



ABRA Update #223 – March 28, 2019

New Study Details the Increasing Risks of the ACP

“The ACP is facing a triple threat,” so concludes a new study released March 25 by Oil Change International and Friends of the Earth. Atlantic Coast Pipeline – Risk Upon Risk cites three principal threats to the viability of the Atlantic Coast Pipeline: 1) extensive legal and regulatory challenges that are delaying construction and raising costs; 2) fundamental challenges to its financial viability in the face of lack of growth in domestic demand for methane gas and increased affordability of renewable energy options; and 3) an unprecedented citizen initiative positioned to ensure strict compliance with environmental laws and regulations.

Some further highlights from the six-page study:

- “The ACP is a climate, environmental and human rights boondoggle.”
- “The ACP is facing an onslaught of legal challenges and losses. Seven federal permits have been stayed, suspended or vacated; in fact, all construction on the pipeline is currently stopped. When — or if — construction will start up again is unknown. Environmental groups, Indigenous Peoples and others have brought at least nine court challenges to ACP permits and certifications, most of which are ongoing.”
- “In Dominion’s 2018 long-term Integrated Resource Plan (IRP), four out of five modeled scenarios showed no increase in methane gas consumption for power generation from 2019 through 2033.9 However, in December 2018, this IRP was rejected by Virginia state regulators, in part for overstating projections of future electricity demand.”
- “The most recent IRPs of Duke Energy Progress and Duke Energy Carolinas also revealed that previously planned methane gas plants have been delayed by at least five years beyond the original proposal, and none have been approved by the state regulator.”
- “Over the next decade, it is likely that the demand for methane gas in Virginia and North Carolina will decrease further as renewable energy and storage technologies continue to rapidly decline in price and undercut the cost of running methane gas-fired power plants.”
- “If construction proceeds, an unprecedented, highly coordinated science and technology-based Pipeline Compliance Surveillance Initiative (CSI) is positioned to make sure environmental laws and regulations are strictly applied and enforced during construction. It is spearheaded by the Allegheny-Blue Ridge Alliance and member organizations.”

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Bill to Boost LNG Exports to Europe Progresses in Congress

A bill that would authorize the U.S. State Department to subsidize the exporting of liquified natural gas (LNG) to Europe to counter Russia's dominance in supplying natural gas to European markets was approved overwhelmingly by the U.S. House of Representatives on March 25. H.R. 1616, titled the "European Energy Security and Diversification Act of 2019," had been introduced March 7 by Rep. Adam Kinzinger (R-IL). The measure was fast-tracked out of the House Foreign Affairs Committee and never had a hearing. A counterpart measure, S. 704, was introduced by Sen. Christopher Murphy (D-CT) also on March 7 and is pending before the Senate Foreign Relations Committee, to which H.R. 1616 has also been referred.

The legislation has been touted as a measure needed to advance U.S. foreign policy interests in countering Russia's influence in Europe. However, according to recent studies commissioned by the U.S. Department of Energy and testimony presented to other congressional committees in recent months, the increase in LNG exports could double the domestic price of natural gas. Such consequences were not considered during the House consideration of H.R. 1616. Further, the artificial increase in LNG exports would become a further incentive to build unneeded natural gas pipelines, such as the Atlantic Coast Pipeline and Mountain Valley Pipeline.

In the News:

Local/Atlantic Coast Pipeline

Briefing: Atlantic Coast Pipeline – Risk Upon Risk

- OilChange International – 3/25/19

<http://priceofoil.org/2019/03/25/acp-risk-upon-risk/>

Seventeen months after the ACP was granted certification by the Federal Energy Regulatory Commission, construction has barely progressed due to citizen opposition and other sources of risk.

Dominion confident in its troubled pipeline project

- The Recorder – 3/28/19

https://www.abralliance.org/wp-content/uploads/2019/03/Dominion-confident-in-its-troubled-pipeline-project-Recorder_20190328.pdf

Recently Duke and Dominion have both acknowledged that options exist, other than the ACP, to accomplish their goals (of Southeast energy market dominance).

Related:

- <https://www.robesonian.com/news/121558/acp-builders-reject-claim-pipeline-project-is-dead>

Pipeline risky business, investors warned

- The Recorder – 3/28/19

https://www.abralliance.org/wp-content/uploads/2019/03/Pipeline-risky-business-investors-warned-Recorder_20190328.pdf

Delays, cost overruns, multiple legal challenges and unprecedented citizen monitoring mean that the ACP is far, far from the "sure thing" that shareholders were sold years ago.

Lynn Good says Duke Energy needs Atlantic Coast Pipeline – or 'Plan B'

- Charlotte Business Journal – 3/26/19

<https://www.bizjournals.com/charlotte/news/2019/03/26/lynn-good-says-duke-energy-needs-atlantic-coast.html>

Related:

- <https://www.bloomberg.com/news/videos/2019-03-26/duke-needs-another-project-if-atlantic-coast-pipeline-fails-ceo-says-video>

Dominion Energy bows to pressure on energy efficiency spending

- Richmond Times-Dispatch – 3/27/19

https://www.richmond.com/business/ap/dominion-energy-bows-to-pressure-on-energy-efficiency-spending/article_6dfb5d3e-0ceb-5f76-ad70-11e977010ca8.html

Dominion had previously argued that revenue lost from electricity not sold due to the program's implementation should be recovered from the initial \$870 million package that was "sold" to Virginia legislators. Nobody was impressed.

