



DrumBeat: April 7, 2008

Posted by [Leanan](#) on April 7, 2008 - 9:01am

Topic: [Miscellaneous](#)

[Gasoline Demand to Drop for First Time Since 1991](#)

(Bloomberg) -- The U.S. will use less gasoline this summer than last year, the first drop for that season since 1991, said Guy Caruso, administrator of the Energy Information Administration.

Demand is expected to fall by 85,000 barrels a day, Caruso told reporters today at a Washington conference. In 1991, summer gasoline use fell 1.4 percent following a 9-month recession during George H.W. Bush's presidency.

[Canada is in the middle of a quiet oil boom](#)

Ft. McMurray, Alberta - With oil prices hovering near a hundred dollars a barrel, there's a major oil boom underway. It's not happening in the sweltering heat of Texas or the dry desert of Saudi Arabia, but on the frozen Canadian tundra where oil producers are developing a new source of fossil fuel.

[Kunstler: Rust and Sun](#)

Misfortune hit Wilkes Barre hard twice in recent history. The first time was one day in 1959 when coal miners working a vein under the Susquehanna River made an error in judgment and poked a hole up through the river bed, flooding miles of interconnected mineshafts under half the county. For days after that, workers threw in every kind of material at hand to close up the hole in the river bottom -- gravel, boulders, parts of old buildings, whole trucks -- but nothing availed until the mines drank up all the river water they could hold. That was the end of the anthracite industry in Wilkes Barre. More than 30,000 miners lost their paychecks forever.

[Bike-sharing services roll into the U.S.](#)



City commuters weary of stuffy journeys aboard buses and subways now have a better way to get to work, buy groceries and meet for a Saturday matinee. The bike-sharing programs that have transformed Europeans into two-wheeled travelers are now en route to the U.S.

[Regional nuclear conflict would create near-global ozone hole](#)

A limited nuclear weapons exchange between Pakistan and India using their current arsenals could create a near-global ozone hole, triggering human health problems and wreaking environmental havoc for at least a decade, according to a study led by the University of Colorado at Boulder.

[Oil jumps nearly \\$3 on Europe refinery trouble](#)

NEW YORK (Reuters) - Oil rose nearly \$3 on Monday to past \$109 a barrel as a fire at a European refinery stirred fresh fuel supply concerns.

Finnish refiner Neste Oil said repairs and maintenance on a diesel unit at its 200,000-barrel-per-day (bpd) Porvoo refinery would stretch through May following a fire on Friday.

The news pushed prices for London gas oil, a fuel closely related to diesel and heating oil, to a record \$1,005 a tonne and led U.S. heating oil and crude prices sharply higher on the New York Mercantile Exchange, dealers said.

[Gasoline prices add to record gains](#)

NEW YORK - Gas prices rose further into record territory Monday, pulled higher by resurgent oil futures and a growing belief that gasoline supplies are falling as the summer driving season approaches.

[Trees block solar panels, and a feud ends in U.S. court](#)

SUNNYVALE, California: Call it an eco-parable: one Prius-driving couple take pride in their eight redwoods, the first of them planted over a decade ago. Their electric-car-driving neighbors take pride in their rooftop solar panels, installed five years after the first trees were planted.

Trees - redwoods, live oaks or blossoming fruit trees - are usually considered sturdy citizens of the sun-swept peninsula south of San Francisco, not criminal elements. But under a 1978 state law protecting homeowners' investment in rooftop solar panels, trees that impede solar panels' access to the sun can be deemed a nuisance and their owners fined up to \$1,000 a day. The Solar Shade Act was an obscure curiosity until late last year, when a dispute over the eight redwoods (a k a Tree No. 1, Tree No. 2, Tree No. 3, etc.) ended up in Santa Clara County criminal court.

[Mexico's oil crisis stirs a political drama](#)

MEXICO CITY: A bitter debate over what to do about the ailing state oil monopoly has dominated national politics in Mexico in recent weeks, tapping strong emotions on both sides and resurrecting the political fortunes of the leftist leader who narrowly lost the 2006 presidential election.

[Shell chief favours cross-border cooperation over competition to cut CO2](#)

BRUSSELS (Thomson Financial) - Royal Dutch Shell Plc.'s chief executive Jeroen van der Veer said the group favours a scenario to reduce carbon dioxide (CO2) emissions which promotes cross-border cooperation rather than countries rushing to secure energy resources for themselves.

