



**Department of Energy**

**General Guidance for Justice40 Implementation**

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Department of Energy  
General Guidance for Justice40 Implementation

## I. Introduction

On January 27, 2021, President Biden issued Executive Order (E.O.) 14008, *Tackling the Climate Crisis at Home and Abroad*, which established the historic Justice40 Initiative (the Justice40 Initiative, or Justice40). The Justice40 Initiative establishes a goal that 40% of the benefits of climate and clean energy investments flow to disadvantaged communities, which for too long, have faced disinvestment and underinvestment. Investment categories covered by Justice40 include clean energy and energy efficiency; clean transit; affordable and sustainable housing; training and workforce development; the remediation and reduction of legacy pollution; and the development of critical clean water infrastructure.

This new and groundbreaking initiative promises the transformation of our nation's communities and offers the opportunity to improve the way the United States has historically undertaken energy planning and infrastructure development. Successful implementation of the Justice40 Initiative will require state energy offices, policy makers, and the private sector to engage with stakeholders across rural and urban communities, including with Tribes/Alaska Native Corporations, and in communities with environmental justice concerns.

Many aspects of Justice40 implementation will also require flexibility and collaboration between the Department of Energy (DOE) and funding recipients. This guidance document is designed to help states, municipal governments, private sector funding recipients, and other interested parties plan to incorporate Justice40 Initiative goals into DOE-funded projects. The application of this guidance may vary in accordance with the relevant DOE program funding opportunity announcement (FOA), or other requirements, which will determine how the Justice40 Initiative must be applied.<sup>1</sup> Generally, this guidance explains:

1. DOE's working definition of disadvantaged communities<sup>2</sup> (DACs) and how they can be identified;
2. DOE's criteria for benefits that may flow to DACs;
3. How to measure and track benefits that flow to DACs;
4. Case studies discussing how selected jurisdictions direct benefits to DACs; and
5. How to consider implementing Justice40 based on funding type.

Additional information concerning Justice40 will be periodically posted to [www.energy.gov/justice40](http://www.energy.gov/justice40).

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<sup>1</sup> In the event of conflict between this guidance and a FOA, the FOA will control. Funding recipients must meet all legal requirements that relate to applicable DOE programs and the corresponding FOA.

<sup>2</sup> Also referred to as underserved, overburdened, and frontline communities.

## II. Background

### A. Bipartisan Infrastructure Law

On November 15, 2021, President Biden signed into law H.R. 3684, the Infrastructure Investment and Jobs Act ([Public Law No. 117-58](#)), also known as the Bipartisan Infrastructure Law (BIL). The BIL is a once-in-a-generation investment in our Nation’s infrastructure, which will provide the foundation for a more sustainable, resilient, and equitable economy through enhancing U.S. competitiveness in the world, diversifying regional economies to include supply chain and manufacturing industries, creating good union jobs, and ensuring stronger access to these economic benefits for underserved communities. The BIL appropriates more than \$62 billion to new and existing DOE programs to ensure the clean energy future delivers true economic prosperity to the American people. The funding will be delivered through a combination of formula funds to states and competitively awarded grant and cooperative agreement funding to states, cities, Tribal Nations, private parties, and other local partners.

DOE has adopted the following priorities for DOE’s work, including BIL implementation:

- Modernizing and upgrading American energy infrastructure;
- Driving quality job creation, including the opportunity for good-paying union jobs;
- Delivering reliable, clean, and affordable energy to more Americans as we tackle the climate crisis, pursuing a zero-carbon electricity system by 2035 and a net-zero emission economy by 2050
- Advancing justice and equity and ensuring stronger economic and environmental benefits for DACs;
- Increasing domestic manufacturing and protecting energy supply chains; and
- Growing private sector uptake of clean energy technologies through a combination of formula funds to states, cities, and Tribes and competitively awarded grant funding to states, cities, Tribes, private-sector, and other partners through DOE-led demonstration and deployment programs.

### B. Justice40 Initiative

On July 20, 2021, the White House Office of Management and Budget (OMB) issued Interim Implementation Guidance for the Justice40 Initiative (Interim Implementation Guidance) directing Federal agencies to identify benefits that could flow to programs covered by E.O. 14008 (“Covered Programs”) and provide for how these benefits could be calculated and reported.<sup>3</sup> The Interim Implementation Guidance also provides indicators Federal agencies may use to identify disadvantaged communities. Pursuant to this direction, DOE developed a Department-specific Justice40 framework that can be applied to new and existing DOE Covered Programs to ensure the agency can meet the goal of delivering 40% of climate and clean energy benefits to DACs.

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<sup>3</sup> [M-21-28 \(whitehouse.gov\)](#).

### III. Justice40 Implementation at DOE

#### A. What are Covered Programs and investments?

A Covered Program under Justice40 is a Federal Government program that makes covered investment benefits in one or more of the following seven areas:

1. Climate change;
2. Clean energy and energy efficiency;
3. Clean transportation;
4. Affordable and sustainable housing;
5. Training and workforce development (related to climate, natural disasters, environment, clean energy, clean transportation, housing, water and wastewater infrastructure, and legacy pollution reduction, including in energy communities);
6. Remediation and reduction of legacy pollution; and
7. Critical clean water and waste infrastructure.<sup>4</sup>

Pursuant to the Interim Implementation Guidance, a “covered investment” is a federal investment in any one of the following categories:

1. Federal financial assistance as defined at 2 CFR 200.1, including both Federal grants as well as other types of financial assistance (including cooperative agreements, loans, loan guarantees, and direct spending/benefits);
2. Direct payments or benefits to individuals;
3. Federal procurement benefits (acquisition of goods and services for the Federal government’s own use);
4. Programmatic Federal staffing costs (e.g., federal pay for staff that provide technical assistance); and
5. Additional federal investments under Covered Programs as determined by OMB.

Nearly all DOE programs and investments, including new programs established by the BIL and well-established programs—are covered by the Justice40 Initiative. Please see <https://www.energy.gov/diversity/doe-justice40-covered-programs> for an up-to-date list of Covered Programs developed pursuant to OMB’s Interim Implementation Guidance.

#### B. What is a Disadvantaged Community?

Justice40 directs that 40% of benefits realized from Covered Programs flow to “disadvantaged communities.” OMB’s Interim Implementation Guidance defines a *community* as either: (1) a group of individuals living in geographic proximity (such as census tract), or (2) a geographically dispersed set of individuals (such as migrant workers or Native Americans), where either type of group experiences common conditions.

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<sup>4</sup> [M-21-28 \(whitehouse.gov\)](https://www.whitehouse.gov/).

