Drumbeat: March 3, 2010

Posted by Leanan on March 3, 2010 - 8:52am

Topic: Miscellaneous

#### Oil demand threatened by big shift to green policies

Green energy policies in the US and China could spell the end of growth in global oil demand, countering a widely held belief that the value of oil will only rise in the future, a US think tank says.

The new policies under consideration in the world's biggest oil-consuming countries leave the UAE and other Gulf exporters in a difficult position as they weigh investments of billions of dollars in new oilfields and export terminals.

Proposed policies that target carbon emissions by shifting energy sources away from oil and other fossil fuels are some of the most important variables in the oil markets, said Amy Myers, an energy expert at Rice University's James A Baker III Institute for Public Policy in Texas, which will publish a major study on the topic this year.

t year, according to a preliminary estimate released by state-owned Pemex today.

#### Gazprom says LNG can compete with shale

Russian monopoly Gazprom expects liquefied natural gas shipments to compete with rising output of shale gas in the US as the Russian producer aims to expand into the world's biggest energy market.

"Shale gas and LNG are competitive in one price range," Gazprom exec Alexander Medvedev said in an interview in Paris yesterday.

"The market will say who will be in the market and with what."

#### Exxon Urges U.K. to Keep Open Gas Market as EU Trading Expands

(Bloomberg) -- Exxon Mobil Corp., the largest U.S. energy company, said European natural-gas spot markets are growing and lawmakers in Britain and elsewhere shouldn't make changes that threaten their progress.

"We're seeing continued evolution to more trading at hubs on the Continent," Richard Guerrant, Exxon's director of Europe, Russia and the Caspian, said in an interview in Amsterdam yesterday. "All the reforms we've put in place over many years in Europe are starting to have an impact."

#### Petrobras Offering May Reach \$40 Billion, BNDES Says

(Bloomberg) -- Petroleo Brasileiro SA, Brazil's state-controlled oil producer, may raise as much as \$40 billion in its planned share sale, the head of the country's national development bank said.

#### **OPEC Likely to Hold Output Steady**

The Organization of Petroleum Exporting Countries is likely to keep crude output quotas unchanged at their March 17 meeting in Vienna as oil prices remain at satisfactory levels, a senior Gulf official said Wednesday.

"The prices are within OPEC's preferred range of \$70 to \$80 per barrel and if they stay the same until the meeting, we won't see any change in output," the official told Zawya Dow Jones.

## Clinton Hopes To Change Brazil's Mind On Iran Sanctions

U.S. Secretary of State Hillary Clinton is in Brazil today and although the stop is just one of six on her Latin American tour, her agenda in Brasilia sets it apart from all the others.

Clinton has made no secret of the fact that her top priority in Brazil is to convince President Luiz Inacio Lula da Silva to drop his opposition to a new round of sanctions against Iran in the UN Security Council.

## The price of Pakistan's generation shortfall

In Pakistan, the days of doing business by candlelight are far from over.

Power cuts in many areas of the country last as long as 16 hours every day, and consumers will be paying about 45 per cent more for electricity by the end of this month compared with last year as government subsidies are withdrawn. Ending the power subsidy might help the country get US\$6 billion (Dh22.03bn) of loans from the IMF, but it will deeply hurt the people of Pakistan.

The country's demand for electricity doubles about every 10 years, which implies that ensuring enough supply is essential for the economy to stay afloat, at least in theory.

With a population of more than 170 million, this South Asian nuclear-armed nation is the world's sixth-largest consumer market by population and a place of interest for many international investors.

# Utility cut power hours before fatal Detroit house fire

Detroit -- DTE Energy removed a gas meter and shut off electrical service at a west-side house hours before a fire ripped through the home Tuesday evening, killing three young children and injuring two other young siblings.

A meter reader noticed energy was being used at the house Tuesday afternoon on the 4900 block of Bangor near West Grand Boulevard and the service was cut, DTE Energy spokesman Scott Simons said.

Service was not legally on at the house since Dec. 11, Simons said. On that day, a previous resident moved and asked that service be shut off. No one had signed up to have service since then, Simons said.

# Warning biofuel targets may hit oil supply

Today's biofuels targets risk causing another oil supply crunch in the middle of this decade, a key report for the international energy ministers' meeting in Mexico this month has warned.

