



Drumbeat: May 5, 2012

Posted by [Leanan](#) on May 5, 2012 - 10:34am

[Fuel Policies Bedevil Asia as Price Increases Hurt Poor: Economy](#)

For K. Indrani, who cleans homes in Colombo to support her invalid husband and 16-year-old daughter, living on the 600 rupees (\$4.70) she earns a day just got harder because the Sri Lankan government raised fuel prices in February.

“We have only three lights in our house, but we try to keep them off as much as possible,” the 46-year-old said. “This is affecting my daughter’s studies. We are forced to keep the fridge running, but we are having to cut down on food as we can now afford less on the same pay.”

Indrani’s plight highlights the dilemma for Asian governments from Indonesia to India as they struggle to rein in rising subsidies for energy and food that are inflating budget deficits. Sri Lanka’s inflation doubled to 5.5 percent in March after the island raised fuel prices the previous month to curb the trade gap, and concern that higher costs will distress the poor and spur voter anger has restrained increases elsewhere.

[Oil Falls to Lowest Since February Before U.S. Jobs Data](#)

Oil fell below \$100 a barrel for the first time since February as U.S. employers added fewer workers than forecast, stoking concern that demand won’t be enough to reduce inventories from their highest level in 21 years.

Futures declined 3.9 percent after Labor Department figures showed payrolls rose 115,000, the smallest gain in six months. An advance of 160,000 was projected, according to the median of 85 economist forecasts in a Bloomberg survey. Euro-region services and manufacturing output contracted more than initially estimated in April.

[Quick Vote](#)

How much does your family spend on gasoline per month?

[Libya's Arabian Gulf Oil Company cuts oil production](#)

PanARMENIAN.Net - Libya's Arabian Gulf Oil Company (Agoco) has cut oil production

by another 10,000 barrels per day (bpd) due to protests that have closed off its headquarters for nearly two weeks, a spokesman said on Saturday, May 5.

Reuters reported that protesters have prevented employees from entering Agoco's office since April 23, calling for more transparency over how Libya's new rulers are spending its money and more jobs for youth.

[UAE Hormuz Bypass Pipeline To Export In 3 Months](#)

The UAE's strategic oil pipeline for bypassing the Strait of Hormuz is complete and exports are expected to start within three months, UAE Oil Minister Mohammed al-Hamli said on Thursday.

[Feds likely could push pipelines through B.C. after long legal struggle](#)

VANCOUVER — Legal experts say the federal government probably has the power to push the Enbridge Northern Gateway pipeline and the Kinder Morgan pipeline expansion to completion despite opposition in B.C. which grew Tuesday to include B.C. hockey hero Scott Niedermayer.

Niedermayer said Tuesday the Northern Gateway pipeline and its associated tankers are too great a risk to run through B.C.'s so-called "Great Bear region."

[Shell shuts down Nigeria pipeline over theft](#)

Royal Dutch Shell PLC says it has shut down a major pipeline running through Nigeria's oil-rich southern delta because it had been repeatedly targeted by thieves.

[Chesapeake Seen Offering Biggest Gain in U.S. Shale Boom: Energy](#)

Chesapeake Energy Corp., battered by a glut-driven collapse in natural-gas prices and growing investor distrust of its management, still is the cheapest way of buying into the U.S. shale revolution.

[Warm winter limits Spectra's earnings](#)

Record low natural gas prices and the warmest winter in 100 years translated into a lower first-quarter profit for Spectra Energy, a Houston-based natural gas pipeline operator.

Net income fell to \$333 million from \$357 million in the first quarter of 2011, and operating revenue fell to \$1.54 billion from \$1.61 billion a year earlier.

[National Fuel sees 42% drop in earnings](#)

National Fuel Gas Co.'s second-quarter earning tumbled by 42 percent as lower natural gas prices hurt its oil and natural gas drilling business and the warm winter cut into earnings at its utility operations.

[Russia's Rosneft signs deal with Norway's Statoil](#)

MOSCOW (AP) -- Russia's state oil company Rosneft has announced the signing of a deal with Norway's Statoil to jointly develop deposits in Russian sections of the Barents and Okhotsk seas.

Rosneft, which is Russia's largest oil producer, said Statoil ASA will take a 33 percent stake in the joint venture and will finance the initial exploration.

[Russia shows interest in exploration of oil and gas in Pakistan](#)

KARACHI: Russia has shown interest in exploration of oil and gas in Pakistan.

This was stated by the Federal Minister for Petroleum and Natural resources, Dr Asim Hussain, here on Saturday.

He further pointed out that the Russians are willing to explore oil and gas in Pakistan.

[Ahmadinejad rivals rout president in Iran runoff](#)

TEHRAN, Iran – Supporters of President Mahmoud Ahmadinejad have been reduced to a small fraction in Iran's legislature, hugely outnumbered by the conservatives who once backed him but then turned against him after he was perceived to challenge the authority of top clerics, according to final results from a runoff parliamentary election announced Saturday.

