

REBA Connect: Virtual Member Summit

Building Equity & Diversity into Renewable Energy Procurement

Summary of points shared by panelists and attendees from May 19, 2021

Call to Action

Large scale renewable energy buyers are well positioned to amplify the importance of diversity, equity, inclusion, and justice by driving market demand signals through their decision power. Buyers' collective action can have a tremendous influence to ensure that the renewables transition does not replicate historical industry development trends like the interstate system or traditional fossil fuel industry that largely excluded minorities from the economic benefits while simultaneously destabilizing and draining their communities of economic resources.

Topline Takeaways

- + During the development of the interstate highway system in the 1950s and 1960s, black and brown communities were locked out of the economic benefits while burdened by the dislocation and decimation of their communities. Furthermore, billions of dollars in construction funds allocated to these projects did not flow to black or brown business enterprises. To avoid this type of inequity, greater emphasis on DEIJ needs to be considered and a part of decision-making for a just renewables transition.
- + There has been a rapid and substantial uptick in the volume and size of renewable energy procurement by corporates in the past decade. However, the fast pace has overshadowed placing the appropriate level of consideration on factors such as diversity and equity throughout the process.
- + Corporates must be methodical when integrating DEIJ and while a financial premium for diversity is not required, corporates should treat diversity as an investment of time and resources for greater innovation and lasting impact.
- + Corporates can gain many intangible benefits by engaging with diverse suppliers, such as: introduction to different ways to impact communities through community engagement, gaining intimate knowledge about underserved communities, and access to a broader network of diverse suppliers.
- + Underserved communities should have the exposure, education, and access to equity brought forth from the renewables transition. Incorporating these aspects into strategic plans will yield long-term benefits for both the communities and the renewables sector. The absence of DEIJ can limit the long-term prosperity of a sector.
- + Corporates can engage local leaders to learn how to have the most meaningful impact.
- + Bilateral discussions can promote and advance time to market with diverse suppliers.
- + The traditional procurement process of using Requests for Proposal (RFPs) presents barriers to entry for diverse suppliers (e.g.: financial security requirements). Three ways to address this are to: 1) allocate a portion of the procurement needs with less stringent requirements, 2) have bilateral discussions to learn more about what true partnership would look like with diverse



suppliers and address constraints within the RFP before the process begins, and 3) share the RFP with select suppliers after having the bilateral discussions and fostering relationships with the diverse suppliers – this can alleviate the need for extensive contractual language on DEIJ to enforce the needs for the project.

- + Energy prosperity is more than jobs and job training. Energy prosperity involves building equity and wealth in underserved communities through energy development.

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