

Just Transition Employment and Retraining Working Group Meeting Minutes

Friday, April 26, 2024, 10:00am-12:00pm E.T.

Meeting Location: Online via Google Video

Attendees

Members

Member type	Name	Present
Senate Seat	Senator Dawn Gile	
Senate Seat	Senator John Mautz	Х
House Seat	Del. Regina Boyce	Х
House Seat	Del. David Fraser-Hildago	
MDE	Cindy Osorto	Х
MDL	Chanel Viator	X
MDOT	Allison Breitenother	Х
Electrical Worker	Richard Strong	
Construction Laborer	Victoria Leonard	
Labor Rep.	Donna S. Edwards	
Labor Rep.	Gerald Jackson	Х
Labor Rep.	Jerry R. Williford Jr.	
Labor Rep.	Sean Straser	х
Energy Efficiency Rep.	Casey Ross	Х
Environmental Org Rep.	Ryan Trauley	Х
Solar Energy Industry Rep.	Stephanie Johnson	
Wind Energy Industry Rep.	Moira Cyphers	
Geothermal Energy Rep.	Erin Appel	
Community College Rep.	Brad Philips	X



Veteran Rep.	Lynn Nash	
Formerly Incarcerated Rep.	Kimberly Haven	
Women in Affected Industry	Jennifer Walsh	Х
Women in Affected Industry	Suzanne K. McCoskey	Х
NAACP Rep.	Kobi Little	
NAACP Rep.	Tifani Fisher	Х
Oil/Propane Distributor	Larry Shifflet	
Municipal Electric Utilities	John Hines	
Investor-Owned Utilities	Tanya Terrell	Х

Participants

Stephanie Vo, Jared Williams, Jason Ascher, Zachery Carey, Jared Deluccia, Noble Smith, Jared Temanson, Christopher Beck, Jackie Specht, Dani Phillips, Michele Joseph, Olivia Wisner, Payton Hesse, Zachery Carey, Kathleen Kennedy, Samuel Furio, Kayle Krieg, Khalid Malik, Daniella Bacigalupa, Jennifer Laszlo Mizrahi, Mariana Rosales, Lynn Slepski, Liv Yates

Introductions and Overview of Maryland Climate Change Commission (MCCC) and Just Transition Employment and Retraining (JTWG) Working Group Charge

- Introductions were made by the members and participants.
- Maryland Climate Policy History
 - o 2008 Maryland Climate Action Plan led to the Greenhouse Gas Emission Reduction Act (GGRA) in 2009. MCCC codified into law in 2015. GGRA of 2016 signed into law based on MCCC recommendations. The Climate Solutions Now Act of 2022 expanded MCCC's role and set new ambitious climate goals.
- Maryland Commission on Climate Change Working Groups
 - o Originally only four working groups, but MCCC added four new working groups due to the CSNA of 2022, including the Just Transition WG.
- JTWG
 - o Focused on equitable workforce development related to supporting equitable and just development opportunities in Maryland communities.
 - o Meeting dates will be held on Fridays 10am-12pm.
- Each WG is different; JTWG is the largest of the WGs by membership
 - o Membership is determined in the law.
 - o List of members is on the JTWG <u>website</u>.

Overview of Maryland's Climate Pollution Reduction Plan

- <u>Climate Pollution Reduction Plan</u> released by MDE in December 2023.
- Plan provides pathways to achieve Maryland's climate goals of gross 60% reduction of emissions based on 2006 levels by 2031 and net-zero emissions by 2045.
 - o Will create net economic benefits for MD.
 - o Most ambitious climate goals of any US State.
- Includes 42 policies (current and planned)



