



**Department of Energy**

**General Guidance for Justice40 Implementation**

**Version 1.1**

(Updated: 7/24/2023)

**Rescinded by Policy Flash 2025-16**

Table of Contents

I. Introduction..... 3

II. Background..... 4

    A. Bipartisan Infrastructure Law ..... 4

    B. The Inflation Reduction Act..... 4

    C. OMB Guidance ..... 5

III. Justice40 Implementation at DOE ..... 5

    A. What are Covered Programs and Investments?..... 5

    B. What is a disadvantaged community? ..... 6

        1. Overview of CEJST ..... 7

        2. Prioritizing Communities with the DOE DAC Score..... 9

        3. Common Questions Regarding DACs..... 10

    C. What are benefits under the Justice40 Initiative?..... 13

        1. Policy Priorities ..... 13

        2. Identifying and Calculating Benefits ..... 13

        3. Other Considerations: Cumulative Burdens and Negative Impacts..... 15

        4. Common Questions Regarding Benefits Data and Reporting ..... 16

IV. Hypothetical Example and Case Studies..... 18

    A. Hypothetical Example: Building Retrofit Program..... 18

    B. Case Study: California’s Solar on Multifamily Affordable Housing ..... 20

    C. Case Study: Alternative Fuels Incentive Grant ..... 20

    D. Case Study: The Transformative Climate Communities Program ..... 21

    E. Case Study: Hawaii Clean Energy Wayfinders Program ..... 22

V. Approaches to Justice40 Implementation ..... 23

    A. Justice40 Applied to Formula Funding ..... 24

    B. Justice40 Applied to Competitive Funding ..... 26

VI. Formulating a Stakeholder Engagement Plan ..... 29

Additional Resources..... 35

Researched by Policy Flash 2025-16

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 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. Federal tools for identifying disadvantaged communities<sup>2</sup> (DACs);
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).

---

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

<sup>2</sup> Also referred to as underserved, overburdened, frontline communities, and/or Justice40 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. The Inflation Reduction Act

On August 22, 2022, President Biden signed the Inflation Reduction Act (IRA) ([Public Law No. 117-169](#)) into law, marking the most significant action Congress has taken on clean energy and climate change in the nation's history. IRA's \$370 billion in investments will lower energy costs for families and small businesses, accelerate private investment in clean energy solutions in every sector of the economy and every corner of the country, strengthen supply chains for everything from critical minerals to efficient electric appliances, and create good-paying jobs and new economic opportunities for workers.

Specifically, IRA includes some two dozen tax provisions that will save families money on their energy bills and accelerate the deployment of clean energy, clean vehicles, clean buildings, and

clean manufacturing.<sup>3</sup> These tax provisions reflect the President’s strong belief in building the economy from the bottom up and middle out. Many of the clean energy tax provisions offer bonus credits to projects that are located in low-income communities or energy communities. Congress and President Biden designed these programs to benefit working families and parts of the United States that are too often overlooked and underserved. In addition, the law advances President Biden’s Justice40 Initiative, which commits to delivering 40 percent of the overall benefits of climate, clean energy, infrastructure, and other investments to disadvantaged communities, including Tribes, communities with environmental justice concerns, rural areas, and energy communities.<sup>4</sup>

### C. OMB Guidance

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>5</sup> The Interim Implementation Guidance also provides indicators federal agencies may use to identify disadvantaged communities. Pursuant to this direction, the Council of Environmental Quality developed the Climate and Economic Justice Screening Tool (CEJST) to help recipients of federal funding identify DACs. DOE also 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.

On January 27, 2023, the White House Office of Management and Budget (OMB) issued an addendum to the Interim Implementation Guidance, directing all federal agencies to transition to the use of the CEJST tool by October 2023.<sup>6</sup>

## III. **Justice40 Implementation at DOE**

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

A covered program under the Justice40 Initiative 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;

---

<sup>3</sup> For a full listing of funding opportunities through the IRA, see: “BUILDING A CLEAN ENERGY ECONOMY: A GUIDEBOOK TO THE INFLATION REDUCTION ACT’S INVESTMENTS IN CLEAN ENERGY AND CLIMATE ACTION”, [Inflation-Reduction-Act-Guidebook.pdf \(whitehouse.gov\)](https://www.whitehouse.gov/wp-content/uploads/2021/07/M-21-28.pdf)

