and the Energy and Commerce Departments. Oil consumption was 4.8 percent of income in 2010, compared with 9.7 percent in 1981, the data showed.

[Crude Rises a Third Day on Fuel-Demand Outlook Amid Greek Swap, U.S. Jobs](#)

Oil gained for a third day in New York on speculation that rising U.S. payroll numbers and an easing European debt crisis will spur demand for crude.

Futures climbed as much as 0.7 percent after Greece reached its target in the biggest sovereign debt restructuring in history. The U.S. probably added 210,000 jobs in February, according to a Bloomberg survey before a report today. Oil has increased this year on concern sanctions against Iran will lead to military conflict in the Middle East, where more than half the world's crude reserves are located.

[Gas prices must come down, consumers say](#)

Consumers fretting about soaring gasoline prices say President Obama and Congress must act to keep them from rising further, a Gallup Poll finds.

An overwhelming number of consumers — 85% — say Obama and Congress should take "immediate" action to keep a lid on prices. After nearly four weeks of daily price increases, regular gasoline averages \$3.76 a gallon nationwide.

[What Makes Gasoline Prices Go Up?](#)

On Wednesday, Jeff Bingaman of New Mexico, the Democrat who heads the Senate Committee on Energy and Natural Resources, went further and set out to detail what influences oil and gasoline prices in a speech. The speech by Mr. Bingaman, who is not seeking re-election, was a reprise of one last year in which he defended President Obama on the gasoline-price front.

[China Jan oil demand up 5 pct on yr, off Dec peak](#)

BEIJING (Reuters) - China's implied oil demand rose nearly 5 percent year-on-year in January, a touch below December's all-time record high, as refineries ramped up production and new processing facilities started up.

Reuters calculations, based on preli

[OPEC pumps record volumes despite demand worry](#)

(Reuters) - Europe's debt crisis and an oil price rally are the biggest threats to global oil demand this year, OPEC said on Friday, adding it was still pumping above its target despite a slide in Iranian production.

The Organization of the Petroleum Exporting Countries (OPEC) retained its view that world oil demand will grow by 900,000 barrels per day (bpd) this year, unchanged from last month, but warned the weak pace of growth in developed economies could crimp global appetite for oil.

[Ask Matt: Will rising oil prices kill the stock rally?](#)

Higher gas prices, which for some consumers can easily amount to \$80 a month or \$1,000 a year, would be a "headwind to economic growth and job creation," Farr says. Such a hit is exactly what the economy doesn't need while still at the "genesis of a fragile recovery," Farr says. "We're still tied to oil."

But the bulls say consumers are in far better financial health than they were just five years ago and better able to withstand the shock at the pump. Furthermore, stocks are still relatively inexpensive on the price-to-earnings basis.

[Gasoline Price Rise Seen in Refiner Yields at Six-Month Low: India Credit](#)

Bonds of Indian Oil Corp. are rallying, driving yields to the lowest in almost six months, on speculation the government will reduce subsidies and allow fuel prices to rise.

[Exxon CEO: High Gasoline Prices Due To Iran Fears - NBC](#)

Exxon Mobil Corp. Chief Executive Rex Tillerson on Friday laid blame for the recent climb in U.S. retail gasoline prices squarely on tensions between Iran and the West over Tehran's nuclear program.

"What has led to the recent run-up is the raising of rhetoric" over Iran, the executive said in an interview broadcast on the NBC television network.

[War for No Oil](#)

Stop blaming oil speculators and start listening to them: A war with Iran would devastate the economy.

[Shell To Stop Buying Iranian Crude Ahead Of EU Embargo](#)

SINGAPORE – European oil major Royal Dutch Shell PLC (RDSA.LN) will stop buying crude oil from Iran ahead of July 1, when a European Union embargo of Iranian oil takes effect, a company spokesman said Friday.

[Global Insurers Are Targeted in Latest U.S. Bid to Expand Iran Sanctions](#)

U.S. lawmakers are targeting global insurers as they seek to expand sanctions aimed at crippling Iran's economy and forcing its leaders to make concessions involving the country's disputed nuclear program.

[Iraq Starts Oil Exports From New Floating Terminal - Official](#)

Iraq has started crude oil exports from a new floating terminal at a rate ranging between 240,000-600,000 barrels a day, a senior Iraqi oil official said Friday.

The official, who is from the country's largest oil firm the South Oil Co., said loading began at around 1245 local time Thursday at a rate ranging between 10,000-25,000 barrels an hour.

[Iraq Sets Deadline for ExxonMobil](#)

Iraq has set a deadline of the next few days for Exxon Mobil to explain its position on oil agreements signed with the autonomous Kurdish region, which the central government considers illegal, a government spokesman said. The Kurdistan Regional Government (KRG) announced in November the signing of a deal for six exploration blocks with Exxon, the first major oil company to deal directly with the Kurds in northern Iraq.

[No Blood for Oil?](#)

Before, during, and, ironically enough, after the United States' invasion of Iraq, those asserting the U.S. crossed swords with Saddam Hussein's Iraqi Army, sacrificed economic capital, overthrew the totalitarian dictator, maintained a temporary presence there, and most importantly, allowed over some 4,000 troops and over 100,000 Iraqi civilians to die for for the black gold: oil.

