



*National Association of
State Energy Officials*

NASEO Webinar: Fostering Economic Diversification in Coal Communities

June 15, 2023



Speakers

- Briggs White, Deputy Executive Director, Interagency Working Group on Coal and Power Plant Communities and Economic Revitalization
- Amanda Ormond, Co- Director, Just Energy Transition Center, Arizona State University
- Michael Skiffington, Director of Reliability and Environmental Stewardship, Virginia Department of Energy

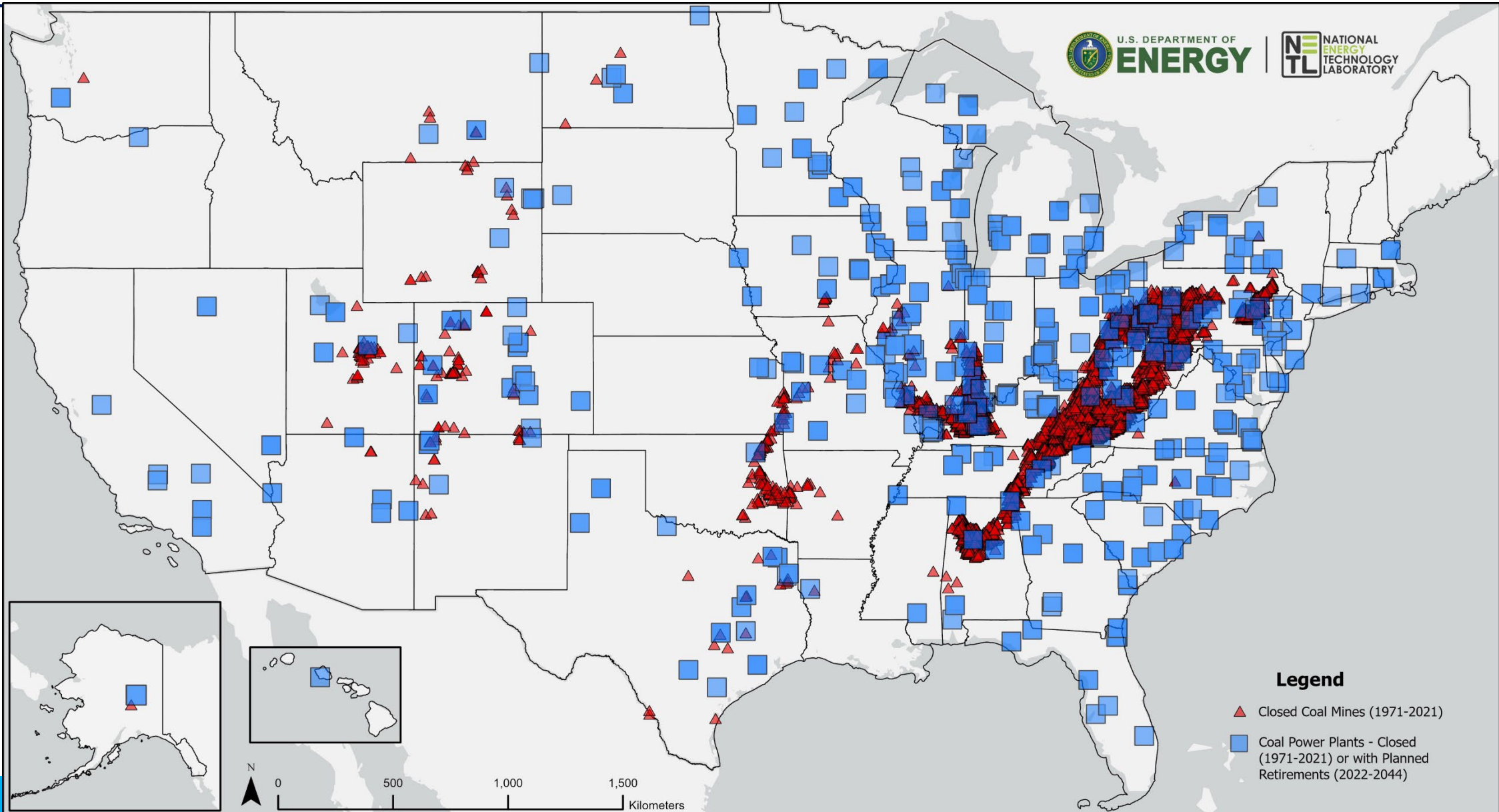
Moderator: Kelsey Jones, Senior Program Manager, NASEO

Interagency Working Group on Coal and Power Plant Communities and Economic Revitalization



Briggs White
Deputy Executive Director

Coal Jobs Hard Hit



Top Needs for Energy Communities



- Community Capacity and Technical Assistance
- Environmental Remediation
- Basic Infrastructure
- Economic Development
- Displaced Worker Benefits and Workforce Development
- Affordable Housing
- Low-income Programs
- Health Care

“In order to attract new investment and expand businesses, our aging infrastructure must be prioritized and addressed.”

