



Drumbeat: November 2, 2012

Posted by [Leanan](#) on November 2, 2012 - 8:30am

[What no candidate says about energy and the economy](#)

This election is being framed as a choice between two different approaches to return to robust economic growth. But what if both sides are missing a critical underlying factor in our economic troubles? What if tools of the past no longer fit the economy of the future? Economic growth, as we have known it, is being constrained by an unprecedented slowing of growth in world oil supply. America's path to future prosperity needs to recognize and confront this new energy reality, and adapt our economy to run on a lot less oil.

World crude oil production has been on a century-long rising trend—from less than one million barrels per day (mbd) in 1900 to nearly 75 mbd today. There have been aberrations along the way, such as a large fall in production during the Great Depression, but the upward trend has persisted—until recently. Since 2005, global oil production has been essentially flat. There have been plateaus before, but what is different this time is that real oil prices—i.e. adjusted for inflation—have roughly tripled within the span of a decade, yet relatively little additional production has been brought forth.

[Oil Trims Weekly Advance as U.S. Refineries Remain Shut](#)

Oil fell for the first time in four days in New York, paring a weekly gain, as two refineries remained shut on the U.S. East coast in the aftermath of Hurricane Sandy. Brent crude slid a fifth day in London.

[After Sandy, gas lines stretch for miles](#)

NEW YORK (CNMoney) -- Motorists in New York and New Jersey are lining up for gas in queues that are miles long in the wake of Superstorm Sandy.

Gasoline supplies have been disrupted by everything from traffic jams to shuttered ports and power outages caused by the storm that carved a deadly swath through the region on Monday.

"Gas lines are stretching for a couple of miles," said Anthony Ammiano, mayor of Freehold, N.J., who recalled the oil crisis of the 1970s. "It's like the Jimmy Carter years. It's a flashback of bad memories."

[Northeast may see long gas lines for a week](#)

Power outages at hundreds of gas stations and a distribution bottleneck due to flooding damage and power loss has caused a gasoline shortage in the New York metropolitan area that may not be cleared up for at least a week, according to industry experts.

What was a problem for drivers when Superstorm Sandy ended two days ago has become a nightmare for frazzled motorists who find themselves in gas lines that can stretch on for hours. Some lines were hundreds of cars long in sections of New Jersey and New York on Thursday, and in a number of locations police monitored the lines which interfered with traffic flow in some areas.

[NYC man accused of pulling gun in gas line](#)

NEW YORK (AP) — The fight for fuel after Superstorm Sandy is starting to get nasty.

New York City authorities say a motorist was arrested after he tried to cut in line at a gas station in Queens early Thursday and pointed a pistol at another motorist who complained.

[New Jersey Drivers Wait for Fuel as Sandy Curbs Gasoline](#)

New Jersey drivers waited in two- mile-long lines to buy gasoline as Hurricane Sandy's devastation of the New York metropolitan area flooded fuel terminals, curbed deliveries and left many filling stations in the dark and unable to run their pumps.

The queues for fuel only worsened hours-long traffic tie- ups on highways leading in to New York as Mayor Michael Bloomberg banned vehicles with fewer than three passengers from entering most of Manhattan. More than half of New Jersey filling stations likely are closed, Kashmir Gill, whose Creative Management Inc. owns 38 New Jersey outlets, said in a telephone interview yesterday.

[North Jersey towns struggling with dwindling gas supplies](#)

North Jersey towns and cities, just like thousands of motorists waiting on long lines for gasoline, are anxiously eyeing dwindling reserves in their own fuel depots as well as struggling to answer calls with fire and medical volunteers whose personal cars are running on fumes.

Perhaps the most dire situation is in Paterson, where routine police patrols have been suspended; gas-fueled police cruisers are sent out only to answer dispatch calls, said Glenn Brown, the city's public safety director.

[Exasperation builds on Day 3 in storm-stricken NYC](#)

In a Brooklyn neighborhood, a station had pumps wrapped in police tape and a "NO GAS" sign, but cars waited because of a rumor that gas was coming.

"I've been stranded here for five days," said Stuart Zager, who is from Brooklyn and was trying to get to his place in Delray Beach, Fla. "I'm afraid to get on the Jersey Turnpike. On half a tank, I'll never make it."

[Prepped for big storm, NYC utility got more than it expected](#)

NEW YORK - Blame a very high tide driven by a full moon, the worst storm surge in nearly 200 years, and the placement of underground electrical equipment in flood-prone areas for the most extensive storm-related power outage in New York City's history.

It's like what happened at the Fukushima nuclear complex in Japan last year — without the radiation. At a Consolidated Edison substation in Manhattan's East Village, a gigantic wall of water defied elaborate planning and expectations, swamped underground electrical equipment, and left about 250,000 lower Manhattan customers without power.

