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Document Title:	H2ONSITE Draft Solicitation Community Engagement, Benefits, and Impacts Requirements
Description:	This is a draft solicitation attachment for the Clean Hydrogen Program's competitive grant solicitation, "Distributed Clean Hydrogen Production with Onsite End Use, H2ONSITE". The purpose of this draft solicitation attachment is to solicit public feedback on the community engagement, benefits, and impacts requirements.
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DRAFT SOLICITATION ATTACHMENT COMMUNITY ENGAGEMENT, BENEFITS, AND IMPACTS REQUIREMENTS

Clean Hydrogen Program

Subject Area: Distributed Clean Hydrogen Production with Onsite End Use (H2ONSITE)

No proposals are being accepted at this time. This is a draft solicitation attachment for H2ONSITE's community engagement, benefits, and impacts project requirements. Do not design or submit proposals according to this DRAFT. The actual solicitation is subject to change.

The purpose of this draft solicitation attachment is to solicit public feedback on the community engagement, benefits, and impacts requirements. (See Section 5 for specific questions). Staff will accept comments submitted to the California Energy Commission (CEC) Dockets Unit or by email until Thursday, November 30, 2023, at 5:00 p.m. (See Section 9 for additional details on how to comment.)



<http://www.energy.ca.gov/contracts/index.html>

State of California

California Energy Commission

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I. INTRODUCTION

This document outlines the community engagement and reporting requirements under consideration for the Clean Hydrogen Program’s competitive grant solicitation, “Distributed Clean Hydrogen Production with Onsite End Use, H2ONSITE.”¹ This solicitation will fund distributed clean hydrogen production projects with onsite storage and use in California. Each funded project must execute a community engagement plan and report on the project’s community benefits and impacts. Projects will increase the technology readiness and decrease the cost of producing clean hydrogen, with a focus on community engagement and bringing direct benefits to the community. The CEC may encourage similar community engagement and reporting for projects funded by the Clean Hydrogen Program’s anticipated large-scale centralized clean hydrogen production solicitation.²

II. ELIGIBILITY

This solicitation does not require funded projects to be located in disadvantaged or low-income communities. However, the solicitation’s scoring criteria do award points to projects with direct benefits to communities in California, such as, but not limited to, Tribes or disadvantaged and low-income communities. The evaluation committee will award points based on factors including the proposed project’s localized health impacts, technology replicability and deployment, community support at the time of application, and requirements listed in Section IV.

III. FUNDING

Funded projects must allocate at least 3%³, of CEC funds to the required community engagement, benefits, and impacts task, including the associated reporting. The project must allocate appropriate funding for community and/or tribal engagement for relevant tasks under the Scope of Work. The project team should meet and consult regularly with community-based organizations (CBO) and/or California Tribal Organizations.

For the purposes of this solicitation, a California Tribal Organization is a corporation, association, or group controlled, sanctioned, or chartered by a California Native American Tribe that is subject to its laws, the laws of the State of California, or the laws of the United States. Funded projects located on Tribal land and benefiting Tribes must include Tribes in the project team and within the project budget.

For this solicitation, an entity may qualify as a CBO when the following criteria are met:

- Has an office in the region (e.g., air basin or county) and meets the demographic

¹ Clean Hydrogen Program’s Draft Solicitation Concept for Distributed Clean Hydrogen with Onsite End Use (H2ONSITE) <https://efiling.energy.ca.gov/GetDocument.aspx?tn=252528&DocumentContentId=87607>

² Clean Hydrogen Program’s Large-Scale Centralized Clean Hydrogen Production Webpage <https://www.energy.ca.gov/solicitations/2024-01/large-scale-centralized-clean-hydrogen-production-h2central>

³ Per the H2ONSITE Draft Solicitation Concept released in October 2023, CEC will fund between \$7 million to \$10 million for each awarded project. Therefore, funded projects will need to allocate at least \$210,000 - \$300,000 towards the mandatory community engagement, benefits, and impacts task. Funding amounts are subject to change.

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profile of the communities they serve.

- Has deployed projects and/or outreach efforts within the proposed community's region (e.g., air basin or county).
- Has official mission and vision statements that expressly identify serving disadvantaged and/or low-income communities.
- Currently is a non-profit organization specializing in and dedicated to diversity, equity, or inclusion, or employs staff member(s) who specialize in and are dedicated to one or more of these areas.

