



# *Energy Policy Summit*

## *Post Summit Report*

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AMERICAN ASSOCIATION OF BLACKS IN ENERGY®

*January 31 – February 1, 2013*

*The Heritage Center of the  
United States Navy Memorial  
Washington, DC*

**TABLE OF CONTENTS**

**Executive Summary**

**Day One: Summit Presentations, Remarks and Sessions**

Remarks from Summit Organizers

Remarks from Congressional Leadership

Remarks from the Obama Administration

Overview of the Sessions

Closing Remarks

**Day Two: Summit Presentations, Remarks and Sessions**

Keynote Address

Overview of the Sessions

Unifying Themes - Stakeholder Roundtable Discussion

Conclusions and Action Items

## BACKGROUND

### The AABE Organization

The American Association of Blacks in Energy (AABE) is a national association of energy professionals founded and dedicated to ensure the input of African Americans and other minorities into the discussions and developments of energy policies regulations, R&D technologies, and environmental issues. AABE has over 1700 members organized throughout 36 chapters in the United States AABE's expressed purposes are:

- To serve as a resource for policy discussion of the economic, social and political impact of environmental and energy policies on African Americans and other minorities.
- To ensure involvement of African Americans in governmental energy policymaking by recommending capable, sensitive, and informed personnel to appropriate officials.
- To encourage both the public and private sectors to be responsive to the problems, goals and aspirations of African Americans in energy-related fields.
- To encourage African American students to pursue careers in energy-related fields and to provide scholarships and other financial aid for such students.

### Our History

The American Association of Blacks in Energy was formed in 1977 during our nation's energy crisis. At the time, newly elected President Jimmy Carter established a special task force to study the energy problem and develop recommendations. However, absent from the task force were persons of color representing the interests of blacks and other minorities. It also had few, if any, persons with experience in any of the major energy sectors. A small group of Blacks, many of whom worked for energy companies, were concerned that Blacks and other minorities were not well represented in this task force and they understood the strong correlation between energy resource development and economic growth.

While President Carter's taskforce was meeting this group of African American professionals came together and formed the American Association of Blacks in Energy. This new organization believed that Blacks who had knowledge and understanding of the U.S. energy situation should bring their thinking to bear on energy policy-making. Today, the AABE still works towards its goal to ensure that African Americans have a voice in the policy discussions around energy. With more than 36 chapters around the country, the organization hosts events to educate people about energy issues and the impact that energy policies has on our communities.

### AABE Energy Policy Principles

In preparation for the Summit, an effort was undertaken by AABE Legislative Issues and Public Policy (LIPP) Committee to finalize policy themes and principles expected to dominate the Presidential/Congressional elections, and subsequent Administration and Congress.

In November of 2012, AABE's Board of Directors approved six policy issue principles for external distribution. These and subsequent AABE Energy Policy Principles have been developed to form the foundation for the ongoing public policy dialogue aimed at addressing the interests of minorities and historically underserved communities.

The following seven (7) policy issues principles were approved and distributed during the Summit:<sup>1</sup>

- Cybersecurity
- Energy and Environmental Justice
- Energy Efficiency
- Fossil Energy
- Renewable Energy
- Smart Grid
- Supplier Diversity

For additional information on the AABE policy principles visit us at [www.aabe.org](http://www.aabe.org)

<sup>1</sup> See Appendix A for a complete set of approved policy themes and principles.

## ***SUMMIT LEADERSHIP, PLANNING AND PARTICIPATION***

The success of the Summit was possible due to the leadership, planning, resources and dedication of the following organizations:

### **Summit Sponsors**

- American Coalition for Clean Coal Electricity
- American Electric and Power
- American Gas Association
- American Petroleum Institute
- Chevron
- Duke Energy
- Edison Electric Institute
- Edison International
- McGuireWoods LLP
- Pacific Gas and Electric Corporation
- Pepco
- Southern California Gas Company
- Stinson Morrison Hecker LLP

### **Invited Stakeholders**

- American Association of Retired Persons
- African American Environmentalists Association
- CBCI 21st Century Council
- Executive Leadership Council
- The Greenlining Institute
- Hispanics in Energy
- Joint Center for Political and Economic Studies
- The Latino Coalition
- Minority Media and Telecom Council
- National Association for the Advancement of Colored People
- National Association for Equal Opportunity in Higher Education
- National Association of Black Journalists
- National Association of Real Estate Brokers
- National Black Caucus of State Legislators
- National Council of La Raza
- National Minority Supplier Development Council
- National Organization of Black County Officials
- National Policy Alliance
- National Urban League

## I. EXECUTIVE SUMMARY

### Overview

Shaping the energy and economic priorities of minorities and historically underserved communities was the focus of the American Association of Blacks in Energy (AABE) Policy Summit (the “Summit”) held on January 31 and February 1, 2013, at the Heritage Center of the United States Navy Memorial in Washington, D.C. This landmark two-day gathering brought together over 200 attendees, including the leadership of prominent national organizations representing people of color.

