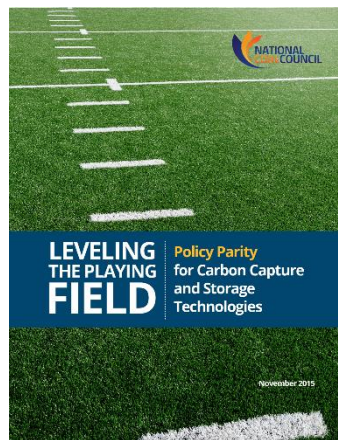
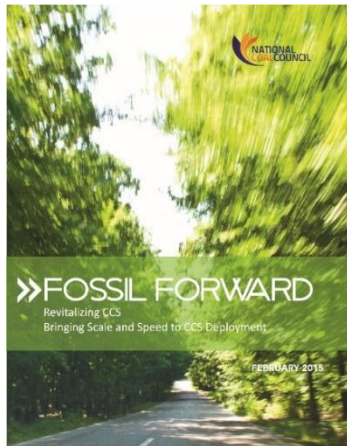


NCC MEMBERS APPROVE WHITE PAPER ON POLICY PARITY

In February 2015, the NCC put forth a recommendation in its study ~ [Fossil Forward - Revitalizing CCS: Bringing Scale & Speed to CCS Deployment](#) ~ calling on DOE to advocate for policy parity for CCS with other low carbon technologies. In response to the recommendation, in September 2015 Secretary Moniz requested that NCC develop a white paper detailing incentives and policies that can be employed to level the playing field for CCS technologies. The Secretary asked that NCC provide him with the report in advance of the COP21-Paris meeting in late November.



The white paper ~ [Leveling the Playing Field: Policy Parity for CCS Technologies](#) ~ was completed in less than 50 days, co-authored by the hard-driven crew at Hunton & Williams, lead by Fred Eames, and by NCC's Janet Gellici. The report was approved by NCC members at a special webcast on November 12th, graciously hosted by NCC member Betsy Monseu (American Coal Council).

The principal theme of the white paper is that federal policy has severely tilted the energy playing field. Existing incentives for CCS are simply too small to bridge the gap between the cost and risk of promising, but immature, CCS technologies vis-à-vis other low carbon technology options. While the U.S. Department of Energy has stewarded a successful R&D program to spur early development of CCS technologies, insufficient overall support has hindered commercial deployment.

Other low carbon technologies have benefitted from substantial government support. Financial incentives and policies have successfully advanced renewable energy deployment; they can and should be employed now to promote rapid and expansive deployment of CCS technologies.

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VP Fuel Services (retired)
Southern Company Services

Mike Durham, NCC Vice Chair

Principal, Soap Creek Energy

Fred Palmer, Coal Policy Chair

Peabody Energy (retired)

Bill Brownell, Esquire

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Chair, Hunton & Williams

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Talen Energy

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CH2M Hill

Chris Jenkins, VP Coal & Auto
CSX Transportation

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Shenhua Science &
Technology Research Institute

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Connemara Ltd.

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Tri-State G&T

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Elm Street Resources

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Dominion Resources

Ex Officio

Joe Craft, III, President
Alliance Coal

John Eaves, President & CEO
Arch Coal

Finance Committee

CHAIR ~ Gregory Workman

Communications Committee

CHAIR ~ Holly Krutka

NCC Staff

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Hiranthie Stanford
Member & Meetings Manager

Hunton & Williams
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NCC MEMBERSHIP RENEWALS 2016-2017

U.S. Secretary of Energy, Dr. Ernest Moniz has signed reappointment



letters for those 2014-2015 NCC members who indicated an interest in continuing to serve on the NCC in 2016-2017. Letters were mailed from the Secretary's office in late September.

If you expressed an interest in serving on the NCC for the 2016-2017 term and have not received your reappointment letter, please contact Janet Gellici at jgellici@NCCI.org ASAP.

Dues invoices for 2016 have been emailed and snail mailed to all renewing NCC members. Dues are payable by January 15th, 2016. You have the option to pay by year-end 2015 or by the due date in January 2016.

As you know, NCC receives NO FINANCIAL SUPPORT from the Department of Energy. While NCC dues are voluntary, without your financial support we cannot effectively operate the NCC at impactful levels. About 20% of our members have traditionally elected not to pay dues. We'd like to improve on that record this year. Please consider honoring your commitment to NCC through your financial contribution. For those unable to financially support NCC, we will be reaching out to you individually to secure your commitment of time and effort on NCC's behalf.

