



ICCR

JUST TRANSITION

ROUNDTABLE REPORT

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THE INTERCHURCH CENTER | NYC





Acknowledgments

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Designed by Molly Conley

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EXECUTIVE SUMMARY

On January 18 and 19, 2023, the Interfaith Center on Corporate Responsibility (ICCR) hosted a Just Transition Roundtable to provide a forum for utility companies and a broad range of stakeholders to share their perspectives on a just and equitable energy transition. This report aims to document lessons learned through hosting the Roundtable as well as needs and recommendations shared by participants.

ICCR hosted the 2023 Just Transition Roundtable in the context of growing concern among ICCR’s faith- and values-based investor members and a broad range of stakeholders about how to facilitate a just transition to a clean energy economy. ICCR members’ engagements with energy utility companies had been increasingly focused on transitioning to clean energy within a just transition framework, out of a concern for the importance of equity in ensuring a rapid and sustainable shift to a decarbonized economy. The just transition framework links support for climate action with commitments to address the social impacts that accompany the transition to renewable energy, particularly for workers and communities. After partnering with the Initiative for Responsible Investment to host an initial Just Transition Roundtable in 2019, ICCR hosted this 2023 event to further a multi-stakeholder dialogue about how to help operationalize a just transition, with a focus on the renewable energy buildout in the utility sector. ICCR’s objective was not to host a stand-alone, isolated event, but rather to plan thoughtfully and collaboratively for an important conversation that would be part of a broader, ongoing effort by the ICCR investor community to understand and support a just transition.

Process: ICCR underwent a year-long Roundtable planning process that aimed to incorporate varied perspectives and experiences. During this process, ICCR staff worked closely with ICCR members, and with two external partners: RMI, a team from which supported the design of the Roundtable and facilitated the event, and Emerald Cities Collaborative, whose senior staff provided input at key planning stages and facilitated one of two pre-Roundtable workshops. The Roundtable itself took place in New York City on January 18 and 19, 2023, and participants included representatives from energy utility companies and a broad range of stakeholder groups, which included institutional investors concerned about long-term sustainability and equity, community-based energy justice groups, organized labor, ratepayers, energy transition experts and companies engaging in the energy transition. Objectives for Roundtable participants centered on building awareness of other participants’ perspectives on a just and equitable energy transition.

Lessons Learned: During Roundtable discussions, while there were some common views shared by many participants—such as the need for more opportunities like the Roundtable for a broad range of stakeholders in the energy transition to come together to share experiences and information—participants from different stakeholder groups shared varying perspectives.

- **Labor stakeholders** emphasized the need to ensure that the energy transition enables the creation of high-road jobs with fair compensation, benefits, and safe working conditions. They also highlighted that all workers, including those directly employed by utilities and those employed by contractors, should be included in energy transition planning processes.
- **Energy justice and community-based stakeholders** shared how vital it is to address the just transition in the context of past harms caused, with particular consideration for the disproportionate harms the energy economy has caused BIPOC (Black, Indigenous, and People of Color) communities. Energy justice and community-based stakeholders emphasized the importance of energy justice and energy democracy, including the need for representational governance in decision-making about the energy transition.
- **Representatives from utilities and businesses** shared their experiences of responding to the need for a just energy transition, and acknowledged the importance of having processes in place to engage meaningfully with stakeholders. Many saw opportunities to implement new methods of stakeholder dialogue, while also pointing to ongoing challenges faced, including a focus on short-term returns by the market and regulatory structures that are misaligned with just transition goals.
- **Representatives from organizations focused on policy and advocacy** emphasized the need for regulatory and policy frameworks to incentivize just transition policies and practices, and to improve outcomes for consumers and communities. They highlighted the importance of collecting and measuring common data relevant to a just energy transition, and of getting regulatory “buy-in” for the just transition as a key mechanism for developing pathways for companies to prioritize just transition issues.
- **Representatives from institutional investors** saw the just transition framework as critical to the long-term sustainability of utility companies and the broader economy. Investors communicated the need for increased and inclusive engagement with stakeholders—both for investors and for companies. They also recognized the importance of aligning utility incentives with just transition goals and improving the collection and disclosure of data on equity and labor metrics relevant to the energy transition.

Recommended Actions

The recommendations outlined below represent actions that participants believed were critical for the field as a whole to advance a just transition.

- **Create more inclusive dialogues about a just energy transition among a broad range of stakeholders.**
- **Help align utility incentives with just transition goals.**

- **Engage with regulators and understand how regulatory frameworks can shape a just energy transition.**
- **Support legislation aligned with just transition goals.**
- **Develop shared just transition metrics and benchmarks.**
- **Highlight examples of effective just transition policies and practices.**
- **Ensure that the energy transition enables the creation of high-road jobs with fair compensation, benefits, and safe working conditions for all workers.**
- **Invest in community-driven projects such as community-owned solar, community resilience centers, and other, similar projects to mitigate climate change and its impacts while enhancing equity.**

ICCR is committed to using its role as a faith- and values-based investor network to pursue the recommendations shared by Roundtable participants and will look for opportunities to both lead and support collaborative efforts that seek to make communities and workers central to the transition to clean energy. ICCR intends for this public report on lessons learned from the Roundtable to be shared widely, and to be used as a resource to support the continuation of a multi-stakeholder dialogue on a just energy transition.



