



Issue 33, 2019

● [Atlantic Coast Pipeline Remains Halted as Developers Wait on Court Decisions](#)

"There are currently two federal permits under review--one issued by the U.S. Fish and Wildlife Service and one issued by the U.S. Forest Service--that are needed if construction is to continue."

Why this is important: The Atlantic Coast pipeline will intersect the Appalachian Trail 600 feet below the trail itself, but the U.S. Fourth Circuit has ruled the approval for that "crossing" was improperly granted. Developers have asked the Supreme Court of the United States to determine whether the trail will be a barrier to the pipeline and other infrastructure moving across it. Future movement of natural gas from the Gulf Coast and the Marcellus region into the Eastern seaboard may well hinge on the case, if the Supreme Court takes it up. --- [David L. Yaussy](#)

● [Democratic Plans to Ban Fracking Would Risk U.S. Security, International Energy Head Warns](#)

"International Energy Agency executive director Fatih Birol warned that fracking bans proposed by Democratic presidential candidates Kamala Harris, Bernie Sanders, and Elizabeth Warren would have 'major implications,' according to CNBC."

Why this is important: Fatih Birol, the Executive Director of the International Energy Agency, has an objective view of the proposal by some Democratic presidential candidates to ban all future oil and gas fracturing operations in the U.S. Mr. Birol takes the position that a U.S. ban on fracturing would inflict extensive harm on our country's domestic economy as well our worldwide influence. The shale oil and gas revolution is due exclusively to horizontal drilling techniques and the associated fracturing operations. The idea of prohibiting the use of that technology would not only bring an end to the substantial economic benefits of shale operations, but also affect our ability to compete with foreign countries in international relations and trade. --- [William M. Herlihy](#)

● [Monongalia County Mine Drainage Treatment Plan on Again](#)

"Paving the way for this new effort is a \$3.375 million NRCS allotment provided in 2017: not a grant, but a type of fund administered through agreements with other government entities."

Why this is important: Mining in northern West Virginia prior to 1960 at times produced serious acid mine drainage. This has led to significant costs to treat that water. The Richard Mine in northern West Virginia closed in 1953 and currently sends 200 gallons per minute of highly acidic and metal laden water into Deckers Creek. The discharge kills all aquatic life and turns its water red orange in the last six miles of the creek as it runs through Morgantown, West Virginia. Plans for a treatment plant have been ongoing for 20 years. The West Virginia DEP has bought seven acres for \$1.1 million for a treatment site expected to cost between \$2.5 million and \$3.5 million. A \$3.375 million allotment has been obtained for the project and design work will take a year or more. Through the Abandoned Mine Lands Program, the WVDEP will cover plant operating expenses. --- [Mark E. Heath](#)

● [Why Solar Geoengineering May be Our Only Hope to Reverse Global Warming](#)

"There are several technologies for this approach, including injection of aerosols (fine droplets or particulates as fine as powder) into the stratosphere, where they would scatter some sunlight back to space, thus cooling the planet by reducing the amount of heat that enters the lower atmosphere."

Why this is important: Some of those concerned about global warming have recognized that fossil fuel usage is not likely to decrease significantly in coming years, and are looking to geo-engineering to preserve the Earth. Geo-engineering involves technical fixes like the use of sulfates and other particulates to block some of the sun's energy from reaching the Earth. But the full effects of these sorts of megaprojects have never been fully studied, and we should fear the law of unintended consequences when we engage in radically changing the Earth's climate, if that can even be done. Sometimes the cure is worse than the disease. --- [David L. Yaussy](#)

● [EU Gas Industry Warns Curbs on Lending May Harm Climate Goals](#)

"Europe's gas industry lobby warned that curbs on lending by the European Investment Bank and others could slow the switch from coal-fired to less polluting gas-fired power plants and harm the bloc's climate ambitions."

Why this is important: The Board of the European Investment Bank has under consideration a proposal to eliminate European investment in new fossil fuel-reliant projects by the end of 2020. As a part of this proposal, the EIB could divert large amounts of funding to renewable projects. The problem is that currently the lack of generation capacity, a non-functional storage capability and an inadequate distribution system for renewable sources would make this abrupt change a major mistake. The early retirement of coal plants, the avoidance of new natural gas generation facilities and the current lack of renewable alternatives would drive energy costs to extreme heights, while not solving the carbon emissions problem. The rational solution is to support natural gas as a bridge fuel until renewable technology matures and more polluting generation facilities are retired. This strategy has resulted in a significant reduction in U.S. carbon emissions to date. --- [William M. Herlihy](#)

● [Rhino Resource Partners to Sell Illinois Basin Coal Assets to Alliance Resource Partners](#)

"Rhino Resource Partners agreed to sell certain assets related to its Illinois Basin Pennyrile coal mining complex to Alliance Resource Partners, with the completion of the sale expected in the fourth quarter of this year."

Why this is important: An oversupply of coal in the Illinois Basin (Illinois, Indiana and western Kentucky) from the continued closing of coal-fired electrical generation plants and a softening export market has led to the announcement of three mine closings in the past month. Rhino Resource Partners announced it has ceased production at its Pennyrile Complex and is selling the assets to Alliance Resources. Alliance will ship coal on remaining Pennyrile contracts from other mines. Pennyrile produced 1.3 million tons in 2018. Also, Alliance closed its Kentucky Dotiki Mine in August, and Peabody will close its Indiana Somerville mine in October. The three mines produced 5.7 million tons in 2018--5 percent of the Illinois Basin's production. --- [Mark E. Heath](#)

● [Carmakers Near CO2 Cliff-Edge in Electrification Race](#)

"Time is running out for European carmakers, which have waited until the last minute to try to meet ambitious EU emissions targets and face billions in fines if they fail to comply."

Why this is important: European carmakers are in a quandary. They are required by European Union law to meet fleet emissions requirements that essentially mandate electric vehicles, but consumers aren't buying them in the numbers needed to meet the targets, so the companies are facing stiff penalties. At this point, the Euro zone governments are not likely to change the mandates, but they may provide incentives to car buyers who are willing to electrify. Another option would be to cut off sales of gas and diesel cars after a certain number, forcing subsequent buyers to purchase electric vehicles. However, that is unlikely to be a popular option. While consumers embrace the concept of electric vehicles, their buying patterns suggest that they like electric cars most when they are purchased by others. --- [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

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