NC Department of Commerce Resilience Report

- Department of Commerce's report:
 - NCDOC recognizes the importance of resilience; a resilient state economy can "bounce back" more quickly from hazards and therefore have less business interruption.
 - The Department's resiliency initiatives will educate stakeholders about climate mitigation strategies, promote resilience, advance climate justice, and provide community assistance. The Department will continue and expand these activities in subsequent years.

Commerce 2022 Resilience Strategy Report



DEPARTMENT of COMMERCE

The North Carolina Department of Commerce knows that resiliency helps businesses bounce back from crises. Whether that crisis is a pandemic, a hurricane, an earthquake or a flood, Commerce works to build economic strength and provide supports for the industries and businesses in the state.

| Activity | Status | Completion Date |
|--|----------|-----------------|
| 1.0. Educational Campaigns | | |
| 1.1. Communities Economic Recovery and Resiliency | Underway | N/A |
| Initiative (CERRI) - work with 29 communities | | |
| around the state. | | |
| 1.2. Assistant Secretary for Clean Energy Economic | Complete | Throughout 2021 |
| Development and the Executive Director of the | | |
| Office of Science, Technology & Innovation (OSTI) | | |
| Presentations. | | |
| 1.3. Business Network for Offshore Wind's | Complete | August 2021 |
| International Partnering Conference (IPF) in | | |
| Richmond, Virginia – OSTI Executive Director | | |
| featured speaker. | | |
| 1.4. The OSTI launched a new communications | Ongoing | N/A |
| platform. | | |
| 1.5. Southport Open House on Wilmington East OSW | Complete | January 2021 |
| lease sale. | | |

| 2.0. Mission Critical Projects | | |
|--|-----------|--|
| 2.1. In March 2021, Arrival, the global company creating electric vehicles ("EVs"), announced it will build its second US Microfactory in Charlotte. | Underway | Estimated: Spring 2022 |
| 2.2. In July 2021, Smart Wires Inc., a global power technology company working to advance the delivery of affordable, clean electricity around the world, selected Durham as the site for its global headquarters. | Planned | Estimated: Summer 2025 |
| 2.3. In December 2021, Toyota announced plans to build its first North American battery manufacturing plant for a new generation of vehicles in North Carolina at the Greensboro- Randolph Megasite. | Proposed | TBD |
| 2.4. The Department of Commerce supported implementation of the Motor Fleet ZEV Plan in 2021 by replacing two vehicles with ZEVs or hybrid vehicles. | Ongoing | Implementation of recommended actions is ongoing |
| 2.5 In 2019 the Department released Clean Energy & Clean Transportation in NC: A Workforce Assessment. | Ongoing | Implementation of recommended actions is ongoing |
| 2.6 MERV 13 HVAC air filters are installed at the downtown Commerce location. | Completed | Completed |
| 2.7 Creation of Diversity, Equity, and Inclusion Officer | Completed | Month, 2022 |
| 2.8 Appointment of the new Assistant Secretary for Clean Energy Economic Development. | Completed | January 2022 |
| 3.0. Communication Networks | T T | |
| 3.1 OSTI's a new communications platform – see 1.4 | | |

Activity Progress

1.0 Educational Campaigns

Commerce continues to move the state forward as a leader in green technology and business development. These campaigns work with regional economic development agencies to local and state officials to small businesses to position the state as a leader in the green economy.

1.1 Communities Economic Recovery and Resiliency Initiative (CERRI)

Presentations on offshore wind and its potential as a high-growth manufacturing sector and source of clean energy for North Carolina

1.2 Assistant Secretary and OSTI presentations

The Assistant Secretary for Clean Energy Economic Development and the Executive Director of the Office of Science, Technology & Innovation made more than one-dozen

presentations focused on offshore wind and its potential as a high-growth manufacturing sector and source of clean energy for North Carolina. Several attendees, from organizations such as local economic development agencies, industry representatives, and state workforce officials, benefitted from the presentations.

1.3 Business Network for Offshore Wind's International Partnering Conference (IPF) in Richmond, Virginia

OSTI represented North Carolina and was a featured speaker at the Business Network for Offshore Wind's International Partnering Conference (IPF) in Richmond, Virginia. More than 1,000 people attended the conference.

1.4 OSTI's a new communications platform

This new platform reaches nearly 500 policy makers and government officials. The new platform delivers quarterly email messages to highlight meetings, current messaging, and advocacy for programmatic efforts of the Board of Science, Technology and Innovation (BSTI), including initiatives focused on clean energy.