Pursuant to the Interim Implementation Guidance, DOE has developed DOE's working definition and tool (DOE Definition and Tool) to identify applicable DACs in the manner explained below.<sup>5</sup> DOE will also recognize DACs as defined and identified by the White House Council of Environmental Quality's Climate and Economic Justice Screening Tool (CEJST), which can be located at <https://screeningtool.geoplatform.gov/>.<sup>6</sup>

DOE's working definition of disadvantaged is based on cumulative burden and includes data for thirty-six (36) indicators collected at the census tract level.<sup>7</sup> These indicators fall within the following four categories (the number in parenthesis provides the number of indicators in each category):

Fossil Dependence (2)  
Energy Burden (5)  
Environmental and Climate Hazards (10)  
Socio-economic Vulnerabilities (19)

More specifically, pursuant to the Interim Implementation Guidance, DOE undertook the following analysis to identify DACs:

1. For every census tract, DOE calculated percentile values for each of the 36 indicators by census tract.
2. DOE summed percentiles across all indicators to create a score for each census tract. Each indicator was given equal weight. The final scores for each tract could range from 0 to 36, where 36 would represent the largest disadvantage.
3. Based on the final scores, the top 20th percentile of most "disadvantaged" census tracts were selected for each state, to ensure DACs were identified in every state.
4. DAC eligibility was further restricted based on income. A census tract selected in step 3 was identified as a DAC if at least 30% of households are:
  - a) at or below 200% of Federal Poverty Level and/or
  - b) considered low-income households by the Department of Housing and Urban Development (HUD), defined as households earning less than 80% of area median income.

***In sum: To be considered a DAC under the DOE definition, a census tract must rank in or above the 80th percentile of the cumulative sum of the 36 burden indicators for its state and have at least 30% of households classified as low-income.***

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<sup>5</sup> "Until such time when further guidance is provided, agencies should consider using, as appropriate, the following indicators of disadvantaged communities to implement the goals of the Justice40 Initiative utilizing existing data sources and indices that are currently used by programs serving low income, vulnerable, and underserved communities." [M-21-28 \(whitehouse.gov\)](https://www.whitehouse.gov/).

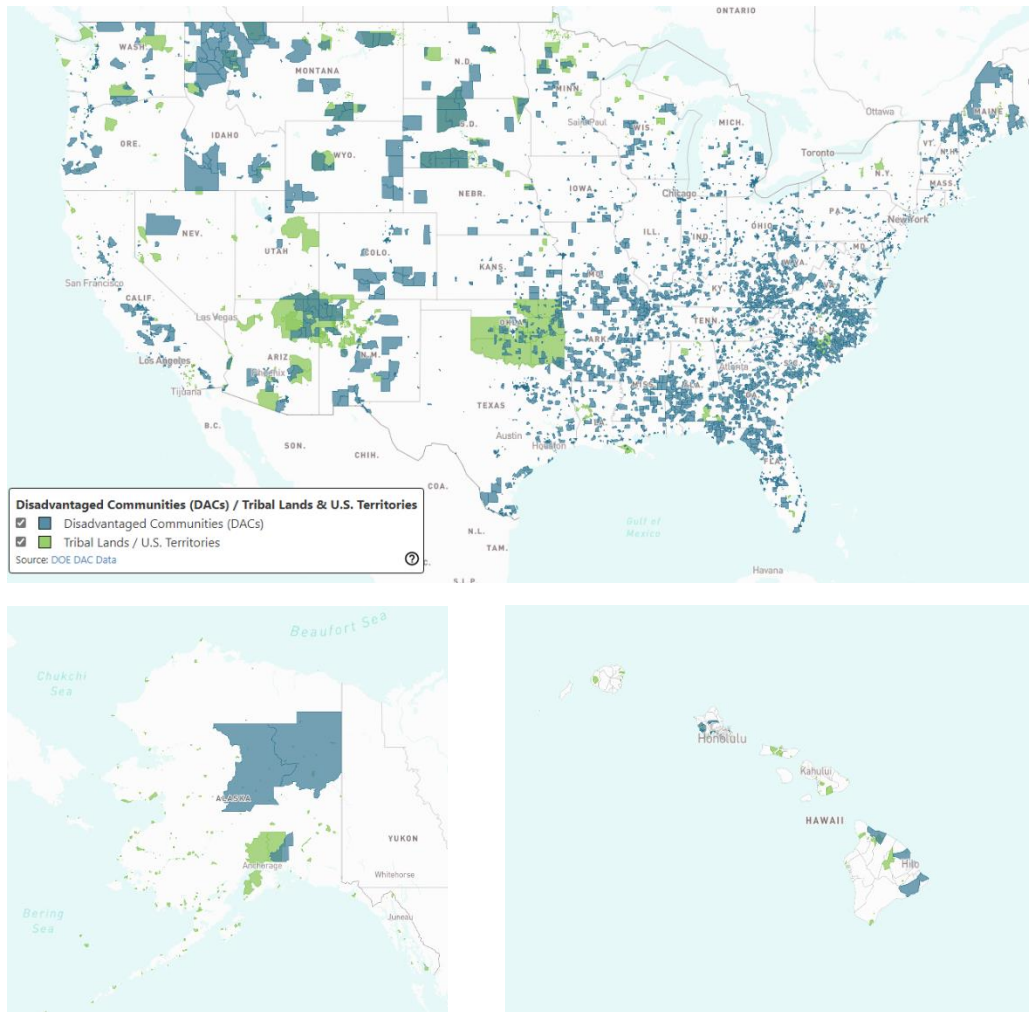
<sup>6</sup> Specific requirements for how DACs are to be identified may vary by program. Program-specific funding and guidance documents (such as Funding Opportunity Announcements) will be the source for definitive requirements.

Nationwide, 13,581 census tracts were identified as disadvantaged (18.6% of 73,056 total U.S. census tracts). Additionally, federally recognized tribal lands and U.S. territories, in their entirety, are categorized as DACs in accordance with OMB’s Interim Implementation Guidance “common conditions” definition of community.<sup>8</sup>

DOE’s convenient online DACs mapping tool can be accessed at: <https://energyjustice.egs.anl.gov/>. Geospatial data files and an Excel spreadsheet of the underlying DACs data are available at [www.energy.gov/justice40](http://www.energy.gov/justice40).