The report, which will be a central topic for discussion at the summit, says there is an "urgent need" to review existing biofuel policies. It says targets to boost the use of biofuels create uncertainty over future oil demand, and so ran the risk of prompting oil-producing countries to cut investments in projects needed to ensure sufficient oil supply once the world emerges from recession.

#### N. Koreans Need Food and Fuel, Not Trees

Each year for a day in North Korea, every able-bodied person, from children to senior citizens, is mobilized to plant trees. Under the leadership of municipal or provincial forestry officials, schools, businesses and other institutions in individual districts are allotted parcels of mountain sides where they are ordered to plant trees. Each North Korean has to carry larch, big cone pine and acacia trees on their back and plant them in paddy fields and barren patches of mountains.

Even before the 1990s when North Korea's food shortage worsened, many farmers cut down trees to create illegal paddy fields. Forestry officials make it a point to plant trees first in the illegal paddies, destroying the crops. Farmers pull the trees up again only to have to replant them on tree-planting day the following year. This process is repeated every year.

Shortages of food and energy in North Korea have turned the country's mountains into barren wastelands, and more and more people are cutting down trees for firewood, while most of the trucks in the North run on charcoal.

## Baker says more Iraqi oil good for stability

Iraq's expected transformation into one of the world's top oil producers will improve the Gulf's stability and US energy security, a former US secretary of state says.

James Baker, who served most recently as the head of an official panel to critique US strategy in Iraq, said yesterday that Iraq's drive to increase oil output would allow it to become a "more stable and peaceful country", and would not lead to the economic rivalry with other oil producers that some analysts had predicted.

### Russian Eurobond 'Makes No Sense' With Oil High, Troika Says

(Bloomberg) -- Russia doesn't need to borrow abroad at current oil prices and doing so would encourage wasteful spending, ultimately hampering the country's recovery, Troika Dialog said.

For the Russian economy "external borrowing does not make any sense," Evgeny Gavrilenkov, Troika's chief economist, wrote in a research note today. Foreign borrowing "would not only set a new benchmark for the bond market, but it would also create a new 'benchmark' for public expenditures."

#### A riddle, a rant, and the virtues of natural gas

What's the most pragmatic, pro-American, pro-jobs, bipartisan, economically feasible, environmentally-sound piece of legislation before congress right now?

If you said Health Care, go stick your head in an oven...its the Natural Gas Act aka HR 1835!

# Thinking About the Unthinkable: A U.S.-Iranian Deal

Iraq, not nuclear weapons, is the fundamental issue between Iran and the United States. Iran wants to see a U.S. withdrawal from Iraq so Iran can assume its place as the dominant military power in the Persian Gulf. The United States wants to withdraw from Iraq because it faces challenges in Afghanistan — where it will also need Iranian cooperation — and elsewhere. Committing forces to Iraq for an extended period of time while fighting in Afghanistan leaves the United States exposed globally. Events involving

China or Russia — such as the 2008 war in Georgia — would see the United States without a counter. The alternative would be a withdrawal from Afghanistan or a massive increase in U.S. armed forces. The former is not going to happen any time soon, and the latter is an economic impossibility.

Therefore, the United States must find a way to counterbalance Iran without an openended deployment in Iraq and without expecting the re-emergence of Iraqi power, because Iran is not going to allow the latter to happen. The nuclear issue is simply an element of this broader geopolitical problem, as it adds another element to the Iranian tool kit. It is not a stand-alone issue.

#### Carbon finance and the real world... will the US\$ still exist in 2020?

What better way to deal with the ever-growing, perhaps untreatable debt crisis of the former rich nations in the OECD group of countries, and deal with high priced oil, than to print and issue a new irredeemable paper and electronic fiat money? Oil producers, like energy consumers in the rich or formerly rich countries, and any creditor to these countries will have to get used to carbon money, because it is the Only Solution.

#### One Global Government

Remember that Great Recession? Combined with the dual hammer of Global Warming and Peak Oil, the coming economic turmoil can only be worse, much worse. I have already lamented the "canary in the coalmine" position of my State of Hawaii.

That is the fatal flaw of our society: we just cannot make any necessary decisions until it is too late. The resultant agony from another global depression, attack of aliens from Mars or some truly deadly virus, appears to be necessary before united action can be galvanized.

