

Survey on Community Benefits & An Overview of Community Benefits Plans

A Consolidated Summary of Two Reports

November 2023

Introduction

As the United States transitions towards a clean energy economy, there is a growing federal commitment to ensure a more equitable distribution of the economic benefits from clean energy project development, and more effective integration of community perspectives into project siting and construction. However, even with the best of intentions, authentic community engagement can be difficult to achieve, and economic benefits do not easily flow to those facing structural barriers to success.

Over the past two years, the Climate Equity Initiative at Clean Air Task Force (CATF) and BW Research (BW) have conducted immersive research and engagement in communities facing deep-rooted environmental and economic justice challenges. Our goal has been to surface how these communities prioritize the types of benefits that can meet their needs, be they environmental, economic, or health-related, and how the transition to clean energy can be supportive of those goals.

Alongside this research, CATF's Climate Equity Initiative and BW have extensively studied a new federal policy, the Community Benefits Plan (CBP), that has potentially transformative impacts, but is still in an early stage of implementation. The CBP, which is now required on most applications for U.S. Department of Energy's (DOE) federal funding, encourages developers to analyze the impacts of their projects on workers, affected communities, and other stakeholders, and then commit to specific strategies that benefit those communities and workers.

Our goal in presenting these reports side-by-side is to highlight how what community members told us fits into the CBP framework for clean energy development. In doing so, this research points towards new pathways and approaches that better align the necessity of rapid clean energy deployment with place-based strategies and commitments to communities and workers across the country.

Survey on Communities Benefits Report

Based in part on learnings from a national survey¹ of environmental justice community members, as well as on-the-ground engagement over the course of a year, BW Research and CATF conducted surveys² of three communities to learn more about their preferences and understanding of community benefits:

- The Ironbound Community in Newark, New Jersey.
- St. James Parish & St. John the Baptist Parish, Louisiana; and
- The Nenahnezad Chapter, the Upper Fruitland Chapter, and the Shiprock Chapter, Navajo Nation³

The findings from these surveys highlight the importance of directly engaging with community voices, and challenges for any one policy or investment to meet community needs comprehensively.

Key Findings from Community Surveys

- 1 A significant majority of residents in all three communities felt developers had not fulfilled promises on previous projects, and that community engagement had been insufficient.** Most community residents agreed with the statement that “developers had not fulfilled their promises when projects were previously built in my community” (ranging from 59.5 percent to 76.8 percent) and that “there was not enough community engagement when projects were previously built” (a statement “strongly supported” or “somewhat supported” by over 70 percent of each community’s members).
- 2 The concept of a Community Benefits Plan was positively received – but not universally – in the three communities. Support grew for a CBP following the survey, but skepticism remained.** The use of community benefits plans for development projects had initial support from a majority of community residents (ranging from 52.1 percent to 69.9 percent). Only about one in two community residents were “strongly supportive” of the concept of a community benefits plan, after discussions of community benefits during the survey.
- 3 Small business owners and environmental groups were consensus favorites within communities of entities that should participate in a CBP process.** Participation by “civil rights organizations” “labor groups” and “local government officials” was popular, although varied by community. “Social justice organizations,” “school boards” and “religious organizations” received lower levels of support across all three communities.
- 4 There is no consensus on the most important benefits for any community, but actions to improve environmental quality and reduce pollution ranked higher, along with affordable housing requirements and funding for mental health and substance abuse services.** Community members within the three communities selected twenty different benefits as most important to them from a community benefits plan – highlighting the breadth of perspectives among community members.
- 5 Addressing measures of environmental quality was perceived as more important than community-related clean energy expansion.** “Improving water quality” was the number one community benefit listed as “very important” in all three communities, and “improving air quality” was either number two or three in the communities. Expanding clean energy (represented by “funding for community solar panels” and “installing charging stations for electric vehicles”), was 20 to 35 percentage points less likely to be considered “very important.”

¹ *Perspectives from Environmental Justice Communities: A National Survey*. A Joint Report by BW Research Partnership and the Climate Equity Initiative, sponsored by Clean Air Task Force, July 2023. <https://www.catf.us/resource/perspectives-environmental-justice-communities-national-survey/>

² The questionnaire used in this survey utilized directly and built upon the questions developed by Data for Progress to survey opinions of Community Benefit Agreements found here: https://www.filesforprogress.org/datasets/2023/2/dfp_community_benefits_agreements_tabs.pdf. BW Research expanded questions connected to benefits and reframed the survey in the context of community benefit plans. Utilizing similar questions allows for continuity and comparative analysis where warranted, especially comparing national-level responses to community-level responses.

³ Referred henceforward as “Navajo Nation Chapters.”

Community Benefits Plan Report

The submission of a Community Benefits Plan is now required for most DOE competitive grant applications, which creates a significant incentive for developers and other stakeholders to participate in the drafting of a CBP. A CBP provides a framework that supports a place-based approach to clean energy development, with sections focused on community and labor engagement; job quality and workforce continuity; diversity, equity, inclusion, and access; and Justice40 implementation. With a focus on accountability and enforcement, and genuine community-centered results, the CBP process could help to shape how future clean energy technologies are deployed at scale.