The geographic distribution of DACs identified using the DOE Definition and Tool is shown in Figure 1 below:

**Figure 1: DOE DAC Map of United States** [Energy Justice Dashboard \(anl.gov\)](https://energyjustice.egs.anl.gov/)  
(U.S. territories are included in the definition but are not displayed below)



<sup>8</sup> The total United States population is approximately 324,697,7959 (2019 ACS data). DOE defined DACs have a total population on approximately 55,586,806, or about 17% of the total United States population.

## 1. DOE Definition and Tool

On the mapping tool: <https://energyjustice.egs.anl.gov/>, you can download the data as an excel file which includes geographic information, population information and the 36 indicators used to identify DACs. Each row in the “Data” sheet represents one of the 73,056 U.S. census tracts. The column of interest “DAC\_Status” is equal to one if the tract is considered a DAC for the J40 working definition, and zero otherwise. The “Descriptions” sheet includes a list of the inputs, their definitions, and data sources. On the mapping tool, you can also a full list of the indicators and data source documentation.

Questions about the data can be directed to [energyjustice@hq.doe.gov](mailto:energyjustice@hq.doe.gov).

## 2. Common Questions Regarding DACs

### **Question 1: Can we use the Council of Environmental Quality’s (CEQ) Climate and Economic Justice Screening Tool (CEJST) to identify DACs in our jurisdiction?**

Answer 1: Pursuant to the interim implementation guidance, funding recipients can use either the DOE or CEJST definitions and tools to identify applicable DACs.

### **Question 2: My state has its own tools and definition to identify DACs or communities of concern (e.g., “environmental justice community”, etc.), can we use our tools and definitions?**

Answer 2: DOE would prefer that funding recipients use either DOE or CEJST definitions and tools to identify DACs, which would allow for more streamlined reporting and consistent comparative analyses across all regions. However, DOE recognizes some states have dedicated significant time and resources towards identifying communities of concern in their jurisdictions and may desire to use their own tools and definitions when directing formula funding and tracking benefits. DOE would prefer that state tools and definitions are aligned with the following criteria pursuant to the interim implementation guidance:

1. The communities of concern identified by the state tool or definition conform to the definition of communities established in OMB guidance:<sup>9</sup>
  - a. “Community” is defined as either a group of individuals living in geographic proximity to one another, or a geographically dispersed set of individuals (such as migrant workers or Native Americans), where either type of group experiences common conditions.”
2. The state tool or definition considers two or more of the following indicators when identifying communities that should be classified as

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<sup>9</sup> [M-21-28 \(whitehouse.gov\)](https://www.whitehouse.gov/presidential-action/m-21-28).



“disadvantaged”<sup>10</sup> for the purposes of directing federal investments under Justice40:

- Low income, high and/or persistent poverty
  - High unemployment and underemployment
  - Racial and ethnic residential segregation, particularly where the segregation stems from discrimination by government entities
  - Linguistic isolation
  - High housing cost burden and substandard housing
  - Distressed neighborhoods
  - High transportation cost burden and/or low transportation access
  - Disproportionate environmental stressor burden and high cumulative impacts
  - Limited water and sanitation access and affordability
  - Disproportionate impacts from climate change
  - High energy cost burden and low energy access
  - Jobs lost through the energy transition
  - Access to healthcare
3. The communities of concern identified by the state tool or definition is currently mapped in software or can be easily overlaid in GIS so that communities can be easily identified by stakeholders.

In addition to meeting the criteria above, the DOE recommends funding recipients undertake a comparative analysis between the federal and state definitions and tools to better understand the differences before using an alternative standard. Depending on the program or funding opportunity, DOE may ask the funding recipient to note what standard was used to identify DACs and why.

Finally, in some unique circumstances it may be more appropriate to classify DACs pursuant to OMB’s second definition: “a geographically dispersed set of individuals... [that] experience a common set of conditions.”<sup>11</sup> For any questions regarding whether alternative state tools or definitions are appropriate to use for Justice40 implementation, please contact: [energyjustice@hq.doe.gov](mailto:energyjustice@hq.doe.gov).

**Question 3: What definition and tools do we use for funding overseen by the Department of Transportation (DOT) and DOE’s Joint Office for electric vehicle infrastructure?**

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<sup>10</sup> Many states use different nomenclature to identify and classify “disadvantaged” communities in their jurisdiction. Some examples include: Pennsylvania - “Environmental Justice Areas”, or Colorado - “Disproportionately Impacted Communities,” and Washington – “Highly Impacted Communities.”

<sup>11</sup> [M-21-28 \(whitehouse.gov\)](https://www.whitehouse.gov/presidential-action/m-21-28).

Answer 3: Please visit the Joint Office’s Technical Assistance website for the most up to date information on what federal resources to use for identifying DACs for the purpose of joint office funding: [Technical Assistance · Joint Office of Energy and Transportation \(driveelectric.gov\)](https://driveelectric.gov).

**Question 4: Can we use other federal agency definitions and tools to identify DACs for DOE funding?**

Answer 4: Other federal agencies may use different indicators and analyses that could be less effective when applied to DOE Covered Programs. Accordingly, DOE recommends funding recipients use DOE or CEJST tools to identify DACs that can benefit from federal funding.

C. What are benefits of the Justice40 Initiative?

1. Policy Priorities

Based on stakeholder engagement, priorities identified by White House Environmental Justice Advisory Council (WHEJAC), and additional research, the Office of Economic Impact and Diversity identified eight policy priorities that frame benefits and guides DOE’s implementation of Justice40.

- (1) a decrease in energy burden;
- (2) a decrease in environmental exposure and burdens;
- (3) an increase in the clean energy jobs, job pipeline, and job training for individuals;
- (4) increases in clean energy enterprise creation and contracting (e.g., minority-owned or disadvantaged business enterprises);
- (5) an increase in energy democracy;
- (6) an increase in access to low-cost capital;
- (7) increased parity in clean energy technology access and adoption; and
- (8) an increase in energy resiliency.

2. Identifying and Calculating Benefits

Just as benefits can be characterized broadly and will vary by program as indicated within the applicable program funding opportunity, so too will calculating how benefits accrue to DACs. A benefit can be identified as accruing to a DAC if it achieves or contributes to one or more of the eight policy priorities identified above. Not all eight policy priorities will be applicable to all

DOE programs or funding opportunities. The matrix at Figure 2 provides examples of measurable benefits and how they map to the different DOE policy priorities mentioned above.

