



Drumbeat: May 9, 2012

Posted by [Leanan](#) on May 9, 2012 - 8:30am

[Smart-Meter Defiance Slows \\$29 Billion U.S. Grid Upgrade](#)

A growing consumer backlash against new wireless digital technology for measuring power usage is slowing U.S. utilities' \$29 billion effort to upgrade their networks.

States including California, Maine and Vermont have responded to customer concerns about higher bills and safety by offering them the option of keeping their conventional devices for an extra charge.

[Crude Oil Falls for Sixth Day in Longest Drop Since 2010](#)

Oil fell for a sixth day in New York, the longest run of declines in almost two years, after crude stockpiles increased in the U.S., the world's largest consumer of the commodity.

Futures slid as much as 1 percent after dropping 8.6 percent in the past five days. U.S. inventories climbed 7.8 million barrels last week to 378 million, the highest level since August 1990, the American Petroleum Institute said yesterday. A government report today may show supplies rose 2 million barrels, according to a Bloomberg News survey. Crude is poised to rebound as global refiners increase purchases, Societe Generale SA said in a report.

[Saudi says producers pumping enough to deal with Iran sanctions](#)

TOKYO (Reuters) - Saudi Oil Minister Ali al-Naimi said on Wednesday oil markets would remain well supplied even after fresh international sanctions against Iran take effect, as global crude oversupply is already as much as 1.5 million barrels per day (bpd).

[Government slashes forecast for summer gas prices](#)

Gasoline prices likely won't set any records this summer, thanks to a recent drop in the price of oil.

The government Tuesday slashed its forecast for average gas prices to \$3.79 per gallon for the summer driving season. That's down from an initial estimate of \$3.95 and below

2008's record average of \$3.80.

The Energy Information Administration's revised forecast is encouraging news for the economy. Some economists blame high pump prices for so-so consumer spending this year. They were also seen as a factor in the loss of 35,000 retail jobs in February and March.

[China Cuts Retail Fuel Prices for First Time in Seven Months](#)

China will cut retail gasoline and diesel prices tomorrow for the first time since October after international crude costs fell to a government threshold for adjusting fuel rates.

[Turning natural gas into diesel fuel](#)

NEW YORK (CNNMoney) -- Near-record low natural gas prices have hurt the industry, but a technology that can turn cheap gas into more profitable diesel could keep demand high and mitigate the impact of falling costs.

[Christine Todd Whitman: It's dangerous to depend on natural gas](#)

Today's natural gas market is still vulnerable. We should take advantage of our domestic energy resources, including nuclear energy.

[Shale Gas: The View from Russia](#)

The official shale gas story goes something like this: recent technological breakthroughs by US energy companies have made it possible to tap an abundant but previously inaccessible source of clean, environmentally friendly natural gas. This has enabled the US to become the world leader in natural gas production, overtaking Russia, and getting ready to end of Russia's gas monopoly in Europe. Moreover, this new shale gas is found in many parts of the world, and will, in due course, enable the majority of the world's countries to achieve independence from traditional gas producers. Consequently, the ability of those countries with the largest natural gas reserves—Russia and Iran—to control the market for natural gas will be reduced, along with their overall geopolitical influence.

If this were the case, then we should expect the Kremlin, along with Gazprom, to be quaking in their boots. But are they? Here is what Gazprom's chairman, Alexei Miller, recently told Süddeutsche Zeitung: “Shale gas is a well-organized global PR-campaign. There are many of them: global cooling, biofuels.” He pointed out that the technology for producing gas from shale is many decades old, and suggested the US turned to it out of desperation. He dismissed it as an energy alternative for Europe. Is this just the other's sides propaganda, or could Miller be simply stating the obvious? Let's explore. I will base my exploration on Russian sources, which is why all the numbers are in metric units. If you want to convert to Imperial, 1 m³ = 35 cubic feet, 1 km² = .38 square miles, 1 tonne = 1.1 short tons).

[More LNG imports for Japan](#)

Japan's suspension of the use of nuclear power will lead to a further increase in imports of liquefied natural gas (LNG), cementing the country's position as the world's biggest importer of the fuel.

[Japan to take control of Fukushima operator TEPCO](#)

Japan's government will take a controlling stake in the operator of the Fukushima nuclear plant under a plan ministers approved Wednesday, effectively nationalising one of the world's largest utilities.

Tokyo will inject one trillion yen (USD\$12 billion) as part of a 10-year restructuring aimed at preventing the vast regional power monopoly from going bankrupt.

