

REGIONAL ROUNDTABLE: SECURING LOUISIANA'S ROLE IN A DECARBONIZED FUTURE

May 4-5, 2022

Overall takeaways

- Decarbonization is an imperative in Louisiana, which faces extraordinary risks from the impacts of climate change. Reducing emissions in the state is uniquely challenging, though, given most of the state's emissions come from difficult-to-decarbonize industrial processes.
- Industry in Louisiana is influenced not only by local, state, and federal policy, but also by global market, shareholder, and consumer pressures that are increasingly demanding low-carbon goods and services. This shift in demand underscores the need to proactively invest in low-carbon economic alternatives in the state to avoid negative impacts in the transition.
- Carbon capture, utilization, and storage (CCUS) is a divisive topic in Louisiana. Proponents suggested Louisiana's existing infrastructure and geology are crucial advantages for CCUS projects and called for increased emphasis on carbon utilization. Opponents raised technical and safety concerns and expressed that CCUS projects cannot substitute for emissions reductions by other means, and generally do not serve community needs.
- Offshore wind is a growth area for Louisiana, with large scale employment opportunities that are well suited for oil and gas workers. Still, challenges remain, including the need to build domestic supply chains for offshore wind components and the need to answer questions about its technical feasibility in the Gulf of Mexico.
- While Louisiana's industrial and energy workers have skills that are transferrable to new low-carbon industries, more can be done to cultivate a workforce for the future, including expanding technical training courses for new industries, investing in K-12 education, and creating pipeline programs to broaden access to employment opportunities for those who may be excluded from the job market.
- To create economic benefits through decarbonizing industry in Louisiana, state and company efforts need to center communities and workers. Meeting community and worker needs is a key approach to earning local buy-in for decarbonization plans.
- Improvements to regulations, siting, permitting, and monitoring are necessary to earn that buy-in and to create benefits for communities in the transition (such as improved air quality).

Session 1: Situating Louisiana in a global, low-carbon economy

- Reaching net-zero by 2050 requires making near-term decisions that can enable long-term emissions reductions. This includes prioritizing the state's climate goals in immediate actions such as permitting new industrial facilities.
- Louisiana's existing industrial infrastructure and skilled workforce can be leveraged to help the state become a hub for low-carbon industry. Still, existing infrastructure is not considered an asset by all and can create risks and impacts for communities.
- There is a need to significantly expand renewable electricity to decarbonize industry in Louisiana, including from offshore wind and solar. Investments in the grid, including transmission and distribution lines, are needed to supply that clean power. But industrial electrification has its limitations, especially for high-heat processes.
- Where emissions cannot be abated through other means (electrification, fuel switching, etc.) CCUS may be the only option to reduce emissions, but there is deep concern about CCUS

from many in the state. For these projects to be effective, they will need to be pursued in a way that is transparent, well regulated, and well monitored, with high environmental, social, and economic integrity.

- While Louisiana is a global leader in many industries, the benefits of that leadership are not always felt in Louisianan communities. Many communities face challenges including poverty, health concerns, and perpetual storm recovery that need to be addressed for them to fully participate in and benefit from the low-carbon transition.
- Without community buy-in, projects that can support decarbonization goals have been and may continue to be opposed by communities whose interests are not being directly served by projects. Earning local support is often a prerequisite for successful project development.

Session 2: Maximizing the local benefits of industrial decarbonization

- As Louisiana moves toward implementing its Climate Action Plan, there is a significant opportunity to put people at the center of those efforts and create localized prosperity in areas that have not always benefitted from being hubs of industrial activity.
- A deep mistrust between communities and industry in Louisiana makes communities hesitant to support new technologies, such as CCUS. When past promises have not been delivered on or harm has been done, communities may question whether new investments will benefit them. Intentional planning and safeguarding measures need to be put into place to ensure new investments repair this relationship and do not create new harms.
- Decision-making on policies and projects needs to weigh economic, environmental, health, and equity outcomes. Indicators are needed to define and track progress on these outcomes.
- Renewable energy offers multiple co-benefits for Louisianans, including improved air and water quality and energy resilience. Even renewable technologies have industrial supply chains, which need to be decarbonized. Louisiana can lead in creating domestic supply chains for renewables, including offshore wind, which can create significant employment opportunities.
- Workforce training is critical to preparing workers for new industries and to bringing new people into the workforce. Effective training programs require partnerships with industry to identify in-demand skills and to ensure job opportunities exist for trainees.
- There are numerous ways to build local benefits into new projects during planning, for instance by creating community benefits agreements between investors and communities and by evaluating potential projects on factors including the amount the investor puts toward community and workforce development, etc.
- Creating inclusive economic opportunities in the transition necessitates investments in local hiring, family-sustaining wages, safe working conditions, and avenues for small businesses to participate in the transition, including as project vendors.
- Community opposition has stalled projects in the past, including renewable energy projects. Giving communities a sense of ownership over projects (including by providing localized benefits and through meaningful involvement in siting, permitting, and ongoing monitoring) is critical to the success of projects, and decarbonization efforts more broadly.
- The Infrastructure Investment and Jobs Act offers a significant opportunity for Louisiana to pursue projects that align its climate, employment, and equity objectives. Strategic planning efforts are requisite for Louisiana to compete for this federal funding by demonstrating how projects fit into larger goals.