



Issue 7, 2019

## ● [NY Natural Gas Moratorium Due to Lack of Pipelines, but Some in Denial](#)

*"The slowing of economic development resulting from New York's political actions is a testament to what happens when energy becomes politicized."*

**Why this is important:** The constant opposition to the production and transportation of clean burning natural gas by New York reveals an economic reality of the Green New Deal. The aspirations of politicians and environmental groups to promote unknown and unsustainable sources of renewable energy will impose an involuntary environmental tax on residential and commercial consumers in the Northeast. This is because New York is not only banning natural gas production, but also the enhanced transportation of cheap shale gas from Appalachia to its northeastern neighbors. All of this effort to support an undefined Green New Deal reveals it will be an extreme financial burden to consumers with no alternative solution offered by these environmental advocates. In addition, this environmental log jam is counterproductive in a number of ways. The lack of gas causes consumers to use more polluting oil-powered boilers and coal-fired electric generation offering no sort of existing or planned renewable sources of energy to take their place. In addition, it will cause vastly increased costs to energy consumers and utility disconnects such as the Con Edison moratorium. While renewable sources are being planned and implemented, natural gas can provide a cleaner and more cost effective energy source to support economic prosperity in the Northeast. Why not embrace natural gas as a cleaner transition energy source while renewable generation is developed and proven to be an available and dependable source? ---

[William M. Herlihy](#)

---

## ● [Helping American Coal Miners](#)

*"The bill would prop up miners' pension funds, ensure healthcare coverage, and extend black lung benefits for disabled miners and their dependents."*

**Why this is important:** Despite the upturn in coal production in some markets, pensions for union miners continue to be underfunded from the many coal bankruptcies that reduced contributions to union pension funds. Those plans are in danger of not meeting obligations to retired miners. The American Coal Miner Act of 2019 is sponsored by Senator Joe Manchin of West Virginia and Senator Mark Warner of Virginia. The bill would use interest from the Abandoned Mine Lands funds to strengthen pensions, while a black lung tax would be extended for 10 years to add revenue to the Black Lung Trust Fund. A similar bill passed a few years ago to provide additional funds to the pensions. --- [Mark E. Heath](#)

---

## ● [Power Companies Announce Incentive Rates for WV Businesses](#)

*"Appalachian Power, along with fellow American Electric Power subsidiary Wheeling Power, is offering new or expanding businesses an extra incentive to operate in West Virginia: a discount on their electric service."*

**Why this is important:** AEP in West Virginia is looking to improve on significant losses in retail electric load by offering a limited economic development incentive. This is an important step, but more will be needed. Because the incentive is focused on new customers or new load, it still leaves a need to address retaining existing load on the utilities' systems. Further, such discounts

can be viewed objectively as just one option that should be available to large industrial and manufacturing consumers of electricity, along with retention credits, cogeneration options, and special contracts, including those that could be linked to the competitive power market. --- [Barry A. Naum](#)

---

## ● [White House Prepares to Scrutinize Intelligence Agencies' Finding that Climate Change Threatens National Security](#)

*"The White House is working to assemble a panel to assess whether climate change poses a national security threat, according to documents obtained by The Washington Post, a conclusion that federal intelligence agencies have affirmed several times since President Trump took office."*

**Why this is important:** The Director of National Intelligence recently disclosed a climate change threat assessment to national security. The claim is the threat assessment did not face peer review scrutiny prior to its release. Peer review functions to control the dissemination of research data to ensure unwarranted claims, unacceptable interpretations, or personal views are not published without prior expert review. While the Director should be able to assess national security threats without peer review, the underlying data upon which he relies should be subject to scrutiny. The problem in this case is the data should have been subject to scrutiny prior to the assessment being published. Since it was not, it must now be scrutinized before the assessment can be accepted as accurate. --- [Nicholas S. Preservati](#)

---

## ● [Renewable Energy Project in Oregon Will Combine Wind, Solar, & Storage](#)

*"Dubbed the Wheatland Renewable Energy Facility, it will feature 120 wind turbines capable of producing 300 megawatts of electricity in addition to 50 megawatts of solar power."*

