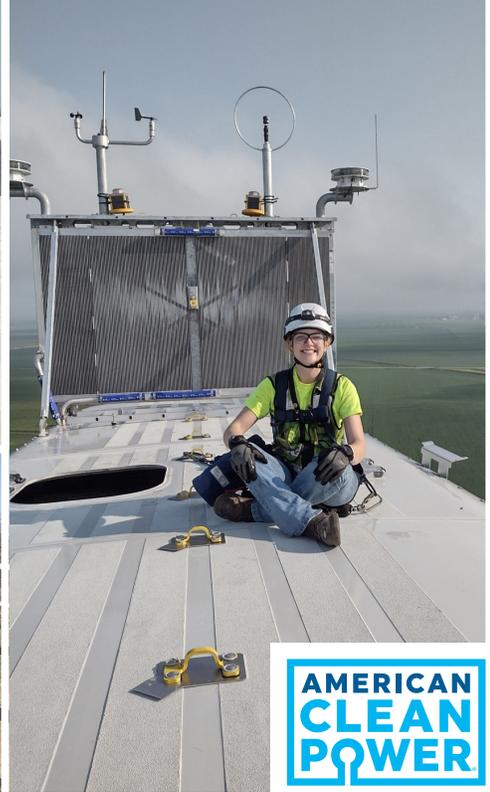




# ENERGY TRANSITION FOR ALL



# About the American Clean Power Association

The American Clean Power Association (ACP) is a national trade group that represents over 700 companies across all the major clean energy technologies — solar, wind, storage, and transmission.

ACP unites the voice of financial firms, construction and engineering companies, manufacturers, project developers, utilities, non-profits, and Fortune 500 purchasers of clean energy.

Our goal is to cement clean energy as the dominant electricity source in the United States.

Clean energy investments can help rebuild our economy and address climate change. By expanding clean energy in the United States, we can help make energy more sustainable for families and businesses while lowering carbon emissions, ensuring reliability and affordability, creating jobs, and expanding economic opportunities for all Americans.

**Together, we are powering America's future.**



# Introduction



**The United States is in an unprecedented transition toward a clean energy future.**

Today, wind and solar energy represents roughly 13% of electricity generation in the U.S.<sup>1</sup> By 2030, the clean energy industry could account for as much as 50% of the electricity produced in the U.S. — creating 500,000 jobs, attracting \$700 billion in new investment, and completely reimagining how we generate and deliver power across the United States.<sup>2</sup>

This energy transition represents an unparalleled opportunity to create a better future for everyone; one that offers greater access to clean and affordable power, as well as economic growth and opportunities for investment and innovation. However, we know that this level of change can have significant social consequences — especially for communities that have been home to carbon-intensive industries, or that historically have been left behind.

**No single industry or sector of the economy can address these issues alone.** We need the proactive intervention and engagement of federal, state and local policy makers, companies, NGOs, and community leaders, among others, to ensure that the benefits of this historical transformation are broadly shared across the United States — especially in communities most vulnerable to this change.

**The clean power sector is a key player in this ecosystem. ACP is committed to being a positive contributor to an equitable energy transition for all.** Our member companies have a broad range of programs that are helping provide economic opportunity to transitioning workers and communities, and that are increasing participation of diverse and underrepresented populations in the industry. Still, we see an opportunity to scale best practices and drive a well-orchestrated cross-sector approach to achieve an even greater impact along three pillars:

- 1 Expand opportunity for workers**, especially those from transitioning and historically disadvantaged communities
- 2 Create value for communities** through supply chains, targeted investments, and local economic development
- 3 Lead in diversity and inclusion**, striving towards a workforce and leadership teams that are representative of the communities we operate in

**ACP and its member companies will pursue programs across these three pillars as part of a multi-year initiative. As the industry and the external environment evolve, so too will our focus and areas of commitment.**

<sup>1</sup> Electricity generation, capacity, and sales in the United States - U.S. Energy Information Administration (EIA)  
<sup>2</sup> American Clean Power Association Clean Energy Labor Supply report

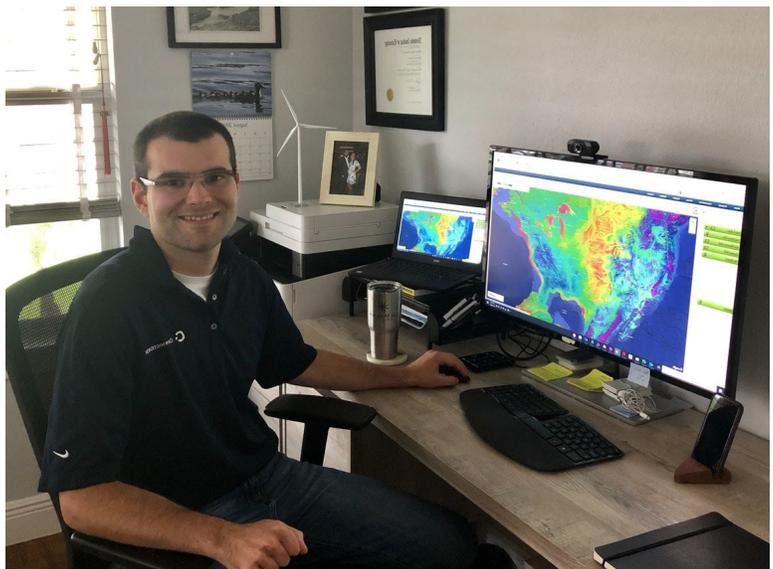
# Our Approach

This report summarizes the findings of an effort to identify best practices and extract lessons on securing an energy transition for all while improving diversity, equity, and inclusion. It is based on dozens of interviews with industry executives, program leaders, thought leaders and experts, an in-depth literature review, analyses, and careful assessment of existing associated programs from industry and non-profit organizations.

