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Good afternoon.

Leading analysts of U.S. energy policy – [the REPEAT Project at Princeton](#) and [the Rhodium Group](#) – agree that the Inflation Reduction Act puts the United States on a course that can result in emission reductions consistent with limiting global warming to 1.5°C. However, the REPEAT and Rhodium analyses diverge with respect to the route U.S. decarbonization will take in achieving that goal.

For the Ohio Valley region of Appalachia, where we're meeting today, that divergence represents the difference between a future of job growth, economic prosperity, and environmental recovery or one of continued job loss, depopulation, and environmental degradation.

Which of these fates will be realized turns on the role carbon capture and sequestration plays in decarbonization. Rhodium forecasts some role for CCS in industry, but almost none in electricity generation, a finding supported by a recent National Renewable Energy Laboratory analysis. That's because retrofitting coal and gas-fired power plants is absurdly expensive, making them uncompetitive with low-cost renewables, storage, and energy efficiency. The REPEAT Project on the other hand anticipates CCS playing a significant role in power generation, which in this region would be magnified due to our heavy reliance on fossil fuels, our prodigious natural gas production, and our potential capacity to produce blue hydrogen.

Many people imagine CCS-enabled natural gas expansion would be economically beneficial for our region. It's a claim made by politicians from both political parties as they promote the creation of an Appalachian hydrogen and carbon capture hub. But the fact is that the Appalachian natural gas boom has been economically disastrous for our region. The areas of Appalachia where natural gas production and processing are concentrated lead our region and much of the nation in [job and population loss](#). And, as a recent Ohio River Valley Institute report demonstrated, far from mitigating those trends, gas industry expansion contributes to them.

That's why our region has a strong interest in decarbonization unfolding along lines in which coal and gas-fired power are replaced by renewables, which would allow Appalachia to finally join the rest of America in the job creation, quality of life, and environmental benefits of clean energy transition.

To demonstrate that point, ORVI commissioned, from the analytics firm Strategen, the creation of a renewables-based decarbonization pathway for western Pennsylvania, with no need for a CCS hub and the hundreds of billions of dollars it would cost ratepayers and taxpayers.

The Strategen report won't be complete until November, but we have preliminary findings, which are presented in greater detail in a video on our website. First:

- An energy system based on renewable resources will, unlike a CCS-based fossil fuel alternative, reduce emissions to a level consistent with limiting global warming to 1.5C.
- The cost will be \$330 million per year less than the fossil fuel alternative and \$480 million less when the social costs of carbon are taken into account.
- And a renewables-based pathway will create more jobs and contribute more to the region's quality of life and economic prosperity.

Those who follow ORVI know about the promise clean energy transition holds because you've seen our report on the economic turnaround of Centralia, Washington, a once-depressed coal town that had not experienced job growth for twenty years and which is now in the process of losing its coal-fired power plant. But thanks to \$55 million in economic transition funds invested in energy efficiency, distributed generation, and education, Centralia is experiencing an economic rebirth. It's adding jobs at twice the national rate, wage growth is 50% higher than the nation, and Centralia's population is growing as well.

It's an economic model that is replicable in our region. But, whether or not we take advantage of it, depends somewhat on market forces, but mostly on the economic development strategies we and our leaders embrace.

As the diverging Rhodium and REPEAT analyses show, the direction our region takes in decarbonizing is a crapshoot. It can be one of economic and environmental recovery or one of continued job loss and depopulation. It's our responsibility to tilt the balance in favor of the former.

I will be followed by speakers who are trying to do just that. They will describe projects and resources our region can use to participate in true clean energy transition that frees us from coal and gas dependence and the damage it inflicts on our people and communities.

Thank you.