We appreciate your support of the NCC as we continue to provide critical advice and guidance to Secretary Moniz.

Tweet - Tweet

NCC's Social Media efforts continue to expand thanks to the efforts of our wonderful NCC Communications Committee, chaired by Holly Krutka (Shenhua Group). The tweets have been flying since our Annual Fall Meeting in Pittsburgh and the release of our Policy Parity White Paper the following week.

Join in the fun! Sign on to NCC's Twitter account, follow us, re-tweet. We appreciate your help in sharing the good work of the NCC through Twitter and Facebook.

<https://twitter.com/CoalCouncil>
www.facebook.com/NationalCoalCouncil



Thank You Chair's Advisory Council Members!

Continued thanks to the members of the NCC's Chair's Advisory Council!
 We couldn't do what we do without you!

**Advanced Emissions
 Solution
 Ameren Missouri
 Arch Coal
 BNSF Railway
 Clean Coal Solutions**

**Dominion Energy
 Jupiter Oxygen
 Peabody Energy
 PSEG
 Southern Company
 Tri-State G&T**

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/b
 rowser](http://www.eia.gov/coal/data/browser)

NCC Releases New Report
 for U.S. Secretary of Energy
 - Leveling the Playing Field
[PR News Wire Release 11-
 12-15](#)

On eve of Paris summit,
 Britain pulls the plug on
 renewables
[Washington Post 11-20-15](#)

Can Future Coal Power
 Plants Meet CO2 Emission
 Standards Without Carbon
 Capture & Storage?
[EPRI 10-19-15](#)

Canada's Wind Power
 Debacle: \$Billions Wasted
 With CO2 Emissions to
 Double
[Stop These Things 11-25-
 15](#)

Fostering low carbon
 energy: Next generation
 policy to commercialize
 CCS in the United States
[Brookings Energy Security
 & Climate Initiative - Coal
 in the 21st Century ~
 October 2015](#)

The Quest for Less CO2:
 Learning from CCS
 Implementation in
 Canada
[A Case Study on Shell's
 Quest CCS Project](#)

Leveling the Playing Field:
 Policy Parity for CCS
 Technologies
[http://www.nationalcoal
 council.org/studies/2015/
 Leveling-the-Playing-
 Field-for-Low-Carbon-
 Coal-Fall-2015.pdf](http://www.nationalcoal

 council.org/studies/2015/

 Leveling-the-Playing-

 Field-for-Low-Carbon-

 Coal-Fall-2015.pdf)

**National Coal Council
NationalCoalCouncil.org**

NCC FALL 2015 MEETING MEMBERS APPLAUD NETL/PITTSBURGH EVENT

The National Coal Council received a warm welcome from the National Energy Technology Lab (NETL) and rave reviews from attending NCC members for our Annual Fall Meeting in Pittsburgh, November 4-5. For the first time in its history, NCC was hosted by NETL at its Pittsburgh location, providing an opportunity for NCC members to get a hands-on look at the RD&D efforts underway at NETL and to interact one-on-one with crucial NETL staff.



We received a gracious welcome from NETL Deputy Director Scott Klara who asked for a show of hands from the audience in answer to his question, "who has never been to NETL before?" GASP! Fully 2/3 of the audience was at NETL for the first time!!!

The opening keynote presentation by [Dr. Grace M. Bochenek](#), Director of NETL provided a great introduction for those NETL first-timers, as well as an informative update for those more familiar with NETL's initiatives. Dr. Sean Plasynski, Director of [NETL's Strategic Center for Coal](#) provided a more in-depth update on NETL coal RD&D initiatives.

We then heard from three presenters on topics ranging from a CO₂-algae project, to the value of CCUS in a decarbonized environment to financing mechanisms for CO₂ capture technology. PDF and video versions of the presentations from Dr. Bochenek, Dr. Plasynski and the following folks are available on the NCC website at <http://www.nationalcoalcouncil.org/page-Meeting-Presentations.html>.