***Respondent from
Falls City EDGE***

Energy Communities IWG Request for Information Response

Coal & Power Plant Communities & Economic Revitalization



- The Interagency Working Group (IWG) was established by [Executive Order 14008](#), Sec. 218, on Jan. 27
- Initially identified **\$38 billion** in federal funding for energy communities... that number is now more than **\$900 billion**
- Two public reports outlining recommendations to catalyze economic activity



Funding Opportunities in the Clearinghouse



\$532B+

Value of Open/Planned
Competitive Funding

\$431B+

Value of Open/Planned
Formula Funding

171

Open/Planned
Opportunities

48

Opportunities w/
no cost share

22

IRA tax credits

<https://energycommunities.gov/funding/>

The Inflation Reduction Act (IRA)



Tax Credits & Loan Guarantees

IRA provides **targeted investments** in energy communities.



\$250 Billion in Authority for Redeveloping & Repurposing



Bonus Tax Credits for Clean Energy Projects in Energy Communities



\$4 Billion Clean Energy Manufacturing Tax Credits for Energy Communities

Workers/Community/EJ

IRA supports **energy workers, and their families**, who built this country.



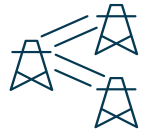
Black Lung Disability Trust Fund Reinstated



\$27 Billion Green House Gas Reduction Fund



\$3 Billion for Environment and Climate Justice



\$145 Million Tribal Electrification

Coal Power Plant Redevelopment Visualization Tool



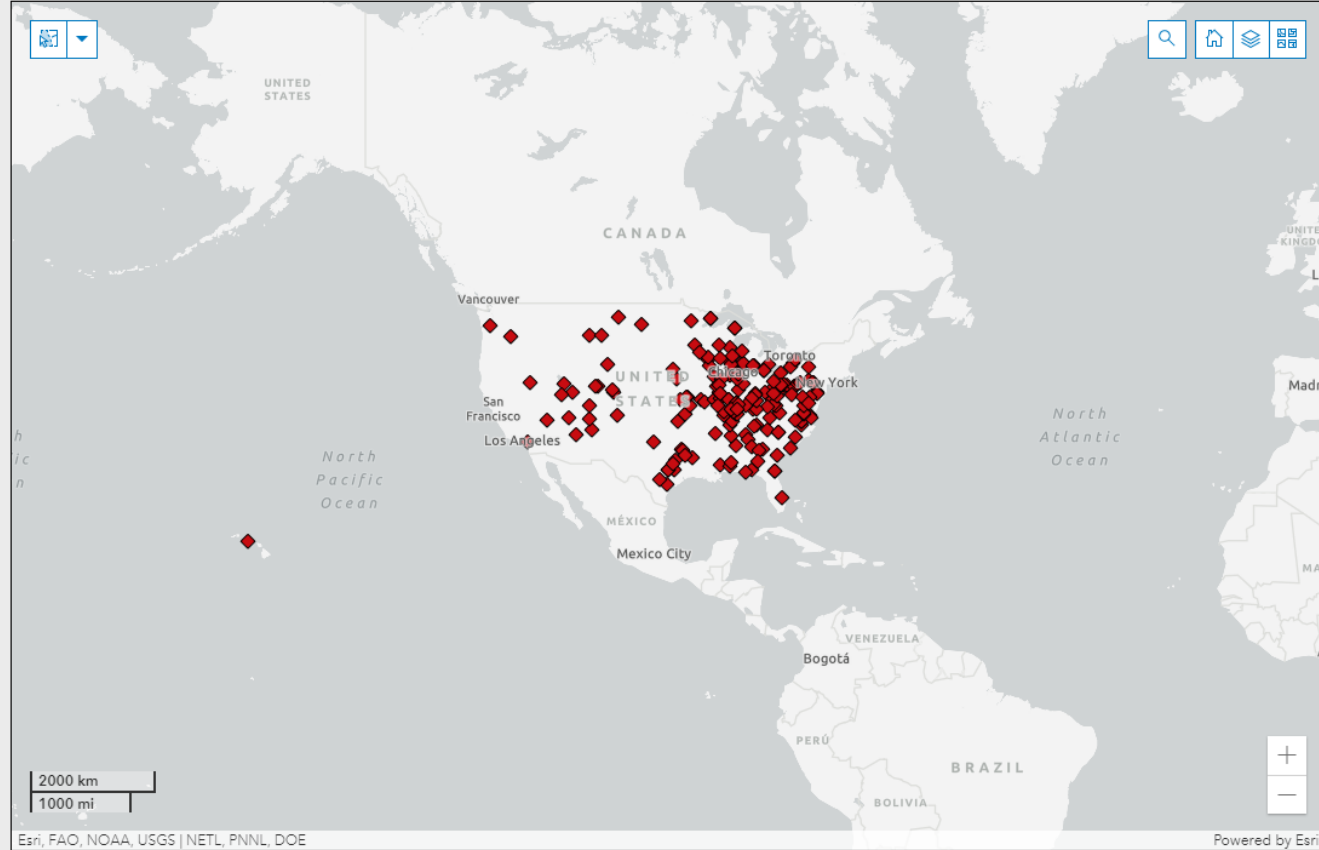
Coal Power Plant Redevelopment Visualization Tool - Beta



