Charting the Next Era in Community Engagement: Developing meaningful two-way engagement strategies in heavy industry and transport

Moana McClellan, Ph.D.
Agenda

• Introduction
  • RMI
  • Climate Aligned Industry Program

• Develop Community Engagement Strategies with Heavy Industry and Transport
  • Benefits
  • Barriers

• Next Steps
RMI is an independent, nonprofit organization of experts accelerating the clean energy transition. We are transforming the global energy system to secure a clean, prosperous, zero-carbon future for all.
Climate Aligned Industries Program at RMI
Community Engagement
Why Invest in Community Engagement?

- Sea change
- Just Transition
- Unlock Funding
- De-risking & Enabling better projects
Lack of Public Participation accounted for nearly 30% of project delays and cancelations

“...incorporating all stakeholder perspectives from the outset of a siting process will probably save time and money. Better to deal with perceptions of possible risks and potential benefits before opponents have made up their minds, and banded together, to block the project.”

### 1. Community & Labor Engagement
**Describe plans and actions to engage and partner with:**
- **DAC communities** most impacted by and vulnerable to project development;
- surrounding **frontline/fence-line communities**;
- labor **unions**;
- fed. recognized **Indian Tribes**, incl. Alaska native village or regional or village corporations.

### 2. Investing in the American Workforce (IAW)
**Describe plans for:**
1. job **creation**;
2. quality **jobs**;
3. inclusive recruitment and hiring;
4. worker **rights**;
5. workplace **safety**;
6. investments in **worker training**.

### 3. Diversity, Equity, Inclusion & Accessibility (DEIA)
**Describe steps taken to ensure:**
1. inclusive workplace environment *(equal opportunity + free of harassment)*;
2. compliance w/ all applicable civil rights + nondiscrimination laws (e.g. Title VI of the Civil Rights Act of 1964, Americans with Disabilities Act of 1990 (ADA), Section 504 of the Rehabilitation Act.)

### 4. Greatest Benefit for the Greatest Number
**Describe the type + magnitude of:**
1. benefits flowing to communities in the area of eligible facilities + surrounding communities
2. meaningful engagement w/ impacted communities to maximize benefits is essential

### 5. Justice40 Initiative
**Provide overview of**
1. benefits to DACs from the project
2. quantifiable, measurable, trackable Justice40 impacts
3. description of plans to advance energy and environmental justice (EEJ)
4. must clearly delineate all possible impacts to DACs across the full lifecycle of the project and facility.

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https://www.youtube.com/watch?v=1Gnz62dl3s  Hadia Sheerazi, RMI

DE-FOA-0002936 Community Benefits Plan Guidance (2023)
Tectonic Shift in the Community Engagement Landscape

• Prior social license to operate obsolete
• Taxpayer support depends on public goodwill—meaningful two-way engagement is key.
• First-of-a-kind projects
Community Benefits Plans

