



## Drumbeat: February 15, 2013

Posted by [Leanan](#) on February 15, 2013 - 9:15am

### [Shale LPG Poised to Make U.S. Net Exporter for First Year](#)

The U.S. is poised to become a net exporter of liquefied petroleum gases for the first year ever as shale-based energy production jumps, prompting new orders for specialized ships to haul propane and butane.

Daily LPG shipments equated to a record 194,000 barrels in last year's first 11 months, outpacing imports at 169,700 barrels, U.S. Energy Information Administration figures show. That's the first time the country was a net exporter in records going back to 1973, according to data compiled by Bloomberg.

### [WTI Crude Trims Weekly Gain; Open Interest at Record High](#)

West Texas Intermediate oil fell, trimming its ninth weekly gain in 10 weeks. Open interest for the U.S. benchmark grade rose to a record while a report signaled OPEC will cut crude shipments this month.

WTI fell as much 0.7 percent in New York, paring its advance this week to 1.2 percent. Prices gained 0.3 percent yesterday as the number of contracts outstanding rose to the highest level since the futures began trading on the New York Mercantile Exchange in March 1983. OPEC will cut exports by 0.9 percent this month, according to a tanker tracker. Data on U.S. industrial production later today is forecast to show a third-straight month of expansion.

### [South Korea LNG Imports Rise in January From Year Earlier](#)

Imports of liquefied natural gas into South Korea, the world's second-largest buyer of the fuel, rose 38 percent in January as demand for the fuel from power generators increased.

LNG shipments climbed to 3.98 million metric tons from 2.89 million a year earlier, data on the Korea Customs Service's website showed today. The monthly volume slid from 4.25 million tons in December.

### [East Coast looks to lure oil money as Alberta discounts bite](#)

CALGARY — The deteriorating price environment for Alberta's oil sands stands to spur development on Canada's East Coast, where new seismic work has uncovered three "very large" but highly prospective oil fields in the Labrador Sea.

The subsea structures, revealed after a two-year seismic program mapped an area equivalent in size to the Gulf of Mexico, are being shopped around to international oil companies as a promising new deepwater exploration frontier by Nalcor Energy, Newfoundland and Labrador's provincially owned energy company.

### [European 2014 Power Declines as Coal, Emissions Contracts Fall](#)

European power for 2014 delivery in Germany and France, the bloc's biggest power markets, dropped as the cost of carbon emissions and coal fell.

Baseload German 2014 electricity, for supplies delivered around the clock, declined for a second day losing 0.7 percent, while the French equivalent fell 0.8 percent, according to broker data compiled by Bloomberg.

### [Repsol LNG Sale Seen Delayed as Shale Goring Canaport](#)

Repsol SA's effort to sell a liquefied natural gas business for about \$2.7 billion has bogged down over its unsuccessful 25-year commitments to ship gas into Canada, two people familiar with the matter said.

Spain's biggest oil explorer has found that Canaport, its underutilized LNG import hub, was a hurdle to closing a deal, the people said, asking not to be identified because the sale talks are private. Royal Dutch Shell Plc has negotiated for the assets, which are mostly in southeastern Canada, Trinidad and Tobago, Peru and Spain, one of the people said.

### [Enbridge, Energy Transfer to jointly move crude to Eastern Gulf Coast](#)

(Reuters) - Enbridge Inc and Energy Transfer will work together to provide crude oil pipeline access to the eastern Gulf Coast refinery market from Patoka, Illinois, a crude storage and blending hub.

### [Eni Rises as Dividend Boost Offsets Quarterly Profit Decline](#)

Eni SpA, Italy's biggest oil company, rose the most in more than a month in Milan trading after boosting its dividend by 3.7 percent even after fourth- quarter profit declined on higher taxes.

Shares of the Rome-based company rose as much as 3.2 percent, the most since Jan. 2,

and were 3 percent higher at 17.8 euros as of 9:56 a.m.

### [Turkey to Iran gold trade wiped out by new U.S. sanction](#)

ISTANBUL (Reuters) - Tighter U.S. sanctions are killing off Turkey's gold-for-gas trade with Iran and have stopped state-owned lender Halkbank from processing other nations' energy payments to the OPEC oil producer, bankers said on Friday.

U.S. officials have sought to prevent Turkish gold exports, which indirectly pay Iran for its natural gas, from providing a financial lifeline to Tehran, largely frozen out of the global banking system by Western sanctions over its nuclear program.

### [Officials: Iranian commander killed by rebels in Syria](#)

An Iranian Revolutionary Guard commander has been killed inside Syria by rebels battling Iran's close ally President Bashar Assad, Iranian officials and a rebel leader said on Thursday.