MAP LEGEND

Coal Plants with Retirements between 2015-2030

◆



181
Coal Power Plants

152
Retired

29
with planned retirement

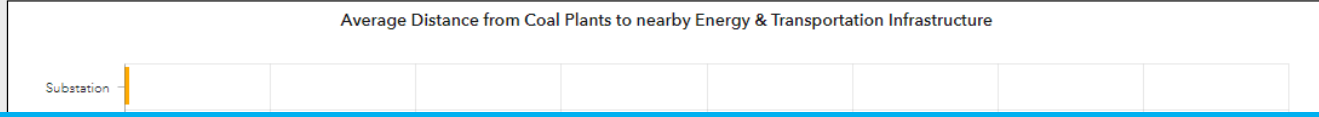
◀ 1 of 181 ▶

Plant Record Details:

R D Morrow Plant, Lamar County, MS

Plant Name	R D Morrow
Total Plant Capacity (MW)	400
Plant Sector	Electric Utility
First Coal Generator Retirement Date	October 31, 2018
Last Coal Generator Retirement Date	October 31, 2018
Brownfield ID	ACRES131664
Brownfield Name	NACE PROPERTY
Distance to Closest Brownfield (miles)	7
Brownfield Report URL	View
Control Area	MISO
Closest Power Plant Name	Hattiesburg Solar Farm
Distance to Closest Power Plant (miles)	7
Electric Transmission Line (ETL) Manager	MISSISSIPPI POWER CO
ETL Type	AC; OVERHEAD
ETL Status	NOT AVAILABLE
ETL - Max Voltage	161
Petroleum Terminal Name	TRANS MONTAINGE PRODUCT SERVICES

