



Diversifying Energy Executive Director Linda Woodley's Statement on PCEF Heat Hazard Response Grant Award

December 30, 2021

Approved by taxpayers in 2018, the [Portland Clean Energy Fund \(PCEF\)](#) was created to serve as a vehicle to advance racial and social justice in Portland's Black, Indigenous, and People of Color (BIPOC) communities. PCEF presents an incredible opportunity for the City of Portland to mitigate the effects of climate change in vulnerable communities by funding organizations that address the climate crisis. Unfortunately, since its inception, PCEF has been the target of extreme criticism and negative commentary from fiscal, racial, and/or politically motivated opponents and detractors throughout the city and nation. It should come as no surprise that as an early PCEF proponent I would be targeted.

The nonprofit where I serve as the Executive Director, Diversifying Energy, has also been targeted. As such, I'm obliged to refute the unsubstantiated allegations and hearsay brought against me by *The Oregonian* in order to continue Diversifying Energy's moral obligation to facilitate equitable access to clean, sustainable energy and improve air quality to vulnerable populations, including low-income communities and people of color. I will not allow the news media, my opponents, or even my own past history distract me from this mission.

This summer's [extreme heat waves](#) resulted in a loss of life for almost 100 Oregonians. In response, PCEF issued a request for proposals to select an organization to procure and distribute cooling equipment to vulnerable populations within the City of Portland. The goal of this program is to distribute 15,000 cooling units to households in an effort to avoid a recurrence of a similar heat hazard event. Diversifying Energy, with support of three partner companies, was selected for this role through a competitive process and was awarded a \$11.5 million* dollar grant by PCEF to manage the program.

When the PCEF grant award was first announced, I naively thought that the main focus on this program would be the life-saving benefits it brings to the community. However, *The Oregonian* dug into my past and published an article that not only mischaracterized the circumstances surrounding both my financial and tax history but also raised doubt about my references and qualifications. As intended with this attack on my character, my reputation and credibility have been torn to shreds in my community.

As a result of the allegations made in *The Oregonian*, PCEF has announced their intent to retract their committee approval of Diversifying Energy's grant application. In an affront to its charter, PCEF is choosing to award the grant to an organization that is 85% white and does not have the

same grounding in the communities we desperately need to serve. In announcing their intent to withdraw the grant from Diversifying Energy, PCEF stated that “there remain concerning inconsistencies that call into question Diversifying Energy’s ability to deliver on the awarded grant for the Equipment Purchasing Partner role in the PCEF Heat Response Program”. Bowing to pressure from *The Oregonian* article, this statement is an unfounded mischaracterization of both the facts and our capabilities.

To illustrate: earlier in 2021, during the first round of PCEF grants, Diversifying Energy was awarded a \$198,000 implementation grant to improve indoor air quality at community buildings in low-income neighborhoods. Through successful partnerships with the University of Oregon, Burch Energy Services and our community partners (recipients of facility upgrades) we continue to demonstrate our competence, responsible stewardship of grant funds and our ability to meet expectations of our clients and requirements of the grant. Diversifying Energy has received positive feedback from PCEF regarding our progress.

Regarding the past, it should be noted that *The Oregonian* surfaced newspaper articles published over 25 years ago to find allegations that had been made about me during that time. I am not proud of the mistakes I’ve made in the past, and I have never lied about my history. Furthermore, the mistakes I made two decades ago have no bearing on Diversify Energy’s ability to effectively and efficiently implement a project of this scope. I have long since taken responsibility for the actions that led to my convictions and the tax liens that were filed against me. To be clear: my past mistakes do nothing to diminish my ability to lead and execute this work, and may in fact enhance my ability to affect change in PCEF’s target communities. I’ve worked hard to put my mistakes behind me. I feel that it is important to tell my story so the community understands that people can overcome their past and do good things.

