

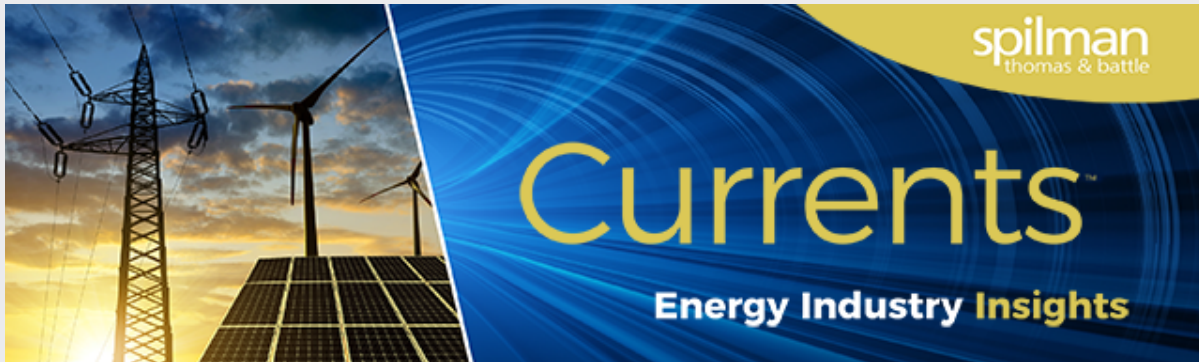
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Volume 5, Issue 2

● [Welcome](#)



Welcome to Volume 5, Issue 2 of *Currents*. As always, please [contact us](#) if you have topics you would like us to cover. And, if you would like to add someone to our distribution list, please [email us](#) with their contact information and CURRENTS in the subject line.

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[Nicholas S. Preservati](#)

Co-Chair, Energy Practice Group

● [Renewables to Dominate New U.S. Power Capacity in 2021](#)

"Renewable energy, mostly solar and wind, are set to account for more than two-thirds of the new electricity generation capacity that the United States will install this year."

Why this is important: The trend towards renewable energy sources and away from fossil fuels continues into 2021 and likely the foreseeable future. Although record-setting investment in clean energy is good for the environment, the cost of these resources are often borne by utility ratepayers as well as who own them (whether the utility or private investment) and will be debated for years to come. The key to continued investment in clean energy is balancing the costs and risks to ratepayers against the environmental benefits of the assets. --- [Carrie H. Grundmann](#)

● [Nuclear and Coal to Account for Majority of U.S. Generating Capacity Retirements in 2021](#)

"According to the U.S. Energy Information Administration's latest inventory of electric generators, 9.1 GW of electric generating capacity is scheduled to retire in 2021."

Why this is important: Estimates are 9.1 GW of electric power generation will be retired in 2021. This total is on top of the 48 GW of coal plants retired in the past five years. This year, the largest closures will occur in nuclear power generation, as 5.1 percent of U.S. nuclear generation will go off line with the shutdown of three plants in Illinois and New York. Four reactors at two plants in Illinois will eliminate 4.1 GW of power production and another 1.0 GW at one plant in New York. Coal-fired electrical generation plants in Maryland, Florida, Connecticut and Wisconsin with an average age of 51 years will close this year and remove another 2.7 GW of coal-fired generation. The report notes 800 MW of petroleum and 253 MW of natural gas plants also will close. The closure of coal-fired electric generation plants continues to cause closures of coal mines across the country. --- [Mark E. Heath](#)

● [Coronavirus Causes Largest U.S. Greenhouse Gas Emissions Drop Since World War Two](#)

"The economic fallout from the uncontrolled spread of COVID-19 - especially in big emitting sectors like transportation, power and industry - resulted in a sharper emissions drop than the 2009 recession, when emissions slid 6.3%."

