



## Department of Energy

Washington, DC 20585

### **U.S. Department of Energy's Equity Action Plan** **Agency Lead: Shalanda H. Baker, Secretarial Advisor on Equity**

#### **Executive Summary**

The Department of Energy (hereinafter DOE or the Department) 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.

The Department's mission areas touch upon equity and provide an opportunity to advance justice. From the households grappling with issues of energy burden and energy insecurity, to the universities advancing basic research with Department funds and the business and community-based organizations that partner with DOE to deliver on its mission, the Department has an extraordinary reach. Executive Order (EO) 13985, *Advancing Racial Equity and Support for Underserved Communities Through the Federal Government*, provides an opportunity for the Department to examine its internal processes and programs to ensure that the agency eliminates barriers to access; transform programs and policies to open even broader pathways for underrepresented groups to access DOE resources; and stand up new programs to better serve communities. EO 13985 provides an opportunity for the Department to continually strive for equity across its mission areas. Moreover, these actions and ongoing efforts will position DOE as a critical partner within an all-of-government approach to tackling the climate crisis. EO 13985—focused on equity within the Department's functions and programs—dovetails with the Department's efforts to ensure that 40% of the benefits of its clean energy, energy efficiency, and climate programs flow to underserved communities (the Justice40 Initiative) and provides the blueprint for delivering on the historic Justice40 Initiative.

In implementing EO 13985, the Secretary's Advisor on Equity (SAE) first stood up an Executive Steering Committee comprised of senior leaders from across the DOE complex. The Executive Steering Committee then embarked on a yearlong, comprehensive process to assess the whole of DOE's activities in the following areas: Procurement, Financial Assistance, Research and Development (R&D), Demonstration and Deployment (D&D); and Stakeholder Engagement. The Executive Steering Committee members led six teams comprised of over 150 DOE staff and managers representing a diverse cross-section of DOE programs and support functions. Each Working Group then provided its top priorities, which were based on an in-depth assessment of barriers to accessing DOE programs. From that list of priorities, the SAE determined the following top five Departmental priority actions to advance equity at DOE:

- 1) Address broad gaps in data collection to facilitate data-informed decision-making.
- 2) Increase opportunities for new entrants in DOE acquisition (i.e., procurement and financial assistance).



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- 3) Increase participation by individuals and institutions underrepresented in DOE R&D and other programs supported through financial assistance.
- 4) Expand strategic Tribal and stakeholder engagement in all DOE business areas.
- 5) Improve access and equity in DOE's Weatherization Assistance Program.

### **Early Accomplishments**

To execute EO 13985, DOE commenced equity-related activities. Early accomplishments include: (1) conducting a crowdsourcing campaign to identify barriers underrepresented groups face within the procurement space; (2) establishing a pilot program to incorporate equity-centered provisions into funding opportunity announcements; (3) creating a process within the Office of Indian Energy to facilitate the reduction of cost-share for Tribes requesting cost-share waivers; (4) initiating a first-of-its-kind pilot program to provide in-depth technical assistance to low-income communities engaged in energy transition activities and a pathway to equitable clean energy deployment; and (5) diversifying Departmental outreach efforts to highlight diversity, equity, and inclusion, and reaching media outlets that serve underrepresented groups.

#### *Procurement Crowdsourcing Campaign:*

DOE co-sponsored a crowdsourcing campaign with the Office of Federal Procurement Policy (OFPP) to determine barriers to doing business with the federal government. To ensure participation by historically underserved groups located in underserved areas, DOE and OFPP 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); community development for not-for-profits; minority serving institutions, including Asian American and Native American Pacific Islander-Serving Institutions (AANAPISIs), Alaska Native-Serving and Native Hawaiian Serving Institutions (ANNHs), Historically Black Colleges and Universities (HBCU), Hispanic-Serving Institutions (HSIs), Native American-Serving Nontribal Institutions (NASNTIs), Predominantly Black Institutions (PBIs), Tribal Colleges and Universities (TCUs) (collectively hereafter referred to as MSIs), and other educational institutions; and Tribal Owned and Alaska Native Corporations.

The campaign consisted of two phases. During Phase One (June 1-15, 2021), 75 respondents provided thoughts on what barriers exist to doing business with the federal government. The top barrier responses included: difficulty locating DOE opportunities; cumbersome federal acquisition rules, processes, and concepts, including how to do business with federal agencies; lack of data for DOE to understand equity gaps and opportunities; unnecessarily restrictive multi-year contracts; and applicant resource constraints (e.g., financial, information technology, and human capital). Phase Two (November 8-19, 2021) focused on solutions to these five barriers with respondents contributing 540 votes on solutions to the barriers by drawing down on thirty-two pre-defined actions. The top five solutions by vote were:

- 1) Strengthen prime contractor commitment to subcontractors (42 votes).
- 2) Increase access to agency program officials and decision makers (32 votes).



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- 3) Make large contracts more manageable for small businesses (32 votes).
- 4) Increase the number of small businesses “visible” to the federal buyers (27 votes).
- 5) Improve procurement forecast tools (23 votes).