# The Infinite Energy Machine and the Myth of Green Energy

What if we suddenly had access to unlimited clean energy? Would that be a good thing, or would we simply use it to complete the biocidal program of industrial civilization? This little thought experiment suggests that our problem as a civilization is not lack of energy – it is lack of imagination, humility, and empathy. The core is rotten. We must find a better way.

#### Coal Wastes To Serve As Fertilisers

PAVLODAR, Kazakhstan (Bernama) -- For over 50 years of the existence of local coal deposits, millions of tonnes of coal wastes have accumulated around open-pit mines but officials in the city of Yekibastuz have found a solution to one of this most acute city

problems, reports Kazakhstan's Khabar news agency.

From now, these wastes "serve" as fertilizers.

Valeriy Yudin, fertiliser production director, said obvious results could be seen in the spring wheat fields where the volume of gluten increased by 25.5 per cent and the amount of grain also increased.

# Fuel Taxes Must Rise, Harvard Researchers Say

To meet the Obama administration's targets for cutting greenhouse gas emissions, some researchers say, Americans may have to experience a sobering reality: gas at \$7 a gallon.

To reduce carbon dioxide emissions in the transportation sector 14 percent from 2005 levels by 2020, the cost of driving must simply increase, according to a forthcoming report by researchers at Harvard's Belfer Center for Science and International Affairs.

The 14 percent target was set in the Environmental Protection Agency's budget for fiscal 2010.

#### Sault filmmaker rides the rails

"One hundred years ago, when we were connecting this country by rail, the rest of the world was in awe. Now, 100 years later in this economic downturn we're the only country that's not investing heavily in rail. How did we get to that?"

# BP to Start Building Three U.S. Wind Farms This Year and Next

(Bloomberg) -- BP Plc, which has eight wind farms in the U.S., will start building three more in 2010 and 2011 as it expects to begin profiting from the operations this year.

# Oil demand threatened by big shift to green policies

Green energy policies in the US and China could spell the end of growth in global oil demand, countering a widely held belief that the value of oil will only rise in the future, a US think tank says.

The new policies under consideration in the world's biggest oil-consuming countries leave the UAE and other Gulf exporters in a difficult position as they weigh investments of billions of dollars in new oilfields and export terminals.

Proposed policies that target carbon emissions by shifting energy sources away from oil

and other fossil fuels are some of the most important variables in the oil markets, said Amy Myers, an energy expert at Rice University's James A Baker III Institute for Public Policy in Texas, which will publish a major study on the topic this year.

## The last days of economic growth

Forsberg is very aware of peak oil, and behind his criticism of the growth cult there stands a man with an eye on the global and national energy situation, and with full knowledge of the fact that we will move towards more and more expensive energy in the coming decades. I happen to agree with Forsberg about much of what he writes, and when I read the book it felt like he had managed to beautifully formulate what I myself with peak oil as a starting point - tentatively had begun to write about elsewhere. Therefore, this text will basically be an abstract of Forsberg's book, even though I basically only treat selected parts of the book.

The cover photo (above) shows a picture of Las Vegas, an impossible city that may also serve as a metaphor for an impossible society and an unsustainable civilization. Las Vegas shines, flashes, beeps and sounds 24/7. A completely artificial environment where nifty watchmakers have even managed to "stop time" in order to entice guests to stay and gamble some more. And no one is cheated as *all actors* willingly play their roles on the Las Vegas scene while at the same time, this city in the middle of the desert, is a fragile colossus on clay feet, a city that could not exist without enormous subsidies of energy, food and water.

# As Saudis court Asia, U.S. thirst for Canada's oil grows deeper

Saudi Arabia is increasingly targeting its oil exports to fast-growing Asian economies, and Canadian producers are picking up the slack as Saudi exports to the U.S. tumble.

# Pemex to Pump 60,000 Barrels of Oil at Chicontepec

(Bloomberg) -- Petroleos Mexicanos, the state-owned oil company, said it aims to almost double crude production to 60,000 barrels of oil a day at the onshore Chicontepec field by year-end as it seeks to boost output.

The Mexico City-based company may drill 505 wells at Chicontepec this year, down from 794 wells in 2009, Carlos Morales, Pemex's head of exploration and production, said on an earnings conference call today.

