



CREATING GOOD JOBS, A CLEAN ENVIRONMENT, AND A FAIR AND THRIVING ECONOMY

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Response to the Department of Energy's (DOE) Request for Information on the Advanced Energy Manufacturing & Recycling Grant Program

The BlueGreen Alliance unites labor unions and environmental organizations to solve today's environmental challenges in ways that create and maintain quality jobs and build a stronger, fairer economy. Our partnership is firm in its belief that Americans don't have to choose between a good job and a clean environment—we can and must have both. We appreciate the opportunity to respond to the Department of Energy's (DOE) Request for Information on the Advanced Energy Manufacturing & Recycling Grant Program. As DOE considers implementation of the Bipartisan Infrastructure Law (BIL), it must ensure that these investments address climate change and toxic pollution while ensuring funding translates into high-road, union jobs that are accessible for workers dislocated from the coal economy, particularly low-income workers and workers of color. This includes supporting and growing pathways into good union jobs along the full supply chain.

Category B: Greenhouse Gas Emission Reduction Projects

- B8. What greenhouse gas emission avoidance and reduction technologies offer the greatest potential for greenhouse gas emission reduction at small- and medium-sized industrial and manufacturing facilities?

Various proven methods of reducing industrial emissions of greenhouse gasses and other pollutants should be considered for financial support. That includes: heat/gas recapture, combined heat and power, fuel/feedstock switching, kiln/furnace upgrades, improved recycling rates, electrification, using low-and-no carbon electricity, clean hydrogen, and carbon capture and storage, when accompanied by meaningful local community consultation and strong environmental standards to protect water, air, and other natural resources.

These emissions reduction pathways should be supported in various energy-intensive manufacturing sectors, including steel, aluminum, and cement production. To cite just one example, we can offer details on opportunities in the aluminum sector. Given that at least three of

the nation's six remaining primary aluminum smelters fall within the target geographies of this program (Century Aluminum in Hawesville, Kentucky; Century Aluminum in Sebree, Kentucky; and Alcoa Warrick Operations in Newburgh, Indiana), it bears reviewing in more detail the emissions-reducing technologies that are most promising for primary aluminum production. Since a majority of emissions from primary aluminum production come from electricity, the highest-impact intervention for reducing emissions at primary smelters is to secure an affordable and reliable supply of clean electricity. Grants to fund clean energy generation at primary smelters in the target geographies would help to significantly reduce emissions from smelters currently using more emissions-intensive electricity.

Another path to reducing primary aluminum emissions is to replace carbon anodes with inert, non-carbon anode technology, as in the [Elysis process](#), to eliminate carbon emissions from electrolysis – the largest source of direct process emissions in aluminum smelting. While not yet commercially available, inert anode technology has been demonstrated at commercial scale in several locations, and the Elysis technology is expected to be available as soon as 2024. To ensure emissions reductions, the Elysis technology should be combined with clean sources of electricity.

For secondary aluminum facilities, several available technologies could improve efficiency and reduce emissions, such as the use of high efficiency induction melting furnaces (to replace gas-powered or other conventional furnaces), high-velocity burners or recirculating fans, variable flame burners, and sensor and control technologies.

Category E: Community and Labor Engagement

- E23. What external non-project partners/stakeholders (e.g., CBOs, disadvantaged communities, Tribes, state and local governments, labor unions, economic development organizations) will be critical to the success of the Program?
- E24. How can DOE ensure community-based stakeholders/organizations, labor unions, and worker representatives are equitably and meaningfully engaged and included in the planning, decision-making, and implementation processes, in both program development and individual projects? What barriers exist to meaningful engagement?
- E25. What activities and engagement (e.g., with MSIs, community-based organizations, registered apprenticeship programs, joint labor-management partnerships, women and minority-owned contractor capacity building, and community-based quality pre-apprenticeship programs) would make the Program successful and sustainable in terms of workforce development; worker recruitment; improved diversity, equity, inclusion, and accessibility across the workforce; and the creation of good-paying union jobs?
- E28. A Community Benefits Agreement is an agreement signed by community benefit groups and a developer, identifying the community benefits a developer agrees to deliver, in return for community support of the project. a. What role can community benefit agreements play in ensuring that lasting community benefits flow from these federal grant funds? b. What steps can DOE take to assist potential applicants and communities to reach community benefit agreements as part of the application process? c. Please provide

examples of how community consultation, consent-based siting, and community benefits agreements or good neighbor agreements can successfully be included in the environmental and permitting review process.

