



## Drumbeat: June 23, 2012

Posted by [Leanan](#) on June 23, 2012 - 9:53am

### [Chinese Data Mask Depth of Slowdown, Executives Say](#)

Hong Kong. As the Chinese economy continues to sputter, prominent corporate executives in China and Western economists say there is evidence that local and provincial officials are falsifying economic statistics to disguise the true depth of the troubles.

Record-setting mountains of excess coal have accumulated at the country's biggest storage areas because power plants are burning less coal in the face of tumbling electricity demand. But local and provincial government officials have forced plant managers not to report to Beijing the full extent of the slowdown, power sector executives said. Electricity production and consumption are considered a telltale sign of a wide variety of economic activity, and thus are widely viewed by foreign investors and even some Chinese officials as the gold standard for measuring what is really happening in the country's economy, because the gathering and reporting of data in China isn't considered as reliable as it is in many countries.

### [Oil Advances, Gaining With Equities as Bank Shares Rally](#)

Oil climbed from an eight-month low as U.S. equities rallied after Moody's Investors Service's downgrade of 15 global banks was less severe than threatened.

Crude advanced 2 percent as financial shares gained and the European Central Bank said it will relax some rules on bank collateral. Prices also gained as Gulf of Mexico platforms began evacuations on the growing threat of a tropical storm. Futures fell 5.1 percent this week as manufacturing slumped in the U.S., China and Europe and American supplies rose to a 22-year high.

### [Why oil prices are lowest they've been in months](#)

The free-fall in crude prices is unlikely to reverse course without significant signs that the world economy is improving.

### [Russia 2012 Reserve Fund Plan 'Likely to Fail'](#)

Falling oil prices are threatening to undermine Russia's plans to set aside 800 billion rubles (\$24 billion) for its anti-crisis mechanism this year, the country's finance minister said on Saturday.

"We intended that this money go toward increasing the Reserve Fund, but as oil prices are diminishing, this is not likely to happen," Anton Siluanov told reporters in St. Petersburg.

### [Petrobras raise Brazil fuel price, 1st since 2006](#)

RIO DE JANEIRO (Reuters) - Brazil's state-led oil company Petrobras said on Friday it will raise gasoline and diesel prices for the first time since 2006, a move aimed at ending refining losses and paying for the world's largest corporate spending plan.

Petrobras will raise the wholesale price of gasoline by 7.83 percent and diesel by 3.94 percent effective June 25, the Rio de Janeiro-based company said in a statement sent to Brazil's securities regulator.

### [The Arithmetic Of Shale Gas](#)

There are a few societal costs to the development of shale gas. Potential contamination of groundwater, complications in treating and recycling water used in fracking. Then there's air pollution from leaking methane (a potent greenhouse gas) and from the diesel-powered rigs and trucks involved in drilling.

But all things considered the benefits of shale gas appear to outweigh the costs. Many utilities are finding that burning natural gas to generate electricity is cheaper (and cleaner) than coal. Cheaper supplies of fuel and feedstocks benefits U.S. industry, especially manufacturers and chemicals makers which have been reinvesting in the U.S. Homeowners benefit from cheaper heating and cooling and electricity. Drilling for gas has created hundreds of thousands of jobs during this economic malaise and it's generated billions of dollars of lease payments and royalties to landowners.

### [Federal judge halts gas drilling plan on Colorado plateau](#)

(Reuters) - A U.S. district judge ordered the U.S. Bureau of Land Management (BLM) on Friday to re-assess its plan to allow drilling on some 50,000 acres on the Roan Plateau, which the energy industry says contains one of the largest natural gas fields in the continental United States.

Judge Marcia Krieger said BLM had failed to thoroughly assess all the environmental impact to the ecologically sensitive plateau in western Colorado before approving energy development on the mountain.

### [Keeping Britain's lights on](#)

In a little over a decade, a quarter of our existing power generation capacity will be closed because plants are coming to the end of their natural life, or else they are pumping out too much pollution. The Government's energy market reforms are designed to encourage investment in an array of low-carbon technologies, and introduce a system to succeed the ROC (renewable obligation certificate) regime that will be phased out in 2017. Firms including Centrica are holding back from making giant spending decisions until they have seen more detail.

### [Mississippi rejects Southern Co coal plant rate request](#)

(Reuters) - Mississippi utility regulators on Friday denied a \$55 million rate increase request linked to financing costs for Southern Co's \$2.88 billion coal-gasification power plant under construction in Kemper County, Mississippi.

### [Iran launches first gas-to-wire project](#)

Iran has started the implementation of its first gas-to-wire (GTW) project, which will allow the country to export electricity to the Persian Gulf littoral states in the near future, Press TV reported.

According to the Mehr news agency, with the completion of the development plan of Iran's Forouz A and B offshore gas fields, the country will be able to export electricity instead of gas to several Persian Gulf littoral states, including the United Arab Emirates, Kuwait, Oman and Bahrain.

### [Ahmadinejad Meets With Chavez as Nuclear Talks in Moscow Falter](#)

Iranian President Mahmoud Ahmadinejad arrived in Venezuela to meet with President Hugo Chavez after talks stalled in Moscow over his country's nuclear program.

