Report: Energy efficiency remains energy industry’s largest workforce and best bet for fast, equitable, local job growth; also benefits consumers and the climate

New state-by-state data reveals jobs lost to pandemic and details ongoing recovery

WASHINGTON — A new report finds that while more than 2.1 million Americans now work in energy efficiency — which is more than work in any other sector of the U.S. energy industry, including oil, gas and coal — energy efficiency employment still has not bounced back to pre-COVID levels. The fifth annual *Energy Efficiency Jobs in America* report highlights the need for policymakers to prioritize energy efficiency if they want to create good local jobs, foster equitable economic recovery and growth, and curb climate change. The report’s release comes at a moment when infrastructure, the climate crisis, and job recovery are at the heart of the national debate on economic priorities.

“Helping the energy efficiency industry fully recover from the pandemic can be a win for green jobs and the environment, and also help American families save money at a time when so many could benefit from lower bills,” said Rep. Peter Welch (D-Vt.). “Home energy efficiency retrofits save families almost $800 billion on energy bills every year, and provide over $540 million in public health benefits annually. Even after the significant economic harm caused by the pandemic, over 2 million Americans still work in energy efficiency. With the right policy support, that number will continue to grow,” said Welch, who has a track record of supporting the energy efficiency sector on Capitol Hill.

Lawmakers’ support for energy efficiency is especially important now, as Washington wrangles over spending priorities and economic recovery.

“Energy efficiency creates jobs and drives economic growth in every part of America. Congress right now is considering legislation that can create more of these good-paying jobs that straddle every sector of the economy, from construction to manufacturing to professional services. It needs to pass the Build Back Better Act and the reconciliation package so we can put more Americans to work building a cleaner economy that’s also more efficient,” said Bob Keefe, executive director of the national, nonpartisan business group E2 (Environmental Entrepreneurs), which partners with the nonprofit E4TheFuture to release the annual *Energy Efficiency Jobs in America* report.
Before the pandemic hit, the U.S. energy efficiency sector was growing consistently year after year. Its workforce was projected to grow 3% in 2020. But instead, it shrank 13.5% due to COVID-19 and its economic fallout, costing 321,900 Americans their jobs.

“In summer and autumn of 2020, energy efficiency employment began to recover,” said Phil Jordan, vice president at BW Research Partnerships, which conducted research and compiled the report. “Utility efficiency programs reopened, and construction ramped up. But starting with winter 2020/2021, job growth in construction and the building trades stalled, and since over half of energy efficiency jobs have to do with construction and the trades, efficiency employment growth stalled, as well. Supply chain issues exacerbated the problem,” Jordan said.

Another area that the energy efficiency industry and government programs supporting it must pay particular attention to: diversity, equity and inclusion. Only 25% of the energy efficiency workforce is female. While Black workers make up 12.1% of the nationwide workforce, they account for only 8.4% of workers in energy efficiency. And Hispanic or Latino jobholders make up 15% of energy efficiency jobholders, compared to 18% of all jobholders nationwide.

“It’s important to have people in our workforce who know and reflect the communities we serve,” said Leticia Colon de Mejias, CEO of Energy Efficiencies Solutions, which has completed over 12,000 comprehensive energy efficiency upgrades on homes in Connecticut. “To fight climate change and protect the health of people and the planet, we have to take action at home, work, school and everywhere in the community.”

Efficiency is especially important for buildings, which consume 76% of the electricity used in the U.S.

“Most of today’s existing buildings — from single-family homes to skyscrapers — will still be in use in 2050, and four out of five are already at least 20 years old. ‘Mining’ inefficient older buildings for energy savings through improved insulation, better HVAC, digital controls and other energy efficiency technologies creates good local careers and saves customers money,” said Pat Stanton, policy director at E4TheFuture and a report author.

Efficient buildings also help make communities more resilient, which is especially important given a changing climate that’s producing increasingly severe weather disasters.

“From the deadly Texas deep freeze to unprecedented fatal heatwaves in the Northwest, we saw this year how dangerous it can be when older, inefficient buildings are unable to keep residents safe,” said Stanton. “Resilient communities need efficient buildings that can handle a changing climate.”

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Additional Resources:
U.S. Energy and Employment Report (USEER)
Clean Jobs America 2021 (E2)
Previous Energy Efficiency Jobs in America Reports
• Energy Efficiency Jobs in America 2018 | E4TheFuture + E2
• Energy Efficiency Jobs in America 2019 | E4TheFuture + E2
• Energy Efficiency Jobs in America 2020 | E4TheFuture + E2

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