Informed by these findings, we have identified a set of best practices and highlighted actions that leading companies are taking to meet this challenge head on. Following sections of this report discuss:

- **The broader macro trends and challenges facing communities and how the clean energy industry can play a role in the solution**
- **A set of best practices that the industry will implement to expand opportunities for workers, create value for communities, and improve on diversity, equity, and inclusion**
- **Examples of current industry efforts that bring these best practices to life**
- **Opportunities for government policy to maximize impact from industry action**
- **Ways the clean energy industry can partner across a broader ecosystem of community leaders, NGO's, academics, and other corporate players**

The work our industry put into this report over the months leading up to its publication reflect ACP member companies' desire and dedication to drive meaningful impact in transitioning and historically disadvantaged communities through a unified front and coordinated approach.



# Opportunity for Impact

## Carbon-intensive fuels have underpinned the modern economy for nearly a century. The energy transition represents a major economic and social transformation, bringing unique opportunities and challenges worldwide.

The opportunities are abundant. More people will have access to cleaner power at an affordable price. We will have cleaner skies and air. An entire economy will develop around the clean energy value chain. The industry can help ensure communities across the United States have the chance to participate in shaping and sharing the benefits of that future economy, as well as in defining how we integrate into host communities. Rural areas in particular have abundant existing and potential renewable energy development opportunities.

ACP member companies take this responsibility seriously. In addition to the hundreds of thousands of jobs they have created, member companies have established numerous programs to expand opportunities for families and create value for communities — everything from partnering with local communities on new development, to investing in broadband access for rural areas. While the government will be essential in our response to this challenge, such as with the [Justice40 Initiative](#), the clean power sector is committed to using its growth to help such communities.



In parallel, the United States continues to grapple with racial and gender inequality. This is reflected in the energy industry. In clean energy, and the industry overall, women make up just 30% of the workforce, and Black or African American people represent only 8%, both lower than the national averages of 48% and 13% respectively.<sup>4</sup> This lack of representation is more pronounced at senior levels. Women comprise on average only 22% of clean energy leadership teams and 15% of corporate boards, while Black, Indigenous, and people of color (BIPOC) represent just 6% of board membership.<sup>5</sup> The consequences of environmental degradation, ostensibly a burden we all should share equally, disproportionately impact BIPOC communities. Fossil fuel plants are often located near low-income and minority neighborhoods, causing air quality issues, water pollution, and other toxic public health consequences.<sup>6</sup>

While the combination of the energy transition and these other powerful social, technological and economic forces may be daunting, it gives us a chance to build something better — a system that works for everyone. But the industry cannot do so on its own; it will take leadership and coordination from actors across the entire ecosystem — especially federal and state governments. Without government intervention and the right policy framework, it will be impossible to ensure an equitable sharing of benefits or that no one is left behind. ACP and its member companies are ready, however, to do our part in building a better future.

<sup>4</sup> 2020 U.S. Energy & Employment Report

<sup>5</sup> Columbia | SIPA Center on Global Energy Policy | Future Energy Workforce: The Role of Corporate Boards in Diversity and Performance

<sup>6</sup> Vision for Driving a Clean Energy Transformation | ACP (cleanpower.org)

# The Industry's Role in Creating a Better Future



While many challenges facing communities and described in this report require broader intervention from government and a broad range of actors, ACP has identified three pillars in which the clean energy industry can contribute toward an energy transition for all:



1

**Expand opportunity for workers,** especially those from transitioning and historically disadvantaged communities



2

**Create value for communities** through supply chains, targeted investments, and local economic development



3

**Lead in diversity and inclusion,** striving towards a workforce that are representative of the communities

The following section provides detail on each pillar, outlining challenges to overcome and highlighting best practices and examples of solutions implemented by ACP member companies that can make a difference going forward. There is no silver bullet, so we need programs that are comprehensive and are mutually reinforcing to maximize impact across the system.



# Pursuing a Set of Mutually Reinforcing Initiatives

Transparent reporting on progress

## 1 Expand Opportunity for Workers

- Collaboration with local workforce development councils
- Energy Transition for All jobs clearinghouse
- Industry-accredited curriculum and network of education and training facilities
- Transparent reporting on progress
- Prevailing wage, benefits, and relocation assistance, as appropriate
- Experiential learning programs for high school students
- Clean energy jobs marketing and visibility campaigns
- Workforce development programs

## 2 Create Value for Communities

- Minority/Women-owned Business Enterprises (MWBE) supplier enablement through access to ACP events, trainings, special access to capital and ACP member company network
- Development of renewable energy generation, manufacturing, training and other supporting facilities in or near target communities, when feasible
- Contract and spending volume targets with diverse and local businesses
- Supplier participation in Energy Transition for All efforts

## 3 Lead in Diversity, Equity, and Inclusion

- ACP DE&I forum to drive a common set of initiatives within the industry
- Unconscious bias and inclusion training
- Continued efforts to diversify workforce demographics
- Internal support structures for diverse communities such as employee resource groups, sponsorship programs, trainings, etc

# 1 Expand Opportunity for Workers



The clean energy industry is poised to create hundreds of thousands of jobs in the U.S. over the next ten years<sup>7</sup>, with wind and solar occupations expected to experience the greatest growth.<sup>8</sup> Job creation is an important engine of economic opportunity, especially when directed toward areas that need it most, like communities impacted by the move away from coal or those that have been historically disadvantaged, including those that are highly diverse. However, one should not take for granted that people from these communities will understand, want, or be able to access these emerging opportunities. The clean power sector can help workers take advantage of these opportunities in three different ways:

- **Ensure individuals from all backgrounds are aware of and have access to opportunity-rich pathways tailored to their circumstance and life-stage**
- **Guarantee that clean energy construction jobs pay a prevailing wage and offer benefits**
- **Invest in growth and advancement opportunities for all employees**



<sup>7</sup> American Clean Power Association Clean Energy Labor Supply report  
<sup>8</sup> U.S. Bureau of Labor Statistics, Occupational projections and worker characteristics  
<sup>9</sup> Wages, Benefits, and Change Supplement Report to the 2020 US Energy & Employment Report  
<sup>10</sup> American Clean Power Association Clean Energy Labor Supply report

## Ensure individuals from all backgrounds have accessible pathways into the clean energy industry



Because clean energy is a young and growing industry, individuals often lack familiarity with career opportunities in the sector. They do not know where to look for open positions or how to access them. They may not even consider a career in clean energy to be an option.

