



NATIONAL COAL COUNCIL ~ MARCH 2015

NCC SPRING PROGRAM SET

The National Coal Council's Spring 2015 meeting will be hosted on April 7-8, 2015 at the Grand Hyatt Hotel, 1000 H Street, NW, Washington, DC. We're delighted to confirm the following speakers/topics:

Update on Operations of Boundary Dam's CCS Retrofit Project

Mike Marsh, President & CEO, SaskPower

Opportunities for Grid-Scale Energy Storage for Coal Power Plants

Dr. Lawrence Makovich, Vice President & Senior Advisor, IHS CERA

Opportunities for Financing CCS Projects & the Impact of Oil Prices on CO2-EOR

Patrick Falwell, Solutions Fellow

Center for Climate & Energy Solutions (C2ES)

What Lies Ahead for Global Coal?

An International Coal Market Outlook

Jonny Sultoon, Research Director Global Coal Markets

Wood Mackenzie

Our schedule of events is as follows:

Tuesday, April 7th, 2015

- NCC Communications Committee (1:15-2:15 pm) ~ All NCC members welcomed to attend
- New & Prospective Members Reception (5-5:45 pm)
- Welcoming Reception (5:30-7:30 pm) ~ NCC Members & Guest

Wednesday, April 8th, 2015

- Full Council Meeting (9 am-12:30 pm)
- Networking Lunch (12:30-1:30 pm)



As always, while there is no charge to attend the reception or meeting, we do ask that you register in advance. NCC Members and Guests may register to attend the meeting on line at <https://www.etches.com/ehome/117190>.

HOTEL RESERVATION DEADLINE IS FRIDAY, MARCH 13th

The Grand Hyatt is offering a very special group rate of \$209/night. Rates are available April 4-10, 2015 but must be secured by March 13th. Mention the National Coal Council when making reservations at 1-888-421-1442 or register on-line at

<https://aws.passkey.com/event/13719115/owner/544/home>

LOOK FORWARD TO SEEING YOU IN APRIL IN DC DURING CHERRY BLOSSOM FESTIVAL

NCC LEADERSHIP

Jeff Wallace, NCC Chair

Vice President Fuel Procurement
Southern Company Services

Mike Durham, NCC Vice Chair

President & CEO
Advanced Emissions Solutions

Fred Palmer, Coal Policy Chair

Senior VP, Peabody Energy

Bill Brownell, Esquire

Vice Chair Coal Policy
Chair, Hunton & Williams

Executive Committee

Joe Hopf

Senior VP Fossil & Hydro
PPL Energy Plus

Clark Harrison, Sr. Mgr. Bus. Dev.
CH2M Hill

Chris Jenkins, VP Coal & Auto
CSX Transportation

Holly Krutka, Executive Editor
Shenhua Science &
Technology Research Institute

John Long, COO,
Connemara Ltd.

Rich Lopriore, President
PSEG Fossil LLC

Mike Sorensen, Sr. Mgr. Fuel
Tri-State G&T

Kathy Walker, President
Elm Street Resources

Ex Officio

Joe Craft, III, President
Alliance Coal

John Eaves, NCC Chair
President & CEO, Arch Coal

Mike Mueller
VP Energy Mgt. & Trading
Ameren Missouri

Finance

CHAIR ~ Gregory Workman
Director Fuels
Dominion Resources

Robert Bibb, PE
Bibb Engineers, Architects

Paul Gatzemeier, CBCC
Kathy Walton, Principal
The Basic Industries Group

NCC Staff

Janet Gellici, EVP & COO
Hiranthie Stanford
Member & Meetings Manager
Legal Counsel ~ Hunton & Williams

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NEW FOSSIL ENERGY APPOINTMENTS



U.S. DEPARTMENT OF ENERGY

The Department of Energy's Office of Fossil Energy announced on March 9, 2015 the appointment of David Mohler as Deputy Assistant Secretary for Clean Coal and Carbon Management. Mohler replaces former NCC member Dr. Julio Friedmann who will assume the position of Principal Deputy Assistant Secretary for Fossil Energy.

Mohler brings extensive experience in nuclear and fossil energy power generation, most recently having served as Senior Vice President and Chief Technology Officer for Duke Energy. Prior to joining Duke to form the utility's technology office, Mohler served as Senior Vice President for Strategic Planning at Cinergy. In addition to his operational background, he has experience in human resources, business development and corporate marketing.



