

JUST ENERGY SUMMIT 2016:

PEOPLE • PLACE • POWER

A FRAMING DOCUMENT



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Just Energy Summit 2016: People, Place & Power A Framing Document

Electricity is an essential component of our everyday lives—brightening our rooms, cooking our food, charging our phones and computers, keeping our homes the right temperature, running factories and stores. Easy access to reliable electricity is part of what makes our country a great place to live. The energy sector is the third largest industry in the US and a 6 trillion-dollar global market.¹

Unfortunately, like many other benefits in our society, from quality housing to gainful employment to transportation options, the benefits of electricity are less accessible to some than others. Whether a household struggles to pay the power bill is correlated with income, place and race. The downsides of electricity production — pollution, extractive industries, and extreme weather from climate change — tend to fall on our most vulnerable: lower-income Americans and communities of color. At the same time, people of color are underrepresented in energy sector jobs, and in the decision-making process regarding utility regulatory matters.

When disproportionate burdens are placed on those who already have the least resources to bear them, the result is a cycle of entrenched poverty that is difficult to escape. An equity-based engagement approach aims to break that cycle by prioritizing those most affected as we advocate for resilient, community-building energy solutions.

The Just Energy Circle defines “Energy Equity” as the fair distribution of the benefits and burdens of our energy production and consumption. In order to achieve energy equity, utility planning processes must include authentic community engagement, participation and leadership from the full scope of Southern communities, including those most heavily burdened.

Ultimately, advancing energy equity not only enables us to address housing inefficiency but also empowers us to address hazardous pollution, public health concerns, and lack of employment opportunities for low-income communities and communities of color. Framing energy equity within the context of democracy, housing inequity, racial justice, and unemployment, provides insight about specific actions that can help break the structural inequities found in low-income communities and communities of color.

Energy Equity and Housing

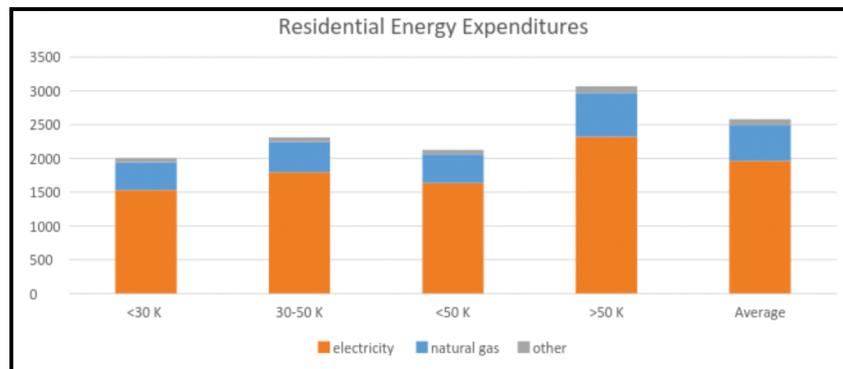
Suburbanization, redlining, and discriminatory housing practices mean people of color and low-income families are more likely to live in older, energy inefficient homes with sky high energy bills. In general, low-income families tend to live in homes with poor insulation or air leaks, inefficient heating systems and appliances—and some, such as renters, lack control over their home’s energy systems and appliances.² These older homes additionally present numerous health hazards, including lead-based paint, toxic mold and poor air quality due to water damage.³

Inefficient housing raises the amount of money a household spends on energy, so these families find themselves locked in a situation where they spend a greater proportion of their income on energy costs compared to average, or higher income households.⁴ Nearly half of all low-income families struggle to cover their monthly energy bills.⁵ Compared to higher income families that spend only about 2.7% of their income on energy needs, low-income families spend 6% of their income on energy and utility bills.⁶

“Energy Equity” is the fair distribution of the benefits and burdens of our energy production and consumption.

