



Drumbeat: May 18, 2013

Posted by [Leanan](#) on May 18, 2013 - 10:33am

[Energy Department approves expanded LNG exports](#)

The Energy Department gave a terminal near Freeport, Tex., permission Friday to ship liquefied natural gas to Japan, providing a new outlet for rising U.S. production of shale gas despite qualms of environmentalists and many domestic manufacturers.

The permit marks another step in the sudden reversal of fortune in the natural gas business. Less than five years ago, anticipating a worsening shortfall in domestic supplies of natural gas, the Freeport terminal on Quintana Island began operations as an import facility.

But advances in hydraulic fracturing techniques have unlocked new supplies of natural gas from shale rock. Freeport, like other import terminals, now wants to spend \$10 billion to retool the terminal so it can send gas abroad in liquefied form.

[US DOE Approves Second US LNG Export Project to Non-FTA Countries](#)

The US Department of Energy has authorized Freeport LNG Expansion, L.P. and FLNG Liquefaction, LLC (Freeport) to export LNG to so called non-Free Trade Agreement (non-FTA) countries. Subject to environmental review and final regulatory approval, Freeport is conditionally authorized to export up to 1.4 (Bcf/d) for a period of 20 years.

[Despite lacking FTA, Japan to get U.S. LNG](#)

NEW YORK – The United States said Friday it will allow exports of domestically produced liquefied natural gas to Japan and other countries to which it is not bound by free-trade agreements, authorizing a plan to deliver shale and other gases from Texas.

[WTI Crude Rises on Speculation Growth Will Boost Demand](#)

West Texas Intermediate crude advanced to a one-week high on signals that global economic growth will accelerate, bolstering fuel consumption.

Futures increased 0.9 percent as the Thomson Reuters/University of Michigan preliminary index of consumer sentiment rose to 83.7 in May, higher than any projection in a Bloomberg survey. A government report yesterday showed Japanese

gross domestic product grew 3.5 percent at an annualized pace, the most in a year.

[Soaring gasoline prices hurt Oklahoma City area retailers](#)

Ballard owns the Varsity Valero and Guzzlers convenience stores in Purcell.

Two years ago, he spent \$500 to upgrade his signs so they can display prices above \$4. He said he hopes he doesn't have to use them. But with wholesale prices soaring as much as 70 cents a gallon in the past five weeks, there seems to be no end in sight.

Convenience store owners throughout the state are facing the same challenge.

[Pemex Makes Third Ultra-Deep Find at Mexico Gulf Maximino Field](#)

Petroleos Mexicanos, the world's fourth-largest oil producer, made its third ultra-deepwater discovery on the Mexican side of the Perdido basin in the Gulf of Mexico.

Tests at the Maximino field where the crude was found are still being made and volumes are being assessed, Luis Ramos, a strategic planning manager at the Mexican state-owned oil producer's exploration unit, told reporters in Rio de Janeiro today, declining to give any estimate.

[Afghanistan to begin first commercial oil production](#)

Afghanistan expects to begin the first commercial oil production in its history in a little under two months.

The country's mining minister, Wahidullah Shahrani, has told the ABC processing will start at the Amu Darya basin in Afghanistan's north in July.

The project is operated by the China National Petroleum Corporation and is expected to eventually supply Afghanistan with its domestic energy needs so it can stop importing oil.

[Afghanistan turns to Australia for mining expertise](#)

Australia could help Afghanistan develop its fledgling mining industry and tap into mineral and energy reserves estimated to be worth trillions of dollars.

The country is eager to find a new source of revenue when international aid starts to decline and foreign forces withdraw next year.

[Liberia's Johnson-Sirleaf defends governance record](#)

Sirleaf, a Nobel Peace Prize winner and Africa's first freely elected female president in 2006, has won international acclaim for her "zero tolerance" stance against corruption and for turning around a country devastated by 14 years of sporadic civil war that ended in 2003.

Since then, Liberia's enormous resource wealth has attracted a flood of interest from foreign investors. The government has signed major mining and oil contracts including a \$1.5 billion deal with Anglo-Australian miner BHP. It has also signed offshore deals with Chevron Petroleum and Exxon Mobil.

[Ten Years After Invasion, Iraq Continues to Import Oil Products](#)

Former Iraqi oil minister Issam al-Jalabi says that although Iraq is an oil-rich country, it still imports petroleum products from abroad to meet its needs 10 years after the US-led invasion of the country.

Jalabi, an international energy expert, told *Azzaman* that annual imports of oil derivatives reached \$6 billion a few years after the occupation.