The Summit dialogue focused on three significant economic factors facing underserved communities — mitigation of rising energy costs, increasing opportunities for minority-owned small business and new jobs creation. A fourth issue emerged during the course of the discussion — science, technology, engineering and math education (STEM) as a foundation for upward mobility and energy sector jobs.

These issues demand our attention as the United States (U.S.) stands at an important threshold regarding national energy policy. President Obama breathed new life into the energy policy debate by resurrecting the climate change issue during his inaugural address and state of the union speech. Meanwhile, the country is in the midst of a natural gas revolution, with projections showing that the U.S. could become a net exporter of energy in the next decade.

*“We will respond to the threat of climate change. ...The path towards sustainable energy sources will be long and sometimes difficult. But America cannot resist this transition. We must lead it. We cannot cede to other nations the technology that will power new jobs and new industries. We must claim its promise.”*

*President Barack Obama  
January 2013 Inaugural Address*

The Summit emphasized the need for stakeholder organizations representing minority and underserved communities to voice their shared priorities and goals, and to secure their seats at the table for the national energy policy debate. The Summit is a first step to ensuring that this goal is achieved.

A key factor contributing to the success of the Summit was the impressive list of public policy leaders in attendance. These energy policy experts both educated and engaged the audience. Congressional leaders and top Administration officials presented balanced and diverse perspectives on the issues. The keynote and plenary speakers included:

- The Honorable James E. Clyburn (D-SC)  
Assistant Democratic Leader, United States House of Representatives
- The Honorable Robert Menendez (D-NJ)  
Chairman, Senate Committee on Foreign Affairs;
- The Honorable G.K. Butterfield (D-NC)  
House Committee on Energy and Commerce
- The Honorable Robert Perciasepe  
Deputy Administrator, U.S. Environmental Protection Agency
- Ms. Donna Brazile  
Vice Chairwoman, Democratic National Committee

## Unifying Themes

The Summit dialogue successfully refined and clarified themes identified during the first summit, giving rise to a third theme strengthening the commitment to education. The unifying themes of the 2013 Summit were identified as follows:

1. The need to create jobs for underserved communities and increase business opportunities for minorities;
2. The need to mitigate the costs associated with energy technology advances on low and fixed income consumers; and
3. The need to increase energy literacy and technical programs for underserved communities, with a special emphasis on science, technology, engineering and mathematics (STEM) careers.

A recurring theme that resonated throughout the Summit was the opportunity gap underserved communities experience regarding energy careers. This gap seems to be directly tied to a lack of knowledge and awareness of the technical skills and training necessary to compete for lucrative energy jobs. This was especially acute in the African American community with respect to jobs in the upstream oil and gas industry.

## New Insights

The Summit produced several new ideas and insights that may inform and guide the stakeholders as they shape their common energy policy goals and priorities. Among these were the following:

- The need for a diverse national energy portfolio (e.g., natural gas, oil, coal, solar, wind, geothermal, bioenergy, and nuclear);
- The need to equip and utilize the powerful resources of the Tri-Caucus, in particular the Congressional Black Caucus (CBC), to effectively champion our priorities; and
- The need for greater minority representation and diversity on corporate boards and among executive leadership of energy companies

## Conclusions and Action Items

As the Summit concluded, AABE and its fellow stakeholders agreed upon the following strategic next steps:

- Convening the Summit has significant value and should be repeated;
- Collectively prioritize common goals and objectives;
- Develop a clear and succinct action plan based on common goals and objectives;
- Partner with organizations that share our common goals and objectives;
- Build effective and focused coalitions;
- Plan and schedule regular meetings and conference calls to maintain momentum and effectiveness;
- Align our agenda with the agendas of the Tri Caucus and the Congressional Black Caucus
- Advocate aggressively to move minority candidates into leadership roles within the Obama Administration and the Energy industry

## II. SUMMIT PRESENTATIONS, REMARKS AND SESSIONS – DAY ONE

### *a. Remarks from Summit Organizers*

#### ***Paula Jackson, Interim President and Chief Executive Officer, AABE; David Owens, Chairman, Legislative Issues and Public Policy Committee, AABE***

Ms. Jackson opened the Summit by characterizing it as an opportunity to have an ongoing dialog on the energy issues today and those of the future. She lauded the Summit for providing a venue to engage with policy makers and underserved stakeholders about the energy issues that impact our communities.

Mr. Owens set the tone for the Summit, articulating the following expectations and goals for the two days:

- Improved knowledge and understanding of the new political landscape:
- Insight on the impact of technology and innovation on current and future energy policy
- Learning what industry association CEOs are thinking
- Identify economic opportunities for jobs and minority owned business opportunities in the energy sector
- Understanding the issues that are challenging our communities

He concluded that, unlike a conference, the Summit is designed to allow stakeholders to voice their thoughts and concerns. The focus of the Summit would be to build coalitions that collectively help shape national energy and environmental policy.

