

### **What is the Better Climate Challenge? Why is it Important?**

Through the Better Climate Challenge, DOE is working with leading organizations, across the US economy, to set ambitious, portfolio-wide, and near-term operational greenhouse gas (GHG) emissions reduction goals and to demonstrate how leaders are measurably taking steps to address climate change.

Leadership, action, and a commitment to share replicable pathways are critical to address the challenge of climate change. This public-private partnership is a national platform to provide transparency, technical assistance, and collaboration to identify decarbonization pathways to accelerate America's future towards a clean energy economy.

### **What kind of organizations can join?**

Any organization with a portfolio of buildings/plants/housing in the United States is welcome to join. Through the Better Buildings Initiative, DOE has worked across the US economy to highlight leadership for more than a decade. Despite their different sizes, locations, ownership structure and building end uses. Organizations that partner with DOE in these efforts are united by their willingness to set an ambitious goal, share the work they are doing and help lead the way.

### **Why should my organization join?**

Through the Better Climate Challenge, organizations join a network of market leaders that are stepping forward to work with DOE to plan for future success for their organization by reducing GHG emissions and sharing replicable pathways to decarbonization. Partnering organizations will save energy and money and be leaders in their local communities. Partners can tap into the Better Buildings network, engage with other market leaders, access peer-to-peer exchange opportunities, and leverage technical assistance from DOE and the national labs. Partners will also receive national recognition for their GHG emission reductions achievements.

### **What is the GHG emissions reduction commitment?**

Partnering organizations commit to reduce their scope 1 and 2 greenhouse gas emissions by at least 50% within 10 years by accelerating energy efficiency and other clean energy investments, reporting on progress, and sharing their plans and solutions for meeting their ambitious goals. DOE will provide technical expertise, convening of peers, and a platform for leading organizations to showcase solutions.

### **What does an organization commit to?**

Organizations commit to:

- ▶ Reduce GHG emissions across their U.S. building or plant portfolio by at least 50% over 10 years. To be a goal achiever, organizations must meet the 50% reduction target without using GHG offsets.
- ▶ Pursue an energy efficiency target to demonstrate how their organization is prioritizing building performance as a decarbonization strategy.
- ▶ Participate in at least one working group to discuss barriers, exchange best practices, and identify solutions.
- ▶ Develop an organization-wide plan with GHG emissions reduction milestones.
- ▶ Share portfolio-wide energy performance and scope 1 and 2 emissions data for the duration of the 10-year goal timeframe.

### **How will DOE work with partnering organizations?**

DOE will support partners in the following ways:

- ▶ Provide technical assistance and support partners' commitment to measure, track, and improve portfolio wide GHG performance.
- ▶ Collect and share best practices and highlight options that have been used to measure and reduce operational GHG emissions.
- ▶ Facilitate peer-to-peer learning among partners and convene working groups to discuss barriers and identify solutions.
- ▶ Provide national recognition for achieving program milestones and GHG emissions reductions.

### **How does an organization join the Better Climate Challenge?**

Organizations will sign a Partnership Agreement form with DOE outlining their commitment towards this voluntary partnership effort.

Existing Better Buildings partners can email their program contact indicating interest in joining the Better Climate Challenge.

Other organizations can contact [betterbuildings@ee.doe.gov](mailto:betterbuildings@ee.doe.gov) with details about their portfolio of buildings or plants.

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## How does the Better Climate Challenge fit into the existing Better Buildings Initiative?

The Better Climate Challenge is DOE's newest opportunity for organizations to establish broad national goals to advance energy efficiency, progress towards a clean energy economy, and tackle decarbonization challenges.

Through the Better Buildings Initiative, nearly 1,000 private and public sector organizations have partnered with DOE collectively saving more than 2.2 quadrillion British Thermal Units (QBtu) of energy resulting in savings of more than \$13 billion and 130 million tons of CO<sub>2</sub>. The Better Climate Challenge builds on this work and leverages technical assistance from across DOE offices to support organizations in accelerating both energy efficiency and other clean energy investments.

## What if my organization has already established a GHG emissions goal?

Any organization willing to set at least a 50% GHG emissions reduction goal over 10-years is welcome to join the Better Climate Challenge.

