

The GAP Generator

with no moving parts

Virginia House Bill 754

Offered January 8, 2020

Prefiled January 7, 2020

Jan 29, 2020 Updated Aug 10, 2020 by Tim Dodson Bristol Herald Courier

The Virginia Brownfield and Coal Mine Renewable Energy Grant Fund would provide up to **\$35 million annually** for sun, wind and geothermal projects under **House Bill 754**, introduced by Del. Terry Kilgore, R-Gate City. Dels. Chris Hurst, D-Blacksburg, and Tony Wilt, R-Harrisonburg, are chief co-patrons of the bill.

The proposal comes amid advocacy in recent years for cleaning up and finding new uses for abandoned coal sites. And as renewable energy sources play a larger role in U.S. electricity generation, efforts are underway to increase the industry's presence in Southwest Virginia and attract new jobs.

Former mining sites can be expensive to develop, so the grant funding is aimed at encouraging new projects, Kilgore said.

“Is it the silver bullet? Maybe, maybe not, but it's at least part of a proposal that we need to put together in Southwest Virginia to push energy and continue to be an energy provider in our neck of the woods,” Kilgore said about HB 754.

As proposed, the program would award grants on a competitive basis in the amounts of \$500 per kilowatt of nameplate capacity from renewable energy sources on land that was previously mined for coal and \$100 per kilowatt of nameplate capacity from renewable energy sources on brownfields. Grants would not be allowed to exceed \$10 million for a single coal mine project and \$5 million for a brownfield project not on previously mined land, according to the bill. A brownfield is an area contaminated by industrial or commercial use.

Total allocations from the program would be capped at \$35 million in a given year. Of that amount, \$20 million would be reserved for projects on former mine sites, but if less than that amount were distributed, remaining funds could go toward brownfield projects.

The Virginia Department of Mines, Minerals and Energy would be tasked with administering the program. DMME would also work with the Virginia Department of Environmental Quality to develop criteria for grant awards.

Kilgore said he does not expect the program to receive full funding of up to \$35 million this year if it's signed into law, but he's optimistic it will get some initial support. The bill has attracted a bipartisan group of patrons from across the state.

“We'll see if we can get some money and then use whatever money we've got from the state to match some federal dollars and try to move this program forward ... and at least get some projects going,” Kilgore said.

Federal funding that's already being used for renewable energy projects includes the Abandoned Mine Land Pilot Program, which supports economic and community development on former coal properties.

Virginia has received \$30 million for projects through the AML Pilot Program since 2017 and will get an additional \$10 million in 2020, according to DMME spokeswoman Tarah Kesterson. Some of those funds have previously been awarded through grants for projects like a large-scale solar project at the Lonesome Pine Regional Business and Technology Park in Wise County.

Advocacy groups have also turned their attention to abandoned mine lands.

New energy projects on previously mined land could “breathe new economic life into these scarred areas, take advantage of unique physical characteristics of these lands, preserve forests and farm land, and retain the region’s proud history and identity as an energy-producing region,” according to a 2019 report from the Reclaiming Appalachia Coalition.

Kilgore’s bill has been referred to the House Labor and Commerce Committee.

“Sometimes, the environmental community and the energy community are at odds, but this is one way we can bring them together to work on something that will move Southwest Virginia forward, create some jobs, but also clean up the environment to a degree,” he said. “So it’s something we can all work on.”