



Drumbeat: April 2, 2012

Posted by [Leanan](#) on April 2, 2012 - 9:07am

[A World without Oil](#)

The world is addicted to a material that is being used up from day to day and from hour to hour, a material that is also much too valuable to be burned. The prosperity of the human race is based on limited resources. Most people know this, and yet they refuse to accept the necessary consequence: reducing their use of fossil fuels.

The record high prices for gasoline are probably the most effective incentive for us to finally kick the oil habit and search for alternatives. And they are fueling the modernization of the economy in the process.

The withdrawal will undoubtedly be tough. The economy will be affected when it is deprived of its lubricant. But consumers and business owners have no choice, and the longer they delay, the more painful the transition will be.

[Oil Rises Most in Six Weeks on U.S. Manufacturing](#)

Oil rose the most in almost six weeks after a report showed that manufacturing in the U.S. expanded at a faster pace than forecast, signaling economic growth in the world's biggest crude-consuming country.

Futures climbed 2.1 percent as the Institute for Supply Management's factory index increased to 53.4 last month from 52.4 in February, the Tempe, Arizona-based group's data showed. The median forecast in a Bloomberg News survey called for a gain to 53. Crude fell earlier after a report showed euro-region manufacturing contracted.

[Warm Weather in U.S. Midwest May Curb Natural Gas Demand](#)

Another week of warm weather across the central U.S. this week may mean less natural gas needed to warm Midwestern homes and businesses.

[PetroChina's Oil Output Trumps Exxon, Rosneft](#)

PetroChina Co. surpassed global rivals Exxon Mobil Corp. (XOM) and OAO Rosneft to become the biggest oil producer among publicly traded companies last year.

[India seeks more oil, gas from Qatar](#)

(Reuters) - India is looking at buying more oil and gas from Qatar, Oil Minister S. Jaipal Reddy said on Monday, after a meeting with his Qatari counterpart.

Indian refiners have been cutting oil imports from sanctions-hit Iran and are diversifying purchases away from the country's second-biggest supplier of crude after Saudi Arabia.

[Enterprise Seeks Pricing Muscle for Seaway Oil Pipeline](#)

Enterprise Products Partners LP is asking federal regulators for the freedom to set rates on its Seaway pipeline to take advantage of soaring demand to ship oil from new North American fields to Gulf Coast markets.

Enterprise has asked the U.S. Federal Energy Regulatory Commission to grant a flexible rate known as a market-based tariff for the pipeline. It would be a first for a crude oil line and allow Enterprise to set and change rates without FERC's approval.

[Analysis: To Canada and back, a new U.S. oil pipeline race](#)

(Reuters) - Even as big U.S. oil pipelines invest billions of dollars to ship booming oil production south from Canada and North Dakota, a new race is underway in the opposite direction.

[Ohio releases first Utica oil and gas well results](#)

NEW YORK (Reuters) - Five wells began producing oil and gas last year in the newly developed Utica shale formation, tipped to be the next major energy-producing basin in the United States, according to Ohio state figures released Monday.

[Routes, piracy, prices threat to shipping-UAE](#)

(Reuters) - Gulf concerns including threats to shut shipping lanes, persistent piracy and volatile oil prices need a global response, the United Arab Emirates' economy minister said on Monday.

[EDF Energy stops one UK nuclear unit, restarts three](#)

(Reuters) - EDF Energy, the largest nuclear producer in the UK, stopped its 620-megawatt (MW) Hartlepool reactor 1 on Sunday, after restarting three other units on

Saturday, the company said.

"R1 at Hartlepool Power Station came offline at 1539 BST on Sunday," a spokeswoman said.

[A power plant, cancer and a small town's fears](#)

Compared to other coal-fired power plants in the United States, Plant Scherer is Colossus. Two 1,000-foot chimneys can be seen towering over the pine forests from miles away. The plant, according to the U.S. Environmental Protection Agency, is the largest producer of greenhouse gasses in the country.

The plant generates the fifth-most power in the nation, according to government statistics. Georgia Power owns a portion of Scherer, and manages the plant on behalf of five other utility stakeholders.