- E29. What other actions can DOE take to further ensure that projects funded through the Program support community development, catalyze economic revitalization, create good-paying jobs, and support investment in local infrastructure in communities where coal mines or coal-fired power plants have closed?

Communities often already have a clear vision for economic development goals, but are not sufficiently empowered or equipped to lead implementation of those plans, build the financial resources necessary to start and sustain community-wide efforts, or attract expertise and resources needed to champion efforts and successfully navigate complex and politically-charged environments. DOE should provide technical assistance and/or financial support for local personnel to apply for this funding, and should provide points of contact that can advise communities that apply for this program on procedures, deadlines, and implementation requirements. Some of this infrastructure already exists within the Interagency Working Group on Coal and Power Plant Communities and Economic Revitalization (IWG). With additional resources the IWG could be the one-stop-shop for communities to receive technical assistance.

It is also important to link projects funded by this program to community-driven economic development efforts to ensure that the projects actually meet the needs of the community. The IWG could again play a role in helping communities build on existing efforts by connecting them to other complementary programs at DOE and other key agencies, such as the Economic Development Administration (EDA), Appalachian Regional Commission (ARC), and the U.S. Department of Agriculture (USDA).

Prioritizing public input and community and labor participation is key in determining which projects are chosen and how they are implemented. With community buy-in, these sites can create long-term, permanent jobs and help diversify the economies of communities. The RECLAIM Act (H.R.1733/S.1455, 117th Congress) offers a potential model to follow. The bill prioritizes projects in communities that have suffered from a decline in the coal economy, and requires local stakeholder collaboration in development of goals and planning. DOE may expand the benefits of this program to rural and disadvantaged economies by also including prioritization metrics in the application that evaluate economic conditions, assess local development plans, and consider the demographic makeup of the community. For example, communities that have experienced a decline in mining may benefit—and have sufficient local labor available to do the work—by prioritizing projects in those areas.

DOE should ensure that the manufacturing facilities benefiting from this program support the environmental and economic needs of workers and fence-line communities. Early consultation with workers and fence-line communities is vital to ensure that they see benefits, not harm, from such projects. It is imperative that DOE incorporate input from communities of color (including

Tribes), low-income communities, labor unions, and communities that have suffered from the decline of the coal economy into the selection of projects. In particular, community-based organizations' (CBO) input should be sought on matters regarding local hire; labor unions should be consulted on training opportunities and all of the labor standards outlined below; and disadvantaged communities, Tribes, and CBOs should be engaged to ensure that the goals of Justice40 are fulfilled via this Justice40-covered program.

Community Workforce Agreements (CWA) and Community Benefit Agreements (CBA) would offer clear means of ensuring meaningful community and worker engagement in projects funded by this program. A CWA reflects a common pledge between labor and the community to work together to build a high-road path to economic revitalization that includes good jobs. In addition to the collective bargaining aspects of a PLA, CWAs frequently include local hire provisions, targeted hire of low-income or disadvantaged workers, and the creation of preapprenticeship pathways for careers on the project. A CBA typically includes more than economic benefits and utilizes a community input process to develop an agreement with the community for a broader array of benefits (i.e., housing or transportation priorities).

