



Drumbeat: January 16, 2013

Posted by [Leanan](#) on January 16, 2013 - 9:59am

[Al Qaeda attacks Algerian gas field, kill, kidnap foreigners](#)

ALGIERS (Reuters) - Islamist militants attacked a gas production field in southern Algeria on Wednesday, kidnapping at least nine foreigners and killing two people including a French national during a dawn raid, local and company officials said.

The raid, claimed by an al Qaeda affiliate, came after Islamists had vowed to retaliate for France's military intervention in Mali, where its forces have been in action against al Qaeda-linked militants since last week.

The attack also raised fears that the French action could prompt further Islamist revenge attacks on Western targets in Africa, where al Qaeda in the Islamic Maghreb operates across borders in the Sahara desert, and in Europe.

[OPEC Cuts Oil Output to 14-Month Low Amid Economic Uncertainty](#)

OPEC reduced its production to the lowest level in 14 months as budget wrangles in the U.S., uncertain impact of stimulus measures in Japan and Europe's struggle to boost growth cloud outlook for fuel demand.

The Organization of Petroleum Exporting Countries cut output by 465,000 barrels a day in December to 30.4 million, the lowest since October 2011, led by a reduction in Saudi Arabia, the group said today in its monthly report, citing secondary sources. That's 800,000 a day more than the average 29.6 million the group estimates it will need to provide this year. OPEC kept its 2013 global demand forecast unchanged.

[OPEC sees weaker demand for its crude in 2013](#)

LONDON (Reuters) - OPEC expects demand for its crude to be lower than expected in 2013 because of higher supply from rival producers, indicating inventories could build up substantially even after a cut in output by top exporter Saudi Arabia.

The Organization of the Petroleum Exporting Countries' monthly report indicated world supply will comfortably outstrip demand in the first half of 2013, even after Riyadh cut output in December by almost 500,000 barrels per day (bpd) to fend off a supply overhang and defend prices well above \$100 (62.56 pounds) a barrel.

[Oil Demand Isn't Growing as Fast This Year, U.A.E. Says](#)

Oil markets have some excess supply and exporting nations are monitoring Europe's debt crisis to gauge whether global consumption will expand as much as it did last year, the United Arab Emirates oil minister said.

The Middle Eastern country is pumping 2.6 million barrels of crude a day now and would like to supply as much as 3 million barrels a day this year if buyers need that much, the minister, Mohamed Al-Hamli, said at the World Future Energy Summit.

[UAE sees no need to reduce oil output after Saudi cut](#)

(Reuters) - The United Arab Emirates sees no need to cut oil production, the UAE's oil minister said on Wednesday, after Gulf OPEC ally Saudi Arabia slashed output in late 2012.

The world's top oil exporter cut its crude production by around 700,000 barrels per day (bpd) over the last two months of 2012, pointing to low demand at home and abroad.

[Antrim says hydrocarbon leak disrupts 20 oilfields in North Sea](#)

(Reuters) - Antrim Energy Inc said production at more than 20 oilfields in the northern North Sea were disrupted after a hydrocarbon leak was detected in one of the legs of the Cormorant Alpha platform.

The Cormorant Alpha platform, an export infrastructure system, handles more than 90,000 barrels per day of crude oil and is operated by Abu Dhabi National Energy Co.

[No restart date for UK Brent oil, says TAQA](#)

Abu Dhabi oil company TAQA said it had no restart date for oil output stopped after a leak at its North Sea Cormorant Alpha oil platform, linked into Britain's 20-field Brent system.

"TAQA is currently evaluating plans to restore the throughput of an estimated 80,000 bpd in the Brent pipeline, excluding any Cormorant Alpha production," the company said in a statement.

[Oil Trades Near One-Week Low as Crude Inventories Rise](#)

Oil traded near the lowest level in almost a week in New York after U.S. crude stockpiles

increased and the World Bank cut its economic growth forecasts.

Futures were little changed after slipping the most in almost a month yesterday. U.S. crude supplies gained a second week and inventories rose to a record at Cushing, Oklahoma, the delivery point for West Texas Intermediate, data from the industry-funded American Petroleum Institute showed. An Energy Department report today may show stockpiles climbed by 2.2 million barrels, according to a Bloomberg News survey. OPEC reduced its output to the lowest level in 14 months, a monthly report from the producer group showed.

“Supply in the U.S. is increasingly comfortable as their domestic production of oil and gas burgeons,” Christopher Bellew, a senior broker at Jefferies Bache Ltd. in London.

