

Effective Shareholder Engagement is the Key to Infrastructure Development in the Marcellus / Utica Shale Basins

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Abstract

In this recent price trough, developers are exploring interests in projects related to power generation, marine terminals, LNG\CNG fueling facilities, chemical manufacturing, energy storage, waste disposal, and product export. To be successful in this environment, developers will need to understand stakeholder (trade associations, politicians, regulatory agencies, non-government organizations (NGOs), trade unions, communities) points of view. They will also need a map of logistical alternatives that can move feed stocks, raw products and manufactured products safely and efficiently throughout the region. Each project type must incorporate best construction practices to attain the public trust and governmental regulatory approval. This advance work will assemble critical data about the region's existing infrastructure, regulatory framework, political oversight, NGO positioning, public interest, tax structure and other features. Other work will take place only after a project is announced and will manifest as project feasibility analysis, achieving a "license to operate" from the region's stakeholders, procuring financing and gaining project approval from regulatory agencies.

Emphasis will remain on getting NGLs to energy hubs located in the Gulf Coast, East Coast, Midwest and Northwest and then export to European markets. This paper will explore the challenges to building the energy infrastructure required to move NGLs from their source of production to market via pipelines (expensive and unpopular), rail, and waterways and the supporting infrastructure at the receiving European terminals. Special consideration will be given to underground storage salt cavern and hard rock cavern storage options.

Key words: NGLs, construction, best practices, economics, import, export, energy, infrastructure, salt caverns, hard rock caverns