



## Drumbeat: January 28, 2013

Posted by [Leanan](#) on January 28, 2013 - 10:12am

### [Militants attack oil pipeline in Algeria, two dead](#)

ALGIERS (Reuters) - Suspected Islamist militants attacked an oil pipeline in northern Algeria on Monday, killing two guards and wounding seven other people, a security source told Reuters.

The Djebahia region, some 70 km (45 miles) east of the capital, is a stronghold of Al Qaeda in the Islamic Maghreb (AQIM) which earlier this month killed 37 foreigners at a gas plant in the south, and is where its leader Abdelmalek Droukdel is believed to be based, the source said.

### [Norway Debates Overseas Ventures After Siege in Algeria](#)

AUSTRHEIM, Norway — Oil and gas made Norway one of the world's most advanced and prosperous countries in just a few decades. Now the deadly siege in Algeria has fired up a debate here over how far its petroleum companies, and their skilled workers, should go in the hunt for resources and profits.

### [Oil Trades Near Highest Level in Four Months on Economic Outlook](#)

Oil traded close to the highest level in four months in New York after posting the longest run of weekly gains since April 2009, lifted by speculation that a global economic recovery will boost fuel demand.

### [U.S. Gasoline Rises to \\$3.3443 a Gallon in Lundberg Survey](#)

The average price for regular gasoline at U.S. pumps rose 1.96 cents a gallon in the past two weeks to \$3.3443 a gallon, according to Lundberg Survey Inc.

The survey covers the period ended Jan. 25 and is based on information obtained from about 2,500 stations by the Camarillo, California-based company. The average is down 5.01 cents from a year earlier.

### [Shell, Kinder Morgan to jointly export LNG from the United States](#)

(Reuters) - Royal Dutch Shell Plc said it will tie up with Kinder Morgan Inc to export liquefied natural gas (LNG) from a terminal near Savannah, Georgia.

El Paso Pipeline Partners LP, a Kinder Morgan unit, and Shell will form a limited liability company to develop a natural gas liquefaction plant at Southern LNG Co LLC's existing terminal.

### [OPEC Sees Oil Markets Well Supplied, No Price Collapse in 2013](#)

Global crude markets will remain well supplied in 2013 to meet growing demand and OPEC doesn't expect prices to drop this year, OPEC Secretary-General Abdalla El-Badri said.

"At present the market is well-balanced. Looking ahead for 2013 the market is expected to remain well-supplied to meet expected demand growth," he said during a conference at Chatham House in London today. Resource availability to meet growing demand "is not an issue," he said.

### [Saudi Arabia to provide full term allocations to Asian refiners in Feb](#)

Singapore (Platts) - Saudi Arabia's state-owned oil company Saudi Aramco is expected to supply full nominated volumes of crude oil loading in February to Asian refiners, sources close to the matter said Monday.

### [Ambani Facing Wait for Profit at Diesel Pumps: Corporate India](#)

Reliance Industries Ltd. and Essar Oil Ltd., operators of India's two biggest refineries, face at least a two-year wait to profitably retail diesel, as the government prolongs the process of completely freeing prices.

### [Yudhoyono Buffeted by Fuel as Indonesia Election Nears](#)

Indonesian President Susilo Bambang Yudhoyono is under growing pressure to raise fuel prices and curb oil imports as currency risks persist and the window to act narrows ahead of elections in 2014.

### [Iraq Warns Exxon on Kurdish Deals Amid Plans for BP Development](#)

Iraq's oil minister asked Exxon Mobil Corp. to stop dealing with Kurds if it wants to work with the central government even as he proceeded with plans for BP Plc to develop fields in northern areas claimed by the Kurdish authorities.

### [Baghdad's threats fail to curb demand for Kurdish oil](#)

LONDON (Reuters) - European oil companies are purchasing an increasing volume of oil independently exported by Kurdistan, in defiance of Baghdad's threats to punish those that deal in exports it says are illegal.

Baghdad has promised to prosecute buyers of Kurdish condensate, a light grade of oil that has been exported without its permission since October.

