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Key Insights

- Electrifying ammonia or methanol production in Louisiana can significantly reduce emissions.
- Electrifying recycled plastic production may reduce energy costs per unit of production.
- Electrifying just the subsectors in this study will advance
 Louisiana 1.2% of the way towards its goal of zero industrial emissions by 2050.

Electrifying industrial processes offers a significant opportunity to decarbonize Louisiana's industrial sector, which accounts for 61% 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 and net-zero goals. In numerous

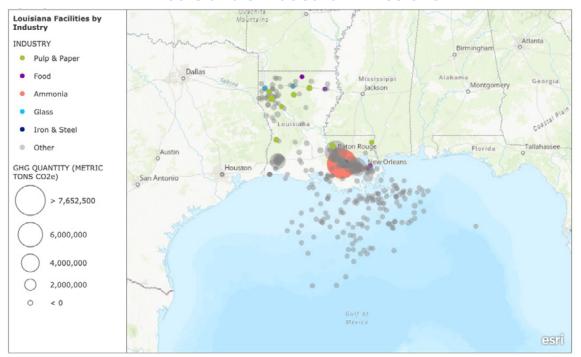
industrial subsectors, electrified technologies can shift production away from carbon-intensive fossil fuels to renewable electricity.

Quick Facts

- 61% of Louisiana's GHG emissions are from industry.¹
- The state is committed to achieve net-zero by 2050, including cutting greenhouse gas emissions 26-28% by 2025 and 30-40% by 2030 compared to 2005 levels.²
- As of 2022, the manufacturing sector employed 6.8% of the state's workforce and accounted for more than 16% of total gross state product.³

The report Industrial Electrification in U.S. States analyzes nine of Louisiana's industrial subsectors and the changes in energy use, CO_2 emissions, and energy costs that would occur if individual industrial processes were electrified. This report studied Louisiana's industrial pulp and paper, container glass, ammonia, methanol, plastic recycling, wet corn milling, aluminum casting, beer, and soybean oil sectors.

Louisiana's Industrial Emissions



Esri, USGS | CONANP, 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 Louisiana 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:

- Ammonia (8953 kt CO₂)
- Methanol (2700 kt CO₂)
- Pulp and paper (279 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 Louisiana to begin electrifying, and realizing emissions reductions, in the near-term. Within Louisiana today:

- The ammonia and methanol industries can both electrify using electrolysis technology to produce hydrogen, delivering emissions savings in both sectors before 2040.
- Electrification can bring energy cost savings in the plastic recycling industry, even when using conservative estimates for electricity pricing. 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 Louisiana closer to its emissions reduction goals.

Key Actions to Accelerate Industrial Electrification in Louisiana

- Open a dialogue with the ammonia and methanol industries to learn what hurdles prevent manufacturers from adopting commercially available electrified technologies, especially hydrogen production through electrolysis.
- Support efforts to establish federally supported H₂ Hubs in the state given the potential for hydrogen to decarbonize the ammonia and methanol industries with clean electricity.
- 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 Emissions Tables</u>," Independent Statistics & Analysis, U.S. Department of Energy, October 2022.
- ² Climate Initiatives Task Force, "<u>Louisiana Climate Action Plan</u>," State of Louisiana, February 1, 2022.
- ³ National Association of Manufacturers, "2023 Louisiana Manufacturing Facts," 2023.

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





