Building on Success: New Challenge across US economy

The United States and the world face a profound climate crisis; many organizations have set goals – what we need now is **action and pathways**

The government platform that provides transparency, accountability, technical assistance and collaboration to identify decarbonization pathways and provide recognition for leadership across the US economy



The <u>Better Climate Challenge</u> is a portfolio-wide reduction in GHG emissions of *at least* 50% over 10 years

- Reduction includes Scope 1 & 2 emissions
- No offsets
- Baseline up to 5-years back from join date
- Encouraged to establish an absolute target, but intensity-based targets will be accepted
- Pursue an energy efficiency target that will contribute towards the 50% emissions reduction





Better Buildings Initiative (BBI)



The Better Buildings Initiative is a market transformation program for leading businesses, manufacturers, cities, states, universities, and school districts to partner with DOE to accelerate greenhouse gas emissions reduction, energy and water efficiency, and waste reduction and to share solutions broadly...



Within the BBI:



Through the **Better Climate Challenge**, organizations commit to decrease portfolio-wide GHG emissions by at least 50% over 10 years and share their strategies and results.

In the first year of reporting, Better Climate Challenge partners shared GHG emissions reduction results across more than 850 million square feet of reported building space in addition to more than 2,100 industrial facilities. On average, Better Climate Challenge partners are achieving a 21% GHG emissions savings from base year.



Through the **Better Buildings Challenge**, organizations commit to commit to improving the energy efficiency of their portfolio by at least 20% over 10 years and share their strategies and results.



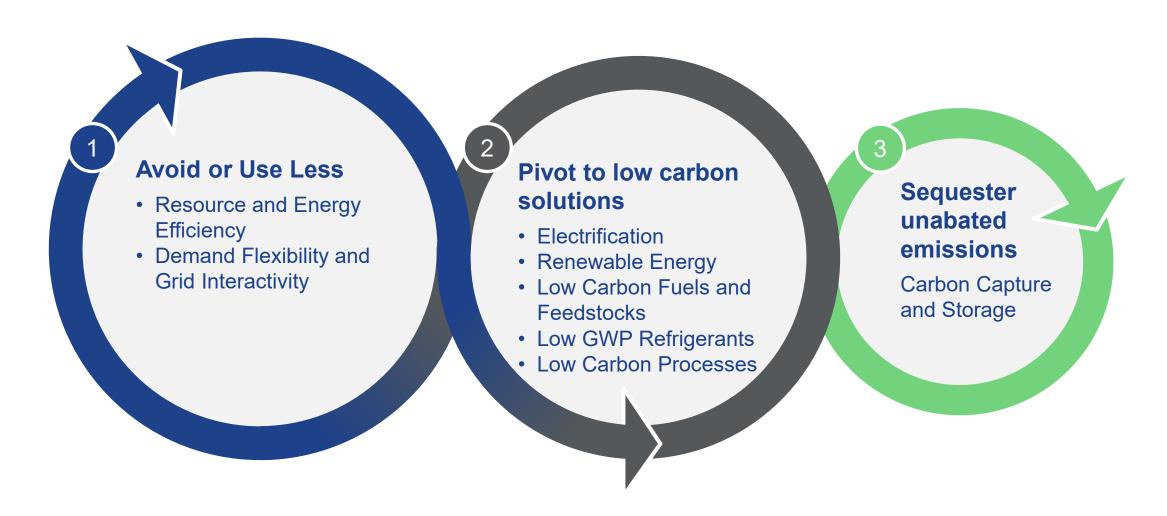
Through the **Better Plants Challenge**, manufacturing organizations commit to commit to improving the energy efficiency of their portfolio of plants by at least 25% over 10 years and share their strategies and results.

Additional Better Buildings Initiative partnership opportunities

- Better Plants Program
- Better Buildings Accelerators
- · Better Buildings Alliance
- Better Climate Challenge Allies
- Better Buildings Residential Network
- Industrial Energy Management Workforce
- High-Impact Technology Field Validations
- Technology Teams and Campaigns
- Home Energy ScoreTM

U.S. DEPARTMENT OF ENERGY

Prioritization of GHG Mitigation







200+ Better Climate Challenge Partners and Financial Allies



Core Program Components – Transparency, Accountability, and Technical Assistance

Transparency & Accountability

- Annual energy and emissions data reporting for 10-year commitment
- Breakdown of emissions reductions by energy efficiency, renewable energy, and renewable energy certificates



