

January 26, 2023

Submitted by: National Association of State Energy Officials (NASEO) David Terry, President 1330 North 17th Street, Suite 1275 Arlington, VA 22209 703-299-8800 dterry@naseo.org

# RE: Preparing Workers and Businesses to Deliver Energy Efficiency and Building **Electrification Measures Request of Information (DE-FOA-0002885)**

The National Association of State Energy Officials (NASEO) appreciates the opportunity to respond to the Request for Information (RFI) on Preparing Workers and Businesses to Deliver Energy Efficiency and Building Electrification Measures. NASEO is the national non-profit association for the governor-designated State Energy Offices from each of the 56 States, Territories, and the District of Columbia. The State Energy Offices will administer the Energy Auditor Training Grant Program (EAT) under Section 40503 of the Infrastructure Investment and Jobs Act and the State-Based Home Energy Efficiency Contractor Training under Section 50123 of the Inflation Reduction Act. NASEO appreciates the U.S. Department of Energy's (DOE's) efforts to identify best practices from states and their partners in workforce development programs. NASEO encourages DOE to provide State Energy Offices maximum flexibility to design programs that meet the unique needs and goals of their states and communities, and we offer the following responses to select RFI questions.

## **Category C: Workforce Development and Business Owner Training Strategies**

Question C5. Which certifications or credentials should the EAT, CST, and Contractor Training Program prepare participants for? Please specify the program in your response. For the purposes of EAT and the Contractor Training Program, NASEO recommends State Energy Offices have the flexibility to choose which certifications and credentials are funded by the training programs. State Energy Offices are best suited to determine which certification and credentials would be meaningful in their state.

Question C10. How could the EAT, CST, and Contractor Training Program most effectively work together? NASEO recommends DOE defer to State Energy Offices in determining how to best braid the EAT and the Contractor Training Program as State Energy Offices are the only entities eligible for those programs. State Energy Offices rely upon NASEO and key partners to exchange best practices in program design and implementation, and we plan to support them in identifying opportunities for

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coordination between the two programs. DOE should offer maximum flexibility and align program requirements so the State Energy Offices can combine programs as they see fit.

Question C11. How should DOE assess if a state has a "demonstrated need for assistance for training energy auditors"? What additional criteria should DOE consider necessary to determine eligibility? The requirement that DOE assess whether a state has a demonstrated need for assistance only applies to EAT. NASEO recommends that DOE utilize the same formula as that used under the U.S. State Energy Program to distribute the funds to states instead of competitive process. For example, 75 percent of funds could be distributed utilizing the same formula as that used under the U.S. State Energy Program, and the remaining 25 percent of the funds could be distributed as a bonus amount for states that have the lowest number of auditors on a per capita adjusted basis based on the registry of Building Performance Institute or ASHRI. This is essentially the same approach that Congress used in creating the IIJA revolving loan fund under Section 40502 of the *Infrastructure Investment and Jobs Act*. This eliminates burdensome, time-consuming procurement processes and meets the intent of serving states with the greatest need for energy auditors. A competitive process increases the time needed to prepare applications and creates a disadvantage for State Energy Offices with limited staff.

## **Category D: Accessing Federal Funding**

Question D5. Should DOE deliver the Contractor Training Program funds to states using a formulaic or competitive approach? Why? NASEO strongly recommends that DOE release the Contractor Training Program via the same formula utilized under the U.S. State Energy Program. A competitive process increases the time needed to prepare applications and creates a disadvantage for smaller State Energy Offices, which typically lack dedicated program development and competitive grant-writing staff people. It is also critical that the formula be employed for equitable access to training funds. States will use the Contractor Training Program funds to train their workforce on the execution on the home energy rebates established in the *Inflation Reduction Act*; Home Energy Performance-Based, Whole-House Rebates (Section 50121) and High-Efficiency Electric Home Rebate Program (Section 50122). These funds need to be made available to all State Energy Offices in a consistent and systematic manner to appropriately fold the funds into rebate program design.

## **Category E: Equity and Partnerships**

Question E1. How can DOE design the EAT, CST, and Contractor Training Program to include and best serve individuals from disadvantaged communities and underserved populations in workforce development and economic inclusion programs? How can DOE design these programs to reach rural community members and businesses? NASEO recommends deferring to State Energy Offices to design EAT and Contractor Training Programs that serve individuals from disadvantaged communities and underserved populations. State Energy Offices can design programs in partnership with disadvantaged and underserved communities to best reflect the unique needs of these communities and can best identify and address the specific workforce development challenges in their state. For example, the Maine Governor's Energy Office recently awarded \$2.5 million to nine local workforce development projects, which will help attract and train workers and broaden pathways to good quality jobs for historically underrepresented populations. In North Carolina, the Department of Environmental Quality is working with North Carolina A&T University and partners across the state to expand access to clean energy jobs through a state-wide pre-apprenticeship program. Providing flexibility in the equity

considerations in the EAT and Contractor Training Programs will allow State Energy Offices to directly address specific community needs.

Question E4. What key equity-aligned review criteria should DOE use to evaluate and select projects funded by the EAT, CST, and Contractor Training Program? NASEO recommends deferring to State Energy Offices to propose equity metrics for EAT and the Contractor Training Program that are the most relevant to their state. State Energy Offices can co-develop metrics with the communities they will serve or otherwise develop metrics that reflect meaningful development in their state. Additionally, many State Energy Offices have constructive relationships with DOE's Office of Economic Impact and Diversity, which has supported the creation of workforce diversity, equity, and inclusion analyses<sup>1</sup> and recommendations<sup>2</sup> for states, so we recommend SCEP encourage funding recipients to build on these existing best practices and partnerships to inform their EAT, CST, and Contractor Training program designs.

NASEO appreciates the opportunity to submit comments and we are able to provide follow-up information on any of the above comments. Our comments were informed and guided by the members of the NASEO Residential Energy Efficiency and Beneficial Electrification Task Force which includes over 25 State Energy Offices, additional observer states, and dozens of private-market partners. The Task Force meets regularly to discuss the implementation of *Inflation Reduction Act* Sections 50121 and 50122, including the use of the Contractor Training Program to fund contractor training. DOE has been invited to participate in these discussions to share information and learn more about the states' ideas and concerns. Thank you for your consideration.

Best regards,

David Terry

President, NASEO

<sup>&</sup>lt;sup>1</sup> Diversity in the U.S. Energy Workforce: Data Findings to Inform State Energy, Climate, and Workforce Development Policies and Programs.

https://publications.naseo.org/data/sites/1/documents/publications/Workforce%20Diversity%20Data%20Findings%20MASTER%20Final42.pdf.

<sup>&</sup>lt;sup>2</sup> Energy Sector Workforce Diversity, Access, Inclusion, and the Policy Case for Investment: Recommendations for State Energy Office Action.

 $<sup>\</sup>frac{https://publications.naseo.org/data/sites/1/documents/publications/Workforce\%20Diversity\%20Report\ Final2\%5}{b2\%5d.pdf.}$