[Crews Contain New Jersey Diesel Spill Caused by Sandy](#)

Workers contained a spill of diesel fuel caused by superstorm Sandy, blocking it from flowing into a waterway that separates New Jersey and New York, the U.S. Coast Guard said.

Erik Swanson, an agency spokesman based in New York, said four storage tanks at a facility operated by Motiva Enterprises LLC were damaged by the storm. Motiva is a joint venture of Royal Dutch Shell Plc (RDSA) and Saudi Refining Inc.

[China's fuel oil imports for Oct may slip after surge in Sep: sources](#)

Singapore (Platts) - China's fuel oil imports for October are likely to ease to lower levels after a spike seen in September, several trade sources including some of the regular Singapore-based suppliers of straight-run fuel oil into China have said.

[Chevron declares force majeure at Angola's Kuito](#)

(Reuters) - U.S. oil major Chevron said on Friday that its Angolan subsidiary Cabinda Gulf Oil Company had declared force majeure at the Kuito offshore oil terminal on

October 29, without giving a reason.

[Central Asia as Iran's saviour](#)

Tehran's high echelon is trying to find new opportunities to enter the Asian markets as U.S. and European economic sanctions strengthen against Iran. The bans on the import of Iranian oil to such countries as China and India is gradually having more influence on the economy as a result of the Western sanctions in connection with Iran's nuclear programme.

Despite the Iranian projects in Central Asia and with trade relations being very small compared to the profit obtained from oil exported to the world leading countries, this propaganda is Tehran's attempt to save its economy, comprising of oil by 76 per cent at the expense of the region, where Washington has limited influence.

[Turkey signs \\$350 mln Iraq oil drilling deal](#)

ANKARA (Reuters) - Turkey has signed a \$350 million deal on drilling 40 oil wells in the southern Iraqi Basra area and is in talks with Baghdad on drilling 7,000 wells across Iraq, Energy Minister Taner Yildiz said on Friday.

Details of the timeframe or companies involved were not immediately available.

Turkey's growing energy involvement in Iraq comes despite tensions with Baghdad over Ankara giving refuge to Iraq's fugitive Vice President Tareq al-Hashemi, who was sentenced to death by an Iraqi court for a second time on Thursday.

[BP replaces Azeri head following oil output spat](#)

BAKU (Reuters) - British oil major BP replaced Rashid Javanshir as its regional head in Azerbaijan, Georgia and Turkey, the company said in a statement on Friday, following criticism from the country's leadership over declining oil output.

[Ministry: Syria appeals to Turkey to resume electricity supplies](#)

Syria has appealed to the private Turkish company Aksa to resume electricity supplies, Turkish Minister of Energy and Natural Resources Taner Yildiz said today, TRT Haber TV channel reported.

"Damascus has officially appealed to the Turkish private company that previously exported electricity to Syria to resume the supplies," Yildiz said.

[Norway Oil Fund Made \\$29 Billion Last Quarter as Stocks Rose](#)

Norway's \$660 billion sovereign wealth fund, the world's largest, returned 4.7 percent last quarter as global stock markets recovered after central banks from the U.S. to Japan stepped up efforts to stimulate growth.

[Saudi Arabia sets up committee to help victims in gas explosion](#)

Saudi Arabia has called upon those affected of the gas tanker explosion that killed 23 and injured 135 on Thursday to approach newly formed committee from Friday, according to the Saudi News Agency.

[Norway oil fund cuts France, Spain holdings further](#)

OSLO (Reuters) - Norway's \$660 billion sovereign wealth fund cut its exposure to Europe's troubled economies further in the third quarter, buying into global shares instead as it rode a global stock market rally.

The oil fund, one of the world's biggest investors, said it had cut its exposure to government debt in France, Spain and Britain, and continued to keep minimal or no exposure to Greece, Ireland and Portugal, it said.

[Shell Profit Rises on Liquefied Natural Gas Income, Shares Climb](#)

Royal Dutch Shell Plc (RDSA)'s third-quarter profit expanded 2.3 percent after Europe's biggest oil company generated increased earnings from liquefied natural gas. Its shares rose the most since April in London trading.

[Shale gas push in China may swap old problems for new ones](#)

Chinese enterprises' growing enthusiasm for shale gas comes in large part from Beijing's efforts to develop clean energy industries aimed at curbing the country's emission of greenhouse gases.

But despite the government's support of the shale gas industry, domestic energy giants should not blindly rush into this sector until the technology is available to deal with the environmental impact of extracting shale gas, the newspaper said.

