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CONGRESSIONAL BRIEFING Justice40 The Path Forward for the Administration's Environmental Justice Initiative

Friday, April 08, 2022

About EESI...



NON-PROFIT

Founded in 1984 by a bipartisan Congressional caucus as an independent (i.e., not federally-funded) non-profit organization

💲 NON-PARTISAN

Source of non-partisan information on environmental, energy, and climate policies

S DIRECT ASSISTANCE

In addition to a full portfolio of federal policy work, EESI provides direct assistance to utilities to develop "on-bill financing" programs

SUSTAINABLE SOCIETIES

Focused on win-win solutions to make our energy, buildings, and transportation sectors sustainable, resilient, and more equitable

EESI Environmental and Energy Study Institute

Policymaker Education

Briefings and Webcasts

Live, in-person and online public briefings, archived webcasts, and written summaries

Climate Change Solutions

Bi-weekly newsletter with everything

policymakers and concerned citizens need to know, including a legislation and hearings tracker

Fact Sheets and Issue Briefs

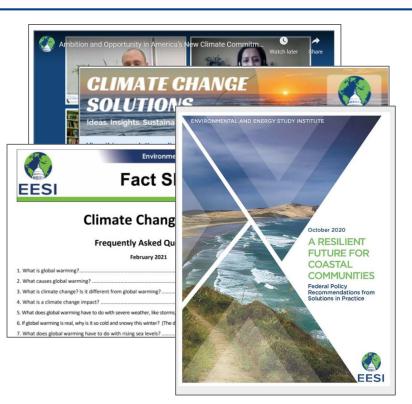


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Timely, objective coverage of environmental, clean energy, and climate change topics

Social Media (@EESIOnline)

Active engagement on Twitter, Facebook, LinkedIn, and YouTube



The Path Forward for Justice40

EESI Briefing, April 8, 2022 Raya Salter, Esq.









The Energy Justice Law & Policy Center, or EJLPC, is the nation's first energy justice public interest law firm and justice center. Making the connection between people and power. www.ejlpc.org

Raya Salter, Esq.

ENERGY JUSTICE Law & Policy Center

What is Justice40?

Established by Executive Order 14008 (January, 2021) which requires, among other things:

- CEQ, the Office of Management and Budget, and the National Climate Advisor to "publish <u>recommendations on how certain</u> <u>Federal investments might be made toward a goal that 40 percent</u> <u>of the overall benefits flow to disadvantaged communities,</u>"
- CEQ to create a geo-spacial Climate and Economic Justice Screening Tool, and
- OMB, CEQ and other agencies to publish an annual *Environmental Justice Scorecard* detailing agency environmental justice performance measures by <u>February, 2022</u>.



What is Justice40?

Executive Order 14008 <u>created</u>, among other things:

- the White House Environmental Justice Interagency Council (Chaired by the Chair of the CEQ), and
- within the EPA, the White House Environmental Justice Advisory Council, or WHEJAC.

