



## Drumbeat: April 9, 2012

Posted by [Leanan](#) on April 9, 2012 - 9:21am

### [Technology transforms energy outlook](#)

The U.S. energy picture has changed significantly in recent years, with vast, new natural gas supplies coming to market, revived solar and wind power industries, and new extraction techniques opening supplies of Canadian oil sands, an energy expert said Wednesday.

Daniel Yergin, a former professor at Harvard Business School and Harvard Business School and author of a Pulitzer Prize-winning book on the oil industry, credited technology for changing the domestic energy landscape. Recent innovations have made the United States less dependent on Middle Eastern oil, shifted the flow of energy to this country from one that was predominantly east and west to one that is increasingly north and south, and given the nation a bit more latitude on how it approaches international energy matters.

Though the world faces enormous energy hurdles in the coming decades as developing countries modernize, Yergin's view is one of "reasoned optimism" because of an increased pace of energy innovation.

"Innovation is not an American or European enterprise. Innovation is really a global phenomenon," Yergin said. "This great revolution in terms of innovation will continue."

### [Crude Oil Declines on Economic Outlook; Brent Slides](#)

Oil fell for the third time in four days after Iran agreed to resume talks on its nuclear program and economic reports in the U.S. and China raised concern about fuel demand.

Futures slid as much as 1.4 percent as trading resumed after the Easter holiday weekend. International negotiations with Iran's government are scheduled to start this week over its nuclear program. China said inflation in March accelerated more than forecast, reducing the Chinese government's leeway to boost the economy. The U.S. created 120,000 jobs in March, fewer than forecast and the smallest increase in five months, an April 6 report showed.

### [Iraq says OPEC seeking world oil price balance](#)

(Reuters) - OPEC is seeking a balance in world oil prices, but political instability rather

than production issues are affecting the market price, Iraq's oil minister Abdul Kareem Luaibi said on Monday.

"OPEC is still doing its best to produce enough crude to meet demand but political issues are affecting prices. World prices are affected more by political instability than by production issues," he told reporters.

### [Researcher says cost of gasoline may hit plateau](#)

The average price for a gallon of gasoline in the United States rose 3.74 cents over the past two weeks, the smallest increase since January, according to the nationwide Lundberg Survey.

..."If crude oil will stay where it is then gasoline prices will peak very, very quickly, if they have not done so already," survey editor Trilby Lundberg told Reuters on Sunday.

### [Natural gas industry victim of weather, own success](#)

NEW YORK — The U.S. natural gas market is bursting at the seams.

So much natural gas is being produced that soon there may be nowhere left to put the country's swelling surplus. After years of explosive growth, natural gas producers are retrenching.

The underground salt caverns, depleted oil fields and aquifers that store natural gas are rapidly filling up after a balmy winter depressed demand for home heating.

### [How Exporting LNG Could Bring Serious Wealth to the US](#)

Where will the wealth created by the fast growing Liquid Natural Gas (LNG) market be concentrated in the coming years?

In a word – Australia. It's the #4 exporter of LNG in the world already, and seven new plants are in various stages of planning and development, which would require \$200 billion in capital investment – and lots of jobs.

By comparison, America, which produces massive amounts of natural gas, sends a shockingly small amount of the resource abroad.

### [India, Qatar sign oil and gas pact](#)

India and Qatar on Monday signed six agreements in diverse areas, including a pact on cooperation in oil and gas exploration.

Prime Minister Manmohan Singh held talks with Qatar's Emir Sheikh Hamad bin Khalifa al-Thani on a range of issues, including boosting trade and investment as well as energy ties between the two countries.

### [Hong Kong ship insurers unable to fill void in Iran oil cover](#)

(Reuters) - Hong Kong maritime insurers will not provide full cover to tankers carrying Iranian oil after EU sanctions take effect from July, a senior industry official told Reuters, another blow to Chinese importers struggling to find ways around the measures. As more insurers confirm they will soon halt or sharply reduce coverage to tankers operating in Iran, China's government may need to step in and take the risk to get contracted crude supplies from Tehran, said Arthur Bowring, managing director of the Hong Kong Shipowners Association. China is the top buyer of Iranian crude.

### [Iran Agrees to Restart Nuclear Talks With U.S., Allies](#)

The U.S. and its European allies will press Iran for tangible action to curb its nuclear program when talks restart later this week after a 15-month hiatus.

