

# RECOGNIZING THE DISPARITIES

National Association of Regulatory  
Utility Commissioners

December 3, 2009

# American Association of Blacks in Energy

- Founded in 1977
- Thirty-seven Chapters in 29 States
- Six Student Chapters
- 1700 members 1% CEO's or COO's
- Oil, Gas, Nuclear, Coal, Renewables, Transportation, Services, Exploration, Distribution, etc.

# What is the American Association of Blacks in Energy?

- The American Association of Blacks in Energy (“Association”) is a national association of energy professionals founded and dedicated to ensure the input of African Americans and other minorities into the discussions and developments of legislative and regulatory policies, regulations, R&D technologies, and environmental issues.
  
- The purposes of the Association are the following:
  - To serve as a resource for policy discussion of the economic, social and political impact of environmental and energy policies on African Americans and other minorities.
  
  - To ensure involvement of African Americans in governmental energy policymaking by recommending capable sensitive and informed personnel to appropriate officials.
  
  - To encourage both the public and private sectors to be responsive to the problems, goals and aspirations of African Americans in energy-related fields.
  
  - To encourage African American students to pursue careers in energy-related fields and to provide scholarships and other financial aid for such students.

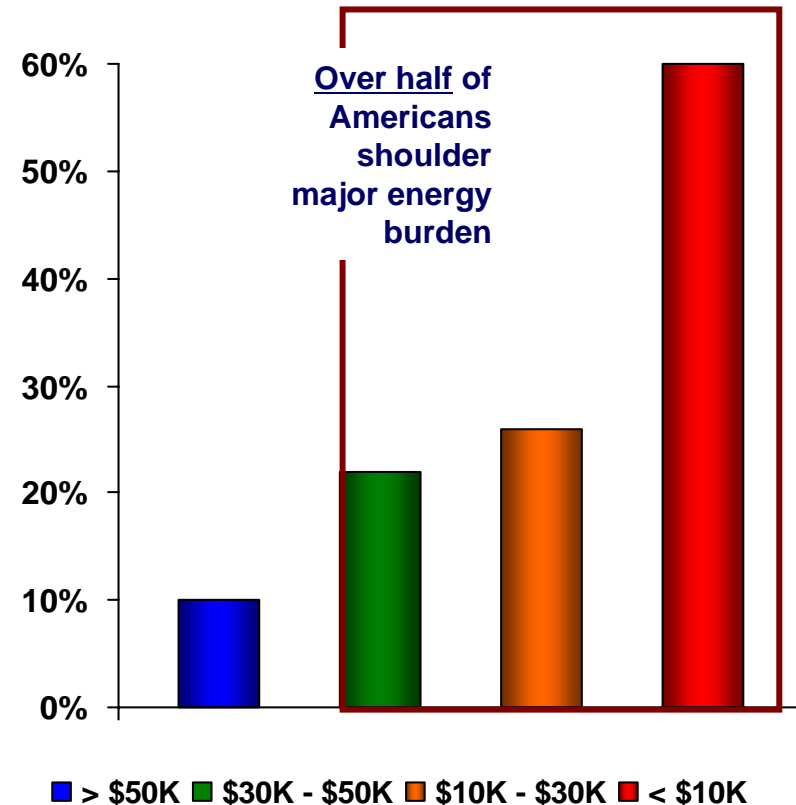
# The African American Community

- Median Family Income was \$34K in 2007
- 13.5% of Population, but 25% live below the poverty level
- 51% live in the Southeastern States
- Outside of Southeast 90+% live in Metro Areas
- African American Male Unemployment 17.2%
- 11K African American Owned Firms: Less than 1K have more than 100 employees

# Increases in Energy Prices Hit Low- and Fixed-Income Families the Hardest

## *Household Energy Expenditures vs. After-Tax Income*

- Families earning \$50K or more annually spend just **10%** of their income on energy-related expenses
  - This income bracket contains **less than a third of African-Americans**
  - 53% of White Americans
- Families earning \$10K or less spend **60%** on energy costs
  - This income bracket contains **over 16% of African-Americans**
  - Less than 9% of White Americans
- For 51% of these households – mostly senior citizens, single parents and minorities – rising energy costs force hard decisions about what other bills to pay... **housing, food, education, health care and other necessities**



