Renewable Energy and Energy Efficiency Advisory CommitteeCharter 7, 2022-2024 ● Recommendation Fact Sheet

Recommendation #5 (approved March 21, 2024) on Export Programs for Energy Communities

We recommend that the Secretary advocate for policies in the renewable energy and energy efficiency ("Clean Energy") sector that support American workers, with a focus on increasing the competitiveness of potential new exporters and their workers in regions identified by the U.S Government as "Priority Energy Communities." ¹

- The Department of Commerce's International Trade Administration (ITA) should conduct outreach to potential new exporters in such communities.
- ITA should assist American industries in energy communities, especially those lacking resources to navigate government aid by identifying businesses with export potential. This support should include promoting exports through trade missions, exchanges, export counseling, and market research. Additionally, ITA should develop new programs focused on providing information on workforce development (training) resources and trade that facilitate the energy transition both domestically and internationally.

By helping Clean Energy industries identify new markets and opportunities, the DOC can enable American companies to compete more effectively globally and support those industries to provide well-paying, skilled jobs, aligning with the "Good Jobs Principles" outlined in the memorandum of understanding signed by the Department of Commerce (DOC) and Department of Labor (DOL) in compliance with U.S. statutes and agency program requirements.²³ By encouraging development and retention of a skilled workforce, these efforts can pave the pathway for producing quality products and services, fostering advancements in product technology and innovation through a skilled workforce. Good jobs principles for U.S. industry will lead to greater productivity and could then also serve as a meaningful example for international trade in renewable energy products and services.⁴

Sub-Committee(s):

Export Competitiveness

¹ The U.S. Government Interagency Working Group on Coal and Power Plant Communities and Economic Revitalization: Priority Energy Communities - Energy Communities

² Department of Labor and Department of Commerce Memorandum OSEC DOC MOU.pdf (dol.gov)

³ See fact sheet Good Jobs Principles (dol.gov)

⁴ U.S. DEPARTMENT OF THE TREASURY – Labor Unions and the Middle Class

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Background Information:

Enhancing U.S. export competitiveness involves prioritizing cost efficiency, productivity, product quality, and innovation. The Good Jobs initiative focuses on fair wages, working conditions, and job security, helping to create a reliable workforce for sustainable high-quality exports. Improving workforce skills and retention also boosts manufacturing efficiency, strengthening the domestic supply chain for better export growth.

Recent U.S. legislation signals a shift towards renewable energy outlaid in the Bipartisan Infrastructure Law, Inflation Reduction Act, and CHIPS and Science Act. To meet climate goals and offset fossil fuel job losses, creating well-paid, high-value jobs in sectors like electric vehicles, batteries, solar, wind, hydropower, marine energy, biomass, and clean hydrogen is vital, and Congress's funding enables the U.S. to lead in low-carbon technology exports. As federal investments facilitate this transition, measures are needed to support displaced jobs for workers in the fossil fuel industries. DOC and DOL should offer retraining, retention, and redeployment⁵ programs in regions identified as energy communities.⁶ The DOC should encourage high-quality career opportunities in the manufacturing of renewable energy components.

The DOC can help advocate for clean energy infrastructure projects near new CHIP plants or facilities constructed with support from recent federal funding. This can benefit firms that offer wages that are fair, transparent, and equitable, and where applicable, meet prevailing wage standards in addition to benefits to workers. Improved infrastructure can reduce production and transportation costs and strengthen supply chain reliability and cost-effectiveness bolstering U.S. export competitiveness. These strategies create new well-paid, high-value job opportunities, aligning with the Good Jobs Principles agreed upon by the Departments of Commerce and Labor, and position high quality U.S.-made products for the export market.

Specific Suggested Actions:

The DOC can support an export-oriented U.S. workforce by promoting its programming and facilitate initiatives in Priority Energy Communities. Measures DOC can take include:

- 1. ITA can partner with the DOL to help local businesses in Priority Energy Communities to identify and exploit export opportunities. This can lead to job creation and economic growth as businesses expand, which would facilitate the expansion of local industries that adhere to the diversity, equity inclusion and "Good Jobs" goals into international markets. These efforts can enhance the reputation of U.S. companies and the quality of their products and services in the international market, as many consumers and investors value socially responsible practices.
- 2. ITA can partner with local and state governments, workers, workforce organizations and companies, particularly those based in Priority Energy Communities, to provide skills training. Forging new partnerships and facilitating connections with other federal agencies and programs that support workforce training (e.g., DOL's Employment and

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⁶ IRA Energy Community Tax Credit Bonus (doe.gov)

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Training Administration) can play an important role in re-skilling workers from declining industries for jobs in growing sectors. ITA's engagement can promote the benefits of companies, sectors and industries that provide high-value jobs and benefits in these programs. This support can help state and local governments to identify funding streams for enhanced recruitment from a diverse pool of applicants.

