Welcome to **Edition 42** of P_2N_0 covering the drive to avoid, reduce and remove greenhouse gas (**GHG**) emissions to progress to net-zero GHG emissions (**NZE**).

P_2N_0 covers significant news items globally, reporting on them in short form, focusing on policy settings and legal and regulatory matters, and project developments and trends. P_2N_0 does not cover news items about M&A activity or that are negative.

This **Edition 42** covers significant news items from **February 1, 2026**, to **February 28, 2026**.

Access all previous editions of P_2N_0 at bakerbotts.com.

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KEY ITEMS ARISING FROM FEBRUARY 1, 2026, TO FEBRUARY 28, 2026

The following are the key news headlines during February 2026:

- **The State of Energy Innovation 2026**: On **February 17, 2026**, the **International Energy Agency** (**IEA**) published [The State of Energy Innovation 2026](). The inaugural publication from the **IEA** on the state of energy innovation was published in 2025. The report emphasises the benefits that can be realised by policy settings that offer support to the private sector to develop and to promote technologies that are competitive economically and that contribute to energy security.

  The publication identifies benefits of appropriate policy settings in the context of the supply of critical metals and minerals, the development of nuclear electrical energy generating capacity, and the promotion of the development of domestic energy resources. The publication is well-worth a read, providing considerably more insights as to dynamics than this short summary.

- **AFOLU GHG emissions**: One of the themes that is emerging in 2026 is the need for increased focus on the **GHG emissions** that arise from **agriculture, forestry and other land use** (AFOLU). As those devising policy settings have realised that which works to avoid, reduce and remove (**ARR**) **GHG emissions** across other sectors of economies, there appears to be a growing realisation that policy settings need to be developed to address **GHG emissions** arising from **AFOLU**; **GHG emissions** arising from **AFOLU** account for around 20% of global **GHG emissions** annually. The policy settings to address **GHG emissions** from AFOLU are distinct from **carbon credit** and **offset initiatives**, rather there is a need for policy settings to achieve **ARR** of **GHG emissions** across the **AFOLU** sector. In this context, the good folk at **phys.org** have produced an excellent article and accompanying infographic to provide a sense of **GHG emissions** arising from **AFOLU** globally (under **phys.org**, [Most precise map yet of agricultural emissions charts a path to reduce hotspots]()).

For those coming to **AFOLU** for the first time, the article is worth a read, and for those working in **AFOLU** sector, the publication is a good summary of the state of play.

- **Electricity 2026, Analysis and forecast to 2030**: On **February 6, 2026**, the **IEA** published [Electricity 2026, Analysis and forecast to 2030](). The publication anticipates that demand for electrical energy globally will increase strongly to 2030, with annual average demand to increase by around 3.5% a year. The **IEA** emphasises the theme of the Age of Electricity in the publication.

  The key points made in the [Executive Summary]() of the publication are as follows:

  - Emerging economies continue to drive growth in demand for electrical energy, and growth in emerging economies will account for around 60% of the increase in demand through 2030, including to respond to increased electrification and increased population growth and urbanisation;
  - Demand for electrical energy is increasing, indeed it is accelerating, in developed economies, after 15 years of stagnation in increased demand;
  - By 2030, it is forecast that half of the world's demand for electrical energy will be matched by nuclear and renewable energy capacity;
  - Electrical energy output from nuclear energy generation capacity set a new record in 2025, and output is expected to continue to increase through 2030, for the most part, it is forecasted that the increase will arise in emerging economies;
  - While the generation of electrical energy from coal-fired power generation will continue to fall as a percentage of output, through 2030, it will remain the largest source of electrical energy generation globally;
  - Through 2030, for the most part, the increased demand for electrical energy is expected to be met by the development of new renewable, natural gas and nuclear power generation capacity;
  - With the increased demand for electrical energy and the increased development of generation capacity to match demand, the need for investment in grid infrastructure augmentation, expansion and development has come into ever sharper focus; and
  - The development of BESS capacity provides a significant source of short-term system flexibility.

  Looking beyond 2030, **IEA** anticipates that GHG emissions from the generation of electrical energy will plateau at around 13.5 giga-tonnes of CO_2-e.

  The publication is well-worth a read.

- **EU continued dynamism**:

  - **Review of the EU Carbon Market**: During the first week of **February 2026**, there was a good deal of reporting in respect of the review of the **EU carbon market**, i.e., the **emissions trading scheme** (**ETS**) of the **EU**, including in respect of possible cessation of free allocated emission permits.

    The **EU ETS**, established in 2005, places a price on carbon across the **EU** for corporations and organizations subject to it. The **EU ETS** applies in respect of around 40% of **GHG emissions** arising across the **EU**, with each emitter, to which the **EU ETS** applies, obliged to acquire a number of emissions permits equal to the mass of **GHG emissions** to which its activities give rise. Emissions permits are acquired by emitters either through primary auction market involving auctions undertaken by the **EU** or from the secondary carbon market in which emitters buy and sell emissions permits from each other. The revenue derived by the **EU** from the sale of emissions permits in the primary auction market is used by the **EU** to support the development of lower, low and no GHG emission technologies and projects.