[Lessons for Japan from Chernobyl](#)

Two nations, separated by tradition and culture, had been thrown together by disasters that changed the way the world thought about atomic energy.

Japan was a donor to Ukraine for the construction of a sarcophagus to cover the damaged Chernobyl reactor building. In the past year, the aid has flowed in the other direction, with Japanese nuclear officials visiting Chernobyl headquarters for guidance and with an agreement signed last month to cooperate on post-disaster response.

[Exclusive: Chesapeake CEO arranged new \\$450 million loan from financier](#)

(Reuters) - In the weeks before Chesapeake Energy CEO Aubrey McClendon was stripped of his chairmanship over his personal financial dealings, he arranged an additional \$450 million loan from a longtime backer, according to a person familiar with the transaction.

[Keystone Pipeline Divide Shows U.S. Highway Deal Elusive](#)

Congressional negotiators clashed over TransCanada Corp.'s Keystone XL oil pipeline, underscoring the U.S. political challenge in reaching a multiyear surface transportation plan for the first time since 2005.

[Statoil looks offshore in new tack for concession](#)

MONGSTAD, NORWAY // Statoil, the Norwegian oil and gas operator, is shifting from its campaign to secure onshore rights in Abu Dhabi to an offshore bid.

[Azerbaijan's natural gas pipeline to wealth](#)

When it comes to the fate of the 50 billion cubic metres of natural gas that Azerbaijan hopes eventually to pump every year, the country is keeping all suitors on their toes.

[Russia warns Turkey over Cypriot gas plans](#)

On May 3, Moscow criticized Turkey's plans to explore natural gas deposits around the divided island of Cyprus, under the protection of Turkish naval and air power. Russian Foreign Affairs Ministry's chief spokesman, Aleksandr Lukashevich, cautioned Turkey that its actions "may exacerbate the situation on the territory of Cyprus".

[First Nations set to protest Enbridge shareholder meeting over pipeline](#)

TORONTO — West Coast First Nations are planning to protest today at Enbridge's annual meeting of shareholders in Toronto.

The Yinka Dene Alliance and supporters oppose a proposed pipeline that would cross their territory.

[An Old Texas Tale Retold: the Farmer vs. the Oil Company](#)

But as the Crawfords discovered, when voluntary compensation agreements are not reached, Texas law allows certain private pipeline companies to use the right of eminent domain to force landowners to let pipelines through. This was true even for TransCanada, which has yet to get State Department permission to bring the Keystone XL across the Alberta border.

The Crawfords' condemnation hearing happened in front of a district judge. They were not invited to that hearing — landowners in Texas do not get to go to the actual condemnation hearing. They are invited only to the next step, after the condemnation, when a three-person panel of county landowners decides on a value for the property being condemned.

[EU Parliament Committee calls for diversification of energy suppliers](#)

BRUSSELS (KUNA) -- The Energy Committee of the European Parliament has issued a report calling for opening up to new foreign energy suppliers and for lesser dependence on Russia for energy supplies to Europe.

The Committee in a statement Wednesday said diversification of suppliers, routes and sources is deemed necessary in order to secure EU's energy supply.

[Middle Eastern sea routes vital to future oil and gas supply](#)

As a result of the escalation of events in Syria, Iran's oil production has begun to be damaged. Additionally, the European Union voted to stop buying Iranian oil from this summer, but the Iranians did not wait and cut off oil sales early. From its position as the global "swing producer", Saudi Arabia has recently reiterated its pledge to keep the oil market well supplied if sanctions hit Iran. However, any military sanction on Iran is likely to cause a host of serious events, which may include closure of the Strait of Hormuz.

Speak to any oil professionals who work on shipping oil through the strait and they will tell you of its importance to the industry. About 18 million barrels of oil pass through the strait daily. An alternative route could be the under-construction Fujairah Pipeline, which on completion should be able to deliver most of Abu Dhabi's oil exports to the Indian Ocean.

[China urges Philippines not to further damage bilateral ties](#)

BEIJING (Xinhua) -- China on Wednesday urged the Philippines not to further damage bilateral relations, and expressed the country's willingness to jointly explore gas resources in waters off the coast of the Nansha Islands in the South China Sea.

[Oil-Rich Angola's Ruling Party Split Over Succession](#)

Angola's ruling party is gripped by a struggle over who should succeed President Jose Eduardo dos Santos, amid public rallies calling for the leader of Africa's second-largest crude producer to quit after 32 years in power.

