



March 3, 2024

Louie Krak
Pennsylvania Department of Environmental Protection
400 Market St
Harrisburg, PA 17101

Re: Letter of Commitment for Climate Pollution Reduction Grants Implementation General Competition (CPRG Competition)

Dear Mr. Krak,

Keystone Research Center (KRC) supports strong and climate-focused initiatives, such as the Pennsylvania Department of Environmental Protection's (DEP) application to the U.S. Environmental Protection Agency's CPRG Competition. KRC is a 28-year-old, Pennsylvania-based research and policy organization that has a long history of conducting industry studies, including of manufacturing and construction and with a focus on job quality, workers' skills, sector strategies, apprenticeship and, in the construction industry, project labor agreements, community benefit agreements and local hiring. KRC is recognized nationally for its research on workforce development, including sector strategies and apprenticeship. It has consulted on workforce for five Pennsylvania governors, two Republican and three Democratic. KRC helped shape Pennsylvania's national model workforce reform in the 2000s founded on investment in "industry partnerships" and helped catalyze Pennsylvania's increased investment in apprenticeship starting in 2018. KRC also helped catalyze and its executive director co-directs, the ReImagine Appalachia project, a climate action coalition that has engaged with the Biden Administration to inform federal policy on labor standards, community benefits and diverse local hiring on abandoned mine land reclamation projects and in other areas of federal climate investment. USDOL recently commissioned a paper from ReImagine Appalachia on the potential contribution of apprenticeship to coal county Appalachia's transition to a sustainable economy, which will be coauthored by KRC staff.

Should the Pennsylvania Department of Environmental Protection (DEP) receive an award under the CPRG Competition, KRC is committed to providing strong, long-term partnership to help implement the Reducing Industrial Sector Emissions in Pennsylvania (RISE PA) program. KRC will assist by drawing on its thought leadership on workforce development, its close and collaborative relationships with Pennsylvania labor unions, including the Pennsylvania AFL-CIO and Pennsylvania Building and Construction Trades Council, and the expertise of its staff and consultants on manufacturing. These assets will help RISE PA appropriately center skilled trades in industrial decarbonization efforts as well help ensure the hiring of diverse local workers and dislocated coal workers on decarbonization projects.

Throughout the five-year period of performance, KRC will be responsible for engaging organized labor, ensuring the hiring of diverse local workers and dislocated coal workers on RISE PA projects, and to assist Pennsylvania's decarbonization project capture best practices and evaluate project outcomes. Utilizing a \$2,005,175 subaward, KRC will assist DEP with the following:

- Provide input on RISE PA implementation and Fair Labor Bonus administration, including requests for proposals and scoring metrics used to distribute the funds.
- Assist with planning, outreach, convening, and relationship building that deepens the integration of organized labor into Pennsylvania's industrial decarbonization effort.
- Develop template model community benefits/local hire agreements with strong provisions related to diverse local hiring, preferential hiring for dislocated coal workers, and apprenticeship utilization that can be integrated with industrial decarbonization projects receiving RISE PA funding. This may include customizing templates for small-, medium-, and large-scale decarbonization projects and, where it would increase efficiency, designing a community benefits agreement template that could link with multiple projects in a geographical area.
- Provide input on an organizational and work plan for the creation of the Keystone True Transition Partnership that would seek to break new ground by enabling a meaningful share of dislocated coal workers to find a new union job that draws on their prior experience and skills, pays similar compensation to their former job, and is located near where workers live.
- Assist with the development of an evaluation model for the community benefits/diverse local hiring components of projects receiving RISE PA funds. In this task, KRC will capitalize on its unmatched knowledge of the Registered Apprenticeship Partner Information Data System (RAPIDS), which tracks apprentice demographics and other variables (intake wage, exit wage, completion rates) for each registered apprenticeship program.
- Grant reporting, including writing case studies for the Industrial Decarbonization Playbook, that fully captures for USDOL and the national industrial decarbonization effort the successes, best practices, and other learnings from Pennsylvania's program.

KRC's services and support are critical for allowing DEP to more effectively and efficiently administer RISE PA and ensure successful overall programmatic implementation. DEP lacks both the expertise and the staff capacity to administer this portion of RISE PA, whereas KRC is well-positioned to leverage their existing organizational capacity and robust labor connections to fill this role. RISE PA is critical to the success of Pennsylvania's industrial decarbonization efforts, and KRC fully supports DEP's CPRG application.

Sincerely,



Stephen Herzenberg
Executive Director