### [Dubai's ENOC Seeks Oil Condensate Supply to Replace Iran Imports](#)

Emirates National Oil Co., Dubai's government-owned refiner, is seeking new suppliers of condensate to replace imports from Iran because U.S. sanctions threaten financial penalties for companies that trade with the country.

### [Iran Wants More Water, Power Ties With Afghanistan, Fars Reports](#)

Iran President Mahmoud Ahmadinejad is seeking to strengthen links with neighboring Afghanistan, saying Iranian electricity and water companies have opportunities there, the state-run Fars news agency said.

Iranian Energy Minister Majid Namjou visited the Afghan capital Kabul and discussed boosting such ties with President Hamid Karzai and Energy and Water Minister Muhammad Ismail Khan, Fars said.

### [One killed in clashes in Egyptian capital](#)

CAIRO (AP) — Health and security officials say a protester has been killed in clashes between rock-throwing demonstrators and police near Tahrir Square in central Cairo.

### [Azeri Police Detain 50 as Protest in Baku Is Shut Down](#)

Police in Azerbaijan's capital Baku arrested nearly 50 people as they stopped a rally in support of anti-government protests and riots that hit the northwestern Ismayilli District this week.

### [Nigeria Condemns New MEND Threat](#)

The Nigerian government has condemned a new threat from the Movement for the Emancipation of the Niger Delta (MEND) - a militant group that has been claiming responsibility for attacks on oil companies, bombings and kidnappings since 2006.

In a threat made public over the weekend, MEND said it plans to attack Nigerian officials, South African companies, and oil reserves and refineries in Nigeria and beyond in response to the conviction of their former leader, Henry Okah, in South Africa.

### [Gazprom asks Ukraine for \\$7 bil for buying less gas than agreed in 2012](#)

Moscow (Platts) - Russia's Gazprom has asked Ukraine's state-run Naftogaz Ukrayiny oil and gas company to pay \$7 billion for buying less gas in 2012 than was stipulated under a contract, a source in Naftogaz confirmed Monday. "We have received the bill," the source said.

But the source could not confirm media reports that the Ukrainian company had no intention of paying the bill and is prepared to take Gazprom to court instead.

### [BP Starts Production from New Valhall Platform in Norwegian North Sea](#)

LONDON--Oil major BP PLC (BP) said Monday it has successfully started-up oil production from new facilities at the Valhall field in the southern part of the Norwegian North Sea, adding that production is expected to build up to around 65,000 barrels of oil equivalent per day in the second half of 2013.

### [Hess to Pursue Sale of Terminal Network and Exit Refining Business](#)

NEW YORK--(BUSINESS WIRE)-- Hess Corporation announced today that it will pursue the sale of its terminal network in the United States. Hess also announced that it will complete its exit from the refining business by closing its Port Reading, New Jersey refinery.

### [Swap-to-Future Conversion Has Regulators Studying Rules](#)

The U.S. Commodity Futures Trading Commission is reviewing whether energy futures contracts that are replacing swaps on the largest exchanges have enough transparency before they are traded, Chairman Gary Gensler said.

### [Coast Guard investigating potential oil spill in Mississippi River](#)

(CNN) -- Two tank barges loaded with light crude oil struck a bridge in the Mississippi River early Sunday morning.

The Coast Guard said it was trying to determine how many gallons may have been spilled into the river near Vicksburg, Mississippi.

### [Superior refinery owner considering Lake Superior crude oil loading dock](#)

The owner of Superior's refinery is considering building a loading dock on Lake Superior in or near the Twin Ports to ship crude oil on the Great Lakes.

"Calumet is currently assessing the viability of the project and gauging interest in the marketplace," Todd Borgmann, vice president of business development at Calumet, said in a statement released Friday. "We would expect to have this project fully operational during the shipping season of 2015 and are currently in talks with potential customers and partners."

### [Russia Arctic Natural Gas Shipping Route to Asia 10 Years Away](#)

Tanker transport of Russian Arctic gas through the Bering Strait to Asian buyers is at least 10 years away because of ageing infrastructure, vessel shortages and growing disputes over waterway rights.

