## Appendix A: Task Force Roster and Final Vote

#### Los Angeles County-City Just Transition Task Force

#### **VOTE RECORD**

Green = Support; Yellow = Do Not Support; Grey = Abstain; White = Did Not Vote

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Dilay Akcora Student University of Southern California	Joël Barton Business Manager/Financial Secretary IBEW 11	Mijin Cha Assistant Professor, Urban and Environmental Policy Occidental College
Mary Collins Program Manager: Just Transition Governor's Office of Planning and Research	Ted Cordova Vice President E&B Natural Resources	Monica Embrey Senior Associate Director of National Energy Campaigns Sierra Club
Bahram Fazeli Director of Research and Policy Communities for a Better Environment; Co-Chair, STAND LA	Chris Hannan Executive Secretary LA/OC Building & Construction Trades Council	Lisa Hart  Board Member City of Los Angeles Neighborhood Council Sustainability Alliance
Vince Holguin Councilman Gabrielino-Tongva Indian Tribe	Miguel Luna Environmental Project Director Fernandeño Tataviam Band of Mission Indians	Angela Mooney D'Arcy Executive Director Sacred Places Institute for Indigenous Peoples
Ryan Nordness  Cultural Resource Analyst  Yuhaaviatam of San Manuel Nation	Uduak-Joe Ntuk Oil and Gas Supervisor CA Geologic Energy Management Division	Marcela Oliva Professor Los Angeles Trade Technical College
Heather Pearce Director of Land Development Sentinel Peak Resources	Michele Prichard Senior Director of Strategic Initiatives Liberty Hill Foundation	Amisha Rai  Managing Director  Advanced Energy Economy
Norman Rogers 2nd Vice President USW Local 675	Eric Romann STAND-LA Coalition Coordinator Physicians for Social Responsibility Los Angeles	Joe Shea Assistant Cabinet Deputy Office of the Governor
Patty Senecal  Director, Southern California Region Western States Petroleum Association	Taylor Thomas Co-Director East Yard Communities for Environmental Justice	Melanie Traxler  Contract Project Manager/Planner Culver City; Principal at Planning PLUS/P+
Veronica Wilson California Organizer Labor Network for Sustainability	Pete Wohlgezogen President UA Local 250	Carol Zabin  Director, Green Economy Program  UC Berkeley Labor Center

## Appendix B: Worker Engagement Plan



## Oil Extraction Worker Engagement Plan



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n energy transition is coming whether we like it or not, and it's crucial that we build a secure future for workers and their families.

Dave Campbell, Secretary-Treasurer of Local 675



## Scope

In late January of 2022, the Los Angeles Board of Supervisors passed a resolution to phase out oil extraction in the unincorporated areas of LA County. The City took action in January of 2022, when the Los Angeles City Council voted to approve, and the Mayor signed, a motion to phase out oil drilling in the City of LA. The County and City of Los Angeles, together with Just Transition Fund, commissioned a study by independent researchers through Intelligent Partnerships to conduct primary research through in-field and virtual data collection and consultation focused on identifying the resources, supports and potential career bridges necessary to mitigate the adverse impacts for displaced oil extraction workers in Los Angeles county.

The scope of this study is limited to *direct jobs* engaged in extraction of oil with primary research focused on outreach to, and input from, oil extraction workers.

This Worker Engagement Plan, is the enabling instrument by which key objectives will be met, as outlined below:

- primary research design, including a worker outreach strategy developed in close partnership
  with impacted employers, LA/OC Building Trades Council and other impacted unions; with a
  focus on collecting sample sets from highly concentrated areas of industry able to provide
  qualitative data and quantiative statistics (with attention to jursidictional differences)
  providing more general inferences;
- quantitative analysis of workforce and labor market impacts for transition of the oil industry, based on secondary research for targeted outreach (with acute attention to age, gender, race and ethnicity and cultural demographics and norms);
- mapping of transferable skills of cross-sectoral fossil fuel extraction workers, and designing outreach strategies that convey identified demand, skill alignment and remaining years of 'work life' into target new career avenues focused in green energy infrastructure and development;
- highlighting professional apprenticeship and training programs as well as short (1 year or less)
  advanced educational institutions with certifications, licenses or degrees compatible with each
  skills group to assess interest and feasibility of up-skilling and work-based-learning
  opportunities;
- estimation of training, educational and other costs associated with interventions such as career transition and economic impacts (via case study, sample sets and in aggregate by grouping) to quanitify the workforce and labor market impacts to wages, tax revenue, and concommitant longer-range economic contributions.

## Baseline Data

#### Los Angeles City & County Unincorporated



Across all positions 1,481 total (i.e., executive, admin, related, enabling, science, engineering and drilling and extraction) 83% workers are white, 14.5% latinx, 5.7% are african american, 3.6% are asian, and 23.7% are women (Bureau of Labor Statistics).



664 FTEs - includes part-time and contracted workers of entry, mid-level and upper level occupations directly associated with extraction, drilling and support activities for oil extraction.



AVERAGE ANNUAL INCOME RANGES

Upper-level positions = \$140k - 160k

Mid-level positions = \$80k - 110k

Entry-level positions = \$55k - \$75k

\* average benefits = 16% of wage

supplemented for all workers

664

jobs in Los Angeles City & Unincorporated County areas are in oil extraction, drilling and support activities



Estimates do not include owner/operator self-employment. There are an estimated <u>4,473 sole-proprietorships</u> in LA County and City earning a combined average income of \$29,301 annually in addition to an average of \$41,700 per year in property income from land-leases and additional equipment and/or infrastructure revenue. These are not included as "extraction jobs" because they are differentiated as the land owner or owner/operator.

#### **Top 6 Sites**

By Size

#### **Top 5 Companies**

\* Major oil companies, based on size, active

\* Sites for survey sampling will be chosen based on concentration of active and idle wells and geographic distribution. Potential sites listed below.

wells and employment, as well as smaller contractor companies will be surveyed.

Torrance Rosecrans Hills Santa Susana Mts. Wilmington Inglewood Las Cienegas



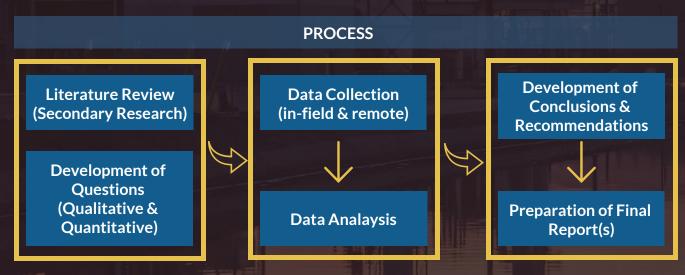
Sentinel Peak Resources CA, LLC Tidelands Oil Production Co. (CRC) Signal Hill Petroleum Inc. Breitburn Operating, LP Warren E & P Inc

## Methods & Design

The research design for this project uses exploratory sequential design and a mixed methods approach. Mixed methods research will allow the team of researchers to combine elements of qualitative and quantitative research (e.g., use of qualitative and quantitative viewpoints, data collection, analysis, and inference techniques) to broaden and deepen understanding and corroboration. The rationale for using mixed methods includes:

- The need for different, multiple perspectives
- The need to confirm quantitative measures with qualitative experiences
- The need to explain quantitative results
- The need to better contextualize instruments, measures or interventions
- The need to gather trend data and individual perspectives

Researchers often use mixed methods when they want to explain their statistical data (or enhance their experiments) by talking to people and seeing if their quantitative and qualitative data (voices of oil industry workers) confirm the same findings.

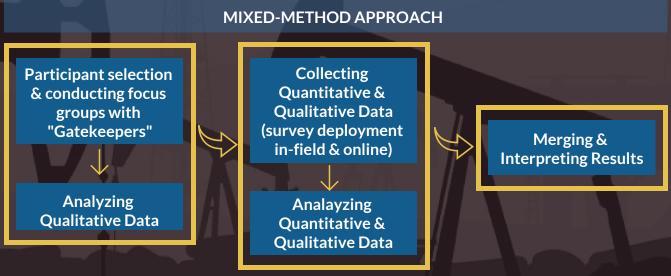


Utilizing elements of ethnographic approaches in research inquiry, the team will conduct outreach to no fewer than 10 oil companies, with the aim of engaging no fewer than 5, working with leadership and management to identify "gatekeepers" - trusted Supervisors and/or Unit Leads - as the main point of contact to facilitate outreach to workers. Supervisors and Unit Leads will be invited individually, and in small groups, to meet with researchers in a "lunch and learn" to inform them of our project, its intent, and the value to their employees. These "gatekeepers" will be asked to introduce us to their workforce, and/or disseminate survey questionnaires, and encourage participation. Gatekeepers will also be interviewed preand post- employee engagement to ensure a thorough and transparent process, as well as to foster future opportunities for communication, consultation and information sharing.

## Approach

Because statistical significance can only be established if the "power" of the quantitative data reaches a threshhold that may fall outside of the scope of this study, drawing causal inferences may not be possible. However, it is the research team's objective to utilize focus groups, in-depth interviewing, and survey instrument dissemination to reach between 200 - 300 oil extraction industry workers (in extraction, drilling and support service activities) with an appropriate ratio of contractors and companies respondents. Using qualitative methods - such as coding, triangulation for greater validity, and descriptive data analytics - the researchers will further contextualize quantitative data using Grounded Theory Methodology to frame:

- What people do: the actions they take and what they see themselves doing; researching meaningful behavior.
- Culture: cultural forces and meaning systems; researching shared meaning, norms & codes.
- What people say: the knowledge they have, what they understand; researching the conscious mind.
- Need or desire: emotional drivers; researching the psyche.



Randomized and snowball sampling, or chain-referral sampling, will also be used as a non-probability sampling technique in which the samples have traits that are rare to find. This is a sampling technique, in which existing subjects provide referrals to recruit samples required for a research study.

This case study will provide additional insights into cultural norms, behaviors, modes of communication and levels of interest or desire that will help to inform future targeted campaigns for resource distribution and support service access. Researchers will provide "Gatekeepers", and all participants in the case study, with additional information on current services available to them through American Job Centers and the Workforce Board of Los Angeles, together with contact information to review the results of the study.

## Focus Groups

As an introductory framing, engagment with Supervisors and Unit Leads in focus groups or indepth interviews, will include researchers sharing background information on the recent policy decisions impacting the industry and make it clear that our express intent is to develop industry-informed recommendations and build out supports that are requested by, and valuable to, extraction workers, with the aim of ensuring that extraction workers are not negatively impacted by this phase out.

Reseachers will present a menu of resources and potential supports and ask participants to mark, or rank, all resources and supports that they would value or access, such as:

- Tuition voucher to access secondary education or retraining programs at reduced or no cost
- Financial assistance to cover transportation costs and/or childcare costs to attend retraining
- Early retirement payouts or financial "bridge" payments for workers who are close to (within 5 years) retirement but would retire early due to the closure
- Financial support to cover all, or part, of the difference in income and health benefits while enrolled in a training program
- Relocation assistance to support workers who decide to relocate for another job
- Career counseling to help workers identify best opportunities for employment and connect with available resources and support services
- Mental Health resources for transitioning workers
- Other: (open ended)

Researchers will, furthermore, incorporate these types of menu options into survey question drop-down menus to identify likely adaptive responses to the closure of oil extraction sites. The researchers will ask other prompting questions, such as:

"During the phase out of oil extraction activities in the County and City of LA in the next 5 years, how do you plan to prepare for this transition?" And responses will be provided via a menu, or drop-down menu, prepopulated in both the survey instrument and in-depth interviewing or focus group settings for respondents to check all that apply or rank the likelihood of:

- using existing skills to transfer to another oil and gas extraction job outside of the County of LA
- use existing skills to enter a new job in the County of LA
- seek funded retraining or education to learn new skills and enter a new sector; which sector?
- retire early and receive appropriate early payouts.

Based on respondents answers, researchers will ask follow-up questions to identify what resources, barriers, supports and enabling conditions will likely influence their occupational decisions and best assist them in transitioning.

## Survey Instruments

In-field surveys will be deployed, utilizing aggregate data collection and trend analysis technology. A combination of in-depth interviewing that uses the questionnaire as a basis for prompting questions, together with direct, and expanded inquiry (i.e., focus groups, indepth interviewing, and/or "listening sessions") will be conducted with extraction workers (across a diverse set of occupations) and employers, in-person, between June 13th, - 17th, 2022. Online surveys will be disseminated to a wider audience of extraction workers and industry employers between June 13th - July 5th, 2022. Analysis of results will be shared in *The State of the Oil Extraction Workers in LA County* report, and in the *Climate Job Assessment* report.

Employer and Industry management interviews, focus groups and both in-person and online surveys will be conducted during the same period.

To review the Worker & Employer Questionnaires, follow the link here.

## **Appendices**

- 1. <u>Data Sources for Oil Extraction Worker Statistics, Occupational Categories, and Population Calculations by County and State</u>, IMPLAN analysis.
- 2. <u>Data Sources for Oil Extraction Industry Companies, Active Wells list, and Employer Information.</u> NOTE: Public Records Request submitted to CalGEM for KMZ and excel files to include [New, Active, Idle, Oil & Gas, Injection, Cyclical Steam, and Multi-purpose wells for LA City and Unincorporated areas of LA County, 5/16/22].
- 3. <u>Data Sources for Mixed Method & Grounded Theory Methodology, its value and application, and research design and approach</u>.

# Appendix C: State of Fossil Fuel Extraction Workers in Los Angeles

## The State of Fossil Fuel Extraction Workers in Los Angeles County







## **Executive Summary**

City and County leaders in Los Angeles share a strong commitment to phasing out local fossil fuel extraction to meet the emission-reduction goals of L.A.'s Green New Deal, including achieving carbon neutrality by 2050. In 2021 Mayor Garcetti announced, in his "State of the City" address, plans to end permits for any new oil drilling and convert L.A.'s energy mix to almost completely renewable by 2030. And in September of 2021 a motion by the Los Angeles County Board of Supervisors enacted a prohibition on oil extraction in the County's unincorporated areas, spurring the Department of Regional Planning to prepare an ordinance amending Title 22 – Planning and Zoning of the Los Angeles County Code. For the unincorporated areas of Los Angeles County, the proposed ordinance prohibits new oil wells and production facilities in all zones, designates existing oil wells and production facilities as nonconforming uses in all zones, and establishes regulations for existing oil wells and production facilities. The City of Los Angeles followed suit in January of 2022, when the City Council unanimously approved and Mayor Garcetti signed a directive to phase out oil drilling through land use regulations within the City of Los Angeles.

In Spring of 2022, as part of this initiative, Intelligent Partnerships was contracted to support the County and City of Los Angeles in conducting primary research with oil extration workers to assess the labor and economic impacts on dislocated workers and to provide a framework for a just transition that supports workers and communities impacted by the phase out of oil drilling and extraction. The Just Transition Task Force - a stakeholder group representing industry, unions, academia, labor, City and County government, CalGEM and subject matter experts - worked together as part of the C40 global initiative. The Just Transition Task Force helped to inform and define the scope and focus of this research into oil extraction workers' ability to transition to other occupations and sectors - with specific attention paid to racial, gender and economic equity -and to identify the resources and supports necessary to provide these workers with a just transition away from fossil fuel extraction.

Intelligent Partnerships worked with employers, oil extraction workers, union representatives, the County Workforce Development Board, City and County agencies, academics, civil society and key stakeholders, assessing the safety-net supports need to equitably transfer the workers' skills, knowledge, abilities and preferences into reemployment opportunities with parity for oil extraction workers.

The contents of this report provide an overview of Intelligent Partnerships' findings from their Worker Engagement Plan and primary research with 176 oil extraction workers in Los Angeles in June of 2022, as well as "worker profiles" that map the knowledge, skills and abilities of categorized occupations to other employment opportunities in the Los Angeles area. Also herein, we outline potential strategies, enabling partnerships, planning, cost and timeline information, and highlight opportunities to leverage and braid funding to facilitate a just transition from fossil fuels and to inform the Just Transition Taskforce's strategies for future implementation.

This State of the Fossil Fuel Workers in Los Angeles County report is specifically intended to provide stakeholders and policy makers with an analysis of the population of workers expected to be dislocated from current employment when the phase of out of fossil fuels is implemented in unincorporated parts of Los Angeles County and within LA's city limits. Key considerations are summarized in the conclusion of this report.



## **Findings Summary**

#### **Oil Extraction Worker Findings**

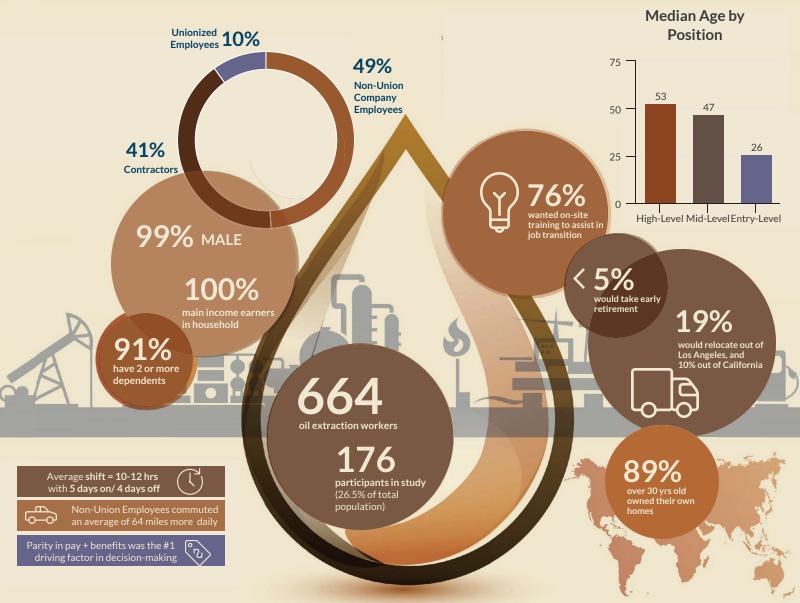
The State of the Fossil Fuel Extraction Workers in Los Angeles County report is intended to provide policy makers, City and County agencies, and stakeholders in the Just Transition Taskforce with summary findings from primary research, conducted by Intelligent Partnerships, with oil extraction workers in the unincorporated areas of Los Angeles County and the City of Los Angeles. In support of key objectives of the C40 initiative, the following summary of findings provides a distillation of analysis conducted via the Oil Extraction Workers Engagement Plan, the Los Angeles Public Infrastructure Spending Job Opportunities report and the occupational analysis on oil extraction workers provided in detail herein.

- 100% stated they were primary income earners for their families
- 99% were men
- 91% had 2 or more dependents
- 89% owned their own homes
- Average work-day = 10-12 hours (5 days on/4 days off)
- 58% Hispanic, 36% White, 6% Black
- 57% had specialized (if not formal) education in electrical, welding, construction, and/or heavy machine operation

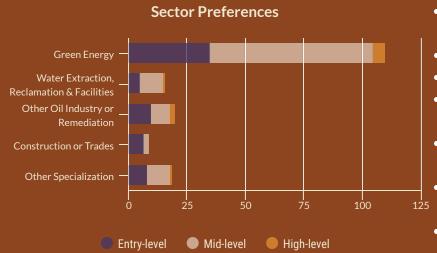
- 64% of workers identified "green energy" as their industry of choice for reemployment
- 76% wanted on-site training in reemployment
- 10% were unionized (Tidelands only). 49% were non-union. 41% were contractors
- Median Age for oil extraction employees was: 53 yrs old for High-Level, 47 for MidLevel, and 27 for Entry-Level

## Oil Extraction Worker Data: Key Findings

#### **LA City-County Just Transitions Taskforce**



Data analysis of field work conducted June 13, 2022 - June 20, 2022

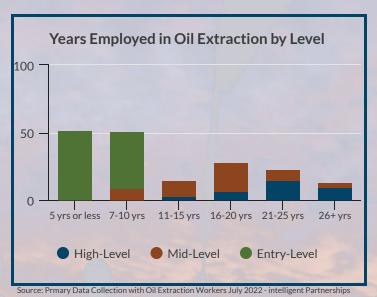


- very strong culture of comradery; with deep, family-like relations
- #1 interest was in "green energy" jobs
- 58% Hispanic, 36% White, 6% African-American
- higher level of technology and automation in unionized sites, less manual work (Tidelands only)
- wages trend approx. 21% higher than comparable sectors, even at entry-level
- not seasonal, work hours driven by demand and the price of oil
- only 2% said children may have interest in oil sector

## **Key Findings & Themes**

In the unincorporated areas of Los Angeles County, and in the City of Los Angeles, there are approximately 664 oil extraction workers; defined as occupations directly engaged in the drilling and extraction of oil<sup>2</sup>. Of these workers, **176 participated** (n=176) in this study via in-depth interviews, listening sessions, focus groups and survey responses between June 13th and July 5th, 2022. Using a mixed method approach, the following key findings and themes emerged from this case study.

Workers in oil extraction occupations trended older than the regional workforce with median ages illustrated below. This is attributed to conditions of stable, long-term employment with high probability of upward mobility via internal promotion. The median length of employment in the industry for mid- and high-level employees was **21 years**. And, **more than half** of mid- and high-level



employees began their careers in oil extraction in their mid- to late- twenties as entry level workers. More than 57% of high-level employees had midand specialized (if not formal) training; commonly in electrical, mechanics, carpentry, welding and heavy machinery operation. The mean age of high-level employees (including Supervisors and Unit Leads was 53 years old. The mean age of mid-level employees (specialized operators) was 47 years old. And the mean age of entry-level employees (roustabouts, laborers, well-head pumpers, gaugers, etc.) was 26 years old.

The majority - 73% of workers - of all levels and positions, had an educational attainment of a highschool diploma or equivalency; 27% had educational experience beyond high-school with 12% having no degree, 9% holding associates degrees, 5% holding bachelors degrees, and 1% holding a masters degree.

