



Resilience and Renewal in Energy Communities

A Comparison of Policy Responses in the U.S. and the E.U.

September 9, 2022

Wyoming State Bar Energy & Natural Resources Section
University of Wyoming College of Law



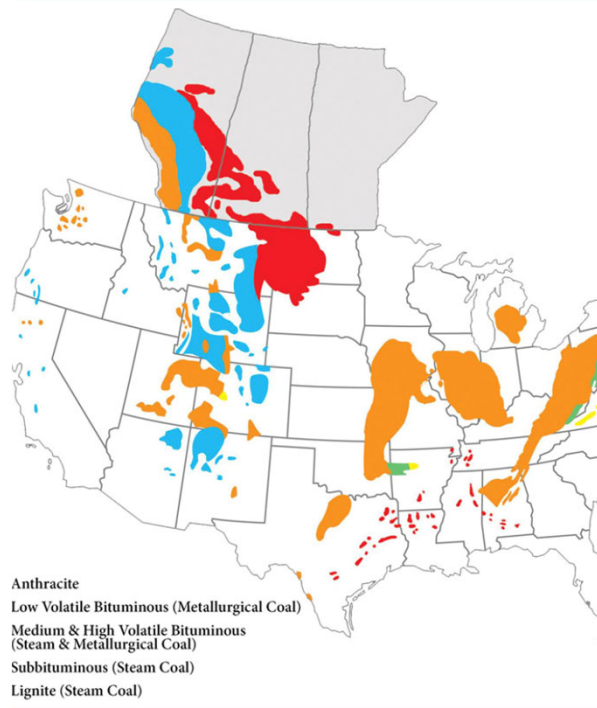
School of Energy Resources

THE WORLD NEEDS MORE COWBOYS.

Energy Communities and Resource Peripheries

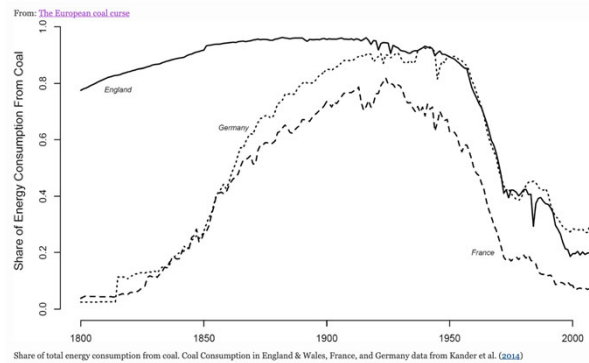
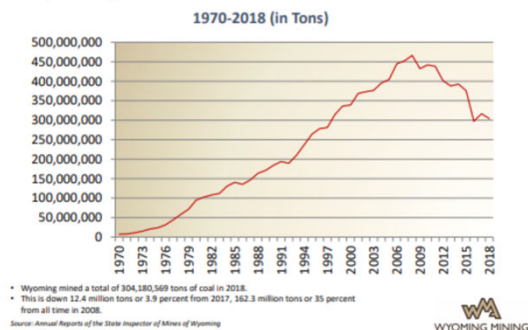
Energy Communities: Coal Mining, Power-Plant, and Oil and Gas Production centric communities

Resource Peripheries: A region, some distance from economic core areas, where development is focused on extraction and provision of natural resources to economic core areas.



A Historic Perspective on Energy Transitions

Wyoming Coal Production



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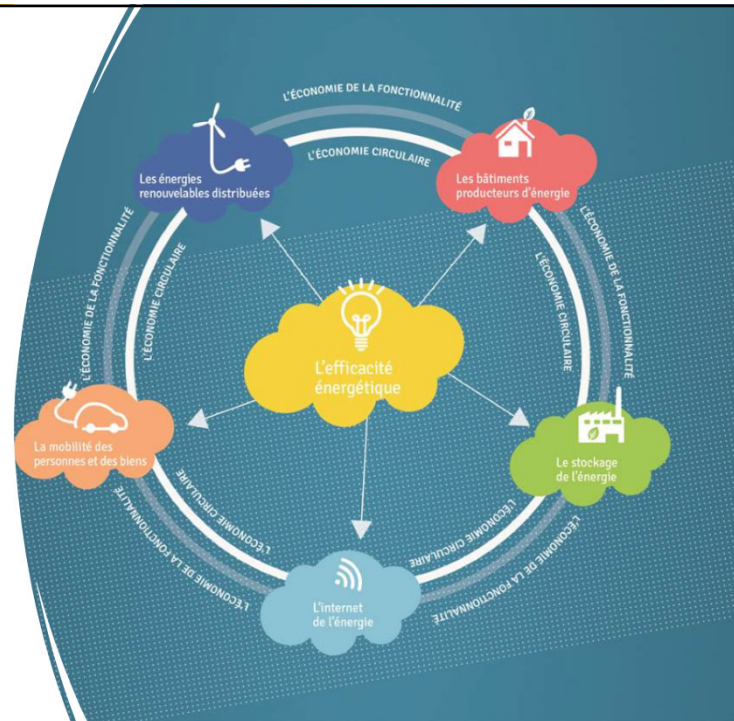
La Pact Charbonnier- December 20, 1994