Focusing first on improving visibility for the future generation, the industry has started programs aimed at increasing exposure to clean energy through organized student Science, Technology, Engineering and Mathematics (STEM) competitions, career-learning days, and trips to local wind or solar farms for K-12 students. To bolster existing programs, companies can increase career-connected options for rising high school students and those beginning post-secondary education. This includes developing targeted apprenticeship programs that balance classroom and paid on-the-job learning in high-demand clean energy jobs, leading to industry credentials and employment after successful completion.

For workers impacted by fossil plant closures, a primary challenge is identifying new job opportunities that offer comparable wages, require similar skill sets to those they've developed throughout their careers, and are proximal to the communities they live in — a challenge that is particularly acute in rural areas. Renewable energy companies can help support these workers by coordinating with the operators of closing fossil facilities and local workforce development organizations to redirect workers into the clean power industry, which provides competitive wages, leverages similar skill sets, and, if not located in the same geography, can provide relocation assistance to people interested in taking advantage of these opportunities. With increased focus on development of renewable energy generation, manufacturing, and support facilities (e.g., training centers) in these priority communities, the number of opportunities is set to expand.

Companies report that efforts to connect transitioning workers to emerging opportunities in the clean power sector would benefit from greater coordination and transparency between operators of fossil facilities and renewable energy companies and/or their suppliers, something that could be aided by a one-stop-shop for jobs across all clean energy companies — for example, an Energy Transition for All jobs clearinghouse. Through such a portal, companies could share information about upcoming job closures or openings, as well as apprenticeship programs

### CLEAN ENERGY COMPANIES IN ACTION

#### **Mortenson Greater Good Workforce Development Program**

provides scholarships, mentorship, classes, and on-the-job training to increase visibility into architecture, construction, and engineering careers — with a particular focus on serving students of color and young women.



#### **Clearway Energy's West Virginia Pilot Apprenticeship Program**

provides \$20,000 to cover wages and education for former coal workers or their family members to get trained as wind technicians.



## 1. EXPAND OPPORTUNITY FOR WORKERS

or trainings to facilitate career transitions. More broadly, a clean power jobs clearinghouse could serve as single source of information for individuals and workforce development organizations — including from transitioning, diverse, and disadvantaged communities — focused on matching workers to opportunity.

An additional challenge for workers in transitioning or otherwise disadvantaged communities is accessing training and reskilling that meets the needs of the industry. Of the newly created clean energy jobs, ~55% require some form of post-secondary education, which can be cost-prohibitive for a mid-career worker, both in terms of lost income and direct expenses. The good news is that skills required for jobs in the coal industry have an overlap of ~50% with the skills required for jobs in clean energy. This creates an opportunity to shape training, certification, and apprenticeship programs to reduce the amount of time and cost required to reskill workers. Paid apprenticeships can help bridge the gap, balancing in-classroom learning with on-the-job training. The clean energy industry can bolster, expand, and refine these training and apprenticeship offerings to best tailor them to the unique circumstances of workers from transitioning and disadvantaged communities.

By focusing these interventions and programs on transitioning, diverse, and disadvantaged communities, companies can contribute to making our industry more accessible to anyone interested in being a part of it, regardless of background or circumstances.

**At every career step — from high school students to veteran coal workers — ACP and its member companies will promote awareness of the potential clean energy careers available, and the pathways through which interested individuals can enter those careers. The industry must expand on existing efforts and implement new initiatives to remove roadblocks commonly faced by potential applicants, including expanding access to information, streamlining application/recruiting processes, and investing in bringing awareness to clean energy job opportunities.**

## Guarantee that clean energy construction jobs pay a prevailing wage and offer benefits



The clean energy industry is committed to creating good jobs, with benefits and quality pay, that meet the needs of workers and their families. Today, clean energy jobs pay 30% more than the national average.<sup>9</sup> In addition, many of the jobs to be created during the energy transition will be in construction and manufacturing.<sup>10</sup>

**ACP encourages companies to offer a prevailing wage, benefits, and relocation assistance as appropriate, for all clean energy construction jobs. Further, ACP encourages extending this standard beyond companies' direct operations by encouraging suppliers to do the same. We have the utmost respect and appreciation for the employees that drive our industry and help to power homes and businesses across the country. The clean energy industry's position reflects that appreciation, and guarantees every employee is paid a livable wage.**

### CLEAN ENERGY COMPANIES IN ACTION

**Enel simplified their online application** to focus on the truly essential questions for a first evaluation of candidates, cutting application time from 15 to 5 minutes, which led to a drastic improvement in the number of candidates that voluntarily provided self-identified diversity data. This has helped Enel start to measure the diversity of the applicant pool.



<sup>9</sup> Training requirements as listed on the U.S. Bureau of Labor Statistics Occupational Projections and Worker Characteristics applied to projected job growth from the American Clean Power Association Clean Energy Labor Supply report  
<sup>10</sup> BCG Analysis of Burning Glass skill requirement data from 2019 job postings

## Create growth and advancement opportunities for employees

To retain talent, companies should also provide workers with room for career-long growth and advancement, regardless of background. There is a common concern that advancement potential in technical roles is limited, and the clean energy industry is not immune to that notion, even though there are opportunities to grow into managerial roles. As a result, current and potential talent might not be able to imagine themselves in our sector, especially in the long run. This challenge is particularly acute with diverse communities, who might not be able to see themselves represented in more senior roles.

In response, many companies have established mentorship programs that create strong internal networks and help provide employees with the visibility, coaching, and support needed to be successful over the long-term. Some member companies also offer more innovative opportunities like rotational programs that place employees in different roles across the business. These provide employees with experiences that can help inform career choices and prepare for future roles.

The importance of providing rewarding careers to industry employees, rich with growth potential and advancement, cannot be overstated.