[Shale gas boom hardly shaking up the world](#)

It is not surprising that unconventional oil and gas has captured the imagination of government's, media and business. If their perceived potential is realised they could provide an enormous quantity of energy and ward off production declines from conventional sources due to depletion. For example there could be 1.8 trillion barrels of

potentially recoverable oil shale across the U.S. and 300 billion barrels of tight oil in the Bakken formation alone (compared with Saudi Arabian proved reserves of 265 billion barrels according to the 2012 BP Statistical Review of World Energy). Combined with the boom in tight oil and shale gas production this has led to a spate of claims from: the death of peak oil; the U.S as the new Saudi Arabia of oil; and energy independence for the U.S.

Given the importance of energy to the economy and the impact of shortfalls in the energy supply demand equation, a more detailed examination of unconventional energy potential is required before blindly accepting claims such as made in Ms Bishop's article and elsewhere.

[Nearly 80 Million Clean Diesel Vehicles Will be Sold Worldwide From 2012 to 2018, Forecasts Pike Research](#)

BOULDER, Colo.--(BUSINESS WIRE)-- Diesel cars have long been tremendously popular in Europe, where high fuel prices mean that the price premium of a diesel car can be paid off quickly. However, other regions that have not traditionally been strong diesel markets, such as North America, are now starting to open up—particularly as increasingly stringent emissions regulations in Europe, Japan, and North America accelerate the spread of so-called “clean diesel” vehicles.

[Automobile Magazine names Tesla Model S 'Car of the Year'](#)

NEW YORK (CNNMoney) -- Automobile Magazine has named the Tesla Model S its "Car of the Year," citing the car's design and impressive speed.

[Can America Embrace Biking the Way Denmark Has?](#)

Concerns about safety are a significant barrier to cycling in most places. Numerous surveys have found that one of the primary reasons people in North America avoid bike commuting is because they tend to see it as dangerous, largely because of car traffic. Bicycle fatality rates are nearly four times higher in the United States than in Denmark. One reason why cyclists in Denmark are safer than those in more car-dependent countries is that with bicycles, safety comes in numbers. According to studies conducted in America, Europe, and Australia, as the number of cyclists in a city goes up, the rate of injuries goes down. The explanation is that in cities where bicycle commuters are few, drivers do not expect them or adequately prepare for sharing the road.

No matter how safe, fast, convenient, and inexpensive bike commuting can be made, however, it won't be adopted if it can't at least partially out-compete cars. So, beyond the “carrot” of incentivizing bicycle commuting, Copenhagen (and many other European cycling cities) also employs the “stick” of policies designed to discourage car use. Some of these policies are actually national—for instance, Denmark imposes a tax of 180 percent on car sales (which is not as bad as it sounds, given the \$20-per-hour minimum wage), and gas costs almost \$10 per gallon. Every year 2 to 3 percent of parking spaces are removed to gradually wean residents from auto-dependency. In addition to being scarce, parking is expensive—about \$5 an hour in the city center. And as the

inconvenience and cost of parking increase, so, too, does the rate of bicycling.

[Exam Said to Be Leaked to Guards at Nuclear Site](#)

WASHINGTON — The security guards at a nuclear weapons plant who failed to stop an 82-year-old nun from reaching a bomb fuel storage building earlier this year were also cheating on a recertification exam, according to an internal investigation by the Department of Energy, which owns the weapons plant.

[The Peak Oil Crisis: The Superstorm](#)

Somewhere in the midst of watching the Weather Channel's reporting on the approach of Superstorm Sandy, I was struck by the lack of meteorologists saying anything about what was behind the highly unusual phenomenon that was unfolding. Buried in a stream of "unprecedented" was the idea that a rather small late season hurricane that normally spun harmlessly off into the north Atlantic was about to be drawn into a winter low pressure system. The two would combine to create a superstorm, a thousand miles in diameter, that would cause \$10s of billions in damage to the most populated area of the U.S.

[The Artwork That Infuriated Big Coal](#)

“Carbon Sink: What Goes Around Comes Around” was installed on the U.W. campus in late 2011. Funded by an anonymous donor and by the state Cultural Trust Fund, it consisted of a 36-foot-wide circle of logs from beetle-killed trees, arranged in a whirlpool pattern around a pile of coal. Drury hoped the sculpture would be left in place until it disintegrated, and the director of the campus art museum said there were “no plans to uninstall it.” It was, Drury said, intended to inspire a conversation.

In May 2012, however, just after most students left campus, Carbon Sink quietly disappeared.

When University of Wyoming graduate Joe Riis inquired about the fate of Carbon Sink, a university vice-president told him that it had been removed due to water damage. But emails recently obtained by Irina Zhorov, an enterprising reporter at Wyoming Public Media, tell a different story. After the university announced the installation of Carbon Sink, Marion Loomis, the president of the Wyoming Mining Association, wrote to a university official and asked: “What kind of crap is this?” Both industry representatives and state legislators weighed in on the sculpture, some threatening the university’s funding in no uncertain terms.

