

David Gardiner and Associates Comments on the Department of Energy's Environmental Justice Strategic Plan Request for Information

DOE-2024-0018

David Gardiner and Associates (DGA) is pleased to submit the following comments in response to the Department of Energy (DOE)'s request for information (RFI) on its proposed Environmental Justice Strategic Plan. DGA was founded close to 25 years ago to help accelerate and advance innovative clean energy solutions and policies to achieve transformational decarbonization. We support our business, non-profit, and government clients by delivering practical, innovative, and tailored solutions through research and analysis, strategic advice and planning, policy advocacy, meeting facilitation, and alliance building.

Although energy services, and in particular electricity and heat, are essential services integral to health, safety, and welfare of both people and the economy—there continues to be great inequity in United States with respect to the development and provision of such services. In particular:

- Certain communities have borne, and continue to bear, the brunt of energy infrastructure-related adverse impacts including air, water, and land pollution stemming from fuel extraction, delivery, and combustion; property devaluation; and fractured neighborhoods.
- Many of these same communities are facing the worst impacts of human induced climate change stemming, in large part, from the greenhouse gas emissions produced from the energy production value chain. These impacts include illness, death, and economic loss due to extreme heat, wildfires, and severe weather (including hurricanes, tornadoes, and winter storms).
- While the U.S. is reported to have 100% access to electricity,¹ this statistic can be misleading for at least two reasons. First, in communities that do have access to electricity, service may be inequitable. For example, in some utility footprints,

¹ World Bank Group, <u>Access to Electricity</u>, last accessed July 31, 2024.

disaggregated reliability and resilience data has revealed patterns of poorer performance in the neighborhoods with populations of lower-income and marginalized families vis-à-vis other more well-resourced neighborhoods.² As another example, certain communities have had to forgo economic development opportunities due to insufficient transmission and distribution capacity in their area. Moreover, certain Tribal Nations and Native communities still lack access to electricity.

 The energy burden, or percentage of gross household income spent on energy costs, varies greatly across the U.S., with some communities consistently facing a high energy burden. According to DOE's Low-Income Energy Affordability Data (LEAD) data tool,

> the national average energy burden for low-income households is 6% (i.e. an AMI of 0-80% as defined by the U.S. Department of Housing and Urban Development), which is three times higher than that for non-low-income households, which is estimated at 2%. In some areas, depending on location and income, energy burden can be higher than 30%.³

• Regulatory processes involving energy decisions can be opaque and difficult to engage in meaningfully, and individuals and business impacted by those decisions may face the highest hurdles to engagement due to inadequate resources and technical nature of such proceedings.

DGA commends DOE for centering its proposed environmental justice strategic plan around both energy and environmental justices, issues that are intertwined but not identical, and for proactively taking action to integrate these principles into the agency's work. DGA firmly believes that equity, justice, and affordability must be integrated into every aspect of energy decision-making if we are to maintain strong and reliable energy systems and achieve meaningful decarbonization.

² Such analysis can be conducted, for example, by examining SAIDI (System Average Interruption Duration Index), SAIFI (System Average Interruption Frequency Index), and CAIDI (Customer Average Interruption Duration Index) data at the neighborhood or feeder level.

³ DOE, <u>Low-Income Energy Affordability Data (LEAD) Tool and Community Energy</u> <u>Solutions</u>.

DOE further commends DOE for setting out a deliberative Strategic Planning process that includes defining terminology and acknowledging DOE's own history. However, in so doing, DOE should not seek to reinvent the wheel. Organizations and community groups—including the University of Michigan's Energy Equity Project,⁴ WE ACT for Environmental Justice, Evergreen Action, and state ratepayer and other consumer advocate offices, to name just a few-have extensive experience in developing an understanding of and addressing energy justice issues. Similarly, many energy-related organizations are working on integrating equity considerations throughout their advocacy and policy work. For example, Americans for a Clean Energy Grid is a multistakeholder non-profit organization focused on expanding and modernizing the nation's transmission system to support reliable, resilient, affordable, and clean energy service. ACEG's 2023 report, Recommended Siting Practices for Electric Transmission *Developers*,⁵ emphasizes the importance of engaging with landowners, tribal governments, and local communities affected by transmission infrastructure and development. The report outlines over 30 actionable recommendations for developers to consider throughout the siting process, including strategies for early and consistent engagement, fair landowner compensation, and understanding diverse cultural norms.

In building its Strategic Plan and in tying that plan to Equity Action Plan, DOE should consider and integrate existing bodies of work on energy and environmental justice into its own efforts.