INTRODUCTION

ICCR hosted the 2023 multi-stakeholder Just Transition Roundtable in the context of growing concern among ICCR members and a broad range of stakeholders about how to ensure a just transition to a clean energy economy.¹ The just transition framework is important to ICCR because it links support for necessary climate action with commitments to address the social impacts that accompany the transition to renewable energy. While attention to the social impacts of the transition has been building in the investment community over the last several years,² ICCR and its investor members have increasingly engaged with companies on just transition issues.

The just transition framework is important to ICCR because it links support for necessary climate action with commitments to address the social impacts that accompany the transition to renewable energy.

ICCR, which was formed over 50 years ago by religious pension and investment funds seeking to stop U.S. corporate support for Apartheid in South Africa, has always operated with a focus on human rights and on the impacts of corporate practices on communities, workers, and on the environment.³ ICCR members are long-term institutional investors, and their engagement with companies as shareholders centers on the risks that companies' social and environmental impacts can have both on long-term company value, and on the viability of broader economic and social systems.⁴ For decades, ICCR members have been engaging with a range of companies on the urgency of responding to the climate crisis, and as early as 2018, ICCR member engagements with the U.S. energy utilities sector had begun to focus on the impacts of climate transition plans on communities and workers. This sector is of particular strategic importance, as the electric power sector is responsible for approximately 30% of U.S. carbon dioxide emissions,⁵ and the decarbonization of this sector is a fundamental step toward enabling broader decarbonization in other sectors such as transportation and manufacturing. It is essential that workers and communities, particularly those that are underserved and overburdened by pollution, are not saddled with the cost of the transition, or with a legacy of polluted sites. The convergence of environmental, social, and economic factors at play in the energy utility sector's transition to clean energy makes it a critical place to pursue just transition goals.

To support dialogue with stakeholders impacted by the utilities sector in the U.S., and to better understand how investors should engage with utilities on a just transition, ICCR and the Initiative for Responsible Investment (IRI) collaborated to host a multi-stakeholder Just Transition Roundtable at the Harvard Kennedy School on December 10, 2019. The event helped to connect the just transition to the broader climate work of investors and to introduce the concept of a just transition (or to *socialize* this concept) with participating U.S. energy utility companies. Discussions at the Roundtable established the need to build robust stakeholder engagement processes into climate transition planning, and the importance for investors of including just transition concerns in engagements with investor-owned utilities.⁶

ICCR used understandings gleaned from the 2019 Just Transition Roundtable to press forward in engagements on the just transition. To address the challenge of articulating a specific set of coherent, interconnected asks of companies, and to demonstrate investor support for just transition principles, ICCR embarked on a lengthy consultative process

Though there has been increased discussion about the importance of a just transition among a broader range of entities, the work to put just transition principles into action has been uneven. Companies may be planning for the transition, but they may not be including or considering key stakeholders.

with key stakeholders from labor and environmental justice groups, and from community-based organizations, to develop a [Statement of Investor Expectations for Job Standards & Community Impacts in the Just Transition](#). While this statement articulates clear just transition principles and was designed to be used as a tool in engagements with companies and other stakeholders, additional resources have emerged as just transition concerns gained momentum across the globe.⁷ Additionally, the policy landscape in the U.S.—where ICCR members’ just transition utilities engagements were focused—was also shifting during this time, with the 2022 passage of the Inflation Reduction Act (IRA) that included significant funding for the transition to clean energy.⁸

Within this context, ICCR determined that hosting another multi-stakeholder Roundtable in early 2023 would further catalyze its just transition engagements and provide a critical forum for stakeholders from a range of groups impacted by the energy transition to come together to share and seek to understand each other’s perspectives. Following the 2019 Roundtable, ICCR was interested in providing more opportunities for multi-stakeholder dialogue and going further, to ensure that voices from energy and environmental justice communities were an integral part of the discussion. Additionally, if the goal of the 2019 Roundtable was to socialize the concept of a just transition with participating companies, the focus of the 2023 Roundtable was on the need to operationalize the just transition. Though there has been increased discussion about the importance of a just transition among a broader range of entities, the work to put just transition principles into action has been uneven. Companies may be planning for the transition, but they may not be including or considering key stakeholders. Regulators may be adapting but with limited input from consumers. Some workers impacted by the energy transition are members of unions, which are engaging on their behalf, but other workers may have limited access to protections. Community organizations may be consulted, but not made integral to the transition planning process.

Beyond the problem of uneven implementation, different stakeholders also have different conceptions of what constitutes a just transition and how it should be operationalized. For example, energy and environmental justice movements recognize that communities of color and low-income communities have been disproportionately affected by the harms of an extractive energy economy. This includes exposure to the worst effects of climate change, exposure to hazards from industrial practices, and exclusion from employment opportunities that pay family-sustaining wages. Based on their lived experiences, energy and environmental justice advocates emphasize the importance of addressing issues of systemic racism and centering the voices of communities most affected by the worst impacts of the current energy system. Unions and organized labor movements emphasize the importance of safe working conditions and of ensuring that the transition to a new energy economy does not mean a transition away from well-paid union jobs with good benefits. Unions have worked hard for decades to build up the labor protections, wages, and benefits that are threatened by the energy buildout currently underway. The ambition of the 2023 ICCR Just Transition Roundtable was to bring these and other stakeholders together with energy utility companies for a carefully facilitated dialogue focused on listening, understanding each others’ perspectives, and finding ways of advancing a just energy transition together.

