"Investing in America's Energy Infrastructure: Improving Energy Efficiency and Creating a Diverse Workforce"

Director James E. Campos Office of Economic Impact and Diversity

April 10, 2019

The Honorable Bobby L. Rush (D-IL)

- Q1. Director Campos, in the technical comments from DOE to H.R. 1315 it states that "a 'Minorities in Energy Initiative' that was a product of a small number of staff from the prior administration and was never concurred on by the DOE program offices whose resources it committed." Additionally, in your written testimony before the Energy Subcommittee you stated that the ED office had "recently reinvigorated the Minorities in Energy Initiative now being called Equity in Energy."
- Q1a. Does the Minorities in Energy Initiative (MIE) still exist at the department within the ED office?
- Minorities in Energy (MIE) was falling significantly short of expectations for the past Ala. few years and was only piggybacking on ED's existing work product. It was a duplication without added value. MIE was disbanded and has been replaced by the Equity in Energy Initiative (Initiative or Equity in Energy). Equity in Energy is designed to include and expand the participation of individuals in underserved communities, including minorities as defined in the legislation establishing the Office of Economic Impact and Diversity (P.L. 95-619), as well as women, veterans and formerly incarcerated persons, in all the programs of the Department of Energy. The Initiative also seeks to infuse and expand participation in the private energy sectors in our Nation's economy to ensure energy independence. It focuses on five primary pillars: Supplier Diversity, Workforce Development, STEM Enhancement, Technical Assistance, Energy Sustainability; and targets innovation and technology, entrepreneurship, and workforce readiness for formerly incarcerated persons. The Initiative places a significant emphasis on engaging external stakeholders from all demographic groups, and forging new and sustainable partnerships with minority businesses, minority serving institutions, women, and veterans.
- Q2. In the line item budget for the ED office the FY 2017 enacted amount included \$2,165,000, of which \$1,009,000 is listed for the Minority Economic Impact including MIE. Additionally, the FY 2018 budget requested \$2,155,000, of which \$1,009,000 was

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to be earmarked for the continuation of Minority Economic Impact including MIE. The FY 2019 budget also requested \$2,155,000, of which \$1,009,000 was to be earmarked for the continuation of Minority Economic Impact including MIE.

- Q2a. Was this funding used to support the Minorities in Energy Initiative? What specific programs or initiatives did this funding support?
- A2a. The Office of Minority Economic Impact (OMEI) encompasses all of the activities of the former MIE Initiative. In September 2018, OMEI was formed through a consolidation of the Office of Minority Education and Community Development and the Office of Minority Business and Economic Development. Funding for MIE activities are included in the consolidated OMEI budget in FY 2019, totaling \$1,309,000, though there are no specific set asides or earmarks in the budget for the MIE program. In FY 2019, MIE funding was used to support financial assistance to minority serving institutions (MSIs), minority businesses, community development and outreach activities. For example, funding support included, but was not limited to, cooperative agreements with MSIs for research and development; capacity building for MSIs; technical assistance workshops for MSIs and minority businesses; financial support for underrepresented students; and outreach support to underserved communities in the area of workforce development.
- Q2b. How much of this funding was used to support staff dedicated to carrying out the MIE?
- A2b. The salary and benefits for the staff of OMEI are paid out of a different line item in the budget of the Office of Economic Impact and Diversity. All of the staff in the OMEI support various MIE initiatives, but not necessarily on a full time basis. Namely, there are other duties performed by the staff that may not be strictly classified as MIE. Similarly, there are staff in other ED program areas and other DOE program offices that support this initiative at various times throughout the year.
- Q3. Director Campos, in your written testimony submitted to the Energy Subcommittee you stated that DOE has provided over \$700 million to support Historically Black Colleges

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- and Universities (HBCUs) and other minority serving institutions (MSIs), through research and development programs.
- Q3a. How much of that funding was disbursed under the current Administration? What was the percentage of funding distributed to HBCUs and MSI of the overall amount that was disbursed under the current Administration?
- A3a. During this Administration, DOE has disbursed \$104 million to support minority serving institutions. Of this amount, \$4 million (4%) was provided to HBCUs, and \$100 million (96%) to other minority serving institutions. The reporting disparity between HBCUs and other MSIs is a result of a Department of Education designation of certain majority institutions as minority serving institutions owing to the large population of Asian American Pacific Islander students at the majority institutions. The \$104 million does not include funding disbursed this fiscal year, FY19, because that data will not be available until on or after October 1, 2019.
- Q4. I understand the Office of Economic Impact and Diversity is the lead on the effort of enacting programs and initiatives are focused on business and education to establish critical linkages among minority serving institutions, minority businesses, and Federal agencies to address economic development in underserved communities and support energy workforce development.
- Q4a. What is your overall budget, staff, and resources available to make this initiative successful?
- A4a. The Office of Economic Impact and Diversity's (ED) FY 2019 enacted budget for programs and initiatives focused on business and education to establish critical linkages among minority serving institutions, minority businesses, and Federal agencies to address economic development in underserved communities and support energy workforce development is \$1.3M. ED had 5 Full Time personnel available to assist with those efforts. The Equity in Energy Initiative, which replaces the MIE Initiative, will invigorate this effort and help meet ED's statutory responsibilities. Three Schedule C political appointees, 3 consultants, 2-3 full time employees and the Director will

