

Industrial Growth, Local Gains: The Evolution and Impact of Community Benefit Commitments

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ABSTRACT

As large energy and industrial companies invest in decarbonization and energy efficiency, a critical question remains: How can these efforts also uplift the workers and communities that power and surround them? For decades, firms have created community benefits plans, commitments, and agreements in an effort to reduce harms and increase equity in the places where they operate. With the passage of the Inflation Reduction Act and the Bipartisan Infrastructure Law, these commitments have become more visible and widespread in the energy sector. These laws began to shift community-focused policy from just reducing harms to offering tangible benefits.

Through evaluation of the U.S. Department of Energy Industrial Demonstration Program awardee Community Benefit Commitment documentation, this paper explores and evaluates the drive for, elements of, and frameworks to evaluate community benefits practices and commitments made by industrial firms across the country. Through the evaluation, it can be seen that the federal program drove community benefit priorities, and that without government support, there are specific elements of community benefits that are unlikely to be realized in the industrial sector. Federal priorities have shifted away from aspects like establishing community and labor engagement and agreements, evaluating equitable project impacts, and making project data transparent. While projects evaluated in this paper share various levels of planned investments and activities for community and labor benefits, this program was expected to create long-lasting benefits or expand existing benefits in communities in every U.S. region. Several companies have existing robust labor commitments and practices, but it is unknown how the community pieces may become similarly institutionalized in their practice.

The question then becomes, what are the other pathways to achieving community benefits in the industrial sector? In the absence of federal support, it will be critical for continued attention to investment in the local communities existing along the fence line of industrial facilities, especially as the sector strives to grow the economic pie. These practices have the potential to reshape how industry relates to place, and this paper offers recommendations for policy and practices for governments, communities, and companies seeking to align industrial innovation with community collaboration, empowerment, and ownership.

Introduction

Industrial facilities in the United States account for approximately 30% of the total national greenhouse gas emissions, and these harmful emissions have a direct impact on the communities surrounding many of these facilities (EPA 2022). Efforts to expand and modernize industrial activity in the United States have been at the center of policy and political discourse in

recent years, with calls for accelerating growth in high-emitting industries like steel and cement to remain globally competitive (Greer 2025). As the sector grows, it is critical to examine the potential harms of this increased activity and develop pathways to reduce harms and offer benefits to communities surrounding facilities.

Rapid development and operation of U.S. industrial facilities have resulted in community pushback for decades (Salkin and Lavine 2008). This pushback on facility location and local impact has necessitated the development and implementation of community benefits commitments (CBCs) that safeguard communities against harm and ensure meaningful and tangible benefits for local residents and businesses. While not existing solely in the energy sector, local opposition to new projects and legal challenges initiated by communities experiencing harm from the pollution from large, energy-intense, high-pollution-emitting facilities led to the development of these frameworks (EPA 1992). CBCs vary in structure and impact, but they can include provisions for local governance, financial investment, labor agreements, environmental measures, and transparency.

Developers and companies benefit by working with communities to develop frameworks that reduce harms and deliver direct benefits, largely because local opposition can cause costly delays on construction and operation and potentially even cancellation. This paper explores the structure of industrial frameworks as companies seek increased decarbonization and energy efficiency. It looks, specifically, at the Biden-era industrial clean energy projects funded through the Department of Energy (DOE) to explore and evaluate the drive for and elements of community benefits practices and commitments made by industrial firms across the country and why it is critical to employ CBCs throughout the sector. These practices are reshaping how industry relates to place, and this paper offers recommendations for companies seeking to align industrial innovation with community collaboration and empowerment and increase equity across the country.