Consistent with the **carbon border adjustment mechanism** (CBAM) on carbon leakage, the focus of the review of the **EU ETS** is to address carbon leakage, i.e., activities giving rise to **GHG emissions** being located outside the **EU** to avoid the application of the **EU ETS**, and, more broadly, to avoid what may be regarded as more stringent environmental and pollution standards of the **EU** compared to other countries. It is expected that the findings from the review of the **EU ETS** will be announced by the end of Q2 2026.

It would seem that the review has given rise to uncertainty in the secondary carbon market, impacting the price of emissions permits in the market.

- **Methane voluntary compliance scheme**: At the same time as the **EU** is reviewing the **EU ETS**, the **EU** is progressing the methane voluntary compliance scheme, with the publication of recommendations from the **EC** to suggest model provisions for the voluntary compliance scheme under the EU Methane Regulation. See Commission Recommendations on optional model clauses developed pursuant to Regulation (EU) 2024/1787 of the European Parliament and of the Council of 13 June 2024 on the reduction of methane emissions in the energy sector and amending Regulation (EU) 2019/942.
- **Continued discussion of CBAM**: The discussion of **CBAM** continues, both as to the impact of it and practicalities of its implementation. **The United Nations Economic Commission for Europe** (UNECE) has published The Implications of the Carbon Border Adjustment Mechanism on the Energy Transition for Central Asia. The **UNECE** publication models the impact of **CBAM**. The publication concludes that: "For Central Asian countries, the EU CBAM presents a pressing external challenge for export orientated companies". In addition, the publication provides three recommendations, consistent with **CBAM** being here to stay. The publication is worth working through.
- **Voluntary carbon removal methodologies set for EU**: On **February 3, 2026**, the **European Commission** (EC) adopted the first carbon removals [1] methodologies through a Delegated Act to operationalise the carbon removal section of the Carbon Removal and Carbon Farming Regulation (EU/2024/3012) (CRFR).

  The Delegated Act for permanent carbon removals activities sets out the methodologies to apply in respect of the following technologies: **direct air capture with carbon storage** (DACCS), **biogenic emissions capture with carbon storage** (BioCCS), and **Biochar carbon removal** (BCR).

[1] **Carbon removals** are innovative processes that capture carbon dioxide (CO_2) from the atmosphere and store it durably in geological, terrestrial or marine reservoirs, or in long lasting products.

The voluntary methodologies for each technology define that which constitutes the removal of one metric tonne of CO_2 that is removal that is durable (i.e., permanent), and, in this context, how leakage and liability are to be addressed for the purposes of certification. The **Delegated Act** is now subject to review for period of two-months to allow scrutiny, after which it is expected to be published in the **Official Journal** (**OJ**) during **April 2026**, coming into effect 20 days after publication in the **OJ**. On coming into effect, the certification regime will allow the development of a market for **CRFR credits**, a new voluntary carbon market. This is consistent with the [Strategy for a Competitive and Sustainable EU Bioeconomy]() published by the **EC** on **November 27, 2025**.

It is understood that the **EC** is considering other carbon removal technologies for inclusion under the [Delegated Act for permanent carbon removals activities](), including enhanced rock weathering[2], mineralisation[3], ocean alkalinity enhancement[4] and direct ocean capture with carbon storage[5].

Also, it is understood that the **EC** is progressing two additional Delegated Acts that will set out the methodologies for **carbon farming**[6] and **carbon storage bio-based construction projects**.

By way of background: [Carbon Removals and Carbon Trading (CRCF) Regulation (EU/2024/3012)]() provides a voluntary framework for durable (i.e., permanent) carbon removals, carbon farming, and carbon storage in products. The **EC** adopted [Implementing Regulation (EU) 2025/2358]() in November 2025. The **Implementation Regulation** sets out rules and standards for certification, i.e., the scheme for certification for carbon removal and carbon farming, those who can provide certification, and for audit and verification.

- **Critical Metals and Minerals and Rare Earth Element – A busy start to 2026**

  During the first week of **February 2026**, fifty-five **countries** attended[7] the inaugural **Critical Minerals Ministerial** hosted by the U.S. Secretary of State Marco Rubio at the **US Department of State** in **Washington D.C.**

  During the **Critical Minerals Ministerial**, the United States of America (**USA**) signed eleven bilateral framework agreements and announced the establishment of an initiative **FORGE** (short for **Forum on Resource, Geostrategic Engagement**) under which fifty-four countries will coordinate with each other, including to provide price floors for critical metals and mineral (**CMM**) and rare earth elements (**REE**). In this context, the Vice President of the USA is reported to have said: "Let's make the prices more

[2] **Enhanced rock weathering** involves the use of rock, ground finely, to spread on fields to accelerate natural CO_2 removal.
[3] **Mineralization** involves binding carbon into minerals to store carbon in those (stable) minerals for storage permanently or to produce products.
[4] **Ocean alkalinity enhancement** involves the addition of alkaline minerals to seawater to increase the capacity of seawater to absorb and to store CO_2.
[5] **Direct ocean capture** with carbon storage involves the use of engineering / mechanical systems to extract CO_2 from seawater and store it over the long term, safely.
[6] **Carbon farming** involves climate-friendly practices implemented by farmers and foresters to enhance carbon sequestration – the process of capturing and storing CO_2 emissions – in forests and soils, as well as reduce greenhouse gas emissions from soils, which will include agriculture and agroforestry, peatland rewetting and afforestation.

predictable and less erratic so that we can support the domestic supply chains and the investment that makes those supply chains possible".