DOE intends to take into consideration these ideas as well as other data generated from the crowdsourcing campaign when addressing barriers to entry in DOE procurement practices.

### Office of Energy Efficiency and Renewable Energy DEI Funding Opportunity Announcement (FOA) Pilot Program:

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. Eleven FOAs were issued as part of the pilot program. 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 the project activities will be located in, or benefit, underserved communities.

To develop a DEI Plan, applicants needed to identify and evaluate their internal processes and outreach methods to determine whether there were institutional barriers in their hiring practices, as well as examine their partnerships with groups in underserved communities. The plans further required at least one SMART (Specific, Measurable, Assignable, Realistic and Time-Related) milestone per budget period, supported by metrics, to measure the success of the proposed actions. The DEI Plans were evaluated as part of the technical review process and incorporated into the award, if selected. In addition to requiring a DEI Plan, EERE added a DEI-specific program policy factor to the FOA template. Program policy factors allow the selecting official the flexibility to consider factors other than technical merit.

Through this pilot program, EERE set up a team to track questions, issues, and results, and acquired significant information which will inform the development of a comprehensive approach that can be expanded across the Department. The pilot program helped identify (1) the tools needed to apply the approach more broadly across the Department (e.g., internal and external training needs, and external outreach), and (2) areas that need improvement or development (e.g., guidance for program and financial assistance staff specific to DEI Plan negotiation and administration of DEI requirements, DEI Plan templates, merit review processes, and reviewer selection). The pilot also allowed DOE to build business processes on a smaller scale that could be replicated across the Department.

### Office of Indian Energy Cost Share Reductions:

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](#)



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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 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. Along with the Interagency Working Group on Coal and Power Plant Communities and Economic Revitalization, IE co-hosted the Revitalizing Navajo and Hopi Energy Communities workshop on September 8, 2021; the workshop engaged over 80 rural tribal members and tribal leaders to highlight available resources and discuss potential projects for regional economic revitalization.

### Communities LEAP (Local Energy Action Program) Pilot

The DOE Communities LEAP (Local Energy Action Program) Pilot is 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 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. The first round of applications closed on December 17, 2021. Selections will be announced in the Spring of 2022.

### Office of Public Affairs Stakeholder Engagement and Community Outreach:

Since the release of the EO, DOE's Office of Public Affairs (PA) has launched new stakeholder engagement activities, including hosting digital engagement events featuring Secretary Granholm. Designed to increase outreach on the cornerstone items of the Administration's environmental, social, and energy justice actions encapsulated in the "Build Back Better" agenda, this digital engagement strategy has proven to be effective with many events reaching thousands of views, and one reaching over 14,000 views. Such outreach tackles a persistent barrier to accessing DOE opportunities: lack of awareness.

Outreach examples include:

- 1) [Our Time is Now: Latinx Leaders on Climate Action](#) featuring American labor leader and civil rights activist Dolores Huerta and youth climate advocates, on October 5, 2021;
- 2) [A Conversation with Sophia Bush on Building an Equitable Clean Energy Future](#) held on July 27, 2021, discussing pathways to broaden the energy workforce; and
- 3) [A Conversation with Jonathan Scott on Building a Clean Energy Future for All](#) held on July 7, 2021, examining the building of an affordable and reliable clean energy future for all.



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Media coverage of the Department's focused engagement with underrepresented individuals and communities include:

- 1) ESSENCE.com, [DOE Launches Fund for Organizations Prioritizing Climate Solutions for Black Communities](#) (October 19, 2021);
- 2) MSNBC *The Choice* segment, [One-on-One with Energy Secretary Jennifer Granholm](#) (May 20, 2021); and
- 3) Navajo Nation press release, [President Nez welcomes U.S. Secretary of Energy Granholm to the Navajo Nation to discuss renewable energy](#) (August 19, 2021, picked up by *Indian Country Today*).

In addition to PA-led activities, DOE offices continue to create programs to increase outreach efforts. For example, in December of 2020, the Office of Legacy Management introduced a STEM pilot program, [Go with the Flow](#), which aims to teach Navajo youth about groundwater through hands-on activities that are relevant to their environment, teach valuable skills, encourage creativity, and explain disposal cell technologies. On July 22, 2021, the Loan Programs Office launched a new division, *Outreach and Business Development*, designed to address equity in the deployment and development space by strategically focusing outreach and business development efforts to guide potential loan applicants through the application process and manage the resulting relationships.

The pages that follow include an overview of DOE's Equity Action Plan: five key actions DOE will undertake in the long term to facilitate equity within the Department and facilitate the equitable execution of the Department's mission.

### **Action #1: Address Broad Gaps in Data Collection to Facilitate Data-Informed Decision-Making**

The Department's current approaches to data collection limit visibility into who is participating in its business opportunities, outreach events, and programs. Gaps in current data collection processes pose barriers to achieving equity within the Department because DOE cannot obtain a baseline of existing participation. Without this baseline, the agency cannot effectively strategize to ensure all communities benefit from Departmental work and activities.