Category F: Quality Jobs

- F30. How can DOE best support the direct and indirect creation of high quality, good-paying union jobs, especially in disadvantaged communities and for dislocated workers, through this Program?
- F31. In what ways, if any, do you anticipate the Program could impact the workforce? For example: a. To what extent do you anticipate job creation, loss, or changes in job quality? b. To what extent do you anticipate the creation of construction jobs? Ongoing operations and maintenance jobs? Other jobs across the supply chain? c. To what extent do you anticipate that the Program will incentivize reskilling or transition of existing workforces, including displaced coal workers, to meet new demand?
- F32. What existing workforce education and training efforts (e.g., specific registered apprenticeship programs, labor management training programs, community college or technical school programs, etc.) are preparing displaced workers for clean energy manufacturing and recycling jobs? How can those efforts be best supported or augmented to ensure success of the Program? What training pathways are needed, or already exist, to address these needs?
- F34. How should the quality of and access to jobs, both in the construction phase and the operations and maintenance phase, be measured and evaluated?

We recommend that DOE consider the following high-road labor standards for this program:

- **Prevailing Wage:** As required by the BIL, DOE should require all contractors and subcontractors to comply with the Davis-Bacon Act and Related Acts (DBRA). Contractors and subcontractors shall therefore agree that all employees shall be paid the local prevailing wages and receive accompanying benefits as identified under DBRA in the construction of projects funded by this program.

- **Project Labor Agreements (PLA):** Large construction projects, not subject to Executive Order 14063 requiring use of Project Labor Agreements (PLA) for Federal Construction Projects over \$35 million, can still benefit from a PLA. PLAs control the terms and conditions of employment of workers on specific construction projects, including wages, hours, working conditions, and dispute resolution methods. These agreements can be utilized at the state and local level to ensure high-road labor standards, a qualified workforce, and timely projects.
- **Prioritization of Dislocated Workers:** Dislocated coal workers with appropriate skill sets should be prioritized for this work. We encourage DOE to require that project developers engage with labor unions that represent coal industry workers to identify current or former employees of the coal industry and provide DOE with certifications of this engagement. We also recommend that DOE collect information on the number of dislocated workers that contractors employ in order to assess the success of this aspect of the program. DOE should also require contractors to affirm they will give preference to dislocated coal industry workers in any hiring for any funded project.
- **Registered Apprenticeship, Pre-apprenticeship, and Labor-Management Partnerships:** One of the main mechanisms for building career pathways is through registered apprenticeship, pre-apprenticeship, and other union-affiliated training programs. Apprenticeships are registered through a state apprenticeship agency or through the DOL. Registered apprenticeships are paid positions that combine on-the-job training with classroom instruction in a trade. Construction unions operate robust registered apprenticeship programs while industrial unions work with employers on joint labor-management training programs that also provide a combination of classroom and on-the-job skills training. Additionally, many unions offer training throughout a member's career to enable them to stay up to date with changes in technology. Pre-apprenticeship programs have become a key tool for improving equitable access to jobs in the building trades. Such programs aim to ensure that workers can qualify for entry into an apprenticeship program and have the skills and support they need to succeed. These programs are generally designed to support certain populations or demographics such as low-income workers, workers of color, women, and other marginalized communities. The most successful pre-apprenticeship programs are those affiliated with registered apprenticeships or other contractually agreed on-the-job training programs. Wraparound services such as transportation and childcare also help with recruitment and retention of underrepresented and disadvantaged workers.

DOE also should consider additional high-road labor standards, such as: union neutrality, high-road wages and benefits, occupational health and safety standards and programs, avoidance of misclassification, and avoidance of excess use of contracted or temporary employees.

In addition, DOE should ensure that all projects funded under this program maximize the benefits of these projects for the workers and the communities they are placed in. That includes the use of strong domestic content provisions. In addition to good jobs in the construction and operations

and maintenance of these projects, these projects can support good jobs across the supply chain through utilization of domestically sourced materials.

