

LSU | Center for Energy Studies

News & Updates Summer 2022

Workshop Addresses La. Energy Climate Solutions

On June 21, the Center for Energy Studies, Louisiana Mid-Continent Oil and Gas Association (LMOGA), and the Consumer Energy Alliance hosted the Louisiana Energy Climate Solutions Workshop.

The event featured a series of panel discussions and presentations addressing Louisiana energy,



anchored to pillars of the Louisiana climate plan—carbon capture, utilization, and storage (CCUS), hydrogen, solar, and offshore wind—with an emphasis on infrastructure, investment, and incentives to promote economic growth in energy transition.

Read more.



At the Louisiana Energy Climate Solutions Workshop June 21, CES Executive Director David Dismukes introduces Russell Richardson, Sr. Vice President, Business Development, Baton Rouge Area Chamber, Jonathan Flynn, CF Industries (joining virtually), and Mike Sumrow, GHD. The panelists discussed hydrogen, considered a leading clean energy source due to its ability to be produced with low- to no-carbon emissions, emit zero CO₂ emissions at consumption, provide long-term storage of renewable energy, and serve as an energy transport medium.

Upton Coordinates MBA Energy Tour

As part of his Spring 2022 Energy Supply Chain MBA course, CES Associate Professor Greg Upton had students visit several energy sites in South Louisiana for an up-close, real-world learning experience. Sites included

- Cameron LNG's Farid Bogani Technology Center in Hackberry, La.;
- UL-Lafayette's Photovoltaic Applied Research and Testing (PART) Lab;
- the LSU co-gen plant, which serves more than 350 buildings with 20 MW of electrical generating capacity, 21,500 tons of cooling, and 250,000 pounds per hour of 150 pound steam;
- and Entergy's J. Wayne Leonard Power Station, a 980-megawatt combined-cycle, natural-gasfired power plant, anticipated to save customers approximately \$1.3 billion over its anticipated 30year life.



Students in Upton's MBA Energy Supply Chain course visit UL-Lafayette's Photovoltaic Applied Research and Testing (PART) Lab, a 1.1 megawatt research facility that tests several types of solar modules.

Nehiba Named AERE Scholar

In June, the Association of Environmental and Resource Economists (AERE) accepted CES Assistant Professor Cody Nehiba into its Scholars Program, a mentoring initiative focused on increasing diversity in the fields of environmental and natural resource economics. The program is open to early-career scholars in environmental or natural resource economics who are no more than five years post Ph.D. Scholars receive \$1,500 per year for travel to the AERE Summer Conference for the two years beginning and ending the program. In its announcement of Nehiba's acceptance, the AERE commended his research focus on "market failures and negative externalities in the transportation sector, with an emphasis on producing equitable and efficient policy recommendations."



LSU President Interviews Dismukes for Podcast

CES Executive Director and Professor David Dismukes appears on the June 30 episode of On Par with the President, a podcast hosted by Louisiana State University President William F. Tate IV. In this

segment, Dismukes discusses gasoline prices, energy, the global impact of Louisiana's energy industry, and more.

The On Par podcast features LSU students, faculty, or staff who are at the very top of their game about their journey to success, setting and fulfilling goals, creating a legacy, and a variety of other topics.



CES Awards Scholarships for 2022-2023

The Center for Energy Studies recently awarded scholarships for the 2022-2023 academic year to two LSU students pursuing energy-related fields of study and careers. The Center congratulates our scholarship recipients and wishes them well as they continue their studies.

LMOGA/Brooksher Scholarship

Dana A. Lochary, a junior majoring in petroleum engineering from Baltimore, Md.

"Receiving this award is a very empowering and rewarding experience. It is reassuring to know that I have the support from others as I kickoff my career journey in the energy sector. I hope to one day pay it forward and give back to my community."

F. Malcolm Hood Scholarship

Alexis Nibert, a senior majoring in petroleum engineering from Johnstown, Pa.