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endeavor to execute the launch of the Equity in Energy Initiative. By carefully conserving funds, ED expects to be able to devote up to \$4 million, through a competitive Funding Opportunity Announcement, to ensure that underrepresented minorities can gain access to energy sector programs. ED does not enact all DOE programs focused on supporting minority serving institutions in research grants and participation in STEM training programs, but remains aware of those activities and works to bring greater awareness of DOE's programs through its outreach efforts.

- Q5. How is the overall mission of the ED supported by the entire agency? For instance, if minority-serving educational institutions and minority businesses have not been successful in the past in participating in Department programs (R&D awards to higher education institutions, loan guarantees, etc.), what can be done from a policy perspective to change this?
- A5. Many DOE programs actively support the overall mission of ED. ED's Minority Educational Institution Student Partnership Program (MEISPP) has been supported by numerous organizations since its inception, e.g. the Office of Science, the Office of Energy Efficiency and Renewable Energy, the Office of Hearings and Appeals, the Office of Environmental Management, the Office of Small and Disadvantaged Business Utilization, the Office of Management, the Office of Fossil Energy, the Office of Nuclear Energy, and the Office of Intelligence and Counterintelligence. The Office of Science is instrumental in placing students in DOE's National Laboratories, many of which have participated over the years.

In addition, the National Nuclear Security Administration significantly supports ED's MEISPP, and runs its own Minority Serving Institution Partnership Program (MSIPP) designed to build a sustainable pipeline between the DOE's sites/labs and minority-serving institutions in STEM disciplines, and bring a heightened awareness of NNSA

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plants and laboratories to institutions with a common interest in STEM research fields. NNSA has spent \$32M over a three-year period on its MSIPP.

Moreover, the Office of Fossil Energy has dedicated funding to support HBCUs and runs the Mickey Leland Energy Fellowship Program for minority students.

ED hosted its first Annual Industry Day in August 2018. More than 100 minority-owned businesses attended a full-day of programming which included targeted sessions for those wishing to work with the DOE, including its large network of national laboratories, and diverse entrepreneurs looking for business development insight, tips, and the latest procurement information. There was also a one-on-one matchmaking where attendees met with business managers from DOE offices and national laboratories. The Office of Economic Impact posted the information on its website to leverage technology and maximize its reach to those unable to attend the event. ED will host a similar event in 2019. ED collaborated with the Office of Science, the Office of Procurement, the Office of Small and Disadvantaged Business Utilization, the Office of General Counsel, and the Office of Inspector General for the FY2018 event.

ED entered into a Memorandum of Agreement with the Office of Policy and the Office of Electricity to collaborate on the Clean Energy Education and Empowerment (C3E) Initiative. This initiative is designed to close the gender gap and increase the participation, leadership, and success of women in clean energy fields.

ED's new Equity in Energy Initiative is coordinating with program offices throughout Headquarters, DOE Field Sites, and DOE's National Labs to raise awareness of the needs of the minority community and to enlist their support to ensure that all segments of the minority community are able to participate fully in DOE's mission. Among the offices assisting ED are: Office of Indian Energy, Office of Energy Efficiency and Renewable Energy, Office of Technology Transitions, Energy Information Administration, Office of

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Small and Disadvantaged Business Utilization, Office of Fossil Energy, Office of Environmental Management, and the Office of Nuclear Energy.

- Q6. How can minority businesses be more meaningful engaged in managing and carrying out the missions of DOE labs? How well are the Management and Operations (M&O) Contractors adhering to the Diversity clauses in their contracts? What can be done to improve this?
- A6. The Small Business Administration (SBA), in its efforts to support small business, has developed several contracting assistance programs in which both DOE and its Laboratory contractors actively participate. DOE encourages and requires DOE Laboratory engagement with minority businesses by setting aggressive goals and by supporting policies that incentivize business relationships with small and minority-owned businesses. DOE negotiates annual goals for certain socio-economic small business categories, including minority business goals. The goals are then contractually modified into our DOE Laboratory contracts via subcontracting plans. It should be noted that there is no stated preference for small business socio-economic programs as established by SBA (they are all considered equal).