Thawing sea ice caused by global warming has attracted energy companies to drill in the Arctic Ocean, an area mostly north of Russia containing 25 percent of the world's untapped hydrocarbons, according to estimates.

### [Fracking Comeback in U.K. as Browne Seeks Shale Bonanza](#)

Two U.K. drillers are taking the lead in exploring for the country's first shale gas after a moratorium ended, with one of them backed by ex-BP Plc (BP/) chief John Browne and the other soon to count China as an investor.

### [An Oil Boom Takes a Toll on Health Care](#)

WATFORD CITY, N.D. — The patients come with burns from hot water, with hands and fingers crushed by steel tongs, with injuries from chains that have whipsawed them off their feet. Ambulances carry mangled, bloodied bodies from accidents on roads packed with trucks and heavy-footed drivers.

The furious pace of oil exploration that has made North Dakota one of the healthiest economies in the country has had the opposite effect on the region's health care providers. Swamped by uninsured laborers flocking to dangerous jobs, medical facilities in the area are sinking under skyrocketing debt, a flood of gruesome injuries and bloated business costs from the inflated economy.

### [Mining the Deep Sea and Outer Space for a Mineral Bonanza](#)

From the early 1970s, the prospect of hauling up a boundless harvest of metal rich

nodules from the deepest ocean beds was touted as the answer to the world's increasing hunger for diminishing resources.

### [Electric Cars and the Power Grid: How Are They Coming Together?](#)

A recently released study from Pike Research projects annual global sales of electric vehicles will reach 3.8 million by 2020, growing by 40% annually. That growth, is from a very small base: the 23,461 Volts sold last year represented only about a third of a percent of all new passenger cars sold in the United States.

Although the initial numbers are small, the trend is worth watching, as some of the pieces of the electric car puzzle are finally fitting together.

### [Is There a Green Side to the Super Bowl?](#)

Opower, an energy consulting firm, compared the electricity use of 145,000 American households during last year's Super Bowl with consumption on other winter Sundays when the weather was similar. Power use was down by as much as 7.7 percent, depending on the region of the country. And in the West, where the game ended early in the evening, electricity consumption was depressed until bedtime.

### [Wind research study has potential to diversify state's economy, provide energy to California](#)

New transmission and generation infrastructure, relative to power generated by Wyoming's vaunted wind, would help diversify the state's economy with more high-paying jobs—both during the construction and operation phases—while providing economically priced renewable power to California, according to a recent study conducted by the University of Wyoming's Wind Energy Research Center.

### [European Offshore Wind Installations Increased 33% in 2012](#)

European nations connected 1,166 megawatts of offshore wind turbines to the electricity grid in 2012, an increase of a third on the previous year, the European Wind Energy Association said today on its website.

### [City of Solana Beach Teams with Chevron Energy Solutions to Cut Utility Costs](#)

SOLANA BEACH, Calif. /PRNewswire/ -- The City of Solana Beach and Chevron Energy Solutions have joined to implement a ground-breaking energy program expected to improve the city's streetscape, boost efficiency in city facilities, and save the city more than \$40,000 in its first year alone, all with minimal impact to the city's general fund. The \$1.4 million project is expected to trim the city's annual energy consumption by more than 350,000 kilowatt-hours by upgrading more than 500 streetlights to highly efficient LED technology; adding a new "cool roof" and more efficient heating, ventilation

and air conditioning (HVAC) to City Hall; and installing new efficient lighting fixtures at City Hall, the Fire Station and Marine Safety buildings. Solana Beach was one of first cities in San Diego County to pilot LED street lights, and is now the county's first city to complete a retrofit of all city-owned street lights to LED.

### [China's environment: An economic death sentence](#)

The hazardous conditions in Beijing and northern China is merely of one many wake-up calls for the Chinese government. Will it be enough to spark change?