Community Benefits in the United States

Prior to the first legal community benefits practices, Black and Indigenous communities opposed development in their communities and on their land (Blair et al. 2025). The late 1970s and early 1980s saw larger movements from both groups, as the modern environmental justice movement was born. The predominantly Black community in Warren County, North Carolina, began to draw parallels between the Civil Rights Movement and environmental safety after a proposal to site a toxic waste dump of polychlorinated biphenyls (PCBs) in their community (Chavis Jr. and Lee 1987). Despite community concerns and protests about PCB-contaminated soil and other hazards of having this waste facility within their community, the state remained undeterred on the selected location. In Chicago, a group named People for Community Recovery pursued aggressive cleanup of the industrial and hazardous waste, and the Northern Cheyenne Reservation began protests of proposed coal mining on federal lands (EPA 1992). Communities were catalyzed to oppose local environmental degradation and negative impacts, and this widespread mobilization resulted in research and analysis by academic institutions to show and explain the harms of toxic facilities on mostly Black and other minority communities across nation (Bullard and Johnson 2000). Shortly after the academic exercises began, the U.S.

Environmental Protection Agency (EPA) published a 1992 report, *Environmental Equity: Reducing Risks for All Communities*, detailing the agency’s recommendations to incorporate equity into environmental protection activities (EPA 1992).

There are several structures that community benefits can take, as seen in Table 1 below. These structures vary by the parties to the agreement is and legal enforceability. Most of the structures considered in this paper are Community Benefits Agreements (CBAs) and Community Workforce Agreements (CWAs). The first fully fledged CBA—a legally binding contract between communities and developers or companies—in the United States is considered to have been developed in the late 1990s and signed in 2001 (Salkin and Lavine 2008).

Table 1. Community Benefit Commitment Structures

Structure Type	Description	Parties
Community Benefits Plan (CBP)	Not legally enforceable; outlines commitments to community and workforce; key pillars under DOE: investing in workforce, engaging communities and labor, advancing diversity, equity, and inclusion, and implementing the Justive40 initiative	DOE (or other government body) and project awardee
Community Benefits Agreement (CBA)	Legal, private contract; enforceable in court; outlines specific benefits in exchange for project support	Developer/company and local community
Host or Developer Agreement	Legal contract; outlines certain requirements for support	Developer/company and local government
Good Neighbor Agreement	Legal contract; outlines company behavior and practice changes for project support	Existing business and community coalition
Community Workforce Agreement (CWA)	Legal contract; outlines creation of quality jobs for local residents	Company, local building trades council, contractors
Project Labor Agreement (PLA)	Pre-hire agreement; establishes conditions of employment, such as wages, benefits, and dispute resolution	Developer/company and labor unions
Memorandum of Understanding (MOU)	Formal, non-binding; dictates who does what, when, and for how long.	Company and community

Over the past few decades, efforts by communities to have clear, enforceable community benefits are more prevalent, and communities across the country have pushed for new and strengthened policies at the federal, state, and local levels to quantify and limit environmental and local harms (Blair et al. 2025). Outside of the National Environmental Policy Act (NEPA), which requires evaluation and disclosure of environmental, health, and economic impacts of proposed developments before project approval, there was little requirement for tangible

community benefits, and even NEPA is largely focused on reducing harms, not offering benefits (Pepper 2015). That began to shift following the inauguration of President Biden in 2021.

Evolution to Present in the Industrial Sector

Shortly after assuming the presidency in 2021, Former President Biden signed Executive Order 14008, establishing the Justice40 Initiative, with the goal to direct 40% of the overall benefits from federal investments in climate, clean energy, and infrastructure to disadvantaged communities across the country (Executive Order 14008). Four years of Justice40 enactment across 500 programs and \$30 billion resulted in numerous plans for and commitment to community investment from industrial, building, transportation, and utility companies and organizations across the energy and climate ecosystem (White House 2023). Through the passage of the Inflation Reduction Act and the Bipartisan Infrastructure Law, these commitments went from abstract and ad hoc to required, public, and measurable. DOE required the inclusion of a CBP in formula and competitive program applications for this newly available funding.

The Office of Clean Energy Demonstrations (OCED), established in December 2021, accelerated more than \$20 billion in federal funding, much of which was targeted for clean energy technology deployment in industrial facilities (Peterson 2022). OCED required CBPs, noting that “by prioritizing community benefits, we can ensure the next chapter in America’s energy story is marked by greater justice, equity, security, and resilience.” (ACEEE 2026). The Industrial Demonstrations Program (IDP), one of the deployment programs under OCED, awarded applicants who proposed carbon and energy savings projects, while also prioritizing and planning for community benefits.