1.5 Southport Open House on Wilmington East OSW lease sale

The Assistant Secretary for Clean Energy Economic Development participated in an open house in Southport to discuss and answer stakeholder questions about the pending Wilmington East OSW lease sale.

2.0 Critical Projects

2.1 March 2021, Arrival, the global company creating electric vehicles ("EVs"), announced that it will build its second US Microfactory in Charlotte.

This Microfactory will produce electric delivery vans and is expected to bring more than 250 new jobs to Mecklenburg County. The Microfactory is expected to begin production by Q3 2022. In December 2021, Arrival announced it will establish a high voltage battery module assembly plant, adding 150 new jobs and investing \$11.5 million in its new facility off Yorkmont Road.

2.2 July 2021, Smart Wires Inc., a global power technology company working to advance the delivery of affordable, clean electricity around the world, selected Durham as the site for its global headquarters.

The company will create 250 jobs and invest \$21.5 million over five years. The Economic Investment Committee awarded a \$2.8 million Job Development Investment Grant to the project, which is estimated to grow the state's economy by \$3.07 billion and the state will see net direct revenue from the project in excess of \$106 million.

2.3 December 2021, Toyota announced plans to build its first North American battery manufacturing plant for a new generation of vehicles in North Carolina at the Greensboro-Randolph Megasite.

Toyota will create at least 1,750 jobs and will invest \$1.29 billion at the Greensboro-Randolph Megasite, strengthening North Carolina's position as a leader in the nation's growing, clean energy economy. Toyota's project in North Carolina will be led by a new venture between Toyota and Toyota Tsusho Corporation, the trading arm of the Toyota Group. The new venture company will be known as Toyota Battery Manufacturing, North Carolina (TBMNC), based in Randolph County.

2.4 The Department of Commerce supported implementation of the Motor Fleet ZEV Plan in 2021 by replacing two vehicles with ZEVs or hybrid vehicles.

One ZEV was purchased by DWS and one 2022 Camry Hybrid was purchased by Commerce proper.

2.5 Clean energy workforce development

To produce this report, the Department identified the state's existing talent pool and future workforce demand; assessed employers' current and future workforce skills and training needs; compiled educational program offerings, enrollment trends, and work-based learning opportunities; identified gaps and areas for improvement to meet current and future workforce demand; and recommended actions to help North Carolinians develop the required skills and education.

-NCWorks / Turning Point WDB is partnering with The Center for Energy Education to sponsor solar training classes focused on installation, roofing, racking and OSHA 10 training. Also conducing job fairs and outreach for Strata Solar.

-NCWorks / Northeastern WDB is collaborating with the Hampton Roads WDB (Virginia) on a grant that will include maritime industry & off-shore wind manufacturing.

-NCWorks / Lumber River WDB is collaborating with Hard Hats on talent acquisition focused on assemblers and installers for solar farms throughout Scotland, Hoke, Robeson and Richmond Counties.

-NCWorks / Charlotte Works WDB is working toward greater collaboration with Duke Energy to use NCWorks for talent acquisition focused on the Duke Renewable Control Center (RCC) which monitors wind and solar plants across the nation.

- NCWorks / Mountain Area WDB is collaborating with Solfarm which focuses on residential and commercial solar, along with EV charging stations, on talent acquisitions. Other partners include A-B Tech Community College and Apprenticeship NC.

- NCWorks / Piedmont-Triad WDB partnering with NC A&T for a clean energy grant focused on Rockingham and Forsyth Counties.

2.6 MERV 13 HVAC air filters are installed at the downtown Commerce location.

By using these filters, it is a cost savings of \$0.01 to \$0.02 per square foot, totaling approximately \$3000 to \$6000 per month in savings.

2.7 Creation of Diversity, Equity, and Inclusion Officer

This office was established in Fall of 2021 and has a Chief Diversity, Equity and Inclusion Officer. The office works to remove barriers and grow job and business opportunities for all of North Carolina.

2.8 Appointment of the new Assistant Secretary for Clean Energy Economic Development.

In January 2022, Secretary Sanders announced the appointment of the new Assistant Secretary for Clean Energy Economic Development. This new role for the Department is a key position directed by E.O. 218 to guide North Carolina's efforts to secure economic development and workforce opportunities in the increasingly important clean energy industry sector, including development of the state's resources for offshore wind energy.

3.0 Communication Networks

3.1 OSTI's new communication platform See 1.4.

Looking Ahead

The North Carolina Department of Commerce is committed to growing a green economy and matching that growth with qualified workforce, infrastructure and sound policies. The Department sees great things in the green economy and its benefits for all North Carolinians.