Only one oil extraction company in Los Angeles - Tidelands Oil Production Co.- is unionized through the United Steel Workers: (USW Local 675), under the umbrella company California Resources Corporation(CRC), which also owns THUMS Long Beach Company, a non-unionized company. Significant differences between unionized employee skill sets included higher levels of training and fluency in technology for union employees, due to upgrades implemented by Tidelands and observed at the Long Beach site. Utilization of contractors was also significantly lower.

A little more than 18% of participants were within 10 years of eligibility for retirement, and 11% were within 5 years of eligibility for retirement. However, less than 5% of respondents said they would be interested in taking a subsidized early retirement. This was attributed to cultural norms within the industry, gender and ethnicity of respondents. Respondents were 58% Hispanic, 36% White, 6% African-American.



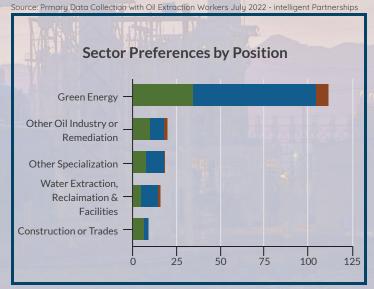
## **Key Findings & Themes**

Wages were, on average, higher than many equivalent positions within other industries. The average annual wage for a high-level position (Supervisor or Unit Lead) was a little over \$152k; with a range of \$129k -\$207k depending on seniority and position. Mid-level positions (Operators) made an annual average income of just over \$122k; with a range of \$109k - 165k. Entry-level positions averaged an annual income of \$84k; with an range of \$52k to \$114k depending on specialization and years in the industry. Benefits averaged an additional value of 16% above pay and included high-quality healthcare, retirement plans and/or pensions, overtime pay, and generous leave or flexible scheduling.

All respondents, 100%, reported being the "primary income earner" in their households. More than 12% said that they supported people outside of their household, such as elder parents or younger siblings. And with the exception of a very few environmental technicians, 99% of workers are male. And 91% of respondents reported having 2 or more children. Interestingly, less than 2% said their children might consider a job in the oil industry.

When asked how they would respond to notice that their job was ending in the next three months, more than 1 in 5 (19%) said they would move out of the County, and 10% said they would leave the State. Just over 89% of respondents over 30 years old owned their own homes, Reportedly, 5% owned more than one property.

Interestingly 63% of respondents sited "green energy" jobs as their top preference for new employment (i.e., solar and wind), and 97% of participants said they would be interested in on-site training to assist in a transition to new employment.



Other industries of interest to participants were **other oil industry jobs**, including well remediation (**11%**), though some respondents perceived oil well plugging and remediation as a temporary, project-based, job rather than a longer-term career; **water extraction**, **reclaimation and facilities** (**9%**), other **trade specializations**, such as mechanics, electrical, heavy equipment operation, etc. (**11%**), and **contruction** or the trades (**6%**). The primary factor influencing decision making in employment transition was parity in pay and benefits.

Other themes that emerged as unilateral throughout the industry, regardless of site or company, was the close-knit, family-like ties among the workers. Oil extraction workers had a strong bond to their teams and co-workers (even long-term contractors who worked the same site for many years were treated equally) and senior staff expressed paternalistic feelings toward their crew - training, grooming and counciling more junior staff - providing them with both personal and professional support and guidance and **fostering a culture of comradery**. Outside of parity in pay, workers requested that they be trained to work the same sites, or on the same land, in a new role. Additionally, at the Baldwin Hills/Inglewood site, workers enjoyed the complexity of the project management; some sited "danger factor" as a motivation for working in the field; and many felt they were contributing to society by providing a needed resource. Most, **89%**, said they felt they would qualify for, and **obtain**, **another job within 90 days**. Commute time, though significantly longer (on average 2.5 hours per day) for non-union workers, did not seem to factor strongly in workers' decisions on employment. The **most highly-requested resource** was a transferrable **employer-recongized certification**, based on skill assessment, to help them formalize their aptitudes and abilities and codify their levels of experience and expertise.

## Oil Extraction Workers Overview

According to CALgem public records request responses, there are a total of 2,938 active and idle oil wells in the unincorporated County of Los Angeles and the City of LA. Of these, only 1,298 are currently considered active, as of July 2022. Idle wells are deemed so when there has been no activity or extraction for 24 months. However, idle wells can easily become active, making the dynamics of activity variable. Additionally, many active wells (especially in areas where there is not a concentration of wells in near proximity) are active without consistent monitoring or daily attendance. This results in most oil extraction workers being depolyed to their daily work in areas of high concentration (i.e., Baldwin Hills/Inglewood, Montebello, Long Beach and Wilmington, etc.). Sentinel Peak's operations at the Inglewood field, for example, account for just under 100 workers (both contracted and employed); and Tideland's operations at the Long Beach/Wilmington sites account for just over 60 workers (predominantly employed due to union regulations). However, many of the sites within the City of Los Angeles, or in unincorporated areas of the County - where there are lower concentrations of wells, or where wells are spread across larger geographic areas workers may be deployed to periodically "check" the technical functionality, compliance or maintenance of the equipment (a "pump jack", well head or beam pump); however, there are not high-levels of worker oversight needed throughout all sites. Therefore, workers may travel to a variety of sites throughout the month for companies with geographically disbursed operations.

Location	# of Wells	# of Active Wells	# of Unique Operators	Estimated # of Extraction Workers	Estimated % of Extraction Workers
County of Los Angeles	1,218	821	25	418	63%
City of Los Angeles	1,720	477	30	246	37%
TOTAL	2,938	1,298	46	664	100%

Source: Data from CALgem public records request (May 2022)

While most estimates of oil extraction workers trend higher , this study provides an occupational focus on oil extraction workers alone; excluding executive, administrative, scientific, and other enabling occupations, with the intention of understanding how this smaller cohort of workers will be impacted by the phase out of fossil fuel extraction in the City of Los Angeles, and in the unincorporated areas of Los Angeles County. This study also excludes a significant portion of oil extraction sites in areas of incorporation within the County, such as Torrance, Whittier and Rosecrans, as well as parts of the Baldwin Hills/Inglewood site which straddles Culver City, Inglewood, and portions of unincorporated county territory.

The occupational spread of full time equivalent oil extraction workers is captured in the table below.

	T I I			
	Entry-Level	Mid-Level	High-Level	Total
Non-Union Workers	128.397	147.463	50.129	325.989
Contracted Workers	103.065	127.01	41.59	271.665
Unionized Workers	25.718	30.497	10.191	66.406
Total	257.18	304.97	101.91	664.06

#### **Entry-Level Occupations**

Entry-level industry occupations include Laborers and Technicians listed in two grouped categories: Laborers are, 1) Construction Laborers, 2) Roustabouts, 3) Helpers - Extraction, 4) Helpers - Installers, Repairers, & Maintenance, 5) Production Workers. Technicians are classified as, 1) Control Valve Installers/Repairers, 2) Riggers, 3) Wellhead Pumpers, and 4) Earth Drillers

#### Knowledge, Skills & Abilities - Laborers & Technicians

Construction Laborer: Construction laborers main duties on job sites include cleaning and preparing sites and removing debris, building scaffolding and other temporary structures, operating and maintaining equipment and digging trenches. This position requires outstanding physical abilities, as they commonly lift heavy materials and trash. Mechanical skills are also important because laborers can utilize equipment such as boom machines and jackhammers, as well as assisting carpenters or electricians (requiring some mathematical skills). Many laborers are trained on the job in other specializations.

Roustabouts, Helpers & Production Workers: All of these positions are manual laborers who primarily work in the oil and gas drilling fields. They perform a variety of tasks, like inspecting equipment, cleaning work areas and making repairs to ensure the safety and proper function of the machines and tools on the worksite. They assist wellhead pumpers, riggers, and control valve repairers, and these jobs often provide on-the-job training for career advancement.

Riggers, Wellhead Pumpers & Earth Drillers: Riggers move heavy materials and equipment around worksites using rigging gear such as pulleys, cranes and winches. They assemble temporary structures like scaffolding on construction sites and move and assemble pre-cast facades and panels on buildings under construction. Wellhead pumpers operate pumps that force oil and gas out of wells and into storage tanks and pipelines. They also monitor other production equipment and ensure that materials are being pumped at the correct pressure, density and concentration. Earth drillers operate a variety of drills to tap water and salt deposits under the Earth's surface, to remove core samples during mineral exploration or soil testing, and to facilitate the use of explosives in mining or construction. All of these positions require physical strength, and some technical skill in either heavy equipment operation and/or mathematics or chemistry.

**Control Valve Installers, Repairers & Maintenance:** Install, repair, and maintain mechanical regulating and controlling devices, such as electric meters, gas regulators, thermostats, safety and flow valves, and other mechanical governors. On the job, they record maintenance information, including test results, material usage, and repairs made. They generally have some training in mechanics and/or welding, together with moderate mathematic skills.

#### **Educational Attainment**

Source: Data analysis through IMPAN conducted in June of 2022 by Intelligent Partnerships

Level of Educational Attainment	# of workers	% of workers
Less than a High School Diploma	100	38.81%
High School Diploma - or the equivalent (for example, GED)	110	42.84%
Post-Secondary Certificate - awarded for training completed after high school	26	10.23%
Some College Courses	21	08.12%

#### Entry-Level Work Experience & On-the-job Training

More than **52%** of Entry-level positions (aggregate) had **no work experience** in the industry prior to employment in this position; 11% had up to 1 month of training on the job; 5% had between 3, and up to 6 months of experience or training; 20% had 6 months or more of training; 12% had up to 2 years or more of training.

#### <u>Demographic Details | Age, Race, Residence, Retirement Eligibility & Pay Scales</u>

Entry-level workers make up approximately 39% of the total impacted population of oil extraction workers. The mean age of Entry-level workers is 26 years old. Less than 1% are within 10 years of retirement eligibility (assuming eligibility at 65 years old), and of that, 0% are within 5 years of retirement elgibility. It is also noted that primary research indicated Supervisors and Operators believed the highest-risk category of workers were Roustabouts and Helpers, as few of them had transferrable skills, technical credentials or long-term work experience to enure to their benefit in reemployment at an equal rate of pay in other industries.

The geographic distribution of people's residence was not possible to verify due to a lack of significant responses to online surveys. The majority of primary data collection was conducted through in-depth interviewing, listening sessions and focus groups, and due to the small sample set of Entry-Level workers, no conslusive geographical distribution was possible. Though, annecdotally, Entry-Level workers reported living in SE Los Angeles, Hyde Park, Watts, Long Beach, South LA, Downtown LA, San Fernando Valley and Boyle Heights. Entry-Level workers were **58% Hispanic**, **36% White**; and **6% African American**. Payscales varied depending on experience, educational attainement and specialization and are listed below.

#### Payscales & Benefits

Source: Data analysis through IMPAN conducted in June of 2022 by Intelligent Partnerships

Level of Experience and/or Education	Pay Range	Benefit Rate
Level of Experience and/or Education	ray Kalige	Delient Rate
Less than 5 years of experience	\$52,000 - \$59,000	16%
over 5 up to 7 years of experience	\$60,000 - \$69,000	16%
over 7 up to 10 years of experience	\$70,000 - \$79,000	16%
10 years or more	\$80,000 - \$89,000	18%
Some College or Technical Training or an Associate's Degree (or other 2-year degree)	added increase of \$10,000 - \$20,000 per year	18%

#### Transition Support, Interest & Safety Net Assessment

Approximately 10% expressed that they would relocate. This would leave an estimated 232 Entry-Level workers needing reemployment or assistance. This population of the workforce would benefit from subsidized pay differentials while in training, workforce and reemployment assistance through case management, additional training programs (including apprenticeship), and other safety-net supports.

The top fields of interest for Entry-Level workers were: Green Energy (70%); Water Extraction & Facilities (4%); Other Oil Industry Occupations (8%); Construction (9%) and other Trade Specialization (9%). Operators expressed high levels of confidence in their ability to find work within 3 months, but also had high levels of interest in on-site training for reemployment (74%).

#### **Mid-Level Occupations**

Mid-level industry occupations are comprised of **Operators** in seven main categories: 1) **Engineering & Equipment** Operators, 2) **Derrick** Operators, 3) **Rotary Drill** Operators, 4) **Service Unit** Operators, 5) **Excavating, Dragline, & Surface Mining** Operators, 6) **Underground Mining & Extraction** Operators, and 7) **Petroleum Pump, Refinery & Gauge** Operators.

#### Knowledge, Skills & Abilities

A field operator ensures that oil production moves continuously from the wellhead "downstream", i.e., to the oil battery, oil plant or processing facility. Field operators typically move from well to well and are responsible for optimizing production of the gas or oil wells that are on their "field run". Duties will vary based on the size of the field, whether it produces oil or gas (as well as natural gas liquids, or a mix), and the types of equipment required. Field operators generally start up and stop equipment, take pressure and flow readings, compute and record data, adjust valves/pressures, and examine and repair equipment. Like a plant operator, they may also deal with compressors or dehydrators within their field run. They may also manage oil batteries. Oil batteries are comprised of equipment like treaters, water disposal and storage units (those upright rows of storage tanks that you often see at well sites). If their field is in a remote location, accessing well sites may require travel by ATV/UTV, snowmobile or helicopter, as well as living in camp.

Rotational work is common for the field operator, often involving 5 days of 10-hours shift with 4 days off, or 8 days of 10-hour shifts followed by 6 days off. Unlike plant operators, field operators usually work days. Evening call-outs can occur if maintenance or production issues arise at a well site the operator covers.

#### **Educational Attainment**

Source: Data analysis through IMPAN conducted in June of 2022 by Intelligent Partnerships

Level of Educational Attainment	Engineer & Equipment	Derrick	Rotary Drill	Service Unit	Excavating , Dragline & Surface Mining	Underground Mining	Petro Pump, Refinery & Gaugers
Less than a High School Diploma	1.39%	68.55%	31.11%	37.00%	23.17%	38.65%	3.28%
High School Diploma - or the equivalent (for example, GED)	81.72%	22.91%	28.74%	63.00%	71.12%	61.35%	72.34%
Post-Secondary Certificate - awarded for training completed after high school	0.55%	4.94%	9.08%	0	5.71%	0	0.46%
Some College Courses	16.34%	3.60%	22.15%	0	0	0	6.05%
Associate's Degree (or other 2-year degree)	0	0	0	0	0	0	17.87%
Bachelor's Degree	0	0	8.91%	0	0	0	0
Master's Degree	0	0	0	0	0	0	0

#### Mid-Level Work Experience & On-the-job Training

More than 48% of Operators have between 1-2 years of work experience in this position; 11% had over 2 and up to 4 years of experience; 28% had over 4 and up to 6 years of experience; less than 1% had over 6 and up to 8 years of experience; 3% had over 10 years of experience; and 10% had less than two years of experience (73% of which had been promoted from other entry-level occupations in the oil industry).

#### <u>Demographic Details | Age, Race, Residence, Retirement Eligibility & Pay Scales</u>

Operators make up approximately 46% of the total impacted population of oil extraction workers. The mean age of Operators is 47 years old. Slightly less than 19% are within 10 years of retirement eligibility (assuming eligibility at 65 years old), and of that, approximately 12% are within 5 years of retirement elgibility. Less than 5% said they would utilize an early retirement subsidy.

The geographic distribution of people's residence was not possible to verify due to a lack of significant responses to online surveys. The majority of primary data collection was conducted through in-depth interviewing, listening sessions and focus groups, and due to the small sample set of Operators, no conslusive geographical distribution was possible. Though, annecdotally, Operators reported living in Pasadena, Long Beach, Mission Vejo, Cerritos, Yorba Linda, Azusa, Orange County, Sierra Madre, Pomona, Glendora, South El Monte, Boyle Heights, Highland Park, and Canoga Park. Operators were 58% Hispanic, 31% White; and 11% African American. Payscales varied depending on experience, educational attainement and specialization and are listed below.

#### Payscales & Benefits

Source: Data analysis through IMPAN conducted in June of 2022 by Intelligent Partnerships

115,000 16% 120,000 16% 125,000 16%
125,000
130,000
se of \$10,000 - \$20,000 per 18%
se of \$21,000 - \$45,000 per 20%

#### <u>Transition Support, Interest & Safety Net Assessment</u>

Approximately 1 in nearly 8.5 Operators (11%) is within 5 years of retirement. Natural attrition, over the next 10 years, shows approximately 1 in 5.25 is likely to retire (19%). Another 27% expressed that they would relocate. This would leave an estimated 213.5 in 5 years, and 189 Operators in 10 years.

The top fields of interest for Operators were: Green Energy (67%); Water Extraction & Facilities (10%); Other Oil Industry Occupations (11%); Construction (2%) and other Trade Specialization (10%). Operators expressed high levels of confidence in their ability to find work within 3 months, but also had high levels of interest in on-site training for reemployment (78%).

#### **High-Level Occupations**

High-level industry occupations include **First-Line Supervisors** in four main categories: 1) First-Line Supervisors of **Production & Operating** Workers, 2) First-Line Supervisors of **Mechanics, Installers & Repairers**, 3) First-Line Supervisors of **Construction Trades & Extraction** Workers, and 4) Miscellaneous First-Line Supervisors, **Protective Services**.

#### Knowledge, Skills & Abilities

Complex problem-solving, multi-industry coordination and project management are key components of the First-Line Supervisors' work - planning, implementation and management of operators (who oversee the technical operations across disciplines) - and direct supervision and coordination of the activities of production and operating workers, such as inspectors, precision workers, machine setters and operators, assemblers, fabricators, and plant and system operators. Depending on the extraction operations' needs, Supervisors work together with production teams of wellhead pumpers, drillers, roustabouts, and helpers - and are responsible for every stage of production and planning, upstream, mid-stream, and downstream. They coordinate multiple technicians in mechanics, electrican, contstruction, and heavy equipment (often with contracted companies who specialize in these areas of expertise) and manage operators, environmental and safety compliance and technicians, and a myriad of other supportive activities.

Additional skills in computer software, and tech fluency, together with technical expertise in their industry specialization (production, operation, extraction, mechanics, maintenance, construction, and safety), this occupation requires high-levels of administrative skill in contract negotiation and personnel management, project planning and operational management.

#### **Educational Attainment**

Level of Educational Attainment	# of workers	% of workers
Less than a High School Diploma	13	14.17%
High School Diploma - or the equivalent (for example, GED)	33	32.83%
Post-Secondary Certificate - awarded for training completed after high school	11	11.60%
Some College Courses	14	14.96%
Associate's Degree (or other 2-year degree)	13	13.62%
Bachelor's Degree	11	11.96%
Master's Degree	7	0.86%

#### **Critical Skills**

Coordination with multiple departments
Deliver visual, written, and oral instructions
Leadership
Machine monitoring and control
Maintain equipment
Operations analysis and monitoring
Process management

Supervisory practices

Train and motivate others

#### Key Responsibilities

Enforce safety regulations

Perform line walks to ensure standardized work is being followed

Plan work schedules and assign duties to staff Perform quality checks on equipment and products

Collaborate with workers and managers to solve problems

Explain work orders to employees

Evaluate and report on employee performance Prepare records of employee time and wages, daily receipts, or inspection results

#### High-Level Work Experience & On-the-job Training

More than **52%** of First-Line Supervisors have between **2-4** years of work experience in this position; 12% had 6-8 years of experience; 26% had over 10 years of experience; and 10% had less than two years of experience (79% of which had been promoted from other mid-level occupations in the oil industry).

#### <u>Demographic Details | Age, Race, Residence, Retirement Eligibility & Pay Scales</u>

**Supervisors make up approximately 15%** of the total impacted population of oil extraction workers. The mean age of Supervisors is **53 years old**. **51** out of 102 (**50%**) are within **10 years of retirement eligibility** (assuming eligibility at 65 years old), and of that, approximately **21%** are within **5 years of retirement elgibility**. Only 5% said they would utilize an early retirement subsidy.

The geographic distribution of people's residence was not possible to verify due to a lack of significant responses to online surveys. The majority of primary data collection was conducted through in-depth interviewing, listening sessions and focus groups, and due to the small sample set of Supervisors, no conslusive geographical distribution was possible. Though, annecdotally, Supervisors reported living in Santa Monica, Yorba Linda, Long Beach, Glendale and Laguna Beach.

Supervisors were 31% Hispanic, 65% White; and 4% African American. Payscales varied - depending on experience, educational attainement and specialization - and are represented in the graph below.

#### Payscales & Benefits

 $Source: Data\ analysis\ through\ IMPAN\ conducted\ in\ June\ of\ 2022\ by\ Intelligent\ Partnerships$ 

Level of Experience and/or Education	Pay Range	Benefit Rate
Less than 5 years of experience	\$129,000 - \$139,000	18%
6-8 years of experience	\$139,000 - \$149,000	18%
8-10 years of experience	\$149,000 - \$159,000	18%
10 years or more	\$160,000 - \$207,000	20%
Associate's Degree (or other 2-year degree)	added increase of \$10,000 - \$15,000 per year	18%
Bachelor's Degree	added increase of \$16,000 - \$20,000 per year	20%
Master's Degree	added increase of \$21,000 - \$30,000+	22%

#### <u>Transition Support, Interest & Safety Net Assessment</u>

Approximately 1 in 5 (21%) of Supervisors is within 5 years of retirement. Natural attrition, over the next 10 years, shows approximately 1 in 2 Supervisors is likely to retire (50%). Another 19% expressed that they would relocate. This would leave an estimated 61 Supervisors in 5 years, and 31 Supervisors in 10 years seeking reemployment.

The top fields of interest for Supervisors were: Green Energey (solar and wind) project supervision (34%); Other Oil Industry Occupations (32%); Water Extraction & Facilities (9%); and other Trade Specialization (25%). Supervisors overwhelmingly expressed confidence in their ability to find work within 3 months, and none felt they would need reemployment assistance. There was no interest (0%) in retraining and/or on-site training for other occupations and industries.