Syrian rebels have repeatedly accused Tehran of sending fighters to help Assad crush the 22-month-old uprising, a charge Iran has denied.

### [Judge Accepts Transocean Settlement in Gulf Oil Spill](#)

A federal judge on Thursday accepted a guilty plea by rig contractor Transocean Ltd. for violating the U.S. Clean Water Act along with a \$400 million criminal fine for its role in the 2010 disaster at BP Plc's Macondo well.

### [Fracking undermines California's future](#)

A campaign by the oil and gas industry aims to persuade Californians that fracking - blasting water, toxic chemicals and sand into deep underground rock to extract oil and gas - will solve our state's fiscal and energy challenges. However you don't need to dig very deep to find that fracking will not secure our energy needs or grow our economy, but it will pollute our resources, worsen climate change and undermine efforts to build a clean energy economy.

### [Company chief pleads not guilty in brine dump](#)

The owner of a Youngstown company that injects "fracking" wastes into disposal wells pleaded not guilty yesterday to deliberately dumping thousands of gallons of the toxic mixture into the Mahoning River.

### [A Chinese Hacker's Identity Unmasked](#)

He monitored the activity for about three months, slowly identifying victim computers. By January 2012, Stewart had mapped as many as 200 compromised machines across the globe. Many were within government ministries in Vietnam, Brunei, and Myanmar, as well as oil companies, a newspaper, a nuclear safety agency, and an embassy in mainland China. Stewart says he'd never seen such extensive targeting focused on these countries in Southeast Asia. He broadened his search of IP addresses registered either by Tawnya Grilth or "her" e-mail address, jeno\_1980@hotmail.com, and found several more. One listed a contact with the handle xxgchappy. The new addresses led to even more links, including discussion board posts on malware techniques and the website rootkit.com, a malware repository where researchers study hacking techniques from all over the world.

### [Spying on Mexico's Carpoolers](#)

"Construction workers were buying houses an hour or more away from where they worked and there is no public transportation for them, so I started documenting how people used their cars," explained Cartagena about the project, "how they drive to work or drive home, how they personalize their cars based on the neighborhoods in which they lived, and I started looking down from buildings and bridges to see how cars looked. It's not uncommon to see the carpoolers, but I had never seen them from that perspective."

### [How Obama Wants the U.S. to Be More Like Saudi Arabia](#)

You've heard that the U.S. could, in the coming decade, produce more oil than Saudi Arabia. In his State of the Union speech, Barack Obama asked the country to act more like big oil producers such as the Saudis and Norwegians by skimming off some of that oil money and investing it in programs to bolster prosperity when the oil is gone.

### [Obama Clean-Energy Fund Would Gain If Oil Drilling Expanded](#)

President Barack Obama's proposal to fund clean-energy research with fees paid by oil and gas producers is renewing a debate over whether the promise of innovation tomorrow is worth expanding drilling today.

Obama's "Energy Security Trust" -- which he announced this week in the State of the Union address -- would redirect about \$200 million in royalties for drilling on federal lands to pay for the development of biofuels, electric batteries and cars and trucks powered by natural gas, the White House said yesterday. The trust would operate for 10 years and spend a total of \$2 billion.

### [Belgium plans to store energy in giant North Sea doughnut](#)

Belgium has proposed building a doughnut-shaped island in the North Sea to store its excess wind energy generated when demand for it is low.

Turbines will be built into the sand island built two miles offshore. Unused wind power would pump water out of the ring to empty the reservoir. When demand increases water will be allowed to re-enter through the turbines, generating electricity in the process.

### [Sicilian anti-mafia police make arrests over wind farm corruption](#)

ITALY: Italian police in Sicily have made five arrests, including a town mayor, following an investigation into work commissioned for two Iberdrola-owned wind farms near Messina.

According to reports, the arrests were made at the request of the Anti-Mafia Directorate regarding the development of the 64.6MW Nebrodi and 47MW Alcantara-Peloritani wind farms. The projects came online last year.

The charges include allegations that permits were held up to force the developer to use preferred suppliers and a failure to implement the criteria set out by the developer. Additionally, it is believed the materials were of a poor quality.

### [Nuclear Revival Dying in Europe as Power Prices Slump](#)

A Czech atomic-plant expansion planned near the German border had been one of the few prizes left for Europe's nuclear-power industry after the Fukushima disaster stopped projects from Switzerland to Romania.

Russian and U.S. contractors have prepared to bid for the \$10 billion contract to build two new reactors, Europe's largest competitive tender for a nuclear project. Now a combination of cheaper European power prices and carbon credits, falling demand for electricity and concern government support may falter leaves CEZ AS's project in doubt, analysts and investors said.