Through a competitive process, the IDP program selected 33 projects and offered \$6 billion in federal dollars to reduce emissions in seven hard-to-abate industrial sectors—aluminum and metals, cement and concrete, chemicals and refining, process heat, food and beverage, iron and steel, and pulp and paper. While the scope of these projects varies from modern electric technology retrofits to novel construction of new facilities, each awarded project was required to include tasks and milestones that would result in community benefits. These awards used the term Community Benefits Commitments (CBCs) as the official public document outlining plans to ensure community and labor benefits. These CBCs laid out the project and company commitments to invest in the local communities surrounding the facilities where there would be proposed energy transitions. It is important to note that these project CBCs were a part of the cooperative agreement, a federal contract mechanism, and would hold project awardees responsible for meeting the provisions. The project CBCs were not legally binding to communities and labor organizations, though many outline plans to create enforceable agreements with local residents.

DOE published CBC documentation for 29 of the 33 awarded projects. The CBCs include details on how companies proposed investing in benefits and reducing harms for the community and workforce efforts surrounding their industrial facilities. These CBCs, which are

no longer available on DOE’s website, are provided on ACEEE’s website via the internet archive (ACEEE 2026). The CBCs are organized into seven key themes:

1. Community Advisory Bodies
2. Community and Labor Engagement Activity
3. Workforce and Community Agreements
4. Tribal Engagement
5. Quality Jobs and Workforce Development
6. Equitable Impacts
7. Data Reporting Platform(s) and Approach

Each CBC document has detailed information for each of these issue areas as they relate to the awarded project. The CBC documentation is also provided in what appears to be a federally created template, and may not reflect the full level of detail that each project proposed in their applications or within their contracted agreements with DOE. DOE estimated that when fully implemented these projects would create tens of thousands of total jobs, abate 14 Mmt of carbon annually, and develop meaningful, two-way community and labor engagement in communities across the country (ACEEE 2026).

Key Themes of IDP Project Community Benefits Commitments

Each project proposed different ways to meet the requirements to invest in local communities and workforces. This is to be expected as localities and communities have complex and nuanced needs and thus have different requests of local industry. Despite their differences, there are key themes that companies largely agreed to, that offer an opportunity to continue expanding and deepening commitments across the industrial sector. All project information quoted in this section comes directly from the CBC documentation provided by U.S. DOE and available on ACEEE’s website via the internet archive (ACEEE 2026).

Community Advisory Bodies

Community Advisory Bodies (CABs) inform, shape, and strengthen an overall project while providing community-centered perspective. They can take many shapes and serve varied purposes depending on the scale, location, and associated effort. These bodies are made up of community members who convene alongside project leadership to “shape decisions regarding locally identified problems and solutions” (Morales and Lee 2025). Effective CABs provide governance and give feedback to project efforts, and that feedback is incorporated into decision making. These bodies serve as a conduit to community needs and are traditionally designed to represent community interests. The outcomes, though, are a result of intentionally creating and operating these bodies; without thoughtful intention, CABs can serve to check a box of community participation. Projects that ignore CAB feedback or lack an advisory body altogether can experience less trust with local residents, businesses, and labor. At their strongest, these bodies can “ensure that community members play a central role in decision making ... that directly affects them” (Morales and Lee 2025).

Fifteen of the evaluated industrial projects note intent to work with a CAB of some type, with three projects planning to work with an established group that is already providing governance and feedback at their facility. The 15 projects plan to have a CAB with community-based organizations (CBO) and labor representation and intend to use the body for sharing information and soliciting feedback throughout the life of the project. Technip Energies USA outlines a plan to enroll its CAB in this new project effort, expand membership to include underrepresented groups, formalize decision-making structures, and ensure that CAB meetings are transparent and accessible.

However, almost half of these projects (14 of 29) though, do not mention plans to create or engage with a CAB, relying on public meetings and public comment processes to engage with communities. There are projects, such as the Diageo effort to replace natural gas-fired heat with batteries, electric boilers, and other thermal energy solutions, that omit a section on CABs completely from their CBCs. This means that some projects would not have a formal body of community members to provide feedback on local priorities and needs.

