

# The Office of Economic Impact & Diversity



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#### The Office of Economic Impact & Diversity

Formally created by the National Energy Conservation Policy Act of 1978, the **Office of Economic Impact and Diversity (ED)** focused on its five key statutory objectives:

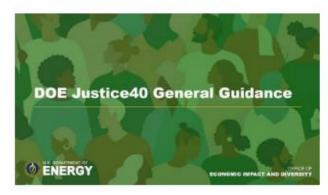
- Advise the Secretary of Energy on the effect of energy policies, regulations and other actions on people and communities of color, and minority-owned businesses.
- 2. Work with Energy Information Administration (EIA) on research and data collection to determine the effects of programs, policies and regulations on people and communities of color.
- 3. Develop and recommend energy relevant programs, policies and regulations for people and communities of color.
- 4. Assess energy burdens on people and communities of color.
- 5. Provide energy-related technical assistance and job creation opportunities for people and communities of color.



# Resources Available from The Office of Economic Impact and Diversity

#### Guidance and Factsheets

#### DOE Justice 40 General Guidance



#### Environmental Justice Explainer



#### Justice40 Factsheet



#### Justice40 Covered Program Highlights





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# The Importance of Increasing Representation.

Applicants are required to describe the **actions** the applicant will take to

- foster a welcoming and inclusive environment
- support people from underrepresented groups in STEM
- advance equity,
- encourage the inclusion of individuals from these groups in the project,
- and the extent to which the project activities will be located in or benefit underserved communities



## **Representation Matters**

As part of this whole-of-government approach, this lab call seeks to encourage the participation of underserved communities and underrepresented groups.

Applicants are highly encouraged to include individuals from groups historically underrepresented in STEM on their project teams.



#### **Focusing on the DEIA Section**

The DEIA section should contain the following information:

- Equity Impacts: the impacts of the proposed project on underserved communities, including social and environmental impacts
- Benefits: The anticipated overall benefits of the proposed project, if funded, to underserved communities
- How DEIA objectives will be incorporated in the project



# **Key Terminology in the Lab Call**

**Benefits Diversity Energy Justice Energy Burden Equity Equity Impacts Disadvantaged Communities Underserved communities** Minority Serving Institutions



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# **Executive Order 13985**



BRIEFING ROOM

# Executive Order On Advancing Racial Equity and Support for Underserved Communities Through the Federal Government

Our country faces converging economic, health, and climate crises that have exposed and exacerbated inequities, while a historic movement for justice has highlighted the unbearable human costs of systemic racism.

JANUARY 20, 2021 . PRESIDENTIAL ACTIONS

Equal opportunity is the bedrock of American democracy, and our diversity is one of our country's greatest strengths. But for too many, the American Dream remains out of reach. The 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.



# **Executive Order 13985**



BRIEFING ROOM

Executive Order On Advancing
Racial Equity and Support for
Underserved Communities Through
the Federal Government

JANUARY 20, 2021 . PRESIDENTIAL ACTIONS

The Federal Government's goal in advancing equity is to provide everyone with the opportunity to reach their full potential. Consistent with these aims, each agency must assess whether, and to what extent, its programs and policies perpetuate systemic barriers to opportunities and benefits for people of color and other underserved groups.

Such assessments will better equip agencies to develop policies and programs that deliver resources and benefits equitably to all.



# **Definitions Provided by Executive Order 13985**

"[**E]quity**" means the consistent and systematic fair, just, and impartial treatment of all individuals, including individuals who belong to underserved communities that have been denied such treatment, such as Black, Latino, and Indigenous and Native American persons, Asian Americans and Pacific Islanders and other persons of color; members of religious minorities; lesbian, gay, bisexual, transgender, and queer (LGBTQ+) persons; persons with disabilities; persons who live in rural areas; and persons otherwise adversely affected by persistent poverty or inequality.

"[U]nderserved communities" refers to populations sharing a particular characteristic, as well as geographic communities, that have been systematically denied a full opportunity to participate in aspects of economic, social, and civic life, as exemplified by the list in the preceding definition of "equity."



# Justice40 -- E.O. 14008, s. 223



40% of the overall benefits of certain Federal investments—including

- investments in clean energy and energy efficiency
- clean transit
- affordable and sustainable housing training and workforce development; the remediation and reduction of legacy pollution
- the development of clean water infrastructure
- must flow to disadvantaged communities.



