

The Changing Energy Landscape

and its impact
on economic
development in
America



ECONOMIC DEVELOPMENT
RESEARCH PARTNERS

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For the

**ECONOMIC DEVELOPMENT
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How this project came about

- **Genesis:** IEDC's work to help distressed coal communities
 - *How can we help avoid prolonged economic crisis?*
- **What we saw:** market changes and many other factors related to different forms of energy are creating challenges and opportunities for the economy and the economic development profession
- In mid-2016 EDRP selected **The Changing Energy Landscape** as a topic for study



What EDRP covered

Coal

Nuclear energy

Oil and natural gas

Renewables

Case Studies: what economic developers and community leaders across America are doing to help with transitions and opportunities

Coal



- 25-year decline began in Appalachia
- Accelerated losses now impact at least 16 states
- Coal-fired power plants are also closing across America
- Impact is deep and wide, with multiplier effects
- Communities are working hard on this issue!

Coal-impacted communities

Some are making headway on economic recovery, while others are suffering greatly

Economic developers are working on:

- Strategic planning, regional CEDS
- Infrastructure improvements - broadband
- Workforce development
- Business retention & expansion
- Entrepreneurship & small business development
- Marketing & attraction of new businesses
- Community revitalization & placemaking
- New business models – how to work online

Nuclear Energy

- America's 61 nuclear power plants are aging
- Many are “merchant” (deregulated) and are struggling economically
- Little known fact: U.S. is slated for a wave of closures over the next few decades
- Closures are complex, costly



How can communities navigate nuclear plant closures?

- Consider potential closures early. Don't wait for announcements
- Address policy challenges
- Get out ahead with strategic planning
 - Analyze the impacts
 - Plan ahead for regional tax losses
 - Get ready for workforce impacts and solutions
 - Study complex decommissioning and waste fuel issue
- Understand that economic diversification is a must and it's difficult to achieve, especially in rural areas