### [An Ecolabel for McDonald's Fish Fare](#)

McDonald's has signed on with the Marine Stewardship Council to show that the fish it serves is caught in an environmentally responsible manner. While the fish is not changing, the deal will make the council's distinctive blue logo familiar to tens of millions of Americans for the first time.

### [Plans to 'trade' water to dry areas](#)

Ofwat has announced plans to persuade utilities to transfer more water to dry regions as part of proposals that will change the way it regulates the sector.

Despite four of the top five wettest years occurring since 2000, many parts of England have just experienced the driest 18 months for more than 100 years.

### [Groundwater fate and climate change](#)

(Phys.org)—Simon Fraser University earth scientist Diana Allen, a co-author on a new paper about climate changes' impacts on the world's ground water, says climate change may be exacerbating many countries' experience of water stress.

"Increasing food requirements to feed our current world's growing population and prolonged droughts in many regions of the world are already increasing dependence on groundwater for agriculture," says Allen. "Climate-change-related stresses on fresh surface water, such as glacier-fed rivers, will likely exacerbate that situation.

### [Rising seas shift bay agency's mission](#)

Leadership changes in regional agencies rarely attract attention, so it wasn't a big story last year when new people stepped into the top two posts at the Bay Conservation and Development Commission.

But this is an era when the commission's original reason for being - to keep vast portions

of San Francisco Bay from being filled by subdivisions and land-hungry local governments - is less of a threat than the rising sea levels that almost certainly lie ahead. This ecological shift demands a response, said the commission's new chairman and executive director, and it could place the 48-year-old agency back in the public spotlight.

### [Is Obama about to blow his climate credentials?](#)

The US president could be poised to approve the doubling of imports of tar sands oil, one of the filthiest fuels on Earth.

### [Russian row over Kyoto extension rumbles on](#)

A row over the extension of the Kyoto Protocol looks set to rumble on, after a group of former Soviet Bloc countries confirmed last week that they will take action against a controversial clause that would effectively force them to reduce emissions.

### [Filipino government makes climate change a top 2013 priority](#)

MANILA (AlertNet) – Faced with worsening extreme weather and studies indicating it is likely to be highly vulnerable to the impacts of climate change, the government of the Philippines intends to implement a series of laws in 2013 aimed at reducing disaster risk, improving clean energy production and adapting to climate shifts.

### [World Bank boss urges coal for poor countries](#)

World Bank president Jim Yong Kim is a vocal advocate of fighting man-made climate change. Two months ago he said he wanted to “shock” the world into aggressive action to halt “devastating” human consequences of failing to curtail carbon energy sources.

So some people might have considered it a little shocking over the weekend when, at the World Economic Forum annual meeting in Davos, Switzerland, he promoted the use of coal as a cheap energy source in poor countries. The World Bank’s mission is to reduce global poverty.

### [Make climate change a priority](#)

If there is no action soon, the future will become bleak. The World Bank Group released a report in November that concluded that the world could warm by 7.2 degrees Fahrenheit (4 degrees Celsius) by the end of this century if concerted action is not taken now.

A world that warm means seas would rise 1.5 to 3 feet, putting at risk hundreds of



millions of city dwellers globally. It would mean that storms once dubbed “once in a century” would become common, perhaps occurring every year. And it would mean that much of the United States, from Los Angeles to Kansas to the nation’s capital, would feel like an unbearable oven in the summer.

My wife and I have two sons, ages 12 and 3. When they grow old, this could be the world they inherit. That thought alone makes me want to be part of a global movement that acts now.

### [Major climate changes looming](#)

Washington -- In his inaugural address last Monday, President Obama made climate change a priority of his second term. It might be too late.

Within the lifetimes of today's children, scientists say, the climate could reach a state unknown in civilization.

### [Nicholas Stern: 'I got it wrong on climate change – it's far, far worse'](#)

In an interview at the World Economic Forum in Davos, Stern, who is now a crossbench peer, said: "Looking back, I underestimated the risks. The planet and the atmosphere seem to be absorbing less carbon than we expected, and emissions are rising pretty strongly. Some of the effects are coming through more quickly than we thought then."



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