

# Better Buildings Initiative & Alliance for the Public Sector

December 2012



# The Opportunity

**\$200 billion/year = U.S. commercial building energy cost**

**30% = average energy wasted**

**\$60 billion/year = potential payoff of mining these savings**

- Create American jobs
- Improve energy security
- Make the U.S. more globally competitive

Must overcome a lack of:

- ▶ Data-driven results demonstrating the savings from energy efficiency investments
- ▶ Information on emerging market and technical solutions
- ▶ Wide recognition of energy efficiency as a viable business practice resulting in an absence of leadership commitment to energy efficiency

# Pillars of Better Buildings Initiative

- ▶ Federal leadership by example
  - Improving federal building portfolio through energy performance contracts (ESPCs) of over \$2billion
- ▶ Developing a skilled clean energy workforce
  - Establishing three Centers for Building Operations Excellence
- ▶ Making energy efficiency investment easier
  - Incorporating value of efficiency in asset appraisals
  - Improving data access and analysis
  - Streamlining incentives – 179D and QECBs
- ▶ Developing innovative, replicable solutions with market leaders
  - Better Buildings Challenge Partner data transparency, showcase projects, implementation playbooks
  - Engaging broad communities to find solutions through Better Building Alliances

# Making Energy Efficiency Investment Easier

## Better Incentives

- ▶ 179D Tax Deductions
  - Up to \$1.80/sq.ft.
  - Modified target of 15% for heating and cooling
  - Simplified modeling option
- ▶ QECB
  - \$2.4 billion available
  - New guidance on “green community programs” and measuring 20% savings

## Better Information

- ▶ Building Asset Scoring Tool
- ▶ Buildings Performance Database
- ▶ Green Button
- ▶ Data Access Map
- ▶ Real Estate appraisal work

**Make public, commercial, and industrial buildings 20% more efficient by 2020; save more than \$40 billion annually for US organizations; create American jobs**

- ▶ Demonstrate market leadership through high level partnership with DOE
- ▶ Make portfolio wide commitment to continuous improvement
- ▶ Overcome persistent obstacles with replicable solutions
- ▶ Showcase real solutions; provide models for others to follow
- ▶ Celebrate leadership with recognition from DOE and Administration
- ▶ Partner with local leaders to better understand policy and technical opportunities
- ▶ Measure success

# Better Buildings Challenge

Partners/Allies	Commitments	Progress
24 Commercial	2 billion square feet 300 manufacturing facilities	53 showcase projects 48 implementation models
7 States		
16 Educational Institutions		
39 Local Governments		
10 Industrial		
14 Financial Allies	\$1.7 billion in financing	\$800 million extended
3 Utility Allies	Improved access to data, efficiency programs	

# BETTER BUILDINGS CHALLENGE

## Partners and Allies:

As of 6/19/12







# BBC Partner: City of Atlanta



- ▶ **Market Barrier:** Multiple barriers to engaging the community in deploying energy efficiency, including lack of information, lack of data access and management, and organizational barriers
- ▶ **Atlanta's Solution:** Leveraged a public-private partnership to create a new initiative that provides access to project financing, free building assessments, education and training, and public recognition
- ▶ **Outcome:** Over 30 property owners totaling over 30 million square feet have taken the Atlanta Better Buildings Challenge since its official launch in November 2011. The goal is to reduce energy and water consumption in more than 40 million square feet of buildings by at least 20 percent by 2020 and become one of the country's 10 most sustainable cities

# BBC Partner: City of Pittsburgh

- ▶ **Market Barrier:** Lack of sustainable funding source to apply to energy efficiency projects
- ▶ **Pittsburgh's Solution:** Pittsburgh established a Green Initiatives Trust Fund (GITF) through City Council legislation to set aside funds for energy conservation projects and to recycle project savings back into fund for further reinvestment
- ▶ **Outcome:** Pittsburgh now has a set-aside fund dedicated to energy efficiency projects that is continually replenished by savings, allowing additional projects to be implemented. Over \$1,000,000 deposited in GITF in 2012 alone.