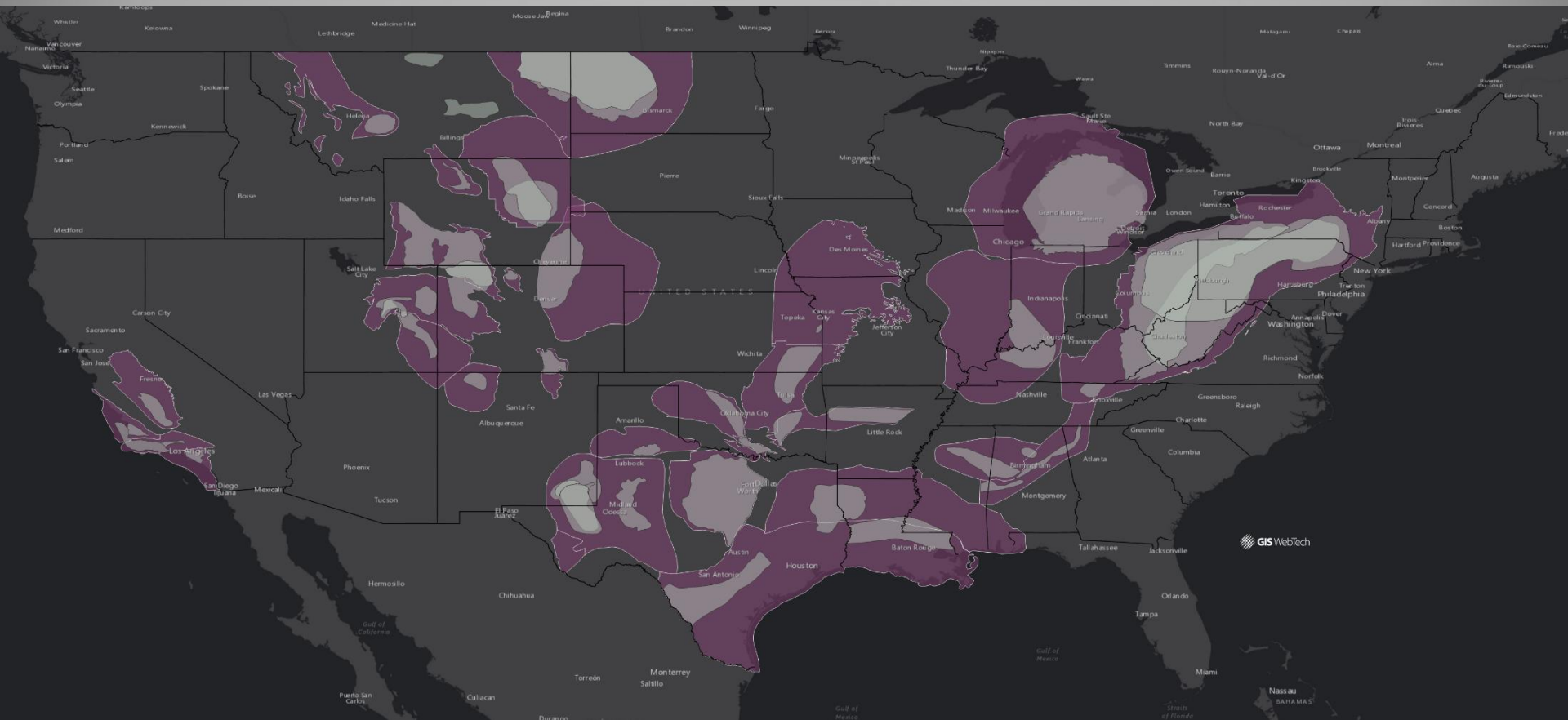
Oil & natural gas



- America is nearing energy independence
- The “Shale Revolution” is producing an economic boom
- Unfortunately, prices are global and beyond control
- Key issues for economic development
 - How to deal with boom / bust cycles
 - Are the pipelines adequate and where you need them?



Where are the shale plays?



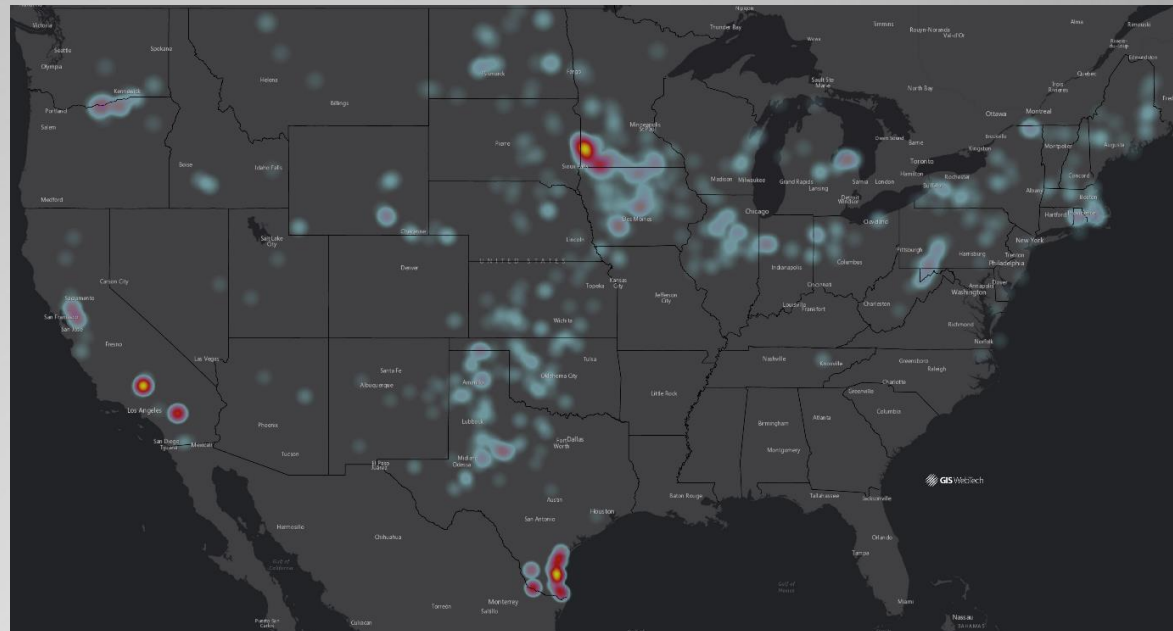
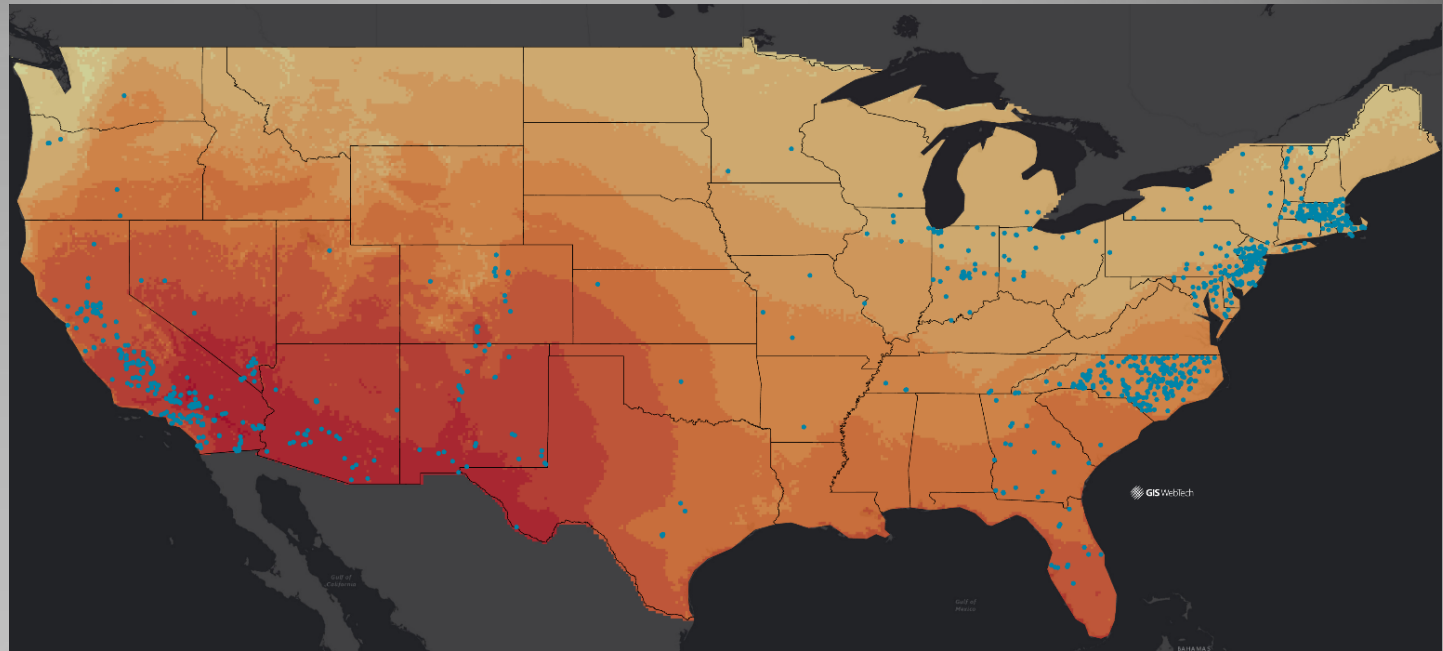
Renewable energy

