clean energy economy mn

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**Contact:** Tiffanie Connelly
tconnelly@cleanenergyeconomymn.org | 320.260.8370

# REPORT: Minnesota clean energy jobs grew 3.4% in 2022, now home to nearly 60,000 workers

*Thanks to state and federal climate investments, Minnesota's clean energy industry is poised for continued growth*

**MINNEAPOLIS, MN** – Clean energy businesses in Minnesota added more than 1,900 workers in 2022, now employing 59,708 Minnesotans. That's according to a new analysis of employment data released today by the national, nonpartisan business group E2 (Environmental Entrepreneurs), Evergreen Climate Innovations and Clean Energy Economy MN (CEEM). The report comes after the one year anniversary of the Inflation Reduction Act (IRA), the largest investment in climate and clean energy in history, which is already boosting clean energy jobs and businesses across the state and region.

**"By investing in clean energy jobs, we're expanding opportunities for Minnesotans in high-growth, in-demand industries while building an economy for the future,"** said Governor Walz**. "This year's Clean Jobs report shows that the investments we're making in infrastructure and workforce development are paying off. Minnesota continues to be on the front lines of the clean energy economy."**

The energy efficiency sector continued to lead clean energy in total jobs in 2022 in Minnesota with more than 43,100 workers. The fastest growing sector in 2022 in Minnesota was clean transportation with 10.6 percent growth, adding over 405 new jobs for a total of 4,226 workers.

CEEM Executive Director Gregg Mast points to the job growth as a sign that policy leadership at the state and federal level continues to be critically important.

**"Minnesota's clean energy sector is proof that smart policy can enable steady job growth in the state,"** said Gregg Mast. "**With a renewed focus on developing the next generation of energy efficiency and clean energy workers, Minnesota will solidify its leadership position in the Midwest as a clean energy powerhouse."**

Clean energy employment grew 4 percent nationwide to reach 3.3 million jobs. The 12-state Midwest region also saw clean energy jobs increase nearly 4 percent, now home to more than 734,000 clean energy jobs.

Despite the recent growth, clean energy jobs still have significant room to grow in Minnesota and the Midwest. Minnesota has an enormous opportunity to create tens of thousands more jobs in the coming years by utilizing the billions in funds from the IRA that are already being invested nationwide and capitalizing on Minnesota's recent commitments to 100% clean energy by 2040.

The electric vehicle industry has experienced fast growth over the past few years, and CEEM business member Zeus Electric Chassis, a zero emission vehicle (ZEV) truck manufacturer, based in White Bear Lake, is a part of this growing and necessary sector.

**"We take immense pride in spearheading a transformative phase within Minnesota's automotive industry. The surging interest in electric vehicles not only translates into expansion for our company but also promises significant economic growth for the local and state communities,"** stated Jim Steffes, Vice President of Business Development and Strategy at Zeus Electric Chassis. He emphasized, **"The journey towards decarbonizing Minnesota's transportation sector requires collective efforts from everyone involved."**

The need for explicit attention on both public and private-sector workforce development and training programs is highlighted by both industry and state partners.

**"This report is another sign of momentum toward Minnesota's clean energy future,"** said Commerce Commissioner Grace Arnold. **"In the year since Minnesota's Climate Action Framework was launched, the State of Minnesota has taken historic actions, such as passing legislation for a State Competitiveness Fund to draw multi-million dollar investments in federal clean energy funds to our state. These investments in communities will provide more good paying jobs to support our clean energy economy, and families across the state."**

**“Clean energy careers are critical to the state’s energy transition, and the needs of this workforce will increase as the state works to meet its goal to achieve 100% carbon-free energy by 2040,”** said Minnesota Department of Employment and Economic Development (DEED) Commissioner Matt Varilek. **“DEED supports Minnesota’s clean energy companies with industry-specific workforce training and readiness programs to meet the needs of the state’s rapidly changing energy sector. We’re excited to launch a new program later this fall specifically targeted to help workers who are Black, Indigenous, and People of Color prepare for careers in this high-demand sector.”**

CEEM-member Trane Technologies is a global climate innovation company that designs solutions to improve efficiency and resiliency in buildings across Minnesota and across the globe.

**“Energy efficiency workers are the foundation of Minnesota’s clean energy economy,”** says George Wan, Vice President, Engineering & Technology, Trane. **“The need for these essential jobs will continue to grow as we work to decarbonize and electrify the state on its way to net-zero. Building a pipeline of skilled talent is important today and even more important for tomorrow. Implementing programs that champion workforce development will inspire more individuals to pursue energy careers and help to build a sustainable clean energy future here in Minnesota."**

The Laborer’s International Union of North America (LIUNA) Minnesota & North Dakota based in St. Paul, Minnesota is an infrastructure union of over 13,000 skilled construction and blue collar Laborers who contribute to building large utility wind, solar and transmission projects in the region.

