



Issue 6, 2019

● [New Fortress Energy LNG Plant Demonstrates New York Insanity](#)

"For those unfamiliar with the facility, the plant is a gigantic \$800 million investment that will take in natural gas from the Marcellus Shale and liquefy it for transportation to other markets."

Why this is important: The construction of the Wyalusing LNG plant by New Fortress Energy in Pennsylvania showcases how much the misguided opposition by environmental groups and state government in New York to the construction of new natural gas pipelines, which would service New England, is harmful to consumers. Additional pipeline capacity opposed by groups in both states would transport cheap Appalachian shale gas to New England and help reduce the utility costs of residential and commercial consumers in the Northeast. Instead, this shale gas is bound for foreign markets in the form of LNG to the detriment of U.S. citizens and without replacing other more polluting energy sources in New England. Such blind allegiance to supposed environmental goals directly hits consumers in the pocketbook without any consideration of the environmental benefits of clean burning natural gas. --- [William M. Herlihy](#)

● [Dominion Energy's Atlantic Coast Pipeline Delayed Until 2021](#)

"According to Neddenien, the pushed back completion date is because of multiple factors including increasing costs and stoppages in construction."

Why this is important: Environmental challenges to the pipeline are stalling construction and causing Dominion's costs to skyrocket. All construction on the 600-mile pipeline has been suspended until challenges to the company's permits allowing it to cross the Appalachian Trail and national forests are resolved. It is projected the delay will cost Dominion an additional \$1 billion. Further delay will create issues with the construction deadlines in Dominion's FERC certificate and will threaten the economic viability of the project. Therefore, the courts must expedite their rulings to prevent further delay. --- [Nicholas S. Preservati](#)

● [Utilities Call for Americans to Conserve Energy as Frigid Weather Exhausts Supplies](#)

"During the extreme cold, the Midcontinent Independent System Operator declared a 'maximum generation event,' calling on idle power plants from Minnesota to Louisiana to meet demand."

Why this is important: The Midwest is home to a large amount of wind-generated electricity. But during the recent cold snap, about 80 percent of electricity was generated by fossil fuels, some of it from idled coal plants and other fossil fuel reserve units. States can set ambitious targets for moving to renewables, but they need to keep in mind the fact that keeping the lights on will necessarily mean keeping coal, natural gas and nuclear running in the background, ready to step in when wind power isn't available or sufficient. --- [David L. Yaussy](#)

● [China Builds World's Largest Clean Coal Power Generation System](#)

"The country has beaten its target of ultra-low emission and energy conservation and transformation outlined in the country's 13th Five-Year Plan (2016-2020) two years in advance, the NEA said."

Why this is important: While coal-fired generation plants continue to close in the U.S. and coal's share of electrical generation dropped to 28 percent last year, China has been on a construction binge of new coal-fired electrical generation plants. The new plants have reduced emission standards according to a U.S. government report. China now has 750 million kilowatts of ultra-low emission plants, which is 75 percent of its coal-fired plants. From 2012 to 2017, these new plants have resulted in significant reductions in China's air pollution problems. The new plants produced an 86 percent drop in sulfur dioxide emissions, 89 percent reduction of nitrogen oxides, and 85 percent less smoke discharges. --- [Mark E. Heath](#)

● [Are Environmentalists the Solution to Low Marcellus Shale Prices?](#)

"One thing that's been made clear by a week-long trip to Texas and conversations with top gas company executives is the disconnect between the public's perception of the financial health of the natural gas industry and its actual financial condition."

Why this is important: Low natural gas commodity prices and resistance to improved domestic pipeline transportation could seriously harm Appalachian production, which holds so much promise for improvement in domestic jobs, reduced energy costs for consumers, and a resurgence in U.S. manufacturing. Environmental groups and politicians seeking to woo constituents have misguided the public by disseminating false information that more taxes on natural gas and blocking its transportation to domestic markets are good for the public and the environment. In its most immediate impact, this resistance to the transportation of natural gas by new pipelines to markets in the Northeast and Southeast harms consumers by higher energy costs. Moreover, under the most optimistic estimates, renewable sources cannot effectively replace gas, coal, and nuclear powered energy to supply U.S. energy consumption in the next 20 years. So why not efficiently distribute clean burning natural gas as a bridge to a future in which renewables may become more cost effective and reliable? Environmentalists and politicians don't want the public to understand how the failures in and the true cost of this forced and artificial transition to a renewable world will seriously harm the public and our U.S. economy. --- [William M. Herlihy](#)

● [Manchin Set Goals as Energy Committee Ranking Member](#)

"Manchin, who previously served as the ranking member of the Energy Subcommittee, spoke about energy development as well as addressing climate change and related acts."

