



Drumbeat: April 3, 2013

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[Inland U.S. oil refiners stung by renewable energy credits](#)

(Reuters) - Landlocked U.S. oil refiners short on capacity to blend ethanol are bracing for a spike in costs, unable to export their way out of a sudden rise in the price of renewable energy credits needed to comply with government requirements.

CVR Energy Inc and HollyFrontier Corp, inland refiners with limited capacity to blend biofuels into the pipeline, are suffering from a jolt to investor confidence while stocks of their coastal peers continue a two-year upward march.

Along with some East Coast refiners like PBF Energy Inc, they are at the sharp end of the uneven distribution of pain resulting from a hundred-fold surge in the cost of ethanol credits.

[Ethanol Strengthens Against Gasoline as Corn Stops Decline](#)

Ethanol strengthened against gasoline as corn halted its slide, signaling higher production costs for the biofuel.

[China to Surpass U.S. as World's Top Crude Importer, OPEC Says](#)

China is on course to overtake the U.S. as the world's top crude importer by 2014, as the Asian country's growing refining capacity boosts demand and America's fracking boom cuts the need for foreign oil, OPEC said today.

Imports to China may surpass 6 million barrels a day by the end of this year, according to an e-mailed report from the Organization of Petroleum Exporting Countries. U.S. oil imports declined 21 percent last year, according to the U.S. Energy Information Administration. Shipments may drop below 6 million a day in 2014, according to OPEC.

[WTI Crude Drops as U.S. Oil Stockpiles Gain](#)

West Texas Intermediate fell for the second time in three days after data showed U.S. crude stockpiles rose the most in four weeks and a government order prevented the restart of a pipeline to the Texas Gulf Coast.

[Heating oil in Northern Ireland 'up by 60% in three years'](#)

The Consumer Council has said the cost of home heating oil in Northern Ireland has risen by 60% in the last three years.

It is calling for the executive to take action and help families struggling to make ends meet.

[Gasoline Futures Decline as Maintenance Ends; Spreads Weaken](#)

Gasoline fell a third consecutive day as refinery maintenance lessened. Crack spreads and calendar spreads weakened.

[Gasoline Cargoes to U.S. Seen Increasing in Shipbroker Survey](#)

The number of gasoline cargoes booked on tankers for shipment to the U.S. will expand in the next two weeks, according to a Bloomberg survey.

Traders will charter a total of 34 Medium Range vessels for loading within the 14 days to April 16, according to the median in the survey yesterday of five shipbrokers and traders specializing in shipments of the auto fuel. That compares with 20 ships in the corresponding survey last week.

[Iraq Seeks to Boost Crude Exports to China as Oil Output Rises](#)

Iraq is seeking a long-term accord to boost oil exports to China as OPEC's second-biggest producer increases output from fields operated by companies such as Royal Dutch Shell Plc (RDSA), Oil Minister Abdul Kareem al-Luaibi said.

[India's MRPL asks for more Saudi oil in April](#)

Indian state-owned refiner MRPL has asked for more Saudi Arabian oil in April, according to an industry source close to the matter, as it awaits clarity from India's government on how it will insure plants using crude from sanctions-hit Iran, Reuters reported.

Indian insurers said in February they could no longer cover refineries processing Iranian oil as European reinsurers had stopped helping them hedge their risk. New Delhi and industry officials have been considering establishing a domestic reinsurance scheme, but it is unclear how that would be funded.

[Natural Gas Drilling Could Pick Up If Marcellus Shale Export Plans Are Approved](#)

PHILADELPHIA (CBS) - A Virginia based utility has announced plans to ship liquefied natural gas from the Marcellus Shale field in Pennsylvania overseas.

Dominion Resources has filed paperwork to convert a plant on the Chesapeake Bay that now imports gas into an export facility. They're just one of several companies seeking federal permission to deal with non-free trade countries like India and Japan.

[Stealth Moves Tankers 13,500 Miles in Dash for U.S. Gas](#)

Record U.S. exports of liquefied petroleum gas are spurring StealthGas Inc. to redeploy tankers as far as 13,500 miles to take advantage of one of the few capacity shortages in global shipping.