Why this is important: U.S. greenhouse gas emissions fell 10.3 percent in 2020 and 21.5 percent when compared to 2005 emissions. The transportation sector saw the largest decline with 14.7 percent from 2019 levels. Emissions will become a key issue for the Biden administration, which plans to set the U.S. on a path to net-zero emissions by 2050. --- [Joseph C. Unger](#)

● [U.S. Supreme Court Tosses Review of Minnesota County Fracture Sand Ban](#)

"Five years ago Winona County banned sand mining that was commercially 'valuable for use in the hydraulic fracturing of shale to obtain oil and natural gas.'"

Why this is important: The Winona County, Minnesota ordinance bans the production of sand deposits solely based on opposition to its end use for fracturing oil and gas wells. This prohibition has no foundation in health or safety, and, in fact, the ordinance allows this sand to be used for other purposes. This sort of taking of a natural resource for political or ideological motivations by a public body must be overturned because it arbitrarily and unpredictably extracts the value of a privately owned asset without any justification in human welfare or compensation to its owner. --- [William M. Herlihy](#)

● [U.S. 2021 Coal Production Expected to Rise 15.6% on Year](#)

"The U.S. is estimated to produce 602.6 million st of coal in 2021, lowering its estimate from a month ago by roughly 21.2 million st, or 3.4%."

Why this is important: U.S. coal production hit a 55-year low in 2020 at 537 million tons ("MT"). That number is set to rise to 602 MT in 2021 and 627 MT in 2022. The increases will be driven by increased coal usage for power generation and exports. The U.S. burned 434 MT for electrical power generation in 2020, and that is forecast to rise to 493 MT in 2021 and 539 MT in 2022. However, coal's share of

electric generation fell to 19.9 percent in 2020 and will be 22.4 and 24.1 percent the next two years. Last year, natural gas produced 39.3 percent of U.S. electric generation, but is expected to drop to 35.7 and 33.6 percent in the next two years as gas prices rise. There is good news in an expected rise in U.S. coal exports from 66.5 MT last year to 81.9 MT this year. Steam coal exports are projected to rise from 24.4 MT in 2020 to 31.7 MT in 2021 and 35 MT in 2022. Metallurgical coal, which is higher priced, will rise from 42.1 MT in 2020 to 50.2 MT in 2021 and 56.7 MT in 2022. While good news to date, the U.S. Energy Information Agency lowered the 2021 total production estimates from December to early January by 21.2 MT. --- [Mark E. Heath](#)

● [China Pushes Technical Solutions in Race to Meet Climate Goals](#)

"Since Xi disclosed China's carbon neutrality goal to the United Nations in September last year, scholars at home and abroad have said China would need to deploy technologies that capture greenhouse gas released during the extraction and combustion of fossil fuels."

Why this is important: China, the world's largest emitter of greenhouse gases, has set a goal to become carbon neutral by 2060. The first step toward completing that goal will be to deploy large-scale carbon capture, utilization and storage demonstration projects to off-set the carbon emitted as a result of the country's booming industrial growth. Other steps include advanced satellite technology to track land use changes and making climate action a performance indicator for government officials. --- [Joseph C. Unger](#)

● [Winter Coal Shortages Reveal Chinese Energy Vulnerabilities](#)

"Amid the coldest winter recorded since 1966, provinces across the People's Republic of China struggled with the worst electrical blackouts seen in nearly a decade."

Why this is important: China is in the midst of its coldest winter since 1966 and is experiencing serious electrical power shortages. At least 12 cities have experienced blackouts and Beijing has restarted coal-fired electrical generation plants idled since 2017. These issues occur as China has refused to import Australian coal in a dispute over the origins of the COVID virus. That dispute has increased prices and helped U.S. coal exports of steam coal. The shortages may also impact China's efforts to reduce pollution by switching home heating from house coal to natural gas, which is now in short supply. --- [Mark E. Heath](#)

● [Energy Question of the Week](#)

Last Issue's Question and Results

What amount of your major home appliances are energy efficient?

All - 17.8%
More Than Half - 18.6%
Less Than Half - 16.9%
Just One - 15.3%
None - 15.3%
Do Not Know - 16.1%

How willing are you to use residential solar panels?

Very Willing/Already Use

Select

Moderately Willing

Select

Moderately Unwilling

Select

Absolutely Will Not Use

Select

Unable To Use

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

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