Community and Labor Engagement Activity

Community engagement is an opportunity for project teams to learn more about a local community, and it can result in deeper trust with the residents, businesses, organizations, and institutions that may be impacted by industrial development. Community engagement activities and practices vary extensively, and there is no one “right way” to engage effectively. However, one commonly used resource is Facilitating Power’s Spectrum of Community Engagement to Ownership (Figure 1), which evaluates the current level of engagement, helps define where engagement could grow, and identifies opportunities to improve strategies, language, and investment for engagement (González 2026)¹. The engagement spectrum has six levels, starting with ignoring communities at Level 0 and ending with deference to communities at Level 5. This tool provides several steps, activities, and resources needed to advance community engagement. For example, entities at Level 0 may host closed door meetings and direct all project resources going toward the administration of the project effort, while those at Level 3 lead interactive workshops, community forums, and allocate 20–40% of their budget for community consultation activities (González 2026).

¹ The original version of this tool was developed in 2014. The version explained here was updated in 2026.



Figure 1 Phases of the Spectrum of Community Engagement. Note. Adapted from Spectrum of Community Engagement (González 2026).

The DOE IDP project CBC documentation section focuses on how the project will engage with local community and labor groups to share information, gain input, and build trust. Working with local unions, city commissions, neighborhood groups, universities and trade schools, and other local stakeholders is critical to shaping a project effort and maintaining trust over time. The IDP projects ranged in levels of engagement activities, with most centering on activities designed to gain input, provide project updates and information, and create workforce opportunities. Using the framework presented above, most of the community and workforce engagement activities sit between Level 1 (Inform) and Level 2 (Consult), with written commitments around providing relevant information, asking for public comment, hosting community forums and surveys, and investing at least some resources, though no project details exactly how much resource allocation they propose. For instance, Brimstone’s project to construct a “first-of-a-kind commercial-scale demonstration plant” details that it would host one town hall after site selection in order to share project information on construction activities and potential local impacts and solicit direct feedback from the community, which would be a mixture of Level 1 and Level 2 activities. Any project with intent to develop a CAB that is involved in decision making reaches Level 4 (Collaborate) by “ensuring community capacity to play a leadership role in implementation of decisions” and leaning on community expertise in how it addresses any issues that may arise (González 2026).

A few notable projects describe engagement activities at higher levels. Constellium’s Next Generation Aluminum Mini Mill in West Virginia details a plan to start with public town halls, with the intent to define long-term benefits, such as a training and wellness center and an onsite childcare facility, with the express purpose of ensuring that local residents are prepared for future jobs and removing significant barriers to participation. Eastman’s proposed polyethylene terephthalate (PET) recycling decarbonization project in Texas planned to invest in renovating an underutilized community building to serve as a hub for the community and a venue to conduct project community outreach and workforce training. These examples reach higher levels of community engagement and investment, offering opportunities for community voice and meeting community needs (Level 3).

Workforce and Community Agreements

CBAs and CWAs are the legal contracts that companies use to formalize benefits to communities surrounding a facility. They are agreements co-created with community and labor members, are generally enforceable in court, and are largely seen as a best practice for providing tangible benefits. These agreements outline the benefits that communities and workforce members should expect to receive from a project or development. There are other levels and types of agreements, as seen in Figure 1, that vary by who the agreement is between and its legal enforceability.

While CBAs and CWAs were not required as a part of the federal projects applications considered in this paper, they are a possible outcome of the plans articulated in the CBCs. As such, 10 of the awarded IDP projects committed to pursuing a CBA or updating an existing CBA to include their new project and projected benefits. A larger share of projects committed to workforce-related agreements: seven projects named CWAs and a total of 20 committed to some form of formal workforce agreement like Project Labor Agreement (PLA), a common agreement between companies and labor unions.

The CBC documentation for these projects shows a larger trend from the era of federal CBPs: While there were requirements for workforce and community provisions, the vast majority of the awarded projects focused their plans on workforce and labor, leaving out details on community impact. This is not particular to industrial projects but, given the long history of community harm and opposition, many companies may have limited internal knowledge or clear pathways to gaining community trust to co-create the offered plans. In fact, several of the projects that committed to CBAs noted that they would only be evaluating a pathway to a CBA, not guaranteeing agreements.

