



ABRA Update #277 – May 22, 2020

Issue Highlights . . .

- Appeals Court Urged to Keep Freeze on Army Corps’ NWP 12 for Pipelines
- Trump Calls for Reducing Regulations to Aide Economic Recovery
- Comment Period Extended for Header Improvement Project
- The Future of LNG Exports Increasingly Looks Shaky
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Appeals Court Urged to Keep Freeze on Army Corps’ NWP 12 for Pipelines

The Ninth Circuit Court of Appeals has been urged to uphold a Federal District Court in Montana’s ruling prohibiting the U.S. Army Corps of Engineers’ Nationwide Permit 12 (NWP12) program from issuing new permits for oil and natural gas pipelines. The [District Court’s April 15 ruling](#) came in a case challenging the NWP12 permit for the Keystone project and was extended to affect permits for other new oil and natural gas pipelines. The ruling impacts the Atlantic Coast and Mountain Valley Pipelines, neither of which currently have valid NWP12 permits.

In a May 20 brief filed with the Court, the Northern Plains Resource Council, a Montana-based conservation group, argued that Army Corps had failed to evaluate the cumulative impact on endangered species of all projects under the NWP12 and that the agency should have completed a programmatic review under the Endangered Species Act before reauthorizing the program for a five-year term beginning in 2017. The case is before the Ninth Circuit on appeal by the Army Corps and industry groups that are asking the Appeals Court to overturn the District Court’s freeze of the NWP12 program until the case is decided the issues. For a copy of the brief, click [here](#).

Trump Calls for Reducing Regulations to Aide Economic Recovery

President Trump issued an [Executive Order on May 19](#) to reduce regulatory requirements to support businesses in recovering from the economic downturn brought on by COVID-19. The Order states that:

Agencies should address this economic emergency by rescinding, modifying, waiving, or providing exemptions from regulations and other requirements that may inhibit economic recovery, consistent with applicable law and with protection of the public health and safety, with national and homeland security, and with budgetary priorities and operational feasibility. They should also give businesses, especially small businesses, the confidence they need to re-open by providing guidance on what the law requires; by recognizing the efforts of businesses to comply with often-complex regulations in complicated and swiftly changing circumstances; and by committing to fairness in administrative enforcement and adjudication.

Continuing, the President’s order directed that “the heads of all agencies “shall identify regulatory standards that may inhibit economic recovery and shall consider taking appropriate action . . . to temporarily or permanently rescind, modify, waive, or exempt persons or entities

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from those requirements . . . for the purpose of promoting job creation and economic growth, insofar as doing so is consistent with the law”

While specific regulations that might be affected by the new policy have not yet been identified by the Administration, the Acting Air Chief of the Environmental Protection Agency said on May 20 that the new order “is going to push us toward viewing our regulations, temporary or otherwise, through a different lens.” In other words, changes are coming.

Comment Period Extended for Header Improvement Project

The Virginia State Corporation Commission (SCC) has extended the comment period for the proposed Header Improvement Project (HIP), a proposal by Virginia Natural Gas for a pipeline expansion to serve a new power plant in Charles City, VA. The SCC held a May 12 webcasts hearing and has indicated an additional hearing will be scheduled, but no date has been set. More than 700 comments on the proposal have been filed so far with the SCC.

A virtual comment-writing party, organized by organizations opposing the HIP , will be held on Thursday, May 28 from 6- 7 pm. For more information and to participate, click [here](#).

The Future of LNG Exports Increasingly Looks Shaky

A recently released analysis of the future financial prospects for liquified natural gas (LNG) strongly suggests that markets are imploding. The LNG issue becomes relevant for those concerned about efforts to build new, unneeded natural gas pipelines because of excessive natural gas supplies and reduced domestic demand. The report by the Institute for Energy Economics and Financial Analysis (IEEFA) notes:

High prices in prior years had spurred a torrent of new LNG projects around the globe. But that optimism sowed the seeds of the fuel’s current troubles, as massive new supplies of LNG, much of it coming from the U.S., flooded global markets even as demand growth remained muted. The resulting oversupply fueled a global price slump: even before COVID-19 decimated global energy demand, LNG prices were already plummeting to a ten-year low.

The LNG industry entered today’s crisis on shaky footing. And now that the economic slowdown is in full swing, all previous LNG supply and demand projections have been rendered moot, and all crystal balls remain cloudy. In that context, delay is a smart decision.

For the complete IEEFA report, click [here](#).

New Study: Solar and Wind Puts Existing Coal, Gas at Risk

Solar photovoltaic (PV) and onshore wind are now the cheapest sources of new energy generation sources for at least two-thirds of the global population., according to a new analysis by BloombergNEF (BNEF). The BNEF analysis “shows that the global benchmark leveled cost of electricity, or LCOE, for onshore wind and utility-scale PV, has fallen 9% and 4% since the second half of 2019 – to \$44 and \$50/MWh, respectively. Meanwhile, the benchmark LCOE for battery storage has tumbled to \$150/MWh, about half of what it was two years ago.”

Continuing, “Globally, BNEF estimates that the average onshore wind farm has doubled its capacity from 32 megawatts in 2016 to about 73 megawatts today. Solar farms are a third more powerful today, at 27 megawatts on average, compared to 2016.”

For the complete BNEF report, click [here](#).

In the News:

Local/Atlantic Coast Pipeline

Planners Approve Laydown Yard

- The News-Gazette – 5/20/20

<https://www.thenews-gazette.com/content/planners-approve-laydown-yard>

A site plan for a second contractor's yard in Rockbridge County for the Atlantic Coast Pipeline was approved last week by the Rockbridge Planning Commission. The laydown yard for construction of the pipeline is to go on 26.9 acres off of Bratton's Run Road near Goshen.

