

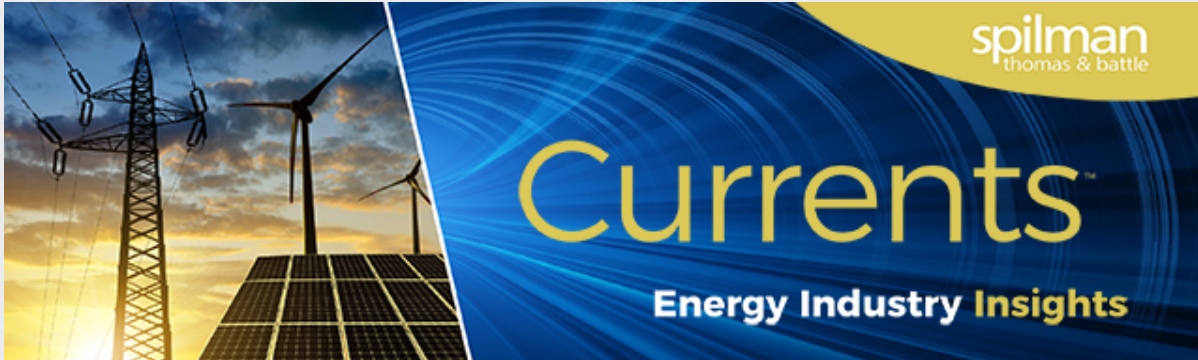
SHARE:



[Join Our Email List](#)



[View as Webpage](#)



Volume 5, Issue 7

● [Welcome](#)



Welcome to Volume 5, Issue 7 of *Currents*. Have you taken any of our surveys? They are a great way to gauge different aspects of the energy industry. Check out our newest question at the bottom of this e-blast.

We hope you enjoy reading.

[Nicholas S. Preservati](#)
Co-Chair, Energy Practice Group

● [Pennsylvania Gov. Tom Wolf Floats Natural Gas Tax to Pay for \\$3 Billion Pandemic Recovery Plan](#)

"Long a proponent of an extraction tax, Wolf said it could pay for improvements to workforce training and support, remove inequities in the state's workforce development programs and attract businesses to Pennsylvania where one in seven workers was sidelined during the business disruption caused by COVID-19."

Why this is important: Governor Wolf has proposed a natural gas tax to fund the "Back to Work PA" workforce and economic development plan. The components of the plan include ensuring broadband access for all Pennsylvanians, investing in programs to assist the workforce with improving their skills and obtaining employment, and developing a strong reshoring initiative. The proposal seeks to add a natural gas tax, in addition to the existing impact fee imposed pursuant to Act 13 of 2012.

Prior attempts to pass a natural gas tax in Pennsylvania have been unsuccessful. By linking the natural gas tax to Pennsylvania's economic recovery efforts, the Governor is seeking to garner additional support. Business organizations and coalitions have voiced opposition for the plan, noting additional taxes will only discourage investment in job creation. As budget discussions move forward in Pennsylvania, this will continue to be a source of discussion. --- [Anmarie Kaiser](#)

● [With US Coal Jobs Decimated, Groups Look to Biden to Aid Regional Transition](#)

"As President Joe Biden looks to accelerate the energy transition, some groups worry that things could worsen for U.S. coal communities without supportive policies."

Why this is important: U.S. coal employment continues to decline with the closure of coal-fired electric generation plants. In the past four years, nationwide production has declined 34 percent and employment fell 25.2 percent. Almost 69 percent of the job losses have occurred in the top 25 U.S. coal producing counties, which have lost 31,495 coal mining jobs in a little over eight years. The county names are synonymous with coal. From first quarter 2012 to fourth quarter of 2020, Campbell County, Wyoming lost 2,260 mining jobs. In Kentucky: Harlan County, 1,709; Pike County, 2,751; and Perry County, 1,444. In West Virginia: Boone County lost 3,463 jobs; Logan County, 1,041; Mingo County, 1,059; and Kanawha County, 1,036 jobs. Other notable job losses: Greene County, Pennsylvania, 1,124; Belmont County, Ohio, 773; Saline County, Illinois, 1,676; and Walker County, Alabama, 1,066. As these losses mount, community groups are increasingly pushing for community programs to replace the lost jobs with new economic development or in reclamation activities. The Biden administration is weighing in with plans to do the same. While there is some hope of a coal rebound in 2021, the U.S. Energy Information Agency continues to lower its estimates of that recovery and Arch Resources is openly discussing greatly scaling back or closing the largest coal mine in the U.S., the Black Thunder Mine in Wyoming. --- [Mark E. Heath](#)

● [\\$17,000 Electric Bill? A Deregulated Power Grid Leads to Wild Prices for Texans](#)

"The downside of an independent energy market left millions of Texans without power for days and is now spooking some residents with five-figure energy bills, as Texas lawmakers look to investigate the failures of the nation's only state-operated power grid."