Technical Assistance

- Data driven solutions to address barriers and overcome hurdles, that can be deployed at scale to the market
- Identify technology gaps that can inform R&D

Collaborating to Demonstrate Pathways

- Partners commit to work with DOE and showcase their barriers and solutions
- Regularly connect with DOE to provide updates and discuss progress
- Actively participate in a working group with peers and technical experts to discuss barriers, exchange best practices, and identify solutions





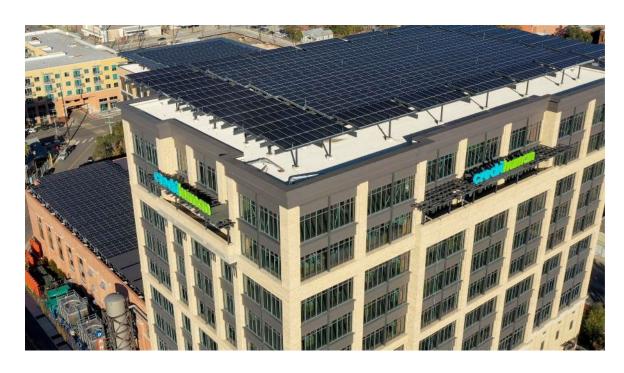
Leading by Example: Credit Human

Big decarbonization opportunities in new construction

Credit Human completed construction of a new 12-story headquarter building that is nearly 65% more efficient than similar buildings by utilizing a geothermal system for heating and cooling, by implementing state-of-theart building envelope, space conditioning, and lighting designs, and by collecting rainwater.

- Reduced energy demand by more than 55% and saved 90% in utility costs compared to the previous, larger headquarters building
- Installed 1 megawatt of solar which produces almost 40% of annual electricity demand
- Uses 97% less potable water than a typical 200,000 square feet building











Leading by Example: University of Virginia (UVA): Focus on Big Energy Use

At UVA, labs are 13% of space but 1/3 of energy use.

VA implemented a Sustainable Labs Program to increase energy savings in intensive lab buildings, enhance safety features, and promote engagement with UVA's research community, reducing annual costs by around \$5 million.

- Decreased CO2e by more than 20% and energy use by almost 20% in 2022
- Implemented Sustainable Labs in two research buildings and carried out targeted upgrades, lighting retrofits, and ventilation risk assessments
- Will help UVA reach its institutional goals of carbon neutrality by 2030 and fossil fuel-free by 2050











Leading by Example: Los Angeles Unified School District

Big advances sometimes need broad buy-in

Setting goals drives collective action

LAUSD designed a pathway to achieve 100% clean, renewable energy in its electricity sector by 2030 that includes a task force of internal and external stakeholders and increasing its PV system from 19MW to 345MW

- Annual cost savings from displaced fossil fuels expected to be \$20 million, and annual GHG reductions expected to be more than 400 thousand metric tons of CO₂
- More than 25 school sites currently undergoing technical evaluation review for solar PV installation
- Improved health benefits for LAUSD students, 80% of which come from disadvantaged communities







Leading by Example: Lear Corporation

Partner Barrier: Decarbonization through energy efficiency – capturing easy to implement operational improvements

How Partner Overcame Barrier:

- Energy efficiency playbook
- DOE/ORNL Energy Treasure Hunt (ETH)
- Internal ETH teams set up / ETH Toolkit

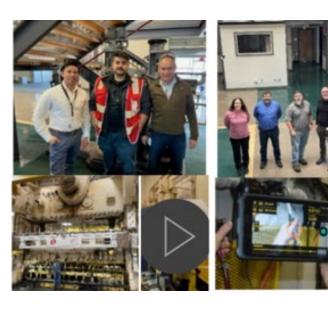
Results / Outcomes:

- Conducted 20 energy treasure hunts at US Sites
- Energy Savings ~5,000,000 kWhr/yr
- CO₂ savings 1,888 MTCO₂e
- Cost Savings \$609,000/yr

Lessons Learned:

- Value of energy efficiency in decarbonization
- Value of training and internal workforce development







