

**Remarks of Commissioner John A Bohn  
Before the  
San Diego Chapter of the  
Elite Service-Disabled Veteran-Owned Businesses (SDVOB)  
5<sup>th</sup> Annual Veteran's Day Award Dinner  
Aboard the USS Midway  
November 6 2009**

***“A SENSE OF COUNTRY”***

***Introduction***

Good evening. I would first like to thank Admiral Kamensky for his kind introduction, and the Elite Service Disabled Veterans Owned Business organization for letting me share part of your special evening tonight in the historical space. I am truly honored to be here with you tonight. It is an energizing experience to be in the presence of men and women who have demonstrated commitment to ideals beyond self, who remind us daily of American values and principles:

- Citizen responsibility;
- The rule of law;
- Fairness;
- Equal opportunity;
- Honor, and the price of our American Democracy;
- People who have shown their willingness to commit their lives to the greater interests of this nation.

Let me reflect with you briefly on some of my concerns. America is going through difficult times. Its citizens are confused. Our financial system is in a shambles. Our politics are shrill, divisive, and self-centered. Much of our so-called leadership panders only to the moment. Somehow, along the way, we seem to have lost our sense of country.

Militarily we are engaged in two wars, of uncertain duration and often unclear purpose against an ideology that rejects the very foundation of western civilization. Political boundaries are everyday less relevant in the face of failed states, tribal loyalties, religious passions, and economic privation. And it is “we the people” who must pick up the pieces after a massive failure of government regulation driven by the overwhelming arrogance, greed and excess, of some of our fellow citizens who put self first above all.

Joblessness is up over 10-percent nationally, over 12-percent in California. Some of our major corporations lie in ruins, skeletal remnants of a proud and productive history. Storied enterprises no longer exist in recognizable form. A single Chinese company produces 50% of all of the batteries in all of the cell phones we use. On the whims of an Italian car company, the futures of icons like Jeep depend. Virtually all of your electronics come from the Far East, and the most successful car companies are headquartered in Japan.

Your government has failed you, and it has failed our country. And, if truth be told, our entire free enterprise system is under attack from around the world. I have spent many years in developing countries, among peoples who yearned passionately for American institutions that could deliver them from a lifetime of poverty. Yet today, among those same people there is serious question whether our economic model has failed, to be hustled off the stage and replaced by China. And there are a lot of people out there who wish us ill and want America to fail.

So I am here tonight to make a deal – to engage you in yet another struggle, to re-awaken this state and this nation to its purpose. America no longer can lead if we no longer believe in ourselves. And we desperately need the kind of leadership you can provide. I want to excite you, who have demonstrated commitment to American values, to bring us back to those values and to that confidence in those principles which have contributed so much to make this a better world. I want you to remind us all who we were, and who we are!

### ***Starting at the State Level***

Tonight, I want to talk briefly about how we can work together for our mutual benefit. The California Public Utilities Commission is committed to do what it can to help you succeed in your post-military careers and to participate in driving the economic growth of this state and this country. I believe the utilities are likewise committed. And I believe California is committed. But the economic landscape is changing rapidly under our feet, and we need to change with it. Your businesses need to be nimble, creative, flexible, and you need to persevere.

Even though we remain mired in recession – and don't let the current good news fool you – there are opportunities out there as we emerge into the new “green economy”.

### ***The Economy***

Whatever you think of the Federal leadership, a stimulus package of some sort was needed, is beginning to work, and probably helped to stem the economic decline. Some of those funds are specifically targeted toward helping veterans and small business.

California, however, will continue to struggle with the economic and social consequences of a weak economy, government mismanagement, an unstable financial system, and

high unemployment. And while your government worries about elections, you worry about making ends meet, payments coming due, holding families together, meeting payrolls, and keeping your home.

I imagine many of you do not feel very optimistic right now. The unemployment rate in California is currently at 11.6-percent, more than two percentage points above the national average. We have lost 766,300 jobs in California in the past year, 5.1-percent of our total. Nationally, the unemployment rate among veterans is two percentage points higher than the average. About 185,000 Iraq and Afghanistan veterans are out of work, just 9,000 fewer than the number currently deployed to those two areas.

In spite of this discouraging news, there are some bright spots on the horizon:

- Community colleges are developing and offering new educational opportunities related specifically to the green economy;
- On-line learning opportunities have never been more robust; and
- Information is everywhere that can help you research jobs, qualifications, or find resources to start new businesses.

I encourage you to take advantage of the utilities knowledge and resources as you look for business opportunities. If you are unsuccessful in securing a contract, call up the procurement representative and find out what your weaknesses were and how you can improve your business planning and strategies. Ask for information about professional training services and technical assistance to potential and existing small businesses – you will be surprised to learn about all of the programs companies provide to the small business community, many of them free of charge.

Be aware of what sectors have lost the most jobs. The areas hardest hit by the recession have been construction, manufacturing, and information services. The areas with the lowest percentage of job loss are agriculture, government, education and health services, and leisure and hospitality. In terms of number of jobs, the largest sectors in California are trade, transportation, government, and professional & business services. Utilities, especially, are and growth industry and can always benefit from the leadership, training and experience of people like you.

### *The State Is In This with You*

California's Department of General Services, runs the State's Small Business and Disabled Veteran Business Enterprise (DVBE) Certification Programs. State agencies have a goal of awarding at least 25-percent of total overall annual state contracting dollars to small businesses, and there is a goal of three-percent for DVBE certified companies. The Small Business Certification also entitles the certified business to a five-percent bid preference on certain state contracts. I am working to deliver a less cumbersome system at the PUC. We do listen!

