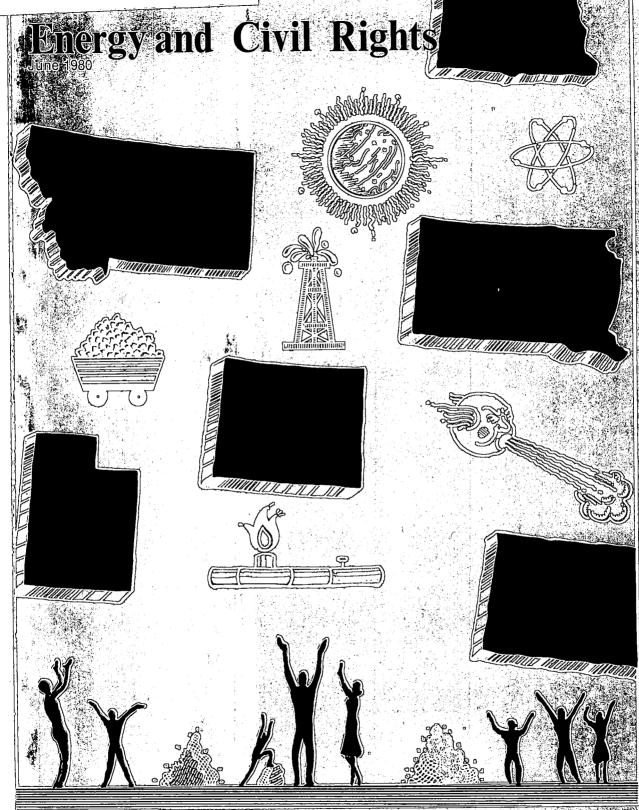
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A report of the Colorado, Montana, North Dakota, South Dakota, Utah, and Wyoming Advisory Committees to the United States Commission on Civil Rights prepared for the information and consideration of the Commission will be considered by the Commission, and the Commission will make public its reaction. In the meantine, the findings and recommendations of this report should not be attributed to the Commission but only to the Advisory Committees 3.1.

## THE UNITED STATES COMMISSION ON CIVIL RIGHTS

The United States Commission on Civil Rights, created by the Civil Rights Act of 1957, is an independent, bipartisan agency of the executive branch of the Federal Government. By the terms of the act, as amended, the Commission is charged with the following duties pertaining to discrimination or denials of the equal protection of the laws based on race, color, religion, sex, age, handicap, or national origin, or in the administration of justice: investigation of individual discriminatory denials of the right to vote; study of legal developments with respect to discrimination or denials of the equal protection of the law; appraisal of the laws and policies of the United States with respect to discrimination or denials of equal protection of the law; maintenance of a national clearinghouse for information respecting discrimination or denials of equal protection of the law; and investigation of patterns or practices of fraud or discrimination in the conduct of Federal elections. The Commission is also required to submit reports to the President and the Congress at such times as the Commission, the Congress, or the President shall deem desirable.

## THE STATE ADVISORY COMMITTEES

An Advisory Committee to the United States Commission on Civil Rights has been established in each of the 50 States and the District of Columbia pursuant to section 105(c) of the Civil Rights Act of 1957 as amended. The Advisory Committees are made up of responsible persons who serve without compensation. Their functions under their mandate from the Commission are to: advise the Commission of all relevant information concerning their respective States on matters within the jurisdiction of the Commission; advise the Commission on matters of mutual concern in the preparation of reports of the Commission to the President and the Congress; receive reports, suggestions, and recommendations from individuals, public and private organizations, and public officials upon matters pertinent to inquiries conducted by the State Advisory Committee; initiate and forward advice and recommendations to the Commission upon matters in which the Commission shall request the assistance of the State Advisory Committee; and attend, as observers, any open hearing or conference which the Commission may hold within the State.

# **Energy and Civil Rights**

—A report prepared by the six Advisory Committees to the U.S. Commission on Civil Rights in the Rocky Mountain Region

#### **ATTRIBUTION:**

The findings and recommendations contained in this report are those of the six Advisory Committees to the United States Commission on Civil Rights in the Rocky Mountain Region and, as such, are not attributable to the Commission. This report has been prepared by the State Advisory Committees for submission to the Commission, and will be considered by the Commission in formulating its recommendations to the President and Congress.

## **RIGHT OF RESPONSE:**

Prior to publication of a report, the State Advisory Committees afford to all individuals or organizations that may be defamed, degraded, or incriminated by any material contained in the report an opportunity to respond in writing to such material. All responses received have been incorporated, appended, or otherwise reflected in the publication.

## LETTER OF TRANSMITTAL

The Six Advisory Committees to the U.S. Commission on Civil Rights in the Rocky Mountain Region June 1980

MEMBERS OF THE COMMISSION Arthur S. Flemming, Chairman Stephen Horn, Vice Chairman Frankie M. Freeman Manuel Ruiz, Jr. Murray Saltzman

Louis Nuñez, Staff Director

Sirs and Madam:

The National Energy Act calls for a broad range of investigations into the Nation's energy problems. Recognizing this congressional concern for studies of energy questions and anticipating the interagency effort into socioeconomic impacts of rapid energy development mandated by Title VII of the Powerplant and Industrial Fuel Use Act of 1978, the Advisory Committees to the U.S. Commission on Civil Rights for the six States in the Rocky Mountain region submit this report, which focuses on rapidly increasing energy-related civil rights problems in the Intermountain West.

Cognizant of the President's view that "no segment of the population should bear an unfair share of the total burden, and none should reap undue benefits from the nation's energy problems," the Advisory Committees initiated a survey of resource-related issues involving civil rights of women and minorities that culminated in a consultation held in Denver in November 1978. It was found that little attention had been given to the status and mitigation of adverse cultural and social effects that resource development may have on the lives of women and minorities. The Advisory Committees were aware that little effort had been made to assure that the voices and interests of minorities and women are heard when energy programs are initiated and promulgated.

As a result of their investigation, the Advisory Committees found that impoverished women, minorities, and those on fixed incomes carry a disproportionate share of the Nation's energy dilemma. Deregulation of fuel prices and increases in energy costs occurring in the last few years have caused serious problems for the economically disadvantaged, whose incomes have not kept pace with the inflation of fuel and other costs. The incentives of National Energy Policy I, disproportionate impacts of high gasoline prices, block rate pricing structures for public utilities, effects upon women and the elderly in boomtowns, the dangers of disruption on Indian reservations, and employment opportunities and affirmative action in energy fields are all issues of concern in this report.

The Advisory Committees think that Federal involvement in the social problems precipitated by the country's energy needs is essential before irreparable damage is done to a large segment of the Nation's inhabitants.

We urge you to consider this report and make public your reaction to it.

Respectfully,

CHAIRPERSONS FOR THE ADVISORY COMMITTEES IN THE ROCKY MOUNTAIN REGION

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## **ACKNOWLEDGMENTS**

The State Advisory Committees wish to thank the staff of the Commission's Rocky Mountain Regional Office, Denver, Colorado, for its help in the preparation of this report. The investigation and report were the principal staff assignment of Dr. Roger C. Wade, with assistance from Cal E. Rollins and Joanne Birge and support from Phyllis Santangelo, Wyona Hill, and Esther Wyatt. The project was undertaken under the overall supervision of Dr. Shirley Hill Witt, director, Rocky Mountain Regional Office, and William F. Muldrow, deputy director.

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## 1. Introduction

The civil rights implications of the country's energy dilemma are a tale yet untold. Today's focus is upon energy technology and conservation. How the Nation's energy policies and natural resources development affect women, minorities, the elderly, and the handicapped has not been researched and documented to any significant degree. Shortages of oil, precipitated in part by embargoes, have generated considerable debate on issues involving alternative energy sources (solar, wind, geothermal, and biomass conversion) and their utilization. Environmental issues surrounding the development of coal deposits, the practicability of processing oil shale, the hazards of nuclear energy, and the use of other conventional and nonconventional energy resources have all been vigorously argued. However, the issues of what energy prices are doing to the poor (largely minority and female heads of households), who is benefiting from new energy-related employment, and parity for women, minorities, the elderly, and the handicapped generally have not been debated with equal vigor.

In 1977 when President Carter introduced his National Energy Plan, he stated:

No segment of the population should bear an unfair share of the total burden, and none should reap undue benefits from the nation's energy problems. Particularly. . .the poor and those on fixed incomes should be protected from disproportional adverse effects.<sup>1</sup>

Cognizant of the President's view, the six Advisory Committees to the U.S. Commission on Civil Rights in the Rocky Mountain region (Colorado, Montana, North Dakota, South Dakota, Wyoming, and Utah) authorized a preliminary survey of energy-resource-related issues involving the civil rights of women and minorities. This culminated in a consultation held in Denver in November 1978. It was found that little attention had been given to the status and mitigation of adverse cultural and social effects that resource development may have on the lives of women and minorities. Material relating to the effects of national energy policy upon the lives of women and minorities was scarce. Even less attention had been paid to the need for providing equal opportunities to minorities and women to enable them to share in the economic benefits that energy development would bring.

The Advisory Committees strongly suspected that very little effort had been made to assure that the voices and interests of minorities and women are heard when energy policies are initiated and promulgated. When Congress enacted National Energy Policy I,<sup>2</sup> it recognized that information would be needed on the effects of such a policy on minorities and, therefore, called for the establishment of the Office of Minority Economic Impact (OMEI) within the U.S. Department of Energy (DOE). The Director of OMEI is responsible for advising the Secretary of DOE on the effects of:

Eddie N. Williams, "Perspective," Focus, vol. 5 (May 1977), p. 1.

<sup>&</sup>lt;sup>2</sup> The term National Energy Act refers to the five energy acts passed by Congress November 9, 1978: the Public Utilities Regulatory Act of 1978, Pub. L. No. 95-617, 92 Stat. 3117; the Energy Tax Act of 1978, Pub. L. No.

<sup>95-618, 92</sup> Stat. 3174; the National Energy Conservation Policy Act, Pub. L. No. 95-619, 92 Stat. 3206; the Powerplant and Industrial Fuel Use Act of 1978, Pub. L. No. 95-620, 92 Stat. 3289; the Natural Gas Policy Act of 1978, Pub. L. No. 95-621, 92 Stat. 3350.

energy policies, regulations, and other departmental actions on minorities and minority business enterprises, and on methods to afford an opportunity to minorities to participate in the Department's energy programs.<sup>3</sup>

However, as of March 1979 only one staff position had been funded for OMEL.4

This report of the six Advisory Committees in the Rocky Mountain region discusses, then, the effects of energy resource development and national energy policy on women and minorities. Although the Committees realize that the technologies of energy development in the country will greatly alter the lives of women and minorities, this report is largely undertaken to highlight the human issues of resource development rather than the technological. Existing data are examined to determine the impact of energy

development, energy pricing, and energy policies upon the economically marginal individuals who are disproportionately minority and female. Recent developments in the Rocky Mountain States, where the current energy boom is proceeding at a rapidly accelerating pace, are reviewed.

Thus, in keeping with the charter of the U.S. Commission on Civil Rights to "serve as a national clearinghouse for information in respect to discrimination or denials of equal protection of the laws because of race, color, religion, sex, age, handicap, or national origin," the Advisory Committees have assessed the socioeconomic problems and opportunities now obtaining in Federal Region VIII and make findings and recommendations that seek to improve the quality of life for minorities and women in the Intermountain West.

<sup>5</sup> Civil Rights Act of 1957, as amended, §104(a)(4), 42 U.S.C. 1975c (a)(4) (1972).

<sup>&</sup>lt;sup>3</sup> National Energy Conservation Policy Act of 1978, pursuant to §641, not less than 50 percent of the appropriation for the Office of Minority Economic Impact must be used for loans to minority businesses "to assist such enterprises in participating fully in research, development, demonstration, and contract activities of the Department..."