### *b. Remarks from Congressional Leadership* ***State of the Debate -113th Congress***

#### ***The Honorable James E. Clyburn (D-SC), U.S House of Representatives*** ***Assistant Democratic Leader***

#### **Energy Policy in the House of Representatives**

Representative Clyburn began his comments by positing that the House Committee on Energy and Commerce is the seat for energy policy development and the economy.

He encouraged the Summit stakeholders to develop expertise on the priorities and agenda of the Energy and Commerce Committee. He urged, "...look at it (Energy and Commerce), study it, see how it works, the nuances in that committee's portfolio." Representative Clyburn further stated that in order to have success in job creation and economic development, America must deal with energy issues. He further tied energy to infrastructure, stating that it is impossible to solve one without dealing with the other. He further endorsed President Obama's position that the US requires a "smorgasbord" approach to energy resources, including all available, affordable and safe options.

#### **Impact of Jobs, the Economy, Debt and Deficits on Energy Policy**

Representative Clyburn posed the question of balancing revenue increases with cuts in order to eliminate budget deficits. He cited job creation as a big challenge, and linked it to the headlines that have bombarded us about deficits, and how they are intended to demoralize and get us off our stride. He recounted the recent history of the Biden Group (of which he was a part) and the Super Committee, each of which was formed to get the deficit issue resolved and failed. He concluded that neither would ever succeed because there was not a balanced approach.

He offered his opinion that austerity measures alone will not work, citing recent examples from the European continent. He then offered a model for energy jobs creation that he authored, titled the "10/20/30 program." The 10/20/30 program, contained in the most recently passed Agriculture bill, proposes that 10% of all revenues collected in that section of the bill go into communities where 20% of the population has been below the national poverty level for the past 30 years.

One of the examples he used is the Rural Energy Savings Program, which retrofits rural homes for weatherization efficiency. The program is a loan not a grant, which, for \$9000, brings energy costs down by two-thirds; over time, the loans turn out to be less than the difference in energy savings. He emphasized that 10/20/30 is not targeted toward communities of color, since Republican districts represent two-thirds of the counties served.

## **The Congressional Black Caucus and Energy Policy**

Representative Clyburn made clear that the job of the Congressional Black Caucus (CBC) is to legislate. He encouraged stakeholders to bring potential policy recommendations to their attention through the CBC Institute, which convenes in March and August. He urged stakeholders to provide policy recommendations and proposals along with supporting data. He also suggested that stakeholders provide feedback and guidance to the CBC members. He then assured stakeholders that energy and climate change policy are issues the CBC and its allies in the Tri-Caucus will be “laser” focused on in the new congress.

Mr. Clyburn concluded by offering insights into the prospects for energy legislation in the 113th Congress. He estimated that this Congress has an 18 month window to enact energy or climate legislation. He suggested that energy legislation would have better prospects of passage if first introduced in the Senate with White House support.

## ***Remarks from The Honorable Robert Menendez (D-NJ) United States Senate Chairman, Committee on Foreign Relations***

### **Energy Policy in the Senate**

Senator Menendez began by stating that it is an exciting time in Washington. The atmosphere is one where hope abounds with respect to a breakthrough in the congressional log jam and policies enacted to spur jobs and meaningful policy to promote a greener and smarter future. He highlighted the challenges facing meaningful energy policy in the Congress, pointing to several recent weather events thought to be related to climate change:

- Hurricane Sandy
- Hurricane Katrina
- The National Capitol Region Derecho

He stated that since many Republicans deny climate change, when it comes to wind energy tax credits, the Congress keeps putting business in a “boom and bust” cycle (i.e., when the economy is booming they invest, when the economy is challenged, they withdraw investment). Credits were extended but there will be less than half of wind installations because of time limits. Solar tax credits will be in place until 2016 and Senator Menendez believes that investments in renewable energy are better for the environment and the economy. New Jersey has 10,000 people working in the solar energy industry, up from zero just 7 years ago.

### **Energy Policy and Its Impact on Minority Communities and the Economy**

Senator Menendez indicated that renewable energy can be a great job creator, while at the same time leading to cleaner, new electricity standards nationwide. He stated that renewable energy equals environmental justice for minority communities. Clean energy means clean air in poverty communities. He intimated that the choices that are made in terms of the economy will define who we are as a nation. Investments in creating growth to address the deficit are crucial to helping small businesses thrive.

He emphasized the need for access to capital and greater access to Wall Street. African-Americans, Latinos and women in corporate boardrooms would understand the concerns of communities they represent, and how consumers in those communities spend their money.