[Global Warming gets the cold freeze: Global warming hoax exposed by record global cold](#)

The recent Global Warming hysteria is in reality a geopolitical push by leading global elite circles to find a way to get the broader populations to willingly accept drastic cuts in their living standards, something that were it demanded without clear reason by politicians, would spark strikes and protest. The UN's latest IPCC report on Global Warming calls for diverting a huge 12% of global GDP to "prevent the harmful effects of climate change." The UN report, for example, estimated that its recommendations to reduce certain manmade emissions would cost about \$2,750 per family per year in the price of energy.

...Cheney and his close Houston friend, Matt Simmons, propagated the myth of Peak Oil to lull populations into accepting the inevitability of \$100 a barrel or even higher oil prices. In the meantime, the relative strength of the Big Oil and the related US military

establishment grew with higher oil prices.

[Energy Secretary says pump price may hit \\$3.50/gallon](#)

WASHINGTON (Reuters) - Energy Secretary Sam Bodman said on Monday he is concerned that average U.S. gasoline pump prices could hit \$3.50 a gallon this summer, and said he is "optimistic" that OPEC will come to the rescue of U.S. drivers.

..."I have repeatedly asked that there be an increase," Bodman said. "They have so far chosen not to do it. I remain optimistic."

[Anadarko Bids Adios To Venezuela](#)

Anadarko is happily handing over its Venezuelan operations to PetroFalcon at a fire-sale price. The seller has been wanting to divest for awhile as Hugo Chavez's bully tactics and nationalizing sticky fingers make operations in his territory very risky business.

[Get Ready for the Fall](#)

Apache: CAPS All-Star Research Lover defies what's lately become accepted Wisdom, declaring, "Great company, love that they recover from waning oil fields, adding value. But I think (unfortunately) peak oil isn't here yet and the market will realize this in short order."

[Gold not so glittering](#)

Mr van Kersen also warned against the impact of rising costs – up 24 per cent in the past year as higher fuel, spare parts and labour costs impacted.

That theme was taken up by veteran industry analyst, Peter Strachan who said "peak oil" posed a major threat to the industry. Mr Strachan said oil-reliant mechanisation would stem any future growth in gold production volumes.

[OPEC exports down 100,000 bpd 4 wks to Mar 23](#)

LONDON (Reuters) - OPEC seaborne oil exports, excluding Angola and Ecuador, fell 100,000 barrels per day (bpd) in the four weeks to March 23, mostly on slippage from Gulf producers, data released by Lloyd's Marine Intelligence Unit showed on Monday.

LMIU said shipments from 11 OPEC producers, including Iraq, fell to an average of

22.104 million bpd in the period, versus 22.201 in the previous four weeks to Feb. 25.

[Market may kill BP gas terminal](#)

Although BP lost the legal battle to build a liquefied natural gas terminal on the Delaware River, the more than two-year delay -- rather than its loss to Delaware in the U.S. Supreme Court -- could kill BP's project.

The London-based petroleum giant says it is still considering several alternative sites along the river outside Delaware waters, but industry experts and BP itself say radical changes in energy markets over the past two years make the project a greater financial risk.

The current global energy squeeze and approvals for other Atlantic Coast LNG terminals could determine BP's fate long before the next court fight or debate over risks to the public.

[Shell mulls floating LNG unit off Australia](#)

PERTH (Reuters) - Anglo-Dutch oil major Royal Dutch Shell is considering using floating liquefied natural gas (LNG) production technology for a gas field off Western Australia, a company executive said on Monday.

[Increased Energy Prices Slowing Global Economy](#)

As the price of energy grows, the connections become stressed and frayed. A world with more expensive energy is a less connected world. When you stop throwing cheap energy at an economy, its total growth slows down and the real growth becomes more isolated and selective.

[Record high gas prices force towns to adapt](#)

What towns expected for fuel costs were not record highs, and as the budget year winds down those budget lines are overspent. The new fiscal year begins in July and some towns may have to postpone construction projects until then to avoid a deficit.

"It does not bode well for the municipalities," said Bennington Town Manager Stuart Hurd. "When you're in the hole, you cut projects. We find ways to do less, we find other ways to conserve."

[ONGC To Acquire 40% Interest In Venezuelan Oil Block For \\$450 Million](#)

India's state-run Oil & Natural Gas Corporation Ltd. (ONGC) is to acquire a 40 percent participating interest in the San Christobal oilfield in Venezuela for about \$450 million, according to a government official.