[South Korea's December LNG Imports Shrink 9.5% as Prices Rise](#)

Shipments fell to 4.32 million metric tons from 4.77 million tons a year earlier, data on the Korea Customs Service's website showed today. Still, the monthly volume was the second-biggest in 2012, after 4.64 million tons in February, and compared with 2.99 million tons in November. The average price paid per ton rose to \$762.74 from \$750.07 while the total cost of the purchases dropped to \$3.29 billion, compared with \$3.58 billion in the same period a year earlier, the data showed.

[Natural gas, oil prices: why the long-term forecasts are wrong](#)

Here's the short version of why forecasts of low long-term oil and natural gas prices are almost certainly wrong: It costs more than that to get the stuff out of the ground. Only two things could actually lead to low long-term prices: 1) Somebody could invent and deploy some genuinely brand new technology that makes it really cheap once again to get oil and gas out of the ground or 2) we could have a deep and grinding deflationary depression that brings demand for oil and natural gas down so much that prices collapse.

[How balance of power in supplies has shifted as East eclipses West](#)

While Middle Eastern crude was in the past typically shipped off to Europe or the US, the West now receives but a relative trickle of the oil making its way out of the Arabian Gulf. Tankers no longer take a sharp right as soon as they have passed through the Strait of Hormuz, but make their way through the Gulf to round the tip of India and into Asian waters. More than 85 per cent of Gulf oil finds its way to Asia, estimates the US energy information administration.

This massive shift in the consumer base has changed the shape of Abu Dhabi's oil sector, as Asian players have pushed for inclusion. Japan's oil companies were the first to appear from the East, and have partnered with Abu Dhabi National Oil Company (Adnoc) in its offshore production.

[Former US energy chief calls for tougher sanctions against Iran](#)

The United States should toughen sanctions on Iran targeting its nuclear programme, according to a former energy secretary.

"We should continue our policy of sanctions, strengthen them more and I think that's far better than military action which makes no sense," said Bill Richardson, a former New Mexico governor who served as energy secretary under Bill Clinton. "You see the moderate forces in the Iranian government that recognise that they have to negotiate being strengthened, and that's what we want."

[Ahmadinejad says fighting sanctions against Iran requires shift from reliance on oil income](#)

TEHRAN, Iran — Iran's president says the country must move away from dependence on oil revenue to overcome Western sanctions that have slowed the economy and disrupted foreign trade.

Mahmoud Ahmadinejad says that "structural changes" are needed in Iran's economy to counter sanctions that have targeted crude oil exports. Iran has long depended on oil revenue for about 80 percent of its foreign currency revenue.

[Chevron expands presence in South China Sea](#)

(Reuters) - Chevron Corp has signed production-sharing contracts with Chinese offshore oil company CNOOC Ltd for two exploration blocks in the South China Sea, expanding its presence in the prospective oil and gas region.

Chevron, the second-largest U.S. oil company, already has stakes in several exploration areas in China and holds operating interests in three deepwater blocks in the South China Sea.

[Macquarie Buys U.K. Gas-Fed Power Plants in Bet Profits to Rise](#)

Macquarie Group Ltd., Australia's largest investment bank, has bought two natural gas-fed power stations in the U.K. in a bet that profit from burning the fuel will rise after three years of declines.

[Icahn's Stake Pushes Transocean Closer to Partnership](#)

Carl Icahn's new stake in Transocean Ltd. (RIG) may raise pressure on the world's largest offshore driller to put some of its rigs into a tax-advantaged partnership as the billionaire seeks to boost his investment's value.

Transocean's announcement this week that Icahn bought 1.56 percent of its shares and

sought regulators' permission to own more than 3 percent stirred a debate in the investment community as the activist investor known for shaking up companies remained silent about his intentions. He's jumping in less than two weeks after Transocean agreed to pay the U.S. \$1.4 billion to settle its liability in the 2010 Gulf of Mexico oil spill.

[EPA changed course after oil company protested](#)

WEATHERFORD, Texas (AP) — When a man in a Fort Worth suburb reported his family's drinking water had begun "bubbling" like champagne, the federal government sounded an alarm: An oil company may have tainted their wells while drilling for natural gas.

At first, the Environmental Protection Agency believed the situation was so serious that it issued a rare emergency order in late 2010 that said at least two homeowners were in immediate danger from a well saturated with flammable methane. More than a year later, the agency rescinded its mandate and refused to explain why.