Green energy = sustainability in the eyes of many

- Technology is evolving rapidly, growing more jobs, and lowering prices of energy
- There are gaps that may never be filled, so integration with other forms of energy is the best course for now
- Sustainability policies and programs are being developed by more communities



**Which
regions
are
maximizing
solar, wind?**

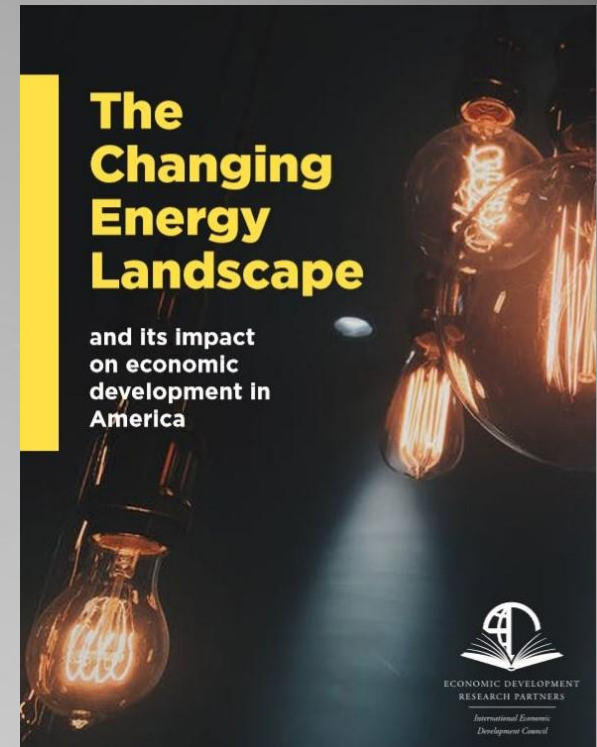


How communities are harnessing renewables for economic development

- **Business attraction** – companies with high electricity needs and ambitious sustainability goals seeking low-cost renewable power
- **Talent retention** – people of all ages are increasingly environmentally-conscious, attracted to greener cities
- **Tax base expansion** – wind and solar installations are providing revenue for public services and landowners
- **Revitalization** – repurposing former industrial zones for renewable generation is an opportunity

What resources are now available to help navigate change

- Federal support to address changing needs and community choices
- You'll find helpful programs in the Appendix



Advice from your peers

EDRP invested in The Changing Energy Landscape so we help can shorten the learning curve

- Connecting the dots
- Starting more dialogue
- Learning from communities that are addressing challenges or maximizing promising opportunities
- Let's hear a few of these stories today...

Thank you!