

SHARE:



[Join Our Email List](#)



[View as Webpage](#)



Volume 5, Issue 9

● [Welcome](#)



Welcome to Volume 5, Issue 9 of *Currents*. Do you have topics that are especially interesting to you? We dive deep into all energy news every week, but we can always focus on a requested industry or topic. [Let us know](#) and we are happy to dig deeper.

As always, thank you for reading.

[Nicholas S. Preservati](#)

Co-Chair, Energy Practice Group

● [U.S. Congress Launches Probe Into Multibillion-Dollar 'Clean Coal' Tax Credit](#)

"The U.S. Congress is investigating a multibillion-dollar subsidy for chemically treated coal that is meant to reduce smokestack pollution, after evidence emerged that power plants using the fuel produced more smog not less."

Why this is important: Congress is investigating whether a method to clean up coal plant emissions actually works. Currently under U.S. tax law, companies that treat refined coal to reduce mercury, nitrogen oxide and sulfur dioxide qualify for a tax credit worth \$7.30 per ton. That adds up to \$1 billion per year in tax credits from the U.S. Treasury to utilities and investment firms. Some now are alleging the process does not reduce coal emissions, but instead likely increases smoke stack emissions. Congress now will investigate those claims in the process of deciding whether to renew the credit that expires at the end of the year. --- [Mark E. Heath](#)

● [GE Steam Power Unveils 'Largest Last-Stage Blade Ever Made'](#)

"Once completed, this Arabelle steam turbine will be the most powerful nuclear steam turbine in operation."

Why this is important: A massive turbine blade designed for a British nuclear plant soon will be on its way to Somerset, England, where it will become an integral part of a huge 3.2 GW plant providing carbon-free power. Nuclear power, widely seen as a necessary component of future reduction of CO2 emissions, increasingly will depend on large turbines of this type. A similar turbine rotor has been shipped to Turkey's first nuclear plant. --- [David L. Yausy](#)

● [SEC Inches Closer to New Climate Disclosure Regulations](#)

"The document asks for information in areas like what kinds of risks can be quantified and measured; what types of emissions metrics companies should provide; whether to have different reporting standards for different industries and more."

Why this is important: The SEC is seeking input on expanding guidelines to issuers as to how existing disclosure requirements apply to climate change matters. The 2010 Climate Change Guidance noted that, depending on the circumstances, information about climate change-related risks and opportunities might be required in a registrant's disclosures related to its description of business, legal proceedings, risk factors, and management's discussion and analysis of financial condition and results of operations. Since 2010, the risks of climate change have become among the primary interests for some investors. This has led the SEC to begin developing criteria for required issuer disclosures relating to environmental, social, and governance ("ESG") factors. For larger public companies, this probably will be another write-off cost of issuing securities. But for smaller companies and private placements, an expanded consideration of environmental risks could price would-be issuers out. --- [Joseph C. Unger](#)

● [Asian Electricity Projects Could Drive Coal to \\$1.5T Global Market by 2025](#)

"This 12 percent growth projection is mainly due to companies and operations emerging and recovering from the COVID-19 pandemic."

Why this is important: Despite worldwide pressure to reduce CO2 emissions, it is now projected the world markets of coal, lignite and anthracite will increase to \$1.5 trillion by 2025. The increases are based on economies recovering from COVID-19 impacts and new energy projects in the Asia Pacific region. 80 percent of the world coal market is now centered in the Asia Pacific Region, while only 7 percent is located in North America. Worldwide, coal used in energy production amounts to 70 percent of the greenhouse gas emissions from producing electricity. --- [Mark E. Heath](#)

● [Biden Administration Gives Major Push to Giant Offshore Wind Farm](#)

"The project had suffered repeated delays under the Trump administration."

Why this is important: The environmental impact statement for a large wind farm off Martha's Vineyard has been completed and the notice of the report's availability will be filed on March 19. The local fishing industry already has signaled its opposition. It remains to be seen whether others who previously opposed the project, including wealthy property owners on the island, will continue to work against the project's completion. --- [David L. Yaussy](#)

● [Power Grid Needs to be Backed Up by Reliable Energy Sources, WVU Energy Chief Tells Senators](#)

"As renewable energy sources like wind and solar move to the forefront of America's energy mix, Wood said under questioning by Capito, a safe bet would be assuring reliable backup sources."