Data challenges include:

- 1) Inconsistent collection of demographic information on applicant institutions and key personnel, awardees, and merit reviewers, as well as limited analysis of applicants, success rates, and participation rates from individuals and institutions historically underrepresented in the DOE portfolio.
- 2) Incomplete data collection across DOE program offices regarding who participates in DOE strategic planning efforts.
- 3) Incomplete data regarding applicants and recipients of financial assistance awards.
- 4) Limited geospatial understanding of overall investment impact (e.g., census tract, census block, or community level).



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- 5) Limited awareness and understanding of what demographic information DOE is allowed to collect and how DOE may collect it.
- 6) Limited collection of information concerning participation in DOE organized stakeholder meetings and events. As such, there is little data on who DOE is reaching to inform efforts to engage underserved and underrepresented communities.
- 7) Limited data and analysis of applicants and awardees of DOE contracting and funding opportunities, which limits tracking of new entrants.
- 8) Inconsistent collection of equity-related metrics in demonstration and deployment activities (e.g., programs utilize different approaches to capturing energy savings, avoided emissions, reduction in household energy burden, and investments in workforce training).
- 9) Incomplete understanding of the impacts of cost sharing requirements (and the potential benefits of waiving such requirements for underrepresented stakeholders).

The foregoing challenges impact the Department's ability to collect accurate data concerning SDBs; MSIs; persons with disabilities; Black, Latino, Indigenous, and Native American persons; Asian Americans, Pacific Islanders, and other persons of color; members of religious minorities; Lesbian, Gay, Bisexual, Transgender, Queer, Intersex, Asexual, and other sexual orientations and gender identities (LGBTQIA+); persons who live in rural areas; and persons otherwise adversely affected by persistent poverty or inequality.

To address the data gaps, DOE intends to undertake the following tasks:

- 1) Create a data collection system for underserved communities and individuals for all DOE contract and financial assistance opportunities that applies to all federal and contractor Management and Operating (M&O) and other major site and facility management contracts requirements. This may include broadening what is currently reported in the Management and Operating Subcontract Reporting Capability (MOSRC) system to encompass financial assistance and the two DOE field sites not currently captured in MOSRC.
- 2) Request demographic information at time of financial assistance application submission through, for example, the usage of the White House Office of Management and Budget's (OMB) [Research and Related Personnel Data](#) form, and DOE's application management systems, and provide guidance for the collection of demographic data and addressing voluntary vs. nonvoluntary disclosures of demographic data.
- 3) Collaborate with OMB to broadly streamline the Paperwork Reduction Action waiver process and set uniform Department standards on data collection.

### *Ongoing Accountability*

To determine progress within a two-to-four-year period, DOE will also rely on newly-collected demographic data to analyze trends and to determine whether the number of applicants from and the number of awards flowing to underrepresented institutions and underserved communities and individuals are increasing. DOE will also provide guidance for and track performance on



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increasing the diversity of merit reviewers and endeavor to baseline the current demographics of our reviewers.

### **Action #2: Increase Opportunities for New Entrants in DOE Acquisition (i.e., Procurement and Financial Assistance)**

Based on information gathered through the crowdsourcing campaign with OFPP (see *Early Accomplishments* above), DOE is focused on improving how acquisition opportunities are communicated and better supporting vendors so that the federal acquisition process is understood. The populations most impacted by this barrier are SDBs; MSIs; persons with disabilities; Black, Latino, Indigenous, and Native American persons; Asian Americans, Pacific Islanders, and other persons of color; members of religious minorities; LGBTQIA+; persons who live in rural areas; and persons otherwise adversely affected by persistent poverty or inequality. No specific policy, program or regulation contributes to this barrier. However, crowdsourcing respondents indicated that providing education of the federal acquisition process and concepts; improving and updating the small business programs, subcontract oversight and acquisition forecasting; and addressing resource constraints for historically and economically disadvantaged groups could reduce barriers to entry for underrepresented applicants. Modifying these processes will expand procurement and financial assistance opportunities for underrepresented groups in both the federal and contractor acquisition space.

To increase the opportunities for new entrants, alleviate resource constraints (e.g., financial, IT, human resources, etc.) and expand the number of awards to SDBs, MSIs, and people with disabilities for DOE acquisitions (including contracts and DOE prime contracts, and subcontracts under M&O and other major site and facility management contracts), the Department will engage in a range of activities:

- 1) Create a central portal for DOE acquisition opportunities, to include direction on navigating DOE and federal acquisition and highlighting this resource on the front page of energy.gov.
- 2) Streamline/relax subcontracting requirements.
- 3) When applicable, rely on Other Transactional Authority.<sup>1</sup>
- 4) Identify current practices of M&O and other major site and facility management contractors and determine what can help overcome identified barriers, including use of flexibilities in their purchasing systems to combat these barriers.
- 5) Assess and determine additional statutory and regulatory authorities/flexibilities DOE may utilize to overcome known barriers.

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<sup>1</sup> Section 1007 of the Energy Policy Act of 2005 gives the Secretary of Energy authority to enter into transactions (other than already existing statutorily defined instruments - contracts, cooperative agreements, and grants), subject to the same terms and conditions as those given to the Secretary of Defense under 10 U.S.C. §2371. The purposes of this authority are to reduce barriers that prevent some for-profit firms from participating in DOE's research, development, and demonstration (RD&D) programs and broaden the technology base available to meet DOE mission requirements. For additional information, please see [Department of Energy Guide to Financial Assistance](#).



