



DrumBeat: April 22, 2008

Posted by [Leanan](#) on April 22, 2008 - 9:10am

Topic: [Miscellaneous](#)

[Bush voices concern about record oil price](#)

NEW ORLEANS (Reuters) - President Bush Tuesday said he was concerned about record-high crude oil and gasoline prices, and said the United States needs to tap an Alaskan wildlife refuge to boost supply.

"I am obviously concerned for our consumers," Bush said at a news conference along with Canadian Prime Minister Stephen Harper and Mexican President Felipe Calderon.

...Bush declined a reporter's request to comment on whether big OPEC producers like Saudi Arabia were coming to the aid of U.S. consumers, but heaped praise on Canada and Mexico - consistently among the top five U.S. suppliers.

"Fortunately Canada and Mexico are our biggest providers, for which we are grateful," Bush said.

[New fuel economy standard will be 31.6 mpg](#)

WASHINGTON - The nation's fleet of new cars and trucks will be required to achieve 31.6 miles per gallon by 2015, the Bush administration said Tuesday.

Transportation Department Secretary Mary Peters outlined the plan on Earth Day, setting a schedule that was more aggressive than initially expected by industry officials.

[Changing the current](#) - *State environmental laws drive power producers to renewable resources*

WASHINGTON - The Imperial Valley of California is ideal country for solar and wind power. It rains less than three inches a year. Temperatures hit 110 degrees in the summer. The wind blows pretty steadily, too. And it's just east of San Diego.

Now, because of a California law requiring utilities to get 20 percent of their electricity from renewable sources by 2010, this untapped renewable-energy basin has caught the attention of Sempra Energy. The utility, based in San Diego, gets only 6 percent of its

electricity from renewable resources, so it has proposed building a transmission line to bring solar power from the desert to the city.

[Ineos refinery strike could shut-in 700,000 bpd of North Sea crude oil - BP](#)

The looming strike at the Ineos Grangemouth refinery in Scotland could reduce North Sea crude output by as much as 700,000 barrels per day (bpd), a British Petroleum spokesman said on Tuesday.

...'A full Ineos Grangemouth shut-down would impact essential services which are required to operate the Forties Pipeline System,' said BP spokesman Richard Grant in Aberdeen, adding that the complete closure of the pipeline remained a possibility.

[The petrol picture in Scotland](#)

Queues at the pumps have been reported in some areas of the country, while others are still waiting for the effects to bite.

Below is a round up of the situation in your area.

[US to Keep Filling Oil Reserve Despite Price](#)

The U.S. believes current crude prices are too high for consumers globally, echoing many analysts and other governments, but will continue filling its strategic petroleum reserve despite record prices, U.S. Deputy Secretary of Energy Jeffrey Kupfer said Tuesday.

"We see no need to change the policy," he told journalists here at an industry conference.

Kupfer said the U.S.'s strategic oil reserve was a vital cushion needed in order to make up for any big supply interruptions in the future.

[Oil must stay high if world to have enough supply](#)

ROME (Reuters) - Energy producers cannot halt a rally that has driven oil to nearly \$120 a barrel and the world might have to live with even higher prices if it wants supplies for the future, exporters said on Tuesday.

[Oil: How High from Here?](#)

"This (price spike) isn't an issue of supply and demand," says Joel Fingerman, principal of Chicago-based Oil Analytics, an energy consulting firm. "This is about money flow. It could stop here or at \$150."

In other words, traders are bidding up the price of oil. It's the downside, in one sense, of the scramble by the Federal Reserve Board to rescue the financial markets in the wake of the subprime mortgage meltdown. Since October, the Fed has been consistently cutting interest rates -- most recently on Mar. 18, and it's expected to do so again on Apr. 28. Each time it does so, the value of the dollar falls against other currencies. Traders react by investing in other commodities as a hedge against the falling dollar, and dollar-denominated commodities (such as oil) become more expensive.