Congratulations

Julio Friedmann
Principal Deputy
Assistant Secretary
Fossil Energy

Welcome

David Mohler
Deputy Assistant
Secretary
Clean Coal &
Carbon Management



Mohler has served on a number of advisory boards, including the Carnegie Mellon Electric Utility Industry Center and EPRI's Research Advisory Committee. He also served on the Board of Directors of the Asia Clean Energy Innovation Initiative.

Mohler earned his B.A. from Indiana University, a B.S. from the University of the State of New York at Albany, an M.A. from Xavier University (Cincinnati) and an M.S. from the University of Pennsylvania. He completed the marketing management program at Columbia University and the executive development program at Penn State University.

NCC Coal Conversion Committee Forming

NCC is considering the formation of a new committee dedicated to advancing the interests of those members engaged in coal conversion activities. If you are interested in helping to launch the NCC Coal Conversion Committee please contact Janet Gellici at jgellici@NCC1.org or 202-756-4524.

COAL RESOURCES

U.S. Department of Energy
www.doe.gov
[Office of Fossil Energy](#)

National Energy
Technology Laboratory
www.netl.doe.gov
[Coal & Power Systems](#)

EIA Coal Data Browser
www.eia.gov/coal/data/browser

Tesla Battery to Power the
Electric Grid?
[Washington Post 2-12-14](#)

NCC Releases New Study
for Secretary Moniz
[PR Newswire 01-29-15](#)

Net Metering Shifting Costs
from Solar to Non-Solar
Customers
[Louisiana Public Service
Commission Report Feb
2015](#)

Low Carbon Energy:
A New Reality
[World Coal 3-9-15](#)

NCC Report Calls on DOE
to Advance Policy Parity
for CCS
[Penn Energy 01-30-15](#)

Gellici Interview on CCTV
America
[CCTV America 1-12-15](#)

Gellici Speaking Engagements

Congressional Staff Briefing
Washington DC – March 13

DOE Briefing
Washington DC – March 26

[Institute for Clean Air
Companies](#)

Hilton Head – April 24

[Annual CCUS Conference](#)

Pittsburgh – April 30

[ASME Power Energy](#)

[Conference](#)

San Diego -June 30

National Coal Council
NationalCoalCouncil.org

NCC Member Focus

It has been my great pleasure to know Clark Moseley since early in my career with the coal industry. A patient teacher, he was gracious and kind to the new kid in the industry, taking time to address questions and point me toward valuable resources. NCC welcomed Clark as a new member in 2014. I'm delighted to have the chance to work with Clark again and NCC will benefit greatly from his breadth of industry experience.

In November 2014, Clark Moseley was appointed as CEO of Navajo Transitional Energy Company, bringing nearly 40 years of mining and energy development experience to the job.

Prior to assuming his latest role, Clark served as President and CEO of Morrow Pacific Project and Chief Operating Officer at Ambre Energy North America. He was responsible for the leadership and development of the company's ports on both the Gulf Coast and in the Pacific Northwest. Clark started with Ambre Energy as the company's Vice President of Mining when the organization acquired operating coal mines in the western U.S.

Clark previously served as President of Emeco Equipment USA LLC, an equipment supplier for global mining and construction operations. Prior to that, he held VP and Senior VP of Business Development and Engineering positions with The North American Coal Corporation. Clark has also worked for Santa Fe Coal Company, Phillips Coal Company, and Pittsburg & Midway Coal Mining.

Clark earned his Bachelor of Science in Mining Engineering from South Dakota School of Mines and Technology. He completed courses in general engineering at the U.S. Military Academy, West Point (NY) and is a graduate of the Advanced Management Program at the Harvard Business School.

Clark is a Past President of the Board of Directors for the Rocky Mountain Coal Mining Institute (Denver) and a member of numerous professional associations including the Society of Mining Engineers and the National Society of Professional Engineers.



CLARK A. MOSELEY
CHIEF EXECUTIVE OFFICER
NAVAJO TRANSITIONAL ENERGY

Navajo Transitional Energy Company, LLC is a wholly owned limited liability company of the Navajo Nation that has been authorized to purchase and operate the BHP Navajo Mine, located on the Navajo Nation, south of Farmington, New Mexico.

NTEC's mission is to be a reliable, safe producer of coal while diversifying the Nation's energy resources to create economic and environmental sustainability for the Navajo people.

