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Energy and Climate Report

Afternoon Briefing - Your Preview of Today's News

The following news provides a snapshot of what Bloomberg BNA is working on today. Read the full version of all the stories in the final issue, published each night.

Utilities Coalesce Around Plan for New Carbon Dioxide Standards

Posted October 03, 2017, 04:06 P.M. ET

By [Abby Smith](#)

Ameren Corp. and Entergy are among the utilities urging the EPA to rewrite its carbon dioxide pollution standards for power plants rather than scrapping the rule outright as the Trump administration repeatedly has suggested.

Rolling back the carbon dioxide standards entirely could lead to even more stringent requirements from the next Democratic administration and could open power plants up to lawsuits from environmental groups, utilities fear. The U.S. Chamber of Commerce also is backing utilities' suggestion to replace the Obama administration's ambitious Clean Power Plan with a narrower rule built around ways individual power plants can reduce their carbon dioxide emissions. But environmental groups are skeptical.

The EPA, as soon as this week, could take its first real step toward rescinding the Clean Power Plan, which may include plans for issuing a replacement rule. If so, industry groups already may have a blueprint for its successor. The EPA did not respond to a request from Bloomberg BNA for a comment.

"One early takeaway is there's been pretty good unanimity on what the replacement should look like" among industry groups, Dan Byers, vice president of policy for the U.S. Chamber of Commerce's Global Energy Institute, told Bloomberg BNA. Byers pointed to a recent [white paper](#) presented to EPA and White House officials by a group of utilities known as the Coalition for Innovative Climate Solutions, or CICS.

CICS, which includes Ameren Corp., Entergy Corp. and Salt River Project Agricultural Improvement and Power District, presented its initial suggestions for a replacement framework during a Sept. 14 meeting with EPA and White House officials. Megan Berge, an attorney with Baker Botts LLP that represents the group, told Bloomberg BNA the coalition aims to present an option that is "durable and works for all the parties involved."

Bloomberg BNA reached out to several other electric utilities—including Southern Co., Xcel Energy, Dominion Resources, PPL Electric Corp., and Ameren Corp. The companies either declined to talk about the rule or did not respond to requests for comment.

Duke Energy declined to comment on the carbon dioxide regulation, but a spokeswoman touted the company's planned \$11 billion investment in clean energy and \$25 billion spent on grid modernization over the next decade. Duke has cut its carbon dioxide emissions by 30 percent from 2005 levels and plans to reach a 40 percent cut by 2030, she said.

Individual Power Plants Targeted

CICS' plan would base standards on steps individual power plants could take to reduce emissions from their facilities, whereas the Obama administration's Clean Power Plan was broader in scope and included shifting generation from older coal-fired power plants to natural gas and driving new investments in renewable energy. The utilities also say their framework would give states more leeway to determine how to achieve the required pollution reductions.

"The states are then responsible for achieving those goals through means that work with their energy systems—including renewable energy, energy efficiency, plant retirement, carbon trading, or other strategies," Berge said.

EPA Administrator Scott Pruitt offered a plan in 2014 as Oklahoma attorney general that also focused on steps individual power plants could take to curb their emissions. Pruitt was one of the leading opponents of the Clean Power Plan.

Environmental Groups Seek Deeper Reductions

But environmental groups are prepping to staunchly defend the Clean Power Plan, and they are wary of utilities seeking a replacement rule.

"Most power companies, if not all, recognize the deep, long-term cuts that the power sector is going to need to make to address climate change," Kevin Steinberger, a climate policy analyst with the Natural Resources Defense Council, told Bloomberg BNA. "I think trying to go forward with a rule that really requires minimal emissions reductions reduces the certainty that these power companies would have, rather than increases it."

Steps to reduce emissions at individual power plants, such as improving heat rate, would be insufficient to satisfy the Clean Air Act, environmental advocates say. Even if the agency pursues that narrow approach, the EPA should be looking at co-firing coal power plants with natural gas or installing systems to capture carbon dioxide emissions.