[Petrobras to Spend \\$15 Billion to Double Oil Output](#)

(Bloomberg) -- Petroleo Brasileiro SA, Brazil's state-controlled oil company, will invest \$15 billion on overseas oil projects, aiming to double its crude oil production to capture growing demand in Asia and South America.

[Lula urges Brazil oil rig output despite costs](#)

RIO DE JANEIRO (Reuters) - President Luiz Inacio Lula da Silva backed on Monday national production of oil platforms to create jobs in Brazil even if it will cost state-run oil company Petrobras more than to lease them abroad.

[Indonesia plays down oil price hike impact](#)

"Should the subsidies rise, the hike could be financed from the increase of oil price itself. And should it is not sufficient, the hike would be financed from the cut of 10 percent of the ministries budget," Mulyani told a joint press conference after a cabinet meeting at the State Palace here.

[Power to the workers: South Africa's largest black empowerment deal](#)

South Africa's largest black empowerment deal to date has received a broad welcome. The Sasol transaction has set a new benchmark for future arrangements.

[Canada: China's shopping spree](#)

It has taken over three years, but a growing string of transactions suggests that China, in its quest to buy mining resources anywhere and everywhere, is back in town.

[India: Existing vehicles not ready for 10% blending](#)

The Society of Indian Automobile Manufacturers (SIAM) is conducting a study with the oil marketing companies to study the impact on existing vehicles.

These vehicles are not capable of running on 10 per cent ethanol-blended petrol as ethanol releases more heat and can corrode vehicle engines, experts say.

[Chile plans to dam Patagonia wilderness](#)

One of Patagonia's least-known waterways, the Pascua runs through an uninhabited area in southern Chile. It takes meltwater from the Patagonian Ice Field, the largest expanse of permanent ice outside Antarctica and Greenland, for 38 tumultuous miles through steep granite valleys to one of the many fjords that serrate the southern coastline.

"This valley is pristine and intact," said Sanger, 50, a campaigner at the Berkeley environmental group International Rivers. "Yet if the power companies get their way, this valley will be irreversibly damaged."

[Connecticut's Clean Energy Policy Creating Demand](#)

The aggressive policy in Connecticut, combined with similar requirements in neighboring states, is sparking an unprecedented demand for renewable power in the region. The idea is to prod alternative sources of electricity to spring up as all consumers pay more for the extra benefits of clean generation.

But even with a rush of proposals and widespread political support, there is a growing debate over whether the fledgling and disparate alternative energy industry can meet the rising requirements. Even at this year's level, some say it's a struggle.

[Striking a balance on climate warnings](#)

Are doom and gloom assessments on climate change helpful or harmful?

[A silver bullet for global warming](#)

"There is a silver bullet," he told the group gathered at the InterContinental. "No more coal."

In a coastal impact study that he co-authored with Kristina Kershner, Mazria notes that buildings account for 48 percent of energy consumption and building operations are responsible for 43 percent of U.S. greenhouse gas emissions. Add to this the facts that 76 percent of all electricity produced at U.S. power plants goes to buildings and that coal is a major source of inexpensive energy at these plants, and you can see the dilemma.

So, Mazria argues, make buildings more energy efficient and there won't be a need for additional coal-fired power plants.

[A Manhattan or Apollo Project for Energy? What Nonsense](#)

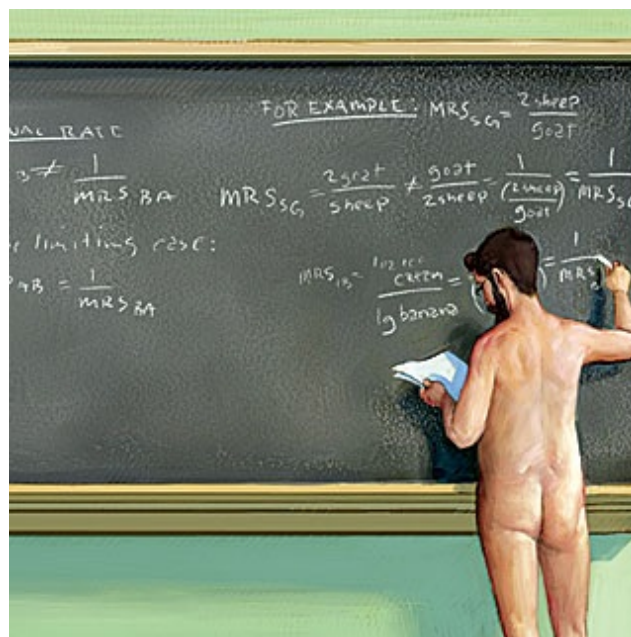
As handy metaphors for all-out government concentration on a clearly identified technological goal, Manhattan and Apollo are winners. But care should be taken in extrapolating their success to today's energy problems. The big difference is that Manhattan had one customer, the U.S. Army, and Apollo also had only one, NASA (with a pork-happy Congress cheering it on). The goals were clear: Beat the Nazis to the bomb and the Soviets to the moon. Financed with blank checks, run by chiefs appropriately referred to as "czars," and unimpeded by diverse political and economic interests, the two projects decisively proceeded to their successful conclusions.