PROCESS: HOW DID ICCR DESIGN AND HOST THE ROUNDTABLE?

In early 2022, ICCR began a year-long planning process to host a Just Transition Roundtable that would provide a space for open dialogue with utilities and their stakeholders. ICCR's objective was not to host a stand-alone, isolated event, but rather to plan carefully and collaboratively for an important conversation that would be part of a broader and ongoing effort by the ICCR investor community to understand and support a just energy transition. ICCR aimed to incorporate varied perspectives and experiences into the planning process, in order to create the conditions for a Roundtable conversation where a range of stakeholders would feel welcome and able to share openly. It was also the hope that the trust built with different stakeholders in the process of planning and implementing the Roundtable would enable continued collaboration following the event.

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Planning Partners:

By the summer of 2022, connections made by ICCR members led to the formation of partnerships with two external organizations, the staff of which worked closely with ICCR to plan the Roundtable.

- **[RMI](#)** joined the project to support the design of the Roundtable and to facilitate the event. RMI is a nonprofit organization whose mission is “Transforming the global energy system to secure a clean, prosperous, zero-carbon future for all”.⁹ The RMI team brought a clear structure to the design and planning process, developed through their extensive experience facilitating multi-stakeholder groups working on the energy transition. One component of this structure was gathering information through needs assessment interviews with a subset of event invitees. In preparation for the ICCR Just Transition Roundtable, RMI conducted 15 interviews with participants who represented the range of stakeholder groups invited to the Roundtable. The data gathered in these interviews – about participants’ definitions of a just transition, as well as their feedback on the important conversations and dialogue they were motivated to take part in – informed the development of the Roundtable agenda and supported participants in meeting the Roundtable objectives.
- **[Emerald Cities Collaborative](#)** (ECC) worked with ICCR and RMI to provide input at key stages in the planning process, and to lead one of two pre-Roundtable workshops for participants; two members of ECC’s senior management team also attended the Roundtable event itself as participants. ECC has extensive experience with cross-sector collaborations and works on sustainable development projects that build the resilience of metropolitan regions while ensuring an equity stake for low-income communities of color in the green economy.¹⁰ As noted above, following the 2019 Roundtable, one of ICCR’s goals in hosting the 2023 event was to invite more voices from energy justice communities to shape the conversation. ECC’s expertise in



designing collaborative projects that focus on communities historically left out of the economic development process was incredibly valuable to the Roundtable planning process. ECC also helped ICCR to make new connections with organizations and community advocates working on just transition and energy justice efforts across the country; these connections made it possible for the Roundtable to include critically important stakeholders who could speak to community-based and inclusive visions for a just and equitable energy transition.

Pre-Roundtable Workshops:

ICCR hosted two virtual pre-Roundtable workshops that were designed to make space for Roundtable participants—many of whom would be meeting for the first time—to begin to surface the complex, intersecting issues related to the energy transition and to build a common language and a sense of trust in the process of coming together.

- The first workshop on November 10, 2022, focused on sharing important contextual issues relevant to utilities and a just transition. After ICCR provided an introduction to its work as an investor coalition, and its commitment to engaging with utility companies on just transition issues, there were brief presentations on the interconnection of equity and decarbonization considerations, and on labor perspectives on the just transition.
- The second workshop on December 6, 2022, focused on sharing stories from energy justice perspectives on the just transition. ECC planned and facilitated this workshop, during which participants heard about the lived experiences of energy justice advocates working for a just and equitable transition. This workshop in particular helped to establish the importance of energy justice perspectives in the conversations about a just transition that would take place at the Roundtable.¹¹

Roundtable Ground Rules & “Invitations to Leadership”:

At the opening of the Roundtable, all participants were asked to respect confidentiality. More specifically, facilitators clarified that participants could share what topics were discussed at the Roundtable, but they were asked not to attribute any remarks or views to specific participants without their permission (this practice is known as the Chatham House Rule). All participants in attendance agreed to this rule on the first day, and the rule was reiterated on the second day and in follow-up communications after the event.

Facilitators asked participants to consider how they would participate in the event’s discussions by articulating several “Invitations to Leadership”. These invitations included

asking participants the following: to be fully present and attentive during the Roundtable; to recognize that each person holds multiple identities and should not be defined by only one; when listening, to accept that what someone says they experienced is what they experienced; and, to practice distinguishing that no singular experience is representative of everyone's experience. These invitations provided an important orientation to approaches to active listening and understanding that the facilitators hoped to foster among participants over the course of the event. The intent was for these approaches to open up avenues of communication and connection across stakeholder groups.

