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Paula R. Glover President & CEO



June 12, 2020

The Honorable Bobby L. Rush
Chairman
U.S. House of Representatives Subcommittee on Energy
Committee on Energy and Commerce
2188 Rayburn House Office Building
Washington, DC 20515-1301

Dear Chairman Rush:

As you know, due to the pandemic, nearly 600,000 jobs were lost in clean energy, equaling a 17 percent drop in employment, with some states being hit harder than others. Perhaps most concerning is that 70 percent of the job losses occurred in energy efficiency, which is the least expensive and most effective resource for addressing climate change, while simultaneously lowering energy costs for consumers. Moreover, prior to the pandemic, the energy efficiency sector was the fasting growing in the energy industry.

That said, the American Association of Blacks in Energy beleives that Congress should be actively involved in reversing these losses. However, as you have often stated, Congress should also ensure that its efforts achieve equity through inclusion of African Americans in the energy industry.

According to the most recent U.S. Energy and Employment Report, African Americans are underrepresented in nearly every sector, consistently tracking below White employment levels and national workforce averages. African Americans make up only 8 percent of the workforce in energy efficiency, compared to 77 percent of Whites; 8 percent and 7 percent respectively in petroleum and natural gas fuels, whereas Whites represent 76 percent in each sector; and the data demonstrates similar outcomes in wind and solar generation. (see Table 1-3 below).

However, the issue of inclusion goes beyond employment, and must also encompass the growth of African American business suppliers as well, ensuring that the energy industry purposefully targets African American and other identified disadvantaged business enterprises. While there are positive trends in states currently mandating supplier diversity reporting, performance data is not universal across the U.S. and does not cover the energy industry as a whole.

When segmenting clean energy sectors, such as wind, solar and energy efficiency, which are in their nascent phases in terms of percentage of national energy infrastructure, the numbers are not encouraging. For example, when analyzing energy efficiency, researchers have discovered that minority suppliers can't easily access opportunities, and when successful in receiving contracts, there

are disparities in the value of contracts awarded to minority firms.¹ Researchers also found barriers to minority contracting participation, the most common of which include government's tendency to work with familiar firms, and minority contractors not being aware that contracting opportunities are available.

As legislation is developed to stimulate the energy workforce, AABE supports efforts that specifically link programs and funding to increased participation of underrepresented groups, including African Americans. Additionally, when legislation consists of federal funding through grants or other initiatives, Congress should have a sense of recipients' small disadvantage business (SDB) contracting goals, and the express percentage of total current and future SDB spending. We should also better understand employment inclusion concerns, including but not limited to boardroom diversity, how African Americans are prepared for leadership opportunities, and whether deliberate actions are established to correct diversity where it doesn't exist. Ideally, the end result would be improved participation levels of African American employment and contracting in the energy industry— and that participation is sustained, with diverse contractors and employees succeeding and growing wealth.

As Chairman of the House Committee on Energy and Commerce, Energy Subcommittee, you have consistently led on these issues— and additionally championed diversity and inclusion throughout your time in Congress, as a member of the Chicago City Council, and as an organizer and community activist. AABE greatly appreciates your leadership, and looks forward to working with you to move these important issues forward.

Sincerely,

Paula R. Glover
President and CEO

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¹ Through the Local Government Lens: Developing the Energy Efficiency Workforce, June 2018, Page 21.

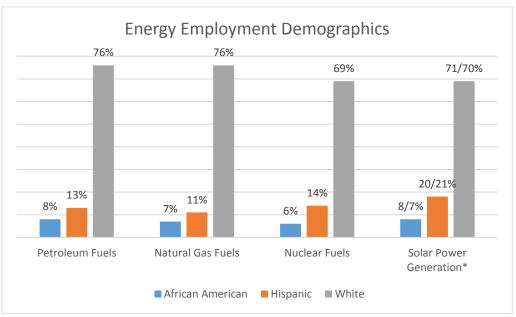


Table 1 (Source 2020 U.S. Energy and Employment Report)

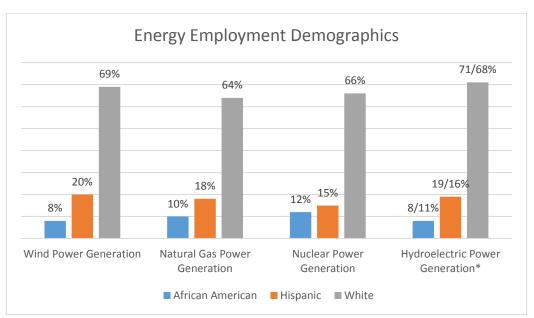


Table 2 (Source 2020 U.S. Energy and Employment Report)

^{*}Solar Photovoltaic/Concentrating Solar Power

^{*}Low-impact Hydroelectric Generation/Traditional Hydroelectric Generation

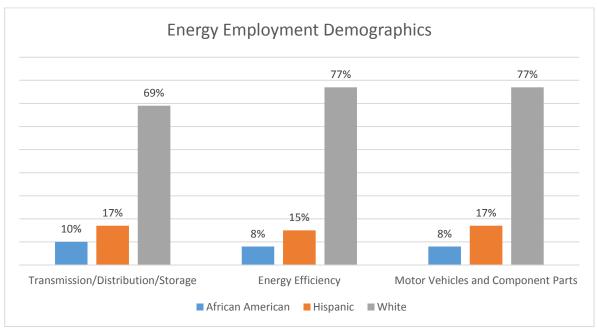


Table 3 (Source 2020 U.S. Energy and Employment Report)