Comments on Specific RFI Questions

Question 1: Do the draft environmental justice strategic goals provided as follows address your interests and concerns about the advancement of environmental justice by the Department of Energy? Why or why not?

DGA supports DOE's stated goals as they address various aspects of environmental and energy justice. That said, enhancing these objectives with additional focus areas could strengthen the strategic framework. We suggest expanding upon the current goal to make them more actionable by adding the following elements:

⁴ See, for example, Energy Equity Project, "<u>Energy Equity Framework: Combining data</u> <u>and qualitative approaches to ensure equity in the energy transition</u>," University of Michigan – School for Environment and Sustainability (SEAS), 2022 (providing a framework to measure and advance energy equity, particularly in the areas of Procedural Justice, Recognition Justice, Distributive Justice, and Restorative Justice).

⁵ Americans for a Clean Energy Grid. "<u>Report: Recommended Siting Practices for</u> <u>Electric Transmission Developers</u>". 2023.

Expanding Goal 4:

- <u>Promote Education and Awareness</u>: Increase public awareness and understanding of environmental justice issues, energy efficiency opportunities, and sustainable energy practices.

Expanding Goal 5:

- <u>Ensure Equitable Access to Energy Resources:</u> Focus on ensuring that all communities have access to affordable, reliable, and sustainable energy resources, addressing disparities in energy access and affordability
- <u>Enhance Resilience and Adaptation:</u> Develop strategies to protect communities that are most impacted by climate change, particularly communities whose energy networks are impacted by extreme weather conditions.

Additionally, DOE should consider adding an additional goal that focuses specifically on building capacity and promoting equity within the workforce.

Proposed Goal 6:

- <u>Fostering Innovation and Equitable Economic Opportunities:</u> Advance clean energy technology, reduce environmental impacts, and enhance energy efficiency through research and development, ensuring these technologies benefit all communities, especially those that are greatly impacted by environmental challenges. Simultaneously, create economic development opportunities and foster job growth within historically underserved communities to ensure they equitably share in the benefits of a cleaner energy landscape and a just transition.

Question 2: What actions should the Department of Energy undertake to advance environmental justice?

DOE should embrace a multifaceted strategy that addresses systemic issues and fosters innovative environmental solutions and should work to integrate equity into the Department's core operations rather than being treated as a separate initiative.

DOE must seek to address both energy affordability and reliability and should not mandate or rely on a single solution to decarbonization as there is no single solution that fully balances both reliability and affordability.

Further DOE should seek to increase the deployment of clean energy technologies, and to ensure that these transitions are equitable and inclusive, provide opportunities for all communities, particularly those that have been historically marginalized. In addition, DOE should offer incentives to promote cleaner energy sources throughout industrial and manufacturing processes.

For example, the Renewable Thermal Collaborative (RTC), a multistakeholder coalition focused on decarbonizing the industrial sector, conducted the Justice 40 Opportunity Assessment to evaluate how Justice40 initiatives could benefit RTC member facilities across the U.S.⁶ This assessment helped RTC members identify specific federal programs based on the locations of their facilities in energy communities, disadvantaged communities, rural areas, and other relevant categories.

Furthermore, the Department should direct resources and support to those communities that have been disproportionately affected by environmental degradation caused by our nation's energy choices and who stand to gain the most from sustainable development efforts. Such investments should seek both to improve local infrastructure and access to clean energy and to support community-led projects and initiatives that empower residents to take an active role in environmental stewardship.

DOE should actively facilitate conversations with communities that have either been harmed by and/or are reliant on fossil fuel production or carbon-intensive fuel combustion for energy. Engaging these communities in dialogue will help the Department better understand the unique challenges and perspectives that these communities face—such as both being subject to the negative impacts of such production/use and also relying on those processes for employment— and identify ways to support their transition to a more sustainable future.

As part of this effort, DOE should proactively aim for diverse representation in its hiring practices and its outreach efforts.

Question 3: What performance measures or metrics should the Department of Energy establish to monitor progress toward advancing environmental justice?

To effectively monitor progress toward advancing environmental justice, DOE should establish a range of performance measures and metrics that address various aspects of environmental equity and community well-being. Where applicable, DOE should require its grantees to track indicators related to environmental health, such as air, water, and

⁶ Renewable Thermal Collaborative, "<u>RTC Justice40 Opportunity Assessment</u>," 2023.

soil quality. This includes measuring levels of pollutants and understanding the impacts of industrial activities.

Another critical performance measure is assessing the affordability and reliability of energy resources for low-income and disadvantaged communities. DOE should track metrics such as energy cost burdens (i.e., the percentage of income spent on energy bills), as well as energy access and reliability (i.e., frequency of power outages, and availability of renewable energy options).