Ahead of the **Critical Minerals Ministerial**, **The Guardian** provided a helpful "scene setting" article for the **Ministerial**, under US, UK, EU and Australia and more to meet to discuss critical minerals alliance. After the **Critical Minerals Ministerial**, **euronews** (at https://www.euronews.com, under EU, US and Japan to cooperate on critical raw materials supply chains) provided a helpful summary of the progress made, and the pathways forward.

The **Critical Minerals Ministerial** provided the opportunity to reflect on a number of initiatives by the US Federal Government since the start of 2026:

- **On January 14, 2026**, a Section 232 proclamation that recognised the criticality of critical metals and minerals, and derivatives of them, to the national security of the USA;
- **On January 26, 2026, USA Rare Earth** announced funding of **USD 1.6 billion** of public funding support and **USD 1.5 billion** in private sector funding to allow the development of supply chains for heavy rare earth elements and magnets; and
- **On February 2, 2026,** there was the progress of Project Vault (at https://www.exim.gov, under EXIM Approves Project Vault Loan to Launch America's Strategic Critical Minerals Reserve and Support Manufacturing Jobs) to develop a strategic stockpile of critical metals and minerals (to a value of USD 12 billion), with **US Exim** to provide funding support, and the **US Federal Government** to promote the provision of private sector capital.

On **February 4, 2026**, the **USA** released a 2026 Critical Minerals Ministerial Fact Sheet. The **Fact Sheet** is helpful and details the countries that attended.

The good folk at **CSIS** published an article on **February 11, 2026** (at https://www.csis.org, under Project Vault: A Minerals Security Backstop) which provides helpful background and a good summary.

As noted in editions of P_2N_0, over the last two years, **CMM** and **REE** are increasingly a focus of policy settings globally, including governments and economic blocs developing strategies to develop **CMM** and **REE** supply chains and as such to ensure security of supply. These policy settings are best illustrated by the commitment of governments to participate in the funding of the development of **CMM** and **REE** projects as providers of funding and to off-take **CMM** and **REE** from projects, and in so doing to be able to fulfil a role as both wholesale buyer and wholesale seller.

By way of background:

In the context of the USA, the following are regarded as **CMM** and **REE** with their primary uses:

CMM / REE and primary use		
Aluminium, or more accurately, **bauxite**, used to produce aluminium multiple uses	**Hafnium** used in the aerospace applications, nuclear control rods and semiconductors	**Rubidium** used in the production of data network synchronising, and research and development
Antimony used for the purposes of flame retardants, and in lead-acid batteries	**Holmium** used in the production of lasers, magnets and nuclear control rods	**Ruthenium** used in the production of catalysts and chip resistors and electronic contacts
Arsenic used for semiconductors	**Indium** used in the production of flat and touchscreens	**Samarium** used in cancer treatments and magnets used in nuclear reactors

Barite used in medical imagining and petroleum drilling	**Iridium** used as a chemical catalyst	**Scandium** used in fuel cells and high intensity lighting and in the production of metal alloys
Beryllium used in the production of alloys for use in the aerospace and defence industries	**Lanthanum** used in the production batteries and chemical catalysts	**Silicon** used in semiconductors
Bismuth used for atomic research and medical applications	**Lead** used in the production of ammunition and batteries and ceramics and glass	**Silver** used in batteries and electronic circuits and photovoltaic solar panels
Boron used in the glass and steel industries as a hardening agent, and in the nuclear energy industry	**Lithium** used in the production of batteries that are rechargeable	**Tantalum** used in electronics
Cerium used in the production of ceramics and glass, catalytic converters, and in metallurgy and as a polishing agent	**Lutetium** used in the production of electronics and in medical imagining and treatments	**Tellurium** used in the production of laser diodes, microchips, photovoltaic solar panels[8], and to strengthen iron and steel
Cesium used in global positioning systems	**Magnesium** used in the production of metal alloys that are used in the aerospace, automotive and electronics industries	**Terbium** used in fibre optics and lasers and magnets
Chromium used in the production of stainless steel	**Metallurgical coal** used in the production of iron and steel	**Thulium** used in the production of alloys for use in the production of nuclear reactor industrial components
Cobalt used in batteries and for the production of metal alloys	**Neodymium** used in the production of magnets and in industrial and medical lasers	**Tin** used for corrosion resistant coatings
Copper used as a conductor in cables and wiring to transmit electrical energy	**Nickel** used in the production of steel and batteries that are rechargeable	**Titanium** used in the aerospace and military vehicle industry
Dysprosium used in data storage devices, lasers and magnets	**Niobium** used in steel production as a means of strengthening	**Tungsten** used in the production of ammunition, jet engines, and cutting and mining machines
Erbium used in fibre optics and optical amplifiers, glass colourants and lasers	**Palladium** used in catalytic converters, as a chemical catalyst in in the electronics industry	**Uranium** used as a nuclear fuel
Europium used in nuclear control rods and phosphors	**Phosphate** used in the production of fertilizers	**Vanadium** used in iron and steel production
Fluorspar used to make ceramics, glass, iron and steel, plastics and refining products, and synthetic materials	**Platinum** used in the production of alloys for aerospace and catalytic converters, and the production of chemical and petroleum processing and refining	**Ytterbium** used in the production of catalysts, and lasers and used in metallurgy
Gadolinium used in medical imaging applications, and the production of magnets and steel	**Potash** used in the production of fertilizers	**Yttrium** used in metal alloys and display and lighting technologies
Gallium used in the production of semiconductors	**Praseodymium** used in the production of alloys for the aerospace industry, and in batteries, ceramics and colourants, and magnets	**Zinc** used in iron and steel production to guard against corrosion