**ACP and its member companies will continue to invest in building and growing advancement opportunities for our employees, all while increasing visibility into the opportunities that our industry provides.**

### CLEAN ENERGY COMPANIES IN ACTION

**Intersect Power expanded opportunities for workers** by revising minimum qualifications based on exhibited skillsets (vs. specified degrees, years of experience, etc.), increased outreach to talent pools, reduced time to hire from initial contact, transparent conversations about salary early in the process, and flexible work models.



**EDP Renewables prioritized professional development programs** through targeted support and programming for incoming managers (Lead Now Program), coaching from company directors for existing managers (Executive Development Program), and a company-wide open learning repository (EDP University).

**Dominion Energy Talent Development plan** includes an emerging leader program for aspiring leaders, introductory bootcamp for new leaders, and leadership effectiveness training for existing leaders alongside a library of open-registration courses available to all employees to encourage advancement and individual development. There is a particular focus on equitable representation within all leadership programs and on-going mentorship through specialized training like the McKinsey Leadership Academy for diverse employees to maximize their engagement and support their success.



## 2 Create Value for Communities



Economically diverse and vibrant communities are the foundation of a thriving society and vital to employees' well-being. ACP member companies play a key role in the communities they operate in and are invested in their futures. In addition to creating employment opportunities, the clean energy industry can support and create value for communities in multiple ways:

- **Prioritize industry growth in and near the communities that need us most**
- **Support and grow local and diverse-owned businesses through the clean energy supply chain**
- **Be a steadfast partner and integrated member of the community**



## Prioritize industry growth in and near the communities that need it most



The clean energy industry is poised to generate \$700 billion in economic activity over the next 10 years, and is intent on ensuring that investment and growth directly benefits communities impacted by the transition and those historically left behind. One powerful way to create economic value is to channel direct investment in new generation, manufacturing, and other support facilities into these communities to drive municipal and state tax revenue, job creation, and growth of local support industries.

For example, through an independent assessment, ACP identified significant renewable energy development potential in the 25 communities most vulnerable to energy transition as identified by the Federal Interagency Working Group on Coal and Power Plant Communities and Economic Revitalization (see [Solar and Wind Potential](#), pg. 14). There is similar overlap in economically disadvantaged areas, many with large diverse populations. By prioritizing direct investment in these areas, companies can be an economic engine that helps revitalize these communities and build a strong foundation for the future. For this to work, however, the right context needs to be in place. A lack of infrastructure or prohibitive regulations — such as interconnection restrictions, or siting and permitting challenges — can block investment in these communities, even if the environmental characteristics could support renewable energy facilities.

### CLEAN ENERGY COMPANIES IN ACTION

**Pattern Energy contributes to their local communities through creative Community Benefit Programs** that prioritize initiatives supporting community goals, ecological preservation, health and wellness, local economic benefits, and youth development. Many of their operating facilities have partnerships with local community foundations to form facility-branded endowment funds to support their communities now and in perpetuity.



**AES (formerly sPower) partnered with several Virginia municipalities and school systems to provide WiFi assistance during the pandemic.** Knowing the challenges of the last eighteen months in education, AES worked with several Virginia municipalities to bridge the gap to ensure equal opportunity to learning during the pandemic, including funding portable WiFi hotspots in Surry County Schools, Spotsylvania County, and Charles City County (including tribal land).

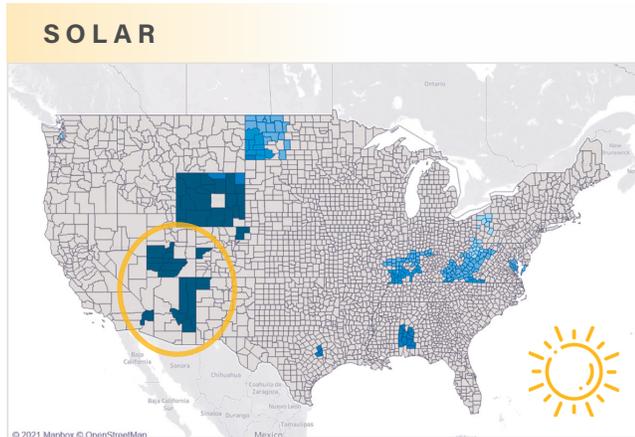


<sup>13</sup> American Clean Power Association Clean Energy Labor Supply report

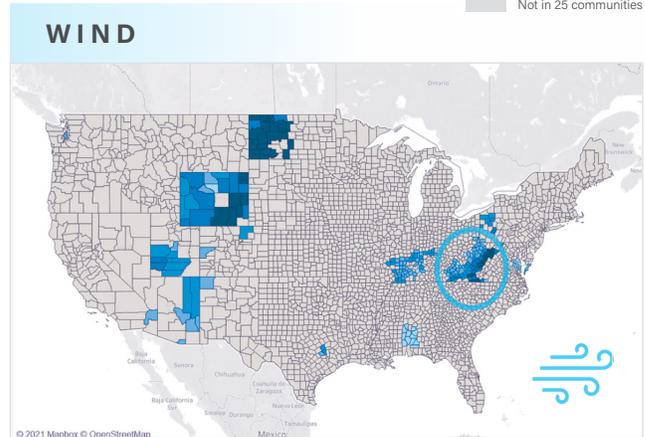
<sup>14</sup> As the federal government continues to evolve its assessment of priority and disadvantaged communities (e.g., as in the Justice40 Initiative), the industry will monitor changes, and ensure heavily impacted areas continue to be considered

