

Biden offers \$450M for clean energy projects at coal mines

April 4 2023, by Matthew Daly



President Joe Biden speaks about climate change and clean energy at Brayton Power Station, July 20, 2022, in Somerset, Mass. The Biden administration is making \$450 million available for solar farms and other clean energy projects across the country at the site of current or former coal mines. Credit: AP Photo/Evan Vucci

President Joe Biden's administration is making \$450 million available for solar farms and other clean energy projects at the site of current or former coal mines, part of his efforts to combat climate change.

As many as five projects nationwide will be funded through the 2021 infrastructure law, with at least two projects set aside for solar farms, the White House said Tuesday.

The White House also said it will allow developers of clean energy projects to take advantage of billions of dollars in new bonuses being offered in addition to investment and production tax credits available through the 2022 Inflation Reduction Act. The bonuses will "incentivize more clean energy investment in energy communities, particularly coal communities,," that have been hurt by a decade-plus decline in U.S. coal production, the White House said.

The actions are among steps the Biden administration is taking as the Democratic president moves to convert the U.S. economy to renewable energy such as wind and solar power, while turning away from coal and other fossil fuels that produce planet-warming greenhouse gas emissions. Biden has set a goal to cut greenhouse gas emissions in half by 2030 and achieve a net-zero emissions economy by 2050.

The projects are modeled on a site Biden visited last summer, where a former coal-fired power plant in Massachusetts is shifting to offshore wind power. Biden highlighted the former Brayton Point power plant in Somerset, Massachusetts, calling it the embodiment of the transition to clean energy that he is seeking. But he has struggled to realize that goal in the first two years of his presidency.

"It's very clear that ... the workers who powered the last century of industry and innovation can power the next one," said Energy Secretary Jennifer Granholm, whose agency will oversee the new grant program.

Mining areas in Appalachia and other parts of the country have long had the infrastructure, workforce, expertise and "can-do attitude" to produce energy, Granholm told reporters on Monday. The new investments "can help them bring this new energy economy to life," she added.

Treasury Secretary Janet Yellen said the bonuses will add new credits of up to 10% for clean energy production in struggling energy communities. Solar farm operators "can get an extra dime on the dollar for your investment in a new facility," she said Tuesday.

To take full advantage of the bonus, developers must pay workers prevailing wages and use a sufficient proportion of apprentices on the job, Yellen said. "These provisions will ensure that workers in energy communities reap the benefits of the clean energy economy they are helping to build," she said.

Up to five clean energy projects will be funded at current and former mines, Granholm said. The demonstration projects are expected to be examples for future development, "providing knowledge and experience that catalyze the next generation of clean energy on mine land projects," the Energy Department said.

Applications are due by the end of August, with grant decisions expected by early next year.

In a related development, the Energy Department said it is awarding \$16 million from the infrastructure law to West Virginia University and the University of North Dakota to study ways to extract critical minerals such as lithium, copper and nickel from coal mine waste streams.

Rare earth elements and other minerals are key parts of batteries for electric vehicles, cellphones and other technology. Biden has made boosting domestic mining a priority as the U.S. seeks to decrease its

reliance on China, which has long dominated the battery supply chain.

One of the two universities that will receive funding is in the home state of one of Biden's loudest critics, West Virginia Sen. Joe Manchin, a fellow Democrat who has decried what he calls Biden's anti-coal agenda. Manchin complained on Friday about new Treasury Department guidelines for EV tax credits that he said ignore the intent of last year's climate and health care law.

The new rules are aimed at reducing U.S. dependence on China and other countries for EV battery supply chains, but Manchin said they don't move fast enough to "bring manufacturing back to America and ensure we have reliable and secure supply chains."

Manchin, who chairs the Senate Energy Committee, also slammed Biden last year after the president vowed to shutter coal-fired power plants and rely more heavily on wind and solar energy.

The powerful coal state lawmaker called Biden's comments last November "divorced from reality," adding that they "ignore the severe economic pain" caused by higher energy prices as a result of declining domestic production of coal and other fossil fuels. The White House said Biden's words in a Nov. 4 speech in California had been "twisted to suggest a meaning that was not intended" and that the president regretted any offense caused.

Abigail Ross Hopper, president and CEO of the Solar Energy Industries Association, said the bonuses offered by Treasury will help solar projects move forward in underserved communities and "will funnel new jobs, cleaner air and low-cost electricity to tens of millions of Americans in disadvantaged communities."

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Citation: Biden offers \$450M for clean energy projects at coal mines (2023, April 4) retrieved 17 April 2024 from <https://techxplore.com/news/2023-04-biden-450m-energy-coal.html>

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