Lenneal Henderson, program analyst, U.S. Department of Energy, Washington, D.C., telephone interview, Mar. 27, 1979.

# 2. National Energy Policy

A two-point pricing strategy implicit in national energy legislation makes more competitive those forms of energy currently at a disadvantage in the marketplace. According to that strategy, as oil and natural gas become more costly, other conventional forms of energy (such as coal) and nonconventional energy (such as geothermal and solar) now considered expensive will become more appealing. Tax credits are designed to make some forms of energy feasible in spite of their cost. Thus the national policy anticipates conversion to more plentiful sources of energy. The President's National Energy Plan II, published in May 1979, developed a strategy that would among other points:

- reduce demand growth for petroleum through replacement cost pricing;
- provide incentives for commercial production of shale oil, heavy crudes, tar sands and gasohol; and

Costs of energy are continuously escalating:

the overall Consumer Price Index (CPI), measuring the price of all goods and services in the economy, increased 55.9 percent between 1972 and 1978, while the fuel oil/coal prices increased 151.7 percent in the same period.<sup>2</sup>

The national average for regular gasoline in 1974 was 52.4 cents per gallon. The January 1979 average for regular gasoline was 64.0 cents per gallon. By June of 1979 the cost of regular had jumped approximately 20 cents per gallon to an average of 83.8 cents per gallon. Prices, then, skyrocketed 30 percent during those 5 months and a total of 60 percent in the period from 1974 to mid-1979.3

Home heating oil costs rose from 31.1 cents per gallon in January 1974 to 50.1 cents per gallon in 1978, a 61 percent increase in 5 years. In January 1974 natural gas cost \$1.13 per 1,000 cubic feet, and in October 1978 the same amount cost \$2.54, an increase of 124 percent.<sup>4</sup> By comparison, the overall U.S. inflation rate from January 1974 to January 1979 was 46.5 percent.<sup>5</sup>

At least two forms of public assistance have failed to keep pace with rising energy costs. Aid to Families with Dependent Children (AFDC), a federally- and State-funded program to encourage the care of dependent children in their own homes, increased its benefits approximately 19 percent between 1973 and 1976, "indicating a drop [for recipients] of roughly 8.5 percent in real income." Supplemental Security Income (SSI), a program operated by the Social Security Administration to provide assistance payments to persons who are financially eligible and who are aged, blind, or

U.S., Department of Energy, Office of Enforcement; from Platt's Oilgram Price Service, July 1978, and Lundberg Survey, Inc., 1975-77. Low-Income, p. 19; from Social Security Bulletin, April 1977, U.S. Department of Health, Education, and Welfare.

<sup>&</sup>lt;sup>1</sup> U.S., Department of Energy, National Energy Plan II (1979), p. 79.

<sup>&</sup>lt;sup>2</sup> U.S., Department of Energy, Low-Income Energy Assistance: A Profile of Need and Policy Options (draft of a working paper of the Fuel Oil Marketing Advisory Committee, March 1979), p. 7 (hereafter cited as Low-Income).

Ken Merica, Department of Energy, Office of Enforcement, Region VIII, telephone interview, May 16, 1979.

<sup>&</sup>lt;sup>5</sup> U.S., Department of Labor, Bureau of Labor Statistics, U.S. Consumer Price Index (for Urban Consumers) (1979).

disabled, increased its benefits an average of 19.19 percent between 1973 and 1976.<sup>7</sup> The Fuel Oil Marketing Committee of DOE estimated that:

As of 1978, this increase [in the cost of energy] represents an average loss for a low-income household of \$538 of purchasing power relative to 1972 levels, due to rising energy costs over and above the level of inflation. In the aggregate in 1978 alone, this means that the 15 million low-income households in America suffered a loss of over \$8 billion in purchasing power—\$8 billion of income transferred away from the most needy in our society because of escalating energy prices.8

Families receiving public assistance are disproportionately headed by the elderly, women, and minorities. As of 1975, 37 percent of such families were headed by persons 65 years or older, in comparison to 18 percent of all households. Fifty-two percent of low-income families were headed by women, compared to 21 percent of the total number of households. Compared to 11 percent of the total number of households, 26 percent of the low-income households were black. Hispanics comprised 4.8 percent of the total population in 1976 and 22 percent of these Hispanics were in poverty.

In light of these facts, the question may be asked: is the loss in buying power of women and minorities proportional to the loss in buying power suffered by other economic groups as a result of rising energy costs?

Although there are some disparities in the data on the energy usage of economically marginal people, those in the lower economic brackets in fact use less energy than those with larger incomes. Eunice Grier pointed out the differences in energy usage between the affluent and the poor:

The 10 percent of American households with incomes of \$25,000 or more consume in the aggregate almost as much natural gas, nearly one-fifth more electricity, and about twice as much gasoline as the 20 percent in the lowest income bracket.<sup>11</sup>

7 Ibid.
8 Low-Income, p. 10.

Put into thermal units, poor households in 1975 consumed on the average 170.4 million BTUs of natural gas and electricity annually, whereas households in higher income brackets used an average of 230.5 million BTUs. 12 Low-income users of electricity consumed 55.4 percent less electricity than higher income users. These low-income persons also consumed 24.1 percent less gasoline than high-income individuals. 13 (See table 1.)

Grier further commented on ownership of automobiles by low-income families: "Nearly half of all low-income households did not own a car in 1975—a year in which most upper-middle and high income households had two cars or more."

If a lower income family does happen to own a car, it drives less than more affluent people. Poor households average 8,000 driving miles per year while middle-class households average 15,000.15 Lenneal Henderson, formerly of Howard University and the Department of Energy, stated that "Americans with low incomes use energy mainly for essentials-heating, lighting, refrigeration, and short-distance driving-and much less often on 'frills' and conveniences." He further commented on automobiles and the poor: "The inability of lowincome persons to purchase new, energy efficient cars results in higher auto fuel costs."16 Since these vehicles use more gasoline per mile than newer, more efficient automobiles, increased gas prices place a disproportionate financial burden upon impoverished women and minorities.

A recent study by Ford Motor Company documents indirectly the disparate effects that rising gasoline prices are having on different segments of the population. A Ford spokesperson, summarizing the study, said:

While there is no doubt that the cost of fuel has increased and will increase, the gain in wages—and more importantly, the gain in passenger car

<sup>&</sup>lt;sup>9</sup> Eunice S. Grier, *Colder.* . . *Darker* (Washington, D.C.: Government Printing Office, June 1977), p. 3 (hereafter cited as Grier, *Colder.* . . *Darker*).

<sup>&</sup>lt;sup>10</sup> As determined by Federal poverty guidelines. U.S., Department of Commerce, Bureau of the Census, *Demographic Social and Economic Profile of States*; from *Survey of Income and Education*, document P-20334 (Spring 1976).

<sup>11</sup> Grier, Colder. . . Darker, p. ix.

<sup>13</sup> Ibid., p. 10.

<sup>18</sup> Low-Income, p. 20.

<sup>14</sup> Grier, Colder. . . Darker, p. xi.

<sup>&</sup>lt;sup>15</sup> Ellis Cose, "Energy Development in the Rocky Mountain West: Its Effects on Women, Blacks, and the Disadvantaged" (transcript of a paper presented at an Energy Resource Development consultation held by the U.S. Commission on Civil Rights, Rocky Mountain Regional Office, Denver, Colo., Nov. 2-3, 1978) (hereafter cited by participant name and "consultation transcript") n. 93.

<sup>&</sup>quot;consultation transcript") p. 93.

Lenneal Henderson, "Energy Policy and Socioeconomic Growth in Low-Income Communities," The Review of Black Political Economy, vol. 8 (Fall 1977), p. 88.

TABLE 1
Differential in Consumption and Expenditures for Electricity and Natural Gas Between Low-Income Households and All U.S. Households, 1975

	Low-income households	All U.S. households	Difference (percent)
Electricity Average annual BTUs per household	60.5	94.2	55.4
(millions) Average annual cost per household (dollars)	\$188.00	\$278.10	47.9
Natural gas Average annual BTUs per household	109.8	136.3	24.1
(millions) Average annual cost per household (dollars)	\$182.30	\$224.60	23.2

Source: Washington Center for Metropolitan Studies, National Survey of Household Energy Use, 1975.

fuel efficiency—has actually reduced the real fuel cost of each mile traveled.<sup>17</sup>

But economically disadvantaged minorities and women have not been able to buy fuel-efficient cars. Energy use by low-income households, then, is already minimal. As the Fuel Oil Marketing Advisory Committee concluded: "Reduction in cost through conservation is extremely difficult for poor households, who are often already using energy at lower levels than might be considered safe or healthy." 18

The Committee's report estimated that low-income families spend approximately 30 percent of their annual income on energy.<sup>19</sup> (See table 2.) A recent article in the *Wall Street Journal* cites similar figures:

Energy costs are rising far faster than poor peoples' ability to pay for them. There are roughly 25 million Americans who live below the federal poverty level—\$3,140 a year for a single person, living in a city.... Among these people it is now common in many parts of the country during the winter to spend 20 percent to 30 percent of monthly income on heating and utility bills.<sup>20</sup>

By contrast, middle-income Americans are still paying only about 5 to 10 percent of their income for heating and lighting.<sup>21</sup>

Cutoffs of power because people fail to pay their bills have risen around the country.22 For example, the Public Service Electric and Gas Company, serving most of New Jersey, states that its shutoffs in 1978 totaled 70,000, a 69 percent rise since 1973.23 Cutoffs by the Michigan Gas Company have nearly tripled in the past 5 years.24 In Colorado the cutoff rate increased by 18 percent for the first 8 months (January to August) of 1979 compared with the first 8 months (January to August) of 1978. Cutoffs increased from 13,699 to 16,251.25 These shutoffs have occurred in spite of various governmental efforts to aid those who have difficulty paying their utility bills. But, according to the Community Services Administration (CSA), which administers this money, it is a \$200 million "nonsolution" to a problem that needs billions.26 CSA estimated that in 1977, \$175 million of that \$200 million was disbursed in a little over 2 months.27 The report of the Fuel Oil Marketing Committee of the DOE calls for \$3.2 to

<sup>&</sup>lt;sup>17</sup> Study conducted by L.R. Windecker, manager of research and analysis, North American public relations, Ford Motor Co., Dearborn, Mich., Summer 1979.

<sup>18</sup> Low-Income, p. 2.

<sup>19</sup> Ibid.

<sup>20</sup> Wall Street Journal, Mar. 21, 1979, p. 1.

<sup>21</sup> Ibid.

<sup>22</sup> Ibid.

<sup>&</sup>lt;sup>23</sup> Ibid., p. 33. <sup>24</sup> Ibid.

<sup>&</sup>lt;sup>25</sup> Public Service Company of Colorado, letter to RMRO staff, Nov. 1, 1979.

<sup>28</sup> Wall Street Journal, Mar. 21, 1979, p. 33.

<sup>27</sup> Ibid.

TABLE 2

# Direct Energy Costs to the Nation's Households at Typical and Low-Income Levels, Under Alternative Price Conditions

	Annua (in de	al costs ollars)	Costs as percentage of average household inco			
	Low-income household <sup>1</sup> (mean income \$3,316)	Typical income household <sup>2</sup> (mean income \$16,582)	Low- income household	Typical income household		
Costs at 1978 prices Costs with 10 percent price increase	1,103 1,213	1,594 1,725	33.2 36.6	9.6 10.4		
Costs with 25 percent price increase	1,334	1,913	40.2	11.5		

<sup>1.</sup> Current low-income household costs from the Bureau of Labor Statistics, U.S. Department of Labor.
2. From D. Nichols and J. Stutz, "Analyzing Inputs of Energy Costs on Residents of New England" (report for the New England Regional Energy Project, February 1979). It should be noted that as these figures are for New England they are high in comparison to the average U.S. figures.

Source: Fuel Oil Marketing Committee, U.S. Department of Energy.

