

## What Is the Clean Energy Industry Doing to Confront Racism?

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*After issuing statements condemning racism in the summer, some companies are figuring out how to act.*

In the wake of spring outpourings of grief and anger over the killings of Black Americans such as Breonna Taylor and George Floyd, numerous companies in the clean energy industry turned the lens inward (<https://www.greentechmedia.com/articles/read/clean-energy-industry-speaks-out-on-racial-injustice-nationwide-protests>). Companies that had never before spoken out about racism published statements condemning it, and some donated to the NAACP’s Legal Defense and Educational Fund.

Despite the unprecedented action, inequality is not a new or unrecognized problem in the renewables industry. It remains to be seen whether these newest expressions of upset and accompanying initiatives to combat racism within and outside company ranks will continue.

So far, the clean energy industry has largely embraced a "rising tide lifts all boats" approach: If renewables companies help clean up the grid, that will naturally reduce pollution for the communities of color who experience it most acutely. But data on the industry — such as the number of opportunities (<https://www.thesolarfoundation.org/solar-industry-releases-new-diversity-and-inclusion-reports-with-a-diversitychallenge-for-energy-organizations/>) for Black employees in the industry and the availability of rooftop solar (<https://www.nature.com/articles/s41893-018-0204-z>) to majority-nonwhite neighborhoods — shows that that approach has fallen flat in challenging the legacy of systemic racism within clean energy.

"At its core, the idea of moving forward clean energy, whether it's solar or wind, has been good," said Jacqui Patterson, director of the NAACP's Environmental and Climate Justice Program. But overall, Patterson said, the industry's approach to anti-racism efforts has been lackluster, even after she's advised companies on best practices.

"When I have those conversations and send information, there's no action. [...] In this moment, all of a sudden, there's more of an interest," Patterson told Greentech Media. "We'll see whether that actually leads to things being done."

To make a change, Patterson said, companies need to recognize the "social good" associated with anti-racism alongside the benefits to their business.

In recent weeks and months, several coalitions have put forth new plans. Now companies have to show they will actually put them into practice.

## **Where the industry is starting**

The clean energy industry can easily frame itself as the more virtuous answer to fossil fuels. While carbon-emitting energy sources have fueled climate change — which disproportionately impacts people of color across the world — and more polluting facilities have been sited in or close to communities of color, solar and wind don't directly emit greenhouse gases. The technologies are also key tools in what's termed a "just transition," the

process of decarbonizing the economy while providing opportunity and support for those that the fossil fuel industry has harmed.

In practice, however, the renewables industry is not blameless in perpetuating systemic inequality, according to data on renewables access and employment. When GTM asked energy equity advocates about whether the renewables industry has done any more than the fossil fuel industry to address equity issues, none hesitated to say that the clean energy industry needs to be doing much more.

“Clean energy and solar need to be cognizant of the fact that we’re operating in an energy system that is intertwined with lots of other systems that are racist at their core,” said Melanie Santiago-Mosier, Vote Solar’s managing director for access and equity. “We need to be very careful that as we grow and mature, we’re not replicating the injustices that have proliferated to date throughout the energy system.”

Large solar companies have at times discouraged unions, reducing agency for industry workers. Some companies, such as Suniva, have employed prison labor to manufacture equipment. White men occupy (<https://www.greentechmedia.com/articles/read/us-solar-industrys-top-jobs-remain-dominated-by-white-men>) the great majority of top solar jobs. And most residential solar is still installed in majority-white communities (<https://www.greentechmedia.com/articles/read/report-finds-wide-racial-and-ethnic-disparities-in-rooftop-solar>), even when controlling for differences in rates of homeownership.

“It starts with self-reflection and acknowledging there’s a problem,” said Erika Symmonds, vice president of workforce development and service-learning at Grid Alternatives, a nonprofit that works on solar access and job training. “The advantage in the clean energy space is that, relatively, we’re still quite young. So, the opportunity to get our act together earlier rather than later is there.”

## **What experts say needs to be done**

The shifts necessary to change the industry are both granular and systemic, according to those whom GTM spoke with.

Within the industry, some companies are devising plans to change the demographic makeup of their workforce and shift the internal culture to better support Black employees and other employees of color.

Many solar training programs focus on connecting people of color to positions as solar installers. Staffing changes need to happen at all levels, said Gilbert Campbell (<https://grist.org/grist-50/profile/cleantech-is-so-white-gilbert-campbell-is-making-renewable-energy-look-more-like-america/>), co-founder of Washington, D.C.-based solar company Volt Energy.

“I don’t want us to get caught up in entry-level jobs,” said Campbell. “There are C-suite positions where there are qualified, diverse candidates that all of the companies, including ours, need to think about.”

Aside from jobs, the industry can think more critically about the broader issue of wealth creation in communities of color.

“How can we ensure that there are other communities, other Black communities, that have access to solar?” asked Destiny Hodges, a junior at Howard University who has worked with Campbell — an alum — on a project Volt is installing at the historically Black college. Hodges was interested in environmentalism well before arriving at Howard, but she told GTM she had little exposure to solar while growing up in Birmingham, Alabama. The state ranks in the bottom half of states in terms of solar installed, according to the Solar Energy Industries Association (SEIA). Working with Volt and on a nonprofit she founded, Generation Green (<https://www.gen-green.org/>), Hodges plans to continue pursuing work that centers social and racial justice in environmental issues, in part through expanding solar access.