- Agreement proposed by the government between Charbonnages de France and trade unions, after consultation with social partners.
 - Commitment to gradually reduce volumes of production over 10 years and adapt to the impacts, prioritizing successive closure of most loss-making operations.
 - Guaranteed employment to coal miners, including end of career leave or retirement, and continued provision of free housing within mining communities
 - Development of programs to address the reindustrialization of coal mining regions with public financing

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ReIndustrialization & the 3rd Industrial Revolution

- Regional development strategies to counter unemployment
- Support to new economic sectors
- Modernization of productive assets
- Development of human resources and workforce through promotion of innovation and development of competences
- Promotion of a better quality of life through communication infrastructures, brownfield restoration, and urban renewal
- Promotion of Tourism and Culture including local heritage



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The Cohesion Policy: An anti-periphery perspective

- **Aim of improving economic well being and avoiding regional disparity**
- **Prioritizes Investments to:**
 - Counter Economic Crisis
 - Reduce Unemployment
 - Promote Economic Renewal



Many of the coal slag heaps in northern France's Nord-Pas-de-Calais mining region have been rehabilitated, drawing visitors to unique cultural and natural attractions.
PHOTOGRAPH BY EDOUARD BRIDE, HANS LUCAS/REDUX

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Protecting People and Regions:
The EU Just Transition Mechanism

- Intended to address distributional impacts of transition to a climate-neutral economy
- Provides targeted support to Member States that are the most carbon intensive or have the most people working in fossil fuels
- Funding is based on territorial just transition plans to address social, economic, and environmental challenges

A circular inset image showing a large industrial facility, possibly a refinery or power plant, with smokestacks and cranes, set against a sunset sky. The facility is reflected in the water in the foreground.

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Investor Production or Poison Pill?

The Energy Charter Treaty

Provides remedies to investors in energy companies whose investment will be lost due to early closures of production or generating facilities.

- 1990's agreement on trade, transit, and investment in the energy sector to encourage investment in emerging economies and encourage cross-border cooperation
- 53 parties for Europe and West and Central Asia
- Allows foreign entity investors to sue if their investments are negatively affected by state actions
- In Germany and the Netherlands, litigation has led to settlements between coal and nuclear companies and the state regarding phase-out policies. Solar companies have also brought claims.
- Some states are withdrawing from the treaty to avoid liability.



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Preferencing Local Production

The EU Border Carbon Adjustment Mechanism



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French Circular Economy Law

Strengthens producer responsibility for end use consumer waste
 Prioritizes reuse or recycling over disposal
 Encourages local production and disposal

JOURNAL OFFICIEL DE LA RÉPUBLIQUE FRANÇAISE

LOIS

LOI n° 2020-105 du 10 février 2020 relative à la lutte contre le gaspillage et à l'économie circulaire (

NOR : TREP1902395L

et le Sénat ont adopté,
 le Président de la République promulgue la loi dont la teneur suit :

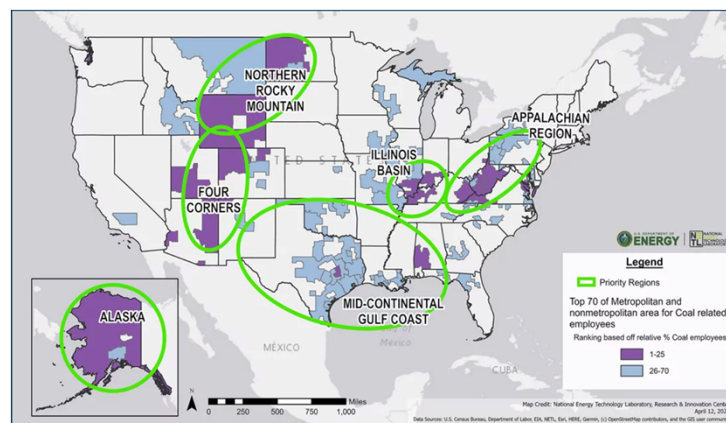
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OBJECTIFS STRATÉGIQUES DE GESTION
 DE LA PRÉVENTION DE LA PRODUCTION DE DÉCHETS

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Prioritizing Energy Communities in the U.S.

