



Better Climate CHALLENGE

U.S. DEPARTMENT OF ENERGY



An Overview

October 29, 2021

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Today

The Opportunity

Working with Leaders

Better Climate Challenge: Goals and Framework

Next Steps

Q&A

Opportunity

The United States and the world face a profound climate crisis

Many organizations have set goals – what we need now is **action and pathways**

DOE is challenging organizations to set ambitious, portfolio-wide, and near-term operational carbon emissions reduction goals and to demonstrate how leaders are measurably taking steps to address climate change

The Better Climate Challenge builds on over a decade of experience working with leaders at an organizational level

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

Many organizations have set goals.. so why a Climate Challenge?

Need pathways NOW that demonstrate diverse options

- Demonstrated pathways to achieve carbon reduction targets are still largely unknown
 - In-house expertise or resources for integrated, extensive planning not often available
 - Technology solutions are not always obvious or might not exist
 - Current planning does not always allow for a range of fuels or grid alignment
 - Pathways are needed for all building types
 - Some carbon reduction plans don't emphasize energy efficiency and demand reductions
- Goals often set far in the future (2040, 2050)

The Better Climate Challenge is an opportunity to:

- Address barriers and set near term goals to drive quick and transparent action
- Work with market leaders to demonstrate what is possible, profile solutions, real world challenges
- Convene peer-exchange to accelerate adoption and problem solving
- Provide technical assistance and integrate real world feedback into relevant R&D

Partnership, leadership, and sharing pathways are key to success

UNDERWAY: Low Carbon Pilot

- Launched in December 2020
- Partners select two buildings to prioritize over two years
- Showcase real world pathways of different building types achieved low carbon buildings or plants
- Work with partners to demonstrate what is possible, remaining challenges, and successful solutions
- Understand the correlation between CO₂ emission reduction, energy efficiency, savings, and resilience
- Convene leaders to share best practices
- Aspiration meets the real world

66

Pilot Partners

30

Industrial partners

29

Commercial partners (CRE, RFSG, Higher-ed, Hospitality, Healthcare, Multifamily)

7

Public partners (K-12, Local Government)

Submitted Action Plans/Action Tools to date

21

Commercial and public sector

21

Industrial sector

Principals of the Better Climate Challenge

- Serve as a “North Star” for what leadership looks like
- Create a strong program that offers flexibility so that true leaders are included
- Avoid over-engineering a solution while still defining modern leadership on carbon
- Demonstrate diverse real world leadership pathways to decarbonization across buildings, multifamily housing and manufacturing plants and industrial facilities
- Foster a diverse network that enables best practice sharing and peer exchange opportunities allowing for “coopetition” to drive lasting change
- Continue to prioritize energy efficiency

Climate Challenge

Portfolio-wide reduction in GHG emissions of *at least 50% in 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. This target is intended to encourage prioritizing energy efficiency when pursuing a decarbonization plan

Energy-Intensive Manufacturing Sectors

Portfolio-wide reduction in GHG emissions of *at least 25%* in 10 years

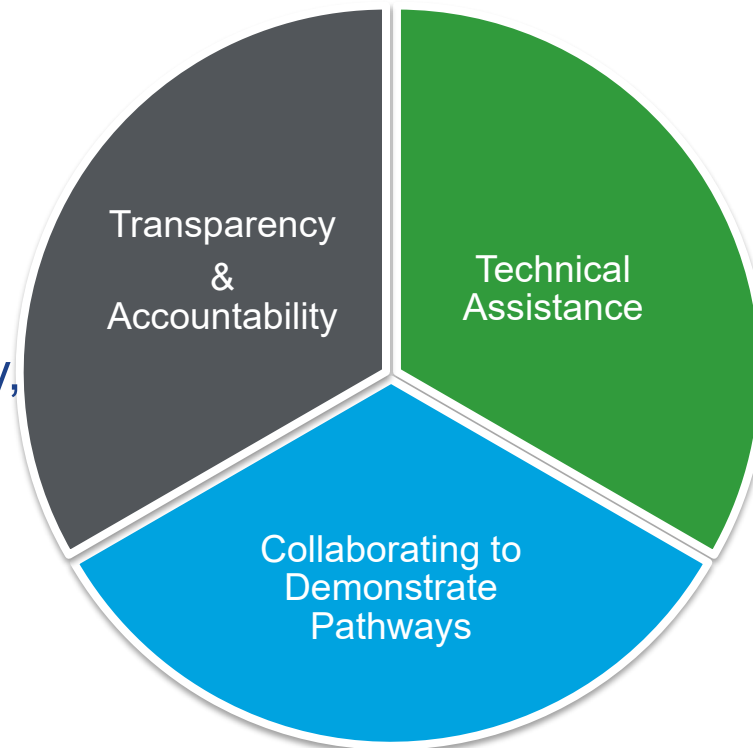
- Heavy industry makes products that are central to our modern way of life but is also responsible for nearly 40% of global carbon dioxide (CO₂) emissions.
- Sectors like steel, cement, and chemicals are amongst the highest emitting industries and face unique challenges to decarbonize, in large part because of technical factors like the need for very high heat.
- EIA counts the following sectors as Energy Intensive:
 - Food
 - Pulp and paper
 - Basic Chemicals
 - Refining
 - Iron and steel
 - Nonferrous metals (aluminum, copper, zinc, tin)
 - Nonmetallic minerals (primarily cement and other nonmetallic minerals like glass, lime, gypsum and clay)

Join us for an Energy-Intensive focused webinar on November 17

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

Participation

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 without the use of offsets. Energy intensives can set a 25% goal.
- ▶ 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 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.

Why Join?

It's Good for your Organization and for the Future

- ▶ Save energy and money and be ready for the future. Greater energy efficiency and efforts to decarbonize position you well for future resilience and success
- ▶ Continue to be leaders in your local communities – and on the national level

Drive Market Transformation with Other Leaders

- ▶ Join a network of market leaders that are stepping forward to work together as part of this national platform
- ▶ Help inform DOE and other federal R&D, prioritization

Technical Assistance and Peer-to-Peer Exchange and Network

- ▶ Partners can access peer-to-peer exchange opportunities and leverage technical assistance from DOE and the national labs
- ▶ Learn and share real-world challenges and solutions through meetings, webinars, conferences, regional meetups

Recognition

- ▶ National recognition for leadership, innovation, results and shared solutions

What About My Organization's Other Goals and Commitments?

Goal is to work with leaders willing to set at least a 50% reduction goal, willing to work and share with others

Better Buildings or Better Plants Challenge Partners

- Organizations involved in the Better Buildings Challenge who have already achieved their energy reduction goal or are working towards one are on their way; this effort builds on your work to date

Other Carbon Commitments

- Goals set through Science Based Targets (and other efforts) can be highly complementary to the Better Climate Challenge. For example, organizations that have an approved 1.5-degree aligned science-based target already have a closely aligned goal. This offers opportunity to add action plans and pathways to targets
- We are happy to work with you

Next Steps: How and When Can My Organization Join?

Current Better Buildings partners can email their program contact(s)

Other organizations can email Maria.Vargas@ee.doe.gov or betterbuildings@ee.doe.gov

More information: betterbuildingsolutioncenter.energy.gov/better-climate-challenge

Opportunity for early partners to be recognized, convene

Q & A

Submit Questions
www.slido.com event code **#DOE**

THANK YOU!

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VISIT: betterbuildingsolutioncenter.energy.gov/better-climate-challenge