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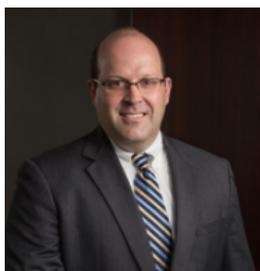


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Volume 5, Issue 13

● [Welcome](#)



Welcome to Volume 5, Issue 13 of *Currents*. We cover a wide variety of topics in today's e-newsletter. But, there are other ways we can get you in-depth information. Our attorneys have committed to focusing on the production of webinars. Do you have a topic you find particularly interesting? Is there a certain webinar you would want to see? [Let us know](#) and we can work it into the rotation. And, be on the lookout as we announce future webinars here.

As always, thank you for reading.

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

● [WV Legislature Adopts Compromise Amendment to Natural Gas Property Tax Bill](#)

"HB 2581 would provide a revised methodology to value oil and natural gas properties by the State Tax Commissioner in response to a West Virginia Supreme Court of Appeals decision in 2019 that struck down part of the methodology the department uses to value active oil and natural gas well sites."

Why this is important: H.B. 2581, as amended, provides a more realistic method of assessing property taxes on natural resource properties producing oil and gas in West Virginia. This new approach to calculating taxes on oil and gas properties is more equitable for operators by basing their valuation on the actual sales revenue received from those properties as reduced by the operating expenses experienced by producers. The methodology required by H.B. 2581 also can benefit county tax revenues

by causing the development of more wells, while expanding the tax base for such properties to include natural gas liquids. Over time, this legislation should be a win-win for both operators and county governments. --- [William M. Herlihy](#)

● [WV Legislature Agrees to Remove 'Coal Communities Comeback' from Coal Supply Bill](#)

"The Senate majority expressed concern that the addition went a step too far, and the House majority voted to back off just to assure the original bill would pass."

Why this is important: In the last day of the West Virginia legislative session, a proposal to revitalize coal communities hit hard by mine closures was removed from a bill to help coal-fired generation by the West Virginia House of Delegates, 49-48. The provision called for the Public Service Commission to study and hold hearings on how improvements to water, sewer, broadband and infrastructure could help revitalize struggling coal towns. It was noted Boone County, in the heart of West Virginia coal country, has seen its county budget with the decline in coal drop from \$21 million to \$4 million. Once the revitalization plan was removed, the Legislature passed the main bill on efforts to try to keep remaining coal-fired electrical generation plants open in West Virginia. --- [Mark E. Heath](#)

● [European CEOs, Lawmakers Add to Pressure on Biden to Hike Climate Target](#)

"The world's biggest economy is expected to unveil its emissions-cutting target at a U.S.-hosted virtual gathering of global leaders - a move that could spur other large emitters to make the steep emissions cuts needed to avoid catastrophic climate change."

Why this is important: U.S. and European companies and investors, including Apple and Google, issued a statement urging the U.S. to lower emissions by 50 percent by 2030, compared with 2005 emissions. This is a sharp increase to the pledge made by President Obama to cut emissions in 2025 to 26 to 28 percent of 2005 levels. The Biden administration's \$2 trillion infrastructure plan indicates that a bold emissions-reduction target is likely, as the plan calls for 100 percent "clean" federal utility electricity standards by 2035 and incentives for the electric vehicle industry. --- [Joseph C. Unger](#)

● [Biden Administration Opposes Juliana Case in Another Setback for Climate Litigation](#)

"The lawsuit was originally filed in 2015 by a group of children and adults with the support of Our Children's Trust, an activist group funded by wealthy foundations that has sought to force the U.S. government to mandate a phase out of the use of fossil fuels in the country."

