

# WELCOME!

- ▶ DMME POLICY UPDATE
- ▶ VACo Energy Steering Committee
  - ▶ AUGUST 19, 2021
  - ▶ Michael Skiffington
    - ▶ Director of Policy and Planning
- ▶ Department of Mines, Minerals and Energy

# ROADMAP

- ▶ R-PACE Workgroup Update
- ▶ Reenergize Southwest Update
- ▶ Agency Reorganization Update
- ▶ Q&A





# Residential Property Assessed Clean Energy (R-PACE) Work Group

- ▶ R-PACE provides a mechanism for homeowners to implement clean energy improvements to their home while financing the cost through their property tax bill.
- ▶ DMME is leading an R-PACE work group pursuant to [Budget Item 125 \(E\)](#) in the 2020 – 2022 biennium budget.
- ▶ The work group is charged with determining the feasibility and approach of creating a Virginia R-PACE Program.
- ▶ Any potential R-PACE program would require permissive legislation from the General Assembly followed by an enabling ordinance from local government to take effect.



# R-PACE Work Group

- ▶ Colin Bishopp, PACENation
- ▶ Matt Bruning, Virginia Bankers Association
- ▶ Andrew Clark, Home Builders Association of Virginia
- ▶ Russ Edwards, ALT Energy
- ▶ Bob Giles, Homerun Financing Group
- ▶ Gerry Gurgick, Energy Target Zero
- ▶ Ozzie Hoffler, Southern Energy Group
- ▶ Abby Johnson, Virginia Pace Authority
- ▶ Nate Smith, Virginia Mortgage Bankers Association
- ▶ Terrie Suit, Virginia Realtors Association
- ▶ Supervisor Mike Turner, Loudoun County

# R-PACE Work Group - continued

- ▶ The work group has met three times. All meetings have been open to the public.
  - ▶ June 9<sup>th</sup> (virtual)
  - ▶ June 29<sup>th</sup> (virtual - short administrative meeting)
  - ▶ July 15<sup>th</sup> (hybrid in-person / virtual)
- ▶ All of the meeting materials can be found on DMME's website here:  
<https://www.dmme.virginia.gov/de/pace.shtml>
- ▶ The next meeting is scheduled to occur on September 20, 2021
  - ▶ Venue is still being determined, but it is likely to occur in person in the Richmond, VA area.



# R-PACE Work Group - continued

- ▶ DMME is accepting public comment on this issue through the VA Regulatory Town Hall website. The public comment forum can be found here:  
<https://townhall.virginia.gov/L/comments.cfm?GeneralNoticeid=1275>
- ▶ The public comment forum is open until September 1, 2021.
- ▶ DMME will also be taking public comment at the September 20<sup>th</sup> meeting.
- ▶ DMME is required to submit a report detailing its findings and recommendations to the General Assembly no later than December 1, 2021.

# R-PACE Work Group – continued

## DMME Contacts

- ▶ Jordan Burns, Energy Policy Analyst
  - ▶ [jordan.burns@dmme.virginia.gov](mailto:jordan.burns@dmme.virginia.gov)
  - ▶ (804) 786 – 7900
- ▶ Larry Corkey, Energy and Regulatory Program Manager
  - ▶ [larry.corkey@dmme.virginia.gov](mailto:larry.corkey@dmme.virginia.gov)
  - ▶ (804) 692 – 3239



# REENERGIZE SOUTHWEST BACKGROUND

- ▶ Joint Legislative and Audit Review Commission (JLARC) Report
- ▶ HB1899/SB1252
- ▶ DMME Realignment



REENERGIZE



SOUTHWEST



# JLARC REPORT

- ▶ Infrastructure and Regional Incentives – September 14, 2020
  - ▶ <http://jlarc.virginia.gov/pdfs/reports/Rpt536-2.pdf>
- ▶ JLARC found that the two coal tax credits generate economic losses for the state and no longer appear relevant.
- ▶ JLARC also stated the coalfield region's existing economic development strategies should be comprehensively evaluated.

