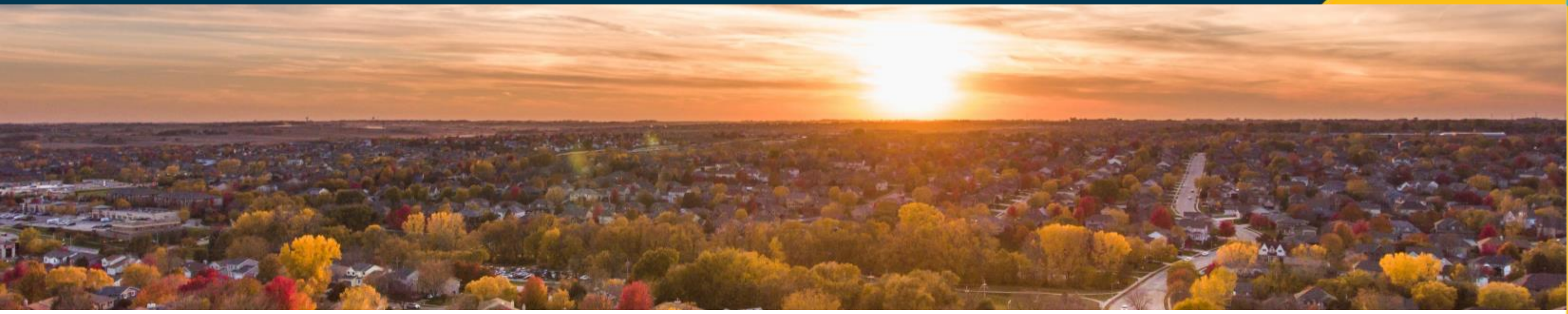
Revitalizing Energy Communities

Two-Year Report to the President



APRIL 2023

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

THE INTERAGENCY WORKING GROUP ON COAL AND POWER PLANT COMMUNITIES AND ECONOMIC REVITALIZATION

was established by Executive Order 14008, sec. 218 (January 27, 2021). Agencies represented on the Interagency Working Group are:

U.S. Department of Treasury

U.S. Department of the Interior

U.S. Department of Agriculture

U.S. Department of Commerce

U.S. Department of Labor

U.S. Department of Health and Human Services

U.S. Department of Transportation

U.S. Department of Energy

U.S. Department of Education

U.S. Environmental Protection Agency

Executive Office of the President

Appalachian Regional Commission

This report was produced in cooperation with the U.S. Department of Energy's **National Energy Technology Laboratory.**

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I. INTRODUCTION

During his first week in office, President Biden created the Interagency Working Group on Coal and Power Plant Communities and Economic Revitalization (Energy Communities IWG) as part of *Executive Order 14008*—a historic and sweeping climate Executive Order that stood up a whole-of-government approach to tackling the climate crisis, recruiting nearly every member of the President's Cabinet to focus agency resources toward building a clean energy economy from the bottom up and middle out. The Executive Order recognized the nation requires a managed, place-based approach to building a sustainable, resilient, and equitable energy system and to capturing the jobs, revenues, and economic stability such a system will bring. The President honored the coal, oil, natural gas, and power plant workers who "drove the industrial revolution and the economic growth that followed and have been essential to the growth of the United States." He directed his Administration to leave no one behind as the nation evolves to making new energy products along robust American-made supply chains that bring equitable revitalization and prosperity to all parts of the United States.

At the direction of the President's Executive Order, the Energy Communities IWG reviewed domestic and international models for economic revitalization, compiled recommendations from advocacy groups and academics, and sought guidance from diverse representatives of energy communities while developing strategies for addressing challenges and policy priorities in these communities nationwide. Stakeholders included labor unions; community and economic development organizations; the private sector; philanthropy; and local, regional, and Tribal governments.

The Energy Communities IWG provided its *Initial Report to the President on Empowering Workers Through Revitalizing Energy Communities (Initial Report)* in April 2021, identifying the *25 energy communities* across the country most immediately impacted by coal plant and mine closures; a broader set of coal, oil, and natural gas communities that will face transition over the next several years; and a clear list of policy priorities to drive investment to these communities.

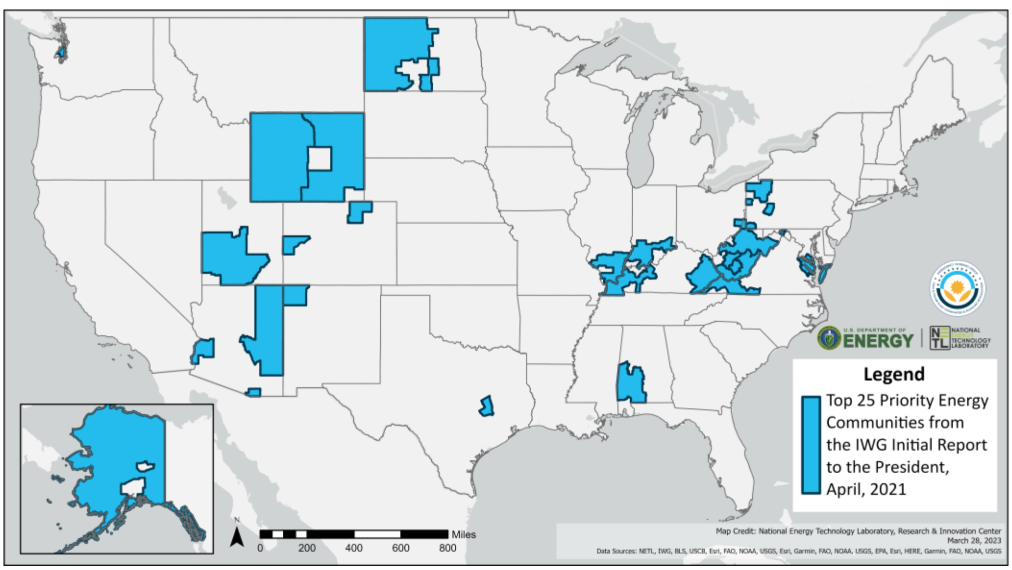


Figure 1. Top 25 Priority Energy Communities Outlined in the Initial Report to the President

In the two years since the Initial Report, the Energy Communities IWG has been deeply engaged in reaching these 25 targeted communities. Biden-Harris Administration officials have met with thousands of stakeholders in dozens of these states and Tribal areas, as well as broader regions of the country where there is a community-driven desire to transition toward more sustainable, resilient, economic models. These diverse communities bring different economic and energy challenges and strategies to the table. They also share common goals, including a desire to leverage existing infrastructure and assets and to attract new industries and investments that can drive much-needed tax revenues, create and retain high-quality jobs, and spur economic diversification in areas that have been reliant on a single resource or industry for too long.

There has been significant progress since the Initial Report was delivered to the President in April 2021. Most important is the passage of the *Bipartisan Infrastructure Law*, *CHIPS and Science Act*, and *Inflation Reduction Act*, which have greatly increased the amount of federal funding relevant to meeting the needs of energy communities across the nation. These federal funds will catalyze further investment from the private sector and philanthropy and have the potential to create as many as 9 million direct jobs[1] while also investing in the innovation and supply chains that are the backbone of the American industrial economy. Since President Biden took office, the United States has seen a manufacturing boom, with more than $435 billion in major private sector investments announced in clean energy, heavy industry, semiconductors, and more.[2]

Despite the incredible progress over the past two years, there is much more to be done to ensure workers and communities can access all the benefits the federal government and its industrial partners have provided. We have only just begun realizing the promise of this historic set of public investments. This report outlines the transformative activities the Biden-Harris Administration has taken since January 2021 to provide robust outreach and engagement with energy communities, and to ensure real investments continue flowing to those communities through strategic agency efforts and implementation of the major legislation signed during the Administration's first two years.

Achievements Over Two Years

ENERGY COMMUNITIES IWG PRIORITIES

The Energy Communities IWG made significant progress over the past two years in all four areas outlined in the Initial Report to the President: stakeholder engagement, federal program integration, investment to energy communities, and advancing policy focused on these communities.

PROMISE MADE	PROMISE KEPT
Immediately align the work of the Energy Communities IWG with other federal efforts to direct investment to disadvantaged and environmental justice communities.	The work of the Energy Communities IWG has been done in parallel with work to define the geography and benefits to disadvantaged communities through the Justice40 Initiative; the work through the U.S. Department of Agriculture Rural Development's (USDA RD) *Rural Partners Network* to identify key challenges facing rural and remote areas; and the focus on Tribal energy transition happening through the White House Council on Native American Affairs. This is especially important given the significant overlap between energy communities, rural and remote communities, Tribal communities, and frontline environmental justice communities. Specific instances of coordination include the U.S. Department of Energy (DOE) *Communities Local Energy Action Program (Communities LEAP)*, which supports energy transition planning in both energy and environmental justice communities; the Energy Communities IWG's Rapid Response Team (RRT) in the Four Corners region, focused on energy and Tribal communities; and joint efforts across all member agencies to coordinate technical assistance, metrics of success, and evaluation measures for Bipartisan Infrastructure Law and Inflation Reduction Act funding. Interagency coordination is perhaps nowhere more successful than through the RRTs, which pulled together targeted, place-based

interventions and federal resources under a Memorandum of Understanding (MOU) signed by 11 federal agencies.[3]

PROMISE MADE	PROMISE KEPT
Within three months, launch a series of town hall meetings with senior Administration officials in energy communities, to both listen to the concerns of key constituencies and identify federal resources communities could immediately access.	Starting with a targeted set of virtual roundtables in the summer and fall of 2021 focused on new U.S. Economic Development Administration (EDA) funding for coal communities under the American Rescue Plan, the Energy Communities IWG has done significant stakeholder outreach in coordination with both principals and senior agency staff, as well as regional agency leaders. In 2021, the working group hosted nine webinars, which garnered more than 1,200 attendees. Since then, the Energy Communities IWG has engaged with more than 9,000 stakeholders through virtual and in-person events. These activities have touched communities across Appalachia, the Midwest, the Intermountain West, California's Central Valley, and Alaska.
PROMISE MADE	**PROMISE KEPT**
Within three months, recommend whether a formal energy community advisory group (comprised of key constituencies including labor unions; state, local, and Tribal officials; environmental justice organizations; community groups; and others) should be created to support activities of the Energy Communities IWG.	After carefully considering the advisory needs of the Energy Communities IWG and the existing federal panels advising on closely related work, the co-chairs ultimately decided against standing up a new, formal advisory body. Instead, the Energy Communities IWG has focused on maintaining close relationships with a broad array of stakeholders across geographies and areas of expertise, and learning from existing federal advisory bodies. Through a Federal Register Notice, the Energy Communities IWG also conducted a Request for Information (RFI) for stakeholder input. There were 117 viable responses from 26 states, representing most of the top 25 energy communities identified in the Initial Report. The responses provided information related to the challenges facing energy communities, revitalization priorities, and recommendations on enhancing federal government assistance to address these challenges.
PROMISE MADE	**PROMISE KEPT**
Support good-paying, union job-creating investments in energy communities.	Supporting high-quality jobs, while ensuring these jobs are broadly accessible to a diverse range of workers, is a core priority of the entire Biden-Harris Administration and has been incorporated into implementation efforts for all the federal legislation passed in the last two years. For its part, the Energy Communities IWG has organized several meetings between key labor unions and emerging clean energy industries, resulting in commitments to new investments in priority energy communities that will utilize union apprenticeship programs and create good jobs with a free and fair choice to join a union.
PROMISE MADE	**PROMISE KEPT**
Engage key federal resources, including the National Labs and the National Academies of Science, Engineering, and Medicine, to provide regular reports to the President and to the chairs of the Energy Communities IWG on the progress of federal efforts to revitalize energy communities.	The management team of the Energy Communities IWG is based at the National Energy Technology Laboratory (NETL). In addition, the Energy Communities IWG relies on outside reports from academic institutions and policy institutes to inform internal reports and briefings to the co-chairs and lead agencies. Given the geography- and industry-specific nature of energy transitions, these resources may provide more timely and specific information that a single national report may be unable to address.