[Denver Oil Concern Withdraws Its Plan for Big Tank in Maine](#)

A Denver oil company that had proposed building a 14-story liquid-propane storage tank on the Maine coast abruptly withdrew its application on Tuesday, bringing to a sudden halt a contentious battle that had raged for three years in the tiny town of Searsport and its environs.

The company, DCP Midstream Partners, said that it would not file any appeals and that it was essentially done trying to do business in Maine.

[Nigeria's MEND Rebels Pledge Attacks on Oil Region](#)

The main rebel group in Nigeria's oil-rich Niger River delta said it's resuming assaults on Africa's biggest petroleum industry after its suspected leader, Henry Okah, was imprisoned in South Africa.

[S Korea's Kogas rules out delay to Iraqi gas field plans after attack](#)

Seoul (Platts) - South Korea's state-run gas developer Korea Gas Corp, or Kogas, Wednesday ruled out any delay to its plans to start commercial production in September 2015 at the Akkas gas field in Iraq, which was attacked by gunmen earlier this week.

"There was no major damage to the facilities at the field, and there will be no delay to the original plans," Song Kyu-Cheol, a Kogas spokesman, told Platts. "We will take measures to protect gas fields in Iraq from attacks," he added.

[Canadian militants who took part in Algeria Al Qaeda siege from 'middle-class backgrounds'](#)

OTTAWA/WASHINGTON // Two men from English-speaking Canada who took part in an attack by militants on a gas plant in Algeria in January were in their early twenties and from middle-class backgrounds.

[Why Western Oil Companies Love Myanmar's Moe Myint](#)

Myanmar boasts vast, untapped reserves of oil and natural gas, and with sanctions over and a world thirsty for new sources of energy, Western multinationals are eager to sign deals. Yangon plans to auction off new exploration licenses starting in September, but foreign companies must join up with a local company to bid. That's why Moe Myint and his oil company, the largest in Myanmar, are so in demand these days. "[We] have received a lot of interest from oil companies, including many majors, independents and investment groups," he says. "We will be partnering up with several Western multinationals to bid for offshore blocks."

[Adnoc awards \\$2.4bn Sarb contracts](#)

The first oilfield to be developed in Abu Dhabi without foreign shareholders is moving ahead with US\$2.4 billion (Dh8.81bn) in contracts awarded, including plans for falcon-shaped islands.

[Ukraine interested in renewing direct gas supplies from Kazakhstan](#)

Ukraine is interested in renewing direct gas supplies from Kazakhstan like those it was receiving before 2005, Interfax-Kazakhstan reports citing Ukrainian PM Nikolay Azarov as saying at the meeting with Kazakhstan first deputy PM Bakytzhan Sagintayev in Kiev.

"We are ready to expand cooperation in the use of transport, in particular the pipelines. I think that this is what Kazakhstan is interested in as well. It has sufficient oil and gas reserves and it could be traded with us not only via Russia, but also directly, the way it was before 2005. This would comply with the interests of both countries," Ukrainian PM said.

[TransCanada Seeks Customers for Mainline Oil Pipe Project](#)

TransCanada Corp., the company proposing to build the Keystone XL pipeline, is soliciting customer commitments to convert a portion of its Mainline natural gas system to carry oil from Western Canada to refineries in the east.

[Gazprom Sinks Below \\$100 Billion For First Time Since '09](#)

OAQ Gazprom is valued at less than \$100 billion for the first time since 2009 as concern Vladimir Putin's natural gas producer is being mismanaged fuels a rout in its shares.

[Governor of Japan's tsunami-hit area renews gratitude to Kuwait](#)

OFUNATO, Japan (KUNA) -- Governor of Iwate Prefecture Takuya Tasso on Wednesday renewed his gratitude to HH the Amir of Kuwait Sheikh Sabah Al-Ahmad Al-Jaber Al-Sabah and the Kuwaiti people for their support, including the donation of five million barrels of crude oil, following a magnitude 9.0-quake and ensuing tsunami that devastated northeastern Japan two years ago.