Tribal Engagement

Under the Biden administration, there was a large federal push to recognize, invest in, and amplify the voices of the federally recognized Tribal governments and U.S. Territories. This industrial program was no exception in that it asked project teams to consider the impact of any Tribal lands and develop a Tribal engagement strategy. This section of the CBC documentation was, by far, the lightest on detail. Of the 29 considered projects, only two explicitly mentioned local tribes. The National Cement Company of California project focused on creating carbon-neutral cement went into detail on tribal engagement, naming the Tejon Indian Tribe and committing to explore a CBA. The Kohler project sought to upgrade its Casa Grande, Arizona, facility with electric boilers and a microgrid and noted that it intended to work directly with local tribes as a part of its community stakeholder engagement. Twenty-six others offer boiler plate language on supporting the federal agency office in “any consultation with affected federally recognized tribal nations that express interest in engaging with [their] project” (ACEEE 2026).

While six of the projects did not have a known location at the time of publishing these commitments, the majority had a site chosen. It is important to note that not all project locations are in areas with federally recognized tribes. Though similar to the community and workforce agreements, almost none of the projects appear to explore the potential connection between their planned efforts and Tribal communities in the state or region of their work.

Quality Jobs and Workforce Development

Beyond the CWA commitments described above, each project details commitments to creating and/or maintaining quality jobs and investing in the local workforce pipeline and development activities. While only a few of the projects are full new construction, DOE estimates that the projects on the whole impact tens of thousands of jobs. From the evaluated plans, it is estimated that there will be at least 7,000 construction jobs created and more than 11,500 permanent positions created, maintained, or workers upskilled. This is assumed to be a low-end estimate as 13 of the projects do not state the estimated construction jobs needed and six projects do not state the estimated permanent jobs that would be created or maintained. The CBCs do not detail whether these jobs will go to local residents and companies could relocate employees from existing sites and not invest in local workforce talent.

The quality of those jobs is commonly detailed throughout the plans. Nineteen of the projects commit to using union labor and working to develop the workforce agreements described above. The most common union partnerships mentioned are with the United Steel Workers, Building Trades Union, and the International Brotherhood of Electrical Workers, all of which work to ensure safety, prevailing wages, and potential for job placement for registered apprentices, among other agreements. The National Cement Company of California and the Brimstone projects both note their intent to extend existing workforce agreements to newly hired workers or contracts, ensuring equitable benefits across the workforce.

It is important to note that a common project commitment is to develop quantitative and qualitative project workforce goals, track the progress towards those goals, and upgrade them as needed over the life of the project and facility. Therefore, not every project had clear numbers of jobs or noted the desire to work with unions or local workforce agencies to develop more detailed benefit commitments based on expressed needs.

Industrial companies are experiencing workforce shortages much like other parts of the energy sector, and thus investment in the workforce pipeline and workforce development activities is also threaded throughout these project commitments (NAM 2025). Several projects outline their existing or intended partnerships with trade and university programs, ensuring that there is a growing workforce for roles that they may offer, as well as investing in the curriculum to ensure that future career-seekers are knowledgeable about cutting-edge technologies and emerging practices. The Orsted project focused on carbon capture and utilization to produce e-methanol in the Texas Gulf Coast describes a partnership with the University of Houston to “develop curriculum around zero-carbon fuels and the hydrogen economy.” Similarly, Sublime’s planned ultra-low-carbon cement manufacturing facility in Massachusetts outlines intent to

support the local education system through enhancing curriculum and supporting teachers in partnership with the Smithsonian Science Education Center. Sublime also notes that the project will facilitate long-term training pipeline for the City of Holyoke, the location of its proposed new facility, as well as the greater Pioneer Valley, ensuring education and training far beyond its planned 90 ongoing roles at the plant.