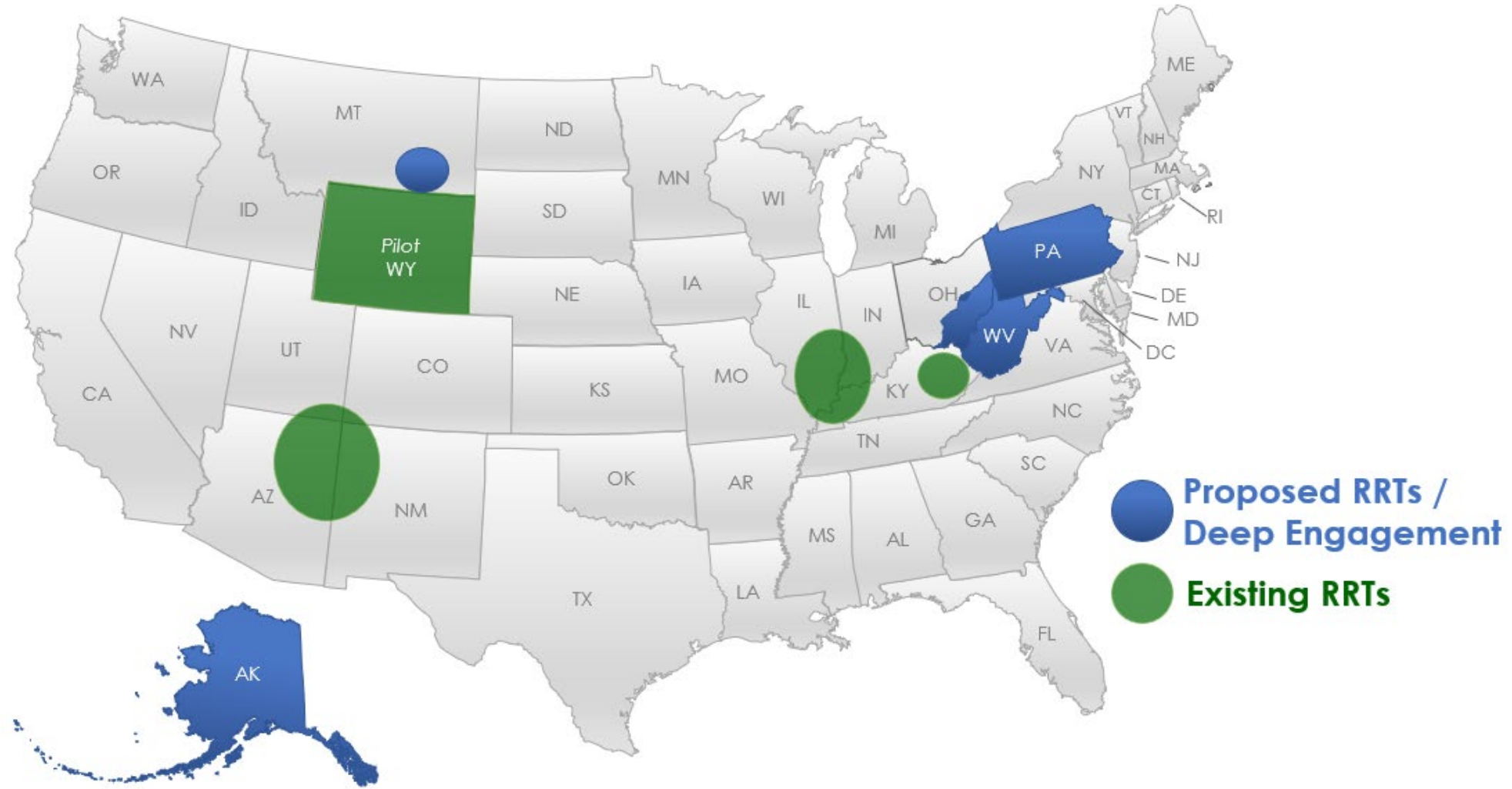
Note: presented statistics, tables and charts are updated based off the map extent and selected



Rapid Response Teams (RRTs)



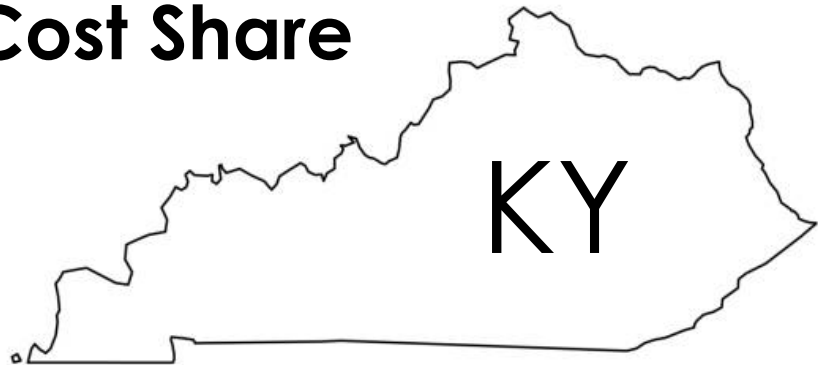
Providing on-the-ground assistance to energy communities



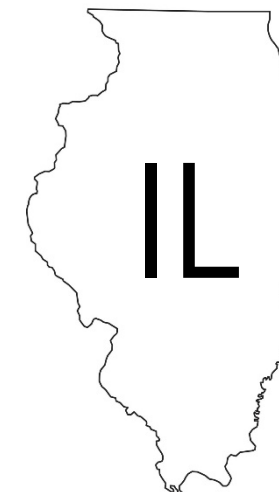
State Programs to Assist Energy Communities