\$4.3 billion in energy assistance monies for the 15 million households they see as most needy.<sup>28</sup>

The National Energy Act does have some benefits for low-income households. Money is available from the Federal Government to purchase and install materials to weatherize homes occupied by lowincome families, particularly the elderly and handicapped.29 The DOE estimates that 8 million homes of poor people have little or no insulation. Sixty-five percent of the homes occupied by low-income black families, for example, are uninsulated.30 Attention to the needs of the elderly is especially vital, since many older people are susceptible to "accidental hypothermia," a rapid drop in body temperature that can be fatal.31 While firm statistics do not exist, there are estimates that thousands die each year from the condition.32 It is, therefore, critically important that the homes of elderly people be kept warm.

The Public Utility and Regulatory Policies Act of 1978 (Pub. L. 95-617) sets out Federal standards for gas and electric utilities.<sup>33</sup> One purpose of the suggested standards is equitable rates for consumers.<sup>34</sup> The Federal standards include use of time-of-day and seasonal rates<sup>35</sup> and exclusion of direct or

indirect expenditures for advertising from the ratemaking process.<sup>36</sup> Another method of aiding those most in need is "lifeline rates." A lifeline rate is one means of providing a consumer with a subsistence amount of electricity or natural gas at the lowest possible price. Matthew Holden, member of the U.S. Federal Energy Regulatory Commission, states:

it would be possible to set the figure of 300 kilowatt hours per month, or 500 kilowatt hours per month, or some other figure, and to prescribe that this figure would be sold at a relatively low price, letting the price increases take place in the consumption block above that.<sup>37</sup>

Block rates may be defined as "bulk discount" rate schedules employed by most electric utilities in billing their customers. These rate schedules decrease step by step as the amounts of electricity consumed increase, granting substantial discounts to the larger customers. Block rates have been widely used and result in the lowest users of energy paying the highest rates per unit of energy.<sup>38</sup> The Fuel Oil

Low-Income, p. 28.

National Energy Conservation Policy Act of 1978, Pub. L. No. 95-619, §§231-233.

<sup>&</sup>lt;sup>39</sup> Eunice S. Grier, "Energy Pricing Policies and the Poor," Energy and Equity: Some Social Concerns, ed. Ellis Cose (Washington, D.C.: Joint Center for Political Studies, 1979), p. 82.

Wall Street Journal, Mar. 28, 1979, p. 1.

<sup>32</sup> Ibid.

<sup>35 §111(</sup>d) and §303(b).

<sup>34</sup> Pub. L. 95-617, §101(3).

<sup>35</sup> Ibid., §111(d)(3) and (4).

se Ibid., §303(b)(2).

<sup>37</sup> Matthew Holden, "Energy: The Human Aspect," Energy and Equity: Some Social Concerns, p. 76.

<sup>&</sup>lt;sup>33</sup> Federal standards state: "Rates charged by any electric utility for providing electric service to each class of electric consumers shall be

Marketing Committee's report detailed what such pricing can mean in the costs of gas and electricity.39 (See tables 3 and 4.) Since the economically marginal also use the least energy, they are forced by block rate structures to pay the highest rates per unit. A typical Consolidated Edison Company customer in New York City who uses 150 kilowatts of electricity pays \$15.63 in the winter, while another customer using 250 kilowatts pays only \$8 more.40 Though apparently not a great disparity, such a differential can cause real hardships for impoverished persons.

Many spokespersons for minority and other economically marginal groups are concerned that energy measures do not go far enough. Jeff Copeland, energy correspondent for Newsweek, stated that President Carter's plan is dangerous for poor people because of its heavy dependence upon higher prices as a means of controlling consumption.41 The realities of poor peoples' lives overshadow incentives in energy laws to convert to other forms of energy or to practice conservation. The Fuel Oil Marketing Committee cited three reasons why economically disadvantaged people could not respond to the incentives of the National Energy Act:

- · The average real income of the poor household has decreased since 1972.
- Reduction in costs through conservation is extremely difficult for poor households.
- Substitutability is lower for household energy needs than for any other goods or services in the economy.42

The fact that the average real income of a poor household has actually declined may be a surprise to many people. Yet, as stated by the Fuel Oil Marketing Committee, in 1978 alone poor people lost \$8 billion in buying power as the result of increased energy costs.43 Existing data show that the poor are not indulging in frivolous use of energy; usage of energy by the poor is on an essential level.44

Switching to solar energy, insulation of homes, and other such methods of conservation are unrealistic expectations for the poor. Many marginal-income families lack the capital to make these energy-conserving changes. Thus, those less affluent who live in rental units and have no control over whether or not landlords install energy-saving devices and methods or who are "too poor to retrofit the homes they own" will benefit little from the tax incentives of Energy Policy I.45

The National Energy Conservation Policy Act of 1978 allows the National Mortgage Association and the Federal Home Loan Mortgage Corporation to insure loans made for or including purchase and installation of energy-conserving improvements and solar energy systems. 46 Some of the program monies must be used with priority to the elderly and to moderate-income families.47 However, many such persons, because of their limited financial resources and lack of adequate income to repay loans, cannot take advantage of these programs. Henderson states that "the Carter energy package provides no direct incentives to home builders and landlords in lowincome communities to convert to solar systems."48 Nor does the Department of Energy's weatherization program give much aid to renters. In Region VIII, for example, 1,480 owner-occupied homes were weatherized by this program between January and March 1979, while only 234 rental units were serviced by the weatherization program.49

In summary, the current energy policy, with its reliance on pricing strategies, provides little incentive for the middle class to conserve because their incomes by and large have kept pace with inflationary costs. The policy provides incentives primarily for the poor, those with the least ability to conserve. The poor use fuel largely for essentials. They have little capital for converting to other forms of energy, yet they are most affected by higher energy costs.

Cose argues that the plan passed by Congress reflected little of the President's conviction that the

designed, to the maximum extent practicable, to reflect the costs by providing electrical service to such class, as determined under section 115(a). . . . The energy component of a rate, or the amount attributable to the energy component in a rate, charged by any electric utility for providing electric service during any period to any class of electric consumers may not decrease as kilowatt-hour consumption by such utility increases during such period except to the extent that such utility demonstrates that the costs to such utility of providing electric service to such class which costs are attributable to such energy component decrease as such consumption increases during such period." Public Utility Regulatory Policies Act, Pub. L. No. 95-617, §111(d)(1) and (2).

Low-Income, p. 14.

Wall Street Journal, Mar. 21, 1972, p. 33.

<sup>41</sup> Ellis Cose, Joint Center for Political Studies, "Energy Roundtable Discussion," Focus, vol. 5 (May 1977), p. 3.

<sup>42</sup> Low-Income, p. 18.

<sup>43</sup> Ibid., p. 10.

<sup>44</sup> Grier, Colder. . . Darker.

<sup>45</sup> Lenneal Henderson, "Energy Policy and the Poor," Focus, vol. 5 (May 1977), p. 5. The term "marginal income" is used to mean 125 percent of Federal poverty guidelines.

<sup>46</sup> Pub. L. 95-619, §§241-247.

Ellis Cose, "Energy and Taxes," Focus, vol. 6 (November 1978), p. 6.

Lenneal Henderson, telephone interview, Mar. 16, 1979.

TABLE 3

National Weighted Average Charges for Residential Electric Service, 1972–76
(Cities of 2,500 population and more)

		Ave	erage charge pe	r kwh		
	100 kwh	250 kwh	500 kwh	750 kwh,	1,000 kwh	
Jan. 1	. 1 cents	cents	cents	cents	cents	
1978	6.87	5.39	4.44	4.16	4.10	
1977	6.54	5.14	4.17	3.90	3.82	
1976	6.15	4.82	3.85	3.57	3.49	
1975	5.89	4.60	3.59	3.30	3.28	
1974	4.59	3.79	2.82	2.55	2.49	
1973	4.65	3.47	2.51	2.26	2.19	
1972	4.51	3.34	2.40	2.15	2.07	

Source: Fuel Oil Marketing Committee, U.S. Department of Energy.

TABLE 4

Differential in Consumption and Expenditures for Electricity and Natural Gas Between Low-Income Households and All U.S. Households, 1975

	Low-income households	All U.S. households	Difference (percent)
Electricity*			· · · · · · · · · · · · · · · · · · ·
Average annual BTUs per household (million)	60.6	94.2	55.4
Average annual cost per household (dollars)	188.00	278.10	47.9
Average price per million BTUs (dollars)	3.10	2.95	11.0
Natural gas			
Average annual BTUs per household (million)	109.8	136.3	24.1
Average annual cost per household (dollars)	182.30	224.60	23.2
Average price per million BTUs (dollars)	1.66	1.65	

<sup>\*</sup> The Public Utility Regulatory Act of the National Energy Act states that utility companies must consider, among other things, the applicability of a prohibition against declining block rates that favor larger users by pricing successive blocks of electricity at lower per-unit prices and further, lifeline rates for essential needs.

Source: Washington Center for Metropolitan Studies, National Survey of Household Energy Use, 1975.

higher costs should fall most heavily on those most able to bear them.<sup>50</sup> Henderson believes that the situation of minorities, women, and other economi-

cally deprived people is worse now than it was before the passage of the Energy Act.<sup>51</sup> The Fuel Oil Marketing Committee's report confirms this view.<sup>52</sup>

52 Low-Income.

<sup>50</sup> Cose, "Energy and Taxes," p. 6.

Henderson, "Energy Policy and the Poor," Focus, pp. 4, 5.

#### Resource Development in the West 3.

The West today is in a state of change—and siege. Many Westerners are worried about the invasion of their land, space and water. They refer to the coming "rape of the West" and fear the inevitable loss of a life steeped in tradition and custom. Others hope that new industry and development will bring jobs and a higher standard of living. Only time will tell the full story.

Robert Redford, The Outlaw Trail

The increasing costs of energy have led to attempts by the Federal Government to increase domestic production of energy resources and to encourage use of this country's abundant fuels. As a plan to develop U.S. energy resources and decrease America's dependency on foreign oil, President Nixon introduced Project Independence. The plan's goal was to make America energy self-sufficient by developing domestic energy sources. This strategy was to be accomplished by 1980, but, for a variety of reasons, it was abandoned.

The National Energy Act includes measures to increase the use of the Nation's abundant supply of coal. For example, section 201 of the Powerplant and Industrial Fuel Use Act of 1978 states:

- a primary energy source in any new electric powerplant. \_\_\_
- No new electric powerplant may be constructed without the capability to use coal or any other alternate fuel as a primary energy source.1

Increased costs of natural gas and oil have led to more coal production, mostly in the West. Federal Region VIII-which includes Colorado, North and South Dakota, Montana, Utah, and Wyoming-contains not only great deposits of coal but other energy resources as well: oil, geothermal, oil shale, solar, and uranium. Consequently, much of the Nation's focus on energy development is centered in the Rocky Mountain region.

While impoverished women, minorities, and other economically insecure segments of the Nation's population have had to deal with inflation caused in part by energy pricing, in the Intermountain West these disadvantaged people are confronting additional negative effects from the country's energy predicament as the following sections of this report demonstrate.

The population in the Rocky Mountain region is growing rapidly. The number of inhabitants in the region is estimated to have increased from 5,579,000 in 1970 to 6,528,000 in 1978 (17 percent). The number of residents in Utah increased 24 percent between 1970 and 1978 (1,059,000 to 1,307,000). During that same period of time the population of

Natural gas or petroleum shall not be used as

<sup>&</sup>lt;sup>1</sup> Pub. L. No. 95-620, 92 Stat. 3289.