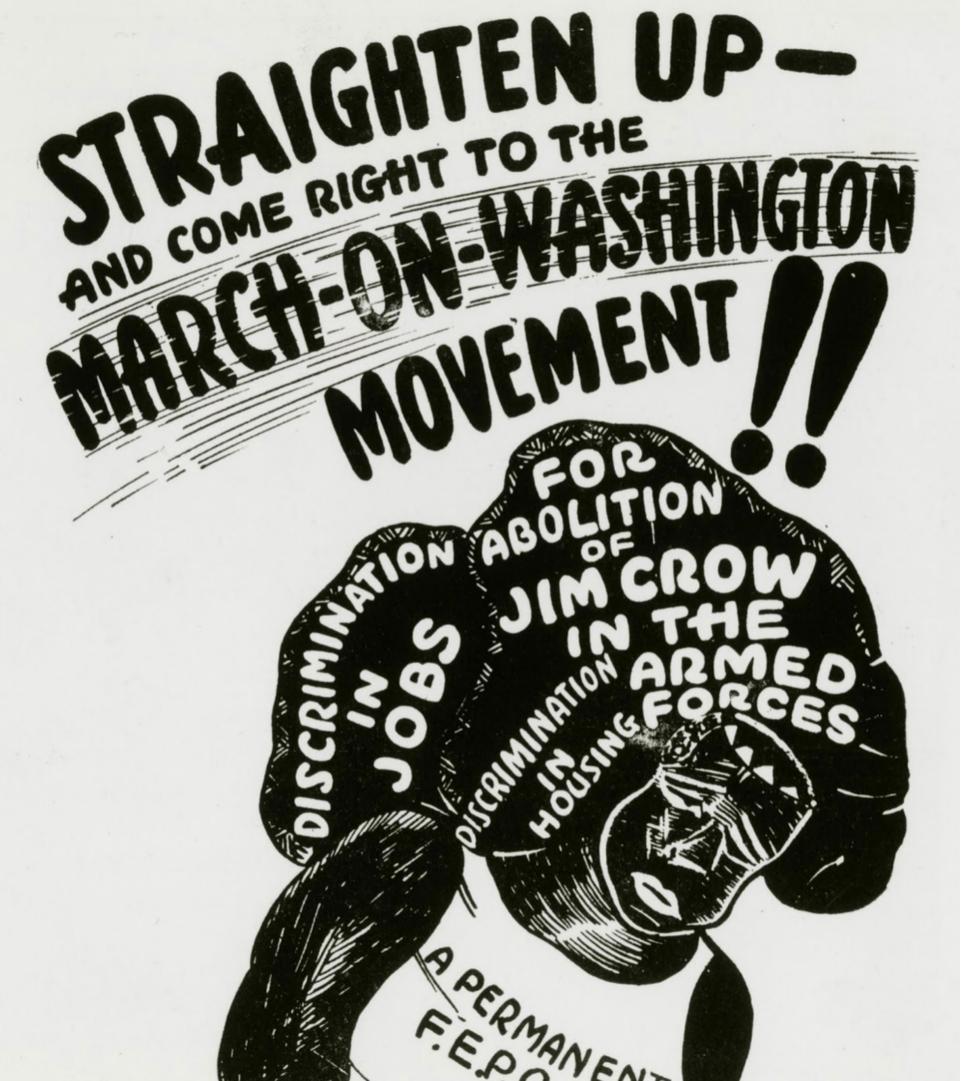
J40 was designed to be part of a whole of government approach to deliver environmental justice.





Origins of J40: the NY CLCPA

In 2019, grassroots activists won the Climate Leadership and Community Protection Act, which requires that **a goal of 40 percent of climate spending be directed to "disadvantaged communities"** as identified by environmental justice advocates (including race as an indicator).



