



Drumbeat: July 16, 2012

Posted by [Leanan](#) on July 16, 2012 - 9:01am

[Poland dreams of energy independence — through fracking](#)

GDANSK, Poland — Dreams of freedom from Soviet oppression were nurtured and realized in the shipyards of this seaside city, where the Solidarity movement that helped tear down the Iron Curtain was born.

Now, Poles are having new fantasies of throwing off Russian domination. But this time the road to independence lies more than a mile beneath their feet.

If geologists are right, up to 768 billion cubic meters of natural gas sits trapped in shale deposits deep beneath the surface in Poland, enough to meet the country's needs for the next 50 years and more. The estimates have tantalized Poles with visions of ending their reliance on Russian gas, which warms them through harsh winters but puts them at the mercy of their former masters far more than they would like.

[Crude Oil Futures Drop From One-Week High](#)

Oil fell from the highest close in more than a week after Premier Wen Jiabao said China's economic recovery hasn't gained momentum, stoking speculation that demand may ease in the world's second-biggest crude consumer.

Futures slid as much as 0.7 percent in New York, their first decline in four days. Wen said "difficulties" may persist, according to the official Xinhua News Agency. Abu Dhabi started exporting crude through a pipeline to the Indian Ocean port of Fujairah, bypassing the Strait of Hormuz, the oil- transit corridor that Iran threatened to shut earlier this year in response to sanctions on its nuclear program.

[Price of gas continues to fall, but that may change soon](#)

Consumers have caught a break from the slowing economy as gasoline prices extended their steep three-month decline, but the cost of filling the tank may soon head back up, a widely followed survey said on Sunday.

The Lundberg Survey said the national average price of self-serve, regular gas was \$3.41 on July 13, down from \$3.478 on June 22, and from \$3.615 a year ago.

[UK gas prices sink as Norway boosts supply](#)

LONDON (Reuters) - British prompt gas prices slid on Monday morning as above-average temperatures weighed on demand and Norway boosted exports towards winter levels, leading to UK oversupply.

The day-ahead gas contract lost 1.20 pence to 54.55 pence a therm as imports from Norway rose to about 80 million cubic metres a day (mcmd), akin to winter levels of demand, despite a forecast rise in temperatures to 23 degrees Celsius later in the week.

[Analysis - Asian LNG freelfall sets up swing to Europe](#)

(Reuters) - A nosedive in natural gas spot prices in Asia over the last month marks the end of bullish Japanese buying following the Fukushima disaster and the likely start of higher supply and lower prices for gas shipped to Europe.

The price of liquefied natural gas (LNG) in Asia has fallen 25 percent since June as collapsing demand in the region silences, some say permanently, the world's biggest spot market for the fuel.

[Saudi bumps up oil supplies](#)

Top oil exporter Saudi Arabia showed no sign of cutting back supply in June following last month's Opec agreement to rein in production, instead raising output by 300,000 barrels per day (bpd) from May to 10.1 million bpd (mbpd), an industry source said.

[The Supply Side Of Oil](#)

Oil supply growth from countries outside OPEC should grow by roughly 660,000 barrels per day, with North America accounting for much of this uptick in production. Preliminary data from the US Energy Information Administration indicates that domestic crude oil production in April surged by 567,000 barrels per day from year ago levels. Robust drilling activity in unconventional plays such as the Bakken Shale in North Dakota and the Eagle Ford Shale in south Texas fueled much of this growth.

[Teekay Returning to Profit as Russia Ships Record Oil: Freight](#)

Teekay Corp., the biggest operator of Aframax crude tankers, is poised to return to profit after three years of losses as record Russian oil exports by sea boost charter rates to the highest since 2008.

[Norway could soon face more oil strikes](#)

(Reuters) - Norway's oil and gas industry, which just emerged from a strike that had cut oil production by 13 percent, risks fresh disruption to drilling and output in the coming months if a new round of pay and pension talks fails, union leaders said.