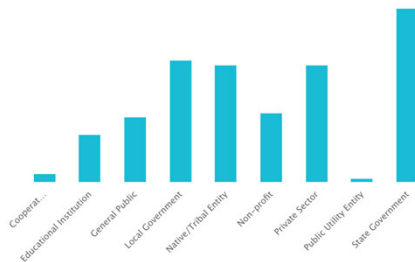
- Create Good Paying Jobs
- Provide Federal Investments to Catalyze Economic Revitalization
- Support Energy Workers by Securing Benefits and Providing Opportunity
- Prioritize Pollution Mitigation and Remediation
- Government-Wide Approach
- Formalize Stakeholder Engagement



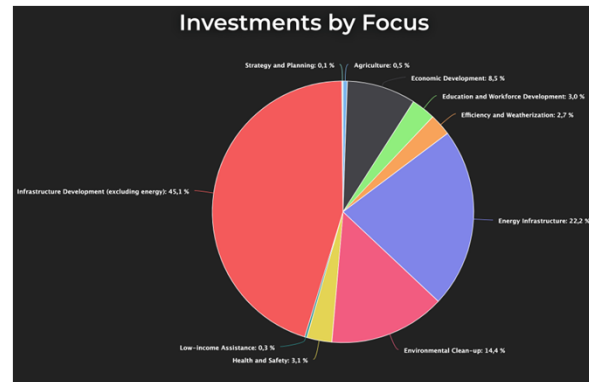
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Infrastructure Investment and Jobs Act

Eligible Recipients



Investments by Focus




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All-of-the-above: Wyoming's energy strategy

Wyoming legislature has been proactive enacting legislation to support development of new industries in Wyoming to provide legal certainty, address regulatory gaps, build state capacity, and streamline projects.

- Nuclear:
 - Wyo.Stat. 35-11-1506: Siting high-level radioactive waste storage facilities (2022)
 - Wyo. Stat. 35-11-2101: Small Modular Reactor Permitting (2020)
- CCUS:
 - Wyo. Stat. 35-11-319: Transfer of Title and Custody to stored CO₂ (2022)
 - CO₂ Injection Well Program: Wyo. Stat. 35-11-313 – Primacy from EPA in 2020
 - Ownership of Pore Space: Wyo. Stat. 34-1-152
 - Unitization of Geologic Storage: Wyo. Stat. 35-11-314
 - Ownership of Injected CO₂: Wyo. Stat. 34-1-153
- Blockchain and Digital Assets: 34-29-101
- Pipeline corridors- Initiated in 2012; BLM amends resource management plans in 2021
- Wyoming Energy Authority: Wyo. Stat. 35-5-501 (2019)

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Zero-Carbon Wyoming?

Natural Resources & Energy

The CarbonSAFE Project in Campbell County hopes to provide a future for coal

Office of Nuclear Energy
NOVEMBER 16, 2021

ENERGY

New large-scale carbon capture project slated for Wyoming


By BRENDAN LACHANCE | 1 day ago

BLM APPROVES FIRST APPLICATION FOR PERMANENT UNDERGROUND STORAGE OF CARBON DIOXIDE ON PUBLIC LANDS

KEMMERER, Wyo. – In a significant milestone in the Biden-Harris administration's efforts to combat the climate crisis, the Bureau of Land Management has approved ExxonMobil Corporation's proposal to sequester carbon deep underground in Lincoln and Sweetwater counties, Wyoming. This is the first project of its kind to be approved on BLM-managed lands.

Office of Fossil Energy and Carbon Management
U.S. Department of Energy Invests in a Clean Hydrogen Pathway for Wyoming
DECEMBER 17, 2021

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What about workers? A Just Transition law for Wyoming:

- Even though the energy transformation affects the entire state, some communities will be disproportionately impacted.
- Other states in the west have put in place just-transition laws
 - Require workforce transition planning as part of asset changes
 - Provides local and regional funding to prevent fiscal rupture
 - Create agencies to pursue federal just-transition funding
- Address capacity gaps and promote culture of innovation through investments

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Supporting Energy and Natural Resource Clients

- Obtaining Public & Private Funds:
 - Accessing federal funds will require new skills including supporting clients with preparation of Justice40, DEI, and community engagement plans
 - Consortium model requires partnership with state and private entities
 - Familiarity with tax-credit provisions of 45Q including workforce requirements and treasury regulations
- Navigating new regulatory landscapes
 - Working to coordinate state and federal agencies with developing governance programs
 - Proposing new laws or rules where needed
 - Solutions-minded and adaptive approach
- Coordinating Land Access:
 - Title and notice requirements for permits
 - Obtaining surface and subsurface rights within private and federal lands
 - Addressing conflicts with existing land uses

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