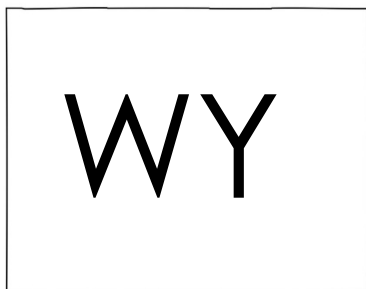
Cost Share



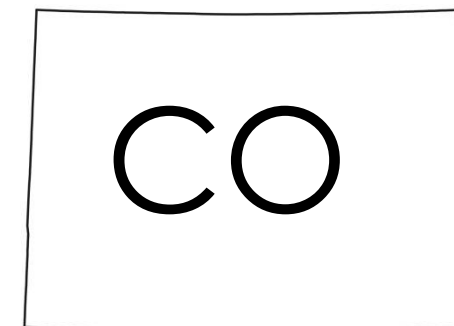
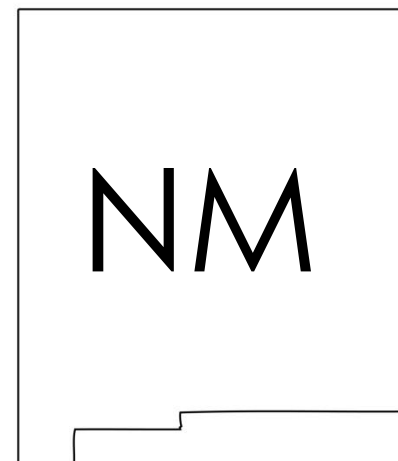
Coordination & Aligned Funding



Coordination



Grant Writing



Getting Involved: Calls to Action



- ✓ **Highlight and coordinate on investment opportunities in energy communities**
- ✓ **Partner on RRTs** - If there is an RRT in your state, look to partner on coordination of funding opportunities and community engagement.
- ✓ **Provide communities with state resources** (e.g. capacity building, grant writing, cost sharing) to access federal resources

Thank you!

Interagency Working Group on Coal and Power Plant Communities and Economic Revitalization



EnergyCommunities.gov



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Upcoming Partner Events



- **Minnesota Energy Transition Summit (Becker, MN)**
 - June 26
- **Illinois Coal Basin RRT Regional Convening (Effingham, IL)**
 - June 27-28
- **Illinois Coal Basin Rapid Response Team Regional Convening (Jasper, IN)**
 - July 12
- **BRECC National Network Convening (Virtual)**
 - July 28
- **Illinois Coal Basin RRT Regional Convening (Murray, KY)**
 - July 25-26
- **EPA Brownfields 2023 Conference (Detroit)**
 - August 8-11

Just Energy Transition Center

Presentation to National Association of State Energy Officials
Experience in Coal Plant Transition

June 15, 2023

Amanda Ormond, ASU JET Center Co-Director

ASU's Just Energy Transition Center

Why create a JET Center?

AZ Coal Plant	Location	Unit #	Planned		Ownership
			Retirement Date	MW	
Cholla	Navajo County	1	2025	114	APS
		3	2025	212	APS
		4	2020	414	APS
Coronado	Apache County	1	2032	411	SRP
		2	2032	411	SRP
Springerville	Apache County	1	2027	425	TEP
		2	2032	425	TEP
		3	TBD	458	Tri-State
		4	TBD	458	SRP
Apache Station	Cochise County	3	TBD	204	AEPCO

ASU's Just Energy Transition Center

Core question: How can ASU help coal-plant communities thrive?

Formed in 2019 the JET Center is working long term to:

- **Understand the impacts** of coal plant closure on N. Arizona communities, the region and the state;
- Help communities **develop visions** for their economic development futures;
- Create **statewide awareness** of impacts of coal plant closures; and
- **Connect communities** to federal, state and utility resources



ASU's Just Energy Transition Center

Core question: How can ASU help coal-plant communities thrive?

Continued - Formed in 2019 the JET Center is working long term to:

- Provide communities with **technical experts and studies** needed to support economic transition;
- Support **identification and development of new industries** leading to jobs and economic prosperity and reuse of plant sites;
- Support **education and job retraining**; and
- Serve as the **state advocate** for impacted communities.