[Iran Wants More Money From You](#)

Americans spent more money on gasoline in 2012 than in any other year... ever. Meanwhile, here in 2013, retail gasoline prices spiked to \$3.60 a gallon on average -- \$3.94 on the West Coast -- the sharpest rise in prices seen in the past three months. And Iran is happy to hear it.

In fact, if the Islamic Republic has anything to say about it, Americans could wind up paying even more for gas than we already do. Right now, a barrel of benchmark crude costs about \$95. But over the weekend, Iranian Oil Minister Rostam Ghasemi was quoted arguing that "the price of crude oil [should] remain at about \$100." Ghasemi thinks that price "is fair, and Iran supports it."

[Turkey not halting Iran oil imports](#)

Turkish Prime Minister Recep Tayyip Erdogan says Ankara has not yet made any decision on cutting oil imports from Iran, despite US pressure to hinder the Tehran-Ankara energy cooperation.

Speaking at the Brookings Institution in Washington on Friday, the Turkish premier said the level of oil imports from Iran depends on his country's energy demand.

[South Korea reduces crude imports from Iran by half in April](#)

Baku. Real Jafarli – South Korea, the world's fifth-largest oil importer, cut crude shipments from Iran by 51 percent in April from a year earlier, customs data show, APA reports quoting Bloomberg.

[Pakistan wheat for Iran to pay electricity bill](#)

ISLAMABAD: Islamabad has authorised the export of 100,000 tonnes of wheat to Iran in trade not jeopardised by Western sanctions, to settle dues for electricity supplied to Pakistan's energy-starved border areas, the Commerce Ministry said yesterday.

[Van Rompuy voices concern at Europe's 'energy dilemma'](#)

European council president Herman Van Rompuy has voiced concern about Europe's "energy dilemma".

Opening the European business summit in Brussels on Wednesday, he said, "It's now becoming clear; eventually Europe may well be the only continent in the world to depend on imported energy.

"Already by 2035 our dependence on oil and gas imports will reach more than 80 per cent.

"This will have an impact on the competitiveness of our companies, and of our economy as a whole."

[Iranian President Could Attend Russia's Gas Forum in July](#)

MOSCOW (RIA Novosti) – Iranian President Mahmud Ahmadinejad is expected to visit Russia in July to attend the Gas Exporting Countries Forum (GECF), a spokesman for Iran's Embassy in Moscow said on Saturday.

The Iranian leader has accepted Russia's invitation to attend the event. "Now we are working on this visit, but the final decision has yet to be made," the spokesman told RIA Novosti.

[Why Venezuela is running out of toilet paper](#)

Right now, the scarcity index in Venezuela is at 21 percent – meaning that out of 100 basic goods, 21 of them aren't available on store shelves. Lines for commodities like milk, sugar, cooking oil, corn flour used to make arepas, and, yes, toilet paper, can often stretch down the block.

The flip-side of state-controlled prices, writes the BBC's Irene Caselli, is that poor Venezuelans can afford foods that they couldn't before. A kilogram of pasta costs 30 cents at government-run supermarkets. At private markets, it costs 10 times as much.

That has led to a drop in the number of Venezuelans who are undernourished, to less than 5 percent today, from 15 percent in 1999, according to the BBC.

[Oil-price manipulation: the next Libor?](#)

NEW YORK (CNMoney) - Some of the world's biggest oil companies may have a new mess on their hands.

The European Commission raided the offices of Shell, BP and Norway's Statoil this week as part of an investigation into suspected attempts to manipulate global oil prices spanning more than a decade.

None of the companies have been accused of wrongdoing, but the controversy has brought back memories of the Libor rate-rigging scandal that rocked the financial world last year.

[Wall Street Wins Rollback in Dodd-Frank Swap-Trade Rules](#)

JPMorgan Chase & Co., Goldman Sachs Group Inc. and the world's largest banks won rollbacks in final Dodd-Frank Act rules that promise to transform the private swaps market by increasing competition.

The Commodity Futures Trading Commission voted 4-1 in Washington today on rules determining how buyers and sellers must trade credit-default, interest-rate and commodity swaps in a \$633 trillion global market. The rule weakened a proposal by reducing the number of price quotes buyers must seek on swap-execution facilities after banks and asset managers said a five-quote requirement was onerous and would impair trading.

[South Stream to be Realized](#)

The Chief Executive of the South Stream Transport has brushed aside concerns over economic viability and technological challenges, stating that project to transport natural gas from Russia to the European Union is on schedule to be built by the end of 2015.

