



Drumbeat: September 10, 2012

Posted by [Leanan](#) on September 10, 2012 - 9:24am

[Asian Water Scarcity Risked as Coal-Fired Power Embraced](#)

Inner Mongolia's rivers are feeding China's coal industry, turning grasslands into desert. In India, thousands of farmers have protested diverting water to coal-fired power plants, some committing suicide.

The struggle to control the world's water is intensifying around energy supply. China and India alone plan to build \$720 billion of coal-burning plants in two decades, more than twice today's total power capacity in the U.S., International Energy Agency data show. Water will be boiled away in the new steam turbines to make electricity and flush coal residue at utilities from China Shenhua Energy Co. to India's Tata Power Co. that are favoring coal over nuclear because it's cheaper.

With China set to vaporize water equal to what flows over Niagara Falls each year, and India's industrial water demand growing at twice the pace of agricultural or municipal use, Asia's most populous nations will have to reconsider energy projects to avoid conflict between cities, farmers and industry.

[Climate change challenges power plant operations](#)

BOULDER CITY, Nev. — Drought and rising temperatures are forcing water managers across the country to scramble for ways to produce the same amount of power from the hydroelectric grid with less water, including from behemoths such as the Hoover Dam.

Hydropower is not the only part of the nation's energy system that appears increasingly vulnerable to the impact of climate change, as low water levels affect coal-fired and nuclear power plants' operations and impede the passage of coal barges along the Mississippi River.

[Naimi Says Supply and Demand Don't Justify Rising Oil Prices](#)

Saudi Arabian Oil Minister Ali al-Naimi said global supply, demand and inventories of crude don't justify the current increase in oil prices, the official Saudi Press Agency reported.

"Saudi Arabia is concerned about rising oil prices in the international oil market," al-Naimi said today. "The price of oil is simply not supported by market fundamentals. The

market is well balanced, forward cover remains within an acceptable range and inventories are more than adequate.”

[Oil Trades Near One-Week High on Outlook for Economic Stimulus](#)

Oil traded near the highest level in a week in New York amid speculation that the U.S. and China will implement measures to revive their economies.

Futures were little changed after three days of gains, the longest rising streak in three weeks. The Federal Reserve meets this week to discuss monetary policy after the European Central Bank agreed last week on bond purchases to ease the euro area's debt crisis. Saudi Arabian Oil Minister Ali al-Naimi said supply, demand and inventories of crude don't justify the current increase in prices, the Saudi Press Agency reported.

[U.S. Gasoline Rises to \\$3.8376 a Gallon, Lundberg Says](#)

The average price for regular gasoline at U.S. filling stations rose 7.85 cents in the past two weeks to \$3.8376 a gallon, according to Lundberg Survey Inc.

[Hedge Funds Lifted Wagers to 16-Month High Before Rally](#)

Hedge funds raised bullish commodity bets to the highest in 16 months before speculation that policy makers in the U.S., China and Europe will revive global growth pushed prices higher for a sixth week.

[Ship Magnate Uses Gut in \\$11 Billion Bet Worst Since '70s Ending](#)

The flow of much of the world's oil is controlled from a small suite of offices perched over a Tiffany & Co. store in the Chelsea section of London. That's where John Fredriksen, a Norwegian shipping magnate worth \$13.2 billion, manages the world's largest fleet of supertankers, the most valuable deep-water drilling company and an armada of about 128 other vessels that carry minerals, grains and liquefied gases.

[Oman the comeback kid of oil](#)

By the end of the year, Oman is set to become the first country in the eastern hemisphere to harness the sun's power to get oil out of the ground (see story below). It is negotiating with BP an estimated US\$20 billion (Dh73.46bn) investment that would make it the first Middle East country to use hydraulic fracturing, the technique that has unleashed a natural gas windfall in the United States. And, as production has recovered to 930,000 bpd, Oman is the comeback kid of the oil world.

[Plains Exploration to Buy \\$5.55 Billion Gulf Fields From BP](#)

Plains Exploration & Production Co. agreed to buy BP Plc's stakes in a group of Gulf of Mexico oilfields for \$5.55 billion, increasing output.