Our DOE Management and Operating (M&O) laboratory contractors have subcontracting plans in their contracts that support achievement of the DOE socio-economic goals negotiated with SBA. These goals are to increase the representation of firms that are majority owned by one or more individuals who have been determined to be socially and economically disadvantaged (minority-owned). Currently, these goals are:

- Small Disadvantaged Business is 5%
- Service Disabled Veteran Owned Small Business is 3%
- Women Owned Small Business is 5%
- HUBZone Small Business is 3%

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M&O Contractors (DOE labs) are authorized to award subcontracts on a noncompetitive basis if their value is less than the thresholds (generally \$4.0 million) at FAR 19.805-1(a)(2) to SBA 8(a) certified firms. Contractors may also reserve requirements in excess of those thresholds for competition among 8(a) firms. M&O Contractors are authorized to set aside purchases at any dollar value for award to small businesses and to make purchases valued up to the Simplified Acquisition Threshold (SAT) (currently \$250,000) on a sole source basis to small businesses, including minority-owned (small disadvantaged businesses).

The Department of Energy has established a Mentor-Protégé Program to encourage its prime contractors to assist small businesses, firms certified under section 8(a) of the Small Business Act by SBA, other small disadvantaged businesses, women-owned small businesses, Historically Black Colleges and Universities and Minority Institutions, other minority institutions of higher learning, and small business concerns owned and controlled by service disabled veterans in enhancing their business abilities. All of our M&O contracts (lab contracts) contain a Mentor-Protégé clause promoting the program.

The DOE Laboratory M&O Contractors are addressing the requirements under their Diversity clauses in their M&O contracts. Through Departmental leadership as well as the DOE Program Offices that have Laboratory contract oversight (e.g. Office of Science, Office of Nuclear Energy, etc.), has established high expectations for the DOE laboratories for diversity, equity, and inclusion and the Laboratory M&O Contractors are delivering on those expectations. DOE Program Offices review the DOE laboratories' efforts annually and provide feedback and recommendations for improvement on those efforts. Over the past several years, DOE laboratories have made substantial improvements to their efforts in outreach, recruiting, and hiring practices to attract and hire more diverse candidates to laboratory employment and STEM training opportunities.

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Many of the labs have also established internal and external advisory councils and employee resources groups. These councils and groups provide advice on cultivating inclusive research environments to improve staff retention and support individuals in their careers through professional development and mentoring.

The DOE National Laboratory Directors, through the National Laboratory Directors Council (NLDC), are personally and actively engaged in advancing diversity & inclusion (D&I) at DOE labs individually and as a network, including improving processes that foster safe and inclusive research environments at the labs. The NLDC has held annual laboratory diversity and inclusion workshops for the past 4 years where laboratory senior leadership, lab HR managers, and Diversity & Inclusion managers meet to hear from subject matter experts, share best practices, and identify opportunities for improvements.

In 2016, DOE's Office of Science required that all 10 of its National Laboratories post their workforce demographics on their public websites to provide transparency to their efforts and to illustrate the laboratories' commitments to diversity and inclusion. Many of the other DOE laboratories have followed suit. In addition, the NLDC posted the aggregated demographics of all 17 DOE national laboratories on its public website. More information about what the DOE national laboratories are doing to advance diversity and inclusion can be found at https://science.osti.gov/sc-2/Research-and-Conduct-Policies/Diversity-Equity-and-Inclusion/Diversity-Equity-and-Inclusion-at-the-DOE-National-Laboratories

- Q7. How is the Department being reflective of the ED in its own hiring and promotion of diverse people into leadership positions?
- A7. The Department recognizes the importance of a diverse workforce as a key input to innovation, employee engagement, and organizational performance. Our recruitment practices reflect this understanding and support the Department in attracting and retaining

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a high quality workforce capable of achieving DOE's diverse and complex mission. The Department's diversity profile over the last three fiscal years (FY 2017, FY 2018 and FY 2019) remains relatively unchanged. Leadership positions are slightly less diverse than the DOE population overall.

DOE Workforce Diversity			
Fiscal Year	Leadership Positions	DOE Overall	
FY17	18% Minority	25% Minority	
FY18	19% Minority	26% Minority	
FY19 (as of Q2)	19% Minority	26% Minority	

Over the last three fiscal years (FY17, FY18, FY19) diversity has increased among hires made within the Department's leadership positions.

