



The **LPO Better Borrower Challenge** is a leadership initiative challenging Loan Programs Office (LPO) Borrowers to expand and strengthen commitments in job creation, community investment, and supply chain to ensure a secure energy economy that benefits all Americans. The LPO Better Borrower Challenge improves project certainty, reduces project risk, and supports LPO's larger mission to advance America's economic future.

The Challenge

LPO is launching the LPO Better Borrower Challenge to encourage private companies to make voluntary commitments, to highlight progress across the Portfolio, and to identify and share best practices.¹

There are opportunities to participate in the LPO Better Borrower Challenge aligned with four Priority Areas: Community and Labor Engagement; Quality Jobs; Local Economic Development; and Revitalizing Communities.

LPO is also creating Spotlight opportunities for Borrowers to participate by focusing on specific areas such as Women in Construction and Tribal Engagement.

The Challenge establishes two levels for each Priority Area:

- Emerging Leader - encourages Borrowers to demonstrate best practices and leadership in one or more of the Priority Areas
- Champion - recognizes Borrowers who take extraordinary steps in one or more Priority Areas

In establishing the Challenge Levels, LPO follows these principles:

- Create simple and substantive conditions to demonstrate attainment of each level
- Enable LPO to encourage best practices through participation



¹ LPO explored the model and success of the U.S. Department of Energy Better Buildings Initiative in developing this LPO challenge.

Borrowers may sign on to the LPO Better Borrower Challenge at the Emerging Leader Level or Champion Level by making voluntary commitments in one or more Priority Areas or Spotlights. Borrowers will identify the level(s) that they plan to attain or have attained. To be recognized as an Emerging Leader or Champion, a Borrower makes a commitment to work towards achieving each element identified within that level. It is not anticipated that the Borrower will have achieved each of these elements when they make their commitment. The list of elements may be adapted as necessary to align with the specifics of the Borrower, technology, and community.²

Borrower Benefits

Through participation in the LPO Better Borrower Challenge, Borrowers partner with LPO to identify and share best practices and replicable models, while showing progress across the country. LPO commits to support Emerging Leaders and Champions through the following:

Connect

- Connect Borrowers to key resources
- Collect and share best practices and highlight impactful strategies
- Facilitate peer-to-peer learning among Borrowers and convene working groups to discuss barriers and identify solutions

Recognize Success

- Share stories of impact of LPO Borrowers
- Provide national recognition to Borrowers for making and meeting commitments
- Recognize Borrowers that leverage, develop, and share innovative strategies

² Any adaptation of the elements will be done in consultation with LPO.

Borrower Commitments

Borrowers can participate in the LPO Better Borrower Challenge by committing at either the Emerging Leader or Champion level to one or more of these Priority Areas or Spotlights.

Community and Labor Engagement <i>Accelerating Project Certainty</i>	
Emerging Leaders Agree to:	
<ul style="list-style-type: none">✓ Identify Community Engagement Lead with local background/ expertise✓ Open an office within the community, with walk-in office hours✓ Establish Community Advisory Board³✓ Hold or participate in regular public meetings (such as Town Hall meetings)✓ Publicly share project data, inform public of key decisions, and provide opportunity for public input✓ Meet with appropriate labor unions relevant to local workforce needs	
Champions Agree to:	
<ul style="list-style-type: none">✓ Execute one or more Negotiated Agreements such as:<ul style="list-style-type: none">○ PLA – Project Labor Agreement○ CWA – Community Workforce Agreement○ Community Benefit Agreement	

³ Inclusive of the community (local labor representation, community-based worker serving organizations, the public workforce system, Tribes, educators, chambers of commerce, community-based organizations, and local elected officials); meets regularly; and provides feedback on community needs and project impacts. This may be adapted as best meets the community needs.

Quality Jobs
Ensuring Skilled Local Labor

Emerging Leaders Agree to:

- ✓ Create a Health and Safety Committee that includes hourly workers
- ✓ Pay above average wages plus benefits (healthcare and paid sick leave, at a minimum) for occupation, industry, and region.⁴
- ✓ Establish an MOU or other agreement with at least three of the following which commits to local recruitment and/ or training partnerships:
 - Local Workforce Development Board
 - Economic Development Agency Workforce Program
 - Community College
 - University
 - Public school system
 - Minority Serving Institutions (MSIs)
 - Military base, agency, or related organization
 - Community based workforce partners focused on local communities for recruitment and supportive services
 - Registered Apprenticeship Program
 - Apprenticeship Readiness Program
- ✓ Provide Employer-Funded Training (such as Registered Apprenticeship Program)
- ✓ Advertise job opportunities on a public website
- ✓ Commit to using a directly employed workforce that minimizes the use of subcontracted labor and staffing agencies