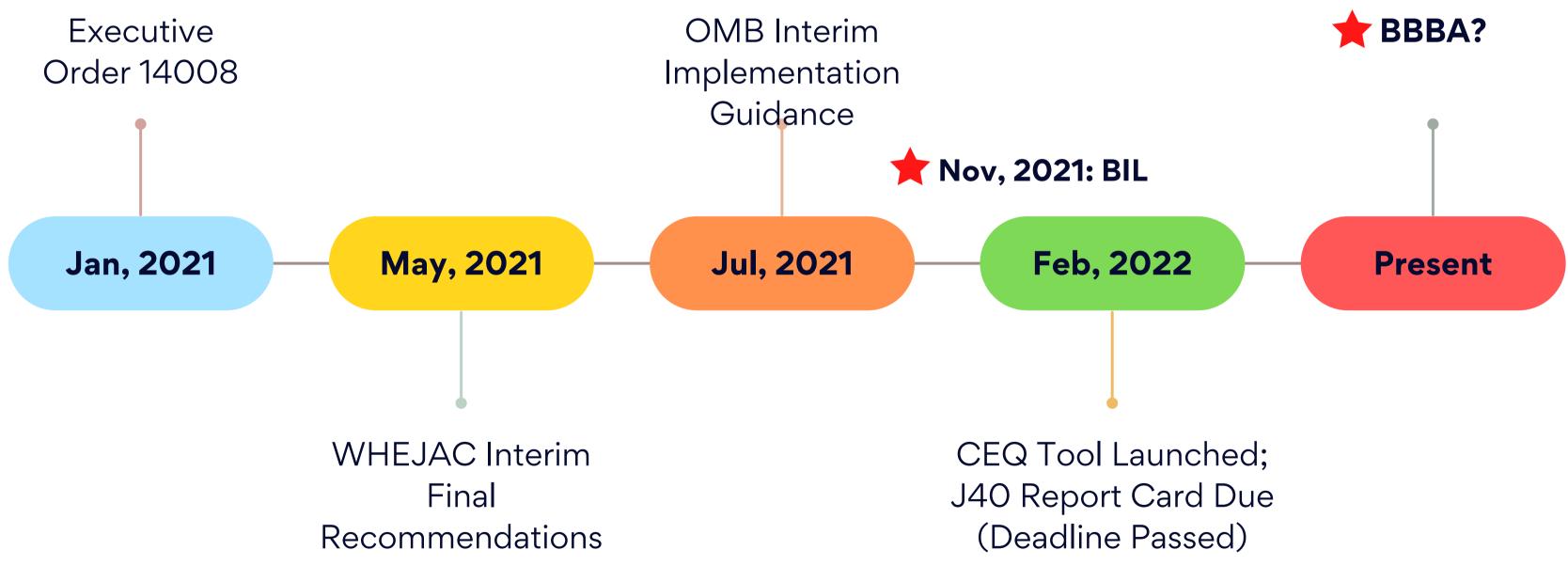


J40 is part of a long tradition of civil rights pushes for equitable investment by presidential executive order.

1941: A. Phillip Randolph lobbies Roosevelt to ensure Blacks would participate in WW2 jobs, resulting in EO 8802.

Context: Civil Rights

J40 Timeline





Congressional Interventions

Natural Resources Committee

Environmental Justice for All Act (introduced)

Committee on Oversight and Reform

- Federal Agency Climate Prep Act (introduced)
- J40 Oversight requests to the Government Accounting Office*
- BBBA language for J40 oversight funding (\$25M for OMB and \$25M for GAO)**

*Jul., 2021; full COR letter can be found here: https://www.whitehouse.gov/wp-content/uploads/2021/07/M-21-28.pdf (accessed Apr. 5, 2022).

**H. R. 5376, Reconciliation Bill at Sec. 80005, 80006 (passed House).



ed) Accounting Office* \$25M for OMB and

Important Issues Remain

- Defining "benefits" to "disadvantaged communities" considered deeply problematic; advocates have pushed for a "dollars spent" metric (as is being used in New York) - also "40 percent" of what?
- The failure to use race as an indicator in the CEQ tool has been sharply criticized by advocates - multiple tools in development across agencies.
- The Report Card deadline has passed; unclear what the status of J4O is within the administration (key resignations in the administration).
- Advocates are concerned that the potential harms done by BIL and potentially BBBA ("false solutions") could outweigh the benefits.



The Path Forward for J40

- Advocates are growing increasingly frustrated and:
 - want a full accounting of current spending, in depth plans for interagency and state coordination,
 - are demanding extensive outreach and investment into communitybased infrastructure to absorb investments with community-driven projects, and
 - are organizing to ensure communities can have a say in funding decisions (state bills introduced, for example, in CT) and,
 - are organizing against "false solutions."
- Look for the release of the scorecard.
- Congressional action and advocacy can be impactful as we look towards BBBA and any further Executive Orders/Revisions.





Raya Salter, Esq., **Energy Justice Law and Policy Center**

Thank you!

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WORLD Resources Institute



Policy Considerations to Improve the Effectiveness of Targeted Clean Energy Investments

CARLA WALKER, US DIRECTOR OF ENVIRONMENTAL JUSTICE & EQUITY, WORLD RESOURCES INSTITUTE

KEY MESSAGES

- Federal investment mechanisms and programs *currently exist* which can contribute to an equitable clean energy transition.
- Bringing greater equity to the energy system and reducing GhG emissions is not just about spending, but spending justly and effectively.
- Targeted investment would *benefit* from complementary federal policies designed to help ensure the intended outcome.



CURRENT TARGETED SPENDING AND ENERGY EQUITY ISSUES

Form of Targeted Spending	Sample Program	Primary Energy Equity Issues Addressed (energy burden, clean energy access, and clean energy employment or workforce training)		
Direct payments to individuals	Weatherization Assistance Program	Energy burden, clean energy access		
	The Nonbusiness Energy Property Tax Credit (25C)	Energy burden, clean energy access		
Formula grants	State Energy Program	Clean energy access		
	Workforce Innovation and Opportunity Act Grants	Clean energy employment or workforce training		
Project-based grants, loans, and guarantees	Single Family Housing Repair Loans and Grants program	Energy burden		
	Electric Infrastructure Loan and Loan Guarantee Program	Clean energy access		
Technical assistance and training	Office of Indian Energy's technical assis- tance program	Clean energy access		
	The Equity in Energy Initiative	Clean energy access, clean energy employment or workforce training		



Recommendation #1:

Review existing forms of directed federal spending and programs for their suitability to address energy inequity through targeted investment, improve them, and extend resulting enhanced targeting methods to other federal investment.