IV. DRAFT SOLICITATION ATTACHMENT FOR COMMUNITY ENGAGEMENT, BENEFITS, AND IMPACTS REQUIREMENTS

This attachment will be included in the solicitation package when published and is intended to guide Applicants during application development.

The application's Project Narrative must address the Benefits to Communities and Localized Health Impacts scoring criterion and:

- Provide details on the Applicant's actions and preliminary outcomes in engaging with local communities, actively listening to their feedback, and incorporating their input into the proposed project prior to submitting the application for this solicitation. This may include a summary of topics discussed, action items, and next steps for the project. Some examples of community engagement include holding public workshops or focus groups, speaking with community leaders or organizations, conducting community surveys, providing language services, and mailing educational pamphlets to residents translated into languages accessible to local communities.
- Describe local community support for the proposed project. The evaluation committee will award points to Applicants with letters of support from local governments, Tribes, air quality districts, California Tribal Organizations, CBOs, environmental justice organizations, or other community partners that demonstrate their belief that the proposed project will lead to increased equity and is both feasible and commercially viable in the identified community(ies).
- Provide the methodology on how the project will determine the economic, environmental, and other impacts on communities before, after equipment installation, and at the end of the project term. This may include, but is not limited to, calculations, assumptions, and baselines used. This will be evaluated under the scoring criteria.
- Discuss how the project will help increase access to clean energy technologies. This should consider the impacts beyond the immediate community of the demonstration.

The project must submit Pre- and Post-installation and End-of-Project Community Benefit and Impact Reports as part of a technical task in the scope of work and project schedule. These reports should accomplish the following:

- Identify key indicators that measure the project's community benefits and localized health impacts. For example:
 - Quantitative indicators can include employment rates, income levels, property values, or number of hospital visits related to pollution exposure.
 - Qualitative indicators can consist of survey results reporting on community satisfaction, quality of life, and access to job opportunities.

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- Applicants may consider using energy equity and health-related indicators in CalEnviroScreen 4.0⁴ or consider referencing example benefits from the Department of Energy’s General Guidance for Justice40 Implementation⁵ or the White House Environmental Justice Advisory Council’s implementation guides for Justice40.^{6,7} Table 1 lists examples of indicators and metrics.
- Summarize and analyze baseline data on the identified indicators before equipment installation.
- Summarize and analyze indicator data collected after the system has reached stable operation.
- Establish a plan for data collection that addresses the methods used for and frequency of data collection. This can include the use of environmental sensors and community engagement methods such as surveys, workshops, and focus groups.
- List co-benefits such as water and energy savings, decreased pollution, and increased jobs.

Table 1: Examples of Community Benefits, Impacts, and Metrics

Priority	Metrics and Units
Community Outreach and Engagement	<ul style="list-style-type: none">● Number of stakeholder events, participants, and dollars spent to engage with organizations and residents; identify stakeholder participation and notification of how their input was used.● Dollar value [\$] or number of hours spent on technical assistance.
Training and Workforce Development	<ul style="list-style-type: none">● Number of job training programs within community(ies).● Participation in job training with job placement and hiring. This includes the free and fair chance to join a union or bargaining unit.● Number of jobs created, including classifications and wages; number of trainings held.

⁴ <https://oehha.ca.gov/calenviroscreen/report/calenviroscreen-40>

⁵ Department of Energy’s General Guidance for Justice40 Implementation Version 1.1

<https://www.energy.gov/sites/default/files/2023-07/DOE%20Justice40%20General%20Guidance%2072523.pdf>

⁶ M-21-28, Interim Implementation Guidance for the Justice40 Initiative <https://www.whitehouse.gov/wp-content/uploads/2021/07/M-21-28.pdf>

⁷ M-23-09 Addendum to the Interim Implementation Guidance for the Justice40 Initiative, M-21-28, on using the Climate and Economic Justice Screening Tool (CEJST) https://www.whitehouse.gov/wp-content/uploads/2023/01/M-23-09_Signed_CEQ_CPO.pdf

