



Issue 15, 2019

● [Trump Signs Orders to Speed Up Oil and Gas Pipeline Construction](#)

"President Trump signed two executive orders that he says will speed up construction of pipelines and other projects to enhance the production and transport of oil and natural gas between states and across international borders."

Why this is important: On April 10, 2019, President Trump executed two executive orders intended to accelerate natural gas infrastructure project approvals. Among other things, the first order addressed state water quality reviews, the acceleration of the renewal or reauthorization of energy infrastructure rights-of-way, leases and permits by federal agencies, and a report by the Secretary of Energy on potential federal initiatives to promote economic development in the Appalachian Region, including the petrochemical and other industries to diversify the Appalachian economy. The other executive order abbreviates the permitting time for cross-border energy infrastructure projects such as the Keystone XL Pipeline and transfers authority to approve such projects from the Secretary of State to the President. These orders are very likely to be challenged in the courts by some state governments and environmental groups. However, this is a welcome message to federal agencies to eliminate barriers to energy infrastructure projects and emphasize the preeminence of the United States' energy economy. --- [William M. Herlihy](#)

● [Wind Energy's Potential in WV Remains Untapped](#)

"With a total of six wind energy projects, West Virginia is ranked 26th in the nation in terms of its wind energy generation capacity, according to the American Wind Energy Association."

Why this is important: With the increasing focus on renewable energy nationwide, including commitments by many states and individual corporations to increase the percentage of renewable energy in their energy portfolios, West Virginia should move forward to capitalize on its wind potential, and assertively engage companies to build more wind energy projects in the state. Wind energy has substantial environmental benefits and advantages over other generation methods, and with the push to diversify energy generation, the state could see great economic benefit from its abundant natural resource. --- [Susan J. Riggs](#)

● [Energy Dept. Investing \\$100 Million in Near Zero Emissions Coal Plants](#)

"The Department's Coal FIRST initiative is helping the nation secure its domestic power supply by developing plants that are not only more reliable, efficient, and near zero emissions, but that can adapt to the changing electrical grid."

Why this is important: The U.S. Department of Energy plans to invest \$100 million in several smaller coal-fired electrical generation plants near zero CO2 emissions to reduce the carbon footprint of today's power plants. This could be a significant move as U.S. plants using traditional carbon capture have struggled financially. --- [Mark E. Heath](#)

● [Bernie Sanders Denies Closure of Vermont Nuclear Plant Increased](#)

[Emissions -- The Data Says Otherwise](#)

"But according to data published by Vermont's Department of Environmental Conservation, the state's emissions rose 16.3% between 1990 and 2015, which was twice as much as national emissions rose during the same period."

Why this is important: Moving to a low-carbon future through use of renewables is trickier in practice than in theory. Closing the Vermont Yankee nuclear facility resulted in an increase in carbon dioxide emissions, as fossil fuels took over the nuclear plant's role as a baseload power source. In the city of Burlington, renewable power is provided by a wood-burning biomass plant, which actually has emissions higher than a comparable coal-burning plant. --- [David L. Yaussy](#)

[Chevron Says Dutch Supreme Court Rejects Ecuador's \\$9.5 Billion Claim](#)

"The Supreme Court of the Netherlands dismissed Ecuador's attempts to annul decisions of an international arbitral tribunal that ordered Ecuador to prevent enforcement of a \$9.5 billion judgment against Chevron Corp anywhere in the world, the U.S. oil major said."

Why this is important: The judgment against Chevron in an Ecuadorian court resulted from fraudulent conduct on the part of the attorneys representing indigenous Ecuadorian people who claimed that Texaco, which Chevron purchased in 2001, polluted their soil and water. Attempts to collect the judgment in the United States were unsuccessful and led to discipline against the plaintiffs' attorneys. Although this matter involves the international recognition of judgments, it appears the Dutch refusal to enforce the judgment is the latest in a string of decisions that the judgment was obtained by fraud, and a harbinger that the judgment will never be collected. --- [Bryan S. Neft](#)

[Texas Mineral Resources Consortium Successfully Produces Multiple High-Purity Rare Earth Elements from Pennsylvania Coal Mining Waste Material](#)

"Minerals were purified to a 99.0% level, made available for Meeting participant inspection, and included scandium, dysprosium, neodymium, cerium and lanthanum."

Why this is important: In the past few years, there has been intense interest in finding rare earth minerals in coal refuse areas. A Texas company has just announced it produced significant rare earth minerals from Pennsylvania coal refuse. This could make many abandoned mine sites, including those with water treatment issues, valuable as a source for these rare earth minerals. --- [Mark E. Heath](#)

[Judge: How Can FERC Know Pipeline Impacts Unless It Asks?](#)

"Three judges, all nominated by Democratic presidents, appeared skeptical of arguments by the Federal Energy Regulatory Commission that its assessments of climate impacts from natural gas consumption and production associated with the projects it authorizes are 'generic' and 'inherently speculative.'"