SEIA has published a supplier diversity guide for its members and is building a corresponding database. It has also worked with the NAACP’s Solar Equity Initiative, which coordinates installations and job training that benefit communities of color. But president Abigail Ross Hopper said the events of this summer have widened SEIA’s objectives beyond encouraging diverse hiring practices. Now the trade organization is more actively mulling issues such as who is policy designed for, who benefits from pro-solar policies, and who has access to solar.

“How do we create wealth and entrepreneurship and not just a job?” said Hopper.

Jean Su, the energy justice program director at the Center for Biological Diversity, also noted the importance of breaking away from the monopoly utility business model. Those companies have tried to control solar development. As a result, fewer than 20 states allow community solar, and only a handful have thriving programs. As of last year, just 31 states allow third-party power-purchase agreements.

The NAACP's solar team has finished community-centric projects through force of will, gathering funding and negotiating with suppliers. To make those projects feasible on a wider scale, Patterson notes the importance of "moving big-money interests out of democracy" and promoting energy policies that support, rather than exploit, communities of color. That also means advocating against fossil fuels, Patterson said, rather than just promoting renewables and hoping the energy transition takes care of the rest.

"We need to shift the entire energy sector, so that the energy sector's primary, pervasive goal is to provide energy, versus [the] primary, pervasive goal being to make profits for a wealthy few," said Patterson.

An activist mindset is not necessarily a natural approach in the context of capitalism, however.

Many banks tout their evaluation of environmental, social and governance metrics in assessing investments. Yet the United States' significant racial wealth gap persists.

U.S. Bank, which invests about 90 percent of its renewables tax equity into solar, has considered shifting solar funds through the Community Reinvestment Act as well as the Tax Cuts and Jobs Act Opportunity Zones provision (<https://www.greentechmedia.com/articles/read/will-the-renewables-industry-seize-the-opportunity-of-opportunity-funds>), two policies designed to spur investment in underserved communities. But the bank told Greentech Media that it ultimately chose not to pursue either option. Instead, U.S. Bank in June pledged a one-time spend of \$116 million on addressing racial inequality. JP Morgan, which spent \$3 billion in equity on wind and solar projects last year, has pledged \$30 billion for the same purpose, with \$2 billion going to small-business loans.

Certain clean energy structures, such as community solar and community-owned microgrids, are inherently indicative of the promise of a more equitable industry. For now, though, many of those projects rely on supportive state-level policy, mission-driven organizations or one-off charitable contributions.

The kind of policies that make those projects sustainable — such as local Solar for All initiatives and community solar that incentivizes low-income participation — need to be expanded, which will require lobbying effort.

"In order for equity to exist, we've got to recognize the hole that's been dug for folks and fill it in some way," said Symmonds at Grid Alternatives. "Otherwise, it's going to be hard to change things."

## **What's being done**

Some companies are going public with specific commitments. This fall, the New York Power Authority, a state public power organization, presented its board with 10 racial justice commitments it developed with the American Association of Blacks in Energy (AABE). A more detailed plan will be discussed at NYPA's December board meeting. NYPA also recently signed an agreement with environmental justice and clean energy organizations to seek out ways to reduce reliance on natural-gas-fired peaker plants (<https://www.greentechmedia.com/articles/read/ny-pa-environmental-justice-groups-to-work-together-on-peaker-plant-replacements>) located in low-income communities.

In October, a new group of clean energy companies including Sol Systems and Cypress Creek Renewables assembled Renewables Forward (<https://www.greentechmedia.com/articles/read/its-time-for-the-solar-industry-to-act-on-diversity-and-inclusion>), pledging to create a diversity and inclusion toolkit for the industry and donating \$200,000 divided between the NAACP, the National Urban League and the Southern Poverty Law Center.

While the energy justice advocates GTM spoke with viewed the industry's statements after the murder of George Floyd with healthy skepticism, these are the most public commitments many in the clean energy industry have made to date on anti-racism.

Now companies have to prove they can follow through.

"It's one thing to say we abhor racism and all this other stuff. It sounds flip, but they have to get started with it," said Paula Glover, AABE's former president and CEO, who joined the Alliance to Save Energy as president in October.

In a young industry, accountability can be a challenge. Many renewables companies are not large enough to be required to submit EEO-1 reports with the U.S. Equal Employment Opportunity Commission, forms that contain workforce statistics on race, ethnicity, gender and job category. Among the Renewables Forward companies that have a sufficient number of employees to be required to file the report, Cypress Creek and Capital Dynamics declined to provide a copy. NEXTracker didn't have a report that broke out its statistics from those of Flex, its parent company. Few of the Renewables Forward companies would confirm to GTM that they plan to report workforce statistics publicly.

SEIA, along with some members of Renewables Forward, already works with the Solar Foundation on its Solar Industry Diversity report, which does publicize workplace demographic statistics. But the organization doesn't plan to put out a report this year due to resource constraints tied to the pandemic. The Bureau of Labor Statistics collects other workforce-related demographic data. But neither source measures how many businesses owned by people of color are signing solar deals or supplying equipment to projects, or whether solar companies are still concentrating sales in majority-white communities.

Even with clear data, progress will take time.

“If we’re really going to make advances that move the needle in a more comprehensive way, we need to be thinking of more comprehensive solutions than just what is the quickest solution to the problem right in front of me,” said Stephanie Chen, the former energy equity director at The Greenlining Institute and now senior policy counsel at community-choice aggregator Marin Clean Energy. “It’s up to the clean energy industries, as well as to policymakers, to make that commitment across the sector to do better.”

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