# **Guiding Policy Priorities for Justice 40 Benefits**

- 1. Decrease energy burden in disadvantaged communities
- 2. Decrease environmental exposure and burdens for disadvantaged communities
- 3. Increase parity in clean energy technology access and adoption in disadvantaged communities
- 4. Increase access to low-cost capital in disadvantaged communities
- 5. Increase clean energy enterprise creation and contracting (MBE/DBE) in disadvantaged communities
- 6. Increase clean energy jobs, job pipeline, and job training for individuals from disadvantaged communities
- 7. Increase energy resiliency in disadvantaged communities
- \*\* 8. Increase energy democracy in disadvantaged communities



# **Defining Disadvantaged Communities**

#### Agencies should define community as either:

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



**Places** 



**People** 

Source: Interim Implementation Guidance for the Justice40 Initiative. <a href="https://www.whitehouse.gov/wp-content/uploads/2021/07/M-21-28.pdf">https://www.whitehouse.gov/wp-content/uploads/2021/07/M-21-28.pdf</a>



#### **DOE Disadvantaged Community Working Definition**

**Cumulative Burden.** Census tract must have at least 30% low-income households and rank in the 80<sup>th</sup> percentile of cumulative sum of 36 indicators, where each input is equally weighted. Rankings are state-relative.

#### **ENERGY BURDEN (5)**

Transportation Burden
Energy Burden
Non-grid connected home
heating fuel
Power outages
Duration of outages

#### **FOSSIL DEPENDENCE (2)**

IWG coal jobs ratio
IWG fossil energy jobs ratio

# **VULNERABLE POPULATIONS** (19)

Housing burden Renters\*
Food desert No internet
Job access (-) Uninsured
Park access (-) Disability
Commutes > 30 mins\* Incomplete plumbing

No vehicle\* Single parents
Unemployed Mobile homes
Low Income\* Unhoused
No GED\* Age over 65\*

Linguistic Isolation\*

#### ENVIRONMENTAL/ CLIMATE HAZARDS (10)

Lead paint
Diesel particulates
Cancer
Traffic volume
Water discharge
NPL sites
RMP facilities
TSD facilities
FEMA climate risk
PM 2.5

<sup>\*</sup> Denotes that these variables are not inherently negative, but increase the vulnerability of the population to climate, environmental, and energy hazards



# Why is DEIA Important?



According to the National Science Foundation's 2019 report titled "Women, Minorities and Persons with Disabilities in Science and Engineering,"

women, persons with disabilities, and underrepresented minority groups—Blacks or African Americans, Hispanics or Latinos, and American Indians or Alaska Natives—are vastly underrepresented in the science, technology, engineering, and math (STEM) fields that drive the energy sector.



## **Prioritizing Diverse Partnerships**



Minority Serving Institutions, Minority Business Enterprises, Minority Owned Businesses, Woman Owned Businesses, Veteran Owned Businesses, or entities located in an underserved community that meet the eligibility requirements are encouraged to participate in an application as a proposed partner to the prime applicant.

The Selection Official may consider the inclusion of these types of entities as part of the selection decision.

(refer to Section II.B.i Merit Review & Selection Process)



# What a is Minority Serving Institution?

Minority Serving Institutions, including Historically Black Colleges and Universities/Other Minority Institutions, as educational entities recognized by the Office of Civil Rights (OCR), U.S. Department of Education, and identified on the OCR's Department of Education U.S. accredited postsecondary minority institutions list.

- Historically Black College or University (HBCUs) (list maintained by the White House Initiative on HBCUs)
- Hispanic-serving institution (HSIs)
- Tribal College or University(TCUs) (list maintained by White House Initiative on Tribal Colleges and Universities)
- Alaska Native-serving institution or a Native Hawaiian-serving institution
- Predominantly Black Institution (PBI)
- Asian American and Native American Pacific Islander-serving institution (AAPISIs)
- Native American-serving nontribal institution
  - https://www2.ed.gov/about/offices/list/ocr/edlite-minorityinst.html



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## **Example Benefit Metrics Mapped to Policy Priorities**

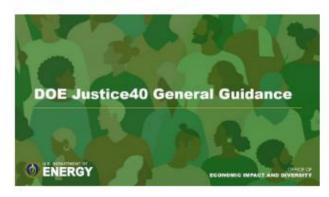
Benefit Category	Metric	Measurement
Reducing energy burden	Reduction in energy costs due to technology adoption	\$ saved in energy expenditures due to technology adoption
Reducing environmental burden	Reduction in local pollutant emissions	Avoided air pollutants (CO <sub>2</sub> ,NO <sub>x</sub> , SO <sub>2</sub> , PM <sub>2.5</sub> )
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)
Increasing energy democracy	Increased stakeholder engagement	# of events and/or \$ spent engaging organizations and residents



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