Clark Moseley
Navajo Transitional Energy Company
214-725-5785
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www.navajo-tec.com

NTEC

Navajo Transitional Energy Company, LLC

**WELCOME CAC MEMBERS
THE LIST CONTINUES TO GROW!**

The NCC is pleased to welcome three additional members to the 2015 Chair's Advisory Council, providing NCC with added expertise and financial support. In addition to Advanced Emissions Solutions, Ameren, Arch Coal, BNSF Railway, Clean Coal Solutions, Dominion Energy, Southern Company and Tri-State Generation & Transmission, the NCC thanks the following for their CAC memberships:



Fred Palmer



Kemal Williamson



Rich Lopriore

**SUPPORT THE NCC
JOIN THE CAC IN 2015**

The Chair's Advisory Council (CAC), organized through NCC, Inc., is comprised of committed, knowledgeable individuals who serve in an advisory capacity to the Council. The NCC leadership relies on CAC members for guidance and insights into opportunities for NCC to strengthen its programs, improve its management and evaluate its mission/services.

CAC members are consulted individually throughout the year and invited to participate in Strategy and Executive Roundtable Sessions ~ small-group discussions with key energy industry stakeholders. CAC members receive special recognition at NCC events and in NCC communications (newsletter/website).

If you are interested in joining or learning more about the NCC's CAC, please contact Janet Gellici at jgellici@NCCI.org.

WHO KNEW?*
**New DOE Office Launched
Office of Technology Transitions**

On February 11th, 2015, Energy Secretary Moniz announced the launch of the Office of Technology Transition (OTT) to help expand the commercial impact of DOE's research. The office will work closely with the national laboratories and engage with industry to commercialize technology and strengthen the global competitiveness of U.S. industries based on scientific and technological innovations.

In announcing the formation of the OTT, Secretary Moniz noted that "The Office of Technology Transitions will give the Department the opportunity to increase the American people's return on investment in federally-funded science and energy research."

The Office will serve as a DOE-wide functional unit that coordinates the commercial development of DOE's research outputs and will be responsible for the statutorily-created Energy Technology Commercialization Fund (CTF), a nearly \$20 million fund that will leverage the R&D funding in the applied energy programs to pursue high impact commercialization activities.

Established as part of the Energy Policy Act of 2005, the fund uses 0.9% of the funding for the Department's applied energy research, development, demonstration and commercial application budget for each fiscal year. This will provide matching funds with private partners to promote promising energy technologies for commercial purposes.

Additionally, OTT will be responsible for delivering a Technology Transfer Execution Plan to Congress and reporting annually on the Department's technology transfer and partnership activities.

The formation of OTT is intended to demonstrate the Department's commitment to helping technologies transition to the market, based on closer collaboration with industry. It is designed to recognize the multiple, interlinked connections among different stages of research and demonstration that are needed to reach commercial impact.

Jetta Wong, Director of the Lab Impact Initiative in the DOE Office of Energy Efficiency & Renewable Energy will serve as Acting Director of OTT until a full-time Director and Technology Transfer Coordinator is selected.

***A regularly featured column on industry, university and government initiatives in support of clean coal technology development & commercialization.**

Coal Currents

Todd H. Cunningham, Contributing Editor

A brief survey of leading coal industry stories of the past month. Highlighted underlined text links to the cited articles. Right click on highlighted text and select the "Open Hyperlink" option to view the cited article.

CLIMATE CHANGE

U.S. Negotiator Warns Against Quick Judgments on Climate Talks

The lead U.S. negotiator in United Nations climate talks has warned against "a rush to judgment" concerning the results of the international summit slated for December in Paris, *The Guardian* reported. That meeting is tasked with concluding an agreement on post-2020 greenhouse gas emissions (GHG), to succeed the Kyoto Protocol. Cautioning against a quick analysis of the prospective accord, climate envoy Todd Stern underlined that it will take some years for its effects to become apparent, the newspaper noted. Additionally, the negotiator said, the Paris document will not be a "one-off" agreement, but the first in a series of post-2020 deals through which countries will "ratchet up" their commitments. Stern pointed to "solid progress" by the U.S., China and the European Union in advance of the December summit, *The Guardian* said. The envoy acknowledged that if the Paris talks failed to produce a significant agreement, it would be damaging for the UN process, but added, "I don't think that's going to happen," the publication indicated.