- 3. DOC frequently hosts international symposia to attract foreign investment to the United States, focusing on fair labor practices and producing high-quality goods and services. ITA should accelerate programs connecting local businesses in energy communities with international partners through trade missions, business matchmaking, and trade show participation. The DOC can also incorporate workers, worker-centered organizations (including unions), academia, etc.
- 4. Companies and Priority Energy Communities seeking DOC assistance can build a talent pool by engaging with workers, labor groups, veteran groups, community colleges, and technical schools for workforce retraining, local hiring, and transitioning support to renewable energy and manufacturing sectors. One way to do this is to feature companies committed to retaining and redeploying workers impacted by market changes in the SelectUSA Investment Summit. The Summit is a key event for promoting foreign direct investment (FDI) in the U.S. and is crucial for attracting business investment and job creation. The Summit can better facilitate investment opportunities and connections between investors and U.S. organizations by highlighting corporate innovations in retraining and redeployment.
- 5. DOC should advocate with concerned U.S. Agencies such as Department of Energy (DOE) and DOL to add workforce development criteria to its investments in new manufacturing technologies. This involves collaborating with the DOL to find funding sources for manufacturing workforce development programs and to create training programs that emphasize safety, leading to the production of high-quality, safe goods, enhancing the competitiveness of U.S. products globally. DOC can include companies and their workers in energy communities in its ManufacturingUSA program by working with the DOL to secure funding, forming partnerships with financial institutions, and providing financial assistance, including grants or loan guarantees through programs like the DOE's Loan Programs Office.
- 6. Moreover, collaboration among the workforce and industry is essential for innovation and productivity. This collaboration supports skill development, industry investment in new technologies, research funding, STEM education, and career upskilling. Encouraging research and development initiatives in industries allows workers to engage with innovative technologies and fosters partnerships between industry, academia, and government.

Expected Effect on U.S. Export Competitiveness:

The Export Competitiveness Subcommittee focuses on enhancing the United States' ability to produce and sell goods and services internationally, improving prices, quality, and conditions to outperform global competitors. The REEEAC concentrates on U.S. competitiveness in renewable energy and energy efficiency products.

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- 1. By ensuring a skilled workforce, U.S. manufacturers in clean energy can grow, forming a competitive domestic clean energy supply chain based on productivity improvements for the export market.
- 2. DOC can promote U.S. exports by working with companies in energy communities, workers and representation (if applicable) in its SelectUSA program, which attracts FDI. DOC can spotlight companies committed to creating Good Jobs, as defined by the administration, and implementing workforce development.
- 3. Supporting U.S. companies with lower turnover due to competitive wages and benefits can enhance cost-efficiency of domestically produced high-quality products, ensuring stable labor relations.
- 4. Advocacy for clean energy infrastructure updates around facilities constructed with support from federal funding, focusing on companies providing competitive wages for all and benefits, can reduce production and transportation costs, boosting U.S. export competitiveness.
- 5. The DOC, in partnership with the DOL and DOE, supports workforce development initiatives for workers with all wages and benefits to maintain competitiveness in a rapidly changing global economy. This includes promoting training and education programs in collaboration between industry and labor.
- **6.** By supporting companies that retain, retrain, and redeploy workers affected by economic transitions, the DOC helps them find new markets and opportunities, enabling companies providing high-value jobs with health and retirement benefits to compete globally.

Specific Agencies Responsible for Implementation:

U.S. Departments of Commerce, Labor and Energy

Measures of Success:

- 1. Increase in the number of local businesses in energy communities engaging in exports, growth in export volume and value from these communities, and the number of new markets entered.
 - a. Data Sources: Export and trade statistics, surveys of local businesses, and trade mission reports.
 - b. The number of workers who identify as unemployed from the fossil fuel industry who have been redeployed in renewable energy technologies and/or other new emerging industries such as AI, robotics, automation of manufacturing, service industries etc.
 - c. Number of workers who have been redeployed to companies exporting.
- 2. Measure the impact of DOC's engagement with Priority Energy Communities and associated companies to understand satisfaction and impact of assistance. Data sources could include surveys, self-reporting and company written impact narratives.
- 3. Amount of information, resources and mentorship provided to impacted areas on existing federal programs, such as DOCs Economic Development Administration's Tech Hubs Program.