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### *Ongoing Accountability*

DOE views acquisition as central to effectuating the DOE mission. M&O and other major site and facility management contract dollars are approximately 90 percent of the annual budget on contracts to operate scientific laboratories, engineering and production facilities, and environmental restoration sites, and to acquire capital assets. Contractors at DOE sites and laboratories perform critical missions, including maintaining nuclear weapons stockpiles, cleaning up radioactive and hazardous waste resulting from the legacy of the Manhattan Project, and conducting the world's most sophisticated basic and applied energy and scientific research activities.

In light of the Department's overall acquisition mix, DOE is setting additional procurement targets for M&O contractors and the Department that mirror the President's ambition spelled out in directive M-22-03 [Advancing Equity in Procurement](#), issued on December 2, 2021. Consistent with M-22-03, by 2025, DOE will support the government-wide objective of 15 percent of prime and subaward dollars obligated to SDBs, by endeavoring to commit 15 percent of DOE prime, subaward, and M&O subcontractor dollars to underserved populations. In support of this goal, for FY23, DOE will advance a stretch goal of 6 percent<sup>2</sup> of its prime contracts going to SDBs, following the calculation method for the Small Business Administration's Small Business Scorecard. In FY23, 15 percent of M&O dollars should be to SDBs, utilizing the M&O data reported in the MOSRC data collection system.

With the additional efforts described under this action item to support new entrants, DOE will also increase its baseline spend to WOSBs, HUBZones, and SDVOSBs, which is in alignment with M-22-03. DOE will work with the M&O contractors and other major site and facility management contractors to increase subcontracting opportunities for underserved populations consistent with the principles in EO 13985. DOE will and track and report Department prime and subcontract/subaward performance through annual Acquisition Town Hall meetings with a focus on underrepresented groups.

To determine whether DOE equity actions have reduced the acquisition barriers in a two- to four-year period and to establish a baseline for performance, DOE completed a data analysis using award and obligation data for DOE SDBs from FY2016-FY2020. This analysis established a baseline in which the Department will compare with future data to see where progress has been made.<sup>3</sup> DOE will also periodically poll contractors about the centralized portal to determine

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<sup>2</sup> The stretch goal of 6 percent is higher than what is generally negotiated with the Small Business Administration. By incorporating the actions in this Plan, DOE will increase SDB participation, with the hope the Department can achieve 6 percent in this area.

<sup>3</sup> Further, on December 2, 2021, the Whitehouse and the Small Business Administration (SBA) released disaggregated data of federal contracting spend by business owner race/ethnicity. Beginning with FY 2020 data, the federal government will publicly release this disaggregated data on an annual basis so that procurement officials, business owners, and the American people can use it as a tool to track equity and progress over time. This data will also allow DOE to assess its performance across industries and sectors, helping the Department better target interventions to areas with the greatest opportunity for growth. [FACT SHEET: Biden-Harris Administration](#)



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accessibility and improvements so that it can be a resource for new entrants and current federal vendors. Further, DOE will create a dashboard to track M&O subcontractor and other major site and facility management contractor spending, disaggregated by contractor and detailing subcontracts/subawards to underrepresented groups and institutions, including MSIs. Summary data will be made publicly available at the aforementioned annual Acquisition Town Hall focused on underrepresented groups' access to DOE acquisition activities.

### **Action #3: Increase Participation by Individuals and Institutions Underrepresented in DOE R&D and other programs supported through Financial Assistance**

DOE recognizes that current practices do not do enough to support diversity in financial assistance. Financial assistance includes the full spectrum of R&D activities, including basic and applied research, and discretionary financial assistance awarded through DOE programs. Existing barriers in the financial assistance space persistently impact women; SDBs; MSIs persons with disabilities; Black, Latino, Indigenous, and Native American persons; Asian Americans, Pacific Islanders, and other persons of color; and the LGBTQIA+ community. DOE has an opportunity to incorporate evidence-based best practices to make programs and opportunities more accessible to businesses, academic institutions, and underrepresented communities and stakeholders that have otherwise been underserved by DOE.

This action leverages the DOE actions to be taken in two other Priority Actions of the DOE Equity Plan: Action 1—Address broad gaps in data collection to facilitate data-informed decision-making, and Action 4—Expand strategic Tribal and stakeholder engagement in all DOE business areas. Critical to implementing this action is the capacity for DOE program offices to engage the broader scientific community in both strategic planning as well as in advertisement and outreach surrounding each solicitation. Similarly, DOE program offices must improve their capacity to collect voluntary demographic information from applicants, awardees, and reviewers, and develop data analysis practices consistent with Privacy Act requirements to utilize the data to make informed award selection decisions based on established program policy factors.

One of DOE's primary methods of issuing financial assistance is through R&D grants and programs. The R&D life cycle includes several components, including strategic planning, design and dissemination of financial assistance opportunities, merit review, and program evaluation. The following discussion addresses barriers within each aspect of the overall R&D life cycle, noting areas where the Department can improve.