- o Collaboration between agencies and sectors.
- o Pathways exist to achieve goals, but goals not possible with only current policies.
- Majority of emissions reductions will come from Electricity and Transportation sectors, but this is an economy-wide effort, so MD needs all sectors to participate.
- Maryland has come a long way over the decades
 - o Maryland used to have the worst air quality in the eastern half of the US.
 - o There were 8 coal fired power plants in 2006, but now MD only has two.
 - o Air quality is a public health issue, so it is important MD continues to make progress with climate pollution reduction goals.
- Maryland is a leader in climate change
 - o Maryland went from having the dirtiest air quality to some of the cleanest.
 - o In 2022, Maryland met all national air quality standards since the Clean Air Act was enacted over 50 years ago.
- The greatest improvements have come from the electricity sector
 - Looking at gas, coal and imported energy there have been significant emissions reductions since 2006 - two-thirds of statewide emissions reductions were from the electricity sector.
 - o Across the country we are seeing efforts from businesses and government, but we also need individual investments to get us to our goals, such as investing in heat pumps and energy efficiency technologies.
 - Electrification is needed to achieve climate goals, relying on technologies like heat pumps, electric vehicles, and electric appliances that are powered by clean energy.
 - These technologies are becoming increasingly accessible and affordable, with federal and state incentives being available.
 - o Can the grid handle it?
 - Some MD residents are concerned about grid safety and reliability.
 - A 2023 PSC study found the grid can handle the anticipated load. Readiness will require grid investments, but it can be done affordably and reliably.
- Transportation emits the most of any sector in Maryland
 - o Plan includes decarbonizing this sector across public and private vehicle fleets through electrification and by reducing vehicle miles traveled (VMT).
 - o Advanced Clean Cars II and Advanced Clean Trucks policies require new cars and trucks sold in MD to be ZEVs by certain years.
 - o MD's EV charging network is ready for more growth
 - MD is building a reliable charging network. Over 1500 public chargers have been installed in MD already.
 - Having access to charging stations is a concern for EV owners and will be addressed (i.e. range anxiety).
 - We are working to leverage both state and federal funding to increase investments into charging infrastructure.
- Building sectors
 - o Plan includes ambitious policies regarding buildings: Building Energy Performance Standards (BEPS). Over time, certain large buildings will need to decrease emissions and achieve net-zero emissions by 2040.
 - o Other policies include Zero-Emission Heating Equipment Standards (ZEHES) and Clean Heat Standards (CHS): the goal of these policies is to require appliances to be cleaner and work with laws and programs to decarbonize the building sector.
- What does this mean for the economy and workforce?
 - The CPRP modeled the economic impacts, and found that it will have a net positive impact on the MD economy.
 - o 27,000 jobs will be created, including jobs for HVAC technicians, electricians, and contractors.



- o The JTWG will contribute to the creation of these new jobs and will help ensure that those jobs will reach historically marginalized populations.
- Benefits will also reach individual consumers
 - o The average MD household will be able to save \$2,600 which will increase over time. This means we'll be putting back money into Marylander's pockets.
 - o MD wants to help households to afford these upgrades, so MD will pursue offering additional state incentives in addition to federal incentives.
- Incentive examples
 - o Home energy audits, solar panel incentives, rebates for heat pumps, appliance upgrades, electrical wiring, etc.
 - o Driven by the IRA and IIJA there are federal incentives to help with the transition.
 - o All of these will be available for low- to moderate-income (LMI) households.
- Potential funding sources
 - o Plan includes some examples:
 - Federal grants and loans
 - Green revenue bonds
 - Cap and Invest or other carbon pricing models
 - o CPRP calls for \$1B per year in funding to reach goals
 - Need for funding means MD will need creative solutions and leverage engagement from different sectors and agencies to achieve climate goals.
 - Need to heed Governor Moore's call to Leave No Marylander Behind.
 - o Workforce development is a priority for MDE and the State as a whole
- There are many economic benefits
 - o \$1B price tag is large, but worth remembering that public health benefits, cleaner environment, and healthier economy will be the result
 - 27,000 new jobs
 - \$2.5B increase in person income
 - GDP increase by \$5.3B
 - The economic costs if MD fails to act will be substantially higher, investment now means greater savings later and a more resilient economy
- Health Benefits
 - o Benefits will be observed by all communities, but especially those that have been historically underserved; for example, there will be fewer asthma cases, increased life expectancy, fewer cancer cases, etc.
 - o A cleaner environment not only benefits public health, but also increases the opportunity for MD residents to enjoy outdoor recreation.
- Global benefits
 - o Maryland is small and just one state but it is worth remembering that emissions reductions are not just local. Maryland is already a global leader and can set an example for other states and the world.
- Next Steps
 - o MDE will continue to work with partners across the state
 - o MDE will maximize federal funding opportunities, will launch regulatory priorities, continue to engage with the MCCC, and evaluate new funding mechanisms.
- Questions / Comments
 - o <u>Michele Joseph</u>: This is excellent and a wonderful opportunity to collaborate with companies and entities in Maryland. Within this timeframe, what is the priority in a short period of time that we would be focusing on as a WG?
 - Cindy: We will be having that discussion during the Work Plan portion of the meeting. Developing recommendations for the MCCC will be the main goal of the WG this year.