- Dr. Jack Groppo, Center for Applied Energy Research, University of Kentucky
- Dr. Jared Moore, Meridian Energy
- Dr. Robert Williams, Princeton University



Following a networking lunch, about 40 attendees participated in an optional tour of the NETL facility. I know we all left with tremendous amount of respect for NETL staff ~ their expertise and their dedication ~ as well as to the breadth and scope of initiatives underway at NETL. Thank you, thank you, thank you to everyone at NETL who made NCC's first official meeting at the Pittsburgh facility such a success!

Thank you to Event Sponsor **Dominion Energy** and to our other meeting sponsors including **CH2M, Lignite Energy Council, PQR Energy** and the **University of Wyoming School of Energy Resources**.

**We'll next be meeting in Washington, DC in April 2016.
Details on dates/hotel in the next issue of our NCC newsletter.**

We're Curious

WHAT DO YOU THINK?

We received high marks on our event evaluations for the Fall 2015 program and logistics management. We heard from a number of folks endorsing the hosting of NCC meetings outside of Washington, DC, perhaps at locations that would provide an opportunity for us to tour relevant industry facilities.

We'd like to hear from you. Should we host an occasional meeting outside of Washington, DC or host all NCC meetings in DC? Any suggestions on prospective locations outside DC?

Email us at info@NCC1.org.

NCC Member Focus

Brad Crabtree was appointed to the NCC in 2014 and has jumped right in, taking an active role in serving on the NCC Coal Policy Committee. Brad's thorough reviews of and commentary on our "Fossil Forward" study and "Policy Parity" white paper have contributed greatly to the quality of our efforts.
Thanks Brad!

Brad Crabtree joined the Great Plains Institute in 2002, where he currently manages the Institute's fossil energy projects in carbon capture and storage and enhanced oil recovery and in electric power generation. He co-directs the National Enhanced Oil Recovery Initiative (NEORI), a coalition of energy, industrial and technology companies, labor unions, environmental organizations and state officials working to expand the capture of CO₂ for use in domestic oil production. Brad coordinates the CO₂-Enhanced Oil Recovery Deployment Work Group of oil and gas and coal-producing states convened by the Governors of Wyoming and Montana.

Brad also helps staff three regional initiatives involving over 20 midcontinent and mid-Atlantic states that are assisting state regulators and stakeholders to evaluate their options for lowest-cost compliance with the federal Clean Power Plan to reduce carbon emissions from existing power plants.

He previously coordinated energy policy advisory groups for the Midwestern Governors Association and facilitated the Midwestern Greenhouse Gas Reduction Accord Advisory Group for six governors and the Manitoba premier. He also co-directed Powering the Plains, GPI's original flagship project that developed a comprehensive, 50-year regional blueprint for energy efficiency, renewable energy and advanced coal technologies. Brad has organized multiple overseas energy policy and technology delegations for public and private-sector leaders from the Midwest and nationally. Prior to GPI, he was project director at the Consensus Council in Bismarck, ND, managing regional flood mitigation and resource management projects.

He ranches with his wife and daughter in North Dakota, where he was a statewide candidate for Public Service Commissioner in 2010 and 2012. A graduate of the Georgetown School of Foreign Service, Brad has an MA in history from Johns Hopkins University.



BRAD CRABTREE VICE PRESIDENT FOR FOSSIL ENERGY GREAT PLAINS INSTITUTE

The mission of the Great Plains Institute is to transform the way we produce, distribute, and consume energy to be both environmentally and economically sustainable. Through research and analysis, consensus policy development, technology acceleration, and local action, GPI is leading the transition to clean, efficient, and secure energy.

GPI aspires to be viewed as a group of trusted "energy diplomats." The organization exists not only to bring clarity to the confusing world of energy and climate change, but to find and foster common ground where none was thought possible.

GPI serves the core states in which it is incorporated — Minnesota, North Dakota, South Dakota, Iowa and Wisconsin — as well as the Midwest more generally, including the Midwestern Governors Association. The Institute has also expanded its focus from regional to national to international, partnering with individuals and organizations from across the country and leading delegations representing industry and government to various countries to foster the exchange of best practices in energy innovation.



Brad Crabtree
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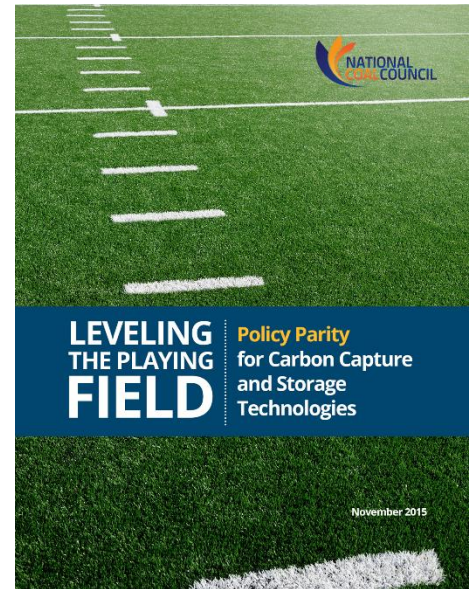
In November 2015, NCC members approved a white paper the Council prepared for the Secretary of Energy detailing policy parity measures that could be undertaken to level the playing field for CCS technologies.

This series of newsletter articles details primary findings/recommendations.

The Need for CCS Technologies

Meeting global CO₂ emission reduction goals requires our expeditious deployment of CO₂ technologies for fossil. That deployment will be advanced by incentives and policies to level the playing field for CCS. Carbon reduction technologies:

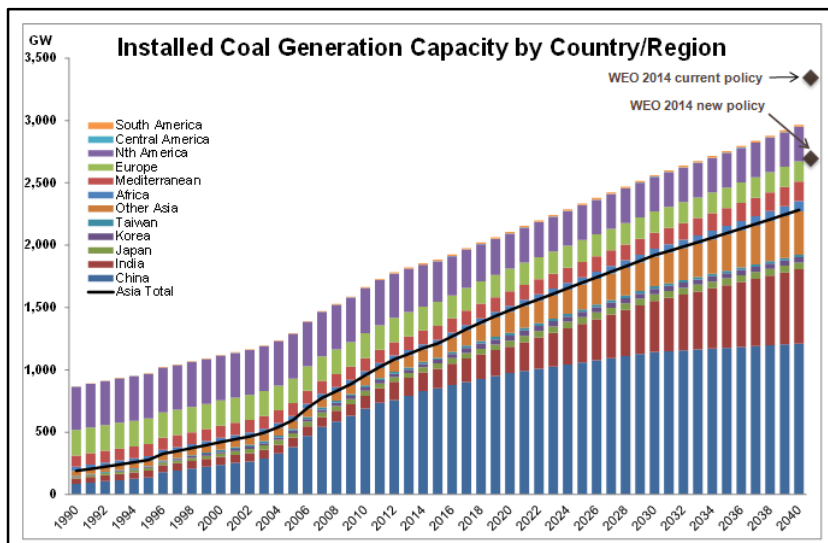
- Provide the most impactful opportunity to capture, use and store a significant amount of CO₂ from fossil fuels (coal and natural gas) used for electric generation, as well as in key industrial sectors (cement, iron, steel, oil refining, chemicals).
- Maintain electric reliability by providing “always on” baseload generation.
- Significantly reduce the costs of decarbonization by 70-138%.
- Preserve the economic value of fossil fuel reserves and associated infrastructure while undertaking strong actions necessary to mitigate climate change.



Fossil Fuels Dominate in a Growing World, Today and Tomorrow – Globally, the vast majority (87% in 2014) of energy is supplied by fossil fuels – primarily oil, followed by coal and natural gas. Primary energy consumption is projected to increase by 37% between 2013 and 2035, with virtually all of that growth (96%) in non-OECD nations. Power generation is expected to account for an ever-increasing share of that primary energy consumption, reflecting the global trend toward increased electrification. Coal currently provides 44% of global electricity.

U.S. and international policy must be built on an appreciation that coal and other fossil fuels are an indispensable – not optional – component of world energy supply for the foreseeable future. If we are serious about addressing CO₂ emissions from fossil fuels, we must support technological solutions.

Installed Coal Generation Capacity – Source: World Coal Association



The Need for CO₂ Emissions Reduction Technologies – Globally, 510 coal power plant units are under construction, with a further 1,874 planned; a total of 2,384 units. These plants will operate over a projected lifetime of 40-60 years.

In the U.S., coal provided fuel for 18.5% of the nation’s total energy consumption and 43% of power generation in 2013. The existing coal fleet in 2014 comprised 300 GW of generating capacity (28% of U.S. total) and 1,586 million megawatt hours (MWh) of generation (39% of U.S. total).