[U.S. 'Not Setting Deadlines' for Iran, Clinton Says](#)

The U.S. is "not setting deadlines" for Iran and still considers negotiations as "by far the best approach" to prevent the Islamic Republic from developing nuclear weapons, Secretary of State Hillary Clinton said.

[Bombs Kill 34 in Iraq, Including 14 in Oil-Producing Region](#)

A series of bomb attacks killed 34 people in Iraq, including more than a dozen in the northern oil region of Kirkuk, Deputy Health Minister Khamees al-Saad said.

Another 327 people were wounded in the blasts, al-Saad said in a phone interview from Baghdad. Seven recruits were slain in a suicide car bombing and 17 injured while waiting outside the police headquarters of state-run North Oil Co. in Kirkuk, Aywa Salah, a North Oil police colonel, said by phone.

[Shell begins oil, gas drilling off Alaska coast](#)

ANCHORAGE, Alaska (AP) -- More than four years after Royal Dutch Shell paid \$2.8 billion to the federal government for petroleum leases in the Chukchi Sea, a company vessel on Sunday morning sent a drill bit into the ocean floor, beginning preliminary work on an exploratory well 70 miles off the northwest coast of Alaska.

[One of the Greatest Intellectual Frauds Ever Perpetrated](#)

I've written many times over the past decade that I consider Peak Oil to be one of the greatest intellectual frauds ever perpetrated.

I believe having a correct understanding of these issues is critical... perhaps the single most important economic issue of the next several decades.

This matters because if M. King Hubbert (the original Peak Oil theorist) was right in 1956 when he forecast global oil production would peak around the year 2000... we're facing a major change in the future of the energy industry.

[The little green bean in big fracking demand](#)

In just one year the price of guar has surged tenfold, from about 30 rupees (about 50

U.S. cents) to around 300 rupees for each kilogram of the precious seed.

[Millions plunged in darkness as power goes out in Havana, other parts of Cuba](#)

Havana, Cuba (CNN) -- Cubans are used to the mundane inconvenience of brief, localized power outages that regularly hit the country's aging electricity grid, but the large blackout that plunged the western part of the Caribbean island into darkness Sunday night was unusual.

More than 2 million residents of the capital, Havana, lost electricity, except for those at hospitals and other places with generators, a government spokesman, who was not identified per government policy, said late Sunday.

[GM's Volt: The ugly math of low sales, high costs](#)

(Reuters) - General Motors Co sold a record number of Chevrolet Volt sedans in August - but that probably isn't a good thing for the automaker's bottom line.

Nearly two years after the introduction of the path-breaking plug-in hybrid, GM is still losing as much as \$49,000 on each Volt it builds, according to estimates provided to Reuters by industry analysts and manufacturing experts.

[Electric car charging: Good luck with that](#)

NEW YORK (CNNMoney) -- I sometimes get to borrow plug-in cars but, like many city dwellers, I don't have a place to plug one in at home. That means, if I want to drive on electricity farther than a full battery will take me, I have to rely on charging stations provided in some of New York City's parking garages.

If you live in a city and are thinking about making the leap to a fully electric car, I recommend carrying a large bottle of Tylenol in the center console because your headaches will be epic.

[In Portland, Ore., bikes rule the road](#)

PORTLAND, Ore. – America spent 50 years and billions of dollars after World War II redesigning itself so that cars could move people across this vast country more quickly.

Now, with many cities in gridlock, one-third of the population obese and climate change forcing innovators to look beyond the internal combustion engine, cities are beginning to rethink that push toward the automobile.

[Solar Installations Surge on Strong Utility Market](#)

LOS ANGELES (Reuters) - U.S. solar installations jumped 116 percent in the second quarter from a year ago thanks to the completion of more than 20 big projects for utilities, according to an industry report released on Monday.

The quarter was the largest ever for utility installations, which represented 447 megawatts of the 742 MW total.

[Solar Trade Association slams proposed cut to solar farm incentives](#)

The Solar Trade Association (STA) has responded angrily to the government's latest proposals to cut financial support for solar farms by 25 per cent from next April, accusing ministers of pulling the rug from under the industry.

[China pushes wind power, but no quick payoff for producers](#)

(Reuters) - China will order its dominant electricity distributors to source up to 15 percent of their power from renewable energy including wind, but slow compliance means it may be years before the country's struggling wind power developers benefit, industry executives say.