SUPPORTING AND LEADING DATA COLLECTION & PROJECT MONITORING

- Data collection and reporting can also be an important part of accountability and measuring the reach, efficacy, and equity impact of clean energy spending.
- Three areas for improvement:
 - Completeness
 - Engagement & Access
 - Granularity





Recommendation #2:

Cultivate metrics, reporting requirements, qualitative and quantitative data sources, and analysis grounded in the experience and input of target households and communities.

LOCAL AND STATE PARTNERS + TECHNICAL ASSISTANCE



- Advances appropriate place-based solutions.
- Increases access to and more effective utilization of funds for frontline communities.
- Creates better outcomes for equityfocused programming.



Recommendation #3:

Build the capacity of states, local governments, community groups, and other representatives of communities that have been historically disadvantaged to lead on co-creating opportunities, applying for federal funds, and engaging with or implementing programming.

ENGAGEMENT & PARTNERSHIP APPROACHES

Inclusive stakeholder engagement is a prerequisite for clean energy investment that reaches communities whose energy needs are underrepresented in or excluded from traditional policy development.





Recommendation #4:

Incorporate advance planning, community-led project design, and funding for robust, inclusive, respectful, culturally sensitive, and intentional community partnership.

CLEAN ENERGY EMPLOYMENT AND LEADERSHIP

While racial and gender diversity differs by sector, there is an apparent lack of gender diversity across all clean energy sectors and a lack of racial diversity in some sectors.

A solar industry survey found that only 26 percent of the workforce identified as women in comparison to 47 percent in the broader national workforce. The solar industry also has higher than average wage gap and nationally consistent, but dismal, representation of women and people of color in leadership positions.







Recommendation #5:

Require jobs created through federal spending to meet wage standards, protect the right to organize, enforce anti-harassment and antidiscrimination protections, encourage local hiring and engaging minority-owned and women-owned businesses, and train and equip currently underrepresented members of the clean energy workforce to capitalize on new opportunities in the sector.

INCLUSIVE FINANCING

Prioritize and integrate the needs of frontline communities across clean energy financial incentives like:

- On-bill investment
- Community solar and virtual net metering







Recommendation #6:

Support inclusive financing approaches to deploy clean energy and energy efficiency in low-income communities; Black, Latino, and Indigenous communities; as well as other communities of color.

THE ENERGY SYSTEM IS INEQUITABLE...



- Costs and benefits are not distributed equitably in the U.S. energy system.
- Without thoughtful intervention, the benefits of federal clean energy investment will not be spread equitably.
- Energy system inequities are tied to a sociopolitical context that prioritizes some (based on factors like income, race and ethnicity, geography, and gender), while marginalizing others.



BUT IT DOES NOT NEED TO BE.



- Federal policy and targeted spending is positioned to have an impact on energy burden, clean energy access, and clean energy employment.
- Delivering the benefits of a clean energy transition to those who are usually marginalized, and disadvantaged, is a stated priority of the federal government.





THANK YOU

Carla Walker (carla.walker@wri.org)





Making **Justice40** a Reality for **Frontline Communities**

Lessons from States' Climate and Clean Energy Investments

Colleen Callahan, Silvia Gonzalez and Dan Coffee, UCLA JR DeShazo, University of Texas at Austin



Core Advisors

- Dr. Ana Baptista, The New School;
 Equitable and Just National Climate Platform
- Helen Chin, Communities First
- **Cassia Herron**, Kentuckians For The Commonwealth
- Mark Magaña, GreenLatinos
- Jacqueline Patterson, The Chisholm Legacy Project
- Dr. Nicky Sheats, Kean University;
 Equitable and Just National Climate Platform
- Dr. Sacoby Wilson, University of Maryland; National Environmental Justice Advisory Council
- **Miya Yoshitani,** Asian Pacific Environmental Network; White House Environmental Justice Advisory Council





1. Why Justice40?

2. Who and where to target equitable investments?

3. How to operationalize effectively and equitably?

4. Where to get the funds, equitably?

5. What are powerful program models?



State	WA	VA	NY	MD	IL.	СА
Year of law or program	2021: Climate Commitment Act	2020: Clean Economy Act & Clean Energy and Community Flood Preparedness Act	2019: Climate Leadership & Community Protection Act	2019: Clean Energy Jobs Act of 2019	2016: Future Energy Jobs Bill and 2021: Climate and Equitable Jobs Act	2012: SB 535 and 2016: AB 1550 set EJ investment minimums
Investment minimum % for dis- advantaged communities	40% target and 35% min. Plus additional 10% for tribal communities	No	40% target and 35% minimum	Act states intent to prioritize but no specificity	Carve outs for low-income communities	35% investment minimum
Equity benefits / strengths	Package of laws to phase out fossil fuels passed with diverse coalition including tribes	Creates program to reduce energy burden for low-income customers	Most equity centered law as a result of justice advocates	Screening tool and just transition/ worker elements	Strong worker provisions. Led by IL Clean Energy Jobs Coalition	Over \$4 billion invested in and benefiting EJ communities

WHY JUSTICE40?