### [Iran oil development fund could reach \\$55 billion: Ahmedinejad](#)

(Reuters) - Iran's President Mahmoud Ahmadinejad said on Saturday the country's sovereign wealth fund could reach \$55 billion by March next year if oil prices kept high, in an apparent bid to defend his economic record in the face of increasing isolation.

### [Syrian Cease-Fire Unravels Amid Alleged Regime Violations](#)

The United Nations effort to end the violence in Syria unraveled as the regime differed with envoy Kofi Annan over terms of a cease-fire and opposition groups reported 59 more people killed.

### [U.S. Calls for Support of Yemeni President's Military Changes](#)

The U.S. called for support of new Yemeni President Abdurabu Mansur Hadi after forces loyal to ousted leader Ali Abdullah Saleh shelled an opposition general's house in response to Hadi removing some military commanders.

### [25 killed in southern Yemen army-Islamist clash](#)

(Reuters) - At least 25 people were killed on Monday when fighters from an al Qaeda-linked group attacked a military camp near the southern Yemen city of Lawdar, residents and local officials said.

The fighting erupted when fighters from Ansar al-Sharia launched a dawn attack on the camp, which is in Abyan province, about 120 km (75 miles) from the southern port city of Aden.

### [Hedge Funds Cut Wagers as Fed Signals Less Stimulus: Commodities](#)

Hedge funds reduced bullish bets on commodities for a second consecutive week as the Federal Reserve signaled it may refrain from more monetary stimulus, increasing concern that growth will slow and curb demand for raw materials.

### [ANALYSIS-Enbridge's Gateway pipeline still in legal swamp](#)

CALGARY, Alberta (Reuters) - A Canadian government attempt to speed up construction of Enbridge Inc's Northern Gateway oil pipeline to the West Coast is unlikely to prevent a flood of court challenges that could still delay the multibillion-dollar project.

### [Phillips 66 Looks to Pipes to Blunt Refining Volatility](#)

Phillips 66 will debut next month as the world's largest independent refiner by market value. In the future, it may look more like a pipeline and chemical business.

The new Houston-based company, set to begin trading May 1 after its spinoff from ConocoPhillips, plans to boost profit by emphasizing growth in its higher-return businesses and shrink its more volatile fuel processing. Greg Garland, slated to become chief executive officer, will update investors in a webcast today on its outlook as a standalone company.

### [Libya 'probes oil deals'](#)

The Libyan general prosecutor's office is probing a number of oil giants and oil trading stalwarts as it investigates possible financial irregularities, according to a report.

Italy's Eni and Total of France are among a host of companies to be sent letters by the prosecutor's office, according to a report by the Wall Street Journal.

### [Kurdistan backs away from scandal](#)

The northern Iraqi region of Kurdistan has distanced itself from an insider trading scandal involving the improper disclosure of privileged information by JPMorgan about one of its clients.

### [Esso petrol station operators face supply shortage](#)

KUALA LUMPUR: Esso station operators in the Klang Valley claim that their businesses have been affected when they did not receive petrol and diesel supplies from the oil company lately.

The disruption in the supply of the commodity raised questions among operators of the petrol stations whether the problem was linked to the change in management following the take-over of Esso Malaysia Bhd by Petron Oil and Gas International Sdn Bhd.

### [The reason it's called Texas Tea: Most oil-rich states](#)

To identify the states with the most oil reserves, 24/7 Wall St. reviewed data from the U.S. Energy Information Administration. We also examined data from the Census Bureau, the Bureau of Labor Statistics and the American Petroleum Institute.

These are the 10 states swimming in oil.

### [Shale gas exploration raises hope, fear in Poland](#)

Inspired by the huge success of shale gas in the United States, Poland is a pioneer in Europe, pressing ahead as other EU countries — like France, Germany and Bulgaria — impose moratoriums over worries that the drilling technique will poison water and pollute the air.

Poland has high hopes of breaking its 70-percent dependence on unreliable imports from Russian supplier Gazprom, create new jobs and cut rising energy prices.

In sparsely populated Szymkowo, Justyna Kulakowska is notably less enthusiastic.

