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## Appalachian States Should Proceed with Caution on CCUS, Hydrogen Hub Initiative

**JOHNSTOWN, Pennsylvania** — A <u>new initiative</u> to develop a carbon capture and hydrogen hub in Ohio, Pennsylvania, and West Virginia is unlikely to create many permanent jobs, boost economic growth, or effectively decarbonize the regional economy, according to Ohio River Valley Institute <u>research</u>.

The initiative, launched today by a partnership of major oil and gas companies, would apply expensive and unproven carbon capture, use, and sequestration (CCUS) technology and hydrogen production to address greenhouse gas emissions. The envisioned hub would connect carbon-producing facilities like steel mills and factories to a network of pipelines and underground caverns where hydrogen and captured carbon dioxide would be stored. But, while CCUS technology may be applicable and affordable in some sectors, such as steel and cement manufacturing, it is not an economic solution for coal and natural gas-fired power plants. And, without the involvement of the power sector, which is responsible for more than 80% of fixed-location carbon emissions in the region, the envisioned pipeline networks don't make economic sense either.

This problem was examined in <u>an ORVI report</u>, which found that widespread adoption of CCUS in the nation's power system would increase the cost of electricity by \$100 billion annually – a 25% increase or about \$300 for every U.S. household. The report went on to suggest the region should instead pursue less expensive, more effective methods of cutting power system greenhouse gas emissions, including generation from wind, solar, and hydro, as well as clean storage technologies.

"These options would also create far more jobs than CCUS would save in coal and natural gas," **ORVI Senior Researcher Sean O'Leary explained**. "Renewable resources and energy efficiency would also address the problem of local air and water pollution from electricity generation, which CCUS wouldn't. And they would do it for a fraction of the cost of CCUS."

Other jurisdictions are proceeding with appropriate caution with hydrogen and CCUS development. Colorado's <u>state-authorized CCUS task force</u> recently concluded that, while CCUS can play a useful role in decarbonizing hard-to-electrify industries, its use should be sharply limited for electricity generation, where lower-cost and more reliable solutions are available.

"For more than forty years, residents of Appalachia have been teased with promises that technology could save jobs and local economies by making coal and other fossil fuels 'clean'," said **Ohio River Valley Institute Executive Director Joanne Kilgour**. "But we can't keep building a future on false promises - we need to diversify our local economies and embrace a real clean energy transition." For more information on the economic viability of carbon capture and hydrogen development, visit <u>https://ohiorivervalleyinstitute.org/</u>.

The Ohio River Valley Institute is an independent, nonprofit think tank researching clean energy, shared prosperity, and equitable civic structures in the greater Ohio River Valley.

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