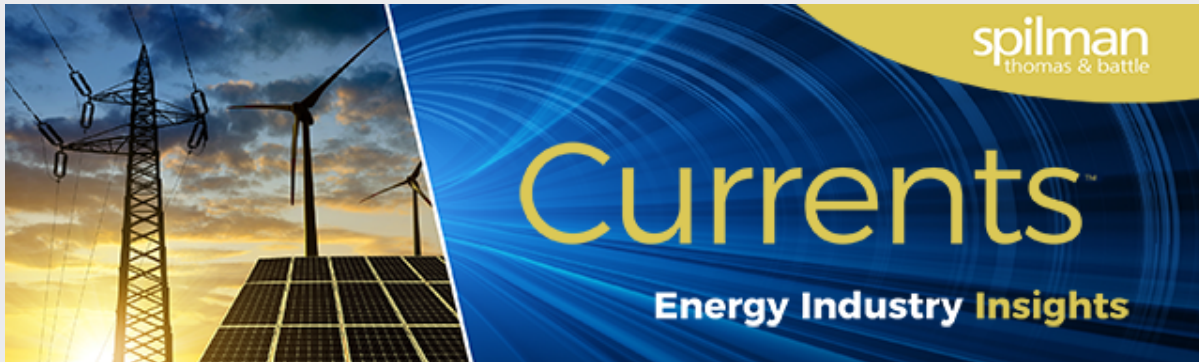


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## Volume 5, Issue 1

### ● [Welcome](#)



Welcome to our first issue of 2021! We have been publishing a weekly edition of *Currents* since 2017 and hope that you find it informative and helpful. Our goal for 2021 is the same -- provide access to interesting and impactful energy industry news articles, while also imparting WHY we feel these issues are important. You are encouraged to reach out to us with subject ideas and your own opinions. We value your input and look forward to thoughtful and engaged discussions.

If you have a colleague that you think would enjoy this publication, have them [email us](#) with CURRENTS in the subject line.

Thank you for reading and here is to a healthy and prosperous 2021.

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

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### ● [Trump Auctions Arctic Refuge to Oil Drillers in Last Strike Against US Wilderness](#)

*"Once the leases in the refuge, known as ANWR, are sold to energy companies, they would be difficult to claw back."*

**Why this is important:** The article details the Trump administration's auction of lease sales for fossil fuel exploration in a portion of Alaska's protected Arctic National Wildlife Refuge ("ANWR"). The auction

represents what the article characterizes as “the climax” of a high profile environmental battle to allow drilling in ANWR, which has pitted native Alaskans and conservation groups on the one side, and producers and the Alaska state government on the other. For the Trump administration, the lease sale crystallizes efforts to advance fossil fuel development notwithstanding climate experts and opponents to new drilling. As the article notes, it may be difficult to “claw back” the leases specifically and other related efforts of the administration, although the expectation is that the Biden administration will attempt to do so. --- [Derrick Price Williamson](#)

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## ● [Chinese Cities Reportedly Go Dark as Country Faces Shortage of Coal, a Major Australian Export](#)

*"Relations between the two nations soured last year after Australia supported an international inquiry into China's handling of the coronavirus pandemic."*

**Why this is important:** China's trade disputes with Australia are alleged to be causing electrical blackouts in Chinese cities. China restricted purchases of Australian products, including coal, over Australian criticism of China's response to COVID-19. China is still the world's largest consumer of coal, and Australia was its largest supplier before this dispute. It remains to be seen if these developments will help increase the demand and price of U.S. coal exports. --- [Mark E. Heath](#)

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## ● [Northeast States, DC Sign MOU to Reduce Transportation Emissions](#)

*"Under the TCI-P, large gasoline and diesel fuel suppliers will be required to purchase 'allowances' for the pollution caused by the combustion of fuels sold in participating jurisdictions."*

**Why this is important:** Some northeastern states have agreed to try to reduce carbon emissions by agreeing to assess a tax on fuel, in the form of "allowance" purchases that will be required of large gasoline and diesel suppliers. The idea is to increase the cost of fuel and drive down fossil fuel usage. The taxes would be used to fund public transportation and climate initiatives. Whether it will have the effect of doing more than increase the cost of fuel and other goods for consumers, remains to be seen. --- [David L. Yaussy](#)

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## ● [Sale of West Virginia's Mountaineer Gas Pending Approval](#)

*"UGI Corporation of Pennsylvania has signed a \$540 million agreement to buy the Delaware-based Mountaintop Energy Holdings LLC, which owns Mountaineer Gas."*

