

BEPSDC Task Force

June 22, 2021

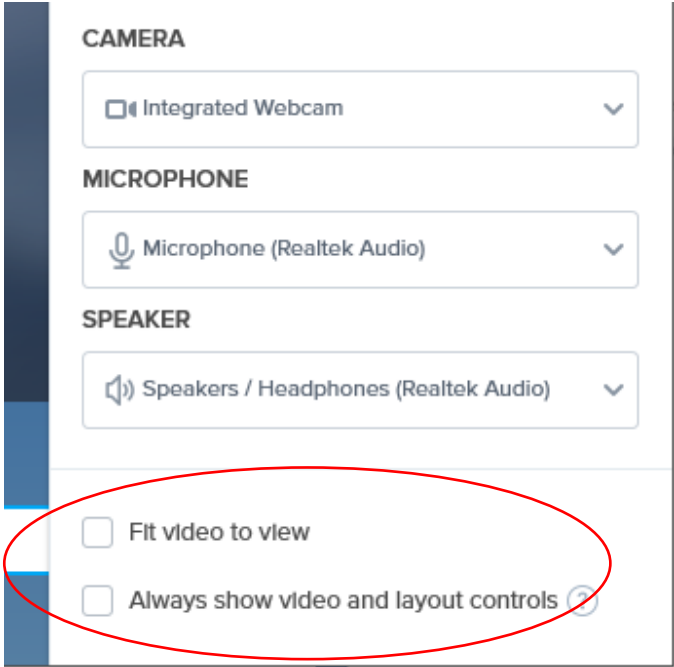
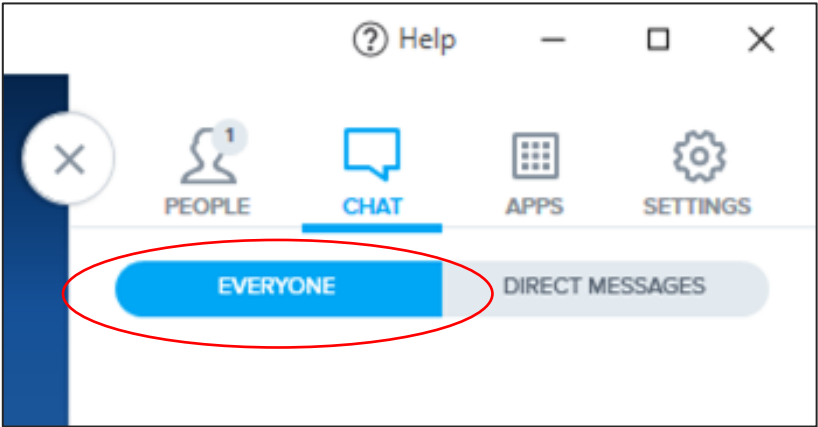
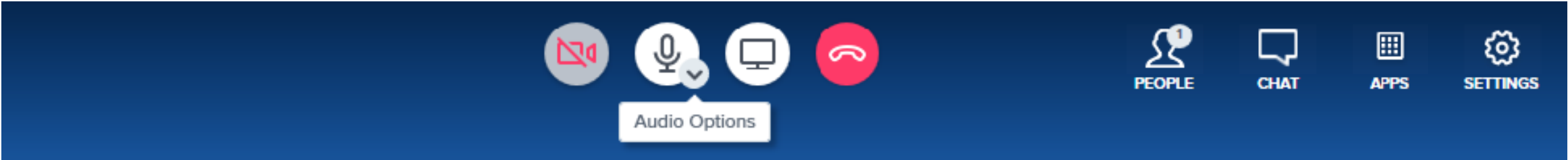


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#BEPSDC

*** DEPARTMENT
OF ENERGY &
ENVIRONMENT
GOVERNMENT OF THE DISTRICT OF COLUMBIA

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WASHINGTON
DC GOVERNMENT OF THE
DISTRICT OF COLUMBIA
MURIEL BOWSER, MAYOR

BLUEJEANS TOUR



ONLINE MEETING ETIQUETTE

- The meeting is being recorded and will be posted to our website
- Questions and Comments throughout the meeting:
 - All attendees will control their own mute function but could be muted by the facilitator due to background noise
 - Task Force Members – can comment at any time
 - Non-Task Force Members - please use the chat box to request to talk
- Attendance
 - Non-Task Force Member – please use the chat box at this time to register your name, organization and email to “sign in”
 - Task Force Members - roll call (will also use this for voting)

ROLE OF TASK FORCE

- Advise DOEE on creation of an implementation plan for the Building Energy Performance Program;
 - Recommend amendments to proposed regulations issued by DOEE;
 - Recommend complementary programs or policies.
-
- If topic needs in-depth discussion, anyone can suggest moving to a sub-committee
 - This is an open meeting - everyone is allowed to participate

BEPS PROGRAM TIMELINE



- BEPS Cost/Benefit Study broken down into 2 parts. Part 1 working through approval process.
- BEPS Establishment Regulations effective January 1, 2021. Final rulemaking posted in the [DC Register](#) on April 30, 2021.
- Building Energy Performance [disclosure](#) with columns on whether buildings meet the BEPS. [Variance form](#) now available (deadline January 1, 2022).
- BEPS Compliance Rulemaking and Guidebook (with response to public comments) moving through approval process.

AGENDA

- Administrative Items
- BEPS Jobs Analysis and Workforce Development/Economic Inclusion presentation and discussion
- Announcements