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Increase clean energy enterprise creation and contracting for minority or disadvantaged businesses in energy justice communities.	Number of contracts and/or dollar value [\$] awarded to diverse businesses.
Decrease Energy Burden	Dollars saved [\$] in energy expenditures, energy saved [MWh or MMBTU], or reduction in fuel consumption [GGe ⁸] because of technology adoption.
Building Community Capacity	<ul style="list-style-type: none"> • Money directly invested in communities (parks, grants, scholarships). • Dollar value [\$] and number of clean energy assets owned by the community.
Decrease in Localized and State-wide Environmental Exposure and Burdens	<ul style="list-style-type: none"> • Amount of avoided air pollutants such as: <ul style="list-style-type: none"> ○ Greenhouse gas (GHG) emissions [MTCO₂e]⁹ ○ Hydrogen leakage [percentage or grams of hydrogen loss] ○ Emission of pollutants such as carbon monoxide (CO), particulate matter (PM), trace contaminants, nitrogen oxides (NO_x), and hydrocarbons [µg/m³]¹⁰ ○ Facility solid waste [lb./sq ft/day]¹¹ • Remediation impacts on surface water, groundwater, and soil.
Increase Energy Resiliency	<ul style="list-style-type: none"> • Number and size (MWh) of community resilience infrastructure deployed. • Increase reliability infrastructure.
Increase Community Access to Renewable and Clean Energy	Clean energy resources [MWh] adopted.

The project must include community engagement as a technical task in the Scope of Work. The Community Benefits and Engagement task should aim to inform, educate, and engage local community members and stakeholders in the development process. The task must incorporate plans to accomplish the following objectives:

⁸ GGe is the gasoline gallon equivalent.

⁹ MTCO₂e is the metric tons or tons of carbon dioxide equivalent.

¹⁰ µg/m³ means one microgram of pollutant per one cubic meter of air.

¹¹ lb./sq ft/day means the pound per square foot per day.

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- Develop outreach materials to help inform and educate community members and local government(s) about the proposed project. These materials could include brochures, fact sheets, newsletters, and other information that explain the benefits of the project and potential impacts on the community in ways accessible to the community. This may mean employing less technical language or providing translations when warranted.
- Identify key community stakeholders and engage them in the planning process through focus groups, surveys, and other methods to gather their input and feedback on the proposed project. Stakeholders could include CBOs and local governments and businesses.
- Develop a clear and concise communication strategy that outlines the goals, objectives, and methods of engagement. This strategy should outline the channels of communication used during the project and identify key stakeholders and target audiences.
- Hold public meetings, in-person and virtually, to provide information about the proposed project. These meetings should include opportunities for community members and representatives to ask questions and provide feedback on the clean hydrogen project.
- Use social media and community platforms to communicate with the community and provide updates on the project. Projects can use these platforms to provide project updates, answer questions, and provide information about upcoming events and meetings.
- Track and report on the effectiveness of the community engagement plan to the community. This should include regular updates on project milestones, stakeholder engagement efforts, and feedback mechanisms.
- Provide pre-installation, post-installation, and end-of-project community engagement reports that give CEC staff an overview of the community engagement and outreach efforts undertaken so far in the projects, summarize the results of engagement activities, and discuss the concerns, feedback, and suggestions from community members.

V. QUESTIONS FOR STAKEHOLDERS

CEC staff are seeking responses and comments to the following questions to shape the direction and scope of this solicitation:

1. Is the Community Engagement, Benefits, And Impacts task proposed in this document realistic, reasonable, and feasible?
2. What would be the appropriate level of funding for the proposed Community Engagement, Benefits, and Impacts task?
3. Should CEC require all funded projects to track and report on specific key indicators for community benefits and localized health impacts?
4. What additional requirements should CEC consider to ensure that funded projects bring direct benefits to communities?

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5. What type of technical assistance is required to ensure equitable participation and project success, and why? Please provide relevant comments regarding other considerations not explicitly listed above.

VI. WRITTEN COMMENTS

Comments on this "Draft Solicitation Community Engagement, Benefits, and Impacts Requirements" document are due by **Thursday, November 30, 2023, at 5:00 p.m.**

Please submit comments to the CEC using the e-commenting feature by accessing the comment page for this docket at

<https://efiling.energy.ca.gov/Ecomment/Ecomment.aspx?docketnumber=22-ERDD-03>. A full name, e-mail address, comment title, and either a comment or an attached document (.doc, .docx, or .pdf format) are mandatory. Please include "H2ONSITE Draft Solicitation Community Requirements" in the comment title. After a challenge-response test is used by the system to ensure that responses are generated by a human user and not a computer, click on the "Agree & Submit Your Comment" button to submit the comment to the CEC's Docket Unit.

Please note that written comments, attachments, and associated contact information included within the documents and attachments (e.g., your address, phone, email) become part of the viewable public record. This information may become available via Google, Yahoo, and any other search engines.