Low-income households, which make up about 33% of the population nationally, often live in older, inefficient homes with less efficient appliances.⁷ Given the high portion of low-income households that are Black or Hispanic, factoring in race raises the percentage even higher. Extreme weather, expected to increase due to climate change primarily from energy-related carbon emissions, further raises the need for cooling. In an energy inefficient home, this leads to even higher energy bills.

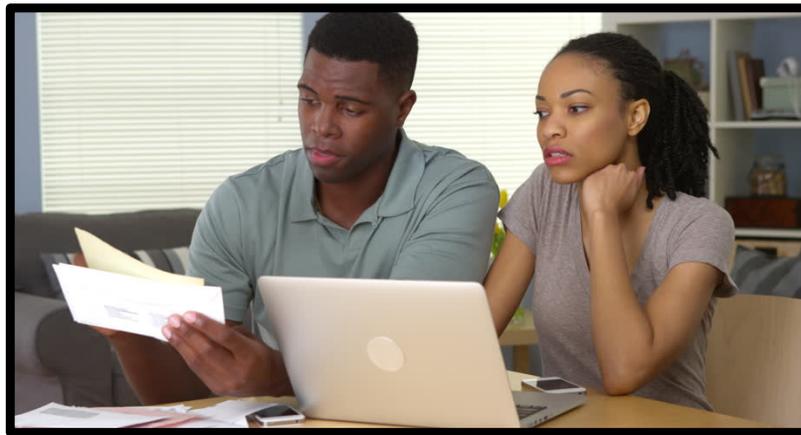
| | <30 K | 30-50 K | <50 K | >50 K | Average |
|-----------------------------|--------|---------|--------|-------|---------|
| Residential energy | 2008 | 2314 | 2127 | 3070 | 22581 |
| electricity | 1534 | 1796 | 1637 | 2323 | 1969 |
| natural gas | 408 | 447 | 423 | 644 | 528 |
| other | 65 | 71 | 67 | 102 | 84 |
| gasoline | 1709 | 2509 | 2022 | 3406 | 2706 |
| total energy | 3727 | 4823 | 4149 | 6476 | 5287 |
| Energy Percentage of Income | 25.00% | 14.00% | 18.00% | 8.00% | 9.00% |



U.S. Energy Information Administration, [Residential Energy Consumption Survey](#), 2009.

Upgrading the home to make it more energy efficient—which would, in turn, help stabilize and even decrease the household’s energy bills—is a difficult step for many of these families to take. It costs more than many can afford to pay up front, due to lack of savings and disposable

income. Additionally, because of low credit scores, a family may not qualify for loans to invest in energy efficiency improvements for the home.



Many of these low-income families live in apartment buildings and multi-family housing, which makes participation in energy efficiency programs complex. Whether the family pays its own utility bills or the landlord pays for the utilities and passes the costs on to the tenant family, a significant disconnect exists between the party who would benefit the most from energy savings (the tenant family) and who would need to make or approve the energy efficiency investment (the owner landlord). Low-income families that rent, therefore, often are unable to access energy efficiency programs that could lower their bills and reduce their energy consumption.

Living in energy inefficient housing creates an enduring cycle of poverty for low-income families. For example, low-income families unable to pay their high energy bills become vulnerable to utility shutoffs, which can lead to homelessness.⁸ Cash-strapped families and individuals become prey to predatory payday loans as their only option to utility bills and avoid shutoffs.⁹ These small, short-term loans come with high interest rates that make repayment difficult.

“¹ Addressing energy inefficiency in housing—through bill assistance, weatherization, and energy efficiency programs—can help reduce public health concerns and break the cycle of poverty.”

The constant stresses of living in fear of losing utility service and housing due to high energy bills can cause serious health problems.¹⁰ This stress compounds other health problems related to living in homes that are not properly heated or cooled: asthma, heart disease, arthritis, and rheumatism.¹¹ Addressing energy inefficiency in housing—through bill assistance, weatherization, and energy efficiency programs—can help reduce public health concerns and break the cycle of poverty.

