

Community Benefits Guidance:

Carbon Utilization Procurement Grants (UPGrants)



U.S. DEPARTMENT OF
ENERGY

Fossil Energy and
Carbon Management

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Disclaimer

This Community Benefits Guidance: Carbon Utilization Procurement Grants (UPGrants) contains recommendations that may (or may not) apply to a particular situation based upon the individual facts and circumstances.

Voluntary Submission of Information

Submission of this information by the vendor is voluntary; the information is not required but may be submitted in addition to the vendor's Life Cycle Analysis (LCA) submission. Submitting this information (or opting not to) will have no impact on the critical review of the LCA. Any information provided by the vendors pertinent to the below list may be placed on NETL's UPGrants website, which will list vendors with LCAs that have satisfactorily completed critical review. The following are some designations, or certifications, that are commonly used in federal solicitations. This is not a comprehensive list, and vendors can provide other designations, as well as information which may confirm the vendor's good standing and the description of the designation.

- Small Business Administration's Certification Small Disadvantaged Business¹
- SAM.GOV
 - Woman Owned Small Business²
 - Economically Disadvantaged Woman Owned Small Business³
 - Veteran Owned Small Business⁴
 - Service Disabled Veteran Owned Small Business⁵
 - HUBZone Certification (Historically Underutilized Business Zone)⁶
 - 8(a) Program (Minority Owned Small Business)⁷
- A recipient of Department of Commerce's minority business resource development as a documents Minority Business Enterprise (MBE)⁸
- Other relevant designations/certifications

Unionized Labor

- Vendors may provide if the production of the carbon oxide derived product, or some component of the product, is manufactured using union labor as well as information on the union.

¹ <https://www.sba.gov/federal-contracting/contracting-assistance-programs/small-disadvantaged-business>

² <https://www.unitedstatesbusinessregistration.us/wosb-edwosb-woman-owned-small-business/>

³ <https://www.unitedstatesbusinessregistration.us/wosb-edwosb-woman-owned-small-business/>

⁴ <https://www.unitedstatesbusinessregistration.us/vosb-sdvosb-veteran-owned-small-business-certification/>

⁵ <https://www.unitedstatesbusinessregistration.us/vosb-sdvosb-veteran-owned-small-business-certification/>

⁶ <https://www.unitedstatesbusinessregistration.us/hubzone-certification/>

⁷ <https://www.unitedstatesbusinessregistration.us/8a-minority-owned-small-business/>

⁸ <https://sam.gov/fal/f64d3393c8eb434bb61a9d81ec73f123/view>

Introduction

What is the purpose of this guidance?

This guidance is intended to provide supplemental information to assist vendors in developing elements of a Community Benefits discussion which may be submitted with the vendor's LCA submission. Submission of a community benefit discussion is voluntary; if a vendor chooses not to submit a community benefit discussion with their LCA submission, their LCA will still be critically reviewed.

As shown in the graphic to the right, community benefits are based on a set of four core interdependent policy priorities: engaging communities and labor; investing in America's workforce; advancing diversity, equity, inclusion, and accessibility; and implementing Justice40⁹. These key principles, when incorporated comprehensively in DOE programs and executed upon, will help ensure shared prosperity in the clean energy transition.