Colorado grew from 2,210,000 to an estimated 2,670,000 or 21 percent.<sup>2</sup> Of the total population in Utah in 1970, 481,544 or 46 percent are female and 8 percent are minorities (blacks, Hispanics, Indians, and Asian Americans).<sup>3</sup> According to the 1970 census, women represented 50 percent of the total population in Colorado, with 17 percent of the total population minorities.<sup>4</sup> Wyoming experienced the highest population growth—27.4 percent from 1970 to 1978.<sup>5</sup> Minorities in Wyoming were 8 percent of the population in 1970, and women represented 50 percent of the total inhabitants.<sup>8</sup> North and South Dakota experienced population increases of approximately 5.5 and 3.5 percent, respectively, from 1970 to 1978.<sup>7</sup>

Development of energy resources in the West is a primary reason for the region's population expansion. As a result of this boom, a number of western towns have undergone severe social disorganization, as discussed later. The discussion which follows shows that, in such boomtowns, citizens least secure in the society are the most affected by the disorganization. Population growth has increased competition for life's necessities, pushing inflation higher in the West than in most other areas, and at faster rates. It yet remains to be seen if this and other negative aspects of rapid growth will be offset by the economic benefits that are commonly thought to grow out of resource development, which are discussed in detail in section 5.

## Uncertainty in the West

The central topics of discussion on energy resources in the Rocky Mountain West involve environmental and economic impact. Those in favor of development state that the influx of people, energy companies, and capital will stimulate the region's economy. As a result of this new strength, the States in the region will enjoy the political clout currently carried by the Midwest and East. Other people have been accused of placing provincial interests above national ones and have expressed a desire to protect the region from development. Still others believe that the West may become an energy colony to the rest of the Nation. These persons critical of develop-

<sup>2</sup> U.S., Department of Commerce, Bureau of the Census, *Detailed Characteristics*, Colorado/Utah/Wyoming, 1970 (hereafter cited as *Detailed Characteristics* 1970); U.S., Department of Commerce, Bureau of the Census, *Population Estimates* (no. 5), p. 2.

ment argue that resources will be carted away, the way of life in the region will be severely disrupted, the environment irretrievably damaged, and the region's inhabitants insignificantly benefited by development. Proponents of development are accused of insensitivity to the region's uniqueness—its vast, sparsely populated areas, its expanse of wilderness, and its possibilities for recreation. Those critics in opposition point to the disrupted communities of Gillette and Rock Springs, Wyoming, as examples of the negative aspects of boomtowns that are to be avoided. They view strip mining and other forms of energy development as causes of environmental and social degradation.

Both viewpoints share uncertainty. No one can be sure of the future of the West. How women, minorities, the poor, and those on fixed incomes will fare as more and more development takes place in the region is of concern to those interested in the welfare of such groups.

#### Role of the Federal Government

The policies of the Federal Government regarding energy, the environment, and social issues will have profound effect as to which of and to what degree the region's resources will be developed. Government influence will be particularly felt in the West. Fifty-six percent of the land in the western United States is federally controlled.9 Eighty percent of the Nation's high-grade oil shale reserves and 60 percent of western coal are found on Federal lands.10 An example of a Federal decision affecting the pace of production is the energy act provision prohibiting construction of new electric powerplants without the capability of using coal or other alternate fuels as a primary energy source.11 Having gone this far, the extent to which Congress or the Department of Energy insists on use of coal in powerplants will, of course, greatly determine the speed of coal production in general and will likely lead to acceleration of western coal production.

Significant resource development is now occurring on Indian reservations. Reservation areas, lands once considered of minimal value, in many cases have been found to be rich in mineral resources. The

Detailed Characteristics, 1970.

<sup>4</sup> Ibid.

Ibid. and Population Estimates, p. 2.

Detailed Characteristics, 1970.

Population Estimates, p. 2

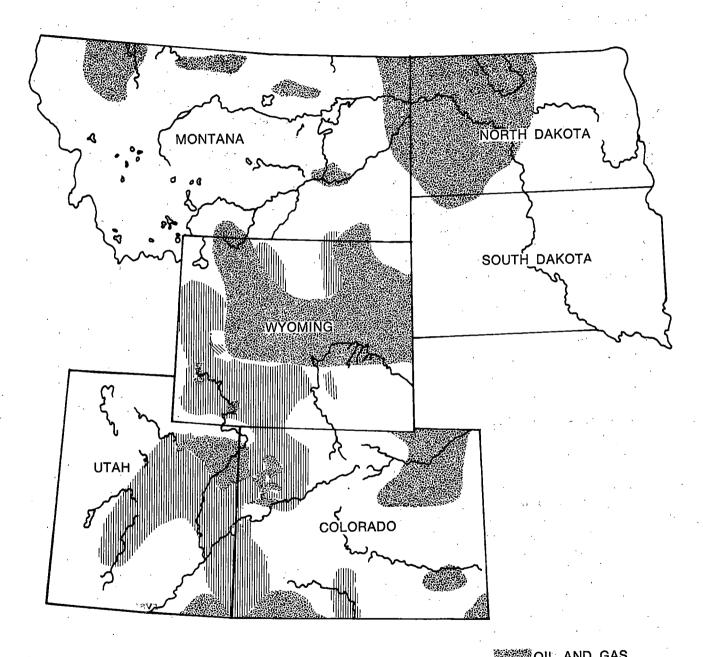
Rocky Mountain News, Apr. 27, 1979, p. 1. According to U.S. Department of Labor, Bureau of Labor Statistics, Consumer Price Index for 1979, Denver had the second highest inflation rate for urban areas, 16.8 percent.
9 Harris Shamura

<sup>&</sup>lt;sup>6</sup> Harris Sherman, transcript of the consultation, Denver, p. 20.

<sup>10</sup> Ibid., p. 21.

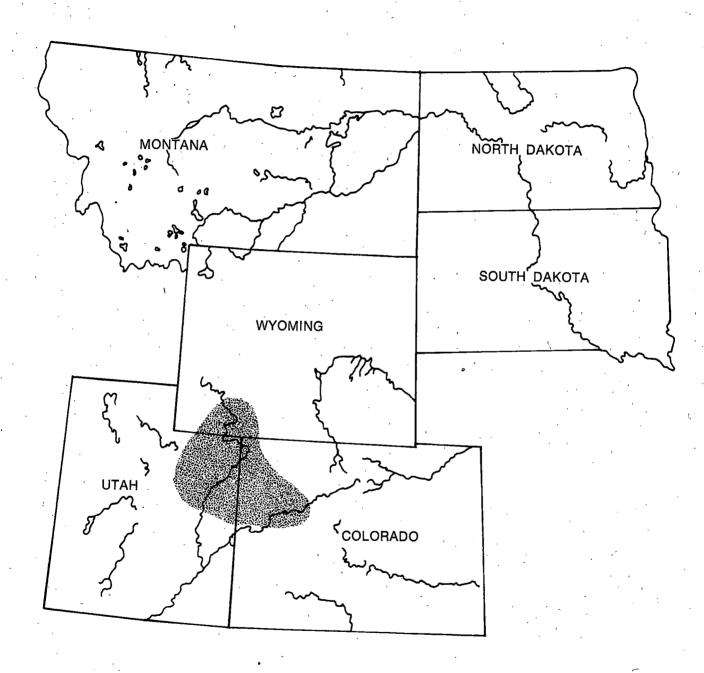
<sup>11</sup> Pub. L. No. 95-620, §201.

Map 1
Oil and Gas Reserves, Region VIII

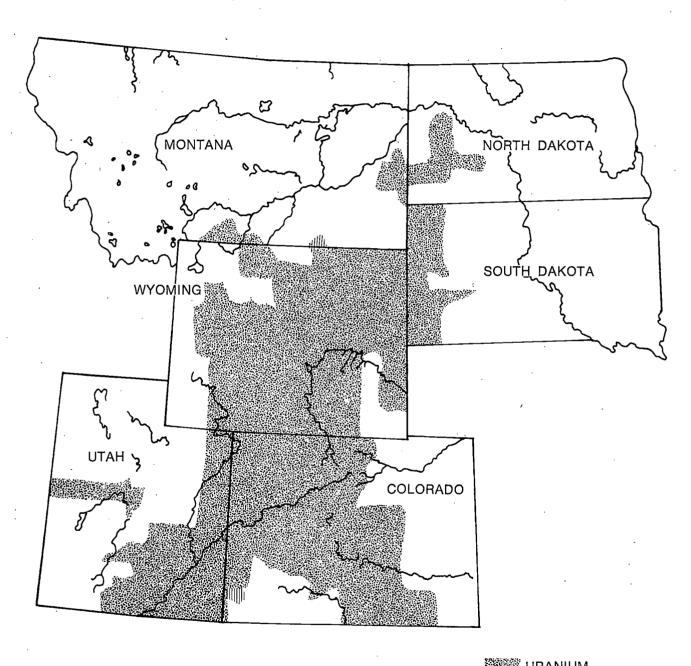


OIL AND GAS FIELDS "TIGHT GAS" RESERVES

Map 2
Oil Shale Reserves, Region VIII

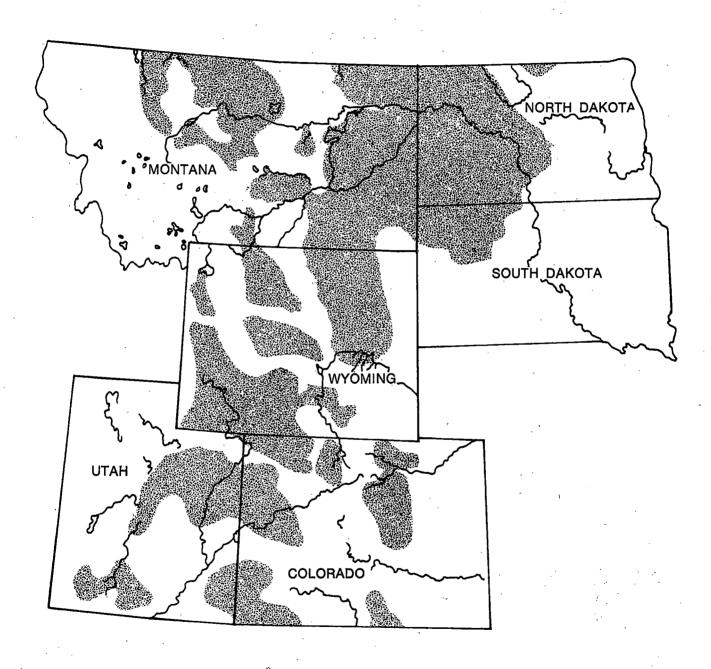


Map 3
Uranium Resources and Active Mining Areas, Region VIII



URANIUM
DEPOSITS
URANIUM
MINING AREAS

Map 4
Coal Resources, Region VIII



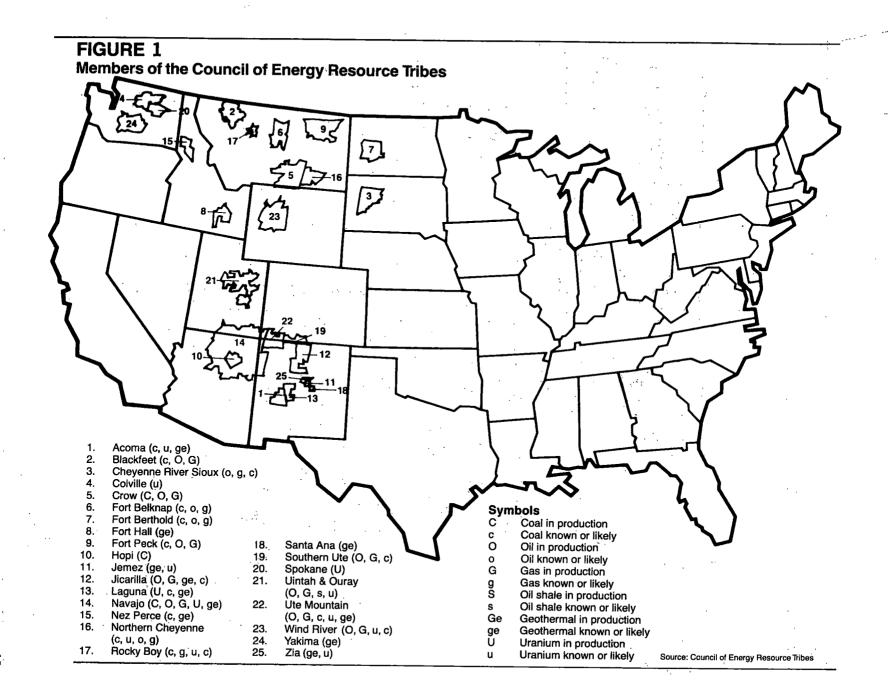


TABLE 5
Numbers of Resource Projects to Be Started or Expanded on or Near Indian Reservations in Region VIII

State	Strip coal mines	Underground coal mines	Uranium mines, mills, and enrichment facilities	Oil and natural gas facilities	
Colorado	31	46	30	3	
Montana	12				
North Dakota	11	• •	• •	• •	
South Dakota Utah Wyoming	 3 31	31 6	 21 19	 3 3	

Source: Council of Energy Resource Tribes.

