

COAL

Even EPA doubts weakened rules will spur struggling industry

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A tiny 17-megawatt power plant at the University of Alaska, Fairbanks, is currently the only coal-fired plant on the drawing board in America — and EPA's proposed loosening of emissions standards yesterday to help President Trump's favorite fuel source is unlikely to change that.

EPA itself acknowledges that.

"Even under the emissions limits included in this proposal, new fossil fuel-fired capacity constructed through 2026 and the years following is expected to be natural gas capacity," the agency says in an [economic analysis](#) of its updated standards.

The statement demonstrated the growing divide between Washington and the American power sector.

EPA has committed to scrapping emission rules implemented under President Obama, as part of a wider effort by Trump to revive the struggling coal industry.

But power companies are giving Washington the cold shoulder. Coal plant retirements are nearing 14 gigawatts this year, the second highest annual total ever, and domestic coal consumption is projected to hit its lowest level since 1979 this year.

Those trends have been underlined by two recent developments. On Tuesday, Xcel Energy Inc. announced a plan to cut carbon emissions 80 percent by 2030 and eliminate them by midcentury ([Climatewire](#), Dec. 5).

Xcel's move followed Northern Indiana Public Service Co.'s announcement in September that it would retire its once-mighty coal fleet in the next decade ([Climatewire](#), Sept. 21).

Coal supporters acknowledged the bleak market outlook and conceded that EPA's move is unlikely to unleash a wave of coal plant construction. They nevertheless framed the administration's emission plan as a win.

"This is not a grand slam home run that ended the game and coal wins, but it is a major step forward for coal and its acceptance in the U.S.," said Fred Palmer, a former executive at Peabody Energy Corp. who recently established a new website to advocate for the industry, [burnmorecoal.com](#).

"It's a long game, with the other side having more points on the board right now."

The EPA proposal removes the requirement that new coal facilities install carbon capture and storage technology. The agency deemed the technology unproven. It also increased the emissions limit for large plants from 1,400 pounds of carbon per megawatt-hour to 1,900 pounds ([Greenwire](#), Dec. 6).

While the rule is unlikely to convince utilities to build new power plants today, it removes an obstacle for new facilities if economics of the power market shift, Palmer said.

But Bruce Nilles, a senior fellow at the Rocky Mountain Institute, a clean energy think tank, said it's hard to imagine what that change would be.

"The cost of sun has been fixed for a million years, and I can tell you what it will be for 100 years," Nilles said, alluding to renewables' zero fuel cost. "It exposes the administration for what it is. It doesn't care about changing anything for anyone else there. It's a complete distraction. It's not going to change the fundamentals."

EPA's proposal comes amid international climate talks in Poland and follows reports of a rapid increase in global carbon emissions.

Palmer said he didn't know whether the administration's move was intended as a thumb in the eye of global climate hawks, "but it will be construed that way."

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