

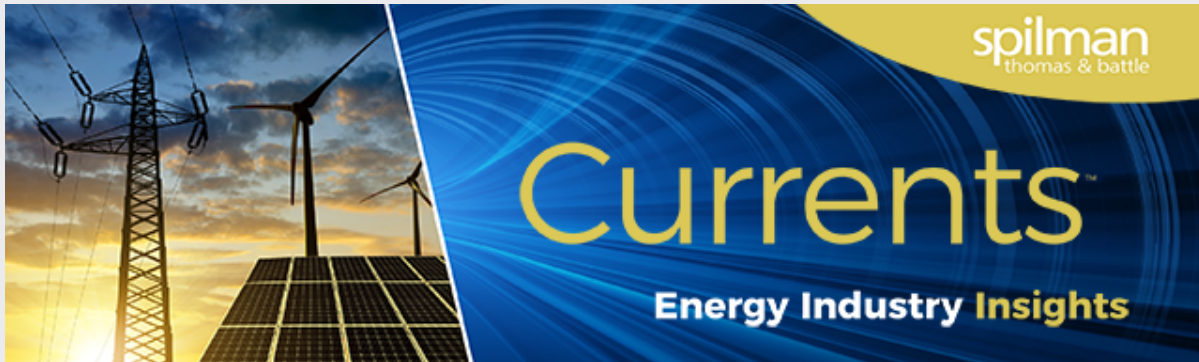
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## Volume 5, Issue 8

### ● **Welcome**



Welcome to Volume 5, Issue 8 of *Currents*. Recently, my colleagues Joseph Schaeffer and Risa Katz-Albert recorded a webinar - Data Privacy and Security 101: Six Questions to Ask Yourself. They discuss basic introductory data privacy concepts, such as who has access to your data; what laws apply to your company and your company's data; when to start thinking about how you collect, store, use, and discard data; where you store your data; and why you should be considering these issues now. This webinar is a great jumping off point for anyone with curiosity on the subject, concern about their compliance with applicable laws, or questions about where to start and what to consider in designing a data privacy plan for their company. I thought you may find it interesting, and you can view it by clicking [here](#).

As always, thank you for reading.

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

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### ● **[Interior Department Promises \\$260M for Coal Communities](#)**

*"Sen. Joe Manchin, D-W.V., chair of the Senate Energy and Natural Resources Committee, said there is still 'much work to be done' to clean up damage to lands and water in communities negatively affected by coal mining."*

**Why this is important:** The Biden administration has announced \$267 million in funds for grants to communities dealing with declines in coal mining and jobs. The funds come from two federal programs – \$152 million from the Surface Mining Control and Reclamation Act Abandoned Mine Lands program, which repairs and reclaims mines sites and water resources impacted by mining, and \$115 million from the Abandoned Mine Lands ("AML") Economic Revitalization Fund to create jobs. West Virginia's Joe Manchin has announced he will seek the extension of the AML fee that is set to expire in September to allow additional grants to communities. The fee is assessed on all coal mined in the U.S. --- [Mark E. Heath](#)

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## ● [Lawmakers Differ on What a 'Green Transition' Looks Like](#)

*"The Democratic party has been pushing to make climate change initiatives a priority as President Joe Biden supports green policy."*

**Why this is important:** Whether natural gas is used as a long-term replacement for less clean fossil fuels or a short-term "gap filler" before greener energy production becomes more viable, it could play a key role in the Democratic party's energy production transition plan. This is especially true given Joe Manchin's pivotal vote in the Senate. Further, if the development of carbon capture technology reaches the right place at the right time, natural gas could be the sweet spot for a clean and independent energy infrastructure. --- [Joseph C. Unger](#)

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## ● [The Debate Over EV Charging at Interstate Rest Stops](#)

*"NATSO said allowing electric chargers is the 'wrong signal' from Congress, while advocates tout the need to modernize Eisenhower-era rules and provide parking."*

**Why this is important:** Federal law prohibits interstate rest stops from offering commercial services, like convenience stores or refueling stations. This protects truck stops and gas stations located at interstate off ramps, but makes it more difficult to access recharging stations for electric vehicles, which may someday include large trucks. Truck owners are pitted against truck stops in the battle to change the law to allow more opportunities for truck owners to rest and refuel. --- [David L. Yaussy](#)

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## ● [Major Offshore Wind Farm Using 187-Meter High Turbines Starts to Produce Power](#)

*"The turbines, from Danish firm Vestas, have been described as 'amongst the most powerful operating anywhere in the world.'"*

**Why this is important:** A major feat for wind energy production, this enormous turbine off the U.K.'s east coast will be able to produce enough energy to power more than 800,000 homes once fully operational. Right now, the U.K. is the number one market for cumulative offshore wind installations, but China is hot on their tails. Given the competition with China, expect to see even more impressive wind farm production in the near future. --- [Joseph C. Unger](#)