## **Key Considerations**

The research team asks the Just Transition Taskforce to deeply consider recommending as a strategy, the **formation of an "Impacted Oil Extraction Workers Council"**, to provide on-going, meaningful input and guidance into this initiative. Having a voice at the table, as well as an honest stake in the outcomes, this council could provide honest, applicable, and actionable ideas that policy makers and stakeholder will benefit from. We heard, "not about us without us" repeatedly and this key consideration takes that into account.

11% of oil extraction workers will become eligible to retire within 5 years. 18% will be eligible to retire within 10 year. An estimated 73-119 workers will leave the oil extraction industry due to retirement. With less than 5% of oil extraction workers interested in a subsidized early retirement, the City and County of LA could consider allowing natural attrition of this portion of the workforce.

Higher levels of technological and software related skills and abilities among unionized workers, due to upgrades and technical training at Tidelands, could position unionized oil extraction workers for higher levels of "work readiness" in the EV industry. Partnerships with USW local 675, TEP, and LACI - together with the LA Workforce Development Board - could provide workbased learning opportunities to "fast track" or "priority" hire these dislocated workers.

Public investment projects in EV infrastructure and related initiatives, including training and pipeline development, should engage subject matter experts, as well as labor and employer partners, in order to cultivate reemployment pathways for dislocated oil extraction workers.

The number one request of oil extraction worker participants in this study was to have a "skill certification" that is employer recognized to assist them in accessing lateral positions in other industries and securing parity in pay for experience levels. The City & County of Los Angeles could work with the California Independent Petroleum Association to create a **tiered certification for oil extraction workers** that is industry recognized.

19% of participants said they would likely relocate out of the Los Angeles area, and 11% said they would leave California State. Assuming this applied to the population of oil extraction workers not eligible for retirement within 10 years, there are approximately 419 workers remaining that could need retraining and/or reemployment assistance.

"Green Energy" (64%) and "Other Oil Industry Jobs" (11%) were the top two preferences, respectively, for reemployment. Employer engagement in these industry sectors will be critical to establishing hiring pipelines for dislocated workers. Timelines for "upskilling", training and rapid rehiring will be highly dependent on early employer engagement with both oil extraction company employers and alternative "receiving" industry employers. The LA County Workforce Development Board could be a key partner in employer engagement.

The Workforce Innovation & Opportunity Act (WIOA) provides federal funding for dislocated workers, rapid response, transition planning and training, work-based learning and subsidizes wages to incentivize employer engagement. Leveraging and braiding these funds, via the LA County WDB could significantly reduce the cost of this initiative, and potentially cover all retraining and reemployment costs.

The two industries for viable reemployment, as assessed in the LA Public Infrastructure Spending Job Opportunities report are Electric Vehicle & Transportation and Water Extraction, Treatment & Wastewater Facilities sectors. Existing training programs may be leveraged, in partnership with the LA County WDB, to design and implement on-site or on-the-job training programs for dislocated oil extraction workers within the next 18 months.

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# Appendix D: Public Infrastructure Spending Job Opportunities Assessment

Los Angeles **Public** Infrastructure **Spending** Job Opportunities **Assessment** 



**Just Transition Fund** 

June 2022



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lot of the smarter guys are saying they should switch energy for energy – the oil should be a solar field and train us at the same field.

Sentinel Peak Resources, Unit Supervisor at the Inglewood - Baldwin Hills Oil Field, on-site interview

## **Executive Summary**

City and County leaders in Los Angeles share a strong commitment to phasing out local fossil fuel extraction to meet the emission-reduction goals of L.A.'s Green New Deal, including achieving carbon neutrality by 2050. In 2021 Mayor Garcetti announced, in his "State of the City" address, plans to end permits for any new oil drilling and convert L.A.'s energy mix to almost completely renewable by 2030. And in September of 2021 a motion by the Los Angeles County Board of Supervisors enacted a prohibition on oil extraction in the County's unincorporated areas, spurring the Department of Regional Planning to prepare an ordinance amending Title 22 – Planning and Zoning of the Los Angeles County Code. For the unincorporated areas of Los Angeles County, the proposed ordinance prohibits new oil wells and production facilities in all zones, designates existing oil wells and production facilities as nonconforming uses in all zones, and establishes regulations for existing oil wells and production facilities. The City of Los Angeles followed suit in January of 2022, when the City Council unanimously approved and Mayor Garcetti signed a directive to phase out oil drilling through land use regulations within the City of Los Angeles.

In Spring of 2022, as part of this initiative, Intelligent Partnerships was contracted to support the County and City of Los Angeles in conducting primary research with oil extration workers to assess the labor and economic impacts on dislocated workers and to provide a framework for a just transition that supports workers and communities impacted by the phase out of oil drilling and extraction. The Just Transition Task Force - a stakeholder group representing industry, unions, academia, labor, City and County government, CalGEM and subject matter experts - worked together as part of the C40 global initiative. The Just Transition Task Force helped to inform and define the scope and focus of this research into oil extraction workers' ability to transition to other occupations and sectors - with specific attention paid to racial, gender and economic equity -and to identify the resources and supports necessary to provide these workers with a just transition away from fossil fuel extraction.

Intelligent Partnerships worked with employers, oil extraction workers, union representatives, the County Workforce Development Board, City and County agencies, academics, civil society and key stakeholders, assessing the alignment of job creation in the green economy in tandem with the phase out of oil extraction. This report quantifies, contextualizes and assesses the feasibility of, and supports necessary to, transition dislocated workers in oil extraction into the "green jobs".

This Public Infrastructure Spending Job Opportunities report is specifically intended to provide stakeholders and policy makers with an analysis of the feasibility of transition for oil extraction workers into key initiatives of the City and County; specifically focused on Operation NEXT (a water reclamation, purification and sustainability project), Measure W (a safe, clean water program), Measure A (a parks, greening and cooling initiative) Measure M (a traffic improvement and transportation infrastructure project), TEP (the Transportation Electrification Partnership project) and Oil Well Plugging & Remediation. This report offers short-term and longer-range considerations to foster equity and parity for workers in oil extraction occupations as they transition out of the fossil fuel sector. The scope of this report is limited to targeted public infrastructure opportunities, and is not an exhaustive analysis of the green economy or all sectoral or industry occupational opportunities.



## **Key Findings**

#### **LA Public Infrastructure Spending Jobs Assessment**

Analysis of City and County-led green economy initiatives in Los Angeles - including infrastructure development for transportation electrification, and large-scale public works projects in water reclaimation and treatment - assessed the feasibility and likelihood of oil extraction workers' ability to find reemployment opportunities with parity in both skill and wages, and found:

- the **Transportation Electrification** sector and EV infrastructure, maintenance and repair, and large-scale project management is the *most viable reemployment opportunity* for oil extraction workers, and the only sector within the scope of the study with **the potential to offer higher-road positions** across all levels of employment.
- the Water Reclaimation, Treatment & Facilities sector with positions that parallel in skill and wage rate, many of the current positions held by oil extraction workers is another industry with excellent potential for reemployment of this workforce. However, Operation NEXT was found to not be a viable option for reemployment in the near-term (next 7 years) due to the timeline and volume of forecasted job creation.
- Oil Well Plugging & Remediation, as an option for reemployment, was a viable option but is heavily dependent on State-level funding and Oil Sector Employer engagement.
- Measure W (Safe, Clean Water Program); and Measure A (Los Angeles County Safe, Clean Neighborhood Parks & Beaches) are not likely to create the volume and classifications of jobs that would align with oil extraction workers' skills or pay ranges. Additionally, the jobs created by these initiatives are predominantly project-based and do not offer longer-range career opportunities. Measures M & R (LA Transportation Improvement Plan) are not viable options for oil extraction worker reemployment though our analysis found that 4,439 jobs potentially aligned with oil extraction worker skill sets on average pay was 33% less than similar jobs in the oil extraction sector and many of the available positions are project-based and do not offer longer-range career opportunities makes these public transportation and highway construction jobs a less than desireable reemployment option.

## **Industry & Occupational Summary**

#### **Entry-Level Occupations**

Occupational Title	# of FTEs	Average Annual Wage		
Other Installation, Maintenance, and Repair Occupations	2,363 .23	\$129,878.53		
Metal Workers and Plastic Workers	48.41	\$127,762.18		
Extraction Workers	8.29	\$123,930.59		
Construction Trades Workers	363.2 2	\$121,434.13		
Vehicle and Mobile Equipment Mechanics, Installers, and Repairers	100.3 8	\$119,935.84		
Supervisors of Building and Grounds Cleaning and Maintenance Workers	6.18	\$109,725.47		
Motor Vehicle Operators	12.27	\$108,233.74		
Other Production Occupations	50.49	\$105,484.89		
Helpers, Construction Trades	5.63	\$75,551.99		
IMPLAN (2020) Electric Vehicle Manufacturing & Infrastructure (2)				

#### Transportation Electrification

#### **Sector Forecasts**

In 2019, the City and County of Los Angeles released L.A.'s Green New Deal and the OurCounty plan, respectively, which collectively aim to increase the percentage of ZEVs on city roads to 100% by mid-century. And as a signatory of the C40 Fossil-Fuel-Free Streets Declaration, Los Angeles has committed to making a major area of its city zero emissions by 2030. Considering the electric vehicle (EV) share of new passenger vehicle sales in Los Angeles at the end of 2018 was about 7%, and the electric share of its passenger vehicle stock was about 1.7% (California Department of Motor Vehicles, 2020), the transition presents a major challenge. Widespread electric vehicle adoption requires much greater deployment of charging infrastructure. Although most charging is typically done at home, increased charging options are needed for electric vehicle drivers as the market expands. According to the Los Angeles County Economic Development Corporation, between 2018-2020 as many as 37,000 jobs in EV manufacturing and infrastructure were added to the economy, with forecasts showing a 12-13% annual increase in job demand in the EV sector through 2035,2 specifically in EV manufacturing. This industry growth trajectory, and the skills required, align well with dis-

located oil extraction workers. it is likely that **Los Angeles will add between 716 - 775 jobs every two years up to 2030** . High- and Mid-level positions pay an average of **6.5% higher than oil extraction positions**, with corresponding benefit increases, and the highest paying positions enjoying a significantly higher rate of pay. EV infrastructure support is an excellent opportunity for reemployment of oil extraction workers.

#### **Educational Requirements**

The workforce required for the electric vehicle and infrastructure industry has diverse occupations across many industries with varying levels of education, training and experience. However, most occupations working in the EV industry will require some kind of specialized training or work experience, particularly in manufacturing, electrical contracting, maintenance, and infrastructure development. A plethora of training programs exist to support Los Angeles' workforce in accessing education opportunities (further outlined in the Partnerships & Planning section and References section of this report) to obtain the skills necessary for a career in the EV sector.

#### Skills, Knowledge & Abilities

Many of the skills, knowledge and abilities ascribed to oil extraction workers (i.e., mechanics, electrical engineering, heavy equipment operation, complex project management, mathematics and systems thinking, and technical skills) are directly transferrable to mulitiple opportunities in the EV industry. Opportunities for pipeline development, up-skilling and certification are explored further, later in this report.

## Industry & Occupational Summary

#### Mid- and High-Level Occupations

Occupational Title	# of FTEs	Average Annual Wage
Other Management Occupations	273.28	\$233,335.03
Operations Specialties Managers	307.33	\$229,756.14
Supervisors of Production Workers	239.99	\$168,597.30
Supervisors of Installation, Maintenance, and Repair Workers	487.1	\$160,910.44
Supervisors of Construction and Extraction Workers	69.92	\$152,124.61
Supervisors of Protective Service Workers	20.13	\$146,467.04
Plant and System Operators	1,058.95	\$142,931.88
Electrical and Electronic Equipment Mechanics, Installers, and Repairers	492.43	\$141,162.18
Other Construction and Related Workers  IMPLAN (2020) Electrical Vehicle	40	\$140,516.69

#### **Sector Summary**

Facets of the EV industry are rapid-growth, high demand, workforce development opportunities for dislocated oil extraction workers. Skill alignment in mechanical, electrical and manufacturing position many of the current oil extraction work force to easily up-skill into this sector across a myriad of potential occupations. Pay ranges and benefits make compensation attractive. And the long-range viability of a transition from oil extraction occupations to EV manufacturing, maintenance, and infrastructure development makes this workforce transition optimal.

#### **Transportation Electrification Partnership**

The City and County of Los Angeles are founding members of both the Transportation Electrification Partnership (TEP) overseen by the Los Angeles Cleantech Incubator (LACI), which is enabling significant strides in EV adoption and infrastructure development. The partnership's members include Audi, BMW, BYD, Greenlots, Proterra, and Tesla – as well as LADWP, California Air Resources Board, utilities, energy companies, local governments, and others. TEP was established by LACI in May 2018 and includes organizations aiming to speed up EV adoption by 2028. The "Zero Emissions 2028 Roadmap" is a comprehensive plan for Los Angeles to eliminate transportation emissions - addressing manufacturing and infrastructure reforms for delivery of goods, aviation, ground transportation

public transit and a host of other factors - and is well underway in its implementation.

#### Occupational Mapping & Timeline Summary

Pipeline development for dislocated oil extraction workers into the EV industry could be developed in a relatively short timeframe. Working in collaboration with subject matter experts in labor and education, preliminary assessment (or "placement tests") could be developed for three main occupational pipelines where skill alignment is high: 1) manufacturing of EV technology, 2) EV infrastructure project management, and 3) EV installation, maintenance and repair. Additional training opportunities could be provided on-site or individually for interested workers, and "priority hire" designations for dislocated oil extraction workers could be a central focus for future publicly funded investments and contracts used to implement construction, development and implementation of EV projects in the Los Angeles area.

Mid- and High-Level occupations may not enter this sector in lateral positions at a rate of pay, and with benefits, commensurate with previous employment. Seniority, and years invested with the company, would not likely transfer for this portion of the workforce. Therefore potential remedies to consider may include: 1. Skill Assessment & Employer Recognized Certification; 2. Remedial Training and/or licensing; 3. Temporary wage subsidy. This is later discussed in the Key Considerations section of the State of the Fossil Fuel Workers of Los Angeles report.

# **Industry & Occupational Summary**

#### **Entry-Level Occupations**

Occupational Title	# of FTEs	Average Annual Wage
Production Workers, All Other	1.81	\$88,393.77
Electrical and Electronic Engineering Technologists and Technicians	1.07	\$87,978.53
Industrial Machinery Mechanics	19.86	\$86,860.59
Stationary Engineers and Boiler Operators	8.09	\$82,012.60
Pump Operators, Except Wellhead Pumpers	4.72	\$78,330.97
HelpersInstallation, Maintenance, and Repair Workers	2.4	\$78,175.84
Gas Plant Operators	2.02	\$70,135.10
Plumbers, Pipefitters, and Steamfitters	20.95	\$69,862.79
Operating Engineers and Other Construction Equipment Operators  IMPLAN (2020) Water Extraction, Tre	9.31	\$68,889.33

#### Water & Wastewater Treatment Industry Outlook

#### **Sector Forecasts**

An increasing population, the retirement of the baby boomer generation, and an increased focus on environmentally sustainable business practices are expected to boost demand for water and wastewater treatment services. As new treatment plants are constructed to meet this increased demand, new Water and Wastewater Treatment Plant and System Operator jobs will become available. Furthermore, the number of applicants for these jobs is normally low, due primarily to the physically demanding and unappealing nature of some of the work. Job opportunities in this sector are best suited for persons with mechanical aptitude and problem solving skills.

However, according to the Employment Development Dept. (EDD) labor statistics and forecasts, in Los Angeles County this industry is projected to show a net 4% decline between 2018-2028 (i.e., current labor statistics show Los Angeles County employing 115.32 FTEs, with a decline to 110.7 FTEs by 2028)4.

#### **Educational Requirements**

An associate degree or certificate in water quality and wastewater treatment technology is often the educational requirement for many employers. Many prefer to hire such candidates, because completion of a program minimizes the training needed at the plant and also shows a commitment to working in the

industry. These programs are offered by community community colleges, technical schools, and trade associations. In some cases, a degree or certificate program can be substituted for experience, allowing a worker to become licensed at a higher level more quickly.

#### Skills, Knowledge & Abilities

Water and Wastewater Treatment Plant Operators need mechanical aptitude and the ability to solve problems intuitively. They must have the ability to apply data to formulas that determine treatment requirements, flow levels, and concentration levels. Basic familiarity with computers also is necessary because Operators generally use them to record data. Some plants also use computer-controlled equipment and instrumentation.

#### **Experience**

Trainees usually start as Attendants or Operators-in-training and learn their skills on the job under the direction of an experienced Operator. They learn by observing and doing routine tasks such as recording meter readings, taking samples of wastewater and sludge, and performing simple maintenance and repair work on pumps, electric motors, valves, and other plant equipment. Larger treatment plants generally combine this on-the-job training with formal classroom or self-paced study programs.

# Industry & Occupational Summary

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Occupational Title	# of FTEs	Average Annual Wage
General and Operations  Managers	39.31	\$158,140.69
Personal Service Managers, All Other; Entertainment and Recreation Managers, Except Gambling; and Managers, All Other	4.52	<b>\$157,649.85</b>
Industrial Production Managers	3.72	\$155,185.47
Construction Managers	2.53	\$140,618.21
Project Management Specialists and Business Operations Specialists, All Other	9.06	\$118,102.25
Administrative Services and Facilities Managers	2.54	\$116,459.01
Electrical Power-Line Installers and Repairers	1.16	\$112,088.23
First-Line Supervisors of Mechanics, Installers, and Repairers	11.21	\$107,575.30
First-Line Supervisors of Production and Operating Workers	41.27	\$103,244.38

#### **Sector Summary**

Water extraction, treatment, sewage and facilities management is an occupational sector that is closely aligned - in both skill sets and wages - with oil extraction occupations. The knowledge, skills and abilities needed to perform these jobs are very similar in nature, and oil extraction workers could enjoy a high level of transferability into this field across all levels and positions However, growth in this sector is not assured as of yet. A more thorough analysis of sectoral alignment between oil extraction worker skill-sets and this sector is explored in a companion "Worker Transition Memo" analysis.

#### **Operation NEXT**

Operation NEXT is a new water supply initiative being developed by LADWP in partnership with LA Sanitation and Environment (LASAN) that aims to improve the overall water supply resiliency and reliability for Los Angeles. Operation NEXT will allow the City of Los Angeles (Los Angeles) to develop a new source of advanced purified water for beneficial reuse in order to help Los Angeles achieve long-term sustainability goals.

The Program aims to maximize the supply of advanced purified recycled water from the Hyperion Water Reclamation Plant to replenish the city's groundwater basins via an Indirect Potable Reuse

(IPR) strategy. Concurrently, LADWP is working with regulators to allow integrating purified recycled water with the drinking water system. The process, known as direct potable reuse (DPR), would further expand the use of purified recycled water from Hyperion and other City water reclamation plants as a supplemental water source<sup>5</sup>. Aligned occupations in this sector are generally unionized. Pipeline development for reemployment should include both labor and employers.

#### Occupational Mapping & Timeline Summary

IMPLAN (2020) Water Extraction, Treatment & Sewage Facilities

While the water extraction, reclamation, treatment, sewage and facilities management sector is well-aligned to reemploy dislocated oil extraction workers, according to estimates obtained from project leads at LADWP, the majority of job creation will be for surveying, engineers, and draftsmen between 2023 - 2030. Water Utility Operators (the most closely aligned mid- to high-level position) is projected to employ 2 positions in 2030/31; 10 positions in 2031/32; 17 positions in 2033/34; 26 positions in 2035/36; and, reach peak employment at 27 positions in 2037/38. For the purposes of this study, the timeline and volume of positions is not likely to provide a viable option for reemployment in the next seven years. Though the scope of this assessment focuses on reemployment opportunities within the next five to ten years, and occupational availability by 2030 meets that criteria, the volume and type of jobs specific to Operation NEXT alone do not meet minimum criteria for oil extraction worker reemployment.

# **Industry & Occupational Summary**

#### Measure W - The Safe, Clean Water Program

Measure W, a LA County measure, allocates funding to the Safe Clean Water Program, providing local, dedicated funding to increase Los Angeles' local water supply, improve water quality, and protect public health via grant funds for technical resources, scientific studies, and infrastructure projects (primarily focused on stormwater runoff and capture, and physical improvements for parks). Each year the Safe, Clean Water Program fosters between 20-25 localized projects, applied for by community-based organizations and nonprofits and focused on underrepresented and economically disadvantaged communities within LA County. Because of the nature of the funding distribution via small non-profits, and the project-based and temporary nature of the work, this is **not a viable option for reemployment for dislocated oil extraction workers**.

#### Measure A - Los Angeles County Safe, Clean Neighborhood Parks & Beaches

In November 2016, 75% of Los Angeles County (County) voters approved the Los Angeles County Safe, Clean Neighborhood Parks and Beaches Measure (Measure A). Funding through the Measure A grant program will be generated in perpetuity through the collection of a parcel tax, with an estimated total annual funding of \$96.8 million across the County.

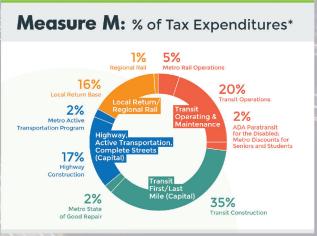
Measure A provides the City of Los Angeles (City) formula-based annual allocations for capital improvement projects under the Community-based Park Investment Program and Neighborhood Parks, Healthy Communities, & Urban Greening Program as well as additional annual allocations under the Maintenance and Servicing Program to offset Proposition A and Measure A funded capital projects<sub>6</sub>

The short-term, project-based employment associated with physical improvements and maintenance for parks is not well aligned with reemployment for dislocated oil extraction workers. Additionally, the annual pay ranges for parks and grounds maintenance workers is approximately 58% below the low range annual income for entry-level positions within the oil extraction sector and would not meet the minimum requirements for skill matching or wage parity.

#### Measures M & R - Los Angeles County Traffic Improvement Plan

Over the next 40 years under the Measure M expenditure plan, the sales tax is estimated to generate \$120 billion dollars for major capital projects and subregional programs. Measure M has several moving elements which makes it a complex funding source with a wide impact.

