



FORMULA FOR A NEW ENERGY ECONOMY IN COLORADO:

Labor + Environment = Good Green Jobs + Clean Energy

“By working together, labor and the environmental community have proven that we can build a new cleaner energy economy and ensure that working families thrive at the same time,” said Carmen Rhodes, former Executive Director of FRESC, the organization that helped to convene the successful coalition to raise renewable energy standards (RES).



Colorado legislation to increase the renewable energy standard

to 30% of retail electric sales was won in 2010 by a broad and diverse coalition fighting for the interests of working families and the environment. This effort was part of a decade-long strategy originally designed by environmental groups to move Colorado into the 21st century on clean energy. A broader coalition elevates other progressive causes and builds a movement greater than any of its parts. FRESC: Good Jobs Strong Communities, Environment Colorado, Colorado AFL-CIO, Colorado Environmental Coalition, International Brotherhood of Electrical Workers, Colorado Conservation Voters, SunEdison, Colorado Building Construction Trades Council, Interwest Energy Alliance, Rocky Mountain Farmers Union, Solar Alliance and the Colorado Solar Energy Industries Association were among the key stakeholders working cooperatively with the Governor’s Energy



Office and Xcel Energy to design and win approval for this visionary policy: *marrying clean energy with good jobs and workforce standards to create a new energy economy in Colorado.*

Renewable energy projects attract new businesses and create jobs, while consumers benefit from new products offered by new businesses, access to new jobs, and improved economic conditions. Despite the economic downturn of 2008 Colorado Renewable Energy/Solar Installation companies have seen 200-300% CAGR Compound Annual Growth rates between 2007 and 2010. Employment in Colorado's clean-tech industry increased 32.7 percent between 2005 and 2010, compared with a 10 percent increase at the national level, according to a 2011 study by the Metro Denver Economic Development Corporation (Metro Denver EDC). Clean technology was the only sector within the state to grow in 2010, with 1,600 companies employing over 19,000 workers.

In March 2010, Governor Bill Ritter signed House Bill 1001 into law. Colorado adopted a renewable energy standard that requires 30 percent of the state's utility electrical generation capacity to be derived from renewable sources like solar and wind by 2020. Colorado's RES also promotes customer sited and locally generated Renewable Energy systems by requiring three percent of total electrical sales to be acquired through distributed generation. The Colorado RES is among the strongest in the nation. Not only will the Colorado RES create strong demand for renewable energy, it also includes several provisions that will ensure that clean energy jobs are good jobs. One provision requires that a certain ratio of workers on solar installation projects be certified solar installers. Community colleges and electrical apprenticeship programs in the state will prepare workers to take the certification test available through the North American Board of Certified Energy Practitioners (NABCEP).

Certified workers bring a high level of competency to their work and can usually demand higher pay than uncertified workers. The certification standards will also assure quality to customers by requiring that all projects that derive funding from public and ratepayer monies will require that each project also maintain an on-site project supervisor who is also a NABCEP Certified PV Installer.

“This new law will provide safe, quality photovoltaic installations and create green careers for Colorado’s working families,” said Mary Broderick, FRESC’s Green Careers Outreach Coordinator and a 30 year veteran of renewable energy with the International Brotherhood of Electrical Workers Local 68,

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whose Electrical Apprenticeship Program will help train a new generation of electricians in solar installations.

An important component of the 2010 legislation modeled after a two year old law to require the Colorado’s Public Utilities Commission (PUC) to consider environmental impacts and public health standards, will require the PUC to also include job quality and community economic impacts when it considers proposals to build new electricity resources. Now the PUC must also consider such factors as the availability of long-term career opportunities; and the wages, health care and pension benefits being provided by the utility or company proposing the project. This is a “high road” departure from the traditional “least cost” planning metrics typical of utility development and sub-contracting. Good jobs sustain the middle class and build stronger communities.



How it was accomplished

The Colorado environmental movement organized a plan to increase renewable energy standards more than a decade ago. The renewable energy standard was first adopted by voters in 2004 as Amendment 37. This was the first citizen-based ballot initiative in the country to create a state renewable portfolio standard. It required utilities with at least 40,000 customers to generate or purchase 10% of their electricity from renewable sources, such as wind, solar, biomass and geothermal heat by 2015. Thoughtful clean energy strategists understood that it was both in the interests of the environmentalists and other progressive partners to expand the depth and breadth of future measures. Clean energy coupled with good jobs multiplies benefits to Coloradans.