CNN has confirmed at least two houses across from the plant have been bought. Meanwhile, another 10 owners of nearby houses claim Georgia Power representatives have approached them with offers to purchase their property.

[Sapphire Gets \\$144 Million for New Mexico Algae-Based Fuel Plant](#)

Sapphire Energy Inc., which produces crude oil from algae, received \$144 million from investors to build a demonstration plant in New Mexico.

The plant in Luna County has received a \$50 million grant from the U.S. Energy Department and a \$54.4 million loan guarantee from the U.S. Agriculture Department, closely held Sapphire said today in a statement.

[Buffett Says Shortcuts on Environment Can Risk Profits](#)

Warren Buffett, the billionaire chairman and chief executive officer of Berkshire Hathaway Inc. (BRK/A), said companies won't last if they fail to consider the impact of their businesses on the environment.

"Taking shortcuts is not the pathway to achieving sustainable competitive advantage, nor is it an avenue toward satisfying customers," Buffett, 81, said in a report published today on the website of Omaha,

[Peak oil doomsayers ignore human ingenuity](#)

Oil is running out and it won't be affordable for much longer, advocates of "peak oil" theory argue. But with new technology revolutionising the way energy is generated, are

fears of an unaffordable energy crunch now being overplayed?

[Crude Declines in New York Amid European Growth, Price](#)

Oil declined in New York as economic contraction in Europe countered signs of growth in the U.S. and China, the world's largest consumers of crude.

West Texas Intermediate fell as much as 0.6 percent, erasing an earlier gain of 0.5 percent. Euro-region manufacturing contracted for an eighth month in March, London-based Markit Economics said today. China's Purchasing Managers' Index rose to a one-year high of 53.1 in March, according to a government report yesterday.

[Oil prices lift GCC but risks remain](#)

The strain on exports has increased the focus on Saudi Arabia, Opec's biggest producer and the only country in the world with substantial spare capacity - the ability to increase production within a three-month period. But Saudi's spare capacity of 2.5 million bpd is disputed by many experts.

[Indian Oil Refinery Runs Up 4.9% In FY12](#)

NEW DELHI – Refinery runs at Indian Oil Corp. (530965.BY) rose 4.9% to 1.11 million barrels a day in the financial year ended March 31 from 1.06 million barrels a day in the previous year.

The capacity utilization at Indian Oil's refineries was 102.6%, the New Delhi-based refiner said in a statement Monday.

[India Starts \\$15 Billion Program to Curb Fossil Fuel Use](#)

India started a program that imposes energy-saving targets on companies including Reliance Industries Ltd. (RIL), Tata Steel Ltd. (TATA) and Vedanta Resources Plc (VED), ordering them to reduce fossil-fuel consumption by 2015.

Starting yesterday, 563 facilities such as oil refineries, steel plants and paper mills must begin improving the efficiency with which they consume energy over the next three years, according to program rules and targets published on the website of the Ministry of Power.

[UK gas prices fall, Yemen LNG explosion supports May](#)

(Reuters) - British front-month gas prices found support on Monday from news

Yemen's liquefied natural gas (LNG) exports would be cut by four cargoes following a pipeline explosion, while other contracts eased in line with weak equities markets, traders said.

British gas for delivery in May traded above historical closing levels on Monday at 60.30 pence per therm as British LNG imports could suffer from other buyers offering a premium over UK prices to attract lost exports from Yemen.

[Peak Oil Evasion Tactics Scraping The Barrel](#)

Probably well-intentioned but always ineffective oil saving plans, schemes and notions are reaching the limit of their low effectiveness, a rising number of indicators suggest. In a week where newswires tell the story of French election-oriented attempts by the outgoing Sarkozy government to persuade the IEA's main powerbrokers to release oil stocks, and shave a few cents off the price of car fuel in time for Sarkozy's re-election bid, this is schizophrenically opposed by the same French government. It is pressurizing other EU governments to further tighten their oil embargoes on Iran.

Cutting Iranian supplies to Europe, possibly by as much as 400 000 barrels a day from July 1st, the date at which "full embargo" may be applied, can only be offset by breaking out strategic stocks for so long. Hopes that Saudi Arabia will wade to the rescue with "all the oil you want - at \$125 a barrel" may not translate to real world action. Oil is scarce.