## ***Remarks from The Honorable G.K. Butterfield (D-NC), U.S. House of Representatives House Committee on Energy and Commerce***

Representative GK Butterfield who has served on the Energy and Commerce Committee for the last 6 years expressed his intentions to stay on the Committee during his entire stint in Congress. When he was appointed he had no experience in the energy field but learned quickly. He explained that his constituency (the 4th poorest in the nation), communities of color and poor communities, have little understanding of energy issues and climate change. He expressed the need for help from organizations like AABE to assist in packaging the energy message.

He continued by assessing the climate in Congress on the budget and the economic crisis and how everything in Congress is going to cost something for everyone across the board. He said legislators are going to have to ensure that there is a good balance in policies to make sure the underserved populations across the country don't suffer.

Congressman Butterfield agrees with President Obama that we must achieve energy independence. Investing in all forms of energy technology will get us there.

Congressman Butterfield then commented on our \$16 trillion debt and our \$1.3 trillion in trade deficits this year. He cautioned that we have a critical emergency and that we cannot continue to ignore our fiscal challenges. He charged that Democrats and Republicans are far from reaching solutions, and that there are two basic ways to balance the budget, notably by raising revenue and cutting spending. He offered that we must do both and that Congress is trying to find a balance. The Administration has charged Congress to reduce the deficit by \$4 trillion in the next 10 years. We will continue to work toward this goal, then immigration reform, then climate change and the other issues we care about as a nation.

## ***c. Remarks from Obama Administration State of the Debate – Executive Branch***

***The Honorable Robert Perciasepe, U.S. Environmental Protection Agency,  
Deputy Administrator***

### **Administration Energy Policies Going Forward**

Deputy Administrator Perciasepe outlined the Obama Administration's priorities respecting energy and environmental policy. They included a heightened emphasis on the following issues:

- Solar
- Wind
- Electric cars
- Biofuels
- Energy efficiency

Mr. Perciasepe noted that many of the technological advances that we talk about today would be science fiction forty years ago. As a result of these advances the EPA plans to get the most out of energy through technology. He indicated that over \$90 billion has been invested by the federal government on energy efficiency, renewable energy, smart grid modernization and advanced vehicle emission standards. These initiatives have spurred manufacturing and led to job creation in the auto industry. He cited regulatory innovation as the driver of these efforts and used the statistics to support his points:

- \$1.7 billion saved because of fuel efficiency standards
- Americans will use 12 billion barrels less of oil
- Greenhouse gases will be reduced by 200 metric tons in the US

He also indicated that an EPA priority during the second Obama term will be to pursue new collaborations and joint efforts with the private sector, individual states, organizations like AABE and the Summit stakeholders.

### **Community Level Concerns**

The Deputy Administrator further noted that “vulnerable” communities have not benefitted proportionately from clean air and clean water standards. He asserted that these are areas where the EPA and AABE and the Summit stakeholders can work together on community level concerns.

Mr. Perciasepe concluded his remarks by stating that working together with a broader audience on energy conservation, will challenge us to think differently about our goals and approaches to solving today's complex environmental issues.

## **d. Overview of the Sessions – Day One**

### **i. Energy Policy Initiatives and the Regulatory Framework, Presentations from Peter Fox-Penner, Principal and Chairman Emeritus, The Brattle Group and Henry Courtright, Senior Vice President, Electric Power Research Institute**

#### **The Current State of Energy**

The speakers began by commenting that we are living in a time when energy is vital. They described energy as “the touchstone of modern industrial life.” They further described the negative consequences of “disruption” and its effects on society and public policy as a “monumental change”. Public policy should allow these disruptive forces to transition the energy industry into the future, strengthen the economy and keep the economy fair to all communities.

Mr. Fox-Penner described the economic outlook for the energy industry as “reasonably good.” Utility prices are at historic lows, electricity costs have grown much less and currently are at modern day lows; natural gas production is at its highest level ever. And while petroleum prices are relatively expensive the US is becoming a net producer, and will soon have production on par with Saudi Arabia. The economic recession has played a significant role in this rebalancing, as domestic petroleum consumption has been declining in the US.

#### **Energy Policy and Investment Needs**

The speakers shared data from a report estimating that investments by the electric power industry to meet federal and state requirements are estimated at \$2 trillion. Climate change is one of the drivers for the increased investment. Weather events have been becoming more destructive, requiring utilities to make larger investments in resiliency and “hardening” of transmission and distribution systems.

The speakers also highlighted the energy and water nexus. Mr. Fox-Penner noted that the energy sector is one of the largest users of fresh water in the US, and there is a co-dependency, as water distribution networks are often powered by electric systems.

Mr. Courtright explained that electrical transmission systems will become more networked as more renewable sources of energy are introduced to the grid. The long distance transmission grid will have to be modernized and updated. He added that aging infrastructure presents a significant problem — in the US forty percent of transmission systems are approaching the half century mark.