**Figure 2: Table of Example Benefit Metrics**

Policy Priorities	Benefit Metric and Units
1. N/A	Dollars spent [\$] by DOE Covered Programs [\$] in DACs
2. Decrease energy burden in DACs	Dollars saved [\$] in energy <i>expenditures</i> due to technology adoption in DACs
	Energy saved [MMBTU or MWh] or reduction in fuel [GGe] by DACs
3. Decrease environmental exposure and burdens for DACs	Avoided air pollutants (CO2 equivalents, NOx, SO2, and/or PM2.5) in DACs
	Remediation impacts on surface water, groundwater, and soil in DACs
	Reduction of legacy contaminated waste in DACs
4. Increase clean energy jobs, job pipeline, and job training for individuals from DACs	Dollars spent [\$] and/or number of participants from DACs in job training programs, apprenticeship programs, STEM education, tuition, scholarships, and recruitment.
	Number of hires from DACs resulting from DOE job trainings
	Number of jobs created for DACs because of DOE program
	Number of and/or dollar value [\$] of partnerships, contracts, or training with minority serving institutions (MSIs)
5. Increase clean energy enterprise creation and contracting for minority or disadvantaged businesses in DACs	Number of contracts and/or dollar value [\$] awarded to businesses that are principally owned by women, minorities, disabled veterans, and/or LGBT persons
6. Increase energy democracy in DACs	Number of stakeholder events, participants, and/or dollars spent to engage with organizations and residents of DACs, including participation and notification of how input was used
	Number of tools, trainings for datasets/tools, people trained and/or hours dedicated to dataset/tool and technical assistance and knowledge transfer efforts to DACs
	Dollars spent [\$] or number of hours spent on technical assistance for DACs
	Dollar value [\$] and number of clean energy assets owned by DACs members
7. Increase access to low-cost capital in DACs	Dollars spent [\$] by source and purpose and location
	Leverage ratio of private to public dollars [%]
	Loan performance impact through dollar value [\$] of current loans and of delinquent loans (30-day or 90-day) and/or number of loans (30-day delinquent or 90-day default)
8. Increase parity in clean energy technology access and adoption in DACs	Clean energy resource [MWh] adopted in DACs
9. Increase reliability, resilience, and infrastructure to support reliability and resilience in DACs	Increase in community resilience hubs in DACs
	Number and size (MWh) of community resilience infrastructure deployed in DACs (e.g., Distributed solar plus storage, utility scale, DERs, microgrids)

Other examples of positive long-term outcomes in DACs include wealth creation, workforce development, and other long-term economic development.

The benefit examples provided in Figure 2 above are not intended to be all inclusive and funding recipients are encouraged to research and identify benefits that can be tracked that may not be listed in the table above, including by engaging with impacted communities/groups to identify what benefits are most relevant to that group. For further guidance or assistance regarding what could be considered a benefit that flows to a DAC, please contact [energyjustice@hq.doe.gov](mailto:energyjustice@hq.doe.gov).

### 3. Other Considerations: Cumulative Burdens and Negative Impacts

In addition to identifying positive benefits and outcomes, it may also be important to identify anticipated negative impacts on DACs. For example, funding recipients should consider the anticipated environmental impacts associated with the project, and how funding will mitigate such impacts. Funding recipients should also examine other historical cumulative burdens on communities before moving a project or program forward. Undertaking this analysis is important towards ensuring DACs are not being identified for investments solely to meet federal goals, and that federal funding does not create or exacerbate harm.

Accordingly, depending on the opportunity or program, funding recipients should consider implementing the following in their processes:

- A robust stakeholder engagement process that receives and incorporates community input into project design (See Section VI. “Formulating a Stakeholder Engagement Plan”). This will help to inform what benefits should flow to the communities affected by the funding and should reveal what negative impacts could manifest.
- Requiring funding recipients execute a community benefits, neighborhood agreement, or similar agreement to memorialize and strengthen commitments to communities (See “Community Benefits Agreement Toolkit” [Community Benefit Agreement \(CBA\) Toolkit | Department of Energy](#)).
- Incorporation of stakeholder engagement activities, anticipated impacts on affected communities, and community consent alignment milestones in project or program planning.

### 4. Common Questions Regarding Benefits Data and Reporting

#### **Question 1: How do I know if a benefit is flowing to a DAC?**

Answer 1: Accounting for *where* investments are deployed, or benefits accrue, is vital for understanding the effectiveness of a program or grant. Accordingly, ensure that the addresses, zip codes, and/or census tracts can be attributed to program investments or activities and can be easily reported or viewed by management.

For example, if the program involves a grant for an energy installation or energy efficiency upgrade, it will be important to know the location of that installation so benefits can be attributed as flowing to that community.

Alternatively, although stakeholder engagement sessions or job and workforce development may not take place in DACs directly, these activities may still benefit a DAC so long as they were intended by design to assist and enrich a specific community.

In sum, designing programs from the ground up so that benefits can reach certain communities and confirming where investments are made will help to ensure benefits can be counted and tracked. Please see Section IV. “Case Studies” for examples of programs that feature investments or activities intended to support communities of concern in multiple jurisdictions.

**Question 2: Are the benefits I am tracking or have identified valid for the purposes of Justice40?**

Answer 2: In addition to the examples of benefits provided above, funding recipients are encouraged to research and identify benefits that may not be listed in Figure 2 above. For further guidance or assistance regarding what could be considered a benefit that flows to a DAC, please contact [energyjustice@hq.doe.gov](mailto:energyjustice@hq.doe.gov)

**Questions 3: Which metrics should be reported to DOE? How do I report them?**

Answer 3: Reporting requirements and metrics will be different for each DOE funding opportunity and program. Applicable documents for a given opportunity or program will provide the definitive requirements. Accordingly, funding recipients should reach out to the relevant DOE office that oversees their funding for more information regarding what specific metrics may be requested by DOE from program recipients and what reporting tools may be available. DOE may establish and require a minimum number of specified metrics for reporting at any time.

As a best practice, DOE recommends that funding recipients develop and sustain procedures and systems that can easily track what benefits are flowing to specific communities or locations (e.g., connecting benefits accrued with particular addresses, zip codes, and/or census tracts). Maintaining this ability will allow funding recipients to measure progress and ensure programs are meeting intended goals. Further analysis of this data can also be used to empower program designers and lawmakers with

information that is often needed to update or create new programs that better serve communities most in need.

#### IV. Case Studies

Below are case studies that highlight approaches different jurisdictions have used to ensure benefits from funding opportunities flow to underserved, overburdened, and frontline communities. Important design elements of each program are enunciated at the bottom of each case study. The case studies presented below are for demonstration and educational purposes only. Funding recipients should consult relevant DOE program offices or documentation before adopting any elements of the case studies presented below.

