

MEMORANDUM

TO: Secretary Rebecca Tepper, Executive Office of Energy and Environmental Affairs

FROM: Dr. Emily Reichert, CEC, Massachusetts Clean Energy Center

DATE: March 27, 2024

RE: Equity Workforce Funding Levels (FY25-FY27)

Based on the FY23 program administration outcomes, current FY24 programming demands, and anticipated ongoing need, the Massachusetts Clean Energy Center requests that the Department of Public Utilities direct an additional \$12 million annually for the Equity Workforce Program in FY25, FY26, and FY27. This requested increase would result in an annual funding level of \$24 million and a total program budget of \$72 million across the 2025-2027 Mass Save® Three-Year Plans.¹

Background

The Equity Workforce Program was initially created through the March 2021 Climate Legislation, An Act Creating a Next Generation Roadmap for Massachusetts Climate Policy² and re-defined by the August 2022 Climate Legislation, An Act Driving Clean Energy and Offshore Wind.³ The program provides a minimum of \$12 million annually from the utility Program Administrators (PAs) to support workforce training, educational and professional development, job placement, startup opportunities, and grants promoting participation in the Commonwealth's energy efficiency, clean energy, and clean heating and cooling industries for:

- (i) certified minority-owned and women-owned small business enterprises (MWBES);
- (ii) other businesses or communities underrepresented in the clean energy workforce or clean energy industry;
- (iii) individuals residing within an environmental justice or low-income community;
- (iv) current and former workers from the fossil fuel industry; and
- (v) federally recognized and state-acknowledged tribes within the Commonwealth.

Summary of Program Activities and Analysis of Need

The initial distribution of funds for this program occurred in December of 2021. While this timing did not allow for FY22 program awards, robust ramp-up activities occurred throughout the winter and spring of 2022.⁴ In FY23, the Equity Workforce Program awarded over \$18.3 million across three major funding opportunities, which included⁵:

¹ While MassCEC budgets on the fiscal year (July-June), Mass Save budgets by the calendar year. The funding recommended here will be assessed during the calendar years 2025, 2026, and 2027, in support of Equity Workforce Program spending in Fiscal Years 25-27.

² <https://malegislature.gov/Laws/SessionLaws/Acts/2021/Chapter8>

³ <https://malegislature.gov/Laws/SessionLaws/Acts/2022/Chapter179>

⁴ MassCEC's fiscal year runs from July 1st through June 30th.

⁵ The awards referenced were made between July 1, 2022, and June 30, 2023.

- \$2.8 million plus in **Planning and Capacity Awards**- \$30,000-\$150,000 awards for organizations to plan for 1) the implementation of workforce development job training or pathways programs designed to prepare participants for employment in climate-critical occupations, and 2) for building awareness of climate-critical career pathways and educating existing workers, new entrants, and businesses about the opportunities for growth today and into the future.
- \$9.2 million plus in **Training Awards**-\$50,000-\$1,200,000 awards to partnerships⁶ launching or expanding programs that provide job training and wraparound support services to underserved individuals seeking employment in climate-critical occupations or working to advance in climate-critical careers.
- \$6.3 million plus in **MWBE Support Awards**- \$50,000-\$1,000,000 awards to organizations implementing or expanding programs that support the creation, entry, and expansion of MWBEs into sectors critical to meeting the Commonwealth’s 2050 climate goals. MWBE support programs enable MWBEs to address the systemic and social barriers to entering the clean energy sector - inequitable access to capital, racial bias, lack of familial or generational wealth to cover startup costs and emergencies, complicated and exclusionary procurement pipelines, need for back office and administrative support, difficulties with certification and licensing, etc.

In FY23, all three Equity Workforce funding opportunities were oversubscribed by more than a 3:1 ratio. For awards made in FY23, MassCEC **received 99 applications across these program areas and more than \$55 million in proposed programming**. Even awarding over \$18.3 million in funding, many quality proposals could only be funded partially or, in some cases, not at all. In FY24, MassCEC plans to award a total of \$16.3 million across the Equity Workforce Programs. The final grant deadlines have not closed across these programs. Still, based on the initial volume of submissions, engagement in pre-application outreach, and the current pipeline of planning grantees, we anticipate receiving a similar level of total funding requests. The FY23 and FY24 awards will cover the funding levels for the first three years of the programs’ funding transferred, and without intervention, the FY25 resources will be based on the minimum annual funding level of \$12 million. Greater funding is needed to meet the demand for these resources and to ensure that the Commonwealth is on track to support the scale of workforce development needed to meet our climate goals.