Soon after Amendment 37 was passed, FRESC's then Policy Director and current Denver City Councilman, Chris Nevitt, saw the critical need of uniting good jobs with the new green economy and put together a

“blue-green coalition” under the Colorado Apollo Alliance including leaders from labor unions, environmental groups, farmer organizations, and business associations. By the time that Governor Bill Ritter took office in 2007, Colorado lawmakers were poised to increase the standard to 20%; Ritter made this organized support the centerpiece of his agenda for a “New Energy Economy.”

FRESC's former Executive Director, Carmen Rhodes, and the Colorado AFL-CIO's Political Director, Phil Hayes, invited other key labor stakeholders to the table — in addition to the already environmentally-active Colorado Construction Building Trades Council — with environmental leaders in mid-2009 and held a dozen meetings over six months to brainstorm ideas, share needs and interests, and iron out differences with a policy all could support. For example, while Xcel Energy with its centralized sources of energy provided solid jobs to its workers, the rooftop decentralized emerging solar industry did not





yet guarantee good paying jobs. The increase in RES was integrated with job standards and training requirements to strengthen both labor and environmental aims.

A 2010 report by Vote Solar and Environment Colorado, “Investing in the Sun,” aimed to bolster this campaign, and states that 1,000 megawatts of distributed solar energy would deliver the following benefits over the lifetime of the systems:

- Generate enough reliable, homegrown electricity to power 146,000 Colorado homes
- Create more than 33,500 jobs in Colorado’s New Energy Economy
- Produce \$4.3 billion in total economic output (direct, indirect and induced

economic activity generated through the construction and maintenance of the solar projects)

- Save 6.8 billion gallons of water, a limited resource in Colorado
- Avoid emitting 30 million tons of the global warming pollutant carbon dioxide, the equivalent of taking nearly 670,000 cars off the road

The bill was introduced in January 2010 and signed by the governor by March. Implementation of the policy began in 2011. This new legislation increases the Renewable Energy Standard to 30% of all electric sales (from 20%) by 2020 for investor-owned utilities, like Xcel Energy, Colorado’s largest supplier. Future policy work intends to extend RES to more rural parts of the state.

What were the innovations and lessons learned?

- ➔ **Strong coalitions start early and work hard:** This was one of the strongest and broadest coalitions to come together in the preceding decade, containing labor, business, farmers, environmental groups, and low-income advocates, working with the Governor and his Energy Office. The coalition came to the table early in the process to solidify relationships and trust — and stayed at the table, to establish the best possible outcomes and, in gauging the political mountain they needed to climb, put forth what a pragmatic victory must and could contain.



Long-time union leader, Neal Hall, Business Manager for the Colorado Building Construction Trades Council, asserts, “The future of Colorado depends on working families joining together with environmentalists for clean energy and a healthy economy. Colorado trade unions have been at the forefront of this fight as it benefits workers, the communities in which we all live, and our state.”

➔ Work through differences with the bigger picture in mind:

There were ongoing good faith negotiations with the stakeholders — all committed to the process and the policy — that optimized the bill for consideration and the chance of success.

➔ Walk in each other’s shoes: Labor unions and environmentalists, historically pitted against each other, fully understood and adopted each other’s self interests around the importance of jobs and clean energy.

Pam Kiely, Program Director from Environment Colorado, and a leader in this campaign, states, “Over the past decade the conservation community in Colorado has moved forward aggressively and successfully to chart a new energy future for our state. Yet our work has been more rewarding, and will ultimately be more durable, because of the partnerships that have been developed across a range of constituency groups. Working together with the labor movement to increase our state’s Renewable Electricity Standard in 2010 strengthened the broader progressive movement, deepened understanding between both interest groups, and built a foundation for future collaboration.”

➔ Opposites can attract: Labor unions and business developed a common vision that brought together new business opportunities with new jobs.

➔ If it ain’t broke, don’t fix it: The new policy established a strong policy/standard: solar certification standards were adopted from an existing National Certification model, avoiding the need for reinvention and assuring portable certifications for solar installers ; and Colorado communities benefitted from the PUC process of approving renewable energy expansion.

➔ Take the high road: The policy makes high road Colorado employment a priority by ensuring that the PUC consider employment and economic “best value” criteria when evaluating proposals to build new electricity resources.



140 Sheridan Boulevard
Denver, CO 80226

(303) 477-6111

www.fresc.org