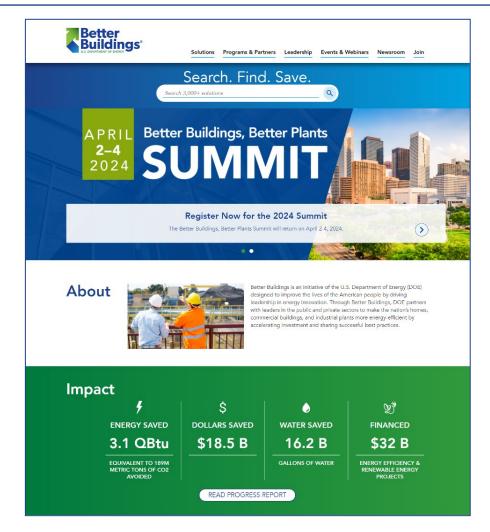


Better Buildings Solution Center

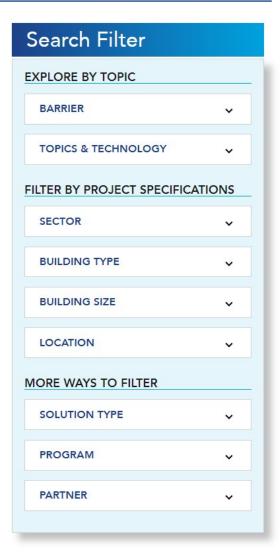
Designed to get real solutions to end users

Enhanced search platform

3,000+ solutions to discover the most relevant solutions technologies strategies



Betterbuildingssolutioncenter.energy.gov







BCC Partner's Results from First Year of Reporting

21% average GHG emissions reduction from base year

emissions reduction goal achievers

850 million
square
feet of building
space reported

2,100 industrial facilities reported

Key Takeaways

- Many partners are in early stage GHG emissions reduction planning
- Electrification is key focus area across sectors
- Almost half identify financing opportunities and strategies as a priority
- About twenty percent want support with data/emissions calculations
- A third indicate **vehicle/fleet conversions** is important
- Many partners are focused on heat pump implementation pathways
- Refrigeration/refrigerants key area of focus for many sectors
- Scope 3 opportunities and challenges
- Workforce challenges





Other Multipliers of Change

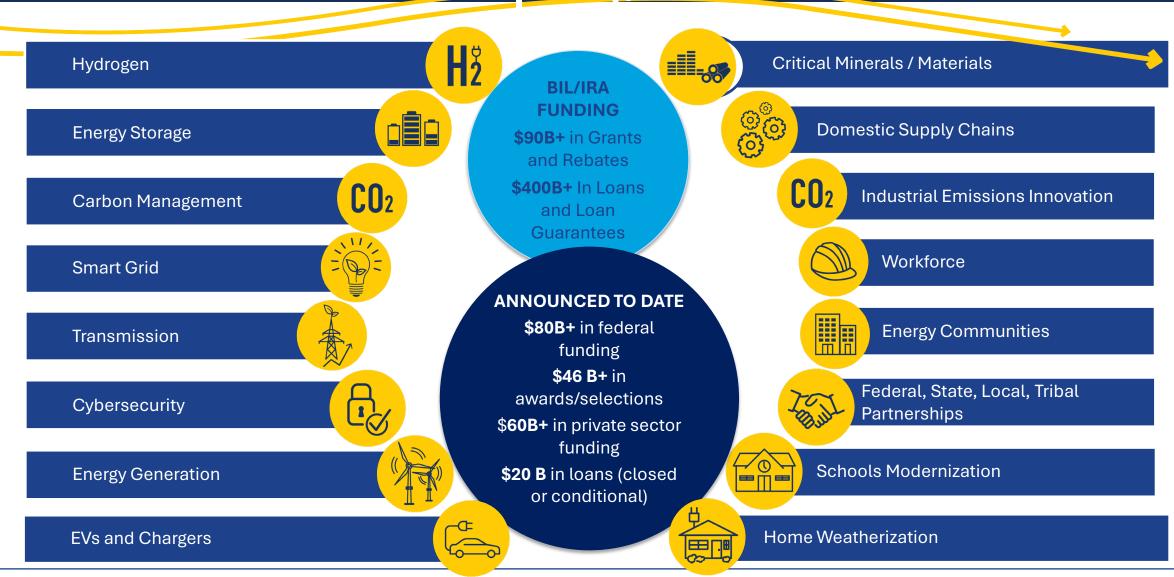
- Infrastructure investments
- Electrification of buildings, homes, fleets
- Building Performance Standards
- Increased need for skilled workforce





