

STATE ECONOMIC IMPACTS OF NETL WEST VIRGINIA



NETL

NATIONAL ENERGY TECHNOLOGY LABORATORY

Located in Morgantown, the U.S. Department of Energy National Energy Technology Laboratory (NETL) serves as an important economic catalyst for the state of West Virginia. Founded as part of a war-time effort during World War II to develop processes for producing synthesis gas from coal, NETL's West Virginia Laboratory has grown to a full-service energy innovation center. Today the Laboratory investigates energy technologies related to geological and environmental sciences, energy conversion, computational science and more—all with the common goal of advancing energy and environmental technologies into the marketplace. NETL's West Virginia Laboratory enables microwave technologies to reduce carbon footprints, transform transportation, and enable renewable power storage. The Lab also uses simulation-based engineering to accelerate technology development and inform decision-making regarding challenges such as design, scale-up, and integration of energy systems. Through its research activities, science education programs, employment, and operational activities, NETL continues to bolster the regional economy while advancing energy science and engineering.

ECONOMIC IMPACTS OF NETL WEST VIRGINIA

NETL conducted an economic analysis using a state-level input-output (IO) model to quantify the laboratory's economic impacts on West Virginia. The two tables below summarize NETL's impacts on West Virginia's economy in 2020.

The first table includes employment and salaries of individuals employed in West Virginia at NETL as either federal employees or site support contractors (full-time equivalents), as well as NETL's spending on grants, R&D awards, contracts, cooperative agreements, and purchase orders, within West Virginia. The analysis revealed that NETL injected \$96 million (\$96M) directly into the state economy in 2020.

Summary of NETL expenditures and number of on-site employees (WV)

| Impact Category | |
|--|--------------|
| Federal Employment and Site Support Contractor (full-time equivalent jobs) | 563 |
| Total Expenditures | \$96M |

NETL's impact on the U.S. economy is greater than the lab's total direct spending because the money is spent again by the recipient employees and businesses. This economic "ripple effect" is captured in the IO model through a series of multipliers that provide estimates of the impact of each dollar of direct spending cycling through the state economy in the form of additional (indirect and induced) spending, personal income, and employment. The analysis concluded that NETL had a total estimated impact of \$156 million (\$156M) on West Virginia's economy in 2020 (see table below).

NETL's Total Economic Impact on the State of West Virginia, 2020

| Impact Category | |
|--|---------------|
| Jobs (direct, indirect, and induced full-time equivalent jobs) | 1,096 |
| Total Economic Impact (direct, indirect, and induced) | \$156M |