Coal's View From NARUC

Presented By:

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Chairman, NARUC Subcommittee on Clean Coal and Carbon Management

What is NARUC?

- **Founded in 1889, the National Association of Regulatory Utility Commissioners (NARUC) is dedicated to representing the State public service commissions who regulate the utilities that provide essential services such as energy, telecommunications, power, water, and transportation.**

- **NARUC's members include all 50 States, the District of Columbia, Puerto Rico, and the Virgin Islands.**

What is NARUC ?

- **NARUC's mission is to serve in the public interest by improving the quality and effectiveness of public utility regulation. Under State law, NARUC's members have an obligation to ensure the establishment and maintenance of utility services as may be required by law and to ensure that such services are provided at rates and conditions that are fair, reasonable and nondiscriminatory for all consumers.**

Subcommittee on Clean Coal and Carbon Management

- **Jeremy Oden, Chairman, Alabama**
- **Kara Brighton Fornstrom, Vice Chair, Wyoming**
- **Thomas W. Johnson, Vice Chair, Ohio**

Subcommittee on Clean Coal and Carbon Management

- This Committee helps educate NARUC members on the issues surrounding coal usage as well as new developments for carbon sequestration, storage, and commercialization.

Current Focus of CC&CM Subcommittee

- According to the American Coalition for Clean Coal Electricity (ACCCE), since 2010, almost 115,000 megawatts (MW) of coal-fired electric generating capacity have retired or announced plans to retire.
- These retirements are roughly equivalent to shutting down the entire electricity supply of Texas.
- Would reinvestment to operate in accordance with regulations allow units to see a new and extended life?
- What other value streams can be identified and applied to coal-fired electric generation?

Finding New Value in Coal-Fired Generation

- The CC&CM Subcommittee is actively investigating new ways to bring value to coal-fired generation, in order to continue it's use.
- NETL's continued advancement in extracting rare earth elements from coal combustion fly ash
- Great Plains Institute's workings with states to identify barriers ease future CO2 pipeline permits

Finding New Value in Coal-Fired Generation

- The state of Wyoming, along with other partners, has dedicated over $20 million in a competition for beneficial reuse of CO2.
- May 16th, Wyoming Governor Mead opened the Wyoming Integrated Test Center for testing these new technologies' potential advancement to commercial scale.
- Competition is narrowed down to five teams from: Canada, China, India, the U.S. and Scotland
- Potential products include methanol, plastics, CO2 absorbing building materials, and CO2 infused concrete.

Giving Coal-Fired Generation a New Value

- **The 2018 budget bill expanded and extended section 45Q tax credits for carbon capture, storage, and utilization.**
- **Although enacted previously, the CC&CM Subcommittee is hopeful the new levels of credits for the capture and storage of CO2, along with other included measures, will foster new deployments.**
- **As technology advances for capturing and storing carbon, costs continue to decrease and new investment is expected.**

Giving Coal-Fired Generation a New Value

- **Coal-fired generation typically keeps on hand a 70-80 day fuel supply.**
- **This ability to continue to generate electricity, particularly during high impact, low frequency events, has refocused the discussion on coal by multiple agencies concerned with grid resiliency.**
- **FERC has received, and continues to receive, numerous comments on their efforts to better value resiliency and fuel security.**

Giving Coal-Fired Generation a New Value

- **Earlier this year PJM Interconnection launched an initiative to assess and better value fuel security for resiliency with their RTO market.**
- **In March, Congressman Larry Bucshon (R-IN) introduced the Electricity Reliability and Fuel Security Act which provides temporary tax credits to cover operation and maintenance expenses of existing coal-fired power plants.**
- **Congress and Commissioners from both Federal and State agencies see the necessity in continued coal-fired generation.**

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