2. CREATE VALUE FOR COMMUNITIES

## Solar and Wind Potential in the 25 Communities Most Impacted by an Energy Transition <sup>15, 16</sup>

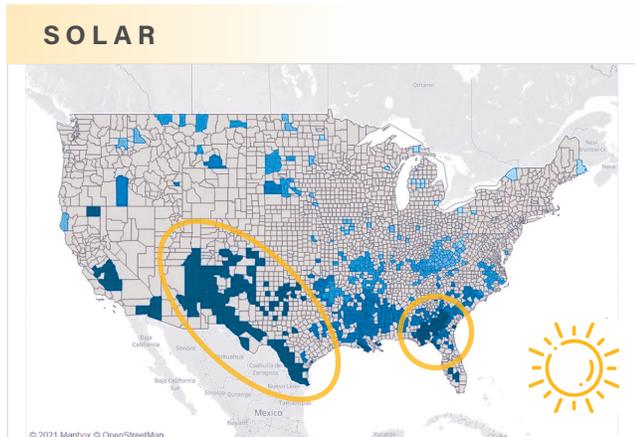


**e.g., Four Corners Region**  
 High coal employment, solar potential  
 Many high-poverty and majority-BIPOC counties

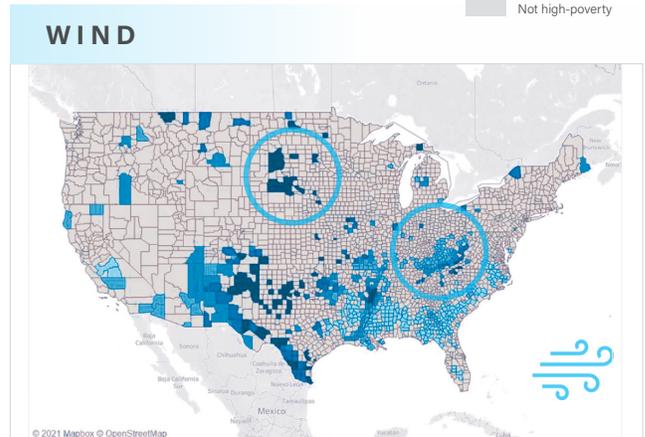


**e.g., Appalachia**  
 High coal employment, wind potential in NE  
 High poverty

## Solar and Wind Potential in High-Poverty Counties <sup>15, 17</sup>



**e.g., Desert Southwest; AL/FL/GA Wiregrass Region**  
 High solar potential  
 Many high-poverty, minority counties



**e.g., Great Sioux Reservation**  
 High wind potential  
 High poverty, majority-minority

**e.g., Northeast Appalachia**  
 High wind potential in NE  
 High poverty

<sup>15</sup> Potential as defined by the UT Austin Energy Institute, Levelized Cost of Electricity (LCOE) Calculator; "Highest", "High", "Medium", "Low", and "Lowest" refer to the 5th through 1st quintiles of counties ranked by LCOE for each energy source  
<sup>16</sup> Interagency Working Group on Coal and Power Plant Communities and Economic Revitalization: Initial Report to the President on Empowering Workers Through Revitalizing Energy Communities  
<sup>17</sup> High-poverty counties defined as the top 20% of counties by poverty rate, as defined by the U.S. Census, as compiled by the USDA Economic Research Service

## 2. CREATE VALUE FOR COMMUNITIES

### CLEAN ENERGY COMPANIES IN ACTION

**AEP has helped attract \$1.7 billion in new investment and created 800 jobs through Appalachian Sky, a cross-sector tri-state initiative for employing coal miners and steel workers in Appalachia.** AEP completed an assessment of the coal mining, steel industry, fossil fuel electric power, advanced manufacturing, and aerospace/aviation industries in the 36 counties. It identified areas where companies' interests aligned, like compatible skill sets and occupations for potential labor and other assets from existing industries in the area. This work led to the cross-sector partnership that invests in workforce development, infrastructure, and economic diversification.



**In 2021, Dominion Energy exceeded \$1B in spending with local, and women and minority owned diverse businesses.** The company's second annual Convergence Supplier Diversity conference was launched to introduce diverse suppliers to prime suppliers as partners. The Showcase Series of events facilitated relationships between suppliers and company leaders.



## Support and grow local and diverse-owned businesses through the clean energy supply chain



In addition to direct investment, the industry has a unique opportunity to leverage the billions of dollars spent across our supply chains to support local and diverse businesses (recall clean energy is expected to generate \$700B in new investment over the next decade, with much of that value going to suppliers). Investing in local supply chains has the potential to create thousands of jobs in construction and manufacturing, and to help local businesses grow and cultivate technical expertise, creating a virtuous cycle of future growth. Clean power companies can play key roles in helping build diverse, homegrown clean energy supply chains, providing the economic base for stronger communities over the long term.

Unlocking the potential of local businesses requires looking at the structural challenges local suppliers face today and helping to remove the barriers with targeted interventions. Many small or local businesses, as well as minority and women owned businesses (MWBs) face restricted access to capital. For example, on average, less than 25% of black-owned businesses received bank financing such as loans, compared to nearly 50% of white-owned businesses. To dramatically increase capital flows toward MWBs and local businesses, the clean industry can offer long-term contracts that suppliers can leverage to secure loans with traditional financial institutions. They can also invest in these businesses, either directly or through community development financial institutions (CDFIs). Both actions create a virtuous cycle whereby investment in suppliers results in those suppliers growing and becoming more competitive, creating a more resilient and diverse supply chain for the industry.



Beyond restricted access to capital, these businesses frequently struggle with earning the federal certifications confirming they are local or minority / women owned, which unlock special access to contracts. Even with certification, there are a limited number of platforms for MWBs and local businesses to connect with key industry players, and many businesses lack the training and technical guidance needed for sustained success as a supply chain partner for a large corporation.

**The industry can provide visibility into opportunities and create connective tissue between member companies and local and diverse suppliers by providing free access to ACP sponsored events, enabling suppliers through trainings and special access to capital, and building networks aimed at creating strong commercial relationships between suppliers and ACP member companies.**

**To complement these programs, companies can set, measure and track contract and spending volume targets with diverse and local businesses.**

<sup>18</sup> American Clean Power Association Clean Energy Labor Supply report  
<sup>19</sup> Federal Reserve, 2020 Small Business Credit Survey

## 2. CREATE VALUE FOR COMMUNITIES

### CLEAN ENERGY COMPANIES IN ACTION

#### **AEP has instituted targets and practices to maximize opportunities for diverse businesses.**

In addition to committing to a target of 15% diverse spend by the end of 2025, it has developed a supplier certification process to signal openness and identify new suppliers that might need support, highlighted resources for suppliers beyond what AEP can provide, and adopted a code of conduct to reflect its commitment to DE&I. In 2020, this resulted in over \$650M spent on diverse suppliers, and \$3.4B spent with locally based suppliers.