JUSTICE40 DESIGN: Guiding principles toward a just economy and society for all



JUSTICE DRIVEN

Resource and center disadvantaged communities.



COMMUNITY POWERED

Achieve transformational change from the bottom up.



ACCOUNTABLE CHANGE

Institutionalize equity and justice into government agency practices, policies, and systems.



WHY J40?

GA-

Impacts of climate change

Pollution & health

impacts

OPPORTUNITY:

Ex: VA

Ex: NY

Disparities hinder an equitable, sustainable future



Limited local government & community capacity

Impacts on fossil fuel workers

Uneven costs and benefits in transition to clean energy Learn from states addressing disparities through their own climate and clean energy investments

Ex: CA

Ex: IL

Ex: WA

HOW TO OPERATIONALIZE?

Summary of Recommendations for State Guidelines

- Establish a **40% investment minimum** (requirement not a goal, floor not a ceiling) for **direct investments** (rather than counting trickle down benefits)
- Set clear guidelines and processes to give frontline communities agency in local investments and ensure that investments do no harm.
- Establish strong guardrail to ensure Justice40 objectives are achieved.



Thejustice40.com

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THANK YOU



EESI Briefing Justice40

Donele Wilkins, Founder/CEO

Mission

greendoor initiative

• The Green Door Initiative (GDI) works to ensure that every person is environmentally literate capable of practicing and promoting a sustainable lifestyle.





Justice 40 Accelerator Project

Create Jobs in the Community

Workforce Development

Manufacture Solar Panels

Install Solar Panels on Low Income Houses

Maintain Solar Panels



Need for a Proactive Strategy





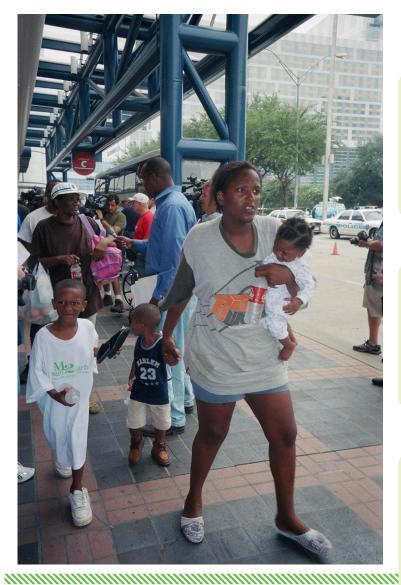
fyr

Residents Will Apply for FEMA After Metro Detroit Flooding





Climate Justice





Energy Insecurity



Renewable Energy



Extreme Weather Events



The Case for Renewable Energy



een Door Ir

313 Solar, IIC



Solutions

Improving Health Outcomes

 Reduce asthma, lead poisoning, household and environmental hazards

Create Local Power

• Develop pathways to community empowerment and wealth

Employment Opportunities

• Creation of 200 jobs

It's Time for Big and Bold Investments

(photo credit: Detroit URC)







An Opportunity

To Make Renewable Energy an Option for All





313 Solar - FACTORY

- MANUFACTURING NEXT-GENERATION
 PHOTOVOLTAIC PANELS
- MANUFACTURING ONBOARD COMPUTER CONTROLLERS FOR SOLAR PANELS
- MANUFACTURING JUNCTION BOXES FOR SOLAR PANELS
- INSTALLING SOLAR PANELS

 CREATION OF QUALITY GREEN MANUFACTURING AND CONSTRUCTION JOBS

STIMULATION OF LOCAL ECONOMIC GROWTH

Decarbonization

THE PROMISE

> HELPING THE CITY & COUNTY ACHIEVE CARBON REDUCTION MANDATES

ACHIEVEING ENVIRONMENTAL JUSTICE GOALS

COMPETITORS

{COMPETITORS ARE ALL FOR-PROFIT ASSEMBLERS}

NO OTHER NON-PROFIT MANUFACTURERS OF SOLAR PANELS IN MICHIGAN

Workforce Development

Prepare Underrepresented residents of Detroit to restore the environment and advocate for environmental justice!







What did you think of the briefing?

Please take 2 minutes to let us know at: www.eesi.org/survey

Materials will be available at: www.eesi.org/040822justice

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