"The future of nuclear energy in Europe looks very dim indeed," said Mycle Schneider, an independent consultant on energy and nuclear power based in Paris. "Nuclear is too capital intensive, too time-consuming and simply too risky."

### [Florida city hopes manatees fill economic void left by retired nuclear plant](#)

CRYSTAL RIVER, Fla. - The decision earlier this month to retire a nuclear plant near this small Florida city - potentially costing hundreds of jobs and lost revenue - has residents banking on the lure of the endangered manatee.

"We'll always have tourism, we'll always have manatees. That's a huge draw," said Michele Bunts, manager of Cracker's Bar, Grill & Tiki, as employees wiped down tables

in preparation for the lunch crowd on the deck overlooking the sparkling blue waters of Kings Bay, the headwaters of Crystal River.

### [Why Beef Is Becoming More Like Chicken](#)

Last year, the already battered cattle business faced a crisis. Drought caused grain and feed prices to hit record highs, and feeding cattle became too pricey to be profitable in many parts of the country. Many ranchers sold off their cows for slaughter prematurely rather than spend more money to fatten them up. The drought created a perfect opening for Zilmax. Now, drug salesmen are roving Middle America, pitching Zilmax as an antidote to hard times in cattle country. With Zilmax, a feedlot owner can get more meat from a cow without feeding it any additional grain or letting it drink any additional water. According to one Zilmax salesman, using the drug could help a feedlot owner make about \$30 in additional profit per cow by adding about 33 pounds of extra meat to each carcass.

### [Environmentalists and the Military Should Play Nice](#)

Nicholas Makris was on a mission. His goal was simple enough: The acoustical engineer at MIT wanted to find some old Navy equipment to study the cod fisheries in the North Atlantic. The cod population seemed to be in trouble, and Makris wanted to take an accurate census and to see just how bad the situation was.

Makris thought he could do the job with a special type of sonar and other equipment used by the Navy during the Cold War to monitor the depths for Soviet submarines. It was 2002, however, and much of the equipment hadn't been touched for nearly two decades. Most of it was inoperable, and even the working paraphernalia was sitting in a warehouse and gathering dust. Ultimately, Makris and his team got the equipment back in working order, but it took a lot of time and money. "There's a problem when a technology is used for only one purpose and that purpose goes away," Makris said. "We need to take the sword and forge plows out of it or else the sword is going to rust."

### [Russian Navy Warplanes Start Arctic Patrols](#)

MOSCOW (RIA Novosti) - Russian Northern Fleet aircraft have started patrolling the Arctic Ocean on a regular basis, Defense Ministry spokesman Capt. First Rank Vadim Serga said on Thursday.

"So far this week, Northern Fleet aircrews have made three flights to the Arctic region," he said.

### [NASA Climate Scientist Arrested in Pipeline Protest](#)

Climate scientist James Hansen was arrested today outside the White House while



protesting the proposed construction of the controversial Keystone XL Pipeline.

### [Obama's Carbon 'Cavalry' May Help Revive EU Market, CEPS Says](#)

President Barack Obama's drive to protect the climate in his second term may help boost Europe's flagging carbon market, according to the Centre for European Policy Studies.

"Those that sell the emissions trading market short should think twice," said Andrei Marcu, a Brussels-based adviser at CEPS. "The cavalry may be on its way."

### [Rising sea levels more than just South Florida's costly problem, officials say](#)

South Florida lawmakers got a stark look Wednesday at how rising sea levels could dramatically change Palm Beach, Broward, Miami-Dade counties and the Keys in coming years, leading to calls for more state aid to stem the tide.

County planners and water managers from officials presented an 84-page action plan to regional legislators that was compiled last fall. While climate change has caused sea level to climb nine inches over the past century, that rate is accelerating and could advance an at least an additional nine inches over the next 50 years, analysts have concluded.

### [How New York City could cut emissions by 90 percent by 2050](#)

In a report that will be released on Thursday, the nonprofit Urban Green Council makes the case that the country's largest population centers needn't rely on a federal breakthrough. Specifically, the 51-page report, titled "90 by 50," finds that New York City could slash its emissions by a whopping 90 percent by 2050 without any radical new technologies, without cutting back on creature comforts, and maybe even without breaking its budget.

That's a far more aggressive target than even the city's own relatively ambitious goal of reducing emissions by 30 percent by 2030. How is it possible? The strategy has plenty of familiar components—electrifying the transit system, converting to renewable power sources. But it all hinges on one seemingly mundane yet surprisingly potent move: retrofitting almost every building in the city to keep the heat in during the winter and out during the summer. In a nod to Rudy Giuliani, Bill Bratton, and James Q. Wilson, I'll call it the "triple-pane windows theory" of greenhouse-gas reduction.



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