PROMISE MADE	PROMISE KEPT
Within one year, establish and expand efforts to create a "One-Stop Shop" for energy communities seeking access to federal resources, and identify mechanisms to coordinate the activities of federal agencies and the delivery of federal resources to reinforce the economic revitalization goals of the Energy Communities IWG.	To help break down barriers to accessing federal funds, the Energy Communities IWG collected funding information from participating agencies and launched an online Clearinghouse of broadly available federal funding opportunities relevant for meeting the needs and interests of energy communities. The Clearinghouse provides additional information on how energy communities can access federal dollars and obtain technical assistance to make sure these new funds can connect to local projects in their communities. This Clearinghouse serves as the first major step toward a One-Stop Shop. In its Initial Report, the Energy Communities IWG reported that $38 billion in existing federal programs could be used by energy communities. As of March 2023, the Energy Communities IWG Clearinghouse has collected information on more than $500 billion of broadly available federal funding opportunities and 22 tax credits that are relevant for meeting the needs and interests of these communities.

PROMISE MADE	PROMISE KEPT
Within one year, prepare a follow-up report recommending changes to federal policy and programs to enhance federal capabilities to support economic revitalization in energy communities.	The Energy Communities IWG produced multiple internal progress reports to the co-chairs and agency leadership, recommending a range of policy and administrative options for effective engagement with energy communities. This is the first public report produced since the April 2021 Initial Report.

II. MEETING COMMUNITIES WHERE THEY ARE: OUTREACH AND ENGAGEMENT

Over the past two years, the Energy Communities IWG has engaged with more than 9,000 stakeholders, including community economic development leaders; state, county, and city government officials; labor, Tribal, and private sector representatives; Congressional staff; and leaders from academia and philanthropy. Through more than 25 in-person and virtual workshops, the Energy Communities IWG has built partnerships and assisted energy communities with eliminating barriers to federal funding and navigating multiple federal agencies to support integrated activities on the ground.

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

Respondent from Falls City EDGE

ACTIVITIES THUS FAR

9,000+	25+	11+	3
STAKEHOLDERS ENGAGED	IN-PERSON AND VIRTUAL WORKSHOPS	COMMUNITIES REACHED	RAPID RESPONSE TEAMS

The Energy Communities IWG is a place-based effort, and so it recognizes that every community brings different challenges and opportunities to the table. A rural area with a closing coal plant and mine, where local tax revenues are highly dependent on the coal industry, looks very different than an urban community with a closing coal plant, where the most immediate local impacts may be primarily environmental. Coal communities losing core industries face some similar, but many very different, issues than oil and gas communities managing the significant volatility of those industries.

"Reduce administrative barriers communities face when applying for and receiving federal awards. Rural and distressed communities often lack the resources and capacity to compete with communities that do not have these same challenges."

Respondent from the West Virginia Community Development Hub

Recognizing the importance of meeting these communities where they are, the Energy Communities IWG serves as a hub of stakeholder engagement, coordinating across federal agencies and energy communities to increase access to federal resources and reduce barriers to accessing assistance. The Energy Communities IWG is focused on good governance, eliminating silos, and closely coordinating with federal agencies to support community-driven economic revitalization in an integrated way. This approach allows the Energy Communities IWG to strategically reduce barriers that communities face when accessing federal funding, and to increase awareness about resources that best suit their unique needs.

Over the past two years, our data-driven approach allowed a laser focus on those communities where economic revitalization assistance is most immediately needed, by ensuring federal resources are available to alleviate the devastating economic effects of coal mine and power plant closures. The Energy Communities IWG's targeted regional efforts touched Arizona, Colorado, Illinois, Indiana, Kentucky, New Mexico, North Dakota, Pennsylvania, West Virginia—including focused attention on Matewan and Charleston—and Wyoming, as well as the Navajo and Hopi reservations in the Four Corners region. This outreach included both stand-alone, principal-level engagement and events, as well as deeper engagement over a longer time period, including creating interagency, regionally focused RRTs in several of these areas.

"Simplifying grant applications and grant compliance would be helpful. The dream scenario would be a single application for an open need routing to multiple funding partners."

Respondent from City of Marion, Illinois

Soliciting Feedback Through a Request for Information

As the Biden-Harris Administration looks to the coming year, the Energy Communities IWG will ensure a continued focus on the challenges and opportunities faced by energy communities across the United States. To buttress the stories, circumstances, goals, and articulated needs through active engagement in communities, the Energy Communities IWG opened a formal process in June 2022 to solicit input on what energy communities need to be successful in their bid for economic diversification and revitalization. This input will be critical to inform every member agency's implementation of historic legislation and budget commitments to energy communities.

In a formal RFI issued by NETL, respondents were asked to provide information related to the challenges facing energy communities, revitalization priorities, and recommendations on enhancing federal government assistance to address these challenges.

There were 117 viable responses from 26 states, representing most of the top 25 energy communities. More than half of respondents were from states where the Energy Communities IWG has been particularly engaged: West Virginia, Arizona, Wyoming, and Colorado. Approximately 38% of responses came from nonprofit organizations. Local government, private sector, and individuals represented approximately 43% of respondents.

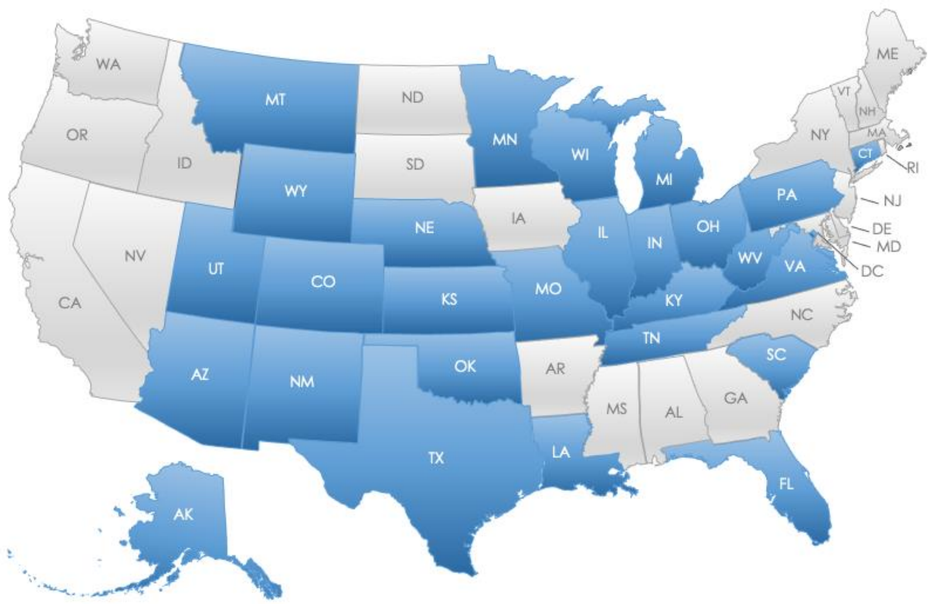


Figure 2. States Represented in the Energy Communities IWG Request for Information Responses

While priorities varied by the community and stakeholder group, the comments illustrate key themes that cut across geography and call for a holistic approach to community revitalization addressing challenges through coordinated public and private investment. The three most common themes were related to grant assistance, infrastructure, and workforce development and training.

Challenges facing energy communities:

- Lack of investment (73.4% of responses)
- Difficulty with the process of applying for state or federal assistance (61.5% of responses)
- Inadequate telecommunications or broadband infrastructure (54.1% of responses)

Priorities for economic revitalization:

- Energy infrastructure (58.7% of responses)
- Affordable housing (55.9% of responses)
- Education/training (54.1% of responses)

- Revitalize manufacturing (54.1% of responses)

Assistance accessing financial support:

- Increase availability of financial assistance opportunities that address a combination of needs (e.g., workforce development infrastructure, cleanup, re-tooling, etc.) under one application (41.2% of responses)
- Streamline the process for applying for federal assistance (22% of responses)
- Facilitate coordination across regions and states (9.2% of responses)

Enhanced support from the federal government:

- Grant assistance (24.4% of responses)
- Infrastructure (22.2% of responses)
- Training/retraining (14.4% of responses)

The responses reinforced many of the concerns, issues, challenges, and needs the Energy Communities IWG has been hearing since its inception. Responses also helped refine the working group's understanding of complementary economic development-related issues facing energy communities. Responses referenced a broad range of ideas for solutions to interconnected environmental, economic, and social challenges facing energy communities, including access to healthcare, drug treatment and reintegration plans, pollution cleanup, and investments in technologies to decarbonize carbon-based fuels. It is clear federal agencies need to improve access to key programs and funding sources, and that this access must be easily understood, include streamlined application processes, and allow for more efficient reporting requirements.

The RFI also reinforced the reality that economic transformation is challenging, requiring actions and input from across several sectors at the community level. These community needs cannot be addressed by individual programs or a single agency; they must be addressed comprehensively, patiently, and with deference to local knowledge and experience.

"[C]ommunities affected by the decline of the coal industry often lack the capacity needed to navigate the federal funding landscape and develop competitive applications. Moreover, federal program requirements and evaluation criteria put our resource-constrained communities at a systematic disadvantage compared to well-resourced areas."