<sup>4</sup> Pursuant to E.O. 14082, “In implementing the Act [IRA], all agencies...shall, as appropriate and to the extent consistent with law, prioritize... the **Justice40 Initiative**...to protect and improve the health and well-being of fence-line and frontline communities in the United States;”

<sup>5</sup> <https://www.whitehouse.gov/wp-content/uploads/2021/07/M-21-28.pdf>

<sup>6</sup> [https://www.whitehouse.gov/wp-content/uploads/2023/01/M-23-09\\_Signed\\_CEQ\\_CPO.pdf](https://www.whitehouse.gov/wp-content/uploads/2023/01/M-23-09_Signed_CEQ_CPO.pdf)

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>7</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, IRA, and other 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 from Covered Programs flow to “disadvantaged communities.” OMB’s Interim Implementation Guidance defines a *community* as either: (1) **Geographic**: a group of individuals living in geographic proximity (such as census tract), or (2) **Common condition**: a geographically dispersed set of individuals (such as migrant workers or Native Americans), where either type of group experiences common conditions.

For the “geographic” definition of community, pursuant to the Interim Implementation Guidance and OMB guidance M-23-09<sup>8</sup>, DOE recognizes as disadvantaged those census tracts identified by the White House CEJST tool, which can be located at <https://screeningtool.geoplatform.gov/>.

For the “common condition” definition of community, federally recognized tribal lands are categorized as disadvantaged in accordance with OMB’s Interim Implementation Guidance.

---

<sup>7</sup> <https://www.whitehouse.gov/wp-content/uploads/2021/07/M-21-28.pdf>

<sup>8</sup> [https://www.whitehouse.gov/wp-content/uploads/2023/01/M-23-09\\_Signed\\_CEQ\\_CPO.pdf](https://www.whitehouse.gov/wp-content/uploads/2023/01/M-23-09_Signed_CEQ_CPO.pdf)

## 1. Overview of CEJST

Nationwide, the CEJST tool identifies approximately 27,251 census tracts as disadvantaged. The method for identifying these is explained in detail at: [Methodology & data - Climate & Economic Justice Screening Tool \(geoplatform.gov\)](#).

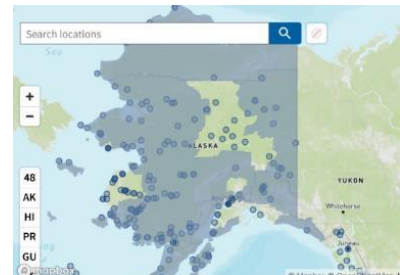
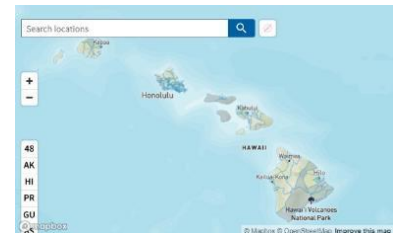
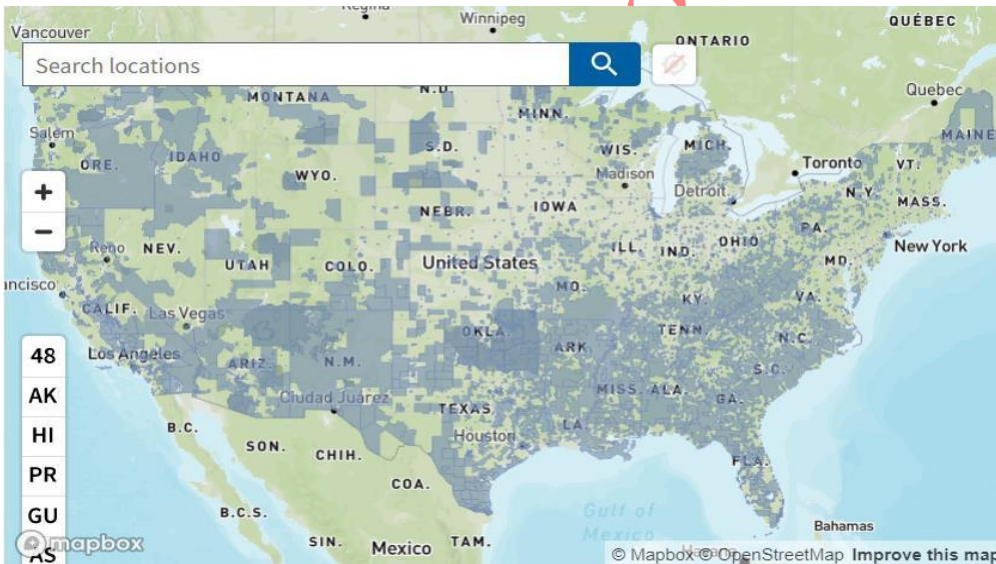
Generally, a census tract that meets the threshold for: 1) environmental, climate, or other burdens, and 2) an associated socio-economic burden will be marked as disadvantaged. CEJST considers the following eight *categories* of burden:

