Electrifying industrial processes offers a significant opportunity to decarbonize Alabama's industrial sector, which accounts for 18.5% of the state's greenhouse gas (GHG) emissions. Industrial emissions originate from facilities throughout the state as shown in the map below. These emissions must be reduced to meet national emissions reductions and carbon neutrality goals. In numerous industrial subsectors, electrified technologies can shift production away from carbon-intensive fossil fuels to renewable electricity.

The report *Industrial Electrification in U.S. States* analyzes eight of Alabama'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 Alabama's industrial pulp and paper, container glass, ammonia, plastic recycling, milk powder, aluminum casting, beer, and soybean oil sectors.

**Key Insights**

- Electrifying pulp & paper production in Alabama 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 by 2030.

**Quick Facts**

- 18.5% of Alabama's GHG emissions are from industry.
- As of 2022, the manufacturing sector employed more than 13% of the state's workforce and accounted for more than 16% of total gross state product.¹

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 Alabama subsectors studied, the following have the potential to reduce emissions by the largest margins, ranked by the expected decrease in annual emissions by 2050 through electrification:

- Pulp & Paper (421 kt CO$_2$)
- Plastic Recycling (205 kt CO$_2$)
- Soybean Oil (190 kt CO$_2$)

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 Alabama to begin electrifying, and realizing emissions reductions, in the near-term. Within Alabama today:

- The pulp and paper can electrify using infrared dryer technology, delivering emissions savings by 2040.
- Electrification can bring energy cost savings across six industries including the plastic recycling, milk powder, container glass, soybean oil, aluminum casting, and beer subsectors 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 Alabama closer to its emissions reduction goals.

**Key Actions to Accelerate Industrial Electrification in Alabama**

- Open a dialogue with the pulp and paper industry to learn what hurdles prevent manufacturers from adopting commercially available electrified technologies, especially infrared dryers.
- 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: