

Pursuant to Executive Order 13985 (January 20, 2021) on "Advancing Racial Equity and Support for Underserved Communities Through the Federal Government"

Equity Action Plan Summary

U.S. Department of Energy

The Department of Energy (DOE) is responsible for ensuring the Nation's security and prosperity by addressing its energy, environmental and nuclear challenges through transformative science and technology solutions. DOE maintains the Nation's nuclear weapons stockpile, reduces the threat of nuclear proliferation, oversees the Nation's energy supply, leads the Nation in areas of federally sponsored basic research critical to U.S. innovation and international competitiveness, carries out the environmental clean-up from the Cold War nuclear mission and maintains those sites, and operates 17 National Laboratories.

Delivering equity through DOE

DOE's mission areas provide an opportunity to advance equity and justice across sectors. For low-income households grappling with issues of energy burden and energy insecurity, DOE's Weatherization Assistance Programs provide an opportunity for financial security. For colleges and universities, including Minority Serving Institutions (MSIs) and Historically Black Colleges and Universities (HBCUs), DOE funding provides critical supports to advance basic research. For businesses, including Small Disadvantaged Businesses (SDBs), DOE contracting and acquisition can advance economic opportunity while helping DOE deliver on its mission. DOE is also a critical leader in the all-of-government approach to tackle the climate crisis and deliver on the Justice40 Initiative, which will ensure that 40 percent of the benefits of its clean energy, energy efficiency, and climate programs flow to underserved communities.

New strategies to advance equity

- **Address gaps in data collection to facilitate data-informed, equitable decision-making**

DOE's current approaches to data collection limit visibility into who is participating in its business opportunities, outreach events, and programs, and whether members of underserved communities experience barriers in accessing DOE programs and services. To address these data gaps, DOE will expand demographic data collection in financial assistance applications and create a data collection system for underserved communities and individuals for all DOE contract and financial assistance opportunities. DOE will rely on newly-collected demographic data to analyze trends and to determine whether applicants from underrepresented institutions and underserved communities have equitable access to these programs.

- **Increase opportunities for new entrants into DOE procurement and financial assistance**

Acquisition is central to DOE's mission. Through listening sessions, DOE learned that providing education on the federal acquisition process; improving and updating small business programs, subcontract oversight and acquisition forecasting; and addressing resource constraints for historically and economically disadvantaged groups could reduce barriers to accessing DOE procurement and financial assistance opportunities for underrepresented applicants, especially SDBs and MSIs. To increase the opportunities for new entrants, alleviate resource constraints, and expand the number of awards to SDBs, MSIs, and people with disabilities for DOE acquisitions, DOE will create a central portal for DOE acquisition opportunities. DOE will also support the government-wide objective to ensure 15 percent of prime and subaward dollars are obligated to SDBs, and streamline and relax subcontracting requirements where possible.

New strategies to advance equity

- **Increase participation by individuals and institutions that are underrepresented in DOE's research and development (R&D) programs supported through financial assistance**

One of DOE's primary methods of issuing financial assistance is through R&D grants and programs. DOE recognizes that current practices do not do enough to support diversity in financial assistance and that underserved communities face barriers within each aspect of the overall R&D lifecycle. These barriers persistently impact women, SDBs, MSIs, persons with disabilities, communities of color, and LGBTQI+ communities. DOE has an opportunity to incorporate evidence-based best practices to make programs and opportunities more accessible to underrepresented communities and stakeholders that have otherwise been underserved by DOE. DOE will increase opportunities for underrepresented groups to participate in DOE financial assistance programs by incorporating DEI requirements into all DOE financial assistance processes by including equity-related program policy factors; broadening diversity of DOE merit reviewers; introducing a training program for DOE merit reviewers; reducing the administrative burdens associated with applying for financial assistance funding; and establishing a technical assistance pilot program to assist underrepresented groups with applying for DOE financial assistance.

- **Expand Tribal engagement and stakeholder engagement across DOE**

Through listening sessions with Tribal communities and DOE stakeholders, DOE learned that the Department has not had a comprehensive or coordinated strategy for outreach and engagement with Tribal Nations, underserved communities, MSIs, and other communities that historically have been underrepresented in the DOE programs. To build trust with diverse stakeholders and Tribal Nations, and to increase the public's awareness of DOE opportunities and activities, DOE will explore the establishment of positions within the Department to shepherd Department-wide Tribal and stakeholder engagement to institutionalize and expand community engagement activities.