Council of Energy Resource Tribes (CERT) is a consortium of 25 energy-rich Indian tribes (see figure 1) with reservation lands containing 4 percent of the Nation's oil and gas, 30 percent of strippable coal west of the Mississippi River, and 40 percent of the uranium.<sup>12</sup>

The executive director of CERT states:

There are 445 future energy-related projects being developed on or near tribal lands within

the 10 Western States the tribes occupy. Eighty-seven of these projects are for future strip coal mines, 80 are for underground coal mines, 11 are for future oil refineries and natural gas processing and storage facilities, and 80 future uranium mines are planned.<sup>13</sup>

Table 5 indicates the extent of potential development for Indian reservations as a result of the search for energy sources.

13 Ibid.

<sup>&</sup>lt;sup>12</sup> Theodore Smith, "Council of Energy Resource Tribes and Resource Development on Tribal Land," Energy Resource Development: Implications for Women and Minorities in the Intermountain West (Washington, D.C.:

U.S. Commission on Civil Rights, 1979), p. 214 (hereafter cited as *Energy Resource Development*).

## **Boomtowns**

Although there has been dramatic resource development in the Rocky Mountain region, most of the resources have yet to be used. In 1962 only 3 percent of the country's coal production came from the West. In 1972, 7 percent of coal production came from the Western States. Seventeen percent of the Nation's coal production was coming from the West by 1977.1

Such a dramatic increase in resource development manifests itself in the social phenomenon of boomtowns. Rock Springs, Wyoming, the object of national attention on CBS television's "60 Minutes," is an example of such a boomtown. According to sociologist Donna Davidson, a boomtown may be defined as a community that has a rate of population increase so rapid that basic facilities and services cannot keep up with the increased needs of the growing population. A boom community has a population growth of at least 15 percent a year.2

In 1975, 131 communities in the region were expected to be affected by such population increases due to energy development. Of these, 38 percent had less than 500 population, 51 percent from 500 to 5,000 inhabitants, and 11 percent in excess of 5,000 people.3

Boomtowns, then, are small at the outset. Rapid population increases result when energy industries supplement or supplant the local labor force with large numbers of outsiders. Such increases overwhelm the town's services before increased revenues can be collected to mitigate the problems. There is often a 3- to 5-year lag between need for revenue and receipt of revenue.4

Adverse psychological effects often result from boomtown living. A vivid description of this phenomenon is the so-called boomtown syndrome:

A housewife, after fighting mud, wind, inadequate water and disposal systems, a crowded mobile home, and muddy children all day, snaps at her husband as he returns from a 16-hour shift. He responds by heading back downtown and spending the night at the bar drinking and trading stories with men in similar circumstances.5

Arthur Waidmann, a minister in Rock Springs, Wyoming, says of conditions in boom communities: "In some of the camps, locked in their trailers and campers, women could hear the men drinking and brawling after a day's work."6 He further comments: "The incidence of rape in Sweetwater County [Rock Springs, Wyoming] went up with the boom. So did wife beating and child abuse." While the incidence of rape may or may not be higher in communities impacted by energy development, small-town victims suffer from problems not generally experienced by urban rape victims.8 Sociologists

Harris Sherman, transcript of consultation in Denver, p. 23.
 Donna Davidson, "Overview of the Boomtown Syndrome," Energy Resource Development, p. 16.

<sup>&</sup>lt;sup>3</sup> Ibid., p. 15.

<sup>5</sup> ElDean V. Kohrs, "Social Consequences of Boom Growth in Wyoming" (paper presented at the Rocky Mountain American Association of the Advancement of Science Meeting, Laramie, Wyo., Apr. 24-26, 1974), p. 1.

<sup>&</sup>lt;sup>6</sup> Arthur Waidmann, "The Rock Springs Experience," Energy Resource Development, p. 27.

<sup>7</sup> Ibid.

<sup>8</sup> Judith Ann Davenport and Joseph Davenport III, "The Wyoming" Human Services Project: A Model for Overcoming the Hugger-Mugger of Boomtowns," Energy Resource Development, p. 37.

Joseph and Judith Ann Davenport characterized these problems as:

a greater lack of anonymity and confidentiality, a greater pressure not to report the rape because of damage to the community's social fabric, a lack of objectivity in courtroom procedures because "everyone knows everything about everyone else," a hometown bias against outsiders if the rapist is a local male and the victim from outside the community, and a general lack of rape crisis services.9

The Davenports also point out that boomtowns generally have no services for rape victims and that few exist for battered women.10

Rapid population increases in a community also cause other symptoms of social disorganization to appear. People caught in a boomtown syndrome do not feel secure and their sense of well-being is considerably diminished. Craig, Colorado, a recent boomtown, is a classic example of how a small town can suffer social disorganization because of the influx of outsiders. Table 6 demonstrates the dramatic increase in Craig's social problems over a 3-year period. The table shows that crimes against persons and property escalated greatly. The figures pointing out the increase in behavior problems, drug and child abuse, and family disturbances are a concrete example of the disorganization caused by rapid growth in Craig. The population of the county in which Craig is located increased from 7,000 in 1973 to 10,300 by 1976, a gain of 47 percent.11

#### Women in Boomtowns

The study of Craig, Colorado, revealed that under boom conditions women and children suffered the greatest effects. Emotional disorders among women increased significantly. While the number of men seeking treatment under boom stress conditions increased slightly, the rate of increase for females over the last few years was dramatic.12

Women immigrants in boomtowns find that the community's recreational, educational, and social activities are insufficient. They often find themselves confined to trailer courts, referred to as "aluminum ghettos," on the edges of towns.13 Women's resource centers are, more than likely, nonexistent, and family service associations with child-care facilities are similarly lacking.14

Women who have lived in a community for some time may fare little better than their immigrant counterparts. It is said of the female nonmigrant:

In the impacted area, the woman is the first to experience the breakdown of church, school, and family. . . . The lifestyles change and because of increased high-paying employment, 7day weeks, and 16-hour shifts, attendance drops, civic and social involvement decrease, and the faithful wife and mother tries desperately to hold it all together.15

Despondency, disruption, and isolation, then, can be the lot of women in boomtowns. Newcomers are separated from oldtimers by differences of orientation.16 Yet Waidmann notes that they share the handicap of limited mobility owing to increased safety and security hazards, finding themselves frequently the prey of single men or of men who have left their families in other places.17

Although the rise in the cost of living may affect nearly everyone, single heads of households in particular experience economic difficulties stemming from boomtown inflation. Those living on public assistance, because of inflated costs of living in boomtowns, often cannot survive but must leave the community. Others who remain must cope with considerable financial and emotional strain.18 Furthermore, AFDC payments may not compensate for high costs of child-care facilities. Many women are defeated by the inadequate numbers of jobs available to them in boom areas and by the lack of child-care facilities if and when they do find work.19

Although resource development brings with it jobs and money, these are by no means evenly distributed among the citizens of a boom community. Jobs from energy development traditionally are

P Ibid. 10 Ibid.

<sup>11</sup> Alma Lantz and Robert L. McKeown, "Social/Psychological Problems of Women and Their Families Associated With Rapid Growth," Energy Resource Development, p. 49. 12 Ibid., p. 46.

 <sup>101</sup>d., p. 40.
 Davenport and Davenport, "The Wyoming Human Services Project," p. 36; and Waidmann, "The Rock Springs Experience", p. 27.
 Waidmann, "The Rock Springs Experience," p. 17; and Davenport and Davenport, "The Wyoming Human Services Project," p. 37.

<sup>15</sup> Gay Holliday, "Effects of Energy Development on Rural Women," Energy Resource Development, p. 84.

<sup>&</sup>lt;sup>16</sup> Davenport and Davenport, "The Wyoming Human Services Project,"

Waidmann, "The Rock Springs Experience," pp. 26-31.

<sup>18</sup> Davenport and Davenport, "The Wyoming Human Services Project," p. 36.

<sup>&</sup>lt;sup>19</sup> Ibid., p. 37.

TABLE 6

Average Reported Complaints or Incidences Per Month in Craig, Colorado (Average from November/December 1973 and November/December 1976)

Problem area	Sheriff Mental and police health department center		Hospital inpatient		Social services		Total		Average increase		
	1973	1976	1973	1976	1973	1976	1973	1976	1973	1976	<del>"""""""""""""""""""""""""""""""""""""</del>
Substance abuse Family disturbance Emotional disturbance Child abuse/neglect Child behavior problems Crimes against property Crimes against persons	4.0 3.5 0.0 0.0 0.0 29.0 2.0	40.0 21.0 0.0 0.5 14.5 93.5 20.0	1.5 3.0 4.0 0.0 2.5 0.0 0.0	1.5 6.5 5.5 0.0 1.5 0.0	1.0 1.0 1.5 0.0 0.0 0.0	5.0 1.0 2.5 0.0 0.0 0.0	0.0 6.0 0.0 11.5 0.5 0.0	0.0 32.5 0.0 25.5 17.0 0.0	6.5 13.5 5.5 11.5 3.0 29.0 2.0	47.0 61.0 8.0 26.0 33.0 93.5 20.0	623 352 45 130 1000 222 900

Source: Alma Lantz and Robert L. McKeown, "Social/Psychological Problems of Women and Their Families Associated with Rapid Growth," *Energy Remote Development: Implications for Women and Minorities in the Intermountain West* (consultation sponsored by Rocky Mountain region Advisory Committees to the U.S. Commission on Civil Rights, Nov. 2-3, 1978), p. 45.

male oriented. Construction, extraction, and mining industries are male dominated.<sup>20</sup> Davidson says that the number of jobs available to females:

will increase somewhat but not as fast as the number of women competing for these jobs. This surplus of female labor has the effect of keeping wages in certain categories low even though wages in other categories are skyrocketing.

