THE ENERGIZER – VOLUME 69

Date: 2 July 2020

Energy Alert

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TWO MAJOR FLORIDA UTILITIES BEGIN TO TRANSITION AWAY FROM COAL

On 25 June 2020, JEA elected to withdraw from its minority share of ownership of Unit 4 at the Plant Scherer coal-fired power plant, the nation's largest generating facility. Shortly after JEA's withdrawal was announced, Florida Power & Light Co. (FPL) negotiated with JEA to close the jointly owned Unit 4 at Plant Scherer. Both major electric utilities announced the move away from Plant Scherer in an effort to reduce carbon emissions by 64 percent.

Unit 4 at Plant Scherer generates 848-megawatts (MW) of electricity to the utilities. JEA and FPL intend to utilize a mixture of other generation sources to compensate for the lost power from the coal plant. To that end, JEA agreed to a 20-year natural gas deal with FPL. The agreement provides a 10-year hedge fixing the price of natural gas and an option to purchase solar-powered electricity in the final 10 years of the contract. As a result of the agreement, both utilities will continue to own Unit 4, and the unit will remain standing until all four units can be closed at the same time.

PILOT PROGRAM FOR CENTRAL AMERICAN REC MARKET COMPLETES FIRST STAGE

On 23 June 2020, Energy Web Foundation (EWF) announced the completion of the first stage of a blockchain-based, digital marketplace for international renewable energy credits (I-RECs) across Central America. EWF partnered with Mercados Eléctricos S.A de C.V (MERELEC), an El Salvador-based electric retail company working on the commercialization of electricity across Mexico and Central America, to develop the pilot project. The marketplace will facilitate renewable energy between sales, working to meet the needs of the global energy portfolios of multinational corporations.

The pilot program utilized 20 renewable energy devices on the platform, allowing them to trade I-RECs with verified renewable generators. The program plans to add up to 200 devices in El Salvador, totaling more than 1.3 gigawatts (GW) of capacity in the near future. The types of renewable generators range from micro-hydropower systems and small solar photovoltaic cells to utility-scale renewable facilities (e.g., biomass, geothermal, large hydropower).

EWF is building the platform on their Energy Web Decentralized Operating System, comprised of software development toolkits such as EW Chain and EW Origin. EWF supported MERELEC in assembling the relevant materials needed for El Salvador to be authorized as an International REC Standard issuance country. On 10 June 10 2020, The International REC Standard announced that El Salvador and the Dominican Republic are now Authorized Issuance countries.

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NEW CALIFORNIA REGULATIONS TRANSITION SHORT-HAUL TRUCKS TO ZERO-EMISSION STANDARDS

On 25 June 2020 the California Air Resources Board (CARB) adopted the Advanced Clean Truck Regulation, a new rule that will impose zero-emissions requirements on new trucks sold in California over the next 20 years. The new rule aims to convert short-haul drayage fleets in ports and railyards to zero-emission standards by 2035, and achieve the same for “last-mile” delivery trucks and vans by 2040.

The rule grants manufacturers “credits” for zero-emission and near zero-emission trucks sold in California, and it imposes “deficits” for all other trucks. Using this system of credits and deficits, the rule requires that, beginning in 2024, manufacturers of trucks must ensure between 5 percent and 9 percent of trucks produced and delivered for sale in California are zero-emission or near zero-emission vehicles. As the years go by, the rule increases the percentage of trucks which must be zero-emission vehicles, ending with a requirement that in 2035 between 55 percent and 75 percent of all trucks sold must be zero-emission vehicles.

CARB intends that the regulation, along with California's ongoing shift to electric cars, will help the state meet is climate goals and federal air quality standards, especially in highly polluted areas such as Los Angeles and the San Joaquin Valley. Furthering this goal, CARB is also considering two complementary regulations to accompany the Advanced Clean Truck Regulation. The first will set a limit on oxides of nitrogen, and the second is a proposal to require larger fleets to transition to electric vehicles as well.

TWO MORE MAJOR WESTERN UTILITIES COMMIT TO CLOSE COAL-FIRED POWER PLANTS

On June 26, Colorado Springs Utilities (CSU) and Arizona's Tuscon Electric Power (TEP) made commitments to close down the remaining coal-fired power plants in their states. The Colorado Springs Utility Board approved CSU's plan to close two municipally owned coal plants by 2023 and 2030, while TEP issued a proposal for shutting down its coal-fired power plants in 2027 and 2032, which is still subject to approval by Arizona regulators.

CSU's announcement comes as part of CSU's commitment to reduce its emissions by 80 percent by 2030, and is in stride with Colorado State's goal to see 50 percent of its energy sourced from renewables by 2030, and 90 percent sourced from the same by 2050. TEP's proposal is part of a larger goal to source 70 percent of its energy by 2035, in part by adding 1.7 GW of solar, 850 MW wind and roughly 1.4 GW of storage during this same time frame.

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