



Drumbeat: March 19, 2012

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[Saudi Oil Output in January Was Near 31-Year High, Data Show](#)

Saudi Arabia, the largest oil producer in OPEC, pumped 9.87 million barrels a day in January, its second-highest monthly output since at least 1980, official data showed.

The country produced 0.6 percent more crude in January than in the previous month, according to statistics the government submitted to the Joint Organization Data Initiative. The world's biggest exporter of crude also boosted shipments to 7.51 million barrels a day in January from 7.36 million barrels in December, data posted today on the website of the international initiative known as JODI showed.

[Saudi Arabia, Iran Boost January Oil Exports, JODI Says](#)

Saudi Arabia (OPCRSAUD) and Iran increased oil exports in January from a month earlier amid higher demand for crude from OPEC member nations, official data posted on the Joint Organization Data Initiative's website showed.

[Oil Falls From One-Week High; BofA Boosts 2012 Forecasts](#)

(Bloomberg) --Brent oil declined in London after data showed Saudi Arabian crude output at close to the largest level in three decades. U.S. crude advanced.

Futures fell as much as 0.8 percent. Saudi Arabia, the largest producer in OPEC, pumped 9.87 million barrels a day in January, according to data submitted to the Joint Organization Data Initiative. Bank of America Corp. raised 2012 price forecasts after the economic recovery beat expectations.

[Tapping Petroleum Reserve has gotten trickier](#)

WASHINGTON — The Strategic Petroleum Reserve is not quite as strategic as it used to be.

As President Barack Obama moves closer to an unprecedented second release of the emergency oil stockpile in a bid to bring down near-record fuel prices, experts say dramatic logistical upheavals in the oil market over the past year may now make such a

move slower and more complicated.

[OPEC Recycles Dollars Into Debt 50% Faster Than Foreigner](#)

OPEC nations are plowing cash into U.S. Treasuries at a more than 50 percent faster rate than all other foreign investors, an unintended benefit of oil prices above \$100 a barrel.

[Iran Central Bank Says Rial Can Be Traded at Market Rates](#)

Iran's central bank allowed trading in its currency at market levels after fixing the exchange rate in January as the threat of sanctions over the country's nuclear program and economic risks spurred Iranians to buy up dollars.

"Licensed exchange houses are given permission to buy and sell foreign currencies and answer customers' needs based on the mechanism of the market's supply and demand," the Iranian central bank said in a statement posted on its website.

[Valero Energy To Suspend Refining Operations at Aruba](#)

SAN ANTONIO - Valero Energy Corporation (NYSE: VLO - News) today announced that due to unfavorable refinery economics and the outlook for continued unfavorable refinery economics, refining operations will be suspended by the end of the month at its subsidiary's 235,000 barrel-per-day refinery in Aruba. The refinery has been operating at reduced rates because of inadequate margins resulting in financial losses.

[Hess Explores Sale Of St. Lucia Terminal In Caribbean](#)

(RTTNews.com) - Hess Corp. said it is exploring the sale of its St. Lucia crude oil and refined products storage and transshipment terminal in the Caribbean. Hess has retained Goldman Sachs as financial advisor in relation with the potential sale.

[Bargain-seeking Americans driving to Mexico to buy cheap gas](#)

LOS ANGELES -- As gas prices skyrocket, American drivers are looking south of the border for an alternative to ease the pain at the pump.

But there's growing concern that bargain-seekers could be putting their lives at risk, with the US State Department issuing travel alerts because of the dangers of encountering drug cartel violence in Mexico.

[Mexico Will Keep Oil State-Owned, President Calderon Says](#)

Mexico will keep its oil industry state-owned as government-held oil company Petroleos Mexicanos successfully stemmed output declines in aging fields, Mexican President Felipe Calderon said.

Pemex will invest about 300 billion pesos (\$23.7 billion) this year and has stemmed declines at its flagship Cantarell field, Calderon told workers in Coatzacoalcas, Mexico, during a ceremony to commemorate the 74th anniversary of the nation's expropriation of foreign oil assets.

[Maersk Drilling to Spend Much as \\$6 Billion on Oil Rigs](#)

Maersk Drilling, the oil-rig operating unit of Denmark's largest company, plans to spend \$4 billion to \$6 billion on new platforms, with the first of those orders being placed as early as this year.

