



Advancing Opportunities for Community Benefits through Energy Project Development



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What is a Community Benefit Agreement (CBA)?

A CBA is signed by a **community benefit group** and a **developer**, outlining a broad range of community benefits the developer agrees to provide, **in return for community support of the project.**



What is America's Energy Profile?

- The United States has become the world's **leading producer of oil and natural gas combined**,
- The cost of **renewable power generation** is down, while the extraction of **fossil fuels** is more economical,
- In the past decade, crude oil production has grown 88%,
- Since 2000, natural gas use in the electricity market has increased by 86%,
- Natural gas is forecasted to account for 33% of total energy consumption by 2040, and
- Renewable energy's share is poised to reach 14% within the same timeframe.

Data Source: EIA Annual Energy Outlook 2017



What is the Opportunity?

- **3.64 million Americans** work in traditional energy industries,
- **1.9 million Americans** are employed in energy efficiency,
- Generation and Fuels employers forecast **4% growth** in the coming 12 months, creating almost **58,000 jobs**,
- **23%** of Fuels employees will need **replacement** soon, since they are 55 years or older,
- **71%** and **68%** of Electric Power Generation and Fuels sector employers, respectively, report **hiring difficulty**,
- **Solar jobs** now employ nearly **300,000 people**, and
- **30% of the 6.8 million employees** in the U.S. construction industry work in energy or energy efficiency.



Data Source: Department of Energy U.S. Energy and Employment Report (2016)

Increasing socio-economic opportunity with large-scale energy projects...

- Assist communities and policymakers to **drive local community development**,
- Focus on **CBAs** and large-scale energy development, and
- Inform key stakeholders about existing/upcoming opportunities.



What are the Developer's CBA Benefits?

- ✓ Community support **reduces risk** for developers, by fostering cooperation between *government* and *community groups*,
- ✓ Developers get needed **public subsidies** and/or **government approvals** more reliably, and
- ✓ Community coalition agrees to support the project, with **public testimony** and **written statements**,



What are the Community's CBA Benefits?

- ✓ Job creation,
- ✓ Local and diverse **hiring and training commitments**,
- ✓ Living wage and other benefits,
- ✓ **Education partnerships**, between developers and community schools,
- ✓ Support for local small businesses,
- ✓ Improvements to open spaces, parks and playgrounds,
- ✓ **Affordable housing** and rehabilitation,
- ✓ Support for **senior centers** and **child-care facilities**, and
- ✓ State and/or local **economic incentive packages**.



How can Developers get engaged?

- Identify stakeholders and build public trust – this is essential for a successful CBA,
- Engage community representatives and coalitions, while communicating benefits via open dialogue,
- Ensure stakeholder representatives are part of the project development team **early in the process**, and align their vision w/ project goals and schedules,
- Initiate project briefings with key federal and state government officials,
- Train company project representatives about community outreach and CBAs, and
- Educate stakeholders about the technical aspects of the project.



How can the Community get engaged?

- Research development proposals in your region and identify any that could offer **important benefits** or pose **significant risks** to the neighborhood(s) they will be located in,
- Organize a broad-based coalition of community interests and recruit stakeholder organizations of interest,
- To **maximize turnout**, hold public meetings with help from identified leaders, and
- Actively **engage the developer** with sustainable community objectives, via open dialogue and transparency.