##### A. California's Solar on Multifamily Affordable Housing

California's Solar on Multifamily Affordable Housing (SOMAH) program provides incentives for solar energy photovoltaic systems for multifamily affordable housing. The SOMAH program is unique in several ways and ensures benefits flow to DACs by requiring:

- That certain eligible properties be located in a California-defined DACs.
- That more than 50% of the monetary benefits generated by the solar installation go to the tenants of the multi-family affordable housing.
- That incentivized projects host on-site workforce training for potential job candidates.

Learn more about SOMAH at: [Solar for multifamily affordable property owners \(calsomah.org\)](https://calsomah.org).

**Important Design Elements for Consideration:** This program encourages development in DACs as part of its eligibility criteria and ensures the monetary benefits of clean energy installations flow to the residents of these areas.

##### B. Alternative Fuels Incentive Grant

Pennsylvania's Alternative Fuel Incentive Grant (AFIG) program projects promote and build markets for advanced, renewable, and alternative energy transportation technologies.

Stated AFIG priorities include:

- Businesses whose headquarters or principal place of business are located in Pennsylvania.
- Zero emission vehicle (ZEV) projects.
- Renewable natural gas (RNG) vehicle and infrastructure projects.
- Projects located in or predominantly serving Environmental Justice (EJ) Areas.

- Applicants that are minority, veteran, or woman-owned businesses.
- Publicly accessible alternative fuel refueling infrastructure projects and fleet charging equipment projects.

You can learn more about AFIG at: [Alternative Fuels Incentive Grant \(pa.gov\)](#).

**Important Design Elements for Consideration:** This program identifies the development of alternative fuel markets as a benefit and prioritizes applications from communities of concern (i.e., places identified by Pennsylvania’s Department of Environmental Quality as “Environmental Justice Areas”) and minority, veteran, or woman-owned businesses.

### C. The Transformative Climate Communities Program

Administered under California’s Strategic Growth Council (SGC), the Transformative Climate Communities (TCC) Program “funds development and infrastructure projects that achieve major environmental, health, and economic benefits in California’s most disadvantaged communities.”<sup>12</sup> So far, \$170 million has been granted to support communities most affected by poverty and pollution. Below are several examples of cities and communities that sought to benefit from TCC Program funds to achieve their unique strategic visions and goals for climate and economic transformation.

- Transform Fresno
  - Installation of solar systems on 200 homes
  - Planting of 2500 trees
  - Energy efficiency improvements for 200 homes
  - Construction of seventeen acres of parks and community gardens
  - Creation of new electric vehicle and bicycle sharing programs
- Eastside Climate Collaborative (Riverside, CA)
  - Workforce development for career pathways in solar, construction, and sustainable agriculture
  - 2,000 new shade fruit trees
  - 100 no-cost replacement of turf lawns for water conservation
  - Community engagement through “Resident Leadership Academy”
- Ontario Together (Ontario, CA)
  - 101 new affordable housing units
  - Increase in frequency of bus service
  - Development of a “Carbon Farm,” which collects local restaurant waste for composting, providing job training opportunities and resources for local produce creation

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<sup>12</sup> [Transformative Climate Communities \(TCC\) - Strategic Growth Council \(ca.gov\)](#).

You can learn more about TCC at: [Transformative Climate Communities \(TCC\) - Strategic Growth Council \(ca.gov\)](#)

**Important Design Elements for Consideration:** This program encourages applicants to seek multiple sources of funding and apply for state grants to achieve clean energy, efficiency, accessibility, and quality of life benefits for communities most impacted by poverty and pollution. The goals and activities of this program result in impactful and easily quantifiable benefits to communities.

#### D. Hawaii Clean Energy Wayfinders Program

“The Hawaii State Energy Office, working in partnership with the energy industry and community stakeholders, developed the Wayfinders program in response to community concerns about energy projects’ benefits and impacts on host communities that have made it clear that a deliberate and more intentional effort must be made to reach out to and include everyone in Hawaii to more effectively, efficiently, and equitably achieve our 100% clean energy and carbon-free economy goals.”<sup>13</sup>

Specifically, the Wayfinders program recruits community representatives and provides training for energy conservation, efficiency, and clean transportation to facilitate community access to the following resources:

- Low Income Home Energy Assistance Program (LIHEAP) funds
- Weatherization Assistance Program (WAP) funds
- Statewide solarize initiatives, community based renewable energy (CBRE) subscriptions
- Clean energy workforce development opportunities

You can learn more about the Hawaii Wayfinders Program at: [New Clean Energy Wayfinders Program Starting in 2022 \(hawaii.gov\)](#).

**Important Design Elements for Consideration:** This program invests resources towards connecting frontline communities with decision makers and seeks to improve awareness of existing benefits offered through state programs designed to assist individuals most in need of energy assistance.

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<sup>13</sup> [Clean Energy Wayfinders - Hawai'i State Energy Office \(hawaii.gov\)](#).



## E. California Electric Vehicle Infrastructure Project

“The California Electric Vehicle Infrastructure Project (CALeVIP) addresses regional needs for electric vehicle (EV) charging infrastructure throughout California, while supporting State goals to improve air quality, combat climate change and reduce petroleum use.”<sup>14</sup>

CALeVIP encourages the installation of EV chargers by offering incentives through regionalized partnerships with municipalities and local utilities. Each regionalized partnership features unique requirements and offers different incentive levels for both the technology and location of chargers.

For example, “through CALeVIP’s Southern California Level 2 Incentive Project (SCIP), local businesses, commercial properties, multi-family residences, local government facilities along with higher education, and K-12 school districts can apply to receive up to \$6,000 in rebate incentives to purchase and install new electric vehicle charging stations in Los Angeles County.”<sup>15</sup> A minimum of 60% of SCIP’s funding was reserved for the installation of EV chargers located in Disadvantaged and Low-Income Communities (DAC/LIC).

You can learn more about AFIG at: [Homepage | CALeVIP](#).

**Important Design Elements for Consideration:** This program provides additional incentives to applicants that locate electric vehicle chargers in DACs, helping to ensure communities most impacted by pollution and poverty have sufficient access to the electrified transportation infrastructure.

## V. **Approaches to Justice40 Implementation**

DOE is a large federal agency with many different types of available funding. Some funding is provided by set formulas established in law that flows to the states. Other funding is released as competitive grants or assistance agreements. The following pages offer guidance for how different entities can explore incorporating Justice40 into their DOE funded programs based on the flexibility and requirements inherent to Departmental funding types. For any specific questions regarding funding amounts or availability per program or project, please contact the relevant DOE office or documentation.

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<sup>14</sup> [Homepage | CALeVIP](#).