**Invenergy launched Reactivate, a community solar energy platform to build out solar projects in low-to-moderate income (LMI) communities.** The company, a joint venture with Lafayette Square, will focus worker training efforts on underrepresented segments of the workforce and those transitioning to the renewable energy industry. Additionally, these projects will create opportunities for MWBE enterprises with a target of over 100 MWBE contracts this decade.



## Be a steadfast partner and integrated member of the community



ACP member companies strive to be more than just sources of employment for their communities. They hope to become part of the local social fabric. As active community members, companies can be a resource and thought partner for local leaders — helping recruit other businesses to the area, lending technical expertise, and collaborating on community priorities.

Communities that have relied on industries poised for disruption, like coal, or those that have historically been underserved, face a daunting economic landscape in a rapidly changing world. Alongside its direct investment in renewable energy generation, manufacturing, and local facilities, the clean energy industry can help communities diversify their economies by attracting large players from other industries as development partners. By developing a deep understanding of communities and working with them to highlight their unique attributes, we can help bring new industries to the table to create local jobs, just as with the Appalachian Sky initiative.

Companies can also contribute to community causes. Vulnerable communities often suffer from fraying social service programs, aging civil infrastructure, and underfunded education systems. Many ACP member companies have set up separate foundations or funds donating to community-strengthening non-business interests. Such investment is central to building stronger, healthier communities, and the industry is committed to continuing and expanding these efforts throughout the transition.

### CLEAN ENERGY COMPANIES IN ACTION

#### Duke Energy contributes over \$30M annually

to local community development initiatives with a focus on K-12 education, workforce development, and local impact in low-income communities.



**AES works closely with local communities, economic development partners, and business chambers to attract, support, and retain businesses.** For example, in the state of Ohio, it partners with The Dayton Development Coalition, OneColumbus, and JobsOhio to promote economic development in the area.

**Enel Foundation provided financial and scientific support to the Center for Sustainable Business at The University of Pittsburgh to help develop the first Marshall Plan for Middle America Roadmap** — a collaborative plan aiming to enhance resilience, increase social equity, and promote community well-being in the Ohio River Valley as the region progresses through the energy transition.



# 3 Lead in Diversity and Inclusion



Our industry could be more diverse at all levels. Today, women make up just 30% of the workforce, and Black or African American workers represent only 8% — both lower than the respective national averages of 48% and 13%.<sup>20</sup> To address this gap, the clean power sector can ensure diverse groups are both brought in and supported throughout their careers. A holistic approach to achieve this would include:

- Leveraging data to identify and understand diversity gaps in existing workforces
- Instituting targeted recruiting and internal support structures for diverse communities
- Creating inclusive and supportive company cultures



<sup>20</sup> 2020 U.S. Energy & Employment Report

## Leverage data to identify and understand diversity gaps in existing workforces



The first step to solving any challenge is properly understanding the current state, its challenges, root causes, and opportunities for improvement. While many ACP member companies have already begun mapping out challenges at the company-level, there is an opportunity to take an industry-wide approach that helps drive systemic and structural change, allows lesson-sharing, and drives greater accountability across our sector.

While many have started, not all ACP member companies currently track DE&I performance.

**As an industry, we will begin reporting a standard set of best-in-class DE&I metrics that drive standardization and accountability both within and across companies on recruiting, retention, advancement, and leadership representation.**

## Institute targeted recruiting and internal support structures for diverse communities



Recognizing that today's industry-level DE&I data is imperfect, we do know that our industry lags national averages in workforce representation of women (30% vs. 48%) and Black or African American people (8% vs. 13%), while overperforming on representation of all other minority groups (21% vs. 10%).<sup>21, 22</sup> The clean power industry's commitment to doing better starts with building pipelines of diverse candidates through enhanced recruiting efforts. It will take a concerted and targeted approach to reach communities and groups that have been traditionally underrepresented — including all genders, ethnicities, sexual orientations, disability status, and veteran status.

**To start, ACP will build or extend partnerships with organizations representing diverse communities (e.g., National Society of Black Engineers and WRISE<sup>23</sup>), as well as directly with the institutions that train and develop diverse talent (e.g., HBCUs<sup>24</sup>) to ensure networks of diverse candidates are brought into the recruiting funnel and are aware of the many opportunities that the industry provides. Members are encouraged to institute policies that ensure diverse candidates are considered for every open position. With these efforts driving increased representation of diverse groups, we must then focus on creating truly equitable and inclusive environments.**

**A successful industry-wide DE&I initiative must be systemic and multi-level. In addition to establishing a pipeline of diverse talent, the sector needs effective support structures and pathways for advancing diverse candidates into senior management, including access to professional development programs and alignment of incentives across the organization.**

### CLEAN ENERGY COMPANIES IN ACTION

**Siemens Gamesa Renewable Energy** set a public goal to increase female representation for both junior and senior level positions to 25% by 2025. To achieve this, they've provided greater flexibility of work location, analyzed the pay gender gap and set inclusive compensation practices, and started tracking associated data to promote transparency and accountability.



<sup>21</sup> 2020 U.S. Energy & Employment Report.

<sup>22</sup> "Other minority groups" include American Indian or Alaska Native, Asian, Native Hawaiian or other Pacific Islander, and Two or more races. Hispanic or Latino ethnicity are not mutually exclusive to the above racial groups and are reported in a separate variable.

<sup>23</sup> Women of Renewable Industries and Sustainable Energy

<sup>24</sup> Historically black colleges and universities

### 3. LEAD IN DIVERSITY AND INCLUSION

These are firm goals, not aspirational targets. They are integral to clean energy companies' missions and financial success. Companies must remove structural barriers to advancement by ensuring diverse candidates are considered for roles on leadership teams and boards of directors, and that more junior staff members are supported by robust mentorship programs.

