



ABRA Update #244 – September 12, 2019

New Studies Conclude Role of Natural Gas As a “Bridge Fuel” Is Over

Two new reports released by the Rocky Mountain Institute (RMI) conclude that “the role of natural gas as a ‘bridge fuel’ is behind us.” In announcing the reports, RMI states:

The past decade has seen a dramatic reduction in the costs of wind, solar, and storage technologies. At the same time, sophisticated utilities and market operators are increasingly able to procure grid reliability services from these non-traditional resources. As a result, leading US utilities are now prioritizing investment in “clean energy portfolios” (CEPs)—combinations of renewables, storage, and demand-side management strategies—that can cost-effectively provide the same reliability services as traditional gas-fired power plants.

RMI analyzed the economics of every proposed gas-fired power plant in the United States and found:

- Over 90% of proposed gas-fired capacity would be more expensive than an equivalent CEP.
- If built, owners of these gas assets will face tens of billions of dollars of stranded costs with uncertain future revenues as clean energy continues to fall in price.
- US electricity customers could save US\$29 billion (NPV) by investing in CEPs instead of these uneconomic gas plants.
- This reprioritization of capital would also avoid 100 million tons of CO₂ emissions each year, equivalent to 5% of the current emissions of the US electricity system.

RMI also projects that pipelines expected to ship gas to power plants will be underutilized:

Growth in US economy-wide demand for natural gas has been driven almost exclusively by the power sector over the past 20 years. In turn, this demand growth has helped drive \$115 billion in gas pipeline investment over the same period, and interstate gas pipeline developers have proposed another \$30 billion in new investment through 2025 in part to meet the expected increase in demand. RMI’s analysis, however, shows that growth in power sector gas use will stop in the near future, with dramatic implications for pipelines that rely on revenue from new gas plants:

- In the Eastern United States, throughput on new gas pipelines will fall 20%–60% below presumed levels by 2035.
- This decline in utilization will lead to rising unit costs for delivered gas borne, in most cases, by captive utility customers.

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To download the two RMI reports – *The Growing Market for Clean Energy Portfolios* and *Prospects for Gas Pipelines in the Era of Clean Energy* – click [here](#).

Another new report – released September 11 by the World Economic Forum’s Global Future Council on Energy – concludes that the era of carbon-intensive energy derived from the burning of fossil fuels is coming to an end, and a cleaner, more reliable energy future based on renewables like wind and solar will be the new normal. [The Speed of the Energy Transition](#) offers compelling evidence that stakeholders in the global energy system must prepare for change urgently, because it is coming fast.

Who is ABRA?

This is the first in a series of profiles of member groups of the Allegheny-Blue Ridge Alliance.

Cowpasture River Preservation Association

The Cowpasture River flows through some of western Virginia's most scenic, rural landscape. Beginning in Highland County, it flows south through Bath, Alleghany, and Botetourt Counties for over 80 miles. At Iron Gate, it joins the Jackson River to form the James River. “It may well be Virginia's cleanest river and its crystal clear, cool waters have soothed the souls of residents and visitors alike for centuries,” so states the website of the Cowpasture River Preservation Association (CPRA). And CPRA’s goal is to keep it that way.

CPRA was formed in 1972 by group of advocates for the river who felt that there were impending threats from large governmental and corporate development projects either underway or planned for the local region at that time. Over the years, the mission of protecting the river has remained the same, but its objectives have grown from one primarily of advocacy to, at present, encompassing educational and water quality monitoring programs as well as outreach activities. All are designed to inform the public about best practices in good watershed stewardship.

A prominent program of CPRA is the water monitoring it regularly conducts on the Cowpasture and some of its tributaries. The program includes seven monitoring stations within the Cowpasture River watershed., which CPRA trained volunteers sample for macrobenthic invertebrates every six months and bacteria and water chemistry monthly.

The CPRA was one of the co-hosts of a meeting in July 2014 that led to the organization of the Allegheny-Blue Ridge Alliance. At the time, the then proposed route of the Atlantic Coast Pipeline (ACP) crossed the Cowpasture once, upstream in Highland County. With the re-routing of the ACP into Bath County in February 2016, concerns about the impact of the proposed pipeline on the Cowpasture became more pronounced. The current proposed route of the ACP would cross the Cowpasture once and would traverse some of its tributaries 6 times.

A number of CPRA members have been prominently active in ABRA. CPRA’s current President, Dick Brooks, serves on the ABRA Board of Directors, the ABRA Steering Committee and serves as Volunteers Chair for ABRA’s Compliance Surveillance Initiative (CSI) program.

To learn more about the Cowpasture River Preservation Association, including joining or supporting it, visit their website: <https://www.cowpastureriver.org>.

World-Wide Climate Strike Events Scheduled for September 20

On September 20, three days before the UN Climate Summit in NYC, young people and adults will strike across the US and world to demand transformative action be taken to address the climate crisis. Scheduled events on the 20th in the greater Allegheny-Blue Ridge region include:

- Charlottesville - 12:00 pm, Free Speech Wall, Downtown Mall, 605 E Main Street
- Harrisburg - 12:30 pm, Downtown Harrisonburg Court Square, 80 Court Square Courthouse
- Staunton - 11:00 am, Staunton Innovation Hub, 32 N. Augusta
- Lexington - 3:30 pm, Richardson Park at the corner of Diamond and Lewis Streets
- Lynchburg - 1:50 pm, 520 Eldon Street
- Roanoke - 4:00 pm, Unitarian Universalist Church of Roanoke, 2015 Grandin Road

For more information, click [here](#).