[8] It is noted that cadmium tellurium (CdTe) panels appear likely to dominate in key markets by 2030.

Germanium used in the production of fibre-optic and night vision products, and semiconductors	**Rhenium** used in the production of gas turbines and jet engines	**Zirconium** used in heat shields in aerospace and engine components, and in the production of nuclear reactors
Graphite used in the production of batteries and fuel cells, and lubricants	**Rhodium** used in the production of catalytic converters and electronics, and as a chemical catalyst	

We have included a link to an infographic that illustrates the sources of **CMM** and **REE** for use in the USA.

In the **United Kingdom**, 34 critical metals and minerals are identified and listed (and uses stated) in the **UK Critical Minerals Intelligence Centre's** UK 2024 Criticality Assessment.

By way of remainder: Edition 41 of P_2N_0 reported as follows:

"**Australia to establish strategic reserve for critical mineral supply**: On **January 12, 2026**, the **Federal Government of Australia** announced that it would establish an **AUD 1.2 billion Critical Minerals Strategic Reserve**. The **Reserve** is intended to ensure that Australia has sufficient reserves of **CM_3**[9] and **REE**[10] to benefit the economy of Australia and to ensure national security: the **Reserve** will be funded to purchase **CM_3** and **REE**, which will be stockpiled, and then sold as needed. It is understood that among the first **CM_3s** to be purchased and stockpiled will be **antimony, gallium** and **REE**.

On Monday **January 19, 2025**, the **Federal Treasurer of Australia**, Mr Jim Chalmers, attended a meeting of **G7 finance ministers** to discuss international cooperation in developing reliable supply chains for **CM_3** and **REE.**

In addition to Australia, **India** attended the **G7 finance ministers** meeting. The development of BESS projects in India to the scale planned (208 GWh of BESS capacity by 2030), provides a sense of the need to continue to develop, and to expand and to diversify, reliable supply chains.

To provide context to this activity, the **World Economic Forum**, working with **Kearney**, published From Minerals to Megawatts: Building Resilient Supply Chains. The publication considers the sources and uses of **19 CM_3** and **REEs**, and the risks that arise across three **CM_3** and **REEs** intensive **value chains, Data Centres, EVs** and **Power Grids**.

Finally, on **January 27, 2026**, the **IEA** published Designing an effective strategic stockpiling system for critical minerals. The publication provides a helpful overview of the drivers for the establishment of stockpiling of CM_3 and REE."

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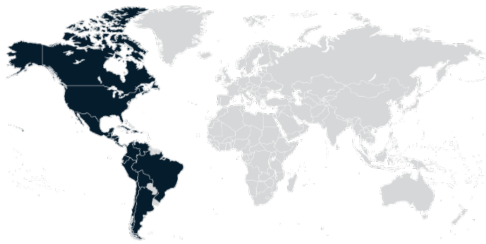
[9] **CM_3** are: **1.** Bauxite, High Purity Alumina, and Aluminum; **2.** Antimony; **3.** Beryllium; **4.** Bismuth; **5.** Cobalt; **6.** Copper; **7.** Gallium; **8.** Germanium; **9.** Graphite; **10.** Indium; **11.** Lithium; **12.** Magnesium; **13.** Manganese; **14.** Nickel; **15.** Niobium; **16.** Platinum metals; **17.** Rare Earths Elements (**REEs**); **18.** Silicon and Silicon metals; **19.** Tantalum; **20.** Titanium and Titanium metal; **21.** Tungsten; **22.** Uranium; and, **23.** Vanadium.