In July 2023, MassCEC released our “Powering the Future: A Massachusetts Clean Energy Workforce Needs Assessment,” which found that the Commonwealth will require more than 38,000 additional workers to be trained and ready to deploy some or all of their time on climate-critical work by 2030 to meet the state’s climate goals. With 65% of clean energy job growth projected across just 20 occupations, many of which will also see greater demand across other industries, the Equity Workforce Program represents a significant strategy for preventing shortages in trained workers by expanding the pipelines for new entrants and creating more inclusive practice for advancing current workers. The FY23 programming of more than \$18.3 million in multi-year awards will result in more than 700 clean energy training opportunities and will support more than 250 climate-critical MWBEs. Resourcing the Equity Workforce Program at an annual level of \$24 million for FY25, FY26, and FY27 will accelerate the state’s ability to offer inclusive training opportunities with robust support services at a scale closer to the needs associated with the state’s climate goals. Without these resources, many historically underserved communities and individuals will not have a path to access the economic opportunity embedded in the Commonwealth’s clean energy and climate plans. Of the clean energy jobs that will be created between 2022 and 2030, 82% will have hourly wages that are greater than the statewide median wage of \$27.22, with a median wage of \$36.58 for all clean energy jobs created.

⁶ For more information on the partners participating in these programs, see Appendix.

The Equity Workforce Program is intended to address a wide range of barriers to entry through strategic supports, including increased career awareness, access to training, transportation, childcare, language support for non-native English speakers, work-based learning, on-the-job training, job placement support, career advancement, and retention services. MassCEC fosters strategic collaboration and intentional program design to maximize the resources of the Equity Workforce Program alongside broader state and federal workforce development, education, and social services programming and funding, but even with this approach to blending and braiding resources, the needs across the state are dramatic and require additional resources. Nearly 3.5 million Massachusetts residents live in Environmental Justice communities,⁷ and almost 1.4 million residents, or close to 20% of the state, live in disadvantaged communities identified as part of the national Justice 40 initiative.⁸ Immigration is a key factor in Massachusetts' overall population and labor force composition, so the need for language support and inclusive training programs will only continue to grow. Currently, 26% of public school students indicate that English is not their first language. Nearly 56% of students meet the Department of Elementary and Secondary Education (DESE)'s high need designation, which includes students who are low-income, economically disadvantaged, English learners, former English Learners who received support in the previous four academic years, and students with disabilities.⁹ The implications of this data on the state's future workforce composition underscores the importance of expanding the types of supportive workforce training programs that the Equity Workforce Program supports.

The initial programs funded through the Equity Workforce program form a solid foundation for the state to build upon its commitment to a just and inclusive transition. To align with state climate goals, the clean energy and climate workforce development ecosystem will need to continue to expand training opportunities and support services to increase accessibility, persistence, and success. Scalable impact is most readily accomplished through a strong network of community-based partners paired with entities that can offer system-level solutions. MassCEC has worked to engage partners across all key stakeholder groups, including CBOs, education and training institutions, MassHire workforce boards, employers, industry associations, and organized labor. More of these stakeholders are eager to play a role in advancing economic opportunity alongside our climate commitments, and increasing the annual funding level in the upcoming 2025-2027 Three Year Plans to \$24 million will allow for continued momentum toward meeting these goals.

⁷ 2020 MassGIS Data for Environmental Justice Populations, Summary Tables: <https://www.mass.gov/info-details/massgis-data-2020-environmental-justice-populations#summary-tables->, EJ_2020_municipal_stats.xls, Accessed 1/30/24.

⁸ U.S. Climate and Economic Justice Screening Tool Version 1.0 Downloads: <https://screeningtool.geoplatform.gov/en/downloads#8.98/42.0871/-72.6188>, Communities list data (xlsx), Accessed 1/30/24.

⁹ 2023-24 Selected Populations Report (District), MA Department of Elementary and Secondary Education: <https://profiles.doe.mass.edu/statereport/selectedpopulations.aspx>, Accessed 1/30/24.