Although some may compare this post to flogging a dead horse, to this day, one still hears this fallacious claim made so frequently that it's difficult for one not to address it.

[U.N., Chinese envoys work for peace in Syria as deaths mount](#)

(CNN) -- As violence raged in Syria on Friday, China and the United Nations kicked off diplomatic initiatives to end the government's nearly year-old bloody crackdown against opponents of its regime.

China is sending an envoy to the Middle East and Europe to push for a "fair solution" in Syria. This comes after China unveiled a peace plan calling for dialogue between President Bashar al-Assad and the opposition.

[ExxonMobil admits 2012 output will fall](#)

Exxon Mobil has admitted it expects its output to drop 3% this year, although the supermajor insists production will still grow by an average of 1% to 2% a year over the

next five years.

[Petrobras well confirms Northeast Tupi field](#)

SAO PAULO (Reuters) - Brazil's state-run oil company Petrobras said in a filing on Friday it struck good quality subsalt oil from a well in the Nordeste de Tupi area, which was part of 5-billion-barrel oil-for-shares swap with the government in 2010.

[Barrelling down the wrong track](#)

To mix the favourite metaphors of the departments of transport and energy, transport is the heartbeat of the economy, but energy is the lifeblood. Transport in South Africa is overwhelmingly dependent on liquid petroleum fuels. Petrol, diesel, jet fuel and heavy fuel oil provide 98% of the energy used by the transport sector and electricity contributes the rest.

[Doom Is \(Not\) Coming](#)

Long-term forecasts are rarely sunny or even middling. In fact, they're often fairly dystopian: Peak oil, peak gas, peak water, peak food, mass hysteria, zombie apocalypse.

Yet, to believe such specific long-term forecasts, you must believe that, now, folks have the never-before-seen ability and technology to accurately make long-term forecasts based on far distant supply pressures, unknowable future innovations and myriad other factors in the complex beast that is the global economy. Consider just one example: The (always moving) Peak Oil date certain has come and gone many, many times. Why? Extracting from easy-to-find conventional sources may slow. But there was just no way for folks in the 1950s to know that, 60 years later, we'd still be finding caches of oil (and natural gas) and innovating new ways to get at said energy sources more cheaply. Every decade, the world consumes more energy, yet every decade, the known energy reserves increase. Amazing.

[Obama Avoids Keystone Pipeline Confrontation With Lobbying of Democrats](#)

Obama lobbied wavering Senate Democrats before yesterday's vote. He urged them to reject an amendment to legislation funding transportation projects that would have overturned his administration's decision to deny a permit for the pipeline until an alternative route was proposed to bypass an environmentally sensitive area in Nebraska.

The measure failed to pass on a 56-42 vote. Sixty votes were required to advance the amendment.

[Another Keystone XL Victory](#)

Today was... quite a day. The bell that people struck last August when they sat in at the White House to block the Keystone Pipeline was still resonating. Not loudly -- the oil money in Congress muffled the sound. But loudly enough that we squeaked through by a 4-Senator margin, defeating a Republican amendment mandating the pipeline's construction.

[Dow Chemical Chief Wants To Limit U.S. LNG Exports](#)

Andrew Liveris, chief executive of Dow Chemical, spoke today at the CERAweek conference in Houston about the impact that America's newfound wealth of shale gas is having on his business and how it can drive growth across the nation. He urged the U.S. to set a national energy policy that limits exports of gas in the form of LNG.

[Shell Executive confident drilling in Alaskan Arctic will begin this summer](#)

HOUSTON – Royal Dutch Shell (RDSA) remains confident it will be able to start exploring for oil in the Arctic Ocean off the coast of Alaska this summer, the company's Executive Vice President for Exploration David Lawrence said.

[Japan's Nuclear Energy Industry Nears Shutdown, at Least for Now](#)

OHI, Japan — All but two of Japan's 54 commercial reactors have gone offline since the nuclear disaster a year ago, after the earthquake and tsunami, and it is not clear when they can be restarted. With the last operating reactor scheduled to be idled as soon as next month, Japan — once one of the world's leaders in atomic energy — will have at least temporarily shut down an industry that once generated a third of its electricity.

[Japan barely improves nuclear regulatory system](#)

FUKUSHIMA, Japan (AP) — Right after three reactors in northeastern Japan sank into meltdowns, the government vowed to sever the cozy relations between the nuclear industry and its regulators. One year later, it has yet to even appoint committee members to scrutinize the "revolving door" of officials landing jobs in the very industries they regulate.

[Japan's tsunami a year later: Ogatsu fights for a future](#)

The jagged and beautiful Sanriku coastline had long drawn tourists here to this region, but the destruction and fears of radiation mean that kind of business may be lacking for a long time. The long, narrow inlets that offer such awesome scenery also proved deadly. Tsunami researchers from Tohoku University say the indented coastline intensified the force of waves and made them equally powerful on their retreat.

