

Renewable energy is key to West Virginia's economic future

RELEASE DATE: December 14, 2020

MORGANTOWN, W.Va. — Investing in renewable energy is a viable solution to diversifying and strengthening West Virginia's economy.

That's the conclusion of a [new report](#) issued by the [Center for Energy and Sustainable Development](#) at the [West Virginia University College of Law](#).

Titled "West Virginia's Energy Future," the report shows that ramping up renewable energy and energy efficiency would be cost-effective and can be done in a way that creates thousands of jobs — and may even save consumers money.

According to the report, West Virginia can dramatically increase renewable energy production over the next 15 years, generating over 70% of the state's electricity from wind and solar by 2035. Currently, less than 5% of the state's electricity comes from those sources.

The report compares the current trajectory of West Virginia's electric utilities — estimated to maintain 84% coal-fired generation in 2035 — against an alternative future of more energy efficiency, solar energy, and wind energy. The result is 78% emission-free energy generation by 2035.

"West Virginia's Energy Future" was produced in partnership with Downstream Strategies, Synapse Energy Economics and GridLab. It is being released following a November announcement by FirstEnergy, the parent company of Mon Power and Potomac Edison, that it will "move beyond" its coal-fired power plants in West Virginia by 2050 or earlier to achieve carbon neutrality.

Similarly, American Electric Power, the parent company of Appalachian Power and Wheeling Power, aims to reduce its carbon dioxide emissions by 80% by 2050 and has an aspirational goal of net zero carbon dioxide emissions by 2050. AEP recently estimated renewable energy will constitute 40% of its electricity generation by 2030, whereas coal use will continue to decrease.

"West Virginia's Energy Future" explains how the transformation within the electric power industry is being driven in significant part by dramatically falling costs for renewable energy, with the cost of solar energy decreasing by 90% since 2009.

A separate study has found that 86% of the coal-fired power plants in the United States, including those in West Virginia, will soon be more expensive to operate than to replace with renewable energy facilities.

Faced with these headwinds for the coal industry, "West Virginia's Energy Future" explains how ramping up renewable energy would create thousands of construction jobs in West Virginia and have a net positive employment impact through 2030 equal to 1,155 full-time jobs.

The report recommends that the electric utilities in West Virginia use a careful and purposeful process to ensure ongoing opportunities for workers and new investments in communities.

It also recommends that West Virginia's congressional delegation condition its support for any national climate legislation on a federal reinvestment in West Virginia's energy sector and coal communities to strengthen opportunities for the state and its workers in the new energy economy.

“West Virginia’s electric utilities are already planning to retire their coal-fired power plants by 2050 at the latest,” said [James Van Nostrand](#), director of the Center for Energy and Sustainable Development. “The question we need to confront today is whether we want the electric utilities to continue tacking costs onto customer’s bills over the next few decades to keep those plants afloat, or do we want them to invest now to create local jobs in the growing renewable energy economy and reduce our exposure to downswings in the coal industry.”

[Tim Cronin](#), a fellow at the CESD, is the lead author of “West Virginia’s Energy Future.”

“Our report shows that we do have the freedom to make a choice as West Virginians about our energy future because the cost to our electric utilities of continuing down the current path versus significantly ramping up renewable energy is very similar,” he said. “We think we should pursue the path that secures a role for West Virginians in the new energy economy.”

West Virginia’s electric utilities will submit their own plans to the Public Service Commission at the end of this year and set forth the fuels they plan to use to generate electricity through at least 2030.

“We understand that they’ll probably propose a different path than what we developed, and that’s fine,” Van Nostrand said. “We just want them to consider the alternative paths available to their West Virginia customers and show us their math so that West Virginians can make an informed choice about the future.”

The full report and supporting documentation are available at: <https://energy.law.wvu.edu/west-virginias-energy-future>.

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REACTIONS TO “WEST VIRGINIA’S ENERGY FUTURE”

Chris Beam, President and Chief Operating Officer, Appalachian Power: “Appalachian Power appreciates the opportunity to engage in dialogue with the Center for Energy and Sustainable Development regarding its analysis of West Virginia’s Energy Future as the electricity sector continues to transform. Consistent with American Electric Power’s goal of reducing carbon emissions 70% by 2030 and at least 80% by 2050,¹ we are pursuing opportunities to build new renewable energy resources and create economic development in West Virginia while maintaining affordability

¹ AEP additionally “has an aspirational goal of net zero carbon emissions by 2050.”

and reliability for our customers. This analysis of West Virginia's Energy Future from CESD shares those goals."

West Virginia Development Office: "Developing renewable energy resources is critical to attracting business investment to West Virginia and creating local jobs in a growing industry. This report shows that we can create nearly 3,000 full-time jobs just by installing solar farms and energy efficiency in West Virginia – while also keeping electricity costs low and making our communities more attractive for business investment. We support these efforts and appreciate this report's contribution to an important discussion about the future of energy in West Virginia."