Finally, for African Americans, these homes are likely to be within 30 miles of a coal-fired power plant, further exacerbating poor air quality.¹² Emissions from power plants located in or near these neighborhoods contribute to health hazards that lead to high rates of asthma and cancer, continuing the cycle of poverty.¹³ For example, African Americans living near coal-fired power plants, nuclear power plants, and biomass power are more likely to suffer the negative effects of prolonged exposure to smog and other air pollutants than any of group of Americans.¹⁴ To make matters worse, families living near these toxic power plants experience lower property values in part because of their proximity to polluting facilities.¹⁵ As a result of these circumstances, people of color and low-income families become quite literally trapped in a cycle of poverty.

Energy Equity and Racial Justice

The #BlackLivesMatter movement has sparked the biggest national conversation about race this country has seen in the last 50 years. Effectively addressing energy equity requires an understanding of how energy and race link to contribute to a system of disempowerment for communities of color.

This system is reflected in disproportionate incarceration rates for Black Americans, unequal access to healthy food, and children stuck in crowded, under-funded schools. Black communities face double-digit unemployment rates, stripping of voting rights previously won,¹⁶ racial profiling and police brutality,¹⁷ and a white to black wealth ratio of 13 to 1.¹⁸ Low income households make up roughly 49% of the African-American population nationally, and about 51% of the Hispanic population.¹⁹ Placing energy equity within the context of racial justice allows us to understand why black children are four times as likely as white children to die from asthma attacks.²⁰

To build a world in which energy is a force for equity, not continued oppression, we need to understand how the history of race relations intersects with our energy system. We can then see venues for advocating cleaner, more economical energy choices as opportunities for undoing patterns of systemic racism for people of color, and an opportunity for collaboration between justice and environmental movements.

From a democracy perspective, racial minorities are underrepresented in utility decision-making. Only 4.4%²¹ of board members at rural electric cooperatives in the South are African Americans. Even more bleakly, Hispanics make up just 0.3% of board members or individuals in governing positions on the boards of rural electric cooperatives in the South.²² On elected public service commissions in the south, only one in six commissioners are people of color, and the commissions for Georgia, Alabama, and Mississippi are all-white.

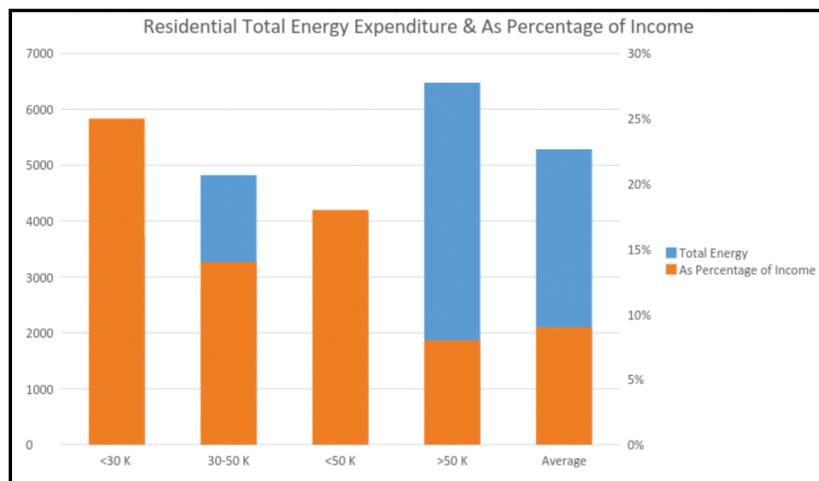
The symptoms of systemic racism are particularly evident in the intersection of energy issues with two sectors: housing and employment.

Energy Equity and Unemployment

Overburdened by high energy bills and inefficient housing, and locked into communities polluted by energy facilities, people of color and low-income households also find themselves excluded from the economic opportunities in the energy sector. In 2009, African Americans held about 1.1% of energy industry jobs, according to the NAACP.²³ The growing renewable energy sector shows similarly low numbers, with African Americans representing just 6% of all employees in solar energy, according to The Solar Foundation's 2013 National Solar Jobs Census.²⁴ Effectively addressing energy equity requires an understanding of how energy, unemployment, and economic opportunity intersect.