Significant job creation is associated with the passage of Measures R & M; wherein, according to the planned highway construction projects will generate 149,390 jobs, and other public transit project will generate 316,300 jobs 8. Of these positions, were approximately 4,439 positions in LA County in 2020 with aligned skills sets for oil extraction workers. There is potential alignment between skill sets for a range of occupations in high-, mid- and entry-level positions within the highway construction and transit sector. However, pay scales, benefits and total compensation across all positions is, on average, 33% lower than the oil extraction industry with the highest disparities in entry-level comparisons. This sector also has a robust existing workforce.



Carter, Pastor & Wander (2018) Measures Matter Report. USC

# **Transition Opportunities & Strategies**

#### Oil Well Plugging & Remediation

According to CALgem's response to a recent public records request, there are **1,720** active and idle wells in the City of Los Angeles, and **1,218** active and idle wells in the unincorporated areas of Los Angeles County, for a total of 2,938 wells that will require plugging and/or remediation in order to appropriately "abandon" them (a term meaning the permanent closure and sealing of a well). Estimates of cost vary widely, depending on the depth, utility, size and condition of the well. However, in a report released by the Sierra Club in 2021, average cost of plugging and abandoning a well was \$50,000 °, which would obligate an allocation of **\$146,900,000**.

An oil and gas state abandonment is the plugging and abandonment of an orphan or deserted (or potentially deserted) oil and gas well through a state contract. Because the wells concerned are orphan or deserted, they do not have a financially solvent, responsible operator. Where there is a financially solvent, responsible operator, CalGEM will first pursue a plug and abandonment at the operator's expense. According to the Sierra Club report, the State of California currently holds approximate \$107,000,000 in bonds to remediate and close oil wells. These bonds could be leveraged to redeploy current oil extraction workers in the remediation and abandonment of wells.

Funds used for state abandonments come from assessment fees and idle well fees paid to the State by operators. The Oil, Gas, and Geothermal Administrative Fund (OGGA) is primarily funded by operator assessment fees. Expenditures from this fund on orphan wells are capped to three million dollars for the 2018-19 fiscal year and continuing for each of the three fiscal years thereafter and one million dollars per fiscal year commencing with the 2022-23 fiscal year. The Hazardous and Idle-Deserted Well Abatement Fund (HIDWAF) is funded by idle well fees and continuously appropriated to CalGEM to plug and abandon wells to mitigate a hazardous or potentially hazardous condition. There are, however, limitations to spending from the HIDWAF – the well to be plugged and abandoned must be hazardous or idle-deserted and must be a "well of an operator subject to the requirements" of PRC section 3206 !1

Participants in this study ranked "other oil industry jobs", including remediation, as the second most desirable, but most likely transition choice for employment. And labor analysis of CALgem's current workforce dedicated to plugging and abandonment of wells is woefully understaffed to address the current volume of wells needing abandonment. The City and County of Los Angeles could consider two potential solutions to this shortfall in staffing: 1) reach agreement with current oil extraction companies operating in the City of Los Angeles and unincorporated areas of Los Angeles County to act as public works contractors under CALgem oversight and redeploy oil extraction workers to plug and abandon wells (which workers expressed is already a skill and practice they currently hold), or, 2) create a "priority hire" pipeline for dislocated oil extraction workers to become employees of CALgem and leverage the bonds and assessments necessary to reemploy workers to accomplish this task.

Timelines for implementation of either of the above-stated strategies is dependent on the State's priorities; impacting the City and County of Los Angeles' ability to reach agreement on approach, and influencing employers' willingness to participate. Incentivizing collaboration, perhaps by reaching agreement on a fixed percentage of employer financial liability, or leveraging bonds to cover labor and materials costs, could help facilitate agreement. It should be noted that oil extraction workers voiced concern about well remediation being project-based and perceived this line of work as short-term. Additionally, a <u>previous report</u> commissioned by the County of Los Angeles, found that, "the direct job creation from abandoning wells is modest and not likely sufficient to support a broad transition of workers".

# Partnerships & Planning

#### **Transportation Electrification Partnership**

Retraining and education will be required in order to reemploy dislocated oil extraction workers into the EV industry. High- and Mid-level (Supervisors and Operators) could be best suited for positions in operations and project management. Entry-level positions are best suited for portions of EV manufacturing, and could also lead into additional training and licensing pathways for EV installation, maintenance and repair. Due to the high skill level and specialized training of the majority (57%) of oil extraction workers, in mechanics, electrical, and other technical and applicable skills, remedial training to "skill-up" interested workers is feasible.

Strategy: Working in collaboration with labor unions, employers and subject matter experts, preliminary assessment (or "placement tests") could be developed for three main occupational pipelines where skill alignment is high: 1) manufacturing of EV and related technology, 2) EV infrastructure and similar project management, and 3) connection to state licensed EV installation, maintenance and repair. California has prioritized workforce training in this sector and there are many viable pathways, including state recognized apprenticeships, that could be leveraged to retrain dislocated oil extraction workers into career pathways in the industry. Tuitions for this program are funded by the US Department of Labor Trade Adjustment Act, WIOA and/or California Energy Commission and the US Department of Transportation. On-the-job training, and/or additional "skill-up" work-based learning opportunities could be developed to provide remedial education for Operators and Managers to access licensing into high-road jobs in infrastructure and project management in the EV industry. Employer and labor union engagement could be facilitated by the WFB of Los Angeles County, providing "rapid rehire" events and training opportunities, via WIOA funded programs. The estimated timeline for program development implementation is 1 year - 18 months.

#### **Operation NEXT**

While Operation NEXT may not present a viable reemployment opportunity in the next 7 year timeline of forecasted dislocation from oil extraction work, the industry of water extraction, treatment, sewage and facilities management is still a highly aligned industry for this labor pool. Participants in this study indicated a high rate of interest in on-the-job and/or on-site training. However, there was little to no interest in formal classroom and/or higher education.

Strategy: Assessment of employment opportunities and forecasts for large-scale projects in water and wastewater treatment facilities and operations in the Los Angeles area could provide an opportunity to collaborate with employers via the LA County Workforce Development Board (WDB) to design a program and pipeline for dislocated oil extraction workers to engage in on-the-job, work-based training at water and wastewater treatment facilities. Leveraging funding via the Workforce Innovation and Opportunity Act, already allocated to the WDB, or "bundling" in application for additional State or Federal funds, could facilitate full coverage of cost for the City and County of Los Angeles. The estimated timeline for program development and implementation is 6 months - 1 year.

#### Oil Well Plugging & Remediation

As before mentioned, the demand for, and ability of the City and County of LA to mobilize and redeploy dislocated oil extraction workers in the remediation, plugging and abandonment of idle and active wells will be highly dependent on economic and political factors enabling or hampering employer participation from oil extraction companies.

**Strategy:** 1) reach agreement with current oil extraction companies operating in the City of Los Angeles and unincorporated areas of Los Angeles County to act as public works contractors under CALgem oversight and redeploy oil extraction workers to plug and abandon wells (which workers expressed is already a skill and practice they currently hold), or, 2) create a "priority hire" pipeline for dislocated oil extraction workers to become employees of CALgem and leverage the bonds and assessments necessary to reemploy workers to accomplish this task.

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# Appendix E: Worker Transition Memo

Los Angeles City & County
Just Transition Task Force

# Oil Extraction Worker Transition

Intelligent Partnerships | 2022 White Pape





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#### Context

While the Los Angeles area enjoys continued growth in many sectors; ranging from technology, tourism, entertainment, aerospace, manufacturing, and agriculture – to name a few – not all sectors and occupations align with the existing skill sets and expressed interests of oil extraction workers. As the Just Transition Taskforce, and the City and County of Los Angeles, work together to plan Los Angeles' transition away from fossil fuel extraction, this memo is intended to provide an analysis of high-growth occupations and industries wherein dislocated workers in the oil extraction industry could easily (or with short-term training) transfer their skills and experience, at a rate of pay and with benefits commensurate with previous positions, into other industries with high-road jobs and high demand. Therefore, this is not a comprehensive labor and economic forecast of all occupational pathways that may be available to high-, mid- and entry-level workers transitioning out of the oil extraction industry. However, research and analysis of occupational pathways into various types of commercial construction, transportation, manufacturing, hospitality, technology, healthcare and other sectors were explored and were determined to either lack skill alignment or parity in compensation. Hence, this analysis focuses narrowly on key sectors, industries and occupations that meet the afore-mentioned criteria across entry-, mid- and high-level occupations.

This analysis is further informed by primary research, conducted by Intelligent Partnerships on behalf of the City and County of Los Angeles, with oil extraction workers in June of 2022; and takes into account the relevant findings on age, demographics, industry preferences, years to retirement, etc. that were assessed in the State of the Fossil Fuel Workers in Los Angeles County report.

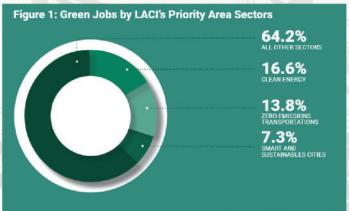
Furthermore, though the Just Transition Taskforce and the City and County of Los Angeles time frame for implementation may be variable, **this labor and industry analysis is limited to near-term implementation** and assumes the majority of the transition will take place by 2030. This is due to the nature and fluctuation of labor statistics, industry growth and projections, and the unpredictability of market influences in longer-range labor analysis.

As a component of the Just Transition Taskforce initiative and work, the County and City of Los Angeles commissioned Intelligent Partnerships to identify LA County high road growth industries that require similar or related skills and skill levels to those of workers who will be displaced from oil extraction jobs. This white paper is divided into four parts: Part 1 provides an analysis of Renewable Energy sector job opportunities, Part 2 provides an analysis of other high-road, high-growth sector job opportunities with high levels of skill alignment and compensation parity, Part 3 provides an analysis of the safety nets for entry-, mid- and high-level workers and possible training pathways into a variety of sectors, and Part 4 provides an overview of possible governmental partners and policy levers.

#### PART 1: Renewable Energy in Los Angeles & Southern CA

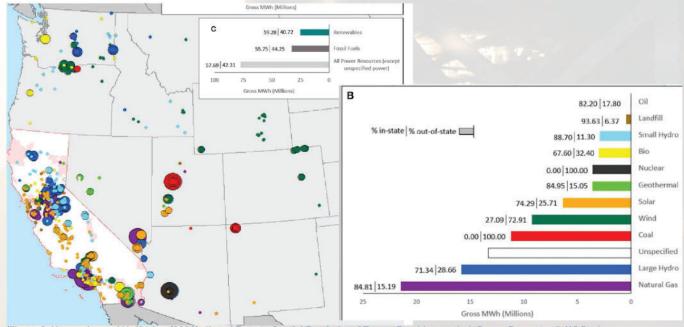
Renewable energy was the most highly desirable occupational sector of oil extraction worker survey participants (64%) for new career pathways. The term "green energy" does not have a specific definition, but for the purposes of this analysis is limited to solar, wind, and hydro-power (of which Los Angeles utilizes all three to varying degrees). According to the LA Cleantech Incubator's (LACI) recent report, conducted by HR&A Advisors, L.A. County is projected to have overall 40% job growth by 2050, but green jobs will grow almost 80% in the same time frame. The majority of green energy jobs do not require a college degree and pay \$3 more than traditional forms of employment. Though, oil extraction occupational pay rates also trend higher than traditional jobs, there is parity in wage and opportunity for increased wages and benefits in most positions across the solar sector. Of note, each \$1 million in renewable energy spending yields seven-and-a-half full-time jobs, whereas the same investment in fossil fuels creates 2.7 jobs. The sector is a specific definition occupational sector in the participant of the participant is a specific definition. The participant is participant in the participant of the participant is a specific definition, and hydro-power (of which Los Angeles not have overall 40% job growth by 2050, but green energy jobs do not require a college degree and pay \$3 more than traditional jobs, there is parity in wage and opportunity for increased wages and benefits in most positions across the solar sector. Of note, each \$1 million in renewable energy spending yields seven-and-a-half full-time jobs, whereas the same investment in fossil fuels creates 2.7 jobs.

Using the data provided by HR&A, further analysis shows that "green energy" jobs in Los Angeles County comprise only 16.6% of what is considered a "green job" as shown in Figure 1. Meaning, 29,548 jobs in Los Angeles were directly in "renewable energy". Assuming additional governmental investment in "green energy" continues to spur growth in these sectors, there could be as much as an 80% increase in green energy job creation between 2020 and 2050, adding as many as 23,638 jobs in



(Figure 1 is taken from the LACI Green Jobs Report: total is 101.9%)

renewable energy alone Additionally, estimates in the LA100: The Los Angeles 100% Renewable Energy Study show the potential for more than 15,000 additional jobs through LADWP in renewable energy expansion projects between 2026-2045. The geographic and mix complexity of current energy production in Los Angeles and Southern California is well illustrated by this figure, produced in a study through UC Davis on energy providers and their geographic spread.



(Figure 2: Hernandez and Hoffacker (2020). "Local Energy: Spatial Proximity of Energy Providers to their Power Resources". UC Davis.

The timeline alignment for oil extraction worker dislocation and renewable energy job creation cannot be accurately analyzed yet, due to numerous variables influencing the timing, investment, and implementation of both. There is a strong probability, given recent investments in solar development, that this could be a viable career pathway for dislocated oil extraction worker reemployment over the next five to ten years. However, regulatory restrictions within the County of Los Angeles on utility-scale renewable energy development, may create market demand for these occupations outside of Los Angeles County. According to the Clean Power Alliance (CPA), clean energy projects that CPA has signed have created or will create about 2,500 jobs. Approximately 1/3 of these projects have already been built with corresponding job creation already active in the market. Further inquiry with the Clean Power Alliance showed that jobs created are generally concentrated in the 5 trades that work in the renewable energy sector (electricians, carpenters, laborers, steelworkers, and ironworkers).

Unfortunately, due in large part to the County's own restrictions on large-scale renewable energy development in LA County, most of these jobs are outside LA County and in places like Riverside and San Bernardino. However, CPA staff indicated that a few are in LA County, more in the battery storage and rooftop solar categories. CPA does not, unfortunately, collect labor statistics or occupational data on projects, as of yet. Though, anecdotally, it was noted that past projects tend to generate more short-term employment opportunities than long-term career pathways. In summary, though pay parity and skill alignment make some renewable energy jobs an advantageous pathway for dislocated oil extraction workers, the aforementioned restrictions may not lend the sector as a whole to viable job creation within the County.

An apt example of County-level regulatory restriction resulting in job creation outside of the County in the solar energy sector may is illustrated in the case of 8 Minute Solar, with sites in the La Brea area of Los Angeles, as well as two other sites north and southeast of Los Angeles. 8 Minute Solar is the lead developer of the Rexford 1 Solar Project, which is the result of a 15-year power purchase agreement with the Clean Power Alliance. The Clean Power Alliance is the community choice aggregator that serves the unincorporated communities of Los Angeles and delivers more 100% renewable energy than any electricity company in the nation. 8 Minute Solar recently announced plans to develop the second phase of the project, or Rexford 2, near the town of Ducor in southeastern Tulare County. Approved by Tulare County in 2020, Rexford 1 was already the largest solar farm in the nation. 8 Now, with phase 2, 8 Minute Solar is building a 500 MW system with 500 MW of storage on 1,200 acres near the original project. Phase 1 is expected to begin operation in Spring of 2023. And it is estimated that 400 new jobs may be created with the new operation of Rexford 2.

It is not possible to accurately assess the types of jobs, their exact timing, or alignment in skill sets associated with this expansion, and it is important to note that the distribution of jobs is likely to be higher in Tulare County and therefore not applicable to oil extraction workers in LA County. However, the City and County of Los Angeles should consider working directly with the City and County Workforce Development Boards to engage the Clean Power Alliance and labor representatives in partnering with employers such as 8 Minute Solar to cultivate both on-the-job training opportunities and "priority hire" incentives for oil extraction workers looking to enter the solar sector.

#### Solar Energy Sector Occupational Details

Northern Los Angeles County, as well as the Western Central portions of California and Southeastern portions of California are rapidly developing solar energy production. The combined total energy via solar for Los Angeles is derived from a blended average rate - between the Clean Power Alliance (14.2%), LADWP (14.3%), and Edison (15.2%) - for a total of 14.5%.

According to analysis conducted by Intelligent Partnerships via IMPLAN, there were a little more than 1,600 jobs in LA County in 2019 directly in solar energy production in both public utility governmental jobs and private solar industry jobs combined. Less than half of those jobs (692.85) were occupations that align with oil extraction worker skill sets and occupational categories. However, it is worth noting that this sector has expanded significantly since the most currently available labor statistics (2020) and may not reflect all current employment in the industry.

Provided on the following pages are lists of solar production industry occupations with high-levels of skill alignment across entry-, mid- and high-level positions, together with their average annual wages in the private and public sectors, respectively. Benefits trended higher in this industry, with an average of 32% above wage compensation rates across all occupations, due in large part to the unionization of many of the solar industry occupations. Also, of note, occupational titles are not the same across industries (i.e., the highest-level position in oil extraction is generally called a "Supervisor," however this position is not the highest-level title in the solar industry). Wage rates and benefits are parallel with, or exceed, aligned positions across the solar industry occupations.

Public Solar Occupational Titles	FTE	Average Annual Wage
General and Operations Managers	34.76	\$246,328.14
Industrial Production Managers	7.69	\$224,927.28
Construction Managers	5.91	\$200,872.98
First-Line Supervisors of Production and Operating Workers	34.13	\$167,188.41
First-Line Supervisors of Non-Retail Sales Workers	0.85	\$165,755.83
First-Line Supervisors of Mechanics, Installers, and Repairers	69.08	\$158,321.41
Project Management Specialists and Business Operations Specialists, All Other	25.78	\$153,710.90
First-Line Supervisors of Construction Trades and Extraction Workers	9.26	\$152,585.61
Hoist and Winch Operators	0.48	\$150,817.88
Insulation Workers, Mechanical	0.17	\$148,983.50
Riggers	0.43	\$147,071.96

Private Solar Occupational Titles	FTE	Average Annual Wage
General and Operations Managers	7.02	\$266,744.18
Industrial Production Managers	0.78	\$259,620.62
Construction Managers	3.62	\$215,041.23
Project Management		
Specialists and Business Operations Specialists, All Other	5.72	\$187,661.65
First-Line Supervisors of Construction Trades and Extraction Workers	3.45	\$127,542.35
Electricians	4.89	\$131,862.58
Solar Photovoltaic Installers	24	\$92,475.77
First-Line Supervisors of Mechanics, Installers, and Repairers	1.39	\$135,100.72
Control and Valve Installers and Repairers, Except Mechanical Door	0.37	\$81,004.94
Industrial Machinery Mechanics	0.26	\$80,695.44
Electrical Power-Line	AMARINA	A IN FEBRUARY

#### <u>Solar Energy Sector Occupational Details</u>

Public Solar Occupational Titles, continued	FTE	Average Annual Wage
Riggers	0.43	\$147,071.96
Electro-Mechanical and Mechatronics Technologists and Technicians	2.47	\$146,890.67
Electrical and Electronics Repairers, Powerhouse, Substation, and Relay	61.01	\$140,956.89
Miscellaneous First-Line Supervisors, Protective Service Workers	3.35	\$140,879.34
Miscellaneous Construction and Related Workers	0.21	\$136,374.73
Crane and Tower Operators	0.43	\$135,432.88
Electrical and Electronics Repairers, Commercial and Industrial Equipment	4.46	\$134,780.13
Plant and System Operators, All Other	2.25	\$132,981.99
Electrical Power-Line Installers and Repairers	236.25	\$131,522.55
Control and Valve Installers and Repairers, Except Mechanical Door	40.58	\$131,417.36
First-Line Supervisors of Transportation and Material Moving Workers, Except Aircraft Cargo Handling Supervisors	1.99	\$130,910.75
Industrial Machinery Mechanics	28.76	\$125,741.89
Electricians	30.86	\$124,101.91
Electric Motor, Power Tool, and Related Repairers	0.17	\$120,013.26
Installation, Maintenance, and Repair Workers, All Other	2.08	\$118,296.13
Electrical and Electronics Installers and Repairers, Transportation Equipment	0.17	\$117,907.76
Excavating and Loading Machine and Dragline Operators, Surface Mining	1.7	\$110,440.05
Operating Engineers and		

Private Solar Occupational Titles, continued	FTE	Average Annual Wage
Electrical Power-Line Installers and Repairers	2.14	Electrical Power- Line Installers and Repairers
Maintenance and Repair Workers, General	4.9	Maintenance and Repair Workers, General
First-Line Supervisors of Production and Operating Workers	0.91	First-Line Supervisors of Production and Operating Workers
TOTAL	61.14	

Public Sector, Occupational Titles	FTE	Average Annual Wage
Operating Engineers and Other Construction Equipment Operators	8.09	\$106,505.70
Industrial Truck and Tractor Operators	2.72	\$106,109.91
Maintenance Workers, Machinery	1.08	\$105,494.44
Construction Laborers	3.79	\$99,290.05
HelpersElectricians	0.34	\$98,728.38
Conveyor Operators and Tenders	0.26	\$82,332.88
HelpersInstallation, Maintenance, and Repair Workers	5.41	\$78,112.05
Production Workers, All Other	0.57	\$76,510.40
Solar Photovoltaic Installers	2.43	\$76,343.13
HelpersProduction Workers	1.72	\$64,643.83
TOTAL	631.71	

With current and planned future investment in solar, was estimated that approximately 45,000 jobs in utility-scale solar could be created by 2022, according to LA's New Green Deal Plan. Training pathways for the wide variety of occupations listed herein - with specialization in carpentry, welding, mechanics, electrical, heavy equipment operation and complex project management - are needed to bridge the skill gap between industries and create pathways for oil extraction workers to access many of these jobs.