- 1) climate change,
- 2) energy,
- 3) health,
- 4) housing,
- 5) legacy pollution,
- 6) transportation,
- 7) water and wastewater, and
- 8) workforce development.

In addition, a census tract that is completely surrounded by disadvantaged communities and is at or above the 50% percentile for low income is also considered disadvantaged.

**Figure 1:** CEJST DAC Map of United States [Explore the map - Climate & Economic Justice Screening Tool \(geoplatform.gov\)](#)

(U.S. territories are included in the definition but are not displayed below)



Within each category of the CEJST tool there may be several indicators using a variety of datasets (See Figure 2 below). For example, within the “climate change” category, there are 5 indicators (expected agricultural loss rate, expected building loss rate, expected population loss rate, projected flood risk, projected wildfire risk) and 1 socioeconomic indicator (low income). Meeting the threshold of 1 indicator in the climate change category in addition to the socioeconomic indicator will cause the census tract to be identified as a DAC. CEJST v1.0 has a total of 37 indicators among eight categories plus socioeconomic indicators (low income).

**Figure 2: CEJST List of Indicators**

|  |  |
|--|--|
| <p><b>Climate Change (5)</b><br/>         &gt;=90<sup>th</sup> percentile for at least one of these:</p> <ul style="list-style-type: none"> <li>• Expected agricultural loss rate</li> <li>• Expected building loss rate</li> <li>• Expected population loss rate</li> <li>• Projected flood risk</li> <li>• Projected wildlife risk</li> </ul> <p>AND &gt;= 65<sup>th</sup> percentile for low-income</p>       | <p><b>Legacy Pollution (5)</b></p> <ul style="list-style-type: none"> <li>• Have at least one abandoned mine land, or;</li> <li>• Formerly used defense sites</li> </ul> <p>&gt;=90<sup>th</sup> percentile for at least one of these:</p> <ul style="list-style-type: none"> <li>• Proximity to hazardous waste facilities</li> <li>• Proximity to superfund sites</li> <li>• Priorities list</li> <li>• Proximity to risk management plan facilities</li> </ul> <p>AND &gt;= 65<sup>th</sup> percentile for low-income</p> |
| <p><b>Energy (2)</b><br/>         &gt;=90<sup>th</sup> percentile for at least one of these:</p> <ul style="list-style-type: none"> <li>• energy cost</li> <li>• PM2.5 in the air</li> </ul> <p>AND &gt;= 65<sup>th</sup> percentile for low-income</p>  | <p><b>Transportation (5)</b><br/>         &gt;=90<sup>th</sup> percentile for at least one of these:</p> <ul style="list-style-type: none"> <li>• Diesel particulate matter exposure</li> <li>• Transportation barrier</li> <li>• Traffic proximity and volume</li> </ul> <p>AND &gt;= 65<sup>th</sup> percentile for low-income</p>   |
| <p><b>Health (4)</b><br/>         &gt;=90<sup>th</sup> percentile for at least one of these:</p> <ul style="list-style-type: none"> <li>• Asthma</li> <li>• Diabetes</li> <li>• Heart disease</li> <li>• Low life expectancy</li> </ul> <p>AND &gt;= 65<sup>th</sup> percentile for low-income</p>   | <p><b>Water and Wastewater (2)</b><br/>         &gt;=90<sup>th</sup> percentile for at least one of these:</p> <ul style="list-style-type: none"> <li>• Underground storage tanks and releases</li> <li>• Wastewater discharge</li> </ul> <p>AND &gt;= 65<sup>th</sup> percentile for low-income</p>   |
| <p><b>Housing (5)</b></p> <ul style="list-style-type: none"> <li>• Experienced historic underinvestment (redlined) OR</li> </ul> <p>&gt;=90<sup>th</sup> percentile for at least one of these:</p> <ul style="list-style-type: none"> <li>• Housing cost</li> <li>• Lack of green space</li> <li>• Lack of indoor plumbing</li> <li>• Lead</li> </ul> <p>AND &gt;= 65<sup>th</sup> percentile for low-income</p> | <p><b>Workforce Development (4)</b><br/>         &gt;=90<sup>th</sup> percentile for at least one of these:</p> <ul style="list-style-type: none"> <li>• Linguistic isolation</li> <li>• Low median income</li> <li>• Poverty</li> <li>• Unemployment</li> </ul> <p>AND &lt; 10% people older than 25 have a high school diploma</p>   |

