

*Board Memorandum*

Aug. 20, 2020

**To:** Honorable Chair and Board Members of the Clean Energy Alliance  
**Re:** **Additional Materials Related to Staff Report Item No. 5 – Inclusive Sustainable Workforce Policy**

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This Additional Materials memorandum provides Board Member Schumacher’s suggested edits regarding the proposed Inclusive & Sustainable Workforce Policy for the Board’s consideration.

Attachment: Inclusive & Sustainable Workforce Policy as edited by Board Member Schumacher (Draft 1)

## INCLUSIVE & SUSTAINABLE WORKFORCE POLICY

The Clean Energy Alliance (CEA) Board of Directors desires to establish a policy that supports local jobs, sustainable and inclusive workforce opportunities, local economic sustainability, and diversity through contracting for power sources, procuring goods and services, and implementing hiring initiatives where appropriate, without limiting fair and open competition for projects or programs implemented by CEA.

### CEA Staff

CEA relies on its employees to provide clean, cost-effective, alternative energy to its customers.

These customers live in diverse communities and an inclusive workforce of staff who reflect and are invested in these communities allows CEA to serve them more effectively. An inclusive staff also provides good jobs for people from diverse communities.

To help maintain and strengthen CEA's inclusive staff, CEA will **strive to**:<sup>1</sup>

1. Engage in broad outreach efforts in diverse communities, including disadvantaged and low-income communities, to ensure a diverse pool of candidates for open positions;
2. Provide fair compensation that aligns with regional market indicators for compensation levels for each position;
3. Be transparent about these practices and lessons learned; and
4. Provide contact information for staff who can answer questions about this policy.

### Supply Chain

CEA also strives<sup>2</sup> for inclusion **and transparency** in its supply chain. Where and from whom CEA purchases goods and services have important consequences for businesses, customers, and their communities. Where appropriate, an inclusive **and transparent** supply chain is an important driver for successful delivery of CEA's services to its customers, and of fair and equitable economic development generally.

Where appropriate, and without limiting fair and open competition,<sup>3</sup> to support an inclusive **and transparent** supply chain, CEA will **strive to**:

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<sup>1</sup> (Point of agreement?) I am making the assumption that Board Members and other agencies won't find this problematic and will support an inclusive and diverse staff.cs

<sup>2</sup> Kept staff recommendation.cs

<sup>3</sup> Same as staff report. Uses recital 6(f)s language specifically.

This section ensures local, transparent supply chains... WHERE APPROPRIATE (Board and staff determine the 'appropriateness' on a case-by-case basis using evaluation criteria and deliberation that is context dependent. This preserves the flexibility of economic needs at the outset of the JPA).cs

1. Use local businesses and provide fair compensation in the purchase of services and supplies;
2. Proactively seek services from local businesses that are taking steps to protect the environment;
3. Engage in efforts to reach diverse communities to ensure an inclusive pool of potential suppliers;
4. Collect information from suppliers and contractors on the inclusivity of their workforce;
5. Include questions about supplier inclusivity in requests for proposals (RFPs) for services;
6. Encourage reporting from developers and vendors on inclusivity in business ownership and staff;
7. Be transparent about these practices and lessons learned; and
8. Provide contact information for staff who can answer questions about this policy.

### **Inclusive Business Practices**

To fulfill its goals of providing a range of energy product and programs, available to all CEA communities and customers, that best serve their needs and their local communities, and support local sustainability efforts, CEA will ~~strive to~~:

1. Provide information in the multiple languages commonly spoken in CEA's service area (including mailers, tabling materials, customer service, call center, workshops and outreach events, advertisements, and other means of customer engagement);
2. Conduct marketing and outreach in diverse communities **with multi-lingual materials and/or speakers, including attending multi-cultural community events as appropriate**, to increase awareness of CEA's services and programs;
- ~~3. Attend multi-cultural community events with multi-lingual materials and speakers;~~
4. Share information about activities and initiatives that promote inclusion, access, and diverse engagement in the community.

### **Non-Discrimination Pledge<sup>4</sup>**

CEA will not discriminate, and will ~~strive to work require in its contracts~~ with suppliers that ~~do they will~~ not discriminate, on the basis of race, color, national origin, ancestry, age, disability (physical or mental), sex, sexual orientation, gender identity, marital or domestic partner status, religion, political beliefs or affiliation, familial or parental status (including pregnancy), medical condition (cancer-related), military service, or genetic information.

### **Sustainable Workforce**

Support of local businesses, fair compensation, apprenticeship and pre-apprenticeship

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<sup>4</sup> Staff recommendations retained for this section. cs

programs that create employment opportunities, without limiting fair and open competition, are important components of building and sustaining healthy and sustainable communities. It is in the interest of CEA to provide fair compensation and sustainable workforce opportunities, within a framework of fair and open competition and the promotion of renewable energy, energy efficiency and greenhouse gas reduction.

CEA recognizes the importance of locally-generated renewable energy (local is defined as within the San Diego County region) in assuring that California is provided with (1) adequate supplies of renewable energy for economic growth, (2) sustained local job opportunities and job creation, and (3) effective means to reduce the impacts of greenhouse gas emissions. CEA also recognizes the opportunities that energy efficiency programs provide for local workforce training and employment.