"If they take the technology out there seriously, there are strategies they could use inside the fence that could end up in the same place as the Clean Power Plan or maybe even more stringent," Conrad Schneider, advocacy director at the Clean Air Task Force, told Bloomberg BNA. While environmental advocates favor the Obama administration's broader approach, they argue power plants can do even more to reduce their emissions at their individual facilities.

Schneider also warned that a rule basing standards on minor heat rate improvements could result in an outcome where emissions would increase, because more efficient coal-fired plants would run more often. Such a rule would be blatantly illegal and inconsistent with the air act, he said.

"If anything, trends over the past few years just add to the growing body of evidence and reaffirms EPA's decisions to use the tools that it did" in the Clean Power Plan, Steinberger said.

But the Chamber's Byers said that, for Clean Power Plan supporters, the "shoe's on the other foot this time around."

Supporters of the rule had argued the Clean Power Plan was flexible, but "in our mind, that wasn't the case," Byers said, adding that he anticipates any replacement framework would "truly be flexible for states."

Environmental groups "took up the 'we like flexibility' argument the last time," Byers said. "It will be hard [for them] to say, 'We have a problem with that now.'"

Trump's EPA Asks Drillers, Miners for Advice on Regulating Them

Posted October 03, 2017, 02:57 P.M. ET

By [Jennifer A. Dlouhy](#)

President Donald Trump's Environmental Protection Agency is asking miners, oil drillers and manufacturers to collaborate with the government on how to regulate their industries.

The EPA began its new "Smart Sectors" program with an inaugural meeting between agency staff and representatives of its regulated industries Oct. 3 and a promise to work together to "develop sensible approaches that better protect the environment and public health."

The program, modeled after a similar 2003 initiative, follows Trump's vow to end "job-killing regulations" and comes as the administration moves to revise Obama-era rules governing power plant emissions, methane leaks from oil wells, and mining pollution. The meeting convened amid criticism of the agency has taken a pro-business tilt at the expense of environmental issues.

"When we consider American business as a partner, as opposed to an adversary, we can achieve better environmental outcomes," EPA Administrator Scott Pruitt said in a news release. "When industries and regulators better understand each other, the economy, public, and the environment all benefit."

Pruitt said the new program, run by EPA's Office of Policy, "is designed to effectively engage business partners throughout the regulatory process." The program is set to collaborate with 13 specific sectors, including agriculture, autos, chemical manufacturing, mining, oil and utilities.

Although the EPA says additional sectors may be added over time, right now, the program provides no formal role for environmental advocates and public health experts.

'Creative Solutions' Sought

The EPA says the initiative's sector-based, collaborative approach will lower compliance costs, drive "creative solutions" to environmental challenges, better protect the Earth and increase regulatory certainty.

While the "Smart Sectors" program may be a formal effort for EPA to regularly consult with the industries it regulates, Pruitt is already leading that outreach.

Records of Pruitt's calendar from February through May, just disclosed to the liberal watchdog group American Oversight, show an array of meetings with lobbyists and corporate executives,

including representatives of businesses that stand to benefit from the administration's regulatory rollback.

"These calendars show in black-and-white what we already suspected: that Administrator Pruitt has an open-door policy at the EPA for polluters, the fossil fuel industry and other special interests," said Austin Evers, executive director of American Oversight. "Instead of focusing on protecting our families and the environment from pollution, Pruitt has worked in secret to turn the EPA into an ally and tool of the corporations he's supposed to be regulating."

By contrast, Pruitt's predecessor under former President Barack Obama, Gina McCarthy, met more frequently with environmental groups, though she highlighted efforts to consult with electric utilities and oil companies over regulations governing power plants and drilling.

Although Pruitt's calendar is dominated by interactions with industry representatives, it includes at least one meeting with a public health group, the American Academy of Pediatrics, and at least two sessions with environmental activists.