Why this is important: Last week, FERC Chairman Neil Chatterjee took the position that the Commission lacks the authority to review the climate change impacts of natural gas pipeline and other infrastructure projects as a part of its oversight for the certification of such projects. Speaking at Columbia University's Global Energy Summit, Chairman Chatterjee commented that conclusions about the climate change impacts of natural gas projects under its jurisdiction are inherently speculative and unquantifiable. The next day, the U.S. Court of Appeals for the District of Columbia heard oral arguments in the appeals of FERC's approvals for the New Market Pipeline and Broad Run Pipeline projects. Questions posed by the Justices during oral argument could be interpreted to indicate their support of the consideration of climate change information in the FERC review process. The Justices are likely to issue their decisions in these appeals during the next few months. --- [William M. Herlihy](#)

[Lawmakers Warming to Green Power Mandates](#)

"Democrats on both sides of the Capitol are preparing a series of bills that would require utilities to generate a growing percentage of electricity from renewable or low-carbon sources."

Why this is important: As Democrats develop legislation to establish targets for meeting low-carbon electricity goals, what qualifies as an acceptable power source becomes a critical detail. By allowing "nuclear power, qualified natural gas, and electricity generated by clean coal" to count toward the goals, the new generation mix would appear very similar to the existing electrical grid supplies. --- [David L. Yaussy](#)

● [Construction of WV's First Gas-Fired Power Plant to Start This Summer](#)

"Following several years of planning, the developers of a natural-gas-fired power plant planned for a site in Clarksburg's Montpelier Addition hope to begin construction this summer."

Why this is important: Energy Solutions Consortium and Caithness Energy's Harrison County Power natural gas-fired power plant is slated to start construction this summer in Harrison County, West Virginia. Spilman Thomas & Battle represented Harrison County Power in obtaining its WV PSC siting certificate and other regulatory approvals. The 630 MW generation facility is West Virginia's first gas-fired power plant, and its substantial annual economic impact is expected to be about \$880 million. The plant will benefit West Virginia's natural gas industry and will support 400 construction jobs over the 24-month construction period and 30 highly paid permanent jobs during operation. --- [Susan J. Riggs](#)

● [No Clear Solution in Sight for Powder River Basin Coal Producers, Says Moody's](#)

"Deteriorating business conditions in the PRB have led to production cuts by some major producers, financial stress for producers with weaker credit quality and a very difficult market for lower heat coals."

Why this is important: The Powder River Basin has seen the greatest losses in production, and there appears to be no end in sight, according to Moody's. Cheap natural gas and competition from renewables continue to hurt coal producers in the region. Moody's believes these conditions will continue as it is unlikely producers will consolidate to reduce production. --- [Mark E. Heath](#)

● [Nord Stream 2 Expecting Denmark Approval](#)

"The Russian-led Nord Stream 2 gas pipeline company expects to receive approval from Danish authorities for a 180-km stretch of the pipeline under the Baltic Sea in time to finish the pipeline by the end of 2019 as planned."

Why this is important: The Russians are building a pipeline under the Baltic Sea to deliver gas to Northern Europe. That will allow Russia to bypass and avoid paying fees to its one-time Soviet republic, Ukraine, with which it is now at odds. The new pipeline also will compete with American LNG, which probably cannot be transported by ship to the region at the same low cost of pipeline delivery. Germany is strongly supporting the pipeline, as the gas is necessary for it to provide baseload power for its electrical grid, and fuel for its manufacturing operations. But it comes at a cost--greater Russian control of its energy supply. --- [David L. Yaussy](#)

● [Manchin Looks Ahead to Natural Gas Possibilities](#)

"The state's senior senator spoke highly of the work of Energy Secretary Rick Perry during a speech at the Charleston Coliseum and Convention Center."

Why this is important: The Trump administration has commissioned a report on the economic opportunities available in the Appalachian region with a focus on developing more natural gas production in West Virginia. Senator Manchin supports additional production and is seeking the help of the Department of Energy in this regard. This is part of the Trump administration's efforts to help those geographic areas that supported his election. --- [Bryan S. Neft](#)

● [WV Coal Industry Looking to Recover After Decade of Production Downturn](#)

"The industry reached a production peak in 2008, when nearly 158 million short tons were mined. Over the next decade,

production levels slowed until reaching a 40-year low of just 80 million short tons in 2016."

Why this is important: West Virginia coal production has increased to 100 million tons a year from its low of 80 million tons two years ago. Coal is now produced in 26 of 55 counties and employs 14,000 miners and 35,000 supporting workers in the Mountain State. These increases have occurred largely to strong metallurgical coal prices. While the market for steam coal is unlikely to grow as coal-fired electrical generation plants continue to close, the strong metallurgical market has led to new mines such as Arch Coal's in Barbour County that will employ 600 miners. --- [Mark E. Heath](#)

EIA Energy Statistics

Here is a round-up of the latest statistics concerning the energy industry.

PETROLEUM

This Week in Petroleum

Weekly Petroleum Status Report

NATURAL GAS

Short-Term Energy Outlook - Natural Gas

Natural Gas Weekly Update

Natural Gas Futures Prices

COAL

Short-Term Energy Outlook - Coal

Coal Markets

Weekly Coal Production

RENEWABLES

Short-Term Energy Outlook

Monthly Biodiesel Production Report

Monthly Densified Biomass Fuel Report

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