Social Impact Partnerships to Pay for Results Act (SIPPRA)
Pay for Success Clean Energy Training Project
Biannual Evaluation Progress Report

Grantee: New York State Energy Research and Development Authority (NYSERDA)

Federal Award Number(s): MI-35803-21-60-A-36

Reporting Period: September 1, 2025 – February 27, 2026

Note: Please note that language from SIPPRA's NOFA is listed below in italics. Responses from the project team are unitalicized.

Core Topic Areas:

(1) Include information on the:

- *Unique factors that contributed to achieving or failing to achieve the outcome in the context of the intervention, including but not limited to any major change in policy or law that may have affected the project intervention and whether or not the project was implemented with fidelity, e.g., randomization of treatment and control groups.*
- *Challenges faced in attempting to achieve the outcome; and*
- *Improved future delivery of this or similar interventions.*

Outcomes were not evaluated during this reporting period. However, as highlighted in previous quarterly performance progress reports and biannual evaluation reports, we faced two primary challenges:

1. Under-enrollment of both training providers and participants, particularly as two of five training providers exited the study. There were several reasons for this:

- Participation in the study was voluntary (i.e., not required for funding) as NYSERDA needed to balance the goals for the study with its overarching targets for training new workers.
- Despite offering additional funds for evaluation work, few providers were interested in turning people away.
- For many providers, the Randomized Controlled Trial (RCT) either conflicted with their mission or standard operating procedures and/or exacerbated existing recruitment challenges, making it harder to meet grant goals. This was particularly true for community colleges.
- Participating in the RCT required substantial effort for providers to update their recruitment, screening, and enrollment processes. The grant timeline did not allow a "runway" to support programs with these activities.

In December 2024, the project team completed study enrollment. The target for the grant was 666 clients enrolled in the program group and 333 in the control group. Despite extending the intake period for programs and participants, the project hit only ~55% of its target, consisting of 355 program group and 203 control group members. This will create challenges for statistical power.

Table 1: Enrollment by Training Provider (*As of December 31st, 2024)*

Training Provider	***Program***	***Control***	***Total***
Building Skills NY	*139*	*78*	*217*
The HOPE Program	*127*	*62*	*189*
Nontraditional Employment for Women[1]	*89*	*63*	*152*
Total	***355***	***203***	***558***

2. Varying treatment contrast across participating programs and providers. The underlying theory of change is that the provision of clean energy training, along with wraparound support and job placement, will increase participants' earnings. Participating providers are generally providing these supports, although the treatment contrast, or the difference between these services and those provided to individuals assigned to the control group (and thus not eligible for clean energy job training) varies across the three remaining training providers[1]:

- Building Skills New York: The treatment contrast entails clean energy job training with additional career services compared to no training or services.
- The HOPE Program: The treatment contrast consists of clean energy job training with career services compared to career services alone, without any technical training.
- Nontraditional Employment for Women: The treatment contrast comprises clean energy job training with career services compared to other technical training (not in clean energy) with career services.
- As previously noted, the College of Staten Island and Hudson Valley Community College have exited the study.

(2) Assess the degree to which the project was delivered as intended, including a discussion of how closely the project's theory and intended procedures aligned with actual project implementation.

Except for the challenges outlined above, the project has been delivered as intended. The focus for the study was to serve adults from low-income communities. The data suggests that this was true of the treatment group sample.

Table 2: Treatment Group Characteristics (*At Study Entry)*

Demographic	**Observations**
Income in Prior Year	• 85% of participants earned less than $50K. • More than 50% earned less than $20K.
Education	• Over half of the participants had a high school degree or lower.

[1] Each of these training providers partnered with subcontractors to deliver the supports and/or technical training. Building Skills NY worked with Positive Workforce and LaGuardia Community College. The HOPE Program and Nontraditional Employment for Women partnered with Solar One for their technical training components.

Age	• 21% were under 25 years of age. • 40% were ages 25 – 34. • 25% were ages 35 – 44. • 14% were older than 45 years of age.