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## ● [Toothless Initially, China's Carbon Market Could be Fearsome](#)

*"Yet out of this collective flexing of bureaucratic muscle could eventually emerge China's most powerful tool to decarbonize its gargantuan coal-powered economy."*

**Why this is important:** China is in the initial stages of setting up a carbon market for their power generation system, that like everything in China, may be huge. China emits 30 gigatonnes of CO2 a year, 30 percent of the world's emissions, from 2,225 primarily coal- and gas-fired electrical generation plants. The carbon market now is documenting the amount of CO2 released by the world's largest country in 2019 and 2020. In the coming years, it is expected China will begin reducing emissions by limiting or pricing the right to emit the carbon at fees that result in CO2 reductions. However, complicating the picture is the fact China has an additional 249 GW of coal-fired electrical generation plants under construction now. The number of new plants in China under construction or in planning stages equals the U.S.'s electrical generation output. China has vowed its CO2 emissions will peak in 2030 and be net zero by 2060. --- [Mark E. Heath](#)

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## ● [Deregulation is Not the Central Culprit for Texas' Electricity Crisis](#)

*"The core question, though, is whether restructuring Texas' electricity markets in the early 2000s exacerbated the crisis."*

**Why this is important:** The article explores the extent to which electric supply deregulation played a role in the tumultuous week of record cold weather in Texas, which led to blackouts and preposterously high electric bills. In turn, class action lawsuits have been filed against electric suppliers, and ERCOT, the entity charged with managing the Texas electric market is in leadership turmoil. The article details that deregulation in Texas has provided some value since its inception, but the comparison between regulated and deregulated outcomes is mixed, and questions remain about whether such an "essential commodity" should be subject to a market, particularly for residential and small commercial customers. Notwithstanding that, the article concludes that deregulation was not the principal culprit for Texas' cold-weather woes; rather, "sloppy coordination," poor planning, and a lack of leadership were key causes. -- [Derrick Price Williamson](#)

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## ● [Oregon State University Wave Energy Project Gets Federal Go-Ahead](#)

*"Oregon is considered to have a high potential for wave energy generation — much higher by coastal area than Washington or California."*

**Why this is important:** The wave energy facility will harness the motion of the ocean to generate electricity. This project has impressive potential, as the Oregon Department of Energy says the project alone could power 28 million homes annually. The project still has a final review hurdle to pass before construction should begin, but as the first project of its type in the U.S., the project could produce some breakthroughs in clean energy production. --- [Joseph C. Unger](#)

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## ● [How Private Equity Squeezes Cash from the Dying U.S. Coal Industry](#)

*"They are spending billions of dollars buying coal-fired plants on the cheap - and getting paid even when they are not providing power."*

**Why this is important:** As many coal-fired electric generation plants have closed in the past few years, since 2014, at least five private capital firms have bought some closed plants and set up them up to be a backup for the electrical grid. The plants are paid a fee, which can be as high as \$100 per MW per day in some areas, to be available in times of high electrical demands. (The state of Texas, which went through

days without electrical power a few weeks ago, does not have such back up plants to meet increased demand.) In Ohio, one coal-fired plant and three small gas-fired plants were purchased for \$2.1 billion and in three years earned \$1.1 billion in capacity fees to be available if needed. The PJM interconnect pays \$9 billion a year in capacity fees to ensure power to 65 million customers – meaning the lights stay on in heat waves in the summer and deep freezes in the winter. The practice is not without risk for the equity firms. One plant bought in West Virginia for this purpose ended up in bankruptcy, and the equity firm lost \$350 million of its investment. The article also notes that investors in the equity firms buying the plants, such as state retirement funds, have seen 8 percent returns on their investments. --- [Mark E. Heath](#)

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## ● [Fuel Efficiency of One Car May be Cancelled by Your Next Car Purchase](#)

*"Findings have implications for carbon emissions and the design of fuel economy programs like Cash-for-Clunkers."*

**Why this is important:** Buying a fuel efficient vehicle results in lower emissions, right? Well, maybe. Researchers have found the consumers who buy an eco-friendly car are more likely to buy a gas guzzler as their second vehicle. For some families, this likely means purchase of a larger van or SUV that can hold the whole family, which wouldn't fit as comfortably in a compact sedan or hybrid that is bought for its fuel efficiency. Furthermore, the owners of emissions-reduced cars tend to drive them farther, reducing the advantage of their fuel efficiency. The researchers note that this predilection on the part of multiple car owners should be taken into account when evaluating the emissions reductions brought about by purchases of lower emission vehicles. --- [David L. Yaussy](#)

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## ● [Energy Question of the Week](#)

### **Last Issue's Question and Results**

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

Yes - 22%

No, but in process of getting one - 17%

No, but considering getting one - 22%

No, and have no interest in getting one - 22%

Other - 17%

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