Respondent from the National Economic Transition Coalition

III. RESPONDING TO COMMUNITIES: LEVERAGING HISTORIC FEDERAL INVESTMENTS

Driving Investment to Energy Communities

The first two and a half years of the Biden-Harris Administration resulted in historic investments into the American economy, starting with the *American Rescue Plan*, which focused on the critical need to help local and regional economies recover from COVID-19. The Administration and Congress spearheaded the *Bipartisan Infrastructure Law*, *CHIPS and Science Act*, and *Inflation Reduction Act*, all of which are critical to ensuring the economies we build are stronger, more resilient, and more equitable. DOE Secretary and Energy Communities IWG leader Jennifer Granholm compared these transformative pieces of legislation to essential parts of the body—the Bipartisan Infrastructure Law is the backbone, the CHIPS and Science Act the brain, and the Inflation Reduction Act the lungs that ensure the private sector continues to breathe life into the American economy.

Throughout these policies are key provisions that either directly or indirectly support energy communities in every stage of their economic transition—supporting transition planning, remediating and reclaiming land, investing in foundational infrastructure and new industries, and supporting the workers and good-paying jobs with a free and fair choice to join a union that make all the other pieces possible.

Figure 3. Stages of a Successful Economic Transition

Targeted Support to Energy Communities

Before detailing the federal investments available today, it is important to note that these policies provide directed support to communities in transition from fossil fuel economies, and/or to potentially displaced workers . The American Rescue Plan carved out support for coal communities with major investments in regional planning to support recovery and reinvestment post COVID-19. Several Bipartisan Infrastructure Law provisions either require or give preference to communities with existing fossil industries, and/or give priority to projects that hire displaced fossil energy workers.

The CHIPS and Science Act supports research on utilizing coal waste and other carbon materials, as well as STEM training programs focused on displaced fossil workers.

Finally, the Inflation Reduction Act provides a bonus credit of up to 10 percentage points for qualifying clean energy investments, or a bonus credit of up to 10% for qualifying clean energy production for a range of projects located in energy communities. It also includes a *major new loan program* focused on repurposing existing energy infrastructure and facilities for new energy generation, manufacturing, and other emerging industries.

What is an Energy Community?

In its Initial Report to the President, the Energy Communities IWG identified 25 key energy communities based on each community's urgent need to address recently closed, or imminently closing, energy facilities —primarily coal plants and mines. The Biden-Harris administration continues to prioritize these communities for outreach and engagement, including the Energy Communities IWG RRTs.

Since that Initial Report, and recognizing the critical need to drive resources to energy communities, Congress included specific statutory definitions of coal and/or broader energy communities throughout the Bipartisan Infrastructure Law and Inflation Reduction Act:

Coal Communities:

- *The Advanced Manufacturing and Recycling Grant Program*, Bipartisan Infrastructure Law Section 40209, provides $750 million in grants for clean energy manufacturing and recycling, limiting these funds to census tracts containing coal-fired generating units that have retired since December 31, 2009, or coal mines that have closed since December 31, 1999—or immediately adjacent census tracts.
- The *Advanced Manufacturing Tax Credit*, section 48C under the Inflation Reduction Act, includes a carve-out of 40% of all credits ($4 billion) for census tracts that meet a nearly identical definition to that under the Advanced Manufacturing and Recycling Grant Program.

Energy Communities: The Inflation Reduction Act also includes a bonus tax credit of up to 10 percentage points for qualifying clean energy investments or a bonus credit of 10% for qualifying clean energy production. Under this definition, an energy community either: (1) meets the coal communities definition (above); (2) meets a certain threshold of employment or tax revenue dependence on fossil fuels, as well as having an unemployment rate higher than the national average; or (3) meets the definition of a brownfield under the Comprehensive Environmental Response, Compensation, and Liability Act (CERCLA).

Energy Assets and Infrastructure:

- DOE's Loan Program Office received funding under the Inflation Reduction Act for a new *Energy Infrastructure Reinvestment Loan Program*, with up to $250 billion in loan authority, for projects that repurpose, reuse, or decarbonize existing energy infrastructure. This will be broadly applicable across energy communities.
- USDA will preference energy communities in certain of *Inflation Reduction Act programs*, including the Rural Energy for America Program. Additionally, the USDA will unveil two new Inflation Reduction Act programs to help finance affordable, reliable, and resilient clean energy projects: the $9.7 billion Empowering Rural America (New ERA) program and $1 billion for renewable energy programs with loan forgiveness.

These funds will be a key tool in the energy community revitalization toolbox. Clearly defining "energy community" for each of these programs, illustrating where programs can and cannot be stacked and combined, and providing strong outreach and engagement with communities to ensure these programs are used effectively underpin a successful implementation.

Establishing Rapid Response Teams to Support Targeted Communities in Navigating and Accessing Federal Resources

The Energy Communities IWG established a set of RRTs in response to calls for better federal agency coordination. These teams, comprised of member agency staff most relevant to the specific geography or technical opportunity, work with communities during recent or approaching fossil fuel facility closures to address local needs using existing federal resources.

Currently in three regions, RRTs bring the expertise of the Energy Communities IWG and member agencies to support locally led worker transition, economic diversification, and transformation of communities. Each RRT will make connections with state and local agency leadership, assist in identifying community leads, hold listening sessions, foster grassroots engagement, and create or build on a basic economic transition plan. Most important, each RRT will support the development of a local and regional stakeholder network focused on leveraging intergovernmental and cross-sector resources to address unmet community needs and invest in opportunities for equitable and sustainable place-based economic growth and diversification.

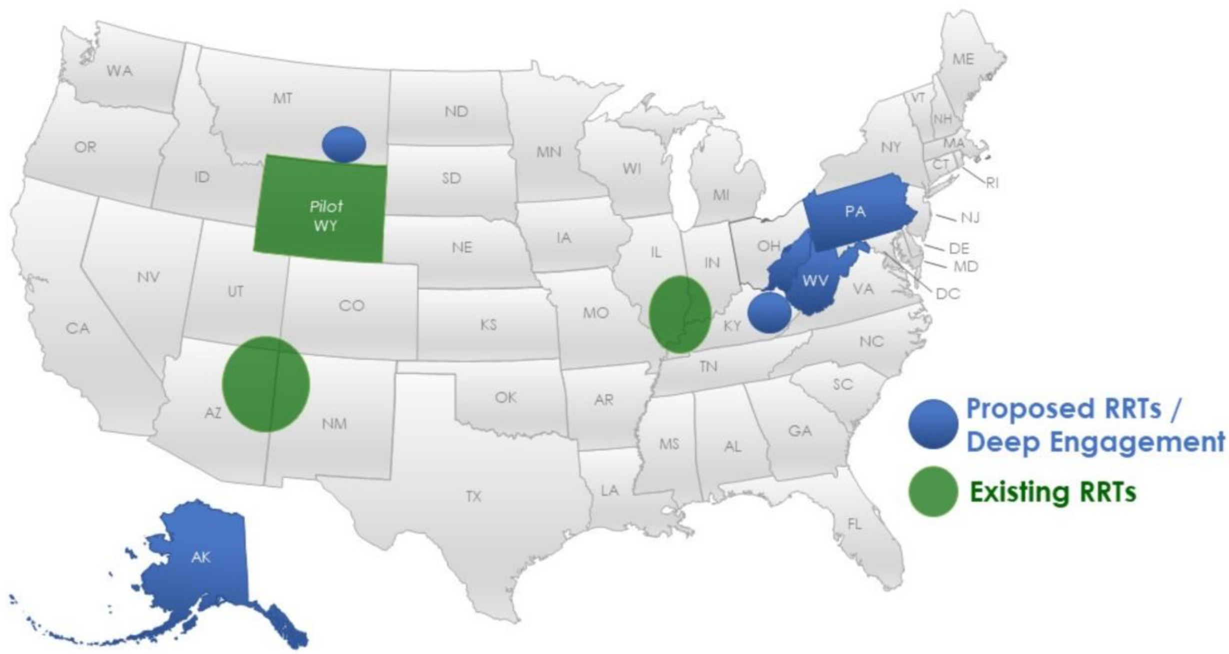


Figure 4. Existing and Proposed Rapid Response Teams

Wyoming

Wyoming has a long history with fossil fuel industries, including some of the largest coal resources in the country. With the ongoing shift in fossil fuel consumption, many communities and industry leaders in Wyoming are considering how to mitigate impacts from future mine and power plant closures while also exploring ways to expand their energy economy in the 21st century. Wyoming's investments in energy production infrastructure over generations, its highly skilled workforce, and its commitment to supporting, advancing, and using energy sector technology position the state to continue growing the energy sector and transform its economy. To help navigate this transformation, the Energy Communities IWG and federal agencies worked with Wyoming state and local leaders to create the first RRT in the fall of 2021.

The Wyoming RRT grew out of the premise that state and local leaders were best able to describe their visions for future economic growth and that energy sector transformation and expansion would be most successful if federal programs could support those visions. This early effort served as a pilot exploration of the RRT concept. Its operation and success supported the planning and creating of other RRTs. The first task for the Wyoming RRT was simply to listen. Through a series of virtual meetings with county commissioners, community members, community-based organizations, labor and workforce advocates, and business leaders, the RRT began to understand how federal programs could assist the transformation. *Listening and learning* became the foundation for exploring solutions to barriers for economic growth and identifying programs to support expanding the energy sector incentivized by the Bipartisan Infrastructure Law and Inflation Reduction Act.

Investments by EDA, USDA RD, DOE, and the U.S. Environmental Protection Agency (EPA) were deployed to address economic development planning needs, healthcare access, identification and technical assistance on the cleanup and reuse of previously developed sites, and opportunities for new energy development.

Since the fall of 2021, the Governor's Office has been instrumental in the Wyoming RRT's progress with local and statewide leaders. RRT members, led by career staff in EPA's Denver regional office, have been in bi-weekly calls with state leaders in energy policy, business and economic development, environmental quality, workforce development, and other issue areas. Frequent contact and commitment from state leaders provided a fertile platform for problem solving and matching resources with needs as Wyoming works to expand its economy and transform its energy sector.

Federal Resource Highlights in Wyoming:

Industrial Infrastructure Development:

EDA awarded $2.8 million to Campbell County to fund Phase 1 infrastructure improvements supporting business growth and job creation at a heavy industrial business park. The project will provide access to eight shovel-ready development sites on 160 acres, and includes road extension and industrial water, electrical, gas, and fiber utilities extensions to all the sites. This project is expected to create and retain 90 jobs and generate $25 million in private investment.