Just Energy Transition Center Guiding Principles

1. People come first. The energy transition away from fossil power plants has profound economic and social consequences for individuals and families.
2. Equitable outcomes depend on broad stakeholder engagement.
3. Consensus on transition direction is the goal.
4. Early action is essential.
5. Transition must be community-led.
6. A Just Energy Transition is long term work.

How the Just Energy Transition Center Can Help



Planning is the first step. Effective planning can lead to:

- Providing an economic glidepath for communities and families;
- Reuse of existing plant infrastructure, land and water;
- Backbone infrastructure of broadband to enable equitable access to opportunities;
- Development of innovative entrepreneurial industries; and
- A shared future community identity.

Coal Community Transition Support

Funding and technical support could come from three sources:



- **Power plant utility owners** – Investor-owned regulated utilities through rate cases and allocation from public power utility.
- **State** - Annual or one-time funding allocation from state legislature and/or technical support through Governor’s Office of Resiliency, Arizona Commerce Authority and other agencies.
- **Federally authorized programs** – e.g., Economic Development Agency, Department of Energy, and Department of Agriculture.

Economic Development Agency (EDA) Grant

In 2022, the JET Center was awarded a grant to conduct research on the potential to repurpose two Arizona power plants and surrounding areas.

Cholla

- Navajo County
- APS owned
- Partial closure (2020); final closure (2025)
- Unincorporated area
- ~330 MW operating



Alan Stark

Coronado

- Apache County
- SRP owned
- Closing in 2032
- Incorporated town(s)
- ~820 MW operating



Arizona Republic

Economic Development Agency (EDA) Grant

Grant Tasks

Task 1 - Catalog coal plant assets, either generically, or with assistance from owning utility.

Assets may include buildings, electrical and mechanical components, land ownership and right of way, water assets and infrastructure, road and rail access, distribution and transmission lines, broadband, etc.

Task 2 - Create a report of possible reuses of power plant assets for use by utilities and communities.

Task 3 – Develop a community working group to support research project.

Status

Grant received in Q4, 2022

Q1, 2023 - Initial planning and scoping for project, with concentration on Cholla area

Q2, 2023 - Cholla advisory group created

Project to be completed in 24 -36 months

Options for Repurposing and Economic Development at Cholla

1. Repowering with biomass, gas, small modular nuclear;
2. Manufacturing or assembly plant;
3. Metal and/or battery recycling facility;
4. Hydrogen production and fueling facility;
5. “Transload facility” providing a train off-loading site from the Southern Pacific Railroad line to transfer goods to trucks for distribution;
6. Waste transfer facility to send to local landfill;
7. Locomotive and railcar repair, railcar storage; and
8. Heavy equipment repair and automotive salvage.

Note: Any future use of power plant facilities is dependent on utility decisions.



Lessons Learned from Working with Communities

1

Develop a process or policy to guide transition (similar to military base closures)

- Regulatory guidance to utilities
- State-level policy
- Holistic in consideration – social and economic

2

Coordinated action and statewide awareness supports good outcomes

- Economic development easier for a region than town
- Political power is increased through community coordination

3

Knowledge and acceptance of economic reality varies among communities and within communities

- Require early notification and frequent communication
- Third party educator is helpful
- Support increasing knowledge in the community

Lessons Learned from Working with Communities

4

Support for and co-creation with community is essential to set future direction

- Community convenings and vision setting
- Identification of elected and social leaders
- Iterative process with study and evaluation
- Linking communities to resources

5

Recognize the intertwined nature of plant and community

- Community leaders may be plant employees
- Plant provides funding for community social service agencies and nonprofits
- Identify of community changes with plant closure

ASU's Just Energy Transition Center

ASU is committed to uses its expertise as a research and teaching institution to support Arizona coal-impacted communities.

