



ABRA Update #288 – August 13, 2020

Issue Highlights . . .

- Natural Gas CEO Admits to Excess Pipeline Capacity
- MVP Southgate Project Is Denied a Water Certificate
- Bill Introduced to Improve Pipeline Permitting Process
- EPA to Hold Webinar on Environmental Justice
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Natural Gas CEO Admits to Excess Pipeline Capacity from Marcellus Basin

There is excess pipeline capacity for natural gas produced from the Marcellus shale field and the gap of excess capacity over gas produced is expected to grow, according to Toby Rice, CEO of EQT Corporation, the largest shale gas producer in the United States and a potential major shipper of gas for the Mountain Valley Pipeline (MVP). His observations were made during a July 27 earnings call with representatives of investment firms. In answer to a question about his “view on the future pipeline development out of Appalachia” in the wake of the cancellation of the Atlantic Coast Pipeline, Rice said:

. . . the dynamics that are set up right now is Appalachia is producing around 32 Bcf a day. We've got about call it 35 Bcf a day of local takeaway -- of takeaway and local demand. So, there is a 3 Bcf a day gap between what we are producing and what we are able to take away. Adding MVP that takes -- that takes you up to -- call it -- 37 Bcf a day. So, you've got a pretty big gap between capacity and supply in the basin. I think, you couple that with the fact that the basin is going to struggle to grow. I mean, you've got all operators saying that they're hanging in a maintenance mode. We're also seeing activity levels today, which suggest that this basin is going to decline. All of that is going to widen the gap of takeaway.

For the full transcript of the earnings call, click [here](#). Rice's comments were in response to the last question asked during the earnings call.

MVP Southgate Project Is Denied a Water Certificate by North Carolina DEQ

The Southgate Project, a proposed extension of the Mountain Valley Pipeline into North Carolina, has been denied a necessary water quality certificate under Section 401 of the Clean Water Act by the North Carolina Division of Environmental Quality (NCDEQ). In its [August 11 letter announcing the decision](#), NCDEQ said:

- The Division has determined that the proposed MVP Southgate project is inextricably linked to, and dependent upon, completion of the under-construction Mountain Valley Pipeline (MVP Mainline) project.
- Without a complete and in-service MVP Mainline, MVP Southgate project's purpose of providing “southern Virginia and North Carolina with direct pipeline access to the Marcellus and Utica gas regions in West Virginia, Ohio and Pennsylvania”³ is unachievable.

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- The uncertainty of the MVP Mainline project's completion presents a critical risk to the achievability of the fundamental purpose of MVP Southgate. Certification of this project, without further confidence that it can achieve its stated purpose, is inappropriate and allows for avoidable environmental impacts to water quality and protected riparian buffers.
- The project would unnecessarily risk impacting high-quality waters and protected and critical drinking water supplies of North Carolinians. Approving construction activities and thereby allowing the most adverse environmental impacts - without certainty of the project's utility upon completion - is inconsistent with principles of minimization. Therefore, the Division has determined that your applications are hereby denied.

MVP has 60-days to appeal the decision.

Warner, Kaine Introduce Bill to Improve Pipeline Permitting Process

U.S. Senators Mark R. Warner (D-V) and Tim Kaine (D-VA) introduced legislation on August 6 to strengthen the public's ability to evaluate the impacts of natural gas pipelines being considered by the Federal Energy Regulatory Commission. S. 4502 would make it easier for the public to offer input and clarify the circumstances under which eminent domain should and should not be used.

Among other guidelines, the bill requires public comment meetings to be held in every locality through which a pipeline would pass, at every stage of the review process, in order to minimize situations where individuals are forced to commute long distances with very little time to comment. It also strengthens landowners' rights by improving the processes in which landowners are notified of a pipeline application and bolstering their ability to intervene to ensure any concerns about their property are given fair consideration and compensation.

The bill builds upon an earlier version of legislation the Senators introduced in the last Congress. The text of S. 4502 is not yet available. For more, click [here](#).

U.S. EPA to Hold Webinar on Environmental Justice

The U.S. Environmental Protection Agency is conducting a series of training webinars to build the capacity of state environmental justice practitioners. The first webinar in 2020 on "Information Systems to Advance Environmental Justice," to take place on September 10 at 1:00 EDT, is now open for registration. The webinar will feature presentations about the Texas Commission on Environmental Quality's emission events database, Wisconsin Department of Health's Environmental Public Health Tracking program, and EPA's Toxic Release Inventory. [REGISTER NOW!](#) For more information, contact Charles Lee (lee.charles@epa.gov) or Ericka Farrell (farrell.ericka@epa.gov).

In the News:

Local/Atlantic Coast Pipeline

Quitting the ACP leads Duke Energy to quarterly loss

- WFAE Radio - 8/10/20

https://www.wfae.org/post/quitting-pipeline-project-leads-duke-energy-quarterly-loss?fbclid=IwAR26YSsQXf67g_Pu5Sw9XvuXtfe2souLiEy8CQqfSHY-2e3LMiGBg7q9x4o#stream/o

The history of the people vs. the pipeline

- Crozet Gazette – 8-8-20

<https://www.crozetgazette.com/2020/08/08/the-history-of-the-people-vs-the-pipeline/>

Nelson County citizens have long paid attention to preserving the surrounding beauty and their peaceful life. A grassroots community-building effort grew into a powerful connection that brought together diverse persons capable of keeping the mountains whole.