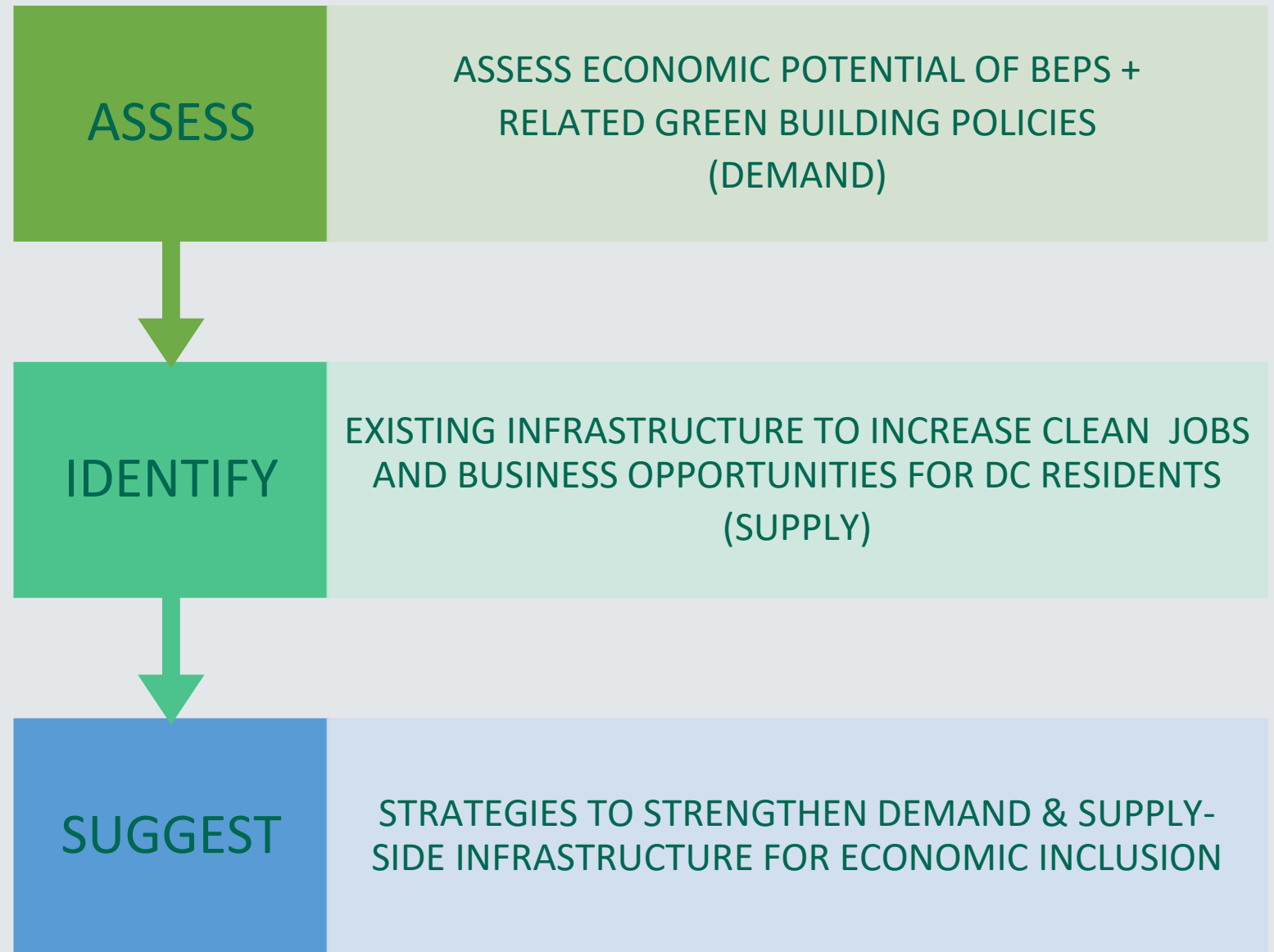
BEPS ECONOMIC INCLUSION POTENTIAL

Emerald Cities Collaborative
American Cities Climate Challenge Advisors For DOE

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PROJECT GOALS



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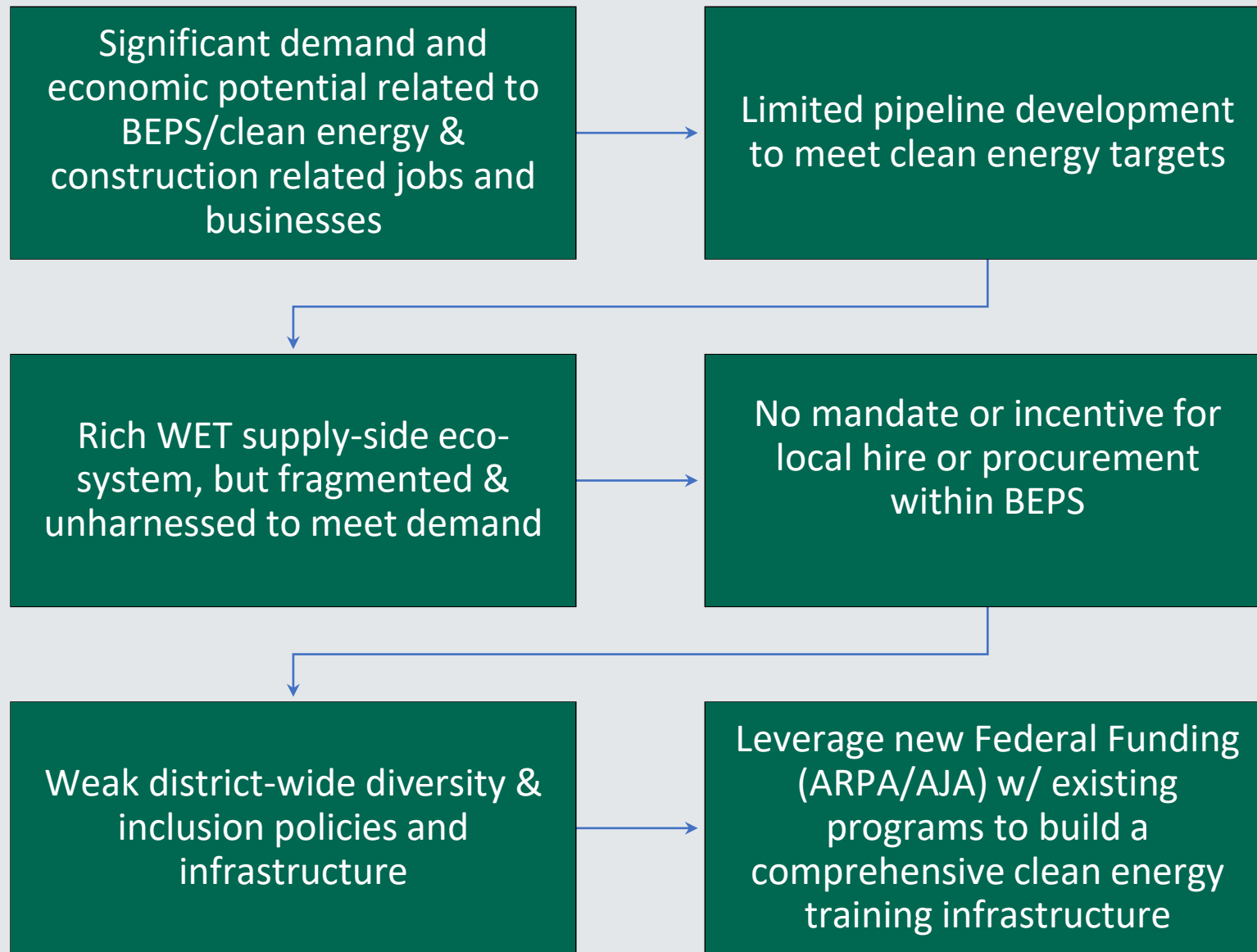