Roundtable Objectives & Agenda:

In planning meetings with ICCR, RMI, and ECC—and after taking into account perspectives shared during the pre-Roundtable workshops and the needs assessment interviews conducted by RMI—the following objectives were outlined for participants at the Roundtable event:

1. Come to a deeper understanding of the importance and urgency of a just and equitable energy transition.
2. Leave with an awareness of participants' perspectives on a just and equitable transition, with a focus on the renewables build-out, electrification of homes and businesses, and the role of utilities.¹²
3. Reflect on opportunities for ICCR members and others to support just and equitable outcomes for workers and communities, particularly those in energy-burdened communities.¹³

The Roundtable took place on January 18 and 19, 2023. The agenda offered opportunities for small- and whole-group discussion, as well as conversations within and between different stakeholder groups. Key portions of the agenda included:

- **Two keynote speakers** who were invited to address the importance and urgency of the just transition from their perspectives. Jacqueline Patterson, Founder and Executive Director of The Chisholm Legacy Project spoke first about energy equity and energy justice, and the changes needed to move toward an equitable energy system and a regenerative economy. Paul Denholm, Senior Research Fellow at the National Renewable Energy Laboratory, then discussed what it would take to achieve 100% clean electricity by 2035.
- **A panel discussion focused on “Visions for a Just and Equitable Transition from Environmental Justice, Labor, and Community Perspectives”**. This panel was made up of the following Roundtable participants:
 - Tom Content (Citizens Utility Board of Wisconsin)
 - Jennifer O'Dell (Laborers' International Union of North America / LiUNA!)

- Sonja Robinson (Sustainable Urban Network / SUN)
 - Maritza Silva-Farrell (The Alliance for a Greater New York / ALIGN)
 - Mary Wambui (Planning Office for Urban Affairs, Archdiocese of Boston)
- **A panel discussion focused on “Learning from the Perspectives of Businesses Working toward a Just Transition”.** This panel was made up of the following Roundtable participants:
 - Danielle Decatur (Microsoft)
 - Utopia Hill (Reactivate)
 - Matt McDonnell (Strategen)
 - Sandra Nessing (American Electric Power)
 - **Small-group discussions, including ones focused on “Ideas and Recommendations to Support a Just and Equitable Transition for ICCR”, as well as on topics identified by participants as critical to a just transition.**

Who Participated in the Roundtable?

A total of 58 people participated in the Roundtable. This included ICCR staff, a facilitation team from RMI, investor members of ICCR, as well as representatives from businesses and energy utility companies, labor organizations, community-based organizations, energy and environmental justice groups, rate-payer associations, and public and private entities focused on energy research and regulatory policy. ICCR determined the list of invitees to the Roundtable in collaboration with its members and planning partners. Each organization invited was asked to send only one representative, both to ensure a balance of perspectives at the Roundtable and to keep the group at a size that would allow participants to build meaningful connections. *Please see [Appendix A](#) for a complete list of Roundtable participants.*





LESSONS LEARNED: WHAT NEEDS AND RECOMMENDATIONS DID ROUNDTABLE PARTICIPANTS SHARE?

Participants in the Roundtable engaged in two days of conversations that produced a wealth of ideas and connections. While many different perspectives were shared, a few common messages emerged across the stakeholder groups. Most notable was an appreciation for the forum that was created at the Roundtable for a cross-stakeholder dialogue. Participants shared that spaces like the Roundtable—opportunities for a broad range of stakeholders in the energy transition to come together to share experiences and information—were not nearly common enough. Meaningful stakeholder dialogue with preparation and inclusion are crucial, both across organizations as well as within communities and companies. Frameworks, processes, and structures to support stakeholder engagement in the energy transition are needed; and, further, these processes must be “radically inclusive” of all stakeholders, including those most impacted by the energy transition.

Participants across stakeholder groups also communicated the need to better align utility incentives with a just transition. In particular, the role of regulatory processes in determining these incentives was raised several times, and many expressed interest in better understanding regulatory frameworks, as well as examples of performance-based regulation. Many also expressed the need for shared just transition data, benchmarks, and metrics across the utility sector and more broadly. There was particular interest in transparency around the measurement of energy disparities and household burden, and in the measurement of labor practices.

What did Roundtable participants from labor stakeholders emphasize?

Throughout the dialogue, stakeholders representing labor groups consistently communicated the message that workers want good jobs with benefits. Too often, workers experience plant closures as the loss of good jobs. Workers in coal plants facing early closure have historically been covered by a collective bargaining agreement, and therefore often offered jobs elsewhere in the company, or early retirement. But, generally speaking, when a plant closes, the door to new good jobs closes with it. The new jobs created in the renewable energy sector lack the family-sustaining wages, benefits, and protections of the energy utility sector jobs they are replacing. So, labor stakeholders emphasized the need to ensure that the energy transition enables the creation of high-road jobs with fair compensation, benefits, and safe working conditions. Furthermore, it’s not only workers directly employed by utilities who need consideration; workers employed by contractors and supply chain workers are also affected by plant closures and the shift to renewables. Labor stakeholders shared that all workers need to be included in the decision-making process about energy transition plans, and maintained that the business lens needs to focus substantially on how workers and communities benefit from the transition.

“Include workers in decisions from the beginning.”

JENNIFER O’DELL,
ASSISTANT DIRECTOR,
CORPORATE AFFAIRS
DEPARTMENT, LIUNA

What did Roundtable participants from energy justice and community-based stakeholders emphasize?

In discussions throughout the Roundtable, participants from community-based organizations and those oriented around energy justice concerns reflected on the ways in which our energy system is built on injustice. It is essential to address the just transition in the context of this injustice and past harms caused, with particular consideration for the disproportionate harms the energy economy has caused BIPOC (Black, Indigenous, and People of Color) communities. There is a need for all companies and stakeholders to understand the burdens these communities have faced, including higher energy costs, exposure to pollution from energy infrastructure, lack of access to jobs, and lack of access to decision-making about how our energy system works. These harms continue even as unions implement apprenticeship programs now focused on recruiting individuals from underrepresented groups, including women and BIPOC workers in compliance with federal regulations,¹⁴ and utilities begin to address the problems of plant closure and the development of new infrastructure.