As the power flow increases the system must be managed, balanced, and coupled with a communication network anticipating demand. Mr. Courtright indicated that many areas in the country are moving to electric technologies to reduce emissions. He also made it clear that cybersecurity needs legislation to provide uniformity, but that private industry is not waiting for legislation, and is being proactive in finding solutions.

## ***ii. State of Fossil Energy and Electricity – CEO Perspectives.***

### ***Presentations from Paul Bailey, Senior Vice President for Federal Affairs and Policy, American Coalition for Clean Coal Electricity; Jack Gerard, President and CEO, American Petroleum Institute; Thomas Kuhn, President, Edison Electric Institute; Dave McCurdy, President and CEO, American Gas Association***

This session was designed to provide a forum for the perspectives of the top leaders of the major energy industry associations. Its focus was to have discussions aimed at the current state of their respective industries and their effect on economy and job creation opportunities in communities of color. Finally the discussion focused on energy policies going forward and how those policies might affect the economy as a whole.

Jack Gerard President and CEO, American Petroleum Institute (API) began the session by commenting that the energy industry is in a game changing time. The US is quickly becoming the largest natural energy producer in the world. We are one of the number one natural gas producers in the world. The US is using modern techniques and practices, which are creating opportunities to provide jobs. Ohio will become a major oil producer and South Dakota is currently produces 180 barrels per day, and has become the country's largest producer. Recognizing the Summit's focus on job creation he pointed out that the industry wants to reach out to communities of color but referenced a recent study done by API, which came to the conclusion that the African-American community knows little about the upstream oil and gas industry. He suggested that African-American schools focus heavily on science, technology, engineering and math (STEM) to prepare for the wave of high paying jobs expected in the near future. The natural gas and oil industries support 9.2 million jobs and there will be a high turnover in the next 5-10 years.

Thomas Kuhn, President, Edison Electrical Institute (EEI) echoed Mr. Gerard's comments, highlighting the expanding role of electric utilities as the US economy becomes dependent upon electrification in transportation, electronics and manufacturing. He also emphasized the role that efficiency plays in the future of energy development and the job opportunities associated with that space.

The Honorable Dave McCurdy, President and CEO, American Gas Association (AGA) cited the possibilities for job creation in the natural gas industry. He stated that there exists 2.4 million miles of pipeline in the US and that pipeline security is the primary concern of the industry. This will necessitate resiliency in the infrastructure to make natural gas more accessible through more pipeline capacity. Additionally this industry creates jobs, which will help the economy grow. He also voiced the critical need for STEM in schools as a key to being able to compete for jobs in this field.

Paul Bailey, Senior Vice President for Federal Affairs and Policy, American Coalition for Clean Coal Electricity offered two observations about the coal industry, namely, that while coal generated electricity is facing many regulatory hurdles it still provides an affordable energy source. Vermont and Rhode Island are the only two states in the country that do not use coal to fire their electrical plants. Coal helps to keep electricity costs down. He cautioned that EPA regulatory policy can have an unfavorable effect on energy costs for lower income households if regulations are not well planned.

## **The Role of Government**

Several of the panelists felt that the role of government is to "do no harm". The common sentiment was that there should not be regulatory overreach, which can stymie growth. There was additional discussion about the harm caused when federal regulations overlay or duplicate existing state regulations. The Administration should adopt common sense regulations that are not overly expensive, have minimal adverse impact on affordability, build opportunities for jobs and encourages a marketplace that makes energy diversity work.

## **Energy Industry and Underserved Communities**

Demographics in the US are changing. The energy industry, across sectors, needs a workforce of trained individuals, but many underserved communities are unaware of or unprepared for these opportunities. As industry leaders, the panelists are seeking better ways to reach out to and create partnerships with these communities. They emphasized that this is a technical industry, and technical skills are essential to have the capability to obtain energy related jobs. There will be a heavy turnover of the energy sector workforce in the next 5-10 years. The panelists solicited the help of AABE and Summit stakeholders to assist with outreach and the education about the energy industry.

## **Tax Reform, Corporate Tax Rates and the Energy Industry**

The panelists were generally in agreement that distribution of capital gains would be good for the industry and the economy. This policy position could lead to dividends across all income levels and make the business playing field more competitive and more likely to create jobs. Mr. Jack Gerard pointed out that the oil and gas industry pays \$86 million a day to the US Treasury and urged that if there is going to be tax reform, the oil and gas sector wants to be treated the same as other energy sectors when it comes to tax reduction.

### **iii. Economic Development and Supplier Diversity**

#### **Panelist presentations from Samuel Kang, General Council, Greenlining Institute; The Honorable Dot Harris, Director, Office of Economic Impact and Diversity, US Department of Energy; The Honorable Harold Williams, Commissioner, Maryland Public Service Commission**

The goal of this session was to focus on the mechanisms and policy initiatives available to Summit stakeholders in the areas of economic development and supplier diversity.