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<https://globalfutures.asu.edu/justenergy/>

Reenergize Southwest

Fostering Diversification in Coal Communities

NASEO - June 15, 2023



RELIABLE AFFORDABLE CLEAN INNOVATIVE

VIRGINIA'S ENERGY FUTURE



Michael Skiffington, Director of Reliability and Environmental Stewardship,
Virginia Energy
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VIRGINIA'S *ENERGY* FUTURE

- Background
 - Virginia Energy
 - Coal in Virginia
 - Tax Credit Legislation
- Reenergize Southwest
 - Process
 - Players
 - Recommendations



VIRGINIA'S *ENERGY* FUTURE

BACKGROUND

Department of Mines, Minerals and Energy formed in 1985 (C&T)
Changed to Department of Energy (Virginia Energy) in 2021

- 175 Employees with offices in:
 - Richmond
 - Charlottesville
 - Big Stone Gap
- Program areas include:
 - all forms of mineral extraction
 - geology and mineral resources
 - State Energy Office



VIRGINIA'S *ENERGY* FUTURE

BACKGROUND

- First commercial coal mining in North America was in Virginia
 - Outside of Richmond in 1700s
- In modern times, all production in far Southwest Virginia
 - Production peaked in 1990 (46.6M tons)
 - 2022 Production = 10.8M
- 70% of coal produced is metallurgical

VIRGINIA'S *ENERGY* FUTURE

JOINT LEGISLATIVE & AUDIT REVIEW COMMISSION

- Infrastructure and Regional Incentives – September 14, 2020
 - <http://jlarc.virginia.gov/pdfs/reports/Rpt536-2.pdf>
- JLARC found that two longstanding coal tax credits generate economic losses for the state and were no longer relevant.
- JLARC also stated the coalfield region's existing economic development strategies should be comprehensively evaluated.

VIRGINIA'S *ENERGY* FUTURE

RESULTING LEGISLATION

- In January 2021, legislation was introduced to repeal the coal tax credits
- During the committee process, the bills were amended to create a workgroup led by Virginia Energy
- The bills passed the General Assembly and were signed into law



REENERGIZE



SOUTHWEST

VIRGINIA'S *ENERGY* FUTURE

WORKGROUP LANGUAGE – WHO?

- Virginia Energy, in coordination with:
 - Virginia Coalfield Economic Development Authority
 - Virginia Economic Development Partnership
 - Virginia Employment Commission
 - Southwest Virginia Workforce Development Board
 - Council on Environmental Justice
- Other participating entities:
 - Department of Housing and Community Development
 - Planning District Commissions



REENERGIZE



SOUTHWEST

VIRGINIA'S *ENERGY* FUTURE

WORKGROUP LANGUAGE – WHAT?

- Recommendations for how the Commonwealth can provide economic transition support to the coalfield region, with a particular focus on:
 - Workforce redevelopment,
 - Economic diversification,
 - Reclamation of coal-impacted lands and brownfields,
 - Community revitalization,
 - Infrastructure improvements, and
 - Clean energy development.

VIRGINIA'S *ENERGY* FUTURE

WORKGROUP - WHEN, WHERE, HOW?

- Draft Report due September 1, final Report due December 1
- 3 hybrid public meetings were held across the coalfield region
- Dedicated email address and online comment forum were also established to receive input

VIRGINIA'S *ENERGY* FUTURE

RECOMMENDATIONS

- Increase Support for Site Development
- Expand Solar Energy Programs
- Support Growth of Higher Education in Southwest
- Other Recommendations Focused on:
 - Funds for small downtown revitalization
 - Expand existing Talent Attraction Program
 - Expand Simulated Workforce pilot program
 - Pilot program for child care facilities inside industrial parks
 - Support innovative clean energy pilot programs



VIRGINIA'S *ENERGY* FUTURE

ONGOING EFFORTS

- Virginia Energy has long been a leader in efforts to bolster economic development in Southwest Virginia.
 - Over 200 businesses on previously mined land.
- Abandoned Mine Land (AML) water projects
 - Awarded \$47.8 million for public water projects, creating 1,400 jobs.
- AMLER (formerly AML Pilot)
 - Virginia Energy has received over \$50 million for economic development efforts.



VIRGINIA'S *ENERGY* FUTURE

ONGOING EFFORTS

- Virginia Energy has long been a leader in efforts to bolster economic development in Southwest Virginia.
 - Office of Innovative Reclamation
 - New office created to foster creative approaches for post-mine land use.
 - Innovative Public-Private Partnerships (InvestSWVA)
 - Project Oasis – Data centers cooled with mine water.
 - Project Thoroughbred – Growing grains for craft beverage industry.
 - New opportunities from IIJA/IRA



VIRGINIA'S *ENERGY* FUTURE

QUESTIONS?

Thank you!

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Open Discussion/Q&A