"The truth is: EPA has met with over 25 consumer protection, public health and environmental groups," said agency spokesman Jahan Wilcox in an email.

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New York City Climate Plan Calls for Efficient Buildings, Electric Cars

Posted October 03, 2017, 02:26 P.M. ET

By [John Herzfeld](#)

New building standards and more electric vehicle fast chargers are part of New York City's new three-year plan to meet Paris Agreement greenhouse gas reductions—even if the country as a whole does not.

Mayor Bill de Blasio (D) issued the plan Oct. 3, calling it "the first Paris Agreement-compliant plan from any city in the world."

Covering energy, transportation, buildings, and solid waste, the plan aligns with the international agreement's goal of pursuing policies to help limit warming to a 1.5 degree Celsius increase (2.7 degrees Fahrenheit) this century.

For new buildings, the city would work to set advanced energy codes in 2019, with energy-use targets growing stricter with each subsequent code cycle. In its procurement and purchasing, the city would aim to use 100 percent renewable electricity for municipal operations as soon as a sufficient supply becomes available.

The plan follows an executive order de Blasio issued in June committing the city to the Paris goals, in response to President Donald Trump's announcement that the U.S. would pull out of the international climate agreement. Advocates for action on climate change have turned to states, cities, and private companies and organizations to take leadership roles in the aftermath of Trump's withdrawal.

'Existential Threat to a Coastal City'

“In the Trump era, cities have to lead the way when it comes to fighting climate change,” de Blasio said in a statement. “Hotter summers and powerful storms made worse by climate change are an existential threat to a coastal city like ours, which is why we need to act now.”

Other components of the city’s climate plan include a rollout of citywide single-stream recycling by 2020, which would do away with sorting recyclables from other trash. Composting of organic trash would be made available citywide by 2018, the mayor said, with some of the waste possibly destined for wastewater treatment plants.

The plan says increased recycling, reduced waste and removing organics from the waste stream will reduce truck traffic and associated emissions from waste collection.

The previously announced electrical vehicle expansion is meant to foster a goal of having those vehicles account for 20 percent of new car registrations by 2025. The city also plans to boost its infrastructure support for bicycles.

New Council Members

De Blasio rounded up statements of support from city council members and other elected officials, but it remains to be seen how the components of his plan requiring legislation will fare with a reconstituted council. Many term-limited council members, including Speaker Melissa Mark-Viverito (D), a de Blasio ally, are due to be replaced in the November election.

New York has had a long-term sustainability plan including carbon reduction goals since 2007, but de Blasio stepped up the city’s targets soon after taking office in 2014 to call for an 80 percent reduction in greenhouse gases from 2005 levels by 2050.

Energy Agency Grid Resiliency Rule Gets Three-Week Comment Deadline

Posted October 03, 2017, 10:56 A.M. ET

By [Rebecca Kern](#)

Public comments are being taken for three weeks on an Energy Department proposal directing the Federal Energy Regulatory Commission to help coal and nuclear plants in the wholesale energy markets.

FERC said the initial public comments on the [proposal](#) are due Oct. 23, according to a Oct. 2 [notice](#).

Separately, 11 energy industry groups, including renewables, oil and natural gas associations, filed a [joint motion](#) to FERC Oct. 2 urging the agency to deny the request for an interim final rule, initiate a technical conference, and allow for at least a 90-day comment period for initial comments in this proceeding.

On Sept. 29, the Energy Department invoked rarely used authority under Section 403 of the Department of Energy Organization Act to direct FERC to issue a final rule within 60 days that would allow generators with a 90-day supply of fuel on site—which would include coal and nuclear facilities—to recover their operating costs at “a fair rate of return.”

The proposed rule is the first concrete outcome from the Energy Department grid reliability [study](#)

issued in August, which said that wholesale energy markets need to do more to compensate plants with on-site fuel supply for their ability to operate around-the-clock and in extreme weather.