In contrast, our energy and climate-change problems originate more in political, economic, and cultural entanglements than in technological deficiencies.

[Philippines: The rice shortage and the folly of blaming the Catholic Church](#)

Bring up the topic of an unmanageable population, a worrisome rice shortage, and other issues related to demography and soon some voice starts raving against the Catholic Church and its position against artificial means of contraception. We deftly play the blame game in this country. Someone must be blamed; some head must roll! That is of course much easier than taking to the couch to find out for ourselves what the matter might be with our collective psyche.

[The Economist Has No Clothes](#)



Unscientific assumptions in economic theory are undermining efforts to solve environmental problems

The 19th-century creators of neoclassical economics—the theory that now serves as the basis for coordinating activities in the global market system—are credited with transforming their field into a scientific discipline. But what is not widely known is that these now legendary economists — William Stanley Jevons, Leon Walras, Maria Edgeworth and Vilfredo Pareto — developed their theories by adapting equations from 19th-century physics that eventually became obsolete. Unfortunately, it is clear that neoclassical economics has also become outdated. The theory is based on unscientific assumptions that are hindering the implementation of viable economic solutions for global warming and other menacing environmental problems.

(see also [Brother, Can You Spare Me a Planet?](#))

[The Age of Scarcity?](#)

Rising populations. Skyrocketing commodity prices. Strains on natural resources. Is this our Malthusian moment?

Is the ghost of Thomas Robert Malthus stalking the global economy? Sad to say, it sure seems like it.

Malthus was a key figure in the 18th and early 19th century in developing modern mainstream economics. (And Darwin hit on the idea of natural selection after reading Malthus' *Essay on Population*.) But Malthus is best remembered for his grim argument that there is a tendency from "the wretched inhabitants of Tierra del Fuego" to "the beggars of Teshoo Loomboo" for population growth to outstrip resources.

[Peak Oil: Russia's oil production is coming down](#)

MOSCOW: Oil production in Russia, the second largest oil exporter in the world, is coming down drastically, says a new study.

Studies on Russian oil production by Aram Mäkivierikko say that the country has not been able to increase its oil production for three months in a row now. The production have been hanging slightly below the maximum of 9,93 Mbpd that was reached last year in October.

The report said if their oil production is stagnating, the impact is therefore going to be significant. Output has declined by between 0.5% to 1.5% for most major Russian producers, including the state-controlled Rosneft. Only LUKOIL and Tatneft managed to increase their output by 0.1% and 0.6% respectively.

[China to give crude tax rebate to help refiners](#)

BEIJING (Reuters) - China has agreed to grant a hefty tax rebate on crude imports to

help oil firms limit heavy refining losses, instead of increasing fuel prices that would stoke inflation, a government source said on Monday.

Under the scheme proposed by oil firms and endorsed by the State Council last month, Beijing is set to cut the 17 percent value-added tax on crude imports by three-quarters, said the official source familiar with the policy.

[Oil climbs more, OPEC sees no shortage](#)

"The biggest surprises could be on the supply side. Non-OPEC supply is just not going up this year," Paul Horsnell, oil analyst at Barclays Capital in London.

[Cost of gas up 5 cents in the last two weeks](#)

CAMARILLO, Calif. - A survey says the national average price for gasoline rose 5 cents over the last two weeks.

The average price of self-serve regular gasoline on Friday was \$3.32 a gallon, mid-grade was \$3.44 and premium was \$3.55. That's according to the Lundberg Survey of 7,000 stations nationwide released Sunday.

[China to cap power consumption of copiers amid energy saving drive](#)

BEIJING (Xinhua) -- China will soon promulgate energy consumption standards for copy machines to save electricity as a national power strain looms large.

Up to 10 percent of the current duplicators, which failed to meet the new standards, would be forced out of the market, said senior engineer Chen Hailong of the China National Institute of Standardization.