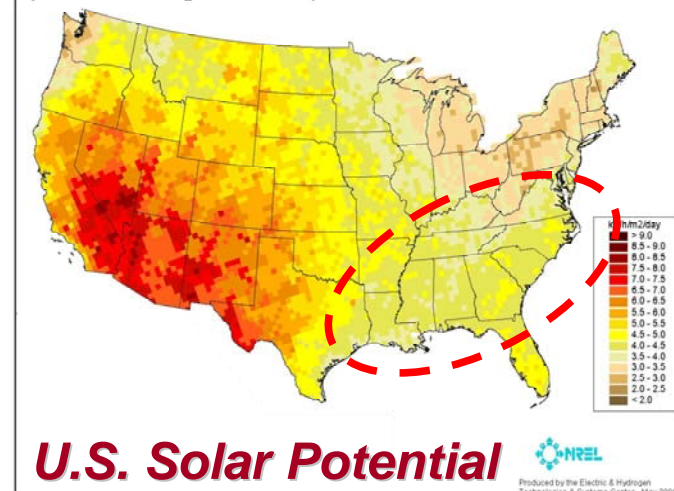
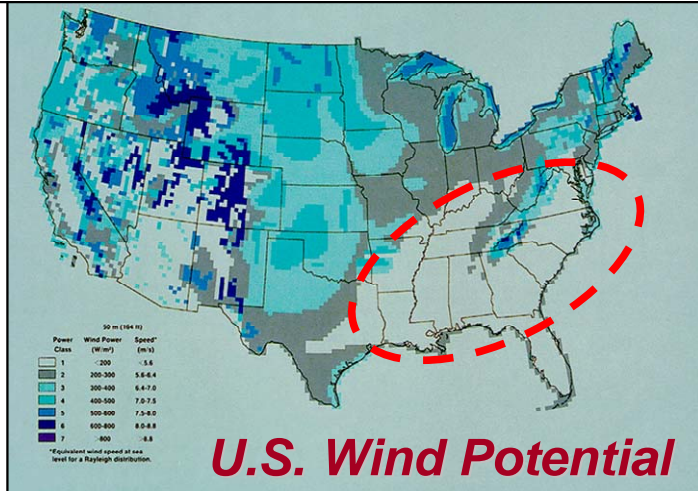
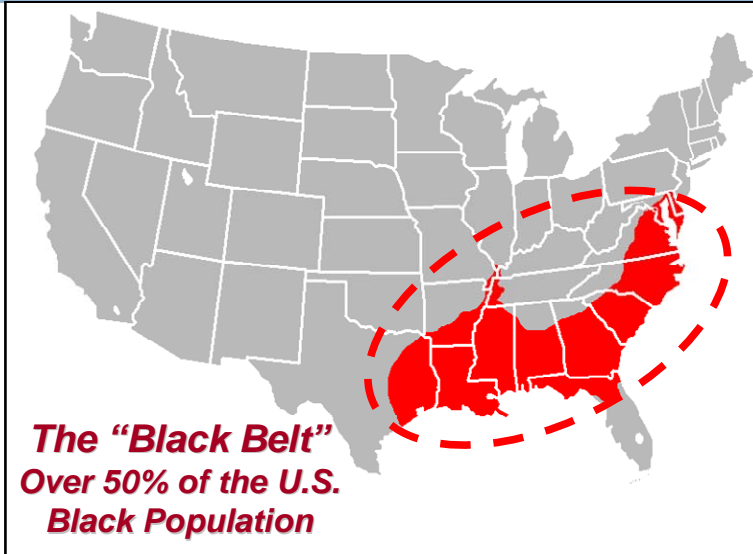
# HR2454 Purpose

- 1. Encourage the adoption of renewable energy alternatives
- 2. Increase the cost of using carbon emitting technologies
- 3. Facilitate the transition to a clean energy economy
- 4. Increase energy security
- 5. Reduce the demand of imported energy

# “Green Jobs for Blacks?”

*The Majority Lives Far Away to Wind & Solar’s True Potential*

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## □ Section 101:

REC's Targets : 6% in 2012

9.5% in 2014

13.0% in 2016

16.5% in 2018

20.0% in 2020

**60% -75% Of Targets From Renewable Energy**

# What's the Point?

- “We want to leave no misunderstanding that aggregate performance— the fact that jobs turn up somewhere else for some people does not mean that there are not substantial costs borne by people, communities, firms, in affected industries and affected areas.”