"It's a reality," Marcel Kramer told Reuters, adding that the company was close to concluding financing for the \$39 billion project by early 2014.

[These 3 Stocks Will Continue to Surge During the Shale Revolution](#)

Shale gas is a game changer. We are in the very early innings of this process and investors still have ample opportunity to position their portfolio to capitalize on the phenomenon. Stocks poised to benefit have already made strong moves, but substantial upside remains if one takes a patient, long-term approach. This is a secular story that will play out over the next decade. Thus certain stocks stand poised to reap outsized gains in the next decade, but they will still be at the whim of market psychology and prone to substantial volatility over short-term periods. Gains certainly won't be realized in a steady pattern and most likely via large upside moves followed by sharp pullbacks. But at the end of the day, the equities listed below will likely make the list of ten-year outperformers.

[BP, Transocean Are Sued by Texas Over 2010 Gulf Oil Spill](#)

Texas sued BP Plc, Transocean Ltd. and others involved in the 2010 oil spill, calling it the "worst environmental disaster" in U.S. history and becoming the fifth Gulf of Mexico state to file claims.

The state accused the companies of violating Texas environmental laws, and is seeking damages for economic loss, including lost tax revenue, as well as for harm to natural resources. Texas asked for civil penalties for every day of oil discharge and every barrel that was dumped into the gulf.

[A Black Mound of Canadian Oil Waste Is Rising Over Detroit](#)

WINDSOR, Ontario — Assumption Park gives residents of this city lovely views of the Ambassador Bridge and the Detroit skyline. Lately they've been treated to another sight: a three-story pile of petroleum coke covering an entire city block on the other side of the Detroit River.

Detroit's ever-growing black mountain is the unloved, unwanted and long overlooked byproduct of Canada's oil sands boom.

[Scaled-Back U.S. Fracking Rule Draws Qualified Praise](#)

Oil and gas industry representatives offered qualified support for a U.S. proposal to govern hydraulic fracturing on public lands that establishes federal oversight while deferring to state standards in some cases.

[Shell Reported Power Outage, Issues at Anacortes Refinery](#)

Royal Dutch Shell reported a power outage earlier this week at its Puget Sound refinery in Anacortes, Wash., and subsequent issues while restarting units, according to a filing with the Northwest Clean Air Agency released Friday.

[Enron's Jeff Skilling doesn't deserve a break](#)

The man behind the firm's massive collapse is seeking to shave as much as 10 years from his prison term. That would perpetuate a culture of fraud in the boardroom.

[Commuter Train Wreck Injures Dozens, Curbs Amtrak Service](#)

Two Metro-North Railroad commuter trains collided in Bridgeport, Connecticut, injuring dozens of people and limiting Amtrak service between New York and Boston in one of the worst U.S. passenger rail accidents since 2008.

[Is There Room on the Road for These Alternative Cars?](#)

Most of the world's roads are dominated by only a few auto brands. However, there is a multitude of automakers on the fringe that are trying daring new things with their vehicles. The question is whether they can ever share the road with the leading manufacturers' cars.

[2012 record-breaking year for wind power](#)

100 countries worldwide now produce electricity with wind power. So far, it's a boom that has mainly occurred in Asia, North America and Western Europe. Now, Eastern Europe and Latin America are getting involved.

Last year, more wind turbines were erected than ever before worldwide, according to statistics released today (16 May 2013) by the World Wind Energy Association (WWEA) in Bonn, Germany.

[Solar power a ray of hope for planet as carbon emissions rise](#)

Wind and solar are on the way to becoming so cheap that Lovins says: "It doesn't matter if we never run out of oil: we won't want to burn it anymore."

It's a comforting thought, but renewable power still has to fight the battle against determined big oil paymasters of powerful politicians.

[Planet Earth: A corporate world](#)

Which are the biggest companies in the world? Which corporations control them? How does their power compare with states?

[It's the End of the World but We'll Be Fine](#)

It's the end of the world as we know it, but the futurists feel fine. A new book explores the history of mass extinctions and how the human species can survive the next one. But will we survive?

