



United States House of Representatives
Committee on Small Business
Subcommittee on Innovation and Workforce Development
"Creating the Clean Energy Workforce"
Testimony by Mark Jackson, Vice President
Community Housing Partners (dba CHP Energy Solutions)
October 29, 2019

Thank you for having me here today, Chairman Crow and Ranking Member Balderson. I appreciate the opportunity to speak to you and the other members of this committee.

My name is Mark Jackson, and I'm the Vice President of Energy Solutions at Community Housing Partners. CHP was formed over 40 years ago to address the poor housing conditions of low-income families in Virginia. In 1976, CHP became one of the first practitioners of DOE's newly created federal weatherization assistance program. Through our participation in that program, we recognized the need for robust training opportunities to ensure quality energy efficiency work; therefore, in 1999, we opened our Research and Training Center to provide building science and energy efficiency training to weatherization providers across the country. Today CHP Energy Solutions is the largest weatherization provider in Virginia, and our Research and Training Center provides training not only to the national weatherization network, but to the residential building and energy efficiency sector internationally. CHP is also an affordable housing manager and developer in 7 states.

CHP's scope of work makes us uniquely qualified to provide you information on the energy efficiency workforce and the training opportunities that are available.

- We are an employer of energy efficiency workers.
- We contract with small businesses in the energy efficiency sector.
- We provide training to crews and agencies in the Weatherization Assistance Program.
- We have trained over 40,000 energy efficiency and building science workers from both the public and private sectors including code officials, HVAC technicians, and small home improvement businesses.

There are reasons why we're talking specifically about energy efficiency businesses here today. These businesses are primarily small businesses that are located in every U.S. state. Of the almost 400,000 energy efficiency businesses in the United States, nearly 80% employ fewer than 20 workers¹—while accounting for over 2 million energy efficiency jobs in the United States—and energy efficiency is the fastest growing segment of the energy jobs sector. In fact, almost 20% of all construction jobs are in energy efficiency; that represents more than 1 in every 6 construction workers.² As one of the largest weatherization providers in the United States, and in our role as an affordable housing manager and developer, CHP sub-contracts with hundreds of

¹ E2 and E4TheFuture, *Energy Efficiency Jobs in America*, September 2019, accessed October 15, 2019, <https://www.e2.org/wp-content/uploads/2019/09/Energy-Efficiency-Jobs-in-America-2019-Full-Report.pdf>.

² Environmental and Energy Study Institute, *Fact Sheet – Jobs in Renewable Energy, Energy Efficiency, and Resilience (2019)*, July 23, 2019, accessed October 17, 2019, <https://www.eesi.org/papers/view/fact-sheet-jobs-in-renewable-energy-energy-efficiency-and-resilience-2019#2>.



small construction businesses across our service footprint. We're immersed in the challenges this industry faces every day.

The construction industry is thriving, but over 80% of energy efficiency businesses report hiring difficulties. Almost half of those cite the lack of applicants who are experienced, trained, or have the necessary technical skills to do the work.³ CHP has posted 10 weatherization technician jobs so far this year, and although we've had many applicants for every posting, positions remain open as we struggle to find qualified applicants. We are also planning to expand our energy efficiency workforce over the next year with the addition of 10-12 new jobs, and we expect that finding quality applicants will continue to present a problem.

Compounding the issue of the lack of a skilled workforce is the expectation that over 40% of current construction workers will retire in the next 12 years.⁴ CHP's experience aligns with this trend as well: 30% of our current weatherization workers are over the age of 50. Those hiring challenges are even greater for small businesses as they lack the capital to invest in recruitment, hiring, and training programs.⁵

Thus, the importance of quality training programs. DOE notes on their website that the ability to develop high-performance homes that are energy efficient, healthy, and durable relies on building science education and training.⁶ Also, as all levels of government recognize the need for and implement energy efficiency programs and policies, the success of those programs and policies relies on a robust and well-trained energy efficiency workforce. There is so much opportunity in this sector if these hiring and training challenges can be addressed.

The energy efficiency sector also provides economic development benefits to its businesses' communities. Residents who have their homes weatherized by CHP see a 30% savings on their utility bills—and there's the benefit from the jobs created by the industry, of course. As I stated, these jobs are in a rapidly growing sector, and they are local. They can't be outsourced, and competition for workers ensures that these jobs pay a living wage. **If** we can find those workers.

Less than 10 years ago, through a grant from the Department of Labor, CHP's Training Center successfully partnered with workforce development organizations, community colleges, and universities to provide green energy training to nearly 600 individuals. The CREATES program was incredibly successful, and similar programs may be one approach to solving today's crisis.

³ Energy Futures Initiative and National Association of State Energy Officials, *The 2019 U.S. Energy and Employment Report*, <https://www.usenergyjobs.org/2019-report>.

⁴ Liz Sheffield, "Construction Grows, But Baby Boomers Retiring Leaves Gap," *Spark* (blog), February 2019, <https://www.adp.com/spark/articles/2019/02/construction-grows-but-baby-boomers-retiring-leaves-gap.aspx#>

⁵ Mary Shoemaker and David Ribeiro, *Through the Local Government Lens: Developing the Energy Efficiency Workforce*, June 14, 2018. (Washington, DC: American Council for an Energy-Efficient Economy)

⁶ "Building Science Education," Department of Energy, Office of Energy Efficiency and Renewable Energy, accessed October 17, 2019, <https://www.energy.gov/eere/buildings/building-science-education>.

The business growth in the energy efficiency sector doesn't stop with construction technicians. The workforce demands created by energy efficiency programs and policies extend beyond them; these programs and policies also create an increase in demand for planners, engineers, bankers, and investors.⁷ For example, CHP is hiring more program and project managers as a result of the growth in the energy efficiency sector, and as we continue to grow, so will those opportunities.

I appreciate the time that you've given me today. To restate the main points of my testimony today:

- Energy efficiency businesses are small businesses, and the fastest growing segment of the energy jobs sector;
- Energy efficiency businesses are struggling to find and hire skilled workers. Workforce training is required to replace retiring employees and fill the new positions being created as the sector continues to grow; and,
- Energy efficiency programs and policies provide benefits to workers and to the greater communities in which they are implemented.

Thank you, and I look forward to your questions.

⁷ Shoemaker and Ribeiro, *Through the Local Government Lens*