An overall notable example of investment in jobs and workforce development comes from the Dow Chemical project to construct a facility in the U.S. Gulf Coast to utilize carbon for electric vehicle battery chemical production. It estimates 50 permanent operation and 600 construction jobs, with plans to engage with union and labor leaders and use workforce agreements with all vendors. Beyond those activities, the project specifically aims to increase quality job-training opportunities and expand apprenticeship offerings for residents in nearby disadvantaged communities by “combining on[-]the[-]job training, competitive salary, and classroom instruction to further career advancement.” It also plans to partner with diverse suppliers, educational institutions, accelerators, and economic development organizations, and leverage private, public, and philanthropic capital to push investment in the community. This multipronged approach can be seen as a comprehensive effort that focuses on creating quality jobs, investing in the future, and supporting the community through workforce development beyond the roles needed in its own facility.

Equitable Impacts

In line with the Justice40 Initiative, these projects were asked to consider how the planned community benefits would drive positive impact to underrepresented and disadvantaged populations, ensuring tangible benefits flow to local and disadvantaged communities. Overall, these projects were limited in describing proposed equitable impacts. A majority of the projects committed to conducting a Justice40 assessment to establish baseline investments and needs for these populations. There is no description in the CBCs of what this assessment entails. The CBCs largely point to developing a Justice40 implementation plan based on this planned assessment.

In addition to this boilerplate language in each of the plans, there is also commitment to monitoring relevant air pollutants, quantifying reductions, and sharing that information with community members. Similar to the Justice40 assessment language, there is no detail on which pollutants the projects will track and aim to reduce. That said, several projects note the intent to reduce barriers to the industry and jobs for local residents of disadvantaged communities, ensuring equitable access to training programs, workforce development, or job pools. Beyond the inclusion of that intent in a CBA or CWA, though, there is little or no detail of equitable impacts through these industrial projects.

Data Reporting Platform(s) and Approach

Access to information and data is a critical element of equitable community benefits, as transparency in how goals are met and where progress is stalled supports community-wide trust

(SBN 2025). Each project CBC ends with a section on the plans for the project approach for data sharing with local stakeholders. Boilerplate language in all of the documents include sharing project information, though the intent varies slightly, with several projects sharing information to further “transparency,” while many others note furthering “engagement, accountability, and transparency.” Most projects plan to maintain a website with project information and updates, including tracking of progress of community benefits. Nine of the fifteen projects that commit to a CAB plan to share information directly with CBA and then ask the group to disseminate information to the public. Notably, the Skyven project, focused on delivering electrified process-heat as a service to several facilities, plans to collect feedback and share information back to stakeholders in multiple languages, documenting community input and sharing how that input was used in the decision-making process.

Challenges and Limitations

Benefits for Project-Related Harms

The CBC documentation evaluated throughout this paper, as noted previously, was provided publicly in what appears to be a template created by the federal government similar to each project’s public fact sheet (ACEEE 2026). This allows for a level of consistency between each awarded project but may also reduce the level of detail for each project’s community and labor commitments. In what was provided and evaluated, many of the described plans simply created the processes, mechanisms, or entities for understanding the need of communities and workforces, but did not commit to detailed efforts or activities. Where there was a deeper level of detail, like with Constellium’s wellness center and childcare facility or Sublime’s local education system partnership, the benefits were largely attributed to workforce and labor needs.

There are very few details in any of the 29 documents on community-focused plans, though one project details the use of proceeds from a planned recycling program to build a playground for local children. No projects detailed benefits directly related to the potential harms that the facilities and the processes inside those facilities may cause to local communities. The farthest extent of acknowledging the potential harms is seen in several of the CBC documents under the Data Reporting Platform(s) and approach section, where most projects committed to sharing project emissions and safety data, but did not offer detail on what accountability may look like for the harms of those emissions or the potential emergency response events. It is important for policy makers, industrial company leadership, and frontline communities to consider if the benefits planned and offered are sufficient in reducing the potential harms of the proposed project.

Accountability and Enforcement

The federal government sought to improve company planning and community engagement through the use of CBCs, with these commitments made between the federal

government and the companies via government contracts. One of the most common challenges with community benefits commitments is that they lack legal mechanisms for the communities that will be impacted by their projects to enforce them. While CBAs and CWAs can be legally enforced, as discussed above, other commitments may not have legal enforcement pathways. The Trump administration issued stop work orders for all community benefits provisions for projects with IRA and BIL funding in early 2025. Without federal oversight, it is not known whether any of the projects intend to keep these commitments and agreements in place. If companies keep their plans, the extent to which they will speak publicly about their efforts is unknown, with fear of project termination or other federal decisions that could affect the company business.