[A Rock and a Hard Place: California and the Monterey Shale](#)

Ten years ago, we were talking about "peak oil" and what we were going to do when the oil and gas stopped flowing and prices skyrocketed. Now the U.S. is having serious debates about whether and how to *export* its fossil fuels. We've got more coal and gas than we know what to do with, and oil appears not far behind.

All of this is due to advances in oil and gas development that have made recovery from shale rock economic.

[Norway Oil Fund Says Barriers to Free Capital Will Hurt Returns](#)

Norway's \$717 billion sovereign wealth fund signaled it risks missing out on returns based on global economic growth amid concern that barriers to capital movements and taxes on investments are spreading.

[Exxon spill: 'I saw a river of oil heading down my street'](#)

This past weekend, the tranquillity of a suburban housing development in Arkansas was brutally interrupted by a strange flood – one not of water, but of oil. A pipeline belonging to ExxonMobil ruptured, spilling thousands of barrels of crude oil into the town of Mayflower. Our Observer filmed this surreal scene before any emergency personnel had yet arrived.

[Pipeline Spills Stir New Criticism of Keystone Plan](#)

Two recent oil pipeline spills have prompted new criticism from opponents of the proposed Keystone XL project, while raising more questions about whether the federal government is adequately monitoring the nation's vast labyrinth of pipelines.

[Why the Arkansas Pipeline Spill Won't Hurt Exxon Mobil's Reputation](#)

Thousands of barrels of thick, black oil flowing like a river through a suburban Arkansas community. Residents evacuated. Pictures of birds and other wildlife coated in muck shared on the Internet. The EPA calls it a “major spill” and the state’s AG has just announced an investigation. The situation is a textbook corporate reputation crisis.

Only it hasn’t and won’t likely have much effect on Exxon Mobil’s reputation, and its PR strategy has nothing to do with it.

[Gulf Of Mexico Dolphin Deaths Point To Continued Effects Of BP Oil Spill, Group Alleges](#)

NEW ORLEANS (AP) — Continuing deaths of dolphins and sea turtles are a sign that the Gulf of Mexico is still feeling effects from the 2010 spill that spewed 200 million gallons of oil from a well a mile below the surface, a prominent environmental group said Tuesday.

The deaths — especially in dolphins, which are at the top of the food chain — are "a strong indication that there is something amiss with the Gulf ecosystem," said National Wildlife Federation senior scientist Doug Inkley.

[Treatment Plant for Waste in Nuclear Cleanup Has Design Flaws, Panel Says](#)

WASHINGTON — A treatment plant that the Energy Department is counting on to stabilize the radioactive waste at the nation’s largest environmental cleanup project, at the Hanford Nuclear Reservation in Washington State, has design problems that could lead to chemical explosions, inadvertent nuclear reactions and mechanical breakdowns, a federal advisory panel warned on Tuesday.

[Climate researchers claim nuclear power has prevented approximately 1.84 million deaths](#)

(Phys.org) — Climate researchers Pushker Kharecha and James Hansen (a NASA scientist and environmental activist) have published a paper in *Environmental Science & Technology*, in which they claim that using nuclear energy to create electricity instead of burning coal has resulted in preventing approximately 1.84 million deaths. Their numbers come from calculating how many people would have likely died due to air pollution over the years, but didn't, because electricity was created by non-air polluting nuclear power plants instead.

[Emissions Rules Put Alternative-Fuel Vehicles in a Bind](#)

THE Environmental Protection Agency’s latest proposed tightening of limits on sulfur in gasoline, and its previous rules, will most likely have the perverse consequence of retarding the development of cars running on batteries, advanced biofuels or hydrogen

— all promising but expensive technologies that have not become mass-market products.

[Tesla Touts 'True Out of Pocket' Financing for Model S](#)

Tesla Motors Inc. is adding lease- style financing for its Model S intended to broaden sales of the sedan as the maker of electric cars led by billionaire Elon Musk seeks to build on the company's first quarterly profit.

[Saudi takes the long view on energy](#)

The kingdom, which is losing potential revenues because of the high domestic consumption of fossil fuels, last year announced a revamp of its energy sector - which has sent the crisis-ridden solar industry flocking to the country.