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Historic Investment in Infrastructure









Accelerating the Clean Energy Transition

Expanding Affordable Clean Energy for All

Build out a better grid

Provide all Americans access to today's affordable clean energy

Reduce energy costs for homes, schools, buildings, and transportation

Secure our energy systems against all hazards

Renewing American Manufacturing

Catalyze new manufacturing and support small- and medium-sized manufacturers

Secure key U.S. clean energy supply chains

Position U.S. energy-intensive industries to supply globally competitive products

Expand the U.S. industrial energy and manufacturing workforce

Creating Jobs and Community Benefits

Ensure benefits flow to communities at risk of being left behind

Create high-quality, accessible, and career-track jobs

Partner with state, local, and tribal governments for the clean energy transition

Catalyzing Private Sector Investment

De-risk new clean energy technologies

Galvanize broad and deep market demand

Deploy co-investment opportunities with the private sector

Examples of Progress To Date

Building out a Clean, Reliable, Secure Grid



- \$13.3 B in total funding announced
- \$4.8 B in competitive funding selected across 61 projects
- \$800 M of the announced \$1.5 B available across 48 states, Washington D.C., three territories, and 169 Tribes through Grid Resilience State/Tribal Formula Grants Programs

Reducing Costs through Building Upgrades



- \$13.7 B in total funding announced for upgrades to homes, businesses, schools and non-profits
- \$180.5 M selected to improve schools across 22 states
- \$3.2 B available to make low-incomes homes healthier, energy efficient, and with lower bills.
- **\$8.8 B** for Home Energy Rebates estimated to save households up to \$1 B annually on energy bills.

Securing American Clean Energy Supply Chains



- \$13.4 B in funding announced with additional support through loan guarantees
- Manufacturing investments will spur 60+ new or upgraded manufacturing facilities to produce clean energy technologies like EV battery and heat pump components across 33 states.

Supercharging Clean Industrial Innovation



- **\$6 B** available to improve U.S. industrial competitiveness and reduce emissions for industry
- **\$8.7 B** available for hydrogen, including \$7 B for 7 clean hydrogen hub, expected to produce 3 MMT /yr of hydrogen and create tens of thousands of good paying jobs.
- \$4.5 B available with \$700 M selected for negotiations to fund carbon capture and storage.[1]



Progress To Date



Investing in Underserved Communities[1]

- \$1.2 B made available to revitalize energy communities
- \$596 M of funding directed to Tribes through formula funding
- \$483 M made available to specifically support rural and remote communities.

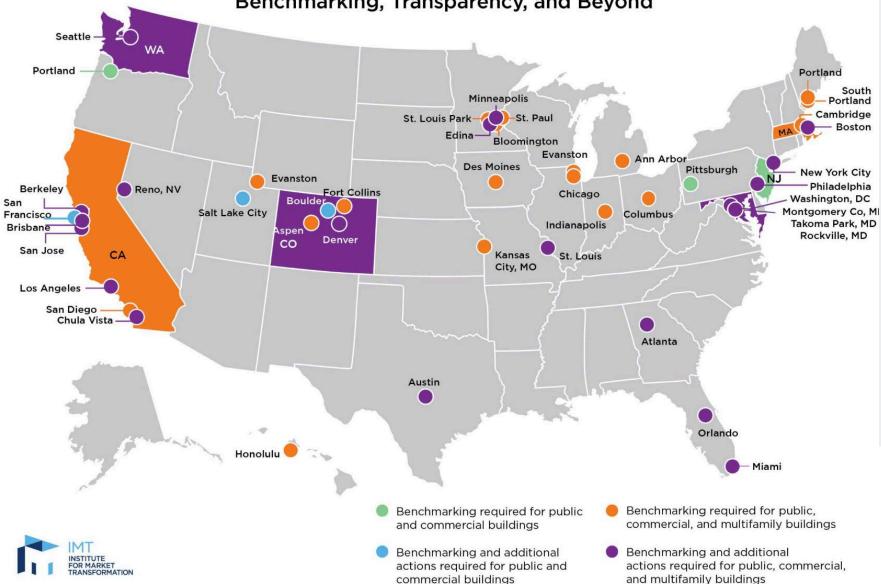


Creating High-quality, Accessible Careers

- Create jobs with fair wages and benefits and the free and fair choice to collectively bargain and join a union.
- \$341 M to fund programs building up a clean energy workforce.