- o <u>Iennifer Laslo Mizrahi</u>: Many of the charts are aspirational, because they are based on the idea that the current policies are implemented perfectly and on time; but it will take longer because there are barriers to implementation and many of these policies are taking longer to implement. Practitioners are concerned that if Trump is reelected funding will be dropped, so folks are hesitant to start up large, year-long infrastructure projects. We only got \$90M this year, which is much lower than what is needed. It's not just maximizing federal funding, but also making a funding plan within Maryland. When we think about climate justice and Justice40, we often think of race and place, but we need to think about people with disabilities. I represent climate philanthropy, and I just donated to many climate organizations, but many of these places are not accessible for folks with disabilities. 660,000 people in MD have disabilities. How is recruitment going for state agencies?
 - Cindy: WG will not be able to cover every aspect you mentioned, but we will be able to narrow down on the cases that we can. We must stay engaged to ensure that the current and planned policies get implemented. Don't have any news on the specific positions, but we do need them.

Brief Legislative Update

- We are just covering a few important bills
 - o Many climate bills were covered during the <u>first quarterly MCCC meeting</u>.
- Changes to MCCC Membership
 - o SB 777 and HB323/SB 337
 - Maryland Department of Emergency Management (MDEM), Public Service Commission (PSC) and the Comptroller will be included in the MCCC membership. The Treasurer will no longer be on the MCCC.
- Adaptation and Resilience in local plans
 - o Integration of resiliency measures into local level comprehensive plans was a recommendation from the Adaptation and Resiliency WG last year.
 - o SB148: Funding will be provided through the Comprehensive Flood Management Grant Program to help underserved and overburdened communities.
- EmPOWER Energy Efficiency Program
 - o Mitigation WG recommended last year that the EmPOWER program do more to reduce GHG emissions.
 - o HB864: Moving utilities and the Department of Housing and Community Development (DHCD) away from energy savings goals to a greenhouse gas emissions reduction goal.
- Align State Spending with Climate Goals
 - o SB360: Budget bill; \$90M will be set aside from SEIF for three main initiatives:
 - \$17M to electric school buses
 - \$23M to electric charging infrastructure in low and moderate income communities
 - \$50M to electrify hospitals, schools, multi-family homes, and other community buildings
 - o Overarching recommendation last year that state spending should be aligned with climate goals and Justice40 initiative.
- Networked geothermal
 - o Example of leadership and collaboration between different stakeholders.
 - o HB397: WARMTH Act
 - Proposes pilot program to establish networked geothermal systems.
 - Labor provisions were included and strives to ensure labor best practices.
- Questions / Comments



o <u>Iennifer Laszlo Mizrahi</u>: I heard from many legislators that they were concerned that there were so many bills in the legislature that they didn't have time to consider the most important ones. I want to suggest that the environmental community focus on a smaller number of bills and make sure that we build coalitions before the session starts. For example, we need to get the climate work funded, and the fact that Better Buildings didn't pass, which means brand new constructed buildings will get done the wrong way and more money will be put into legacy fossil fuel appliances. It was also a problem because it undermined the ability of the legislative staff to do thoughtful fiscal notes. Fiscal notes need to be credible and if they don't have enough staff because there are too many bills, it undermines the success of all bills. I am concerned that we didn't coalesce around our priorities fully as a climate community to get funding and better buildings, or perhaps RENEW or other funding mechanisms to make polluters pay, passed.

Discussion on Work Plan and Process

- High level dates to keep in mind (subject to change)
 - o Draft recommendations: Begin in August and discuss in October
 - o Final recommendations: Due in October
 - o MCCC votes on WG recommendations: October or November
 - o MCCC final report to submitted to GA and Governor December
- Work Plan Overview
 - o Located on website and copies emailed
 - o Subject to change but we will finalize based on feedback today
 - Includes background and purpose as required by the CSNA
 Studies will be done with technical assistance
 - o There are several guiding questions, but since many members have several years of experience and expertise the goal of the WG is to listen and synthesize the recommendations from members
 - o All agendas are drafts
 - o If you haven't gotten the meeting invites, you will soon
 - o Please give ideas about speakers and where to focus
- Questions / Comments
 - o <u>Allison Breitenother</u>: Will get MDOT confirmation about speaking in Meeting 5.
 - This WG cannot do everything for everyone, and want to make sure that the focus is on emission reduction work forces, like engineering retraining, because the adaptation and resiliency piece seems like a small portion of this. I come from an adaptation and resiliency background and just wanted to flag this piece.
 - Cindy: The law calls for the inclusion of natural working lands, so the study does include the working lands sector. But since we are working under the CPRP, we are likely going to be more focused on climate mitigation.
 - o <u>Jennifer Laszlo Mizrahi</u>: I don't know what is already being done or what is new. I put two links in the chat. Is creating regional fairs to help with the workforce something we could do? Is there any way to get clarity from people in government about what we should be supporting in this year's climate recommendations?
 - <u>https://www.washingtonpost.com/climate-solutions/2024/04/13/heat-pump-home-electrification-fair/</u>
 - <u>https://whyy.org/articles/new-green-job-training-prepares-future-philly-w</u> orkers-for-climate-transition/
 - Cindy: We have union and energy efficiency representatives. It is in our best interest to support contractors.