[India tells US that Iran an important oil source](#)

India said Tuesday it shared the United States' goal of preventing Iran from building a nuclear weapon, but insisted the Islamic republic remained an "important source of oil".

Visiting US Secretary of State Hillary Clinton has urged India to reduce its imports of Iranian oil, while a new US law will next month slap sanctions on nations that buy oil from Tehran.

[Britain seeks delay to EU's Iran ship insurance ban](#)

LONDON/BRUSSELS (Reuters) - Britain is seeking to persuade fellow European Union members to postpone by up to six months a ban on providing insurance for tankers carrying Iranian oil, arguing that it could lead to a damaging spike in oil prices, European diplomats said.

A European Union ban on importing Iranian oil, which takes effect on July 1, will also prevent EU insurers and reinsurers from covering tankers carrying its crude anywhere in the world.

[Indian corporation intends to import oil from Azerbaijan](#)

Azerbaijan, Baku / Trend, A.Badalova / The Hindustan Petroleum Corporation Limited (HPCL) board will consider signing crude import agreement with the State Oil Company of Azerbaijan Republic (SOCAR), K Murali, Director Refineries, Hindustan Petroleum Corporation Ltd., told The Economic Times.

[Iran refutes claims on pushing Afghan Senate to scrap pact with US](#)

Iran's envoy to Afghanistan has dismissed recent claims by some Afghan lawmakers and media outlets that accused Iran of seeking to sway the Afghan Senate in an attempt to prevent the approval of the country's recent strategic cooperation pact with the US.

[Shooting to Kill Pirates Risks Blackwater Moment](#)

Fear of pirate attacks is creating more violent and chaotic seas, where some overzealous or untrained guards are shooting indiscriminately, killing pirates and sometimes innocent fishermen before verifying the threat, according to more than two dozen interviews with lawyers, ship owner groups, insurance underwriters and maritime security companies.

[Peak Oil to Keep Prices High, Commodity Report by Leading Financial Newsletter Profit Confidential](#)

Michael Lombardi, lead contributor to Profit Confidential, reports that oil wells supplying the world with oil are declining at a rate of three percent to five percent per year. According to Lombardi, even if there is no economic growth in the world, roughly 3.6 million barrels a day more of oil need to be found to replace the wells that are running dry.

[Less cause to panic about oil running out](#)

But now a remarkable study says a strong chance exists that the worldwide demand for oil will peak by 2020 – and that this will most likely occur before any constraints on supply begin to make themselves felt. This startling conclusion has been reached after

careful examination of the most recent academic and professional thinking on population, technology and public policy trends. The study was led by Ricardo Strategic Consulting in collaboration with Kevin J Lindemer and with industry-wide participation.

[Jeff Rubin: Without growth, there's only one ending to euro debt crisis](#)

If a strong-enough economic recovery were to take hold, Europe could grow its way out of its huge fiscal deficits and save the monetary union from collapse. That's a good plan in theory, but the complication facing Europe, and indeed the rest of the world, is that it takes a lot of energy to fuel robust economic growth. What's more, the most important source of energy for the global economy is oil.

[Commuting Drives Up Weight, Blood Pressure](#)

People who drive long distances to work are more likely to be overweight than their non-commuting counterparts, according to a new study that links urban sprawl with expanding waistlines.

[Report: Fisker Karma blamed for Texas home fire](#)

According to the report, the Karma car, which was not plugged in, caught fire less than three minutes after being driven into the garage and that the battery remains intact. Damage to the battery was blamed for Chevrolet Volt fires in government testing last year. The Karma, like the Volt, is an extended range plug-in car that also has a gasoline engine.

[Solar Is Europe's Most-Installed Power Source, Lobby Says](#)

Solar power became the most-installed energy source in Europe last year for the first time as subsidies drove investment to records, the European Photovoltaic Industry Association said.

[Soy-Crop Bust Spurs China to Drain U.S. Bins](#)

U.S. soybean stockpiles are poised to drop to the lowest relative to consumption since at least 1965 after the worst drought in five decades decimated crops across South America, driving China to buy more from Midwest farmers.

[Is healthy weight impossible for many Americans?](#)

"People have heard the advice to eat less and move more for years, and during that time a large number of Americans have become obese," committee member Shiriki Kumanyika of the University of Pennsylvania School of Medicine told Reuters. "That

advice will never be out of date. But when you see the increase in obesity you ask, what changed? And the answer is, the environment. The average person cannot maintain a healthy weight in this obesity-promoting environment."

