

Justice40 and Carbon Management

PRIORITIZING COMMUNITIES IN CARBON CAPTURE AND STORAGE PROJECTS

KEY TAKEAWAYS

- The [Justice40](#) Initiative (J40) is a federal initiative created by executive order and aims to direct 40 percent of certain federal investments to disadvantaged and marginalized communities. Federal programs must meet this requirement, not specific projects.
- Most programs funding carbon management (carbon capture, use, and storage) projects fall under J40.
- The US Department of Energy's (DOE) Office of Fossil Energy and Carbon Management (FECM) requires project developers to include a J40 Plan—an Energy and Environmental Justice (EEJ) Assessment and a J40 Implementation Strategy—in funding applications that fall under J40.

JUSTICE40 AND FEDERAL CARBON MANAGEMENT PROGRAMS

The J40 Initiative was established in January 2021 by [Executive Order 14008, Tackling the Climate Crisis at Home and Abroad](#). J40's goal is "40 percent of the overall benefits of certain federal investments flow to disadvantaged communities that are marginalized, underserved, and overburdened by pollution." J40 covers federal government programs in climate change, clean energy and energy efficiency, clean transit, affordable and sustainable housing, training and workforce development, remediation and reduction of legacy pollution, and critical clean water and wastewater infrastructure development.



Most federal carbon management and hydrogen programs are covered by J40 and fall under the US Department of Energy's (DOE) Office of Fossil Energy and Carbon Management (FECM), Office of Clean Energy Demonstrations, and Loan Programs Office. These programs support projects in carbon capture, use, transport, storage, and direct air capture, hydrogen hubs, and more. DOE's [Justice40 Initiative Covered Programs](#) list shows all DOE programs falling under the initiative.

APPLYING FOR FEDERAL CARBON MANAGEMENT FUNDING UNDER JUSTICE40

Most carbon management projects applying for federal funding under J40 must submit a version of a J40 Plan in their application; however, applicants should follow the guidance in their respective funding opportunity announcement.

FECM outlines steps for project developers applying for funding under their programs in [Creating a Justice40 Initiative Plan](#). The J40 Plan includes an Energy and Environmental Justice Assessment and a J40 Implementation Strategy, allowing applicants to describe their strategy for addressing energy and environmental justice in their project. Overall, the EEJ Assessment helps the federal government and project developers understand a project's positive, negative, and neutral effects on nearby communities. The J40 Implementation Strategy uses the EEJ Assessment to develop a plan to maximize project benefits and minimize harm to disadvantaged communities.

Energy and Environmental Justice Assessment Details

1. Assessment of Impacted Communities and Groups
2. Assessment of Project Benefits
3. Assessment of Project Disbenefits
4. Assessment of Information Gaps



The EEJ Assessment is used in developing a Justice40 Implementation Strategy



Justice40 Implementation Strategy Details

1. Background
2. Milestones and Timelines
3. Reflection on Risks and Barriers to Implementation
4. Assessment of Information Resource Summary

SUMMARY OF KEY FAQs AND RESOURCES IN CREATING A JUSTICE40 INITIATIVE PLAN

FECM also answers some common questions in [Creating a Justice40 Initiative Plan](#) about what project developers may need to consider when developing their J40 Plan (see a few questions below).

Does J40 require 40 percent of the benefits of individual projects to go to disadvantaged communities?



No, individual projects may contribute more or less to this goal based on specific project factors. Successful applicants will show how their project aligns with the goals of J40. Agency leads are responsible for calculating the amount of covered program benefits to disadvantaged communities, and the Biden administration directs them to follow the following [Interim Implementation Guidance](#). This guidance includes calculating and reporting on reaching the 40 percent goal of J40.

What if a project is not near a disadvantaged community or no one lives around the project area?

FECM requires developers to submit a J40 Plan regardless of whether a project or work site is located in a disadvantaged community. Project developers are encouraged to think broadly about project impacts.

What if project benefits are hard to quantify or track?

Project benefits should be quantifiable, measurable, and trackable as much as possible to ensure transparency and beneficial outcomes. Applicants should include qualitative and quantitative benefits and strive to list all anticipated benefits, even if they cannot be quantified currently or in the future.

Do projects need letters of support for J40 Plans?

Project developers can use letters from members and representatives of disadvantaged communities to help demonstrate community support.

JUSTICE40 REQUIREMENTS AT OTHER DOE OFFICES

Other DOE Offices request similar J40 requirements in funding applications. The Office of Clean Energy Demonstrations evaluates its Carbon Capture Demonstration Projects Program by asking applicants to complete a [Community Benefits Plan](#). The Loan Programs Office also asks for this plan in their [program guide](#) for the Carbon Dioxide Transportation Infrastructure Finance and Innovation Act.

DEVELOPING MEASURABLE OUTCOMES IN A JUSTICE40 PLAN

FECM directs project developers to include goals with measurable outcomes and clear implementation strategies in their J40 Plan. In the example below, a project developer plans to add carbon capture to an industrial facility and describes how the technology will help reduce local air pollution.

Goal

Minimize air pollution from the facility, including nitrogen oxides (NOx), sulfur oxides (SOx), and particulate matter (PM2.5).



Measurable Outcome

Measure the amounts of pollutants released from the facility and show that the presence of these pollutants decreases from installing carbon capture equipment at facility.



Implementation Strategy

Implementation strategies to achieve this goal include, 1) purchasing pollutant-monitoring equipment for the facility and nearby communities, 2) setting up an online portal for communities to access air monitoring data, and 3) exploring fuel sources and alternative methods in operations to lower air pollution during industrial processes.

IDENTIFYING DISADVANTAGED COMMUNITIES IN A JUSTICE40 PLAN

The White House Council on Environmental Quality has created the [Climate and Economic Justice Screening Tool](#) to help federal agencies implementing J40 to identify disadvantaged communities. While this tool is still in its BETA form, the DOE uses the [Disadvantaged Communities Reporter](#) mapping tool to produce reports on the census tracts they have categorized as disadvantaged communities.

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The Regional Carbon Capture Deployment Initiative brings together state officials with diverse industry, NGO, labor, and other stakeholders to promote broad scale deployment of infrastructure for carbon management. The Initiative is staffed by the Great Plains Institute (GPI), a nonpartisan, nonprofit working to transform the energy system to benefit the economy and environment. For more information on this effort, go to carboncaptureready.org or contact Matt Fry at mfry@gpisd.net.

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