



Issue 11, 2018

● [Pipeline CEOs Vow to Fight Back Against Environmental Activism and Sabotage](#)

"Executives from some of the biggest energy infrastructure companies in Canada and the United States say their industry had been surprised by the escalation and sophistication of the so-called 'keep it in the ground' activists."

Why this is important: Extremist environmentalist resistance efforts are not a new phenomenon. Earth First!, the Earth Liberation Front and a host of lesser known organizations have engaged in violent and, at times, deadly acts of sabotage and interference. But, oil and gas infrastructure being the target of such efforts is a new variation on an old theme. Given the sheer scale of shale gas and oil midstream projects, these criminal activities have taken on a heightened intensity and geographic scope. Emboldened by the standoff in North Dakota over the Dakota Access pipeline in 2016-2017, direct action environmentalists have engaged in a series of intense and more organized acts of pipeline sabotage, illustrating how climate change activism considers preventing infrastructure from getting the natural resource to market as their center of gravity. The "monkey-wrench" activists seem unconcerned about the potential environmental damage their actions could cause. To date, they have trespassed to shut off flow valves, risking rupture of pipelines, and have torched a hole in another line, risking fire, explosion and spillage. Given the growth of pipeline projects underway, more confrontations seem inevitable, risking property damage and injury. The vast miles of pipeline systems will present a considerable security challenge for their owners when faced with opponents willing to act illegally to achieve their aims. --- [John C. \(Max\) Wilkinson](#)

● [U.S. Ready to Compete with Russia in Europe's LNG Market](#)

"The United States has 30 operational Floating Storage Regasification Units, Oudkirk said, but the volume U.S. companies can sell to the EU 'is much less than the volume that Russia can sell through its pipelines.'"

Why this is important: As I have stated before, shale natural gas is a powerful economic tool in U.S. international relations. Even after the expense of shipping our natural gas as LNG to either European or Asian customers, we still are competitive suppliers. If the U.S. can increase its export capacity of LNG to these foreign markets, it will be a significant arrow in our country's quiver of foreign policy tools, as well as a boon to our domestic oil and gas industry. What we need is more cooperation from the federal government in permitting LNG export facilities to these markets and their operations. --- [William M. Herlihy](#)

● [Baltimore Votes to Ban Crude Oil Export Terminals](#)

"If signed into law by the mayor, Baltimore would become the first on the East Coast to ban a specific kind of fossil fuel infrastructure."

Why this is important: Baltimore City Council voted to ban crude oil export terminals, ostensibly to avoid accidents from crude oil transported into and through the city. But the drivers behind the ban appear to be associated with climate change activists. It's a technique likely to be used more frequently in the future by municipalities, using their local zoning powers to try to end run the

● [Pittsburgh International Airport Might Use Natural Gas to Generate Power](#)

"Airport officials are hoping the microgrid would help attract more advanced manufacturing companies to airport property."

Why this is important: A microgrid is a small network of electricity users supplied by a local independent energy source. While microgrids were traditionally used for "peaking" periods, the large volume of stranded natural gas in the Marcellus and Utica Shale basins makes microgrids a competitive alternative to electricity from the national grid. The Allegheny County Airport Authority is exploring the microgrid option for itself and to attract manufacturing companies to its property. While still in the early phases, construction of a microgrid is a natural complement to the numerous wells already producing natural gas from the airport property. --- [Matthew P. Heiskell](#)

● [Schwarzenegger to Sue Big Oil for 'First Degree Murder'](#)

"We're going to go after them, and we're going to be in there like an Alabama tick. Because to me it's absolutely irresponsible to know that your product is killing people and not have a warning label on it, like tobacco," he said."

Why this is important: Former California Governor Arnold Schwarzenegger says he will sue Big Oil for murder, saying they knew the climate change resulting from use of their products would kill people. It is unclear whether Schwarzenegger has any concerns that, as a man who drove Humvees and other gas-guzzling cars and who jets around the country, he may be considered Big Oil's accomplice in murder. --- [David L. Yaussy](#)

● [New York Loses Bid to Block Millennium Gas Line Project](#)

"A U.S. appeals court ruled against New York's bid to block a pipeline that will shuttle natural gas to a \$900 million power plant under construction there, setting a potential precedent for other battles over gas conduits."

Why this is important: In a precedent setting decision, the U.S. Court of Appeals for the 2nd Circuit agreed with FERC attorneys that New York state's failure to make a Clean Water Act 401 certification decision within one year of the state's receipt of the pipeline's application constituted a waiver of the state's right to act on the pipeline. The decision has been hailed as an important victory by Millennium and pipeline developers to prevent states from using the 401 certification process as a de facto veto to delay construction and development of key energy infrastructure projects designed to provide affordable energy to millions of consumers. New York and environmental activists have decried the decision as an incorrect interpretation of the Clean Water Act and encroachment on state permitting authority. New York claims the one-year time frame does not begin to toll until the application is complete, and contests that Millennium's 401 certification application was incomplete when filed because its environmental assessment did not take into consideration downstream greenhouse gas emissions that would occur as a result of the pipeline's supply to consumers. New York and environmental activist groups are signaling they may appeal the decision. --- [John C. \(Max\) Wilkinson](#)

● [European Natural Gas Markets Face Stress Test from New Cold Snap](#)

"A second significant period of late winter cold weather set to engulf northwestern Europe is again likely to test gas markets across the continent already reeling from the impact of an earlier cold snap that saw temperatures plunge, demand soar and prices reach record highs at the end of February."

Why this is important: The stranglehold Russia and its Central Asian oil and gas reserves have on European markets is a significant weapon for international relations. Intermittent cold snaps in Europe emphasize the ability of Russia and its associates to extract more value for natural gas transported to European markets that lack alternative energy sources. The ability of the U.S. to increase LNG exports to the European Union at lower prices than the Russian alternative is a win, win for both the U.S. and its allies on both economic and political bases. Economic tools are the most effective influence for U.S. strength in international markets. Let's flex our natural gas muscles for the benefit of both the domestic industry and our position in an increasingly global economy. --- [William M. Herlihy](#)

● [Unions Block U.S. \\$4 Billion of Investment in South African Renewables to Protect Coal Jobs](#)

"Two unions in South Africa have blocked the signing of renewable energy power purchase agreements claiming that doing so will lead to job losses from closed coal plants."

Why this is important: South African unions protecting coal jobs are preventing the signing of contracts authorizing renewable energy projects. Coal interests are protecting existing jobs and renewables supporters cite the number of jobs that would be created if the contracts are awarded. As in America, concerns about reliable electric supply and job losses from adoption of renewables play as big, or a bigger, part in the public debate about electricity generation and the effects of climate change. ---
[David L. Yaussy](#)

● [EIA Energy Statistics](#)

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

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