This Challenge is intended to complement existing goals while adding value through a national platform for peer learning, development of real-world pathways, and technical assistance. Organizations that have established similarly aligned commitments are encouraged to reach out to DOE to discuss how they can participate. DOE will accept pre-established goals with an approved 1.5° Celsius aligned science-based target, on a case-by-case basis.

## DOE has an ongoing Low Carbon Pilot; how does this effort connect to that?

Since December 2020, over 60 Better Buildings Low Carbon Pilot partners have been working with DOE to address barriers and share pathways to decarbonization in buildings and plants. Over a two-year timeframe, partners are sharing their successes and challenges pursuing decarbonization strategies at two or more of their buildings or plants.

Lessons learned from the Pilot informed the structure of the Better Climate Challenge. The Better Climate Challenge is a portfolio wide GHG emissions reduction goal over 10 years. Both efforts will drive ongoing resource development and help inform Better Climate Challenge partners in strategies to reduce GHG emissions.

## What are the requirements regarding data reporting and transparency?

- ▶ Partners commit to annually report scope 1 and 2 GHG emissions and energy data across their building/plant portfolio. Partners can also share data for owned/operated fleets.
- ▶ Partners are encouraged to establish an absolute emissions reduction goal, but intensity-based goals will also be accepted.
- ▶ Partners may submit portfolio-wide data aligned with the Greenhouse Gas Protocol and share facility-level data (through ENERGY STAR® Portfolio Manager or industrial sector reporting tools) and obtain DOE assistance with emissions calculations.
- ▶ Organizations must select a base year no more than 5 years back from their join date. The most recent base year with available data is preferred.
- ▶ Emissions will be calculated using both location-based and market-based emissions factors. Organizations should provide market-based emissions factors when data is available.

## What is included in scope 1 and 2 emissions?

Partners commit to publicly report scope 1 and 2 greenhouse gas emissions and energy data across their building/plant portfolio.

Scope 1 includes direct emissions that occur from sources that are owned or controlled by the company. This includes emissions from:

- ▶ Stationary combustion for production of electricity, heat, or steam)
- ▶ Mobile combustion (transportation)
- ▶ Fugitive emissions (refrigerants – partners encouraged to include if data is available)

Scope 2 accounts for emissions associated with electricity or steam purchased from the grid and consumed by the organization.

## What is the process for establishing an energy efficiency target?

An energy efficiency target is key to a cost effective decarbonization strategy. Partners will identify an energy efficiency target that will contribute towards their 50% GHG emissions reduction. DOE will work with new partners to establish a meaningful yet achievable target. DOE recommends a 20% energy efficiency target. Organizations involved in the Better Buildings or Better Plants Challenge with an established energy reduction goal are not required to set an additional energy efficiency target.

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## How will DOE deliver technical assistance through the Better Climate Challenge?

As partners develop their organization wide-plan and GHG emissions reduction milestones, DOE will work to identify opportunities for technical assistance. Partners will work with their Account Managers and technical experts from the National Labs. Industrial partners will work closely with their Technical Account Managers and can leverage In-Plant Trainings and other technical assistance opportunities.

## Why is it so important to share my results and success?

Many organizations have set decarbonization goals and what is needed now is action and replicable pathways to decarbonization that other organizations can follow. To support broad market transformation, organizations need to understand what solutions work. Supporting cooperation DOE strives to foster dialogue between organizations to drive action.

## Does the emissions reduction goal account for all of an organization's greenhouse gas emissions or just CO<sub>2</sub> emissions?

The emissions included in the reduction goal are the same as those covered through the [GHG Protocol Corporate Accounting and Reporting Standard](#). The standard gasses included are carbon dioxide, methane, nitrous oxide, hydrofluorocarbons, perfluorocarbons, sulfur hexafluoride, nitrogen trifluoride.

## Does every organization joining the Challenge have to reduce by 50% or more?

Yes, the Challenge goal is at least a 50% reduction in GHG emissions over 10 years. DOE will work with organizations as they develop organization-wide GHG emissions reduction plans and provide technical assistance with meeting their goal.

## Can my organization use offsets as part of our decarbonization strategy?

For the Better Climate Challenge, DOE is asking organizations to meet their goal by prioritizing reductions in operational GHG emissions. To be a goal achiever, organizations must meet the 50% reduction target without using GHG offsets. Beyond the 50% threshold, organizations can decide if offsets make sense for their decarbonization strategy.