- In addition to the Small Business and DVBE certification programs, the Commission runs a program to promote utility procurement from groups such as you.
- The CPUC recently published a report on the 2008 utility procurement from WMDVBEs. The large utilities spent \$66.1 million on DVBE procurement, which represents approximately 0.26-percent of the utilities' overall procurement. While this is a lot of money, this number clearly falls short of our goal of 1.5-percent procurement from DVBEs. The small utilities likewise fell short; they spent \$363,778 on DVBE procurement, which represents a mere 0.04-percent of their total procurement. The Commission itself spent \$1.01 million in DVBE

procurement, which is 2.29-percent of its overall procurement budget. The bottom line is we – the utilities and the State – all need to do much better.

- Under AB 31, approved by the Governor on October 11, 2009, the maximum amount a State agency may award for a contract without complying with competitive bidding requirements is increased from \$100,000 to \$250,000. This legislation should further encourage State agencies, such as the CPUC, to procure with small businesses and DVBEs. I am personally committed to increasing the CPUC's procurement with small businesses and DVBEs by highlighting this new legislation; in fact, I am already scheduled to meet with the directors of each of our agencies' divisions to discuss this issue.

### ***What's So Good About Climate Change?***

Climate change and energy and resource usage discussions underlie both the problem we face and the opportunity. It will change the relationship between the state and the federal government. It will change economic models and ways of doing business, sources of financing, connect public debate in ways not seen before such as water and energy, and incentives – and restrictions on how we conduct our economic activity.

The area of climate change is a key opportunity of the future. California is working hard to secure cleaner, more reliable sources of energy. That means different jobs and new jobs, growing demand for skills and training. It means growth and with it higher pay and new horizons. While climate change is a global problem, California has made a clear commitment to finding solutions at the local and state level.

California has placed a bet, I think a very smart one, that renewable, sustainable energy is the key to a bright future and that by jump-starting sustainable energy practices, we can create a new

green economy in California that will develop new clean green energy technologies that will become cost effective and that will be able to effectively compete with traditional energy resources, and jobs to go with it.

So be sure to look around. There are many other training opportunities around you to prepare for the new economy. For example, here is a whole new industry in the area of re-cycling. The Oakland Green Jobs Corps is a job-training and employment pipeline providing in the areas of energy efficiency, green construction and solar. There is also the California Green Jobs Corps, a state-sponsored pilot program.

Last September, the Governor signed into law The Green Collar Jobs Act, which established the Green Collar Jobs Council. This Council is working with leaders in education, workforce development and business throughout the State to ensure that California is on the leading edge of the new green economy and able to meet the job demand it brings.

California has been the beneficiary of six U.S. Department of Labor grants intended to assist California Community Colleges with various job training programs, including the fields of nanotechnology, energy, transportation and construction. The U.S. Department of Labor has also given \$500 million in grants to fund projects that prepare workers for green energy jobs in the energy efficiency and renewable energy industries. And the California Association of Veterans Service Agencies (CAVSA) is working with LINK AMERICAS Foundation to implement an information and communications technologies (ICT) statewide program in online digital literacy training and certification for unemployed and returning veterans.

I urge you all to find a way to benefit economically from the development of potential new renewable resources that may be in your area. The leadership and experience you bring to business is invaluable. Look for training opportunities in these new green

technologies. Check your local community colleges and see if they are offering classes that offer training in the green tech field; if they don't offer classes, ask them to start offering such classes.

### ***Where is the Stimulus Money?***

Under the Stimulus package, ARRA will provide \$787 billion of economic investment nationally. Most of these dollars are only now beginning to be deployed. These funds are being disbursed by cities, state agencies, by utilities, by companies undertaking projects that will produce jobs.

The Small Business Administration will play a key role in the recovery. The ARRA bill provides funding to the Small Business Administration and provides small businesses with beneficial tax benefits; access to capital; and, specific tools to drive economic recovery. It will take some time for the SBA to make changes and create new programs, but you should all be looking out for new opportunities that the SBA financing program will provide.

Here are some of the programs that will receive ARRA funds:

- \$650 million for competitive job training grants for “high growth and emerging industry sectors,” including \$500 million for jobs related to energy efficiency and renewal.
- \$4.5 billion is provided for grants to implement “smart grid” technologies.
- \$7.2 billion for broadband grant and loan programs
- \$300 million for DOE funding assistance for energy efficient consumer appliance rebate programs.

### ***Conclusion – Now, Here's the Deal!***

California's green energy policies have provided new opportunities for small businesses, particularly DVBEs. But not

enough and it takes too long. I recognize that we have a long way to go. The green revolution is here and now, and it will drive how we think and act and work and play for the next decades. It's today's dot-com opportunity and I believe it will continue. With the ideas, initiatives, and efforts of the Commission, the utilities and the State, and your engagement and inspiration, I think we will get back on track. The CPUC, the utilities and the State are committed. I invite you all to join in our transformation and help us develop California's emerging green technology sector to help advance your careers by restoring growth in California's economy. And here's the deal: I commit our agency to improving its procurement efforts with DVBEs. I also commit to work with the utilities to find new innovative ways to increase DVBE procurement; clearly the status quo isn't working. I commit our agency to listening and to working with you, including tackling the rule changes that your own Bob Mulz has brought to our attention.

But in the broader context, I ask you to help remind our political and economic leadership of a sense of country. To regain our strength we need to believe in American's values and our principles, in our system of government, and in our institutions. We have created and defended the most envied political system in the world, providing freedom and inspiration to an often disheartened globe, and built the most successful economic system the world has ever known, which has benefitted more people than any system in history. We must now refocus ourselves with a sense of confidence, a sense of the future, and, most importantly, with a sense of country.

Thank you again for letting me share this evening with you.