[Home Prices Drop Most in Areas with Long Commute](#)

Economists say home prices are nowhere near hitting bottom. But even in regions that have taken a beating, some neighborhoods remain practically unscathed. And a pattern is emerging as to which neighborhoods those are.

The ones with short commutes are faring better than places with long drives into the city. Some analysts see a pause in what has long been inexorable — urban sprawl.

[Gas saving road trip tips](#)

How to take your family's summer trip and still have some money left when you get there.

[The Green Consumer: Myth or reality?](#)

When polled, most consumers overwhelmingly say they want to buy green, according to Joel Makower, head of Greener World Media and author of *The Green Consumer*. But they aren't actually doing it. According to the research, Makower says, "If it is green, consumers assume it isn't good." And that means, in many cases, green products are entering the marketplace with a deficit.

[Pakistan: LPG smuggling from Iran hurting local industry](#)

ISLAMABAD: Continued smuggling of Liquefied Petroleum Gas (LPG) from Iran is hurting the business of local industry, industry sources told Daily Times on Monday.

They said, "Local industry is being deprived of about 30 percent share of their business due to continued smuggling of LPG from Iran that is also depriving the national exchequer from billions of rupees in term of taxes."

[Natural gas company offers to fuel AEL&P generators for less money](#)

An Alaska natural gas company offered Monday to provide fuel to Alaska Electric Light and Power generators for between 30 and 50 percent less than the cost of diesel.

Following the avalanches that destroyed the Snettisham transmission line, AEL&P has provided about 85 percent of Juneau's electricity through diesel generation that consumes 100,000 gallons a day at an estimated cost between \$300,000 and \$400,000 per day - a cost fully passed on to the community.

[Australia: Electricity workers walk off job](#)

Electricity supplies were not expected to be affected in Ergon's areas of operation outside the southeast corner.

But there may be some disruption from a series of rolling stoppages by linesmen, mechanics and electrical fitters starting tomorrow, Electrical Trades Union (ETU) assistant state secretary Peter Simpson said.

[Climate Change: Comparing the Candidates](#)

The remaining Presidential hopefuls talk of transforming the economy to save the environment. But who would actually get the job done?

[Starving The Poor By Pandering To Big Ag](#)

This is not a negation of the energy crisis and the need for alternative fuels. Nor is it some silly pooh-poohing of pollution and all its ugly brood. What I take it to be is an appeal for sanity, for common sense, for adult judgment and choices among difficult potential solutions.

I also like to think that putting the gas tank and the stomach face to face, and demanding that we decide which is more important, is an existential challenge we as individuals and nations should have answered long ago but haven't bothered to this day.

[Examining Energy Consumption in the Data Center](#)

Mounting storage needs have led to soaring energy consumption, just as an energy crisis is looming. Can IT become more efficient before all the juice is gone?

[Major report links smog to deaths](#)

Short-term exposure to smog, or ozone, is clearly linked to premature deaths that should be taken into account when measuring the health benefits of reducing air pollution, a National Academy of Sciences review concludes.

The findings contradict arguments made by some White House officials that the connection between smog and premature death has not been shown sufficiently, and that the number of saved lives should not be calculated in determining clean air benefits.

[Disaster in progress: North America's home heating transition](#)

A 2006 report from the Northeast States for Coordinated Air Use Management, a nonprofit association of Northeast air quality agencies, found that average particulate emissions from one outdoor wood boiler equaled that of 22 wood stoves, 205 oil furnaces or as many as 8,000 natural gas furnaces.

[Unqualified experts create fear in market, says Naimi](#)

Saudi Arabia has dismissed claims that it is overstating its real oil production capacity and said resulting fears and speculation are to blame for the sharp increase in crude prices.

...“Take for example the issue of petroleum resources: all respected petroleum engineers, geologists and upstream professional organisations believe the world has enough resources to easily meet demand for at least the next 30 years.

“Yet, a handful of non-specialists are able to scare the world with theories about peaking oil reserves,” he said, in a reference to recent remarks by some analysts the world’s proven oil resources have reached their peak and started to decline.