Los Angeles Department of Water and Power's earn-and-learn Utility Pre-Craft Trainee program (UPCT), through a partnership with IBEW local 18, is one example of an employer-led apprenticeship cocreated between a public utility company and unions, wherein high-road jobs are made accessible. However, the popularity of this program has led to long waitlists and a lack of accessibility for workers that hinders the program from scaling with demand from the workforce. This could serve as a model and be expanded upon to provide "skill-up" trainings and in-house training apprenticeships and/or programs - in partnership with labor unions and utility providers - to support oil extraction workers in accessing a variety of occupational pathways into the solar industry, as well as to meet the growing deman for utility-scale solar jobs. As mentioned before, due to the variety of industry foci required, and in alignment with oil extraction worker skill sets in welding and mechanics, carpentry, heavy equipment operation and electrical, it is recommended that representative labor organizations be engaged with public utilities and private solar companies in designing large-scale training programs.

#### Wind & Hydroelectric Power Sectors

The Red Cloud Wind Project, located about 85 miles southeast of Albuquerque, New Mexico, began commercial operation December 22, 2021, generating up to 350 megawatts (MW) of new wind power. That amount of clean energy is expected to serve about 222,300 Los Angeles homes and save 464,040 metric tons of carbon emissions annually providing approximately 7% of Los Angeles' current energy consumption. Despite recent plans to expand this project, and its benefits to the LA100 plan for decarbonized energy production, it does not provide reemployment opportunities for Los Angeles County oil extraction workers without significant retraining and relocation.

Similarly, the San Gorgonio Pass wind farm, owned by a Toronto-based company, had planned to begin refurbishment and replacement of many of its wind turbines in 2021. However, its geographical location falls outside of the scope of this study and is not a likely source for increased employment or a viable option for reemployment of oil extraction workers in Los Angeles County. Additionally, IMPLAN analysis showed less than 10 FTEs in Los Angeles County with skill alignment for oil extraction workers in the wind energy sector.

Also identified as unviable for the purposes of oil extraction worker transition, the LA Aqueduct project via Owens Gorge in eastern California, supplied more than 22.5K gigawatt hours to 1.54M customers as well as 6,000 customers in the Owens Valley. However, there are no significant hydroelectric occupations or jobs forecasted regionally or within Los Angeles County, and IMPLAN analysis showed no jobs in this sector within LA County.

#### PART 2: High Growth, High Demand Sectors

#### Water & Wastewater Treatment in Los Angeles

A growing population, together with occupational vacancies due to the retirement of the baby boomer generation, and an increased focus on environmentally sustainable business practices are all contributing factors that are expected to boost occupational demand for water and wastewater treatment services. As new treatment plants are constructed, and old plants are upgraded to meet this increased demand, new Water and Wastewater Treatment Plant and System Operator jobs will become available. Furthermore, the number of applicants for these jobs is normally low, due primarily to the physically demanding and unappealing nature of some of the work. According to the Employment Development Dept. (EDD) labor statistics and forecasts in Los Angeles County, this industry is currently showing a net 4% decline between 2018-2028 (i.e., current labor statistics show Los Angeles County employing just under 873 FTEs). Of those occupations, just less than half (425.5 positions aligned with the skill sets of oil extraction workers. The labor statistics do not yet reflect the increased occupational growth associated with new and/or upgraded treatment plants.

The Clearwater Project, headed by the Los Angeles County Sanitation District (LACSD) may be another opportunity for reemployment of oil extraction workers. This project will protect local waterways by addressing aging infrastructure and involves constructing a new 7-mile, 18-foot diameter tunnel to convey cleaned water from the Joint Water Pollution Control Plant in Carson to existing ocean outfalls located on the Palos Verdes Peninsula. The Clearwater Project is the result of a multi-year planning effort that began in 2006 to identify improvements needed to ensure the reliability and future capacity needs of the main sewer system serving over 5 million people in Los Angeles County. The new tunnel will replace the existing two tunnels that are over 60 and 80 years old . Job estimates associated with the project are not available. However, IMPLAN analysis from 2019 shows just over 425 FTEs in wastewater management and facilities that align with the skill set necessary to be reemployed in the industry.

Other wastewater facilities and projects could benefit from oil extraction workers' skill sets and offer a natural reemployment opportunity, if available. Wage parity and skill alignment make wastewater management a viable option for consideration. Following is an occupational table showing titles, and current employment and wage rates for jobs in Water and Wastewater Treatment, Management and Facilities that align with the skill sets of dislocated oil extraction workers.

#### Water & Wastewater Treatment Sector Occupational Details

Water & Wastewater Occupational Titles	FTE	Average Annual Wage
Industrial Production Managers	2.87	\$175,319.13
General and Operations Managers	38.53	\$166,619.78
Transportation, Storage, and Distribution Managers	0.76	\$144,458.34
Construction Managers	2.28	\$143,126.46
Project Management Specialists and Business Operations Specialists, All Other	7.46	\$117,820.86
First-Line Supervisors of Mechanics, Installers, and Repairers	11.44	\$113,459.26
Power Plant Operators	4.15	\$107,598.97
First-Line Supervisors of Production and Operating Workers	40.83	\$106,062.06
First-Line Supervisors of Construction Trades and Extraction Workers	8.66	\$102,759.63
Industrial Machinery Mechanics	20.65	\$95,754.62
Stationary Engineers and Boiler Operators	8.47	\$93,570.32
Plant and System Operators, All Other	0.83	\$90,099.63
Plant and System Operators, All Other	0.83	\$90,099.63
Control and Valve Installers and Repairers, Except Mechanical Door	16.76	\$86,626.88
First-Line Supervisors of Transportation and Material Moving Workers, Except Aircraft Cargo Handling Supervisors	1.34	\$86,411.19
HelpersInstallation, Maintenance, and Repair Workers	3.05	\$83,531.44
Operating Engineers and Other Construction Equipment Operators	10.08	\$77,883.62
Pump Operators, Except Wellhead	1.34	\$76,102.49
Water and Wastewater Treatment Plant and System Operators	245.2	\$72,613.19
TOTAL	425.5	

#### Electric Vehicle Sector

The transportation sector is rapidly evolving, with new technologies and business models presenting new mobility options to consumers at a breakneck pace. These emerging trends provide opportunities to reduce emissions and expand access and mobility. The County of Los Angeles has set aggressive goals for both EV adoption and infrastructure development. As of 2018, LA County had 1,013 public EV charging stations. Milestone goals include installing 60,000 new public EV charging stations by 2025; and 70,000 additional public EV charging stations by 2035. In 2017, LA County had 41,929 registered electric vehicles . The County of L.A.'s milestone goals for EV adoption include ensuring 30% of all new light-duty private vehicles are zero emission vehicles by 2025; and 80% of all new light-duty private vehicles are zero emission vehicles by 2035; and 100% of all new light-duty private vehicles are zero emission vehicles by 2045. The City of L.A.'s milestone goals are similiar and include increasing the percentage of electric and zero emissions vehicles in the city by 25% by 2025; 80% by 2035; and 100% by 2050.

Widespread electric vehicle adoption requires much greater deployment of charging infrastructure. Although most charging is typically done at home, increased charging options are needed for electric vehicle drivers as the market expands. According to the Los Angeles County Economic Development Corporation, between 2018-2020 as many as 37,000 jobs in EV manufacturing and infrastructure were added to the economy, with forecasts showing a 12-13% annual increase in job demand in the EV sector through 2035. This industry growth trajectory, and the skills required, align well with dislocated oil extraction workers, and it is likely that Los Angeles will add between 716 - 775 jobs every two years up to 2030. High- and Mid-level positions pay an average of 6.5% higher than oil extraction positions, with corresponding benefit increases, and the highest paying positions enjoying a significantly higher rate of pay. EV infrastructure development, manufacturing, and maintenance and repair are all excellent opportunities for reemployment of oil extraction workers. Below is a table showing occupational titles, wage rates and current employment statistics, as of 2019, in the EV industry for jobs that are well aligned with oil extraction worker existing skill sets.

EV Occupational Titles	FTEs	Average Annual Wage	EV Occupational Titles	FTEs	Average Annual Wage
Other Management Occupations	273.28	\$233,335.03	Electrical and Electronic Equipment Mechanics, Installers, and Repairers	492.43	\$141,162.18
Operations Specialties Managers	307.33	\$229,756.14	Other Construction and Related Workers	40	\$140,516.69
Supervisors of Production Workers	239.99	\$168,597.30	Other Installation, Maintenance, and Repair	2,363,21	\$129,878.53
Supervisors of Installation, Maintenance, and Repair Workers	487.1	\$160,910.44	Occupations  Metal Workers and Plastic  Workers	48.41	\$127,762.18
Supervisors of Construction and Extraction Workers	69.92	\$152,124.61	Extraction Workers	8.29	\$123,930.59
Supervisors of Protective	20.13	\$146,467.04	Construction Trades Workers	363.22	\$121,434.13
Service Workers Plant and System Operators	1,058.95	\$142,931.88	Vehicle and Mobile Equipment Mechanics, Installers, and Repairers	100.38	\$119,935.84

#### Electric Vehicle Sector Occupational Detail Continued

EV Occupational Titles, Continued	FTEs	Average Annual Wage
Supervisors of Building and Grounds Cleaning and Maintenance Workers	6.18	\$109,725.47
Motor Vehicle Operators	12.27	\$108,233.74
Other Production Occupations	50.49	\$105,484.89
Helpers, Construction Trades	5.63	\$75,551.99
TOTAL	5,597.15	

In 2018, the Southern California regional EV ecosystem employed 119,200 workers, accounting for 1.5 percent of total regional employment. However, these jobs grew an average of 2.9 percent per year, on average, between 2010 and 2018 whereas the overall job growth was only 1.7 percent per year over the same period. Finally, Southern California EV jobs paid 47 percent more than the regional average with an annual wage of \$80,900. The largest constituent industries are construction (23.5 percent), management (22.1 percent), professional services (16.1 percent) and manufacturing (13.5 percent).

#### Ports Occupations of Los Angeles & Long Beach

With \$17 billion earmarked in the recently passed national Infrastructure Investment and Jobs Act, and the \$2.3 billion Governor Newsom has earmarked in his California state budget for port infrastructure and expansion in the upcoming year, the Los Angeles and Long Beach Ports are likely to increase employment. The San Pedro Bay Port Complex — which includes independent terminal operators, shipping and cruise lines, railroads and service providers at both the Port of Los Angeles and Port of Long Beach — employs thousands of people. Though projections are not yet available to identify what types of potential jobs will see an increase over 2021, as infrastructure develops and freight increases, the jobs listed below likely to see an increase. These jobs are especially well-suited for entry-level, and some lower mid-level oil extraction workers, due to skill alignment, educational attainment and wage parity.

Each year, the Ports of Los Angeles and Long Beach handle billions of dollars' worth of cargo. Much of this cargo movement is facilitated by labor unions that hire and train individuals in a variety of skill and specialty areas. Such jobs include dockworkers, truck drivers, warehouse workers, welders, carpenters and other skilled workers in various maritime service sectors. Dockworkers, also known as longshoremen and women, are employed by the International Warehouse and Longshore Union (ILWU). Unions serving the Port include chapters of the ILWU, IBEW, the Los Angeles/Orange Counties Building and Construction Trades Council, SEIU, among others.

Construction activity at the Port of Los Angeles is often contracted out through a competitive bid process. Jobs associated with these contracts are generally union jobs and information on employment opportunities should be sought directly from these on-site contractors at https://www.rampla.org/s/. The Harbor Worksource Center actively assists Harbor Area residents seeking employment in the construction trades. To meet the local hire requirements of the Port of the Los Angeles Project Labor Agreement (PLA), contractors working on Port construction projects often find qualified workers through the Harbor Worksource Center. Under the PLA, at least 30% of total work hours need to be performed by local residents who live within the targeted areas of the City of Los Angeles, using a two-tier approach. The first tier includes residents within approximately 10 miles of the Port; the second tier includes residents of high-unemployment zip codes throughout the remainder of the City of Los Angeles. Due to high concentrations of oil extraction workers living near or in the Long Beach area, we suggest this may enure to the benefit of dislocated oil extraction workers in the area.

#### Ports Occupations of Los Angeles & Long Beach, continued

Below is a table showing occupational titles, wage rates and current employment statistics, as of 2019, in the Los Angeles area Ports specifically for jobs that are well aligned with oil extraction worker existing skill sets. Note that occupational titles in oil extraction occupations are not reflected in occupational titles within the Port Transportation sector (i.e., Supervisors are not high-level jobs, and Managers are, in the alternative, more highly paid in some cases).

Port Occupational Titles	FTEs	Average Annual Wage
General and Operations Managers	62.67	\$162,917.75
Industrial Production Managers	2.33	\$164,160.57
Operations Specialties Managers	84	\$143,428.77
Transportation, Storage, and Distribution Managers	35.58	\$125,954.68
Supervisors of Installation, Maintenance, and Repair Workers	12.18	\$89,366.95
Project Management Specialists and Business Operations Specialists, All Other	32.39	\$83,644.48
Business Operations Specialists	121.31	\$83,582.50
Water Transportation Workers	1,877.80	\$79,248.63
Supervisors of Transportation and Material Moving Workers	49.11	\$77,940.62
Supervisors of Construction and Extraction Workers	1.98	\$73,029.25
Supervisors of Production Workers	10.1	\$71,162.63
Construction Trades Workers	4.04	\$66,766.08
Vehicle and Mobile Equipment Mechanics, Installers, and Repairers	45.83	\$63,727.58
Other Installation, Maintenance, and Repair Occupations	75.42	\$58,323.35
TOTAL	2414.74	

#### <u>Aerospace Manufacturing &</u> <u>Technology</u>

More than twelve leading companies aerospace innovation, in manufacturing, technology and development reside in Los Angeles County. The LAEDC projects this is one of the fastest growing sectors in the Los Angeles area. Currently employing a wide variety of mechanical, electrical, manufacturing, maintenance and repair and heavy equipment operations; aerospace may be a viable option for oil extraction workers' reemployment if they have a specialization in, or experience with, any of these trades. While IMPLAN analysis shows nearly 4,000 jobs currently in aerospace with alignment for oil extraction workers, those jobs within the industry trend more than 20% lower in pay, and are relegated to trade-related. manufacturing, mechanics and operational management positions. Therefore wage parity is unlikely in this sector, and other educational attainment barriers may preclude this sector from offering viable options for dislocated oil extraction workers, despite highlevels of skill alignment and demand.

#### PART 3: Safety Nets & Training

#### **Entry-Level Oil Extraction Workers**

From primary research conducted with oil extraction workers in June of 2022, it was found that more than 57% of mid- and high-level employees had specialized (if not formal) training; commonly in electrical, mechanics, carpentry, welding and heavy machinery operation. Entry-level employees were usually trained on-the-job in at least one specialization – ranging from gauge technician, to drill and pump operation, as well as learning base-line skills in one or more trade – but without formal certification or education.

Entry-level oil extraction workers bare the highest risk in dislocation for wage loss and economic hardship. At an average age of 26, 99% male, and with 77% having educational attainment of a high school degree or less, this is the population of dislocated workers that would benefit the most from safety-nets. With an estimated 257 total entry-level workers currently employed, and a forecasted 10%, or 25, expected to relocate, 232 worker are likely to benefit from safety-nets. Community colleges currently train the largest share of workers in green energy sectors, as over 70 percent of community colleges in the Los Angeles area currently offer degrees in some area of green energy technology, certificates, or courses in green fields. City and County workforce development agencies have also developed training in support of green public investments, while many non-profits help connect green training resources to underserved populations with barriers to employment. Many companies have developed in-house training models independently or have developed custom training curriculum in partnership with local workforce development programs. While designing interventions and workforce development pathways is beyond the scope of this memo, it is recommended that the City & County of Los Angeles directly engage local employers across green energy sectors of EV and solar - in partnership with the LA City & County Workforce Development Boards - to leverage existing programmatic and training pathways for dislocated entry-level oil extraction workers.

The types of safety-nets relevant to dislocated entry-level oil extraction workers include: 1) On-site or near-site Navigator Program - in partnership with the WDB - to enroll and inform oil extraction workers of the supports available to them, 2) Wage-subsidy during training (either on-the-job, via community college or via apprenticeship) if needed as a supplement to Workforce Innovation and Opportunity Act (WIOA) program enrollment with the WDB, 3) Relocation assistance subsidy, 4) On-site skill assessment and creation of a transferable, employer recognized, formal "skill certification" that demonstrates years of experience and specialized expertise. Early retirement is not applicable, due to age trends, to entry-level oil extraction workers.

#### Mid- and High-Level Oil Extraction Workers

For retraining and reemployment of mid- and high-level dislocated oil extraction workers it is recommended – based on lower rates of interest in community college, apprenticeship and formal training programs from oil extraction worker in this category– that the City and County of Los Angeles work closely with the WDB, unions and green energy employers to create "fast-track" in-house programs (if they do not already exist) to "skill-up" mid- and high-level workers in the green energy, water and wastewater, electric vehicle and port industries through on-the-job training. The City and County of Los Angeles may consider subsidizing the employer's direct costs for the development or expansion of inhouse training programs.

#### Mid- and High-Level Oil Extraction Workers, continued

Of the approximately 305 mid-level oil extraction workers, it is estimated that 11% (or just under 36) are eligible to retire within the next five years. Of the approximately 102 high-level oil extraction workers as much as 21% (or just over 21) workers will be eligible to retire within five years. This is a total of 57 workers, at high rates of pay, that will naturally be eligible for retirement within five years. However, expressed interest in early retirement was low (less than 5% of workers surveyed). And, based on average wage rates alone, providing early retirement for the next five years – excluding benefit calculations – would be upward of more than \$39M, and is likely a cost-prohibitive intervention for the total population. If, however, only 5% of this population utilized such a subsidy, it may be achievable for approximately \$2M.

Due to higher levels of resources and long-term employment that results in higher levels of transferrable skill, mid- and high-level oil extraction workers have higher probability of relocation than entry-level workers. For mid-level workers it is estimated that 27% (or just over 82) would likely relocate. And for high-level workers it is estimated that as much as 19% (or just over 19) would likely relocate. This total of as many as 101 workers opting to relocate outside of Los Angeles County, and some outside of the state of California. A possible intervention may include a flat-fee subsidy of between \$10,000 and \$15,000 for dislocated workers wishing to relocate, with an estimated cost of \$1.01M and \$1.56M.

Safety-nets recommended for mid- and high-level oil extraction workers dislocated from employment include: 1) On-site or near-site Navigator Program - in partnership with the WDB - to enroll and inform oil extraction workers of the supports available to them, 2) Assistance in reemployment in key industries, as identified previously, 3) Wage-subsidy during on-the-job training with new employers, if needed as a supplement to WIOA enrollment with the WDB, 4) Relocation assistance subsidy 5) On-site skill assessment and creation of a transferable, employer recognized, formal "skill certification" that demonstrates years of experience and specialized expertise, and 6) An early retirement subsidy only with a capped rate of utilization per 5 years.

#### PART 4: Government Partners & Policy Levers

Developing an incentive program for employers' participation is highly recommended; and could include the WDB pre-enrolling dislocated workers into WIOA Title 1, Adult and Dislocated Worker Programs, in order for employers to enjoy subsidized wages. The County and City of Los Angeles are uniquely positioned, as agencies already working in partnership with the Clean Power Alliance, and LA100, to leverage their position to create pathways for dislocated oil extraction workers as "priority hire" employees within the sectors of: Solar Energy and Electrification and Electric Vehicles. Bringing together leadership at LADWP, the Clean Power Allicance, together with the Workforce Development Boards for LA County and the City, the County and City could act as the "backbone" organizations in a collective impact model - facilitating collaboration at the highest-level, between decision-makers and leadership in energy transition - to organize direct pipeline programs with employers in these sectors. It is recommended, due to the nature of oil extraction work, educational attainment, and qualitative data collected from oil extraction workers, that programs for retraining and reemployment engage labor union partnerships to assist in developing "in-house" or "on-the-job" trainings within new employer facilities. It may also behoove the County and City to consider engaging with Trade Councils, Chambers of Commerce, LA Economic Development Corporation, LACI, and the LA Business Council - organizations with expertise and direct relationships with employers - to organize "receiving" employers by sector cluster (i.e., helping to organize, educate and incentivize employers by sector, on the benefits of retraining and employing dislocated oil extraction workers).

#### Government Partners & Policy Levers, continued

The City and County could, similarly, engage leadership at the LACSD, Metropolitan Water District and other major water agencies to engage leadership in Water Reclamation and Treatment Facilities in extending in-house training opportunities to oil extraction workers, post-layoff.

For Port employment, the City could facilitate discussion and collaboration with the LA City Workforce Development Board and Harbor Worksource Center, together with the respective union representatives, to create pipeline opportunities for retraining and/or reemployment into Port jobs.

A recommended strategy for financial and partnership planning includes the City and County of Los Angeles partnering with the LA County Workforce Development Board in application for federal funding to support this just transition effort, with the intention of:

- 1. Engaging WDB leadership in developing a program to support the dislocated oil extraction workers in enrollment into WIOA programs;
- 2. For WDB "Rapid Response" to work with oil extraction employers in planning for the phased layoffs and to educate employers on the benefits of utilizing the WIOA early warning systems (prelayoff employer coordination with the Workforce Development Board);
- 3. For WDB Navigators (case managers with expertise in WIOA programs) to be educated on oil extraction workers' skill sets, transferable skills, knowledge and abilities, and to perform:
  - a. On-site or near-site skill assessments tailored for oil extraction worker skill certification:
  - b. On-site or near-site enrollment into WIOA dislocated worker program;
  - c. On-site or near-site technical assistance in identifying career pathways of interest (with solar, EV, water treatment and Port jobs as "priority hire" areas with direct connection to retraining and reemployment opportunities;
- 4. For WDB and LAEDC leadership, or similar organizations with direct employer relationships, to engage employers in sector clusters (in solar, EV, water treatment and Port jobs) to educate "receiving" employers on the benefits of WIOA subsidized employees, to leverage or incentivize employer-led training programs for entry-, mid- and high-level employees in their respective fields, and coordinate oil extraction worker "on-ramps" into these reemployment opportunities.

