



Policy Resolution 09.2020

Adopted on September 29, 2020

## **Investments in Reliable, Resilient and Lower Carbon Emission Electricity**

### **Sponsor**

Representative Jim Gooch, Jr., Kentucky

**WHEREAS**, the U.S. has large resources in fossil fuels that have provided reliable and resilient electricity to drive the largest economy in the global markets; and

**WHEREAS**, the fuel density of coal provides efficient electricity which can ensure reliability of supply; and

**WHEREAS**, the U.S. has continued to provide tax subsidies to intermittent generation resources based on capacity factor availability equivalent to \$227 per megawatt of capacity for solar and \$111 per megawatt of wind capacity when you account for the installed capacity required to supply the same capacity as coal plants which operate at 85 percent and can be relied upon 24/7 on a monthly basis; and

**WHEREAS**, the U.S. has, on average between 2010 and 2016, provided financial interventions and subsidies of \$13.7 billion (63.1% in 2016\$) to non-fossil energy resources verses \$1.1 billion (5.2% in 2016\$) for fossil energy resources; and

**WHEREAS**, the National Coal Council (NCC) as a federal advisory committee to the U.S. Department of Energy (DOE) has published an advisory report which reviews policy actions needed by federal and state governments that can ensure reliable, affordable, low or reduced carbon electricity generated from U.S. resources; and

**WHEREAS**, the NCC has identified various actions needed to support the U.S. leadership in reducing carbon emissions from reliable, resilient electricity production, innovation in carbon capture and utilization and efficiency improvements for coal-fueled power plants; and

**WHEREAS**, the U.S. has led the world in carbon emissions reductions from our Nation's electric utility industry over the last decade; and

**WHEREAS**, foreign countries, such as China, lead the world in generating electricity-based carbon emissions and are continuing to expand at a rate greater than the U.S. is reducing its emissions; and

**WHEREAS**, the closure of all U.S. coal-fueled electric generating stations will not offset the carbon emissions increases within China; and

**WHEREAS**, data confirms that reductions in global carbon emissions from electricity generation while maintaining affordable reliable and resilient access to all citizens can only be accomplished by the U.S. advancing the technology and leading the development of carbon emissions capture with subsequent storage or utilization; and

**WHEREAS**, both Congress and States can incorporate the goals and policies outlined by NCC to advance the technology development and deployment in the U.S. electric generation industry; and

**WHEREAS**, development of the required technology and implementation requires access to funding for major projects which can rely on effective time to scale support; and

**WHEREAS**, a growing number of states and utilities have established low-carbon or carbon reduction requirements and goals to be met by mid-century or sooner.

**THEREFORE, BE IT RESOLVED**, that the Southern States Energy Board recommends that Congress, the Administration and State Governments develop policies, laws and regulations that provide funding support and policy incentives to meet the following objectives:

1. Retrofit a critical mass of existing coal power plants with carbon capture and efficiency enhancing technologies which allow reduction of carbon emissions while improving the economic efficiency of the technologies.
2. Establish a network of CO<sub>2</sub> storage sites and pipelines that is at least five times larger than currently available.
3. Deploy a variety of commercially available carbon emissions reduction technologies to ensure continued U.S. leadership in carbon emission reductions.
4. Implement State and Federal programs as recommended by the NCC report for the U.S. Secretary of Energy in pursuit of the timely achievement of said objectives.