<sup>15</sup> [Southern California Level 2 Incentive Project | CALeVIP](#).

### A. Justice40 Applied to Formula Funding

Below are recommendations and questions for formula funding recipients seeking to implement Justice40. The objective of these questions is to encourage comprehensive thinking, develop checklists, and design holistic approaches towards meeting Justice40 goals in formula funding planning. Funding recipients are encouraged to convene working sessions to review and address the questions with relevant partners and facilitate collective responses towards the development of a Justice40 implementation strategy or plan. Funding recipients should refer to final DOE program guidance for information concerning specific program requirements.

#### **Funding Requirements:**

Are the requirements of the formula funding broad or strict? In other words, does the grant recipient have the ability to design and implement unique elements into the funding opportunity via a state plan or other vehicle, or are the requirements of the funding opportunity prescriptively determined by federal or state governments beforehand (whether by statute, regulation, or guidance)? Below are important questions to ask based on how much flexibility is inherent in the formula funding opportunity.

**High Flexibility:** The funding or program requirements are flexible and/or guiding statutes or regulations allow for a high degree of discretion to change program design or modify how the funding is deployed:

Think about how you can design or modify your existing program or grant to include elements that consider directing benefits in DACs or encouraging favorable outcomes in DACs:

- If applicable, make sure a meaningful stakeholder engagement process is part of the program or funding opportunity. (See Section VI. “Formulating a Stakeholder Engagement Plan”). Projects or funding should not be undertaken in communities that do not consent to the activity.
- What barriers exist, if any, for deeper engagement with communities impacted by this funding or project? Consider such barriers when designing how your program or opportunity will be structured.
- If there will be competitive components to the program design that third parties may apply to, ensure directing benefits towards DACs is part of any solicitation for applicants (See Section V.B. below).
- If program design includes distributing incentives, consider how incentives can be designed to consider DACs. For example, will energy retrofits or solar PV installations be prioritized in DACs? Be sure to implement measures to track (by zip code or census tract) where funds or improvements are deployed.

- What community-based organizations (CBOs), nonprofits, historically Black colleges and universities (HBCUs), Tribal colleges and universities (TCUs), Hispanic-Serving institutions (HSIs), or other minority serving institutions (MSIs) were consulted or included in opportunities created by funding? Seek to include these entities for any research, education and outreach, or manufacturing to be conducted.
- If the funding or program in questions is a research and development (R&D) opportunity, other design elements to consider include:
  - To what extent could the topic of research provide ancillary environmental benefits? What other research may be required?
  - To what extent could the topic of research provide social benefits, and to what extent are those benefits inherent in the project or contingent on external policy, social, or economic factors?
  - How does the proposed research/technology rely on limited resources such as coal, biomass, freshwater, land, and/or low-carbon energy? Can environmental harms be ameliorated or reversed by the research opportunity?
- Encourage the identification and reduction of current or historical harms in DACs and a method to track this progress.
- Can program design be modified to increase access to capital, jobs, or energy resilience in DACs?

**Low Flexibility:** The funding or program requirements are strict or difficult to modify without extensive legislative action, rulemaking, or executive involvement.

Recipients can maximize benefits to DACs by exploring:

- How is the funding opportunity marketed to individuals, entities, or communities that are the intended beneficiary of the funding? Are DACs being considered when deploying these resources?
- How are funding targets or applicants identified? In what industries, fields, or neighborhoods?
- What helpful tracking metrics can be added to the funding opportunity? For example, are you asking for the following data points:
  - zip codes where funds or efforts are deployed or
  - census tracts where funds or efforts are deployed?

- What other changes may be necessary to existing data gathering practices or standard reporting to track what benefits could be flowing to DACs?
- What measures has the funding participant taken to ensure program benefits are reaching MSIs and minority business entities?
- Were impacts (benefits and harms) to DACs considered in plan development, strategy, or goals?
- What time and resources are needed to take action towards improving program rules to better incorporate Justice40? Can a strategy be formed to initiate programmatic change if there are barriers to Justice40 implementation?

The following table is an example of how the answers to these questions can be framed into identifiable goals, metrics, and processes that can form the basis of a Justice40 strategy or implementation plan.

**Figure 3: Justice 40 Implementation Plan Elements**

Priorities / Goals	Performance Metrics	Process	Coordination
<ul style="list-style-type: none"> <li>• Stakeholder/Community engagement</li> <li>• Equity and Environmental and Energy Justice</li> <li>• Workforce expansions and job development/training</li> </ul>	<ul style="list-style-type: none"> <li>• Qualitative metrics</li> <li>• Tracking methodology</li> <li>• Impact/Savings</li> <li>• Systems for reporting and evaluation</li> </ul>	<ul style="list-style-type: none"> <li>• Procurement/contracting requirements</li> <li>• Capacity building</li> <li>• Identify challenges + risk mitigation strategies</li> <li>• Identify policies needed to support implementation</li> <li>• Non-federal funding support/match</li> </ul>	<ul style="list-style-type: none"> <li>• Other public agencies</li> <li>• Public Utility Commissions</li> <li>• Localities</li> <li>• Utilities</li> <li>• Legislatures</li> <li>• Labor unions</li> <li>• Non-profits</li> <li>• Community based organizations</li> <li>• MSIs, minority business entities (MBEs), TCUs</li> </ul>

**B. Justice40 Applied to Competitive Funding**

For most competitive DOE funding opportunities, applicants will be expected to provide a Justice40 plan similar to the example provided below. To the extent allowed by law, plans will be scored on the quality of their comprehensive stakeholder engagement strategy, identification of applicable benefits, and articulation of how these benefits can flow to DACs. Justice40 plans may vary across FOAs and applicants should review the specific requirements provided in applicable documentation before submitting applications. The framework below is provided as an example of what a Justice40 Implementation Plan for a DOE competitive funding opportunity could request.

