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## Germany's RWE says too early to exit coal in 2035

German utility RWE, its works council and trade unions say they oppose plans to end coal-fired power generation in Germany around 2035, raising questions over a possible compromise between a government commission and environmentalists.

RWE said the date was unacceptable and more investments in grids and renewable energy were needed to secure energy supply in the future. Climate protection goals need to be balanced with the interests of customers and employees, it said in a statement.

Its remarks were echoed by trade unions and RWE's works council.

Der Spiegel news weekly earlier reported that Ronald Pofalla, one of four heads of a government body tasked with planning Germany's exit from coal and setting an exit date by the end of the year, had proposed to abandon coal between 2035 and 2038.

The German economy ministry declined to comment.

Germany aims to raise wind and solar power's energy share from a third now to 65 percent by 2030 to help to cut carbon dioxide emissions and achieve its climate commitments.

Coal-to-power production both from brown coal and imported hard coal accounts for 40 percent of Germany's total power production, making the exit from coal difficult while maintaining reliable supply to industries and households.

Germany is also abandoning nuclear power production by the end of 2022.

Utility companies such as RWE and Uniper have said they are prepared, having absorbed declining coal plant revenues due to competition from renewable power and developed their own phase-out plans stretching into the 2040s.

Environmental groups want to hasten the exit.

The commission will try to broker compromises and help allocate federal funds to bring new industries into regions that are now dependent on coal mining.

Reuters

<http://www.reuters.com>

18 September 2018

## New Jersey seeks bids for 1.1GW offshore wind projects

The New Jersey Board of Public Utilities (NJBPU) has invited bids for the development of 1.1GW of offshore wind projects.

The bidding round is expected to help the New Jersey State to reach its target of generating 3.5GW from offshore wind by 2030. The announcement was made by NJBPU after a call made by the Governor Phil Murphy to open two additional 1.2GW solicitations for offshore wind, one in 2020 and another in 2022.

The solicitations are expected to add significantly to the state's ambition of generating 100% renewable electricity by 2050.

Developers who seek to build offshore wind farms in the federal waters will have to submit applications for approval. Submission of applications will begin on 20 September and will close on 28 December this year.



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NJBPU president Joseph Fiordaliso said: “Today’s action marks an historic step in the implementation of Governor Murphy’s clean energy agenda. Offshore wind energy will help drive down our dependence on fossil fuels and reduce greenhouse gases that cause climate change while creating jobs and providing a boost to the economy.”

“The opening of the 1.1GW window, coupled with the Governor’s announcement for the deployment schedule for the full 3.5GW solicitation, provides unparalleled certainty and incentive for developers and manufacturers to anchor a supply chain right here in New Jersey that can serve the entire eastern seaboard.”

In January, Governor Phil Murphy signed an Executive Order directing the state administration to initiate the process to develop 3.5GW of offshore wind energy by 2030.

The Order allowed NJBPU and New Jersey Department of Environmental Protection to work together to establish the Offshore Wind Strategic Plan for the state.

Governor Murphy said: “In the span of just nine months, New Jersey has vaulted to the front of the pack in establishing this cutting-edge industry.

“We campaigned on rebuilding New Jersey’s reputation as a clean energy leader and that involves setting an aggressive timetable on offshore wind. Thanks to the Board, today we took another enormous step toward realizing that goal with the largest single-state solicitation of offshore wind in the country.”

*Compelo*

<http://www.compelo.com>

## **19 September 2018**

### **Germany to reach target of 1 million electric cars later than planned**

Germany will likely have to delay its target of having 1 million electric vehicles on the road by two years to 2022, according to a government-sponsored report.

“Considering the current market dynamics, the 1 million target will likely shift to 2022,” the report by the German National Platform for Electric Mobility, which was submitted to Chancellor Angela Merkel on Wednesday, said.

New registrations of electrical vehicles more than doubled in Germany last year, the fastest growth in the world, and there were 131,000 such vehicles registered by the end of 2017, according to the report.

