

Defining Disadvantaged Communities

The Office of Management and Budget is defining "community" in terms of places and people:

- Places: A group of individuals living in geographic proximity to one another (e.g., census tracts)
- People: A geographically dispersed set of individuals where either type of group experiences common conditions (e.g., migrant workers or Native Americans)

Federal agencies have been directed to develop data-driven tools to determine whether a specific community is "disadvantaged." *Please see below for some of the tools that have been developed and are being used.*

Covered Programs

A "covered program" 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
- 6. Remediation and reduction of legacy pollution
- 7. Critical clean water and waste infrastructure

Identify Disadvantaged Communities in Your City

- Climate and Economic Justice Screening Tool (BETA): The Council on Environmental Quality published a beta version of the screening tool that aims to help federal agencies identity disadvantaged communities that are marginalized, underserved, and overburdened by pollution. These communities are located in census tracts that are at or above the thresholds in one or more of eight categories of criteria: 1) climate change, 2) clean energy and energy efficiency, 3) clean transit, 4) sustainable housing, 5) legacy pollution, 6) clean water and wastewater infrastructure, 7) health burdens, and 8) workforce development.
- <u>DOE Energy Justice Dashboard</u>: The Department of Energy (DOE) has created a dashboard to allow users to explore and produce reports on census tracts that DOE has categorized as disadvantaged communities. The dashboard analyzes 36 burden indicators and identifies the top 20% of census tracts in each state.
- <u>Transportation Disadvantaged Census Tracts:</u> The Department of Transportation (DOT) created
 a mapping tool to visualize disadvantaged census tracts. This tool is used for Justice40-covered
 programs under DOT.

Using the Climate and Economic Justice Screening Tool, PCFO has identified <u>disadvantaged</u> <u>communities by census tract</u> in member cities.

Explore Justice 40 Covered Programs

- <u>DOE Justice40 Covered Programs</u>: The Department of Energy created a comprehensive list of their 140+ Justice40 covered programs. Explore climate and clean energy opportunities across 23 DOE offices.
- <u>DOT Justice40 Initiative</u>: The Department of Transportation developed a webpage centralizing information on the agency's efforts to advance Justice40 goals, covered programs, and the agency's working definition of "disadvantaged community."
- <u>Justice40 at EPA</u>: The Environmental Protection Agency has created a list of all Justice40 covered programs, including six programs identified as a part of the Justice40 pilot.
- <u>USDA Justice40 Covered Programs</u>: In June 2022, the US Department of Agriculture developed a list of all Justice40 covered programs, housed in four of USDA's eight mission areas: Farm Production and Conservation; Research, Education and Economics; Rural Development; and Natural Resources and Environment.

Connect community-based organizations with the Justice 40 Accelerator

Created through a partnership between The Solutions Project, Elevate, Groundswell, Partnership for Southern Equity, and Hummingbird Firm, the <u>Justice40 Accelerator</u> supports climate and environmental justice organizations in building their capacity, partnerships, and readiness to access government funding to implement community-designed solutions. J40A aims to help communities build readiness to seek out and apply for federal funding and programs.

The inaugural cohort received the following benefits through a 12-month cohort experience:

- Awarded \$25k
- · Technical assistance
- 1-on-1 Navigator assistance
- Access to a private education portal providing tools and resources
- Federal funding preparation workshops with guest speakers
- · Community building activities

Plan for Operationalizing Justice 40 in Grant Applications

Each federal agency is creating unique criteria to define disadvantaged communities and processes for communities to demonstrate their Justice40 eligibility in funding applications. For Justice40 covered programs, agencies will include a section for communities to demonstrate their eligibility under disadvantaged community status. PCFO will continue to update research on the process that agencies are utilizing to operationalize Justice40 in their grant opportunities.

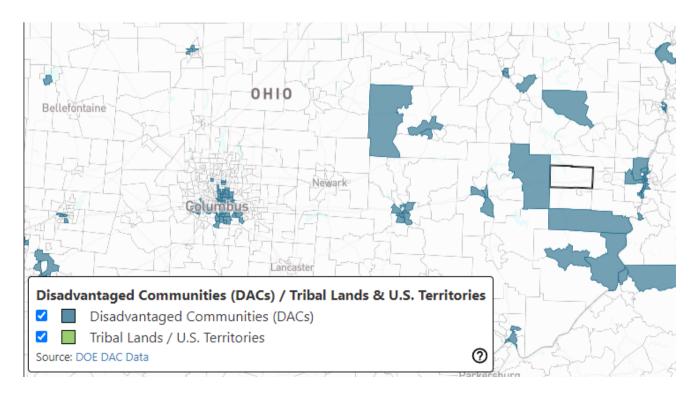
DEPARTMENT OF ENERGY AND JUSTICE40

To guide the realization of Justice40 goals, the US Department of Energy created a <u>General Guidance for Justice40 Implementation</u> and an <u>Equity Action Plan</u>.