Current and forecasted funding opportunities are available to support these workforce development activities through federal funding. It is highly recommended that the City and County Sustainability Offices begin conversations with their Workforce Development Boards to plan "bundled" applications for funds to support dedicated programming for oil extraction worker transitions. It is further recommended that the City and County of Los Angeles begin consultation with the Regional Workforce Development Director at the Department of Labor – to begin familiarizing the DOL Regional Director with the work of the Just Transition Taskforce and the timeline (once determined) for the phase out of oil extraction and subsequent dislocation of workers anticipated.

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# Appendix F: Funding Memo

#### **FUNDING MEMO**

#### COUNTY & CITY OF LOS ANGELES JUST TRANSITION TASKFORCE

Date: 12-1-22

To: LA County-City Just Transition Task Force

From: Abigail Blue, Lead Researcher & Project Manager, Intelligent Partnerships

As the City and County of Los Angeles work together to plan Los Angeles' transition away from fossil fuel extraction, this memo is intended to identify the scale of revenues needed to implement a just transition - in order of magnitude estimates - and to provide an assessment of funding opportunities. Such estimates consider costs for worker retraining, reskilling, and reemployment, and other potential workforce-related strategies, and identify relevant payers/funders and funding streams at the local, state, and/or national level. This information is intended to directly support recommendations for advocacy to access sufficient resources.

Estimates of workforce impact from previous studies indicate that approximately 664 full-time equivalent positions (FTEs) are engaged solely in oil extraction activities located within unincorporated areas of Los Angeles County and within the City of Los Angeles<sup>1</sup>; and would qualify as dislocated workers when they are separated from their current employment. For greater specificity, the table below extrapolates from primary research findings, inferring the likelihood of relocation and retirement by level of seniority across this population.

Category of Worker	Total Currently Employed	Estimated Number to Relocate	Estimate Number to Retire within 5 years	Total Remaining
Entry-Level	257	25.7	0	231.3
Mid-Level	305	82.4	33.6	189
High-Level	102	19.4	21.4	61.2
TOTAL	664	127.5	55	481.5

<sup>\*</sup>These are general FTE estimates based on the results and responses of oil extraction workers in-person interviews, focus groups and survey results collected in June of 2022, and are not representative of discrete numbers of workers, but are provided for planning purposes only.

<sup>&</sup>lt;sup>1</sup> Intelligent Partnerships (2022). The State of Fossil Fuel Extraction Workers in Los Angeles. IMPLAN Analysis of Oil Extraction Worker in Los Angeles County.

There are a variety of potential safety-nets and interventions available to oil extraction workers, and strategies that the County and City of Los Angeles could adopt to facilitate the development of career pathways, upskilling and/or retraining, and reemployment for dislocated workers in the Los Angeles area. Below, we examine ten potential strategies that cover the varying needs of oil extraction entry, mid, and high-level workers.

# <u>Strategy 1: Leveraging WIOA Funding for Triage, Training, Reskilling, Wage Subsidy & Reemployment Services for all Oil Extraction Workers</u>

Workforce Innovation & Opportunity Act (WIOA) Overview

All impacted oil extraction workers who are separated from employment due to closure or layoff will be eligible to access WIOA dislocated worker programs and the associated supports and resources through federal allocations to Workforce Development Boards. Below is an explanation of the varied types of federal supports that apply to these workers under WIOA.

National Dislocated Worker Grants (DWGs) are discretionary grants awarded by the Secretary of Labor, under Section 170 of the Workforce Innovation and Opportunity Act (WIOA). DWGs provide resources to states and other eligible applicants to respond to a large-scale layoff. A large-scale layoff is defined as the localized elimination of jobs that impact 50 or more workers in a sector or industry. This funding is intended to temporarily expand capacity to serve dislocated workers and meet the increased demand for WIOA employment and training services, with a purpose to reemploy laid off workers and enhance their employability and earnings<sup>2</sup>.

The Los Angeles County Workforce Development Board and the City of Los Angeles Workforce Development Board (WDBs) are the respective service area agencies overseeing WIOA funds and governing the activities of the American Job Centers within the City of LA and in the unincorporated areas of Los Angeles County. However, WIOA-funded services are based on the recipients' home address and corresponding local service area. There are 88 incorporated cities in Los Angeles County, and the County-level WDB oversees 58 of them, together with the unincorporated areas. Meaning, the City and County of LA would need a strategy to coordinate up to 32 WDCs – depending on the residential distribution of dislocated oil extraction workers - to establish rapid response programs and services to workers in the aforementioned areas.

The U.S. Department of Labor (DOL) funds state and local workforce investment system partners (WDBs) annually through WIOA formula funds, based on population distribution, to offer many services to help businesses and workers deal with the effects of layoffs and plant closures, including those that result from increased competition from imports, natural disasters, and other events.

a. TEGL 12-19, change 1 (WIOA).

<sup>&</sup>lt;sup>2</sup> DOL (2022) Education & Training Assistance. WIOA Definition. U.S. Dept of Labor. Retrieved on 9-5-22 from: <a href="https://www.dol.gov/agencies/eta/dislocated-workers">https://www.dol.gov/agencies/eta/dislocated-workers</a>

Under TEGL 12-19, change 1³, the City and County could work with the state-level designated labor authority (the California Labor & Workforce Development Agency or LWDA) to request planning, coordination and implementation funding supplementals from the Department of Labor. TEGL 12-19 is a specific type of Dislocated Worker Grant (DWGs) that is time-limited funding assistance in response to major economic dislocations or other events that cause significant impact on states and local areas that exceed the capacity of existing formula funds and other relevant resources to address. The Education & Training Administration (ETA) considers DWGs to be supplemental resources that provide flexibility to states and communities in responding to and recovering from unexpected events that cause large-scale job loss that exceed the capacity of the state or local area to address with formula resources.

The City and County of Los Angeles can outline the financial needs, timeline, and justification for the request and submit to LWDA. The Labor & Workforce Development Agency would then support that request to the Department of Labor's Education & Training Administration under TEGL 12-19, change 1 (pooled funds that are set-aside by the Appropriations Committee each year for this exact type of workforce event). Either LWDA, or the County of Los Angeles Workforce Development Council would be designated the "lead agency" and would receive the allocation of funds. Other participating WDCs could access needed supplemental funding quarterly by showing the number of dislocated oil extraction workers served in that period – eliminating the need to preemptively identify each workers' home address and local area WDC – and reimbursing each WDC for their respective services.

#### b. The WARN Act & Rapid Response Funding for Oil Employer Engagement & Initial Triage

The Worker Adjustment & Retraining Act (WARN) protects employees, their families, and communities by requiring employers to give a 60-day notice to the affected employees and both state and local representatives before a plant closing or mass layoff. Advance notice provides employees and their families time to transition and adjust to the potential loss of employment, time to seek alternative jobs and, if necessary, time to obtain skills training or retraining to successfully compete in the job market<sup>4</sup>. Workforce Development Boards can utilize the WARN Act (with oil extraction employers; triggering employer requirements for notice to employees and allowing for the provision of what is referred to as "rapid response" services for anticipated mass layoffs and closures. The Workforce Development Boards of the City and County of Los Angeles could work collaboratively to provide oil extraction employers with notification of their obligations under the WARN Act; offering on-site or near-site initial "intake" and skill assessment, orientation to services and resources (including training and reemployment pathways) and connection of soon-to-be dislocated workers to WIOA and American Job Center services.

#### c. Rapid Response Services:

<u>Rapid Response</u> is another form of WIOA funding and services for workers who have been displaced or laid off. Rapid Response is initiated when the state or local Rapid Response team learns of impending layoffs. Many companies will contact the Rapid Response team to notify them of a layoff and invite them to come on-site to help the workers who will be laid off. In some cases, employers are required to provide

<sup>&</sup>lt;sup>3</sup> DOL (2020) Education and Training Assistance. Dislocated Worker Grant guidance on TEGL 12-19, change 1. Retrieved on 10-10-22 from: <a href="mailto:chrome-extension://gphandlahdpffmccakmbngmbjnjiiahp/https://www.dol.gov/sites/dolgov/files/ETA/advisories/TEGL/2020/TEGL\_12-19\_Change-1\_Acc.pdf">https://www.dol.gov/sites/dolgov/files/ETA/advisories/TEGL/2020/TEGL\_12-19\_Change-1\_Acc.pdf</a>

<sup>&</sup>lt;sup>4</sup> EDD (2022) WARN Act Overview, Getting Started, Retrieved on 9-5-22 from: https://edd.ca.gov/en/Jobs and Training/Layoff Services WARN

60-days notice before a layoff. Rapid Response provides access to a comprehensive range of direct services, benefits, training opportunities, and income support. Additionally, <u>Rapid Response</u> provides services to employers, assisting employers to avoid future layoffs, access incumbent worker training programs and skilled job seekers, and become familiar with employment rights and regulations such as the WARN Act, administered by the DOL.

Rapid Response is a pro-active, business-focused, and flexible strategy designed to respond to layoffs and plant closings by quickly coordinating services and providing immediate aid to companies and their affected workers. Rapid Response teams will work with employers and any employee representative(s) to quickly maximize public and private resources to minimize disruptions associated with job loss. Rapid Response can provide *customized services on-site at an affected company*, accommodate any work schedules, and assist companies and workers through the painful transitions associated with job loss.

Rapid Response is carried out by states and local workforce development agencies in partnership with local American Job Centers. Many services for dislocated workers are available through American Job Centers, including, but not limited to: triage and skill assessment, case management, enrollment into unemployment (subsidizing an average of 70% of lost wages) and dislocated worker programs (providing wrap-around services, usually at a rate of \$2,000 - \$5,000 per individual for temporary needs such as tools, transportation or clothing) as well as paying for training and/or tuition in apprenticeships, on-the-job trainings, or community college classes. American Job Centers also provide individual case-management support to identify the needs and interests of each individual and to "match" them with opportunities for reemployment and/or connect them with training opportunities that lead to reemployment.

Other services, such as triage, navigation, resume and interview workshops, career counseling, employer engagement and rapid re-hire events are common services provided via Workforce Development Boards. Specialized programmatic design for planned layoffs – unique to a population of dislocated workers – can leverage existing funding and infrastructure present in the City and County Workforce Development Boards of Los Angeles. There is also a high level of potential for acquisition of additional federal grants, via the Department of Labor (Education & Training Administration) as referenced above via TEGL 12-19 Dislocated Worker Grants. Below is a table outlining detailed allocation of WIOA funding for the State of California showing a total of over \$172,716,686 available for dislocated workers.

#### d. 2022 WIOA allocations to California State, LA City & County WDCs

#### Workforce Innovation and Opportunity Act (WIOA) Funding State Fiscal Year (SFY) 2022-23

Funding Stream	Round 1	Share	Round 2	Share	Total
Youth Total	\$141,613,074				\$141,613,074
Formula	\$120,371,113	85%	\$0	85%	\$120,371,113
Governor's Discretionary	\$21,241,961	15%	\$0	15%	\$21,241,961
Adult Total	\$24,887,923		\$111,219,987		\$136,107,910
Formula	\$21,154,735	85%	\$94,536,989	85%	\$115,691,724
Governor's Discretionary	\$3,733,188	15%	\$16,682,998	15%	\$20,416,186
Dislocated Worker Total	\$34,732,312		\$137,984,374		\$172,716,686
Formula	\$20,839,387	60%	\$82,790,625	60%	\$103,630,012
Rapid Response	\$8,683,078	25%	\$34,496,093	25%	\$43,179,171
Governor's Discretionary	\$5,209,847	15%	\$20,697,656	15%	\$25,907,503
Total WIOA Funds	\$201,233,309		\$249,204,361		\$450,437,670
Formula	\$162,365,235		\$177,327,614		\$339,692,849
Rapid Response	\$8,683,078		\$34,496,093		\$43,179,171
Governor's Discretionary	\$30,184,996		\$37,380,654		\$67,565,650

In 2022-2023, the California Workforce Development WIOA funding totaled more than \$586,000,000<sup>6</sup>. The City of LA WDB budgeted program allocations totaling \$40,262,689; with \$1,029,035 earmarked for "rapid response" and \$8,850,751 earmarked for the dislocated workers program.

The LA County Workforce Development Board budgeted program allocations total \$339,692,849; with \$115,691,724 allocated to Adult; \$103,630,012 allocated to Dislocated Worker Program; and \$2,830,766 allocated for Rapid Response activities. The table below outlines 2022 allocations for Rapid Response to the other incorporated city WDCs.

Workforce Innovation and Opportunity Act
Rapid Response and Layoff Aversion by Formula Allocations
Program Year 2022-23

Attachment 1

Local Area	Subgrantee Code	Rapid Response Round 1	Rapid Response Round 2	Rapid Response Total	Layoff Aversion Round 1	Layoff Aversion Round 2	Layoff Aversion Total	Grand Total
Alameda County	ALA	\$ 86,948	\$ 345,426	\$ 432,374	\$ 25,579	\$ 101,622	\$ 127,201	\$ 559,575
Anaheim	ANA	\$ 32,692	\$ 129,878	\$ 162,570	\$ 9,618	\$ 38,209	\$ 47,827	\$ 210,397
Contra Costa	CON	\$ 24,608	\$ 97,761	\$ 122,369	\$ 7,239	\$ 28,761	\$ 36,000	\$ 158,369
Foothill	FET	\$ 82,898	\$ 329,335	\$ 412,233	\$ 24,388	\$ 96,888	\$ 121,276	\$ 533,509
Fresno City/County	FRS	\$ 57,608	\$ 228,866	\$ 286,474	\$ 16,948	\$ 67,330	\$ 84,278	\$ 370,752
Golden Sierra	GSC	\$ 55,968	\$ 222,351	\$ 278,319	\$ 16,465	\$ 65,414	\$ 81,879	\$ 360,198
Humboldt	HUM	\$ 23,358	\$ 92,795	\$ 116,153	\$ 6,872	\$ 27,301	\$ 34,173	\$ 150,326
Imperial	IMP	\$ 25,191	\$ 100,079	\$ 125,270	\$ 7,411	\$ 29,442	\$ 36,853	\$ 162,123
Kern/Inyo/Mono	KIM	\$ 43,467	\$ 172,686	\$ 216,153	\$ 12,788	\$ 50,802	\$ 63,590	\$ 279,743
Kings	KNG	\$ 23,358	\$ 92,795	\$ 116,153	\$ 6,873	\$ 27,299	\$ 34,172	\$ 150,325
Los Angeles City	LAI	\$ 139,619	\$ 554,678	\$ 694,297	\$ 41,075	\$ 163,181	\$ 204,256	\$ 898,553
Los Angeles County	LAO	\$ 440,826	\$ 1,751,327	\$ 2,192,153	\$ 129,688	\$ 515,225	\$ 644,913	\$ 2,837,066
Long Beach	LBC	\$ 60,945	\$ 242,120	\$ 303,065	\$ 17,929	\$ 71,230	\$ 89,159	\$ 392,224
Madera	MAD	\$ 24,191	\$ 96,106	\$ 120,297	\$ 7,117	\$ 28,274	\$ 35,391	\$ 155,688
Merced	MER	\$ 24,858	\$ 98,755	\$ 123,613	\$ 7,313	\$ 29,053	\$ 36,366	\$ 159,979
Mother Lode	MLC	\$ 57,522	\$ 228,524	\$ 286,046	\$ 16,922	\$ 67,230	\$ 84,152	\$ 370,198
Monterey	MON	\$ 63,612	\$ 252,716	\$ 316,328	\$ 18,714	\$ 74,347	\$ 93,061	\$ 409,389
North Bay	NBY	\$ 73,524	\$ 292,095	\$ 365,619	\$ 21,630	\$ 85,932	\$ 107,562	\$ 473,181
North Central Counties	NCC	\$ 71,440	\$ 283.817	\$ 355,257	\$ 21.017	\$ 83,497	\$ 104,514	\$ 459,771
NoRTEC	NOR	\$ 130,155	\$ 517,080	\$ 647,235	\$ 38,291	\$ 152,120	\$ 190,411	\$ 837,646
NOVA	NOV	\$ 351,777	\$ 1,397,538	\$ 1,749,315	\$ 103,490	\$ 411.144	\$ 514,634	\$ 2,263,949
Oakland	OAK	\$ 23,717	\$ 94.221	\$ 117,938	\$ 6,977	\$ 27,720	\$ 34,697	\$ 152,635
Orange County	ORA	\$ 135,907	\$ 539,929	\$ 675,836	\$ 39,983	\$ 158,842	\$ 198,825	\$ 874,661
Richmond	RCH	\$ 23,358	\$ 92,795	\$ 116.153	\$ 6,872	\$ 27,300	\$ 34.172	\$ 150,325
Riverside County	RIV	\$ 43,040	\$ 170,990	\$ 214,030	\$ 12,662	\$ 50,304	\$ 62,966	\$ 276,996
Sacramento	SAC	\$ 52,277	\$ 207,687	\$ 259,964	\$ 15,379	\$ 61,100	\$ 76,479	\$ 336,443
Santa Ana	SAN	\$ 43,558	\$ 173,047	\$ 216,605	\$ 12,814	\$ 50,909	\$ 63,723	\$ 280,328
Santa Barbara	SBA	\$ 52,111	\$ 207,024	\$ 259,135	\$ 15,330	\$ 60,905	\$ 76,235	\$ 335,370
San Benito	SBE	\$ 23,358	\$ 92,795	\$ 116.153	\$ 6,872	\$ 27,300	\$ 34.172	\$ 150,325
San Bernardino County	SBO	\$ 91,501	\$ 363,517	\$ 455,018	\$ 26,919	\$ 106.944	\$ 133.863	\$ 588.881
South Bay	SBY	\$ 117,367	\$ 466,275	\$ 583,642	\$ 34,528	\$ 137,175	\$ 171,703	\$ 755,345
Santa Cruz	SCR	\$ 67,612	\$ 268,609	\$ 336,221	\$ 19,891	\$ 79,022	\$ 98,913	\$ 435,134
	SDC	\$ 182,207	\$ 723.869	\$ 906.076	\$ 53,604	\$ 212.956	\$ 266,560	\$ 1.172.636
San Diego SELACO	SEL	\$ 27,775	\$ 723,869	\$ 906,076	\$ 53,604	\$ 32,462	\$ 40.633	\$ 1,172,636
	SFO	\$ 81.715	\$ 324.637	\$ 406.352	\$ 24,040	\$ 95.505	\$ 119.545	\$ 525.897
San Francisco	SJC	\$ 32,851	\$ 130,510	\$ 163,361	\$ 9,664	\$ 38,395	\$ 48,059	de la constitución de la constit
San Joaquin	SJI	\$ 32,851	\$ 130,510	\$ 163,361	\$ 9,664	\$ 38,395	\$ 48,059	\$ 211,420 \$ 512,371
San Jose/Silicon Valley	SLO	\$ 79,613	\$ 316,287	\$ 395,900	\$ 23,422	\$ 93,049	\$ 116,471	\$ 512,371
San Luis Obispo	SOL	\$ 61,824	\$ 245,613	\$ 307,437 \$ 166.715	\$ 18,188 \$ 9,863	\$ 72,257	\$ 90,445	
Solano County	SON						,	+,
Sonoma County	20000	*	\$ 329,862	\$ 412,892	\$ 24,427	\$ 97,042	\$ 121,469	\$ 534,361
Stanislaus County	STN	\$ 50,777	\$ 201,727	\$ 252,504	\$ 14,938	\$ 59,347	\$ 74,285	\$ 326,789
Tulare County	TUL	\$ 39,452	\$ 156,734	\$ 196,186	\$ 11,606	\$ 46,110	\$ 57,716	\$ 253,902
Verdugo	VER	\$ 45,025	\$ 178,876	\$ 223,901	\$ 13,246	\$ 52,624	\$ 65,870	\$ 289,771
Ventura County	VNP	\$ 39,776	\$ 158,022	\$ 197,798	\$ 11,702	\$ 46,489	\$ 58,191	\$ 255,989
Yolo County	YOL	\$ 28,692	\$ 113,985	\$ 142,677	\$ 8,441	\$ 33,533	\$ 41,974	\$ 184,651
TOTAL		\$ 3,354,633	\$ 13,327,272	\$ 16,681,905	\$ 986,906	\$ 3,920,774	\$ 4,907,680	\$ 21,589,585

<sup>&</sup>lt;sup>5</sup> EDD (2022) WIOA Formula Funds Allocations FY22-23. Retrieved on 9-5-22 from: chrome-extension://gphandlahdpffmccakmbngmbjnjiiahp/https://edd.ca.gov/siteassets/files/jobs\_and\_training/pubs/wsin21-43att2.pdf 
<sup>6</sup> LAO (2022) Workforce Development: Discretionary Spending in the 2022-23 Spending Plan, Appendix Figure 10. Retrieved on 8-15-22 from: https://lao.ca.gov/Publications/Report/4616/1#Workforce-Development

It is recommended that the City and County of Los Angeles work together to ensure that the aforementioned funding and services are property utilized by:

- Coordinate a joint application from the County and City Workforce Development Boards to outline additional resources needed for dislocated oil extraction worker (DWG) planning, coordination, and implementation;
- Contact the California Region 6 Director<sup>7</sup> of Department of Labor, Education & Training Administration to request guidance on TEGL 12-19 application from state-level Labor & Workforce Development Agency. Work in collaboration with LWDA to request via proposal of need under TEGL 12-19, change 1 together with an outlined budget and timeline for coordinating responses and support services to dislocated oil extraction workers due to the phase out of fossil fuel extraction in the City and unincorporated areas of the County of Los Angeles.
- Utilize TEGL 12-19 and Rapid Response funding to coordinate, plan and implement a triage and transition support plan for dislocated oil extraction workers across all participating WDCs.
- Issue a notice to all impacted oil extraction <u>employers</u>, to explain their obligation to inform employees of any layoffs at least 60 days in advance;
  - o NOTE: this employer-issued notice to impacted employees qualifies them for early enrollment in the dislocated worker program and triggers Rapid Response deployment of dollars for triage and early support services.