Regional/Mountain Valley Pipeline, other

Pipeline opponents meet with German environmental activists

- The Roanoke Times – 3/21/19

https://www.roanoke.com/news/local/pipeline-opponents-meet-with-german-environmental-activists/article_6cfa94ea-d359-5e8d-8be0-c22ccod87a2c.html

Environmental activists from Germany, who have organized mass mobilizations against coal mining operations in their country, are meeting this week with opponents of the Mountain Valley Pipeline

Pipeline company sues 3rd Alamance property owner

- The Times News – 3/26/19

<https://www.thetimesnews.com/news/20190326/pipeline-company-sues-3rd-alamance-property-owner>

MVP already using the typical industry bullying tactics of looming eminent domain suits against rural North Carolinians to smooth its road to construction...*loooong* before any permits have been granted.

Northam's push to overhaul DEQ moving forward

- The Roanoke Times – 3/27/19

https://www.roanoke.com/business/news/northam-s-push-to-overhaul-deq-moving-forward/article_ce149106-2a11-5fa2-b4fc-823e5419b296.html

Any overhauled DEQ that maintains David Paylor as its head is merely a shell game...a sham...and an insult to the citizens of Virginia.

Dominion to retire old, coal-burning power units

- Richmond times-Dispatch – 3/25/19

https://www.richmond.com/business/local/dominion-to-retire-old-coal-burning-power-units/article_cde22772-f5c2-5fa4-bcdf-2af9314a3176.html

This is basically a non-story. The units have all been offline, kept in "reserve" for at least a year. No jobs will be lost in their retirement, but no additional CO2 emission reductions will happen either.

Big Picture:

Climate change is already hurting fruit breeders, and consumers could soon feel the pain

- The Washington Post – 3/28/19

https://www.washingtonpost.com/lifestyle/home/climate-change-is-already-hurting-fruit-breeders-and-consumers-could-soon-feel-the-pain/2019/03/27/6d5252fa-36c2-11e9-854a-7a14d7fec96a_story.html?noredirect=on&utm_term=.224b246f107d

Researchers across the United States say the milder winters of a changing climate are inducing earlier flowering of temperate tree fruits, exposing the blooms and nascent fruit to increasingly erratic frosts, hail and other adverse weather.

Glick Disputes FERC 'Breakthrough' on LNG Projects

- RTO Insider – 3/25/19

<https://www.rtoinsider.com/glick-disputes-breakthrough-lng-projects-113492/>

LaFleur also says resulting process likely "unsustainable" as it acknowledges, but makes no effort to calculate the effects on Climate Change of project-related greenhouse gas emissions.

FERC seeking comments on electric transmission incentives policy

- Windpower Engineering & Development – 3/27/19

<https://www.windpowerengineering.com/business-news-projects/ferc-seeking-comments-on-electric-transmission-incentives-policy/>

Specifically, the NOI examines whether incentives should continue to be granted based on a project's risks and challenges or should be based on the benefits that a project provide. The updated policy will cover oil and natural gas pipelines, so please consider commenting!

Related:

- <https://www.jdsupra.com/legalnews/ferc-to-examine-electric-gas-and-oil-56500/>

Fed official: Climate change is an ‘international market failure’

- Grist – 3/26/19

<https://grist.org/article/federal-reserve-climate-change-economy-green-bonds/>

A Federal Reserve researcher warned in a report on Monday that “climate-based risk could threaten the stability of the financial system as a whole.” But possible fixes — using the Fed's buying power to green the economy — are currently against the law. — See link to report early in the article.

Climate change: Global impacts 'accelerating' – WMO

- BBC News – 3/28/19

<https://www.bbc.com/news/science-environment-47723577>

Their report comes in the same week as the International Energy Agency (IEA) reported a surge in CO2 in 2018.

Despite Recent Victories, New York Natural Gas Pipes Still Facing Fierce Opposition

- Natural Gas Intelligence – 3/27/19

<https://www.naturalgasintel.com/articles/117843-despite-recent-victories-new-york-natural-gas-pipes-still-facing-fierce-opposition>

FERC plans to reconsider the Constitution vs. NY water quality permit matter following a ruling by the U.S. Court of Appeals for the District of Columbia (DC) in an unrelated hydropower case that favored Constitution and addressed similar issues.

They Grew Up Around Fossil Fuels. Now, Their Jobs Are in Renewables.

- The New York Times – 3/26/19

<https://www.nytimes.com/interactive/2019/03/26/climate/wind-solar-energy-workers.html>

Cheap batteries could soon replace gas plants — study

- E&E Energywire - 3/26/19

https://www.abralliance.org/wp-content/uploads/2019/03/Cheap-batteries-could-soon-replace-gas-plants-study-EE-Energywire_20190326.pdf

The report is the latest analysis from an energy research firm that sees battery storage eventually subverting gas plants' status as a preferred source of quick-start power during times of peak demand. Last spring, Wood Mackenzie wrote that batteries would beat out gas peakers by 2022 in much of the United States.

Related:

- <https://www.greentechmedia.com/articles/read/report-levelized-cost-of-energy-for-lithium-ion-batteries-bnef#gs.zukqr6>