- o <u>Rep. Regina Boyce</u>: How are we working with the Department of Labor since they have apprenticeship programs already in place? And how can they be changed to incorporate new processes? I've heard some concerns from unions, because training for one particular thing is more complicated. For example, installing solar panels or changing out an electric box for a solar panel, still falls under something an electrician would do. Maybe we can fit these things into current training. Can they be incorporated into established training programs, these things already exist, they just need to be increased.
 - Cindy: We have the Department of Labor in the JTWG.
 - Chanel (Labor Rep): For the program that I work with (Maryland Works for Wind), we work with six unions to develop and adjust their programs for the offshore wind industry. For example, IBW Local 24 has adjusted curriculum to ensure that cable slicing can fit the wind industry. So I agree with Del. Boyce that we need to align apprenticeship programs to fit the needs of the emerging clean energy industries.
 - Cindy: MDL does have an apprenticeship program so we could reach out to talk with them as well.
- o <u>Khalid Malik</u> from GEMM COMM, Grid and Master Planning for Communities in DC and MD area, familiar with energy efficiency projects: How will BEPS be incorporated into this WG? Benchmarking will be important in implementing and achieving BEPS. There's an opportunity here to introduce K-12 and community college students to benchmarking, which would open up interesting career paths, like scoping of projects and how to size an opportunity. Benchmarking can be the basis of programs through workforce development. How can we involve younger students to open up career paths? There's a lot of examples locally, like in Montgomery County, that we can help support state initiatives
 - Cindy: Every building should be benchmarking. Benchmarking means tracking data. Getting building owners and consumers to collect data about how much energy a building is using can go a long way.
 - Khalid: There are 9,000+ structures that will need to comply starting in 2025. Maybe consider square footages that are even smaller than that. Start a program for buildings under 35,000 sq ft where we can introduce students. It might help bring in students around pathways to get into building science and opportunities that will come about in the future.
- o <u>Payton Hesse</u>: Thanks for mentioning K-12. At the Maryland Department of Education (MSDE), a question that has come up is what industry certifications are associated with these jobs? That could provide a seamless path for high school students into employment? Specifically with industry-recognized certifications.
- o Sean Straser, Steamfitters Local No. 602: We represent the heating and HVAC industry in southern Maryland. We've had a recognized/registered state apprenticeship for 50 years. We mostly do HVAC work, new installations, maintenance and service. With the transition, there will need to be a lot of the replacement of new higher efficiency and more complex equipment. Some multi-zone heat pumps require a lot of training. It's not something you can teach someone over the weekend; there is a whole process of installing and testing. The 5-year apprenticeship program and a significant portion of it is dedicated to installing and maintaining and servicing these appliances. We have 5700 active working members, more than half are in the HVAC side of the industry. We want to contribute to the transition. We brought in 320 new apprentices and our program has over 1000 people. With coordination, we could double the apprenticeship we have in order to meet these goals. Contractors are there (over 250 different contractors) and 1000 apprentices, and the rest are journey-workers.

