



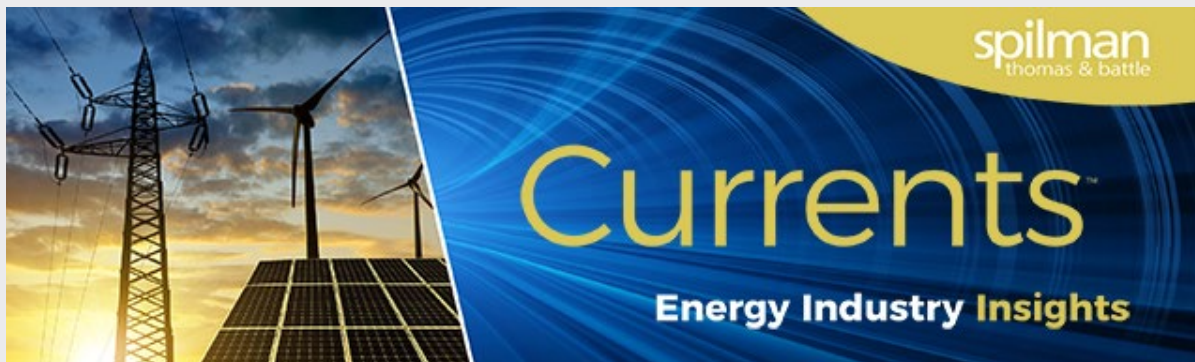
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Issue 13, 2020

● [China Resumes LNG Imports from the U.S.](#)

"Chinese buyers have resumed imports of liquefied natural gas from U.S. exporters, as Beijing started granting waivers to a 25% import tariff."

Why this is important: In the raging sea of industry bad news, resumption of LNG imports by China offers a glimmer of calmer waters ahead. Kallanish Energy reports that at least four LNG tankers are headed to China as a result of waived tariffs and the need for China to execute the first phase of a trade deal with the U.S. These LNG imports alone won't right the ship, but they may be a beacon for better times. --- [Matthew P. Heiskell](#)

● [Can the EU Convince China Not to Lean on Coal for Its Economic Recovery from the COVID-19 Crisis?](#)

"In the short term, COVID-19 has granted a temporary respite to global CO2 emissions as measures to stall the pandemic have pulled on the brakes of the world economy."

Why this is important: As China has begun to recover economically from the COVID-19 outbreak, focus is returning to China's continuing expansion of coal use for electric power generation in China and elsewhere. In February during the outbreak, China's electric usage dropped 36 percent, and it reduced its CO2 emissions by 200 million tons. Now it appears part of China's recovery will focus on more coal mining and constructing more coal-fired electric generation plants. And since 2013, China has backed coal-fired projects in 153 countries. It is possible economic concerns could derail some of these plants. Pressure also will grow on the European Union to convince China to meet future Paris Accord CO2 numbers by reducing or limiting these new coal plants further. --- [Mark E. Heath](#)

● [Even Facing a Pandemic, New York State Remains in the Grip of the Green Movement](#)

"Last week, even in the face of the virus pandemic, his government made budgetary decisions that could hurt New York State's ability to react to a hypothetical new pandemic, or a resurgence of the present one."

Why this is important: The New York State Legislature codified a ban of hydraulic fracturing in its fiscal 2021 state budget which Governor Cuomo previously instituted by gubernatorial initiative. While the fracturing ban initially is said to have little meaningful impact overall on natural gas development in

the northeast as much of the state's shale gas deposits are unusable, Governor Cuomo has blocked the construction of interstate gas pipelines approved by the Federal Energy Regulatory Commission, using a section of the Federal Clean Water Act. There are also plans to shut down the two remaining reactors of the Indian Point nuclear power plant in Westchester County, New York, which currently provides about 25 percent of New York City's energy needs. Many assert these actions put New York City and New England at risk of not having reliable energy, particularly in times of crisis. --- [Dennise R. Smith](#)

● [Iron Ore, Met Coal Miners Prepare for Falling Steel Demand Outside China](#)

"Steel demand is falling outside China, with Japan's Nippon Steel the latest producer to idle blast furnaces and iron ore and met coal suppliers preparing to defend sales volumes."

Why this is important: The COVID-19 outbreak has resulted in iron ore and metallurgical coal miners preparing for downturns in steel production outside of China. Japan's Nippon Steel has idled its blast furnaces, and, in Europe, some mills have 50 percent reductions. Some of these losses will be offset by resumption of blast furnaces in China, but these declines in steel production will affect U.S. producers. --- [Mark E. Heath](#)

● [Among Coronavirus Casualties is a Devastated U.S. Oil Industry: 'It's just a nightmare down here'](#)

"In the first quarter, the price of U.S. crude fell harder than at any point in history, plunging 66 percent to around \$20 a barrel."