Sales were helped by the launch of a German subsidy scheme in 2016 worth about 1 billion euros (\$1.2 billion), partly financed by the German car industry, to boost electric car usage.

However, many consumers have been discouraged by the cost of the cars, their limited driving ranges and the lack of charging points.

Germany’s coalition government plans to ease the tax burden on drivers of electric vehicles, provide at least an additional 100,000 charge points across the country and subsidize car-sharing to push a shift to greener transport.

“We certainly had a delayed start (to electric mobility), but now we are catching up,” Germany’s Transport Minister Andreas Scheuer said on Wednesday, adding he saw no need for further incentive schemes.



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Germany is also lobbying carmakers to band together to set up production of solid state battery cells in the country to compete with Asian rivals.

Economy Minister Peter Altmaier, who is also talking with other EU members about promoting production of solid state battery cells, said in Brussels on Tuesday that late-stage talks on the matter would be held in Berlin in November. However, he could not provide details until questions over EU aid and anti-trust rules had been resolved.

“In a few years, Europe will have a competitive battery cell sector that can survive without state aid,” he said after meeting EU Energy Commissioner Maros Sefcovic.

Battery cells are a key battleground in the automotive industry as it shifts to electric mobility.

Currently the industry sources its requirements from Asian manufacturers such as China’s CATL, which plans to build its first European production site in Germany.

*Reuters*

<http://www.reuters.com>

**19 September 2018**

## **California Clean Energy Mandate Comes at Utilities' Expense**

California’s ambitious push for clean energy will be a tough lift for utilities and potentially their bondholders.

The law Governor Jerry Brown signed this month commits the state to generate all its electricity from carbon-free sources such as wind and solar by 2045. That’s a big jump for state that currently gets about 30 percent of its power from renewable sources, posing a costly and difficult goal, said Toby Shea, a senior credit officer at Moody’s Investors Service.

The company said that the mandate could hurt the credit ratings of electricity providers such as the Los Angeles Department of Water and Power and the investor-owned PG&E Corp.

The warning from Moody’s underscores the risks to investors as California increasingly acts as the nation’s leader on combating climate change as President Donald Trump’s administration seeks to roll back environmental regulations. The state is betting that technological advances will ultimately drive down key costs.

### *A Carbon-Free California Requires a Lot More Cheap Batteries*

For California to have stable power, it will likely need "a massive amount of battery storage" given the vagaries of the wind and sun, Shea said. He estimated the tab for enough batteries to meet the mandate would be more than \$100 billion -- an expense that would force utilities to seek rate hikes if the battery costs don’t decline as the state predicts.

"The legislation is kind of taking a gamble on what will happen in the future," Shea said in an interview. "The way it is going, if costs don’t come down dramatically, then yes, there will be a huge increase in rates."

But it will take years to see the potential impact on ratings and bond trades: the utilities have until 2030 to achieve 60 percent of their energy supply from renewable sources. But the mandate adds to the uncertainties the entities already face, such as liabilities from wildfires that are expected to grow because of climate change. State



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lawmakers in their session that ended last month didn't provide relief from strict rules that hold a utility liable if its equipment caused a fire, even if it followed safety rules. Their inaction led Moody's to downgrade PG&E and other utilities.

"The confluence of the 2045 deadline and reliance on still emerging technologies raises the concern that utilities will be hampered by sizable cost increases while simultaneously challenged to maintain the high reliability levels that ratepayers have come to expect," Fitch Ratings said in a release.

While PG&E expressed concerns about the impact the law may have on consumers, the company supports the state's push toward renewable energy, spokeswoman Lynsey Paulo said.

"PG&E is deeply committed to the California vision of a sustainable energy future," she said. "How the state implements this important clean energy goal will be critical, and we believe California has consistently, over time, achieved the right balance."