CEA encourages fair compensation in direct hiring, renewable development projects, energy efficiency programs and in procurement of CEA services and supplies. CEA also encourages use of State of California approved apprenticeship and pre-apprenticeship training programs in construction craft occupations to foster long-term, fairly compensated employment opportunities for program graduates.

Where appropriate, without limiting fair and open competition,<sup>5</sup> CEA will ~~pursue~~ ~~strive to accomplish~~ the following objectives:

1. Support for and direct use of local businesses;
2. Support for and direct use of green and sustainable businesses;
3. Encourage<sup>6</sup> the use of skilled and trained workers who receive fair compensation;
4. Encourage the use of State of California approved apprenticeship programs, and pre-apprenticeship programs within CEA's service territory.

#### **CEA Power Purchase Agreements with Third Parties**

CEA will encourage the submission of information from respondents to any bidding and/or RFP/RFQ process regarding planned efforts by project developers and their contractors to achieve the following goals:

- Employ workers and use businesses from the San Diego county area.
- Employ properly licensed ~~(A, B, C10, C7, C46)~~<sup>7</sup> contractors and California Certified electricians.
- Utilize local apprentices, particularly graduates of San Diego County pre-apprenticeship programs.
- Pay workers prevailing wage for each craft, classification and type of work performed.
- ~~Display a poster at jobsites informing workers of prevailing wage requirements.~~<sup>8</sup>
- Provide workers compensation coverage to on-site workers.

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<sup>5</sup> Per recital 6(f) and staff recommendation. cs

<sup>6</sup> Please note this language. "Encouraging" is not a mandate. "Pursuing" an objective that "Encourages" the use of skilled and trained workers is explicitly in alignment with 6(f) per staff recommendation. cs

<sup>7</sup> Staff recommendation. cs

<sup>8</sup> Redundant. It's the law. cs

- Support and use State of California approved apprenticeship programs.

Relevant information submitted by proposers will be used to evaluate potential impact on local jobs and workforce of the planned project.

### CEA Owned Generation Projects<sup>9</sup>

CEA owned generation projects in excess of 500 KW shall make use of project labor agreements that include provisions to create local jobs for journey-level workers and apprentices, while ensuring fair and open competition as provided in the taxpayer protection provisions of Public Contract Code Section 2500 and ~~Each construction contractor or subcontractor performing work on any CEA-owned project is encouraged to use local labor and apprenticeship programs and follow fair compensation practices including~~ include the proper assignment of work to crafts that traditionally perform the work. ~~CEA shall consider the use of such project labor agreement for projects of 500 KW or less.~~ Contractors and subcontractors shall be required to pay at least the prevailing rate of wages, as defined in Article 2 (commencing with Section 1770) of Chapter 1 of Part 7 of Division 2 of the California Labor Code. ~~CEA owned generations projects shall also be required encouraged~~ to use a skilled and trained workforce, as defined in Chapter 2.9 (commencing with Section 2600) of Part 1 of Division 2 of the California Public Contract Code.

### CEA Feed-In Tariff Projects

CEA will ~~use best efforts to ensure that encourage~~ construction contractors or subcontractors performing work on any CEA Feed-In Tariff project utilize local businesses and local apprenticeship programs, and fair compensation practices including proper assignment of work to crafts that traditionally perform the work.

~~CEA encourages~~ Contractors and subcontractors performing work on any CEA Feed-In-Tariff project ~~to shall be required to~~ pay at least the prevailing rate of wages, as defined in Article 2 (commencing with Section 1770) of Chapter 1 of Part 7 of Division 2 of the California Labor Code and ~~CEA Feed-In-Tariff projects in excess of 500 KW shall encouraged to~~ use a skilled and trained workforce, as defined in Chapter 2.9 (commencing with Section 2600) of Part 1 of Division 2 of the California Public Contract Code. ~~CEA shall consider the use of skilled and trained workforce for Feed-In-Tariff projects of 500 KW or less.~~

### CEA Energy Efficiency Projects

CEA will ~~use best efforts strive~~ to support local businesses and apprenticeship programs, in the implementation of its energy efficiency programs. CEA will ~~use best efforts to ensure that encourage~~ construction contractors or subcontractors performing work on any CEA energy efficiency program utilize local businesses and ~~local~~<sup>10</sup> apprenticeship programs, and ~~fair compensation practices~~<sup>11</sup> including proper assignment of work to crafts that traditionally perform the work.

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<sup>9</sup> Thresholds for the required use of PLAs and a skilled and trained workforce could be added here. These thresholds could be size and/or cost dependent. cs

<sup>10</sup> Same language used by staff in the section above. Added for consistency. cs

<sup>11</sup> "Fair compensation practices" is redundant given the commitment to prevailing rate of wages in the next paragraph. cs

CEA will require, as a condition of eligibility for CEA funding or financing of energy efficiency projects, that contractors and subcontractors performing work on the project must pay at least the prevailing rate of wages, as defined in Article 2 (commencing with Section 1770) of Chapter 1 of Part 7 of Division 2 of the California Labor Code and projects shall<sup>12</sup> use a skilled and trained workforce, as defined in Chapter 2.9 (commencing with Section 2600) of Part 1 of Division 2 of the California Public Contract Code.

### **Union Neutrality Pledge**

CEA will remain neutral regarding whether its employees choose to join or support labor unions and will not interfere with decisions by its contractors' and suppliers' employees about whether to join or support labor unions.

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<sup>12</sup> Board should deliberate. cs