Governor should think like a doctor about the pipelines

- The Recorder – 5/21/20

https://www.abralliance.org/wp-content/uploads/2020/05/Governor-should-think-like-a-doctor-about-the-pipelines-Recorder_20200522.pdf

It's time to electrify Virginia

- Virginia Mercury – 5/21/20

<https://www.virginiamercury.com/2020/05/21/its-time-to-electrify-virginia/>

Widespread electrification of space heating, water heating and cooking has the potential to significantly reduce CO2 emissions and improve public health.

Coal plants disappear in Va. But CO2 is rising

- E&E News – 5/20/20

<https://www.eenews.net/stories/1063179963>

The switch from coal to gas has driven down U.S. electricity emissions over the last decade. But the opposite has happened in Virginia, where a massive build-out of natural gas plants has negated CO2 reductions associated with coal retirements.

Related:

- <https://www.virginiamercury.com/2020/05/14/what-part-of-zero-doesnt-dominion-understand/>

- <https://bluevirginia.us/2020/05/dominion-just-proved-that-the-virginia-clean-economy-act-wont-stop-it-from-continuing-to-push-climate-killing-fossil-fuels>

With new energy regime only months away, regulators grapple with gas expansion proposal

- Virginia Mercury – 25/19/20

<https://www.virginiamercury.com/2020/05/19/with-new-energy-regime-only-months-away-regulators-grapple-with-gas-expansion-proposal/>

Virginia Natural Gas pushes for pipeline expansion to feed a power plant that may never get built.

COMMENTARY: Environmentalists' hypocritical objection to six-mile pipeline extension

- Fredericksburg Free Lance-Star – 5/20/20

https://www.fredericksburg.com/opinion/commentary-environmentalists-hypocritical-objection-to-six-mile-pipeline-extension/article_d247e15e-b7c4-57af-955c-109bb6d2b344.html

See rebuttal by Tom Hadwin on ABRA's FB page (link below)

- https://www.facebook.com/abralliance/posts/1623143661171218?_tn=K-R

Regional/Mountain Valley Pipeline, other

EQM sees U.S. Mountain Valley natgas pipe on in 2020, analysts not so sure

- Reuters – 5/14/20

<https://www.reuters.com/article/us-usa-eqm-mountain-valley/eqm-sees-u-s-mountain-valley-natgas-pipe-on-in-2020-analysts-not-so-sure-idUSKBN22Q39K>

Judge dismisses lawsuit that contested Mountain Valley's power of eminent domain

- The Roanoke Times – 5/14/20

https://www.roanoke.com/business/judge-dismisses-lawsuit-that-contested-mountain-valleys-power-of-eminent-domain/article_2c6f899e-c218-5854-ab5a-3941bf8daaca.html

Legal action has failed, once again, to undo the taking of private land for a natural gas pipeline through Southwest Virginia.

Where was Paylor on the Mountain Valley Pipeline?

- Virginia Mercury – 5/20/20

<https://www.virginiamercury.com/blog-va/where-was-paylor-on-the-mountain-valley-pipeline/>

Big Picture:

'Devil is in the details.' The fight for grid carbon pricing

- E&E News- 5/19/20

<https://www.eenews.net/stories/1063173541>

Calls are growing for carbon pricing in the nation's regional power markets, and that's fueling concerns that such a move could derail states' efforts to expand renewables and curb emissions.

Industry: Army Corps ruling will limit virus protective gear

- E&E Energywire – 5/18/20

<https://www.abralliance.org/wp-content/uploads/2020/05/Army-Corps-ruling-will-limit-virus-protective-gear-EE-Energywire-5-18-20.pdf>

Industry claims that NWP 12-related slowdowns on pipeline permitting and construction will impact deliveries of petrochemical-based PPE that are needed *today* in the fight against Covid-19. Unless new N-95 factories are nearing completion across the country, with no sources of feedstock, this seems a stretch.

'Terrified' energy workers press feds for safety standard

- E&E Energywire – 5/21/20

<https://www.abralliance.org/wp-content/uploads/2020/05/Terrified-energy-workers-press-feds-for-safety-standard-EE-Energywire-5-21-20.pdf>

Related:

- <https://www.post-gazette.com/business/powersource/2020/05/17/Distance-guides-everything-now-lessons-from-utility-workers-on-the-new-work-environment/stories/202005170043>

N.Y. rejects \$1B pipeline over climate, water concerns

- E&E Energywire – 5/18/20

<https://www.abralliance.org/wp-content/uploads/2020/05/N.Y.-rejects-1B-pipeline-over-climate-water-concerns-EE-Energywire-5-18-20.pdf>

The states' decision arrives as EPA prepares to release Clean Water Act guidance that would narrow the scope of states' review to only water quality issues – not climate or air pollution – when issuing 401 permits. It would also mandate that a state approve or deny such permits within a year.

World's Greenest Coronavirus Recovery Package Arriving in Europe

- Bloomberg Green – 5/20/20

<https://www.bloomberg.com/news/articles/2020-05-20/eu-to-unveil-world-s-greenest-virus-recovery-package>

“These sums would dwarf any green stimulus announcements to date and signal that the EU really wants to align its economic recovery strategy with the Green Deal,” said Victoria Cuming, head of global policy at Bloomberg NEF.

U.S. overtakes China as most attractive country for renewables investment: research

- Reuters – 5/19/20

<https://ca.reuters.com/article/businessNews/idCAKBN22VoX8>

Offshore wind plans have a lot to do with it.