**Leaders of the clean energy industry should be representative of the diversity in the communities we operate in.** They must be highly visible advocates with a staunch determination for executing on ACP member companies' DE&I commitments and leading these efforts from within.

#### CLEAN ENERGY COMPANIES IN ACTION

**AEP developed targeted recruiting policies for veterans** focused on partnering and establishing direct relationships with key military and veteran groups, and created internal support structures like employee resource groups and targeted benefits



**Since 2019, Dominion Energy has held an annual Careers in Energy Diversity Student Conference, bringing in hundreds of women and minority students from across the country to** expose them to and educate them about career options within the energy industry. Students interview and compete for paid summer internships, many of which ultimately lead to full-time job offers upon graduation.



## Create equitable and inclusive environments so everyone can thrive



ACP and its members are committed to ensuring our workplaces are inclusive and supportive, with zero tolerance for discrimination and harassment. Everyone — regardless of gender, race, or sexual orientation — should feel welcome and valued. We must create an environment where current and prospective employees see the clean energy industry as a place where every person can thrive. Despite policies to this end today, further opportunities exist to improve and even lead in this area.

Member companies will start by conducting employee surveys and leveraging internal forums to understand where people need additional inclusivity or support structures. Based on this feedback, companies can create institutional support structures like resource groups, mentorship programs, and new employee benefits to ensure concerns are heard and met with appropriate responses.

**ACP will conduct regular assessments of recruiting, retention, and advancement DE&I outcomes to ensure member organizations remove structural barriers causing inequality.**

### 3. LEAD IN DIVERSITY AND INCLUSION

#### CLEAN ENERGY COMPANIES IN ACTION

**Duke Energy has built a robust pipeline of diverse candidates** by setting and publishing goals of growing the share of women in the workforce to 25% and people of color to 20%. To achieve these goals, it has integrated HBCUs into recruiting activities, conducted employee surveys to identify and address DE&I shortcomings, and set supplier diversity targets that have led to a spend increase on diverse suppliers of 10% per year (~\$100M).



**Pattern Energy implemented a range of initiatives focused on enhancing diversity, equity, and inclusivity.**

Examples include launching a DE&I Council, supporting employee-led Affinity Networks, publishing a Statement of DEI Commitments, hosting a DE&I Month, conducting a staff engagement survey focused on DEI topics, and requiring leadership to take unconscious bias workshops.



**Invernergy tracks and publishes important DE&I metrics,** engages in an energy industry DE&I roundtable with 30 other organizations to coordinate efforts and share learnings, established a DE&I leadership committee, and supports hundreds of employees who participate in the company's five affinity groups.



Photo Credit: Invernergy

# A Call for Government Action

**Federal, state, and local governments are essential partners in supporting workers and communities** through this transition and setting the right context for our sector to do the same. The \$300 million in funding that the Biden administration allocated to hard-hit coal communities in July 2021 is an excellent start, but far more is needed. Without the right policy framework and government interventions, society will not achieve an energy transition that works for all.

There is no silver bullet. Research supports a healthy mix of policy interventions targeting individuals, businesses, and communities. To maximize impact, industry must work closely with government to access funding, prioritize efforts in key geographies, and identify opportunities to expand the resources available to foster an energy transition for all. ACP requests government support along three different dimensions:

## Workforce Development

Many people will need access to rapid training options, preferably paid apprenticeships, to develop the skills necessary to access new employment opportunities. In addition, many face challenges trying to navigate different employment systems and planning for their future. Career services are recognized as some of the most cost-effective forms of workforce development, especially when enhanced by wraparound or foundational services like childcare, transportation, and substance abuse therapy.<sup>25</sup> Reskilling large sections of the workforce will require additional government assistance.

ACP supports enhancing federal workforce development programs including:

- **Assistance for Coal Communities initiative**
- **POWER (Partnerships for Opportunity and Workforce and Economic Revitalization) initiative run through the Appalachian Regional Commission**
- **National Dislocated Worker Grants**
- **Rural workforce development programs (e.g., Workforce Opportunity for Rural Communities initiative (WORC) and Rural Innovation Stronger Economy (RISE))**
- **Grant programs through the Department of Labor’s Employment and Training Administration**
- **Prioritizing workforce development funding and programming in communities that have historically been underrepresented (e.g., the Justice40 Initiative and Blue Collar to Green Collar Jobs Act, sponsored by Rep. Bobby Rush (D-IL))**
- **Existing and potential safety net programs to support individuals and communities with wraparound services such as funding for unemployment insurance, health care (e.g., Medicaid and the Black Lung Disability Fund), bridge funding for workers nearing retirement, and public assistance to replace lost tax revenues**



<sup>25</sup> Enabling Fairness for Energy Workers and Communities in Transition Enabling Joint report from Environmental Defense Fund and Resources for the Future

## Economic and Infrastructure Development

Decades of underinvestment in these communities has led to aging infrastructure and lack of economic diversification. Even a trained workforce needs companies to employ them, which in turn demands the infrastructure to support new investment.

ACP supports economic and infrastructure development programs such as:

- **Tax incentives for developing solar and wind facilities in low-income communities (Section 136103 of the House-passed Build Back Better Act)**
- **Expanding Opportunity Zones by increasing tax benefits for those that can demonstrate significant local job creation and longer-term capital investments**
- **Enhancing the Advanced Manufacturing Tax Credit, especially for women and minority owned businesses and communities where coal mines have closed or coal power plants retired (e.g., The American Jobs in Energy Manufacturing Act of 2021, sponsored by Senators Joe Manchin (D-WV) and Debbie Stabenow (D-MI))**
- **Funding in the House-passed Build Back Better Act for the Department of Energy Loan Programs Office, including funding for the Tribal Energy Loan Guarantee program**
- **Providing technical and financial assistance for communities to develop and implement economic development and just transition plans, such as with Colorado's Office of Just Transition**
- **Increasing technical support and access to capital for local businesses through additional funding for the Small Business Administration loan guarantee programs and the US Treasury's CDFI Fund**
- **Increased funding for high-speed broadband internet deployment to improve connectivity and affordability for unserved and underserved communities**



