

TRAINING AND EMPLOYMENT NOTICE	NO. 29-09
	DATE February 17, 2010

TO: STATE WORKFORCE AGENCIES
STATE WORKFORCE ADMINISTRATORS
STATE WORKFORCE LIAISONS
STATE WORKFORCE INVESTMENT BOARD CHAIRS and DIRECTORS
LOCAL WORKFORCE INVESTMENT BOARD CHAIRS and DIRECTORS

FROM: JANE OATES 
Assistant Secretary

SUBJECT: Energy Regional Innovation Cluster Initiative

1. Purpose. Announcement of a new initiative to provide coordinated federal resources and support for an Energy Regional Innovation Cluster, and to encourage the public workforce system to become partners in this effort.

2. Background. The Department of Labor (DOL) is partnering with the Departments of Energy (DOE), Commerce, and Education; the Small Business Administration; and the National Science Foundation to launch a new initiative to support the growth of an Energy Regional Innovation Cluster (E-RIC). In launching this initiative, the federal partners seek to develop a replicable and sustainable model for coordinated federal and regional efforts that foster regional innovation clusters. Regional innovation clusters are geographic concentrations of firms and industries that do business with each other and have common needs for workers, technology, and infrastructure. Ultimately, regional clusters are an effective way to create jobs and grow the economy in different parts of the country.

The centerpiece of the E-RIC is a DOE-funded energy efficient building systems design hub. The hub will focus on research and development of highly efficient building components, systems, and models aimed at reducing energy use, minimizing net greenhouse gas emissions, and catalyzing an industry-wide shift to new technologies.

The E-RIC will operate within a defined geographic region that includes an active network of organizations engaged in or with the energy efficient buildings systems design industry. It will encompass local universities, government research centers, and other research and development resources, which shall serve as catalysts of innovation and drivers of regional economic growth. The E-RIC will also leverage the region's unique competitive strengths and seek to nurture networks for business financing, education, and workforce development.

The objectives of the E-RIC initiative are to:

- Create and retain good jobs;
- Eliminate gaps between supply and demand for skilled workers through training and education;
- Increase regional gross domestic product;
- Promote innovation in science and technology;
- Enhance the economic, technological, and commercial competitiveness of the United States on the global stage; and
- Develop and demonstrate sustainable and efficient models for attaining national strategic objectives, with a focus on (i) developing, expanding, and commercializing innovative energy efficient building systems technologies, designs, and best practices for national and international distribution and (ii) reducing the carbon footprint of the United States.

3. E-RIC Funding Opportunity Announcement. On February 12, 2010, DOL and its partner federal agencies released a joint Funding Opportunity Announcement (FOA) for the E-RIC. This FOA invites Consortia of co-applicants to submit one proposal to apply for funding from the following agencies.

Agency	Amount/Purpose of Funds	Examples of Co-Applicants
Department of Energy	Up to \$22 million in the first year of the award (with additional amounts of up to \$25 million a year for four additional years, subject to availability of appropriations) for a energy efficient building systems design hub.	<ul style="list-style-type: none"> • National energy labs • Universities • Private industry labs
Department of Commerce/Economic Development Administration	Up to \$3 million in Public Works and Economic Development funds and up to \$2 million in Economic Adjustment Assistance funds for a single award over a period of performance not to exceed five years.	<ul style="list-style-type: none"> • State and local governments • Universities • Regional government coalitions • Nonprofits working with local governments • Tribes
Department of Commerce/National Institute of Standards and Technology (Manufacturing Extension Partnership)	Up to \$500,000 for a one-year award, with the possibility of adding additional amounts of up to \$500,000 per year for up to two additional years, made available to an existing DOC-funded MEP Center that will use the additional funds to provide services dedicated to the Consortium's effort to support the E-RIC and transition technology to industry.	Pre-designated MEP Centers. MEP Centers may include: <ul style="list-style-type: none"> • Nonprofit organizations • Universities • Community colleges • State government organizations
Small Business Administration	Up to \$300,000 in the first year, with three one-year options for renewal grants up to \$300,000 per year, made available to an existing SBA-funded Small Business Development Center (SBDC) that will use the additional funds to provide services dedicated to the Consortium's effort to grow the E-RIC.	Pre-designated SBDCs. SBDCs may include: <ul style="list-style-type: none"> • Universities • Nonprofit organizations

In addition, DOL, the Department of Education, and the National Science Foundation are committed to supporting collaboration between the Consortium and recipients of funding under complementary, existing programs administered by these agencies:

- DOL encourages Workforce Investment Boards, Registered Apprenticeship, and other workforce entities to participate as partners in fostering the E-RIC and leverage Workforce Investment Act and other appropriate funds to recruit, train and place workers in good jobs created within the cluster.
- The Department of Education encourages state eligible agencies, and local and regional secondary and postsecondary educational agencies and institutions receiving funding under the Carl D. Perkins Career and Technical Education Act of 2006 to act as partners and to support allowable career and technical education projects and activities that eliminate gaps between the supply and demand for workers in specialized fields within the E-RIC.
- If existing National Science Foundation award recipients are also applicants or partners of the winning Consortium, these recipients may be eligible for supplemental funding from the agency.