The Iranian leader arrived yesterday from stops in Brazil, where he attended the United Nations Rio+20 conference in Rio de Janeiro, and Bolivia.

### [Syria army shells city near Iraq, kills 28-activists](#)

AMMAN (Reuters) - Syria's army battled rebels and shelled neighbourhoods in Deir al-Zor on Saturday, killing at least 28 people in the eastern city in an oil-producing region close to the border with Iraq, opposition activists said.

The victims, who included three women and several children, were mostly civilians killed when shells hit their houses in the city's Old Airport and al-Hamidya districts, a source at a city hospital told Reuters.

### [Saudi Arabia plans to fund Syria rebel army](#)

Saudi officials are preparing to pay the salaries of the Free Syria Army as a means of encouraging mass defections from the military and increasing pressure on the Assad regime, the Guardian has learned.

### [Tension soars as Egypt awaits vote results](#)

CAIRO (AP) – Egypt's military and the Muslim Brotherhood traded blame for rising tensions Friday as the country awaited the outcome of a presidential runoff vote that pits an Islamist against ousted leader Hosni Mubarak's former prime minister.

### [Protest Cripples Pan American Energy's Argentina Oil, Gas Output](#)

Crude output at Pan American's Cerro Dragon field in Chubut province has fallen about 75,000 barrels a day to around 19,000 barrels since Thursday, when 300 to 400 protesters took over production facilities at the field.

Natural gas production has fallen 3 million cubic meters a day, the company said, without offering more details.

### [The 'energy tandem': Putin and Sechin control the Russian energy sector](#)

The appointment of a presidential committee on fuel and energy means that the central management and control of this strategically important sector remains in the hands of Vladimir Putin and his closest collaborator, Igor Sechin. During Putin's term as prime minister (2008-2012), the decision-making centre for energy lay in the government; Sechin was then Deputy Prime Minister for the energy sector, and headed a government commission on fuel and energy and developing the resource base.

### [Statoil to triple North America oil and gas output](#)

(Reuters) - Norway's Statoil aims to triple its North American oil and natural gas production by the end of the decade as it increases spending in oil-rich prospects, the company said on Wednesday.

### [Max shares take a dive after drilling setbacks](#)

Kazakhstan oil explorer Max Petroleum's shares halved in value yesterday after the company said it may have to "significantly curtail" its drilling programme.

The warning came after the drill on one of its major prospects – NUR 1 – twice became stuck in salt deposits.

### [Why Wait Till Gas Hits \\$10 a Gallon?](#)

There's a lot of moaning and hand-wringing whenever gasoline prices approach \$4 a gallon. But all it would take for them to hit \$10 a gallon overnight would be hurricanes wiping out a couple of refineries or saboteurs disabling a couple of pipelines, says Dr. R. Paul Williamson, founder and CEO of the non-profit Sustainable Systems of Colorado.

### [This Chart Destroys The Idea Of Peak Oil](#)

Below is a graph that we believe cast serious doubt on peak oil theory — the idea that we are imminently in danger of exhausting the world's hydrocarbon supply.

### [Insidious oil finds a way despite best efforts by response teams](#)

When Michael Locke's phone rings late at night, it's a pretty sure sign that some part of Canada's oil industry is in trouble.

Mr. Locke is the equipment manager for Western Canadian Spill Services, an industry co-operative that has stationed \$9-million worth of spill response gear in 36 places across B.C., Alberta and Saskatchewan. When oil leaks, especially into water, he is among the first to hear about it, because that equipment is crucial to cleaning it up.

### [First Tesla electric sedans hit the road](#)

(AP) — Electric car maker Tesla's first mass-market sedans took to the road Friday, but it's not certain whether their debut will make or break the fledgling company.

### [The Truth Behind Electric Vehicle Fuel Savings](#)

One of the best reasons for buying an electric vehicle is all those gallons of \$3 or \$4 gas you won't be paying for. There is a certain sense of freedom that comes with knowing you won't have to be tied to the gas pump. And think of all the money you'll save!

Or maybe not...

### [New electric car charging stations available throughout downtown Ann Arbor](#)

Electric vehicle drivers who live in or are visiting Ann Arbor now have more options for a place to recharge.

Stakeholders and community members from throughout Ann Arbor came out June 19 to the Forest Street Parking Structure to celebrate the installation of 18 new electrical car charging stations in six locations throughout the city.

### [Nuclear power plant collusion](#)

As the March 2011 reactor meltdowns at Tokyo Electric Power Co.'s Fukushima No. 1 power plant demonstrated, loss of power sources for an extended period of time at a nuclear power plant — known as a "station blackout" (SBO) — can lead to catastrophic results. It was recently reported that the Nuclear Safety Commission colluded with Tepco over the nation's SBO-related safety standard about two decades ago.

### [APEC meet to uphold nuke power](#)

Energy ministers of Asia-Pacific Economic Cooperation forum members are expected to issue a joint statement after their meeting next week that will confirm the importance of nuclear energy, Jiji Press learned Thursday.

The ministers are expected to highlight the role of nuclear power in securing energy security by reducing dependence on fossil fuels and combating climate change by reducing carbon dioxide emissions, sources said.