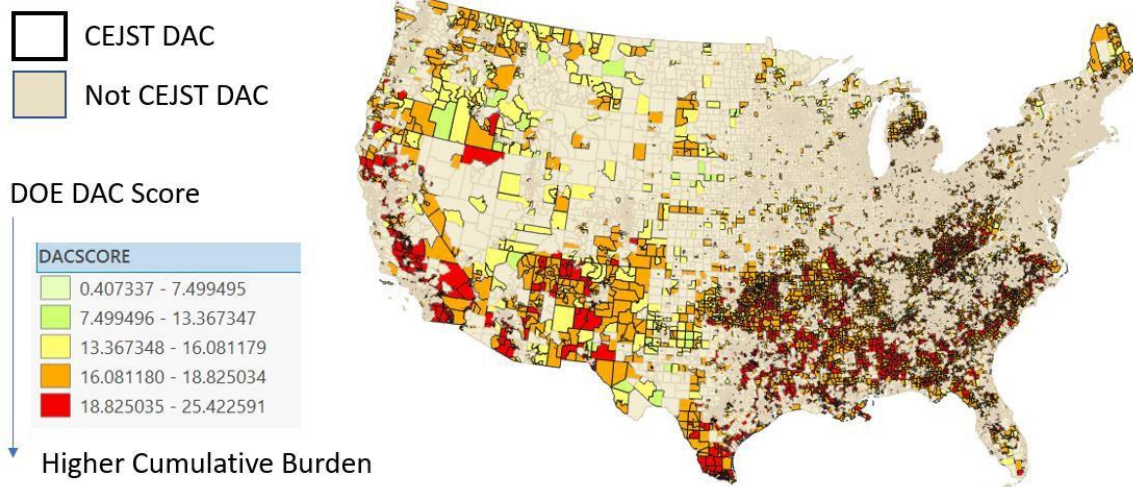


## 2. Prioritizing Communities with the DOE DAC Score

The CEJST tool was designed to be inclusive of many indicators relevant to multiple federal agencies, and thus identifies a broad number of census tracts across the United States as disadvantaged communities. OMB guidance allows federal agencies to further prioritize CEJST census tracts using indicators specific to the mission of those agencies.

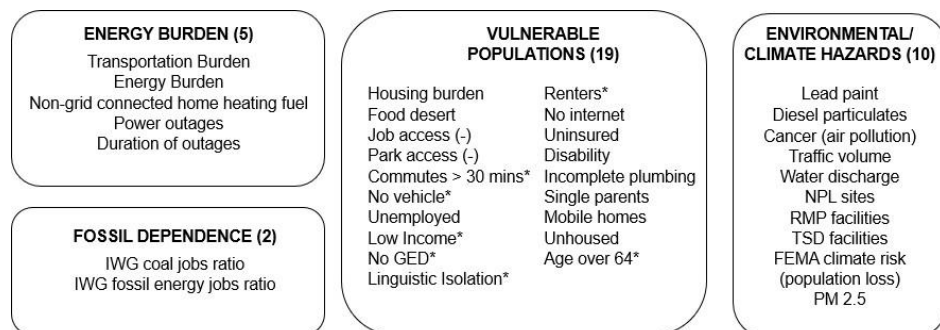
Accordingly, DOE funding recipients can use the **DOE DAC score** to better understand the burdens experienced by census tracts identified in the CEJST tool. For example, a funding recipient implementing an energy efficiency program may be interested in understanding what CEJST census tracts in their area experience the highest energy burden. See Section IV.A. for an example of how the DOE DAC score can be used with CEJST for program funding and design.