[Iran joined militias in battle for Basra](#)

IRANIAN forces were involved in the recent battle for Basra, General David Petraeus, the US commander in Iraq, is expected to tell Congress this week.

Military and intelligence sources believe Iranians were operating at a tactical command level with the Shi'ite militias fighting Iraqi security forces; some were directing operations on the ground, they think.

[Trinidad & Tobago: Sweet in we mouth](#)

n July of last year I wrote a series of articles linking Peak Oil (the increase in demand over foreseeable supply of petroleum) to our Government's revenue, tourism, food prices and availability, and in general the impact of the Government's fiscal policy on inflation and the Central Bank's open market response to this profligate spending.

[Londoners could pay \\$50 a day to drive in city](#)

LONDON - As New York commuters brace for possible charges for driving into the midtown area, they can at least be thankful they don't live in London, where Mayor Ken Livingstone has staked his re-election hopes on boosting the "congestion tax" to as much as \$50 a day.

[Forest destruction for palm oil continues in Indonesia: Greenpeace](#)

JAKARTA, Indonesia: Indonesia's peat land forests are still being cut down to make way for palm oil plantations despite government pledges to stop the destruction, the environmental group Greenpeace said Monday.

Indonesia is the biggest global emitter of greenhouse gases, blamed for global warming, through deforestation and third behind the United States and China in terms of total man-made emissions.

[Web site restores 'abortion' as search term](#)

BALTIMORE - A prominent public health school has restored the word "abortion" as an acceptable search term on a reproductive health Web site funded by a federal agency that restricts references to abortions.

The move by the Johns Hopkins Bloomberg School of Public Health follows criticism from some health advocates and librarians that the restriction amounted to censorship.

The restriction on the POPLINE Web site — "population information online" — had been put in place after inquiries by the United States Agency for International Development, which funds the site, according to a statement from Dr. Michael J. Klag, the dean of the Bloomberg school.

[Government failing to fund UK's nuclear clean-up, say MPs](#)

The Government is failing to provide adequate funding for the Nuclear Decommissioning Authority (NDA), the body responsible for cleaning up Britain's nuclear waste, a report published today by the House of Commons Business and Enterprise Committee says.

[Volt plug-in hybrid is 'No. 1 priority,' GM says](#)

DETROIT - General Motors Corp showed off its progress in developing the highly anticipated Chevrolet Volt and detailed its road map for bringing the rechargeable car to the market by 2010, an ambitious timeline challenged by some rivals.

"We are moving with incredible speed," Frank Weber, GM's vehicle line executive in charge of the Volt, told reporters. "This project is not concept work. This program is not theory. It is reality."

[New Flyer: A Clean Way to Play Extreme Peak Oil Scenarios](#)

When the supply of oil cannot grow to meet increasing demand, the price must increase to keep demand in check. However, the fastest growing consumers of oil are countries where the government subsidizes oil as an attempt to avoid civil unrest or political discontent. That means that demand destruction in developed markets must make up the difference for markets where demand destruction will not occur due to the lack of price signals.

[UK: Paper-bag trade protest at Government's supermarket curbs](#)

Britain's paper-bag industry is protesting against government plans to extend its proposed action against single-use carrier bags to include those made of paper, as well as plastic.

[Climate change increases cataract blindness risk: experts](#)

SYDNEY (AFP) - Climate change will increase the risk of people losing their sight through cataracts because of higher levels of ultraviolet rays, an expert said Monday.

[Asia will bear brunt of climate change-linked deaths: WHO](#)

MANILA (AFP) - More than half the annual estimated 150,000 deaths linked to climate change will come from the Asia-Pacific region, officials at the World Health Organisation said Monday.

Most of the fatalities will be the result of a greater incidence of diseases such as malaria, diarrhoea and malnutrition, as well as flooding due to changing weather patterns.

Shigeru Omi, WHO director for the Western Pacific region based in Manila, said "the impact of climate change will be felt more in developing countries," which have fewer resources to deal with it.

[Earth in crisis, warns NASA's top climate scientist](#)

WILMINGTON, Delaware (AFP) - Global warming has plunged the planet into a crisis and the fossil fuel industries are trying to hide the extent of the problem from the public, NASA's top climate scientist says.

"We've already reached the dangerous level of carbon dioxide in the atmosphere," James Hansen, 67, director of NASA's Goddard Institute for Space Studies in New York, told AFP here.



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