Mr. Harold Williams, a current member with the Maryland Public Service Commission started the discussion by recounting his 32 year career advancing the interests of underserved communities within the energy industry. Commissioner Williams has championed many issues on behalf of underserved communities including removing impediments for more access to natural gas powered electricity and residential heat. Most notably, working with the National Association of Regulatory Utility Commissioners (NARUC), he helped found the Utility Market Access Partnership (UMAP). UMAP is a ground breaking effort to open energy industry opportunities to underserved communities through targeted procurement and supplier diversity. Mr. Williams concluded his remarks by urging the Summit stakeholders to join the fight to increase energy supplier diversity in their home states, working with the UMAP.

Ms. Dot Harris, Director of the Office of Economic Impact and Diversity spoke about the efforts of her office to create energy jobs for minorities and contracting opportunities for minority-owned businesses. She highlighted the fact that DOE has awarded \$8 billion to small business alone. She also pointed out that DOE is second in government agencies in contracting out to small business contractors in the areas of:

- Clean Energy
- Handling Hazardous Waste
- Pipeline Construction

Ms. Harris touted DOE's MOU with the Department of Commerce to increase economic opportunities and technical assistance for minority communities. She also emphasized that these communities must assiduously focus on STEM as a major initiative.

Mr. Kang, the General Counsel for The Greenlining Institute began his remarks by outlining landmark legislation passed by his state to promote supplier diversity. General Order (G.O.) 156, a reporting mandate managed by the California Public Utility Commission (CPUC), requires all investor owned utilities (IOUs) in the state to submit their total procurement "spend" allocated to diverse businesses on an annual basis. Mr. Kang emphasized, "access to civil rights means access to economic rights and communal rights". He indicated that because of the current CPUC leadership behind G.O. 156, it has been quite effective — topping more than \$7 billion contracted with diverse suppliers in 2011. He cautioned however, "You cannot move what you cannot measure — you must have data to back up your claims."

The session concluded through questions comments and discussion, with a general theme, which focused on:

- The need for G.O. 156 type policy initiatives in states across the country to encourage energy companies to adopt aggressive supplier diversity programs
- The need for assertive leadership from all levels and types of stakeholder involvement
- The need for mandatory data collection
- Communication between underserved stakeholders and energy industry representatives
- Triangulation between corporate, government and NGOs in partnership with the energy industry
- The need for strong policies that are specifically targeted
- An abiding effort to have an emphasis on STEM in communities of color

The thematic thread of the session was summed up by Mr. Kang's statement: "We are not just looking to pick the fruit but to own the orchard."

## ***iv. Energy Economics: Costs, Rates and Jobs***

***Panelist Presentations from Ray Dempsey, Vice President, Government and Public Affairs BP America and President, BP Foundation; Thomas Graham, President, Pepco Region, Pepco Holdings Inc. and Vice Chairman, The Center for Workforce Development; Yonnie Lueng, Senior Manager, Workforce Development, Pacific Gas & Electric Company (PG&E)***

This session focused on the efforts by the energy sector, with regard to communities of color, to address strategies and policies in the areas of job creation, energy costs and control of consumer energy rates. It focused in large part on the efforts of the energy industry to recruit and retain a segment of their respective workforces from underserved communities.

Ms. Yonnie Lueng, Senior Manager, Workforce Development, with Pacific Gas and Electric Corporation (PG&E) opened the session by commenting on the tremendous number of job opportunities in the utility industry. For example, PG&E supplies 5 percent of the nation's energy needs, while at the same time 40 percent of its workforce will be eligible for retirement in the next 5 years. Despite these vast opportunities she said our educational system is not providing people with the technical skills necessary to compete for these jobs. Ms. Lueng specifically cited the need for more emphasis on STEM in the public schools. She referenced PG&E's PowerPathway program, which has placed 71 percent of its program participants into jobs with the utility industry. She concluded that these are "not just jobs but careers".

Mr. Thomas Graham, President, Pepco Region, Pepco Holdings Inc. elaborated on this theme by citing Pepco's version of career path programs embodied in the Center for Workforce Development (CWED) as its pipeline into Pepco. He illuminated Pepco's efforts within the past year focusing on workable solutions to increase diversity in their workforce through CWED's, Energy Career Pathways, which has identified student needs, and as a result has trained 200 career coaches and produced a coaching handbook. He also cited Pepco's efforts in the recruitment of veterans through their Troops to Energy program.

Mr. Graham then transitioned in his remarks into the critical need in the utility industry for engineers and customer service technicians. He elucidated the critical need to focus our resources and stakeholder efforts, in the education of our young people, on math and science (STEM). He pointed out there seems to be a disconnect between what is being taught in the classroom and what is needed for job opportunities in the energy sector. He urged creation of more partnerships through government involvement and industry leadership.

