

# Interagency Working Group (IWG) on Coal and Power Plant Communities and Economic Revitalization Activities, 2023-2024

December 3, 2024

Since its inception in 2021, the [Interagency Working Group \(IWG\) on Coal and Power Plant Communities and Economic Revitalization](#) has focused on providing a [whole-of-government response](#) and facilitating access to federal resources for communities facing energy transitions. Recently, federal policies designed to address the effects of energy transitions have included support for [economic development assistance programs for certain communities](#)—generally administered by individual agencies—as well as support for coordinated interagency and targeted technical assistance (see [R47607](#) for a description of technical assistance). This report summarizes the IWG’s recent activities and funding levels, including the Biden [Administration’s FY2025 funding request](#), and provides considerations for Congress.

## IWG Background

In July 2021, the [Biden Administration](#) established the IWG to facilitate [economic revitalization](#) in communities affected by changes in coal, oil, and gas industries and by power plant closures, and to support workers (see CRS Report [IF12238](#)).

In an April 2023 report, [Revitalizing Energy Communities Two-Year Report to the President](#), the IWG summarized activities it completed between 2021 and March 2023 and outlined plans for its next phase of outreach and technical assistance. In this and [other recent reports](#), the IWG noted that to date, it has reached numerous communities and thousands of individuals. For instance, the IWG hosted over 45 in-person and virtual trainings; provided a [clearinghouse](#) for federal funding opportunities; and facilitated six [Rapid Response Teams \(RRTs\)](#).

## IWG Funding

The IWG is funded through the Department of Energy’s (DOE’s) Fossil Energy and Carbon Management (FECM) appropriation. As a relatively small portion of that appropriation, it is not mentioned in

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IN12465

appropriations bills, and only occasionally in committee reports. The DOE's [FY2024 budget justification](#) proposed moving the IWG to the Office of State and Community Energy Programs (OSCEP) and funding it at \$5 million, but the [report](#) accompanying the FY2024 enacted consolidated appropriations measure directed the DOE to allocate \$5 million to the IWG under the FECM. For IWG funding in FY2025, the [Administration requested \\$8 million](#) under OSCEP, the [House committee report](#) included \$5 million under FECM, and the [Senate committee report](#) recommended \$7 million under FECM.

## New Activities and Events in 2023 and 2024

In 2023 and 2024, IWG technical assistance activities focused on helping coal and power plant communities navigate the requirements and application processes for programs recently established by the [Infrastructure Investment and Jobs Act](#), the [CHIPS and Science Act](#), and the [Inflation Reduction Act](#), among others. Examples of this assistance include

- In-person events, such as the [Institutional Investment Opportunities in Energy Communities Event](#) with federal agency and financial industry representatives; regional workshops on “[Catalyzing Economic Development](#)” and the [48C tax credit](#); and a [stakeholder retreat](#); and
- Expanded technical assistance services and publications, such as the [Navigator](#) team, a [Getting Started Guide](#), webinars (e.g., “[Capacity Building for Energy Assets](#)”), and a new [Site Review Tool](#) (i.e., an interactive map showing information about a community's facilities and nearby infrastructure).

Additionally, in FY2024, Congress directed the IWG to lead the [Waterways Freight Diversification and Economic Development Initiative](#), designed to focus on “waterway freight diversification and economic development in the Ohio, Allegheny, and Monongahela River Corridor” (see [explanatory statement](#) accompanying P.L. 118-42). The IWG launched listening sessions in FY2024.

[Beginning in July 2024](#), the new [Energy Communities AmeriCorps](#) initiative is to deploy 150 participants to work on economic and community development and public health activities in locations where the IWG has established [RRTs](#).

## IWG 's Policy Priorities

The IWG's [Two-Year Report](#) emphasized the role of ongoing technical assistance and the potential for further alignment of federal, state, and local agency resources in helping energy transition communities access funding. Based on its review of prior policies and interactions with stakeholders, the IWG offered three approaches to potentially address “funding alignment across agencies,” including

- pooled funding to allow communities to make a single application;
- interagency agreements to allow fund transfers and align goals and outcomes; and
- interagency efforts providing a “concierge service” to support integrated outcomes in a single location.

The report also noted that coordinating the timing of various forms of assistance and [advance planning](#) could facilitate economic transitions and mitigate challenges related to [decreasing local tax revenues](#).

## Considerations for Congress

Congress may seek to review opportunities, limitations, and resource requirements associated with the IWG's policy priorities (see above). For instance, the IWG's [Two-Year Report](#) noted that pooled funding

may help communities coordinate resources and address cross-cutting issues. Although “pooled funding” may refer to a range of strategies, the [IWG report](#) indicates that in this context, it would involve merging disparate, federal program funds in order to facilitate the use a single application across agencies. Congress may consider options to consolidate existing programs or funding—some of which may involve legislative changes to existing programs’ statutory requirements pertaining to eligibility criteria, eligible applicants, periods of performance, and outcome measurements. Alternatively, Congress may opt not to consolidate programs or funding, or to direct agencies to enhance coordination in other ways. In response to another IWG policy priority, Congress may consider options to encourage advance planning activities several years before major changes to a region’s energy assets (e.g., power plant or mine closures) occur.

[Federal agencies](#) and [outside groups](#) continue to call attention to [capacity challenges](#) and other barriers to accessing and managing grants faced by small, rural, or underserved communities, including coal and power plant communities. The IWG [refers](#) to technical assistance and peer learning among underserved communities as “structural support,” and noted that Congress has [previously chartered and funded](#) a nonpartisan nonprofit (i.e., [Neighborworks](#)) to support communities with similar revitalization endeavors. Congress may seek to review options to continue or change the level of support and focus of IWG’s existing technical assistance and convening activities, or consider new IWG roles. For instance, in the 117<sup>th</sup> Congress, S. 4183 would have established a federally-chartered nonprofit organization to assist communities with transition activities.

Congress may also consider providing statutory authority for IWG activities in permanent law or to continue to appropriate funds to carry out the objectives of the [executive order](#) that established the IWG.

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