



## Drumbeat: August 3, 2012

Posted by [Leanan](#) on August 3, 2012 - 9:55am

### [Ambani, Tata 'Islands' Shrug Off Grid Collapse: Corporate India](#)

About 1.6 trillion rupees (\$29 billion) spent by companies including Tata Motors and billionaire Mukesh Ambani-led Reliance Industries Ltd. (RIL), to quarantine their plants from the national grid is shielding India's biggest users of electricity from disruptions. Sixty years of missed investment targets, transmission losses and theft is prompting factories to build their own plants boosting costs in a nation that suffers from the fastest pace of inflation among BRIC nations.

"Large Indian companies have created their own islands as they can't rely on a precarious state power network," Juergen Maier, a fund manager in Vienna at Raiffeisen Capital Management, which oversees about \$1.1 billion in emerging-market assets, including Indian stocks. "The outage this week will spur companies to make more investments to cushion themselves against such shocks."

### [Oil Rises From Three-Week Low as U.S. Hiring Exceeds Forecasts](#)

Oil rebounded from the lowest close in almost three weeks in New York as payrolls climbed more than forecast in July in the U.S., the world's largest consumer of crude.

Futures rose as much as 1.5 percent, trimming a second weekly decline. U.S. payrolls increased 163,000, Labor Department figures showed today in Washington. The median estimate of 89 economists surveyed by Bloomberg News called for a gain of 100,000. Tropical Storm Ernesto moved into the eastern Caribbean, the U.S. National Hurricane Center said. Oil fell 2 percent yesterday after the European Central Bank failed to assure investors it was ready to take immediate steps to support the economy.

### [Asia Fuel Oil-Stays in steep backwardation on supply bets](#)

SINGAPORE (Reuters) - Asian fuel oil's front curve stayed in steep backwardation on Friday on expectations that supply will tighten in the first half of August while demand could pick up in Japan and China.

The balanced August/September and September/October spreads widened by 25 cents and 13 cents, respectively, although the prompt spread has eased after hitting the highest in more than a month on Wednesday.

### [Gas Liquids 'Bloodbath' Brings Shale Pain to Oil Market](#)

The shale boom that sent natural-gas prices to a 10-year low is being felt for the first time in the oil markets.

### [KEPCO to raise utility bills by 4.9%](#)

Korea Electric Power Corp. (KEPCO), the state-run electricity supplier, said Friday that it will raise utility bills by an average of 4.9 percent as early as next week to improve its worsening balance sheet and help reduce power consumption. It also said it will hike electricity charges once again before the year's end.

### [Refinery problems blamed for rising gas prices](#)

Refinery problems in Illinois and Indiana are behind gas price increases that took the cost to as high as \$3.90 a gallon at some Springfield-area stations on Thursday, according to AAA Chicago.

It also was the first time in months local drivers were paying prices higher than a year earlier, based on an AAA daily fuel-tracking report.

### [Tropical Storm Passes St. Lucia, Moves Into Caribbean Sea](#)

Tropical Storm Ernesto, the fifth named system of the Atlantic season, moved past St. Lucia into the eastern Caribbean, the National Hurricane Center said.

### [Oil export sanctions cost Iran \\$133 million a day](#)

Iran is paying a high price for its refusal to abandon its nuclear programme with sanctions aimed at oil exports costing the country US\$133 million (Dh488m) a day.

### [Iran Oil Shipping to Resume as Insurers Step In](#)

India, the third-biggest buyer of Iranian oil, will offer state-backed insurance to tankers, helping the nation's biggest sea carrier to resume cargoes from the Persian Gulf nation hit by international trade sanctions.

### [Tanzania looks to learn from Abu Dhabi with wealth fund](#)

Tanzania plans to establish a sovereign wealth fund to invest future energy windfalls.

The east African country is benefiting from a steady increase in its natural gas reserves and the government is studying states with significant hydrocarbon revenues. It is focusing on those that - like Abu Dhabi - have established sovereign wealth funds, said Jakaya Kikwete, Tanzania's president.

### [Statoil 'getting hands on' Kenya entry ticket](#)

Statoil is poised to make its entry into Kenya with the signing of a deal to gain exploration rights to a deep-water block reported to be imminent.

The Norwegian state oil company, which has already seen exploration success off neighbouring Tanzania, is keen to expand its position in the hot East African play after a succession of major gas discoveries by several players in the region.