In 2015, the United States unemployment rate was 5.3 percent. But the national unemployment rate for African Americans was 9.6 percent; it's 9.3% for African-Americans in Georgia.²⁵ Unemployment statistics in Atlanta present an even bleaker picture: "The unemployment rate for African Americans in Atlanta (22 percent) is nearly twice the city's overall 13 percent, more than three times higher than the rate for their white counterparts (6 percent) and more than twice the rate for Latinos (9 percent)."²⁶

Meanwhile, the renewable energy industry is flourishing. For example, solar jobs have grown more than 123 percent in the last five years, now employing over 200,000 Americans.²⁷ In 2015, Georgia alone employed approximately 3,185 workers in the solar industry and was ranked 15th among the Top 20 states for solar growth and employment.²⁸ Yet, as of 2013, African Americans, who make up 12% of the overall U.S. workforce, constituted just 6% of the solar workforce.²⁹ This underrepresentation lines up with the general energy industry, where black laborers have been underrepresented for decades.³⁰



U.S. Energy Information Administration, Residential Energy Consumption Survey, 2009.

More equitable energy policies and programs can not only help reduce home energy bills but also create jobs and employment opportunities for low-income communities and communities of color. States can enact "Local Hire/First Source" policies that require companies engaged in

publicly funded energy projects to recruit a certain number of local residents as workers on the project.³¹ Additionally, states can create “Minority Business Enterprise” policies requiring publicly funded projects to use minority businesses—businesses that are at least 51% owner-operated and controlled by people of color.³² Currently, Georgia has no economic opportunity provisions for local workers and minority-owned enterprises specific to energy projects.³³

In addition to state economic inclusion policies, utilities and energy providers offering energy efficiency and renewable energy programs should increase their economic inclusion efforts. Utilities offering solar programs can partner with organizations that specialize in expanding job opportunities for low-income communities and communities of color. For example, Grid Alternatives, a non-profit that installs solar panels for low-income customers, partners with nearly 70 local job training organizations to provide a classroom in the field, giving participants the experience they need to obtain solar jobs.³⁴ Similar programs exist across the country and will go a long way toward reducing unemployment and energy inequities.

Renewable energy and energy efficiency present an opportunity to help struggling communities overcome not only high energy bills and reduce pollution but also high unemployment rates by providing communities access to jobs, training and economic opportunities in the energy industry.

About the Just Energy Circle

The Just Energy Circle is an inspiring, morally-grounded network collaborative effort that empowers sustainable, self-sufficient communities and participation in developing clean energy solutions that benefit everyone. Our circle, convened by the Partnership for Southern Equity, seeks to inspire new, diverse, authentic leadership that is recognized in prominent decision-making positions in both civic and private sectors. We aim to establish structures to ensure that energy opportunities are available to all, including low-income protections, fair prices, freedom from negative health impacts, and access to employment. We represent an ecosystem of diverse business, political, and community interests.

The Just Energy Circle’s values are:

1. **We believe** that community engagement is vital for the progression of self-sufficient people & neighborhoods.
2. **We believe** in access to high quality energy at a fair price for all.
3. **We believe** in sustainable relationships, partners & solutions for ever-pressing issues in the American South.
4. **We believe** in transparency and accountability on behalf of energy providers.
5. **We believe** that equity accessibility should be the principal growth model for the American South.
6. **We believe** in honoring the idea that all people have a part to play in our emerging green sector economy.
7. **We believe** in utilizing and leveraging a combination of the best available field and scientific research to find the best energy solutions.