Douglas W. Elmendorf

Director

Congressional Budget Office

# What is the Alternative

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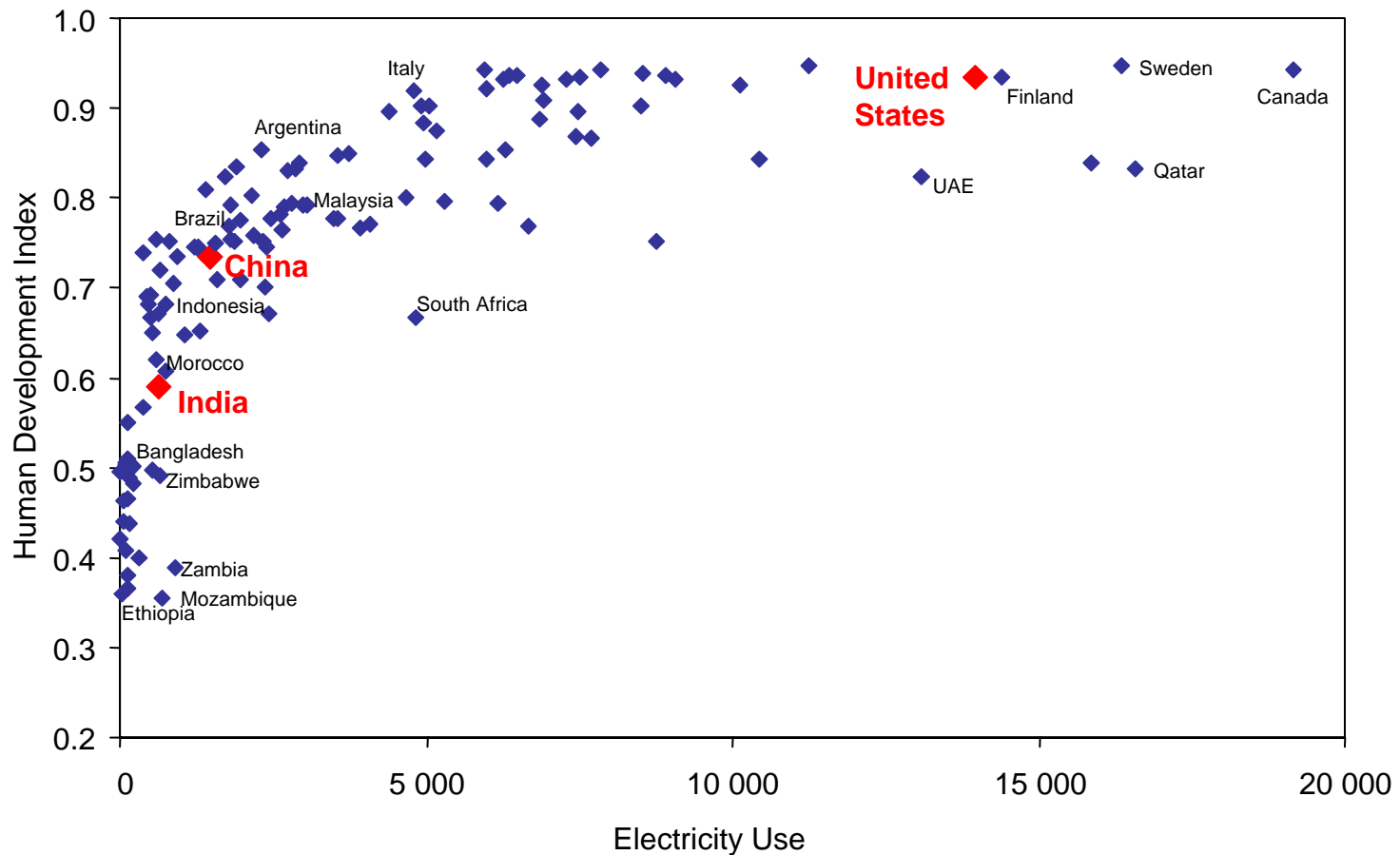
- 1. Energy Efficiency
- 2. Energy Efficiency
- 3. Energy Efficiency

# Energy Efficiency

- Less Expensive
- Faster to Bring on Line
- Benefits are Local
- Often Require Only Moderate Skill Levels
- High Job Creation Potential
- High Business Creation Potential
- Minimal GHG Emissions
- Can Overcome Regional Disparities

# U.N.: Access to Abundant Energy is Key to Quality of Life

## 12 *Electricity Use Per Capita and the U.N. Human Development Index*



## Energy & Economic Prosperity as the Key to Racial Equality in U.S.



*President Barack Obama:*

*“Race is still an enormous factor in our society, but economics can overcome a lot of racial division.”*

*— National Urban League Conference; July 27, 2007*

*“A new economic turbocharger is going to have to be found, and there is no better potential driver that pervades all aspects of our economy than a new energy economy ... that’s going to be my No. 1 priority when I get into office.”*

*—TIME Magazine; October 22, 2008*

**The Association believes that in order for economic equality to be achieved in the U.S., all citizens must have access to affordable, appropriate, abundant, reliable energy.**