Fortum's Bid for Uniper Stake Seen Spurred by Carbon Reform

Posted October 03, 2017, 10:42 A.M. ET

By Mathew Carr

Fortum Oyj's bid for a stake in German utility Uniper SE is partly a bet that the European Union will finally succeed in fixing its environmental policy.

A successful repair of the world's biggest climate trading program would probably see prices surge and boost the value of Uniper's power plants, according to Kari Kankaanpaa, Fortum's senior manager of climate affairs. The Espoo, Finland-based utility agrees with Barclays Plc estimates that a tripling of European emission allowances would add 18 percent, or 965 million euros (\$1.1 billion), to the value of Uniper's generation assets by 2020, he said Monday.

Fortum is continuing to press lawmakers to improve their attempt to deal with a glut of EU emission allowances that's suppressed market prices for most of the past decade. One way to do so more quickly would be to require countries with overlapping policies that cut demand for permits to agree on reducing the volume they sell in daily auctions, Kankaanpaa said.

"It could rectify the impact of these other policies," such as renewable-energy subsidies and energy-efficiency rules, he said in an interview at the Carbon Forward conference in London. "It could establish the market balance sooner than otherwise would have happened."

By buying EON SE's 47 percent Uniper stake, Fortum is positioning itself as a utility that'll provide supply even when the sun doesn't shine and the wind has stopped. Should carbon prices surge, the increased value of the utility's cleaner hydro and natural gas plants would more than offset declines in Uniper's coal assets, Mark Lewis, an analyst in Paris at Barclays, said in a Sept. 19 note.

Under a scenario where EU carbon permit prices almost triple to 20 euros a metric ton, the value of Uniper's assets would jump to 6.5 billion euros, according to Lewis. Higher carbon contracts lift traded power prices because they are a cost of fossil-fuel generation.

Barclays is helping to finance Fortum's purchase of Uniper. Uniper shares rose 1.5 percent Monday to 23.54 euros, the highest since its initial public offering in September 2016. Fortum shares rose 0.4 percent to 17.12 euros on Tuesday at 5:04 p.m. in Helsinki, after settling Monday at their highest since July 2015.

For every 1-euro advance in the EU carbon price, Fortum's value increases about 50 euro cents a share, according to Peter Crampton, an analyst at Macquarie Group Ltd. in London. There's the possibility of a "significant rise in European carbon prices," and Fortum shares may advance should lawmakers seal a deal on Oct. 12 to remove a glut in the emissions market, Crampton said Monday in an emailed research note.

Getting the carbon price to 20 euros isn't certain. Renewable-energy incentives and efficiency policies have already hurt the carbon market and will probably reduce demand by another 1 billion tons in the 10 years through 2030, Kankaanpaa said. That's more than half of a full year's supply.

Fortum's latest push for higher carbon prices started before it embarked on the Uniper deal, Kankaanpaa said. The drive for EON's stake is linked to the direction of climate policy "to some extent," he said.

—With assistance from Ewa Krukowska, Jesper Starn and James Cone.

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These Suburbanites May Have No Fracking Choice

Posted October 03, 2017, 8:59 A.M. ET

By Catherine Traywick

When Bill Young peers out the window of his \$700,000 home in Broomfield, Colo., he drinks in a panoramic view of the Rocky Mountains. Starting next year, he may also glimpse one of the 99 drilling rigs that Extraction Oil & Gas Inc. wants to use to get at the oil beneath his home.

There's little that Young and his neighbors can do about the [horizontal drilling](#). Residents of the [Wildgrass neighborhood](#) own their patches of paradise, but [they don't control what's under them](#). An obscure Colorado law allows whole neighborhoods to be forced into leasing the minerals beneath their properties as long as one person in the area consents. The practice, called forced pooling, has been instrumental in developing oil and gas resources in Denver's rapidly growing suburbs. It's law in other states, too, but Colorado's is the most favorable to drilling.