Why this is important: The coronavirus pandemic is proving to be devastating to the U.S. oil industry, which was already struggling with high debt and weak global demand. Adding to this perfect storm is the continuing oil war between Saudi Arabia and Russia that continues despite President Trump's tweets otherwise: oil prices remain below what U.S. producers need to be viable and Saudi Arabia continues to flood the market with cheap oil, vowing to ramp up production to more than 12 million barrels a day. Hundreds of oil companies, including big producers, have filed bankruptcies and some of the industry's largest producers are furloughing thousands of employees and slashing capital spending. As a result, states dependent on oil for their budgets are scrambling to fill gaping holes in their budgets. Businesses supporting the industry are also facing wide-scale layoffs of employees such as drillers, truckers who deliver sand or water for fracturing, and skilled tradesmen who make equipment for rigs. --- [Dennise R. Smith](#)

● [Mining Slows, but Doesn't Stop Amid Virus](#)

"However, several mines have idled production for different periods of time for different reasons."

Why this is important: West Virginia coal mines, like the rest of the United States manufacturing economy, have been greatly affected by the COVID-19 crisis. Many mines have idled for several weeks to reduce miners' exposure to COVID-19 and to reduce stockpiles at mines and remaining coal-fired electric generation plants. Mines have adapted to limit numbers of miners on mantrips and elevators to reduce exposure to the virus and disinfecting equipment between shifts. While coal already was struggling with price reductions in both steam and metallurgical earlier this year, the COVID-19 outbreak has caused a collapse of energy prices, including coal prices and natural gas used for power generation that competes with coal for dispatch. --- [Mark E. Heath](#)

● [The Coronavirus is Hitting Renewable Energy Supply Chains and Factories, and Could Slow the Global Energy](#)

Transition

"Global renewable energy capacity hit 2,537 gigawatts at the end of last year, an increase of 176 GW compared to 2018, but the coronavirus continues to cast a shadow over the sector's prospects for 2020, impacting both supply chains and manufacturing facilities."

Why this is important: While global renewable energy capacity has been increasing over the past two years with solar and wind technologies constituting 90 percent of that expansion, the International Renewable Energy Agency's ("IRENA") has revised its projected growth downward in its "Renewable Capacity Statistics 2020." While the report may appear promising overall, "This year looks set to pose a number of challenges for the renewables sector, many of them connected to the COVID-19 pandemic, which has caused issues with supply chains and forced some factories to shut." The lockdown has stalled ongoing project installations in India, and experts fear investment in clean energy also will be dampened by the pandemic. --- [Dennise R. Smith](#)

● OSHA Considerations and COVID-19 - From Spilman's COVID-19 Task Force

Even though OSHA has advised that no specific standard covers the novel coronavirus, human resource and safety personnel must be mindful of the generally applicable standards that might apply. In addition to recording requirements on OSHA 300 logs, there are five standards that merit particular attention in the COVID-19 context.

Click [here](#) to read more.

● Litigation and COVID-19: How to Protect Your Business in This Time of Crisis - From Spilman's COVID-19 Task Force

Spilman lawyers address litigation issues of critical importance to large and small businesses during the COVID-19 pandemic. Major topics include up-to-date litigation trends, as well as civil recourse for supply chain interruptions, force majeure issues, and business interruption insurance. Spilman lawyers also cover litigation issues relating to the distinction between essential and nonessential businesses in states that have adopted closure orders.

Click [here](#) to view the webinar.

● Big Questions, and Even Bigger Answers, About the Families First Coronavirus Response Act - From Spilman's COVID-19 Task Force

When Congress passed the Families First Coronavirus Response Act ("CRA"), it left much for the U.S. Department of Labor to explain. The DOL has published a temporary rule offering its interpretations of the CRA, and the Internal Revenue Service has established a procedure for claiming the tax credits. Here are some of the most frequently asked questions we've seen from employers as they plan for the future.

Click [here](#) to read more.

● Energy Question of the Week

We want to hear from you!

Should the next COVID-19 relief bill include

It's important to us that our clients and friends let us know what they are thinking. That's why we have introduced this survey feature.

Please take a moment to answer and results will be published in the next issue.

If you have a question you would like featured, [let us know!](#)

Issue 12 Question and Results

Should public utilities be allowed to disconnect service for lack of payment during CV-19?

- Yes - 5.6%
- No - 88.9%
- Uncertain - 5.6%

funding for energy infrastructure?

Yes

Select

No

Select

Indifferent

Select

Undecided/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.

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

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