A diverse set of technologies will be needed to meet international greenhouse gas (GHG) emissions goals. The

International Energy Agency (IEA) estimates that CCS technologies will need to provide about 14% of the emissions reductions by 2050. The rapid, widespread deployment of carbon reduction technologies will pay significant dividends toward achieving GHG objectives. Rapid, widespread deployment is achieved by leveling the playing field for low carbon coal technologies.

Access the White Paper
[Leveling the Playing Field: Policy Parity for CCS Technologies](#)

WHO KNEW?*

BYU technology tackles climate change by freezing carbon Cryogenic carbon capture aimed at reducing emissions



Brigham Young University chemical engineering professor Larry Baxter is developing a technology that separates carbon dioxide (CO₂) from other gases (and prevents it from escaping into the air) by freezing it. Baxter's cryogenic carbon-capture system is said to gobble up 99% of the CO₂ from emissions and cost half as much as conventional methods.

"We took a completely different approach," says Baxter, who spun the research into a startup that is predominantly funded by government grants and employs BYU grads and interns among others. "What if we cooled down the gas to the point that the CO₂ condenses out of the air?"

After his system freezes the CO₂ with -130 degree Celsius temperatures, it separates the dry ice from the gas and heats everything back up. The CO₂ is pressurized to become a liquid so it can be stored safely in underground aquifers or storage facilities for later use, such as [enhanced oil recovery](#).

Industry expert Carl Bauer said Baxter's technology is a "technological game changer for CO₂ capture."

"Cryogenic separation of gases is not a newly discovered area of science, but what Dr. Baxter has done is develop a new approach to the process that significantly improves the energy and economic performance of cryogenic gas separation," said Bauer, the former director of the National Energy Technology Laboratory (NETL).

In the latest of a series of publications on the process, Baxter provides a broad overview of the cryogenic carbon capture technology in a paper recently published in the [International Journal of Greenhouse Gas Control](#).

While Baxter is confident in his technology, he hopes efforts to reduce carbon emissions in the U.S. will spur other nations to follow suit.

"Any real solution to this problem needs to be a global solution," Baxter said. "Even if the U.S. fully complies with this new regulation (EPA's Clean Power Plan), you won't notice a change if we're the only country doing it."

Baxter's team is working on getting his technology to the pilot stage, which is five times the current size of his working unit and 100 times the capacity. He estimates having his tech in a full-scale commercial facility within five years and operating within seven years.

"This technology allows coal to continue to supply reliable energy while storing energy from intermittent sources and delivering it back to the grid at peak demand when it is the most valuable," Baxter said. "The EPA doesn't think it's conceivable the U.S. is going to stop using fossil fuels, including coal and natural gas. It's even less conceivable that the rest of the world will do so. If fossil fuels are to continue their roles in providing reliable, low-cost energy and if we are serious about addressing climate change, these technologies are going to play major roles in the future."

<http://news.byu.edu/archive/15-sep-cryogeniccarbon.aspx>

***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.

LEADING NEWS

Clean Power Plan Published, Setting Litigation in Motion

EPA has published its sweeping Clean Power Plan (CPP) in the *Federal Register*, almost three months after it was unveiled at the White House. The action set in motion a 60-day clock for legal action against the massive rule. *The Hill* reported that the U.S. Court of Appeals for the D.C. Circuit set a briefing schedule that will conclude on Dec. 23, well after the end of UN-sponsored climate talks in Paris, when judges can start considering whether to block the rule while it is litigated.

As the newspaper noted, [the CPP is the centerpiece of the President's climate agenda](#), and its massive scope and strict standards -- it seeks to cut the power sector's carbon emissions by 32% over the next 15 years -- drew quick and concerted opposition from more than two dozen states -- over half of those affected -- and many companies and interest groups suing over the issuance. Meanwhile, Capitol Hill Republicans prepared to challenge the rule under the Congressional Review Act, putting members on record and perhaps forcing a White House veto.

The Administration's top environmental lawyers said they were ready [for what one termed the "Super Bowl" of climate litigation](#), *E&E News* reported, while EPA Administrator Gina McCarthy maintained that the power plant rule was rooted in work states have already done in the energy sector, *The Hill* said.

"We're not asking for anything to be done in the Clean Power Plan that hasn't been fully demonstrated by states for decades," McCarthy said. Meanwhile, *Utility Dive* reported, EPA officials indicated that the bar for extension of compliance deadlines "has been intentionally been set low to virtually ensure that most states requesting extensions can receive one."

