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● [Romney Helps GOP Look for New Path on Climate Change](#)

"But a group of Republicans -- Romney and Sens. Lamar Alexander and Lindsey Graham, who worked with Democrats in 2009 and 2010 to cap carbon emissions, as well as others -- have taken it upon themselves to come up with market-based approaches to addressing climate change."

Why this is important: A majority of the American public accepts the dangers of climate change, and they want someone to do something about it--at least if it doesn't cost them any money. Some senators, Republican and Democrat, have acknowledged that wide-but-thin support by calling for a response to climate change based not on carbon taxes, but funding of further research into technological breakthroughs, which would reduce the carbon-intensity of power generation. This may prove to be an effective position that allows them to avoid criticism they reject human contribution to climate change, without agreeing with the economy-destroying measures that are necessary if true reductions in greenhouse gases are to be achieved. --- [David L. Yaussy](#)

● [China Boosts Coal Mining Capacity Despite Climate Pledges](#)

"China added 194 million tonnes of coal mining capacity in 2018, data from the energy bureau showed, despite vows to eliminate excess capacity in the sector and to reduce fossil fuel consumption."

Why this is important: While vowing to reduce its use of coal, China continues to add coal production and burn more coal. China produced 3.53 billion tons of coal in 2018, up from 3.34 billion tons in 2017. It has another 1.03 billion tons of production under construction and 370 million tons in trial runs as it closes smaller mines in favor of large operations. In 2018, China produced 3.55 billion tons of coal, up 5.2 percent, and it generated 4.979 trillion KWH of electricity from coal-fired generation plants, up 6 percent. These increases call into question China's vow to cap carbon dioxide emissions by 2030. --- [Mark E. Heath](#)

● [Shell Sees New Role for Former Steel Region: Plastics](#)

"Instead, new parts are being assembled by Bechtel, Shell's primary contractor, into a world-scale, state-of-the-art chemical processor to convert liquid natural gas into polyethylene, a common plastic."

Why this is important: The construction of a Royal Dutch Shell polyethylene reduction plant along the Ohio River in Beaver County, Pennsylvania is a perfect example of the potential for downstream chemical manufacturing facilitated by the shale revolution in Appalachia. This manufacturing plant is being built to redevelop the brownfield site of a long-defunct zinc smelting plant. Local shale NGLs will not only provide feedstock, but the associated shale gas also will fuel the self-contained electric station that will power this refining facility. The close proximity of this facility to abundant sources of NGLs and to North American markets gives it a competitive advantage over other domestic and foreign producers of polyethylene, ethylene and related products. Additionally, it provides an alternative to manufacturing sources for these products from the Gulf Coast, which are, from time to time, subject to weather-related and transportation obstacles. This diversification will be healthy for both our domestic and international markets. --- [William M. Herlihy](#)

● [Harrison County, WV, Power Plant Developers Working with Local Entities; Construction to Start in Summer](#)

"The Harrison County Power Plant, a project of Energy Solutions Consortium and Caithness Energy, will be an approximately 630-megawatt generation facility, which is enough electricity to power approximately 425,000 homes, according to project representatives."

Why this is important: Harrison County would be the site of the first natural gas-fired power plant in West Virginia, if construction begins as planned this summer. When completed, the state can put the abundant natural gas in the region to work, powering more than 425,000 homes. This and other end uses of shale oil and gas, including plastics production, are part of the value-added opportunities unleashed by development of the Marcellus and Utica shale formations. --- [David L. Yaussy](#)

● [With Black Lung Fund in Jeopardy, Taxpayers Could Foot Bill](#)

"And at least one Republican congressman from the coalfields has added his voice to the chorus of miners and advocates worried that the fund's promise to sick workers and their families ultimately might not be kept."

Why this is important: A reduction in Black Lung Trust Fund tax payments has Kentucky's senior Republican Congressman Hal Rogers concerned the Fund is on an "unsustainable path." The tax rate for underground coal dropped from \$1.10 to about 50 cents a ton in January 2019, which translates to a \$450 million drop in contributions to the Black Lung Trust Fund. Current benefits, by law, are paid regardless of the Fund's balance, which is predicted to run out of money in mid-2020, and miners are concerned benefits could be cut in the future to balance the fund. West Virginia Senator Joe Manchin and others have proposed to extend the \$1.10 tax rate for another 10 years to stabilize the fund. --- [Mark E. Heath](#)

● [Will Chemicals Save the Downstream Sector?](#)

"The scale of this growth is significant, as - to meet demand - it means three to four world-scale, multi-billion dollar petrochemical projects need to be developed each year."

