



Issue 28, 2019

Federal Appeals Court Vacates Key Atlantic Coast Pipeline Permit

"A federal appeals court has pulled another permit issued to the Atlantic Coast Pipeline, saying the U.S. Fish and Wildlife Service had fast-tracked the permit, putting threatened species at risk."

Why this is important: Permits for the Atlantic Coast Pipeline, running from West Virginia into North Carolina, have been rejected again by the Fourth Circuit Court of Appeals, which ruled the U.S. Fish and Wildlife Service improperly conducted its Endangered Species Act review. The concern is that pipeline construction will affect endangered species along the route. However, once constructed, the buried pipeline is unlikely to affect any endangered species and the cleared rights-of-ways may actually provide more habitat for some species like the rusty patch bumble bee. The case points out, once again, the tension between the absolute mandates of the Endangered Species Act, and the practical requirements of operating in areas where endangered species possibly could exist. --- David L. Yaussy

Shale Oil and Gas are Hurricane-Proofing U.S. Energy Markets

"In the shale-era over the past decade or so, the U.S. natural gas supply system has shifted North, away from the Gulf Coast hurricane path."

Why this is important: The diversification of shale gas production in Appalachia has multiple benefits other than protecting the domestic energy supply from disruption by storm events. Appalachian shale gas provides a reliable source of energy much closer to population centers in the Northeast and Southeast. In addition, it moderates fluctuations in natural gas prices and makes the market more predictable. Finally, shale gas in Appalachia minimizes some of the transportation bottlenecks that can occur in the transportation, storage and export facilities concentrated on a portion of the Gulf Coast. All of these benefits are welcome improvements in our domestic energy supply. --- William M. Herlihy

Ohio Law Targeting CO2-Free Energy Now a Coal Plant Lifeline

"After lobbying to convince lawmakers to subsidize its Ohio nuclear plants because they produce most of the state's zero-carbon energy, Akron-based FirstEnergy Solutions said that an energy law would also enable the company to keep 1,490 megawatts of coal-fired generation running at its W.H. Sammis plant near Stratton."

Why this is important: A recently passed Ohio law, HB 6, was designed to help keep two Ohio nuclear electrical generation plants in operation as the nuclear generating plants produce no greenhouse gases. Separately, it was hoped the Federal Energy Regulatory Commission would help keep coal-fired generation plants in operation with a plan to help those plants survive based on their reliability in an era of cheap natural gas being used to generate power. The FERC plan was never approved. With HB 6 now in place, First Energy has announced it will use \$40 to \$50 million in savings from HB 6 from its two nuclear plants to save and strengthen two coal-fired generation plants in Ohio. The plants' owners have announced the funds will allow the utility to restore the plants to their previous reliability in the state's power generation portfolio. Also, Ohio HB 6 may provide a roadmap to other states trying to save their nuclear generation plants. --- Mark E. Heath

Researchers Develop Technology to Harness Energy from Mixing of Freshwater and Seawater

"Outlined in paper, recently published in American Chemical Society's ACS Omega, they suggest that this 'blue energy' could make coastal wastewater treatment plants energy-independent."

Why this is important: The exchange of ions between saltwater and freshwater can produce a current that can be used to produce electrical power. One place such power could be produced and used is at wastewater treatment plants located near the ocean or where rivers run into the sea where the electrical potential can be exploited. Stanford's system has shown some promise in a real-life experiment in California, but only has been run through 180 hourly cycles and has yet to be scaled up to a level that would produce meaningful power. Nevertheless, it is one more promising arrow in the quiver of all-of-the-above energy generation. --- David L. Yaussy

Italian Manufacturer Celebrates New West Virginia Factory

"The West Virginia factory is the company's first manufacturing operation in the United States."

Why this is important: The shale gas boom in Appalachia not only benefits operating and pipeline companies, it also has a wide-spread impact on a variety of suppliers for the industry. The attraction of domestic as well as foreign suppliers such as Pietro Florentini to Appalachia provides well paid work that improves the quality of life for the area's citizens. --- William M. Herlihy

Retirements of U.S. Coal-Fired Power Plants Continue but Slow Slightly

"Energy companies plan to retire another 17 gigawatts of coal-fired capacity in the United States by 2025, according to the U.S. Energy Information Administration."

Why this is important: The closings of coal-fired electrical generation plants in the U.S. has slowed, but remain significant. In 2018, 13 GW of coal-fired electrical generation were closed. That was lower than the 15 GW in 2015. From 2010 to 2019, the U.S. closed 546 power plants representing 102 GW of coal-fired electrical generation. The power plant closings, along with cheap natural gas, have continued to depress the selling price for domestic and export steam coal. --- Mark E. Heath

Yes, Keep Looking for Oil and Gas

"Lew Wasserman of the Rockefeller Fund has suggested in The New York Times that the petroleum industry's continued search for oil and gas is 'rampant corporate irrationality' (op-ed July 26, 2019), making arguments that echo the sentiment of many activists but are themselves not very rational."

Why this is important: This article highlights the importance of sound energy policy. Keeping fossil fuels in the ground is not a prudent solution to climate change. Sound energy policy involves utilizing technologies that allow the use of fossil fuels while also reducing CO2 emissions. Using such existing technologies means lower capital investment as countries will be able to utilize existing energy infrastructure developed by mature industry. Responsible policymaking requires a legitimate attempt to lower CO2 emissions by using all available technologies, including those that still allow for the use of fossil fuels. --- Nicholas S. Preservati

Most EV Charging Infrastructure is Wasted Due to Lack of New Thinking

"The reason is they were designed for an already fading first era of electric vehicles."

Why this is important: As the number of electric vehicles increase, so will the need for charging locations that are convenient and affordable. Because charging generally takes longer than filling up with gas, consumers will look for locations close to where they work, sleep or eat so they can use that charging time productively. Electric robocars, on the other hand, can charge in out-of-the-way places where convenience isn't an issue. It will be interesting to see the changes in traffic patterns and human

behavior that will be driven by increased demand for car charging, given the rapidly changing nature of the electric car industry and battery capabilities. --- David L. Yaussy



India's 2019 Thermal Coal Imports Could Rise Up to 13 Percent

"India is expected to import up to 185 million tonnes of thermal coal in 2019, the head of thermal coal at consultancy Wood Mackenzie said, about 13% higher than its estimate for 2018."

Why this is important: A Wood McKenzie study has found significant increases in India coal usage this year. In the 12 months ending March 31, India used 991 million tons of coal, an increase of 9.1 percent. India imported 185 million tons in 2019 from the United States, an increase of more than 21 million tons from last year. Continued import needs by India could help offset the current price reductions for steam coal in the U.S. and world export markets. --- Mark E. Heath



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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