# Mercedes Doubles 'Green' Spending in Battery Battle

(Bloomberg) -- Daimler AG's Mercedes-Benz unit, the world's second-largest maker of

luxury cars, will almost double investment on "green" technologies to take on BMW in the race to offer electric vehicles.

#### 20% of Denmark's energy needs supplied by wind power

Denmark is home to the largest offshore wind farm in the world and gets the highest proportion of its energy from wind turbines. Wind power in Denmark is sourced not only from large corporations like DONG Energy, but also from small cooperatives and individual or family-owned turbines.

#### Sweden to build 2,000 new wind turbines: minister

STOCKHOLM (AFP) – Sweden will build 2,000 new wind turbines over the next decade as part of a bid to dramatically increase its production of renewable energy, Enterprise and Energy Minister Maud Olofsson said Tuesday.

"Sweden has extremely good prospects for rapidly increasing the production of renewable energy, especially from the burning of biofuels, cogeneration plants and windpower," Olofsson wrote in a newspaper column.

## Drafting a detailed plan for rare metals

The stable procurement of rare metals is directly related to the future survival of companies that produce high-tech products and will be the key to strengthening the competitiveness of Korea's mainstay industries. Demand for high-tech products is rising rapidly, particularly due to a rise in consumption of rare metals. At the same time, supply conditions are aggravated due to the rising cost of exploration and mining as well as mounting geopolitical risks. With lingering concerns over the "weaponization" of rare metals by key countries, strategic approaches should be developed immediately, such as one that determines the selection of core items to be initially secured.

# Ontario 2020: Visionary speakers kick off conference on the future

Thomas Homer-Dixon, Chair of Global Systems at the Balsillie School of International Affairs, University of Waterloo, will discuss "Building resilience" and strategies for coping with an uncertain future.

# The Energy Lectures to host 'Purchasing & Financing Major Energy Contracts' New Perspectives in the Post Economic Crisis

Featuring a number of high calibre energy and environment keynote speakers, event highlights include a speech from Matthew Farrow, head of environment, CBI, who will

discuss 'Could a change of Government affect UK plc's energy strategy?' Also, David Porter OBE, Chief Executive of the Association of Electricity Producers, will investigate how energy security might affect the top 1,000 energy users in the UK. David Strahan, the award winning investigative journalist will deliver the lunch keynote, 'Peak Oil: Depletion of the Black Stuff'.

#### Could a water shortage bring peace to Cyprus?

GECITKOY, Northern Cyprus — When Cyprus lay dry and parched with drought in 2008, Senol Akmehmet had to buy water shipped in by truck to keep his goats and sheep alive. He couldn't plant any crops. The local reservoir, called Gecitkoy like Akmehmet's village, dried up and disappeared.

This winter the rains have been good and fish are again swimming in the reservoir. But the drought, which caused great hardship across the island, has pushed Turkish and Turkish Cypriot officials to move forward with a decades-long dream of building a massive underwater pipeline to bring water from Turkey.

#### "We are in the middle of earth's sixth extinction"

Global warming has triggered the sixth mass extinction of life on earth and this time human life is being threatened along with that of animals and plants due to man-made causes, Minister of Environment and Natural Resources Patali Champika Ranawaka said, addressing the Chamber of Pharmaceutical Industries on Monday.

# Jeff Rubin: We're all PIGS now

The fact of the matter is, wherever you go in the OECD, we're all PIGS now. That's because we mistook an energy shock for a financial crisis and bailed out everyone under the sun. But we are soon going to find out that today's bailouts are tomorrow's spending cuts.

The enormity of the government cutbacks that lie ahead is yet to be appreciated.

# U.S. Crude Oil Supplies Rose Last Week, API Report Shows

(Bloomberg) -- Crude oil inventories rose by 2.67 million barrels last week to 337.1 million, the American Petroleum Institute said today.

Supplies of distillate fuel, a category that includes heating oil and diesel, fell by 4.07 million barrels to 154.6 million. Gasoline inventories rose 909,000 barrels to 232.9 million.

#### Crude Oil Trades Near \$80 on Economic Optimism, Distillate Draw

(Bloomberg) -- Crude oil traded near \$80 a barrel after rising on a possible resolution to Greece's budget problems and as an industry report showed a decline in distillate supplies in the U.S., the world's biggest energy user.