“The energy model that best serves the community must include the community at every step in the process. Any energy model will continue to perpetuate harm otherwise.”

SONJA ROBINSON,
FOUNDER & CSO,
SUSTAINABLE URBAN
NETWORK: CLIMATE EQUITY
PUBLIC POLICY ADVOCATE

Relatedly, energy justice and community-based stakeholders emphasized the need for representational governance in decision-making about the energy transition, as well as the need for community ownership models and for the establishment of community benefits.¹⁵ The importance of working toward energy justice and energy democracy was a recurring theme. These terms were key to discussions at the Roundtable, and were introduced at the second pre-Roundtable workshop, which was focused on energy and environmental justice perspectives on the just transition and was facilitated by ECC. As defined by the [Initiative for Energy Justice](#), **energy justice** explicitly centers the concerns of marginalized communities and aims to make energy more accessible, affordable, clean, and democratically managed for all communities.¹⁶ The terms **procedural justice and distributive justice** were also referenced at the second pre-Roundtable workshop. ‘Procedural justice’ concerns who is at the decision-making table, and whether everyone’s voice is heard. ‘Distributive justice’ is focused on outcomes and speaks to whether all equally share in the benefits and burdens of the energy system.¹⁷ These two types of justice are critical to realizing a just transition, and stakeholders from the energy and environmental justice communities brought these terms to life at the Roundtable. Ultimately, the message that people need to be put before profit was highlighted time and again across the two days of dialogue.

What did Roundtable participants from utilities and businesses emphasize?

Some energy utilities and businesses are grappling with how to ensure a just transition. From incorporating just transition principles into their work on plant closures, to understanding the impacts on communities when acquiring energy for a company, there is a recognition that processes to engage stakeholders must be put in place. The reality is that community processes, to be effective, need to be built slowly and painstakingly. Some companies are choosing to partner with energy/environmental

“For companies addressing environmental justice, we need to move at the speed of trust.”

DANIELLE DECATUR,
DIRECTOR OF
ENVIRONMENTAL JUSTICE,
MICROSOFT

justice or community groups and implement new methods of stakeholder dialogue. Others are reorienting the way that they do business with a focus on creating equitable social impacts. This reorientation involves consideration of community impacts along multiple axes, including workforce development, the provision of affordable clean energy to consumers, and leveraging procurement mechanisms to support projects like community solar. In addition, many companies see possibilities for incentives in the Inflation Reduction Act to support the transition to renewable energy. However, there are still ongoing challenges—including a focus on short-term returns and regulatory structures that are not aligned with just transition goals—that can impede progress in moving toward more just and equitable outcomes for workers and communities impacted by the energy transition.

What did Roundtable participants from organizations focused on policy and advocacy emphasize?

There is a long history of consumer action on energy, mostly tied to the costs of energy. Yet the mechanisms that provide a way to engage with decision-makers on issues around energy generation and distribution are few and these are generally inadequate. Stakeholders representing organizations that focus on energy policy and advocacy expressed a desire for building on regulatory and policy frameworks to incentivize just transition policies and practices, and to improve outcomes for consumers and communities. The importance of robust data collection and analysis was suggested as a means to help identify disparate impacts, both of the current energy system and the potential impact of the transition to renewables. This collection and measurement of common data sets designed to surface equity issues would provide a basis for discussions with utilities on plans to ensure a just and equitable energy transition. Furthermore, the importance of getting regulatory “buy-in” for the just transition was highlighted as a key mechanism for developing pathways for companies to prioritize just transition issues.

What did Roundtable participants from institutional investors emphasize?

Representatives from institutional investors who are members of ICCR voiced the need to continue utility company engagements that prioritize the just transition and highlight the impacts of the energy transition on workers and communities. Investors saw the just transition framework as critical both to building long-term sustainability and value for the utility companies in which they hold shares, and to ensuring that the transition to clean energy does not create a broader set of social and economic risks. Investors communicated the need for increased and inclusive engagement with stakeholders—both for investors and for companies. This multi-stakeholder engagement will be necessary to understand how the costs and benefits of the energy transition are being accrued, and where there are risks to communities, workers, and companies. Investors also recognized the importance of aligning utility incentives with just transition goals, and of understanding the impact of—and potential for changes within—regulatory structures.



The need for improved collection and disclosure of data on equity and labor metrics relevant to the energy transition was also highlighted as critical for investors engaging companies on just transition goals.

What tensions and challenges were articulated by Roundtable participants?

Participants recognized the challenges inherent in advancing a just transition and expressed a desire to confront these challenges as we move forward. The word “tension” stood out, with many expressing the importance of naming and wrestling with these tensions together. Clear points of tension that were identified by participants include the following:

- The sometimes technical and jargon-heavy nature of energy transition conversations can create barriers to these conversations being made accessible to key stakeholders.
- The urgency of the climate crisis needs to be balanced with the need to build trust and inclusiveness into the decision-making process (procedural justice) about the energy transition.
- Many participants named the tension of “people versus profit”, with the importance of putting people before profit emphasized repeatedly.
- There is a need to address systemic injustices that are larger than—but also critical to—the energy transition. Part of envisioning a just transition will mean ensuring that the new energy economy does not reproduce the inequities of the old energy economy.
- There can be key differences in the goals and interests of different stakeholder groups working toward a just transition.
- The divisive political landscape in the U.S. can create barriers to prioritizing just transition policies and practices.