The local female labor force is also likely to be at a competitive disadvantage. Many of the new women will be wives of technicals and professionals and will have higher education and skill levels than the local labor force.<sup>21</sup>

Elizabeth Moen, a sociologist at the University of Colorado, states that boomtowns tend to be highly traditional. She says of women seeking jobs in boomtowns: "they live in highly conservative areas that basically disapprove of women working, and the only jobs available that pay well are in nontraditionally female occupations."<sup>22</sup> Harassment is frequently experienced by women who have obtained construction or mining jobs. Concerning this problem, Moen continues:

We found that. . .male miners do not always share the information women need to do the work. This puts the women at a severe and dangerous disadvantage, since they receive no formal training at the mines and are entirely dependent upon the good will of their coworkers to learn their jobs.<sup>23</sup>

Even when women secure construction or mining work, they are often relegated to tasks that pay the least and are considered "better suited" to females. Moen states:

The major difference between coal mining and construction work is that women can be segregated on the job in construction work. Virtually all of the women at the Yampa project [near Craig, Colorado] were employed as laborers, who sweep and put things away, or as equipment operators. . . . Many male construction workers told us that if women have to be in

construction, then sweeping and putting away is the best work for them. Thus even in higher paying jobs such as construction, women are stereotyped and segregated into "women's work."<sup>24</sup>

## The Elderly in Boomtowns

Studies discussed in this section show that the elderly, as a category, are adversely affected by boomtown development. It is not uncommon for 20 to 30 percent of the populations of rural towns to be over the age of 60.25 Historically, since small towns throughout the region have declined economically when younger people have left for more lucrative work elsewhere, the energy boom severely affects the elderly who remain. Lack of health facilities for the elderly in boomtowns poses a serious problem. Increased population owing to energy workers entering these communities frequently overtaxes existing medical facilities, making them overcrowded and expensive. Because the elderly require more health services than other segments of the population, they are adversely affected by difficulties in access to medical services and hospital admissions and by rising medical costs.26 In support of the view that medical services in boom areas are inadequate, Jack Gilmore of the Denver Research Institute reported that a study of Sweetwater County. Wyoming, found: "There was no question but that improved medical services was the number one priority, being mentioned as one of the top five problem areas by 85 percent of the residents countywide."27

Not only are there deficiencies in health services but those services that do exist are not properly utilized because social service organizations that could refer people who require medical care are similarly deficient.<sup>28</sup> Undoubtedly a large number of the elderly are simply not directed to available medical services.

Not only are there insufficient medical facilities in boomtowns, but nursing homes and other seniorcitizen facilities are also needed.<sup>29</sup> This need is intensified, since the elderly tend to suffer greater isolation and helplessness when large numbers of

<sup>&</sup>lt;sup>20</sup> Davidson, "Overview of the Boomtown Syndrome," p. 20; and Jane H. Lillydahl and Elizabeth W. Moen, "The Economic Position of Women and Their Employment Opportunities in Energy Boontowns," *Energy Resource Development*, pp. 67-70.

<sup>21</sup> Ibid.

<sup>&</sup>lt;sup>22</sup> Lillydahl and Moen, "The Economic Position of Women," p. 71.

<sup>&</sup>lt;sup>23</sup> Ibid., p. 70. <sup>24</sup> Ibid.

Davenport and Davenport, "The Wyoming Human Services Project,"

<sup>&</sup>lt;sup>26</sup> Jack Gillmore and Mary K. Duff, Boom Town Growth Management: A Case Study of Rock Springs-Green River, Wyoming (Boulder, Colo.: Westview Press, 1975), p. 116.

<sup>&</sup>lt;sup>27</sup> Ibid., p. 117.

<sup>&</sup>lt;sup>28</sup> Davenport and Davenport, "The Wyoming Human Services Project," p. 37.

<sup>&</sup>lt;sup>29</sup> Ibid., p. 36.

young people with different lifestyles invade the community as energy workers. These newcomers make the already meager services totally inadequate. The elderly are not only isolated, but frequently they find themselves without advocacy organizations that could secure necessary services.<sup>30</sup>

The elderly in boomtowns, as elsewhere, are often on fixed incomes from retirement benefits and, in most cases, find it impossible to adjust to the inflation accompanying boom growth. According to information from the Wyoming Human Services Project:

The superinflation created by the boom can have devastating effects upon the old. Many elderly, especially those on fixed incomes, are hit hard by the inflation in rents and prices. Renters may be forced to leave the community? Even home owners find it difficult to pay for the skyrocketing costs of repairs and maintenance. Low-rent or subsidized housing is not often found in most rural communities and has, in fact, often been resisted by conservative elements.<sup>31</sup>

A report from the Department of Housing and Urban Development (HUD) confirmed the trend toward skyrocketing housing prices in boomtowns when it stated: "Generally the prices of lots and houses double during the course of construction [of the resource development facilities], while rents for housing double or triple."<sup>32</sup> In Lark, Utah, entire towns consisting primarily of old people have been displaced because resource development companies used the sites on which their homes were built.<sup>33</sup>

Some corporations have attempted to deal with this shortage by building homes for their workers. In Wyoming, Atlantic Richfield Company (ARCO) and Ideal Basic Company have done this in an attempt to stabilize the work forces.<sup>34</sup>

The immigration of large numbers of people can frequently cause the elderly in a boom community to feel a loss of control over their lives. Donna Davidson made the observation that:

Seniors may feel the culture shock very severely. Seniors who have lived in a community or a region for most of their lives, in a certain style of life, suddenly see their world collapsing and

changing around them. People who built the community with their own hands and took pride in its permanence and quality suddenly hear that what they did was insufficient—it's not good enough anymore. Younger strangers make snide remarks about hick towns. The new residents in town are predominantly young people; seniors lose importance as resources are devoted to the needs of another age group. As the population grows, seniors become a smaller and smaller percentage of the people and they lose the strength of their voting power. For seniors. . .it can be a constant barrage of psychological insult as they and the old community they cherished are slowly but surely pushed into the background.35

This loss of power is accompanied by an increase in fear. In their declining years, the elderly are suddenly confronted with strangers. The HUD report confirmed this when it found that: "Most of the elderly have been in the community for a long time, and counted on a quiet retirement in a community they knew. With the rapid growth, the community is no longer quiet and may not be recognizable." Gay Holliday of Rural American Women adds that for the elderly: "Also, for maybe the first time in their lives, their lifestyles have changed because now they fear for their safety; they must now lock their homes and continually be on their guard." 37

Previously, the well-being of the elderly women was assured by the contact and influence they had in the community through the network of their relatives and friends. In a boom community any influence they might have had in the past may become diminished because the informal traditional networks disintegrate. Consequently, elderly people in boom communities frequently suffer from effects of social disorganization.

#### Minorities in Boomtowns

Little research has been done on the problems of minorities in boomtowns, partly because many of these communities are virtually devoid of minority persons. And while some boom communities have sizable Hispanic and Native American populations, few blacks as yet reside in small western towns.

<sup>30</sup> Davidson, "Overview of the Boomtown Syndrome," p. 21.

<sup>31</sup> Davenport and Davenport, "The Wyoming Human Services Project,"

<sup>&</sup>lt;sup>32</sup> U.S., Department of Housing and Urban Development, Office of Community Planning and Development, Rapid Growth from Energy Projects (1976), pp. 19-20 (hereafter cited as Rapid Growth).

<sup>33</sup> Hilda Grabner, transcript of the consultation in Denver, pp. 166-77.

<sup>&</sup>lt;sup>34</sup> Scott Moore, Ideal Basic Company, Denver, Colo., Robert Hutt, Atlantic Richfield Company, Denver, Colo., interviews, July 31, 1979.

Davidson, "Overview of the Boomtown Syndrome," p. 21.

<sup>38</sup> Rapid Growth, p. 25.

<sup>&</sup>lt;sup>37</sup> Holliday, "Effects of Energy Development," pp. 84-85.

Although it is tempting to surmise that minorities suffer on an aggravated scale the same fate as nonminority poor people caught in the boom experience, there is a serious dearth of data that could help to define and document their actual situation.

#### Indian Reservations

Residents of Indian reservations feel the impact from energy resource development upon both their cultural and physical environments. The infusion of large numbers of newcomers onto a reservation disrupts social and political structures among American Indians living there.38 A tribal survey on the Crow Reservation in Montana found that 60 percent of the Crow felt their way of life was distinctly different from that of the immigrants.39 Supporting this view, a report of the American Indian Policy Review Commission notes that a rapid and dramatic influx of people onto or near a reservation affects the area's air and water quality. 40 Quality and availability of transportation, sanitation, safety, and concomitant social services are also of concern when reservations experience population growth. Of the coal development plans for the Northern Cheyenne Reservation in Montana in the early 1970s, one observer remarked:

> They were going to industrialize that small area on a scale that is massive in any terms. If you put that kind of industrialization in the surroundings of Denver, it would be an immense impact. For example, there was one consideration in connection with the gasification facility to create a town of 30,000 people on the reservation. . . The Northern Chevenne Tribe at that time consisted of about 3,000 people. That's 10 times the number of non-Indians in a boomtown situation coming on the reservation. . . . You hear about increases of 4 percent being tolerable or 15 percent perhaps being tolerable; here we're talking about increases of 1,000 percent.41

Although Indian people have been or will be severely affected by energy resource development, sentiment among Native Americans toward such development varies. The Crow study found that:

38 Angela Russell, transcript of the consultation in Denver, p. 367.

39 Ibid.

42 Russell, transcript, p. 368.

Those favoring some development saw advantages in improved job markets and increased royalties to the tribe. Accordingly, those felt that they would take advantage of the job market if it were available and would seek employment in the mining, construction, and allied trades.42

Federal law currently provides for energy companies, should they be encouraged and so inclined, to give preference in newly created jobs on or near reservations to American Indians already living there. Title VII of the Civil Rights Act excludes from its prohibitions of discrimination in hiring:

any business or enterprise on or near an Indian reservation with respect to any publicly announced employment practice of such business or enterprise under which a preferential treatment is given to any individual because he is an Indian living on or near a reservation.43

Some tribes have developed training programs for tribal members desiring to take advantage of energy jobs. The Lignite Manpower Project is an example of such a program and is in operation on the five reservations in North Dakota (Fort Berthold, Devil's Lake, Turtle Mountain, Standing Rock, and Sisseton/Wahpeton). In 1 year this program placed 182 American Indians in construction and energy industry positions.44 Native Americans have objected, however, that in many energy projects on reservations Indians are relegated to menial positions while the higher paying jobs go to white employees. The Equal Opportunity Forum stated that: "Indians must take managerial control of energy development projects. It is not acceptable that most workers and virtually all upper-management personnel should be white, corporate-imported employees."45

Reservation lands have a large portion of the Nation's energy resources: oil and gas, uranium, coal, timber, and water. Tribes whose lands are rich in energy resources have not received consistent economic benefits from development of these resources. In addition, energy-rich tribes often have

Report on Reservation and Resource Development and Protection (1976), p.

<sup>&</sup>lt;sup>41</sup> James Boggs, transcript of the consultation in Denver, pp. 359-60.

<sup>43 42</sup> U.S.C. 2000e 2 (i).

<sup>&</sup>quot; Dwayne D. Ostenson, "Impact of Energy Development on Minorities and Indian People," Energy Resource Development, p. 209.

<sup>45</sup> U.S., Equal Employment Opportunity Commission, Equal Opportunity Forum (1979), p. 9 (hereafter cited as Forum).

been forced to make decisions on the basis of inadequate information and advice. For example, between 1965 and 1971 the Northern Cheyenne Tribe with the approval of the Bureau of Indian Affairs (BIA) entered into coal leases permitting strip mining on almost half the lands of the Northern Cheyenne Reservation. In late 1972 the wisdom of these leases became questionable. Earlier BIA advice appeared to be "inept" and "uninformed." The tribe eventually petitioned the Secretary of Interior to withdraw the Department's approval of these leases. The petition detailed a staggering array of law violations—principally by the BIA—incident to the. Northern Cheyenne coal sales."

After review of the leases, the Secretary did not grant or deny the petition, but reduced the coal companies' claims by approximately 85 percent, making exercise of the companies' remaining rights "economically infeasible." 50

The BIA and the Secretary of the Interior have been accused in other instances of failing to represent and to protect Indian tribes' royalties and resource leases. <sup>51</sup> John Redhouse of the American Indian Environmental Council stated: "We have suffered most of the costs and the impacts of this development, while the multi-national energy corporations have reaped the benefits and profits. We continue to live in poverty and dependency." <sup>52</sup>

50 Ibid., pp. 167, 172-74.

52 Forum, p. 7.

<sup>&</sup>lt;sup>46</sup> Steven H. Chestnut, "Coal Development on the Northern Cheyenne Reservation" *Energy Resource Development*, pp. 165-66.