### [NB Power asked to remove anti-fracking signs from poles](#)

Energy Minister Craig Leonard's political assistant asked NB Power to remove all anti-shale gas signs from its utility poles as anger was building across the province last summer.

CBC News has obtained emails through the Right to Information Act from NB Power and the Department of Energy outlining a request from Jacob Baisley, the executive assistant to the energy minister, requesting the anti-shale gas signs come down.

### [Sri Lanka concerned over N-power plants in India](#)

Sri Lanka has raised concerns over nuclear power plants located in southern India, the country's power and energy minister Champika Ranawaka has said. Ranawaka said the issue will be raised at the next International Atomic Energy Agency (IAEA) meeting in September. He said Colombo is concerned over the impact of a nuclear disaster in one of the plants in India could have on Sri Lanka. The two nations are divided by a narrow strip of sea.

### [Kansai Electric to Spend \\$2.5 Billion to Improve Reactor Safety](#)

Kansai Electric Power Co. will spend more than 200 billion yen (\$2.5 billion) to bolster defenses at its 11 nuclear reactors against earthquakes, tsunami and other accidents, president Makoto Yagi said in Tokyo today.

### [We're Not Going to Run Out of Oil Based Fertilizer](#)

I had thought that worries over the supplies of oil based fertilizers (or fertilisers) were confined to the kookier ends of the Peak Oil conspirators along with the weirder part of the environmental movement. Sadly, I find that it has invaded the editorials of seemingly respectable newspapers like London's The Guardian. The point being of course that as we don't use oil based fertilisers, have never used oil based fertilisers, we're most unlikely to ever run out of oil based fertilisers.

### [Rollo: Peak oil already wreaking economic disaster](#)

Peak oil production is at a crisis point but also is an opportunity to better the planet, Bloomington City Councilman David Rollo said in a talk, "Evidence and Consequences of Peak Oil," sponsored by Green Drinks at the Upland Brewery banquet hall on March 28.

### [Movement hopes to prepare Prince Rupert for a world without oil](#)

Just as many Rupertites feeling a sharp pain in their wallets caused by vicissitudes of the Oil and Gas Industry, a home-grown movement is emerging with plans to spend the next decade preparing Prince Rupert so that it can continue to exist in a post-oil world: Transition Prince Rupert.

The expressly non-political movement has been in the planning stages for over a year-and-a-half and is a local off-shoot of the Transition Towns movement which was originally started in the UK by a professor named Rob Hopkins. Since then the movement has spread across the globe and groups exist in cities as close as Vancouver and Smithers.

### [Abu Dhabi's Taqa sells Tesla stake and buys into Iraq](#)

Abu Dhabi National Energy Company has sold a stake in Tesla, a US electric car maker,

and bought into a power plant in the semi-autonomous Kurdistan region in northern Iraq.

### [Car of the future has wings - and \\$279,000 price tag](#)

The Terrafugia Transition isn't your typical automotive entry, something immediately obvious even with its wings neatly folded up. With the completion of its maiden flight last month, and a sign-off by both federal air and automotive regulators, the Transition is set to deliver on a dream that has haunted dreamers since the days of Henry Ford.

With as little as 20 hours of flight instruction – and a check for \$279,000 – the Transition will let a motorist leapfrog traffic – and potentially cut hours from longer trips – by taking to the air.

### [South Korea's answer to Masdar](#)

South Korea has transformed itself from an impoverished, postwar nation under military rule to a democracy in half a century. That has been possible in part thanks to an aggressive energy policy of securing fossil-fuel resources abroad and developing a domestic nuclear industry - necessary survival techniques for a nation that must import 97 per cent of its energy.

"Korea is like an island, energy-wise," says Jooho Whang, the president of the Korea Institute of Energy Research, a national renewables centre in Daejeon. "Electricity does not come from over the border. We have to supply ourselves."

### [Biofuel firms face uncertainty over future government help](#)

As one of the Bay Area's hottest biofuel businesses, Solazyme exemplifies to many everything that is right -- or wrong -- with the federal government's efforts to wean the nation off foreign oil.

The South San Francisco firm has deals with the likes of Chevron and Honeywell. Its algae-based fuel was used in October for an unprecedented commercial airline flight. And in December it won a piece of a \$12 million contract to supply biofuel for the Navy.