Stakeholders brought forward a diversity of suggestions and recommendations for how to meet some of these challenges and advance toward a just and equitable energy transition.

KEY RECOMMENDATIONS SHARED

Each stakeholder group that was represented at the Roundtable offered ideas and lessons from their work. As representatives of workers, of energy and environmental justice communities, of policy and energy transition experts, of businesses and companies, and of investors, participants voiced needs and recommendations from a much larger audience, built on the work that each had done with their constituents on the just transition. The recommendations outlined below pick up strands from the themes and insights summarized above, and highlight actions that participants believed were important for the field as a whole to advance a just transition.



Create additional inclusive dialogues about a just energy transition among a broad range of stakeholders.

Many participants emphasized the importance of developing more opportunities, at the company and community levels, to include a range of stakeholders in dialogues and decision-making processes around the energy transition. Energy and environmental justice stakeholders particularly named the importance of BIPOC communities being at the decision-making table, and labor stakeholders named the importance of including workers themselves (both direct employees and contracted workers) in transition conversations and processes. Ultimately, the inclusion of these worker and community voices in determining the shape and direction of the energy transition can help ensure that the costs and benefits of the transition are equitably shared.

One challenge in pursuing this recommendation for inclusive, cross-stakeholder dialogue in the energy transition is that there is currently a lack of social infrastructure to enable this stakeholder engagement. It will be vital to develop this infrastructure to facilitate and incentivize cross-stakeholder dialogue and equitable decision-making. The development of these structures—at companies, within local communities, and across states, for example—should be informed by the work of existing coalitions that have found ways to work across stakeholder communities that include labor, consumers, and energy/environmental justice communities.

Help align utility incentives with just transition goals.

There is a need to realign utility incentives for the transition, and to ensure that companies are motivated to operate consistently with just transition goals. Currently, incentives are more aligned with maintaining an inequitable status quo. Under the traditional cost-of-service regulatory model, investor-owned utilities are incentivized to make capital investments, such as building new power plants or transmission lines, while they are disincentivized from pursuing, for example, energy efficiency or distributed energy resources, which can reduce electricity sales volume and lower the utility's capital expenditure needs but bring benefits like cost savings to customers and reductions in GHG emissions.¹⁸ Thus, there is a need to examine the development of incentives, including through regulatory and legislative mechanisms, that fully consider the social impacts of the transition.

Engage with regulators and understand how regulatory frameworks can shape a just energy transition.

Among a range of stakeholders at the Roundtable, there was a common sentiment that regulators and regulatory frameworks play a critical role in shaping utilities' operations and energy transition planning. There was also a recognition that these regulatory frameworks—as well as the processes through which these



Establishing shared and robust just transition metrics and benchmarks—as well as accountability to these benchmarks across companies’ governance structures—would help prevent greenwashing and blue-washing (i.e., providing misleading information about a company’s environmental and social impacts), and the occurrence of perfunctory stakeholder dialogues that fail to move beyond “business as usual”.

frameworks may be revised—vary state by state. And, there was particular interest in understanding how alternatives to traditional cost-of-service regulation, such as performance-based regulation, can provide opportunities for stakeholder input and for building just transition-related metrics into regulatory mechanisms to incentivize, for example, affordability, energy equity, and labor and workforce standards. It will be necessary for those working toward a just energy transition to understand the regulatory context in different states, as well as the processes and institutions, such as public utilities commissions, involved in determining any regulatory changes. Further, it will be important to ensure that impacted stakeholders are represented in decision-making around how these regulatory structures can be designed to promote a just transition.

Support legislation aligned with just transition goals.

Much like aligning regulatory incentives with the just transition, it will be important for all stakeholders to support local, state, and federal policies that enable and prioritize just transition actions. Examples at the state level, such as Illinois’s Climate and Equitable Jobs Act,¹⁹ can offer insights into meaningful public policy interventions.

Develop shared just transition metrics and benchmarks.

Investors and companies, as well as labor, community, and policy stakeholders all voiced a need for shared just transition data, metrics, and benchmarks. Many comments further specified that these should include metrics on energy disparities and household burden, as well as metrics on company labor standards and practices.

As companies increasingly develop plans and compile just transition reports at the prompting of their stakeholders, many of these stakeholders worry that companies will stop there and not do the hard work of implementation. Establishing shared and robust just transition metrics and benchmarks—as well as accountability to these benchmarks across companies’ governance structures—would help prevent greenwashing and blue-washing (i.e., providing misleading information about a company’s environmental and social impacts), and the occurrence of perfunctory stakeholder dialogues that fail to move beyond “business as usual”.

Highlight examples of effective just transition policies and practices.

As conversations about the just transition gain momentum, it will be critical for strong just transition policies and practices to be recognized and scaled, where possible. This includes strong public policies, along with strong company policies and practices (including those focused on stakeholder engagement), as well as examples of stakeholder-driven collaborations that ensure workers and communities play a fundamental role in energy transition planning and implementation.

