



Cross-Cutting Resources: Clean Energy Supply

The industrial sector in Indiana is the state's largest energy consumer, driven especially by energy and emissions-intensive iron and steel. For many decades, coal has been the staple energy provider, although in recent years, natural gas has grown to fill a substantial role as well. The future energy make-up of the state, however, will need to incorporate a much higher proportion of clean energy sources, especially solar and wind, to remain cost competitive and meet industrial and electric vehicle clean energy demands.

Opportunities



Creating a clean energy portfolio and grid will help avoid fossil infrastructure lock-in.



Federal grants and other incentives will help industry adopt technologies that reduce emissions.



Meet sustainability and clean energy production requirements.



Improve air quality and public health benefits.

Challenges



Extreme weather events pose challenges for managing the grid, raising concerns about renewable energy's ability to support everything.



Upgrading existing grid infrastructure and building transmission lines are necessary to support increasing electricity demand.



Solar and wind projects may face limitations from local restrictions and may require power purchase agreements.



Clean energy investments face competition from other nearby states.

Potential Paths Forward

To help facilitate the expansion and efficient use of clean energy, Indiana should focus on upgrading transmission to improve incorporation of renewables into the grid.

Examples of clean energy requirements for cutting-edge new manufacturing facilities are becoming more common, presenting an opportunity for Indiana to engage with industry to build out new renewable supply to meet projected manufacturing needs and support company energy and sustainability goals.

Case Study: Georgia

Georgia's low tax rates, transportation links, diverse workforce, and clean energy incentives have made it an attractive state for manufacturing, especially for electric vehicle (EV) and battery production. Companies like Hyundai are building new battery and EV manufacturing facilities and taking advantage of the state's fast-track program for project siting and construction. The state's willingness to offer infrastructure and location for land has further incentivized companies to establish themselves in Georgia. As a result, there will be numerous production plants and thousands of clean energy projects created in the coming decades. Given this success, Indiana can follow suit and create programs to facilitate siting to become a leading state in clean manufacturing.