Now a confidential report obtained by The Associated Press and interviews with company representatives show that the EPA had scientific evidence against the driller, Range Resources, but changed course after the company threatened not to cooperate with a national study into a common form of drilling called hydraulic fracturing. Regulators set aside an analysis that concluded the drilling could have been to blame for the contamination.

[Enbridge Needs To 'Learn About Public Relations'](#)

Federal Liberal leadership candidate Marc Garneau says Enbridge has not treated the people of British Columbia respectfully in its push to build the Northern Gateway pipeline.

"Enbridge needs to learn about public relations. You don't come in and treat people that way," said Garneau in an interview On the Coast with Stephen Quinn on CBC Radio One in Vancouver.

[Ecuadorean tribe will 'die fighting' to defend rainforest](#)

In what looks set to be one of the most one-sided struggles in the history of Amazon forest conservation, an indigenous community of about 400 villagers is preparing to resist the Ecuadorean army and one of the biggest oil companies in South America.

The Kichwa tribe on Sani Isla, who were using blowpipes two generations ago, said they are ready to fight to the death to protect their territory, which covers 70,000 hectares of pristine rainforest.

Petroamazonas — the state-backed oil company — have told them it will begin

prospecting on 15 January, backed by public security forces.

[ExxonMobil Knew in 1984 MTBE Would Contaminate Ground](#)

ExxonMobil Corp. knew that incidents of groundwater contamination would triple if it added a chemical to gasoline that makes the fuel burn more cleanly, a lawyer for New Hampshire said at the opening of an \$816 million trial.

ExxonMobil and Citgo Petroleum Corp. are the last holdouts in the suit by New Hampshire alleging oil companies knew the chemical would contaminate groundwater. The state court trial, which began yesterday in Concord, pits the New Hampshire's environmental claims against assertions by companies that they were simply complying with federal pollution standards.

[The end of the E-Cat story? Andrea Rossi loses supporters for his "cold fusion" device](#)

Mr Passerini's blog, titled "22 steps of love" has been the main focus of support for the E-Cat in Italy up to now. He says in his last post, titled "ad maiora" that "Some time ago, I wrote that, after that two years would have passed from the date of January 14 2011, I would quit in any case in the absence of official and certain announcements on the reality of the E-Cat." Passerini states that he will be waiting patiently and "will return when the news that we have been waiting for during the past two years will arrive"

The closing of Mr. Passerini's blog comes after that, in November of last year, another of Mr. Rossi's supporters, Mr. Paul Story of "eCatNews" declared that he would close his blog because, "with scant hope of Rossi delivering on his promises, I find myself wondering why I would waste any more time on him. If he is committing fraud, he should be pursued by the police. Interest in the man or the subject is now relegated to the level of curiosity, not dedication."

Earlier on, in April 2012, Mr. Sterling Allen of the blog PESN (Pure Energy Systems) had been appalled at Rossi's behavior and had stated, "I apologize to anyone that I've encouraged to try and do business with Andrea Rossi, and I retract my endorsement" even though he later continued to cover announcements about the E-Cat.

[Better Place CEO leaves in electric car firm's latest shake-up](#)

JERUSALEM (Reuters) - The new chief executive officer of electric car venture Better Place has stepped down just four months after a company shake-up put him in charge, officials said on Wednesday.

The news of Evan Thornley's departure is the latest sign that investors are unhappy with the California-based operator's sluggish sales.

[France calls for more green investments at Abu Dhabi energy summit](#)

The French president Francois Hollande today called for pumping more investments in renewable energy projects to prepare for the post-oil era and to avoid global warming and very high oil prices.

"If we don't spend ... we will have a catastrophe," Mr Hollande told the opening session of the World Future Energy Summit in Abu Dhabi.

[Private Equity Flees Clean Energy as Investment Falls](#)

Private equity companies and venture capitalists including Draper Fisher Jurvetson and Braemar Energy Ventures reduced renewable-energy investment to the lowest since 2006 as once-promising companies failed or were sold at a loss.

Private equity and venture-capital investors provided \$5.8 billion to solar, biofuel, wind and smart-grid startups worldwide last year, down 34 percent from 2011, according to an annual ranking by Bloomberg New Energy Finance. The decline was part of an 11 percent drop to \$268.7 billion in total investment for renewable energy last year from a record \$302.3 billion the year before.

