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Energy Newsletter

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NJ BPU ISSUES PROPOSAL TO REPLACE SOLAR INCENTIVE PROGRAM

On 7 April 2021, the New Jersey Board of Public Utilities released a straw proposal outlining details of the state's solar incentive successor program. New Jersey's original solar renewable energy credit (SREC) program ended in early 2020. Since then, the state has shifted to a transition renewable energy credit (TREC) program to bridge the gap until a successor program becomes effective. The straw proposal, if approved, would replace the TREC program. If adopted, the program could go into effect later this year, and would provide 30-days advance notice announcing the termination of the TREC program. The proposal is subject to a public comment process.

Under the straw proposal, the incentives for systems smaller than two megawatts (MW) and community solar projects would resemble the current TREC mechanism. The TREC program provides fixed-price per-MWh incentive payment of varying amounts depending on the type of installation. However, these amounts would differ from the current levels, and would update every three years.

For larger projects, incentives would be awarded to projects via competitive procurements. The incentive amount would be determined by auctions that evaluate qualified bids against a set budget to arrive at a clearing price. The procurements would be separated into several categories, such as solar-plus-storage, and each category will have an allocated budget. Several siting restrictions would also apply that generally prohibit projects to be sited on environmentally-sensitive areas, and developers would be required to use native seed mixes and plants.

A permanent community solar program will also be developed simultaneously to the successor solar incentive program, as New Jersey is currently in the second year of a three-year pilot program. Additionally, the straw proposal states that an energy storage straw proposal and stakeholder process will commence in mid-2021.

EXXONMOBIL PROPOSES MULTI-BILLION DOLLAR CARBON CAPTURE PROJECT

On 19 April 2021, ExxonMobil Corporation (ExxonMobil) proposed a new carbon capture and storage (CCS) facility in South Texas in response to the Biden Administration's push to address climate change. Planned in Houston Ship Channel, ExxonMobil announced plans to establish a US\$100 billion carbon capture innovation zone to capture carbon emissions from around the Houston metro area from a variety of emissions sources, including petrochemical, manufacturing, and electricity generating facilities. The CCS facility would then store the captured CO₂ emissions in geological formations within the Gulf of Mexico. The announcement from ExxonMobil comes hand-in-hand with a proposal to mobilize multiple sectors to achieve their goal. The concept of an innovation zone for CCS is similar to public-private initiatives, where large scale collaboration between

government, industry, academia, and local communities drives successful deployment of new technology to urban areas.

ExxonMobil envisions the large CCS facility to have its initial stage complete by 2030, capable of storing 50 million tons of CO₂. The CCS facility could double its capacity to 100 million tons of CO₂ by 2040, and by 2050, ExxonMobil anticipates the facility will have played a major role in the petroleum giant's goal to achieve carbon neutrality.

BREAKTHROUGH IN “MASSLESS” ENERGY STORAGE PAVES THE WAY FOR LIGHTER ELECTRIC VEHICLES

On 22 March 2021, researchers from Chalmers University of Technology [announced](#) that they, in collaboration with the KTH Royal Institute of Technology in Stockholm, produced a “structural battery that performs ten times better than all previous versions.” The battery, made of lithium iron phosphate-coated aluminum foil and fiberglass fabric, paves the way for essentially “massless” energy storage in vehicles. The battery is considered “massless” because it is structural -- meaning that it operates as both an energy source and as a load-bearing part of the car. In addition, the overall mass of electric cars and other technology will reduce because the battery takes up 20 percent capacity compared to lithium-ion batteries currently on the market.

Previous attempts to manufacture a structural battery did not produce optimal electrical and mechanical properties. The new battery breakthrough is one of the first successful structural batteries with a good electrical and mechanical system. Researchers recently started a new project that will replace the aluminum foil in the battery with material just as strong but lighter, carbon fiber. They expect to complete this project within the next two years.

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