**Why this is important:** Putting together renewables such as wind and solar, as they are doing in Oregon, makes sense. But evaluating the actual generation from the solar/wind arrays requires looking beyond the nameplate capacity, which is full generation from a solar panel or wind turbine under ideal conditions, and concentrating on the capacity factor, which is the percentage of the nameplate capacity actually generated, given variability in operating conditions. Clouds and night reduce solar operations, and wind turbines don't work when the wind is too still, or too strong. When the claim is made that upon completion of the solar and wind buildout, 50 percent of PGE electricity generation will be derived from renewable sources, it is likely there are other renewables in the mix, such as hydropower, or the utility is referring to nameplate capacity, not actual generation. --- [David L. Yaussy](#)

---

## ● [Mine Trespassing Bill Likely Before Full West Virginia House This Week](#)

*"HB 2980, the Mine Trespass Act, establishes misdemeanor and felony offenses for trespassing in mines with associated criminal penalties."*

**Why this is important:** The West Virginia Legislature is working on legislation to create a new criminal offense of mine trespass to address copper thefts from mines. There have been a rash of copper thefts at closed mines and several high profile cases of individuals becoming lost or trapped underground and having to be rescued by state and company mine rescue teams. The bill to create this new criminal offense as a deterrent to individuals entering mines is supported by the Mine Safety and Health Administration, the West Virginia Coal Association and the United Mine Workers of America. --- [Mark E. Heath](#)

---

## ● [The EU has Given Germany the Green Light to Block City Diesel Bans](#)

*"Across Germany, cities have been preparing bans on heavy-polluting diesel vehicles in response to recent court judgements mandating them to do so."*

**Why this is important:** When British voters approved Brexit, some were likely concerned about loss of national sovereignty to the European Union. One reason is this situation in Germany where Angela Merkel's government is relying on the European Commission to back the German government's opposition to German cities' plans to ban diesel vehicles. The German federal government wants to limit the bans in those cities only a little out of compliance with EU diesel emission limits, and the European Commission has accepted that position. The Merkel government is effectively relying upon the EU to beat back litigation in

German courts brought by German environmentalists wanting to enforce emission limits in German cities. That might be a dangerous precedent to set, if Germany later wants to assert sovereignty on these issues. --- [David L. Yaussy](#)

---

## ● [Arch Coal Commences Development of a New Metallurgical Coal Mine in West Virginia](#)

*"Arch Coal, Inc. announced that it had commenced the development of a new, world-class longwall mine in Barbour County, that will produce an estimated 3 million t of premium, High-Vol A metallurgical coal annually for sale into an undersupplied global marketplace."*

**Why this is important:** Arch Coal announced it has begun construction of a new longwall mine in Barbour County, West Virginia. The Leer Mine South will produce about 3 million tons of High Vol A metallurgical coal to be sold on the global export markets. Strong demand for metallurgical worldwide continues to drive sales from the U.S. market, and sales are expected to grow as the world demand for steel increases. The new mine will employ 600 miners when it begins production in 2021 and will have its coal washed at the Arch Sentinel Mine. In addition, Arch is moving its longwall from the Mountain Laurel mine in southern West Virginia to the new Leer South Mine, saving the company about \$35 million. The total investment will be approximately \$360 million to \$390 million. Mountain Laurel will continue to mine High Vol B metallurgical coal with conventional room and pillar operations. --- [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](#)

---

**What are your areas of interest? If there are particular industries or issues that you would like to hear about, [email us!](#) We have a large number of attorneys willing to weigh in on the issues that impact you and your business.**

---

**If you would like to subscribe to this weekly e-blast or know someone who would, please [email us](#) with contact information and CURRENTS in the subject line. We will add you or your acquaintance to the email list.**

**If you have any energy questions, please feel free to [contact us](#).**

This is an attorney advertisement. Your receipt and/ or use of this material does not constitute or create an attorney-client relationship between you and Spilman Thomas & Battle, PLLC or any attorney associated with the firm. This e-mail publication is distributed with the understanding that the author, publisher and distributor are not rendering legal or other professional advice on specific facts or matters and, accordingly, assume no liability whatsoever in connection with its use.

Responsible Attorney: Michael J. Basile, 800-967-8251