



FILL 'ER UP, EVENTUALLY

When cities across China began converting their taxi fleets from regular gasoline to natural gas, they figured that the changeover would be good for the environment, given how cleanly the gas burns. Unfortunately, Mother Nature has yet to give proper thanks.

It got cold in China this last November—unexpectedly cold. When early snowfalls increased heating demands in the country's northern regions, natural-gas shortfalls of as much as 40 percent in some areas forced manufacturing sites, office buildings, hotels, and other businesses to close. Although natural gas accounts for only 4 percent of China's energy consumption (compared to 24 percent worldwide), the nation's most serious shortage in almost a decade affected nearly every sector of local economies. Cab drivers, such as those pictured above in China's Chongqing Province, often waited two to three hours

in refueling lines that snaked for almost a mile. In Hubei Province, the government suspended natural-gas deliveries to companies and taxi gas stations, offering cab drivers a subsidy to switch to gasoline for the duration of the shortage.

The state-owned China National Petroleum Corp., the country's leading gas producer, notes that natural-gas consumption during the first two weeks of November was 56 percent higher than the same period the previous year. CNPC, which produces 80 percent of the country's domestic gas, claimed that its pipelines had reached full capacity, forcing it to ration gas. Critics blamed the government and the company for mismanagement, arguing that low profit margins caused by CNPC pricing caps had left little motivation to expand production to meet growing demand.

In the meantime, poor and working-class residents were left to shiver in their homes, hospitals—and taxis.

—VADIM LIBERMAN