DOE has created a **working definition of disadvantaged communities (DACs)** that is based on cumulative burden and includes data for 36 indicators collected at the census tract level. These indicators fall within 4 categories:

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

The <u>Energy Justice Mapping Tool</u> was developed to help stakeholders identify where disadvantaged communities are located



Guiding Policy Priorities for Justice 40 Benefits

DOE also identified 8 policy priorities that frame benefits and guide DOE's implementation of Justice40:



Decrease energy burden in DACs



Increase clean energy enterprise creation and contracting (MBE/DBE) in DACs



Decrease environmental exposure and burdens for DACs



Increase clean energy jobs, job pipeline, and job training for individuals from DACs



Increase parity in clean energy technology access and adoption in DACs



Increase energy resiliency in DACs



Increase access to low-cost capital in DACs



Increase energy democracy in DACs

Example Benefit Metrics Mapped to Policy Priorities

Benefit Category	Metric	Measurement
Reducing energy burden	Reduction in energy costs due to technology adoption	\$ saved in energy expenditures due to technology adoption
Reducing environmental burden	Reduction in local pollutant emissions	Avoided air pollutants (CO2, NOx, SO2, PM2.5)
Increase clean energy access	Increase access to clean energy serving disadvantaged communities	Clean energy resource (MWh) adopted
Increase access to low-cost capital	Increase capital access in disadvantaged communities	\$ spent by source and purpose and location
Increase enterprise creation	Increase contracts to minority & disadvantaged businesses	# of contracts and/or \$ awarded to minority & disadvantaged businesses
Increase clean energy jobs & training	Increase clean energy jobs in disadvantaged communities	# of jobs created in disadvantaged communities
Increase resilience	Increase community resilience	# and size (MWh) of community resilience infrastructure deployed (e.g., battery storage)
Increase energy democracy	Increase stakeholder engagement	# of events and/or \$ spent engaging organizations and residents

Justice40 Applied to Competitive Funding

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 funding opportunities 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.

- Identification of applicable DACs to which the anticipated benefits will flow.
- Identification of applicable benefits to be measured by the applicant
- · A Discussion of Anticipated Negative Impacts on DACs
- A Discussion of Proposed Community Engagement Strategy
- A Description of How Anticipated Benefits Are Expected to Flow to DACs

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. Community Benefits Plans will be included in the evaluation and scoring criteria. This will translate into project milestones for awarded grants.

Case Study: Solar and Wind Grid Services and Reliability Demonstration Funding Opportunity

In 2022, DOE released this funding opportunity to invest in innovative research and development (R&D) that accelerates the large-scale development and deployment of solar and wind technologies. As a Justice40 covered program, the Department required that applicants submit a Community Benefits Plan that demonstrated how the proposed project will incorporate these 4 priorities:

- 1. Community and Labor Engagement: Conduct proactive and meaningful engagement with local stakeholders, such as residents and businesses, entities that carry out workforce development programs, labor unions and worker organizations, local government, and community-based organizations that support or work with disadvantaged communities.
- 2. Quality Jobs: Expand good-paying jobs, with assurances that workers will have a free and fair chance to join a union; promote worker power for marginalized workers and in hard-to-organize and changing industries; improve job quality through the adoption of strong labor standards; support responsible employers; and foster safe, healthy, and inclusive workplaces and communities free from harassment and discrimination, and support strategies that develop a skilled and inclusive local workforce.
- 3. **Diversity, Equity, Inclusion, and Accessibility**: Encourage the participation of underserved communities and underrepresented groups and to ensure equitable access to business opportunities, good-paying jobs, career-track training, and other economic opportunities.
- 4. **Justice40 Initiative**: Demonstrate how 40% of the overall benefits will reach disadvantaged communities, including measurable direct or indirect investments or positive project outcomes that align with DOE's Justice40 Policy Priorities.