Ensure that the energy transition enables the creation of high-road jobs with fair compensation, benefits, and safe working conditions for all workers.

Stakeholders from organized labor as well as those advocating for non-unionized workers in the green economy emphasized the need for strong labor standards. These labor standards and worker protections should apply to all workers in the energy sector (direct employees and contract workers), and should be built into corporate procurement processes, and allowed for in regulatory frameworks.

Invest in community-driven projects such as community-owned solar, community resilience centers, and other, similar projects to mitigate climate change and its impacts while enhancing equity.

This call came particularly from energy and environmental justice stakeholders, who advocated for a civil rights investment portfolio that could provide capital for community-owned solar initiatives and community resilience centers. Support for community-driven energy projects and solutions is one way to manifest distributive justice, and it will be vital to raise up local examples of these types of projects as well.

Lastly, it is important to note that there were several issues identified by participants as very important and connected to energy utilities and a just transition, but that were not explicitly within the scope of discussion at the Roundtable. These issues were the focus of the “necessary conversations” that participants had the opportunity to select in the final session of the event. Topics included: engagement with regulators and regulatory frameworks, including how to align these with just transition goals; engagement on the future of gas and gas workers; power-mapping with utilities and stakeholders to understand who has access to decision-making, who has power, and how to best leverage this power; the global application of just transition principles, including in global supply chains; and, considerations related to a just buildout of EV infrastructure and intersections with just transition issues in the transportation sector. These issues, identified by participants, are in need of further attention by the companies and stakeholder groups represented at the Roundtable.

The Role of the ICCR Community

As the Roundtable came to a close, many participants looked to ICCR to continue hosting dialogues and supporting this necessary work among labor, community, policy, investor, and company leaders. Participants from all groups pointed to ICCR’s unique role as a convener of, and “bridger” across, different types of stakeholders. Many wanted to continue the discussion at the Roundtable, and noted how rare it was to have a forum for different stakeholders to come together in a supported space where they were invited to genuinely engage with and learn from each other. ICCR was encouraged to think about how it might play a role in supporting multi-stakeholder dialogues in some capacity moving forward.

Participants also communicated the importance of the ICCR investor community being “radically inclusive” of stakeholders in its continued work with utility companies on the just transition. Though a diverse range of voices were invited to the Roundtable, the event did not include key stakeholders such as regulators or representatives of Indigenous Peoples, who must be part of cross-stakeholder discussions about a just energy transition. Indeed, ICCR must continue to challenge itself to advance collaborative just transition work in a way that truly centers the most impacted communities and workers. While ICCR considers how to continue to play a leadership role in the investor community in ensuring a just energy transition, it can also highlight the work of leading companies pursuing authentic collaborations with workers and communities on just transition goals. Furthermore, ICCR can evaluate where there are opportunities to be led by the work of those labor and community stakeholders who have a long history of working toward just transition goals.

LOOKING AHEAD

There are several immediate steps that ICCR and its members will take to carry the work of the Roundtable forward. First, ICCR members will continue engagements with energy utility companies on a just transition, now informed by the dialogue and recommendations shared at the Roundtable. Second, ICCR plans to host a limited series of informational sessions, open to a multi-stakeholder group including Roundtable participants, which touch on important topics surfaced at the Roundtable, including an examination of regulatory frameworks that can help shape a just energy transition.

Third, ICCR intends for this public report on lessons learned from the Roundtable to be shared widely, and to be used as a resource to support the continuation of multi-stakeholder dialogue on a just energy transition—among participants of the Roundtable and beyond. ICCR and others seeking to foster opportunities for stakeholder engagement in a range of contexts (for example, at companies or in communities) can apply lessons from this Roundtable to the development of robust and comprehensive cross-stakeholder dialogues. For example, ICCR’s experience hosting the Roundtable illuminated the importance of several key elements in multi-stakeholder convenings, including: an intentional planning process that includes opportunities for participating stakeholders to shape the convening; the hosting of pre-convening conversations to begin to build trust and a common language; meaningful and radically inclusive representation of stakeholder voices; and, setting clear ground rules for an open and productive discussion.

In the long term, ICCR remains committed to continued work with companies and stakeholders toward a just and equitable energy transition. ICCR will continue to evaluate its role as a faith- and values-based investor network in pursuing the recommendations shared by Roundtable participants, as outlined above, and will look for opportunities to both lead and support collaborative efforts that seek to make communities and workers central to the transition to clean energy. The urgency of a just energy transition has never been more clear, and it goes to the heart of ICCR’s mission to build a more just and sustainable world by integrating social values into corporate and investor actions. The 2023 Roundtable was a catalyst for ICCR’s work in this area, and an affirmation of the importance of collaborative dialogue and collective action in pursuit of a just transition.

ENDNOTES

1 For example, in 2015 the importance of a just transition was highlighted in the “[Paris Agreement](#)” (United Nations Framework Convention on Climate Change) and the International Labour Organization released its “[Guidelines for a just transition towards environmentally sustainable economies and societies for all](#).” The history and context for just transition strategies is also well documented by the U.S.-based Climate Justice Alliance (CJA), which builds on the work of frontline communities who have been part of the environmental justice movement for decades, and provides a clear analysis and framework for a just transition (see “[Just Transition: A Framework for Change](#)”).