Iran has touted the turnout for Friday's vote as a show of support for the country's religious leadership in their confrontation with the West over Tehran's controversial nuclear program.

[Iran May Lose 9.5% of Oil Contracts as Asian Buyers Cut Imports](#)

Iran is poised to lose at least 192,000 barrels a day of crude-supply contracts, or about 9.5 percent of its global exports, as Asian buyers curb purchases amid western sanctions targeting the nation's oil trade.

[Iraq aims to double power supply by next year](#)

Iraq plans to double its electricity supply to 12,330 megawatts (MW) by 2013 as it brings new sources of power online, the electricity ministry said on Saturday, but is still seen falling short of demand.

Iraq needs investment in most of its industries after years of war and economic decline. In a country where temperatures can top 50 degrees Celsius in summer, power generation is especially crucial.

[Fracturing rule offers a concession](#)

WASHINGTON - The Obama administration on Friday unveiled a proposed rule that would force companies to reveal the chemicals they use when drilling for oil and natural gas on public lands.

But the long-anticipated regulation includes a major concession to oil and gas companies - allowing the disclosures after a well is drilled and the chemicals are pumped underground instead of a month beforehand as federal regulators originally considered.

[Frack First, Disclose Chemicals Later Under U.S. Rule](#)

"This is a free pass to the oil and gas industry at the expense of public health," Jessica Ennis, a Washington-based legislative associate for the environmental group Earthjustice, said today in an e-mail.

[New Keystone Bid Gives GOP Political 'Ammunition'](#)

A fresh application from TransCanada Corp. to build the Keystone XL oil pipeline assures that the project, strongly opposed by environmental groups, will remain an issue through the November U.S. presidential election.

[Russian nuclear power plant 'explodes' Bulgaria](#)

Bulgaria is protesting against the government's decision to abandon construction of NPP "Belene". The facility erected by Russian specialists was to help the Balkan country to meet stringent EU requirements for reducing greenhouse gas emissions. But the political situation was more important for the Sofia politicians than the national interests.

[Japan nuclear power-free as last reactor shuts](#)

TOKYO (Reuters) - Japanese utility Hokkaido Electric Power Co began shutting the

country's last active nuclear reactor on Saturday, leaving the world's third-biggest user of atomic energy with no nuclear-derived electricity for the first time since 1970.

[Debbie Chachra on "peak plastic"](#)

If we're running out of oil, that also means that we're running out of plastic. Compared to fuel and agriculture, plastic is small potatoes. Even though plastics are made on a massive industrial scale, they still account for less than 10% of the world's oil consumption. So recycling plastic saves plastic and reduces its impact on the environment, but it certainly isn't going to save us from the end of oil. Peak oil means peak plastic. And that means that much of the physical world around us will have to change.

[Transition reaches Latvia](#)

Ikšķile Transition Initiative is a pioneering project that promotes the Transition Movement and permaculture in Latvia. It became an official transition initiative in March 2011, and a registered NGO in July 2011. The website has been visited more than 26,000 times. ITI aims to be a platform that connects the local inhabitants and organizations who value self-sufficiency, localization and sustainability. Meanwhile, the initiative is bringing a new awareness regarding global and local peak oil and climate change challenges, so that a new motivation, focus and energy is brought to ITI member's already existing activities and services.

[A Recycling Czar for New York City](#)

In a sign that New York City is getting serious about improving its poor recycling record, the city's Department of Sanitation is appointing a recycling industry innovator as its new "deputy commissioner for recycling and sustainability."

[Degraded environment threat to national security, says retired general](#)

BUTUAN CITY (MindaNews) – For retired Lt. Gen. William Hotchkiss III, the greatest threat to national security is not the rebels but environmental destruction.

Hotchkiss, the 24th commander of the Philippine Air Force and former Philippine Eagle Foundation president, yesterday issued a statement challenging the government to keep a close watch on the environment saying its degradation is the greatest threat to national security.

[When Global Warming Ate My Life](#)

It never occurred to me that my status quo confronted a mortal threat and could be extinguished forever. My mind did not conceive that in a few hours everything we had

worked for and cherished would no longer exist.

I committed a cognitive error that I call "the error of predictability." It is the deeply ingrained tendency of every living system -- from the human brain to microorganisms to complex societies -- to operate as though the near future will follow from the near past. As a social scientist I have studied this pattern for decades. I've pored over control room transcripts in which operators ignored catastrophic data, preferring to think "bad instruments" rather than "CATAclysm!" I have worked closely with hundreds of adults in crisis struggling to cope with change. I've consulted with companies reluctant to let go of the past. The morning of the fire I completed work for a chapter in my new book. The title? *The Error of Predictability*. Apparently knowledge did not inoculate me from this error.



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