Why this is important: Activists have tried using U.S. courts as a forum for trying their theories about global warming, charging energy companies with culpability in the emissions that are allegedly causing climate change. Recently, those efforts have suffered setbacks, as the Second Circuit rejected a lawsuit against Exxon, and now the Biden administration is refusing to support an effort to revive an earlier lawsuit making similar claims. The general feeling, even among those concerned about climate change, is that the courts are not the right place to adjudicate issues that require national and international coordination and policy decisions. --- [David L. Yaussy](#)

● [Closing All of Xcel's Coal-Fired Power Plants Will Cost Colorado Consumers \\$1.4 Billion](#)

"The closure estimates and their financing are part of the \$8 billion electric resource and clean energy plan submitted last month to the Colorado Public Utilities Commission for approval."

Why this is important: Colorado continues to work toward closing its coal-fired electrical generation plants in part due to cheaper renewable generation costs for wind power and goals of reduced CO2 emissions. However, now the state has to determine how to reimburse utilities for the cost of closing plants earlier than planned and before their construction costs have been recovered by the utilities who built them. Some have put the cost at \$1.4 billion, while others argue it should be less. This process is likely to be the first of many decisions state PSCs have to make as many utilities transition away from coal-fired generation plants. --- [Mark E. Heath](#)

● [Former NRC Chair Questions Economic Feasibility of New Nuclear in US](#)

"Without further aid from Congress and the White House, the prospects for the U.S. nuclear industry will dwindle in the face of cheaper resources that are getting built faster than new nuclear generators, according to a former Chairman of the U.S. Nuclear Regulatory Commission."

Why this is important: It's not clear whether new nuclear plants will be built in the U.S. in coming years. While many see good prospects for small modular reactors that are more flexible in how they are sited and arranged, the overall outlook is gloomy unless costs can be brought under control. --- [David L. Yaussy](#)

● [Biden \\$1.5 Trillion Budget Proposal Includes 27% Increase in Overall Clean Energy Spending](#)

"The proposed budget would ramp up spending on new technologies, including advanced nuclear and hydrogen, which advocates hope will bring momentum to those more nascent clean energy markets."

Why this is important: Biden's preliminary budget proposal allocates funds to a broad array of sectors, from a \$2 billion increase in the EPA's budget to \$6.5 billion to the Department of Agriculture to fund rural clean energy projects. The proposal underscores the administration's ambitious goal to decarbonize the economy by 2050. However, with a deeply divided Congress, it is anyone's guess what the final budget will look like. --- [Joseph C. Unger](#)

● [Glencore Brings China Onboard for CCS](#)

"Coal miner and power station owner Glencore will work with state-owned China Huaneng Group to progress its proposed carbon capture and storage project in Queensland's Surat Basin."

Why this is important: Australian coal miner and power producer Glencore is betting heavily on carbon capture and storage for its survival. It is teaming up with a Chinese company on a \$230 million (AU) project to capture CO2 for coal-fired electrical generation plants and store it two kilometers underground. The company has a goal of being carbon net zero by 2050. To date, the promise of carbon capture has been elusive and very expensive due to the cost and power consumption necessary to pump CO2 deep underground. --- [Mark E. Heath](#)

● Biomass from Wood Fuels Almost 10 Percent of Georgia Electricity

"Georgia is a leading exporter of wood pellets, sent mostly to Europe, where wood pellets are used to generate electricity as an alternative to coal."

Why this is important: Biomass, or dried plant residue, usually wood, is a major component of renewable energy. Because the wood can be regrown (over a multi-decadal time span), it is deemed by many to be a satisfactory replacement for coal. Georgia uses large amounts of it to generate up to 5 percent of its electricity. It also exports large amounts to places like the United Kingdom, where it helps provide baseload power. --- [David L. Yaussy](#)

● Energy Question of the Week

Last Issue's Question and Results

Do you support President Biden's "American Jobs Plan" infrastructure bill?

Strongly support - 22.5%
Moderately support - 20%
Moderately oppose - 17.5%
Strongly oppose - 25%
No opinion/neutral - 15%

What is your position on the enactment of a U.S. carbon tax?

Strongly support

Select

Moderately support

Select

Moderately oppose

Select

Strongly oppose

Select

Do not know

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](#).

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