



Week of October 29, 2017

## ● [Drive for ANWR Oil Bonanza Could Prove to be a Bust for the Republicans' Budget](#)

*"Congressional Republicans counting on a \$1 billion windfall from selling oil-drilling rights in the Arctic National Wildlife Refuge to help pay for tax cuts may be in for a disappointment."*

**Why this is important:** Since the inception of the 19 million acre ANWR in 1980, a 1.5 million acre portion along Alaska's northeastern coast known as the 1002 Area has been identified as a major potential source of domestic oil and gas. But, it has never been open to active drilling despite periodic political wrangling over the issue in the last three decades. The budget pending in Congress would open the 1002 Area and projects related leasing revenues of \$1 billion as a means of offsetting (in part) proposed tax cuts. The reality may be revenues generated by opening ANWR may be far less than Congressional budget assumptions given the cost and regulatory uncertainty associated with Arctic drilling investment and operation, which would result in a greater federal deficit. The proposal, however, even if inaccurate, reflects the current trend to push energy production and development on all fronts. --- [Derrick Price Williamson](#)

## ● [West Virginia Senate Gives Up on Forced Pooling, May Consider Other Gas Industry Reform Bills](#)

*"State Senate President Mitch Carmichael, R-Jackson, said the Senate has given up on trying to pass legislation allowing for the forced pooling of natural gas resources. 'Forced pooling has no chance,' Carmichael said. But that doesn't mean the state Legislature will not pursue bills aimed at encouraging oil and gas drilling in the Mountain State."*

**Why this is important:** Given that rapidly developing drilling technologies will continue unlocking prolific finds throughout the globe, West Virginia competes not only with Pennsylvania and Ohio regionally, but against the world for both domestic and international investment. And, investment travels to where it is most welcome. As such, our public policy leaders must do everything within their power to enable efficient, effective exploration and production - thereby maximizing economic opportunity for those in our state and region. --- [Michael J. Basile](#)

## ● [EPA to Bar Some Scientists From Advisory Panels Over 'Conflicts'](#)

*"The Trump administration is shaking up the expert panels that interpret the scientific research underpinning pollution regulations, giving a greater voice to industry and making it harder for some scientists to participate."*

**Why this is important:** Administrator Pruitt's proposal is designed to prevent Advisory Panel members from being threatened with a loss of funding if they do not support particular regulations. Opponents of the proposal are concerned it will be used to

improperly shift the balance of the Advisory Panel against academia and in favor of industry. The stated purpose of Administrator Pruitt's proposal is valid, as is the concern of the opponents of the proposal. Thus, it appears as if all involved have the common goal of ensuring the agency receives truly independent and objective guidance from its Advisory Panels. --- [Nicholas S. Preservati](#)

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## ● [Trump's China Trip to Broker Billions of Dollars in Energy Deals](#)

*"Representatives from about 40 companies are expected to accompany President Donald Trump on the first presidential trade mission to China November 8-10 and sign deals for billions of dollars in U.S. investments."*

**Why this is important:** Continuing his support to U.S. energy, the President is having the natural gas industry play a major part in his trade mission to China next week. Oil and gas projects being discussed are a 700 mile pipeline from the Permian oil field in western Texas to the Gulf Coast, including a storage facility; an expansion of the Lime Tree oil storage facility in St. Croix; and an increase in sales of liquefied natural gas to China. The Texas and St. Croix projects directly impact the areas ravaged by hurricanes and one analyst opines that, standing alone, they could decrease the trade deficit by \$10 billion annually. --- [Gerald E. \(Gee\) Lofstead III](#)

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## ● [India's Infrastructure Output Grows 5.2 Percent in September](#)

*"India's annual infrastructure output in September grew 5.2 percent from a year ago, driven by higher production of coal and refinery products, government data showed."*