[Saudi Arabia urges calm in face of surging oil prices](#)

ROME (Thomson Financial) - Saudi Arabia's petroleum minister Ali al-Naimi called for calm in the face of runaway oil prices on Tuesday, saying there was no imminent oil shortage.

'This is not the time to panic and grasp for exotic, unproven solutions,' he told the International Energy Forum being held here.

[UK: Panic buying at pumps](#)

A £15 fuel limit has been imposed at a Dundee city centre petrol station in a bid to stop panic buyers bleeding the pumps dry

[Coal isn't cool but our growth depends on it](#)

Thanks, Jim. What a good idea. Australia, with its abundant, high quality coal, should stop mining, exporting and using coal forthwith while we wait for carbon capture and storage (CCS in global warming jargon) technology to emerge. When might that be?

[UK: Gas and electricity prices rise by record one-day amount as oil cost hits all-time high](#)

Oil, gas and electricity prices hit fresh records yesterday, raising fears that the global economy is becoming "destabilised".

[How Many Earth Days Do We Have Left?](#)

Of all the resources needed to build an economy that will sustain economic progress, none is more scarce than time. That is one of the key messages of *PLAN-B 3.0: Mobilizing to Save Civilization*, the newest book by Lester Brown -- available as a free download at earthpolicy.org.

Plan A -- the western fossil-fuel-based, auto-centered, throwaway economic model -- is not going to work for China, India, or the 3 billion other people in developing countries, and it will not continue to work for the industrial countries either.

It's time for Plan B -- an all-out response at wartime speed proportionate to the magnitude of threats facing civilization.

[Solar Building a Wise, and Ancient, Philosophy](#)

The cheapest solar technology is just situating your home or office in the right direction when it's built. You don't have to be Socrates to understand the concept -- but it might help.

[The rising protectionist tide](#)

The current trend for countries to take increasing control over their own oil resources, forcing out the multinationals, is the one thing that could truly bring the "Peak Oil" nightmare to pass, a future in which we are condemned to use ever-diminishing supplies of oil without yet having discovered adequate substitutes.

Russian oil production, thought to be the great new "swing source" of non-Organization of Petroleum Exporting Countries expansion, appears to have peaked in the face of expropriation and embezzlement, while autarkic Mexico, Nigeria and Venezuela have all seen substantial recent production declines in spite of high prices. There are a few counterexamples: Iraq's oil reserves have doubled since grown-up oil companies were allowed back to explore there in 2003, while recent Brazilian oil discoveries have been substantial because Petrobras has become open to foreign exploration and production partners.

[Phil Flynn: Risky Business](#)

Good old fashioned risk premium revisited the oil market complex and growing fears of peak oil. Friday, after reports that Nigerian rebels blew up a key Nigerian pipeline, the bulls ran prices again to a new all time high. The trial of militant leader is underway and his group is pledging further attacks. For the first time in awhile the market focused on increased geo-political risk.

Yet with ample supplies and slowing demand the question is why oil still drives higher. Some strong handed bulls may be having their that it's the markets' realization that the world is just plain and simply running out of oil.

[Lack of capacity foils action on oil price - Libya](#)

ROME (Reuters) - A lack of spare global output capacity means very little can be done to tame record high oil prices, the head of Libya's National Oil Corporation Shokri Ghanem said on Tuesday.

"Very little can be done by anyone, there is not enough spare capacity to help," he told reporters. "At a price of \$115 everyone is producing what it can, equally there is no more demand either."

[Car Companies Target Customers \(And Each Other\) in Hotly Contested Asia Battleground](#)

Every automobile on the roads of the world reflects a long and complex chain of industrial production and energy usage. Yet we live in a world where many of the highest quality resources and energy supplies have already been exploited and lower quality resources are more expensive to extract and exploit, if they are even available. So the world's automobile industry is in the midst of a revolution in both resource availability and energy consumption.