Two initial positives of the CBP process are that 1) its roots are directly connected to longstanding worker and community-centered movements that seek to address inequities in growth, and 2) it encourages credible approaches to accountability through support of specific types of negotiated contractual agreements, including Project Labor Agreements and Community Benefit Agreements. It is also one of many Biden Administration-supported efforts at other federal agencies to promote high-quality jobs, unionized workforces, and more equitable and inclusive economic development.

Early Experiences with CBPs From the Field

Interviews with two dozen stakeholders involved with CBPs⁴ highlight how this policy initiative has the potential to meet the community goals explored in the three surveys, but that initial implementation challenges are at risk of eroding trust in the process in those communities and hampering overall CBP outcomes.

- 1. CBPs are encouraging developers to pay more attention to community and worker needs.** Developers who are part of the CBP process appear to be focusing more on community needs and workforce perspectives and supporting higher-quality jobs, while also more effectively coordinating internal functions that are responsible for these goals. The workforce development and job creation elements, including inclusive workforce commitments and labor union support, comprise about half of the CBP and appear initially to be the strongest elements of CBPs.
- 2. The CBP process is in its first iteration and still evolving. Stakeholders are concerned about initial implementation challenges within a CBP process, especially due to limited DOE capacity.** Tight timelines, limited information, and a lack of experience with CBPs are increasing the difficulty of meeting CBP requirements, something compounded by a need for more DOE staff and a stronger review process, and additional capacity in the field.
- 3. Among community-centered stakeholders involved with a CBP process, frustration is growing.** The extent and type of community outreach brought on by the CBP, and other federal community engagement efforts, is contributing to stakeholder fatigue. There is also a misalignment between preferred best practices for community-centered outreach, and those that developers are currently pursuing, which is hampering support for the process among community stakeholders.
- 4. More resources are needed for many different stakeholders to encourage and increase participation in the CBP process.** Limited DOE funding for project applicants leaves stakeholders who want to participate in the CBP process to garner their own resources. This exacerbates the existing power differential between stakeholders and project developers, with greater implications for disadvantaged communities. Philanthropic funding can play a valuable role in supporting technical assistance, capacity building, education, and other resources.

⁴ Participants included developers, CBP consultants, government staff connected to CBPs, environmental advocates, community and environmental justice advocates, representatives of tribal communities, and philanthropists.

5. **To maximize community impact, greater accountability is critical to ensure that developers are held to meaningful commitments.** DOE has stated that CBPs become contractual obligations, and continued funding for projects is contingent upon implementation of the CBP. In addition, DOE encourages negotiated agreements between project developers and stakeholders. Some stakeholders are uncertain how DOE will enforce these obligations and hope there will be a transparent accountability process throughout a project's lifecycle.

Connecting Survey Results with the CBP

Initial CBP processes may face reservations from community members that are driven by a lack of awareness of CBPs, skepticism over the concept, and difficult historical experiences with developers. Engaging deeply with communities to clarify needs and understand the different stakeholders and supporters who may be operating within those communities can help to address those issues and should occur prior to launching development of any type of community-focused agreement or roadmap.

Additionally, there is no single, standard set of community benefits that will be most appealing to all communities broadly. For example, this research highlights that developing and enforcing strong environmental regulations is the most important goal of many of the environmental justice community members we engaged with, something that cannot be delivered directly by a CBP. Developing a successful CBP depends upon tailoring the range of benefits to each community's needs and preferences, and pursuing respectful, in-depth engagement and negotiation, while appreciating that a CBP is one part of a broader, holistic strategy for inclusive growth and community vitality.

Recommendations to Enhance the CBP Process

To maximize the potential positive gains of the CBP, this report proposes several next steps and new initiatives for DOE, and additional recommendations for a broader collection of other stakeholders, including other governmental entities, philanthropy, developers, and communities. Many of these connect directly to the challenge of developing authentic and credible community, worker, and other stakeholder engagement processes.

DOE-focused Recommendations

1	2	3	4
Encourage applicants to expand stakeholder mapping for a CBP with a deeper understanding of community goals and needs.	Offer access to seed funding for specific CBP commitments after initial project selection by DOE.	Evaluate the risk profile of developers based on past performance.	Actively pursue opportunities to improve the CBP process and implementation, including greater funding and training for staff, transparent monitoring and enforcement, and a collaborative pause of the CBP process for DOE-led evaluation of the results.

Recommendations Beyond DOE

1	2	3	4
Explore available options for a greater federal government role in early-stage CBP development, as well as better leveraging the role non-DOE agencies can play in supporting community-benefits approaches.	Begin to address the tension found in competing views on stakeholder and community engagement through long-term, multi-party, collaborative initiatives.	Provide early resources to under-resourced groups to support participation in CBP processes.	Consider third parties, philanthropy, or other existing community partners, who could address barriers to community engagement.

Conclusion

The CBP can be an effective tool that expands community benefits from clean energy projects and better aligns with community resources and objectives. But proponents need to manage expectations for what a CBP can accomplish. The gaps in social and economic services in disadvantaged communities, and decades of underinvestment, will not be filled by any one private sector clean energy project, or the CBP that is attached to it. Still, given the volume of funding available through DOE grants, incremental progress driven by the CBP on specific clean energy projects could lead to more successful worker and community outcomes in the long run from the transition to a clean energy economy.