Mr. Ray Dempsey, Vice President, Government and Public Affairs, BP America, focused in on the massive growth in demand for energy worldwide and the impact that has on the global supply and demand balance. He gave examples of statistics which project renewable energy sources will triple from now to 2030; hydro and nuclear energy will account for 17 percent of global demand growth; there will be a 50 percent growth in demand over the next decade. All of these factors point to the importance of the African-American and Latino communities to get involved in energy growth via employment. He emphasized that these jobs will not be in urban areas, and that communities of color must consider going where these jobs are located. The wages are higher in energy growth areas, and STEM must become a national priority to acquire them.

The session concluded with questions comments and discussion focused on:

- The need for a "three-legged stool" approach comprised of government, industry and the educational community to work together to address STEM deficiencies
- Making STEM education a national priority
- The need to advocate, support and initiate the creation of public policy initiatives for STEM education
- Placing an emphasis on math and science education at the elementary level even before the high school level
- The need to create a qualified workforce in communities of color – job quality is absolutely essential

The thematic thread of this session was summed up by Mr. Dempsey's statement: "The disparities that exist in these communities [i.e. communities of color] and STEM are not only a minority problem, but an American problem."

## ***e. Closing Remarks – Day One***

### ***Walter McLeod, AABE Summit Secretariat; David Owens, AABE LIPP Committee, Chairman***

Mr. David Owens and Mr. Walter McLeod presented remarks that captured the essence of the first day.

Mr. Owens asserted that it takes a visionary leader(s) to mirror society in the upper echelons of the corporate world. The lack of representation by underserved communities in the corporate boardroom trickles down, in many instances, due to the lack of upper management and underemployment in the industry. AABE does not lobby, but instead educates about issues effecting minorities and underserved communities. Thus, AABE and the convened stakeholders should be prepared for future energy jobs; the clean energy landscape; small usiness opportunities and renewable energy development.

To achieve these goals Mr. Owens exhorted AABE members, stakeholders and Summit attendees to meet the challenges posed by the speakers and the partnership opportunities represented through the Summit.

Mr. McLeod's comments highlighted one of the most important messages of the day. Representative Clyburn challenged AABE and the Summit stakeholders to better utilize and work with the Congressional Black Caucus and Tri Caucus. He emphasized the need for stakeholder's to coalesce and work together to develop their goals and priorities which the Caucus can transform into legislation policy in our interest.

## **II. Summit Presentations, Remarks and Sessions — Day Two**

### **a. Keynote Address Donna Brazile:**

#### **Donna Brazile, Vice Chair of Voter Registration and Participation at the Democratic National Committee; Former Interim Chair of the Democratic National Committee**

Ms. Donna Brazile brought a unique political perspective to the Summit discourse. She began her comments by noting that the history of energy is one of science, technology and engineering, and people of color have played a founding role in its establishment in this country. She touted the accomplishments of historical African American figures such as George Washington-Carver, Jr. and Booker T. Washington, as examples of those who have contributed greatly to this country's intellectual and economic achievements. Both were innovators who helped people to a better way of life. Today, our community needs to produce the next generation of scientists and pioneers in energy innovation.

Ms. Brazile went on to make the connection between the energy sector we represent and how the Obama Administration is going to need our cooperation. The President has political momentum, political capital and he has a mandate. He will use that capital to move forward his agenda, and he will need to forge coalitions. He is dealing with a highly polarized Congress with low popularity polls so he will have to go to the public to advance his agenda. The President has a narrow 18 month window, so the coalitions that the Summit represents are all the more and timely in helping the President move the country forward.

On the issue of communities of color being more representative in the upper echelons and board rooms of the energy industry and creating jobs for those communities as well, Ms. Brazile commented that we need to raise the visibility of the issue. Growth in the natural gas industry in certain segments of the country is huge. We as a community need to educate ourselves to these opportunities and then become more visible, vocal and involved. She exhorted young people to move to North Dakota where work on the pipeline is producing only 3 percent unemployment in that state – and we're not there. Our visibility and vocalization will bring our issues to the forefront. We need to bring forth our own version of Ken Chenault in the energy sector.

Ms. Brazile concluded her remarks by positing that the Congressional Black Caucus is extremely relevant in the Age of Obama, and that the members are fighters. She urged the stakeholders and Summit attendees to raise their voices and fight in the tradition of Fannie Lou Hamer, and own the fight in putting forth our agendas in the energy sector.