### [Policy of recycling all spent nuclear fuel may be axed](#)

The Japan Atomic Energy Commission has proposed both reprocessing and directly disposing of spent nuclear fuel if Japan's atomic energy reliance is cut to 15 percent, a departure from the current policy of total reprocessing.

"This is extremely important because it would entail a shift to a flexible nuclear fuel program, instead of the one pursued over the last 50 years" that advocated 100 percent reprocessing, the commission's vice chairman, Tatsujiro Suzuki, said during a meeting Thursday.

### [Utilities to give 2-hour notice of blackouts](#)

Rolling blackouts will be implemented in the Kansai region and Hokkaido, Kyushu and Shikoku with two hours' advance notice if usage exceeds 99 percent of utilities' capacity, according to a draft government plan on summer power supply.

The draft, a copy of which was obtained Friday, states that outages will take place roughly once a day and last two hours if regional utilities remaining supply capacity falls



below 1 percent.

### [A Hybrid Approach to Solar Power](#)

A company comes up with a solar installation that produces hot water as well as electricity for apartment buildings, wineries and now a dairy.

### [Osaka Gas plans giant solar plants](#)

OSAKA — Osaka Gas Co. said Thursday it will build three large-scale solar cell-based power plants, in Osaka, Wakayama and Okayama prefectures, with an eye to starting generation by next March.

The combined output capacity of the plants will come to 3.5 megawatts, which is equivalent to the combined consumption of 915 households, Osaka Gas said, adding all the power to be generated will be sold to electric utilities.

### [Flying Jets with Microbes](#)

Brazil has long fueled its cars with ethanol brewed from sugarcane, but now the world's first airplane powered by crop has flown over Rio de Janeiro—thanks to genetically engineered microbes.

### ['Green' programs earn governments more: study](#)

OTTAWA, Ont. — A new report says provinces that promote energy efficiency may forfeit some tax revenue from lower sales of fuel and electricity, but will make up for the loss -- and more -- through competitive economies that help fill their treasuries.

### [“Food prices up by 25-50%”](#)

The price of foodstuffs is high all over the world, not just in the Sahel. Every month, the FAO produces an index of world food prices. It was at 214 points last month, which is higher than in 2008, during the food riots when it was at 200 points. As for the Sahel, contrary to what usually happens, the price of cereals hasn't dropped after the harvests. Foodstuffs are between 25-50% more expensive compared to the average for the last five years. And it is thought that prices could increase again by 25-30% in July and August. The rises are between 30-40% in Niger and Chad, between 50-60% in Burkina Faso and 90% in some regions of Mali. It's a problem because the Sahel only produces half of its food requirements. The producers are also consumers. It's a crisis of accessibility, not availability. The products are there but people can't afford to buy them.

## [Florida Struggles to Overcome Threats to Freshwater Springs](#)

The springs scarcely bubble up. Its flow rate has dropped by a third. The current moves as slowly as the red-bellied turtles that sun themselves on logs, allowing toxic nitrates to choke the water.

The culprits, environmental experts say, are a recent drought in north-central Florida and decades of pumping groundwater out of the aquifer to meet the demands of Florida's population boom, its sprinklers and its agricultural industry. To what degree the overconsumption of groundwater is to blame for the changes is being batted back and forth between environmentalists and the state's water keepers. But, for the first time, a state with so much rain — the vast majority of it uncaptured — is beginning to seriously fret about water.

## [Cost of Minnesota Flood Estimated at \\$100 Million](#)

The waters in Duluth are receding, but the damage is done: the northeastern Minnesota city estimates more than \$100 million will be required to repair utilities, streets, parks and trails in the city and surrounding county of St. Louis, said Pakou Ly, a spokeswoman for Duluth. The State Department of Transportation estimates its roads have sustained \$20 million worth of damage.

## [UN Reaps Sustainability Pledges Worth \\$513 Billion in Rio](#)

The United Nations obtained pledges worth \$513 billion from governments and companies for projects aimed at reducing the strain on the planet's resources, the biggest accomplishment at a meeting that world leaders and environmentalists assailed for not setting strong enough goals.

## [U.S. cuts greenhouse gases despite do-nothing Congress](#)

NEW YORK (CNNMoney) -- A curious thing is happening to the air in the United States. It's getting cleaner.

Despite there being no real effort by Congress to address global warming and America's longstanding reputation as an energy hog, U.S. carbon dioxide emissions are falling.

The lackluster economy has something to do with it. But it doesn't fully explain what's happening. Consider that even factoring in a stronger economy, forecasters see greenhouse gas emissions continuing to fall.

It's possible the country may meet its pledge to reduce emissions 17% by 2020.

## [US experts predict higher sea level rise: study](#)



Global sea levels could rise two to three times higher over the next century than previous UN estimates, according to a study released Friday by the US National Research Council.

A committee of experts evaluated the latest UN data and updated those projections with new data on polar ice-cap melting that is believed to be speeding up sea level rise around the world.

By 2100, the NRC estimates that global sea levels will rise between 20-55 inches (50 and 140 centimeters).



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