**"Laborers like myself are proud to put our skills to work building Minnesota's clean energy future,"** said John Kappedahl-O'Brien, a Sherburne County resident and the LIUNA Laborers Local 563 steward on the Sherco Solar Project. **"I'm grateful to be earning family-supporting wages while working close to home. My Trades brothers and sisters are building every corner of Minnesota, thanks to state and federal leadership on infrastructure and energy investment. Achieving 100% clean energy by 2040 will take a huge commitment, and we're ready to get the job done."**

While recent federal policies create strong tailwinds, there is still more to do to meet the state and nation's climate goals of reducing emissions by 50 percent by 2030, improve equity in the clean energy economy and grow clean energy jobs. The state of Minnesota has committed itself to 100 percent clean energy by 2040 and net-zero economy-wide by 2050. To accomplish these goals, policymakers should:

- **Defend against attempts to roll back federal clean energy and vehicle investments:** Just one year after the passage of the Inflation Reduction Act, companies are investing at least $86 billion in large scale clean energy projects nationwide thanks to the federal climate investments in the new law. Attempts to rollback provisions of the federal clean energy incentives threaten future clean energy job growth and economic opportunity.
- **Develop and fund workforce training programs.** One of the largest barriers to clean energy job growth is the challenge to fill open positions. Workforce development and training will be critical to the continued growth of the industry; programs and coordination across private, public, and academia are critical to address this problem, with a specific focus on funding and expanding programs to deliver the clean energy jobs of the future.
- **Expand transmission to increase access for clean energy projects.** Federal and state governments must work with Midwest regional transmission organizations to build and expand the electricity grid. Curtailment of wind projects is already taking place in Minnesota — reducing relied upon revenue due to the lack of transmission capacity.
- **Advance and implement state-level clean energy policies.** Minnesota can cement its place as a leader in the clean energy transition with continued strong policy and implementation. This includes supporting the efficient buildout of transmission, easing the permitting process, solving the interconnection issues faced by renewable energy projects, attracting clean technology manufacturers and furthering a pragmatic approach to safe and responsible extraction of minerals key to the clean energy transition.

**Other Findings:**

- Clean energy jobs are growing 50% faster than overall employment in Minnesota at 3.4%.
- Jobs in advanced transportation grew 11% last year - the fastest growing sector in the state.
- 82% of employers said it was either very or somewhat difficult to hire in 2022.
- Small businesses drive clean energy job growth with nearly 72% of clean energy jobs located at businesses with fewer than 20 employees.
- 1 in 3 clean energy workers can be found in Greater MN, including growing hubs in St. Cloud, Duluth and Rochester.
- The state is slowly, but steadily, regaining the energy efficiency jobs lost to the pandemic, now down only 8% from 2019 levels – a standard trend across the Midwest.
- Our vision is for Minnesota to have 100,000 clean energy jobs by 2030.

For a full breakdown of clean energy jobs for every state in the Midwest, see www.cleanjobsmidwest.com.

**Methodology:**

This is the eighth annual Clean Jobs Midwest report produced by E2 and Evergreen Climate Innovations based on analysis of the U.S. Department of Energy's annual US Energy Employment & Jobs Report (USEER) by the BW Research Partnership. The USEER analyzes data from the U.S. Bureau of Labor Statistics (BLS) Quarterly Census of Employment and Wages (QCEW) to track employment across many energy production, transmission and distribution subsectors. In addition, the 2023 USEER relies on a unique supplemental survey of approximately 34,200 business representatives across the United States.

For more details on methodology see https://www.cleanjobsmidwest.com/survey-methodology.

Previous E2 and CET Jobs Reports:

- Clean Jobs Midwest 2022
- Clean Jobs Midwest 2021
- Clean Jobs Midwest 2020
- Clean Jobs Midwest 2019
- Clean Jobs Midwest 2018
- Clean Jobs Midwest 2017
- Clean Jobs Midwest 2016

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**Clean Energy Economy MN (CEEM)** is an industry-led 501(c)(3) nonprofit representing the business case for clean energy in Minnesota. CEEM provides a unified voice for clean energy business across the state. Our mission is to provide educational leadership, collaboration, and policy analysis that accelerates clean energy market growth and smart energy policies.

**Environmental Entrepreneurs (E2)** is a national, nonpartisan group of business leaders, investors, and professionals from every sector of the economy who advocate for smart policies that are good for the economy and good for the environment. Our members have founded or funded more than 2,500 companies, created more than 600,000 jobs, and manage more than $100 billion in venture and private equity capital. For more information, see www.e2.org or follow us on Twitter at @e2org.

**Evergreen Climate Innovations** provides catalytic capital and support to entrepreneurs and startups that bring impactful climate technologies to market. The nonprofit pioneered its 501vc® Investment Fund to align philanthropic and corporate contributions to deliver environmental, economic, and social impact. Evergreen advances and expands access to innovation across the Greater Midwest and cultivates an ecosystem of investors, donors, and collaborators. For over a decade, Evergreen Climate Innovations has invested in startups that have raised $41 for every $1 invested. For more information, see https://evergreeninno.org/.