[Chrysler Poised to Lead U.S. Auto Sales Gains as Gas Rises](#)

Heidi Vouri got a new job 35 miles from home and commuting in a 14-year-old gas guzzler doesn't cut it with fuel prices rising. Her solution: Buy a new car.

[IEA: Overseas aid to Africa outweighed by oil imports](#)

The figures from the International Energy Agency (IEA), published in the Guardian, show that sub-Saharan Africa received about \$15.6 billion in overseas development aid last year, but spent \$18 billion importing oil.

They found that while overseas aid has increased, poor countries are not feeling the benefit, as years of increasing oil prices have meant they are paying more and more for energy imports.

[Petronas Plans Canadian Acquisition Topping \\$5 Billion](#)

Petroleum Nasional Bhd (PET)., the Malaysian state-owned oil company, is studying a Canadian acquisition exceeding \$5 billion as part of the company's drive to supply natural gas to Asia.

"This is going to be big," Chief Executive Officer Shamsul Azhar Abbas said in a March 30 interview on the 81st floor of the company's twin towers headquarters that dominates the Kuala Lumpur skyline. "There are quite a few candidates out there, who are willing to talk," he said, adding a deal may be announced within three months.

[UK shale gas firm doubles estimates, seeks partner](#)

LONDON (Reuters) - British shale gas company IGas has more than doubled its estimate of gas in place at its site in north-west England and started the search for an experienced partner after being approached by various companies, its chief executive said.

The company said on Monday it was likely to at least double previous shale gas estimates of up to 4.6 trillion cubic feet (130.26 million cubic metres), which would boost Britain's reserves to levels above Poland's, until now the focus of the shale gas industry in Europe.

[Phenomenon of bigger and bigger supply ships continues with new Shell Oil vessel](#)

As Shell Oil took delivery of a new 360-foot icebreaker at Port Fourchon late last month and prepared for it to head to the coast of Alaska, those who follow the offshore industry say the locally built vessel was another step in a trend of supply ships getting bigger, more powerful and increasingly complex as the search for oil and gas reaches farther into the depths of the ocean. Shell, which has received tentative approval to begin exploratory drilling in the Arctic Ocean this summer, commissioned Edison Chouest Offshore to build the \$200 million project, an order that came in the midst of a slowdown in local shipbuilding. It's the fourth icebreaker Chouest has built in the past two decades, and the second major vessel it has constructed for Shell.

[China, ASEAN to 'work hard' for 'maintaining peace, stability' in South China Sea](#)

Beijing (ANI): China and the Association of Southeast Asian Nations (ASEAN) should work hard to boost practical cooperation and maintain peace and stability in the South China Sea, according to a joint statement due to be issued by China and Cambodia.

The statement said both the nations agreed that 'China and ASEAN countries would give full play to all the existing mechanisms including the guidelines for the implementation of the Declaration on the Conduct of Parties in the South China Sea (DOC) to make it a sea of peace, friendship and cooperation'.

[Iraq slams Qatar, Saudi on arms for Syria rebels](#)

BAGHDAD: Iraq's Shiite prime minister on Sunday slammed Sunni-ruled Qatar and Saudi Arabia's stance on arming Syrian rebels, as Doha hosted Baghdad's fugitive vice

president who is accused of running a death squad.

Nuri al-Maliki's remarks were the latest in a dramatic cooling of ties between Qatar and Iraq, which have sharply disagreed on how to respond to President Bashar al-Assad's year-long deadly crackdown on dissent in Syria.

[Iraqi Kurdistan halts oil exports over pay dispute](#)

(Reuters) - Iraq's autonomous Kurdistan region halted its oil exports on Sunday, accusing the central government in Baghdad of failing to make payments to companies working there in the latest clash in their long-running dispute over oil rights.

[Iraq's Shahrastani charges Kurdistan over oil halt](#)

(Reuters) - Iraqi Deputy Prime Minister for Energy Hussain al-Shahrastani accused Iraqi Kurdistan of sabotaging the country's budget by halting its oil exports and said crude from the autonomous region was instead smuggled over the border, mainly to Iran.

