



Issue 5, 2020

● [The Insanity is Over: 'Navigable' Now Means 'Navigable' Again](#)

"The Trump administration has now announced that the intentionally ambiguous and easily abused Waters of the United States Rule has been replaced by the new, clear, and commonsensical Navigable Waters Protection Rule."

Why this is important: Finally, our EPA has brought some sanity to the definition of "navigable waters" in the new Navigable Waters Protection Rule defining the scope of the agency's jurisdiction under the federal Clean Water Act. The coverage of the Waters of the United States Rule had been stretched to its limits by the EPA's application of its regulatory authority to absurd situations such as inches deep bogs artificially created by highway construction and man-made storm water drainage ditches and impoundments. The new rule gives a much more rational and predictable application of the Clean Water Act to the waterways that the federal legislation was intended to protect. --- [William M. Herlihy](#)

● [TVA Shuttters Last Unit at Kentucky Coal Plant](#)

"The Tennessee Valley Authority shut down the last operating unit at its Paradise Fossil Plant in Western Kentucky, ending nearly 57 years of coal-fired generation at was once one of the largest coal plants in TVA's fleet."

Why this is important: The last of three coal-fired units at the Tennessee Valley Authority's Paradise Fossil Plant has closed in western Kentucky. The plant and its shutdown are illustrative of what has happened to many coal-fired electrical generation plants. Plans to close the 57-year-old plant were opposed by President Trump and Senate Majority Leader and Kentucky Senator Mitch McConnell, but last year TVA voted to close the unit in 2023. A breakdown and low demand moved up the closing to last weekend. The first two units were replaced by a \$1 billion combined cycle gas-fired generation plant. The last unit will be replaced by TVA's existing nuclear and gas plants. Originally, 66 percent of TVA's electricity was produced by coal. It is now 17 percent. --- [Mark E. Heath](#)

● [UK Government Plans to Ban the Sale of Diesel and Gasoline Cars by 2035](#)

"U.K. authorities had previously said the sale of new petrol and diesel vans and cars would end in 2040."

Why this is important: If the UK follows through on this proposal, it could have tremendous effects on the global vehicle market. The UK ranks sixth in global vehicle purchases trailing only China, U.S., Japan, Germany and India. Given that the transportation sector is the largest producer of greenhouse gases in the UK, it is likely this proposal will be enacted in some capacity. --- [Nicholas S. Preservati](#)

● [What is Blockchain For? Helping Oil Companies Meet Their New Green Targets](#)

"Innovation plays a crucial role in meeting this objective," said Clara Rey Garcia, head of Repsol's corporate venturing team.

Why this is important: The energy sector is increasingly operating at the confluence of two forces: the generation of massive amounts of data and the rising emphasis on decreasing emissions. Several producers have set ambitious emission reduction targets, including Spain's Repsol, which "has set a target to be net zero - including emissions from its customers' use of its products - by 2050." The article discusses the increasing pressure on producers to prove they are living up to their claims of reducing emissions. One way to do that is tracking and recording tamper-proof data about the production of energy on a blockchain ledger. The article discusses one company working with producers to do just that and further asserts a blockchain ledger can be used to record other data in the energy sector, such as tracking waste, identifying inefficiencies, and monitoring endangered species. --- [Nicholas P. Mooney II](#)

● [Bad Weather and Falling Demand Put a Damper on Coal Exports](#)

"Exports out of SA's main coal terminal have declined for the second year running to the lowest level in five years, as weather events and the energy transitions of major export customers affected operations."

Why this is important: Exports from South Africa's main export terminal are down to their lowest level in five years. The five-million ton drop coincides with declines in exports to Europe and weather disruptions. The port did see increases in shipments to India and Asia, although India's need for imports dropped late in the year. --- [Mark E. Heath](#)

● [Reimagining the Grid: How PGE, SCE and Others are Prepping for Transportation Electrification](#)

"California is aiming to put 5 million zero-emission vehicles on the road by 2030, while Oregon Democratic Gov. Kate Brown is aiming for 50,000 registered EVs in the state by the end of this year."

Why this is important: Electric utilities see two challenges in the future--obtaining electricity produced with no or limited greenhouse gas emissions, and providing enough additional power to fuel millions of expected electric vehicles. This needs to be done in the fairly short time period of 30 years or less, which is not much time to make the major changes to infrastructure and generation that are anticipated. California and Oregon are trying to figure out how those electric vehicles will be safely and efficiently incorporated into the electrical grid. --- [David L. Yaussy](#)

● [Japanese Coal-Power Push Vexes Environmental Groups](#)

"Japan now plans to build as many as 22 new coal-burning power plants at 17 different sites in the next five years, just at a time when environmental groups say the world needs to slash carbon dioxide emissions to fight global warming."

Why this is important: Japan is moving ahead with plans to replace nuclear power with coal-fired electrical generation plants. After the Fukushima nuclear plant disaster, nuclear power generation in Japan dropped from 33 percent to 3 percent. Japan now plans to build 22 coal-fired plants in the next

five years to replace that power. That has led to protests and objections from Japan's environmental community. While Japan adds coal-fired generation, other countries are leaving coal. England will close its last coal plants in 2025, and France is doing the same in 2022. --- [Mark E. Heath](#)

● [Toyota and Panasonic Launch Joint Venture to Make Electric Car Batteries](#)

"The venture, to be called Prime Planet Energy and Solutions, will work on prismatic batteries that they intend to sell to other automakers, according to a statement."

Why this is important: Battery cost is one of the key impediments to widespread adoption of plug in electric vehicles, along with range anxiety. As battery costs drop and get closer to the cost of an internal combustion engine and drivetrain, the cost concern begins to disappear. But as prices drop and demand increases, getting enough batteries and mining enough key battery components, such as cobalt, to build those batteries becomes an issue. --- [David L. Yaussy](#)

● [Xcel 'Sees Opportunities Across Our System' to Change Coal Operations: CEO Fowke](#)

"The utility has a goal of reaching 100% carbon-free power by 2050, and in December found it could save millions in dollars and tons of emissions if it reduced its plant operations to economic and seasonal dispatch."

Why this is important: Xcel Energy, which produces electricity in the Midwest and Southwest, has a goal to be carbon free by 2050. It is now looking to reduce existing coal usage sooner by seasonal and economic dispatch of other assets. The utility believes the policy will help in water starved areas of the Southwest, save it millions of dollars, and cause a significant drop in CO2 emissions. Xcel closed a Texas coal-fired generation plant in January 2020 for that reason. The utility plans to replace coal with natural gas and renewables in this process. --- [Mark E. Heath](#)

● [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