DOE New Hire Diversity		
Fiscal Year	Leadership	DOE Overall
	Positions	
FY17	17% Minority	59% Minority
FY18	22% Minority	48% Minority
FY19 (as of Q2)	31% Minority	54% Minority

ED is a model of diversity in its leadership ranks. In FY17, 80% of its leadership were minorities; in FY18; 66.67% of its leadership were minorities; and in FY19, 80% of its leadership were minorities.

- Q8. What can be done within the Federal Energy Management Program to assist small and minority-owned businesses to develop opportunities and training to work more with DOE and DOE prime contractors?
- A8. Based on this question, ED will connect with the Federal Energy Management Program to explore how we can leverage their services to assist small and minority-owned businesses to develop opportunities and training to work in the DOE. Regarding our

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DOE prime contractors, however, DOE cannot impose requirements on them beyond what they are contractually obligated to perform.

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The Honorable Richard Hudson (R-NC)

- Q1. Would you please provide a full audit of all DOE workforce development activities, including a description of the workforce development program or project name, target audience or program focus, funding level, statutory authority, and program status?
- A1. Workforce development is a department-wide effort to cultivate a more diverse workforce that is equipped to thrive in the next generation of energy jobs.

Pursuant to Public Law 95-619, the Office of Economic Impact and Diversity (ED) is authorized to implement programs which impact underrepresented minority communities. To this extent, ED's programs are focused on ensuring that minorities can participate fully in the energy sector. For example, ED recently launched the Equity in Energy Initiative. This initiative seeks to expand the participation of underserved communities such as Native Americans, women, veterans, and formerly incarcerated persons in the energy workforce to ensure America's energy independence. In recent months ED has also organized separate Equity in Energy Discussions all around the country for Asian American and Pacific Islander, African American, and Hispanic stakeholders. ED's workforce development activities include the following:

Florida International University (FIU): ED funds the "Mission to Market for Inclusive Economic Development Program" at FIU at a funding level of \$260,000/year. The target audience is undergraduate and graduate students. Program Status: Active.

STEM Scholastic and Research Support for 21st Century Workforce at Morehouse College. Funding Level: \$250,000/year. Target Audience: Undergraduate and graduate students. Status: Active.

The Cooperative Development Energy Program at Fort Valley State University: ED has been funding the STEM Careers in Energy Program since 1983. The target audience is

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9th grade through graduate school. Funding: \$100,000. Program Status: Active.

The Next Generation of Entrepreneurial Managers' Project at the University of Houston and Texas Southern University. Funding: \$180,000/year. Target Audience: Undergraduate students. Status: Active.

Building Capacity through Partnerships at Tougaloo College. Funding: \$75,000/year. Target Audience: Undergraduate. Status: Active.

Thurgood Marshall College Fund (career development program). Funding: \$75,000/year. Target Audience: Undergraduate students. Status: Active.

Additionally, DOE has supported paid STEM internships for minority and female students through the Office of Fossil Energy, paid internship opportunities for community college students at DOE labs through the Office of Science, an online career map to illustrate potential career pathways to the bioeconomy through the Bioenergy Technology Office, free online accredited training courses through the Federal Energy Management Program, established pipelines between DOE labs and minority-serving institutions in STEM disciplines through the National Nuclear Security Administration's Minority Serving Institution Partnership Program (MSIPP), solar energy industry relevant training for active duty military through the Solar Energy Technologies Office's Solar Ready Vets Program, traineeships in advanced manufacturing and composites through our Office of Energy Efficiency and Renewable Energy, the VETS2TECH summit to help veterans fill critical STEM workforce shortages at national labs, and the Wounded Warrior Career Development Program through Sandia National Lab.

DOE seeks not only to diversify and improve the nation's workforce, but its own workforce as well. DOE's Chief Human Capital Officer (CHCO) is responsible for strategically aligning the agency's workforce to its missions by recruiting, developing,

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training, and managing a highly skilled, productive, and diverse workforce. With a dual focus on strengthening technical competence while developing the critical leadership skills needed for career advancement, DOE has a wide-range of programs and resources available to help employees achieve their development goals. The Department's robust Learning Management System helps ensure the technical competency of DOE's workforce by providing tools to assess training needs and an expansive catalog of courses to strengthen job-related skills and support upskilling and reskilling.

As further evidence of this Department's commitment to workforce development, an advisor to the Secretary has been hired to work specifically on DOE's role in workforce development for veterans and transitioning active duty service members. A senior advisor was also hired last year to assess future workforce and skills needs of the DOE enterprise.