[UK energy effort looks to the Emirates](#)

Britain is looking to the UAE to help steer its £200 billion (Dh1.18 trillion) push into renewable energy.

The United Kingdom's massive push into renewable energy will draw heavily on investments from the UAE and other Gulf countries, said the country's energy minister in Abu Dhabi yesterday.

[1st Part of Offshore Wind Power Line Moves Ahead](#)

WASHINGTON — An audacious plan to lay a multibillion-dollar wind power transmission spine under the seabed from southern Virginia to the New York City area will take a step forward on Tuesday with an announcement of plans for the first leg, a 189-mile segment running from Jersey City to a spot south of Atlantic City.

[Breaking New Ground on Grid Rules](#)

Among the “firsts” being tried by the Atlantic Wind Connection, the venture seeking to build an electric transmission line from southern Virginia to northern New Jersey, is negotiating the regulatory system. The problem is that the cable, which would be buried under the seabed, is what grid officials call a “multidriver project,” or a project that is undertaken for more than one reason — something that those officials have little

experience with.

The proposed backbone, first outlined publicly in October 2010, is intended to link future wind farms far offshore, sparing them the expense and regulatory problems of bringing power lines all the way to shore individually, and to move power to land-based sources. The project's backers, which include Google and other prominent investors, argue that the buried offshore spine, impervious to storms, could also come in handy in an emergency, providing a backup for hospitals and police stations and restarting power plants in blacked-out areas.

[Germany warms to China tie-up on solar energy](#)

Germany wants to grow the global solar market with the help of China, the country that has plunged its solar panel industry into crisis.

[At Last, the Straw Bale House Is a ... Home](#)

The night we finished building it, we all sat on the floor of Allison Vanlonkhuyzen's straw bale home and ate chili with her. Our four months of hard work volunteering for the nonprofit group Community Rebuilds were over.

[She's making her fashion statement by reducing, reusing and recycling](#)

Armed with an eye for style and a heart for the environment, Charlotte Latin senior Alexis Giger launched a do-it-yourself blog, ecouturieracg.wordpress.com, in September, aimed at "reducing your environmental impact fashionably."

The idea was sparked by the ecology unit in her biology class last year, she said, which covered issues like peak oil, deforestation and habitat destruction. "I started thinking about what I could do to stop the wastefulness in my immediate community," she said. "It has changed the way I look at basic everyday activities and how I can change little things to reduce waste."

[Army Corps' Eco-Disaster in Valley](#)

Absurd, unnecessary social engineering and possibly illegal environmental tactics — that's what some activists and politicians are calling the U.S. Army Corps of Engineers' surprise destruction before Christmas of more than 40 acres of prime wildlife and vegetative habitat five miles north of the Getty Center in the Sepulveda Dam Basin.

Facing increasing criticism for bulldozing a cherished bird habitat and wetlands ecosystem spanning 40 football fields — in a city where most wetlands were long ago destroyed — Corps officials insisted the federal flood-control agency had no choice, in part because cruising gay men and homeless campers had flocked there and endangered the public.

[Fighting Fires: You're Doing It Wrong](#)

"We're losing homes in fires because homes are being put into hazardous conditions," said Jon Keeley, a fire ecologist with the U.S Geological Survey (USGS). "The important thing is not to blame it on the fire event, but instead to think about planning and reduce putting people at risk."

Thanks to work by Keeley and his colleagues, researchers now know techniques that work for firefighters in the Colorado mountains won't help Californians battling wind-driven wildfires in the chaparral.

[Study: Global warming means more wildfires](#)

The water content of Colorado's snowpack and the timing of the spring runoff are changing, which could pose major challenges for the state's water supplies and farmers, said Reagan Waskom, director of the Colorado Water Institute at Colorado State University and co-author of the portion of the assessment addressing Colorado and the Southwest.

The Southwest, including Colorado, will see significantly declining snowpack, increasing numbers of wildfires directly affecting communities, and threats to public health caused by spiking summer temperatures and disruptions in electricity and water supply, according to the assessment's regional outlook.

[China Lets Media Report on Air Pollution Crisis](#)

BEIJING — The Chinese state news media on Monday published aggressive reports on what they described as the sickening and dangerous air pollution in Beijing and other parts of northern China, indicating that popular anger over air quality had reached a level where Communist Party propaganda officials felt that they had to allow the officially sanctioned press to address the growing concerns of ordinary citizens.