INTERNATIONAL INTEREST

Air, Climate Implications Seen in China's Decreasing Coal Use

[The decrease in China's coal consumption has "enormous implications for the state of the atmosphere and the potential course of global climate change,"](#) a *Washington Post* article noted. The newspaper reported that as recently as 2010, the country added as much coal-fired capacity in a single year as exists in all of Germany. "It took China's slowing economy, a slump in heavy industry and unprecedented moves by the Communist Party to curb choking levels of air pollution to produce the drop-off in coal consumption," beginning in 2014, the *Post* said. It acknowledged that the idea of a Chinese transformation from "the world's smoke-belching factory" to a cleaner, more high-tech place remains a distant prospect, but underscored that the government is aggressively investing in natural gas supplies, nuclear power and renewable energy. "The trends appear inexorable," it suggested, citing "optimists'" prediction that the country's coal use could peak between 2017 and 2020 before beginning a long, slow decline. Greenhouse gas emissions (GHG) will lag behind, but are likely to peak in 2025, the *Post* added.

ENVIRONMENTAL REGULATION

EPA Coal Ash Rule to Raise Standards on Ponds, Groundwater

The Environmental Protection Agency's (EPA'S) rule addressing coal ash storage and disposal regulations has gone into effect, *Utility Dive* reported, and while environmentalists and utilities alike criticized the rule when it was issued, advocates said it is a step on the right direction, the publication noted. Citing a report from *Energy Central*, *Utility Dive* says that beginning immediately, [utilities must develop plans to handle coal ash dispersed during transport and begin inspections of coal ash storage ponds](#). In the next two years, "more rigorous standards go into effect," the report added, and utilities will need to determine if existing ponds meet the higher standards, as well as how to complete groundwater protection efforts. Meanwhile, the publication indicated, EPA's not-yet-in-effect Electric Power Generating Effluent Guidelines will set initial federal limits on toxic metals from ash in power plant wastewater discharges, and require utilities to perform more stringent safety testing on storage facilities.

Coal Currents *(continued)*

CLIMATE CHANGE

UN: Emissions Pledges

Inadequate to Limit Harmful Warming

While pledges from about 150 countries to cut their greenhouse gas (GHG) emissions would limit the rise in global atmospheric temperatures to about 2.7 degrees Celsius by 2100, [that is well above the 2 degrees C rise above preindustrial levels that would represent a climate "safe zone,"](#) the United Nations Framework Convention on Climate Change (UNFCCC) reported. The pledges from countries representing nearly 90% of global emissions, are "a down-payment ... by no means enough but a lot lower than the estimated four, five, or more degrees of warming projected by many" before they were made, said Christiana Figueres, Executive Director of the UNFCCC, according to *The Guardian*. The UN and some other parties are hoping that a regular review mechanism could be agreed to at the upcoming climate summit in Paris by which pledges could be ratcheted up, perhaps every five years, the newspaper said. "However, there is still no guarantee of a deal in Paris and there was disquiet in some quarters over the UN analysis," it added.

Developing Nations Provide Climate "Reality Check" in Bonn

Participants at a climate change negotiating session in Bonn, Germany, part of the preparation for the upcoming Paris summit to finalize an agreement, got what *Politico* termed "a reality check" as developing nations denounced a draft text as biased against them. These countries asserted that the long-standing goal of limiting global warming to 2 degrees Celsius (3.6 degrees Fahrenheit) from the preindustrial age would be disastrous to them, *The Wall Street Journal* reported, and called for capping the increase at 1.5 degrees C instead. [The dispute "highlighted the difficulty of reaching a new global agreement this year,"](#) the newspaper suggested. The *WSJ* said that independent analysts say the 2 degree target is already out of reach, and that "current pledges would only limit warming to around 2.7 degrees above preindustrial age temperatures." But developing nations say a 1.5 degree target is technically feasible, it added. Despite the acrimony, *Politico* reported that "long-time observers warned it is way too early to write the climate talks' obituary." "Messy arguments," it said, "are often a necessary part of the journey toward an agreement."