Leaked Document Illuminates EU Stance on Paris Protocol

The prospective Paris Protocol on greenhouse gas emissions (GHG) should be a legally binding agreement providing for emissions reductions of 60% by 2050, with five-year reviews, *The Guardian* reported. The newspaper said that a leaked EU document favored the Paris pact's entry into force once countries accounting for 80% of current global emissions – 40 gigatonnes of carbon dioxide (CO₂) equivalent pollution – have ratified it; China (24%), the U.S. (12%) and the EU (9%) are responsible for about half of such emissions. However, "the EU's gambit may receive a cool reception in Washington, where the Obama administration fears a Senate block on any legal agreement that gives the UN arbiter powers," the publication commented. Additionally, it pointed out that while environmentalists applauded the prospect of a legally binding deal, they said that the 60% emissions cut would be measured against 2010 levels. This is equivalent to only a 50% cut measured against 1990 levels, the greens asserted, and this is inadequate.

ON CAPITOL HILL

Moderate Senators Seek More Federal Support for Clean Coal

A pair of moderate Democrats, Sens. Heidi Heitkamp (N.D.) and Tim Kaine (Va.), have introduced legislation to increase federal support for clean coal technology. The measure would offer financial incentives for utilities to develop carbon storage programs and the market for selling carbon dioxide (CO₂) for enhanced oil recovery (EOR); according to Reuters, it would provide \$10.23 billion through 2036 in tax credits, bonds and low-cost loans. Heitkamp noted that with the recent suspension of federal funding for FutureGen, "no realistic funding system currently exists to move carbon capture and sequestration (CCS) forward." Without national investment, she said, "ratepayers and shareholders bear the brunt of perfecting this technology." Kaine said the legislation "represents the large-scale R&D investment we need in cleaner coal technologies," *Utility Dive* reported. U.S. deployment "can not only reduce the carbon intensity of our fossil fuels but also bolster our manufacturing exports," he added. Heitkamp introduced a nearly identical bill last year, but it stalled in the Senate Finance Committee, Reuters reported.

Todd H. Cunningham, who writes the "Coal Currents" column for the Council's monthly National Coal Advisory, is available for additional writing projects involving coal and other energy policy issues. For information on Todd's background and experience, see his LinkedIn profile at www.linkedin.com. To discuss your editorial needs, contact Todd via email at tcunningham03@comcast.net.

Coal Currents *(continued)***ENVIRONMENTAL REGULATION****EPA Chief Says
Clean Power Plan Could See Changes**

While the compliance timeline and interim carbon dioxide (CO₂) emissions reduction goals for existing power plants contained in the proposed Clean Power Plan were carefully crafted, changes are "very much on the table," Janet McCabe, Environmental Protection Agency (EPA) Acting Assistant Administrator, told state utility commissioners. Speaking separately about EPA's draft rule to regulate carbon emissions from existing coal-fired power plants, Administrator Gina McCarthy told the National Association of Regulatory Utility Commissioners (NARUC) that [the Plan-mandated emissions reductions' implications for grid reliability and power costs are key issues for officials considering changes to the draft](#), *Utility Dive* reported. She asserted that flexibility in state compliance plans and EPA's approach to reviewing the rule is its linchpin, underscoring that "Flexibility means affordability and it means reliability." EPA plans to issue the final Clean Power Plan for existing power plants, and the Carbon Pollution Standards for new, modified and reconstructed facilities, by mid-summer; it received more than 3 million comments on the proposed regulations.

IN THE INDUSTRY**DOE Suspends Plans to Provide
\$1B Funding for FutureGen Project**

[The Department of Energy has suspended plans to provide \\$1 billion in funding for the FutureGen 2.0 project](#), intended to upgrade a coal-fired power plant to capture 90% of its CO₂ emissions and pipe them to underground storage. The \$1.65 billion project was to utilize oxy-combustion technology, in which coal is burned in oxygen rather than air, producing a flue gas composed almost entirely of CO₂ and water. DOE had characterized FutureGen as "groundbreaking," saying it would help set the stage for "cleaner and more sustainable advanced coal-burning power plants." However, Bloomberg BNA reported, the industry's FutureGen Alliance needed additional private funding before construction could begin, and the project could not meet the requirement that the stimulus funds be expended by Sept. 30. DOE termed this "unfortunate," but said it had acquired "valuable information and tangible benefits from the work accomplished to date." However, National Mining Association (NMA) President and CEO Hal Quinn said the decision "cannot be reconciled with the Administration's proposal to require CCS as the only acceptable technology for any new coal-fueled power plant."

