

Leading CEOs and executives of U.S. companies, universities, school districts, multifamily organizations, and state and local government are taking the Challenge and committing to reduce the energy used across their building portfolios by 20 percent or more over ten years and transparently showcase the solutions they use and the results they achieve to help spur billions in new investment and savings in commercial buildings, multifamily housing, and industrial plants.

### Stimulating Economic Growth

Incorporating energy efficiency into routine business operations and making our buildings better offers large benefits. Across the U.S., the buildings in which we work, shop, study, and live use approximately \$200 billion in energy each year, representing a significant portion of our nation's energy use and CO<sub>2</sub> emissions.<sup>1</sup> In many buildings, these energy costs can be reduced by 20 percent or more through a number of energy efficiency measures and approaches.<sup>2</sup> In addition to cost savings and avoided emissions, upgrading these buildings offers an almost \$100 billion investment opportunity, which could create tens of thousands of jobs.<sup>3</sup> Likewise, the nation's industrial plants use approximately \$200 billion<sup>4</sup> in energy each year with similar opportunities for investment, savings,<sup>5</sup> and jobs.

### Demonstrating Leadership and Innovation

Launched by President Obama in December of 2011, the goal of the Better Buildings Challenge is to improve the efficiency of American commercial, institutional, and multifamily buildings and industrial plants by 20 percent or more over ten years. Organizations committing to the Better Buildings Challenge agree to:

- ▶ **Conduct** an energy efficiency assessment of their building portfolio and pledge an organization-wide energy savings goal.
- ▶ **Take action** by showcasing an energy efficiency project and implementing a plan to achieve lasting energy savings.
- ▶ **Report results** by sharing cost-effective approaches for saving energy and performance data that demonstrates the success.

### A National Leadership Initiative

More than 120 organizations have committed to the Better Buildings Challenge, including building owners, manufacturing firms, municipalities, financial institutions, and utilities, working collaboratively to create and share implementation models that can help the marketplace move more quickly to adopt energy efficiency measures. Partners represent more than 2 billion square feet of commercial and industrial real estate and are leaders in the healthcare, hospitality, retail, commercial real estate, public, multifamily, and manufacturing sectors. Manufacturing firms, representing over 300 plants, are partnering through the Better Buildings, Better Plants Challenge—the industrial component of the Challenge.

Financial institutions and utilities participate as Allies. Financial institutions have made a public commitment of almost \$2 billion in private sector capital to support energy efficiency upgrades in the marketplace. Utilities are committing to provide commercial customers with multi-measure energy efficiency programs and access to the energy usage data that helps building owners manage their energy.

The Department of Energy (DOE) supports Partners and Allies in the Challenge by:

- ▶ Providing expert technical assistance and energy efficiency implementation model assistance.
- ▶ Connecting Partners with a network of Allies (including financial organizations and utilities) that can help them achieve their energy savings pledges.
- ▶ Publically recognizing Partners and Allies for achieving energy and cost savings and applying innovative energy efficiency solutions.

# Better Buildings Challenge: Leadership, Transparency, and Results

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## Early Successes

- ▶ **Alcoa**, the world leader in the production and management of aluminum, has committed to a 25 percent reduction in energy intensity by 2020 across its 29 manufacturing plants. Alcoa is showcasing its commitment through the construction of a new 50,000 square foot building that will use a highly energy-efficient recycling and casting process to produce new wheels from re-melted and scrap aluminum.
- ▶ **HEI Hotels** operates over 40 well-known upscale and luxury hotels including Marriott, Renaissance, Westin, Le Meridien, Sheraton, "W", Hilton, Embassy Suites and Crowne Plaza, totaling over 11,000 guest rooms and suites located in 16 states. HEI has committed to reducing the energy use in their ever-growing 10 million square feet of building space 20 percent by 2020.
- ▶ **The City of Atlanta** has committed 33 million square feet of public and private space to substantive upgrades as part of the Better Buildings Challenge; the City has begun a benchmarking initiative for the City's 400 block downtown area, working with the business and non-profit community to identify and pursue upgrade opportunities.

## Potential Savings

Energy efficiency has the cost-effective potential to meet about 20 percent of projected U.S. commercial energy needs by 2020 as well as 20 percent of U.S. industrial energy needs, collectively saving organizations in each sector about \$40 billion annually and avoiding significant emissions of CO<sub>2</sub>.

## Learn More

To see who in your community is participating in the Better Buildings Challenge and to learn more about their energy efficiency projects and plans, go to: <http://www.energy.gov/betterbuildingschallenge>. In addition, follow us on Twitter: @BetterBldgsDOE.

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<sup>1</sup> EIA.gov - <http://www.eia.gov/oiaf/aeo/tablebrowser/#release=AEO2011&subject=3-AEO2011&table=3-AEO2011&region=1-0&cases=ref2011-d020911a>

<sup>2</sup> Unlocking Energy Efficiency in the US Economy, July 2009, McKinsey and Company.

<sup>3</sup> United States Building Energy Efficiency Retrofits, Market Sizing and Financing Models, March 2012, The Rockefeller Foundation & Deutsche Bank.

<sup>4</sup> EIA.gov - <http://www.eia.gov/oiaf/aeo/tablebrowser/#release=AEO2011&subject=3-AEO2011&table=3-AEO2011&region=1-0&cases=ref2011-d020911a>

<sup>5</sup> Unlocking Energy Efficiency in the US Economy, July 2009, McKinsey and Company.

<sup>6</sup> Unlocking Energy Efficiency in the US Economy, July 2009, McKinsey and Company.