



Week of October 22, 2017

● [EPA to Restrict Scientific Advisers Who Get Agency Grants](#)

"Pruitt did not say how restrictive the policy would be. But it has the potential to greatly reduce the body of expert scientists who could serve on the boards that advise Pruitt and the EPA on matters like policy and enforcement."

Why this is important: There is a natural conflict of interest that can develop when persons who advise the EPA on policy and science are also receiving research grants from EPA. Secretary Pruitt is trying to eliminate that, and also moving to put a broader range of viewpoints on EPA advisory boards. --- [David L. Yaussy](#)

● [Wheeling Area Business, Community Leaders Await Ohio Cracker Decision](#)

"Matt Cybulski, director of Jobs Ohio's Shale Energy & Petrochemicals group, said they've been proactive, figuring that the Dilles Bottom site would have no shortage of suitors even if PTT were to bow out."

Why this is important: The building of an ethane cracker plant directly across the river from West Virginia's Northern Panhandle would maximize West Virginia's ability to capitalize on the wealth of the natural gas it sits atop. For decades, West Virginia exported coal without ever truly realizing the downstream economic benefits of its mineral wealth. Having an ethane cracker so close to its borders would finally put West Virginia in a position to realize the full economic benefits of its natural resources. The plant's location would mean an investment of billions of dollars in the region, generating thousands of construction jobs and approximately 500 permanent jobs, according to estimates. It could also attract chemical companies that utilize natural gas by-products in their production and could also significantly impact plastics manufacturing in the region. A decision on whether or not PTT plans to build the facility at Dilles Bottom in Belmont County, Ohio is likely to occur before the end of the year. --- [Ryan W. Weld](#)

● [Energy Safety Canada Launches New Brand Identity for Oil and Gas Safety](#)

"Energy Safety Canada unveiled its brand identity, one that helps define its role as the new national voice for oil and gas safety. Formed through a merger of Enform Canada and Oil Sands Safety Association, Energy Safety Canada brings together the best of both associations to accelerate improvements in safe work performance."

Why this is important: Aggressive safety programs are vital in reducing injuries to employees and lost production time for the employee and the production team. Joint efforts among stakeholders to ensure safety will reduce injuries and encourage industry-wide practices. Industry safety professionals and employee advocates should join efforts by API, OSHA, NIOSH, state regulators and state industry associations to promote general safety measures for the protection of oil and gas extraction workers. --- [H. Dill Battle III](#)

● [Australia's BOM Declares 'La Nina Watch' Over Coking Coal Producing Region Late 2017](#)

"Australia's Bureau of Meteorology declared a 'La Nina watch' across eastern Australia, predicting possible heavy rains in late 2017 in that region, which includes the primary coking coal producing region of Queensland."

Why this is important: Australia is the world's largest exporter of metallurgical coal, with Queensland state alone accounting for roughly 50 percent of seaborne trade. Significant rainfall in this region has previously flooded loading facilities and washed out railroad tracks causing disruptions in metallurgical coal shipments. These disruptions not only cause a spike in global met coal prices, they also force buyers to replace the delayed shipments with met coal from the United States. Thus, the La Nina watch is bad news for Australian producers and good news for U.S. producers. --- [Nicholas S. Preservati](#)

● [Coal Industry Tells FERC the Last Seven Years was a Catastrophe It Must Now Fix](#)

"The coal industry claims the last seven years was a catastrophe and federal grid regulators under the Trump administration are now bound by the law to fix by supporting Energy Secretary Rick Perry's grid plan."

Why this is important: During the Obama administration, 101,000 megawatts of coal fire power had been retired or slated for retirement -- equivalent to the energy demand of 75 to 100 million U.S. homes. The closures have had ripple effects throughout the coal mining and railway and barge industries. According to the submittal to FERC, critical baseload energy capacity will be lost if the agency doesn't take decisive action now. Large scale blackouts are a risk according to the submittal, which could cause billions in economic damages and potential injuries and deaths. --- [John C. \(Max\) Wilkinson](#)

● [Largest U.S. Grid Operator Opposes Rick Perry's Plan to Save Coal](#)

"The biggest U.S. grid operator is asking regulators to reject Energy Secretary Rick Perry's plan to prop up ailing coal and nuclear plants."