Why this is important: The article details the catastrophically high prices -- residential ratepayer bills of \$1,000 per day in some instances -- that the Texas electric market produced during last week's cold snap. Importantly, however, the article also explains the inherent weaknesses in Texas' deregulation model, most notable of which is the fact that the Texas power market is isolated from the broader power grid; it is the only state in the Lower 48 to operate its own power grid. Conversely, consumers in other deregulated states like Ohio and Pennsylvania continue to benefit from deregulation in part because those states are in a large, regional power grid that has the scope and adaptability to better address severe weather issues. Texas legislators intend to aggressively address these issues with its power grid regulators, including the short shrift that those regulators gave to the impending cold front and the impact of the deregulation model on its utilities. --- [Derrick Price Williamson](#)

● [Several Bills in Legislature Designed to Help West Virginians with Black Lung](#)

"A 2018 National Institute for Occupational Safety and Health report, based on X-ray data collected by NIOSH's Coal Workers Health Surveillance Program from working underground miners from 1970 to

2017, found that prevalence of severe black lung in Central Appalachia was as high (5%) as it's been since record-keeping began in the early 1970s."

Why this is important: At least three bills dealing with black lung and occupational pneumoconiosis have been filed with the West Virginia Legislature now in session in Charleston. One bill would create a state black lung trust fund with additional severance taxes on coal for miners with black lung who have 15 years exposure and worked at least 1,000 hours a year. Workers with black lung and 15 years of exposure would receive a \$200 per month benefit. Each year of service increases the monthly payment by \$15. As some of the bills were introduced in 2020, it remains to be seen if they make it into law this year. --- [Mark E. Heath](#)

● [Rejoining Paris Pact Signals U.S. Ready to Jump Aboard Hydrogen Express](#)

"The decision by the Biden administration to rejoin the Paris agreement will likely provide a boost to the creation of a robust hydrogen fuel industry in the U.S., with the potential of providing an abundant supply of carbon-free fuel for diverse application including power generation, vehicle transportation and manufacturing, as well as a reliable source of energy storage."

Why this is important: Hydrogen has been touted as the "Next Great Thing" for a while. President George W. Bush was pushing hydrogen fuel cells in his 2003 State of the Union address, and its promise as a potentially green combustible gas makes it attractive for industrial activities that require high heat. But the cost of producing it in a sustainable fashion, and the problems it poses (low temperature liquefaction, escaping containment and embrittling metal) make it difficult to store and transport. These impediments won't be overcome soon, but when they are, hydrogen will be a much bigger player in America's energy future. --- [David L. Yaussy](#)

● [Lloyd's Insurer Brit to Stop Insuring Australia's Adani Coal Mine](#)

"Carmichael has provoked controversy in Australia with its plan to open up a new thermal coal basin at a time of growing concern over global warming, in a region that is in need of jobs."

Why this is important: Lloyds of London has announced it will not insure a new thermal coal mine in Australia. Adani Enterprises plans to open the Carmichael thermal coal mine in a part of Australia that needs jobs, and it will produce 10 million tons of coal a year beginning later this year. But concern over global warming has led 26 of Lloyd's syndicates to say they will not insure the mine. In December 2020, Lloyds' 100 largest syndicates established climate change strategies. These events may make it more difficult for thermal mines worldwide to get insurance as many insurers have announced plans to stop insuring coal mines. --- [Mark E. Heath](#)

● [U.S. Energy Regulator to Examine Climate Change's Threat to Power Reliability](#)

"It was not immediately clear how FERC, a panel of five commissioners which has a 3-2 Republican majority until about June, can help keep power delivery reliable in an age of extreme weather events."

Why this is important: The root causes of the Texas blackouts are sure to be debated for years to come with plenty of villains to choose from, depending on your politics. One thing is already clear -- a grid that provides low cost power by not preparing for cold weather can see spikes during cold spells that may wipe out those savings in the space of a week. It's not just Texas, though. All of the regional grids

are going to have to decide how they will manage renewables, which can't be ramped up on demand, and how they will pay for peaking power that is rarely used, and therefore expensive. --- [David L. Yaussy](#)

● Energy Question of the Week

Last Issue's Question and Results

What is the most effective way you believe you could conserve energy?

Change Setting on Thermostat - 20.8%
Turn Off Lights/Appliances When Not in Use - 14.6%
Use Energy Efficient Light Bulbs - 14.6%
Drive Less - 13.5%
Buy Green Energy - 13.5%
Buy Fuel Efficient Car - 12.5%
Other - 10.5%

Do you have a backup generator in case your residence loses power?

Yes

Select

No, but in process of getting one

Select

No, but considering getting one

Select

No, and have no interest in getting one

Select

Other

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