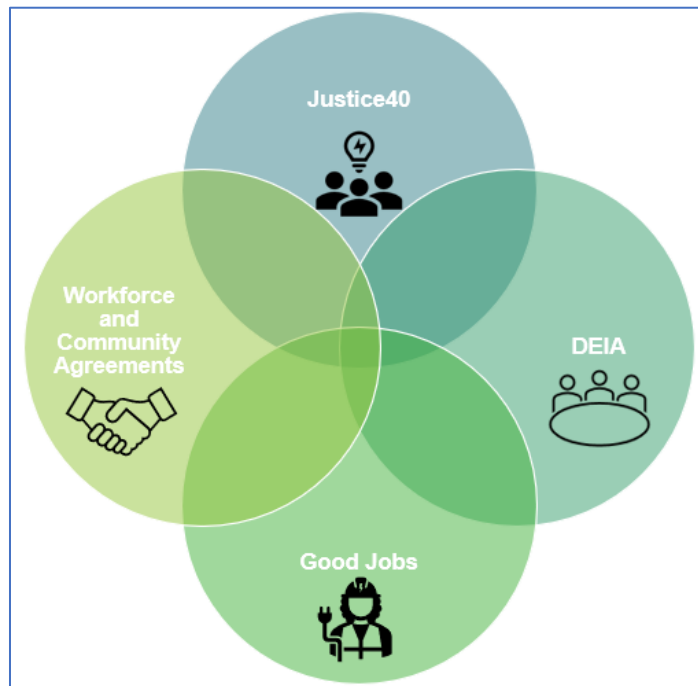


Figure 1- Illustration of Community Benefit core priorities. From "Guidance for Creating a Community Benefits Plan for Regional Direct Air Capture Hubs"

Who uses this document?

This document provides the vendors of carbon utilization/conversion products guidance in developing their community benefits discussion. While the LCA is the only mandatory component of a vendor's submission, vendors may use this community benefits guidance (and the Carbon Utilization Procurement Grant: TEA Guidance) if they choose to submit a community benefits discussion (and/or a TEA) with their LCA submission.

Will this information be public?

As appropriate, DOE reserves the right to share non-procurement sensitive (or otherwise non-confidential/non-privileged) information, and vendors may share details of their community benefits with stakeholders and other parties at their own discretion. Vendors may include polished, public-

⁹ Read more about Justice40, including the interim guidance from the White House: <https://www.whitehouse.gov/omb/briefing-room/2021/07/20/the-path-to-achieving-justice40/> and <https://www.whitehouse.gov/wp-content/uploads/2021/07/M-21-28.pdf>

facing materials, such as a slide deck, factsheet, or other communication tools, which address core priorities as referenced, at the end of their submission. DOE may incorporate these elements into the National Energy Technology Laboratory's (NETL) website for UPGrants, which will list vendors with LCAs that have satisfactorily completed critical review.¹⁰ Submissions may be subject to the Freedom of Information Act (FOIA) and vendors should mark them accordingly (see 10 CFR 1004.11).

Enabling public accessibility to the information provided helps build transparency, but also assists eligible entities in procuring commercial or industrial products from vendors aligned with the high principles of community benefits and partnership development, including equity, justice, and quality jobs.

Community Benefits Elements

Justice40

Vendors may submit a Justice40 Initiative narrative section within the community benefits discussion that describes efforts to address energy and environmental justice.

What is Justice40?

On January 27, 2021, President Biden issued Executive Order (E.O.) 14008, Tackling the Climate Crisis at Home and Abroad.¹¹ Section 223 of that E.O. established the Justice40 Initiative, which creates a goal that 40% of the overall benefits of certain federal investments—including investments in clean energy and energy efficiency, clean transit, affordable and sustainable housing, training and workforce development, the remediation and reduction of legacy pollution, and the development of clean water infrastructure—flow to disadvantaged communities (defined below).

How are disadvantaged communities defined?

Pursuant to E.O. 14008 and the Office of Management and Budget's (OMB) Interim Justice40 Implementation Guidance (M-21-28), DOE has developed a definition and a map tool to locate and identify disadvantaged communities.¹² Federally recognized Tribal land and U.S. territories in their entirety are categorized as disadvantaged communities in accordance with OMB Interim Guidance "common conditions" definition of communities.

¹⁰ <https://www.netl.doe.gov/upgrants>

¹¹ <https://www.whitehouse.gov/briefing-room/presidential-actions/2021/01/27/executive-order-on-tackling-the-climate-crisis-at-home-and-abroad/>

¹² <https://energyjustice.egs.anl.gov/>

DOE would prefer that vendors leverage the DOE definition and map tools. 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.

How do vendors address J40 considerations?

If submitting a discussion, vendors should determine if their facility/facilities are located within defined disadvantaged communities. Facilities can include production facilities but also other defined business operations. Vendors should provide the detailed locations of such facilities. Additional information regarding workforce and community engagement will be provided below.