[10]**REEs** are: **1.** Cerium (Ce); **2.** Dysprosium (Dy); **3.** Erbium (Er); **4.** Europium (Eu); **5.** Gadolinium (Gd); **6.** Holmium (Ho); **7.** Lanthanum (La); **8.** Lutetium (Lu); **9.** Neodymium (Nd); **10.** Praseodymium (Pr); **11.** Promethium (Pm); **12.** Samarium (Sm); **13.** Scandium (Sc); **14.** Terbium (Tb); **15.** Thulium (Tm); **16.** Ytterbium (Yb); and **17.** Yttrium (Y).



Americas

- **Google continues to procure renewable electrical power for data centers:** On February 24, 2026, it was reported widely that Google had contracted with:
  - AES Corporation for AES to supply electrical energy (from co-located facilities) to power a new data center being developed by Google in Wilbarger County, in the US State of Texas; and
  - Xcel for Xcel to supply 1.9 GW of renewable electrical energy to power a data center being developed by Google at Pine Island, in the US State of Minnesota.
- **FirstEnergy plans to invest USD 36 billion:** On February 17, 2026, it was reported widely that FirstEnergy (the US utility corporation) plans to invest USD 36 billion to the end of 2030. As is recognized in the US and elsewhere, there is a need to invest in new electrical energy generation capacity and in the augmentation and expansion of transmission networks (USD 19 billion).
- **Canada and Mexico to develop action plan on critical metals and minerals:** On February 16, 2026, Mining.Com reported that Canada and Mexico plan to develop an action plan for critical metals and minerals. The article from Mining.Com is short on detail. As progress is made, P_2N_0 will cover it.
- **TotalEnergies to develop photovoltaic solar capacity to power Google data centres in the US State of Texas:** On February 9, 2026, it was reported widely that TotalEnergies and Google had signed documents under which TotalEnergies is to develop 1 GW of renewable energy from two photovoltaic solar farms, to supply electrical energy to Google to power data centres.
- **PJM Interconnection continues to respond to increased electrical energy demand:**
  - On February 20, 2026, it was reported widely that PJM Interconnection, approved a plan to augment and to expand its network to allow for the connection of new electrical energy generation capacity and to transmit electrical energy as demand from data centers increases. As reported, the augmentation and expansion by PJM Interconnection will cost around USD 11.8 billion.
  - On February 6, 2026, it was reported widely that PJM Interconnection was anticipating that across its grid network there may be up to a shortfall in electrical energy generating capacity of up to 60 GW by the mid-2030s. During December 2025, PJM Interconnection noted that there was a 6.5 GW shortfall. These "facts and stats" illustrate the likely levels of investment needed to develop new electrical energy generation capacity and to augment and to expand grid system capacity over the short to medium term.

  By way of background, PJM Interconnection is the Regional Transmission Operator (RTO) for 15 US States.

Africa

After a newsworthy January 2026, during February 2026, while there was considerable news across the natural gas and LNG and oil sector across Africa, no significant news items relating to decarbonization (including the energy transition) came to the attention of the author for inclusion in this **Edition 42** of P_2N_0.

Europe and the UK

- **ENEL investment plans scaling up:** On **February 23, 2026**, it was reported widely that **Enel** intends to invest up to **USD 63 billion** across Europe. As reported, around **USD 31 billion** will be invested in transmission networks before the end of 2028. Of this **USD 31 billion** around **€5.5 billion** will be invested to augment and to expand the transmission system of **Endesa** (part of the Enel group) in Spain.
- **German Governments increase funding support for green steel project**: On **February 6, 2026**, the **Federal German Government** obtained approval from the **EC** to increase funding support by a further **€322 million** to Salzgitter for its green steel plant. On **February 23, 2026**, the **Federal German Government** (as to two-thirds) and **Lower Saxony Government** (as to one-third) committed to the provision of that further funding support. This brings the total funding support to **€1.32 billion**.
- **Finland and Germany sign statement of intent**: On **February 18, 2026**, the **Finish Government** announced that it and the **Federal German Government** had signed a statement of intent. Under the statement of intent, the Finish and German Governments have put in place a framework for further cooperation to develop hydrogen infrastructure and the development of hydrogen technologies.
- **Cross-over in the EU**: During **February 2026**, as 2025 year-end reports continued to be published, it was reported widely that within the **EU**, generation of electrical energy using photovoltaic solar and wind capacity had exceeded electrical energy generated from fossil fuels. Further, if hydroelectric, nuclear, and other renewable sources are combined, across the **EU** a little over 70% of electrical energy generated is from non-fossil fuel sources, with 29% of generated from fossil fuel sources, for the most part from natural gas. While the **EU** is decreasing its reliance on fossil fuels to generate electrical energy, it is important to note that the **EU** remains heavily dependent on the import of fossil fuels.

  By way of background: Edition 41 of P_2N_0 reported as follows: "**Natural gas and LNG supply within the EU:** During **2025** the **EU** imported **312.7 billion m^3** of natural gas, comprising natural gas hauled by pipeline

(169.9 billion m^3) and LNG (143.1 billion m^3). Imports from Norway were 97.1 billion m^3 and from the US 82.9 billion m^3. As the **EU** moves to ceasing to take natural gas from Russia, it is to be expected that the **EU** will increase the import of LNG from the US".