### Example Plan Elements:

- Identification of applicable DACs to which the anticipated benefits will flow.
  - DOE, CEJST, state, or other tools and definitions?
- Identification of applicable benefits to be measured by the applicant
  - Benefits should be quantifiable, measurable, and trackable.
  - Benefits include (but are not limited to) measurable direct or indirect investments or positive project outcomes that achieve or contribute to the following in DACs: 1) a decrease in energy burden; (2) a decrease in environmental exposure and burdens; (3) an increase in access to low-cost capital; (4) an increase in the clean energy jobs, job pipeline, and job training for individuals; (5) increases in clean energy enterprise creation (e.g., minority-owned or diverse business enterprises); (6) increases in energy democracy, including community ownership; (7) increased parity in clean energy technology access and adoption; and (8) an increase in energy resilience.
- A Discussion of Anticipated Negative Impacts on DACs
  - For example, what are the anticipated environmental impacts associated with the project, and how will applicant mitigate such impacts?
- A Discussion of Proposed Community Engagement Strategy
  - Applicant should provide a detailed discussion of its strategy to engage stakeholders, including DACs and community-based organizations that support or work with DACs.
  - Community Engagement Strategy should include a discussion of engagement efforts before project initiation, during the Project, and after the Project is complete (See Section VI. “Formulating a Stakeholder Engagement Plan”).
- A Description of How Anticipated Benefits Are Expected to Flow to DACs
  - For example, will the benefits be provided directly within the DAC(s) identified in the Justice40 Initiative Plan, or are the benefits expected to flow in another way? Describe in detail how the identified DAC(s) will receive the anticipated benefits.
  - How will the benefits be tracked to assess whether the Project is contributing to federal goals?
- If this is an R&D opportunity, is the analysis of impacts resulting from the research and development to DACs part of the reporting requirements?
  - Were HBCUs TCUs, HSIs, or other MSIs encouraged to be part of the research body or consortium?

The following table provides an example of how the answers to these questions can be framed into identifiable goals, metrics, and processes that can form the basis of a Justice40 strategy or implementation plan.

**Figure 4: Justice 40 Implementation Plan Elements**

Priorities / Goals	Performance Metrics	Process	Coordination
<ul style="list-style-type: none"> <li>Stakeholder/community engagement</li> <li>Equity and Environmental and Energy Justice</li> <li>Workforce expansion and job development/training</li> </ul>	<ul style="list-style-type: none"> <li>Qualitative metrics</li> <li>Tracking methodology</li> <li>Impact/Savings</li> <li>Systems for reporting and evaluation</li> </ul>	<ul style="list-style-type: none"> <li>Procurement/contracting requirements</li> <li>Capacity Building</li> <li>Identify challenges + risk mitigation strategies</li> <li>Identify policies needed to support implementation</li> <li>Non-federal funding support/match</li> </ul>	<ul style="list-style-type: none"> <li>Other public agencies</li> <li>Public Utility Commissions</li> <li>Localities</li> <li>Utilities</li> <li>Legislatures</li> <li>Labor unions</li> <li>Non-profits</li> <li>Community based organizations</li> <li>MSIs, MBEs, TCUs</li> </ul>

## VI. Formulating a Stakeholder Engagement Plan

### Introduction

Executive Order 13985, “Advancing Racial Equity and Support for Underserved Communities Through the Federal Government” (Jan. 20, 2021) states:

[T]he Federal Government should pursue a comprehensive approach to advancing equity for all, including people of color and others who have been historically underserved, marginalized, and adversely affected by persistent poverty and inequality. Affirmatively advancing equity, civil rights, racial justice, and equal opportunity is the responsibility of the whole of our Government. Because advancing equity requires a systematic approach to embedding fairness in decision-making processes, executive departments and agencies must recognize and work to redress inequities in their policies and programs that serve as barriers to equal opportunity.<sup>16</sup>

As part of this whole of government approach to equity, DOE seeks to encourage the participation of underserved communities and underrepresented groups in the decision-making for DOE projects and programs and to deliver benefits to DACs in accordance with the Justice40 Initiative. To achieve these goals, funding recipients must make deliberate efforts to

<sup>16</sup> [Executive Order On Advancing Racial Equity and Support for Underserved Communities Through the Federal Government | The White House.](#)

meaningfully engage all stakeholders, especially those most impacted by a project or program in context of cumulative burden within the community from the beginning and throughout the project or program. In most cases, applicants seeking DOE funding for demonstration and deployment programs funded by BIL will be required to submit a community benefits plan that addresses the applicant's approach to: (1) community and labor engagement; (2) investing in the American workforce; (3) advancing diversity, equity, inclusion, and accessibility (DEIA); and (4) advancing the Justice40 Initiative. This section provides guidance on how applicants may think about stakeholder engagement in connection with advancing the foregoing objectives.

A Stakeholder Engagement Plan sets forth the applicant's plans and actions to engage with community-based organizations (CBOs) representing local stakeholders, including residents and businesses, CBOs representing DACs, labor unions and worker organizations, local government, educational institutions, Tribes/ANCs, and other industry leaders. The applicant should detail its already completed as well as anticipated community engagement efforts before project initiation, during the project, and after the project is complete. Applicants should also describe how they plan to include stakeholders in project decision-making, and to equitably distribute benefits and protect community members from harms. This can be negotiated through a Community Benefits Agreement, Good Neighbor Agreement, or similar agreement. Such agreements facilitate community input and social buy-in, identify how concerns will be mitigated, and specify the distribution of community benefits, including access to jobs and business opportunities for residents, thus reducing or eliminating project risks associated with project development.

That said, it must be emphasized that not all DOE programs or funding opportunities should attempt to undertake the level of community engagement recommended below. Please consult the relevant DOE office or the requirements of the DOE funding opportunity before developing your Stakeholder Engagement Plan.

To develop a robust Stakeholder Engagement Plan, funding recipients should consider undertaking the following steps:

A. Perform a Social Characterization Analysis

Social characterization provides greater context for a program or project's sociocultural, economic, and environmental implications. A Social Characterization Analysis (SCA) attempts to map influential and conflicting interests, capture the various mechanisms that shape public perceptions, and establish proactive engagement around major initiatives.

Overall, an SCA is a way to first look more at the history and context of the impacted community, which then informs stakeholder selection and analysis.

B. Identify Stakeholders Relevant to Project or Program Funding

**Figure 5: Examples of Stakeholders for Engagement**

Educational Institutions	Businesses	Community Based Organizations	Tribal, State, and Municipal Governments	Local Leadership
<ul style="list-style-type: none"> <li>Universities, Community colleges, and trade schools</li> <li>Historically Black Colleges and Universities</li> <li>Tribal Colleges and universities</li> <li>Hispanic-serving institutions</li> <li>Other minority serving institutions</li> </ul>	<ul style="list-style-type: none"> <li>Small business associations</li> <li>Minority and woman-owned business enterprises</li> <li>Chambers of Commerce</li> <li>Local utilities</li> <li>Electric vehicle service providers-</li> <li>Solar PV and other distributed energy resources related business-</li> <li>Energy Services Company</li> <li>Other relevant private sector entities</li> </ul>	<ul style="list-style-type: none"> <li>Environmental justice and environmental protection organizations-</li> <li>Social Welfare Organizations</li> <li>Organizations for persons with disabilities</li> <li>Housing organizations</li> <li>Workforce training organizations</li> </ul>	<ul style="list-style-type: none"> <li>Tribal governments</li> <li>State economic development agencies</li> <li>Metropolitan Planning Organizations and Regional Transportation Planning Organizations</li> <li>State departments of energy</li> <li>State environmental protection agencies</li> <li>State department of commercial motor vehicles</li> <li>Municipal utilities and boards</li> </ul>	<ul style="list-style-type: none"> <li>Utility consumer advocates</li> <li>State public utility commissions</li> <li>Local social service providers</li> <li>Local unions and labor organizations</li> <li>Clean Cities Coalitions<sup>17</sup></li> </ul>

C. Discuss and Establish Mutual Goals

Mutually agreed-upon goals for stakeholder engagement are important. This includes what goals stakeholders and communities have for the engagement process, as well as the goals of the project designer or developer.