# RESULTING LEGISLATION

- ▶ Del. Hudson ([HB1899](#)) and Sen. McPike ([SB1252](#)) introduced bills to repeal the coal tax credits.
- ▶ During the committee process, the bills were amended to create a workgroup led by DMME.
- ▶ The bills passed the General Assembly and were signed into law by Governor Northam.



# WORKGROUP LANGUAGE – WHO?

- ▶ DMME, in coordination with:
  - ▶ Virginia Coalfield Economic Development Authority
  - ▶ Virginia Economic Development Partnership
  - ▶ Virginia Employment Commission
  - ▶ Southwest Virginia Workforce Development Board
  - ▶ Council on Environmental Justice



REENERGIZE



SOUTHWEST

# WORKGROUP LANGUAGE – WHAT?

- ▶ Recommendations for how the Commonwealth can provide economic transition support to the coalfield region, with a particular focus on:
  - ▶ Workforce redevelopment,
  - ▶ Economic diversification,
  - ▶ Reclamation of coal-impacted lands and brownfields,
  - ▶ Community revitalization,
  - ▶ Infrastructure improvements, and
  - ▶ Clean energy development.



# WORKGROUP LANGUAGE – WHEN?

- ▶ Draft Report to the General Assembly due September 1
- ▶ Final Report due December 1



# WORKGROUP PLANS – WHERE AND HOW?

- ▶ Three public meetings were held across the coalfields.
- ▶ Meeting #1 – June 8<sup>th</sup>, Big Stone Gap
- ▶ Meeting #2 – July 6<sup>th</sup>, Richlands
- ▶ Meeting #3 – July 8<sup>th</sup>, Clintwood





# WORKGROUP PLANS – WHERE AND HOW?

- ▶ In addition to in-person, comments can be submitted by:
  - ▶ E-mail to [reenergizeswva@dmme.virginia.gov](mailto:reenergizeswva@dmme.virginia.gov)
  - ▶ Chat feature in Webex during livestreamed meetings
  - ▶ Comment forum on [Virginia Regulatory Town Hall](#)
  - ▶ U.S. Mail to DMME's Big Stone Gap Office
- ▶ Comments will be accepted through September 30.

# DMME REALIGNMENT

- ▶ Coal production peaked in 1990, has decreased 70% since then.
- ▶ Nearly all coal fired power plants will close by 2025.
- ▶ DMME is realigning its resources to reflect the shift toward renewable energy and associated economic development opportunities.
  - ▶ New positions in BSG to focus on renewable energy
  - ▶ New position in Richmond to focus on energy equity





# DMME REALIGNMENT

- ▶ Effective October 1, DMME becomes the Department of Energy.
- ▶ Worker safety and environmental protection will remain important priorities.
- ▶ The agency will continue to build on its economic development successes.



REENERGIZE



SOUTHWEST

# DMME REALIGNMENT

- ▶ DMME has long been a leader in efforts to bolster economic development in Southwest Virginia.
  - ▶ Over 200 businesses on previously mined land.
  - ▶ Abandoned Mine Land (AML) water projects
    - ▶ DMME has awarded \$47.8 million for public water projects, creating 1,400 jobs.
  - ▶ AMLER (formerly AML Pilot)
    - ▶ DMME has received \$40 million for economic development efforts.



REENERGIZE



SOUTHWEST



# DMME REALIGNMENT

- ▶ DMME has long been a leader in efforts to bolster economic development in Southwest Virginia.
  - ▶ Office of Innovative Reclamation
    - ▶ New office created to foster creative approaches for post-mine land use.
  - ▶ InvestSWVA
    - ▶ Project Oasis – Data centers cooled with mine water.
    - ▶ Project Thoroughbred – Growing grains for craft beverage industry.



REENERGIZE



SOUTHWEST

# THANK YOU!

## QUESTIONS?

MICHAEL SKIFFINGTON

DIRECTOR OF POLICY AND PLANNING

[MIKE.SKIFFINGTON@DMME.VIRGINIA.GOV](mailto:MIKE.SKIFFINGTON@DMME.VIRGINIA.GOV)

804.370.1833

REENERGIZE



SOUTHWEST