[Lifestyle change](#)

Recently, protesting truckers slowed large sections of national highways to a halt. Around the same time, several airlines were closing or cutting operations. Meanwhile, car manufacturers were reporting some of their worst numbers in a generation.

A close look reveals that all three of these transportation problems -- and indeed many other non-transportation ones -- are tied together with a common bond, the ever increasing costs of non-renewable fuels such as oil.

[Peak Oil Price Trends](#)

Very clearly, the financial and mass media finds it is not 'politically correct' to explain high oil prices as due to oil simply depleting and running out.

[Envioredon! Is it time to start wishing for the end of the world?](#)

I would write off this hatefully regressive book as a fluke, unconnected to the environmentalism I know and love, if not for the resonances it shares with so many other green fantasies of the apocalypse. Kunstler and Weisman seem to relish the idea of an emptier earth—a longing that must have grown during eight years of Bush-era inaction on climate change and pollution. Their stories invite us to imagine how awesome the world would be if we could just live through one tiny apocalypse: Politicians, naysayers, and people who drive Hummers would get their final comeuppance.

[Promise of ethanol getting lost amid global food crisis](#)

With all the brouhaha over ethanol, its impact on food production and the near-record price of oil, the question I'm hearing the most these days is "what on earth are we going to use for fuel, then?"

How are consumers, investors and companies supposed to decide what to do when the best green fuel option has browned?

[Forget carbon: you should be checking your water footprint](#)

Ethical shopping just got harder – but the latest attempt to help conscientious consumers calculate their impact on the environment could do more to preserve scarce resources than all its predecessors.

The concept of water footprints – or "virtual water" – will tell consumers the amount of precious H₂O that has been used in the manufacture of products they buy. As with carbon footprints, a "virtual water" figure will indicate the extent to which a particular product has cost the earth. And, as with carbon footprints, the message is clear: less is better.

[Biggest onshore wind farm plan rejected](#)

Plans for Britain's biggest land-based wind farm were turned down by the Scottish government yesterday, in a landmark decision with wide implications for the future development of renewable energy in the UK.

The 181-turbine development on the Hebridean island of Lewis was vetoed by Scottish ministers because it was at odds with tough protection for wildlife sites afforded by European law.

[Capacity warning for oil producers](#)

The International Monetary Fund warned oil ministers on Monday that their expansion in capacity was failing to keep up with surging demand, leading to instability in the market.

John Lipsky, the IMF's deputy director, told a meeting in Rome: "While oil demand has remained robust, the supply side response to rising prices has been disappointing."

...Supply projections had been revised downwards, particularly for producers outside the 13 Opec nations, including Mexico, Russia, and the UK, he said. That, said analysts, left the biggest producers, such as Saudi Arabia, with a greater role in increasing capacity.

However, Abdullah al-Badri, Opec's secretary general, revealed that rising costs could delay some of the cartel's expansion plans for a year or two.

[OPEC Lays It on the Line at IEF: 'Increase Security for Demand'](#)

Organization of the Petroleum Exporting Countries (OPEC) Secretary General HE Abdalla Salem El-Badri addressed an audience at the 11th International Energy Forum (IEF), held in Rome April 21, where he spoke earnestly about the need for demand security in an "increasingly interdependent energy world."

The oil is there, said Badri, particularly in OPEC's Member Countries, but "minimizing uncertainty" by ensuring "appropriate demand conditions" is necessary to alleviate the investment fears of operators.

[Angola Overtakes Saudi Arabia as Biggest Oil Supplier to China](#)

(Bloomberg) -- Angola was the top supplier of crude oil to China in the first quarter,

ahead of Saudi Arabia, Iran, Oman and Russia as the world's second-biggest energy user boosted purchases to ease a domestic shortage.

Angola exported 8.48 million metric tons of crude to China in the three months ended March 31, about 688,000 barrels a day and 55 percent more than a year earlier, the Beijing-based Customs General Administration said today. Saudi Arabia shipped 8.18 million tons, a 38 percent increase.