Why this is important: Sen. Joe Manchin, D-WV, became ranking member of the Senate Energy and Natural Resources Committee after making the obligatory obeisance in the direction of the environmentalists, who were opposing his appointment, by condemning the prospect of climate change. He has a pragmatic approach to the issue, though, supporting wiser use of fossil fuels in addition to renewable energy. Whether that will be sufficient to satisfy the Democratic left, especially those in states that have no fossil fuel industry to benefit from, remains to be seen. --- [David L. Yaussy](#)

● [U.S. Approves Part of TransCanada Gulf XPress NatGas Pipe for Service](#)

"Gulf XPress is one of several pipelines designed to connect growing output in the Marcellus and Utica shale basins in Pennsylvania, West Virginia and Ohio with customers in the U.S. Southeast and Gulf Coast."

Why this is important: Despite a 140 percent increase in crude oil production and a 50 percent increase in natural gas production since 2008, the midstream infrastructure to transport this new supply has not kept up. Currently, the electric power sector is the largest consumer of natural gas in the United States. This is important because natural gas cannot be stored on-site and must be delivered as it is consumed. Therefore, midstream pipelines like the Gulf XPress are critical to the continued resiliency of the electric power and manufacturing sectors. --- [Nicholas S. Preservati](#)

● [First U.S. Coal Plant in Years Opens Where No Options Exist](#)

"A 17-MW generator, built for \$245-million, is set to open in April at the University of Alaska Fairbanks, just 100 miles from the state's only coal mine."

Why this is important: A new coal-fired generation plant soon will begin operation in Alaska, and it is the first new U.S. coal-fired plant since 2015. The plant produces steam for an Alaskan college and 17 MWs of electrical generation. This new plant goes against a tidal wave of plant closings in the U.S. There are two other coal-fired plants being considered in the U.S., but are not under construction. In 2018, 18 U.S. coal-fired electrical generation plants closed. Another 14 are scheduled to close this year. ---

[Mark E. Heath](#)

● [Green New Deal Excludes Nuclear and Would Thus Increase Emissions - Just Like It Did in Vermont](#)

"The Green New Deal proposed by Rep. Alexandria Ocasio-Cortez (D) excludes nuclear energy from the proposed mix. If it were ever actually attempted nationally, it would increase greenhouse gas emissions - just as a similar effort did in Vermont."

Why this is important: As proposed, the Green New Deal will exacerbate the very problems it is designed to resolve. The plan is supposed to help lower CO2 emissions and create jobs. However, by excluding nuclear energy from the mix, institution of the plan would actually cause emissions to rise, as evidenced by a similar effort in Vermont that caused an increase in CO2 emissions. Also, renewable energy sources are currently two to five times more expensive than conventional energy sources. Adoption of the Green New Deal will cause a significant increase in energy costs that would create incentives for businesses to relocate to other nations with lower energy costs or to cut costs by lowering wages and replacing as many workers as possible with automation. While the goals of the Green New Deal are laudable, the plan is poorly designed and will not help to lower emissions or create a net increase in jobs. --- [Nicholas S. Preservati](#)

● [Tesla's Delivery Team Gutted in Recent Job Cuts](#)

"The cuts, which have not been previously reported, could fuel investor worries that demand for the Model 3 in the United States has tailed off after a large tax break for consumers expired last year and the car remains too expensive for most consumers."

Why this is important: It's fascinating to watch Tesla as it careens from better-than-expected results one quarter to significant layoffs the next. The most recent workforce reductions took a big toll on the delivery team, which gets Model 3s to purchasers. Presumably this is a signal that fewer cars will be delivered in America during the next quarter. But, who knows? Maybe sales in Europe and China, markets that Tesla is concentrating on, will make up for slower U.S. sales now that tax incentives are tapering off. One thing is certain--the ride is unpredictable and fun to watch. --- [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](#)

[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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