My Story

In 1991, I was the majority stockholder in a small energy company, Pacific Western, in San Francisco. Our firm purchased and resold natural gas from firms such as Texaco, Arco and Enron. It was not uncommon to purchase natural gas on the futures market during these days. As a result of market fluctuations and poor investment strategies, we experienced significant losses. Over my objections, the Pacific Western Board of Directors voted to file corporate bankruptcy. During the Pacific Western bankruptcy filing, it was alleged that I had received over \$800,000 from the company without paying the taxes. Consequently, I was charged with bankruptcy fraud because the funds were received before the corporate bankruptcy filing, creating a situation where it looked like I was attempting to evade paying income taxes. My conviction did not stem from defrauding energy companies and pocketing the money as stated in the media.

In 1997, I was sentenced to a three-year prison sentence and two years of probation. After being released from prison in 2001, I served several months of probation before I returned to prison for purchasing a house, which was in violation of the terms of my probation. Counter to statements made in *The Oregonian*, I was not sent back to prison for numerous lies to my probation officer.

The Oregonian has also chosen to mischaracterize the circumstances surrounding the tax liens filed against me. Contrary to their news story, I have not had multiple or repetitive tax issues. A single tax lien was filed in California, Oregon, and Washington for my 1991 tax year relating to the circumstances of the bankruptcy issue described above. This same lien was filed in three different states because I had lived in each of these states during this time period. These tax liens have since been resolved. However, in 2021, California refiled the 1991 tax lien against me. This is not a new lien and I am once again working to have this unjustified tax lien removed.

As you can imagine, after time in prison, and my continuing efforts to make payment for the related tax bill, money was tight. Thus, due to a period of personal financial difficulties I entered into a tax payment plan with the IRS for my 2015, 2016, and 2017 taxes. In 2019 I made an Offer and Compromise to the IRS for this tax debt and my offer was accepted in 2020. The agreed-upon settlement amount has been paid and the taxes settled.

Next, *The Oregonian* made allegations which challenged the validity of my work history that I included in Diversifying Energy's proposal to PCEF in response to the PCEF RFP to become the Equipment Purchasing Partner. I have since provided PCEF with valid references for my entire work history included in the Diversifying Energy proposal. To date, PCEF has chosen to ignore or dismiss the information that I have provided them as confirmation of my work history. For example:

- I referenced managing a HVAC equipment direct install program for PG&E in Northern California during 2015 and 2016. In response to PCEF's request for confirmation, I provided PCEF with a copy of the contract for this work which includes the contract number and the scope of work. For unknown reasons, PCEF has chosen to characterize this documentation as "inconsistent". This contract was with CLEAResult, a known entity with offices in Portland where PCEF could have easily verified the contract.
- I referenced managing the Energy Upgrade California program in LA County. The program had a \$30 million budget and a goal to retrofit 30,000 homes. My management role was with a company named BKL, who held the contract with LA County. BKL has since been purchased by Frontier Energy. PCEF accepted the allegations lodged in *The Oregonian* that the director of the LA County program indicated that he had never heard of me. PCEF ignored my explanation that I did not work for LA County but rather with BKL, and PCEF told me that they could not confirm my role. In response, I provided PCEF with a reference from a former BKL employee, Nancy Barba, who reported to me during this time. Nancy sent me an email confirming that I was her supervisor at BKL and managed the Energy Upgrade California program. I also sent PCEF a copy of a blog that Nancy posted several years ago which describes our team's work on the program.

I stand resolutely behind the contents of our proposal to PCEF, including my qualifications and professional experience. I urge PCEF to reconsider its response to the smear campaign that has been launched against me. Do not let detractors stop us from affecting positive change in our community. Do not allow this distraction to disrupt our urgent mission to help people in need. Do not let our past stop us from making a better future!

Diversify Energy is poised and ready to faithfully deploy equipment and services to members of our community in their time of need.

Linda Woodley
Executive Director
Diversifying Energy

**Of the \$11.5 million, \$7 million was reserved for equipment purchase; \$2.6 million is allocated for partner companies providing warehousing, delivery, software, and engineering and customer support services; \$792,000 allocation for direct overhead cost and \$159,000 for overhead. This leaves \$931,586 for Diversifying Energy to manage the program, a budget of only \$186,317 per year for five years, which is less than the \$198,000 one-year PCEF grant that we currently are working under.*

City Council Meeting - Wednesday, January 5, 2022 9:30 a.m.

Agenda No.	First Name	Last Name	Zip Code
8	Linda	Woodley	97207