"I am overjoyed and extremely thankful to have received this scholarship. This opportunity to further my education at less of a cost will be extremely beneficial in the long run. As someone who is supporting themselves in every way and has struggled with student loans, I am extremely thankful for this scholarship. Every bit counts and with this scholarship, I can better focus on working hard in school and pursuing my dream of being a petroleum engineer. I am even more motivated to continue to work hard in school and in my internship to make the most of my education and the opportunities presented to me."



Faculty Engagement





In March, Associate Professor Greg Upton gave a presentation on the Gulf Coast Energy Outlook at a meeting of the Electrical Equipment Representatives Association (EERA), a professional organization of representatives from companies that provide products and services to the electric utility industry.

IAEE Webinar Addresses Natural Gas Flaring in Permian

In July, an International Associate for Energy Economics webinar titled "Quantifying the Role of Midstream Congestion and Market Structure in Permian Flaring" featured CES Associate Professor Greg Upton, along with Mark Agerton of UC-Davis, Wesley Blundell of Washington State University, and Ben Gilbert of the Colorado School of Mines. The webinar addressed the role of constraints in the supply chain of natural gas production on flaring. The team used a novel dataset on shale development activity in West Texas' Permian Basin to estimate the causal impact of limited transmission pipeline



capacity on flaring. They also estimated short-run relationships between variation in natural gas processing capacity and gathering line density on flaring. And, they considered the potential substitution between flaring and methane leakage in the supply chain for natural gas.



On January 6, CES's Greg Upton served as a panelist for The Advocate's Baton Rouge Economic Outlook Summit 2022. Asked to discuss decarbonization efforts and their impacts on Louisiana's energy and petrochemical companies, Upton noted that those efforts had the potential to serve as major economic drivers in the region, citing a recent clean energy investment by Air Products in Ascension Parish.

Executive Director and Professor David Dismukes was recently part of a large collaborative effort in the publication of the paper, "Anticipating and adapting to the future impacts of climate change on the health, security and welfare of low elevation coastal zone (LECZ) communities in southeastern



USA," in the *Journal of Marine Science and Engineering*. The authors advocate for enhancing future resilience of LECZ communities, in the U.S. and abroad, by using effective communication of information and understanding to residents and officials.

Read the paper.

In "Correcting Heterogeneous Externalities: Evidence from Local Fuel Taxes," Assistant Professor Cody Nehiba examines the benefits of local fuel taxes. He shows that consumer welfare improves by \$4.2 billion, \$30 per capita, annually by changing from state-level to countylevel gasoline taxes. His model suggests levying hefty fuel taxes on mostly large urban areas, while lowering fuel taxes in small and medium metros because of differences in congestion, pollution, and how much people change their

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driving habits in response to fuel prices across localities. This conclusion has the benefit of suggesting higher taxes for large urban areas where individuals respond more to prices—potentially because there are better substitutes for driving, like walking or public transit—and residents tend to be more accepting of higher taxes because they produce tangible reductions in congestion and pollution. He further finds that such a change in tax regimes would prove to be less regressive.

Read the paper.

CES Associate Professor Greg Upton, Research Associate Sid Narra, College of the Coast & Environment Associate Professor Brian Snyder, and UC-Davis Assistant Professor Mark Agerton collaborated on a paper, titled "Considering a Federal Program to Permanently Plug and Abandon Offshore Oil and Gas Wells," that examines offshore well plugging and abandoning (P&A) liabilities. The paper, part of an oil and gas research initiative at Columbia University's Center on Global Energy Policy, provides guidance to federal policy makers during the formulation of P&A programs. The study identifies at least three objectives of potential P&A programs: reducing future financial P&A liability for taxpayers, lowering environmental risk, and preserving or increasing employment while reducing greenhouse gas emissions.



Read the paper.

Media Appearances

Thus far in 2022, Center for Energy Studies faculty have been <u>interviewed by</u> <u>and/or quoted in media outlets</u> more than 60 times. Interview topics have included rising gasoline and natural gas prices, the past year's Gulf Coast Energy Outlook, the halting of Gulf oil lease sales, the Russian invasion of Ukraine, impacts of the Inflation Reduction Act of 2022, and more....



A WAFB reporter Perry Robinson interviews CES's Greg Upton on rising diesel prices in June.



Welcome back, Tigers!

Best of luck this semester!