Appendix-

List of Sample Programs Supported by the Equity Workforce Program

Grantee	Award	Sector	Project
Planning & Capacity Grant Examples			
Northeast Home Energy Rating System Alliance	\$150,000	Buildings	Hire additional staff to expand HERS Rater Trainings and specifically target underrepresented populations.
IBEW103	\$49,966	Buildings	Expand existing resources, programs, and partnerships to support MWBE Union Electrical Contractors in a successful transition into clean energy sectors.
Massachusetts Association of Community Colleges	\$50,000	All	Work with community colleges across the state to conduct a needs assessment and gap analysis on training for entry to mid-level climate-critical careers.
Training Grant Examples			
Action for Equity	\$1,200,000	Buildings	Launch the Green Energy Partnership to train and upskill incumbent workers in HERS rating and heat pumps installation.
Building Pathways	\$761,761	Buildings	In partnership with Mass AFL-CIO and Mass Laborers' District Council, expand pre-apprenticeship training to underrepresented individuals, including women and people of color, seeking to enter the building trades and have a career in the high-performance building sector.
Energetics	\$1,120,000	Transportation	Partnering with Automotive Career Development Center (ACDC) to upskill current auto techs working with light, medium, and heavy duty vehicles to be able to service hybrid and electric vehicles.
Greenfield Community College	\$1,152,624	Buildings	Design and launch new semester-long heat pump and HVAC training program, including professional certification, in Franklin and Hampshire counties.
MassHire North Shore	\$1,196,397	OSW	Develop a 6-month pre-apprenticeship program in partnership with local vocational-technical schools to recruit and train underrepresented individuals on the North Shore for careers in off-shore wind and the blue economy. Includes support services including ABE and English language and plans to braid funding with Career Technical Initiative (CTI) for longterm sustainability.
RARE	\$517,000	Net Zero	Deploy the SHINE solar training program to train workers for community solar projects.
MWBE Support Grant Examples			
Black Economic Council of MA	\$667,664	Transportation	Provide comprehensive support through the Back Office Support Services (BOSS) program, Vendor Advisory Council (VAC) and EV Kickstarter program to new and existing MWBEs pivoting into the EV sector.
Browning the Green Space	\$508,500	All	Expand BGS's Accelerating Contractors of Color in Energy for Sustainable Success (ACCESS) boot camp to help MWBEs enter and grow in the clean energy sector.
Greentown Labs	\$500,000	Accelerator	Launch Advancing Climatetech and Clean Energy Leaders (ACCEL) program to accelerate high-growth, tech innovation-based MWBE startups.

Lead Awardees and Partners (There is some overlap in these lists depending on the program)

Leads	Partners
Action 4 Equity	Action for Boston Community Development
Activate Global	Abode Energy Management
All in Energy	Asian Community Development Corporation
Apprentice Learning	ACE Solar
Auburndale Builders	Action 4 Equity
Boston Center for Community Ownership, Inc.	The American Federation of Labor and Congress of Industrial Organizations
Beacon Climate Innovations	Apex Technical School
Black Economic Council of Massachusetts	ARE Enterprises
Benjamin Franklin Cummings Institute of Technology	Asian American Civic Association
BlocPower LLC	Aspire Training and Development LLC
Browning the Green Space	Automotive Career Development Center
Building Pathways	BlocPower
Center for Women & Enterprise	Boston Impact Initiative
Community Work Services	Boston Office of Returning Citizens
Codman Square Neighborhood Development Corporation	Bristol Community College-National Offshore Wind Institute
Entrepreneurial and Business Collaborative	Browning the Green Space
Emerald Cities Collaborative	Cambridge Office of Workforce Development
Energetics	Campos Engineering
Greater Lawrence Technical School	Center for Working Families
Greater New England Minority Supplier Development Council	City of Lawrence
Green Roots	City of Salem
Greenfield Community College	Clearwater Branding
Greentown Labs	Essex County Community Foundation

Leads	Partners
Groundwork Lawrence	Energetics
IBEW Local 103	Enterprise Community Partners
Jamaica Plain Neighborhood Development Corporation	Essex County Community Foundation
Julius Education	Essex Tech High School
Local Initiatives Support Corporation	Foss Marine Terminal
Madison Park High School	Franklin Hampshire Workforce Development Board
Massachusetts Association of Community Colleges	Green Energy Consumer Alliance
MassHire	Green Jobs Academy
MassHire Northshore	Greentown Labs
Massachusetts Climate Action Network, Inc.	Grounded Services, LLC
National Society of Black Engineers – Boston Professionals	HELM Construction Solutions
Northeast Home Energy Rating System Alliance	HomeWorks Energy
Northeast Sustainable Energy Association	Interise
New England Women in Energy and the Environment	International Union of Painters and Allied Trades
Nordee	KIPP Massachusetts
People Acting in Community Endeavors, Inc.	Massachusetts LGBTQ Chamber of Commerce
Passive House Massachusetts	Madison Park High School
Rare	Massachusetts & Northern New England Laborers' District Council
Roads Consulting Group	MassHire Franklin Hampshire Career Center
Sustainable Business Network	National Grid
Sustainable Business Network - MA	Northeast Clean Energy Council
SRGE, Inc.	New Ecology
Studio for High-Performance Design & Construction, Inc.	New England Energy Efficiency Partnerships
The Compost Collaborative	Nexamp

Leads	Partners
Training Resources of America	North Shore Workforce Investment Board
Tremco	NPV Energy
Worcester Polytechnic Institute	Office of Returning Citizens
Hack Diversity	Old Bedford Village Corporation
	Pioneer Valley Planning Commission
	Power52 Clean Energy Access
	Prodiags
	Quincy Asian Resources, Inc.
	Randstad North America
	Resonant Energy
	Roxbury Community College
	SlipStream
	Sovations
	Spark Charge
	SunBug Solar
	ThayerMahan
	The Association of Energy Service Professionals
	The GED Testing Service
	The Sandri Companies
	The Williams Agency
	TSK Energy Solutions
	Umass Amherst
	Wentworth Institute of Technology
	Western Massachusetts Economic Development Council
	Willow Permanent Real Estate
	WinnCompanies
	X-Cel Education