**Why this is important:** The proposed acquisition represents the continued trend toward the conglomeration of smaller, state-localized and privately held public utilities into multi-jurisdictional, multi-service, publicly traded utilities. The question of whether this transaction proves to be in the best interest of the public, particularly as it relates to the fitness of the acquiring entity and the ultimate impact on retail utility consumers, remains to be resolved at the regulatory level through a demonstration by the applicants. --- [Barry A. Naum](#)

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## ● [Trump's EPA Finalizes Last Minute Limits on Science Used in Rulemaking](#)

*"Under the rule, the EPA will no longer be able to rely on scientific research that is underpinned by confidential medical and industry data."*

**Why this is important:** Data is the collection of facts and the foundation of scientific research. Since scientific data is used to justify certain government regulations, it is critical that the data is a correct representation of reality. For scientific data to be credible, it must be accurate, precise and reproducible. The data also must be checked and rechecked to ensure that its interpretation is also valid. Thus, there must be some level of transparency and access to the underlying data before confidential scientific research can be used to formulate federal policy. This is why the scientific community relies so heavily on the peer review process. Scientific research will not be accepted until it is fully vetted and confirmed by other members of the scientific community. This does not mean that the confidential medical and industry data must be shared with the general public in order to be utilized. However, the data should be made available to other scientists in the peer review process to confirm its accuracy, precision and credibility before it is used to justify federal regulations. --- [Nicholas S. Preservati](#)

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## ● [S. Korea to Cut Railway CO2 Emissions by Replacing Diesel Trains by 2029](#)

*"Moon joined a trial run of the KTX-Eum, an electric multiple unit train as South Korea, one of world's most fossil-fuel reliant economies, envisages a 'greener' recovery from the novel coronavirus."*

**Why this is important:** In an effort to become carbon neutral by 2050, South Korean President Moon Jae-in is promoting a six year "Green New Deal" that will cut the country's reliance on fossil fuels. One part of that plan is to implement new bullet trains that will produce 30 percent less carbon than their diesel-powered counterparts. Investments in new types of transportation will be a large part of S. Korea's carbon neutral initiative, along with a focus on solar energy development and building a digital infrastructure. --- [Joseph C. Unger](#)

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## ● [U.S. Renewables Consumption Surpasses Coal First Time in Modern Power Age](#)

*"Total renewable energy consumption in the United States grew for the fourth year in a row to a record-high 11.5 quadrillion British thermal units (Btu) in 2019."*

**Why this is important:** For the first time in 135 years, the U.S. got more electrical power from renewables than coal in 2019. In the late 1800s, wood was the primary source of energy and coal began to be used for electrical generation in 1880s. In 2019, renewable energy (primarily wind, solar and water) totaled 11.5 quadrillion BTUs of power versus 11.3 quadrillion BTUs from coal. During this time, coal consumption fell to its lowest level since 1964 and coal-fired electrical generation was at a 42-year low. Coal increasingly is being displaced by natural gas for power generation as coal-fired generation plants retire. --- [Mark E. Heath](#)

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## ● [Trump to Approve Land Swap for Rio Tinto's Resolution Copper Project](#)

*"The move further escalates the growing global clash between indigenous groups, who are increasingly vocal about the need to preserve historical lands, and mining companies eager to produce more copper for electric vehicles and other green technologies."*

**Why this is important:** In order to electrify the economy, there will be a tremendous demand for copper. Mining for copper is usually done open pit and can have long-lasting effects on the environment.

In the closing days of the Trump administration, the government is proposing to trade land the U.S. owns, and on which there are valuable copper deposits, for land Rio Tinto owns. Local indigenous people are opposing the land swap, citing destruction of valued religious and cultural sites. The proposed land deal highlights the difficulty of obtaining the raw materials needed for moving to an all-electric economy. --- [David L. Yaussy](#)

## ● [Peabody Energy Buys Itself Time Amidst Bankruptcy Risk](#)

*"Peabody warned of a default last year with coal markets floundering and a looming violation of its own debt agreement."*

**Why this is important:** Peabody Energy, which announced last year it was in danger of returning to bankruptcy, has refinanced its \$1.52 billion in debt and obtained a new \$300 million line of credit. The agreement with lenders, who are also stockholders, gives the company three years to survive the downturn in U.S. coal markets. The company has been cutting costs as the demand for coal worldwide plummeted in the COVID-19 induced economic slowdown. The new deal also has led to a 40 percent increase in its share price. --- [Mark E. Heath](#)

## ● [Energy Question of the Week](#)

### Last Issue's Question and Results

How familiar are you with the Biden administration's proposed energy policy?

Very Familiar - 23.5%  
Moderately Familiar - 29.5%  
Not Familiar At All - 23.5%  
Do Not Know/Other - 23.5%

What amount of your major home appliances are energy efficient?

All

Select

More Than Half

Select

Less Than Half

Select

Just One

Select

None

Select

Do Not Know

## ● 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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**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.**

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

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