BUILDING AN EQUITABLE CLEAN ENERGY ECONOMY FOR COMMUNITIES & WORKERS

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EXECUTIVE SUMMARY

Virginia has made progress in addressing climate change, but we must prioritize supporting the people and communities that have been dependent on fossil fuels to ensure that they are not left behind. Virginia must optimize this moment to rebuild communities devastated by decades of fossil fuel dependency, connect impacted communities to new economic opportunities, and ensure that all environmental impacts of fossil fuels are remediated. As we transition to a clean energy economy, we have the opportunity to revitalize these communities and prioritize people most impacted by the transition, while also growing the workforce to include historically overlooked communities.

CHALLENGE

14,000 Virginians are employed in fossil fuel extraction, and 10,000 are employed in fossil fuel electricity generation, transmission, and distribution.¹² Many of these jobs will be lost in the coming decades. Approximately 40 fossil fuel power plants currently operational throughout Virginia must be retired in order to meet the state's carbon goals, and many have already shut down due to market changes.³ Those plants are disproportionately located in low-income communities and communities of color.^{4,5} The decline in the coal industry in recent decades has already resulted in severe declines in local tax revenues and job losses in Southwest Virginia.

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Shuttered power plants and mines leave behind environmental hazards with insufficient funding for clean up or commitments from operators to remediate the spaces. As new energy resources are constructed, the communities that are losing the economic benefits of fossil fuel production aren't necessarily the communities reaping the benefits of Virginia's clean energy economy. Fossil fuel declines result in a decline in tax revenue, which impacts the ability of local governments to maintain and invest in critical infrastructure, further harming economic development potential and impacting public health. These communities often face the overlapping challenges of economic downturn and environmental degradation.

On the opposite side, as a growing clean energy industry blossoms, clean energy employers have difficulty finding enough Virginia workers, and training opportunities are inaccessible to many. Companies will be forced to outsource jobs, and the clean energy industry will be less diverse without new equitable training and recruitment programs.

SOLUTION

Justice requires that the legacy impacts of the fossil fuel industry be addressed and that communities be compensated and prioritized in the transition. It is critical to engage impacted people in economic transition planning and decision-making, and to reinvest in communities where divestment has occurred for decades. In order to adequately plan for our energy transition and address the historic inequities experienced by communities of color, low-income communities, and front-line communities, more data is needed to understand what the full impacts of the energy transition will be on workers and communities and what opportunities the clean energy industry presents. With better data, we can direct resources such as funding for infrastructure and schools, environmental protections and enforcement, and education and job training opportunities to the people and areas most in need

New workforce development programs and incentives can help to ensure that the growing clean energy industry employs more of its workforce with a diverse Virginia workforce, ensuring Virginia communities benefit from these growing industries, rather than having to use out-of-state employees. All workforce programs and incentives must be designed to lift up disadvantaged communities, collaborate with unions. and provide opportunities such that the beneficiaries are representative of the diverse population of Virginia. Lastly, Virginia's clean energy policies must be updated to ensure programs such as community solar, energy efficiency incentives, and renewable and energy storage mandates are applied equitably across all utilities in the state so that benefits of clean energy reach all Virginians.

POLICY RECOMMENDATIONS

Establish an Energy Transition Office within the Department of Housing and Community Development to work with transitioning communities to identify necessary resources, develop transition plans, and administer a Community Redevelopment Fund to support infrastructure projects in underserved communities.

Require a JLARC Energy Transition Study to quantify the impacts of the fossil fuel industry decline and clean energy industry opportunities.

Provide incentives for retraining programs and Green Career and Technical Education Dual enrollment programs.

Expand Virginia Clean Economy Act requirements, shared solar, low-income solar rebates, and percentage of income payment programs to fossil-fuel impacted areas.

Require power plant owners to develop and implement decommissioning plans to ensure environmental remediation.