### [Nigeria leaks billions from rampant oil theft](#)

Oil firms and government say nearly 200,000 barrels of oil stolen each day from pipelines and wells by criminal gangs.

### [Analysis: China unveils oil offensive in South China Sea squabble](#)

SINGAPORE/BEIJING (Reuters) - First came the diplomatic offensive, then the flexing of military muscle.

Now, China is opening a third front to assert its claims in the South China Sea - moving ahead with its first major tender of oil and gas blocks in disputed parts of its waters.

### [Dragon's hunger to devour oil firms is good news for Gulf](#)

Last Monday saw the ravenous Chinese dragon devour two Canadian oil companies.

The acquisitions make the Chinese state corporations concerned more attractive partners for the Arabian Gulf. But they also show the increasing opportunities in new hydrocarbon resources outside the Middle East.

### [Israel Finds \\$240 Billion Gas Hoard Stranded by Politics](#)

Israel, reliant on imported energy since the state's foundation in 1948, now has more natural gas than it can handle.

Noble Energy Inc., Delek Group Ltd. and other explorers have discovered enough gas

under the Mediterranean Sea to supply Israel's needs for 150 years. To profit from the finds sooner, the companies want to export the gas by pipeline or ship. As the Ministry of Energy prepares to publish a blueprint for developing the fields later this month, officials say the country's economy and security must come first and shipments abroad should be limited.

### [Oil-Tanker Pool Seeks Return to Single-Voyage Cargoes](#)

Tankers International LLC, operator of the largest pool of the biggest oil carriers, wants to shift hiring of its vessels back to single-voyage charters from longer-duration accords to increase returns.

The company decided it is carrying too little crude in the spot market, as single voyages are known in the industry, non- executive Chairman Morten Arntzen said yesterday on a conference call.

### [Agency's decision on beetle could affect Keystone XL pipeline](#)

LINCOLN — A federal agency's recent decision involving the endangered American burying beetle could cause up to a year's delay in construction of the Keystone XL pipeline, if the project wins federal approval, an environmental group said Tuesday.

But a spokesman for pipeline developer TransCanada Inc., said that assessment was premature and that the company would be able to work around new rules concerning the beetle.

### [Enbridge claims solution for exposed pipe in Toronto park](#)

Enbridge Inc. says it's found the solution to an exposed oil pipeline in a Toronto park, after an environmentalist told CBC News he was worried it could be site of a spill.

The pipe in question runs through Rouge Park, a large wilderness area in the city's northeast. It's part of a line that crosses the south of the province, taking crude oil from Quebec City to a refinery in Sarnia, Ont.

### [Experts: Governor's drilling estimate off](#)

COLUMBUS (AP) -- Ohio Gov. John Kasich's claim that a single energy company could recover \$1 trillion worth of oil and gas from the state's shale is an exorbitant overestimate, according to experts.

At current oil prices, that figure represents more than four times U.S. oil production last year. Viewed another way, every drop of oil produced in America for the next four years

will be worth roughly \$800 billion, based on current prices and production rates.

### [Warning to Peak Oil investors](#)

Sometimes, all it takes is one simple chart to smash a sacred cow.

Right now, we can smash the sacred cow of Peak Oil. The chart is in today's essay.

### [The Republic of Biofuels and the Age of Plenty](#)

What is the role and scope of biofuels in a world potentially awash in newfound oil & gas?

### [Norway's first offshore wind farm](#)

The very first Norwegian-owned offshore wind farm is not located on Norwegian territory.

### [Wide Differences Found in Buildings' Power Use](#)

The report, to be released on Friday by the city's Office of Long-Term Planning and Sustainability, estimates that if poor-performing buildings in the city improved their efficiency and reached just the median level of energy use in their categories, the city's energy consumption would decline by at least 18 percent and greenhouse gas emissions would be cut by 24 percent.

### [The Sound of a Damaged Habitat](#)

YEARS ago, when selective logging was first introduced, a community near an old-growth forest in the Sierra Nevada was assured that the removal of a few trees here and there would have no impact on the area's wildlife. Based on the logging company's guarantees, the local residents agreed to the operation. I was skeptical, however, and requested permission to record the sounds of the habitat before and after the logging.

### [A River Newly Wild and Seriously Muddy](#)

PORT ANGELES, Wash. — The Elwha River drains out from Olympic National Park, a pristine place in the world. And as recently as a year ago, the river looked the part: it babbled its final miles in water clear enough to see the bottom. Now it runs thick with grainy sediment the color of chocolate milk.