Why this is important: The article summarizes WVU Energy Institute Director Jim Wood's testimony before a U.S. Senate committee, including the need for power grids (that generally serve large multi-state regions) to be backed up by reliable sources of energy and capacity. As the article notes, the Senate Committee hearing was precipitated by the mass outage in Texas. Wood emphasized affordability, reliability, and resilience, with an emphasis on having a diversity of fuel sources. He addressed, among other sources, the flexibility of both natural gas-fired power plants and nuclear production in comparison to renewable energy sources, which are intermittently available. By implication, Wood emphasized the need for an all-of-the-above energy resource strategy to serve the power grid, which requires thoughtful research and planning. --- [Derrick Price Williamson](#)

● [New Mexico Coal Plant to Limit Operations Starting in 2023](#)

"The plant's five co-owners agreed to shut down one of the facility's two generators for seven months each year beginning in the fall of 2023."

Why this is important: The Four Corners Electrical Generating Plant in New Mexico will shut down one of its coal-fired generating units for seven months each year beginning in 2023. The move will reduce the plant's CO2 emissions by 25 percent and continue a trend of shutting down or curtailing coal-fired electrical generation plants around the country. The other Four Corners generating unit will run year round, but both units will close by 2031. The plant, owned by five utilities, employs 325 workers, many of whom are Native Americans, and is located on Navajo Nation land. --- [Mark E. Heath](#)

● [DOE Backs Projects to Produce Hydrogen from Coal, Biomass](#)

"The U.S. Department of Energy announced the agency has awarded \$2 million to four research and development projects aimed at advancing clean-hydrogen production technologies."

Why this is important: Many people are chasing green hydrogen production, typically by using solar cells to provide the power for electrochemical breakdown of water into hydrogen and oxygen. Liberating hydrogen from fossil fuels usually is not seen as green due to the amount of carbon dioxide generated. Gasification of coal, biomass and plastic may result in fewer carbon emissions, and if that carbon can be captured and sequestered, the result would be acceptably green hydrogen. --- [David L. Yaussy](#)

● [Much-Debated Climate Metric Getting Immediate Use Under Biden](#)

"The Biden administration isn't awaiting a final price tag on a final greenhouse gas assessment metric before it starts working on new regulations—even though the final number could support even tougher regulation."

Why this is important: In late February, the Biden administration raised the social cost of carbon from the \$1 per ton figure set by the Trump administration to \$51 per ton. The \$51 per ton figure will be used on an interim basis while an interagency working group readies a more complete update expected in early 2022. This higher dollar figure will make it more difficult for agencies to issue new industry friendly regulations because the projected costs are more likely to outweigh the benefits. The Biden administration is expected to use the social costs of carbon to deny some new permits for oil and gas projects, along with carbon-offset requirements for permit renewals for projects on federal lands. --- [Joseph C. Unger](#)

● [Forget Batteries, This Electric Vehicle Startup Uses Solar Power to Charge Up Cars](#)

"What's stopping EV companies from making a car wrapped in solar panels that can automatically charge itself up when it's sunny outside and then have enough juice to hit the road the next morning?"

Why this is important: People have wondered for years whether a car could be built of solar panels that would keep it running as long as the sun was shining. This Sono Motors car is their answer, built of solar panels that will supplement, though not replace, plug-in electric charging. Limited daylight, road grime, lack of sunny parking spots, and other limitations will make this a curiosity for the time being. But, who knows what lessons may be learned for the future? --- [David L. Yaussy](#)

● [Energy Question of the Week](#)

How many days were you without power last year due to weather?

More than 10 days

Select

7-10 days

Select

4-6 days

Select

1-3 days

Select

None

Select

● EIA Energy Statistics

Here is a round-up of the latest statistics concerning the energy industry.

PETROLEUM

This Week in Petroleum

Weekly Petroleum Status Report

NATURAL GAS

Short-Term Energy Outlook - Natural Gas

Natural Gas Weekly Update

Natural Gas Futures Prices

COAL

Short-Term Energy Outlook - Coal

Coal Markets

Weekly Coal Production

RENEWABLES

Short-Term Energy Outlook

Monthly Biodiesel Production Report

Monthly Densified Biomass Fuel Report

What are your areas of interest? If there are particular industries or issues that you would like to hear about, [email us](#)! We have a large number of attorneys willing to weigh in on the issues that impact you and your business.

If you would like to subscribe to this weekly e-blast or know someone who would, please [email us](#) with contact information and CURRENTS in the subject line. We will add you or your acquaintance to the email list.

If you have any energy questions, please feel free to [contact us](#).

This is an attorney advertisement. Your receipt and/ or use of this material does not constitute or create an attorney-client relationship between you and Spilman Thomas & Battle, PLLC or any attorney associated with the firm. This e-mail publication is distributed with the understanding that the author, publisher and distributor are not rendering legal or other professional advice on specific facts or matters and, accordingly, assume no liability whatsoever in connection with its use.

Responsible Attorney: Michael J. Basile, 800-967-8251