Duke Energy to invest in renewables after cancelling pipeline

- S&P Global – 8-10-20

<https://www.spglobal.com/marketintelligence/en/news-insights/latest-news-headlines/duke-energy-to-invest-in-gas-distribution-renewables-after-canceling-pipeline-59846868>

More dominoes need to fall in ACP's wake

- Virginia Mercury – 8-13-20

<https://www.virginiamercury.com/2020/08/13/more-dominoes-need-to-fall-in-acps-wake/>

"We cannot let our recent victory over gas pollution overshadow the work still ahead. We must keep our eye on the prize. With each battle won, we expand our opportunities to use clean solar and wind — energy sources that don't emit pollution."

Regional/Mountain Valley Pipeline, other

Despite company claims, only a fraction of the MVP is complete in Virginia

- Virginia Mercury – 8-10-20

<https://www.virginiamercury.com/2020/08/10/despite-company-claims-only-a-fraction-of-the-mountain-valley-pipeline-is-complete-in-virginia/>

Equitrans expects completion of MVP by early 2021

- Underground Construction – 8-4-20

<https://ucononline.com/news/2020/08-august/equitrans-expects-completion-of-mountain-valley-pipeline-by-early-2021>

22 Virginia legislators urge Gov. Northam to suspend construction on MVP

- WFXR-TV – 8-6-20

<https://www.wfxrtv.com/news/local-news/22-virginia-legislators-urge-gov-northam-and-health-officials-to-suspend-construction-on-mountain-valley-pipeline/>

"The dangers posed by MVP's staffing plan underscores why Virginia infrastructure projects during the COVID-19 pandemic must focus on keeping workers safe, not exposing more workers to unnecessary dangers."

NC DEQ denies key permits for MVP Southgate

- NC Policy Watch – 8-11-20

<http://www.ncpolicywatch.com/2020/08/11/breaking-deq-denies-key-permits-for-mvp-southgate-natural-gas-pipeline/>

As North Carolina blocks Southgate, Duke seeks how to meet gas demand

- Utility Dive – 8-13-20

<https://www.utilitydive.com/news/north-carolina-denies-water-permit-for-mountain-valley-pipeline-southern-ex/583439/>

A Duke spokesperson said: "Absent the ACP, we will evaluate multiple options to ensure the needs of North Carolina, especially in the eastern part of the state, are met in the near and long term,"

Big Picture:

EPA completes rollback of Obama methane rule

- E&E News – 8-13-20

<https://www.abralliance.org/wp-content/uploads/2020/08/EPA-completes-rollback-of-Obama-methane-rule-EE-News-8-13-20.pdf>

Canada’s TransMountain Pipeline faces another major setback

- OilPrice.com – 7-23-20

<https://oilprice.com/Energy/Energy-General/Canadas-TransMountain-Pipeline-Faces-Another-Major-Setback.html>

A major insurance company dropped coverage for the Trans Mountain expansion project, an oil pipeline seen as vital to the growth of Canada’s oil sands

Judge strikes down Trump Administration rollback of law protecting birds

- Washington Post – 8-12-20

https://www.washingtonpost.com/climate-environment/2020/08/11/quoting-kill-mockingbird-judge-struck-down-trumps-rollback-historic-law-protecting-birds/?hpid=hp_national1-8-12_bird-rule-730am%3Ahomepage%2Fstory-ans&fbclid=IwARoQIVjntjmR15xLrLrbKUwbUZdUncZkXVbVICHJuQvYPKOc37M5ZMacJd8

A federal judge in New York has invalidated rule changes by the Trump administration that allowed individuals and corporations to kill scores of birds as long as they could prove they did not intentionally set out to do so.

We have entered the “end game” for oil — with “permanent demand destruction”

- Oil Change International – 7/30/20

<http://priceofoil.org/2020/07/30/we-have-entered-the-end-game-for-oil-with-permanent-demand-destruction/>

The “old normal” is not coming back. We are witnessing the end of the oil age.

Big business hits brakes on wind and solar electricity

- E&E Energywire – 8-12-20

<https://www.abralliance.org/wp-content/uploads/2020/08/Big-businesses-hit-brakes-on-wind-solar-electricity-EE-Energywire-8-12-20.pdf>

Corporate purchases of renewable power fell in the United States during the first half of the year due to pandemic fallout and slumping interest from technology giants.

Senate Bill Would Reshape Environmental Justice

- E&E Climatewire – 8-10-20

<https://www.abralliance.org/wp-content/uploads/2020/08/Senate-bill-would-reshape-environmental-justice-cases-EE-Climatewire-8-10-20.pdf>

Why deforestation and extinctions make pandemics more likely

- Nature – 8-7-20

<https://www.nature.com/articles/d41586-020-02341-1>

Researchers are redoubling efforts to understand links between biodiversity and emerging diseases — and use that information to predict and stop future outbreaks.