



Issue 34, 2018

● [U.S. Army Corps Stands by Permit for Dakota Access Oil Pipeline](#)

"The U.S. Army Corps said that a permit it granted for the Dakota Access Pipeline last year was environmentally sound, handing a setback to tribal and green groups hoping to stop the flow of oil on the pipeline."

Why this is important: After review ordered by a federal district judge, the U.S. Army Corps of Engineers reaffirmed the permit it issued to the Dakota Pipeline, finding it did not pose an unacceptable risk to human health or the environment. This is further evidence that pipelines, even those given close scrutiny by activists, are being approved despite the vociferous protests. --- [David L. Yaussy](#)

● [Natural Gas Market Growth and Keeping a Level Playing Field](#)

"DOE's initiative clearly would tilt the playing field away from the fuel sources for electricity generation that have been growing and also helping reduce carbon dioxide emissions - natural gas (the leading U.S. fuel), wind and solar."

Why this is important: DOE initiatives to shore up coal and nuclear generation facilities can be viewed as short-term precautionary measures to prevent the retirement of such facilities before they can adequately be replaced by other reliable sources for electricity production. Such measures could prevent power shortages during periods of extreme weather. In the long-run, the growing efficiency of shale gas production, as well as its environmental benefits, naturally will take the lead in electric generation through market forces. --- [William M. Herlihy](#)

● [Trump Eyes Changes to Another Coal Plant Emissions Rule \(1\)](#)

"In the coming weeks, the Environmental Protection Agency said it will ask the White House Office of Management and Budget to review a draft proposal that questions whether it was 'appropriate and necessary' to set standards in 2012 for mercury and other toxic air pollution emitted by existing power plants."

Why this is important: The Environmental Protection Agency has announced it wants to reconsider the justification and standards for the 2012 Mercury and Air Toxins standards, commonly referred to as MATS. The standards cover U.S. coal-fired power plants. Although U.S. power plants already have met the standards at significant cost, EPA appears set to attempt to change the standards. --- [Mark E. Heath](#)

● [Trudeau's Pipeline Gamble Stalls After Court Overturns Approval](#)

"The Federal Court of Appeal ruled that the regulatory review of the pipeline expansion was 'impermissibly flawed' because it excluded project-related tanker traffic. In addition, the court found the government failed to fulfill its legal duty to consult indigenous people."

Why this is important: Canadian Prime Minister Trudeau is committed to construction of the Trans Mountain pipeline, which would carry tar sands-derived oil from Alberta to a port in British Columbia, even over environmentalists' opposition. A recent court decision likely will slow down the project, as it concluded the project approval was flawed by its failure to consider, among other things, tanker traffic in Canadian harbors. Canada has abundant oil sands, but is having trouble getting them to market, due to protests in the U.S. and Canada that are hampering development of pipelines to carry the oil to refineries and to the coasts. This rejection of the Trans Mountain project, whether or not temporary, continues to delay transportation projects, and depresses wellhead oil prices. --- [David L. Yaussy](#)

● [NatGas Pipeline Infrastructure Bottleneck Boosts Permian Basin Flaring](#)

"Shale drillers in the Permian Basin in Texas and New Mexico are burning off about \$1M worth of natural gas each day, according to the Wall Street Journal."

Why this is important: This waste of a valuable natural resource is further evidence that both state and federal regulations governing the permitting and construction of pipelines for the transportation of natural gas and the associated liquids need to be streamlined. This problem is even more acute in the Appalachian Basin where fractionalized property ownership and extreme environmental resistance to any production of hydrocarbons makes pipeline development much more time consuming. --- [William M. Herlihy](#)

● [Chinese Company Signs \\$4.4B Deal for Coal-Fired Power Plant in Egypt](#)

"A Chinese consortium and the Egyptian Ministry of Electricity and Renewable Energy signed a \$4.4 billion agreement on building a power generation station in Egypt, expected to work on a clean coal technology, China Central Television reported."

Why this is important: A consortium of Chinese companies have announced plans to build a \$4.4 billion coal-fired plant in Egypt. The six unit plant will produce 6.6 gigawatts of power and be located 500 miles from Cairo. Around the world, coal continues to be heavily used for new electrical generation plants. --- [Mark E. Heath](#)

● [Blockchain Quickly Becoming Oilfield Cybersecurity Standard](#)

"One new technology in particular, blockchain, has emerged as a highly innovative and effective solution."

Why this is important: Blockchains are usually in the news because of cryptocurrency, like Bitcoin, but they have many more uses. By distributing authority to approve transactions over many computers, the ability to infiltrate and disrupt a system is greatly reduced because a change in the blockchain requires concurrence of many users. This will be of great advantage to energy producers, who can use blockchain technology to help protect against malicious attacks on their computer and control systems. --- [David L. Yaussy](#)

● [Hess Completes Sale of Utica Acreage](#)

"Proceeds from this transaction will be used to invest in the company's higher return growth opportunities in Guyana and the Bakken and to fund the previously announced share repurchase program."

Why this is important: The sale of Appalachian natural gas acreage reflects the slim return from current domestic gas prices. The abundance of domestic shale gas is both a blessing and a curse. It allows the U.S. to achieve energy independence, reduced utility prices and environmental progress. However, unless the federal government facilitates additional exports of natural gas and its constituents through the accelerated approval of export facilities, as well as the avoidance of tariff interference with such exports, then investment capital of E & P companies will continue to migrate to foreign opportunities that are not encumbered with such constraints. --- [William M. Herlihy](#)

● [Jindal, India's One-Time Biggest Steel Maker, Eyes Dh22bn Break-Up](#)

"Jindal Steel & Power is considering a break-up plan as part of a restructuring to help trim its 420 billion rupee (Dh22.03bn) debt pile and boost investor confidence in a company that was once India's biggest steelmaker by market value."

Why this is important: In a sign of ongoing strength in the worldwide steel market, Jindal Steel & Power, one of the largest producers in India, is looking to split off its steel-making business while it has orders and prospects are good. This is good news for downstream suppliers, like coke makers and coal mines, who will see increasing demand for raw materials. --- [David L. Yaussy](#)

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

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[Natural Gas Weekly Update](#)

[Natural Gas Futures Prices](#)

COAL

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[Weekly Coal Production](#)

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