Economic Transformation:

The Gillette College Foundation won a $580,000 award from EDA to establish an Office of Transformation to develop an economic diversification plan and implementation strategy for the regional coal extraction-based economy. This project seeks to consolidate existing diversification strategies, workforce studies, and planning efforts to develop a comprehensive Transformation Strategy and Implementation Plan with new regional partners and existing stakeholders.

Infrastructure Technical Assistance:

Lincoln County received an EDA award of $151,000 to determine industrial infrastructure investments needed in this coal-impacted community. The project establishes a blueprint for developing a 'chemical cluster' south of Kemmerer and supports the planned TerraPower advanced nuclear power reactor demonstration project. It also advances priorities identified in an EDA-funded Economic Diversification Plan for the City of Kemmerer.

Regional Economic Coordination:

EDA awarded the Wyoming Energy Authority (WEA) $595,000 to establish a statewide Regional Economic Coordination Office (RECO) to research and identify energy projects supporting job creation, business development, inclusive growth, and regional collaboration. The project will develop road maps and strategies for developing hydrogen and advanced nuclear plants, as well as carbon capture and energy efficiency and conservation opportunities.

Growing Skilled Workforce:

Western Wyoming Community College in Rock Springs was awarded $3 million to help diversify the economy by boosting the region's healthcare workforce. This EDA project will renovate existing training facilities and construct new educational spaces supporting the creation of a Health Sciences Wing on the College's main campus. The investment will be matched with more than $5 million in state and local funds and is estimated to help create 1,500 jobs in this coal-impacted region.[4]

Addressing Legacy Land Contamination:

In May 2022, EPA awarded more than $3 million in Brownfields Cleanup, Assessment, and Revolving Loan Fund Grants to the Wyoming Department of Environmental Quality (DEQ), City of

Cheyenne, and Sheridan County Conservation District to help clean up and revitalize sites in local communities. This includes cleanup of the former Acme power plant site in Sheridan, Wyoming.

Supporting Water Infrastructure:

EPA broadly supports water infrastructure investments throughout Wyoming with more than $63 million in clean water and drinking water revolving funds.

Illinois Coal Basin

The Energy Communities IWG Illinois Coal Basin RRT provides on-the-ground technical assistance and coordination of federal funding opportunities with state partners to energy community organizations dealing with recent and/or facing imminent fossil energy transitions such as coal mine and plant closures. The Illinois Coal Basin RRT is led by USDA RD and works across Southern Illinois, Southern Indiana, and Western Kentucky.

In December 2022, USDA RD hosted an in-person funding review of 10 priority projects selected from 14 applications representing five counties. Participants included USDA RD, EPA, DOE, EDA, the U.S. Department of the Interior (DOI), the U.S. Small Business Administration (SBA), the Illinois Department of Commerce & Economic Opportunity (IL DCEO), the IL Innovation Network, the University of Illinois Extension, the Prairie Rivers Network, and the Greater Peoria Regional Economic Commission. Applicants left with individualized contact lists for relevant funding opportunities and respective agency representative contact information. Projects submitted but not presented were reviewed by USDA RD staff and received direct connections to relevant agency representatives.

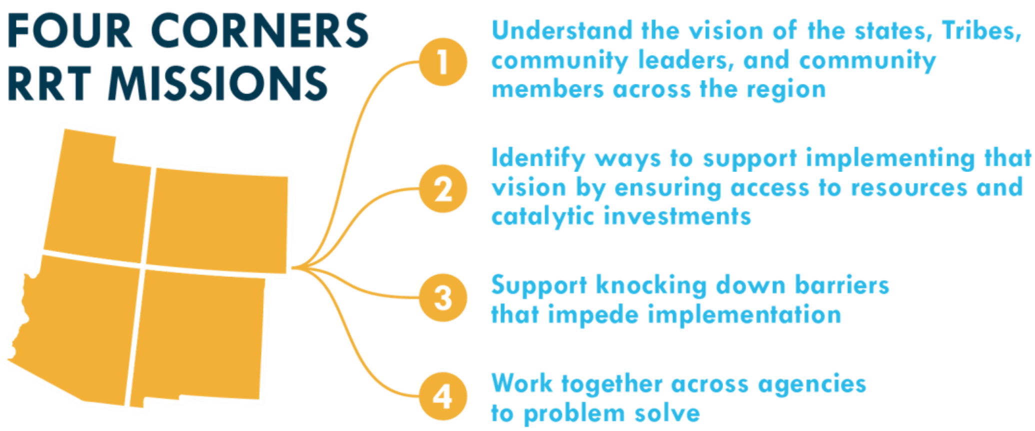
In March 2023, USDA RD hosted a similar two-day event consisting of an updated funding review and a full-day workshop. Of the 38 applications received from 13 counties, 14 were selected for in-person presentations, encompassing 20 projects. Participants left day one with individualized contact lists for relevant funding opportunities and respective agency representative contact information. Projects submitted but not presented were reviewed by USDA RD staff and received direct connections to relevant agency representatives.

Day two consisted of rotating panels in the morning where federal and state partners educated more than 60 community members about funding opportunities. The panels were followed by an afternoon of interactive workshops in a computer lab on how to navigate *Grants.gov*, the grant application process, grant management, and helping people sign up for both federal and state *UniqueIDs*. The RRT also offered one-on-one technical assistance appointments. In addition, the Illinois Coal Basin RRT hosted an off-site event on day two for small business owners at a local incubator where USDA RD, SBA, and IL DCEO representatives provided one-on-one education and assistance. The next round of funding reviews and workshops will take place in Southeast Indiana and Central/Eastern Illinois, followed by Western Kentucky.

Figure 5. Illinois Coal Basin Rapid Response Team Workshop (Courtesy of USDA RD)

Four Corners Region

The Energy Communities IWG launched the Four Corners RRT in August 2022 with a kickoff meeting in Farmington, New Mexico, that included DOI Secretary Deb Haaland, DOE Deputy Secretary David Turk, former White House National Economic Council Director Brian Deese, and then-Deputy National Climate Advisor Ali Zaidi. The Four Corners of New Mexico, Arizona, Utah, and Colorado ranked in the middle of the 25 most impacted coal and power plant communities as described in the Initial Report. Three of the region's seven coal-fired energy generating plants have closed since 2019, creating economic, social, and recovery challenges across four states, four Tribal nations (the Navajo, Hopi, Ute, and Zuni), and several regional councils of governments, counties, and localities.



The Four Corners RRT is led by DOE's Los Alamos National Laboratory and works across northwest New Mexico, Eastern Arizona, Southeast Utah, and Southwestern Colorado. The focus of the Four Corners RRT since the fall of 2022 has been on *listening and learning* from and about the many community members and organizations in the region, and how they interact to support economic development, environmental justice, equitable energy sector transformation, and the numerous other priorities that have emerged, both recently as well as over decades of energy generation.

Listening and learning pointed toward a number of near- and mid-term focus areas, such as expediting review of an application for studying the expansion of regional rail service to support economic development; more effectively matching displaced workers with skills training and job opportunities; identifying resources to increase the capacity of local and regional organizations to access programs and grants that support economic transformation; and deploying broadband infrastructure for better connectivity across many critical sectors, including healthcare and education.

In the short term, the Four Corners RRT has fostered connections between local and regional organizations and the federal programs that are best positioned to support their priorities. The U.S. Department of Labor (DOL), U.S. Department of Transportation (DOT), USDA RD, DOI, and EDA have all been part of the RRT's convening and connecting role. The Four Corners RRT also worked with EDA's Economic Development Communities of Practice to bring together community members and community organizations, local and regional governing organizations, and economic development institutions.

EDA also funded a Coal Communities Community of Practice operated by the National Association of Counties (NACo) to ensure connections and learning across its coal community grantees. NACo announced two technical assistance projects in the Four Corners—one in Arizona (Apache, Coconino, and Navajo counties) and the other in San Juan County, New Mexico. NACo is coordinating its work with the Energy Communities IWG and the Four Corners RRT to ensure that these Community of Practice technical assistance projects serve the residents of Tribal communities while also aligning with the broader interagency effort.

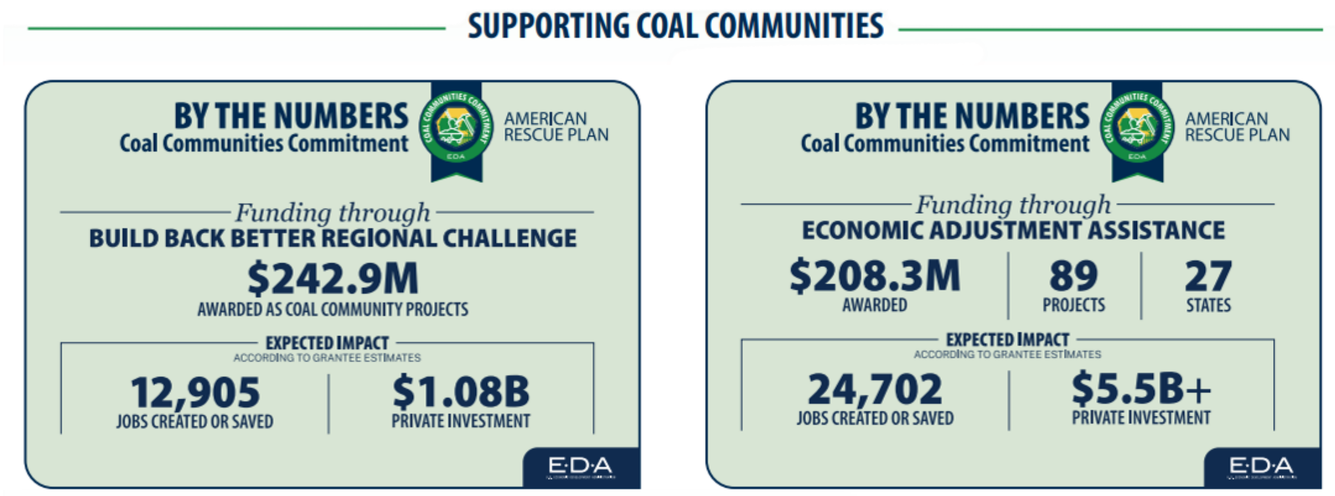
Finally, the Four Corners RRT is working with DOE and other agencies to support repurposing the recently closed San Juan Generating Station. This shuttered coal plant is a significant resource for transmission capacity and other key infrastructure, which makes it attractive for clean energy production and new industry siting.