Now fracking is coming to an upscale suburb, and the prospect of the Wildgrass homeowners being made by state law to do something they don't want to do has turned many of them into lawyered-up resisters. "It floors me that a private entity could take my property," says Young, an information security director.

Many states require 51 percent of owners in a drilling area to consent before the others have to join. Pennsylvania doesn't allow forced pooling at all in the Marcellus, one of the most prolific shale gas regions in the country. Texas, the center of the nation's oil production, has strict limits on the practice. Despite its founding cowboy ethos of rugged individualism, Colorado has one of the lowest thresholds. "There's a tension in oil and gas law between allowing private property owners to develop their mineral estates on their own and the state's desire to ensure that ultimate recovery of oil and gas is maximized," says Bret Wells, a law professor at the University of Houston.

The rise of horizontal drilling and hydraulic fracturing over the past decade has ushered in a [modest oil boom](#) on Colorado's Front Range by enabling companies to wring crude more cheaply from the stubborn shale that runs beneath Denver's northern suburbs. From 2010 to 2015, Colorado's crude output almost quadrupled. [This year](#) the state is pumping more than 300,000 barrels a day, most of it from the Wattenberg oil field beneath Wildgrass and beyond.

Colorado's population is booming, too. As Denver's suburbs bloom northward into oil and gas territory—Wildgrass is about 20 miles north of Denver, not far from Boulder—housing developments are erupting where once there were only drilling rigs and farmland. And because horizontal drilling can reach as far as 2 miles in all directions from a well, companies need underground access to more land to maximize production from each site. The [Colorado Oil & Gas Conservation Commission](#) issues hundreds of pooling orders every year. "It's an entirely new issue," says David Neslin, former director of the commission, now an attorney at Davis Graham & Stubbs in Denver. "That's creating some understandable friction with local governments and local communities."

Denver-based Extraction Oil & Gas is at the epicenter of that friction. Almost all its acreage is in populated areas. So the company, like others in the region, has put a lot of energy—and cash—into making its operations more palatable to suburbanites who fear the prospect of a drilling rig sprouting up within sight of their kiddie pools. Extraction almost exclusively uses electric drills, which are quieter than diesel-powered, and a new generation of hydraulic fracturing equipment that cuts noise. “It’s incumbent upon us to learn to live with these communities,” says Extraction spokesman Brian Cain. “Where we can go the extra mile to minimize impacts, we wish to do so.”

The company’s latest project involves drilling 99 horizontal wells in Broomfield. That means leasing mineral rights from Wildgrass residents. Letters went out to some of them last year offering a 15 percent royalty and a \$500 signing bonus. Some signed, others demurred, and still others organized a campaign aimed at blocking the project. Extraction hasn’t applied for a forced pooling order, but Young and his neighbors have come to believe it’s inevitable.

The suburb’s agitation prompted the city to create a special task force to evaluate Extraction’s proposal. The company responded by taking members of the task force on a tour of oil and gas country. It wanted to show how its operations are less disruptive than traditional drill sites.

Ultimately, the company agreed to more stringent environmental standards than the state requires. It will move some wells 1,300 feet from neighborhoods, almost three times farther than the law mandates. It will reduce the number of wells per site, monitor air emissions as well as water and soil quality, and build pipelines to transport oil immediately off-site instead of storing it in the city. “I can see Broomfield turning out to be a new model for how large-scale development gets done,” says Matt Lepore, director of the state commission, which will rule on Extraction’s applications for siting the wells this month.

Such concessions have smoothed the path for development in many communities. But for some Wildgrass residents, any leasing is unacceptable. They say they fear accidents, such as the April pipeline explosion that killed two people and destroyed a home in Firestone, 20 miles away. Some simply find the terms of the initial lease offer laughable.

