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Key Insights

- Electrifying beer and container glass production in Colorado can significantly reduce emissions.
- Electrifying recycled plastic, milk powder, container glass, soybean oil, cast aluminum, or beer production may reduce energy costs per unit of production.

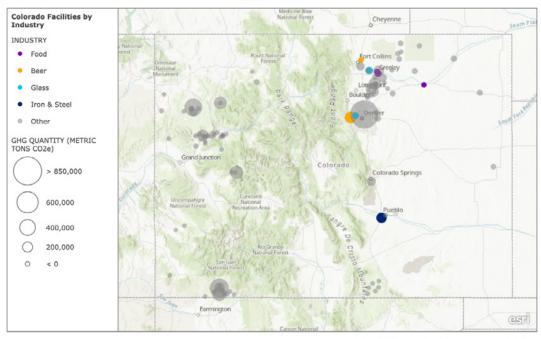
Electrifying industrial processes offers a significant opportunity to decarbonize Colorado's industrial sector, which accounts for 15% of the state's greenhouse gas (GHG) emissions.¹ Industrial emissions originate from facilities throughout the state as shown in the map below. These emissions must be reduced to meet the state's emissions reductions goals. In numerous industrial subsectors, electrified technologies can shift production away from carbonintensive fossil fuels to renewable electricity.

Quick Facts

- 15% of Colorado's GHG emissions are from industry.¹
- The state is committed to reduce emissions 90% by 2050, including 26% by 2025 and 50% by 2030 compared to 2005 levels.²
- As of 2022, the manufacturing sector employed 5.36% of the state's workforce and accounted for more than 6% of total gross state product.³

The report <u>Industrial Electrification in U.S. States</u> analyzes nine of Colorado's industrial subsectors and the changes in energy use, CO₂ emissions, and energy costs that would occur if individual industrial processes were electrified. This report studied Colorado's industrial pulp and paper, container glass, plastic recycling, beet sugar, milk powder, wet corn milling, aluminum casting, beer, and soybean oil sectors.

Colorado's Industrial Emissions



Esri, USGS | Esri, HERE, Garmin, FAO, NOAA, USGS, EPA, NPS

Built using ArcGIS online with U.S. Environmental Protection Agency's Facility Level Information on GHGs Tool (FLIGHT) 2020 data. U.S. Environmental Protection Agency, "Greenhouse Gas Reporting Program (GHGRP)," last accessed February 25, 2022, https://www.epa.gov/ghgreporting.

This map shows the relative emissions of large industrial facilities. Facility types that are included in the full report analysis are shown in colors while other industrial facility types are shown in grey.

The study found that, among the Colorado subsectors analyzed, the following have the potential to reduce emissions by the largest margins, ranked by the expected decrease in annual emissions by 2050 through electrification:

- Beer (166 kt CO₂)
- Container glass (132 kt CO₂)
- Beet sugar (43 kt CO₂)

Deploying electric technologies would result in near-term emissions reductions, and, given the Biden administration's stated policy to achieve a "carbon pollution-free power sector by 2035," electrification could deliver even further decarbonization in the near- and medium-term.

Many electrification technologies considered in this study are commercially available, enabling Colorado to begin electrifying, and realizing emissions reductions, in the near-term. Within Colorado today:

- The beer industry can electrify using heat pump technology, delivering emissions and energy cost savings by 2030. The container glass industry can deploy electrically powered glass melters, forehearths, and annealing lehrs to see immediate emissions savings and potential energy cost savings by 2050.
- Electrification can bring energy cost savings across six industries including plastic recycling, milk powder, container glass, soybean oil, aluminum casting, and beer if lower renewable electricity cost is used. Additional cost information can be found in the full report.
- Industrial electrification can be advanced by supporting electrified technology
 demonstration, financially incentivizing electrification, increasing the state's renewable
 electricity generation capacity, enhancing the electric grid, and developing the workforce.
 A decarbonized energy grid is crucial for realizing the full benefits of industrial electrification
 and bringing Colorado closer to its emissions reduction goals.

Key Actions to Accelerate Industrial Electrification in Colorado

- Open a dialogue with the beer industry to learn what hurdles prevent manufacturers from adopting commercially available electrified technologies, especially heat pumps.
- Assist facilities in accessing the Inflation Reduction Act's incentives for electrification, such as the Sec. 48C Advanced Energy Manufacturing Credit and the Advanced Industrial Facilities Deployment Program.
- Leverage federal resources in the Investment in Infrastructure and Jobs Act (IIJA), including opportunities under the Advanced Energy Manufacturing and Recycling Grant Program and the Industrial Emissions Reduction Technology Development Program.
- Ensure sufficient renewable electricity generation resources are built to supply increasing demand and that grid infrastructure can adequately and reliably serve increased loads.
- Engage frontline communities and those working on environmental justice in this industrial transition.

Additional Factsheet Sources:

- ¹ U.S. Energy Information Administration, "<u>Introduction and Key Concepts: State Energy-Related Carbon Dioxide</u> <u>Emissions Tables</u>," Independent Statistics & Analysis, U.S. Department of Energy, October 2022.
- ² KC Becker, Dominique Jackson, Faith Winter, and Angela Williams (2019), "Climate Action Plan to Reduce Pollution," Pub. L. No. HB19-1261, § 7, 25 Colorado Revised Statutes 102.

Download the full report and analysis here: https://www.globalefficiencyintel.com/industrial-electrification-in-us-states