In the News:

Local/Atlantic Coast Pipeline

Utility to feds: No unsafe construction on Atlantic Coast

- E&E News – 9/6/19

https://www.abralliance.org/wp-content/uploads/2019/09/Utility-to-feds-No-unsafe-construction-on-Atlantic-Coast-EE-News_20190906.pdf

Dominion is asking the Pipeline and Hazardous Materials Safety Administration to withdraw a warning letter it sent to the company in July.

Virginians demand Dominion Energy refund overcharges of \$379M

- Augusta Free Press – 9/9/19

<https://augustafreepress.com/virginians-demand-dominion-energy-refund-overcharges-of-379m/>

They shouldn't hold their breath. The 2018 law allows Dominion to keep over-earnings, reinvest them in new infrastructure, *and then charge us nearly 10% annual profit* on those reinvested over-earnings.

Dana Wiggins column: Dominion doesn't need more profits

- Richmond Times-Dispatch – 9/6/19

https://www.richmond.com/opinion/their-opinion/dana-wiggins-column-dominion-doesn-t-need-more-profits/article_093fed66-5179-5975-85b4-8adf42eb8089.html

After revealing that it overearned to the tune of nearly \$380 million over the last two years, Dominion has the...audacity...to ask the SCC for a higher profit margin.

Regional/Mountain Valley Pipeline, other

After a year in the trees, opponents continue to block work on the Mountain Valley Pipeline

- Richmond Times-Dispatch – 9/7/19

https://www.richmond.com/news/virginia/after-a-year-in-the-trees-opponents-continue-to-block/article_927ec74e-c65c-5852-90de-7857d7140397.html

Since Sept. 5, 2018, a variety of protesters have taken turns sitting in tree stands built on a piece of private land condemned for the pipeline.

Protester who blocked work on pipeline gets suspended jail sentence, probation

- The Roanoke Times – 9/10/19

https://www.roanoke.com/news/crime/protester-who-blocked-work-on-pipeline-gets-suspended-jail-sentence/article_14875289-a246-52b9-a195-e405fcbd9280.html

He received a 60-day suspended jail sentence, was put on supervised probation for 12 months, and was ordered to perform 100 hours of community service.

Big Picture:

Renewables, storage poised to undercut natural gas prices, increase stranded assets: RMI

- Utility Dive – 9/11/19

<https://www.utilitydive.com/news/renewables-storage-poised-to-undercut-natural-gas-prices-increase-stranded/562674/>

If all proposed gas plants are built, 70% of those investments will be rendered uneconomic by 2035, according to the Rocky Mountain Institute.

Related:

- <https://www.usatoday.com/story/news/2019/09/09/climate-change-threatens-earth-us-open-nearly-200-power-plants/2155631001/>

DC Circuit Questions Natural Gas Export Agreements for Nexus Gas Pipeline

- Natural Gas Intelligence – 9/9/19

<https://www.naturalgasintel.com/articles/119523-dc-circuit-questions-natural-gas-export-agreements-for-nexus-gas-pipeline>

The panel of judges said the Commission failed to explain why it is lawful to count demand for export capacity when issuing a Certificate of Public Convenience and Necessity. In order to receive a certificate approval under the Natural Gas Act (NGA), a developer must show that its project is in the public interest and meets unserved market demand.

I'm a conservative Republican. Climate change is real.

- Politico – 9/11/19

<https://www.politico.com/agenda/story/2019/09/11/climate-change-conservative-republicans-000955>

It's time to stop denying a crisis that our constituents are already seeing every day.

Was there a different regulatory path for the ruptured Revolution pipeline?

- Pittsburgh Post-Gazette – 9/10/19

<https://www.post-gazette.com/business/powersource/2019/09/10/Revolution-pipeline-Energy-Transfer-Pennsylvania-DEP-Beaver-County-Conservation-District/stories/201909100007>

DEP claims Energy Transfer misrepresented Beaver County project.

Another Blow for PennEast as Federal Court Denies Access to New Jersey Land

- Natural Gas Intelligence – 9/11/19

<https://www.naturalgasintel.com/articles/119542-another-blow-for-penneast-as-federal-court-denies-access-to-new-jersey-land>

The U.S. Court of Appeals for the Third Circuit issued an opinion on Tuesday that prevents the company from condemning state-owned land in New Jersey that the project needs to move forward.

As utilities scramble to manage explosive DER growth, is power grid autonomy a solution?

- Utility Dive – 9/11/19

<https://www.utilitydive.com/news/as-utilities-scramble-to-manage-explosive-der-growth-is-power-grid-autonom/562439/>

The U.S. electric grid could face hundreds of millions of distributed resource deployments in the near future. But optimizing these data points may exceed human ability. So then...how do we build this “Smart Grid”?