- DOE, as required by law, should ensure use of domestic content and Buy America standards in projects funded by this program. As the Build America, Buy America (BABA) provisions in the BIL come into effect and strengthen the Buy America requirements associated with federal investments, the positive market and employment effects generated by the Advanced Energy Manufacturing & Recycling Grant Program will be further magnified. Supply chain reporting and disclosure should also be encouraged while incentivizing assembler/supplier commitments and accountability. Further, a waiver process for unavailability should be limited as the vast majority of component parts can be sourced domestically (e.g., steel and aluminum for the manufacturing of clean technologies).
- It is in the public interest to avoid waivers for these domestic content requirements, given the environmental and economic benefits of sourcing from domestic manufacturers. On average, U.S. manufacturing of steel and aluminum produces fewer greenhouse gasses and pollutants than in most other countries that are major producers. U.S. steel production, for example, is the cleanest among all major steel-producing countries. Ensuring domestically-produced steel and aluminum in clean technology manufacturing projects would support not only U.S. manufacturing job growth, but also a reduction in global industrial emissions.
- By boosting demand for U.S. manufacturing of steel, aluminum, and other materials in clean technologies, domestic content provisions also could help to mitigate the increase in economic and racial inequality driven by the decline in U.S. manufacturing. The erosion of U.S. manufacturing is responsible for a significant share of the rise in U.S. income inequality in recent decades. The loss of manufacturing jobs also has been disproportionately worse for Black workers and other workers of color. According to an Economic Policy Institute report, Black workers have lost more than 600,000 manufacturing jobs since the late 1990's – a 30% fall in Black manufacturing employment. This has further exacerbated the wage gap between Black and white workers. Strong domestic content standards in this program could help to support manufacturing job growth for Black and low-income workers if targeted correctly.

Category G: Equity, Environmental, and Energy Justice

- G35. What equity, energy and environmental justice concerns or priorities are most relevant for the Program? How have/can these concerns or priorities been/be addressed?
- G36. What program requirements or review criteria should DOE consider to ensure that regional economic growth flowing from funded projects will be shared with disadvantaged communities?
- G39. What are key equity-aligned review criteria that DOE should use to evaluate and select projects in the Program?

Projects should be prioritized in regions particularly hit hard by job losses in the fossil energy sector and other low income communities. In addition, the CEQ screening tool, DOE mapping tool,

and/or state-specific environmental justice screening tools should be used to identify disadvantaged communities where the project benefits should be concentrated. Advanced energy manufacturing and recycling projects may not always be the right opportunity for a site or community, but they are great opportunities and may be well suited to a reclaimed mine site. Investments in advanced energy manufacturing projects must prioritize job quality as well as the hiring of local dislocated workers, continuing under terms of any existing union contracts or employment agreements. DOE can do this by strategically targeting funding for projects utilizing high-road labor standards.

Projects should demonstrate how the proposed program will provide disadvantaged workers with improved access to career opportunities in manufacturing. This may include:

- Requiring or incentivizing local or targeted hire or other hiring and procurement policies that benefit low-income communities, people of color, and women in disadvantaged communities, as identified by CEQ's screening tool or DOE's mapping [tool](#);
- Requiring or incentivizing community benefit/community workforce agreements that increase economic opportunities for communities and local workers—especially for people of color and low-income communities;
- Creating a community task force to monitor and enforce a local hire provision or CWA/CBA;
- Requiring or incentivizing pre-apprenticeship opportunities that are linked to registered apprenticeship programs and that target disadvantaged communities;
- Integrating training programs with community-based “wrap around” services to maximize retention of disadvantaged and underrepresented workers as they enter careers (e.g., child care services and transportation);
- Omitting or limiting drug testing or background checks; and
- Identifying existing community networks for recruitment of disadvantaged workers.

Conclusion

The Advanced Energy Manufacturing & Recycling Grant Program offers a critical opportunity to support the creation and retention of good union jobs in communities facing economic hardships related to coal facility closures while addressing climate change and reducing toxic pollution. DOE can help to ensure that the investments in this program redress economic, racial, and environmental injustices by initiating early and meaningful engagement with impacted workers and communities and by employing strong labor, equity, and environmental standards. By using strong domestic content standards and supporting viable pathways for reducing industrial emissions, DOE also can help to ensure that the program supports the growth in clean manufacturing that we need to secure a livable climate and a thriving and more just economy.