THE HIGHLIGHTS

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KEY FINDINGS & MESSAGES



RECOMMENDATIONS



System-Wide Improvements

- Build a multi-stakeholder Clean Energy WE&T Advisory Committee
- Utilize Best-In-Class Technology Solutions to align demand & supply-side eco-systems
- Enhance the City's Procurement Infrastructure



Establish BEPS Public Sector Initiative

- Establish a BEPS Public Sector (Schools & Municipal Bldgs) Initiative
- Develop a BEPS Clean Energy Experiential Learning Program
- Develop a Municipal BEPS program for Community Contractors



Explore BEPS Private Sector Innovations

- Increase Diversity Inclusion Incentives
- Leverage Public Approvals
- Improve Access to Qualified Contractor Pool
- Diversity and Inclusion Outreach



Strengthen Strategic Partnerships

- Strengthen Community-based Clean Energy Workforce Ecosystem
- Strengthen partnerships with Unionized Labor
- Develop Community Contracting Program

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THE BIG PICTURE

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Why is Economic Inclusion Important for Climate Actions, Especially Now?

- The moment we're in: COVID-19, unprecedented job loss, imperative for addressing racial disparities, support city/mayor's focus on COVID relief & economic recovery, align community investments (defund the police) with environmental policies.
- Relevance, A Seat at the Stimulus Table: Jobs and business recovery is at the forefront of city priorities right now, alignment with other city objectives. (small business, local businesses, career training, etc.)
- Serving City Priorities: cities have racial equity and economic development goals
- Political viability: creating broader constituencies in support of climate + equitable economic development, increases potential political coalition supporting local, state, and national climate policies
- Bouncing forward: Responses to economic downturns or climate disruption should advance both economic and climate priorities.

Climate Policies Have Economic Impacts

People who shape climate
actions shape economic
outcomes

- Climate actions result in demand for certain types of goods and services
- The details of a climate action influence whether economic outcomes are high-road and equitable
- This influence cannot be avoided. It will either reinforce the status quo or change it.
- Without intentionally working to correct for inequities, climate policies will inadvertently perpetuate inequities, by reinforcing exclusion, low-road jobs, and wealth disparities.
- The opportunity is enormous...

Labor Markets: Supply/Demand

- Demand: available jobs
- Supply: available workers
- Infrastructure: The link between supply & demand

DEMAND SIDE

SUPPLY SIDE



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METHODOLOGY

SECONDARY RESEARCH/DESK AUDITS

- City Reports
- Website

PRIMARY RESEARCH

- BEPS Job Projections
- Agency & industry Interviews
- Interviews w/ community-based orgs

GAP ASSESSMENTS & RECOMMENDATIONS

LANDSCAPE ASSESSMENT: LABOR MARKET DEMAND

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CLEAN ENERGY POLICY DRIVERS

KEY FINDING: DC's CLIMATE POLICIES ARE AMONG THE MOST AMBITIOUS IN THE U.S.

- Clean Energy Omnibus Amendment Act of 2018
- Ranked #6 out of 100 by ACEEE

Carbon Emission Goal:

- Carbon neutral by 2050

Energy Use Goal:

- Reduce 50% (<2012) by 2032

Renewable Goal:

- 50% renewable energy supply on the grid by 2032

CLEAN ENERGY INVESTMENTS

KEY FINDING: DC HAS MULTIPLE REVENUE STREAMS TO IMPLEMENT ITS CLEAN ENERGY GOALS

ESTIMATED REQUIRED INVESTMENTS TO MEET CLIMATE GOALS: \$1.8 - \$2.53B

SOURCES:

System Benefit Charges

- \$20m/yr

Renewable Energy Development Fund (REDF) and Sustainable Energy Trust Fund (SETF)

- Greenbank \$10-20m/yr w/5:1 leverage = \$50-100m/yr
- Solar \$10m/yr

Private Investments

- BEPS \$250m-\$300m/yr

Federal Investments \$\$

- ARPA/DC Stimulus \$2.2b (net increase of \$80m for climate/energy initiatives)
- AJA/ Infrastructure ?? (Clean Energy 4 America Act - \$565b)
- Renewable Tax Credit Expansion

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CLEAN ENERGY RELATED PRIVATE & NON-PROFIT CONSTRUCTION ACTIVITIES

KEY FINDING: SUBSTANTIAL INVESTMENTS IN THE PRIVATE SECTOR WILL INCREASE LABOR DEMAND FOR CLEAN ENERGY JOBS AND BUSINESSES