“The money is so negligible,” says Elizabeth Lario, a health coach who’s lived in Wildgrass since 2005. And then there are property values: Homes in Wildgrass range from \$500,000 to more than \$1 million. “The royalties won’t offset the drop in property value,” says Stephen Uhlhorn, an engineer who’s lived in Wildgrass for four years. Oil development “is now hitting affluent neighborhoods where people have assets and livelihoods that exceed the value of any royalty they’re offered.”

The bedrock of Colorado’s oil and gas policy is a 1951 law that says responsible fossil fuel development is in the public interest. The state, the law says, must protect the public from “waste”—industry parlance for oil that’s left in the ground. While Colorado has some of the strictest environmental regulations of any oil-producing state, it gives companies latitude in choosing where to drill. The Colorado Supreme Court has repeatedly held that the state’s interest in developing mineral resources preempts any local law that would curb drilling.

Efforts to change the statute have fizzled. State Representative Mike Foote, a Democrat whose district is adjacent to Broomfield’s, introduced a bill earlier this year to raise the pooling threshold to 51 percent. It passed the House by a slim margin but died in a Senate committee in a party-line vote, with Republicans opposed.

“The oil and gas industry pretty much controls the capital, particularly in the Senate,” Foote says.

“Operators can do whatever they want.” Lepore, the head of the state oil commission, concedes the pooling threshold is low compared with other states. “I have no philosophical objection to a 51 percent requirement,” he says. “There are intelligent changes that could be made to the forced pooling law.”

Young, the Wildgrass resident, received a lease offer last year. Since then he’s been working with a lawyer to consider his options, and so far he doesn’t like them. “You couldn’t put a Walmart where they’re putting these wells—no one would approve that zoning,” he says. “But for some reason, the industry is completely exempt from everything.”

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Left Behind by the Shale Boom, Oklahoma Oilmen Fight to Survive

Posted October 03, 2017, 8:00 A.M. ET

By *Meenal Vamburkar*

Not every oilman is gaining from the U.S. shale boom. Just ask Joe Warren.

Warren, a partner at Brown & Borelli Inc., is caught in a historical hiccup, of sorts. More than a third of the 65 to 70 old-line vertical wells his company operates in Oklahoma are negatively affected by horizontal drilling, he says. The new-style wells can run sideways for miles in a shale play, carrying sand, water and chemicals that can leak into older wells, gumming up the works.

The cost: For Warren’s company, it’s about \$250,000 a year in lost production and \$150,000 in added operating expenses, he said. It’s an issue spurring rising anxiety among small drillers. Already, several lawsuits are in the works while a group representing old-guard drillers is gathering data, aiming to force legislation guaranteeing compensation when damages occur.

“We should not be sacrificing our property to these guys for horizontal development,” Warren said by telephone. “We don’t want to stop horizontal development -- we just want to make the rules fair.”

Some of Warren’s wells saw a slight drop in output while others, hit multiple times, weren’t salvageable, he said. Warren hasn’t been involved in litigation himself but expects more legal action to occur in the region moving forward, even though cases can be costly and take several years to resolve.

51 Wells

Already, a study by the Oklahoma Energy Producers Alliance, the group representing conventional drillers, has found 451 vertical wells in one county that were negatively affected by horizontal drilling, 80 percent of which were located outside of horizontal well unit boundaries.

The damage can add costs to replace equipment, clean out water or sand, or address environmental damage, according to Mike Cantrell, a board co-chair for the group. It can also kill a well outright, he said.

“I’m afraid when we look into further, we’re going to find out it’s much worse,” he said.

Horizontal drilling has allowed producers to tap into shale reserves more economically. When

explorers tap shale, they are actually drilling into the rocks where the oil feeding those old-line vertical wells was created. Geologists refer to it as “source rock.” The technique allows drilling to continue laterally for up to two miles, replacing the need for multiple vertical wells. Kingfisher County, where Warren’s well are largely located, is part of the so-called Scoop and Stack region, where drilling has increased since the oil slump.