**Figure 3: DOE DAC Score for CEJST Census Tracts**



DOE calculates the DAC score as follows: For every census tract, DOE considers 36 indicators grouped in four categories as shown in Figure 4. The national percentile rank for each indicator is calculated by census tract. 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 a total score of 36 would represent the largest disadvantage.

**Figure 4: DOE DAC Score Indicators**



This score between 0 (least disadvantaged) and up to 36 (most disadvantaged) can be used to prioritize within the set of CEJST defined disadvantaged tracts and identify those tracts with the highest *cumulative* burdens. The score for each census tract can be found here: <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).

### 3. Common Questions Regarding DACs

**Question 1: Can we use the DOE’s DAC reporter to identify DACs in our jurisdiction?**

Answer 1: **DOE highly recommends the use of CEJST to identify DACs for nearly all DOE funding opportunities.** Some DOE offices or funding opportunities may direct or allow the use of different tools based on specific program criteria. Please reference all relevant DOE documentation to ensure the use of the correct tool relevant to your funding.

**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: OMB Guidance M-23-09 states: “[T]o promote uniformity across the government, Federal agencies should identify ways to encourage use of the CEJST. If the use of other environmental justice screening tools, such as those developed by some states, would be allowed, then the relevant agency should ensure that there are robust safeguards and minimum criteria in place that conform to the Justice40 Interim Guidance. Greater uniformity in the identification of communities that are disadvantaged, marginalized, overburdened, and underserved will reduce confusion and tension between programs, and promote consistency in outreach and engagement across the Federal family. In

addition, communities will better understand if they are prioritized for benefits across a wide swath of programs.”

Accordingly, DOE would prefer that funding recipients use CEJST definitions and tools to identify DACs. 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 to supplement their analysis. State tools and definitions should only be used if they conform with the following criteria:

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 “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

---

<sup>9</sup> <https://www.whitehouse.gov/wp-content/uploads/2021/07/M-21-28.pdf>

<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.”

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 of common condition: "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?**

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 CEJST tools to identify DACs that can benefit from federal funding.

**Question 5: We used the DOE DAC reporter for a previous plan or funding opportunity instead of CEJST, should we transition to CEJST?**

Answer 5: The majority of census tracts identified as disadvantaged by DOE's DAC reporter are also recognized by the CEJST tool, which should limit instances where the tools do not align. However, DOE will continue to track benefits accrued in census tracts recognized by DOE's DAC reporter but not recognized by CEJST where use of the DAC reporter was recommended. Funding recipients should transition to the use of CEJST for any *new* DOE funding

---

<sup>11</sup> <https://www.whitehouse.gov/wp-content/uploads/2021/07/M-21-28.pdf>

released after the date of this guidance, as well as current funding opportunities, if practicable.<sup>12</sup>

### C. What are benefits under 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 matrixes at Figure 5 provides examples of measurable benefits and how they map to the different DOE policy priorities mentioned above.

---

<sup>12</sup> In the event of conflict between this guidance and a FOA or ALRD, the FOA or ALRD will control. Funding recipients must meet all legal requirements that relate to applicable DOE programs and the corresponding FOA or ALRD.

**Figure 5: 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)                               |

**Figure 6:** Additional Example Metrics Based on Technology Category

| Retrofits                       | Transp.  | Government, Schools   | Financial Instruments       | Renewable Energy                                       | Building Codes and Standards         | Energy Policy and Planning                      | Energy Audits  | Training and Education                                    | Stakeholder Engagement                |
|---------------------------------|--|---|-----------------------------|--|--------------------------------------|---|--|---|---------------------------------------|
| Number of buildings retrofitted | Number of alternative fuel vehicles purchased          | Number of energy efficient: HVAC units purchased, streetlights, | Number of loans given       | Number of PV, wind, or solar thermal systems installed | Number of new building codes adopted | Number of CAPs updated or completed             | Number of audits performed (investment and non-investment) | Number of orgs receiving TA (Tribal, rural, DAC?)         | Number of community engagement events |
| Estimated retrofit savings      | Number of new alternative refueling/stations installed | Number of energy efficient lights purchased                     | Value of grants provided    | Total capacity of systems installed                    |                                      | Number of policies developed or updated (DACs?) |  | Number of employees hired to further EE or sustainability | Community attendance                  |
| Reduction in fuel consumption   | Length of sidewalks installed (linear feet)            | Number of energy efficient water heaters purchased              | Total value of money raised | Number of geothermal or hydropower                     |                                      | Number of GHG inventories completed             |  | Number of workshops or training sessions held             | Community benefits agreement          |