Affordable Housing Preservation

- DC - \$50M/yr for preservation
- LISC - \$10M/yr for preservation

New Construction

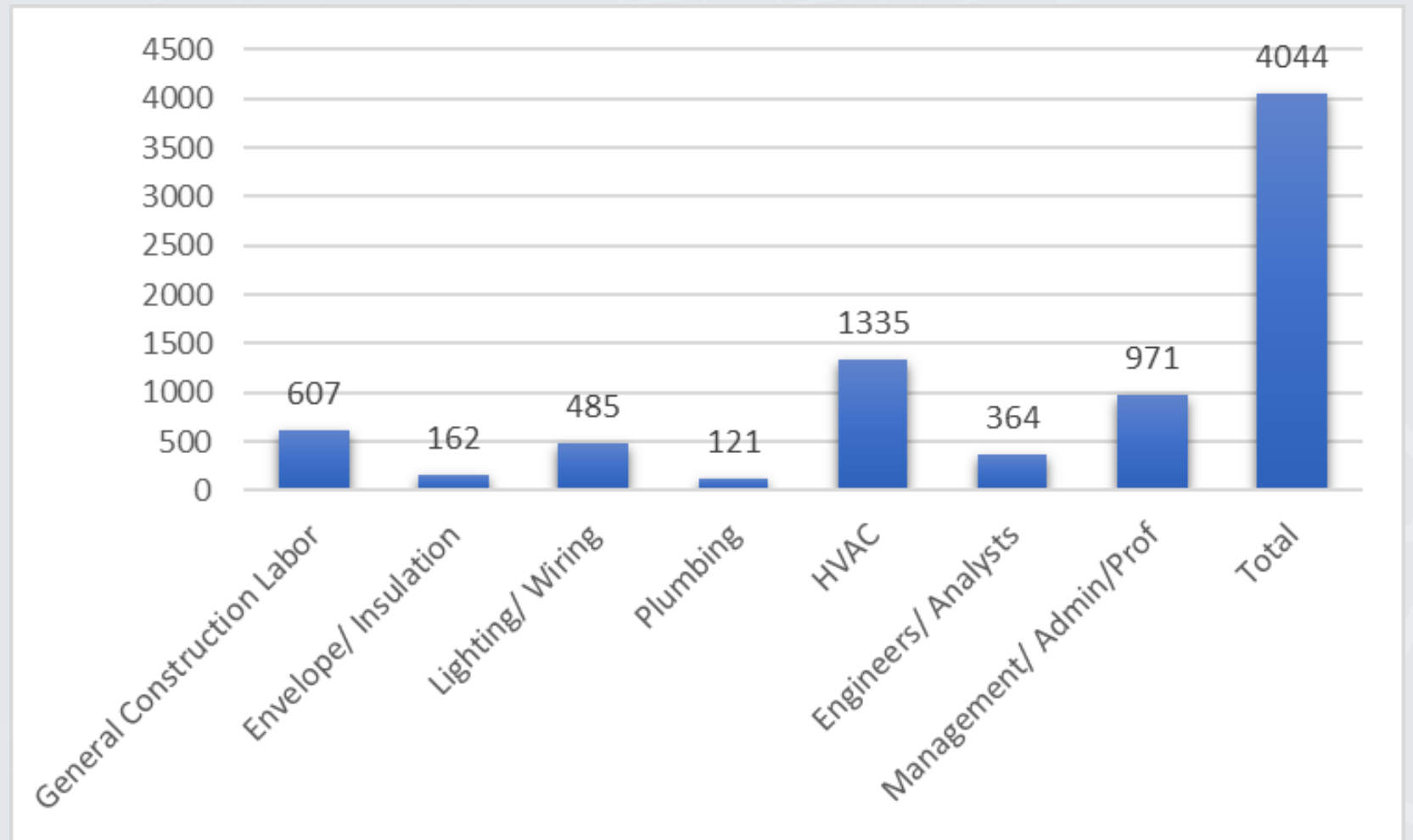
- \$21B w/ LEED standards

BEPS JOBS PROJECTIONS

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Job creation estimates by trade at 30% efficiency



Source: Inclusive Economics

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LANDSCAPE ASSESSMENT: Labor Market Supply



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DC CONSTRUCTION LABOR MARKET

Key Findings: Stable/Growing Demand w/Limited Supply

- 60% of Energy Efficiency/Clean Energy Jobs are in the AEC (Architecture, Engineering, Construction) Sector
- DC current construction workforce = 15,400 workers
- DC construction sector after robust growth, experienced slight COVID related decline in 2020

June 2019
14,900

April 2020
13,500

June 2020
14,700

April 2021
15,400

Source: www.bls.gov

ENERGY/CONSTRUCTION RELATED OCCUPATIONS

Green Building Career Map by IREC: <http://greenbuildingscareemap.org/>

	Architecture Engineering Prof. Svcs.	Construction (MEP)	O & M	Commercial Construction, Retrofit	Residential Construction, Retrofit
Entry Level \$30-52k H.S./ GED certifications	<ul style="list-style-type: none"> • Draftsman, • Home energy auditor 	<ul style="list-style-type: none"> • Pre-apprentice • Apprentices 	<ul style="list-style-type: none"> • Maintenance and Repair • Building Automation Systems Trainee • Building Operations Technicians 	<ul style="list-style-type: none"> • Energy Efficiency Technicians • Weatherization Installer • Energy Efficiency Auditor, Monitoring & Verification • Energy Efficient Sales Rep 	<ul style="list-style-type: none"> • EE Weatherization Technicians • Energy Efficiency Program Assistant (Benchmarking) • Energy Efficiency Sales Rep
Middle Skill B.A.+ 5yrs 45k-100k	<ul style="list-style-type: none"> • Jr. Architect • Jr Engineer • Building Performance Diagnostician • Sustainability Specialists 	<ul style="list-style-type: none"> • Apprentices • Journey-person 	<ul style="list-style-type: none"> • Building Operations • Facility Management 	<ul style="list-style-type: none"> • Insulation Journeyperson, Mechanic • Product Sales Specialist • Commercial Lighting Auditor • Commercial Construction Supv. 	<ul style="list-style-type: none"> • Residential Energy Auditor • Healthy Home Evaluator • Product Sales Specialists

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DC's Workforce and CBE INFRASTRUCTURE



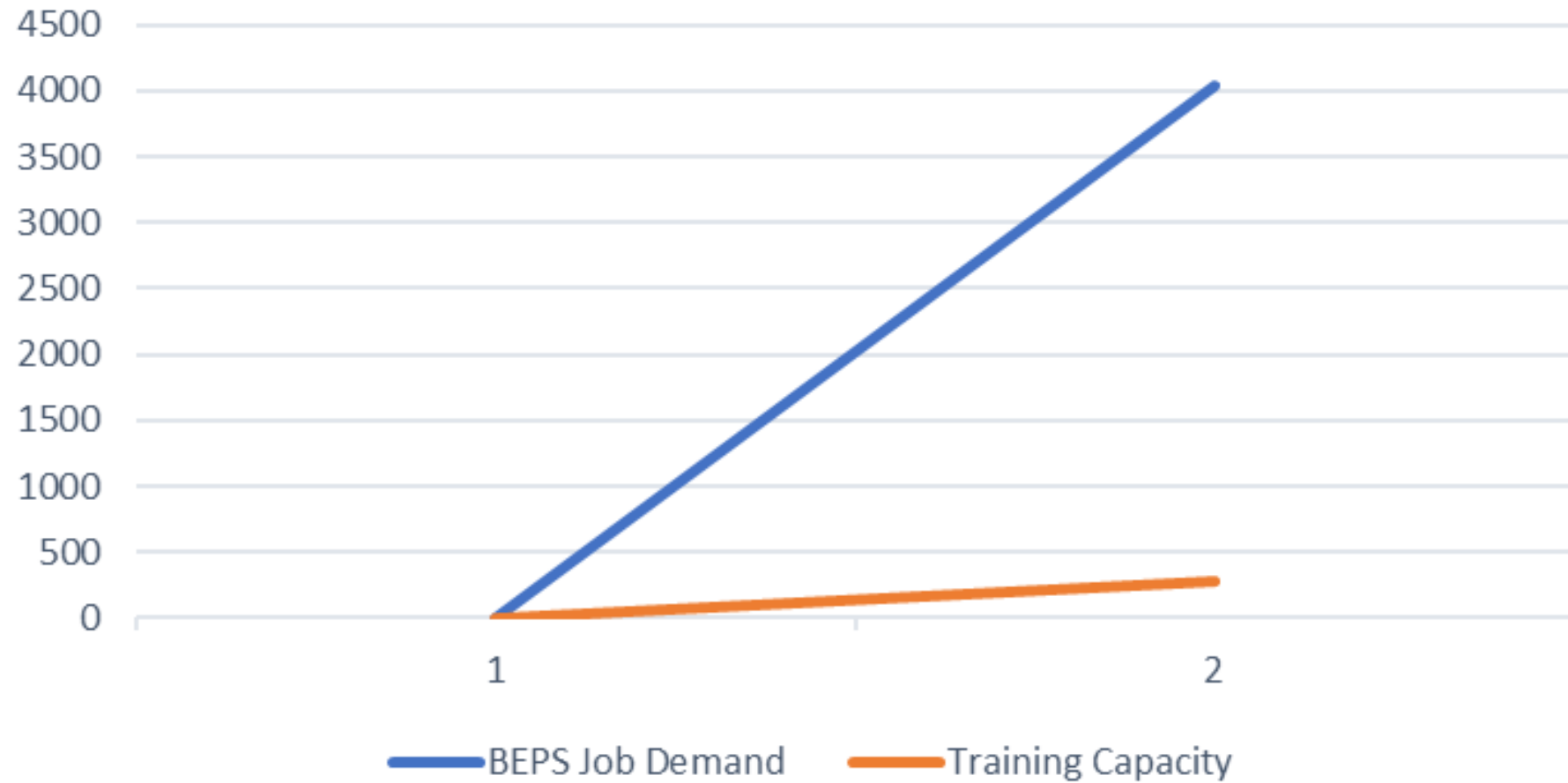
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DC Workforce Capacities and Infrastructure