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- o <u>Ryan Trauley</u>, CivicWorks: Seconding Sean about the contractor education piece and around electrification being essential and doing that effectively. Also want to mention, we need to figure out how to position our existing networks of energy auditors to conduct electrification audits. As a pathway for the energy auditor to provide electrification evaluation on the front end that goes to the contractor potentially. We need to think about the pre-apprenticeship portion of this, especially in terms of equity. How do we create the introductory pathway to give people baseline certifications and education to get through the door with the organizations that are in this industry and a big part of the transition. Happy to present on behalf of CivicWorks at the next meeting or whenever feels appropriate.
- o <u>Michele Joseph</u>, Next Generation Inc.: Ryan and Sean, I totally agree with you. We talk a lot about apprenticeships. We worked with NewarkWorks last summer and work with the pipeline to vet people interested in going into electrification, HVAC, and energy audits. We worked with them for 8-10 weeks, then recommended them to 30-40 week pre-apprentice programs that led to jobs. We want to work to get that started here and get that pipeline moving, perhaps we can work together.
 - I am a resident in Montgomery County, have lived and worked in NJ and NY. Started a nonprofit there, working with school districts and found that there was a lack of pipeline for interested students in trade schools. We work with clean energy companies to create a pipeline through training, recruitment, placement, and professional training. We look at this through an equity lens as well. Available if anyone has questions.
 - Michele Joseph (apprenticeship opportunities and pre-vetting) mj@sgapleaders.org.
- o <u>Jennifer</u>: I want to lift up that some of the great science that the entire world counts on is being done in the state of Maryland. I don't know what we can do as a state to ensure that these opportunities can be maintained. Donald Trump is already wanting to eliminate or dramatically reduce key agencies that do employ thousands of people here in Maryland.
 - Cindy: Some universities and community colleges are represented on this WG.
- o <u>Jason Ascher</u>: I was curious where nuclear and the carbon capture was in the CPRP.
 - Cindy: CPRP assumes that nuclear power will continue but small nuclear power was not explored. Carbon sequestration will be included in the future.
- o <u>Suzanne McCoskey</u>: There needs to be recognition that fossil fuel prices are high now because of global developments, which influences cost estimates and transition estimates for low income households but that may not be something that is maintained. Supply and demand factor estimates will be based on relative prices of different energy options; and dependent on global developments and energy markets. Looking at CA and the discussion about over-electrification when we don't have the grid for it yet.
 - Cindy: The 2023 PSC report did touch on how there is expected to be ample supply for many of our needs, but we can explore.
- o <u>Cindy</u>: One focus of the group is: how to support training and workforce at the local level? Community organizers are doing a lot of the work. Federal funding requirements include community focus.
- o <u>Chanel</u>: Offshore wind in the state, Gov. Moore set a goal of 8.5 GW by 2031. The PSC is tasked to develop a plan for the General Assembly to reach that goal by January 1, 2025. With the anticipated growth in the industry, we are most concerned about timelines because with offshore wind things have been delayed over and over again, which makes it hard to properly build the workforce and have the amount of people needed for the industry. With MDL and MEA, we have workforce grants for

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industries and are focused on sectors of skilled trades, manufacturing, transport and logistics. With a changing timeline, our goal is to build those sectors in Maryland so that we are ready and have the workforce once everything gets going, so that we are not dependent on workers coming outside the state.

- Cindy: MEA has a wind program, which is modeled after an existing Department of Labor program but on a smaller scale. How can we support the workforce that will be needed for the clean energy future?
- o <u>Rep. Regina Boyce</u>: Fossil fuel communities, does that include BGE? Or discuss them and what they're doing and not doing?
 - Cindy: As part of this WG, I have looked at how other states approached just transition strategies. One of the things we could do, we could invite someone from a state agency from a place like Illinois or Colorado, who has had a Just Transition or Workforce office in place. If BGE volunteered to talk about their strategies, that could also be explored.
- o <u>Ryan Trauley</u>: Second Jennifer about energy education fair to emphasize, in addition to the contractor education, the consumer education piece of this around electrification. To make sure that people are aware of what these technologies are and are excited and interested in them. For jobs to exist, we need to make sure that the markets are there. Education piece is huge on both sides.
 - Cindy: MDE ran a process last year called the Building Energy Transition Implementation Task Force that made recommendations to the GA and Governor in January 2024. As part of that process, one nonprofit that helped out was Rewiring America, and they have many tools and resources.
- o <u>Jennifer Laszlo Mizrahi</u>: Agree that Rewiring America is a good asset and bringing them in would be helpful. There are some union folks: do you all have surveys or inventories that cover what percentage of the existing members feel confident and comfortable with things like solar, EVs, and heat pumps? Relatedly, are there surveys that we know about, concerning the existing workforce and how confident they are in these installations?What I'm hearing is that when their heat pump dies, the contractor comes and pushes fossil fuels in many cases because they are not familiar with the heat pump and don't feel as comfortable installing them. Should the state do an inventory or study?
 - Cindy: We'll be diving into this later. We have technical assistance to do so and we can explore that further.
 - Sean: Our contractors are already installing these types of equipment now; we've been educating people on this for years. The workforce is there, and we can start expanding the workforce at any time.

Public Comments

• <u>Del. Regina Boyce</u>: Thanks so much for bringing us together.