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 Figures 5 and 6 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 communities and 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, geo coordinates, 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 “Hypothetical Example and Case Studies” for examples of programs that feature investments or activities intended to support communities of concern in multiple jurisdictions.

##### **Question 2: What if there are no DACs near my project or within the jurisdiction of my program?**

Answer 2: The Justice40 initiative aims to ensure that 40% of the benefits of certain federal investments flow to disadvantaged communities. Benefits can



include direct investments in certain census tracts identified by federal tools, as well as other positive outcomes for historically underserved/underrepresented individuals that experience common conditions. Accordingly, if a federal funding recipient is located in an area that does not contain census tracts that have been identified as disadvantaged, then DOE highly recommends those funding recipients seek to understand how historically disadvantaged businesses, minority serving institutions, or community based organizations may be included in project activities or planning. The funding applicant may also seek to emphasize engagement with communities experiencing disproportionately high energy burden or pollution compared to surrounding areas to ensure project and planning efforts are being meaningfully and equitably distributed to *all* communities.

**Question 3: Are the benefits I am tracking or have identified valid for the purposes of Justice40?**

Answer 3: In addition to the examples of benefits provided above, funding recipients are encouraged to research and identify benefits that may not be listed in Figures 5 and 6 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 4: Which metrics should be reported to DOE? How do I report them?**

Answer 4: 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.

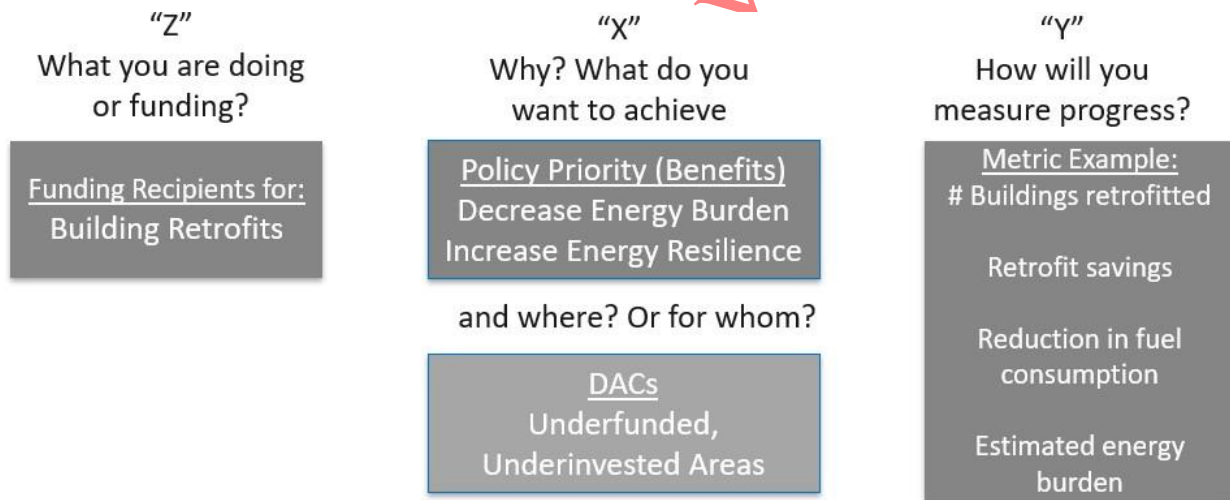
#### IV. Hypothetical Example and Case Studies

Below is a hypothetical example and several case studies that provide how a funding recipient can design programs to ensure benefits 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. Hypothetical Example: Building Retrofit Program