U.S. City, County, and State Policies for Existing Buildings: Benchmarking, Transparency, and Beyond



CURRENTLY:

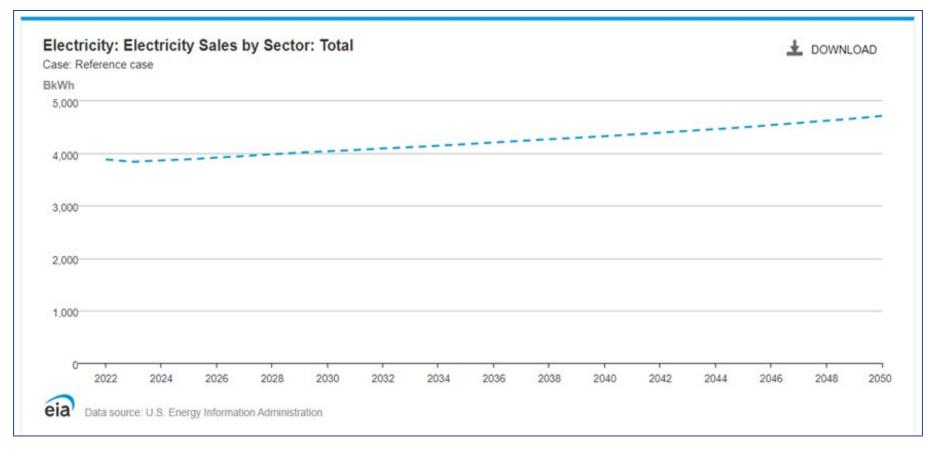
- -14 policies adopted
- 40+ considering
 BPS covering all federally
 owned and leased
 buildings
- Federal support for BPS through TA, funding, resources

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Electricity Consumption Over the Next 25 years



21% overall increase driven by:

EVs in the **transportation** sector (12x growth)

Heat pumps in the **residential** sector (20%)

Economic growth in the **industrial** sector (17%) – new mfg (ie batteries)

Expanded **commercial** sector (11%)







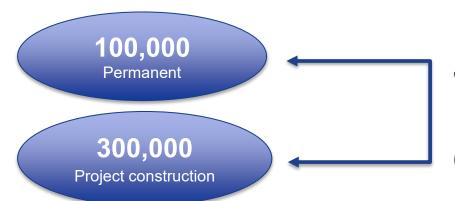
Electrician Workforce Status – A Unique Time





73,500

new electricians needed each year to replace those that are retiring or transferring occupations: 7000 per year



Jobs expected to be created from the Inflation Reduction Act each year in the climate jobs and decarbonization industries.³







DOE's Blueprint for the Building Sector

Strategic Objectives to Decarbonize the US by 2050

Increase Building I	Energy
Efficiency	

Reduce on-site energy use intensity in buildings 35% by 2035 and 50% by 2050 vs. 2005

Accelerate on-site emission reductions

Reduce on-site GHG emissions in buildings 25% by 2035 and 75% by 2050 vs. 2005

Transform Grid Edge

Reduce electrical infrastructure costs by tripling demand flexibility potential by 2050 vs. 2020

Minimize embodied life cycle emissions

Reduce embodied emissions from building materials and construction 90% by 2050 vs. 2005

Electricians will be critical in the energy transition by:

- Installing new and repairing old wiring
- 2. Installing energy efficient equipment, i.e. LED lighting systems
- Installing instrumentation and process control systems, including energy management systems

- Understanding and selling fuel switching
- 2. Providing power and controls to electrified equipment, such as motors, HVAC, etc.
- 3. Incorporating renewable energy, such as solar and wind, into building systems

- 1. Maintain the grid edge
- 2. Assembly, testing, commissioning, maintenance, repair, retrofitting, and decommissioning of energy storage and microgrid systems
- 3. Installing, commissioning, and maintaining electric vehicle supply equipment (EVSE)

- Specifying low carbon electrical equipment and longer-lived equipment,
- Understand environmental product declarations (EPDs)
- Focusing on retrofit solutions to encourage building reuse

Electricians are also in the best position to educate buildings owners about the energy transition and instill confidence in electrification





Looking ahead

Large changes in the US energy sector; electricity use

Focus on decarbonization means greater electrification

Your expertise is critical and in demand – oppotrtunity to expand influence and scope

You are a vital part of the solution





THANK YOU

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