(3) Include information related to the intervention model, including:

- *Whether it has evolved and whether the intervention was delivered with fidelity to the plan;*
- *Staffing;*
- *Recruitment/identification and screening of participants;*
- *Selection and enrollment;*
- *How the intervention was implemented; and*
- *Findings.*

Training providers report the following experiences and findings, including:

- Intervention fidelity: Training providers have not made substantial changes to their programs (i.e., credentials and services offered). However, as summarized in prior reports, training providers adapted and innovated on how they deliver these programs to support improved enrollment and retention. For example, offering evening/part-time classes, piloting stipends to offset the opportunity cost of full-time training, introducing technical training earlier in the curriculum to improve engagement, etc.
- Staffing: Staffing adjustments have been noted in prior reports; all providers underwent changes in personnel for key positions at some point during the study period.
- Recruitment/identification, screening, selection, and enrollment: As described in prior reports, training providers adjusted their recruitment, screening, and enrollment processes to maximize outreach and engagement in services. Strategies have included:
    - Adding questions to the pre-vetting and screening process to proactively identify barriers like housing instability, lack of transportation access, lack of technology access, and commitment to the program.
    - Bolstering the pre-assessment with components from the curriculum and adjusting the pre-assessment to be in-person and, in some cases, onsite to assess their ability to get to the training.
    - Delaying start dates to address any needs beforehand.
    - Requiring that participants either have or are willing to obtain a valid New York State driver's license since required by employers; and making connections to driving schools as needed.
    - Testing new referral partners, like the New York City Housing Authority.
- Intervention implementation:
    - Providers note that program participants may experience numerous challenges, such as availability of or access to child care (especially for work hours that are nontraditional), housing instability, lack of transportation, being formerly incarcerated, having a history of substance use, or having low levels of previous formal education – all of which require additional support. To mitigate these challenges, providers offer additional supportive services, both directly (i.e., stipends, bus passes, etc.) as well as through referrals (i.e., child care vouchers, financial literacy/tax preparation, math tutoring, etc.).

- In terms of the operations of the programs, providers also report that prospective and enrolled participants may face barriers to participation in daytime programming due to employment and other obligations. To address this, programs offer night or part-time classes and / or stipends.
- Regarding facilitating job placements, training providers note several best practices, including:
    - Focusing on essential skills during job training
    - Having program participants engage with their internal employment teams early in the program
    - Placing individuals in short-term placements (*e.g.,* temporary jobs, internships) to build experience and competitiveness for full-time opportunities.
    - Extending supportive services until after program participants are placed into jobs.

- Findings: To date, impact findings are not available for the project. Early survey data of study participants, as conducted by the evaluator, suggests a notable difference in enrollment in and completion of training between the program and control groups. Findings from focus groups with program group members in training with all three providers suggest that they value the technical training, career readiness preparation, and supports that they receive through their respective programs.

(4) Include an assessment by the independent evaluator of the value to the federal government as discussed and defined in Section 4.f.ii, Outcomes: Outcome Valuation.[2]

Not applicable. Outcomes were not evaluated during this reporting period such that the value to the federal government could be determined.

[2] *In calculating the value to the federal government of the completed outcome(s), the independent evaluator may only take into consideration changes in federal outlays and revenues that have occurred as of the completion of the outcome and not extrapolate to later points in time or assume that other outcomes will be achieved. That is, the value calculation must only take into account the value achieved as the result of the completed outcome(s).*

APPENDIX 1. DOL-Requested Additional Topic Areas for Progress Reports (MI-35803-21-60-A-36)

Per the email from the U.S. Department of Labor (USDOL or DOL) on January 30, 2023, NYSERDA is including additional topic areas for the award identified above. Please note that language from USDOL is listed below in italics. Responses from the project team are unitalicized.

A. <u>Research Question(s) and Evaluation Study Design</u>

Has the evaluation study encountered any challenges, such as those identified in the evaluation design plan's theory of change? If so, how has the evaluation team and/or grantee addressed these challenges? Has the evaluation team made any alterations to the study's research questions or planned design on account of these challenges? If so, what changes did it make?

As previously mentioned, the project team has not made any changes to the study's research questions. However, to address training providers' challenges in recruiting a sufficient number of trainees to the study, the project team did agree to adjusting the ratio of program vs control group enrollment from 50/50 to as much as 67/33 depending on the project. These adjustments, along with corresponding messaging, were intended to increase the chance for applicants to be selected for the training program under consideration, thereby enhancing their incentive to enroll in the study. Despite these changes, training providers continued to struggle recruiting participants. The College of Staten Island and Hudson Valley Community College ultimately exited the study, resulting in a reduction of more than 100 potential study participants in the program group.

Is the study addressing any additional research questions (as part of the evaluation or for learning purposes only)?

As previously mentioned, the primary research question is the effect of the training programs in clean energy on participants' earnings over time. Additional exploratory questions may include effects on earnings for specific subgroups of participants and an analysis of how program implementation and other features, such as training length or the types of wraparound services, are associated with completion and job placement. The latter analysis is non-experimental and suggestive only, given the small number of participating providers. The evaluation team does not expect the implementation analysis to be able to shed significant light on any potential impacts, given that the three training providers' study samples will be pooled during analysis, despite differing training models.