KEY FINDINGS: Huge gap between BEPS/EE labor demand and supply-side infrastructure:

- DC Sustainable Energy Utility (DCSEU)
 - Externships – Total: 18/year
- DC Infrastructure Academy
 - Utility apprenticeships – Total: 22/year
- Solar Works – Total: 75/year
- DC Water Works – Basic Skills & Apprenticeships
- Dept. of General Services/University of District of Columbia (DGS/UDC)
 - Building Operator Training
- Workforce Investment Council (WIC)– employer relations
- DC Public Schools (DCPS) – 7 H.S. MEP-related Engineering Programs
- Department of Employment Services (DOES)
 - Labor apprenticeships – Total: 28/year
- Labor Unions
 - Plumbers Union Local No.5 - 8 SYEP participants
 - Sheet Metal Union Local No. 100 - 5 SYEP participants
 - Steamfitters Local 602 - 2 participants
- Community Based Programs
 - 7 community-based organizations focus on Energy Efficiency/Construction

Gap Analysis



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DC CBE Capacities and Infrastructure

- DC Sustainable Energy Utility (DCSEU)
 - Energy Efficiency/Sustainability Training
 - Contractor Training – Total 132
- Washington Area Community Investment Fund (WACIF)
 - Advisory and Consulting Services
 - Access to Capital
- DC Office of Contracting and Procurement (OCP)
 - Technical Assistance: E-sourcing, Vendor Management, E-Invoicing, Customer Contact
- DC Procurement Technical Assistance Center (PTAC)
 - Technical Assistance with Federal and local Contracting Opportunities
- Coalition for Nonprofit Housing & Economic Development (CNHED)
 - Helps Municipal/University/School/Hospital (MUSH) Sector hospitals increase procurement with black owned business in wards 5, 7 and 8.
- Small Business Technical Assistance (SBTA)
 - Technical Assistance: micro-loan packaging, business planning, entrepreneurial training
- Small Business Resource Center (SBRC)
 - Technical Assistance: training, workshops, seminars, one-on-one technical
- Office of the Deputy Mayor for Planning and Economic Development (DMPED)
 - Grants and Access to Capital

DIVERSITY AND INCLUSION



D.C. DIVERSITY AND INCLUSION POLICIES

KEY FINDINGS: The pathway to diversity and inclusion in BEPS is complicated

GENERAL:

- DC has a 30-year history and commitment to diversity and inclusion
- DC operates within a race neutral regulatory environment, limiting targeted hires or contracting, quotas or set asides to achieve diversity and inclusion goals.
- There is no clear, consistent understanding or interpretation of DC's DEI policies. The general refrains were, "I'm not sure" or "It differs by depts & projects"
- There is a general lack of confidence (within and outside of the District) in the DC's DEI policies and programs, despite recent improvements in monitoring and compliance after a 2018 audit of DC First Source Hiring Program revealed that it was not successful in meeting its employment targets between 2013-2016.

D.C. DIVERSITY AND INCLUSION POLICIES

Workforce:

- The District's Workforce Intermediary Establishment and Reform of First Source Amendment Act of 2011 establishes local hire goals – good faith efforts - based on residency requirements, which is 51% for publicly funded projects between \$300,000-\$5m, and more targeted over \$5m.
- The DOES implements the First Source Hire program
- The District adopted LCPTracker as an on-line data and reporting system for local hire.
- DC Water & Sewer Authority has a very robust, best-in-class DEI policies and infrastructure