Consortia applying for the FOA must demonstrate collaboration among partners and how they will link these funds with complementary federal and non-federal investments in business development and support, public infrastructure, workforce development, and education for the purpose of growing a robust E-RIC. Consortia must also demonstrate a clear, comprehensive, and effective strategy for developing a skilled workforce for the cluster. Applicants will be evaluated, in part, on the extent to which this strategy involves key education and workforce entities in the region; aligns existing education and training programs; addresses any deficiencies in the existing education and training capacity of the region; provides workers with the skills and industry-recognized credentials, degrees, or certificate need for employment; and promotes a diverse workforce reflecting the demographics of the region's population and provides employment opportunities for low-income and other disadvantaged workers.

The full FOA may be found at www.energy.gov/hubs/eric.htm. The deadline for submission of applications is May 6, 2010.

4. Role of the Public Workforce System. DOL encourages the public workforce system to be a partner in the E-RIC. Although additional workforce development resources are not being offered pursuant to this FOA, the E-RIC will create many opportunities for workers to find and retain good jobs in the energy efficient building sector.

The E-RIC will produce two tiers of economic opportunities. First, employment opportunities will be created in the research and development hub. In addition, jobs will grow out of the businesses that are established from the commercialization of science and technology in the hub, and as the cluster grows creating secondary and tertiary suppliers that support the cluster directly and indirectly throughout the region. Demand for a broad range of workers will be generated in both tiers, including engineers, IT and software developers, lab technicians, communications providers, building contractors, architects, construction specialists, as well as other technician and service provider occupations.

State and Local Workforce Investment Boards, One-Stop Career Centers, community colleges, Registered Apprenticeship Programs, community-based organizations, and other workforce and education entities must play a critical role in this effort by developing the skilled workforce needed for the cluster to grow and prosper. Specifically, this role would include:

- Identifying, assessing, and referring candidates to training;
- Providing Workforce Investment Act or other appropriate resources for workers to participate in this training;
- Convening and facilitating discussion among partners as appropriate to develop a shared vision for the regional workforce;
- Providing labor market information on the cluster;
- Working with employers to develop customized training programs that support the workforce needs of the cluster;
- Connecting workers with job opportunities in the cluster; and
- Providing supportive services for qualified individuals.

Community-based organizations can play an important role through outreach to workers, particularly workers from underserved populations; provision of employment and supportive services; and programs directed at disadvantaged youth.

Registered Apprenticeship programs can also be an important resource as part of any regional innovation strategy. Registered Apprenticeship programs have a proven track record of incorporating “earn and learn” strategies to provide skilled talent for regional economies. Registered Apprenticeship programs provide industry-driven curriculum and often operate state of the art training facilities in many local communities and should be seen as a critical resource to be leveraged. In addition, Registered Apprenticeship programs are playing an important role in training the current and future workforce related to the energy efficient building systems design industry and other emerging green jobs. For more information on Registered Apprenticeship including the report, *The Greening of Registered Apprenticeship*, please visit www.doleta.gov/oa or the Registered Apprenticeship Community of Practice at <http://21stcenturyapprenticeship.workforce3one.org/>.

DOL recently awarded \$500 million for a series of green jobs grants funded by the American Recovery and Reinvestment Act of 2009. (A complete list of these grants can be found at http://www.doleta.gov/grants/grants_awarded.cfm). These grants will prepare workers for careers in the energy efficiency and renewable energy sectors and can be leveraged as part of the E-RIC. In addition, workforce information and promising practices are available through the Green Jobs Community of Practice at <http://greenjobs.workforce3one.org/page/home>.

5. Additional Information. Additional information is available on the E-RIC website at www.energy.gov/hubs/eric.htm. Two information sessions will be held. The first will be a conference held in Washington, DC, on February 22, 2010. Interested participants may attend in person or participate by live webcast. The second will be a teleconference held in April 2010. More details on the information sessions, registration information, and questions and answers from these sessions will be posted on the E-RIC website.

6. Action Requested. State and Local Workforce Investment Boards, Registered Apprenticeship, and other workforce entities are encouraged to participate as partners in applications for the E-RIC and to reach out to the Consortia in the region that will be submitting applications.

7. Inquires. Inquiries should be directed to ric.info@dol.gov.