[End Near? Doomsday Clock Holds at 5 'Til Midnight](#)

The clock is a symbol of the threat of humanity's imminent destruction from nuclear or biological weapons, climate change and other human-caused disasters. In making their deliberations about how to update the clock's time this year, the Bulletin of the Atomic Scientists considered the current state of nuclear arsenals around the globe, the slow and costly recovery from events like Fukushima nuclear meltdown, and extreme weather events that fit in with a pattern of global warming.

"2012 was the hottest year on record in the contiguous United States, marked by devastating drought and brutal storms," the letter says. "These extreme events are

exactly what climate models predict for an atmosphere laden with greenhouse gases."

[UN scientist links heatwave to climate change](#)

The United Nations' chief climate scientist says there is no doubt last week's extreme heat in Australia is part of a global warming trend.

[Big Chill vs. Global Warming: What's Going On?](#)

The recent, rare snow in Jerusalem and parts of Lebanon, along with freezing temperatures for Southern California have not nixed the reality of climate change. The planet is warming, and chilled weather doesn't negate that fact, say climate experts.

In fact, such "rare" storms are expected in a warming world.

[At a Climate Protest, Science and Religion](#)

With record-breaking global temperatures in 2012, severe droughts and several storms and hurricanes on the East Coast, some members of the American clergy are saying that human decisions that contribute to the extreme weather associated with climate change can no longer be left in the hands of politicians.

Promoting an awareness of climate change and the role of humans as stewards of the earth has become a popular theme among progressive religious congregations. Even the climate skeptics in their ranks, some said, are starting to realize that something strange is going on.

[Climate Scientist Backs Bill to Curb Emissions](#)

Michael E. Mann, a prominent climatologist at Penn State, has thrown his support behind an effort to get Pennsylvania to do more to reduce its carbon dioxide emissions.

[Climate change inaction the fault of environmental groups, report says](#)

In a research paper, due to be presented at a Harvard forum next month, scholar Theda Skocpol in effect accuses the DC-based environmental groups of political malpractice, saying they were blind to extreme Republican opposition to their efforts.

Environmental groups overlooked growing opposition to environmental protections among conservatives voters and, underestimated the rising force of the Tea Party, believing – wrongly, as it turned out – they could still somehow win over Republican members of Congress through "insider grand bargaining".

[Will Australia become uninhabitable?](#)

Having been the "lucky country", Australia could be turned into the unluckiest country of all by Mother Nature. There's no such thing as outside air conditioning and the higher the temperature, the greater the evaporation of the limited water resources Australia possesses. Australia's population has more than doubled since the second World War to a figure approaching 23 million. Jared Diamond in his book *Collapse* reckoned Australia had a sustainable capacity of around 8 million. He could have been prophetic for a reason he did not cite in his text.

The experts I referred to earlier made one further observation. They said there will be huge winners and losers as a result of climate change. However, it is too early to identify which nation falls into which category as computer modelling cannot handle all the complexities involved in regional predictions. What interests me is the response of the US and China in curbing their emissions if Australia is the fall guy. Getting the commitment of your own population to solve another country's problem is a tricky exercise. But the debate should start now.

[Antarctica Glacier's Retreat 'Unprecedented'](#)

Like a plug in a leaky dam, little Pine Island Glacier holds back part of the massive West Antarctic Ice Sheet, whose thinning ice is contributing to sea level rise.

In recent decades, Pine Island Glacier's rapid retreat raised fears that the glacier could "collapse," freeing the ice sheet it buffers to flow even more rapidly into the southern seas. The West Antarctic Ice contributes 0.15 to 0.30 millimeters per year to sea level rise.

[Burning Fuel Particles Do More Damage to Climate Than Thought, Study Says](#)

The tiny black particles released into the atmosphere by burning fuels are far more powerful agents of global warming than had previously been estimated, some of the world's most prominent atmospheric scientists reported in a study issued on Tuesday.

[NASA: 2012 Was 9th Hottest Year on Record Worldwide](#)

Last year was the ninth hottest year for the globe since 1880, according to new data released by NASA and the National Oceanic and Atmospheric Association (NOAA) today (Jan. 15).

Of the nine hottest years on record, eight have come since the year 2000, with 2005 and 2010 sharing the dubious title of hottest year on record. The new data reveal the alarming, long-term trend of global warming caused by human emissions of carbon dioxide and other greenhouse gases, climate scientists said.



This work is licensed under a [Creative Commons Attribution-Share Alike 3.0 United States License](http://creativecommons.org/licenses/by-sa/3.0/).