B. <u>Implementation Analysis:</u>

What has the implementation study learned to date in the following areas:

How did NYSERDA design and develop the SIPPRA project and what were the national and local contexts and political, policy, legal, and/or program environments in which it did so? If such contexts or environments have changed, how has the project adapted to the changes?

NYSERDA, along with the broader project team, developed the SIPPRA project several years ago in response to the FY19 NOFA. The original aims of the project have remained consistent over time; the goals included are (1) to increase employment and earnings of individuals who identify as low-income, (2) to offer wraparound and other supports to individuals participating in technical training, (3) to build the pipeline of workers who can contribute to the clean energy economy, and (4) to leverage federal funding to reimburse NYSERDA such that it can reinvest more than $7M in clean energy workforce development projects.

From a macroeconomic perspective, New York's clean energy economy has continued to grow. In 2024, New York was home to 185,000 clean energy jobs, with job gains in the clean energy sector accounting for 4% of total economy-wide employment increases in the State.[3] Underpinning this growth is several state and local policies reflecting New York's commitment to advancing climate and clean energy initiatives. Most recently, as part of its FY 2026 budget, New York allocated $1 billion to promote home electrification, thermal energy networks, EV charging infrastructure and renewable energy projects.

From a programmatic standpoint, two competing developments have created challenges for the project: While clean energy employers, particularly in the building decarbonization and energy efficiency sector, anticipate increased demand for a wide variety of workers, many are also reporting difficulty hiring for these roles and cite a need for better access to trained talent.[4] At the same time, training providers indicate that it is challenging to identify and engage employers who can commit to hiring. Because NYSERDA requires partnerships with employers as a condition of funding, this affected the pool of eligible training providers who could participate in the project. These trends mirror challenges that training providers in the SIPPRA project have shared.

As noted earlier in this report, training providers have responded to these challenges with several new strategies. The HOPE Program, for example, is testing a new employer database for aggregating analyzing employer hiring needs. They also use state wage subsidies to incentivize hiring of their graduates. Other programs are exploring formal agreements (i.e., MOUs) with employers to codify hiring needs as well as commitments to supporting curriculum development, participating in panels or mock interviews, and interviewing/hiring graduates.

Have any of the intervention model's key components changed? If so, how? For example, describe any changes in the following areas:

- *Staffing*
- *Recruitment/identification and maintenance of training providers and other key partners*
- *Recruitment/identification, screening, selection, and enrollment of participants*
- *Recruitment/identification, screening, selection of investors*
- *Intervention features and strategies across participating providers*

Please see question (3) in the main section above for information regarding intervention fidelity, staffing, recruitment and identification, screening, selection, and enrollment, intervention implementation, and findings.

[3] 2025 New York Clean Energy Industry Report.

[4] Ibid.

This Pay for Success Clean Energy Training project under SIPPRA does not leverage outside investors.

Regarding training provider recruitment, NYSERDA selected these organizations through its existing procurement processes, which include (1) extending contracts for existing training providers who have successfully completed other training projects (*e.g.,* Nontraditional Employment for Women) and (2) selecting new training providers through its workforce development solicitations (*e.g.,* Building Skills New York and The HOPE Program). NYSERDA issues these workforce development solicitations multiple times each year. NYSERDA also promotes the project on its website, in outreach to potential training providers and workforce development organizations, and through targeted outreach to existing training providers.

However, since Summer 2023, NYSERDA has decided to deprioritize study enrollment compared to its standard training projects given this project's challenges.

C. Pay for Success (PFS) Model

What are the evaluators learning about the feasibility and viability of the PFS model/approach, including in the following areas:

- *Selecting partners (e.g., ensuring that key players are included in the management structure and keeping them sufficiently engaged for the project's duration)*
- *Developing partnership/contractual agreements*
- *Raising capital and identifying and maintaining investors*

Not applicable. The Pay for Success Clean Energy Training project structure does not include investors or other management partners; payments outlined in Table 1 of Annex D of Schedule 1 of the Final Outcomes Award (MI-35804-21-60-A-36) would be made from Treasury and USDOL to NYSERDA, if outcomes are achieved. The project has not included other contractual agreements or a capital raise.

Has project implementation to date shed any light on whether the PFS financing and managerial structure is incentivizing the right partners in the right ways?

- *Do partners have differing perspectives on the project's costs? If so, what are these perspectives and to what extent can the PFS cost-sharing model accommodate them?*
- *Have any challenges/obstacles in project implementation diminished partner/investor confidence that the level of return will be commensurate with the risk?*
- *Is the size and scale of the current intervention sufficient to keep investors interested and engaged? If not, what challenges does the project face in this regard?*

Not applicable. The Pay for Success Clean Energy Training project structure does not include investors; payments outlined in Table 1 of Annex D of Schedule 1 of the Final Outcomes Award (MI-35804-21-60-A-36) would be made from Treasury and USDOL to NYSERDA, if outcomes are achieved.