In a white paper released in February by the King Abdullah Centre for Atomic and Renewable Energy, the plans were specified: 41 gigawatts of solar energy out of an overall renewables target of 54GW that will also draw on geothermal, wind and waste-to-energy projects by 2032.

[Age of renewables: Why shale gas won't kill wind or solar](#)

Rather than replacing renewables, the Citi analysts suggest that the shale gas industry will actually be dependent on the broader deployment of wind and solar for its future. That's because gas will be priced out of the conventional market in the short term, but will then be required to fill in the gaps as wind and solar are deployed more widely, and coal generation is shut down.

Far from competing with each other, Citi suggests renewables and shale gas will be co-dependent as the world's energy systems are weaned away from the baseload model that has dominated the industry for the last century. That is until forms of dispatchable renewable energy, such as solar thermal with storage, and technologies such as smart grids, push gas out of the market.

[BP to Sell U.S. Wind Business in Retreat to Fossil Fuels](#)

BP Plc, attempting to recover from an oil spill that may cost it \$42 billion, said it will sell its wind power assets in the U.S. in another step to focus on its main oil and gas business.

[Oregon: Groups Give Notice of Suit Over Coal Dust](#)

An environmental coalition on Monday charged that coal and coal dust spilled from railroad hoppers is polluting the scenic Columbia River Gorge, and pledged to sue mining

companies and the Burlington Northern Santa Fe Railroad if they do not halt the spills.

[Detroit Fire Trucks Dribble Water as Orr Weighs Costs of Safety](#)

Crews at Detroit's Engine 54 station chase fires on trucks with broken gas gauges, faulty air brakes and, in one, an odometer that reads 183,000 miles.

Budget cuts mean the company, bedeviled by false alarms and arsons of vacant buildings, must cover almost 50 square miles (130 kilometers) on the west side, said Sergeant Shawn Atkins. As he spoke, water splashed on the concrete floor from a truck's leaking 500-gallon tank.

[Survey: Frugality reigns 5 years after crisis](#)

BOSTON (AP) — The frugality and investing discipline that the 2008 financial crisis imposed on Americans appear to have led to permanent changes in behavior on money matters, according to a survey by the nation's second largest mutual fund company.

Spendthrift ways are unlikely to again become as pervasive as they were before the crisis, Fidelity Investments concluded Wednesday in releasing results of its "Five Years After" survey of nearly 1,200 investors.

[More Americans moving more, longer distances](#)

More Americans appear to be moving as a better economy and a stronger housing market take hold.

In January and February, 5.4% more households moved this year than last, based on data from the nine largest moving companies, says the American Moving & Storage Association.

[Fatal Landslide Draws Attention to the Toll of Mining on Tibet](#)

BEIJING — One after another, the bodies have kept coming. By Wednesday, rescuers had pulled 66 dead miners from the snow-covered rubble. They expect to find more.

The miners had traveled to a valley on the roof of the world to work in what a state news agency described last year as "a mining miracle." Now, the project in central Tibet has brought about one of the nation's worst recent mining disasters. On Friday, an avalanche of rock and mud tumbled down the walls of the Gyama Valley and wiped out a mining camp, burying 83 people.

[On the Montana Range, Efforts to Restore Bison Meet Resistance](#)

HELENA, Mont. — Free-roaming wild bison, once vital to the history, culture and ecology of the high plains and then hunted nearly to oblivion, are back at the center of a new debate as they compete with cattle for space on Montana's vast grasslands.

[Air Pollution Linked to 1.2 Million Premature Deaths in China](#)

BEIJING — Outdoor air pollution contributed to 1.2 million premature deaths in China in 2010, nearly 40 percent of the global total, according to a new summary of data from a scientific study on leading causes of death worldwide.

[Sandbag Season Has Fargo Thinking of a Better Way](#)

The almost-yearly floods have fed the sense of urgency that a permanent barrier is needed. A flood in 1997 devastated Grand Forks, N.D., about an hour north of here, but that city is now fortified by a series of flood walls. In a way, Fargo has been so successful in its makeshift defenses that it took a stretch like the recent series of floods to get people fed up.

“When you have a 100-year flood four years out of five, that’s a great challenge,” Gov. Jack Dalrymple said.