But critics contend the fuel costs the Navy too much, arguing that the contract amounts to at least three times what the military typically pays. And despite the subsidies Solazyme and other biofuel companies have received from the federal government, they argue, the nation appears nowhere close to meeting a congressional mandate to produce 36 billion gallons of biofuel by 2022.

### [New Rules Seek to Prevent Invasive Stowaways](#)

A federal rule will require oceangoing freighters entering American waters to install onboard treatment systems to filter and disinfect their ballast water.

### [Despite Deadly Fungus, Frog Imports Continue](#)

American bullfrogs are native to eastern North America but are reared in factory farms around the world. Two million bullfrogs are imported into the Bay Area every year, according to federal import records, and millions more are shipped to other major cities.

### [The Bluefin Tuna: What's to Be Done?](#)

The only problem with that is that Iccat governments almost always set fishing quotas far above the recommendations of the scientists who are supposed to be guiding them.

So a first step might be to address those practices and to actually listen to the scientists.

Others, including many scientists with whom I have spoken, simply don't believe that there can be such a thing as sustainable fishing for any wild fish. They say the only way to save fish is to quit eating them altogether.

### [Greening The Desert](#)

Like it or not 'modern' fossil energy, pesticide and fertilizer dependent agriculture is on the way out. Diminishing returns extend from pesticide and fertiliser use, through irrigation, to the diseconomies and damage caused by the use of GM or 'transgenic' plants and animals. Rarely understood by observers taking the apparent total oil demand of world agriculture as "only a few percent" of total oil demand, the long and complex food production, processing and supply chain is intensely dependent on oil. This especially includes the worldwide transport of essential food imports for the growing number of food import dependent nations, as well as operating tractors and farm machinery, farm buildings, producing fertilisers and pesticides, and processing and packaging food products transported to supermarkets. One example is the food transport need of the overpopulated and over-urbanized UK: this requires about 85 billion ton kilometres of food product and animal feeds transport, brought into the UK by sea, air and road, needing the consumption of about 1.6 billion litres of fuel, each year.

### [Call to develop green economy](#)

Doha Bank Group CEO R. Seetharaman was a speaker at an international conference on renewable energy and climate change held in the south Indian city of Madurai recently.

### [Windfall of cash could hit state treasury from global warming program](#)

For the past 10 years, California has struggled with huge budget deficits and wrenching



cuts. Suddenly, however, the state is poised to raise billions from an unusual new source: the proceeds from its landmark global warming law.

The windfall could come as soon as this fall, when state officials are set to begin auctioning off pollution credits to oil refineries, power plants and other major polluters as part of a new "cap-and-trade" system.

### [Pressing questions for coastal communities](#)

More important in the short run (the next three or four decades) is the impact of storm surges, which will be higher, will penetrate inland ever further and will be generated by more powerful storms. The flooding from Hurricane Irene was a wake-up call.

Estimates of sea level rise by more than a dozen science panels from all coastal states including that of North Carolina agree that the most likely scenario is a rise of at least 29 inches by the year 2100.

### [Will Climate Refugees Get Promised Aid?](#)

BANGKOK - With extreme weather pounding countries across a wide arc in the Asia-Pacific region, questions hover over entitlements for millions of people displaced by climate change, pledged under the Green Climate Fund (GCF) and other sources.

### [Thomas L. Friedman: The Other Arab Spring](#)

ISN'T it interesting that the Arab awakening began in Tunisia with a fruit vendor who was harassed by police for not having a permit to sell food — just at the moment when world food prices hit record highs? And that it began in Syria with farmers in the southern village of Dara'a, who were demanding the right to buy and sell land near the border, without having to get permission from corrupt security officials? And that it was spurred on in Yemen — the first country in the world expected to run out of water — by a list of grievances against an incompetent government, among the biggest of which was that top officials were digging water wells in their own backyards at a time when the government was supposed to be preventing such water wildcatting? As Abdelsalam Razzaz, the minister of water in Yemen's new government, told Reuters last week: "The officials themselves have traditionally been the most aggressive well diggers. Nearly every minister had a well dug in his house."

All these tensions over land, water and food are telling us something: The Arab awakening was driven not only by political and economic stresses, but, less visibly, by environmental, population and climate stresses as well. If we focus only on the former and not the latter, we will never be able to help stabilize these societies.