#### Oil May Rise Above \$83 After 'Mood Swings': Technical Analysis

(Bloomberg) -- Crude oil is poised to break out of recent sideways trading pattern and may rise above \$83 a barrel, near a 14-month high reached in January, according to National Australia Bank Ltd.

# Peak oil crisis

Warning about an impending peak oil crisis has been sounded in a recently released report produced by the UK's Industry Taskforce for Peak Oil and Energy Security.

The report evoked interest in Western business circles and ongoing efforts show that a wider understanding of the problem is starting to take hold.

# Norway Gets Letter From Argentina on Falkland Drilling, DN Says

(Bloomberg) -- Norwegian authorities got a letter from Argentina expressing concerns about AGR Group ASA's involvement in U.K. plans to explore for oil off the Falkland Islands, Dagens Naeringsliv said, citing the Foreign Ministry.

AGR was contracted by London-based Desire Petroleum Plc to help with drilling in the area, the Oslo-based newspaper said.

#### Shell's Nigerian Kokori Station Is Attacked by Rebels

(Bloomberg) -- Royal Dutch Shell Plc's Kokori oil flow station in Nigeria was attacked yesterday as militants renewed operations against the energy industry in the southern Delta region.

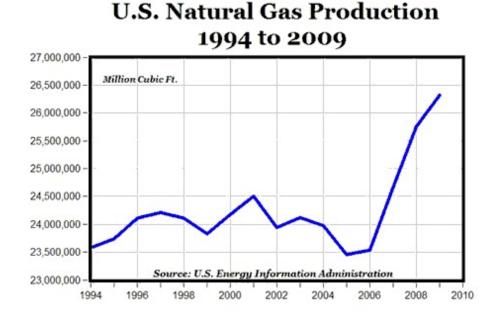
The People's Patriotic Revolutionary Force claimed responsibility for the assault in an emailed statement, saying it had begun "fresh and final hostilities in the Niger Delta and beyond." The group called on international oil companies to leave the region immediately.

## BP's Hayward Chases Exxon With Cost Cuts, Gas Output

(Bloomberg) -- BP Plc Chief Executive Officer Tony Hayward outlined plans to boost production and cut refinery costs as he tries to close the gap with Exxon Mobil Corp., the world's most profitable oil and gas company.

BP said yesterday it can increase production as much as 2 percent a year through 2015 as the share of natural gas in total output rises to 45 percent from 40 percent. It aims to improve underlying profitability in its refining business by \$2 billion over two to three years, Hayward told investors and analysts during the company's annual strategy briefing.

#### U.S. Natural Gas Hockey Stick: The Technology-Driven Energy Boom



This surge in domestic natural gas production over the last three years has enabled the United States to overtake Russia as the world's No. 1 producer of natural gas, and is all due to advanced drilling methods now being used to drill for gas through a type of rock known as shale.

#### Exxon Says 'Early Days' for European Alternative Gas Projects

(Bloomberg) -- Exxon Mobil Corp., the U.S. oil company that agreed to buy XTO Energy Inc. last year for its shale gas expertise and assets, said it's "early days" for unconventional natural-gas projects in Europe.

"We have to have realistic expectations about being able to extract commercial

quantities of natural gas from these unconventional resources," Richard Guerrant, Exxon's director of Europe, Russia and the Caspian, said today in an interview at the Flame conference in Amsterdam.

#### Russia moves closer to Iran sanctions

Russia's president said Moscow was ready to consider new sanctions on Iran for its nuclear defiance on Monday and the chief of the International Atomic Energy Agency warned that he cannot confirm that all of Tehran's atomic activities are peaceful.

President Dmitry Medvedev emphasized that he still hoped for a settlement with Iran on nuclear issues that would negate any need for a fourth set of U.N. Security Council sanctions. Still, his comments appeared to be the strongest sign to date that the Kremlin was prepared to drop traditional opposition to such penalties if Tehran remain obstinate.

## Planning is the big barrier for renewables

Onshore windfarms and anaerobic digestion (gas from waste and other feedstocks) facilities in particular often meet significant public opposition. And as it stands, the default setting for many local planning authorities is to reject proposals for renewable schemes.

According to wind and marine renewables lobby group BWEA, local council planning approval for windfarms fell to an all-time low of 25 per cent in October 2009. Anaerobic digestion plants seem to be fairing rather better, especially where they use crops grown specifically for the purpose, rather than waste.