## ***b. Overview of the Sessions – Day Two***

### ***i. State of Renewable and Nuclear Energy-CEO Perspectives - Panelist Presentations from Marvin Fertel, President and CEO Nuclear Energy Institute (NEI); Rob Gramlich, Interim CEO, American Wind Energy Association (AWEA); Vice Admiral Dennis McGinn, President and CEO, American Council on Renewable Energy (ACORE)***

Mr. Marvin Fertel, President and CEO of the NEI gave an overview of the nuclear energy sector. He cited electricity as the lifeblood of our economy and our way of life. He stated that the strength of our system is the diversity of technology and fuel types. America takes energy for granted. We have 1.3 billion people in the world who do not have access to electricity and we need to find a way to get it to them.

There are 104 nuclear plants throughout the U.S. We expect 30-40 percent turnover of our workforce in the next 3-5 years. It is a highly technical field and the knowledge transfer is critical. As a result we are working hard with colleges and universities to set up proficiency standards. Much of this standardized training is directed at underserved communities using the foundation of STEM. The industry is building 5 new plants in the U.S. We currently have a divided market situation and natural gas is hurting the nuclear industry.

Vice-Admiral Dennis McGinn, President and CEO of ACORE offered his views on the state of renewable energy. He noted that the U.S. is in the midst of a major transition to a clean economy away from fossil fuels. “We are at the end of the beginning.” VAD McGinn touted the positive progress that has been made over the past 4 years in renewable energy initiatives, and that the industry is a great generator of jobs. He strongly emphasized STEM training as a pre-requisite for the renewables industry. He made it clear that the armed forces (Navy and Air Force personnel) are STEM heavy. Renewable energy jobs are a viable pathway for armed services personnel. “Renewable energy is a dating service taking out armed services personnel and marrying them with energy jobs.”

Rob Gramlich, Interim CEO, AWEA presented the wind energy perspective. He described the growth of the sector as strong, but admitted that the industry is volatile and is in a boom/bust atmosphere. It was a record year for the industry last year. It was the first time ever that a renewable energy source was number one in energy generation. We are however in a softer market due to the proliferation of gas and its saturation of the market. Domestic manufacturing of wind turbines is strong and has increased from 25 percent domestic content to 70 percent. The industry is working to increase diversity in its workforce and is seeking to form alliances with AABE and the Summit stakeholders.

All panelists agreed that a diverse portfolio is the key to supplying energy to the grid. Natural gas is a good partner but natural gas prices will go up. Renewables are a good hedge for the long-term health of the energy supply. The cost of wind for instance is zero and while gas is currently plentiful and inexpensive it is delaying the building of nuclear plants which in many eyes is a short sighted strategy.

## ***c. Unifying Themes - Stakeholder Roundtable Discussion***

### ***Kevin Bryan, AABE Energy Summit Facilitator; Walter McLeod, AABE Energy Summit Secretariat***

The final session of the Summit brought AABE and its stakeholder partners to the stage for an engaging discussion about the opportunities, challenges and path forward on energy policy for minorities and underserved communities. The content was framed and presented by Walter McLeod, while the discussion was facilitated by Kevin Bryan.

## **Unifying Themes**

The Summit dialogue successfully refined and clarified themes identified during the first summit, giving rise to a third theme strengthening the commitment to education. The unifying themes of the 2013 Summit were identified as follows:

1. The need to create jobs for underserved communities and increase business opportunities for minorities;
2. The need to mitigate the costs associated with energy technology advances on low and fixed income consumers; and
3. The need to increase energy literacy and technical programs for underserved communities, with a special emphasis on science, technology, engineering and mathematics (STEM) careers.

A recurring theme that resonated throughout the Summit was the opportunity gap underserved communities experience regarding energy careers. This gap seems to be directly tied to a lack of knowledge and awareness of the technical skills and training necessary to compete for lucrative energy jobs. This was especially acute in the African American community with respect to jobs in the upstream oil and gas industry.

## **New Insights**

The Summit produced several new ideas and insights that may inform and guide the stakeholders as they shape their common energy policy goals and priorities. Among these were the following:

- The need for a diverse national energy portfolio (e.g., natural gas, oil, coal, solar, wind, geothermal, bioenergy, and nuclear);
- The need to equip and utilize the powerful resources of the Tri-Caucus, in particular the Congressional Black Caucus (CBC), to effectively champion our priorities; and
- The need for greater minority representation and diversity on corporate boards and among executive leadership of energy companies

## ***d. Conclusions and Action Items***

As the Summit concluded, the AABE and its fellow stakeholders agreed upon the following strategic next steps:

- Convening the Summit has significant value and should be repeated;
- Collectively prioritize common goals and objectives;
- Develop a clear and succinct action plan based on common goals and objectives;
- Partner with organizations that share our common goals and objectives;
- Build effective and focused coalitions;
- Plan and schedule regular meetings and conference calls to maintain momentum and effectiveness;
- Align our agenda with the agendas of the Tri-Caucus and the Congressional Black Caucus; and
- Advocate aggressively to move minority candidates into leadership roles within the Obama Administration and the Energy industry.