Why this is important: Department of Energy Secretary Rick Perry issued a Notice of Proposed Rulemaking ("NOPR") in which he requests the Federal Energy Regulatory Commission ("FERC") impose rules on independent system operators and regional transmission organizations to "ensure that certain reliability and resilience attributes of electric generation resources are fully valued." Essentially, this request amounts to Secretary Perry requesting that FERC establish a rule that will subsidize wholesale coal and nuclear generators with 90-day fuel supply onsite - if certain conditions are met. In addition to the critiques vocalized in this article, some critics of this NOPR also question whether there is actually a need for FERC to act and the reality of a final rule being issued within the stated 60-day requirement. --- [Lara R. Brandfass](#)

● [China has Grand Ambitions to Dethrone the Dollar. It May Make a Powerful Move This Year.](#)

"China is looking to make a major move against the dollar's global dominance, and it may come as early as this year. The new strategy is to enlist the energy markets' help: Beijing may introduce a new way to price oil in coming months - but unlike the contracts based on the U.S. dollar that currently dominate global markets, this benchmark would use China's own currency."

Why this is important: China has ambitions to invest in nearly every major market on the seven continents. It is obvious this sort of global economic muscle far out-weighs military might and the Chinese understand this issue and have pursued it. China has made major investments in Southeast Asia as well as Africa. It would love to capture a credible percentage of the Middle Eastern oil supply to substantially increase its global economic power. To counteract this sort of global economic expansion by China, the U.S. should accelerate the creation and permitting of LNG terminals and the pipelines that support them to substantially reinforce our ability to counteract this sort of global economic manipulation by China. --- [William M. Herlihy](#)

● [GAO: Climate Change Already Costing U.S. Billions in Losses](#)

"A non-partisan federal watchdog says climate change is already costing U.S. taxpayers billions of dollars each year, with those costs expected to rise as devastating storms, floods, wildfires and droughts become more frequent in the coming decades."

Why this is important: The Government Accountability Office ("GAO") is an independent, nonpartisan agency that works for Congress. It issued a report, as requested by Senators Collins (R-Maine) and Cantwell (D-Washington), titled "Climate Change Information on Potential Economic Effects Could Help Guide Federal Efforts to Reduce Fiscal Exposure." The report indicates the "federal government has not undertaken strategic government-wide planning to manage climate risks by using information on the potential economic effects of climate change to identify significant risks and craft appropriate federal responses." The report notes extreme weather and fire events have cost the federal government more than \$350 billion over the last decade with costs likely to increase as the climate changes. Without addressing the cause(s) of climate change, but recognizing the reality of it, the GAO recommends the appropriate entities within the executive branch of the federal government "use information on potential economic effects to help identify significant climate risks and craft appropriate federal responses." As the U.S. military is engaged in proactive planning for climate change impacts in both domestic and international contexts, the GAO is recommending the rest of the federal government undertake similar efforts. The impact on the federal budget of responding to natural disasters that overwhelm local resources is likely to be a greater drain that needs to be planned for and addressed. --- [Mark D. Clark](#)

● [Amazon's Jeff Bezos Just Opened a Massive Wind Farm in Texas](#)

"In a statement, the business said that Amazon Wind Farm Texas would add over 1 million megawatt hours (MWh) of clean energy to the grid annually."

Why this is important: Another large wind farm comes on line, promising more than one million megawatt hours of annual electric generation. It will be interesting to see whether the power is bid into the Texas grid without the benefit of subsidies. --- [David L. Yaussy](#)

● [Trump Administration Scrambles to Save Largest Coal Plant in the West](#)

"The Trump administration has until December to save the largest coal-fired power plant in the West, but the prospects for the plant burning coal after 2019 are questionable."

Why this is important: Arizona's Navajo Generating Station obtained a short-term extension on its life until the end of 2019 by recent temporary lease agreement. Now the Trump administration is assessing whether a longer term extension is necessary as part of the broader need to prevent premature closure of coal based load in order to secure grid resilience and reliability. Arizona is largely an importer of natural gas and reliant on a single primary shipping pipeline. Without the Navajo Generating Station's coal based power in the mix, Arizona's power could be rapidly crippled by a gas supply disruption. --- [John C. \(Max\) Wilkinson](#)

● [EIA Energy Statistics](#)

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

[This Week in Petroleum](#)

[Monthly Energy Review](#)

[Gasoline and Diesel Fuel Update](#)

[Weekly Coal Market](#)

[Weekly Coal Production](#)

[Natural Gas Spot and Future Prices \(NYMEX\)](#)

[Weekly Natural Gas Storage Report](#)

[State Carbon Dioxide Emissions Data](#)

[Renewable Energy Production & Consumption by Source](#)

[Monthly Nuclear Generation](#)

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