



Office of Economic Impact and Diversity Department of Energy

July 2023



U.S. DEPARTMENT OF
ENERGY

OFFICE OF
ECONOMIC IMPACT AND DIVERSITY

Investing for Just Transitions and Sustainable Development

- Justice 40 Initiative at DOE
- Community Benefits Plans in Funding Opportunities
- Community Merit Reviewers
- IRA/BIL Funding

Transition: **We Invest in our Nation...**



Inflation Reduction Act (IRA), August 16, 2022, Public Law 117–169

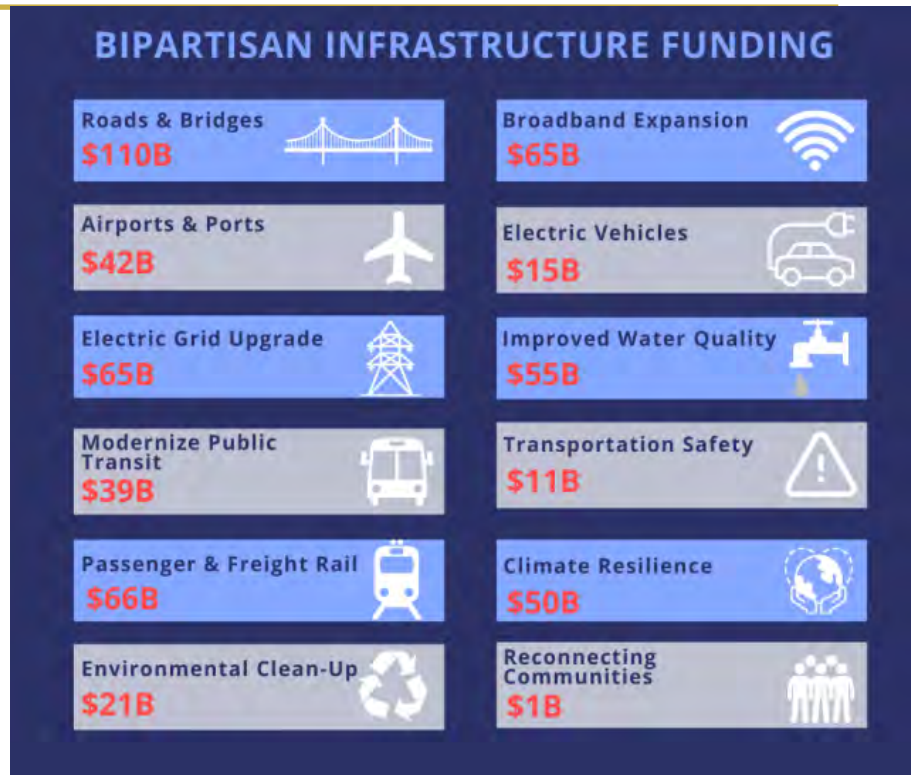
- Appropriates \$11.7 billion for DOE's Loans Programs Office (LPO) to support new loans.
- \$5.8 billion to DOE's Office of Clean Energy Demonstrations.
- \$9 billion to states and tribes for consumer home energy rebate programs (retrofits and appliances).



Transition: **We Invest in our Nation...**

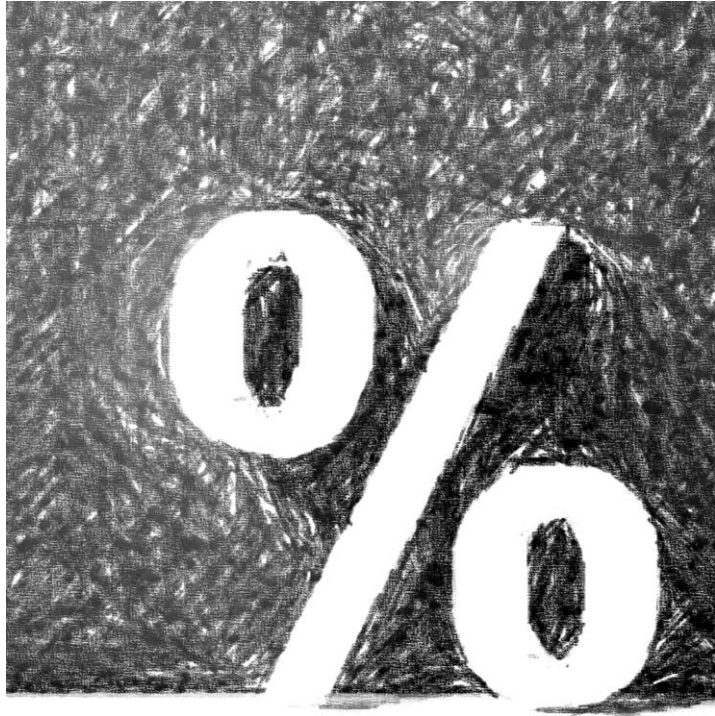
Bipartisan Infrastructure Law,
November 15, 2021, Public Law
117-58

- **\$1.2 trillion over 10 years**
- Includes more than **\$62 billion** for the Department of Energy (DOE) to deliver a more equitable clean energy future for the American people.





How do we braid Energy
Justice into this transition
to ensure
positive outcomes for
people and communities?



The Justice40 Initiative (Executive Order 14008)

40% of the overall benefits of certain Federal investments—including investments in **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 **clean water infrastructure**—must flow to **disadvantaged communities**.

What does Justice40 Cover?

Covered Program

A Federal Government program that makes investments in one or more of the following seven areas:

- ✓ Climate change
- ✓ Clean energy and energy efficiency
- ✓ Clean transportation
- ✓ Affordable and sustainable housing
- ✓ Training and workforce development
- ✓ Remediation and reduction of legacy pollution
- ✓ Critical clean water and waste infrastructure

Covered Investment

A Federal investment in one or more of the following categories:

- ✓ Federal grant and procurement spending (including discretionary budget authority, direct/mandatory spending, and formula funding);
- ✓ Financing (including credit, loans, and guarantees);
- ✓ Programmatic Federal staffing costs (e.g. federal pay for staff that provide technical assistance)
- ✓ Direct financial benefits (including provision of goods and services); and
- ✓ Additional federal investments under covered programs as determined by OMB.

What is a Community Benefits Plan?

A **Community Benefits Plan (CBP)** is a **new requirement** added to all FOAs. The Community Benefits Plan is typically valued at **20%** of the overall score of the application.

The CBP should outline:

- How the applicant intends to achieve DOE's priority areas of **Justice40, Diversity, Equity, Access & Inclusion (DEIA) & Quality Jobs**; and
- A **Specific, Measurable, Assignable, Realistic, & Time-Based (SMART)** milestone, **per budget period**, to measure progress on the proposed CBP actions.

If the project is selected:

- DOE will incorporate the **CBP** into the award and the recipient will be **required** to **implement** the **CBP** as proposed.
- During the life of the award, DOE will **evaluate** the recipient's progress, including as part of the "**Go/No-Go**" review process.

Community Benefits Plan: Four Priorities

- **Justice40**

- Meet or exceed the objectives of the Justice40 initiative that 40% of benefits accrue to disadvantaged communities

- **Diversity, Equity, Inclusion, and Accessibility**

- Equitable access to wealth building opportunities (teaming, access to good jobs, business and contracting opportunities, etc.)

- **Good Jobs**

- Create good-paying jobs to attract and retain skilled workers and ensure workers have a voice on the job over decisions that affect them (wages, working conditions, safety, etc.)

- **Workforce and Community Agreements**

- Meaningful engagement with community and labor partners leading to formal agreements