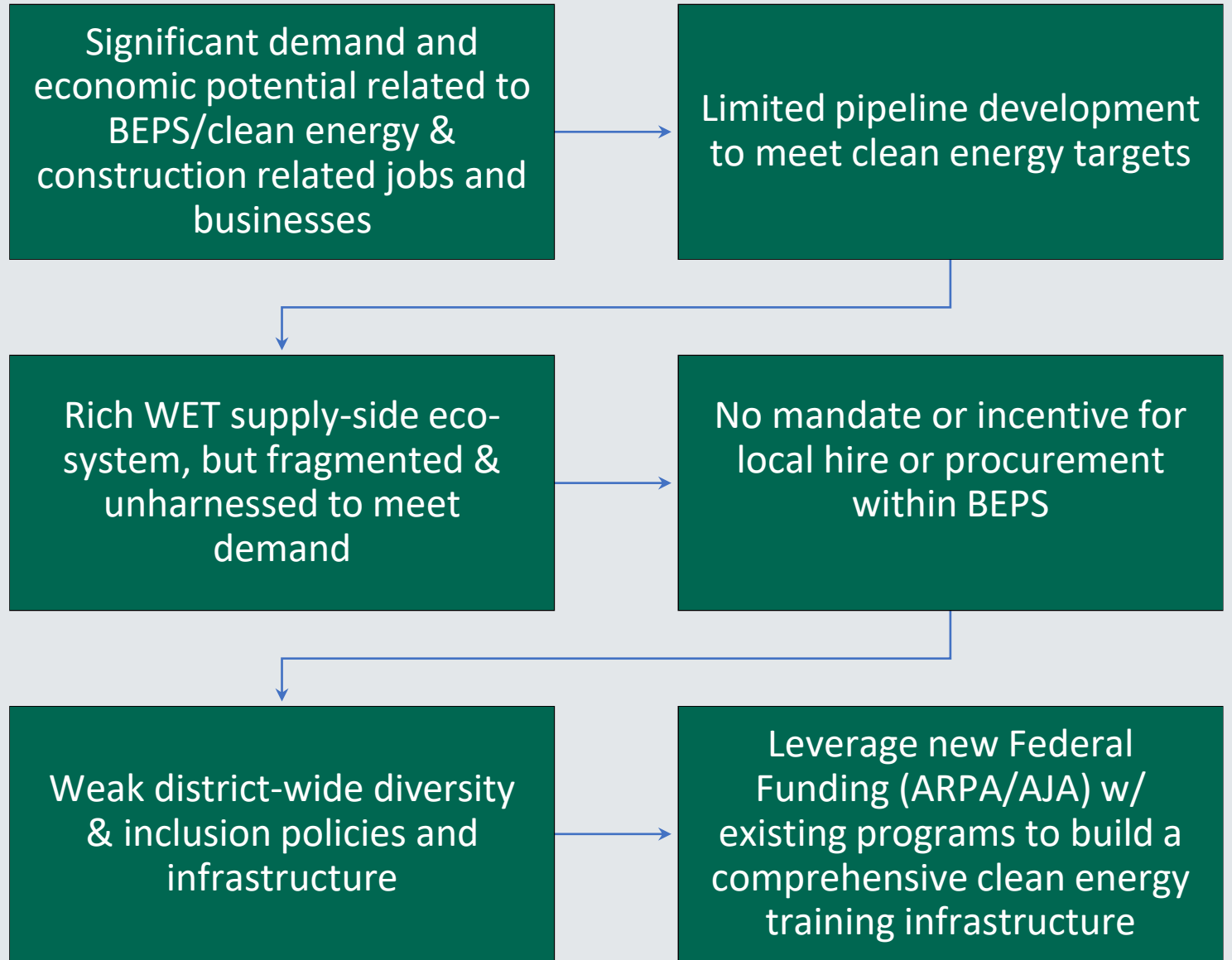
Certified Business Enterprises/Small Businesses:

- The District is in the process of completing a Disparity Study to develop a legally defensible basis for diversity and inclusion in contracting
- SBE goal of 50% of agencies' discretionary/expendable dollars
- CBE Certification process has been repeatedly described as cumbersome
- No enforcement/compliance of diversity & inclusion goals
- Ofc of Compliance & Procurement instituted Quick Payment Act in 2018 to 7 days, reduced retainage to 5% for CBEs

BEPS DIVERSITY AND INCLUSION ISSUES

- BEPS has not established a clear diversity and inclusion policy/program
- BEPS for private building owners represents an unfunded mandate, requiring innovative approaches to local hire and procurement
- BEPS – public sector program – has the greatest leverage for building a pipeline of skilled workers and contractors
- Contractor databases (DCSEU/DSLBD) are not organized to support the growing green building sector or to be user friendly to building owners
- No reliable information on utilization of BIPOC residents or businesses in DCSEU trainings

KEY FINDINGS & MESSAGES





RECOMMENDATIONS

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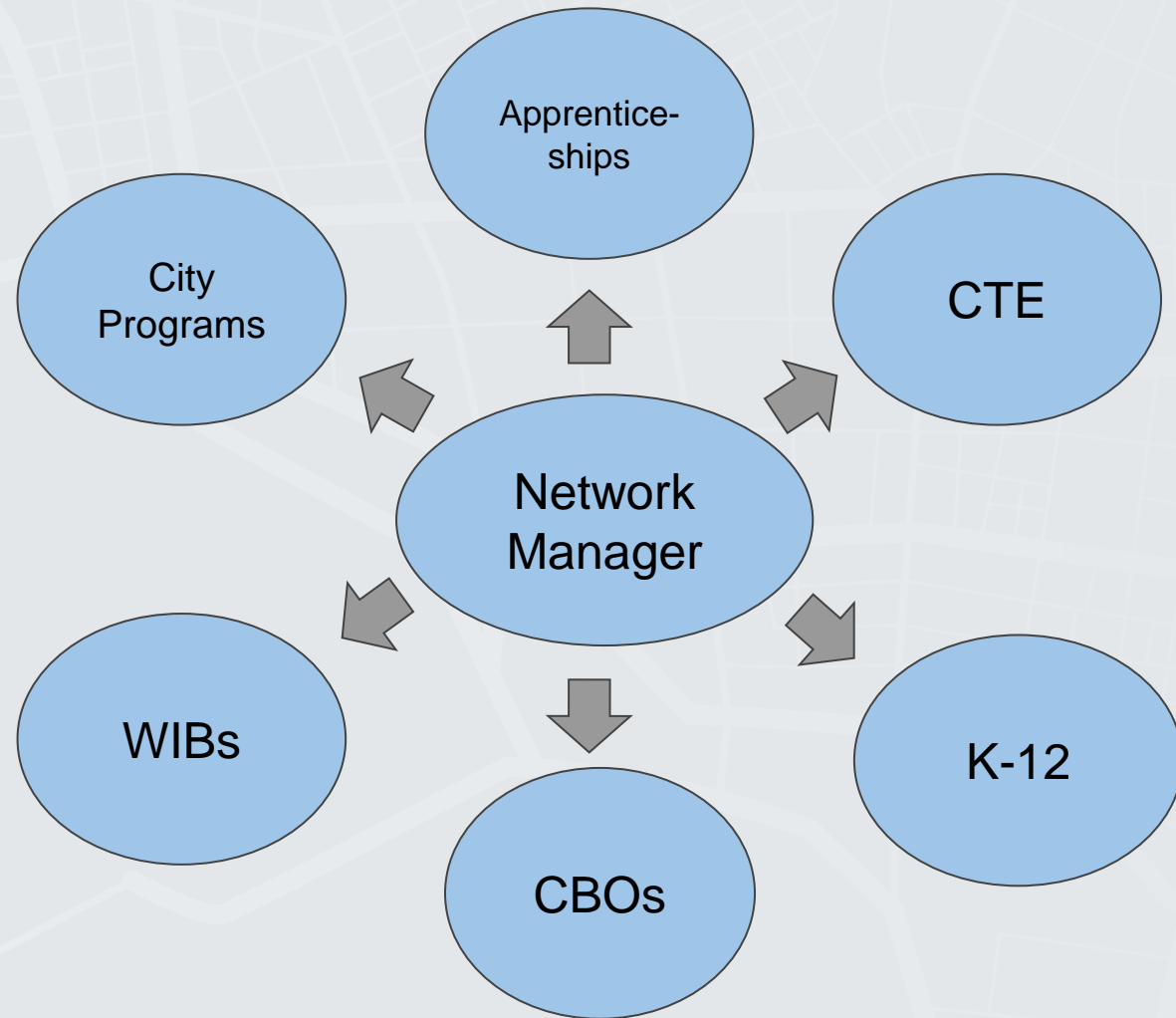
Recommendations