The charges threatened to exacerbate a long-running dispute between Baghdad's central government and the Kurdistan regional government over oil rights, political autonomy and land that risks upsetting Iraq fragile sectarian and ethnic balance.

[Some Japan firms to skip Iran crude buying in April](#)

(Reuters) - At least three Japanese firms including two oil refiners will not lift any Iranian crude in April as the third-biggest buyer of Iranian oil comes under pressure from the United States to curtail such purchases, industry sources familiar with the matter said on Monday.

[Iran Talks: Amid Ticking Clocks and Closing Windows, What Would Success Look Like?](#)

One danger, of course, is that while the Administration wants to avoid the standoff devolving into a potentially catastrophic war, the tough talk and escalation of coercive measures and threats actually creates its own momentum towards confrontation. The Iranians also get a vote in how the standoff plays out, and nobody's optimistic that Tehran's negotiators will arrive in Istanbul ready to simply concede to Western demands. They may be ready to move towards some sort of deal involving confidence-building steps between the two sides that could lay the groundwork for further agreements, but that will likely be a protracted and complicated negotiation — and Iran will expect a quid pro quo for any steps to which it agrees.

[Energy 'independence,' after all?](#)

Call it Richard Nixon's revenge.

Amid election-year furor over high gasoline prices, something significant has happened to America's energy outlook. We are steadily reducing our dependence on imported oil — a long-ago Nixon goal. In 1973, he proposed being free of imports by 1980. It didn't happen, and although politicians of both parties frequently echoed Nixon's popular call for "energy independence," most experts considered it a joke.

[Fracking chemicals disclosures set off few alarms](#)

CARRIZO SPRINGS — Energy companies have disclosed some of the chemicals pumped into the ground to extract oil and gas at more than 1,700 locations across Texas in the first two months since the state began requiring the site-specific information.

Yet the early returns have brought a collective shrug in the Eagle Ford play in South Texas, where almost every oil and gas well is hydraulically fractured — or fracked — with a brew of water, sand and chemicals.

[The domestic energy use map of Britain](#)

How much gas and electricity is consumed where you live? New data from the Department for Energy & Climate Change measures residential gas and electricity use for tiny areas: middle layer super output area in England & Wales and intermediate geography zone in Scotland. Each has a population of 5-6,000 people, meaning we can get a detailed picture of how we use energy.

[Long term sustainability drives energy returns](#)

The case for investing in sustainable technologies and renewable energy generation is becoming increasingly compelling and, with the assistance of skilled fund management, the returns available are highly attractive.

The fundamental drivers for sustainable energy and resource investments are strong as concerns grow about energy security and the long-term sustainability of oil supplies. Much of our energy comes from fossil fuels, which have an uncertain future. Nuclear power, for many years considered a viable alternative, is no longer a straightforward or politically palatable choice, particularly in the wake of last year's sad events in Japan.

[Abu Dhabi nuclear bid speeds up](#)

SEOUL // The South Korean consortium building Abu Dhabi's nuclear plant has shortened its construction schedule by four months - to January 2017 - and expects to pour the first concrete in July.

Its progress in delivering the Arab world's first reactors is being closely watched as Korea Electric Power Corporation (Kepco), the company leading the US\$20.4 billion (Dh74.9bn) contract for the emirate's four reactors, pursues more work in countries including India and Finland.

[What the Guys Who Want to be President Want to Do on the Environment](#)

Environmental issues have been framed mostly as economic issues during this election campaign: How can we bring down gas prices? Can we create jobs with a new oil pipeline? Does the Environmental Protection Agency cost jobs? But these issues impact both our bank accounts and the environment. Here's some highlights of their records so far.

[At the Factory, BMW Tries to Minimize Its Carbon Footprint](#)

BMW is pursuing goals to reduce the environmental footprint of its plant in Spartanburg, S.C. Sean Noonan, chief financial officer at the BMW Manufacturing Company and head of sustainability program planning, said in an interview Thursday that much of the heavy lifting had already been done and that further progress at the plant would be measured in smaller steps.

[Make the climate debate about bills – not bears](#)

To build public support, we have to speak about climate change in a way that addresses concerns about prices, jobs and security.



This work is licensed under a [Creative Commons Attribution-Share Alike 3.0 United States License](#).