What to Expect

It is our hope that Just Equity Summit 2016 will connect the dots between energy issues, racial justice and a variety of other equity challenges, so that we can work together on common solutions. In its work overall and in this summit, the JEC aims to educate, energize and connect an eco-systems of diverse stakeholders for energy equity; identify local leaders that will advocate for a more structured, authentic and equitable engagement process in energy decisions; and educate, inform and empower a broad and diverse ecosystem of support in Georgia to participate in utility processes and proceedings.

Just Energy Summit 2016 will provide a foundational platform in better understanding of the needs/disparities, community visions, available resources, job opportunities and ways to address energy equity policy and development in the 10 county Metro Atlanta region in the years ahead. While this year's inaugural event focuses on aligning community engagement and arming participants with the insights needed to understand the landscape with respect to clean energy alternatives, as the program moves forward participants can look to realize meaningful and actionable opportunities to engage with established energy users & providers, lawmakers and other impacted citizenry.

We welcome groups and individuals who share these values to come learn, share, and identify synergies at Just Energy Summit 2016. The summit will be a collaborative learning environment bringing together energy experts, entrepreneurs, and community activists to learn from each other. No prior experience with energy issues is required to participate. Summit participants may be invited to the Just Energy Circle as it broadens its membership to include more stakeholders and the next generation of leaders.

Special thanks to Berneta Haynes and Amelia Shenstone
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- ¹ “The Energy Industry in the United States,” US Department of Commerce, available at <http://selectusa.commerce.gov/industry-snapshots/energy-industry-united-states>
- ² Ariel Drehobl, et al., “Lifting the High Energy Burden in America’s Largest Cities: How Energy Efficiency Can Improve Low Income and Underserved Communities,” *ACEEE* (April 2016), p. 11, available at http://energyefficiencyforall.org/sites/default/files/Lifting%20the%20High%20Energy%20Burden_0.pdf.
- ³ “Low-Income Solar Policy Guide,” *GRID Alternatives, Vote Solar, and Center for Social Inclusion* (March 2016).
- ⁴ *Id.* at p. 10.
- ⁵ Rachel Cluett et al., “Building Better Energy Efficiency Programs for Low-Income Households,” *American Council for an Energy-Efficient Economy* (March 2016), p. iii.
- ⁶ *Id.* at p. 1.
- ⁷ *Id.* at p. iii.
- ⁸ *Id.* at p. 11, 13. Researchers studying Kentucky, St. Paul, and Philadelphia determined that utility shutoffs are one of the primary factors that led to homelessness.
- ⁹ *Id.*
- ¹⁰ *Id.* See also, Eva Jiayu Wang, “Energy Efficiency for All” Supports Financial Resilience,” *Clean Energy Finance Forum* (Jan. 4, 2016), available at <http://www.cleanenergyfinanceforum.com/2016/03/30/%E2%80%9CEnergy-efficiency-all%E2%80%9D-supports-financial-resilience>.
- ¹¹ *Id.*
- ¹² Jacqui Patterson et al., “Just Energy Policies: Reducing Pollution and Creating Job,” *NAACP* (February 2014), p. 3, stating also “Approximately 68% of African Americans live within 30 miles of a coal-fired power plant, which produces the largest proportion of energy compared to any other energy production type.”
- ¹³ “Low-Income Solar Policy Guide,” *GRID Alternatives, Vote Solar, and Center for Social Inclusion* (March 2016).
- ¹⁴ Jacqui Patterson et al., “Just Energy Policies: Reducing Pollution and Creating Job,” *NAACP* (February 2014).
- ¹⁵ *Id.* (“In addition, properties in close proximity to toxic facilities average 15% lower property values.”).
- ¹⁶ Nina Liss-Schultz, “The Obama Administration Wants 6 Million Americans to Get Back Their Right to Vote. Here’s How,” *Mother Jones* (February 13, 2014), available at <http://www.motherjones.com/moj/2014/02/felony-convictions-voting-rights-black-american-african-disenfranchisement>.
- ¹⁷ Charles Pulliam-Moore, “UN Committee condemns U.S. for racial disparity, police brutality,” *PBS News Hour* (August 29, 2014), available at <http://www.pbs.org/newshour/rundown/un-committee-condemns-us-racial-disparity-police-brutality/>.
- ¹⁸ Alexander C. Kaufman, “Black-White Wealth Gap Has Reached A 24-Year High,” *Huffington Post* (December 12, 2014), available at http://www.huffingtonpost.com/2014/12/12/racial-wealth-gap_n_6317202.html.
- ¹⁹ US Census Bureau, *People with Income Blow Specified Ratios of Their Poverty Thresholds by Selected Characteristics: 2014* (Current Population Survey, 2015 Annual Social and Economic Supplement, accessed May 5, 2016), www.census.gov/hhes/www/poverty/data/incpovhlth/2014/table5.pdf.
- ²⁰ “Children’s Environmental Health Disparities: Black and African American Children and Asthma,” *US Environmental Protection Agency*, available at https://www.epa.gov/sites/production/files/2014-05/documents/hd_aa_asthma.pdf.
- ²¹ “The Crisis in Rural Electric Cooperatives in The South: The Rural Power Project A Research & Advocacy Report,” Labor Neighbor Research & Training Center and Acorn International (May 6, 2016), p. 2., available at http://ruralpowerproject.org/wp-content/uploads/2016/02/Rural-Power_Final.pdf. See also, John Farrell, “Being Black Still a Barrier to Rural Cooperative