[Canada takes to the grand stage with tar sands](#)

It holds the world's third-biggest oil reserves and has attracted tens of billions of dollars in investment from the United States and China - and it sees itself as a rival to Opec.

Its fossil-fuel projects bear optimistic names such as Sunrise and Millennium, developments it believes will help to swing the world's hydrocarbon balance of power away from the Middle East and towards the West.

And the name of this new kid on the block? Canada.

[Kuwait eyes 13 pct budget rise amid industrial unrest](#)

(Reuters) - Kuwait's state budget for next fiscal year envisages a spending increase of about 13 percent from the current year's plan, state news agency KUNA reported on Monday as the oil-rich state grappled with a wave of industrial unrest.

[Sanctions' Squeeze On Iran Tightens](#)

The squeeze on the Iranian economy due to international sanctions is turning into a stranglehold. The latest sign of Iran's economic trouble is a new drop in the country's oil output.

[Syria troops fight rebels in rare Damascus clashes](#)

BEIRUT (AP) – Syrian security forces clashed Monday with gunmen in an upscale

neighborhood of the capital Damascus that is home to embassies and senior officials in one of the worst confrontations in the tightly-controlled city center in the country's yearlong uprising. At least three people were killed.

[Regulatory Staff Endorses Gas Pipeline for New York City and New Jersey](#)

A proposed natural gas pipeline that has faced opposition from groups in both New York and New Jersey has won the endorsement of the staff of the Federal Energy Regulatory Commission, which has final approval over the \$850 million project.

[Brazil Bans 17 Chevron, Transocean Managers From Leaving Country](#)

A Brazilian judge banned 17 executives of Chevron Corp. and Transocean Ltd. from leaving the country pending an investigation into an oil spill.

The order was signed by a federal judge last week as part of the investigation into the 3,000-barrel slick off Rio de Janeiro in November, Marcelo del Negri, a spokesman for the federal prosecutor's office, said in a telephone interview yesterday. Transocean owned the rig involved in the spill.

[The Cost of Fear: The Framing of a Fukushima Report](#)

As part of NPR's on-going coverage of the situation in Japan, science correspondent Richard Harris reported that the emotional trauma caused by the massive earthquake, tsunami and nuclear reactor meltdowns will likely have a greater negative impact on the population than radiation exposure. The report, in *Morning Edition* host Steve Inskeep's words, was about "the cost of fear."

[Vital energy mission for Japan agency](#)

Japan's export credit agency is proposing an increase in its budget as it seeks to secure the fossil fuels vital to the country's economy amid a nuclear shutdown.

[House Panel to Cite New Flaw in Energy Loans](#)

WASHINGTON — A Congressional committee that has been investigating the Energy Department's loan programs is adding to its line of attack on the eve of an appearance by the energy secretary before the panel.

The House Oversight and Government Reform Committee has been seeking with limited success to portray the financial support for a solar company, Solyndra, which eventually went bankrupt, as a politically inspired boon to an Obama campaign fundraiser who was an investor in the business. But at a hearing scheduled for Tuesday, the committee is to release a staff report that argues that in other instances the Energy

Department overrode the objections of some of its professional staff members to pick aid recipients that were supposed to have innovative projects when, in fact, the technology was nothing new.

[We must cut our overheated energy costs](#)

With the Budget looming, we need a plan to help the squeezed middle without adding a penny to the deficit. One way is to overhaul the myriad of tariffs and subsidies, introduced by Labour, that hike up energy bills. Effectively a tax on consumers, they are hurting hard-pressed families and businesses – and represent flawed environmental priorities.

[Germany's \\$263 Billion Renewables Shift Biggest Since War](#)

Not since the allies leveled Germany in World War II has Europe's biggest economy undertaken a reconstruction of its energy market on this scale.

Chancellor Angela Merkel is planning to build offshore wind farms that will cover an area six times the size of New York City and erect power lines that could stretch from London to Baghdad. The program will cost 200 billion euros (\$263 billion), about 8 percent of the country's gross domestic product in 2011, according to the DIW economic institute in Berlin.

[India Ministry Said to Seek Extension of Wind Farm Tax Break](#)

India's renewable energy ministry is seeking to extend a tax break for wind farms in the world's third-largest market for turbines, said two government officials with direct knowledge of the matter.