Currently, technical experts from institutions identified through traditional forums and long-standing Departmental relationships inform DOE's strategic planning processes. Such processes often fail to include the full spectrum of DOE stakeholders, including members of underrepresented groups and researchers from MSIs. This lack of inclusion may have reverberating consequences throughout the funding life cycle.



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With respect to the dissemination of funding opportunities, Tribal organizations and MSI stakeholders have identified several challenges that present barriers to participation in DOE's standard funding opportunities. These include, but are not limited to, limited support for sponsored research offices to address the administrative burden of applying; insufficient time to respond to DOE's complex funding announcements; and limited collaborations with DOE labs and limited access to DOE facilities to build relationships needed to partner on DOE awards.

Turning to merit review, DOE's internal assessments indicate many opportunities to advance DEI in its processes for external and internal peer review and within its selection processes. Specific attention is needed in the areas of soliciting merit-based peer reviews from a more diverse community of reviewers; ensuring the merit review criteria create appropriate expectations of applicants; and empowering DOE program offices to consider a broad range of program policy factors. Emphasis on these actions will ensure that when all other aspects, such as technical merit, are considered equal, programs can select applications that broaden the diversity of institutions and individuals who are awarded DOE R&D funding.

The Department will engage in a variety of activities designed to mitigate and remove the foregoing barriers. Starting in FY22, DOE will increase opportunities for underrepresented groups to participate in DOE financial assistance programs by incorporating DEI requirements into all DOE financial assistance FOAs. These requirements will include: equity-related program policy factors; broadening diversity of DOE merit reviewers; introducing a training program for DOE merit reviewers; reducing the administrative burdens to applying for financial assistance funding (whilst remaining compliant with [National Security Presidential Memorandum 33](#)); and establishing a Financial Assistance Technical Assistance Pilot Program (FATAPP) to assist underrepresented groups with applying for DOE financial assistance programs.

DOE will engage in the following key tasks to increase investments at underrepresented institutions and advance DOE equity priorities:

- 1) In FY22, DOE will establish a baseline of understanding regarding DOE financial assistance to MSIs, with a goal of increasing the percentage of DOE awards awarded to MSIs to 15% by 2025. Initiatives in support of this goal include:
  - a) Implementation of an annual cross-cutting program office challenge geared towards MSIs, focusing on opportunities to fund consortia, faculty exchange programs, centers of excellence, collaborative research projects, and building institutional research capacity.
  - b) Establishment of cross-office funding for "Centers of Excellence" that link a National Lab with an MSI or community college to strengthen relationships, expose underserved populations to DOE infrastructure, and deepen field of expertise in a certain topical area.
  - c) Creation of a centralized announcement portal to communicate upcoming DOE financial assistance opportunities to the broader communities, referencing grants.gov.



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- 2) Women- and minority-owned Small Business Innovation Research (SBIR) and Small Business Technology Transfer (STTR) award recipients appear to be underrepresented when compared to the overall population of women- and minority-owned small businesses in the broader market. For example, women- and minority-owned small businesses make up between 10-11% of SBIR/STTR grant recipients, compared to 15-18% women- or minority-owned businesses in the overall small business population. DOE will endeavor to distribute 15% of SBIR/STTR Phase 1 awards to women, and 15% to minority-owned businesses by FY25.
- 3) Implicit bias and mitigation training is one strategy for supporting structural and institutional changes to achieve equitable outcomes. In FY22, DOE will develop and implement mandatory implicit bias awareness and mitigation training for Federal program staff and contractor staff involved in DOE solicitations and require the same for external peer reviewers.
- 4) Starting in FY23, DOE will formalize the EERE DEI FOA pilot program and initiate a rulemaking process. The rulemaking process will allow DOE to institutionalize the approach in its financial assistance regulations, and benefit from an internal and public comment process. DOE will task a small intra-agency writing group to develop the draft rulemaking, guidance, templates and related procedures.
- 5) Beginning in FY22, DOE will require at least one DEI-specific program policy factor be included in all DOE FOAs, which will allow DOE to prioritize equity-related factors in awarding financial assistance.

### *Ongoing Accountability*

DOE will measure progress against this Action by actively tracking the demographics of Principal Investigators (PIs), key grant personnel, and additional grant participants on proposals (both applicants and awardees), as well as tracking the institution types of applicant and recipient institutions. DOE will publicly post the aggregate information of applicant and recipient institutions annually, as well as publicly post aggregate, anonymized applicant and awardee demographic information, which shall be updated annually. DOE program offices will begin externally peer reviewing their business processes for awards management every three to four years to get input and provide accountability on how programs are adopting new business practices for increasing DEI in awards management.<sup>4</sup>

### **Action #4: Expand Strategic Tribal and Stakeholder Engagement in all DOE Business Areas**

Stakeholder engagement is critical to ensuring DOE communicates effectively with the public to share information, enhance and increase the public's awareness of opportunities and activities, build trust between diverse stakeholders and Tribal entities, increase DOE's understanding of the

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<sup>4</sup> See, for example, <https://science.osti.gov/sc-2/Committees-of-Visitors>.



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multifaceted and intersectional challenges for which it is creating solutions, and hear from those affected by the work DOE performs.

