Investing in West Virginia's Future
Morgantown Roundtable – June 2-3, 2021
Key Takeaways

Overarching Themes

- Optimism is growing among policymakers, local businesses, and civil society that there is an opportunity to leverage the low carbon transition to build a diverse, sustainable economy for West Virginia. Opportunities for low-carbon and clean energy technologies have grown in recent years, but regulatory, workforce, and technological barriers need to be addressed to capitalize on these opportunities.
- West Virginia has an opportunity to be a national leader in revitalizing legacy energy communities and can also learn from other states undergoing similar transitions.
- Investments in physical infrastructure including roads, bridges, broadband and EV charging, as well as regulatory infrastructure for new industries like CCUS are essential to support low-carbon energy, industry and manufacturing in West Virginia.
- Significant, locally-driven outreach and economic development must include investments in local capacity to ensure West Virginians' needs are being met and to bring opportunities to the workers and small businesses that can best utilize them.
- The circular economy presents an opportunity for new and existing industries in West Virginia to leverage their proximity to major demand centers while removing materials from the waste stream, increasing efficiency, and reducing overall waste.
- Brownfields and former coal mines in particular present opportunities to take advantage of existing infrastructure in siting industrial facilities. This will be key to reducing impacts on greenfields, including the state's forests, a key economic resource in their own right.
- Education and outreach in local communities, including workforce training programs, are essential to foster collaboration between employers, employees, and educators to ensure workers understand the opportunities in a low-carbon economy and have the necessary, often cross-disciplinary skills to perform those jobs.

Session 1: Investment Barriers and Opportunities

- West Virginia has a number of assets that provide a strong foundation for a low-carbon economy, including abundant natural resources and a hard-working and highly-skilled workforce, with strong expertise in the energy, chemicals, manufacturing, forestry, and agricultural sectors.
- West Virginia's small, historic communities and outdoor recreation make the region a desirable place to live and remote work presents a valuable opportunity for the state. Employer flexibility and access to infrastructure can help to retain and attract new businesses and residents to West Virginia.
- West Virginia is uniquely poised as a distribution hub, as it is within 500 miles of many major demand centers throughout the Eastern and Mid-Western United States. Rail and waterways can be leveraged to efficiently transport goods and captured carbon to these demand centers.
- Broadband is essential infrastructure for participation in the 21st century economy, including in the energy, industrial and manufacturing sectors, but many communities in West Virginia face challenges in building out broadband infrastructure.
- Many federal grants to support infrastructure investments, including broadband, have matching funds requirements that exceed the financial capacity of local public entities, who often also lack

sufficient administrative capacity. A state-operated match fund, public-private partnerships, and flexible match requirements would all help to support infrastructure investments in WV.

- Carbon capture, utilization, and storage (CCUS) is a key growth opportunity. However, there is an insufficient regulatory framework to facilitate projects, exacerbating uncertainty and risks – real and perceived – that inhibit investment. West Virginia can learn from the successes of other states who have begun developing these frameworks.
- Recent legislation like HB3310 authorizing power purchase agreements in West Virginia demonstrate that momentum is building in West Virginia to support the state's low-carbon energy resources. Additional support, including incentives and the removal of regulatory barriers, will be crucial to the continued development of these resources in the state.

Session 2: Industry and Manufacturing in a Low-Carbon Economy

- A carbon intensive power system is a barrier to investment. As companies look to decarbonize their operations and supply chains, access to clean, reliable, and low-cost electricity is essential to the competitiveness of West Virginia's economy.
- There is a growing recognition of the importance of domestic supplies of critical minerals and materials, from both market competitiveness and security perspectives, and companies are looking to on-shore production of these materials to the United States. With appropriate policy support, West Virginia could have clear advantages in those industries as mine reclamation, acid mine drainage, and coal slurry ponds could all provide domestic sources of critical minerals without requiring the construction of new mines.
- Accessible electric vehicle charging infrastructure will be necessary to grow the EV industry in West Virginia, but a lack of population density creates challenges for the business model. In any case, there is a need to support power system infrastructure that can facilitate the growth of at-home charging.
- The chemical industry in West Virginia is innovating new ways to process plastics to create feedstocks for new materials and expand chemical recycling. West Virginia is a promising location to develop this industry due to its expertise in the industry, proximity to demand centers and strong rail and water infrastructure.
- Co-locating energy generation and manufacturing facilities can increase efficiency and reduce emissions and waste, especially for those with high-heat process needs. West Virginia's geothermal potential could make the state especially attractive for these industries.
- Forests and the carbon they sequester can be lucrative resources, especially with a vibrant offset market. However, most entities leveraging these resources are located in other states, and there is a need to examine ways to ensure greater in-state access to these opportunities.
- The energy, industrial, and manufacturing sectors are evolving rapidly and state-level incentives must be flexible and/or updated frequently to address barriers to investment and deployment.
- Policies like the 48C manufacturing investment tax credit would help to grow domestic manufacturing, including electric vehicle production. Other policies that can support the viability of domestic supply chains will be critical to onshoring domestic manufacturing.
- Workforce skills prioritized by manufacturing and industrial employers are changing, increasingly requiring strong IT or software skills in addition to traditional industry skills. Workforce development programs can and do prepare many workers for these jobs, but it remains difficult to match available workers with jobs due to low wages and high education and employment requirements.