#### Strategy 2: Receiving Employer Engagement, Skill Assessment & Training Programs

The City and County of Los Angeles could identify "industry clusters" of employers; working with labor unions and subject matter experts to design industry-recognized certifications – as well as utilizing existing state recognized apprenticeships and certifications – to provide short-term skill-up trainings. Due to the low level of educational attainment and low levels of interest in formal education, coupled with the fact that more than 57% of surveyed oil extraction workers had 2 years or more of specialized (but not formalized) training in electrical, welding, carpentry and/or heavy equipment operation, work-based learning and/or on-the-job training programs are likely to be more successful approaches to the provision of training, upskilling and reemployment. Incentivizing employers to house, expand or develop these types of in-house trainings could be a strategy wherein additional funding to compensate employer costs in training would be advisable. It is important to note that WIOA formula funds (at variable rates based on local areas) can be used to supplement wages for up to six months on average. This is an additional benefit and incentive to the employer. Additionally WIOA formula funds can be used to pay for training costs incurred by the dislocated worker; however, WIOA cannot be used to pay employers directly for training costs (i.e., if receiving employers design on-the-job and/or short-term "trainings" that have an associated fee or tuition, this could be covered by WIOA funding). It is recommended that the City and County of Los Angeles work with their respective Workforce Development Boards, Labor Union

<sup>&</sup>lt;sup>7</sup> Nicholas Lalpuis - Regional Administrator; 90 7th St., Suite 17-300, San Francisco, CA 94103-1516. Phone: 415-625-7900, Fax: 415-625-7903, Email: RO6-RA-SF@dol.gov

Representatives, and receiving Employers to design in-house trainings that are eligible for WIOA funding to offset or eliminate additional costs.

#### <u>Strategy 3: Governor's Discretionary WIOA Funds, High-Road Training Fund and Other Available State</u> <u>Funding</u>

For fiscal year 2022-2023 the Governor's Office oversees the CA Workforce Development Board, and is allotted a \$67,565,650 in discretionary funding. A portion of round 2 of that funding (\$37,380,654) may be available for a research, development and planning – to provide gap funding if necessary to the City and County Workforce Development Boards, as well as City and County offices of Sustainability – in order to further develop the aforementioned strategies for worker transition programs into reemployment.

Additionally, in May of 2022, Governor Gavin Newsom announced a new public-private partnership to create workforce development programs focused on good-paying careers in climate, public health and other jobs of the future, particularly in disadvantaged communities. The High Road Training Fund was launched in partnership with the nonprofit Jobs for the Future (JFF) and California Workforce Development Board.

The state has already invested approximately \$62 million in public funding to expand High Road Training Partnerships (HRTP) and High Road Construction Careers (HRCC). Over the next three years, the High Road Training Fund will invest more than \$18 million to support the needs of HRTP and HRCC grantees. Governor Newsom has proposed more than \$500 million to further expand high road programs. The HRTP and HRCC, administered by the California Workforce Development Board, provide training to help workers garner the skills and experience necessary to participate in growing and emerging industries such as construction, forestry and agriculture, hospitality, public transit and utilities, health care, trade, and logistics<sup>8</sup>. Additional consultation with the CA WDBs is recommended to explore potential alignment and funding opportunities for dislocated oil extraction workers.

Additionally, in fiscal year 2022-2023, the California State budget allocated \$40,000,000 for Dislocated Oil and Gas Worker Pilot Fund. This funding is highly aligned with the transition of oil extraction workers.

## Strategy 4: Governor's Budget Allocations & Existing State Funds for Capping & Remediation of Oil Wells

Though the renewable energy sector was the most highly desirable sector identified by oil extraction workers for reemployment, between 11-17% of oil extraction workers surveyed indicated reemployment was likely in other oil industry jobs. Senior mid- and high-level oil extraction workers, who may be less interested in retraining, may be well suited for redeployment into remediation of oil wells. Though this is a project-based type of employment, there is a large enough volume of wells requiring remediation in the unincorporated areas of LA County and within LA City limits to provide long-range job security.

https://www.gov.ca.gov/2022/05/06/california-launches-workforce-development-fund-to-train-workers-for-jobs-of-the-future/

<sup>&</sup>lt;sup>8</sup> Office of the Governor Gavin Newsom (May 6, 2022) Governor Launches Workforce Development Fund to Train Workers for Jobs of the Future . Retrieved on 9-6-22 from:

According to CalGEM public records request responses, there are a total of 2,938 active and idle oil wells in the unincorporated County of Los Angeles and the City of LA. Of these, only 1,298 are currently considered active, as of July 2022. Oil extraction workers would require little to no retraining in order to redeploy (perhaps with the same oil companies they are currently employed by) as contractors to remediate and cap oil wells, as this is a function and task that most oil extraction workers already engage in. Additionally, in fiscal year 2022-2023, the California State budget allocated \$20,000,000 for a Well-Capping Workforce Pilot for Displaced Oil & Gas Workers to train displaced oil and gas workers in remediating legacy oil infrastructure.

**Provides \$100 Million Over Two Years for Well Remediation.** The California budget approved \$50 million from the General Fund in 2022-23 and \$50 million in 2023-24—total of \$100 million over two years—for CalGEM to plug wells and decommission facilities. The cost to plug an orphaned well varies widely, but CalGEM's most recent analysis found the average cost to be about \$111,000 per well. Based on this average cost, the division would be able to remediate roughly 1,800 orphaned wells with the proposed funding<sup>9</sup>. Given the large number of eligible wells in LA County, we would expect a sizeable share of the capped/remediated wells could be local opportunities for LA area displaced oil extraction workers only if workers experience displacement during the funding timeline outlined by the state budget.

Because oil extraction workers are already highly skilled in oil well remediation and capping, current oil extraction workers could be reassigned by their employers to assist Los Angeles City and County in remediation and capping of wells through CalGEM. In a report from the Legislative Analyst's Office, the Governor's budget directs **CalGEM to use contractors to manage projects, investigate, and implement projects for remediation and well capping.** It further indicates that CalGEM would use the total proposed funding to hire three types of external contractors: (1) \$10 million for a construction management contractor to manage the remediation projects, (2) \$20 million for a contractor to conduct financial obligations and land ownership research, and (3) \$160 million for contractors to plug wells and decommission facilities. In addition, the division will use \$10 million for department administrative costs<sup>10</sup>.

Existing Federal Funding Opportunities for Oil Well Capping & Remediation. The Infrastructure Investment and Jobs Act (IIJA) signed into law on November 15, 2021, includes \$4.7 billion for orphan well remediation—including funding to be made available to states via federal grants. Additionally, on January 31, 2022, United States Secretary of the Interior, Hon. Deb Haaland, announced the initial round of federal grants for newly established orphan oil and gas well remediation program from the IIJA, which California is eligible for at least \$265 million<sup>11</sup>.

<sup>&</sup>lt;sup>9</sup> LAO (2022) Oil Well Abandonment & Remediation. Governor's Budget 2022-2023. Retrieved on 9-10-22 from: https://lao.ca.gov/Publications/Report/4508

<sup>&</sup>lt;sup>10</sup> LAO (2022) Oil Well Abandonment & Remediation. Governor's Budget 2022-2023. Retrieved on 9-10-22 from: https://lao.ca.gov/Publications/Report/4508

<sup>&</sup>lt;sup>11</sup> Rules, Elections & Intergovernmental Relations (2022). Resolutions. Retrieved on 10-17-22 from: chrome-extension://gphandlahdpffmccakmbngmbjnjiiahp/https://clkrep.lacity.org/onlinedocs/2022/22-0002-s17 reso 02-22-22.pdf

#### Strategy 5: CERF - Community Economic Resilience Fund Program

The California Employment Development Department (EDD) in collaboration with the Labor and Workforce Development Agency, the Office of Planning and Research (OPR), and the Governor's Office of Business and Economic Development announced the availability of up to \$65 million in the Community Economic Resilience Fund Program (CERF) Planning Phase 1 Program Year (PY) 2022-24 Solicitation for Proposals (SFP).

Planning projects will develop meaningfully inclusive regional planning processes that produce regional roadmaps, which will outline plans to bolster economic resiliency and increase access to quality jobs for those who traditionally have been left behind. Regional plans will meet regions where they are, understanding there is no one-size-fits all path toward a more resilient, equitable, and sustainable economy. The High Road Transition Collaboratives must incorporate perspectives from stakeholders such as labor, business, community groups, local governments, metropolitan planning organizations, economic development entities, education institutions, and other key groups in the region.

Unfortunately, the timeline for this funding opportunity was June 15, 2022. However, there may be additional "rounds" available in the coming year. It is advised that the City and County of Los Angeles inquire with Kimberley Meyer, Chief of Central Office Workforce Services Division (<u>WSBCERF@edd.ca.gov</u>) to explore future funding opportunities.

#### Strategy 6: Congressionally Directed Funding

In order to access Congressionally Directed Funding, the City and County of Los Angeles would have to build the political will and support of a "sponsoring Senator" who would make a "Congressionally Directed Funding Request" to the Committee on Appropriations. The Committee requires that Senators post all of their congressionally directed spending requests, as well as their financial certification disclosures attesting that neither they nor their immediate family have any financial interest in any of the items requested, to their official Senate websites. These requests must be posted to the Senator's website within 15 calendar days of the relevant subcommittee's submission deadline. This allows time for the Committee to ensure the requests were properly submitted. Each subcommittee has a different deadline for congressionally directed spending requests.

Senator Diane Feinstein, who is a California State Senator and sits on the Appropriations Committee, may be a strong ally for requesting Congressionally Directed Funding to support mitigation strategies – including early retirement, subsidized relocation, training, and planning activities – as outlined in this memo.

#### Strategy 7: The Inflation Reduction Act (IRA)

The newly passed Inflation Reduction Act, may provide at least four types of additional funding that aligns with, or is directly related to, the phase out of fossil fuel extraction in the City and unincorporated areas of the County of Los Angeles. First, tax credits based on prevailing wage and the utilization of apprenticeships, may be advantageous to City and County agencies as well as receiving employers

employing dislocated oil extraction workers. Second, under the Greenhouse Gas Reduction Fund, there are a variety of potential planning and implementation grants that could support the City and County of Los Angeles in the phase out of fossil fuels. Third, the plugging and remediation of oil wells may see an increased funding source via the Methane Emissions Reduction Program. And fourth, the \$4.75 billion dollar investment in grants, policies and incentives to reduce GHG emissions municipalities with funding to improve air quality and an additional \$3 billion in investment for the reduction of emissions from the ports. The latter may result in increased jobs and infrastructure improvements in the Ports.

The Joint Committee on Taxation estimates that in total, the provisions in Subtitle D-Energy Security of the IRA will cost approximately \$68 billion over the next 10 years. Many of the provisions provide two credit values: a lower base credit and a bonus rate. The bonus rate is equal to five times the base amount and is available only when requirements related to prevailing wage and apprenticeship are met. Under certain provisions, the IRA also further incentivizes the use of domestic content and placement in identified communities, e.g., energy communities or low-income communities. The bill also provides a significant amount of funding and authority for the Environmental Protection Agency (EPA), with the EPA set to receive over \$41 billion 12.

Program funds would be directed to climate change-related goals and would prioritize mitigation activities. Programs and funding include:

- \$8.45 billion for the Environmental Quality Incentives Program.
- \$6.75 billion for the Regional Conservation Partnership Program.
- \$3.25 billion for the Conservation Stewardship Program.
- \$1.4 billion for the Agricultural Conservation Easement Program.

Other programs with increased investment include:

- \$1 billion to the Natural Resource Conservation Service (NRCS) to provide conservation technical assistance through 2031.
- \$300 million for the NRCS to carry out a program to quantify carbon sequestration and carbon dioxide, methane and nitrous oxide to inform the USDA Greenhouse Gas Inventory and Assessment Program.
- Gives the EPA discretion over the \$27 billion Greenhouse Gas Reduction Fund, allowing the agency to invest in clean energy technologies via green banking, offering federal financing for projects. The Greenhouse Gas Reduction Fund would invest in nonprofit, state and local financing institutions designed to rapidly deploy low- and zero-emission technologies by leveraging investment from the private sector. States, municipalities and tribal governments could share an additional \$7 billion in funding under the program, and funds will remain available until September 2024<sup>13</sup>.
- Provides \$5 billion for state planning and implementation of greenhouse gas reduction programs,
  - Provides EPA with \$250 million for planning grants, and \$4.75 billion for implementation grants for programs, policies, measures, and other investments to

<sup>&</sup>lt;sup>12</sup> NCSL (2022) The Inflation Reduction Act. Budget and Revenue Provisions. Retrieved on 9-10-22 from: chrome-extension://gphandlahdpffmccakmbngmbjnjiiahp/https://www.ncsl.org/Portals/1/Documents/NCSL/NCSL-Summary-Inflation-Reduction -Act.pdf 13 Id

achieve or facilitate GHG reductions. Eligible entities include states, air pollution control agencies, municipalities and tribal governments.

• Provides an additional \$3 billion to establish a program to award grants and rebates for the purchase and installation of zero-emission equipment and technology at ports, as well as the development of climate action plans at ports. Eligible funding recipients include **port authorities**, a state, regional, local or tribal agency with authority over a port authority, or an air pollution control agency.

#### • Methane Emissions Reduction Program

- o Creates a methane emissions fee, starting in 2024, that will be imposed and charged by the EPA on facilities supporting oil and gas production—the charge is only on emissions above the set thresholds, and any emissions due to delays in gathering line and transmission infrastructure environmental permitting are exempt. Those emitting more than 25,000 metric tons of carbon dioxide annually will have to pay the fee, which increases from \$900 per ton in 2024 until \$1,500 per ton in 2026.
- o Provides \$1.55 billion in financial incentives for industry subject to the methane reduction program to better monitor methane emissions and to help address legacy pollution from the oil and gas sector.

\*Note: this is not a comprehensive list of all allocations that may benefit the Just Transition Taskforce in transitioning oil extraction workers. But is, rather, a preliminary overview based on the National Council of State Legislatures' analysis.

#### Strategy 8: Designation as an Energy Community

Up to \$38 billion in existing federal funding opportunities exists today, with more resources on the way, for energy communities to invest in good jobs, infrastructure, environmental cleanup, economic revitalization and more<sup>14</sup>. Energy communities are defined to include: 1) brownfield sites; 2) a metropolitan or non-metropolitan area which (a) has direct employment or local tax revenues over an established percentage related to the extraction, processing, transport or storage of coal, oil or natural gas (b) has an unemployment rate at or above the national average; or 3) a census tract or any adjoining tract in which a coal mine closed after Dec.31, 1999,or a coal fired electric power plant was retired after Dec.31, 2009.

Qualifying as a designated Energy Community could open other opportunities for significant funding. There are benefits to this designation that could provide access to additional funding; such as tax credits through the Inflation Reduction Act and a myriad of grant funds through the Department of Energy for remediation and workforce support.

# <u>Strategy 9: Early Retirement Subsidy Scenarios (within 5 years only) for Mid- and High-Level Workers</u>

Based on data collected in June of 2022 in a study conducted with oil extraction workers, there are an estimated 305 mid-level oil extraction workers in the County and City of Los Angeles. It is estimated that

<sup>&</sup>lt;sup>14</sup> Interagency Working Group on Coal & Power Plant Communities and Economic Revitalization (Oct. 14, 2022). Retrieved on 10-15-22 from: https://energycommunities.gov/

11% (or 33.6 FTEs) are eligible to retire within the next five years. Of the approximately 102 high-level oil extraction workers as much as 21% (or 21.4 FTEs) workers will be eligible to retire within five years. This is a total of approximately 55 workers at high rates of pay – ranging from \$129,000 - \$207,000 for high-level positions; \$109,000 - \$165,000 for mid-level positions - that will naturally be eligible for retirement within five years. To provide (salary only) subsidy for 33.6 workers at mid-level for 5 years at an average rate of pay of \$122,000 it would require \$610,000 per dislocated mid-level worker. To subsidize or include benefit costs, it would require an additional \$97,600 per worker for the same time period; for a total of \$707,600 per individual mid-level worker, or approximately \$23,775,360 for all eligible mid-level workers. To provide the same subsidy for high-level workers it would require an estimated \$904,400 per individual high-level worker; or approximately \$19,354,160 for all eligible high-level workers [\$16,264,000 (salary only) and \$3,090,160 in additional benefits]. The total estimated cost (to compensate for salary and benefits during a 5-year period for both classification of workers would require an estimated \$43,129,520.

However, because surveyed oil extraction expressed a low level of interest in early retirement – less than 5% of workers surveyed said they would utilize early retirement subsidies – it may be possible to provide a subsidy between \$707,600 - \$904,400 (based on current levels of pay and seniority) for approximately \$2,200,000 - \$5,000,000 per cohort, for early retirement for those workers turning 65 by 2027, and an additional subsidy at the same rate for those turning 65 by 2032. Note, these are rough estimates and do not account for inflation, wage increases, or other potential variables, but rather offer a "capped rate" scenario for the estimated number of workers who may utilize an early retirement wherein the total cost over ten years is equal to, or less than, \$10,000,000. Also note, that to accommodate the entire population with such a subsidy would likely be cost prohibitive.

### Strategy 10: Relocation Subsidy Scenario

Due to higher levels of cumulative resources and assets (including retirement, savings and home ownership), as well as long-term employment that results in higher levels of transferable skill, mid- and high-level oil extraction workers have higher probability of relocation than entry-level workers. For mid-level workers, based on primary research results with oil extraction workers, it is estimated that 27% (or 82.4) would likely relocate. And for high-level workers it is estimated that as much as 19% (or 19.4) would likely relocate. For entry-level workers it is estimated that only approximately 10% (or 25.7) would likely relocate. This means as many as 127.5 workers may opt to relocate outside of Los Angeles County, and some outside of the state of California. Across all levels of employment, 91% of workers surveyed had two or more dependents. This means that the vast majority of workers relocating would likely require the means to relocate a family of 3-4 (on average). Depending on the distance of the relocation, and a variety of other factors that cannot be accurately accounted for within the scope of this analysis, the cost of moving per household could vary significantly. However, for the purposes of estimated subsidization as a just transition intervention strategy and/or safety-net, a possible approach may be to provide a *flat-fee subsidy of between \$10,000 and \$15,000* for dislocated workers wishing to relocate, with an estimated cost of *\$1,275,000 and \$1,912,500*.

### Conclusion

The costs associated with workforce development activities (including enrollment, skill assessment, training and work-based learning programs, as well as some employer incentives) for dislocated oil extraction workers could be ameliorated or supported in-full by existing federal and state funding allocations under WIOA. Further analysis of the City and County Workforce Development Boards' budgets for FY22-23, and collaboration with City and County officials to develop future programmatic planning, and coordination is needed to identify any potential funding gaps. Identified gaps may be satisfied by leveraging existing funds via TEGL 12-19, change 1, the CA Workforce Development Board and Governor's discretionary workforce development funding. Moreover, federal grants in workforce development and training could be applied for by the City and County of LA in partnership with their respective WDBs through the funding opportunities aforementioned.

This paper provides more specific estimates of the costs of relocation and early retirement, which inherently are more likely to address the needs of mid and high-level workers. It also provides recommendations and funding opportunities to support the training, reskilling and reemployment of entry-, mid- and high-level oil extraction workers respectively. As a starting-point, and for estimation purposes only, there is an implementation expenses budget outlined below to be used by the City and County of Los Angeles in beginning to define the costs potentially associated with the discrete pieces of the oil extraction worker transition.

The below preliminary budget provides a general overview of approximate costs potentially associated with the programmatic implementation of oil extraction worker transition over the next five years.