New Federal Support for Energy Community Revitalization

Recovery and Revitalization for Coal Communities

American Rescue Plan

EDA's *Coal Communities Commitment* allocated at least $300 million of the agency's $3 billion American Rescue Plan appropriation specifically to coal communities, with $200 million from the Economic Adjustment Assistance (EAA) Program and $100 million from the Build Back Better Regional Challenge (BBBRC) to support these communities in planning for their recovery from the pandemic, and in their pivot toward broader energy and economic transition efforts.



As a result of robust demand, EDA significantly exceeded this commitment, awarding more than $550 million to coal communities across its *six American Rescue Plan programs*. This funding includes $208 million for 89 EAA projects and nearly $243 million across nine BBBRC Phase 1 awards, as well as five BBBRC winners in Alaska, New York, Oklahoma, Pennsylvania, and West Virginia.

The Coal Communities Commitment grants support investments in critical infrastructure, workforce development, industry diversification, business incubation, and more, fostering competitiveness and economic growth in coal communities across the country. This funding meets communities where they are in their clean energy transition and supports their unique needs as they recover from the pandemic, develop resilient economies, and create good-paying jobs and opportunities.

CASE STUDY

Coalfield Development, West Virginia

President Biden signed the American Rescue Plan Act in March 2021, which provided $1 billion to EDA for a major economic development initiative. EDA launched the Build Back Better Regional Challenge (BBBRC) competition, inviting regions from across America to put forward the most innovative ideas for economic renewal.

The Appalachian Climate Technologies Coalition (ACT Now Coalition) received federal grant awards totaling $62.8 million and leveraged an additional $26 million match from non-federal sources for economic development projects in southern West Virginia coalfield communities. The ACT Now Coalition is one of only 21 winners nationwide to receive a funding award from the highly competitive BBBRC, designed to build new economic development approaches and good-paying jobs in economically distressed regions.

The ACT Now Coalition includes the two largest universities, two largest cities, and more than 50 private businesses and innovative nonprofit organizations in West Virginia. The federal grant award supports eight separate ACT Now Coalition projects.

ACT NOW COALITION
APPALACHIAN CLIMATE TECHNOLOGY

CHIPS and Science Act

The CHIPS and Science Act authorized $10 billion to invest in regional innovation and technology hubs across the country, and an additional $1 billion for programming to alleviate persistent economic distress and to support long-term comprehensive economic development and job creation in the most distressed communities.

Under the *Consolidated Appropriations Act (2023)*, Congress appropriated $500 million to technology hubs and $200 million to a Recompete Pilot Program for EDA to design and implement these new programs. EDA is currently developing the Tech Hubs Program, which aims to build and evolve innovation centers in key regions. The program will accelerate a region's evolution into a global leader and strengthen U.S. global competitiveness within critical technologies. A Notice of Funding Opportunity (NOFO) is expected to be released in 2023. In February 2023, EDA issued a Tech Hubs RFI to solicit public input about the program design, structure, and evaluation.

The Recompete Pilot Program is an economic development initiative that will provide grant funding to distressed communities across the country to create and connect workers to good jobs and support long-term comprehensive economic development by helping to reduce the high, prime-age (25 to 54 years of age) employment gap. While not specific to energy communities, many of the Energy Communities IWG's original 25 target communities have a strong overlap with EDA's goals for this program.

Addressing Legacy Pollution and Land Impacts in Power Plant & Mine Communities

Bipartisan Infrastructure Law

The Energy Communities IWG has consistently heard from stakeholders in coal, oil, and gas communities that any economic transition or revitalization is impossible until legacy impacts are addressed. The Bipartisan Infrastructure Law includes $21 billion in direct investments into brownfield remediation, mine land reclamation, and orphaned oil and gas well plugging, so that communities can turn from cleanup toward clean energy.[5]

Brownfields

Many energy communities that are home to mines, power plants, oil and gas infrastructure, or any related industrial infrastructure are also likely to have lingering environmental contamination challenges and infrastructure needs. Former industrial sites with known or suspected contamination are known as brownfields. Brownfield projects can range from cleaning up buildings with asbestos or lead contamination to assessing and cleaning up abandoned properties that once managed hazardous substances. Once cleaned up, former brownfield properties can be redeveloped into productive uses such as commercial development, grocery stores, affordable housing, health centers, museums, parks, and solar farms. The Bipartisan Infrastructure Law delivers $1.5 billion to EPA over five years to award grants to qualified communities and nonprofits to assess and clean up brownfield properties and provide technical assistance to restore sites to hubs of economic growth.

Abandoned Mine Land Reclamation

DOI will deliver $10.9 billion in Bipartisan Infrastructure Law Abandoned Mine Land (AML) grant funding over 15 years to eligible states and Tribes to help communities eliminate dangerous environmental hazards and pollution caused by past coal mining while creating good-paying jobs and new economic opportunities in coal communities. In a first for the AML program, these funds will preference hiring current and former coal workers.

AML reclamation projects support vitally needed jobs by investing in projects that close dangerous mine shafts; reclaim unstable slopes; prevent releases of harmful gases, including methane; improve water quality by treating acid mine drainage; and restore water supplies damaged by mining. AML reclamation projects also enable economic revitalization by rehabilitating hazardous land so that it can be used for recreational facilities or economic redevelopment uses like advanced manufacturing and renewable energy deployment. In addition to tackling health and safety hazards from legacy abandoned coal mine sites, AML funding can also be used to clean up rivers, streams, and other waterways that are polluted by acid mine drainage.

CASE STUDY

Abandoned Mine Lands Economic Revitalization Economic Development Projects, Kentucky

In October 2022, the Biden-Harris Administration provided $24.4 million in fiscal year 2022 in Abandoned Mine Land Economic Revitalization (AMLER) Program funds for economic development projects in nine Eastern Kentucky counties.

The AMLER Program, funded by DOI's Office of Surface Mining Reclamation and Enforcement (OSMRE), is an opportunity for Appalachian communities to achieve economic and community development goals in areas that have been impacted by the downturn of coal production. Funding from AMLER will support 11 projects in nine counties.

This investment in the economic revitalization of Eastern Kentucky is expected to retain or create more than 200 jobs, train 300 Kentuckians, and serve more than 100,000 people with tourism, infrastructure development, or training opportunities.

Orphan Oil and Gas Wells

DOI is tackling legacy pollution through a $4.7 billion Bipartisan Infrastructure Law investment to plug orphaned wells. These legacy pollution sites are environmental hazards and jeopardize public health and safety by contaminating groundwater, emitting noxious gases and methane, and littering the landscape with rusted and dangerous equipment. The historic investments to clean up these hazardous sites will create good-paying jobs with a free and fair choice to join a union, catalyze economic growth and revitalization, and reduce harmful methane leaks.

BIPARTISAN INFRASTRUCTURE LAW INVESTMENTS TO PLUG ORPHANED WELLS

$4.7B

$4.3B
TO PLUG ORPHANED WELLS ON STATE AND PRIVATE LANDS

$250M
TO CAP ORPHANED WELLS ON PUBLIC LANDS

$150M
TO CAP ORPHANED WELLS ON TRIBAL LANDS

Anchor Investments in Key Industries and Supply Chains

The Biden-Harris Administration has been clear about the importance of rebuilding America's industrial economy, from building out the domestic supply chains to ensure American competitiveness and resilience, to investing in demonstration and deployment projects in emerging and innovative industries that will anchor our sustainable economic future. With these investments, the President emphasized the need to not only create American jobs, but to provide high-quality jobs, with a free and fair chance to join a union, and with the potential to rebuild and strengthen the middle class.

While not all these investments are directed to energy communities, these communities are often well-situated to take advantage of the resurgent industrial economy. These communities bring key assets, including existing energy infrastructure and facilities, connections to transportation and transmission systems, and skilled workers looking for an opportunity to take on new challenges. Following are some of the most exciting opportunities available to energy communities and workers today.

Bipartisan Infrastructure Law

The Bipartisan Infrastructure Law includes several investments targeted specifically toward certain energy communities, or for which energy communities are likely to be competitive due to existing natural resources, infrastructure, or facilities. These are almost all being administered through DOE.

BIPARTISAN INFRASTRUCTURE LAW INVESTMENTS THROUGH THE U.S.

$16.3B

$750M
IN ADVANCED ENERGY MANUFACTURING AND RECYCLING GRANTS PROGRAM

$15B
IN DEMONSTRATION AND DEPLOYMENT OF TECHNOLOGIES WELL SUITED TO COAL, OIL, AND GAS REGIONS

$500M
IN CLEAN ENERGY DEMONSTRATIONS ON CURRENT AND FORMER MINE LAND

$8B
HYDROGEN HUBS PROGRAM

$3.5B
DIRECT AIR CAPTURE HUBS PROGRAM

$2.5B
CARBON CAPTURE DEMONSTRATION

$937M
CARBON CAPTURE PILOTS PROGRAMS

$84M
ENHANCED GEOTHERMAL SYSTEMS AND PILOT DEMONSTRATIONS

DOE is also responsible for several programs intended to jump-start the critical mineral mining, processing, and recycling industry—a key part to the emerging clean energy industry including batteries and solar panels—including the $140 million Rare Earth Elements Demonstration Facility provision, which seeks rare earth element recovery from acid mine drainage or mine waste.

CASE STUDY

TerraPower Nuclear Plant, Wyoming

TerraPower announced plans to build its Natrium reactor near a retiring coal plant in Kemmerer, Wyoming, which currently generates almost 90% of its electricity generation from fossil fuels. The Biden-Harris Administration committed a total of $2 billion in Bipartisan Infrastructure Law funding and annual appropriations through DOE to support the licensing, construction, and demonstration of this first-of-a-kind reactor.

Natrium will be the first commercial reactor in the state of Wyoming and one of the first advanced reactors to operate in the United States, expanding the state's already impressive energy portfolio. The project will leverage the existing energy infrastructure and represents the future of advanced nuclear reactor technology. It is well positioned to provide clean, efficient, and reliable power to communities across the country, including the Mountain West.

The project will create thousands of construction jobs and provide jobs for the local power plant workforce, who can work with utilities to transition or apply their skills to higher-paying jobs in nuclear energy.