Currently, the Department's program offices individually engage in stakeholder engagement, but there is insufficient data collected on who is being engaged and their perceptions of the Department. Further, Tribal and stakeholder relationships tend to stall when trusted contacts or leaders leave DOE. Given there is no lead office responsible for managing the Department's Tribal and stakeholder engagement, these barriers persist.

Through listening sessions with Tribal entities and DOE stakeholders, DOE discovered that its program offices have not had a comprehensive or coordinated strategy for outreach and engagements to individuals and institutions historically underrepresented in the DOE portfolio. Moreover, DOE programs have not conducted the needed outreach to understand the research and technical expertise at various MSIs that may be relevant to DOE's work and to establish working relationships with these institutions.

The populations most impacted by the foregoing challenges are Persons with Disabilities; Black, Latino, Indigenous, and Native American persons; Asian Americans, Pacific Islanders, and other persons of color; members of religious minorities; LGBTQIA+; persons who live in rural areas; and persons otherwise adversely affected by persistent poverty or inequality.

To improve how the Department manages Tribal and stakeholder engagement, the following specific actions are planned:

- 1) In FY22, explore the establishment of a position or positions within the Department to shepherd Department-wide Tribal and stakeholder engagement, track agency-wide work, and facilitate engagement activities throughout program offices.
- 2) DOE's diverse mission activities that encompass national security, environmental cleanup, energy efficient technologies, and basic science research, among many others, are largely unknown to the public. The diverse mission has an equally diverse audience ranging from Tribal entities, to regulators, to elected and appointed officials, to interest groups and members of the public who are interested, curious, concerned, or opposed to DOE's programs or proposed actions. The discrepancy between DOE's mission and the public's understanding of that mission invites important opportunities for more meaningful and comprehensive engagement by DOE on an agency-wide level. The actions to support centralized support through personnel and contracts have been and are currently successful at agencies like the Department of the Interior and the Environmental Protection Agency.

In FY22, DOE will conduct an analysis of the feasibility of awarding a Tribal and stakeholder engagement contract(s) utilizing contractor(s) versus centralizing the Tribal and stakeholder function within an office or offices at the Department. The feasibility study should be based on the capacity to: conduct socio-economic and demographic



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analysis; design and implement survey tools to reach underrepresented groups; facilitate DOE program staff engagement with underrepresented and underserved communities; assist with the National Environmental Policy Act process implementation; assist DOE program staff with engagement with Native American tribes and Native Alaska villages; develop metrics to assess effectiveness of programs; conduct multilingual and limited literacy outreach to rural areas, areas with high poverty rates, and underserved populations; and develop and implement a training program for DOE personnel.

- 3) In FY22, develop a template for program implementation of “Continuity Binders” that would contain essential foundational information about Tribal and stakeholder engagement or outreach related to a site, project, or program and be targeted to personnel with direct stakeholder engagement responsibilities. Foundational materials in the binders would include at a minimum:
  - a) key points of contact;
  - b) key Tribal entities and stakeholders and their interests and concerns;
  - c) information on current projects;
  - d) programmatic lessons learned;
  - e) important policies and other directives pertinent to the program of work; and
  - f) helpful historical information and additional context for cultural competency.
  
- 4) In FY22, implement DOE-wide “Leadership Continuity Plans” (LCP) with specified contents to be prepared and maintained. Essential to the LCPs is, at minimum, information that facilitates understanding history, status, and direction needed by those in key leadership roles, such as:
  - a) key inter- and intra-agency counterparts;
  - b) key points of contact, especially for major initiatives and controversial projects;
  - c) major ongoing projects and their status;
  - d) legal challenges and matters before the courts;
  - e) important policies and other directives pertinent to the Department;
  - f) helpful historical information and points of contact for Department programs and offices; and
  - g) key Tribal entities and stakeholders and their interests and concerns.
  
- 5) In FY22, develop creative advertising mechanisms (social media, radio, postcards, etc.) in multiple languages and use [universal design principles](#) to ensure communications reach all DOE stakeholders and Tribal entities by the most appropriate method for that area, community.

### *Ongoing Accountability*

In the longer term, a strategic approach to Tribal and stakeholder engagement should reduce the barriers to equitable access to DOE programs. That function will assist the Department with establishing goals and priorities that support being attentive to the engagement needs of diverse



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underrepresented and underserved populations that are a part of DOE's larger Tribal and stakeholder community. As a result of this institutionalized function, DOE measure increases in engagement with underrepresented and underserved communities and demonstrate continuing effective engagement with underserved communities, even with personnel changes.

Once a broader Department Tribal and stakeholder engagement strategy is developed, DOE intends to obtain internal or contract support for the services of professional social scientists to measure the Department's progress on Tribal and stakeholder engagement. This will ensure that demographic data collection and analysis methods are designed to achieve measurable results that can demonstrate engagement with historically marginalized groups. Additional efforts to further support engagement and bolster accountability could include hosting special "Town Hall" meetings at DOE-owned and/or DOE-funded visitor engagement sites, which will increase overall Tribal and stakeholder outreach while simultaneously ensuring that members of underrepresented and underserved communities are invited and accommodated. Progress would be reported in DOE publications, newsletters, and other internal and public-facing documents.<sup>5</sup>

### **Action #5: Improve Access and Equity in DOE's Weatherization Assistance Program**

DOE will take actions to improve the accessibility of the Weatherization Assistance Program (WAP). The actions will lower deferral rates and improve the efficiency of the energy auditing process so that dwellings owned or occupied by low-income persons can receive the benefits of WAP.