	Preliminary	Budget Esti	mate	: Oil E	xtraction Worl	ker '	Transition   C	City	& County of	Los	Angeles				
		Preliminary Budget Estimate: Oil Extraction Worker Transition   City & County of Los Angeles  Cost Per Year													
Туре	Description	Rate	FTE	Count	Year I	Ye	ar 2	Year		Yea	r 4	Year 5		Total	
Personnel						+		-						-	
Management and Oversight of Oil															
Transition Programs &	Senior Program Director (LDWA														
Partnerships	or WDC County)	\$ 110,000.00	100%	1.00	\$ 110,000.00	0   5	113,300.00	\$	116,699.00	\$	120,199.97	\$	123,805.97	s	584,004,94
Chief Sustainability Office	a	+,			+,	+	,	1	,	_	,	*	,	+	
(County)	Project Manager	\$ 80,000.00	100%	1.00	\$ 80,000.00	5   5	82,400.00	\$	84,872.00	\$	87,418.16	\$	90,040.70	\$	424,730.86
Chief Sustainability Office (City)	Project Manager	\$ 80,000.00	100%	_			82,400.00	\$	84,872.00	\$	87,418.16	-	90,040.70	-	424,730.86
Training Coordinator & Union	Trojece ramage.	4 00,000,000			Ψ σσισσοίοι	+	02,100,00	-	0 1,01 2.00	*	07,110110	*	7 0,0 10 0	1	12 11/ 0 0100
Liaison	Project Manager	\$ 75,000.00	100%	1.00	\$ 75,000.00	0 5	77,250.00	\$	79,567.50	\$	81,954.53	\$	84,413.16	s .	398,185.19
Navigator/Case Manager Trainer	Transition Specialist Case Manager	\$ 72,500.00	100%	1.00		-	74,675.00	\$	76,915,25	\$	79,222,71	\$	81,599,39	_	384,912,35
Case Managers	WDC assigned per local area	\$ 65,000.00	100%				200,850.00	\$	206,875.50	\$	213,081.77		219,474.22	-	1,035,281.48
	LDWA or WDC County + City,	\$ 05,000.00	10070	5.00	4 175,000.00	-	200,030.00	*	200,075.50	*	213,001.77	Ψ	217,17 1122	*	1,033,201110
Community Outreach	County - Oil Extraction Employer														
Coordinator & Admin Support	& Rapid Response Coordination	\$ 65,000.00	100%	1.00	\$ 65,000.00	, ,	66,950.00		68,958.50	\$	71,027.26	\$	73,158.07		345,093.83
Employer (Sending & Receiving)	& Rapid Response Cool dination	\$ 05,000.00	100%	1.00	\$ 05,000.00	3	00,730.00	*	00,730.30	4	71,027.20	*	73,130.07	*	343,073.03
Coordinator	WDC County	\$75,000			\$ 75,000.00	\$	77,250.00	\$	79,567.50	\$	81,954.53	\$	84,413.16		398,185.19
Salary Subtotals	VVDC County	\$ 622,500.00	7.00	9.00		_	775,075.00	\$	798,327.25	\$	822,277.07		846,945.38	_	3,995,124.70
Benefits @ 25%		\$155,625	7.00	7.00	\$ 188,125		\$193,769	P	\$199,582	P	\$205,569	<b>3</b>	\$211,736	P	\$998,781
Personnel Subtotal		\$ 778,125.00		\$ 9.00	\$ 940,625.00		968,843.75		997,909.06		1,027,846.33		58,681.72		4,993,905.87
Contracts		\$ 776,125.00		\$ 7.00	\$ 740,623.00	7 7	700,043.73	*	777,707.00	Ÿ	1,027,040.33	7 150	/30,001.72	7	4,773,703.67
Condicts	Coordination between State &					+		-						-	
Just Transition Contract	Local Stakeholders	\$ 95,000.00	50%		\$ 95,000.00		95,000,00	\$	95,000.00	\$	95,000.00	\$	95,000.00		475,000.00
	Research, Funding/Grant Support,	\$ 73,000.00	30%		\$ 73,000.00	7 3	93,000.00		73,000.00	4	73,000.00	Þ	73,000.00	*	473,000.00
Research/Data Collection	Data Collection & Reporting	\$ 140,000.00	0.5		\$ 70,000.00		70,000.00	\$	70,000.00	\$	70,000.00	\$	70,000.00		350,000.00
Contract	Grant Writing & Program	\$ 140,000.00	0.5		\$ 70,000.00	) \$	70,000.00	,	70,000.00	•	70,000.00	<b>&gt;</b>	70,000.00	,	350,000.00
0.4 54 . 45	Monitoring & Evaluation (Contract	\$ 140,000,00	0.5		\$ 70,000.00	) s	70,000,00	\$	70,000.00	\$	70,000.00	\$	70,000.00	١.	350,000.00
Program Q/A, Planning & Funding		\$ 140,000.00	0.3		\$ 70,000.00	J \$	70,000.00	,	70,000.00	•	70,000.00	<b>3</b>	70,000.00	,	350,000.00
	LDWA or WDC County + City,														
	County - Oil Extraction Worker														
Skill Assessment Coordination/	Certification, works with Union				75.000.00		77.050.00		70 5 4 7 5 0	_	01.05450			١.	200 105 10
SME Contractor	Liaison	\$ 75,000.00	100%	1.00			77,250.00	\$	79,567.50	\$	81,954.53		84,413.16	\$	398,185.19
Contract Subtotal		\$ 450,000.00			\$ 310,000.00	9 \$	312,250.00	\$	314,567.50	\$	316,954.53	\$ .	19,413.16	\$	1,573,185.19
Subsidies						+		-						-	
	Oil Extraction Workers (High-														
Relocation	level)	\$ 15,000.00		19.40		_		-						-	
	Oil Extraction Workers (Mid-	\$ 15,000.00	-	82.40	\$ 1,236,000.00	ן נ								-	
	Oil Extraction Workers (Entry-														
	level	\$ 15,000.00		25.70		_									
Relocation Subtotal					\$ 1,912,500.00	,								\$	1,912,500.00
	Oil Extraction Workers (High-							l							
Early Retirement	level)	\$ 210,000.00	5%				1,123,500.00	\$	1,123,500.00	\$	1,123,500.00		123,500.00		5,617,500.00
	Oil Extraction Workers (Mid-	\$ 171,250.00	5%	33.60	\$ 1,438,500.00	) \$	1,438,500.00	\$	1,438,500.00	\$	1,438,500.00	\$ I,	438,500.00	\$	7,192,500.00
	Oil Extraction Workers (Entry-														
	level			0.00		\$	-	\$	-	\$	-	\$	-	\$	-
Early Retirement Subtotal					\$ 2,562,000.00	9 \$	2,562,000.00	\$	2,562,000.00	\$	2,562,000.00	\$ 2,	62,000.00	\$	12,810,000.00
Grand Total					\$ 5,725,125.00	\$	3,843,093.75	\$ 3	3,874,476.56	<b>\$</b> 3	3,906,800.86	\$ 3,940	0,094.89	\$2	,289,591.06

<sup>\*</sup>This is for estimating and planning purposes only.

The funding with a high probability of being accessed to fund a transition for oil extraction workers in the City and County of Los Angeles includes TEGL 12-19; which is applicable to all expenses outlined above with the exception of relocation and retirement subsidies. Additionally, in fiscal year 2022-2023, the \$18,000,000 in the Governor's Budget designated for the High-Road Training Partnerships - with an additional \$500,000,000 proposed - together with \$65,000,000 designated for CERF and the Governor's discretionary WIOA dislocated worker dollars remaining at \$37,380,654, amounts to a total of \$620,380,654 of currently available funding that is applicable to oil extraction worker transition. Subsidies for early retirement and relocation costs may be more difficult to fund, as they are unallowed costs with many federal agencies and would not be allowable under WIOA law. However, State funding and private philanthropy may support these costs. In summary, the estimated cost of the first year of worker transition planning is less than 1% (.9%) of all currently available funds; and the total estimated cost is a meager 3.4% of aforementioned funding.

# Appendix G: Intelligent Partnerships Final Report

# L.A. City-County Just Transition Task Force Final Report



# L.A. City-County Just Transition for Oil Extraction Workers Final Report

The following infographic representations are extapolated from key findings, data and research conducted by Intelligent Partnerships through six reports produced for the City and County of Los Angeles in 2022 to assist in planning for a Just Transition for oil extraction workers as fossil fuel extraction is phased out due to land use restrictions implemented by the City and County of LA.

### **Executive Summary**

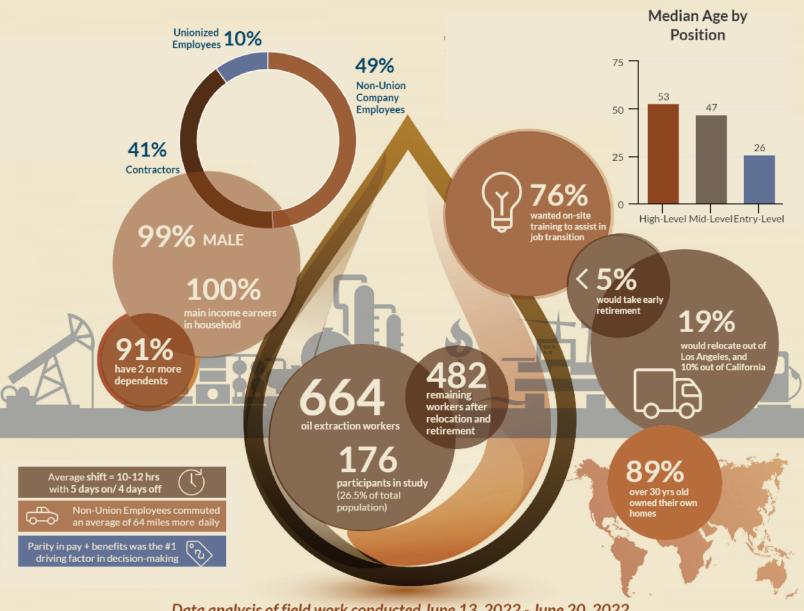
As part of its 2022 efforts to develop a just transition strategy, the City and County of Los Angeles commissioned this report, engaging Intelligent Partnerships to conduct primary and secondary research, provide analysis and inform the work of the Just Transition Task Force. Six major reports were provided by Intelligent Partnerships: 1) Worker Engagement Strategy (for primary research with oil extraction workers on the ground in June of 2022), 2) The State of the Oil Extraction Workers of Los Angeles Report (providing in-depth analysis of the demographics, skills, educational attainment and other key data of oil extraction workers in LA), 3) Public Infrastructure Investment Job Opportunities Report (to analyze the volume, timing and potential skill alignment of jobs associated with City and County measures and initiatives for oil extraction workers), 4) Oil Extraction Workers Transition Report (exploring high-demand, high-road occupations in a wide variety of sectors that aligned with oil extraction workers' skill sets), 5) Funding Memo (providing an overview of available funding to support the oil extraction worker planning and just transition implementation), and 6) a Final Report (to summarize all findings). This report provides infographic summaries of key findings, data and research associated with the high-level takeaways from the aforementioned reports.

As policy makers, oil extraction and other sectoral employers, labor unions, workforce development partners, educators, academics and trainers, subject matter experts and advocates are brought into the planning process, these infographic summaries can be used separately, collectively, or as cover-sheets and additions to the larger reports.

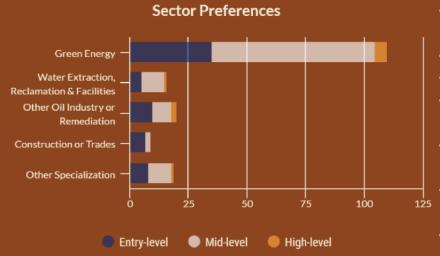


# Oil Extraction Worker Data: Key Findings

**LA City-County Just Transition Taskforce** 



Data analysis of field work conducted June 13, 2022 - June 20, 2022

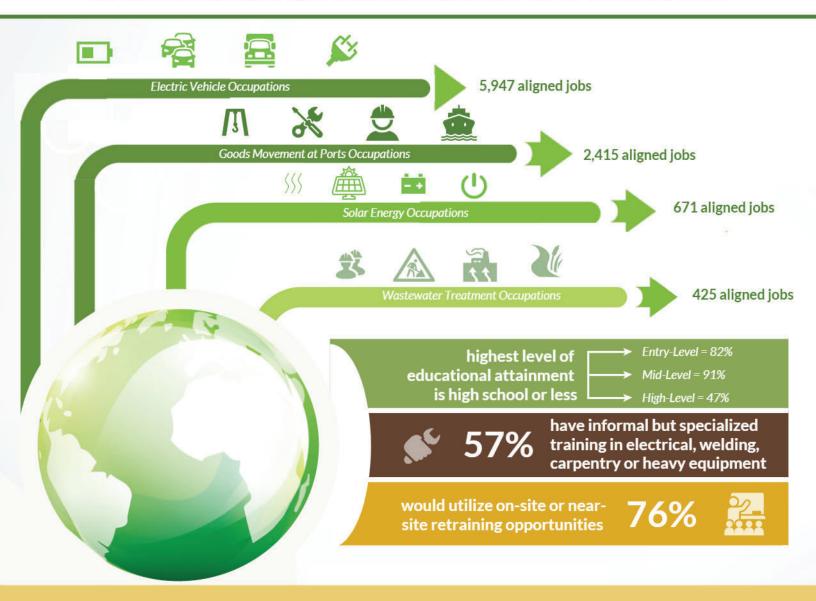


- very strong culture of comradery; with deep, familylike relations
- #1 interest was in "green energy" jobs
- 58% Hispanic, 36% White, 6% African-American
- higher level of technology and automation in unionized sites, less manual work (Tidelands only)
- wages trend approx. 21% higher than comparable sectors, even at entry-level
- not seasonal, work hours driven by demand and the price of oil
- only 2% said children may have interest in oil sector



## Key Industries for Oil Extraction Worker Transition

Current Jobs Offering Wage Parity, Skill Alignment & Career Growth by Sector

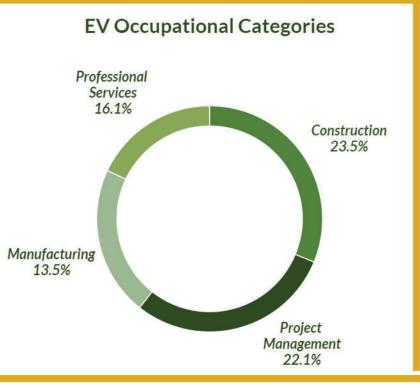


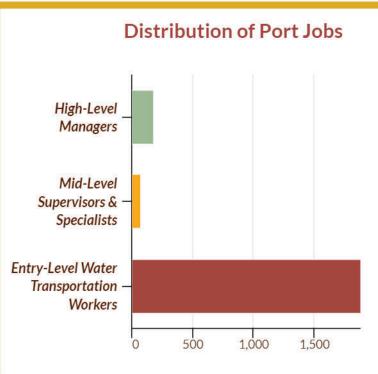


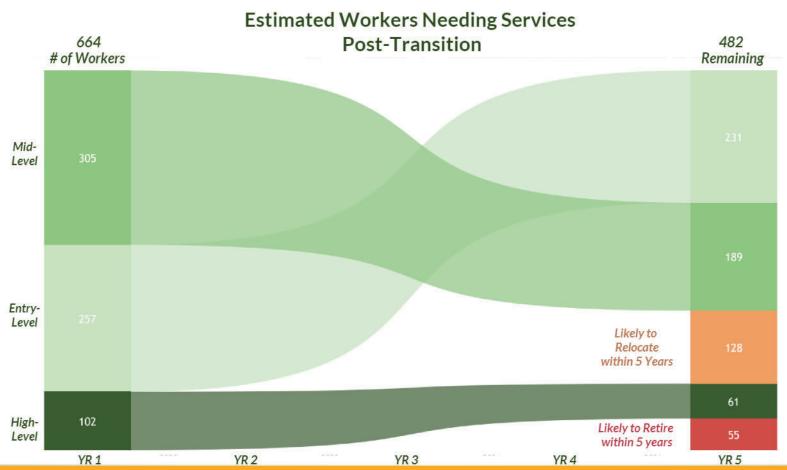


# Key Industries for Oil Extraction Worker Transition

Current Jobs Offering Wage Parity, Skill Alignment & Career Growth by Sector









# Oil Extraction Worker Transition Planning

Key Data, Timeline & Stakeholders

From 2021 - 2022 the City and County of Los Angeles, working in tandem, proposed/passed ordinances restricting the land-use permits for new and existing wells within the City and Unincorporated areas of the County of LA. This infographic illustrates some of the key data, estimated timelines and process by which stakeholders have been engaged in the planning for a just transition for oil extraction workers.

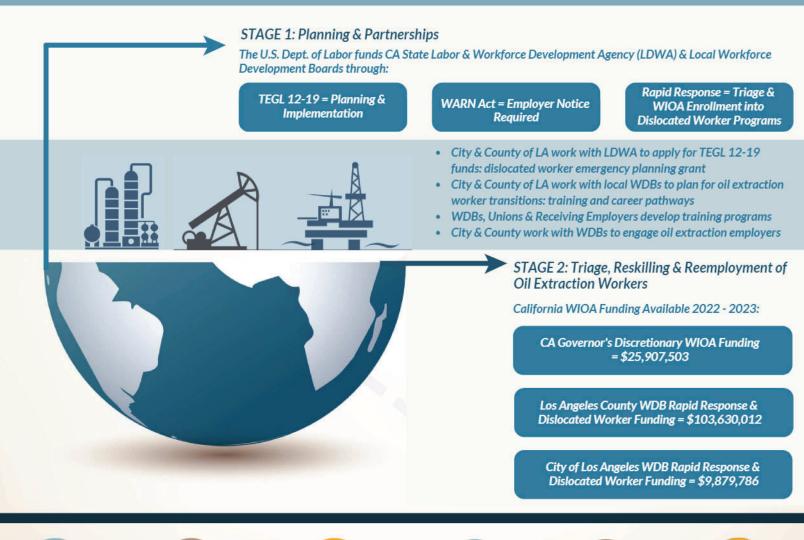


664 Oil Extraction Workers 32 Workforce Development Boards 27 Taskforce Members 5 Different Studies & Reports



# **Funding a Just Transition from Oil Extraction**

### Leveraging Existing & Potential Resources & Partnerships





12-19 Planning Grant

Warning Notice

in Designing Trainings & Reskilling

Response Enrollment into WIOA Dislocated Worker **Employers to Promote Priority Hiring** 

Transition

### Strategies & Opportunities for Funding a Just Transition

- LWDA & Dept of Labor under TEGL 12-19
- New & Existing WIOA Funding via County & City WDBs
- Governor's WIOA Discretionary Funding & High-Road Training Fund
- Governor's Budget & Federal Funds for Capping & Remediation of Oil Wells
- State Budget: \$40 million for Dislocated Oil and Gas Worker Pilot Fund
- State Budget: \$20 million for Well-Capping Workforce Pilot for Displaced Oil and Gas Workers
- · State Budget: \$50 million for Oil and Gas Well Abandonment and Remediation
- Community Economic Resilience Fund Program
- Congressionally Directed Funding
- Inflation Reduction Act Federal Funding
- Designation as an "Energy Community"
- Early Retirement Subsidy to Oil Extraction Workers
- Relocation Subsidy to Oil Extraction Workers

# Appendix H: State Budget Advocacy Letter for Well-Capping Workforce Pilot for Displaced Oil and Gas Workers and Displaced Oil and Gas Worker Pilot Fund

June 6, 2022

The Honorable Gavin Newsom Governor, State of California 1021 O Street, Suite 9000 Sacramento, CA 95814

The Honorable Toni G. Atkins
President pro Tempore, California Senate
1021 O Street, Suite 8518
Sacramento, CA 95814

The Honorable Anthony Rendon Speaker, California Assembly State Capitol, Room 219 Sacramento, CA 95814

The Honorable Nancy Skinner Chair, Senate Budget Fiscal Review Committee 1021 O Street, Suite 8630 Sacramento, CA 95814 The Honorable Phil Ting
Chair, Assembly Budget Committee
State Capitol
P.O. Box 942849
Sacramento, CA 94249

The Honorable Bob Wieckowski Chair, Senate Budget Subcommittee #2 1021 O Street, Room 6530 Sacramento, CA 95814

The Honorable Richard Bloom
Chair, Assembly Budget Subcommittee #3
State Capitol
P.O. Box 942849
Sacramento, CA 94249

Sent via email

RE: \$15 million Well-Capping Workforce Pilot for Displaced Oil and \$50 million Gas Workers and Displaced Oil and Gas Worker Pilot Fund

SUPPORT and RECOMMENDATIONS from members of the LA County-City Just Transition Task Force

Dear Governor Newsom, President pro Tempore Atkins, Speaker Rendon, Chair Skinner, Chair Ting, Chair Wieckowski, and Chair Bloom,

We, as members of the Los Angeles County-City Just Transition Task Force (Task Force), write in support of two provisions in the Governor's proposed budget: (1) \$15 million Well-Capping Workforce Pilot for Displaced Oil and Gas Workers and (2) \$50 million Displaced Oil and Gas Worker Pilot Fund (Pilot Fund). In addition, we recommend an additional one time allocation for the Pilot Fund of \$55 million to provide for direct worker support. We also recommend additional accountability measures to ensure the grant programs in the Pilot Fund are centered around the needs of those closest and most directly impacted by transition. We outline below details on our proposal.

In late 2021 and into early 2022, the Los Angeles County Board of Supervisors and City of Los Angeles committed to prohibiting new and phasing out existing oil drilling in the unincorporated areas of the County and in all areas of the City, respectively, and to address the needs of impacted workers in a suite of motions. The Task Force was formed through these motions to develop a set of recommendations for the County and City of LA to ensure a just transition for workers, also taking into consideration the communities impacted by the phase out of oil drilling and extraction activities. Both the City and County are in the midst of formalizing their respective phase outs by developing ordinances, so the urgency of preparing workers for this transition is high.

One of the Task Force's primary stated goals is to provide oil workers impacted by the phase out of oil drilling and extraction with the necessary support to transition their skills into jobs of comparable, family-sustaining compensation or retirement in ways that promote livelihoods and dignity. Both the Well-Capping Workforce Pilot for Dislocated Oil and Gas Workers and the Displaced Oil and Gas Worker Pilot Fund are critical to helping us meet this goal in Los Angeles City and County.

Based on our lessons learned as a Task Force so far, we recommend the following changes to the proposed Displaced Oil and Gas Worker Pilot Fund to truly ensure workers are not negatively impacted by the phase out of oil drilling and extraction:

- 1. An additional one time allocation of \$55 million to the Displaced Oil and Gas Worker Pilot Program to provide for direct worker support. We understand the California Labor for Climate Jobs Coalition has also made this recommendation and we agree that this additional funding for worker safety nets including for example stipends for living costs during training, early retirement payouts, and support for lost wages and health benefits are critical to ensuring a just transition.
- 2. Increase accountability to impacted communities, Tribes, and stakeholders in the management of the grant programs in the Displaced Oil and Gas Worker Pilot Fund to ensure those closest to the problem have a voice in developing the solutions by:
  - Create a diverse and representative advisory board under the Employment
    Development Department that is reflective of the wide range of affected
    stakeholder groups, Tribes and communities to manage and guide the
    development of the Displaced Oil and Gas Worker Pilot Program and ensure the
    program is responsive to local needs.
  - Require grant applicants to have developed a just transition advisory board or task force reflective of the diversity of affected stakeholder groups, Tribes and frontline communities to ensure their work is grounded in communities and responsive to local needs.
  - Prioritize funding for proposals that include matching funds from employers, philanthropy or local governments.

- Prioritize funding for applicants who support workers and work sites in communities that face disproportionately high environmental and climate burden.
- Prioritize funding for applicants who have a proven track record and detailed plan for outreach to dislocated and disadvantaged workers and impacted communities to ensure program development is responsive to their needs.

Thank you for your consideration and your support of measures to ensure a just transition in Los Angeles County and City for workers and communities in the phase out of oil extraction and drilling. This letter reflects the opinions solely of the undersigned members of the Task Force and does not necessarily reflect a consensus position amongst all Task Force members.

Sincerely,

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