The Norwegian government on July 9 forced an end to a 16-day strike by offshore production workers after companies threatened to shut down all output in a move that would have cut off Norway's top source of tax revenues.

[Iran discovers new oil layer in "territorial" waters in Caspian Sea](#)

Ali Osouli, the managing director of Khazar Exploration and Production Co. (KEPCO), said on Monday that the newly found layer, which is located on Sardar-e Jangal oil and gas field off the shore of the northern province of Gilan, contains quality crude that is toxic hydrogen sulfide-free.

Osouli also prognosticated that Sardar-e Jangal field would produce some 8,000 barrels of oil per day.

[UAE and Saudi Arabia open pipelines bypassing Hormuz](#)

Saudi Arabia and the United Arab Emirates have opened new pipelines bypassing the Strait of Hormuz in order to secure exports following Iran's renewed threats to close this oil shipping lane.

[South Korea's Imports of Iranian Crude Drop Amid Sanctions](#)

South Korea's crude imports from Iran fell 24 percent in June from a year earlier amid Western pressure to cut shipments from the Persian Gulf nation.

[Evidence shows Syrian security got comms from West](#)

LONDON (AP) -- As violence began racing through Syria last year, two European contractors were putting the finishing touches on an encrypted radio system that Syrian officials intended for their security forces, according to leaked company emails and three senior employees involved in the project.

[ABB to invest \\$40 mln in Saudi power projects](#)

The economic growth experienced by Gulf countries, led by oil and natural gas revenues in the region, has highlighted the need for power infrastructure to secure supplies of electricity, both at times of peak demand and in the long term.

[Anonymous hackers target oil industry giants, more than 1,000 email credentials exposed](#)

More than 1,000 email credentials from five multinational oil industry companies, including Shell and Exxon and BP, has been dumped online by hackers associated with the Anonymous movement.

[Nigeria state oil firm gives government informal loans: audit](#)

(Reuters) - Nigeria's government owes the state-owned oil firm for improper, informal loans used to cover a range of expenses, from a presidential helicopter to maritime security, a report of a partial audit will say.

The audit, prepared by an outside organization given access to accounts of the Nigeria National Petroleum Corp as part of a government effort to improve transparency at the firm, raises doubts over its independence.

[Factbox: Nigeria's state-oil company NNPC](#)

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Here is a look at Nigeria, the largest oil producer in Africa, and its indebted oil company:

[Nigeria: A Tale of Two Subsidy Reports](#)

The presidential committee set up by President Goodluck Jonathan to verify and reconcile all fuel subsidy claims and payments made between 2009 and 2011 submitted its report on Friday with the revelation of significant gaps in the report of the House of Representatives ad hoc committee on fuel subsidy.

[Ukraine, China sign \\$3.7 bil loan deal to move power plants from gas to coal](#)

Ukraine's energy and coal industry ministry on Friday signed an agreement with China Development Bank securing a \$3.656 billion credit line to help the country switch its power plants over to coal from gas, the ministry said.

[New cold war over shale gas](#)

We lost Bulgaria. We are likely soon to lose the Czech Republic. We gained Ukraine. Poland has always stood with us. Germany hedges its bets. France definitely is not with us. The United Kingdom probably will side with us. The Baltic States would love to join

us if they have the resources. A fierce battle rages over Romania.

The adversary is Russia, a petro-state that projects power through control of the European energy market. President Vladimir Putin's regime depends on selling hydrocarbons. That pays for the Russian state and for a patronage system that keeps his supporters and backers in clover.

[Boom Promises 20,000 New Jobs but Shortages Too](#)

The hydraulic fracturing technology that sparked a drilling frenzy around Texas and the nation has proved a boon for the petrochemical industry, which is converting cheap and abundant natural gas into resins and polymers that go into items like synthetic clothing and cellphones. Experts say this represents the largest petrochemical expansion in Texas since the days of cheap oil in the 1980s.