[Drought forecast: Bad to worse](#)

Drought conditions in more than half of the United States have slipped into a pattern that climatologists say is uncomfortably similar to the most severe droughts in recent U.S. history, including the 1930s Dust Bowl and the widespread 1950s drought.

The 2013 drought season is already off to a worse start than in 2012 or 2011 — a trend that scientists at the National Oceanic and Atmospheric Administration (NOAA) say is a good indicator, based on historical records, that the entire year will be drier than last year, even if spring and summer rainfall and temperatures remain the same.

[The Methane Beneath Our Feet](#)

Insouciant New Yorkers—here is another pending disaster to shrug off with characteristic brio! There is a huge, ongoing gas leak beneath your very feet. A team of natural gas experts recently commissioned to survey the New York system has found vastly elevated levels of methane in locations all over Manhattan, a clear indication that Con Ed’s 4,320-mile network of pipes, dating back to the 1800s, is corroded, full of holes, and spewing methane into the atmosphere. The main danger here is to planetary, not personal, safety: though it has received relatively little attention, methane, the primary component of natural gas, is second only to carbon dioxide on the list of

greenhouse gases that are inducing climate change.

[Least developed countries agree to cut greenhouse gas emissions](#)

In what could be a far-reaching move, the world's poorest countries say they are now prepared to commit themselves to binding cuts in their emissions of greenhouse gases. Until now, the 49-strong group of Least Developed Countries (LDC) have insisted the primary responsibility for tackling climate change through carbon cuts lies with industrialised nations, which emitted most of the carbon dioxide currently in the atmosphere.

[Climate change report a wake-up call: Combet](#)

Climate Change Minister Greg Combet says a new report is a wake-up call to those who deny global warming is a problem.

The Climate Commission's latest report warns that of extreme weather in Australia.

[Australian agriculture faces extreme weather risk: report](#)

Australia's most productive agricultural areas face a greater risk of extreme weather from climate change in coming decades, including a higher number of droughts, a report from the Climate Commission said on Wednesday.

Extreme weather events such as heat waves, floods, bush fires and cyclones are already becoming more intense, highlighting the need to take rapid action on climate change and to mitigate the impact, the report said.

[Top scientists agree climate has changed for good](#)

The nation's top climate scientists and science bodies have for the first time endorsed a major report that says Australia's climate has shifted permanently in some cases.

The peer-reviewed assessment notes that there is "strong consensus" around this central finding, and in some cases the weather has changed for good.

[Climate change threatens food security of urban poor](#)

The spectre of widespread hunger could return to haunt some of the world's largest cities as a result of climate change, a new report warns.

It says the combination of rising populations, soaring food prices and uncertain harvests

will impact heavily on what it calls the 'urban poor', who do not have direct access to food.

[Thousands Die Due to Climate Change Policies and Carbon Taxes as Friends of Science Bring Dr. Peiser from Global Warming Policy Foundation UK to issue Warning to America](#)

The UK's failed climate change policies are killing thousands during big freeze in the UK according to reports in major newspapers; a grim warning to North America on the perils of carbon taxes and forced closure of coal-fired plants. Dr. Benny Peiser of the Global Warming Policy Foundation will be guest speaker: "To Heat or Eat: Europe's Failed Climate Policies" May 14, 2013 in Calgary, Alberta at the 10th Annual Friends of Science luncheon.

['Cost of power may force jobs overseas'](#)

INDUSTRY leaders have warned that the Government is 'badly underestimating' the effect of energy and climate change policies on the ceramics sector.

The British Ceramic Confederation (BCC) said that while new Government analysis recognises that businesses are bearing the financial brunt of policy decisions, there are some 'serious exclusions' in costs in its assessments.

[Economist warns of 'radical' climate change, millions at risk](#)

WASHINGTON - The author of an influential 2006 study on climate change warned Tuesday that the world could be headed toward warming even more catastrophic than expected but he voiced hope for political action.

Nicholas Stern, the British former chief economist for the World Bank, said that both emissions of greenhouse gas and the effects of climate change were taking place faster than he forecast seven years ago.



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