Rendering courtesy of TerraPower

CHIPS and Science Act

The CHIPS and Science Act provides investments into basic research and science, particularly into the semiconductor industry, which is especially important for the emerging clean energy economy given the role of semiconductors in solar and battery manufacturing. According to the *White House Fact Sheet on the CHIPS and Science Act*, this legislation provides $52.7 billion for American semiconductor research, development, manufacturing, and workforce development. The legislation designates $39 billion in manufacturing incentives, including $2 billion for the legacy chips used in automobiles and defense systems, $13.2 billion in research and development (R&D) and workforce development, and $500 million for international information communications technology security and semiconductor supply chain activities. It also provides a 25% investment tax credit for capital expenses for manufacturing of semiconductors and related equipment. These incentives will secure domestic supply and create tens of thousands of good-paying construction jobs and thousands of highly skilled manufacturing jobs, all with a free and fair choice to join a union. This will catalyze hundreds of billions of dollars in private investment. The CHIPS and Science Act also authorized support for innovations in extracting, processing, recycling, and utilizing materials and valuable minerals contained in raw coal and coal waste.

DOE's Office of Fossil Energy and Carbon Management (FECM), through the Critical Minerals Program, is focused on supporting energy transition by producing rare earth elements and other critical minerals (REE/CM) from coal byproduct and waste sources. FECM established the *Carbon Ore, Rare Earth, and Critical Minerals (CORE-CM) Initiative*, awarding $25.5 million to 13 projects supporting the production of REE/CM in traditionally fossil fuel-producing communities to help lay the groundwork for regional roadmaps to build domestic critical mineral supply chains. Additionally, FECM and NETL, with Bipartisan Infrastructure Law funds, are working with DOE's Office of Manufacturing and Energy Supply Chains (MESC) to build an REE demonstration facility. Through this work, DOE is poised to show that these secondary and unconventional feedstocks can be competitively produced by building the first-ever critical minerals refinery that can extract REEs from acid mine drainage, mine waste, or similar feedstocks and refine them to mixed rare earth oxides and metals.

Inflation Reduction Act

The Inflation Reduction Act breathes life into these government investments by providing ongoing support, mainly through tax credits, for the private sector to take clean energy projects to scale. The Inflation Reduction Act is the single largest investment in clean energy and climate action in the nation's history. Its incentives include hundreds of billions of dollars in investments to lower energy costs for families and small businesses; accelerate private investment in clean energy solutions in every sector of the economy and every corner of the country; strengthen supply chains, including critical minerals to efficient electric appliances; and create good-paying jobs and new economic opportunities for workers by supporting the expansion of registered apprenticeships and jobs that pay a prevailing wage.

In line with President Biden's commitment to energy communities, the Inflation Reduction Act provides specific incentives for companies to drive projects and investment to these communities, with a bonus credit of up to 10 percentage points for qualifying clean energy investments, or a bonus credit of 10% for qualifying clean energy production to developers siting a range of renewable energy projects in these geographies. There is also a direct incentive for manufacturing investment in coal communities, with a carve-out in tax credits of at least $4 billion in those areas with closed coal plants or coal mines. And for the first time, the Inflation Reduction Act provides loan authority of up to $250 billion through DOE's Loan Program Office for companies, utilities, or others looking to repurpose, reuse, or decarbonize existing energy infrastructure—whether it be coal, oil, gas, nuclear, or other energy-related industries.

The Inflation Reduction Act represents the largest single investment in rural electrification since the passage of the Rural Electrification Act under President Franklin D. Roosevelt in 1936. The following three USDA Inflation Reduction Act programs represent significant new support to energy communities for energy infrastructure:

- Approximately $2 billion in additional funding to provide a 50% federal cost share for private entities within energy communities through the Rural Energy for America Program (REAP).
- $1 billion for partially forgivable loans for large-scale renewable energy and energy storage projects.
- $9.7 billion for loans, loan modifications, grant funding, and other financial assistance to support system-level clean energy transition support through the Empowering Rural America program (New ERA).

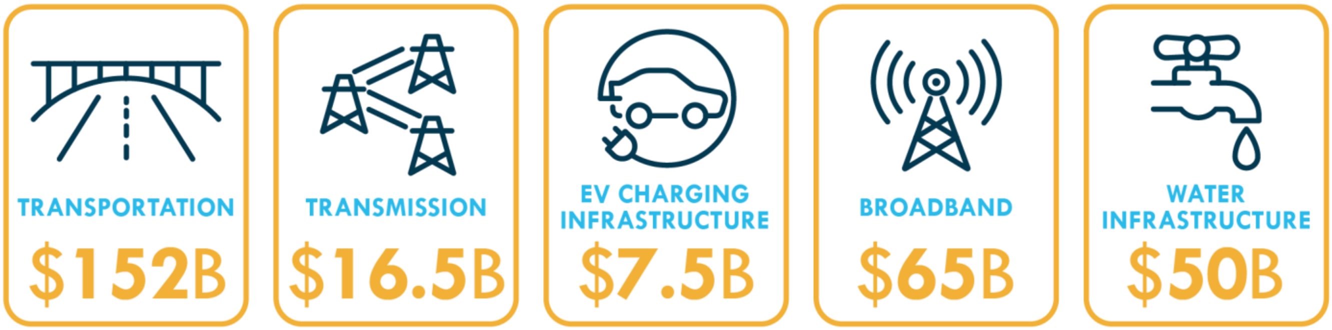
Finally, in line with Energy Communities IWG stakeholder goals, the Inflation Reduction Act is structured to drive new clean energy projects directly to those communities most in need of sustainable economic development, with key requirements around job quality and pollution reduction.

Investing in Foundational Infrastructure to Support Community Revitalization

Bipartisan Infrastructure Law

Energy community revitalization is only possible with basic, foundational infrastructure investments. This is true whether the community is focused on expanding into new industrial energy sectors or fostering entrepreneurship and small business creation. Recognizing this reality, the Biden-Harris Administration is investing in the country's core infrastructure across multiple categories.

CORE INFRASTRUCTURE INVESTMENTS



Transportation

Roads, bridges, trains, airports, and ports are the lifeblood of a strong economy moving products from one stage of production to another. The Bipartisan Infrastructure Law invested $110 billion to repair and rebuild the nation's roads and bridges, $25 billion for airports, and $17 billion to improve infrastructure at coastal ports, inland ports, and waterways. The law also provides the largest investment in public transit in U.S. history, connecting workers to education and career opportunities and increasing their productivity.

Transmission

Upgrade our power infrastructure to deliver clean, reliable energy across the country and deploy cutting-edge energy technology to achieve a zero-emissions future. According to DOE, power outages cost the U.S. economy up to $70 billion annually. The Bipartisan Infrastructure Law includes the largest investment in clean energy transmission and grid in American history, providing $16.5 billion to invest in critical grid infrastructure including investments to build and upgrade thousands of miles of electricity transmission lines. It will fund new programs to support the development, demonstration, and deployment of cutting-edge clean energy technologies to accelerate our transition to a zero-emission economy.

EV Charging Infrastructure

The legislation will invest $7.5 billion to build out a national network of EV chargers in the United States. It will provide funding for deployment of EV chargers along highway corridors to facilitate long-distance travel and within communities to provide convenient charging where people live, work, and shop. This investment supports the President's goal of building a nationwide network of 500,000 EV chargers to accelerate the adoption of EVs, reduce emissions, improve air quality, and create good-paying jobs across the country.

Water Infrastructure

Many energy communities in the United States still have neighborhoods without basic water infrastructure, including safe and reliable drinking water and wastewater systems. EPA investments will improve the resiliency of local drinking, waste, and storm water infrastructure in many energy communities that struggle with old, antiquated infrastructure, or no infrastructure at all. The Bipartisan Infrastructure Law delivers more than $50 billion to EPA to improve our nation's water—the single largest investment in water resources and infrastructure that the federal government has ever made.

Broadband

The Internet connects consumers to more products, entrepreneurs to more customers, students to new learning opportunities, and inventors from both rural and urban communities across the country to one another. Yet more than 30 million Americans live in areas where there is no broadband infrastructure that provides minimally acceptable speed, particularly in rural America. The Bipartisan Infrastructure Law delivers $65 billion to help ensure that every American has access to affordable, reliable, high-speed internet through a historic investment in broadband infrastructure deployment. The legislation is also helping lower prices for internet service through the Affordable Connectivity Program and helping close the digital divide through programs whose goal is making sure everyone in America has the access and skills they need to get connected.

CASE STUDY

Broadband Expansion, Navajo Nation

The U.S. Department of Commerce's National Telecommunications and Information Administration (NTIA) Tribal Broadband Connectivity Program is a nearly $3 billion grant program and part of the Biden-Harris Administration's Internet for All Initiative. Nearly $1.8 billion has been awarded.

The Navajo Nation received $50 million through the program to fund high-speed internet infrastructure deployment projects. The funding will increase broadband connectivity to support people and businesses and help the Navajo Nation build on its success expanding broadband through the Coronavirus Aid, Relief, and Economic Security (CARES) Act and American Rescue Plan Act.

Among the improvements, the $50 million will fund 11 new telecommunications towers, 204 miles of new fiber and installations, wireless broadband equipment, new LTE carriers and expansion, backbone upgrades, and increase or connect high-speed internet to more than 27,000 homes on the Navajo Nation.

Inflation Reduction Act

While not investing directly into major infrastructure systems, the Inflation Reduction Act plays a critical role in ensuring the resiliency of America's infrastructure in the face of immediate and long-term climate impacts. This is particularly important in many energy communities, which are especially vulnerable to extreme climate in part due to geography. Many of these communities are located along the Gulf Coast, vulnerable to storm surge and hurricanes, or in the West, vulnerable to extreme heat and wildfire, in part due to historic mining or other extraction activities that have rendered these landscapes especially subject to landslides and flooding.

The Inflation Reduction Act provides significant investments into resilience through nature-based solutions at USDA, including restorative agriculture and forestry practices; $500 million for DOI to improve restoration and resilience on national parks and public lands; more than $4.5 billion at DOI's Bureau of Reclamation for drought mitigation and water supply projects; and through programs at the U.S. Department of Housing and Urban Development (HUD) aimed at improving the climate resilience of affordable housing.

Building Workforce Systems for a More Sustainable Economy

Energy transformation and economic revitalization bring incredible opportunities to communities—and to the workers looking to bring their skills and expertise to new challenges. The massive investments from the Bipartisan Infrastructure Law, CHIPS and Science Act, and Inflation Reduction Act will create millions of new jobs and will provide opportunities for new and current energy workers to find pathways to prosperity. Whether it's in the emerging "battery belt" across the central and southern United States, or in electric vehicle factory floors in the upper Midwest, these investments will demand workforce systems and companies to create and expand workforce strategies and training models to ensure workers across the country are prepared to take on the real jobs being created in each region or community. For fossil energy workers in closed and closing plants, mines, rigs, and refineries, or other industrial activities, workforce training and other support to connect with new high-quality jobs is an urgent imperative.

