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Well-Paying Energy and Related Jobs to Grow Through 2020

New employer survey previews future hiring plan Region's employers must take steps now to meet growing labor supply challenge

PITTSBURGH (Sept. 19, 2012) – The Pittsburgh region is poised to see the number of energy-related careers grow significantly by the end of this decade. There will be jobs for engineers and maintenance technicians, welders and salespeople, jobs requiring post-high school training as well as professional degrees. At the same time, according to a workforce analysis conducted on behalf of the <u>Allegheny Conference on Community Development</u> and the <u>Energy</u> <u>Alliance of Greater Pittsburgh</u> (EAGP), the opportunity poses significant challenges for workforce development as employers increasingly compete for talent, especially across 14 high-demand, hard-to-fill occupations.

"At a time when our region is already setting all-time records for employment, the 'help wanted' sign is out, and it's likely to stay there for years to come," said David Porges, chair of the Allegheny Conference Workplace Committee, and chairman, president and CEO of EQT Corporation. "For the energy industry in particular, our challenge is to educate, train and attract enough skilled workers to meet this demand. The good news: we have the tools necessary to make it happen; however, to be successful, we must have business, government and the workforce development system effectively working together towards this common goal."

The Allegheny Conference and the EAGP released the results of their survey of major energy employers during the quarterly meeting of the Allegheny Conference Regional Investors Council at the Doubletree Hotel in Downtown Pittsburgh. The detailed analysis, conducted by global talent-recruitment consultancy DDI, involved in-depth interviews with 37 employers representing a cross-section of the 10-county region's seven energy industries, including coal, natural gas, nuclear, solar, wind, power management and intelligent building. The executive summary is available here. According to the survey, these 37 companies alone expect to have more than 7,000 jobs to fill through 2020, with about 4,200 of the openings due to retirement and attrition and 2,000 in the 14 high-demand occupations.

The survey is suggestive but not predictive of the region's total energy workforce needs by the end of the decade. The goal of the research was not to make statistical inferences about job numbers, but rather to determine what the greatest need will be and what skills will be most in demand to fill the energy workforce pipeline through the end of the decade.

"This report is unusual because we're hearing directly from the employers about the positions they must fill in the years to come. This information may help to guide dislocated workers contemplating a career change or young people thinking about their future career options. These are the high demand opportunities emerging in our region," said Allegheny Conference CEO Dennis Yablonsky. "These occupations include machinists, maintenance techs, welders and the people who supervise them, as well as sales professionals and engineers, family-sustaining jobs with good, long-term career prospects. Fortunately we have time to prepare to meet this demand."

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All but one of the 14 most in-demand jobs across the seven energy-related industries will require more than a high school diploma or GED – typically an associate's degree or technical certification. Several will require a bachelor's degree or more.

"We're not predicting the number of jobs that will be available across the entire energy economy, but these results offer some practical, unequivocal conclusions about what we need to do to continue to grow our economy," said Laura Fisher, senior vice president, Allegheny Conference, who has overseen the project. "It is essential for employers and businesses to begin now to get the word out about the region's job opportunities and training and educational resources, and to advocate for better alignment of education and workforce policy, programming and funding.

"We have the building blocks to meet the growing demand. Our region is home to 36 colleges and universities, community colleges and career schools, and nonprofit workforce development organizations, including robust building trades apprenticeship programs. The challenge is to properly align educational and training programs so that students and dislocated workers can make well-informed choices about post-secondary education."

The Allegheny Conference and the Energy Alliance said that parents and guidance counselors have important roles to play to communicate the emerging opportunity in the region and to encourage boys and girls to seek out STEM (science, technology, engineering and math) skills. It is also important that students develop the critical thinking, communications and other behavioral skills embedded in a well-rounded curriculum. All of these skills are needed to land the most indemand, high-paying jobs in energy-related and other industries.

"The workplace of the near future – in our country and in the Pittsburgh region – is one in which opportunities are available to anyone with the skills and training to succeed," Porges said. "We need to make sure that all students are well informed about diverse career opportunities in energy."

The Allegheny Conference and the EAGP are taking immediate steps to address the region's workforce opportunity by:

- Building on the successful <u>ShaleNET workforce development model</u>, a multi-state, comprehensive recruitment, training, placement and retention program for jobs in the gas industry throughout the Marcellus Shale footprint, to target additional high-demand, hard-to-find positions across the energy industries;
- Increasing public awareness of the breadth of opportunity in the region by enhancing the ImaginePittsburgh.com talent attraction portal and related marketing;
- Advocating for key structural improvements to the workforce development system in the region and across the Commonwealth of Pennsylvania; and
- Extending the analysis to include the entire 32-county, greater Pittsburgh region, which includes portions of Maryland, Ohio, Pennsylvania and West Virginia;

In fact, a new analysis of the energy sector by the <u>Pennsylvania Economy League of Greater Pittsburgh</u> (an Allegheny Conference affiliate) indicates that the energy sector has an annual \$25 billion economic impact – direct and indirect – on the 32-county region, representing 15 percent of its economy. More than 60,000 people are employed in direct energy jobs at 1,700 establishments across the greater region.

Learn more at <u>www.alleghenyconference.org</u>.

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The Allegheny Conference on Community Development is the parent organization for three affiliates: the Pittsburgh Regional Alliance (PRA), the Greater Pittsburgh Chamber of Commerce and the Pennsylvania Economy League of Greater Pittsburgh. These organizations share a strategic vision and work together to market our region for business investment and talent attraction, conduct research and analysis to improve our competitiveness, and advocate on behalf of business climate and quality-of-life improvements. The Regional Investors Council, made up of more than 300 regional employers, provides the leadership, commitment and resources to move our region forward.

The **Energy Alliance of Greater Pittsburgh** (EAGP) is a coalition of 100 businesses representing all seven of our region's energy-related industries. Supported by the staff of the Allegheny Conference on Community Development and Innovation Works, EAGP advocates for policies that will encourage these industries to flourish here, reaching out worldwide to attract investors and encouraging commercialization of innovations spinning out of our government and university labs. Learn more at www.energyalliancegreaterpittsburgh.org.

ShaleNET links industry, workforce investment boards and training providers to ensure local worker placement in six entry-level, family sustaining positions that have been identified as high-priority occupations by the Pennsylvania Workforce Development, a program of the state's Department of Labor & Industry. To learn more or register to receive the ShaleNET newsletter, go to www.shalenet.org.