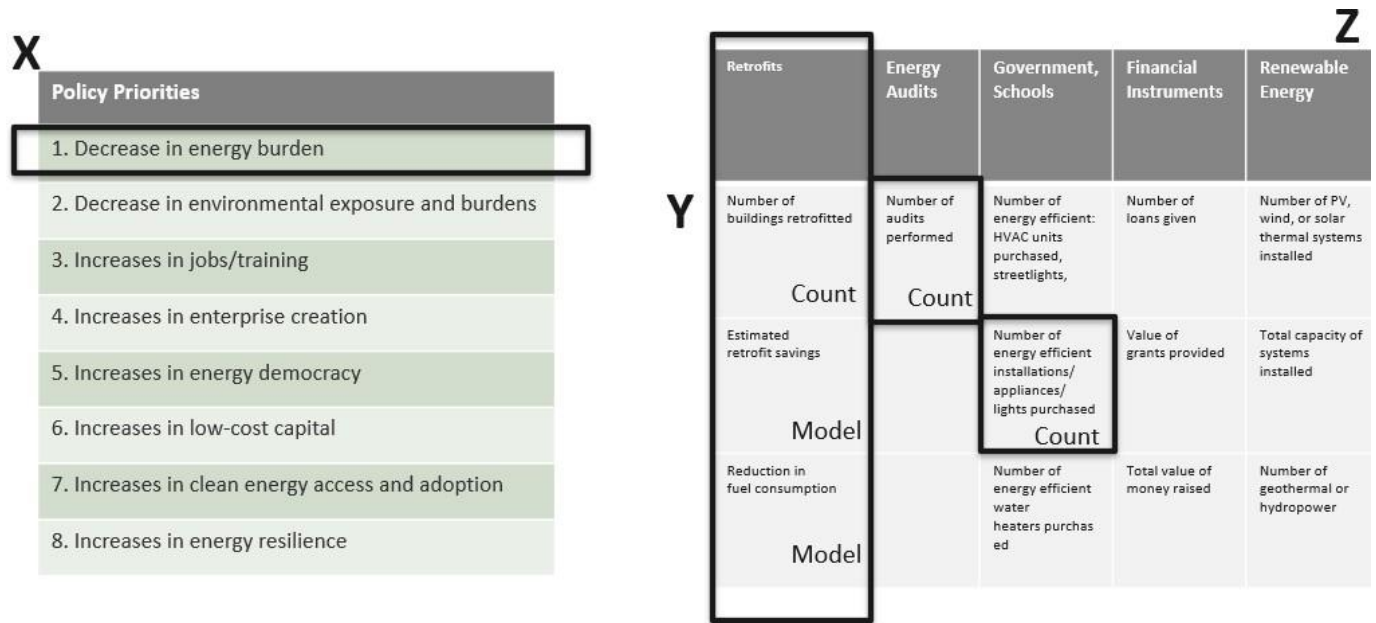
One organizing framework to consider when designing a program under the Justice40 initiative is the XYZ process. Under this process, (X) represents DOE’s policy priorities, (Y) represents metrics, and (Z) represents program functions. The Figures below illustrate how the XYZ process can help funding recipients use DOE policy priorities to identify relevant activities and metrics that can be tracked to ensure benefits from funding and programs are flowing to DACs.

**Figure 7: XYZ Process Framework #1**



Rescind

**Figure 8: Applying XYZ Process Framework #2**



In addition to understanding what policy priorities and metrics might apply to a funding opportunity or program, funding recipients should also seek to understand what communities in their jurisdiction are classified as disadvantaged by CEJST to ensure program and funding benefits are flowing to communities most in need. In other words, **where can these metrics be attributed? Who is benefitting?**

### Using Additional Tools

Additional tools like the DOE's DAC Reporter can be used to identify CEJST DACs with specific burdens that may be relevant to the funding or program design. For example, a funding recipient may choose to focus on community engagement, marketing, education, and outreach, or establish other relevant deployment goals in the census tracts identified below to maximize benefits to DACs. In Figure 9 below, data from the DOE DAC reporter was used to identify census tracts with the highest energy burden. This data potentially reveals which communities might benefit the most from a buildings retrofit program aimed at relieving energy burden.