# Better Buildings Alliance

- ▶ Opportunity for local governments to work collaboratively with DOE to advance their clean energy goals
- ▶ Helps members sustain success of ARRA funded work
- ▶ Leverages DOE expertise and provides forum to engage with peers around actionable steps
- ▶ Expands on a successful DOE platform that was previously focused on private commercial
- ▶ Potential public sector working groups focus on strategic target areas:
  - Energy planning
  - Data collection, analysis, communication
  - Financing
  - ESPC standardization and implementation
  - Technical areas (lighting, HVAC, plug loads, data centers, etc.)

# Alliance Members Agree to:

## ▶ Commit

- Assign a company representative
- Share organization-wide energy savings goals, encouraged to be a multi-year goal saving 2% of energy annually

## ▶ Act

- Work to achieve goals and monitor progress through publicly available tools
- Participate in at least one BBA workgroup or activity

## ▶ Share

- Share your successes and help other BBA members replicate your results
- Provide annual updates on energy savings and progress toward meeting goals



# DOE Agrees To:

## ▶ Assist

- Provide information and energy efficiency implementation models to help BBA members improve the energy performance of their building portfolios
- Work with BBA members to create new resources to help them overcome efficiency challenges and increase the availability of highly efficient products and technologies

## ▶ Connect

- Provide a neutral, third-party platform for sector peers to address common challenges
- Connect members with financial allies for financing solutions

## ▶ Inform

- Keep members informed through regular BBA communications and webinar series
- Provide access to DOE and trusted third-party information and technical resources

## Better Buildings Alliance

Better Buildings

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### Installation of night curtains

Whole Foods Market, a BBA member, installed night curtains to cover the refrigerated produce cases when stores are closed. This strategy lowers the cooling load on the refrigeration case by about 40% during unoccupied periods.

## BETTER BUILDINGS ALLIANCE SIGN-UP FORM

Building owners and operators can join the Better Buildings Alliance (BBA) by completing the sign-up form.

[SIGN-UP FORM](#)

## Join the Better Buildings Alliance

Commercial buildings—our offices, schools, hospitals, restaurants, hotels and stores—consume nearly 20 percent of all energy used in the United States. We spend more than \$200 billion each year to power our country's commercial buildings. Unfortunately, much of this energy and money is wasted: a typical commercial building could save 20 percent on its energy bills simply by commissioning existing systems so they operate as intended. Energy efficiency is a cost effective way to save money, support job growth, reduce pollution, and improve competitiveness.

Through the Better Buildings Alliance, members in different market sectors identify specific barriers and work with the U.S. Department of Energy's (DOE) exceptional network of research and technical experts to develop and deploy innovative, cost-effective, energy-saving solutions that lead to better technologies, more profitable businesses, and better buildings in which we work, shop, eat, stay, and learn.

# Better Building Alliance Interest Form

- ▶ Building portfolio information
- ▶ Status of data tracking efforts
- ▶ Organization-wide energy reduction goals
- ▶ Challenges
- ▶ Strategies for overcoming barriers
- ▶ Working group interest
- ▶ Contact information

**Member Information**

Select Alliance:

**Building Portfolio**

Number of buildings in your portfolio\*:   
\*Include managed and franchised space, if applicable.

Total square footage of portfolio:

Percentage of portfolio that is third-party managed:

Percentage of portfolio that is franchised:

**Energy Considerations**

Do you track the energy use of your buildings via tools such as Portfolio Manager?

Yes  
 No

What are your organization-wide energy-savings goals? [For example, portfolio-wide savings of 10% over 2010 baseline; annual EUI improvement goals; Portfolio Manager score targets] If you do not yet have organization-wide energy savings targets, please explain any future plans to set such goals.

What are the primary challenges you currently face in meeting your goals?

Alliance members are encouraged to share strategies for success. Have you overcome any efficiency barriers that you believe other Alliance members face? If yes, please describe. If you have additional information/files you would like to send, please attach and send in an email to [BBA@EE.DOE.GOV](mailto:BBA@EE.DOE.GOV).

Members are required to participate in at least one Project Team. Please indicate your choice below.

# Thank You

For more information on the Better Buildings Alliance,  
please send questions to :

**[bba@ee.doe.gov](mailto:bba@ee.doe.gov)**