*Bloomberg*

<http://www.bloomberg.com>

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## **Mexico plans to add 12 GW of new power generation capacity by 2019**

According to the Mexican National Center for Electricity Control (Cenace), Mexico will begin to incorporate 12,420 MW of new generation capacity from now onwards until June 2019. This new capacity is expected to help meet the country's growing power demand (+4.1% in peak demand in 2019) and is estimated to cover roughly 13% of the National Electrical System's operative reserve margin in case of peak demand.

The capacity will be deployed in 84 power plants installed across 22 Mexican states. 6,380 MW will stem from renewable energy sources (of which 4,325 MW for solar PV, 1,983 MW for wind power and 83 MW for hydropower) and 6,049 MW will come from conventional energy sources (5,708 MW for CCGT plants, 228 MW for internal combustion, 83 MW for turbogas and 30 MW for biogas facilities).

These projects will help Mexico on its way to meet its goal of 35% of renewable energy in its mix by 2024.

*Enerdata*

<http://www.enerdata.net>

**20 September 2018**

## **Enel Green Power España starts construction of its largest solar farm in Spain**

- ✓ *The 84.7 MW Totana solar farm, located in the Region of Murcia, is expected to start operation in the third quarter of 2019 and, once fully operational will be able to generate 150 GWh annually*
- ✓ *The new solar project will involve an overall investment of 59 million euros, and will be composed of 248,000 photovoltaic modules.*
- ✓ *Totana is one of the seven solar projects awarded to Enel Green Power España in July 2017 following the Spanish government's third renewable auction, in which the company was awarded a total production capacity of up to 339 MW of solar projects.*

Endesa's renewable company Enel Green Power España ("EGPE") has begun the construction of the 84.7 MW Totana solar photovoltaic ("PV") facility, representing the



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company's largest solar plant in Spain. The overall investment in the construction of the facility amounts to approximately 59 million euros.

“With the Totana solar PV project, the Group confirms its commitment to further strengthening Spain's generation mix, bringing the country closer to its renewable goals,” said Antonio Cammisecra, Enel's Head of Global Renewable Energy business line, Enel Green Power (“EGP”). “Our operations in Spain have allowed us to establish a significant presence in this important and competitive market, where we will continue to deploy our sustainable leadership.”

The Totana facility, located in the Region of Murcia, is scheduled to start operation in the third quarter of 2019. Once fully operational the solar photovoltaic facility, composed of 248,000 photovoltaic modules, will be able to generate around 150 GWh per year, avoiding the annual emission of around 105,000 tons of CO<sub>2</sub> into the atmosphere. Totana is the first of the seven solar projects, for a total capacity of 339 MW, which were awarded to Enel Green Power España during the Spanish government's third renewable tender held in July 2017.

Totana will be EGP's first site to use collaborative automation systems and robotics to support the construction team while building some sections of the facility, with benefits in terms of works' safety and quality, such as increased accuracy and speed in carrying out on-site activities. The project is part of EGP's programme aimed at the digitalisation and automation of Engineering and Construction (E&C) activities.

The construction of Totana will be based on Enel Green Power's “Sustainable Construction Site” model, incorporating the use of renewable power during construction through a photovoltaic system that will meet the power needs of the construction site, as well as implementing initiatives to involve the local population in the project's construction.

Out of the seven projects awarded to Enel Green Power España in last year's tender, the Totana solar facility is the only one located in the Region of Murcia, while the other six projects will be located in Extremadura (three in the province of Cáceres, in the municipality of Logrosán and three others in the province of Badajoz, in the municipalities of Talarrubias and Casas de Don Pedro). The tender was aimed at helping the country achieve its target to cover 20% of energy consumption with renewable energy by 2020.

EGPE is building 339 MW of solar and 540 MW of wind facilities that were awarded to the company in Spain's last two tenders, involving a total investment of more than 800 million euros by 2020. The overall 879 MW of solar and wind projects, once completed, will increase the power of EGPE's current portfolio by 52.4%.