The low conversion rate of applications, allied to the long lead times needed for building, means we are seriously compromising our ability to meet our targets.

# Brazil May Let Large Power Users Resell Electricity, Valor Says

(Bloomberg) -- Brazil may allow large electricity users to sell power that they contracted and don't need, Valor Economico reported, citing an Energy Ministry proposal distributed for public consultation.

# Energy savers may get rebates

President Obama on Tuesday revealed details of a program to boost the energy efficiency of the nation's homes, create jobs and cut energy bills.

The Home Star program, which needs congressional approval, envisions rebates of

\$1,000 to \$1,500, or 50% of the cost, for simple upgrades, such as windows and insulation, for a maximum of \$3,000 per home.

#### Obama's Nuclear Power Plan Cheers Koreans

South Korea kept building nuclear plants for decades. Its low-cost approach could benefit as the U.S. and others revive nuclear construction.

#### 10 Companies Reinventing Our Energy Infrastructure

When most people think about changing the way America uses energy, they imagine new ways of generating electricity like solar farms or new nuclear reactors.

But at an innovation summit organized by the Department of Energy's high-risk, high-reward research branch, ARPA-E (modeled after Darpa), it's not just power generation that's getting a makeover. The companies hawking their ideas there, which all received grant money from ARPA-E or were finalists, are trying to reinvent the entire energy system. Everything is getting a technological re-evaluation from the actual wires that power is transmitted on to the waste heat produced in industrial processes.

# Iberdrola Chooses Glasgow as Wind Farm Building Base, BBC Says

(Bloomberg) -- Iberdrola SA, Spain's biggest electricity company, chose Glasgow to be its global base for building offshore wind farms, the British Broadcasting Corp. reported, citing a company announcement.

#### Palm oil tested on sustainability

Whether the palm oil industry can, in fact, be part of the solution to deforestation is a proposition that divides palm oil producers, manufacturers, retailers, and, naturally, environmental groups. At one extreme, sustainable palm oil production is considered an oxymoron. The opposite fringe sees critics of palm oil as dupes of a developed-world plot against poor farmers, built on myths of species extinction and climate change, funded by palm's rival oil and fat producers.

# Survey: Munich has Europe's best public transportation; Paris, London lag

BRUSSELS — Munich has Europe's best public transport, according to a new study published Tuesday that finds commuters and visitors in 22 other cities face a range of quality in public information, travel times and charges.

The survey of 23 European cities found nine offering only "acceptable" bus, streetcar and metro services and said more must be done to make public transport an attractive alternative to driving a car into a city.

## Luxury hybrids take center stage

At the Geneva auto show, even high-end performance automakers roll out hybrid and plug-in cars.

#### Legislator proposes banning Japanese cars at Toyota hearing

A U.S. Senator said Tuesday that the U.S. should consider banning Japanese-made cars until Japan's government guarantees the vehicles have no defects.

That would be no different than Japan's multi-year ban on U.S. beef because of fears American cattle might be infected with deadly BSE, commonly called mad cow disease, said Sen. Mike Johanns, R-Neb., who was U.S. Agriculture Secretary during the dispute with Japan.

#### Secrets of sustainable living: urban eco-warriors

On 4 May 2007, one of the strongest tornadoes ever recorded ploughed through Greensburg, Kansas, levelling the rural town and killing eleven of the 1,500 residents. Storm chasers reported the twister to be nearly 3km in diameter, wind speeds hit 330km/h and insured losses alone totalled \$153m. Within hours of the disaster, the entire town was evacuated with the mayor of Greensburg stating 95 per cent of his community had been destroyed.

What has happened since is remarkable. Only days after the storm, the community gathered and decided to rebuild Greensburg as a model 'green' town for the future. The city council passed a resolution stating that all municipal buildings should be built to 'LEED platinum standards'. This, the highest rating in the US Green Council's 'Leadership in Energy and Environmental Design' green building rating system, marked a US first.

# Transition Town Canada has a distinctly local flavour

(PETERBOROUGH) Transition town is encouraging towns across Canada to tap into the collective creativity of their citizens.