WAP receives an annual appropriation of formula funding for the purpose of increasing 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 low-income persons who are particularly vulnerable such as the elderly, the handicapped, and children.<sup>6</sup> One

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<sup>5</sup> Should the Department engage Tribal entities and stakeholders external to DOE, it will continue to only receive information from such audiences when those audiences are presenting their individual advice and recommendations to DOE. To avoid any appearance that DOE is giving preferential treatment to any individual or group, DOE will avoid the regular and systematic participation of the same Tribal entities and stakeholders. Non-governmental entities will not be permitted to participate in a group decision-making processes. Any such participation by non-governmental entities will be in compliance with the Federal Advisory Committees Act.

Further,

- (a) Nothing in this plan shall be construed to impair or otherwise affect:
  - (i) the authority granted by law to an executive department or agency, or the head thereof;
  - (ii) the functions of the Director of the Office of Management and Budget relating to budgetary, administrative, or legislative proposals; or
- (b) This plan shall be implemented consistent with applicable law and subject to the availability of appropriations.
- (c) This plan is not intended to, and does not, create any right or benefit, substantive or procedural, enforceable at law or in equity by any party against the United States, its departments, agencies, or entities, its officers, employees, or agents, or any other person.

<sup>6</sup> 42 U.S.C. 6861 (b); <https://www.govinfo.gov/content/pkg/USCODE-2013-title42/pdf/USCODE-2013-title42-chap81-subchapIII-partA.pdf>.



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of the benefits of formula grants is that they can be designated for certain priority populations, and the implementation is executed at the local level where the specific needs of the population can be addressed.

While regulatory<sup>7</sup> and programmatic<sup>8</sup> directives exist to ensure WAP delivers program benefits to low-income households according to Congressional priorities (42 U.S.C. 6864(b)(2)), other constraints may be limiting access to the most disadvantaged consumers within the group.

The specific barriers include:

- 1) Deferrals. The use of WAP formula funds is limited to home repairs that are deemed cost-effective when evaluated with potential energy savings.<sup>9</sup> Buildings that need significant non-energy related home repairs may be temporarily deferred from WAP services until DOE is able to locate additional funds to remedy the cause of deferral. Based on 2019-2020 DOE research and feedback during March 2021 DOE-hosted listening sessions, common deferral reasons include the need for major roof repairs, electrical upgrades, plumbing repairs, hazards and remediation beyond the scope of WAP including asbestos and vermiculite, and other major home repairs. Although the causes and rates of deferrals vary by region and service territory, this is a barrier to weatherization across the country and a key equity challenge. Studies have shown that Native American, Latino and Black households have higher rates of repair needs and higher cost burdens.
- 2) Energy audit procedures and use of a Savings-to-Investment Ratio (SIR) calculation help to ensure the WAP is maximizing energy savings benefits and achieving the statutory purpose of the program to reduce the energy burden of low-income households.<sup>10</sup> However, the SIR historically only considers potential energy savings in the pre-weatherization estimate of cost-effectiveness, which may cause the following challenges for the WAP:
  - a) External factors such as materials and fuel prices impact the ability to justify cost-effective weatherization work, resulting in deferral of service.
  - b) Potential limitations on the amount of formula funds that may be used to pay local weatherization workers and contractors, because direct labor is included in the estimate of cost-effectiveness.
  - c) Missed opportunities to measure the broader societal benefits and household health and safety benefits that result from providing weatherization services.

The Weatherization Assistance Program plans to take actions that will lower deferral rates and improve the efficiency of the energy auditing process. These actions will ensure program benefits are provided to all eligible households, consistent with Congressional intent. Based

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<sup>7</sup> 10 CFR 440.3.

<sup>8</sup> Weatherization Program Notice 22-1, Application Instructions, V.3.

<sup>9</sup> 10 CFR 440.18 (d); <https://www.ecfr.gov/current/title-10/chapter-II/subchapter-D/part-440/section-440.18>.

<sup>10</sup> 10 CFR 440.21; Weatherization Program Notice 19-4.