New strategies to advance equity

● **Improve access and equity in DOE’s Weatherization Assistance Program**

The Weatherization Assistance Program increases the energy efficiency of dwellings owned or occupied by low-income persons, reducing their total residential energy expenditures, and improving their health and safety, especially for low-income persons who are particularly vulnerable such as older adults, people with disabilities, and children. However, low-income households sometimes face program deferrals when buildings that need significant non-energy related home repairs are not deemed cost-effective when evaluated for potential energy saving, and low-income households can face barriers in the energy audit process. DOE plans to take actions that will lower deferral rates and improve the efficiency of the energy auditing process by proposing the creation of a new Weatherization Readiness fund to ensure DOE funding is available to all grantees and low-income households, and launching a competitive grant program that will provide financial assistance to make homes weatherization ready.

Building on DOE's progress

This equity action plan builds on DOE's progress delivering on equity and racial justice in the first year of the Biden-Harris Administration.

- **Engaging with underserved communities on equitable contracting and procurement**

DOE co-sponsored a crowdsourcing campaign with the Office of Federal Procurement Policy to determine barriers to doing business with the federal government and solutions to these barriers. To ensure participation by historically underserved groups located in underserved areas, the campaign conducted targeted outreach focused on reaching business owners who are people of color; persons with disabilities; service-disabled veteran-owned businesses (SDVOB); business owners located in historically underutilized business zones (HUBZones) and rural areas; 8(a) certified businesses; women-owned small businesses (WOSBs); small disadvantaged business (SDBs); and minority-serving education institutions.

- **Embedding equity in funding opportunity processes**

In March 2021, DOE ran a pilot program through the Office of Energy Efficiency and Renewable Energy (EERE) requiring all financial assistance applicants to submit a plan demonstrating how federally funded financial assistance projects will incorporate diversity, equity, and inclusion (DEI) elements to promote the representation and participation of different groups in the R&D space. As part of the application, EERE applicants were required to submit a DEI Plan that describes the applicant's future actions to foster a welcoming and inclusive environment, support people from groups underrepresented in science, technology, engineering, and math (STEM), advance equity, and encourage the inclusion of individuals from these groups in the project either from the applicant's own staff or a subrecipient like an MSI, as well as describe the extent to which project activities will be located in, or benefit, underserved communities. The pilot program helped identify the tools needed to apply the approach more broadly across the Department, and areas that need improvement or development.

Building on DOE's progress

- **Expanding access to energy programs for Tribal Nations**

Cost share requirements reduce the pool of potential applicants from underrepresented groups due to financial restraints. In late October 2020, the Office of Indian Energy (IE) formalized a process for eligible Indian Tribes and Tribal entities to request a cost share reduction for awards under the Energy Policy Act of 2005 to alleviate financial impacts to Native American and Alaska Native communities struggling with the impacts of the COVID-19 pandemic. Beginning in early 2021, IE Department of Energy Equity Action Plan 4 approved a cost share reduction of \$17.75 million for 31 existing and pending awards. In July 2021, IE provided \$12 million to 13 Native American and Alaska Native communities for projects that will reduce energy costs and increase energy security and resiliency, which included additional cost share reductions for the first time. IE has facilitated DOE-wide tribal consultations, bringing together tribal voices and issues with DOE leadership teams committed to listening and substantive policy changes.

- **Supporting low-income, energy-burdened communities**

DOE launched the Communities LEAP (Local Energy Action Program) Pilot, a first-of-its-kind program that will help environmental justice communities and communities with historical ties to fossil fuel industries access the economic and environmental benefits of clean energy and clean energy manufacturing. Communities LEAP aims to facilitate sustained community-wide economic and environmental benefits primarily through DOE's clean energy deployment work. This opportunity is specifically open to low-income, energy-burdened communities that are also experiencing either direct environmental justice impacts, or direct economic impacts from a shift away from a historical reliance on fossil fuels. The program will provide services up to a total of \$16 million to help develop community-driven plans to more effectively leverage public and private sector resources to reduce local air pollution, increase energy resilience, lower utility costs and energy burdens, and create good-paying jobs.