[Who does the Mississippi really belong to?](#)

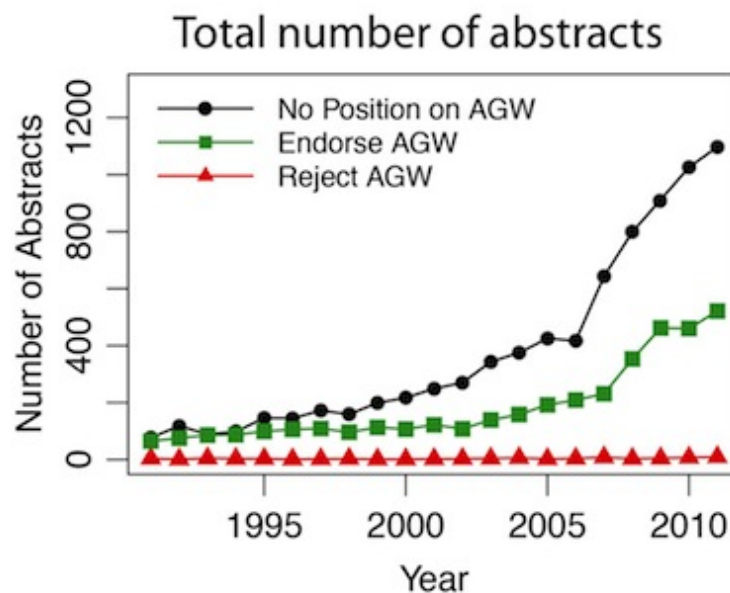
New Orleans — Consider this: It's spring 2025 and Louisiana officials are preparing to open three diversions on the lower Mississippi River so fresh water and sediment can reach wetlands struggling to stay ahead of sea-level rise.

But the river has dropped to a record low, and the Port of New Orleans warns taking so much water from the river will ground ships downstream of Venice.

At the same time, salty Gulf water moving upstream against the low river threatens municipal water supplies, as well as cooling intakes at oil refineries, chemical plants and power stations. They want the diversions to stay shut.

Meanwhile, all three uses of the river could be disrupted if Arkansas is allowed to open a structure on the river to send millions of gallons of water to Western states willing to pay top dollar to relieve a drought devastating farms and cities.

[Zombie climate sceptic theories survive only in newspapers and on TV](#)



Like a cardiac monitor warning of a soon-to-be lifeless patient, for more than 20 years the red line hovers around zero showing barely a flicker of life. Cook says they expected to see a rising number of papers which had "no position" and didn't feel the need to state

the obvious "just as geographers find no reason to remind readers that the earth is round".

In other words, the alternative arguments about the causes of global warming were already dead or dying 20 years ago.

Yet since then, climate science contrarians/deniers/sceptics have continually applied the defibrillator paddles to these failing theories in an attempt to bring them back to life.

[Busting the carbon budget: Kemp](#)

(Reuters) - Budgets are made to be broken - especially when they are written by politicians.

Unfortunately it seems the world is on course to break the carbon budget that scientists and policymakers agree is necessary to limit the rise in global temperatures to less than 2 degrees Celsius.

[UK's climate change adaptation team cut from 38 officials to just six](#)

The number of people employed by the government to work on the UK's response to the effects of climate change has been cut from 38 officials to just six, triggering accusations that David Cameron's promise to be the greenest government has been abandoned.

[Ignoring the cost of climate change is bad business](#)

In the financial markets, volatility is rising and all manner of derivatives are employed to hedge against potentially catastrophic losses. In the real world, the climate is becoming more volatile, yet cities and businesses – make that entire industries – are doing little to protect themselves from extreme weather.

[China opposes EU's aviation emissions levy](#)

Beijing (IANS) China has opposed the European Union's (EU) unilateral decision to incorporate international flights originating from countries outside of the EU into its carbon trading scheme, reported Xinhua.

[Forget pipelines – Canada must prepare for a post-carbon world](#)

Although many in Canada, both in the oil industry and government, may prefer to pretend that there are no climate-related limits, the rest of the world (and many Canadians) are waking up to the fact that projected global warming – due overwhelming

to our emissions of CO₂ from the burning of fossil fuels – poses a real and serious threat to the future well-being of the entire human race and of all life on this planet.

[Rebuilding the Coastline, but at What Cost?](#)

When a handful of retired homeowners from Osborn Island in New Jersey gathered last month to discuss post-Hurricane Sandy rebuilding and environmental protection, L. Stanton Hales Jr., a conservationist, could not have been clearer about the risks they faced.

“I said, look people, you built on a marsh island, it’s oxidizing under your feet – it’s shrinking – and that exacerbates the sea level rise,” said Dr. Hales, director of the Barnegat Bay Partnership, an estuary program financed by the Environmental Protection Agency. “Do you really want to throw good money after bad?”

Their answer? Yes.



This work is licensed under a [Creative Commons Attribution-Share Alike 3.0 United States License](#).