Furthermore, in measuring the effectiveness of community engagement efforts, it is essential that the voices of affected communities are heard and considered in all parts of the decision-making process. DOE should track participation rates in public meetings, workshops, and advisory boards; regularly collect and analyze feedback from community members through surveys, forums, and outreach programs; and analyze the extent to which community suggestions are incorporated into policy decisions.

In addition to these specific performance measures, overall transparency is crucial for advancing environmental justice across DOE's programming. Increased transparency ensures that all stakeholders have access to relevant information and can track the progress and impact of DOE's initiatives. For instance, a joint letter calling for more transparency around DOE's *Clean Hydrogen Hubs Program*⁷ details ways in which the DOE can enhance information sharing and accountability.

Question 5: How can DOE better engage and collaborate effectively with Tribes, both federally and non-federally recognized, Native Hawaiian organizations, and Indigenous Peoples, including Indigenous migrant communities?

In enhancing engagement and collaboration with Tribes, both federally and nonfederally recognized, Native Hawaiian organizations, and Indigenous Peoples, including Indigenous migrant communities, DOE must *always* adhere to the principle of Free, Prior, and Informed Consent (FPIC). This means engaging with Indigenous communities in a manner that respects their sovereignty, ensures they are fully informed about proposed projects, and provides them with the opportunity to consent to or reject these projects before they proceed. This foundational practice is essential for building trust and fostering respectful, equitable relationships.

⁷ Clean Air Task Force, "Joint Letter: Increased Transparency Needed Around Department of Energy's Regional Clean Hydrogen Hubs Program," 2024.

Additionally, by providing grants, technical support, and development opportunities for Indigenous-led clean energy projects, DOE can help to create sustainable energy solutions that align with the needs and priorities of these communities, while also supporting their economic growth and community resilience.

Another critical aspect of effective collaboration is regular and meaningful communication with Tribal governments and tribal communities. DOE should establish consistent dialogue with Tribal leaders and Tribal community members through regular consultations, community forums, and other engagement mechanisms. These interactions should be scheduled in consultation and agreement with the other participants and at convenient times and locations to ensure that all community members can participate. DOE should offer clear, advanced notice of meetings, provide translation services for non-English speakers, and create an inclusive environment where diverse perspectives are respected and considered. This approach will help to remove barriers to participation and ensure that public meetings are truly representative of the communities they serve.

Finally, DOE should focus on expanding its internal and external capacity-building initiatives for Tribal governments and Indigenous organizations. Internally, this includes expanding cultural competence within DOE staff and engaging cultural liaisons to facilitate engagements with Tribal governments and Native communities. Externally, this includes funding for educational programs, technical training, and administrative support to empower Indigenous leaders, agencies, and community members to engage meaningfully in energy policy discussions and project development. Regardless of Administration change, maintaining and enhancing these initiatives should remain a priority to ensure continued support and engagement for Tribal governments and Native communities.

Questions 6-8: Comments on Community Benefit Plans

With respect to community benefits plans (CBPs), clear communication and education is vital to ensure: (1) that all stakeholders understand and can access the benefits available to them, and (2) that CBPs are equitably implemented and genuinely benefit the communities they are intended to support.

To that end, multiple stakeholders have identified a need for guidance on how community benefit plans work in the context of infrastructure that runs through multiple communities, such as transmission and pipeline projects. Stakeholders are especially interested in guidance on ensuring the impacted communities are being treated equitably vis-à-vis each other, and in ensuring that CBPs are not used as instruments to gain community acquiescence, but, rather, are designed to mitigate project impacts on host and other affected communities.

To address these thornier issues, DOE should consider establishing a CBP community working group similar to those convened for programs like the Clean Transportation Corridor or Hydrogen Hubs. This network would allow community groups to share best practices, discuss challenges, and collaborate on solutions, fostering a supportive environment for effective CBP implementation. Moreover, to promote equity and prevent exploitation, DOE should consider developing a model community benefit plan that includes a list of community rights.

Technical assistance grants, including funding for consultants or other means of direct support, would help communities navigate the CBP process and ensure they can effectively obtain benefits. Furthermore, DOE could require that recipients of its funding, such as large industrial companies, allocate a portion of their funds to support community groups in their CBP efforts.

Another approach is to offer flexibility in how CBP funds can be used and to allow communities to direct funds towards a broader range of needs—beyond those strictly related to an energy project.

Conclusion

DGA appreciates the opportunity to provide these comments on DOE's RFI. We look forward to future opportunities to delve deeper into how energy and environmental justice strategies can be more comprehensively integrated into the Department of Energy's work.

Respectfully submitted,

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