But believe it or not, that is a good thing, or at least the roundabout result of one.

## [We need to act urgently on global warming](#)

It doesn't matter whether we've hit peak oil yet. We still must address global warming. We can't wait for oil shortages to wean us off our bad habits.

## [First U.N. climate fund board meeting set for August 23](#)

LONDON (Reuters) - The first board meeting of the United Nations' Green Climate Fund will be held on August 23 to 25, an official at the fund's interim secretariat confirmed on Thursday, five months later than it was originally planned.

The fund is designed to help channel up to \$100 billion a year in climate finance by 2020 to help developing countries adapt to climate change.

However, the fund is an empty shell after last year's U.N. climate talks failed to make solid progress on sources of finance and the global economic crisis has left rich nations reluctant to commit cash, prompting fears the money may not emerge in time.

## [Scientists Warn Congress About Disastrous Effects of Climate Change](#)

Drought, wildfires, hurricanes and heatwaves are becoming normal in America because of climate change, Congress was told on Wednesday in the first hearing on climate science in more than two years.

## [Al Armendariz: The TT Interview](#)

Armendariz, an El Paso native, recently joined the Sierra Club's Austin office, where he will work on the group's Beyond Coal campaign in Texas, which seeks to slash emissions from coal-fired power. He has given up his teaching position at SMU and says he has "nothing but fond memories" of his time there.

In his first public interview since stepping down, Armendariz spoke with The Texas Tribune about his decision to resign, his work at the Sierra Club and why climate change is the biggest environmental problem facing Texas.

## [Facebook reveals its carbon footprint](#)

Facebook has, for the first time, revealed the carbon footprint of its operations and its more than 900m users' likes, photo albums and status updates.

The data, published on Wednesday, shows that despite the social networking's rising star, its carbon emissions are still a fraction of internet rival Google. Facebook's annual

emissions were 285,000 metric tons of CO2 equivalent in 2011, compared with Google's 1.5m tons in 2010.

### [Big Drought Makes for a Small 'Dead Zone'](#)

According to researchers who study hypoxia in the gulf, extra-dry weather in the corn belt is responsible for the small size of the hypoxic zone, which measures a little under 3,000 square miles – roughly two times the size of Long Island.

“Because of the massive drought in the Midwest, there’s a whole lot less fertilizer being flushed into the rivers and whole lot less water being flushed into the gulf,” said Don Scavia, an aquatic ecologist with the University of Michigan.

### [64 Okla. temperature records fall or tied in July](#)

OKLAHOMA CITY (AP) — More than 64 temperature records were broken in Oklahoma during a scorching July, and additional ones fell across the state Wednesday on the first day of August, according to the National Climatic Data Center.

The National Weather Service reported that Guthrie, about 30 miles north of Oklahoma City, registered 114 degrees to break the statewide record of 113 degrees, set at Meeker in 1896 and tied in Ralston last year.

### [Report: When it rains, state's downpours are getting worse](#)

Pennsylvania's heaviest downpours have gotten wetter and more frequent in the last six decades, according to a report released Thursday by PennEnvironment.

Between 1948 and 2011, the state has seen a 52 percent increase in the number of "extreme" storms - those that are among the largest in the state in the last 64 years.

### [New law temporarily bans use of science panel's finding on sea levels](#)

RALEIGH -- North Carolina lawmakers have temporarily banned using a science panel's recommendation to plan for rising sea levels, after the governor decided Thursday not to veto the measure.

The measure has been lampooned by comedians and has drawn the ire of environmentalists. It blocks the state from adopting any rate of sea level change for regulatory purposes until 2016, while authorizing more studies.



## [War over the Arctic?](#)

The sea lanes are mainly a Canadian obsession, because the government believes that the North-West Passage that weaves between Canada's Arctic islands will become a major commercial artery when the ice is gone. Practically every summer Prime Minister Stephen Harper travels north to declare his determination to defend Canada's Arctic sovereignty from – well, it's not clear from exactly whom, but it's a great photo op.

## [Greenland's ice sheet melts in spurts](#)

Washington: Loss of ice from Greenland's vast sheet may occur mainly in short bursts, suggest Danish scientists who used aerial photos dating back to the 1980s to plot shrinking of glaciers around the island's northwest coast.

Reporting in the journal Science, the scientists revealed that most of the ice loss happened in two periods - 1985-1993 and 2005-10 - with relative stability in between.

According to them, it would be hard to project sea level changes from Greenland ice melt until these patterns are deciphered.



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