[An Effort to Bury a Throwaway Culture One Repair at a Time](#)

AMSTERDAM — An unemployed man, a retired pharmacist and an upholsterer took their stations, behind tables covered in red gingham. Screwdrivers and sewing machines stood at the ready. Coffee, tea and cookies circulated. Hilij Held, a neighbor, wheeled in a zebra-striped suitcase and extracted a well-used iron. "It doesn't work anymore," she said. "No steam."

Ms. Held had come to the right place. At Amsterdam's first Repair Cafe, an event originally held in a theater's foyer, then in a rented room in a former hotel and now in a community center a couple of times a month, people can bring in whatever they want to have repaired, at no cost, by volunteers who just like to fix things.

[Dead Dolphins and Birds Are Causing Alarm in Peru](#)

But even three months after officials began testing the dolphins, the government has not released definitive results, and there is growing suspicion among the public and scientists that there might be more to the story. Some argue that offshore oil exploration could be disturbing wildlife, for example, and others fear that biotoxins or pesticides might be working their way up the food chain.

[E.P.A. Chemist Who Warned of Ground Zero Dust Is Reinstated](#)

A senior Environmental Protection Agency chemist who argued that she was removed from her job in retaliation for accusing the agency of underestimating the toxicity of dust at ground zero has been reinstated with back pay by an administrative board.

[After Kyoto, a new economics?](#)

In the results of a survey out today, 800 sustainability experts from around the world have a clear message for governments: make greenhouse gases more expensive.

[Diageo to end funding of Heartland Institute after climate change outburst](#)

Diageo, one of the world's largest drinks companies, has announced it will no longer fund the Heartland Institute, a rightwing US thinktank which briefly ran a billboard campaign this week comparing people concerned about climate change to mass murderers and terrorists such as Osama bin Laden, Charles Manson and Ted Kaczynski.

[An Inconvenient Lawsuit: Teenagers Take Global Warming to the Courts](#)

Alec Lorz turns 18 at the end of this month. While finishing high school and playing Ultimate Frisbee on weekends, he's also suing the federal government in U.S. District Court in Washington, D.C.

The Ventura, California, teen and four other juvenile plaintiffs want government officials to do more to prevent the risks of climate change -- the dangerous storms, heat waves, rising sea levels, and food-supply disruptions that scientists warn will threaten their generation absent a major turnabout in global energy policy. Specifically, the students are demanding that the U.S. government start reducing national emissions of carbon dioxide by at least six percent per year beginning in 2013.

[No regulatory framework in place to curb greenhouse gas emissions](#)

The federal government has promised to cut greenhouse gas emissions significantly by 2020, but it has not put the regulatory framework in place to achieve that goal, environmental groups and economists say, responding to the report of Canada's environment commissioner.

So far, only two regulations are in place for the transportation sector, while regulations for the electricity sector aren't expected to take effect until 2015 and no regulations are in place for oil and gas.

[Alberta fires back at proposed EU fuel rules](#)

The Alberta government has gone on the offensive against Europe's proposed fuel-quality directive with a new study that shows the oil sands production is only slightly more greenhouse-gas intensive than crudes already used in Europe.

Alberta and the federal government have lobbied aggressively against the European low-carbon fuel proposal, saying it would discriminate against Canadian-based crude producers with an unscientific approach to reducing greenhouse gases (GHG).

['We have seen the enemy': Bangladesh's war against climate change](#)

Devastating cyclones, floods and ruined crops have made Bangladesh 'the world's most aware society on climate change.'

[Vietnam's climate woes ignite national strategy](#)

HANOI - Vietnam, hailed as a development success story for lifting millions out of poverty and staying on track to meet all its Millennium Development Goals (MDGs) by

2015, is seeing its future progress severely threatened by the impact of global climate change.

Unprecedented climate-related catastrophes in recent years have turned government and citizen attention onto the pressing need for proactive climate change policies, although the speed of global warming is beyond Vietnam's control and depends more on major industrial nations' future greenhouse gas emission reductions agreed within the United Nations Framework Convention on Climate Change.

[New Zealand: National sea level rise planning standard dropped](#)

The Government is dropping a proposal that would require councils to meet a national standard when planning for sea level rise.

The standard was meant to streamline planning and provide reliable guidance to local authorities about their future environment.

[Rising temperature to hit wheat production in India, says report](#)

The annual mean temperature in India is expected to rise by 3.5-4.3 degrees Celsius by 2098, badly impacting production of wheat - a major grain crop - and increasing malaria outbreak, according to India's submission to the United Nations (UN) released here Wednesday.



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