Several critical programs already exist at the DOL and the U.S. Department of Education (ED) to support workers as they gear up to access jobs in new and growing industries. DOL's *Dislocated Worker Grant (DWG) Program*, authorized under the *Workforce Investment and Opportunity Act*, offers direct wage and training support to fossil energy workers at closed and closing facilities. These funds must be requested by the state's workforce or economic development agency and are also available to Tribal governments, which can apply independent of states. DOL also administers the *Workforce Opportunities for Rural Communities (WORC) Initiative* grants, in partnership with the Appalachian Regional Commission (ARC) and the Delta Regional Authority, which develop local and regional workforce development solutions aligned with existing economic development strategies to benefit dislocated workers, new entrants to the workforce, and incumbent workers in rural communities. DOL awarded four rounds of grant funding to awardees across the Appalachian and Mississippi Delta regions, and Round 5 (FY23) extended eligibility will include the Northern Border region.

In addition to the grants available to regions, DOL is working with energy communities to bring together core partners and leverage existing federal investment to develop and scale job training and workforce strategies that support workers and community resilience, and create new career pathways. This includes working with state and local workforce boards that can help energy communities develop regional workforce strategies to expand access to federal funds for job training and services available through the Workforce Innovation and Opportunity Act. DOL is also helping employers, labor partners, community colleges, and other workforce intermediaries start, expand, and *locate registered apprenticeship programs* and partners across key sectors, including energy, construction, manufacturing, healthcare, IT, and education. DOL's *new youth strategy* offers a suite of resources and programs to help develop workforce strategies that create opportunities for youth in energy communities to access high-quality jobs.

ED estimates there are 260 rural community colleges in the United States, educating 70,000 students each year. These colleges often serve both as an educational and workforce preparation lifeline to rural communities. In addition to providing pathways to employment, these colleges employ rural residents and are among the largest employers in many communities.[6]

The Administration's goals to transition traditional fossil fuel industries to renewable and green technologies also requires retaining workers in those industries, and many of those do not have college degrees or industry-certified credentials. With the support of ED, the nation's community colleges and universities provide specific industry training through non-credit, certificate, and/or degree programs.

Another important component is postsecondary institutions' partnerships with business and industry to create and provide targeted occupational preparation. The Bipartisan Infrastructure Law and Inflation Reduction Act both provide strong incentives for employers and industry to invest in workforce development alongside their federal infrastructure dollars to ensure the jobs they create are high-quality and accessible, including requirements around paying prevailing wage and the use of registered apprenticeship programs. DOL, ED, DOE, DOT, and the U.S. Department of Commerce are working closely together to equip local workforce boards, community colleges, and career and technical education leaders in energy communities with the *information and guidance needed* to build out workforce strategies and training aligned with the critical sectors impacted by this historic federal investment.

Finally, the Inflation Reduction Act includes a provision that was high on the list for most Energy Communities IWG stakeholders in our conversations over the past two years—extension of the federal *Black Lung Program*. This program provides compensation to coal miners who are totally disabled by pneumoconiosis arising out of coal mine employment, and to survivors of coal miners whose deaths are attributable to the disease. The Black Lung Benefits Act (BLBA) also provides eligible miners with medical coverage for the treatment of lung diseases related to pneumoconiosis. The Inflation Reduction Act permanently extended the excise tax on underground and surface-mined coal, which is the primary source of revenue for the Black Lung Disability Trust Fund. The excise tax fell by more than 50%. By permanently extending the coal excise tax, the Inflation Reduction Act ended the up and down of short-term extensions, making a significant investment in the security of the Black Lung Disability Trust Fund for years to come.

IV. LOOKING AHEAD: CONTINUED PROGRESS IN ENERGY COMMUNITIES

Reaching More Energy Communities: Expanded Outreach and Engagement

The unprecedented new resources available to energy communities through new federal legislation underscore the importance of increasing outreach and engagement with the 25 priority communities identified in the Initial Report, as well as other communities impacted by closing plants, mines, or oil and gas wells. Future efforts of the Energy Communities IWG include stakeholder engagement in West Virginia, Pennsylvania, Ohio, Southeastern Montana, Alaska, Wyoming, the Four Corners region, the Illinois Basin region, Southwest Virginia, and Eastern Kentucky. Many of these engagements will coincide with the formal launch of an RRT. Place-based engagements will be coordinated with other federal initiatives such, as the White House Council on Native American Affairs and USDA RD's *Rural Partners Network*, as well as Congressional, state, and local partners. Additionally, convenings at the White House will bring together key stakeholders and Administration officials to catalyze investment in energy communities.

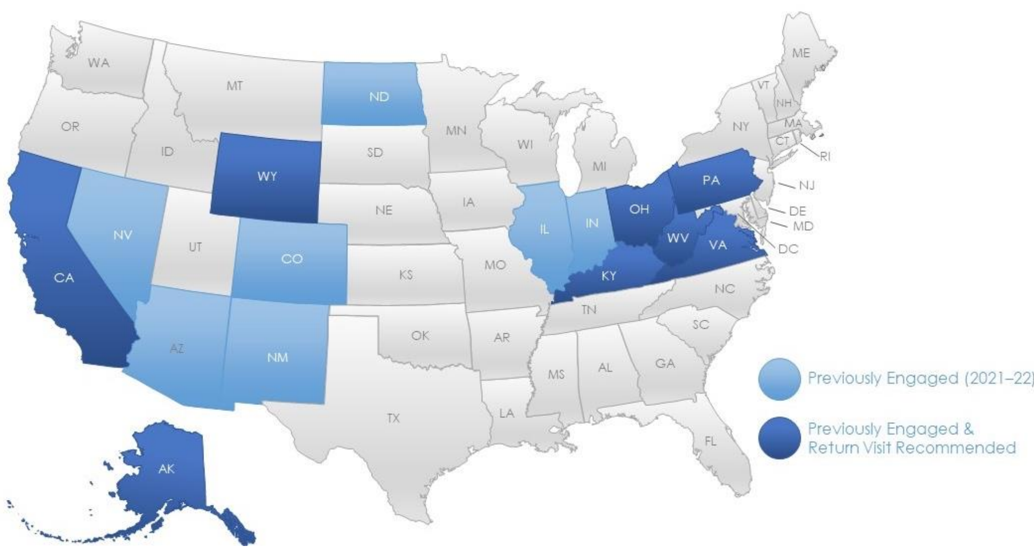


Figure 6. Energy Communities IWG Stakeholder Engagement Map

In 2023, the Energy Communities IWG will host more than 20 in-person and virtual events focused on assisting energy communities with accessing opportunities through the Inflation Reduction Act and Bipartisan Infrastructure Law.

Better Interagency Integration

Expanding the Clearinghouse: One-Stop Shop & Community Navigator

Another consistent theme from stakeholders in the RFI responses is the need to better integrate federal funding across agencies so that communities can simultaneously pursue a range of opportunities spanning energy, housing, transportation, health, education, and the environment. The Energy Communities IWG plans to respond to this call internally by building out the *Clearinghouse* into a more robust One-Stop Shop for communities to help them navigate and combine federal programs. The working group will also create a set of RRTs, bringing agencies together to support specific regions. At the same time, agencies are using new federal funding to identify new and creative ways to coordinate technical assistance where possible.

Each funding opportunity includes a description, agency point of contact, and links to agency-specific sites where more information can be found on how to apply. The Clearinghouse includes both competitive funding opportunities and non-competitive funding opportunities issued on a formula basis (e.g., to states, cities, or Tribes). The Clearinghouse offers easy access to information to help energy community representatives navigate infrastructure, environmental remediation, job creation, and economic revitalization efforts in their communities.

FUNDING CLEARINGHOUSE

as of March 31, 2023. For the latest data visit ***energycommunities.gov****.*

$254B+	$684B+	162	46	22
OPEN/PLANNED COMPETITIVE FUNDING	OPEN/PLANNED FORMULA FUNDING	OPEN/PLANNED OPPORTUNITIES CURRENTLY AVAILABLE	OPPORTUNITIES THAT DON'T REQUIRE MATCHING FUNDS	INFLATION REDUCTION ACT TAX CREDITS

Another core feature of the One-Stop Shop is providing technical assistance to energy communities in three main forms:

- Funding for Technical Assistance: A list, description, and agency points of contact of all federal government funding opportunities that contain a specific focus on technical assistance. These opportunities are designed to provide funding to energy communities so they can build the capacity to write winning proposals for project grant funding and to successfully manage the projects to completion.
- Services and Direct Support: A list, description, and points of contact of organizations, both federal and non-federal, that provide opportunities for individual guidance from experts on federal grant submission processes.
- Educational Resources: A list, description, and points of contact of resources that help explain federal funding opportunities, how to submit applications, and provide guided education and technical assistance via webinars.

Recognizing the complexity of the information available, a community navigator function will provide personalized support to energy communities through a "train the trainer" model. It will also provide a direct human interface with the significant number of assistance requests from stakeholders navigating federal funding opportunities. The navigator will identify, solicit, and work with targeted underserved energy communities, where federal funds and technical assistance would be most beneficial. The navigator will also proactively work with the RRTs to incorporate the navigator function across the nation's energy communities. Incoming inquiries will be cataloged and analyzed to identify trends, needs, gaps, and metrics that can be used to enhance the navigator function and the One-Stop Shop, and shared with agencies to guide program design and implementation. Other continuing developments include:

- Constructing geospatial data layers to assist both energy communities and private sector investors in determining eligibility for Bipartisan Infrastructure Law and Inflation Reduction Act provisions (including tax credits) and in strengthening applications for these funds.
- Bolster the One-Stop Shop with additional information, including a Getting Started Guide with worksheets,

case studies, geospatial data, and additional funding opportunities.

Integrating Technical Assistance to Targeted Communities

The Bipartisan Infrastructure Law and Inflation Reduction Act funding also provide technical assistance opportunities that allow the federal government to better connect with communities. Through strategic federal technical assistance efforts, the Energy Communities IWG is working with experienced third-party organizations to create tools and provide insights to coal and power plant communities. Many federal funding opportunities now include the ability to use some funds to provide technical assistance to applicants, which can be useful to support energy transition and economic diversification in energy communities.