Key background questions to consider when establishing mutual goals include:

- What parts of this program or project (location, technical characteristics, implementation, etc.) can be changed according to community input and how will the community offer such input?

<sup>17</sup> [Clean Cities Coalition Network: Building Partnerships to Advance Affordable, Domestic Transportation Fuels and Technologies \(energy.gov\).](https://www.energy.gov/clean-cities-coalition-network-building-partnerships-to-advance-affordable-domestic-transportation-fuels-and-technologies)



- Where are the opportunities for the community input to shape the program or project?
- What are the community's goals or aspirations for the program or proposed project site?

#### D. Methods of Stakeholder Engagement and Timeline

Consider ideal stakeholder engagement methods to learn more about community goals and offer meaningful venues for input. Funding recipients should also develop a reasonable timeline to implement the engagement methods which align with the project timeline. The following section outlines possible engagement methods as well as guidance on how to prepare a timeline.

##### 1. Engagement Methods

###### Workshops and Seminars

- Host workshops and seminars intended to educate and receive feedback.
    - Host at times that make it possible for working families to attend (evenings and weekends). Consider offering childcare at events, if possible.
    - Depending on the subject matter, community, and issues at hand, consider whether engagement sessions should be large, small, or in different group settings. For example, small break-out sessions allow for more detailed and intimate conversations, while large auditorium settings may be more appropriate if a lot of attendees are expected.
  - Have note takers at events. Post meeting minutes if allowed.
  - Ensure the events have clear agendas.
  - Facilitate the conversation at events and refrain from trying to control questions or comments.
  - Provide resources to attendees.
- Public Surveys
    - Create surveys relevant to the project or funding that seeks community feedback and distribute to the community. Survey results are a great way to establish defensible metrics for how the community is thinking and feeling about a project or funding, including dislikes and aspirations.
    - Allow plenty of time for the community to respond to the survey and send reminders.
  - Written Comments
    - Encourage the submission of written comments at all seminars and workshops.
    - Set up an email or other inbox to receive feedback at any time.

- Establish a standard operating procedure for reviewing, responding, and incorporating written comments.
- Other kinds of stakeholder engagement activities:

<ul style="list-style-type: none"> <li>-Briefings</li> <li>-Brainstorming</li> <li>-Canvassing</li> <li>-Charettes</li> <li>-Drop-in centers</li> <li>-Established website and/or social media</li> <li>-Focus groups</li> <li>-Interactive displays and kiosks</li> <li>-Meetings in comfortable/non-traditional spaces</li> </ul>	<ul style="list-style-type: none"> <li>-Outreach to community groups</li> <li>-Outreach by phone</li> <li>-Public workshops or meetings</li> <li>-Scenario planning</li> <li>-Surveys</li> <li>-Transportation fairs</li> <li>-Video recordings</li> <li>-Visioning</li> <li>-Visual preference surveys</li> <li>-Voting and polling</li> </ul>
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## 2. Timeline

Establish a clear timeline for engagement sessions, release of results, and project next steps. Try not to create a timeline that will “rush” the community through the process and which will offer multiple opportunities for community input.

- Clearly post and repeat the engagement timeline to stakeholders. Provide plenty of advanced notice. This will encourage participation and earn trust.
- Try not to change scheduled events. If changes are necessary, clearly and repeatedly communicate changes to timeline.

## E. Specify Roles

Who will be responsible for conducting engagement activities and continuing relationship-building?

- Defining roles in your engagement plan will be highly specific to your organization and project timeline. You will want designated personnel to serve as representative(s) to liaise with the community; you may also want to hire an outside person to conduct relationship-building. Things to consider when defining roles include preserving institutional knowledge (i.e., it is hard to maintain a relationship if key personnel keep changing), training, and interpersonal skills. If contracting with external parties for stakeholder engagement support, consider that different consultancies may have different strengths with different types of stakeholders.
- Make sure to list any planned partnerships with community organizations, institutions, nonprofits, and local businesses, including a description of what exactly the partnerships entail.

- F. Identify Feedback Strategies and Metrics that will let you know if your engagements are successful in the eyes of your organization as well as the community members and stakeholders with whom you are working.
- Ensure you have a plan to return to the community to share results and discuss how feedback was incorporated.
  - If applicable, host up to date online resources that the community can review and where it can see results.

## Additional Resources

- Baker, S., DeVar, S., & Prakash, S. (2019). *The Energy Justice Workbook* [Ebook]. Initiative for Energy Justice. Available at <https://iejusa.org/workbook/>.
- The Solutions Project. (2022). *Justice40 Accelerator*. Available at [https://thesolutionsproject.org/what-we-do/grantmaking/justice40-accelerator/?gclid=Cj0KCQjwpcOTBhCZARIsAEAYLuXcb8RplZkqgio41zc\\_N67Xp5cv\\_QWY5pKjuf6eFOsTuzeXt8emxfEaAi2KEALw\\_wcB](https://thesolutionsproject.org/what-we-do/grantmaking/justice40-accelerator/?gclid=Cj0KCQjwpcOTBhCZARIsAEAYLuXcb8RplZkqgio41zc_N67Xp5cv_QWY5pKjuf6eFOsTuzeXt8emxfEaAi2KEALw_wcB).
- Emerald Cities Collaborative. (2022). *The People's JUSTICE40+ Community Benefit Playbook* [PDF]. Emerald Cities Collaborative. Available at <https://emeraldcities.org/j40playbook/>.
- New York State. (2019). *Climate Action Council*. Available at <https://climate.ny.gov/Our-Climate-Act/Climate-Action-Council>.
- DOE Covered Programs: <https://www.energy.gov/diversity/doe-justice40-covered-programs>.

### Contact

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