Fewer than 1,000 Ogatsu residents remain out of a population of 4,300, the rest either dead or scattered across Japan. Its hospital, bank, shops, gas stations and schools are no more. Uncertainty stalks its leveled streets, where three-quarters of homes were destroyed, but so does a stubborn will to rebuild where the government forbids, and keep the community alive.

[One year after disaster at Fukushima nuclear plant, town remains frozen in time](#)

It's what an insurance company might call "a write-off" – a place that seems beyond salvation, and certainly too expensive to fix. I'd never thought of land that way. You smash up a car, and then it's compacted into a square and maybe even recycled. Finito. But land?

Last year, Japan's disaster at the Fukushima nuclear power plant contaminated the land around it so badly that the area was effectively a write-off. It's been excised from terra cognita, uninhabitable, unwanted. Today the radiation-infected area is known by a name Ray Bradbury would like: "the exclusion zone."

[Green light for nuclear plant preparation](#)

Abu Dhabi's nuclear energy company has been granted permission to prepare the groundwork for the Arab world's first nuclear reactors as it races to meet a 2017 deadline.

[Consumer Reports' brand-new Fisker Karma dies](#)

A six-figure Fisker Karma electrified sedan broke during *Consumer Reports* check-in period, before the magazine even could begin testing it, delivering another black eye to the struggling automaker.

[The anatomy of US energy subsidies](#)

Renewable energy received the majority of US energy subsidies according to new, independent figures published this week, but look beyond the report's headline, and a different story emerges.

[USA TODAY review uncovers support for energy loans](#)

WASHINGTON – Republican members of Congress investigating federal loan guarantees to now-bankrupt energy companies told Energy Secretary Steven Chu last week that they never asked him to speed up similar projects in their states.

But that's exactly what some did, according to a review of 484 congressional support

letters obtained by USA TODAY. Some letters, for example, urged quick approval of a \$2 billion loan guarantee for the American Centrifuge, a uranium enrichment project projected to create hundreds of jobs in states including Ohio, Pennsylvania and Tennessee.

[What caused Solyndra, a leading American solar panel maker, to fail last fall and what are the implications for U.S. alternative energy industries?](#)

Part of what made Solyndra's technology so promising was its low cost compared to traditional photovoltaic panels that relied on once costlier silicon.

"When Solyndra launched, processed silicon was selling at historic highs, which made CIGS a cheaper option," reports Rachel Swaby in Wired Magazine. "But silicon producers overreacted to the price run-up and flooded the market."

The result was that silicon prices dropped 90 percent, eliminating CIGS' initial price advantage.

[Solar Suppliers' First-in-Decade Sales Drop to Feed Glut](#)

Fewer solar panels will be installed this year as the first drop in more than a decade worsens a glut of the unsold devices that's already slashed margins at the top five manufacturers, an analyst survey showed.

[Zombies chase down couch potatoes and the unprepared](#)

How did zombies become the go-to mascots for health, safety and emergency preparedness?

Blame the Centers for Disease Control and Prevention. Ever since the CDC started its tongue-through-cheek "zombie preparedness" campaign a few months back (because if you can prepare for a zombie apocalypse, you can also prepare for a hurricane, earthquake or pandemic), it seems everyone wants a piece of the undead.

[Controversy Tests Bold Freeway Project](#)

To critics of the public-private partnership, the Presidio Parkway is an affront to the legacy of the New Deal: a chance for private industry to profit at the public's expense. But to supporters, tapping the private sector to invest in public infrastructure is a necessity as California struggles with enormous budget shortfalls.

[What are Honesty Boxes?](#)

It pays to be honest, and this meager-looking honesty box in the Catlins village of Niagara generates \$5,000 a year, according to its owner. Some small farmers fear that a developing Parliament bill could control or restrict such roadside sales of food.

[Poland to nix EU's 2050 climate targets: report](#)

Poland is threatening to veto European Union 2050 targets for emissions reductions at a Friday meeting of the bloc's environment ministers in Brussels, a Polish media report said Wednesday.

[EU-China dispute 'delaying Airbus orders'](#)

The chief executive of the Airbus parent company, EADS, has accused European Union officials of starting a fight with China over aircraft emissions that threatens to cost the jet manufacturer \$12bn in orders.

[Health benefits would outweigh cost of shipping pollution controls, say MPs](#)

The financial cost of tighter controls on pollution from shipping would be outweighed by health benefits estimated at £1.1bn a year by 2020, MPs said on Friday.

[As sea levels rise, Kiribati eyes 6,000 acres in Fiji as new home for 103,000 islanders](#)

Fearing that climate change could wipe out their entire Pacific archipelago, the leaders of Kiribati are considering an unusual backup plan: moving the populace to Fiji.

Kiribati President Anote Tong told The Associated Press on Friday that his Cabinet this week endorsed a plan to buy nearly 6,000 acres on Fiji's main island, Viti Levu. He said the fertile land, being sold by a church group for about \$9.6 million, could provide an insurance policy for Kiribati's entire population of 103,000, though he hopes it will never be necessary for everyone to leave.



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