Why this is important: Worldwide the demand for petrochemical manufacturing is growing at a fast pace. This demand is driven, in a significant way, by developing economies in Asia and Africa. Appalachian shale gas and its associated NGLs have created clear advantages for developing downstream manufacturing industries. Low cost feedstocks in the Appalachian Basin and its close proximity to North American markets support the location of new chemical manufacturing facilities in this area, particularly on abandoned chemical and steel plant brownfields sites. The investment in NGL storage sites, as proposed by the Appalachian Storage and Technology Hub initiative, would help promote this resurgence in Appalachian manufacturing and its related benefits. Due to the increased foreign investment in such petrochemical manufacturing abroad, its essential governmental authorities and business entities cooperate to develop this low-cost manufacturing base and claim a portion of the worldwide market with no further delay. --- [William M. Herlihy](#)

● [As Global Energy Demands Grows, So Does Appetite for Offshore Wind](#)

"According to a recent study released by Global Industry Analysis, offshore wind capacity is forecast to grow by over 80 gigawatts through 2024, achieving an impressive Compound Annual Growth Rate of more than 25% in that period."

Why this is important: Demand is growing for offshore wind development. Turbines at sea run into fewer of the objections to noise and unsightliness that plague land-based installations. If the operators can overcome some of the significant costs of constructing and operating wind turbines in corrosive and physically demanding oceanic conditions and cabling the power to shore, these turbines can contribute to low-cost energy production. This presumes, of course, the fuel required for their production and installation, involving tons of concrete and steel created using fossil fuels, eventually will be offset by fuel-free electricity generation. --- [David L. Yaussy](#)

● [China Shenhua Sees Coal Remaining as Major Energy Source](#)

"Coal will remain a major energy source in China, China Shenhua chairman and executive director Ling Wen said when asked about whether the industry is declining."

Why this is important: The Chairman and Executive Director of coal producer China Shenhua sees a stable global coal market as declines are matched by increases in other parts of the world. He also believes coal will remain a major energy source in China. In 2017, coal, oil and gas accounted for 86.2 percent of China's energy needs. In 2018, it declined to 85.7 percent, but coal, oil and gas remain the dominant energy sources. --- [Mark E. Heath](#)

● [The Oil and Gas Industry Future is Bright in WV](#)

"Oil and natural gas industry advocates are hopeful as the field continues to grow throughout West Virginia."

Why this is important: In 2017, West Virginia was the seventh largest natural gas-producing state in the nation, according to the U.S. Energy Information Administration. In 2018, the oil and gas industry paid more than \$138 million in severance taxes, an increase of more than 4 percent compared to 2017. Ninety percent of the severance taxes go to the state, while gas-producing counties receive 7.5 percent, and the remaining 2.5 percent is split between all West Virginia counties and municipalities. The total amount of severance taxes paid over the past decade is estimated to be more than \$1 billion, which ultimately goes to support state, county and local communities, including schools. With the increasing understanding that infrastructure development drives economic growth, the industry should provide even greater benefits to West Virginia in the years to come. --- [Matthew P. Heiskell](#)

● [New Study: U.S. Shale Revolution is Saving Tens of Thousands of Lives Every Year](#)

"The American shale gas revolution has contributed to a 53% decrease in natural gas prices which has helped to save tens of thousands of deaths every year, new paper finds."

Why this is important: When reviewing the consequences of natural gas production from shale formations, critics choose to focus on potential global warming effects of that energy source. They refuse to include the positive aspects of the shale gas revolution. Domestically, cheap shale gas produced near major metropolitan areas provides affordable energy to consumers who might not otherwise obtain economical utilities, reducing winter mortality rates, and increasing health promoting spending. Shale gas and its related liquids have resulted in tens of thousands of new jobs raising the standard of living for many middle class families. Overseas, the export of more affordable LNG converted from shale gas to Asia and Africa will allow many foreign countries to supply their citizens with electrical energy that was not available in the past. These positive attributes are rightfully a part of the overall evaluation of shale gas production. --- [William M. Herlihy](#)

● [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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