**Why this is important:** Coal is one of eight infrastructure sectors that account for roughly 40 percent of India's industrial production index. The total infrastructure index growth of 5.2 percent year over year was 0.8 percent higher than forecast. But, coal's performance was substantially higher, increasing 10.6 percent over September 2016. The growth in coal is interesting as [recent analyses and policy statements](#) in India have indicated a move away from coal, driven mostly by international concerns over India's coal growth potentially negating global CO2 reduction goals. While the long-term impact of energy policy adjustments may ultimately reduce the role of coal in India over time, these latest industrial index figures indicate coal's place within India's expanding economy continues to be robust. --- [John C. \(Max\) Wilkinson](#)

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## ● [TransCanada Selling Ontario Solar Power Holdings in Move Against Renewable Energy Trend](#)

*"TransCanada Corp. is offloading its only solar power holdings in a \$540-million deal as it moves against the industry trend of investing more in renewables. The company said it was selling the eight facilities in Ontario with 76 megawatts of capacity to a subsidiary of Axiom Infrastructure Canada II L.P., with plans to spend the proceeds on its \$24-billion in near-term capital projects."*

**Why this is important:** TransCanada's divestiture of solar holdings to fund its pipeline business growth plans could be an early sign of things to come in the energy sector. For at least the past 15 years, large energy companies, especially the oil and gas majors, have been trending towards diversifying their energy portfolios with a significant focus on renewable energy sources. TransCanada's early 2017 divestitures of hydropower and wind assets followed by this recent announced sale of solar farms shows the company is making a strong push to buck the diversified portfolio and renewable holdings trend. Are TransCanada's actions driven by a bullish outlook for the oil and gas pipeline market or is this just a push to become a "best in class" pipeline company? According to comments made by TransCanada's CEO Russell Girling, TransCanada's internal forecasts appear to demonstrate oil and gas will dominate the energy market for decades to come. --- [Travis H. Eckley](#)

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## ● [U.S. Trade Panel Set to Recommend Solar Trade Tariffs](#)

*"Federal trade officials will recommend measures to safeguard struggling domestic solar panel manufacturers against cheap imports in a closely watched case that could have a major impact on the price of U.S. solar power."*

**Why this is important:** The imposition of tariffs against imported solar panels is a mixed bag for the U.S. solar industry. While the tariffs may help struggling U.S. manufacturers, they will likely cause an increase in project costs that will in turn hurt solar developers and installers. The proposed tariffs also threaten to slow solar's continued penetration into the energy production

segment that is in large part due to a 70 percent drop in the cost of solar energy since 2010. --- [Nicholas S. Preservati](#)

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## ● [WV DEP Waives Water Review Authority, Paving Way for Mountain Valley Pipeline](#)

*"Natalie Cox, a spokeswoman for MVP, said that the reinstated stormwater permit 'requires enhanced best management practices and increases the degree of assurance that MVP construction activities will be conducted in a manner that will preserve and protect waterbodies along the route.'"*

**Why this is important:** In what some are calling an unprecedented decision, the West Virginia Department of Environmental Protection lifted its suspension of MVP's Stormwater Permit and waived the individual 401 Certification of MVP's federal permits. As a result, it appears the only significant permit requirement remaining is the U.S. Army Corp of Engineers 'dredge-and-fill' permit. That permit is currently under review. However the DEP Secretary Austin Caperton predicts that should be a 'done deal' because of the work done so far. The permitting process, in its long and grinding manner, continues to move forward. ---

[Matthew P. Heiskell](#)

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## ● [EIA Energy Statistics](#)

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

[Today in Energy - Liquefied Natural Gas](#)

[This Week in Petroleum](#)

[Petroleum Monthly Marketing](#)

[Monthly Crude and Natural Gas Production](#)

[Russian Oil and Gas Report](#)

[Natural Gas Monthly](#)

[Gasoline and Diesel Prices](#)

[Weekly Coal Prices](#)

[Weekly Coal Production](#)

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