Administration, GOP

Prepare for Battle Over Paris Climate Pact

[The Obama Administration is ramping up actions to get public support for a strong global climate change agreement in Paris later this year, while congressional Republicans have boosted efforts to undermine this goal,](#) *The Hill* reported. The GOP wants to show that the Administration's pledge for a 26% to 28% cut in U.S. GHG emissions by 2025, compared with 2005, is not possible. Additionally, Republicans argue, a Paris deal would amount to a treaty that requires Senate ratification to take effect, but it will not be submitted for such review and approval. According to *The Hill*, the deal will likely be a collection of pledges from countries to reduce GHG emissions, and other arrangements. "Chances are that the deal will not be legally binding," allowing Obama to argue it is not a treaty requiring Senate ratification, it indicated. The newspaper added that some Republican climate issue leaders are considering going to Paris to try to influence the talks. One, House Energy and Power Subcommittee Chairman Ed Whitfield (Ky.), "said he wants to show negotiators that much of Obama's promised emissions goal relies on regulations that Congress could weaken or overturn," the newspaper noted.

ENERGY ISSUES

Court Hears Arguments

Over State Ban on Imported Coal Power

[A federal appeals court in St. Paul, Minn., has heard arguments over Minnesota's 2007 law effectively barring utilities in the state from importing electricity from new coal-based power plants.](#) According to the *Minneapolis Star-Tribune*, a federal district court previously upheld the challenge, brought by North Dakota, on the grounds that it illegally regulates out-of-state utilities in violation of the U.S. Constitution's bar to state actions interfering with interstate commerce. The law threatens to balkanize U.S. electricity markets and interfere with regional development of coal, industry groups asserted in court briefs. Minnesota subsequently sought review by the U.S. Court of Appeals for the Eighth Circuit, the publication reported. During the arguments, North Dakota contended that the law would bar the sale of electricity in other states by large regional utilities that only partly serve Minnesota, while the opposing state asserted that its law only regulates new coal-based electricity under contracts for import into Minnesota. "State law 'does not and could not' regulate the power grid," a Minnesota attorney contended. According to the *Star-Tribune*, a written ruling from the three-judge panel could take several months.

Coal Currents (continued)**ENERGY ISSUES** (continued)**U.S. Coal Production to Fall to Historic Low This Year: Study**

U.S. coal production will fall to "historic lows" in 2015 as cheap natural gas prices continue to afflict the sector, according to an article in the *Casper Star-Tribune*. The article cited earnings reports from two major coal miners, Peabody Energy and Cloud Peak Energy; Peabody registered a third-quarter loss of \$304 million, Cloud Peak an \$8.9 million profit (but a \$48.7 million loss for the first three quarters combined). ["The reports underscored the depths of the downturn shaking the foundation of the industry,"](#) said Robert Godby, who studies power markets at the University of Wyoming. He pointed to Peabody estimates that coal is expected to account for 35% of U.S. electricity generation this year, down from 2014's 39% and 50% a decade ago. The article attributed the industry's woes to cheap natural gas prices, abetted by a coal surplus of 92 million tons at the end of April. Analysts said most supply cuts are likely to come from higher-cost Appalachian and Midwestern mines, the newspaper specified. Meanwhile, low prices are expected to persist, with Peabody predicting U.S. coal consumption will continue to fall in 2016.

U.S. Leading G7 Nations in Movement Away From Coal Power

["The United States is leading other Group of Seven industrialized democracies in a shift away from coal power,"](#) an environmental think tank, London-based EG3, indicated. According to an Institution of Mechanical Engineers article, EG3 said that some 63 gigawatts of planned coal-fired power plants had been cancelled across the G7 since 2010, while a further 124 GW of coal capacity had been retired or will be by 2020. The report said that the U.S. has the largest installed coal capacity among the G7: 288 GW, more than double the size of the other members combined, with recently announced retirements aggregating more than 84 GW by 2029. Asserting that "There is a clear structural shift away from coal across the G7," E3 rated the group's members according to assessments such as whether new coal-fueled power plants were likely to be built and how many existing plants were being retired, Reuters reported. [It ranked France, Britain, Canada and Italy behind the U.S., with Germany and Japan bringing up the rear.](#) The Asian country has shifted toward coal since the Fukushima nuclear disaster in 2011, the study said, and has more than 27 GW of new capacity planned.