**Minnesota Hauled Into Federal Court
Over Anti-Coal Law**

Minnesota's 2007 law effectively barring utilities in the state from importing new coal-based electricity or from building new coal-based power plants [threatens to balkanize U.S. electricity markets and interfere with regional development of coal](#), industry groups asserted in federal appeals court briefs. According to *Midwest Energy News*, the legal proceeding stems from North Dakota's challenge to the law, the New Generation Energy Act, on the grounds that it would effectively regulate that state's generating portfolio and prevent the development of its coal resources. A federal district judge agreed, finding that the Minnesota statute regulated out-of-state utilities' business activities in violation of the Constitution, which gives Congress the power to regulate interstate commerce. Minnesota denounced critics' concerns as "hypothetical and speculative," asserting that the law was not intended to regulate or affect decisions outside the state, *Midwest Energy News* reported. The publication pointed out that the "far from settled" litigation is drawing attention as "other states debate their own clean energy measures" and due to the broader discussion of global warming.

**Mississippi Court Orders Utility
to Refund Rate Increases for Kemper IGCC**

The Mississippi Supreme Court has ordered Mississippi Power to refund hundreds of millions of dollars in rate increases intended to cover the costs of the Southern Company subsidiary's Kemper County integrated gasification combined cycle (IGCC) power plant, *Utility Dive* reported. The 582-megawatt, \$6.17 billion plant is designed to convert lignite into a cleaner-burning gas, while capturing and storing CO₂ emissions, and the utility attributes its rising price tag -- up from an original estimate of \$2.2 billion -- to its experimental nature, the publication indicated. The industry has been watching construction progress for this reason. According to *Utility Dive*, the court ruled that the state public service commission (PSC) overstepped its authority by failing to assess whether the plant's construction costs were being prudently incurred. It ordered that no further rate increases be granted until the PSC held prudency hearings on already-incurred costs. However, the commission previously determined that it would not declare the project prudent until its coal gasification equipment was in operation. According to SNL Energy, [this could threaten the utility's preferred method for financing Kemper's construction](#).

Coal Currents *(continued)***INTERNATIONAL INTEREST****Global Coal Group****Seeks Greater Investments in CCTs**

The World Coal Association (WCA) has called for greater investment in clean coal technologies to meet growing global energy demand while reducing CO₂ emissions. The group, made up of major international coal producers and stakeholders, pointed out that coal provides more than 40% of global electricity, with its use expected to grow some 17% in the next two decades. It suggested that technologies such as high efficiency, low emissions (HELE) coal plants and carbon capture, use and storage (CCUS) can contribute to meeting this increase while minimizing carbon emissions. [To promote adoption of low emission technologies, the WCA has created a global Platform for Accelerating Coal Efficiency \(PACE\)](#). Benjamin Sporton, the Association's acting chief executive, suggested that increasing the average efficiency of the global coal fleet from today's 33% to 40% could be done with off-the-shelf technology, and would save about 2 gigatonnes of carbon annually, roughly equivalent to India's total emissions. Sporton criticized calls for divestment, saying they ignore coal's global role. "All low emissions technologies are needed to meet climate targets," he asserted.

DULY NOTED**Coal Investments Under Fire at Ivy League Schools**

Harvard University lawyers have headed to court to oppose attempts to force the school to remove holdings in coal, oil and gas companies, which represent about \$79 million of its \$36 billion endowment, and to begin phasing out all other investments in fossil fuel stocks, *The Guardian* reported. The lawsuit, filed last year by several students, contended [the university had the duty to fight climate change by divesting such holdings](#). It argued that by continuing to invest in fossil fuels, Harvard was putting current and future generations in danger. While the university asked the judge to dismiss the case, the newspaper said, a student sit-in at the president's office, and rapid expansion of the campus divestment movement, "suggest that the university can expect continued pressure." Meanwhile, at Cornell University, the Student Assembly passed a resolution shedding light on the school's seven-year-old decision to remove coal holdings from its endowment portfolio – "purely out of financial concerns" – and [encouraging the administration to avoid reinvesting in such stocks due to environmental concerns](#), according to the *Cornell Daily Sun*.

British Political Leaders**Pledge Phase Out of Coal Plants**

The leaders of Britain's three main political parties have pledged to [phase out the generation of power from coal-fired plants](#), unless emissions are captured and stored, while accelerating the development of an energy efficient, low carbon economy. The leaders, Prime Minister David Cameron, a Torie, and his Labour and Liberal Democrat counterparts, offered no timeframe for the phase out, the *Business Spectator* reported. They also agreed to continue pursuing a legally binding international agreement to limit global temperature increases to below 2 degrees Celsius, no matter who wins May's national elections. The publication termed the agreement a major step forward, because while lacking policy detail, "it sets out some long-term principles that are critical to support investor confidence in low carbon energy infrastructure." It singled out the explicit goal of winding down the use of coal in power generation as "vital to investment in low carbon technology and infrastructure."