- Systemwide Improvements
- Establish BEPS Public Sector Initiative
- Explore BEPS Private Sector Innovations
- Strengthen Community-based Strategic Partnerships

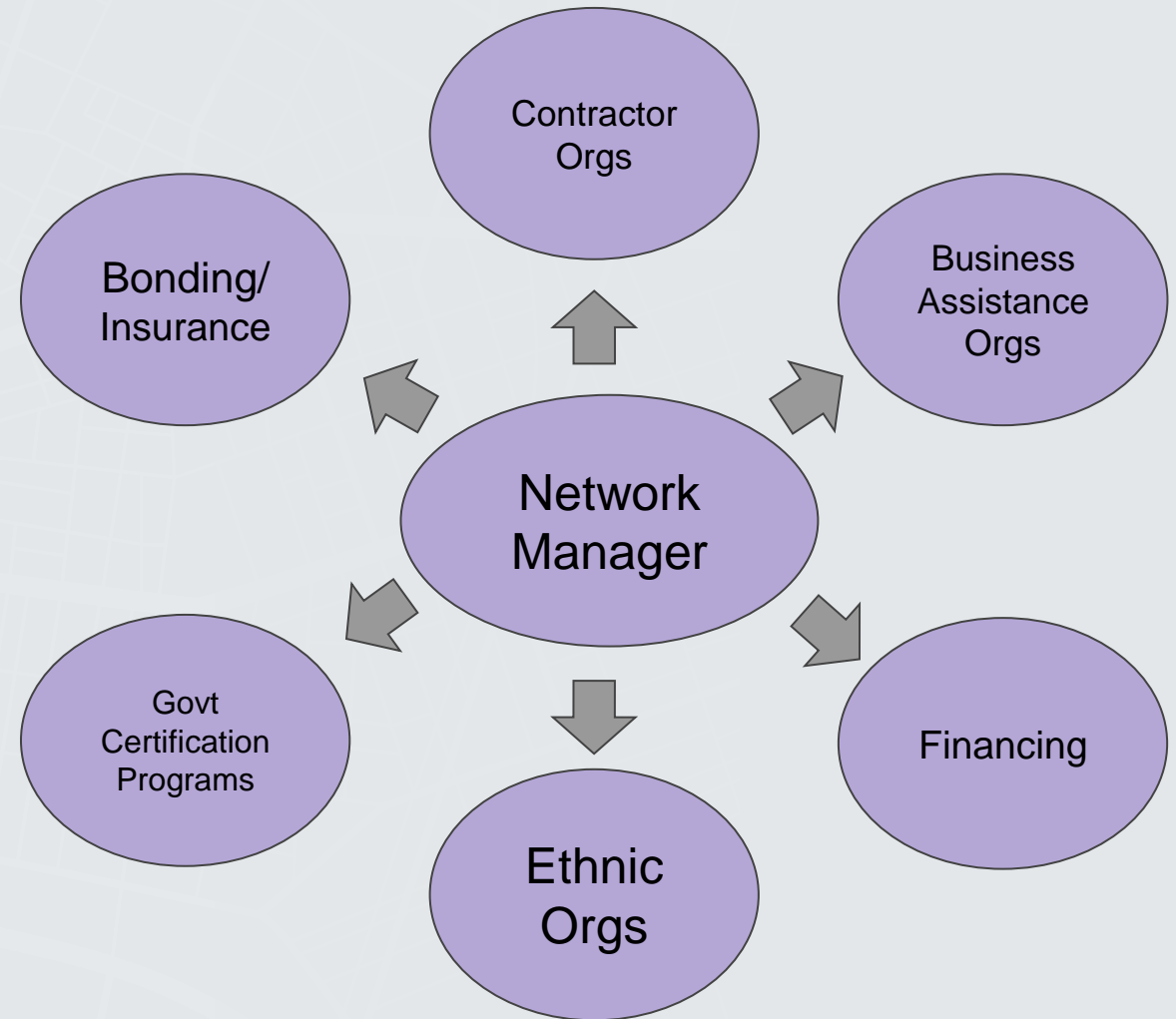
Systemwide Improvements

- Build a multi-stakeholder Industry-Training Advisory Committee (in partnership with WIO) to develop multiple energy efficiency/clean energy pathways for DC residents (prof svcs, construction, O&M)
- Make it easy to train, track & place residents in clean energy careers. Utilize best-in-class technology solutions, such as Workforce Manager, an on-line tool, to organize the fragmented workforce eco-system and provide a platform to connect contractors and participants.
- Enhance the city's procurement infrastructure to increase the inventory of qualified community contractors for BEPS
 - Refine clean energy contractor database (coded for):
 - DBEs/LBE/LBSE & other more targeted designations
 - Annual revenue/project size
 - EE/RE related experience
 - Bonding capacity
 - Provide access to capital, bonding, insurance