[Push Comes to Shove Over Water Restrictions](#)

FLOYDADA — J. O. Dawdy, who has been a farmer for 36 years, is so worried about getting enough groundwater that he is considering a lawsuit to protect his right to it.

As sleet pounded his West Texas farmhouse one recent afternoon, Mr. Dawdy and three other farmers said that new regulations — which limit the amount of water they can withdraw from the Ogallala Aquifer and require that new wells have meters to measure use — could have crippling effects on their livelihoods.

[As Cars Are Kept Longer, 200,000 Is New 100,000](#)

“The California Air Resources Board and the E.P.A. have been very focused on making

sure that catalytic converters perform within 96 percent of their original capability at 100,000 miles," said Jagadish Sorab, technical leader for engine design at Ford Motor. "Because of this, we needed to reduce the amount of oil being used by the engine to reduce the oil reaching the catalysts.

"Fifteen years ago, piston rings would show perhaps 50 microns of wear over the useful life of a vehicle," Mr. Sorab said, referring to the engine part responsible for sealing combustion in the cylinder. "Today, it is less than 10 microns. As a benchmark, a human hair is 200 microns thick.

[As gasoline prices rise, so does push for bicycle trails](#)

SMYRNA, Ga. – The Silver Comet Trail, a 61-mile converted railroad track that slices through northwest Georgia to the Alabama border, teems with traffic this time of year from bicyclists, walkers, joggers, roller-bladers and parents pushing baby carriages.

Out here, thoughts of the gasoline pump are far away. But this popular trail, which opened in 1998 and is part of the nation's longest paved recreational trail, was developed with the help of more than \$3.7 million in federal matching funds that came from the federal gasoline tax.

[Suzuki: Bicycling helps make cities more livable, and people healthier](#)

Cities cover just 2% of the world's land area, yet they account for about 70% of greenhouse gas emissions.

According to the United Nations, 59% of us now live in cities; in developing countries, 8% of people are urbanites. And those figures are rising every day.

Even though cities are a major source of emissions fuelling climate change, "they are also places where the greatest efficiencies can be made," according to Joan Clos, executive director of UN-HABITAT. "With better urban planning and greater citizen participation we can make our hot cities cool again."

[Has the 'greenest government ever' gassed itself?](#)

A few weeks ago, I was chatting to a group of people from environmentally-minded UK think-tanks when the issue of the "greenest government ever" came up.

In case you've forgotten, David Cameron pledged to lead such a government on becoming Prime Minister in 2010.

Eighteen months on, and one of my companions put it this way: "They've already lost it on everything but climate change, and they're just about clinging onto that".

[Europe's Chief Scientist Warns against Climate Delays](#)

The European Union cannot use the economic slowdown as an excuse to delay action on fighting climate change, the bloc's first-ever chief scientific adviser has warned.

[Color GDP growth green](#)

It is often said that the 21st century is the "century of the environment." This means two things: One is that the environmental problems of this planet, especially climate change and global warming, have become so serious that they are attracting more people's attention; and the other is that environmental constraints will serve to trigger technological innovations and economic development.

In other words, technological innovations to overcome environmental constraints will serve as a driving force for economic development in industrially advanced countries in this century.

[Rise in natural gas production raises greenhouse effect concern](#)

WASHINGTON -- As natural gas production in the United States reaches an all-time high, a major unanswered question looms: What does growing hydraulic fracturing mean for climate change?

[Melting Arctic ice could poison ecosystem, experts say](#)

Arctic sea ice that's been melting at a dramatic rate in the last few decades is releasing a chemical soup that could poison the food chain with mercury and other dangerous chemicals, a new study suggests.

[The heat is on](#)

A new analysis of the temperature record leaves little room for the doubters. The world is warming.

[As climate changes, Louisiana seeks to lift a highway](#)

GOLDEN MEADOW, La.— Here on the side of Louisiana's Highway 1, next to Raymond's Bait Shop, a spindly pole with Global Positioning System equipment and a cellphone stuck on top charts the water's gradual encroachment on dry land.

In 1991 this stretch of road through the marshlands of southern Louisiana was 3.9 feet above sea level, but the instrument — which measures the ground's position in relation to sea level — shows the land has lost more than a foot against the sea. It sank two

inches in the past 16 months alone.

That's a problem because Highway 1, unprotected by levees, connects critical oil and gas resources in booming Port Fourchon to the rest of the nation.



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