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Volume 5, Issue 10

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As always, thank you for reading.

[Nicholas S. Preservati](#)

Co-Chair, Energy Practice Group

● [World's Largest Coal Miner Coal India Bets on Solar, Eyes Further Mine Closures](#)

"Pramod Agarwal said its joint venture with state-run NLC India Ltd plans to invest around 125 billion rupees (\$1.73 billion) in solar power projects with a capacity of 3,000 megawatts, of which Coal India will invest some 60 billion rupees by March 2024."

Why this is important: Coal India Ltd. is the world's largest coal mining company, but it believes solar is the future for power production. The company has closed 82 mines the past three years, resulting in 18,600 job losses. It plans to continue evaluating mines for closure. The company now plans to enter into a \$1.73 billion (U.S.) joint venture to build a 3,000 MW solar farm. Coal India says it believes ultimately solar will replace coal-fired electrical generation plants. --- [Mark E. Heath](#)

● [Department Of Energy Price Data Spotlights Regressive Nature of 'Electrify Everything' Effort](#)

"The forecast shows that on an energy-equivalent basis, electricity will cost about \$39 per million Btu."

Why this is important: While improving the electric energy production is important, an all or nothing approach is not necessarily the right move. This forecast projects that natural gas will cost \$11 per million BTU, almost four times less than the projected cost of electricity. As demonstrated by the recent Texas freeze, a diverse energy production infrastructure is crucial for reliable, inexpensive production in the U.S. --- [Joseph C. Unger](#)

● [Southern Company Identifies 'Likely' Nuclear Construction Delay on Vogtle Unit](#)

"The utility's nuclear operating company identified construction remediation work that would 'likely' delay the November 2021 in-service date for Vogtle Unit 3."

Why this is important: Construction delays, resulting in higher costs, plague traditional nuclear power plant construction. It's one of the reasons that no new nuclear plants have been finished in about 30 years. The answer may be small modular reactors ("SMRs"), which are smaller than current nukes and built to standardized specifications, and are used alone or in multiple units to power a single industrial plant or a small city at a predictable cost. --- [David L. Yaussy](#)

● [Anticipating More Federal Regulation, Power Companies Ask for Expedited Cost Recovery](#)

"The West Virginia Energy Users Group, which represents some of the big manufacturers around the state, says the legislation is unnecessary, expensive and will lack a full examination."

Why this is important: The article examines various perspectives on House Bill 2959, which is currently pending before the West Virginia Legislature. The bill would allow monopoly utilities to accelerate rate increases to all captive electric consumers for costs incurred by the utilities in meeting environmental compliance obligations for their power plants. Though utilities have not been previously denied cost recovery for environmental expenses under traditional regulation, expedited cost recovery would come at the expense of removing traditional regulatory protections for ratepayers. The upshot is that utilities favor the legislation because it decreases regulatory lag, while ratepayer interests, including West Virginia's manufacturing and industrial associations, oppose it as unnecessary and destined to accelerate power cost increases for business and industry at a time when they can least afford it. --- [Derrick Price Williamson](#)

● [Study Says Coal is Still a Major Player in WV Economy](#)

"Data from the study found mining and coal-fired power generation was still a \$14 billion impact on West Virginia's economy."

Why this is important: Despite the national and state downturn in coal in 2020, coal still has a \$14 billion impact in West Virginia, according to an economic study in the Mountain State. West Virginia produces the most underground coal in the U.S. It produces from 100 coal mines and has 11 coal-fired electrical generation plants. Those mines paid \$2.1 billion in wages and create \$9.1 billion more in other economic activity. --- [Mark E. Heath](#)

● [Coal Giant Pennsylvania to Power Half Its Government With Solar](#)

"Pennsylvania, in the heart of U.S. shale country, agreed to source almost half of its state government's electricity through seven new solar arrays."

Why this is important: Pennsylvania will purchase power from solar arrays generating almost 200 megawatts, enough electricity to power half of state government operations. The power will be placed into the grid, not fed directly to Pennsylvania government offices. No word is provided on the cost of the power or the cost of the solar panels. --- [David L. Yaussy](#)

● [Texas' Blackouts Blew in on the Wind](#)

"The grid nearly failed because of an energy mix weighted toward unreliable sources of power."

Why this is important: Winter Storm Uri took a terrible toll on states in the southern U.S. The loss of electric power caused by this storm plunged millions of citizens into the dark and cold for many days. The resultant catastrophic power failure was attributable to an overdependence on wind and solar power generation that completely failed in this extended storm event. Even when supplemental sources of electricity became available on a limited basis, the cost to consumers was astronomical. Wind and solar power are not dependable sources of electric power because large-scale methods of storing and distributing energy from renewables are not yet available. This extreme weather event clearly demonstrates that a diverse fuel mix, including coal, natural gas and nuclear sources, remains an indispensable part of any reliable and cost-effective electrical power system, especially until future technology supplies the infrastructure to adequately store and distribute energy produced from renewable sources. --- [William M. Herlihy](#)

● [How Renewable Power Plant Controls Protect Inverters from Hacks and Attacks](#)

"Atlas VPN reports that cybercrime totals \$1.5 trillion in revenue annually — that's three times the annual revenue of Walmart."

Why this is important: This article reports that we're living at the confluence of two important events: the increased use of renewable energy and the increased sophistication of cybersecurity threats. It isn't surprising that these threats are becoming more targeted to renewable energy plants. Solar plants are guarding against these threats both with respect to their hardware and software, including creative solutions to protect against these attacks before they happen. In the end, the takeaway from this article is that, as the world changes to focus more on an increased use of renewable energy, cyberattacks will change their focus as well. To guard against these attacks, operators need to understand their plants' functioning from the most basic level to the most sophisticated systems and employ creativity when guarding against these attacks. --- [Nicholas P. Mooney II](#)

● [EVs on the Rise as Virginia Adopts California Vehicle Standards](#)

"With Virginia Governor Ralph Northam's signature, Virginia became the 15th state, alongside the District of Columbia, to adopt a zero-emissions vehicle mandate and impose stronger GHG emissions standards"

than the federal government on US automakers."

Why this is important: States can apply for a waiver under the Clean Air Act to impose vehicle emissions standards that are more strict than the federal standards. If EPA approves Virginia's waiver, it is estimated that 35 percent of new car sales in the U.S. would be subject to higher-than-federal standards. The market share of EVs is expected to climb to more than 10 percent by 2025, so it will be interesting to see if additional states take the legislative approach or let the market do the work for them. --- [Joseph C. Unger](#)

● [Floods in Eastern Australia Hit Coal Mining Operations, Supply Chains](#)

"With weather conditions getting worse, companies and government officials were still assessing the impact, but market participants expect more rail and port infrastructure to be affected in coming days."

Why this is important: Flooding in eastern Australia continues to curtail coal mining and limit rail shipments. New South Wales and Queensland are affected and several large mines and large producers are limiting coal production. This adds to coal market problems as Australia has been in a dispute with China since 2020 over the origin of COVID-19 that limited coal sales and shipments to Asia before the flooding began. --- [Mark E. Heath](#)

● [Energy Question of the Week](#)

Last Issue's Question and Results

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

More than 10 days - 15.8%
7-10 days - 15.8%
4-6 days - 17.5%
1-3 days - 19.3%
None - 31.6%

Has your vehicle miles traveled changed as a result of COVID-19?

Yes, increased significantly

Select

Yes, increased moderately

Select

No change

Select

Yes, decreased moderately

Select

Yes, decreased significantly

Select

Do not know

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

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