<sup>&</sup>lt;sup>48</sup> Petition of the Northern Cheyenne Indian Tribe to Rogers C.B. Morton, Secretary of the Interior, Concerning Coal Leases and Permits on Their Reservation (Jan. 7, 1974).

<sup>49</sup> Chestnut, "Coal Development," p. 166.

<sup>&</sup>lt;sup>51</sup> American Indian Policy Review Commission, Report on Reservation and Resource Development and Protection (1976).

# 5. Jobs and Energy

Many leaders of minority groups believe that the most crucial issue in the Nation's energy dilemma is that of jobs. These and other leaders are concerned that the effects of government energy policy on the economy in general, and on minorities in particular, are negative. There is agreement that the policies our Nation pursues will greatly affect minorities. However, there seems to be little agreement concerning which minorities will be affected, what sorts of policies will cause the greatest negative effects, and what the correlations are between energy policy and employment.

Some black leaders have urged that the Nation seek out and develop conventional energy reserves so that the economy may continue to spiral upward and minority unemployment rates may be lowered. Clarke Watson of the American Association of Blacks in Energy stated: "The historical evidence. . .indicates that the closer the economy is operating at full capacity, the lower is the unemployment rate for blacks and the smaller is the differential between nonwhite and white employment rates." He continued:

The best way, it seems, for minorities to appreciate and benefit from the opportunities that can be derived from energy development is A) to make sure that development occurs, and B) to be prepared to take advantage of that development once it does occur.<sup>2</sup>

Economist Andrew Brimmer agreed with this position when he commented:

blacks ought to be supportive of a national energy program which puts more stress on increased production. . . Only if that is done is the economy likely to expand fast enough to create the job openings blacks—and the population generally—will need in the years ahead.<sup>3</sup>

Bayard Rustin, civil rights leader, and Benjamin Hooks of the National Association for the Advancement of Colored People have agreed with this view. Rustin has labeled those in opposition to energy development as: "self-righteous elitist neo-Malthusians who call for slow growth or no growth. The policies of these elitists would condemn the black underclass, the slum proletariat and the rural blacks to permanent poverty."

Rustin and others have found the environmentalist movement to be at fault for the slow pace of energy development, the economy, and the job market.<sup>5</sup> Regulations of the Environmental Protection Agency, lengthy impact statements, and the designation of wilderness areas have been viewed by some black leaders as too extreme. Watson said about Roadless Area Review and Evaluation II (RARE II) wilderness areas in the country:

Now, wilderness is fine; some wilderness is certainly desirable because it helps balance the ecosystem. But here we're talking about proposals of some 600 million acres. . . . You cannot have vast amounts of wilderness and at the same time develop the Nation's energy supply.6

<sup>&</sup>lt;sup>1</sup> Clarke Watson, transcript of consultation in Denver, pp. 64-65.

<sup>&</sup>lt;sup>2</sup> Ibid., p. 6

Andrew Brimmer, "Energy and Jobs," Black Enterprise, May 1978, p. 55.

<sup>4</sup> Time, Jan. 22, 1979, p. 62.

<sup>5</sup> Ibid.

Watson, transcript of the consultation, p. 68.

Blacks in favor of energy resource development seem to view environmentalists as coming from the white middle class and lacking in sensitivity to the economic needs of poor minorities. They believe that the restrictions on development do not jeopardize the economic position of these environmentalists but are decreasing the possibilities of jobs for the poor, who are disproportionately minority.

A key question in the issue of jobs and energy is: how many jobs will be created if resource development is pursued? The Department of Labor has estimated the numbers of jobs that will be directly attributable to energy resource development, but there is no estimate on jobs indirectly attributable to such development. Concerning jobs in energy, the Department of Labor forecast that:

Increased reliance on domestic energy sources, a policy with few opponents, will help boost employment in U.S. energy industries by more than 200,000 persons each year between now and 1981. . . .

New and expanded coal production will create approximately 25,000 new jobs per year. Power plant construction, which includes nuclear, fossil fueled, and hydroelectric plants, will generate about 150,000 work-years of employment each year. Altogether, the remaining U.S. energy industries will create a total of 50,000 jobs yearly over the 1978–81 period.8

A basic assumption of the prodevelopment position is that expansion of the economy is dependent upon increases in the domestic supply of energy. Not all analysts agree with this position, however; for example, Leonard Rodberg of the Public Resource Center commented:

Our overall conclusion is that high levels of employment are possible without a continuation of past increases in energy consumption. In fact, the attainment of higher levels of employment would be facilitated by a slowdown in energy growth. This can be accomplished initially through the introduction of a broad range of currently feasible conservation measures which will simultaneously cut energy consumption and create new jobs.<sup>9</sup>

A recent study by Rodberg estimated that 3 million jobs would be gained for the economy if solar equipment is installed on a large scale and Americans invest in a wide range of conservation equipment. This is equivalent to 270,000 new jobs per year until the year 1990.<sup>10</sup>

Aside from the concern over numbers of jobs various energy policies will produce, types of jobs created are also of concern. Melvin Humphrey, Research Director of the Equal Employment Opportunity Commission (EEOC), thinks that the enlargement of conventional resource production will do little to improve the employment situation of minorities or women. He says: "Seventy-nine percent of the workers in oil and gas extraction are white males, as are 79 percent in electric services, 72 percent in gas production and distribution, and 94 percent in coal production."11 Cose comments that energy industries have not been effective in implementing affirmative action programs.12 The preponderance of EEOC discrimination complaints for Region VIII is against mining and drilling companies. Many of these complaints are filed by women. 13

According to the regulations of the Office of Federal Contract Compliance Programs (OFCCP), all companies receiving Federal funds on specified contracts must meet affirmative action guidelines.14 Past and present compliance with equal opportunity laws is taken into account in awarding a clearance on these contracts. Once a contract involving Federal funds is in effect, OFCCP is responsible for monitoring the contractor's progress towards affirmative action goals. Compliance is determined by comparing the number of women and minorities in the company's work force with the "recruiting area." Recruiting area has been variously defined but generally means the entire Nation in the case of technical and professional level jobs and commuting distance to the job site in the case of nonskilled positions.15

Allyn Lochner, former director of the South Dakota Department of Environmental Protection, believes that minorities in South Dakota will benefit very little from the development of natural re-

<sup>7</sup> Time, Jan. 22, 1979, p. 62.

<sup>&</sup>lt;sup>a</sup> Willis J. Nordlund and John Mumford, "Estimating Employment Potential in the U.S. Energy Industries," U.S. Department of Labor, Bureau of Labor Statistics, Monthly Labor Review, May 1978, p. 10 (hereafter cited as Monthly Labor Review).

Leonard S. Rodberg, "Energy and Jobs: The Case for Care," in *Energy and Equity: Some Social Concerns*, (Washington, D.C.: Joint Center for Political Studies, 1978), p. 24.

<sup>&</sup>lt;sup>10</sup> Salt Lake Tribune, Mar. 18, 1979, p. 21.

<sup>&</sup>lt;sup>11</sup> Transcript of consultation in Denver, pp. 48-49.

<sup>&</sup>lt;sup>12</sup> Ibid., p. 48.

<sup>&</sup>lt;sup>13</sup> Equal Employment Opportunity Commission, Region VIII, telephone interview, June 7, 1979.

<sup>14 41</sup> C.F.R. 60 et seq. (1978).

<sup>&</sup>lt;sup>15</sup> Floyd Martinez, Office of Federal Contract Compliance, Region VIII, Denver, Colo., telephone interview, Aug. 7, 1979.

sources in the State because they will not have the skills energy companies require. 16 Cose cites figures which indicate that there currently are few minorities or women trained in the technical skills energy companies demand.

Of all those who are in undergraduate engineering programs, Hispanics make up something less than 3 percent. The percentage of science and engineering doctorates awarded to Hispanics is well under 1 percent, and the figures for Blacks are comparable, nationally a reflection of the fact that only 40 percent of Hispanics have completed high school, and 46 percent of the Blacks compared to six percent of the whites.<sup>17</sup>

Persons in favor of increased production of conventional energy sources recognize that minorities and women do not currently have technical skills that the oil, gas, and mining industries desire, but Watson stated:

we're going to try to get kids to pursue those kinds of disciplines because we recognize that soft path theorists and technologists sound very good and they're philosophically soothing, but the realities are that machines still run on fossil fuels. Most of our energy needs are going to have to be impacted and addressed by fossil fuels, at least through the end of the twentieth century.<sup>18</sup>

But so far little training for minorities and women is being conducted. One equal employment officer with a major oil firm stated that he did not know of any training program by any oil firm for women and minorities.<sup>19</sup>

The nontechnical jobs associated with resource development, such as construction, have not been traditionally available to women or minorities. For instance, Humphrey points out that minorities comprise only 10 percent of all jobs in the oil and gas industries. Data from the Department of Labor support the contention that minorities will gain few jobs from conventional resource development. The Department of Labor stated:

The energy sector in the United States employs some 4 million workers. Bureau of Labor

Statistics projections suggest that the energy sector (excluding power plant construction and coal mining) will increase by about 16 percent between 1976 and 1985. This translates into about 50,000 net new jobs per year. Many of these jobs are in the highly skilled craft areas, requiring apprenticeship or other specialized training.<sup>21</sup>

The Labor Department stated another significant fact when it said:

In absolute numbers of jobs, power plant construction will provide the most new opportunities during the next few years. However, based upon current investment plans and programs, it is important to note that the high rates of unemployment in the construction industry promise an already available labor supply for most new employment opportunities. Certain occupations, of course, may experience shortages; but, in the aggregate, a large portion of new job openings could be filled by the unemployed. This is particularly true in terms of the basic trades in or near urban areas.<sup>22</sup>

The core of the above statement is that newly created jobs will be filled by persons already trained and experienced in the construction trades. Women and minorities are not well represented in such trades.<sup>23</sup>

Development of alternate energy sources seems likely to pose similar employment problems for women and minorities. Rodberg pointed out:

The skills required will be similar to those required for conventional construction projects and heating system installation. Work will be provided for sheet metal workers, carpenters, plumbers, pipe-fitters, construction workers and production line workers of all kinds.<sup>24</sup>

Without improved accessibility to these construction trades, alternate energy growth may not offer many job opportunities to minorities and women.

It seems evident that expectations of minorities and women for great numbers of jobs resulting from energy resource development may be unrealistic. Since much of the development will take place in rural areas where there are few minorities, accessibility to employment by minorities is limited. While

<sup>&</sup>lt;sup>10</sup> Allyn Lockner, director, South Dakota Department of Natural Resources, telephone interview, June 7, 1979.

<sup>&</sup>lt;sup>17</sup> Ellis Cose, transcript of the consultation, p. 51.

<sup>Watson, transcript of the consultation, pp. 66-67.
Patrick Walsh, EEO officer, Phillips Oil Company, Denver, Colo., telephone interview, June 8, 1979.</sup> 

<sup>20</sup> Humphrey, Energy and Equity, p. 69.

<sup>21</sup> Monthly Labor Review, p. 10.

<sup>&</sup>lt;sup>22</sup> Ibid., p. 11.

<sup>23</sup> Ibid.

<sup>24</sup> Salt Lake Tribune, Mar. 18, 1979, p. 21.

large percentages of minorities and women in major cities remain untrained, white-collar, energy-related jobs in those cities will go to whites.