Champions Agree to:

- ✓ Pay above average wages plus benefits (healthcare and paid sick leave, at a minimum) in upper quartile for occupation, industry, and region.⁵
- ✓ Establish hiring goals for local community, veterans, underrepresented populations, or those adversely impacted by worker layoffs
- ✓ Commit to neutrality with respect to worker organizing and collective bargaining
- ✓ Enter into a labor-management partnership to co-invest in and co-develop training
- ✓ Plan to provide enhanced access to supportive services (such as childcare, transportation)

⁴ This refers to non-construction jobs; construction jobs are covered under the Davis-Bacon Act labor standards through at least one (or more) Related Acts ([Ensuring Prevailing Wages: A Closer Look at the Davis-Bacon Act | Department of Energy](#))

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Local Economic Development
Supply Chain Growth and Diversification

Emerging Leaders Agree to:

- ✓ Identify and prioritize local supply chain and contractors
- ✓ Develop a relationship with regional or local business associations to identify and engage local partners, contractors, and businesses
- ✓ Partner with and participate in events with federal, State, and local economic development and business development organizations
- ✓ Publicly share and promote contracting, supplier, and other opportunities

Champions Agree to:

- ✓ Establish goals for local supply chain and contractors
 - Commitment to partner or contract with local, small or underrepresented businesses or contractors
- ✓ Participate in business mentoring programs to help grow the energy supply chain and energy enterprises

Revitalizing Communities

Improving Energy Access, Environmental Impacts, and Opportunities for Residents

Emerging Leaders Agree to:

- ✓ Identify communities that can benefit from or will be impacted by the Project
 - Understand community demographics and factors such as unemployment levels, poverty rate, energy burden, health factors, and environmental impacts
- ✓ Identify one or more community benefits from the project:
 - Increase transportation access for workers
 - Increase access to low-cost capital
 - Increase energy technology access and adoption, including community ownership
 - Increase reliability, resilience, and infrastructure
 - Increase in community resilience hubs
 - Decrease energy expenditures for households and businesses
- ✓ Prioritize benefits to local residents through one of the following:
 - Increase in job creation and job training for individuals
 - Increase in business and contracting opportunities
- ✓ Partnership, contract, or training with local education, workforce or community-based organization
- ✓ Increase energy democracy by educating public on energy technology focusing on low-income communities (such as site tours for school groups)

Champions Agree to:

- ✓ Emerging Leaders commitments above
- ✓ Identify and remediate one or more negative impacts to a community
 - Reduce local and global emissions, including household emissions
 - Remediation impacts on surface water, groundwater, and soil
 - Reduction of legacy contaminated waste

Spotlights

Spotlights provide an opportunity to focus on key priorities and areas of shared interest across the Portfolio and across the U.S. Department of Energy. The first Spotlights align with the U.S. Department of Energy efforts to:

- Increase the number of tradeswomen working in construction
- Ensure strong Tribal engagement

These Spotlights increase the availability of skilled local labor for projects and community engagement and support.

Women in Construction
Emerging Leaders Agree to:
<ul style="list-style-type: none">✓ Set goals and monitor progress towards increasing the participation of women on LPO financed construction projects by making voluntary commitment to tradeswomen goal and passing the goal on to contractors and subcontractors✓ Identify, support, or launch an Apprenticeship Readiness Program in the community that includes a focus on women to increase outreach and recruitment of women for Registered Apprenticeship Programs✓ Highlight recruitment and opportunities for tradeswomen working on the project
Champions Agree to:
<ul style="list-style-type: none">✓ Provide support services (such as childcare and transportation) to women in Apprenticeship Readiness Programs and women in the trades✓ Put in place programs/ policies including hiring a compliance monitor to prevent discrimination, harassment, and bullying on construction sites

Tribal Engagement
Emerging Leaders Agree to:
<ul style="list-style-type: none">✓ Provide proactive and regular project updates to interested Tribes. Present project to relevant Tribal elected leaders, including Councils.✓ Conduct career/ job fairs and/or relevant job trainings specifically for Tribal citizens interested in working on the project or for the company✓ Partner and collaborate with Tribal Colleges and Universities✓ Attend a Tribal engagement, Indian Country, Tribal laws and policy or other relevant training for entire project leadership team
Champions Agree to:
<ul style="list-style-type: none">✓ Hire a Tribal liaison to engage and communicate with all interested, including nearby Tribes