Photo credit: Adam Ducharme

## Environmental Remediation

Many vulnerable communities, including some located near fossil fuel facilities, have suffered environmental consequences leading to contaminated sites, adverse public health effects, and water pollution. Cleaning up these sites and providing a safe environment and enhanced quality of life for these communities is central to a just transition. These efforts also provide “bridge” near-term jobs that workers can benefit from with their existing skillsets. ACP supports government interventions such as:

- **Increasing funding for the Abandoned Mine Lands program**
- **Scaling up Superfund and Brownfields programs**
- **Funding to extend the tax to fund the Black Lung Disability Trust Fund**
- **Funding included in the House-passed Build Back Better Act for programs such Energy Community reinvestment, climate pollution reduction grants, environmental and climate justice block grants, etc.**
- **Funding that prioritizes initiatives to reduce greenhouse gas emissions targeted at low-income and disadvantaged communities (e.g., the Low Emissions Electricity Program through EPA)**
- **Increasing funding for the Abandoned Mine Lands program**
- **Scaling up Superfund and Brownfields programs**
- **Funding to extend the tax to fund the Black Lung Disability Trust Fund**
- **Funding included in the House-passed Build Back Better Act for programs such Energy Community reinvestment, climate pollution reduction grants, environmental and climate justice block grants, etc.**
- **Funding that prioritizes initiatives to reduce greenhouse gas emissions targeted at low-income and disadvantaged communities (e.g., the Low Emissions Electricity Program through EPA)**



Photo Credit: Invernergy

# Essential Partnerships

In the previous sections, we laid out the commitment of ACP member companies as an industry to advance solutions that expand employment opportunities, support vulnerable communities, and promote DE&I. In addition, we aim to partner with and support others as they take the lead in areas we cannot. The problems facing these communities — urbanization, automation, and energy transition, among others — are multi-dimensional. They demand collaboration across sectors and government bodies, coordinated action from industry, policymakers, regulators, non-profits, and academic institutions. This section highlights some of the other key players in this effort needed to enable a successful, equitable energy transition for all.



**Orchestrators:** A host of disparate and occasionally conflicting interest groups are trying to solve this problem: local leaders looking to save their towns; regulators attempting to protect and prevent further harm; sources of government and philanthropic funding trying to provide relief; and more. We need organizations that are positioned to navigate this complex web of interests and facilitate conversations, guiding resources and technical expertise to where they are needed most. These can be local economic development boards, regionally focused government bodies like the Appalachian Regional Commissions, industry groups and associations, or non-profits like the Just Transition Fund. In the future, we see great opportunity for existing groups to expand, and new groups to establish themselves in playing this critical role of bringing together these varying perspectives to drive positive outcomes, and we intend to work with these groups to continue to be a key provider of opportunity.



**Educational Institutions:** An equitable transition will be impossible if current and future workers lack the necessary skills. Education institutions, particularly high schools, community colleges, and Historically Black Colleges and Universities (HBCUs), are vital partners in both providing prospective renewable energy employees with the necessary skills and experiences, and in connecting students with employers that offer good jobs. With rapidly growing demand for talent in the renewable energy industry, the geographic reach and credibility of these institutions within their communities make them ideal partners, and we intend to support and enable both these institutions and their students throughout the transition.



**Cross-Sector Collaborations:** A lack of economic diversity has brought many of these communities to the precipice. A sustainable solution that improves community-wide economic well-being will demand cross-sector investment to diversify local economies and ensure their long-term vitality. Clean energy's interests in developing a trained workforce and investing in infrastructure overlap with other sectors, and by joining forces, the impact of action can grow tremendously. An economy-wide, ecosystem approach is needed to provide employment opportunity and economic development for workers and their communities.



**Foundations and Other Philanthropic Partners:** Erasing decades of underinvestment in disadvantaged communities will take substantial resources. Charitable organizations looking to help fund development efforts will be critical partners in bridging the funding gap. ACP and its members can amplify these groups' efforts in areas where industry is unable to take the lead (e.g., older displaced workers, lost tax revenue, or cleanup efforts) by coordinating matching funds and pooling resources to help maximize impact.

CLEAN ENERGY COMPANIES IN ACTION

**Dominion Energy is developing strategic public-private partnerships with internet service providers** to help bring broadband access to the 500,000 unconnected Virginians, serving as a crucial “middle-mile” provider and installing hundreds of miles of new fiber optic cables to bridge the digital divide in remote learning and workplace opportunities.



**Enel has a workforce retraining partnership with Texas State Technical College (TSTC) and Innovation Partnership with AdeptID** to focus on (i) workforce retraining programs for oil and gas workers, and (ii) machine learning analytics for inclusive job mobility. Enel is combining its partnership with TSTC and AdeptID to identify non-obvious, high-likelihood transitions such as renewable energy, specifically for roles that don't require college degrees.



**In the Fall of 2020, AES joined other corporate leaders including Microsoft, Chevron, Boeing, Proctor & Gamble and others in Discovery Education's STEM Careers Coalition** that offers educators, students and families nationally and globally access to free, no cost resources that connect students to careers in STEM.



# Conclusion

Nationally and globally, we are experiencing a historic shift that will spur incredible economic growth and prosperity, as well as unprecedented scientific advancement. The clean energy industry has the opportunity and obligation to share the benefits of this transformation, particularly with those who have suffered through the decline of legacy industries or historical underinvestment. Vulnerable communities across the country are facing generational and technological change that is tearing at their social and economic fabric. But ACP and its member companies are ready to do our part. With similar commitment and coordination across the broader ecosystem of participants, we can achieve something worthwhile and special: an **Energy Transition for All**.



Photo Credit: Rappahannock Electric Cooperative

# Contributors

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## American Clean Power Association

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## Boston Consulting Group (BCG)

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### ACP Member Companies





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