[China sees 2008 power shortfall at 10 GW](#)

BEIJING (Reuters) - China's power demand this year could outpace supply by up to 10 gigawatts (GW), with temporary brownouts hitting parts of the south during the summer, the deputy head of the country's power regulator said on Tuesday.

China's power firms are building new power stations each year but coal burning generators are struggling with soaring fuel costs, an over-stretched domestic transport system and strong competition for supplies.

[Australia: National bonanza sitting on shelf](#)

AUSTRALIA may be sitting on an oil and gas bonanza after winning legal ownership of a slice of undersea territory five times the size of France.

In a landmark judgement by a United Nations commission, Australia expanded its borders by almost 35%, or 2.5 million square kilometres, including a seabed thought to harbour fossil fuels and minerals.

['Food crisis': world reaction](#)

Readers from around the world have sent their reaction to the rise in global food prices.

[Biofuels starving our people, leaders tell UN](#)

The leaders of Bolivia and Peru have attacked the use of biofuels, saying they have made food too expensive for the poor.

Speaking at the United Nations, the Bolivian president, Evo Morales, said the increased use of farmland for fuel crops was causing a "tremendous increase" in food prices.

[Eco-friendly events can leave large, unfriendly footprints](#)

Events with green themes are drawing unprecedented crowds — and often leaving crater-sized environmental footprints.

That's the message from concerned activists and consultants who are calling on organizers of everything from green conferences to environmental festivals to green up their own acts. At stake, they say, are more than the copious waste and carbon emissions that public events routinely generate. Lost in waste-intensive events are precious teaching moments and a measure of credibility for environmental initiatives.

[Marketing efforts may end up in green blur](#)

Earth Day — a day designed for promoting environmental issues — has been around for 38 years. But the annual event has been gaining visibility thanks to marketers seeking favor with increasingly green-conscious consumers through ad campaigns, press releases and websites that ballyhoo their eco-efforts.

[Oil hits new record above \\$118 a barrel](#)

LONDON (Reuters) - Oil rose to a record high above \$118 on Tuesday, boosted by a jump in oil demand last month from China, the world's second biggest energy consumer, and worries about supply from key producers Russia and Nigeria.

U.S. light crude for May delivery was up 25 cents at \$117.73 a barrel by 1108 GMT (7:08 a.m. EDT), easing from an all-time peak of \$118.05 hit earlier in the day.

London Brent crude was up 40 cents at \$114.83 a barrel, after rising to a record peak of \$115.03.

Oil has hit a string of record highs this month, driven by booming demand from emerging markets such as China that has coincided with long-term supply constraints.

[U.S. says high oil prices risky to economy](#)

ROME (Reuters) - Oil prices that hit a record on Tuesday are clearly too high and not beneficial for the U.S. economy, a top U.S. energy official said.

The United States has been remarkably resilient in the face of expensive energy, but a rally on oil to more than \$118 a barrel is an economic threat, U.S. Acting Deputy Secretary of Energy Jeffrey Kupfer told a news briefing.

[OPEC says it will lift production capacity by 5 mln bpd by 2012](#)

ROME (AFP) - The Organization of Petroleum Exporting Countries (OPEC) plans to lift production capacity by five million barrels per day by 2012, the cartel's secretary general Abdalla Salem El-Badri said here on Tuesday.

Speaking to reporters on the sidelines of the International Energy Forum here, El-Badri also said that the cartel aimed to boost production capacity by nine million bpd by 2020.

[Indian oil minister visits Pakistan for talks on Iran pipeline](#)

NEW DELHI (AFP) - India's oil minister Murli Deora was to hold talks in Pakistan this week on a seven-billion dollar transnational gas pipeline from Iran, a senior oil ministry official said Tuesday.

[Kazakhstan gears up for electricity shortages](#)

ASTANA (Reuters) - Kazakhstan plans to build new power plants and import more gas from neighbouring Uzbekistan to cope with an electricity deficit it is likely to face later this year, Energy Minister Sauat Mynbayev said on Tuesday.