Diversity, Equity, Inclusion and Accessibility (DEIA)

Vendors are encouraged to include a DEIA plan or a written narrative describing how DEIA objectives are incorporated into their business practices to foster a welcoming and inclusive environment, support people from underrepresented groups in STEM and/or applicable workforces, advance equity, and encourages the inclusion of individuals from these groups.

What is DEIA?

The E.O. on Diversity, Equity, Inclusion, and Accessibility in the Federal Workforce¹³ defines Diversity, Equity, Inclusion, and Accessibility as:

Diversity means the practice of including the many communities, identities, races, ethnicities, backgrounds, abilities, cultures, and beliefs of the American people, including underserved communities.

Equity 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.

Inclusion means the recognition, appreciation, and use of the talents and skills of employees of all backgrounds.

Accessibility means the design, construction, development, and maintenance of facilities, information and communication technology, programs, and services so that all people, including people with disabilities, can fully and independently use them. Accessibility includes the provision of accommodations and modifications to ensure equal access to employment and participation in activities for people with disabilities, the reduction or elimination of physical and attitudinal barriers to equitable opportunities, a commitment to ensuring that people with disabilities can independently access every outward-facing and internal activity or electronic space, and the pursuit of best practices such as universal design.

¹³ <https://www.whitehouse.gov/briefing-room/presidential-actions/2021/06/25/executive-order-on-diversity-equity-inclusion-and-accessibility-in-the-federal-workforce/#:~:text=%28e%29%20The%20term%20%E2%80%9Caccessibility%E2%80%9D%20means%20the%20design%2C%20construction%2C,with%20disabilities%2C%20can%20fully%20and%20independently%20use%20them.>

What does “underrepresented” mean?

The term “underrepresented” is context-dependent and should be considered relative to the relevant communities, workforces, and locations. For example, 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 Latinx, and American Indians or Alaska Natives—are vastly underrepresented in the STEM (science, technology, engineering, and math) fields that drive the energy sector. That is, their representation in STEM education and STEM employment is smaller than their representation in the U.S. population.¹⁴ For example, in the U.S., Hispanics, African Americans and American Indians or Alaska Natives make up 24 percent of the overall workforce, yet only account for 9 percent of the country’s science and engineering workforce. DOE seeks to inspire underrepresented Americans to pursue careers in energy and support their advancement into leadership positions.¹⁵

What are elements of a DEIA Plan?

Specific elements of a DEIA Plan may include:

1. Background. Describe prior and ongoing efforts by members of the company relevant to DEIA.
2. Milestones and Timelines. The DEIA Plan and policies should describe targeted DEIA outcomes and implementation strategies, including milestones, and should include a schedule for execution. A variety of references are available for what this could involve.¹⁶
3. Resource Summary. Describe resources dedicated to implementing the plan including staff, facilities, capabilities, and budget that will support implementation and execution. This should include information about:
 - Staff: The number of staff, their time on the project and their educational qualifications and experience (e.g., people trained in DEIA, facilitation, and/or social science).
 - Facilities, equipment, and capabilities: Physical buildings and meeting spaces, specialized equipment for use in research, scientific, and DEIA work, and/or the abilities staff, facilities, and equipment.
 - Budget: Planned costs and contributions aligned with activities in the plan.

Company-wide policies and efforts are acceptable. If the company produces a variety of products or services, tailoring the submission to the efforts to produce the carbon utilization/conversion product is encouraged. The DEIA Plan must not exceed five pages, including any references at the end of the submission.