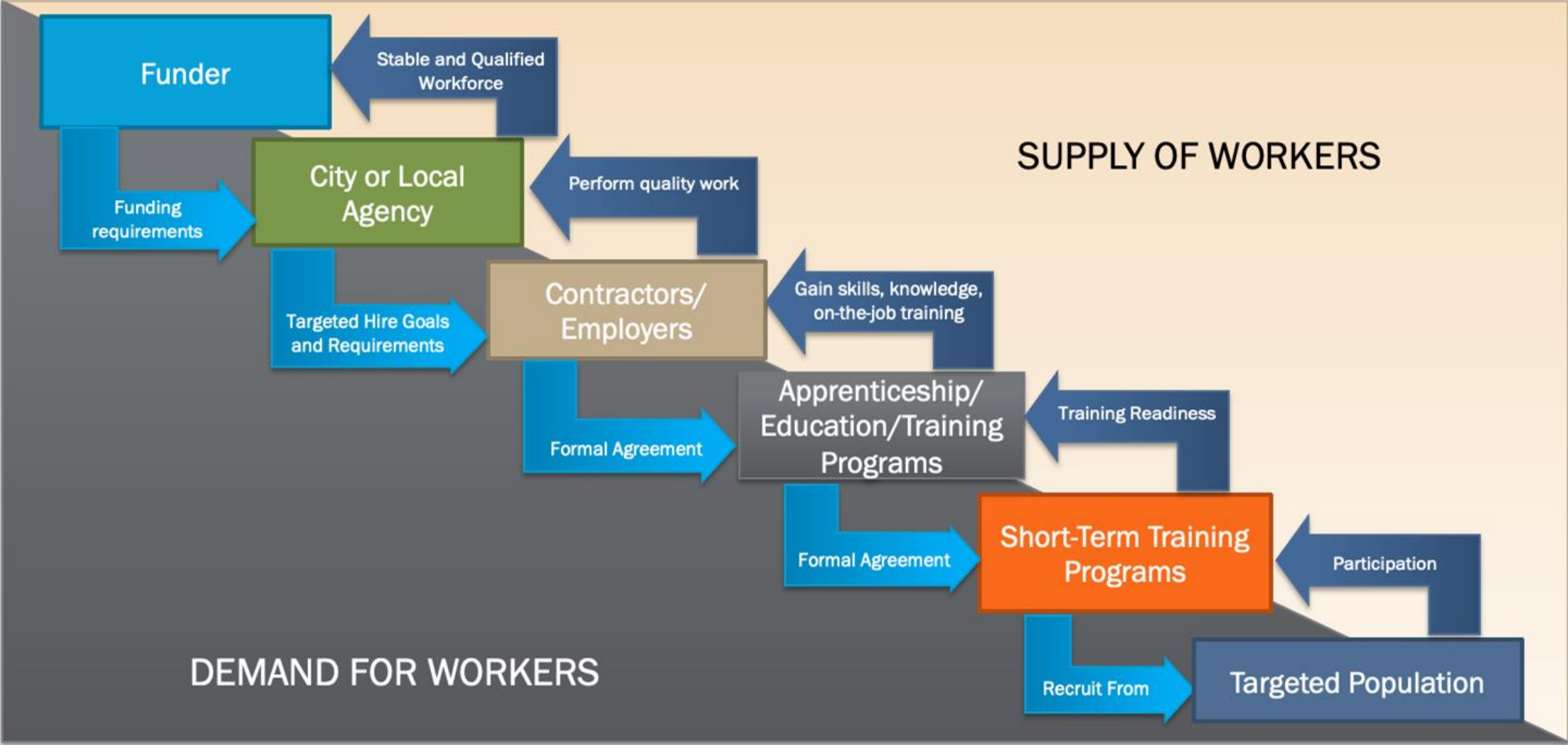
Workforce Eco-System



MWDBE Eco-System



How do Demand and Supply Work Together? (workforce example)



Establish BEPS Public Sector Initiative

- Establish a BEPS economic inclusion policy to create local level jobs and business opportunities aligned with city-wide diversity and inclusion goals. Model after DC Water and Sewer Authority.
 - Establish a BEPS public sector local hire policy
 - Establish a BEPS public sector local procurement policy
- Develop a BEPS Clean Energy Corps program in partnership with the Infrastructure Academy, DOES, DCSEU, DGS to provide:
 - Training & Industry Certifications: Energy Efficiency (*Benchmarking, Energy Audits, Customer Acquisition*)
 - Experiential Learning
- Develop Public Sector BEPS set-aside program for community contractors in targeted low-income wards to include:
 - Preferential contracting opportunities
 - Capacity building in public bidding, PLAs, wage certification, socially responsible contracting to work on union and public sector jobs
 - Mentoring/Coaching; Networking
 - Capital, Bonding, and Insurance

Explore BEPS Private Sector Innovations

- Increase diversity inclusion incentives
 - Tax credits through DC-PACE
 - Low-Cost Financing – GREEN BANK
- Leverage Public Approvals for building upgrades to mandate diversity and inclusion
- Improve access to quality contractor and workforce inventory for Building Owners through the Building Innovation HUB
- Offer regular diversity and inclusion outreach and marketing including networking events with building owners/contractors and property managers seeking to comply with BEPS

Strengthen Strategic Partnerships

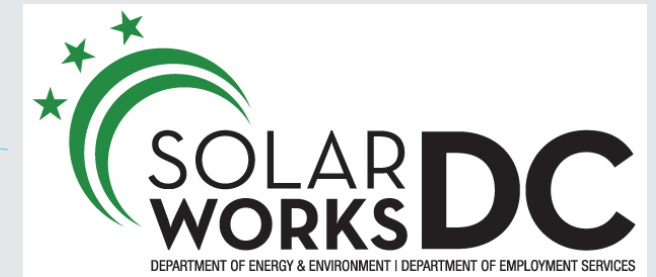
- Strengthen community-based clean energy workforce ecosystem to provide:
 - BEPS workforce program marketing and outreach
 - Ward-level BEPS specific training support programs (basic skills, intake/assessment for skills training/case management, host career fairs)
 - Experiential learning in benchmarking/data entry for residential, community facilities, churches, etc
- Develop community contracting program in targeted low income wards to include:
 - Training
 - Coaching
 - Capital, Bonding, and Insurance
- Develop strategic partnerships with MEP construction skills training programs, including:
 - High School programs
 - Ethnic contractor associations
 - Union Apprenticeship programs
 - CTE programs – Educational and WE&T programs

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— 1851



"If you stay, you will be successful"

Examples of DC Workforce Programs



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Examples CBE
Development Programs



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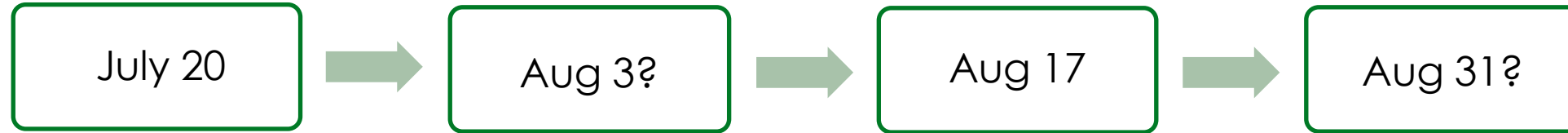




DISCUSSION

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OVERALL SCHEDULE



Tentative Agenda Items

- Additional discussion on Workforce Development/Economic Inclusion recommendations
- Cost/benefit study
- Compliance Guidebook presentation
- Public Service Commission updates – as needed

NEXT MEETING



July 20 @ 2:30pm

- TF discuss workforce development/economic inclusion recommendations and what are next steps

No meeting July 6 – Happy July 4th!





ANNOUNCEMENTS