But the growth comes amid concerns about future shortages of water and electric power statewide, as well as worries about the industry's impact on air pollution in the Houston area.

[North Sea oil spill will have 'no impact on the environment'](#)

An 8.7-tonne oil spill in the North Sea will have "no impact on the environment", according to the UK Government's Department of Energy and Climate Change.

The hydrocarbon spill was reported in the vicinity of the Osprey field which feeds back to the Dunlin Alpha installation at approximately 8.30pm on Tuesday.

[Egypt's nuclear dream, or nuclear nightmare?](#)

A grassroots campaign is underway to end Egypt's embryonic nuclear ambitions in the town of Dabaa – or at least to relocate them. Meanwhile the Ministry of Electricity, and its subordinate the Egyptian Atomic Energy Authority, are sticking to their guns regarding their nuclear aspirations, which have been dubbed "a national project" and an "issue of national pride."

Dabaa is the planned site for a massive energy station that would measure around 55 square km, a dream of the Egyptian government since 1981.

[Tens of thousands demonstrate against nuclear power in Japan](#)

Tokyo (CNN) -- Tens of thousands of people crowded into a park in central Tokyo on Monday to protest the use of nuclear power in Japan, highlighting the growing opposition to atomic energy in the country since the crisis at the Fukushima Daiichi

power plant.

[Environment minister voices doubts about energy reforms](#)

Germany's environment minister has admitted that the government faces an uphill climb if it is to achieve the targets it has set out for reducing carbon emissions while simultaneously stopping nuclear energy production.

Germany's environment minister raised eyebrows on Sunday by conceding that some of the targets that are part of the government's policy of phasing out the use of nuclear energy, while at the same time cutting emissions of greenhouse gases, may not be achievable.

[Germany 'saved by the sun' from post-nuclear blackouts](#)

Germany's lights were kept on by solar power last winter, after Berlin's rapid phase out of nuclear power brought the country to within a whisker of complete breakdown, senior energy industry sources say.

[The Desired Apocalypse](#)

Of course, the strangest thing about this post-apocalyptic obsession is that the post-apocalypses we see are almost always beautiful. Knustler predicts the repopulation of quaint old ports like Troy, New York, as the riverboat and rail trade revive. In his post-apocalypse, the beautiful buildings will be saved, while the strip malls and superhighways will fall. And indeed, there is more than a tinge of romanticism in many of these visions; some combination of Burning Man-style, radical self-reliance and the slow show of the old steamboat culture, before iPhones and the 24-hour election cycle.

[Study: Natural Gas is Much-Needed Tool to Slow Global Warming](#)

Natural gas as an energy source is a smart move in the battle against global climate change and a good transition step on the road toward low-carbon energy from wind, solar and nuclear power.

That is the conclusion of a new study by Lawrence M. Cathles, Cornell professor of earth and atmospheric sciences, published in the most recent edition of the peer-reviewed journal *Geochemistry, Geophysics and Geosystems*. Cathles reviewed the most recent government and industry data on natural gas "leakage rates" during extraction, as well as recently developed climate models.

[The Crony War on Coal](#)

Natural-gas companies and environmental groups team up to kill affordable energy.

[Romania to resume trading carbon emission rights](#)

Romania has won the right to resume trading its surplus carbon emission rights, almost a year being suspended from doing so under the Kyoto Protocol, Romanian Environment Minister Rovana Plumb has said.

[The Big Heat](#)

One of the most salient—but also, unfortunately, most counterintuitive—aspects of global warming is that it operates on what amounts to a time delay. Behind this summer’s heat are greenhouse gases emitted decades ago. Before many effects of today’s emissions are felt, it will be time for the Summer Olympics of 2048. (Scientists refer to this as the “commitment to warming.”) What’s at stake is where things go from there. It is quite possible that by the end of the century we could, without even really trying, engineer the return of the sort of climate that hasn’t been seen on earth since the Eocene, some fifty million years ago.



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