[Wood Could be the Future of Wind Turbine Masts](#)

In a bid to lower the costs of wind turbine masts, as well as enable taller installations, a German engineering firm is pursuing a novel method of building them - using wood instead of steel.

[US agency in \\$2bn nuclear loan to Abu Dhabi](#)

The US export credit agency has approved a US\$2 billion (Dh7.35bn) loan to help pay for Abu Dhabi's nuclear plant.

It is the first slice of financing for the US\$20bn cost of building the power station. The first reactor of the project is expected to be completed by 2017.

[Climate change expert calls for nuclear power 'binge' to avert global warming](#)

A leading British academic has called for accelerated research into futuristic geo-engineering and a worldwide nuclear power station "binge" to avoid runaway global warming.

Peter Wadhams, professor of ocean physics at Cambridge University, said both potential

solutions had inherent dangers but were now vital as time was running out.

[The next ten billion years](#)

100 years from now. In 2100, the human economic system has collapsed and the size of the economy is now a small fraction of what it had been at the beginning of the 21st century. Resource depletion has destroyed most of the industrial system, while climate change and the associated desertification - coupled with the destruction of the fertile soil - have reduced agriculture to a pale shadow of the industrial enterprise it had become. The collapse of agriculture has caused a corresponding population collapse; now under one billion people. Most tropical areas have been abandoned because global warming has made them too hot to be habitable by human beings. The rise in sea level caused by global warming has forced the abandonment of a large number of coastal cities, with incalculable economic damage. The economy of the planet has been further weakened by giant storms and climate disasters which have hit about every inhabited place. Crude oil is not extracted any more in significant amounts and where there still exist gas resources, it is impossible to transport them at long distances because of the decay of the pipeline network and of the flooding of the ports. Only coal is still being extracted and coal fired plants maintain electric power for a reduced industrial activity in several regions of the North of the planet. Labrador, Alaska, Scandinavia and Northern Siberia see the presence of remnants of the industrial society. Using coal liquefaction, it is still possible to obtain liquid fuels, mostly used for military purposes. The Earth still sees tanks and planes that exchange gunfire against each other.

[Putting Bay Area's Water Source to a Vote](#)

YOSEMITE NATIONAL PARK, Calif. — It is one of the oldest environmental battles in the United States, and it involves one of the country's most famous national parks, one of its most liberal cities, leaders of Silicon Valley and a perennial source of conflict in California: water.

[The rush to exploit an increasingly ice-free Arctic](#)

The Arctic also holds large, untapped reserves of oil and natural gas. (Estimates put it around 30 percent of global undeveloped natural gas, and 13 percent of undeveloped oil.) The question is, who does it belong to?

Despite Russia's well-publicized planting of a flag on the Arctic seafloor, the region will be carved up by international negotiation, not by the colonial-age rules of "finders, keepers." As part of the UN Convention on the Law of the Sea, there are some rules about how far from the coast a country's economic claims are valid. However, the United States has never signed onto the convention because of its refusal to defer to an International Seabed Authority when no country has a clear claim to a resource.

[Lush Antarctic past suggests more monsoons in future](#)

It's unlikely we'll reach Eocene temperatures unless we burn fossil fuels well into the 2200s. Even then, Antarctica is likely to stay frozen, so an Antarctic monsoon probably isn't on the cards. But Jacques says monsoons could spring up on other continents.

Martin is unconvinced. She says major weather systems like the jet streams operate close to the poles, and could interfere with any new monsoons.

[Thin ice: Access to Arctic oil is not an energy solution](#)

What does the Arctic Ocean's vanishing ice have to do with Western Pennsylvania? The massive sea melt has the potential to revive tensions between the United States and Russia and to slow America's transition to a cleaner economy. That could keep this region and others addicted to oil longer, while postponing the creation of alternative-energy jobs.

[Guyana struggles to invest in climate defences](#)

GEORGETOWN, Guyana (Alertnet) - Guyana has not made the financial investment it needs to cope with worsening floods and rising sea levels, highlighting how poor countries are struggling to make climate change adaptation a spending priority, researchers say.

Government funding for sea defences, drainage and irrigation has taken a backseat to expenditure on security in the poor South American nation, according to a study by geography experts at Canada's University of Western Ontario, released earlier this year.



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