A Green Road to Recovery

Clean Energy Jobs and a Just Transition

March 19, 2021
Speakers

Moderator:
- Clara Summers, Climate & Energy Manager, National Caucus of Environmental Legislators

Presenters:
- Ann Williams, Illinois State Representative
- Kevin Lee, State Policy Director, Blue Green Alliance
- Chris Markuson, Director of Colorado and State Economic Transition Policy, Blue Green Alliance

carboncostscoalition.org  @nceleenviro  www.ncel.net
Labor Standards in Climate Policy

Kevin Lee, State Policy Director
March 19, 2021
Cumulative New Capacity Additions in the 90% Clean Case, 2020–2035

Record year!
Average wages in natural gas industry

• Fuels sector (extraction, manufacturing, wholesale trade/distribution):
  $67,330

• Utilities/Electric Power Generation (incl. gas plant operators, in-house trades, system operators, etc.):
  $74,638

• Construction (incl. contracted trades work):
  $58,850

*Solar installation: $46,850
Unionization in natural gas industry

- Fuels sector (extraction, manufacturing, wholesale trade/distribution):
  - 3% (driven mainly by low unionization in extractive industry)
- Utilities/Electric Power Generation (incl. gas plant operators, in-house trades, system operators, etc.):
  - 11%
- Construction (incl. contracted trades work):
  - 17% (driven by high unionization for contracted pipeline/storage trades work)

* Solar PV: 4%
* Workforce at large: 6%
Evolution of wind and utility-scale solar projects, E+ Base

As of end 2020 (modeled year)

<table>
<thead>
<tr>
<th></th>
<th>Wind</th>
<th>Solar</th>
</tr>
</thead>
<tbody>
<tr>
<td>Capacity installed (TW)</td>
<td>0.15</td>
<td>0.07</td>
</tr>
<tr>
<td>Land used (1000 km²)</td>
<td></td>
<td></td>
</tr>
<tr>
<td>Total</td>
<td>58</td>
<td>1.08</td>
</tr>
<tr>
<td>Direct</td>
<td>0.6</td>
<td>0.97</td>
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Note: Site capacity factors are reflected in color intensity (highest CF = darkest color).
Labor standards to ensure high job quality

- Project Labor Agreements and Community Workforce Agreements
- Prevailing Wage
- Local Hire
- Targeted Hire
- Organizing Rights
- Apprenticeship Utilization
What is the State Policy Toolkit?

• Handbook of policy concepts that tie climate policy to economic security and fairness
• Examples of statutory or administrative language
• Resource for advocates and policymakers crafting policy language or bill concepts
Thank you!

klee@bluegreenalliance.org
COLORADO’S LEGISLATIVELY MANDATED GREENHOUSE GAS TARGETS

- 2025: 26% reduction
- 2030: 50% reduction
- 2050: 90% reduction

Assumes 50% of GHG reduction to come from closing coal power plants
JUST TRANSITION: HOW?

Study and experience indicates the following:

1. Provide a broad system of support for impacted workers
2. Empower and equip communities with what they need to shape their own destiny
3. Make better use of State tools to assist workers and communities
4. Improve and enhance long-term regional economic development efforts
5. Ensure lands are reclaimed, creating good jobs
HB 19-1314 – Just Transition Office
- Established Transition Advisory Committee
- Provided administrative, logistical, research and policy support
- 1.5 FTEs
- Draft plan complete Aug 1, 2020
- Final plan with policy recommendations complete Dec 31, 2020
Appointed by Director

- Three representatives of coal workers
- Three representatives from coal communities
- Two representatives with economic development or workforce retraining
- Two representatives from disproportionately impacted communities
- Two representatives of utilities

Ex-Officio Members

- Executive Director, Department of Labor
- Director, Office of Economic Development
- Director, Colorado Energy Office
- Executive Director, Department of Local Affairs
- Representative of Office of the Governor
- Member of the Senate
- Member of the House
I - SUPPORT FOR WORKERS

Options Contemplated in Colorado:

- Health Benefit Replacement or Supplemental
- Individual Worker Transition Plans
- Relocation Assistance
- Training
- Wage Replacement
- Job Search
- Wage Differential

Wrap-Around Services:

- Child Care
- Health Care
- Mental Health Care
- Transportation Assistance
- Utility Assistance
- Other
II - SUPPORT FOR COMMUNITIES

Options Contemplated in Colorado:

- Community Transition Plans
- State Program Alignment with Local Strategies
- Empower communities with resources to drive their own transitions
- Coordinate infrastructure investments to support transition strategies
- Attract grants and investments

For Consideration:

- Rural Development Hubs
  - (Aspen Institute and USDA)
- Tap Existing Tools of Multiple Agencies
- Economic Gardening
- First Risk Capital Funding
COLORADO’S PLAN: IN PROGRESS

- Provide a broad system of support for impacted workers
- Empower and equip communities with what they need to be in charge of their own destiny
- Make better use of State tools to assist workers and communities
- Improve and enhance long-term regional economic development efforts
- Ensure lands are reclaimed, creating good jobs
THANK YOU

Chris Markuson
Director of Colorado and State Economic Transition Policy

cmarkuson@bluegreenalliance.org
LOCAL WORK:

KEY TAKE-AWAYS FOR OTHER STATES

A. Economic Impact Analysis produced by Colorado Mesa University for Assoc Governments of NW Colorado
   - Quantifies the potential loss
   - Allows establishment of firm goals

B. “Moffat County Vision 2025 Transition Plan”
   - Local follow-up to statewide plan
   - Empowers regional leaders to advocate for needed resources