*Endesa*

<http://www.endesa.com>

## **20 September 2018**

### **Operating licence extensions for Olkiluoto units**

The Finnish government has approved a 20-year extension to the operating licences of units 1 and 2 at Finnish utility Teollisuuden Voima Oyj's (TVO's) Olkiluoto nuclear power plant.

The new licence will replace TVO's current operating licences, issued in 1998, which are valid until the end of this year. The two units - both 890 MWe boiling water reactors - are now permitted to operate until the end of 2038.



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In addition, TVO was also granted a licence to use the current on-site storage facilities for the interim storage of used fuel and other radioactive wastes generated through the continued operation of Olkiluoto 1 and 2. The new operating licence does not cover the operation of final disposal facilities, which will require their own licences. However, the government attached to the operating licence a set of conditions relating to waste management and used fuel storage. One of the conditions allows TVO to use the Olkiluoto site to process and store low- and intermediate-level waste, along with other radioactive waste, generated elsewhere.

The utility submitted its operating licence application to the government in January 2017. To prepare the licence decision, the Ministry of Economic Affairs and Employment (TEM) requested statements from several ministries and certain authorities and communities. Altogether 50 authorities, local governments, other organisations and private individuals voiced their opinion.

When considering whether TVO met the conditions for granting an operating licence, the government based its decision especially on the favourable statement and security assessment submitted by the Finnish Radiation and Nuclear Safety Authority (Stuk) on 31 May. On Stuk's proposal, the government also included a requirement within the licence conditions that a periodic safety review of Olkiluoto 1 and 2 is conducted by the end of 2028.

"For TVO, the favourable decision means that electricity production will continue in Olkiluoto at the OL1 and OL2 plant units for at least the next 20 years," said Marjo Mustonen, senior vice president in charge of electricity production at TVO. "The decision is welcome also in terms of climate friendly electricity production and Finnish self-sufficiency."

TEM said: "The government's view is that it is well founded to continue the operations of the Olkiluoto units for reasons of security of electricity supply in Finland. The Finnish industry needs a secure supply of electricity and predictable process to remain competitive. The continued operation of nuclear power plants will also contribute to reducing carbon dioxide emissions and mitigating climate change in ways that are in society's best interests."

Olkiluoto units 1 and 2 - which began operating in 1979 and 1982, respectively - currently meet one-sixth of Finland's electricity demand. TVO noted that once the EPR under construction as Olkiluoto unit 3 begins power generation the plant will account for about 30%.

*World Nuclear News*

<http://www.world-nuclear-news.org>

**21 September 2018**

**Engie warns on profit following Belgian nuclear outages**

*Engie recurring net seen at low end of forecast*

*Belgian reactor outages extended over concrete problems*

*Shares recover following the profit warning*

French gas and power group Engie warned on Friday that the extended outages at its Belgian nuclear plants would push its 2018 net recurring income to the low end of its 2.45 billion-2.65 billion euros (\$2.9 billion-\$3.1 billion) forecast range. It said the longer



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outages would result in a shortfall of around 250 million euros in core earnings before interest, tax, depreciation and amortisation (EBITDA) and net recurring income.

The utility had warned about the 250 million euro impact in June, but at the end of July it confirmed its 2018 earnings outlook because it was confident that other areas of the business could compensate.

“The action plan launched last June - renegotiation of contracts, generation portfolio optimisation - combined with the very good performance in other businesses, offset to a large extent the impact from unplanned nuclear outages,” Engie said.

Engie shares, which had been down by about two percent on news of the longer outages, recovered to stand 1.2 percent higher by 1353 GMT, outperforming the broader French market index, which was up 0.8 percent.

Engie said the availability factor of its Belgian reactors is expected at 52 percent for 2018 and 74 percent for 2019. In the first half of 2018, the Benelux contribution to Engie core earnings nearly halved to 133 million euros from 242 million euros. Benelux covers Belgium, the Netherlands and Luxembourg.

Engie said earlier that following the discovery of problems with the concrete in some of the nuclear plants operated by its Belgian unit Electrabel, it had decided to prolong the outages at its Tihange 2 and 3 reactors.

Tihange 2 will now restart on June 1, 2019 instead of Oct. 31, 2018 while Tihange 3 will restart on March 2, 2019 instead of on Sept. 30, 2018.

Belgium’s nuclear power regulator said this week it had detected concrete degradation in two bunkers adjoining Electrabel reactor buildings.

A spokeswoman for Engie said the degradations, due to steam pressure, were found in concrete in non-nuclear buildings that house safety equipment close to the two reactors.

“We have to start repairs, but before that, we have to carry out inspections and analysis of the structures and these are still ongoing,” she said, adding that this would involve civil engineering works at several sites.

Planning for the repairs led to extending the outages, she said, adding the restart dates could change depending on how long repairs took and would be decided with Belgium’s nuclear regulator.

Fears over tight electricity supply in Belgium due to the outages during winter has boosted Belgian power contracts. The Belgian December delivery position soared to an all-time contract high of 100 euros (\$118) a megawatt hour on Friday, up 22.7 percent.

Electrabel operates seven nuclear reactors in Belgium, four at Doel and three at Tihange, producing about half the country’s electricity.

*Reuters*

<http://www.reuters.com>

**21 September 2018**

**Mexico plans to launch pilot carbon trading scheme in 2019**

The Mexican Ministry of Environment and Natural Resources (SEMARNAT) has unveiled plans to launch a 3-year pilot carbon market in 2019, which will fully operate in



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2022, i.e. one year later than the initial plan. Once operational, the emissions trading scheme (ETS) system is expected to regulate approximately 40% of the domestic CO2 emissions. In October 2017, a carbon trading simulation was launched with up to 100 companies representing more than two thirds of GHG emissions.

The ETS project has received support from the local governments of California (United States) and Quebec (Canada). The governments of Mexico, Argentina, Chile, and Colombia already apply a carbon tax, while Costa Rica works on the design of this instrument.

*Enerdata*

<http://www.enerdata.net>

**26 September 2018**

## **Russian regulator issues permit for Leningrad II-1 nuclear reactor**

Russian nuclear regulator Rostechndzor has issued a permit for the commissioning of the Leningrad II-1 nuclear reactor in Sosnovy Bor (Russia), which has completed all the required commissioning tests and is now ready for commercial operation. The reactor was connected to the Russian grid in March 2018 and is now planned to be put in industrial operation by the end of 2018.

The existing Leningrad plant site entails four operating RBMK-1000 units, while Leningrad II will include four VVER-1200 units. It will be the second VVER-1200 reactor to start up, after Novovoronezh-6 in 2016, and the second Russian unit to come onstream in 2018 after the Rostov-4 power plant in Volgogradsk that was connected to the domestic grid on 1 February 2018). Leningrad II-2 is expected to be connected to the grid in late 2019 and to be commissioned in 2020.

*Enerdata*

<http://www.enerdata.net>

**27 September 2018**

## **Generators pan ISO-NE price taker proposal for fuel secure plants**

Power generators last week asked the Federal Energy Regulatory Commission (FERC) to reject proposed changes to the ISO-New England (ISO-NE) capacity market submitted by the grid operator to better retain fuel secure resources.

Last month, ISO-NE proposed to treat generators with onsite fuel supplies as price takers in its next three capacity market auctions as it designs new market rules to boost their compensation. Generators and environmental groups said the proposal would retain too many plants at ratepayer expense, while combined natural gas and electric utilities supported it.

The filings came last Friday, the same day that Utility Dive reported Exelon's Mystic Generating Station — a fuel secure plant at the center of the debate — tripped offline on Labor Day due to a power line fault. Critics say the event and others like it show the limits of how onsite fuel supplies can contribute to grid reliability and resilience.

*Utility Dive*

<http://www.utilitydive.com>