BoardMembership,” Institute for Local Self-Reliance (May 23, 2016), available at <https://ilsr.org/being-black-still-a-barrier-to-rural-cooperative-board-membership/>.

²² See id.

²³ Melanie Eversley, “NAACP pushes for more diversity in energy industry,” *USA Today* (December 18, 2013), available at <http://www.usatoday.com/story/news/nation/2013/12/18/naacp-energy-diversity-jobs/4097391/>.

²⁴ Julia Pyper, “Equity in Cleantech: Confronting the Solar Industry’s Diversity Issue,” *GreenTech Media* (November 14, 2014), available at <https://www.greentechmedia.com/articles/featured/confronting-the-solar-industrys-diversity-issue>.

²⁵ United States Department of Labor, Bureau of Labor Statistics, “Unemployment rates for African Americans by state in 2015,” (March 2016), available at <http://www.bls.gov/opub/ted/2016/unemployment-rates-for-african-americans-by-state-in-2015.htm>.

²⁶ “As Atlanta’s Economy Thrives, Many Residents of Color Are Left Behind,” *The Annie E. Casey Foundation* (June 24, 2015), available at <http://www.aecf.org/blog/as-atlantas-economy-thrives-many-residents-of-color-are-left-behind/>.

²⁷ “#MillionSolarStrong Campaign Kicks Off Today, Promising Continued Record Growth and New Jobs,” *Solar Energy Industries Association* (May 3, 2016), available at <http://www.seia.org/news/millionsolarstrong-campaign-kicks-today-promising-continued-record-growth-new-jobs>. See also, Samantha Page, “Why Low Oil Prices Won’t Stop the Growth of Renewable Energy,” *Think Progress* (March 31, 2015), available at <http://thinkprogress.org/climate/2015/03/31/3641058/oil-isnt-electricity-renewables-are/>.

²⁸ “State of Solar Census 2015,” *The Solar Foundation*, available at <http://www.thesolarfoundation.org/fact-sheet-state-solar-jobs-census-2015/>.

²⁹ Brentin Mock, “Have people of color been locked out of the green economy?” *Grist* (December 23, 2014), available at <http://grist.org/business-technology/have-people-of-color-been-locked-out-of-the-green-economy/>.

³⁰ Id.

³¹ Jacqui Patterson et al., “Just Energy Policies: Reducing Pollution and Creating Job,” *NAACP* (February 2014), p. 6.

³² Id.

³³ Id. at p. 11.

³⁴ See *Grid Alternatives*, available at <http://www.gridalternatives.org/partner/job-training-partnerships>.