Because of the lack of transparency in implementation of the CBC plans, there is a chance that companies could claim benefits that are not being realized. There are detailed plans for community involvement, but without federal accountability and reporting, companies could claim that they are having greater community impact without actually taking any action to support or invest in communities.

Policy

In the absence of federal policies requiring and incentivizing community benefits, states and localities have begun to fill the gaps. The State of Colorado requires plans for engaging communities and accounting for local impact in its industrial regulation program (CDPHE 2026). Despite this requirement, there was inconsistency and variation in the local community impact protection reporting in the 2025 draft facility plans, and some community stakeholders and organizations are pushing back on the limited plans offered by others (Chen 2025; Vidal 2024). Pennsylvania has created the Reducing Industrial Sector Emissions in Pennsylvania (RISE PA) program investing \$396 million into industrial decarbonization projects, with a Community Benefits Bonus to incentivize thorough CBPs alongside the technical project plans (PADEP 2025). RISE PA awards were released in April 2026, though the announcement does not detail the planned community benefits nor which project awardees pursued the bonus (CPA 2026).

In contrast to the Pennsylvania's efforts to incentivize and invest in community benefits and Colorado's to regulate and require protection of local communities, there are efforts to prohibit and limit the use of community benefits frameworks and commitments elsewhere in the United States. In July 2025, the State of Tennessee enacted SB 1074, which prohibits employers seeking to receive an economic development incentive from the state from entering into a community benefits agreement or a similar legal contract (Act 2025). The state government notes that the intent is to reduce and limit potential additional requirements placed on employers, leading to a potential reduction in administrative burdens and increased flexibility for companies receiving these incentives. While the goal for many working to further community benefits commitments has been to see implementation of additional state policy and programs, this law makes community benefits defense a priority. It is no longer enough to simply expand the practice of implementing plans and agreements, there must now be action to prevent legislation prohibiting efforts to bring workforce and community-facing benefits to local residents, businesses, labor organizations, and educational institutions.

Federal Administration Priority Shifts

As of June 2025, 22 of the 33 total projects have been terminated by DOE. While there is an appeals process for those projects, it is unclear how many of these companies will seek that process or litigation, as well as the outcome of that action. The 11 remaining projects will be allowed to move forward after a lengthy review by DOE and the current Secretary of Energy. From communication with several of the remaining project awardees, we learned that their next step is to continue contract negotiations with DOE and begin to execute their project scopes.² Much is still unknown about the fate of the CBC efforts, but as of July 2026 they remain under a federal stop work order. Companies planning energy investments outside of federal resources, as well as state and local governments designing industrial investment programs and regulations can learn from the plans that were laid out for this generational investment in clean energy and decarbonization in the industrial sector. The key theme areas of community advisory bodies, community and labor engagement activity, workforce and community agreements, Tribal engagement, quality jobs and workforce development, equitable impacts, and data reporting platform(s) and approach are valuable goals for developing community benefits plans for any industrial decarbonization project.

Conclusion

Industrial manufacturing causes much harm by way of emissions and local operations. It is critical that as the industry moves toward increased investment in decarbonization and electrification that the benefits of that transition be extended to the local community and workforce stakeholders surrounding that facility. While some companies may continue to pursue commitments without requirement, regulation, or incentive, having the policy and programmatic pathways may increase the frequency, tangibility, and impact of community benefits. When executed, these commitments can do more than decrease harm, actually resulting in well-paying local jobs, improved air and water quality, better opportunities for training and education, and an overall boost in the local economy. Community benefits commitments can offer a company a “license to operate” by establishing and increasing trust with local stakeholders and reducing overall opposition, but even more, they can transition an industrial company from solely being an extractive institution to one that offers real, tangible benefits to communities.

² The contacted companies have requested to remain anonymous as they continue to negotiate their awards.

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