Examination of occupation projections for the States of the Rocky Mountain region reveals that construction and mining trades are growing considerably. In Wyoming, construction jobs will increase from approximately 20,000 in 1974 almost 39,000 in 1985, a growth of 91 percent. Mining-related occupations in Wyoming will increase from 16,000 in 1974 to almost 37,000 in 1975, a rise of 130 percent. By 1985 Colorado will experience an increase of 32 percent in construction and 39 percent in mining jobs. In both States these construction and mining-related occupations are viewed as the fastest growing. Other States in the region do not anticipate such a dramatic employment upswing. 26

Employment projections for each of the States of Region VIII indicate that the number of farmworkers in the region is expected to decrease. In Wyoming, for example, farm-related jobs are predicted to decrease by 38 percent by 1985.27 This decline in farmwork may be further stimulated if resource development in the area reaches large proportions. Harris Sherman, director of the Colorado Department of Natural Resources, believes that the energy program proposed by President Carter in National Energy Policy II (NEP-II) will not affect agriculture in Colorado, but if the industry becomes any

bigger than what is proposed in NEP-II, agriculture will suffer. This will occur, he says, for many reasons, two of which are that farmworkers will take more lucrative, energy-related jobs and energy corporations will buy up agricultural water rights. Great amounts of water are needed for the development of oil shale and other energy resources, and agricultural water tends to be the cheapest available.<sup>28</sup>

Many of the farmworkers in Region VIII are Hispanic. Their marginal positions in the agricultural industry tend to indicate that they will experience a severe effect, yet at this point little is known about their situation.

Burman Lorenson of the Federal Regional Council of Region VIII believes that if the unions seriously pushed for equality, the labor statistics would reflect it.<sup>29</sup> Most of the energy-related jobs are unionized. Unions also deal with apprenticeship and training programs. Most apprenticeship programs are controlled by boards composed of union and industry representatives. Charles Carleson of the Bureau of Apprenticeship Standards of the Department of Labor believes that the numbers of minorities and women at the journeyman level of employment will improve in coming years as affirmative action guidelines currently applied take effect in construction fields.<sup>30</sup>

Department of Employment Security, *Utah Occupational Employment Projections* 1976–1985 (Salt Lake City, Utah: June 1978).

<sup>&</sup>lt;sup>25</sup> Colorado Department of Labor and Employment, Colorado Employment Projections, 1974-1985 (Denver, Colo: 1977), p. 18 (hereafter cited as Colorado Employment).

<sup>26</sup> Ibid.

<sup>&</sup>lt;sup>27</sup> Montana Department of Labor and Industry, Montana Employment and Labor Force (Helena, Mont.: June 1978); North Dakota Employment Security Bureau, The Mining Industry in North Dakota (Bismarck, N.D.: November 1977); South Dakota Department of Labor, South Dakota Employment Projections to 1985 (Aberdeen, S.Dak.: December 1976); Utah

<sup>&</sup>lt;sup>20</sup> Harris Sherman, director, Colorado Department of Natural Resources, telephone interview in Denver, Aug. 9, 1979.

<sup>&</sup>lt;sup>20</sup> Burman Lorenson, director, Federal Regional Council, Region VIII, interview in Denver, Nov. 18, 1978.

<sup>&</sup>lt;sup>30</sup> Charles Carleson, Director, Bureau of Apprenticeship Standards, U.S. Dept. of Labor, telephone interview in Denver, June 5, 1979.

# 6. Conclusion, Findings, and Recommendations

American women and minority populations are seriously affected by the Nation's current energy dilemma. Economic and social gains made by them over the last two decades may well be severely eroded by increasing economic disparities caused by escalating costs of energy and energy-related products and services. Many minorities, disadvantaged women, and elderly persons cannot afford essential energy. While persons with larger incomes may find high energy costs annoying, the burden of the energy crisis has settled upon the shoulders of the poor. They are being forced by those costs to live with less fuel. Deregulation of natural gas and oil prices will have further negative effects upon women and minorities. Subsidization of energy costs for those on fixed incomes is clearly inadequate and is not universal in its scope.

In the Rocky Mountain States, where much of the Nation's energy development is taking place, impoverished women, minorities, and the elderly are suffering not only economic but also social effects from the energy crisis. American Indians, who could derive great benefit from energy development, have yet to realize that benefit. High inflation rates in heavily populated areas such as Denver, Colorado (one of the major energy centers), make competition for scarce resources such as housing difficult for impoverished women, minorities, and the elderly.

Although deregulation of fuel prices may aid in energy conservation by elevating the costs of energy, it will also increase the economic disparities between the poor and other segments of the Nation's population. Since minorities and women already are the largest segment of the Nation's poor, the

economic disparities caused by deregulation of oil prices will cast doubt upon the Nation's commitment to equity. Principles of equality and justice for all may well be compromised if the Nation attempts to address energy needs without regard for humanitarian concerns. Federal, State, and local attention to social problems precipitated by the country's energy needs is also essential before irreparable damage is done to a large segment of the Nation's population.

Based on their investigation, the six Advisory Committees to the U.S. Commission on Civil Rights for the Rocky Mountain region set forth the following findings and make recommendations concerning women, minorities, the handicapped, and the elderly.

## Research into Energy Usage Patterns

#### Finding 1

The effects of energy policy upon women, minorities, the handicapped, and the elderly have yet to be comprehensively surveyed. It is recognized that usage patterns for energy differ with various segments of the population. How these patterns differ is not well understood. Variations in different factors such as sector of the country and income, cultural lifestyles, and needs must be better understood if national energy policies are to be both equitable and effective in making optimum use of energy. How disadvantaged women, minorities, and disproportionately poor groups are seeking to cope with the rising costs of energy also needs to be investigated.

#### Recommendations

Congress should amend the National Energy Conservation Policy Act to include in the Office of Minority Economic Impact expanded research and monitoring jurisdiction to study the effects of national energy policy on women, the handicapped, and the elderly.

The Office of Minority Economic Impact, U.S. Department of Energy, should create a civil rights desk to carry out the research and information clearinghouse functions of the office and to monitor the effects of existing energy legislation and policy upon minorities.

The U.S. Department of Energy, as a part of the socioeconomic study of effects of rapid energy development mandated by Title VII of the Powerplant and Industrial Fuel Act of 1978, should make every attempt to include in its interagency discussions appropriate Federal, State, and local agencies in Region VIII.

## **National Energy Policy I Incentives**

#### Finding 2

Disadvantaged women, minorities, and those on fixed incomes often cannot respond to the incentives of current energy policy. These groups may lack necessary capital reserves to enable them to convert to alternate forms of energy or to install energy-conservation devices. Existing weatherization programs provide some aid for low-income households; however, the energy dollars saved for these households by weatherization are seriously eroded by constant increases in energy costs.

#### Recommendation

Congress should amend section 232 of the National Energy Conservation Policy Act creating weatherization grants to or for the benefit of low-income persons to include specifically solar or renewable energy systems and should increase the appropriation to allow for expenditures of this kind.

## **Women and Minority Renters**

#### Finding 3

Many female- and minority-headed households live in rental housing. A significant number of these dwellings lack insulation or are poorly insulated. Renters have little control over the installation of energy-saving devices.

#### Recommendation

Congress should fund section 232 of the National Energy Conservation Policy Act, establishing weatherization grants, with a requirement that a minimum percentage of the appropriation, an amount in line with the number of low-income persons in rental housing, be spent on weatherization of rental housing for the benefit of low-income tenants.

### **Block Rate Pricing Structures**

#### Finding 4

The problems faced by impoverished persons, disproportionately minority, female, or elderly, in obtaining a subsistence amount of energy at an affordable price are acute. Pricing structures in use by many utility companies result in higher rates per unit of energy to those who traditionally use the least amount of energy. Lifeline rates are one possible means of alleviating some of the burden placed on the poor.

#### Recommendations

The Governors of each of the States in Region VIII should request their public utilities commissions to modify rate structures and to seek ways of alleviating the problems faced by impoverished persons in obtaining a subsistence level of energy. The legislatures of the several States should be urged to enact legislation authorizing lifeline rates as a possible option.

The Governors of each State in Region VIII should strongly encourage their public utility commissions to enforce the Federal standards for rate structures set out in the Public Utilities Regulatory Act of 1978 and to adopt the Economic Regulatory Administration's voluntary guidelines for termination of electric or gas services.

#### Finding 5

In many respects the elderly poor have been the most dramatically affected by the energy crisis because an ever-increasing portion of their income is being consumed by energy costs. The elderly also have special needs for home heating, since they frequently suffer from accidental hypothermia.

#### Recommendation

The principal regional official of the U.S. Department of Health, Education, and Welfare for Region

VIII should with all due speed request offices within the Department of Health, Education, and Welfare and other governmental agencies in the region who deal with the elderly to conduct workshops and seminars on the problems of the aged created by the Nation's energy dilemma. The reports of these workshops and seminars should serve as a basis for development of policy on both regional and national levels to alleviate the energy problems of the elderly and should be included in the interagency socioeconomic study made pursuant to Title VII of the Powerplant and Industrial Fuel Use Act of 1978.

#### Women in Boomtowns

#### Finding 6

Boomtowns created by energy development in the Intermountain West often foster negative effects upon women residing in them. Women battery, drug abuse, psychological problems, child abuse, loss of social support systems, and lack of child-care facilities are chronic problems faced by women in boom communities.

#### Recommendations

Congress should amend Assistance to Areas Impacted by Increased Coal or Uranium Production, Title VI of the Powerplant and Industrial Fuel Act of 1978, to ensure that a percentage of Federal funds are spent on social service projects such as mental health units or day care centers.

The Law Enforcement Assistance Administration and the Drug Enforcement Administration of the Department of Justice and the Alcohol, Drug Abuse, and Mental Health Administration of the Department of Health, Education, and Welfare should survey the needs of boomtowns and develop plans and programs specifically directed toward reducing law enforcement and alcohol, drug, and physical abuse problems in these communities.

## The Elderly in Boomtowns

#### Finding 7

The elderly in boomtowns are severely affected by inflation, breakdown of social networks, and general inability to deal with the rapidly changing circumstances of boomtown life. Needed medical and social services are difficult for the elderly to obtain, since increases in population frequently overtax available community services. These senior citizens often lack structured help in coping with social and economic problems.

#### Recommendation

The Office of Human Development in the U.S. Department of Health, Education, and Welfare should identify and publish names of agencies in or near boomtown areas equipped with or capable of developing integrated programs of services for senior citizens. The Office of Human Development should aid these agencies in setting up comprehensive programs of assistance to the elderly in boomtowns and should coordinate with other Federal, State, and local agencies in Region VIII.

## Impacts on Indian Reservations

#### Finding 8

Indian reservations in Region VIII are sites of considerable energy resource development. Many Native American people feel that their traditions and cultures are in danger of permanent disruption by the influx of large numbers of non-Indians onto reservation lands.

#### Recommendation

The U.S. Department of the Interior should fund tribal organizations in Region VIII to assess the social and cultural effects of resource development on their land. Such assessment should be required before new energy projects are initiated on or near reservation areas.

## **Job Opportunities**

#### Finding 9

Many women, minorities, and handicapped will not share in the benefits others in Region VIII will enjoy as a result of energy resource development. Lack of training and specialized skills, as well as the fact that many reside in urban areas rather than in boom communities, results in many women, handicapped, and minority persons being excluded from energy-related opportunities.

#### Recommendation

The U.S. Bureau of the Census should collect data in Region VIII regarding displacement, migration, and categories of jobs held by minorities, the handicapped, and women. The U.S. Department of Labor should survey employment needs of energy-related companies in Region VIII to determine what

skills should be developed by women, handicapped, and minorities and where these skills might be employed. Special emphasis should be given by the Department to training programs in these skill areas.

The Equal Employment Opportunity Commission and the Office of Federal Contract Compliance Programs, in consultation with the U.S. Commission on Civil Rights, should initiate conferences at which handicapped, minority, and women leaders, energy industry managers, and representatives of technical training institutions can determine the best ways women, handicapped, and minorities can be recruit-

ed, trained, relocated if necessary, and hired for energy-related jobs.

The Office of Federal Contract Compliance Programs should establish affirmative action in Region VIII energy-related corporations as a major priority.

The Commissioners of the U.S. Commission on Civil Rights should request of the President a public statement that energy companies receiving Federal monies will be closely scrutinized in their efforts to train and hire women, handicapped, and minorities in order to assure that these groups share equally in the opportunities development of energy resources will bring.

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