- **Romania plans to develop SMR:** On **February 13, 2026**, it was reported widely that **Romania** intends to develop a **small modular reactor** (**SMR**) to be located in the town of Doicesti. As reported, the **SMR** will have electrical energy generating capacity of **460 MW** and will cost up to **USD 7 billion**. If the project proceeds, it will be the first **SMR** development in Europe.
- **France planning to accelerate decarbonization of electrical energy generation**: On **February 13, 2026**, it was reported widely that France is to increase installed generation capacity of electrical energy from both nuclear and renewables through 2035. The **Multiannual Energy Program** (**PPE3**) provides a basis for, and will govern, tenders for renewable energy capacity from 2026 through 2036. Among other things, **PPE3** provides for tenders to procure up to **3 GW** of offshore wind capacity (slightly lower than previously planned).
- **Germany onshore auction**: On **February 13, 2026**, it was reported widely that the **Federal German Government**, through its **Network Agency**, had allocated an aggregate of **2.328 GW** of photovoltaic solar capacity across 226 onshore projects. As announced, the average price was **€0.05 kWh**, with a spread of **€0.44 to €0.53 kWh**.
- **UK AR7 CfD onshore auction results**: On **February 10, 2026**, the **UK Government** (**Department for Energy Security and Net Zero**) announced the results of **Allocation Round Seven** (**AR7**) **Contracts for Difference** (**CfD**) auction for onshore photovoltaic solar, tidal stream and wind power projects. As announced, 189 projects were awarded CfDs, with those projects to result in the installation of **6.2GW** of additional renewable energy capacity. Taken with the results for **AR7 CfD auction for offshore** wind fields from **January 14, 2026**, **AR7** has resulted in the award of CfDs in respect of **14.7 GW** of additional renewable electrical energy capacity.

  The **UK Government** noted that: "Once built and generating, the new clean, homegrown power secured today will reduce household bills. New onshore wind cleared at **£72.24/MWh**, and new solar at **£65.23/MWh**, both under half the **£147/MWh** cost of building and operating new gas power stations."

  By way of reminder: **Edition 41** of P_2N_0 reported on the AR7 CfD auction for offshore renewable capacity as follows:

  "**Offshore wind field industry alive and well after AR7**: One of the second-tier themes that has emerged over the last two years or so has been the challenges faced by the offshore wind industry globally.

  On **January 14, 2026**, the **Department for Energy Security and Net Zero** (**DESNZ**) announced the results of allocation round seven (**AR7**):

  - **8.2 GW** of **fixed-bottom offshore wind capacity** was awarded, with:
    - 6,885 GW at £91.20 MW/h around England and Wales;
    - 1,380 GW at and £89.49 MW/h around Scotland; and
  - **192.5 MW** of **floating offshore wind** at test and demonstration sites – Erebus (100 MW) and Pentland (92.5 MW).

The **fixed-bottom wind field** developments are:

Awel y Mor – 775 MW – RWE	Berwick Bank – 1380 MW – SSE	Dogger Bank South East - 1500 MW – RWE and Masdar
Dogger Bank South West – 1500 MW – RWE and Masdar	Norfolk Vanguard East – 1545 MW – RWE	Norfolk Vanguard West – 1545 MW – RWE

The **UK Government** is to provide support of up to £1.8 billion. This is double the **£900 million** of support earmarked for AR6.

Ahead of the results, **PA Consulting** published UK Offshore Wind: CfD AR7 Analysis. The publication provides helpful factual and historical context of **AR7**."

- **Porthos' Progress**: On **February 5, 2026, Porthos, CO_2 Transport and Storage** announced that its wells were ready for the injection of CO_2. As announced, four natural gas production wells have been converted to CO_2 injection wells, with all other natural gas production wells sealed. The announcement from **Porthos, CO_2 Transport and Storage** is well-worth a read (at https://www.porthosco2.nl, under Milestone reached: Porthos wells ready for CO2 injection).
- **Mass Storage by Mass Group Holding**: On **February 5, 2026**, it was reported widely that **Mass Group Holding** is to invest **€1 billion** in **BESS** in **Romania**. As reported, the development and deployment of the **BESS** capacity will provide **2.5 GW** of **BESS** capacity across the country.
- **Lithium reserves discovered beneath depleted natural gas field**: In early **February 2026**, it was reported widely that there had been a discovery of a large deposit of lithium in northern Germany, in the Saxony-Anhalt region. As reported, beneath a depleted natural gas field there is an underground geological formation containing brine, with the brine containing high concentrations of lithium. Early estimations suggest that the brine may contain up to 43 million metric tonnes of lithium carbonate equivalent (**LCE**). Lithium is a key metal in the production of batteries that are rechargeable.

Middle East, Central Asia, and South Asia

- **Brazil and India aligning on CMM and REE**: On **February 21, 2026**, **India** and **Brazil** held talks about **CMM** and **REE** in New Delhi and signed an agreement to provide a framework for cooperation. Brazil has the second largest reserves of **CMM** globally.
- **Reliance Industries outlines data centre plans:** On **February 21, 2026**, **Reliance Industries** outlined its planned development of data centres. As reported, **Reliance Industries** intends to invest up to **USD 110** billion on infrastructure, including the development of data centres.