**Figure 9: DOE DAC Reporter Data**

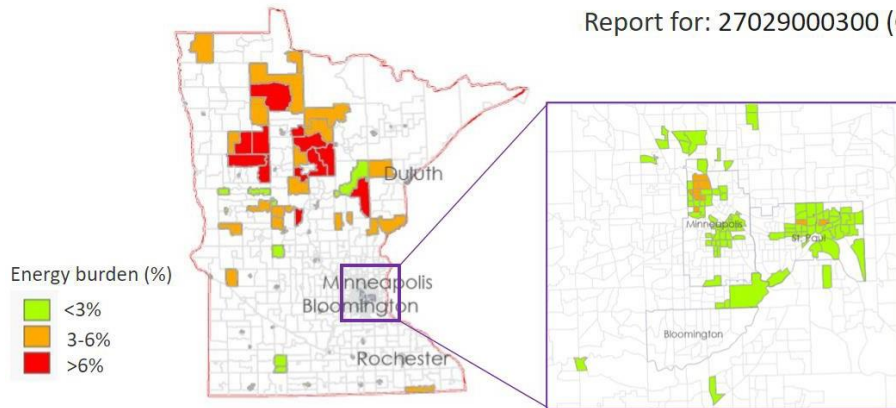
Using the DOE tool to learn about DACS- Energy Burden

[Energy Justice Dashboard \(anl.gov\)](https://energyjustice.anl.gov/)

Report for: 27069090100 (**Kittson**)

Report for: 27007940001 (**Beltrami**)

Report for: 27029000300 (**Clearwater**)



**B. Case Study: 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.

**C. Case Study: 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 \(pa.gov\)](https://www.pa.gov/alternative-fuels-incentive-grant).

**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.

#### D. Case Study: 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>13</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”

---

<sup>13</sup> <https://sgc.ca.gov/programs/tcc/>

- 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

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.

#### E. Case Study: 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>14</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 Clean Energy Wayfinders Program at: [Clean Energy Wayfinders - Hawaii State Energy Office \(hawaii.gov\)](#).

**Important Design Elements for Consideration:** This program invests resources towards connecting frontline communities with decision makers and seeks to improve awareness of

<sup>14</sup> <https://energy.hawaii.gov/get-engaged/clean-energy-wayfinders/#:~:text=The%20Clean%20Energy%20Wayfinders%20is,generation%20of%20clean%20energy%20leaders.>

existing benefits offered through state programs designed to assist individuals most in need of energy assistance.

#### F. Case Study: 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>15</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>16</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 CALeVIP 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.

---

<sup>15</sup> <https://calevip.org/>

<sup>16</sup> <https://calevip.org/incentive-project/southern-california-level-2>

## 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 10: 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<sup>17</sup> and applicants should review the specific requirements provided in

<sup>17</sup> Many DOE funding opportunities will require a Justice40 plan as part of an overall “Community Benefits Plan”, which requires applicants also consider community and labor engagement, workforce development, and diversity, equity, inclusion, and accessibility (DEIA). See the following for more information: <https://www.energy.gov/infrastructure/about-community-benefits-plans>

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.

- Identification of applicable DACs to which the anticipated benefits will flow.
  - CEJST; any complimentary 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 11: 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> |

Rescinded by Policy

16

## 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>18</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 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

---

<sup>18</sup> [Executive Order On Advancing Racial Equity and Support for Underserved Communities Through the Federal Government | The White House](#)

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.

Rescinded by Policy Flash 2025-16

B. Identify Stakeholders Relevant to Project or Program Funding

**Figure 12:** 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>19</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>19</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> |
|---|---|

## 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.

Rescinded by Policy Flash 2025-16

## 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=Cj0KCQjwpcOTBhCZARIsAEA YLuXcb8RplZkqgio41zc\\_N67Xp5cv\\_QWY5pKjuf6eFOsTuzeXt8emxfEaAi2KEALw\\_wcB](https://thesolutionsproject.org/what-we-do/grantmaking/justice40-accelerator/?gclid=Cj0KCQjwpcOTBhCZARIsAEA YLuXcb8RplZkqgio41zc_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>
- DOE: About Community Benefits Plans: <https://www.energy.gov/infrastructure/about-community-benefits-plans>

### Contact

Office of Economic Impact & Diversity  
U.S. Department of Energy  
1000 Independence Ave SW  
Washington, D.C. 20585  
Phone: (202) 586-8383  
Email: [energyjustice@hq.doe.gov](mailto:energyjustice@hq.doe.gov)  
Web: [www.energy.gov/justice40](http://www.energy.gov/justice40)