A newly formed national group, chaired by Fred Irwin of Transition Town Peterborough, is hoping to provide guidance to towns who wish to 'transition.' The steering committee will educate and support communities interested in combatting issues of peak oil and climate change.

# Goat fans, cities butting heads

Herd the latest? Miniature goats, 'tame' as dogs, blaze trails in U.S. neighborhoods

Looking for a pet that can live in your urban yard, answers to its name, wears a leash for strolls — and might produce milk you can drink or turn into cheese?

Meet the miniature goat.

#### China Studying Environment Tax to Curb Pollution

(Bloomberg) -- China, the world's biggest emitter of greenhouse gases, is actively studying an environment tax to help curb pollution.

The proposed tax is being studied by the Ministry of Finance, the tax bureau and the Ministry of Environmental Protection, Pan Yue, a deputy head at the environment ministry, said in Beijing today.

# UN Climate Process 'Needs a Good Spanking,' Yvo de Boer Says

(Bloomberg) -- The process for reaching a global climate agreement "needs a good spanking," United Nations Climate Chief Yvo de Boer said today.

"More meetings does not mean success," de Boer, who steps down from his UN post on July 1, said today at the Carbon Market Insights conference in Amsterdam. "We need to get down to business."

#### Getting global warming right

Except for the glaring glacier mistake, most of the alleged errors are minor, and some may not be errors at all. A controversial claim that up to 40% of the Amazon rain forest could react drastically to even slight reductions in precipitation apparently came from a World Wildlife Fund report rather than a peer-reviewed study, but a leading Amazon researcher has since affirmed that the number is correct. Still, the fact that reports from popular science magazines and environmental advocacy groups could have found their way into a document of such magnitude suggests that the IPCC isn't living up to its own standards. So we applaud the panel's announcement that it is appointing an independent committee to investigate the matter and ensure adherence to scientific procedures.

#### Scientists Taking Steps to Defend Work on Climate

WASHINGTON — For months, climate scientists have taken a vicious beating in the media and on the Internet, accused of hiding data, covering up errors and suppressing alternate views. Their response until now has been largely to assert the legitimacy of the vast body of climate science and to mock their critics as cranks and know-nothings.

But the volume of criticism and the depth of doubt have only grown, and many scientists now realize they are facing a crisis of public confidence and have to fight back. Tentatively and grudgingly, they are beginning to engage their critics, admit mistakes, open up their data and reshape the way they conduct their work.

# Japan's Draft Climate Bill Omits Mandatory Limit on Emissions

(Bloomberg) -- Draft legislation for a new Japanese climate bill omits mention of a limit on emissions by industry, a sign Prime Minister Yukio Hatoyama's government may retreat from an earlier promise to start a cap-and-trade system.

Japan should start an emissions-trading program at an unspecified time to help cut emissions by 25 percent in the medium term, according to the draft, released by the Environment Ministry Feb. 26. The document doesn't propose a mandatory cap on emissions, and while it includes a possible carbon tax from 2011, it doesn't say which industries would be subject to it.

#### EU May Raise Emission Cut to 30% Even Without Global Treaty

(Bloomberg) -- The European Union will discuss raising its target to reduce greenhousegas emissions to 30 percent from 20 percent regardless of whether other countries agree to specific goals, a European Commission official said.

# Senate climate bill may drop cap and trade

The last best hope to get a climate-energy bill through Congress this year may be to drop long-held "cap-and-trade" plans for an economy-wide price on carbon emissions and instead target just the utility, transportation, and industry sectors of the economy.

That scenario, now emerging in the Senate, set energy industry officials and environmental groups scrambling to evaluate how to deal with new legislation that's being developed behind closed doors and whose details are still unknown.

(Bloomberg) -- President Barack Obama's top environmental regulator will testify before Congress today amid growing opposition to her agency's proposed limits on the pollution linked to climate change.

Lisa Jackson, head of the Environmental Protection Agency, will face lawmakers a day after Democratic Senator Jay Rockefeller of West Virginia called for a two-year delay on greenhouse-gas regulations and top House Republicans demanded they be stopped altogether.

# New research questions the IPCC

A new article was accepted for publication in Natural Resources Research. It contains new research that questions the IPCC and their biased assumptions regarding future fossil fuel production in the Emission Scenarios.

This work is licensed under a <u>Creative Commons Attribution-Share Alike</u> 3.0 United States License.