The economy has grown by 10 percent a year on average since 2000, fuelled by booming oil and metals exports. A record-cold winter in early 2008 made the government cut supplies to some industrial consumers due to high electricity consumption.

[Arch Coal sees power shortages if plants not built](#)

NEW YORK (Reuters) - Electricity shortages are likely in the United States in two or three years unless more coal-fired power plants are built, the head of coal producer Arch Coal Inc said on Monday.

"We are heading toward serious shortfalls," Chairman and Chief Executive Steven Leer said during a conference call with analysts to discuss the company's first-quarter financial results.

"Much of the United States will fall below the 15 percent reserve level in '09," he said.

[Peak oil in Russia?](#)

Barclays Capital said it expected non-OPEC supply to be "at best very weak in 2008" and that it expected supply to actually fall, despite daily record high prices. OPEC producers do not have spare capacity to make up for the decline, which are thought to be worst in the North Sea and Mexico.

Russia, the second largest oil producer in the world after Saudi Arabia, has been producing less and less oil, and has seen a sharp drop in output since 2004, with a 7 per cent decline last year. Barclays Capital expects Russia's supply reduction to have significant ramifications in the global oil market.

[U.S. oil firms want Libya exempted from terrorism compensation law](#)

WASHINGTON: One by one, top executives of American oil companies met privately over the past year with the Libyan leader Muammar el-Qaddafi - often in his trademark Bedouin tent - as they lined up contracts allowing them to tap into the country's oil reserves.

But now, thanks to a law that threatens those deals, the new allies are working Capitol Hill. The American oil industry and the Libyan government, once a pariah in Washington, have hired high-profile lobbyists, buttonholed lawmakers and enlisted help from the Bush administration, all in an effort to win an exemption from a law that Congress passed in January that is intended to ensure that victims of terrorist attacks are compensated.

[Peak Oil: Why Oil reserves are depleting](#)

MUMBAI: Do you know what is Peak Oil and how the decline in oil production is affecting companies and countries across the globe?

[Peak oil problems need facing now](#)

AN audience at a recent meeting in Candelo was advised not to wait for the impacts of Peak Oil to hit Australia, but to plan and act now to cushion its effects.

The advice came from Cuban Permaculturist, Roberto Perez who works as an educator for the Foundation For Nature and Humanity, Cubas major environment organisation based in Havana.

[Climate projects prevented 135 million tonnes of CO2: agency](#)

OSLO (AFP) - Projects to reduce carbon dioxide emissions in developing countries have prevented 135 million tonnes of CO2 emissions from entering Earth's atmosphere so far, the Norwegian classification group Det Norske Veritas (DNV) said on Monday.

[Climate change talks 'heading for trouble'](#)

SINGAPORE (AFP) - Governments negotiating a new climate change treaty, due next year, remain far apart on many issues, and this should be a "warning sign" that the world is facing trouble, a top UN environmental official said Tuesday.

[Norway gives Tanzania funds to fight climate change](#)

OSLO (AFP) - A Norwegian aid package will give 500 million kroner (100 million dollars, 63 million euros) to Tanzania over five years to tackle climate change and deforestation, Norway's government said Monday.

Tanzania has one of the fastest rates of deforestation in Africa, which aggravates climate change, Prime Minister Jens Stoltenberg said in a statement released in Oslo.

[When Storms and Floods Menace Business](#)

Whether related to climate change or not, recent windstorms, floods, and other natural disturbances are causing greater losses than ever to U.S. multinationals, says Shivan Subramaniam, chairman and chief executive of FM Global. The Johnstown (R.I.) company insures about a third of the 1,000 largest U.S. corporations. Subramaniam says CEOs are going to have to do a better job anticipating disruptions to their global supply chains and information technology systems, among other steps, to avoid losing market share.

Happy Earth Day!



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