¹⁴ <https://nces.nsf.gov/pubs/nsf19304/digest/about-this-report>

¹⁵ <https://www.energy.gov/articles/introducing-minorities-energy-initiative>

¹⁶ <https://www.energy.gov/fecm/justice-engagement-planning-societal-considerations-impacts-fecm-projects>

Workforce and Community

Investing in America's Workforce

Vendors may include an Investing in the American Workforce section in their submission. Investing in America's workforce means shifting from seeing "labor as a cost" to "labor as an investment." DOE's investments seek to create domestic energy and supply chain jobs with good pay, benefits, predictable schedules, and with assurances that workers will have a free and fair chance to join or form a union. Investing in workers includes hiring workers as employees rather than through temp agencies or as independent contractors. It also means fostering safe, healthy, and inclusive workplaces free from harassment and discrimination. Investing in American workers involves making investments in training, education, and skill development and supporting the corresponding mobility of workers to advance in their careers. By supporting such employment practices, DOE seeks to ensure that the efficiency, ingenuity, and high skill of the American workforce is the foundation of America's competitive advantage in the global energy industry and related supply chains.

Vendors may wish to cross-reference the Justice40 and DEIA sections. It is important to think of the Investing in the American Workforce section as one interconnected piece of a bigger story that describes how the project will meet broader calls for justice, equity, inclusion, and quality jobs, and engagement.

There is no singular process for generating an Investing in the American Workforce section. An effective narrative will demonstrate the vendor understands the issues involved in the creation of quality jobs and the development of a diverse, skilled workforce; and will be set within the context of ongoing engagement, considerations of equitable access to programs and opportunities, past performance, and future plans. Some common steps to create this section are shown below:

- Characterize the quality of the jobs that will be offered in business operations;
- Determine the types and level of investments in workforce education and training;
- Characterize prior and ongoing engagement with labor unions, community colleges, and other workforce organizations;
- Identify methods to support workers' rights, including a free and fair chance to join a union, and how to signal commitment to workers' rights to the workers;
- Specify how workplace health and safety and worker rights are supported in the workplace, in both construction and ongoing operations;
- Identify existing plans and resources needed to achieve goals in each of these areas.

Community Engagement

Vendors may submit an Engagement section in their submissions. DOE supports meaningful engagement with stakeholders including community-based organizations representing residents and businesses, labor unions and worker organizations, local government, emergency responders, communities with environmental justice concerns, and relevant tribes/Alaska Native Corporations (ANCs). Communities involve both local communities—towns, cities, or counties in geographic proximity to a project and tribes/ANCs near a facility—and potentially, broader groups which

experience common conditions. Public engagement with a wide variety of stakeholders, including stakeholders that have been traditionally underrepresented, is key to supporting successful programs.

In this section, vendors may describe what efforts they have taken and potentially will take to create meaningful relationship with their community partners. Alternatively, many of these points can be woven into the previous sections as well. This section, including any references, cannot exceed five pages.

The following are some elements to consider when discussing community engagement:

- **Background.** A description of prior and ongoing efforts by the vendor to engage communities, labor, and other relevant stakeholders.
- **Stakeholder Analysis Summary.** A description of how stakeholders were identified; which sectors, labor unions, communities, organizations, etc. the stakeholders represent; and their current or anticipated level of engagement (e.g., advisory committee, working group member, active public participant, etc.). Include an assessment of existing community support for and/or opposition to this technology and/or facility, including a description of steps taken to gather this information.
- **Engagement Methods and Timeline.** Vendors may provide Engagement Plans which include when and how they will engage stakeholders, communities, and labor unions as well as the objectives for the engagement. Methods, which could include activities like listening sessions, town halls, open houses, mediated discussions, and more.
- **Potential Agreements Statements.** A brief statement describing any plans to negotiate or completed Community Benefits Agreement, Good Neighbor Agreement, Project Labor Agreement, Community Workforce Agreement, and/or other collective bargaining agreements or similar agreements. Such agreements facilitate community input and social buy-in, identify how concerns will be mitigated, and specify the distribution of community benefits, including access to jobs and business opportunities for residents, thus reducing or eliminating project(s) risks.

SUBMISSION DETAILS

If submitting a community benefits discussion, vendors should save the information in a file named “UPGrants_CB.pdf” and submit it with the vendor LCA package following the directions provided through the NETL UPGrants Website (<https://www.netl.doe.gov/upgrants>). The submission, which may include any additional references, should not exceed 25 pages.