Describe any challenges in implementing the PFS model, including in these areas:

- *Managing the project*
- *Facilitating partner communication*
- *Handling dispute resolution*
- *Addressing investor issues*
- *Overseeing service provision*
- *For purposes of the impact evaluation, ensuring the following elements:*
    - *recruitment of an adequate sample size*
    - *high levels of participation in program services among the treatment group*
    - *strong treatment-control contrast*
    - *high quality and accessible data*

As discussed in prior quarterly performance progress reports, regarding managing the project and overseeing service provision, the project experienced lower than expected enrollment, driven by (1) few training providers interested in and eligible for participating in the project, (2) long contracting timelines to engage prospective training providers to start new training cohorts, (3) low rates of individuals starting and completing training, and (4) NYSERDA's decision to deprioritize study enrollment compared to its standard training projects given the project's challenges.

There are no challenges associated with training provider communication or dispute resolution that the project team elevates. Lastly, there are no investors included in this project.

Regarding the impact evaluation, a key challenge includes the lower-than-expected enrollment. While the original application goal was to enroll 1,000 individuals, only 558 study participants were ultimately enrolled across the three training providers: Building Skills New York, The HOPE Program, and Nontraditional Employment for Women.

Failing to reach the target study enrollment of 1,000 participants will reduce the statistical power of the impact analysis, increasing the likelihood that the evaluation team will not be able to detect true program impacts as statistically significant. Additionally, as noted, the treatment contrast varies across enrolled training providers, which may dilute the estimated program impact.

D. Outcome Payments

Please describe NYSERDA's process for determining how and when it will pay investors, based on such payoff elements as:

- *Timing. In addition to the payment schedule outlined in Table 1 of Annex D, has the project agreed to any "interim" payment points? For instance, if the project fails to achieve a certain outcome target to trigger payment by DOL, will it still pay out a specified amount to investors? Conversely, if the project achieves its target ahead of schedule, will it pay investors on an expedited basis?*
- *Amount. If the project surpasses its target by a certain margin, will it make a larger ("bonus") payment to investors?*
- *Order. Will the order of payouts vary based on the seniority of the investors, the size of the investment, and/or any other factors?*
- *Other Factors: Include any other relevant issues.*

Not applicable. The Pay for Success Clean Energy Training project structure does not include investors; payments outlined in Table 1 of Annex D of Schedule 1 of the Final Outcomes Award (MI-35804-21-60-A-36) would be made from Treasury and USDOL to NYSERDA, if outcomes are achieved. Because there are no considerations related to investors, the timing of outcome payments is based solely on the evaluation, including when the data and resources are available to conduct that work.

Has NYSERDA reached any agreements with investors that seek to manage the possibility of a missed payment by the federal government (due to the project's failure to reach an outcome target)? For example, can the project miss a threshold number of payments before investors are entitled to pull out?

Not applicable. The Pay for Success Clean Energy Training project structure does not include investors; payments outlined in Table 1 of Annex D of Schedule 1 of the Final Outcomes Award (MI-35804-21-60-A-36) would be made from Treasury and USDOL to NYSERDA, if outcomes are achieved.

For risk management purposes, has the project instituted any mechanism(s) to avoid early shutdown in case it misses a threshold number of payments? If so, please describe the mechanism(s). In case of early shutdown, what is the process for closing out the project?

Not applicable. The Pay for Success Clean Energy Training project structure does not include investors; payments outlined in Table 1 of Annex D of Schedule 1 of the Final Outcomes Award (MI-35804-21-60-A-36) would be made from Treasury and USDOL to NYSERDA, if outcomes are achieved.

What potential return(s) on investment has the project agreed to? Does the rate vary by investor and, if so, what factor(s) inform this rate (e.g., the size of investment)?

Not applicable. The Pay for Success Clean Energy Training project structure does not include investors; payments outlined in Table 1 of Annex D of Schedule 1 of the Final Outcomes Award (MI-35804-21-60-A-36) would be made from Treasury and USDOL to NYSERDA, if outcomes are achieved.

E. Other Topics/Issues:

DOL believes that the topic areas outlined above are worth examining. Are there additional topic areas or issues that the NYSERDA partnership and evaluation teams would like to highlight regarding project and PFS implementation, the outcome payment structure, and/or any other areas?

The project team does not highlight any further topics at this time.