[Romney Seen Scuttling EPA Proposals, Letting Rules Stand](#)

On the campaign trail, Republican presidential candidate Mitt Romney has pledged to halt environmental regulations such as auto-mileage standards, mercury pollution limits

for power plants and mandated cuts in greenhouse-gas emissions.

But the reality is that repealing a rule already in place would require help from lawmakers or the courts, or years of bureaucratic effort, former officials and lawyers say.

[Energy efficiency: stuck between neutral and reverse](#)

Together with renewable generation, energy efficiency is the key plank of a holistic solution to fossil fuel problems and network regulation issues in Australia. Why are government-led attempts to promote energy efficiency stalling?

Saving energy has never made more sense. Oil prices remain historically high despite a weak global economy, in what is surely an early taste of 'peak oil'. The end of cheap oil will hit much harder when world economic activity eventually recovers.

[Hurricane Sandy keeps Oklahoma dry](#)

Gary McManus, associate state climatologist with the Oklahoma Climatological Survey, said that while the hurricane has brought the East Coast lots of rain, it may be doing the exact opposite for Oklahoma.

"Until it moves through, we will be stuck in this weather pattern," McManus said. "It's coming at a very inopportune time.

"We won't get any benefit from what's happening out there."

[Taking Home His Eighth-of-a-Cow](#)

I have long believed that local food and grass-fed beef are better – for the world and for my family – than traditional feed-lot finished cattle and factory farmed produce. But until I relocated to Seattle on a new assignment for the Times earlier this year, going occasionally to the farmers market and eating less red meat in general had been the extent of my response.

[On the Horizon, a Dreaded Wave of Locusts](#)

The United Nations Food and Agriculture Organization warns that large swarms of locusts are forming in Africa's Sahel region and are likely to push northward to Algeria, Libya, Morocco and Mauritania once they take flight. The origins of the threat probably date back to a year ago, when rains drew in a wisp of desert locusts to Libya and Algeria, said Keith Cressman, the senior locust forecasting officer for the F.A.O.

The swarm is thought to have originated in the Libyan conflict zone, where obstacles to

monitoring allowed a fast-breeding population to double up and form two generations, which then settled and laid eggs in countries to the south, he said in an interview.

[Nations fail to agree plan to protect seas around Antarctica](#)

SYDNEY (Reuters) - Major nations failed to reach agreement on Thursday to set up huge marine protected areas off Antarctica under a plan to step up conservation of creatures such as whales and penguins around the frozen continent.

[Battered NJ agonizes over whether to rebuild shore](#)

The devastation left the state a blank canvas to redevelop its prized vacation towns. But environmentalists and shoreline planners urged the state to think about how — and if — to redevelop the shoreline as it faces an even greater threat of extreme weather.

"The next 50 to 100 years are going to be very different than what we've seen in the past 50 years," said S. Jeffress Williams, a scientist emeritus at the U.S. Geological Survey's Woods Hole Science Center in Massachusetts.

The sea level is rising fast, and destructive storms are occurring more frequently, said Williams, who expects things to get even worse.

[Extreme Global Weather: 'the Unprecedented Is the New Normal'](#)

Sandy is being called the "Storm of the Century" but floods, droughts, heat waves and storms are only expected to get worse — with every part of the world facing deadlier and costlier weather disasters.

Much of the world has experienced devastating weather conditions this year. Across eastern and western Africa, a one-two punch of severe drought followed by torrential rains resulted in flash flooding and the deaths and displacement of hundreds of thousands. Drought was also the worst it's been in a quarter century in the United States, shriveling corn crops and boosting prices worldwide. And over the last week, typhoon Son-Tinh has wreaked havoc on Southeast Asia, killing dozens and damaging homes and crops.

[Rising sea forces Panamanian islanders to move to mainland](#)

Once rare, flooding is now so menacing that the Guna have agreed to abandon ancestral lands for an area within their semi-autonomous territory on the east coast of the mainland.

"The people know this isn't normal," said Francisco Gonzalez, 38, the school principal on Carti Sugdub. "When the water comes in, they can't do anything but wait."

It is the largest of the Guna's 45 inhabited islands, and its planned evacuation is among the first blamed largely on climate change. Scientists say worldwide sea levels have risen about 3 millimeters (0.12 inch) a year since 1993. Recent research suggests they could rise as much as 2 meters (6.5 feet) by 2100.

[Sea level rising faster than expected, warns expert](#)

Washington (IANS) The sea level is rising faster than expected and may cross one metre mark by the end of this century -- double that of the estimates made by the Intergovernmental Panel on Climate Change in 2007, says a study.

"What's missing from the models used to forecast sea-level rise are critical feedbacks that speed everything up," says Bill Hay, a geologist at the University of Colorado, US. The feedbacks include data on the Arctic Sea ice, the Greenland ice cap, soil moisture and groundwater mining.



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