TIMELINE SHIFT

MINDSET SHIFT
SAFETY CULTURE
Safety Excellence Maturity Model

Community engagement should be integrated into our company to the same degree as safety.
<table>
<thead>
<tr>
<th>Element</th>
<th>Phase 1 Control</th>
<th>Phase 2 Compliance</th>
<th>Phase 3 Competence</th>
<th>Phase 4 Excellence</th>
</tr>
</thead>
<tbody>
<tr>
<td>Strategy</td>
<td>● Identify risks</td>
<td>● Tighten control</td>
<td>● Loosen control</td>
<td>● Connect silos</td>
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<td></td>
<td>● Establish controls</td>
<td>● Develop supervision</td>
<td>● Leadership coaching</td>
<td>● Form partnerships</td>
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<td></td>
<td>● Develop leadership</td>
<td>● Establish accountability</td>
<td>● Clarify direction</td>
<td>● Develop scorecard</td>
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<td></td>
<td>● Align workforce</td>
<td>● Train workforce</td>
<td>● Build teamwork</td>
<td>● Teach problem-solving</td>
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<td>Leadership</td>
<td>Directive</td>
<td>Enforcing</td>
<td>Coaching</td>
<td>Empowering</td>
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<tr>
<td>Safety Manager</td>
<td>● Risk Analysis</td>
<td>Grunt</td>
<td>Guardian</td>
<td>Guru</td>
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<tr>
<td></td>
<td>● Establish Controls</td>
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<td></td>
<td>● Design Training</td>
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<tr>
<td>Engagement</td>
<td>Belonging</td>
<td>Buying in</td>
<td>Participating</td>
<td>Owning</td>
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<tr>
<td>Culture</td>
<td>Forming</td>
<td>Dependent</td>
<td>Independent</td>
<td>Interdependent</td>
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<tr>
<td>Competence</td>
<td>Safety students</td>
<td>Safety amateurs</td>
<td>Safety pros</td>
<td>Safety team players</td>
</tr>
<tr>
<td>Metrics</td>
<td>Lagging indicators</td>
<td>● Lagging indicators</td>
<td>● Lagging indicators</td>
<td>Balanced scorecard for safety</td>
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<tr>
<td></td>
<td></td>
<td>● Compliance indicators</td>
<td>● Leading indicators</td>
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<td></td>
<td></td>
<td></td>
<td>● Participation metrics</td>
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<td>(Digital dashboard)</td>
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</table>

What can help support companies to develop Community Benefits Plans?

- Benefits
- Barriers
Benefits

• Build stronger, mutually beneficial relationships with local communities
• Improve business success & de-risk projects
• Improve brand image
• Build a strong talent pipeline
• Unlock opportunities for new funding
• With federal funding, efficient community engagement startup overhead; increased return on investment.
Barrier—common misconception:

• We are in a crunch time.
• Climate math is clear—we must act swiftly and scale rapidly.
• Climate change solutions will be universally embraced, especially by communities that face the worst of the impacts.
- Climate math
  (need for particular amounts of carbon reduced and removed)
- Scale of new infrastructure to achieve the climate math
- Tradeoffs between different approaches
- Climate impacts

**Climate Professionals**

**Climate-forward companies**

- Environmental values and priorities
  (clean air and water, wild land)
- Common-sense sustainability concerns about new infrastructure
- Need for local agency and control over new projects
- Concerns about viability of smaller rural communities
- Local economic impacts of climate policies, positive and negative
To align this “double unseeing,” we need meaningful two-way engagement.
Barrier—this is new

• This is new: confusion; lack of understanding; and lack of experience.
  • Community engagement is new to all of us—don’t quite understand and not used to it.
  • Shift in D.C. expectations of companies with acceptance of grant funding.
  • We are at the beginning of the process and there is a lot to do; We need to develop a strategy, plan, and implement.
  • Justice40 was the most difficult to address in the FOA—particularly confusing.
Barrier—common misconception: Doing good vs. meaningful two-way engagement

• Doing good:
  • Charitable donations—in kind & financial
  • Hosting fundraising event for a community
  • Company sponsored employee volunteering within a community
  • Sponsoring little league baseball, 5K run etc. for a community
  • Disaster assistance for a community

• Meaningful two-way engagement with diverse community stakeholder representation
Barrier—who will do this work?

• Lack of capacity at a company

• Colloquial vs. conceptual understandings
  • Equity
  • Environmental justice
  • Community engagement
  • Just transition

• Lack of capacity in the system
Parallel Cohort Strategy to Address the Extreme Information Asymmetry—Align the “Double Unseeing”
Key points

• To align with DOE, companies need to fundamentally rethink their approach (timeline and mindset shift).

• Communities deserve to be at the table, influencing the trajectory of projects that impact them and prospering in the energy transition.

• Without meaningful two-way engagement, we risk not being able to reach our climate goals.

• Companies see both benefits and barriers in developing and implementing CBPs.

• Next steps: parallel cohort educational program to align companies and community-based organizations to enable co-development of CBPs.
Please get in touch

• moana.mcclellan@rmi.org

• https://www.linkedin.com/in/moanamcclellan/