Oil rigs in that area’s Cana Woodford basin have climbed to 62 from 36, just since the start of the year.

Many of the vertical well most affected are so-called stripper wells, which produce a daily average of 15 barrels of oil or less. Though they may be inconsequential to large companies, for small operators, it’s a matter of their livelihood, Cantrell said.

In August, a district court ordered Devon Energy Corp. to pay \$220,000 after two operators alleged negligence and “subsurface trespass” that led to two damaged wells. Devon inherited the wells in question from Felix Energy LLC, according to the company.

‘Safe and Reponsible’

“Devon always seeks to conduct its operations in a safe and responsible manner, with respect for the rights of other well operators,” spokesman John Porretto said in an emailed statement. “When evidence shows that Devon’s operations may have damaged an existing vertical well, Devon is proactive in attempting to negotiate fair compensation for the affected vertical well owner.”

The company also noted, “the jury awarded the vertical well owner an amount that was both significantly lower than what was demanded at trial and less than what Devon had previously offered the well owner as compensation to settle the claim.”

The case is indicative of a broader problem, said Matt Skinner, public information officer at the Oklahoma Corporation Commission, a regulatory body. The agency tried and failed to pass a rule to require operators to report incidents even if they didn’t cause environmental damage, he said, but couldn’t get support from bigger players in the industry.

The main obstacle has been a lack of data, according to Skinner. So now, the commission is focusing on encouraging vertical well operators to report problems. They’ve confirmed 20 incidents and have at least 55 more pending, Skinner said.

“We know it’s happening, we know it’s an issue,” he said. “We have every reason to think there are more incidents out there than we know of.”

Cantrell’s organization, meanwhile, is pushing to slow down further development of horizontal drilling until better data is gathered on their effect on existing wells.

“We need to slow this process down until we can get the regulatory regime to keep up with it,” he said. “We’ve applied a vertical regulatory regime to a horizontal world.”

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Trump Isn’t Acting on Verbal Attacks Against Wind, Dong Says

Posted October 02, 2017, 05:35 P.M. ET

By Peter Levring

President Donald Trump's threats against wind energy have so far proven empty, according to an industry giant that expects to grow in the U.S.

Thomas Thune Andersen, the chairman of Dong Energy A/S, says the world's biggest offshore wind developer hasn't seen any actions that have followed Trump's verbal attacks. In fact, he says there are signs that American commitment to the industry might even be growing.

"One thing is Trump getting up and commenting on this," Thune Andersen said in an interview in Copenhagen on Oct. 2. "But he hasn't acted on it. And many of the decisions are made at a state level. They're still pushing this agenda and they may even have accelerated it as part of the political game."

Trump, who has blamed wind turbines for killing bald eagles, has as a businessman unsuccessfully tried to stop offshore parks that spoil the view from his golf course in Scotland. As president, he has dragged the U.S. out of the Paris climate accord, and promoted coal in favor of wind energy, promising to bring back jobs in the process.

But before Trump took office in January, the U.S. congress extended a production tax credit, or PTC, that will give tax breaks to wind producers until 2020.

Focused on East Coast

Dong, which is based in Denmark, this year sold its oil and gas business in order to focus entirely on renewable energy. The company is changing its name—an acronym of Danish Oil and Natural Gas—to Orsted to mark the shift. (H.C. Orsted was a 19th century Danish physicist who discovered electromagnetism.)

Dong is focused on the east coast of the U.S., where it's using existing contacts to achieve growth, according to the chairman.

"It's very important we don't spread our focus too much," Thune Andersen said. "But although the U.S. east coast is a vast area, it's still very much the same people we're talking to."

The company sits on about one-quarter of the global market, "but the market is growing tremendously fast," he said. "We still have an ambition to remain the biggest player, but because the market's been successful, competition is growing."

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