

RGGI proceeds can finance energy transition in struggling Pennsylvania coal communities. Here's how it could work:

Proceeds from the Regional Greenhouse Gas Initiative (RGGI) could kickstart job and economic growth in Pennsylvania communities struggling with the closure of coal-fired power plants, our report finds. By remaining in RGGI, Pennsylvania could collect more than \$663 million in the first year alone to help dislocated fossil fuel workers and their communities secure new opportunities as part of a “true” transition. We recommend four investment priorities to maximize the economic benefits:

1. Implementing strong labor standards & improving the quality of clean economy jobs

Securing prevailing wage and benefit standards, project labor agreements with first source hiring/community workforce requirements, and responsible contractor and apprenticeship utilization provisions, along with the distribution of RGGI proceeds, can improve the quality of clean economy jobs, some of which could go to dislocated fossil fuel workers.

2. Funding a “train & place” approach to ensure dislocated workers land comparable jobs

Funding building trades and labor-management partnerships will help dislocated workers land good clean energy jobs. These should go beyond traditional training-only—aka “train and pray”—approaches by combining training with placement support. This new “train and place” approach would get workers a new job as good as their old one without them having to relocate.

3. Investing in sustainable manufacturing that utilizes fossil fuel skillsets

Investing capital in energy efficient and sustainable manufacturing that utilizes trades formerly employed in fossil fuel power plants, such as boilermakers and electricians, can help ease the transition in communities that have lost power plants. Since manufacturing projects can have high capital costs, RGGI proceeds may only be sufficient to provide a portion of public subsidies required. To fill the gap, the state could use a portion of RGGI funds as a match for, and to compete for, larger amounts of federal dollars from the Infrastructure Investment and Jobs Act, Inflation Reduction Act, CHIPS+, or future clean energy or climate infrastructure legislation.

4. Providing direct assistance to dislocated fossil fuel workers and their communities

Policies and investment in the first three categories would each support the growth of clean industries and thus contribute directly to the elimination of air pollution—and should be permissible without new legislation. Category 4, direct assistance to coal communities and coal workers, would reduce air pollution by increasing support for, or reducing opposition to, aggressive action to lower carbon emissions.

Ultimately, the investments needed to achieve net zero carbon emissions by 2050 would generate nearly a quarter million jobs—disproportionately trades and manufacturing jobs—in Pennsylvania. With the right policies and public investments, more of these jobs can be good union jobs and provide new opportunities for fossil fuel workers and communities. Policymakers can achieve the climate and environmental progress we need *and* create good jobs through the creative use of RGGI proceeds.