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primarily on feedback from WAP stakeholders, DOE WAP will prioritize three action items related to lowering deferral rates by providing additional funds and resources to address health and safety hazards and home repairs:

- 1) The FY22 EERE Budget Request included creation of a new “Weatherization Readiness” fund to ensure DOE funding is available to all grantees and low-income households. This funding would be segregated from the WAP formula appropriation and not subject to the formula program constraints on home repair costs. This method of funding will ensure each WAP grantee will receive an allocation, providing equitable distribution to address a nation-wide program barrier.
- 2) Weatherization Enhancement and Innovation (E&I) is a new Congressionally directed competitive grant program that will provide financial assistance for measures to make homes weatherization ready.<sup>11</sup> Funding for the competitive grants is limited and will be utilized to pilot innovation and best practices that may be scaled nationally. On December 15, 2021, DOE published the first E&I Funding Opportunity Announcement ([DE-FOA-0002520](#)). Pending future allocations of WAP funding, DOE anticipates additional E&I opportunities through 2025. A total of \$18.6 million is available from the FY2021 appropriation with a maximum award amount of \$2 million. Through partnerships and leveraging of WAP and other funding sources, these awards will enable deep energy retrofits of low-income housing in four topic areas: 1) place-based initiatives; 2) multifamily housing; 3) single family and manufactured housing; and 4) workforce development. Applicants are encouraged to use awarded E&I funds in conjunction with DOE WAP formula awards and other funding sources to deploy demonstration projects that have potential to be scaled nationally, enhance the benefits realized by underserved communities, and ensure an equitable transition to a clean-energy economy. Specifically, this FOA will support the goals of carbon pollution-free electricity by 2035 and net zero GHG emissions by 2050 while also supporting quality jobs and economic growth by:
  - a) Developing new place-based methods for delivering deep energy retrofits to benefit communities disproportionately impacted by high energy burden;
  - b) Increasing the number of homes eligible for energy efficiency retrofits by making homes weatherization and electrification ready, while also ensuring healthy indoor environments;
  - c) Growing community partnerships and leveraging additional funds to maximize the installation of renewable and new technologies; and,
  - d) Supporting workforce development and creating pathways to careers in the home performance, energy efficiency, and renewable energy sectors by recruiting, hiring, and retaining individuals underrepresented in these industries.
- 3) DOE WAP will maximize, leverage, and braid DOE funds with other federal and non-federal fund sources by continuing inter-agency coordination with the Department of

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<sup>11</sup> 42 USC 6864(d).



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Housing and Urban Development and the Department of Health and Human Services and investing in Training and Technical Assistance (T&TA) resources.

### *Ongoing Accountability*

In response to the Consolidated Appropriations Act of 2021<sup>12</sup> and feedback from WAP stakeholders, DOE will continue to explore revising the definition of cost-effectiveness and implementing enhancements to energy audit procedures. Potential actions include:

- 1) Update the savings-to-investment ratio calculation to include non-energy impacts. Based on recently completed research, DOE is prioritizing water savings and the social cost of carbon emissions. By increasing the estimated benefit in the initial cost/benefit calculation, WAP will maximize the number of efficiency measures that may be selected by the energy audit and installed in homes. This may also allow for more repairs to be justified by the audit and as a result a decrease in deferral rates.
- 2) Develop streamlined approaches to assessing buildings for suitable cost-effective services, such as the use of regional priority lists and upgrading DOE-developed energy auditing tools. Weatherization Assistant, a computer-based energy auditing tool developed by the Oak Ridge National Laboratory and used by the weatherization program, will be migrated to an online platform and enhancements such as incorporating heat pumps will improve evaluation of new technologies and simplify the energy auditing process.

With guidance from the DOE Office of Economic Impact and Diversity, WAP plans to update metrics and reporting to enable more accurate estimates of program benefits such as energy savings, avoided emissions, reduction in household energy burden, and investments in workforce training. Changes in program reporting will require compliance with the Paperwork Reduction Act, and implementation of new data collection tools is planned for 2023. WAP will select metrics with the goals of improving program evaluation capabilities and aligning with the Justice40 Initiative, while also minimizing the administrative burden on Grantees and Subgrantees. Initial output metrics and outcome-based indicators developed for the OMB M21-28 150-day deliverable include:

- 1) Household Energy Savings (MMBTU)
- 2) Workforce Development (Dollars Spent)
- 3) Reduction of Local and Global Emissions (CO<sub>2</sub>, NO<sub>x</sub>, SO<sub>2</sub>, PM<sub>2.5</sub>)
- 4) Technical Assistance and Stakeholder Engagement (Dollars Spent)

Each year the DOE WAP headquarters office receives an allocation of funds designated for T&TA. Pending an increase of T&TA from Bipartisan Infrastructure Law funding,<sup>13</sup> WAP plans to invest in national program evaluations to update previously completed studies and assess the progress and success of new programs to reduce deferral rates, and other modifications to

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<sup>12</sup> 42 U.S.C. 6863 (b)(4).

<sup>13</sup> Public Law 117-58.



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program policies and procedures. Retrospective evaluations will provide insight on long-term (5-8 years) program outcomes such as:

- 1) Reduction in deferral rates;
- 2) Reduction in energy burden;
- 3) Benefits delivered to disadvantaged communities; and
- 4) Weatherization workforce demographics and diversity.

The DOE WAP will continue to hold itself accountable to implementing actions by aligning with Congressional directives and soliciting regular feedback from WAP stakeholders through mechanisms including, but not limited to, ongoing listening sessions, Justice40 stakeholder engagement sessions, American Customer Satisfaction Index Surveys, and Continuous Improvement Workshops. Progress will be communicated to stakeholders via regular national conference and training presentations, and official DOE WAP communications available publicly via the DOE website and GovDelivery.