How does existing policy address the social & economic impacts of the coal transition?

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Rural, coal community transition context

Understanding the policy landscape

Alignment between existing assistance programs and needs
Closures will have acute impacts on remote, isolated communities

Colstrip, MT

Haggerty et al., 2018
Coal communities confront a complex ownership regime

Colstrip Steam Electric Station, Colstrip, MT
PC: Larry Mayer, Billings Gazette
Existing transition planning is limited, dependent on local capacity and resources.
Rural, coal community transition context

Need assistance that mitigate economic & fiscal impacts, negotiate closure dates and secures transition funds, support for early & long-term planning & worker assistance
Rural, coal community transition context

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Understanding the policy landscape
Most recent comprehensive energy legislation was in 2005
Recent energy policy has been made through executive action
Rural, coal community transition context

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Understanding the policy landscape

Absence of policy exacerbates uncertainty and sends conflicting messages
Several western states have enacted legislation to address coal industry decline
Two distinct approaches emerge to manage coal industry decline

Accelerates the energy transition and seeks to clarify the pace of transition

Works to slow transition by bolstering the coal industry and aims to postpone coal plant retirements
Existing transition assistance programs - POWER, ACC, DOL
Transition assistance programs do not adequately address the needs of remote, isolated communities
Transition assistance programs do not adequately address the needs of remote, isolated communities

“They’d sit in a room and start talking about transitioning economies, that there’s not a direct replacement for that... I think that the backfill of revenue support is the piece we have not figured out.”

- Community development practitioner
Transition assistance programs do not support early or long-term planning
Transition assistance programs do not support early or long-term planning

“You’re not going to come in with a three-year grant and save the community.”

- Economic Development Practitioner
Transition assistance programs are insufficient
Transition assistance programs are insufficient

Need long-term reinvestment “orders of magnitude higher than existing grants or loans...”

- Energy and tax policy expert
Key takeaways
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Develop legislation that coordinates the energy transition
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Expand scope and scale of assistance programs
Key takeaways

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Reinvest in impacted communities and workers
Key takeaways

Develop legislation that coordinates the energy transition

Expand scope and scale of assistance programs

Reinvest in impacted communities and workers

Increase flexibility in grant programs
Thank you! Questions?

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