Moreover, cybersecurity workforce development is a national priority outlined in the President's National Cyber Strategy, and further reinforced by Executive Order 13870, "America's Cybersecurity Workforce." Through DOE's State, local, tribal, and territorial workforce development efforts through organizations like the National Association of State Energy Officials (NASEO), DOE is developing a multifaceted approach including online training, playbooks, workshops, and guidance. This builds capacity throughout the sector and guarantees the state energy officials DOE engages with regularly have the necessary and current skills and resources needed to prepare for and respond to energy disruptions of significance, including cyber emergencies.

Q2. Mr. Campos: Thank you for being here today. Today I want to focus on H.R. 1315, the Blue Collar to Green Collar Jobs Development Act and workforce development programs within DOE. Workforce development should be a truly non-partisan issue. As you may know, I have been a sponsor of similar legislation which passed with unanimous consent in prior Congresses. However, I have serious concerns with this new draft because, as a previous sponsor, I was cut out of the process, and because new language has been added I fear will unfairly picks winners and losers at the expense of consumers and workforce

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trainees.

- Q2a. Mr. Campos, what's DOE's vision for energy workforce development, and do you agree that it would be shortsighted to limit workforce development and training opportunities to so-called "green collar" jobs?
- A2a. Secretary Perry has recognized ED's Equity in Energy initiative as a model to include and expand the participation of underserved communities and the private sector, and is crucial to America reaching its full energy potential. ED supports the nation's energy goals by fostering entrepreneurship, innovation, and workforce partnerships for diverse communities in high-growth energy sectors, as well as DOE programs and research opportunities. The Equity in Energy initiative is leading the charge in helping to diversify the energy sector by supporting supplier diversity, STEM student and workforce development, technical assistance, innovation & entrepreneurship, and workforce readiness for formerly incarcerated persons. In order to maintain our Nation's energy independence, DOE must embrace the urgent need to prepare our workforce in the next decade as the demographic trends move forward. Together, we can work toward the five pillars of Equity in Energy, find solutions for today's challenges, and provide a prosperous and secure future for generations to come.

One of the pillars of Equity in Energy is Workforce Development, an interconnected set of solutions to meet employment needs. Workforce development facilitates changes to peoples' potential that help to positively influence the future success of businesses, workers, and the nation.

We agree that it would be shortsighted to limit workforce development solely to green collar jobs. In response, Equity in Energy is basing its workforce development plans on the 2019 study of the energy economic sector and jobs published by the National Association of State Energy Officials (NASEO) and The Energy Futures Initiative (EFI). This study lists five energy sectors:

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- Electric Power Generation
- Fuels
- Transmission, distribution, and storage
- Energy Efficiency
- Motor vehicles

To exclude these energy sectors would diminish the prospect of hundreds of thousands of new jobs in the future, lessening opportunities and shortening horizons. This would especially reduce the jobs for the intended beneficiaries of 42 USC 7141, (f), (1), which reads, in pertinent part:

- (f) Definitions As used in this section, the term:
- (1) "minority" means any individual who is a citizen of the United States and who is Asian American, Native Hawaiian, a Pacific Islander, African American, Hispanic, Puerto Rican, Native American, or an Alaska Native.
- Q3. Mr. Campos: I am concerned about the price tag on H.R. 1315. The bill amends the Department of Energy Organization Act to create a new program office with an authorization of \$500 million; it authorizes a new \$100 million training program; and, it creates a new \$350 million energy workforce grant program limited to energy efficiency and renewable energy. It sounds a lot like President Obama's failed Green Jobs Program.
- Q3a. Does the Department of Energy need additional legislative authority or money for "green collar" jobs grants?
- A3a. DOE does not believe it needs additional legislative authority to provide green collar jobs grants. The traditional energy sectors are experiencing robust growth because of innovative technologies like hydraulic fracturing and Liquefied Natural Gas (LNG). The newly producing fields at Eagle Ford, Bakken, Marcellus, and the Permian Basin are creating large demands for skilled employees that need training and certification to meet the workforce demand. DOE's approach to energy security includes a diverse mix of

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energy resources including fossil, renewables, storage, and nuclear. It is also critical for us to engage more minorities and women in STEM disciplines to replace our aging energy workforce.

- Q3b. Is there a risk that this bill adds new layers of duplicative programs?
- A3b. The Administration is committed to fiscal conservation and reducing the burden for the American taxpayer. There is always a risk that the bill could add new layers of duplicative programming, but the key is how to manage the risk to prevent duplication and redundancy.