

Deep freeze prompts Trump administration to re-up bid to bolster coal plants

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The Trump administration is relitigating its arguments supporting coal after the fading fuel source was used more frequently this week to help meet surging power demand during the deep freeze that overtook the Midwest and East Coast.

Steven Winberg, the Energy Department's assistant secretary for fossil energy, touted early data Friday showing coal and nuclear generated a higher percentage of power during the cold surge than usual. Temperatures were expected to return to normal this weekend.

"People will pore over the data, and one thing you will see is coal will have stepped up its capacity factors, and nuclear will have stepped up its capacity factors," Winberg told the *Washington Examiner* in an interview. "Those are power sources that have fuel on the ground, and that's absolutely important. If we didn't have that, it would have been a much worse situation."

The Trump administration has repeatedly cited the stress of extreme cold weather events as a possible reason to subsidize coal and nuclear plants, which can store fuel on-site. Natural gas, normally the cheapest and most-used fuel for electricity, depends on pipeline flows that can be interrupted during extreme weather, while wind and solar

power, whose prices have dramatically fallen, fluctuate depending on when the sun is shining and the wind is blowing.

President Trump has repeatedly pressed for action to save coal and nuclear plants, even after an independent panel of federal energy regulators rejected a Energy Department plan to provide them special payments because of a lack of evidence showing the grid is at risk.

The White House has stalled over an effort to use emergency executive authority to help coal and nuclear plants.

But the administration continues to promote the benefits of coal in the meantime, with this week's cold weather presenting an opening.

As of Thursday morning, coal provided 37 percent of electricity this week in the nation's largest power market run by PJM Interconnection, which includes 13 states from Illinois to the District of Columbia — according to data provided by the American Coalition for Clean Coal Electricity.

But PJM reported no reliability issues on its grid and has previously said its electricity supply would hold up against a range of threats, including extreme weather.

Also this week, coal served 51 percent of power in the Midcontinent ISO, representing 15 Midwest states.

Normally, coal provides about a third of the total power mix.

"What that continues to show is we need energy diversity and fuel diversity for electricity," Winberg said. "The imperative is to keep the grid reliable and resilient."

Coal's more frequent use coincided with record-breaking natural gas demand.

Natural gas consumption in the lower 48 states hit 150.6 billion cubic feet per day on Wednesday, according to estimates from S&P Global Platts, as consumers hiked their heaters to combat the cold.

That tops the previous high of 144.6 billion cubic feet per day set on Jan. 1, 2018, during last year's "bomb cyclone."

Some states, meanwhile, asked residents to turn down their thermostats to conserve natural gas.

Michigan utility Consumers Energy urged residents to lower their thermostats to 65 degrees Fahrenheit or less until Friday at noon after a compressor station in suburban Detroit caught fire, shutting down gas flow from the facility.

Utility Xcel Energy asked Minnesota residents to keep their heat at 63 degrees Fahrenheit through Thursday morning because of a "significant strain on our natural gas system due to extreme weather," the company said. Both gave the all-clear by Friday.

"Coal is an insurance policy," Michelle Bloodworth, president and CEO of American Coalition for Clean Coal Electricity, told the *Washington Examiner*, citing the compressor station fire. "It's a hedge when bad things are happening."

But despite the record natural gas demand, prices for it remained low this week, which supporters said showed the resilience of the gas and electric systems thanks to plentiful supply from the shale boom. That contrasts with last

January's "bomb cyclone," when average energy prices in the East Coast wholesale markets were more than four times higher than the average for the winter.

"With today's technology, there is no feasible constraint to the amount of natural gas available in the market, and that's why prices are lower," Dean Foreman, chief economist of the American Petroleum Institute, the main oil and gas trade group, told the *Washington Examiner*.

"That has taken the air out of arguments against gas' resilience."

Indeed, critics of the Trump administration's bid to help coal and nuclear argue those energy sources do not protect the grid during extreme events.

The Rhodium Group, a research firm, said in a recent independent study that "of all the major power disruptions nationwide over the past five years, only 0.00007

percent were due to fuel supply problems. The vast majority were the result of severe weather knocking down power lines."