2 See the “[Statement of Investor Commitment to Support a Just Transition on Climate Change](#),” coordinated by Principles for Responsible Investment (PRI), as well as “[Climate change and the just transition: A guide for investor action](#),” published in 2018 by the Grantham Research Institute on Climate Change and the Environment at the London School of Economics and Political Science, and the Initiative for Responsible Investment (IRI) at the Harvard Kennedy School.

3 “[History of ICCR](#),” ICCR.

4 Investor engagements with companies can take many forms, and may include writing investor letters and statements, participating in corporate dialogues, and filing shareholder resolutions. See the “[About ICCR](#)” page on ICCR’s website for further details.

5 “[Emissions of Carbon Dioxide in the Electric Power Sector](#),” Congressional Budget Office, 13 December 2022.

6 See “[On the Road to a Just Transition: Report from a multi-stakeholder investor roundtable with the energy sector](#),” and IRI’s “[Investor Expectations on the Just Transition: Publicly Traded Energy](#)” (2020), which was developed following the 2019 Just Transition Roundtable.

7 See the “[2021 Just Transition Assessment](#)” from the World Benchmarking Alliance and the [inclusion in 2022 of a just transition indicator](#) in the Climate Action 100+ Net Zero Company Benchmark.

8 See The White House’s resources on the IRA, including “[By the Numbers: The Inflation Reduction Act](#)” and the “[Inflation Reduction Act Guidebook](#),” which provides an overview of the clean energy, climate mitigation and resilience, agriculture, and conservation-related tax incentives and investment programs in the IRA.

9 “[About](#),” RMI.

10 “[About Us](#),” Emerald Cities Collaborative.

11 The following resource from the Initiative for Energy Justice on “[Defining Energy Justice](#)” was shared by ECC at the second workshop.

12 The focus on just transition concerns in the renewable energy buildout represented an intentional evolution from the 2019 Roundtable, which focused on coal plant closures and the transition away from fossil fuel-based energy production.

13 Energy burden is defined as the percentage of household income spent on energy costs; see “[Low-Income Community Energy Solutions](#),” Office of State and Community Energy Programs, U.S. Department of Energy.

14 See [Code of Federal Regulations: Title 29, Subtitle A, Part 30.4](#).

15 A Community Benefits Agreement, or CBA, is an agreement signed by community benefit groups and a developer, identifying a range of community benefits the developer agrees to provide as part of the development, in return for the community’s support of the project (“[Community Benefit Agreements: Frequently Asked Questions \(FAQs\)](#),” U.S. Department of Energy)

16 “[Section 1 – Defining Energy Justice](#),”

The Energy Justice Workbook, Initiative for Energy Justice.

17 Ibid.

18 “[State Energy and Environment Guide to Action: Electric Utility Regulatory Frameworks and Financial Incentives](#),” EPA, 2022.

19 “[Gov. Pritzker Signs Transformative Legislation Establishing Illinois as a National Leader on Climate Action: Legislation Charts a Path to 100% Clean Energy Future by 2015; Ensures Equity is Prioritized in Just Transition to Green Economy](#),” September 15, 2021, Press Release, Illinois.gov.

APPENDIX A: ROUNDTABLE PARTICIPANTS

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APPENDIX B: JUST TRANSITION RESOURCES SHARED BY ROUNDTABLE PARTICIPANTS

The resources below were shared by Roundtable participants; their inclusion does not reflect their endorsement by ICCR or by all participants.

ACEEE

[Fostering Equity Through Community-Led Clean Energy Strategies](#)

[How High Are Household Energy Burdens? An Assessment of National and Metropolitan Energy Burdens across the U.S.](#)

[Leading with Equity: Centering Equity across ACEEE's Scorecards](#)

[Pathways to Healthy, Affordable, Decarbonized Housing: A State Scorecard](#)

American Electric Power

[Communities Transitioning Together](#)

The Chisholm Legacy Project

[Who Holds the Power: Demystifying and Democratizing Public Utilities Commissions](#)

Emerald Cities Collaborative

[Climate Equity & Community Engagement in Building Electrification: A Toolkit](#)

[Environmental Justice Project Measurement and Evaluation Framework](#)

[Just Transition PowerForce](#)

[The People's Justice40+ Community Benefit Playbook](#)

Energy Equity Project, University of Michigan School for Environment and Sustainability

[Energy Equity Project Report 2022](#)

[Resources List](#)

Interfaith Center on Corporate Responsibility

[Case Study: "A Community's Just Transition: Tonawanda, New York"](#)

Microsoft and Volt Energy Utility

[Environmental Justice in renewable energy procurement](#)

NAACP

[Coal Blooded: Putting Profits Before People](#)

National Association of State Utility Consumer Advocates

[Resolution on Advancing Equity & Affordability in Utility Regulation](#)

RMI

[Ensuring an Inclusive Clean Energy Transition: A Two-Part Series on Supporting Coal Workers and Communities](#)

Southern Company

[2022 Just Transition Report: Engaging with Transparency](#)

Strategen

[Australian Energy Council Report: Just Transition](#)

[Ohio River Valley Institute's A Clean Energy Pathway for Southwestern Pennsylvania](#)

University of Michigan Urban Energy Justice Lab

[Energy Efficiency Equity Baseline \(E3B\) Map](#)

U.S. Department of Energy

[Energy Justice Dashboard \(Beta\)](#)

[Low-Income Energy Affordability Data \(LEAD\) Tool](#)