These technical assistance opportunities can support new funding coming online soon for energy communities. For example, USDA RD Rural Development will soon launch more than $13 billion in support for clean energy infrastructure designed to benefit energy communities. USDA will soon announce additional funding opportunities, as well as a higher federal cost share for REAP, and is also poised to publish its funding opportunities for two Inflation Reduction Act programs: $1 billion partially forgivable loan program for renewable energy and energy storage, and the New ERA loan and grant greenhouse gas reduction program. The more than $13 billion in budget authority devoted to these three programs will leverage tens of billions of dollars for economic revitalization in energy communities supporting jobs and new investments in carbon reduction through energy efficiency, carbon capture, new renewable energy, and zero-emissions energy resources. These programs, alongside new eligibility of Inflation Reduction Act direct pay tax incentives for rural electric coops, Tribal utilities, and municipal utilities, will supercharge this opportunity for energy communities.

SPOTLIGHT

EDA's *Building Resilient Economies in Coal Communities (BRECC)* Initiative is designed to help communities in coal-reliant regions enact place-based, locally driven development strategies to build thriving, resilient economies. The BRECC Initiative includes four key components:

1. BRECC Network: A national peer-learning, capacity-building, and resource-sharing network of coal-reliant communities seeking to diversify and grow their local and regional economies.
2. Commitment Coalition: An intensive learning community for approximately 20 leaders from coal-reliant communities designed to identify and support exemplar communities that have demonstrated efforts toward economic resilience and transition.
3. Action Challenge: An intensive technical assistance and peer-learning program for approximately 15 communities designed to build the pipeline of future economic development and revitalization projects.
4. Storytelling Campaign: A national campaign to share coal community experiences with a broad audience.

SPOTLIGHT

EPA and ARC launched a new *Appalachian Community Capacity Building Pilot Program*. This program uses American Rescue Plan funding to provide targeted technical assistance in Appalachian communities.

During the first phase of the program, training on the use of American Rescue Plan Local Fiscal Recovery Funds for implementing economic revitalization was provided by the Center for Regional Economic Competitiveness (CREC) and their partners, NACo, and EntreWorks Consulting. More than 600 county and local officials from across Appalachia participated, including representation from 408 of the 423 Appalachian counties, 67 of 74 local development districts, and 82 of the 87 priority counties in Appalachia identified by the Energy Communities IWG.

During the second phase of the program, EPA is co-funding ARC's new *READY Appalachia* community capacity-building program, which provides direct technical assistance and funding to support four key pillars of economic development in the Appalachian region—local governments, local development districts, nonprofit organizations, and community foundations.

SPOTLIGHT

USDA RD's *Rural Partners Network* is central to President Biden's commitment to ensuring rural Americans have the opportunity to succeed, and that they can find that opportunity close to home. Through the Rural Partners Network, more than 20 federal agencies and commissions are collaborating to make it easier for rural communities to receive support from the federal government. As a key place-based strategy, the Rural Partners Network collaborates with the Energy Communities IWG to align strategies and resources. Some of the Energy Communities IWG communities overlap with Rural Partners Network Community Networks, such as Kentucky, New Mexico, and Alaska. The best synergies are found in Eastern Kentucky through the Kentucky Highlands Community Network, and the Southern and Pioneer Community Networks in West Virginia.

The Rural Partners Network will co-host a convening in May 2023 with the Appalachian Regional Commission, the organization leading the RRT in Kentucky. This represents one of many examples of alignment around complimentary strategies to address needs of rural and energy communities across the country. By closely aligning the respective missions of the Rural Partners Network and the Energy Communities IWG, the federal government positions itself to offer optimal solutions in communities often overlooked in the federal grants process. These technical assistance opportunities can support new funding coming soon for energy communities.

Continuing Challenges & Policy Priorities

Enormous gains have been made over the past two years for energy communities across the United States. Federal legislation passed under the Biden-Harris Administration will ensure these communities have foundational infrastructure and targeted investments needed for energy transition and economic revitalization. Federal agencies are working hard to make those dollars more accessible, and to organize their own funding to be as complimentary and coordinated as possible. The Energy Communities IWG's increased focus on RRTs provides new opportunities for much-needed engagement with some of the country's most urgently impacted energy communities. However, it's clear from our engagement efforts with these communities and stakeholder RFI responses that there is more work to be done to fully execute a just and equitable energy transition across the nation.

Support for Advance Planning for Transition, Prior to Energy Industry Decline

The need for advance planning several years prior to asset transition is a consistent message from stakeholders and a lesson from prior large-scale industrial transitions. The Base Realignment and Closure (BRAC) Program, the consolidation of passenger rail, economic and community development activities under the Tobacco Master Settlement Agreement affecting more than 500,000 workers, the Midwestern steel and Western timber industry declines, and several recent power plant closures that included strong community benefit strategies are examples of how such processes can be done well. Well-resourced planning can address challenging—but predictable—issues, such as managing outstanding debt from early facility closures, tax revenue replacement, workforce needs, remediation and reclamation, and other issues at high levels of specificity while there is still time to smoothly adapt without major interruptions.

State policy frameworks, such as the Illinois' Climate and Equitable Jobs Act (CEJA), recognize this need by placing explicit timelines on asset transitions and providing support in advance of deadlines. As the clean energy system grows and thrives, advance planning could also be critical for ensuring that basic safety and reliability concerns are addressed, identifying how and when assets can be safely repurposed or otherwise transitioned. Federal assistance focuses primarily on support after an asset has already closed, which means disruption and possible system degradation have already occurred. Although support for communities with closed facilities and other assets is valuable, supporting a smooth transition rather than mitigating challenges after transition is equally important. Similarly, expanding the scope of support beyond coal communities and associated assets will become increasingly crucial.

True Funding Alignment Across Agencies to Achieve Coordinated Place-Based Outcomes

Over the past two years, Energy Communities IWG agencies and stakeholders have consistently highlighted the importance of better aligning resources to address cross-cutting issues at the community level. A review of prior Administration place-based approaches and discussions with stakeholders highlighted three different approaches to funding alignment across agencies: (1) pooled funding with a single application; (2) MOUs and interagency agreements to allow fund transfers and align goals and outcomes; and (3) organized interagency efforts providing a "concierge service" to support integrated outcomes in a single location. The third of these approaches was the impetus for the Energy Communities IWG implementing the One-Stop Shop, and for the alignment of regional and local agency staff and resources in specific communities, including through the launch of the RRTs. But for the most part, programs supporting energy communities are still spread across agencies without strong, consistent coordination.

Pooled funding (using a single application) is something Energy Communities IWG stakeholders refer to as the "holy grail" of interagency integration—agencies working together with a single goal, and merging program funds to allow for a single application for communities committed to achieving that goal. There are very few examples of this approach across agencies. The most well-known in the place-based economic development arena is ARC's Partnerships for Opportunity and Workforce and Economic Revitalization (POWER) Program. The program uses funding from multiple agencies to support projects in regions and communities negatively impacted by changes in the coal economy.

The POWER Program is unusual in that it is an ongoing model. There are also several examples of directed interagency funding focused on a specific place or problem for a limited time, such as the FEMA Recovery Support Function, which coordinates recovery from natural disasters, including the increasing climate disasters, across agencies using shared principles, shared coordinating structures, and shared operational plans. Both the POWER Program and the FEMA Recovery Support Function are supported by Congress through establishing interagency structures, like Regional Commissions, that are built to outlast political administrations and directly engage key federal and state agencies, and through direct appropriations.

CASE STUDY

Tri-State Net-Zero Manufacturing Initiative, Southwestern Pennsylvania, West Virginia, and Ohio

The Southwestern Pennsylvania Corporation (SPC) in Pittsburgh, Pennsylvania, received $1,375,961 million in funding for the Tri-State Net-Zero Manufacturing Initiative project from ARC. The Biden-Harris Administration committed nearly $366.6 million in federal funding to diversify economies in coal-impacted communities through the POWER Program.

Funding for the Tri-State Net-Zero Manufacturing Initiative project will help address both the global climate crisis and the region's economic reliance on coal. The project will help small and medium manufacturers participate in the growing supply chain for net-zero energy and decarbonization sectors.

The project will connect manufacturers with strategies and opportunities; incentivize the deployment of net-zero supply chain and clean factory strategies by providing "Net-Zero Manufacturing Mini-Grants"; and identify pathways to scale-up net-zero manufacturing. The project will serve 47 counties across three states, produce two plans/reports, implement three programs, serve 300 businesses, create 120 jobs and 25 new businesses, and leverage $360,000 in additional private investment.

ARC Appalachian Regional Commission

Structural Support to Build Capacity in Communities to Access Federal Resources

One of the most significant barriers to place-based approaches from the federal government is the lack of capacity on the ground to access resources, including everything from more support convening stakeholders, to help meeting cost-share requirements. Supporting capacity building in underserved communities is one way to address this problem and to "give communities the time and space to think about their futures," as noted by one agency lead from the Energy Communities IWG.

The example of this approach most consistently highlighted by Energy Communities IWG stakeholders, though not focused on energy communities, is *NeighborWorks America*, a Congressionally chartered and funded nonpartisan nonprofit created to support communities in developing affordable housing, with related financial counseling to ensure community access to housing. As a federally chartered corporation, NeighborWorks was created and funded through direct Congressional appropriation. It's able to directly solicit foundation and corporate philanthropic support due to its role as a chartered nonprofit.

VI. CONCLUSION

From day one of his Administration, President Biden has driven an economic agenda that is rebuilding our economy from the bottom up and middle out. Working with Congress, the President has put policies in place to rescue the American economy, small businesses, and families from the brink in the midst of a once-in-a-generation pandemic and has overseen the strongest job recovery in history.

These gains have provided traditional energy communities—those that have powered our economic growth for centuries—with new resources to seize the opportunities afforded by the transformation of the American economy to one that is more sustainable, more resilient, and more equitable than ever before. Workers, including those without four-year college degrees, have the chance to build the industries of the future, and the supply chains that will serve them. Entrepreneurs and businesses have new tools to invest in energy communities to ensure they are not left behind. And these communities are driving the change they want to see.

The Energy Communities IWG is honored to have been trusted by the President to ensure these communities and workers are not left out or left behind. We look forward to our continuing work in the years to come.

ENDNOTES

[1] *BlueGreen Alliance | 9 Million Jobs from Climate Action: The Inflation Reduction Act*

[2] *Investing in America: Private Sector Investment Announcements (The White House*)

[3] *Departments of the Treasury, Interior, Agriculture, Commerce, Labor, Health and Human Services, Transportation, Energy, and Education; the Environmental Protection Agency; and the Appalachian Regional Commission*

[4] *U.S. Department of Commerce Invests $3 Million to Grow Skilled Healthcare Workforce in Southwestern Wyoming | U.S. Economic Development Administration (eda.gov)*

[5] *Fact Sheet: The Bipartisan Infrastructure Deal | The White House*

[6] *ED's Integrated Postsecondary Education Data System is cited, but only by name.*