IN THE INDUSTRY**Kemper County IGCC Hits Milestone on Path to Full Operation**

Mississippi Power Company's Kemper County integrated gasification combined cycle (IGCC) clean coal power plant has reached what the Southern Company unit termed ["its most significant milestone to date"](#) with the testing of one of its two coal gasification units. The test involved the injection of sand into the equipment under operational conditions; later, lignite will be injected into the gasifiers for final operational testing. According to the company, the plant has been operating successfully using natural gas and producing power since August 2014. When full operation begins in the first half of 2016, Kemper's dual-fuel design -- syngas and natural gas -- will provide fuel flexibility, Mississippi Power indicated. While the plant's cost, currently about \$6.4 billion, is significantly higher than projected, utility CEO Ed Holland told local station WTOK that "success in the future will far outweigh the naysayers today." When you build something new and inventive, Holland said, criticism will come, but hopefully the Kemper plant will be the building block for the future of clean coal technology globally. ["What we're doing here is the future of coal,"](#) the utility executive underscored.

UMW Chief Seeks Next-Gen Coal-Natural Gas Plants if CPP Upheld

The construction of "next-generation" power plants co-fired by coal and natural gas may be the answer to keep the fuel viable in West Virginia in the event EPA's Clean Power Plan is upheld, United Mine Workers (UMW) President Cecil Roberts contended. The union chief, speaking at a conference hosted by the state's governor, said ["the plants must be able to meet "whatever EPA emissions limits for new sources may survive after the litigation is concluded,"](#) Reuters reported. It noted that under the EPA regime, future power plants can emit no more than 1,400 pounds of carbon dioxide (CO₂) per megawatt hour (MWh), surpassing the 1,800lbs-plus/MWh performance of the most efficient coal plants operating in the U.S. Under the proposal, however, the new plants would run on coal and less carbon-intensive natural gas with technology to partially capture carbon emissions, "giv[ing] coal a lifeline." Roberts said West Virginia has programs in place to support the construction of the new plants through public-private partnerships, Reuters reported. "Shaking our fists at Washington, D.C. and retreating behind our mountains simply won't cut it anymore," he underscored.

MINING & TRANSPORTATION**DOI Told to Reexamine
Mine Project's Environmental Effects**

The Interior Department (DOI) should have taken a closer look at the effect that expansion of Montana's Spring Creek Coal mine would have on the environment before approving the 2012 action, according to a federal judge. The case, brought by environmental groups, marked [the second time greens have used concerns over climate change to challenge previously approved coal mines](#). The first involved a pair of Colorado mines, which were allowed to continue operating after Interior officials determined their coal had "insignificant impacts" on national GHG emissions. In the recent case, the judge did not explicitly name climate change as a factor in her decision, the Associated Press noted. Rather, U.S. Magistrate Judge Carolyn Ostby cited "air quality and environmental concerns," AP said, specifying that the government had failed to explain its thinking, and failed to seek public input, before approving the expansion. She recommended that federal officials reconsider the environmental effects, allowing Cloud Peak Energy's Spring Creek Mine to continue operating in the (180-day) meantime. New Mexico-based WildEarth Guardians, a plaintiff in both cases, has challenged decisions affecting 11 mines in five states through a series of lawsuits, AP said.

**NMA Denounces
Interior Dept.'s Stream Protection Proposal**

The Interior Department's proposed stream protection rule, which it has said is intended to replace 1983 regulations now in effect in an effort to keep pace with modern practices such as mountaintop removal mining, is actually "a massive rule in search of a purpose," the industry asserted on Capitol Hill. According to *The Hill*, National Mining Association (NMA) President and CEO Hal Quinn contended that [while Interior has said the rule would threaten fewer than 300 jobs, the toll would in fact be far higher -- up to 78,000 coal mining jobs](#). When added to 40,000 jobs already lost, and coal-supported jobs in areas such as manufacturing, power plants and rail, the total job losses would be between 113,000 and 280,000, "as one half or more of total U.S. coal reserves are potentially placed off limits to mining," he asserted. *The Hill* reported that Quinn explained the vast discrepancy by charging that the Department did not study actual mines. "The OSM study is actually based on hypothetical mines, mines that they actually hypothetically came up with, and then they spin their view of what the rule means," he said. "Our study is based on actual mines."

Todd H. Cunningham, who writes the "Coal Currents" column for the Council's monthly newsletter, is available for additional writing projects involving coal and other energy policy issues.

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Happy Thanksgiving