- **Record low price for GH_2 in India**: On **February 16, 2026, The Economic Times** (at https://economictimes.indiatimes.com/under [India records lowest-ever price for green hydrogen in tender]) reported that the Indian Energy Minister had announced a record low bid of **USD 3.08 a kg** for the supply of 10,000 metric tonnes of green hydrogen. The bid was in response to the procurement by **Numaligarh Refinery Ltd** (majority-owned by state owned enterprise, **Oil India Ltd**).

- **Exploration and Secondary Recovery of Critical Minerals in India**: During **February 2026**, [Policy Brief, Exploration and Secondary Recovery of Critical Minerals in India], was published. The publication provides a helpful perspective on both exploration and secondary recovery within India and adds to the increasing awareness and focus on critical metals and minerals globally.

- **ACWA signs MOU with EnBW and VNG AG**: On **February 1, 2026, ACWA** signed a **Memorandum of understanding** (**MoU**) with **EnBW Energie Baden-Württemberg AG** (**EnBW**) **ROSTOCK PORT GmbH** (**Port of Rostock**), and **VNG AG** (**VNG**), to create a green ammonia corridor from **ACWA's Yanbu project** to the **Port of Rostock**. **VNG** intends to dehydrogenate the green ammonia to derive green hydrogen for injection into the German green hydrogen network. As announced, the green ammonia will be dehydrogenated and processed using the cracker facility that is under development by **VNG**.

  The announcement from **EnBW** recounts that **ACWA** and **EnBW** are working together in the development of the green hydrogen and ammonia production site in **Yanbu**, **Saudi Arabia**, with the **commercial operation date** (**COD**) planned to commence in 2030. "**EnBW** will be an offtaker of green ammonia from the Yanbu site and manage its commercial and logistical delivery to the Port of Rostock, which will serve as port operator, while **VNG** is progressing plans for an ammonia cracker near the port to convert imported green ammonia into green hydrogen for German customers".

  The cracker facility being developed by **VNG** is not the first cracker being developed in northern Europe. **By way of reminder: Edition 41** of P_2N_0 reported as follows: "**Air Liquide commissions cracking plant**: During the final week of **January 2026**, it was reported widely that **Air Liquide** had commissioned its ammonia to hydrogen cracking plant at the **Port of Antwerp-Bruges, Belgium**. It is understood that this is a world first: the cracking plant will allow ammonia imported into Europe, as a hydrogen carrier, to be cracked to derived hydrogen".

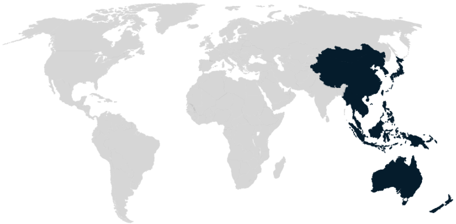
- **Oman plans 400 km GH2 pipeline**: On **January 30, 2026**, it was reported widely that the **Sultanate of Oman** plans to develop a **400 km green hydrogen pipeline network**. As reported, the network will connect green hydrogen production facilities to industrial areas and export terminals.

- **India Bioenergy Market Report Outlook for liquid and gaseous biofuels to 2030**: On **January 29, 2026**, the **IEA** published [India Bioenergy Market Report Outlook for liquid and gaseous biofuels to 2030]. The [Executive Summary] of the publication emphasises the following matters:

  - Bioenergy is particularly important for India given the rate of growth of its energy market;
  - The ethanol industry in India has emerged as a success, in part to due policy settings that have assisted in its development;
  - Biogas has an existing role in the Indian energy market through the use of compressed biogas (CBG);

- Given economic growth generally, there is potential for the growth in the development of demand for sustainable aviation fuel (**SAF**); and
- With the right mix of policy settings, there is the potential to increase the market for liquid and gaseous biofuels, possibly to double current demand by 2030.

The publication recognises that the development of the market for biofuels in India is dependent on the introduction of policy settings and provides a blueprint for those policy settings. The publication is well-worth a read for any active or interested in the development of the biofuels sector.



APAC

- **Synthetic methane plant commences injection**: On **February 24, 2026**, **INPEX Corporation** and **Osaka Gas** announced that synthetic methane (e-methane) produced from their **methanation test facility** had been injected into a natural gas pipeline on **February 20, 2026**.

  The **methanation test facility** has been developed to determine whether methane (produced from the combination of CO_2 and H_2) can be produced for use to supplement methane (i.e., natural gas) in city pipeline networks in Japan. The answer is that it can. The issue now is how best to scale the technology. For further detail, click on the [announcement from Osaka Gas]().

- **Green gold of palm oil**: On **February 16, 2026**, **New Straits Times** (at [https://www-nst-com-my.cdn](), under [JS-SEZ can unlock RM3.5 billion "green gold" from palm waste]()) reported that the **Johor-Singapore Special Economic Zone** (**JS-SEZ**) provides the conditions for the development of production capacity for biomethane derived from **palm oil mill effluent** (**POME**).

