

# Jobs and the Energy Economy

## Summary of Comments - January 2023

On January 12, 2023, OurEnergyPolicy hosted an expert panel discussion on the reality of energy-related jobs and the impact of the Infrastructure and Inflation Reduction Acts across the sector. Find the recording [here](#).

## SPEAKERS



**Paula Glover**

President  
Alliance to Save Energy  
**Moderator**



**Dr. Ernest J. Moniz**

13th U.S. Secretary of Energy;  
CEO and Founder Energy  
Futures Initiative



**David Foster**

Distinguished Associate  
Energy Futures Initiative

### Issue Scope

- The Energy Futures Initiative (EFI) [authored a report](#) examining the wholistic impacts of implementing the Infrastructure Investment and Jobs Act (IIJA) and the Inflation Reduction Act (IRA) on the U.S. economy and the energy sector in particular.
- The report finds that energy-related jobs will increase in number and quality through the energy transition, demonstrating the IRA's simultaneous impacts on climate policy and social equity.

### Jobs and the U.S. Energy Transition

- The IRA pursues an energy transition with multiple purposes, creating economic certainty for businesses and promoting social equity by providing a steady future for workers.
- The IRA creates nearly [1.5 million additional jobs by 2030](#) compared to the base scenario. The construction, manufacturing, and utilities sectors will see the most growth during this time.
- Job losses in certain sectors are offset by job growth in these key developing sectors, many of which require workers with similar or identical skill sets. The new jobs also offer higher job quality with higher-than-average weekly earnings and unionization rates.

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### Further Impacts of The Inflation Reduction Act

- Domestic production requirements generate greater demand for a skilled manufacturing workforce, necessitating a workforce development system based on an understanding of the evolving role of technology in manufacturing.
  - Apprenticeship programs and course curricula designed in collaboration with industry leaders will be vital to equip workers with the skills necessary to succeed.
- Distinct in both its historic impacts on climate action and provisions for budgetary deficit reduction, the EFI report found that under the IRA, U.S. Gross Domestic Product (GDP) will [increase by \\$250 Billion annually](#) by 2030 with a limited impact on inflation.
- The report's modeling also found that greenhouse gas emissions will [decline by 37% over the 2005 baseline](#) by 2030, more than triple the base scenario. This estimate only considers energy-related solutions, excluding a variety of other tools available to the Biden Administration to reach its target of 50% emissions reduction by 2030.
- With smart, targeted and simultaneous investments in climate policy and social equity, the IRA amplifies benefits to businesses, workers, and the environment over what would be possible through a less cohesive approach.
  - Energy efficiency stipulations, domestic content requirements, and Justice40 allocations like community benefit provisions and workforce diversity requirements seek to ensure that any potential negative impacts are more than offset by the positives.

### Considerations for the Future

- There is no singular, broad approach to the energy transition that maximizes benefits for everyone. Differences in geography, conditions, and sector require tailored initiatives, and region-specific case studies are vital to identifying ideal solutions.
- Increased adoption of energy efficiency measures is key for managing and offsetting rising energy costs from increased electrification and changing sources of electricity generation.
- When filling jobs created by the energy transition, it is vital to recruit and train candidates from communities where the benefits of the work will be most felt. Matching jobs to workers who already possess the requisite training is more efficient than finding new workers to train.
- Ensuring an equitable transition with increased domestic manufacturing requires an examination of existing supply chains and overall better supply chain hygiene.
  - Which parts of the supply chain the U.S. can control or provide to itself are limited by material availability, thus smart supply chain management is key to achieving both economic benefits and broader societal goals.
- The current energy transition is different from past transitions in that businesses are not going away, but instead pivoting to a different model. This is an ["exercise in transformation"](#) that requires expert management on all levels of the economy.