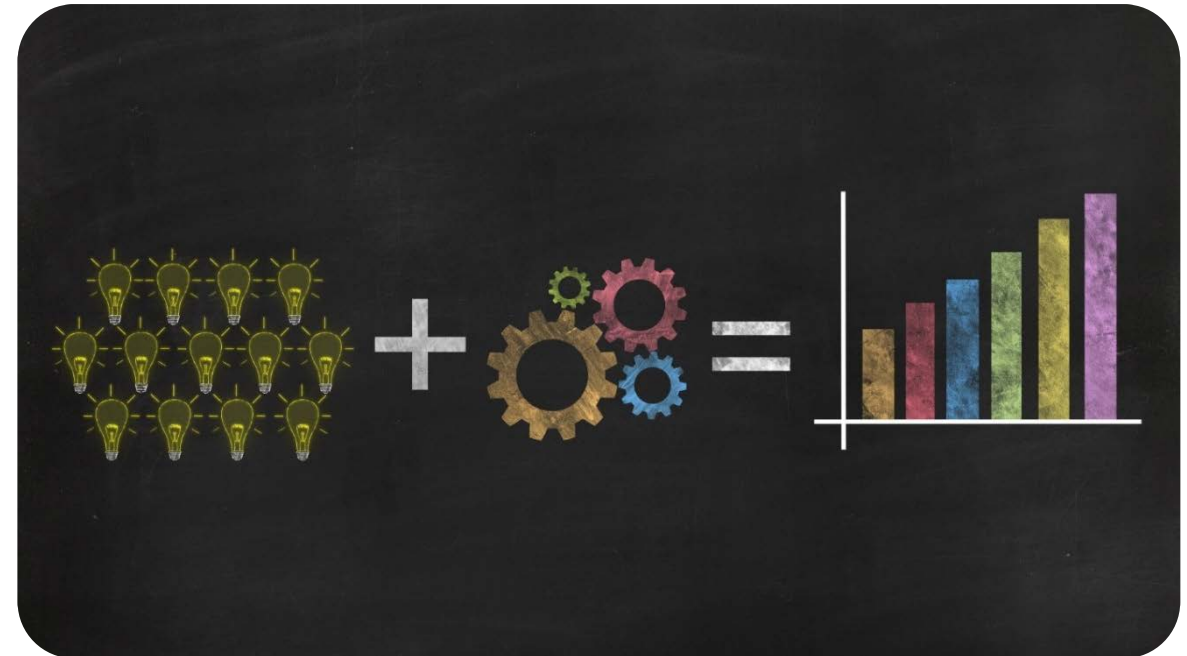
How can city & state governments support CBAs?

- Inform community coalitions of proposed developments,
- Encourage developers to enter good-faith negotiations with responsible community coalitions,
- Respect the negotiating process and honor CBAs, and
- Fold CBAs into Public-Private Partnership agreements, where appropriate, for added enforcement.



There are many different CBA examples, each tailored for each community – no one experience or CBA is the same.

The following slides include examples and best practices for communities, developers, state and local governments, and other stakeholders.



Community

Robbinston wanted to support the import project, recognizing the economic and other benefits it would bring residents and the surrounding communities.

Developer

The developer, recognizing the town's continued support, agreed to provide residents and the surrounding area with a host of benefits.



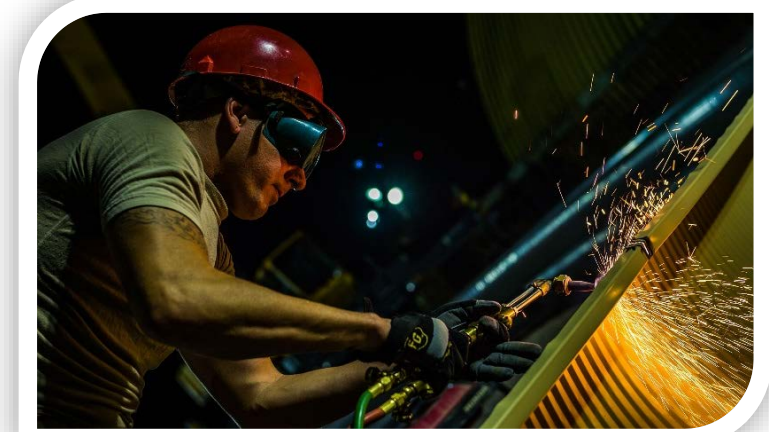
Community Benefit Agreement Items

- Establishment of annual **County Economic Trust Fund**,
- 5% **Supplier Goal** for local, qualified contractors,
- 60% of full-time, operations workforce **recruited locally**,
- **Construction job** training,
- School, education and assisted living aid, and
- **Road repair and transportation.**



Community Investment Agreement Items

- Scholarship program,
- Pre-apprenticeship, **construction skills training**,
- On-the-job training programs,
- **Education** and skill-building programs,
- Implementation of full-service community schools,
- **Local-hiring** process and plan.



✓ Educational Materials

- Guide to Advance Opportunities for Community Benefits through Energy Project Development,
- Community Benefit Agreements: Frequently Asked Questions (FAQs), and
- Advancing Opportunities for Community Benefits, PowerPoint.

✓ CBA Examples

- Robbinston, Maine – Downeast LNG Inc.'s *Liquefied Natural Gas Import Terminal Project*, and
- Richmond, California – Chevron U.S.A. Inc.'s *Richmond Refinery Modernization Project*.

For more information, please visit:

[DOE's Office of Minority Business and Economic Development](#)



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