  POME is a liquid waste derived from the production of palm oil, i.e., from processing to produce palm oil. For Malaysia, **POME**, left in ponds, gives rise to **methane** (**CH_4**), and gives rise to **GHG emissions** across the country. Rather than allowing **CH_4** to arise and escape to the climate system, it makes sense to derive biogas, to process that biogas to produce bio-methane, which will result in a decrease in the net **GHG emissions** of Malaysia.

  The article states that: "A standard 60-tonne-per-hour palm oil mill can generate roughly 140,000 Btu of energy a year from captured biogas". The article goes on to note: "When upgraded to Bio-LNG, a liquified biomethane purified to around 98% methane … it can fetch about USD 26 per MMBtu in Singapore's bunkering market ….".

- **BESS breakthrough in Vietnam**: On **February 16, 2026**, **energy-storage** (at [https://www.energy-storage.news](), under [Vietnam's BESS breakthrough: A turning point for energy storage across ASEAN]()) reported that: "With the implementation of Circular No.62/2025/TT-BCT on January 26, 2026, Vietnam" became "the first major ASEAN economy to introduce a formal two-part tariff structure for BESS". This marks a move away from a structure of "energy only" tariffs to availability and delivered energy tariffs.

- **Taklamakan Desert, from biological void into carbon sink**: On **February 11, 2026**, **Live Science** (at livescience.com, under China has planted so many tress around the Taklamakan Desert that it's turned this 'biological void' into a carbon sink) reported on the scale and the success of the initiative undertaken by **China** to develop a carbon sink, to remove CO_2 from the climate system, through the planting of trees. Before the initiative, the **Taklamakan Desert** was one of the driest of deserts (covering an area of 130,000 square miles or 337,000 square kilometres, this area being a little larger than the US State of Montana). The initiative is part of the Three North Shelterbelt Program to address desertification.

- **Cross over from coal to photovoltaic production of electrical energy generation capacity in China**: In early **February 2026** it was reported widely that **China** is to have more photovoltaic solar electrical energy generating capacity than coal during 2026.

  As reported, by the end of 2026, it is anticipated that, in combination, photovoltaic solar (including additional capacity of between 238 to 287 GW) and wind capacity will comprise over 50% of the installed electrical energy capacity in China, with coal to account for a little over 30%. It is important to note that installed capacity does not equate to dispatched electrical energy, and as such coal will still account for a greater percentage of the electrical energy dispatched.

  This said, **Edition 41** of P_2N_0 reported that: "**Coal-fired generation falls in China and India year-on-year**: For the first time since 1973, there was a fall in the electrical energy generated from coal-fired sources year-on-year: less electrical energy was generated from coal-fired power plants in 2025 than in 2024. **Carbon Brief** reported that electrical energy generated from coal fired power plants in China fell by 1.6% and in India by 3%.

  China and India continue to make progress to net zero. In 2025, China installed around 435 GW of renewable energy capacity, 315 GW of PV solar and 119 GW of wind power[11]. India installed around 35 GW of PV solar and 6 GW of wind power, and 3.5 GW of hydroelectric power. While coal-fired power generation fell year-on-year, nevertheless China installed 95 GW of capacity: https://www.straitstimes.com/asia/east-asia/china-coal-plant-building-surges-despite-record-renewable-energy-additions?ref=latest-headlines.)

  It is hoped that China and India have now reached peak use of coal-fired power plants to generate electrical energy."

HELPFUL PUBLICATIONS AND DATA BASES

In addition to the publications mentioned elsewhere in this **Edition 42** of P_2N_0, during the period **February 1** to **February 28, 2026**, the author read and can recommend the following publications:

- **Reframing Energy for the Age of Electricity**: On **February 17, 2026**, **Ember** published Reframing Energy for the Age of Electricity. The publication views the **Age of Electricity** from the perspective of consumers of electrical energy. The publication is helpful, providing a sharp focus on the perspective of consumers. As always with Ember, the publication is excellent.

- **Solar PV Supply Chain Cost Tool: Methodology results and analysis**: The **International Renewable Energy Agency** (IRENA) published [Solar PV Supply Chain Cost Tool: Methodology results and analysis](). The publication provides a comprehensive analysis of each link in the photovoltaic solar supply chain. The publication is well-worth a read.
- **IEA Bioenergy** (part of the IEA Technology Collaboration Programme) publishes articles frequently on bioenergy. The publications are up-to-the minute and provide a clear sense of this ever-dynamic sector. Click on the following link to a database of articles.

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* Michael Harrison is the primary author of P_2N_0, and editor. Any error is Michael's. P_2N_0 is written early each Saturday morning. In writing P_2N_0, Michael sources from original material. If a news item is covered broadly, the words **reported widely** connote that at least three sources have covered that news item, and **reported** connotes at least two sources. If there is only one source that is not the original material, that source is named.

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