# **Climate Policy & Local Initiatives**

MIT Joint Program on the Science and Policy of Global Change

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IAP Climate Science and Policy



Local governments are uniquely positioned to curb greenhouse gas emissions. This discussion will review policies and programs in energy efficiency and their important role in mitigating climate change, with a particular focus on demand-side energy management in buildings

- Energy use in buildings
- Why local?
- Sample policies and programs

## Global Carbon Budget for < 2°C

• Deep reductions in GHG emissions necessary (80x50); a multifaceted strategy required



Figure: UN Habitat



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## Energy in buildings

- Large fraction of energy use, cost, & emissions
  - Energy use: 40% global, 39% U.S.
  - GHG emissions: 30% of global, 36% U.S.
  - \$409B in energy costs in the U.S. (2016)
- Relative impact is larger in cities
  - 50% to 75% of GHG emissions in U.S. metropolises
- Strategies for energy conservation in buildings are critical to curbing GHG emissions



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U.S. Territories 59

Greenhouse Gases

Total: 7147

Petroleum CO2

Coal CO2

2614

2142



nternational Bunker

CO2: 1266 Non-CO2: 18

CO2: 1061 Non-CO2: 240

Non-CO2:1

CO2: 1877 Non-CO2: 123

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• Changing energy supply vs. demand-side management; efficiency is more cost-effective



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- U.S. investment potential of \$279B
- Savings > \$1 trillion over ten years
- 3.3 million job-years
- Reduce the U.S. GHG emissions  $\sim 10\%$

	Residential	Commercial	Institutional	Total
Economic/Financial Impact				
Energy Savings (Trillion Btu)	1,892	848	293	3,033
Total Investment (\$ Bn)	182	72	25	279
Social Impact				
Cumulative Job Years Created (# FTEs over course of investment program, '000s)	2,152	857	296	3,305
Environmental Impact				
Greenhouse Gas Emission Reduction (million metric tons of CO <sub>2</sub> mitigated per year)	382	175	59	616

Figure: Rockefeller Foundation & Deutsche Bank (2012)

- Prioritize: mitigation value is greatest now (current energy mix)
- Less costly than new generation

Energy efficiency (City of San Antonio experience)



## Why Local Government?

- To tackle anthropogenic climate change, follow the people
- The world is urbanizing: 51% in 2010, 70% by 2050



## Why Local Government?

• Cities: density of infrastructure & concentration of energy use

Figure: NASA (2000)

## Why Local Government?

- Regulatory authority
  - Building permits
  - Building codes\*
  - Urban planning
- Continuity
  - R.I.P. NOAA, DOE, and EPA climate initiatives
- Local services
  - Public transportation
  - Roads
  - Energy utilities (or PPA)



2015 International Energy Conservation Code<sup>®</sup> and ANSI/ASHRAE/IES Standard 90.1-2013: Energy Standard for Buildings Except Low-Rise Residential Buildings



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## Local Government Initiatives (not buildings)



Figures: Tessman road landfill PV (above) and cycle initiatives (below)



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Biogas recovery (above), traffic synch. (below)



# Building Energy Codes

- #1 historic strategy
- Critically important
- Shortcomings:
  - Prescriptive
  - Only for fixed assets
  - Existing buildings
  - Often low compliance

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Energy Performance of Municipal Facilities by Year Built



# Local Government Initiatives (buildings)



## Energy Benchmarking and Disclosure

- "Labeling" initiative to overcome market barriers to energy efficiency
- Requires owners of large buildings to track & report energy use annually
- Evaluates performance & compares to other buildings by type (EUI)
- Adoption: 30+ cities, 2 counties, 2 states





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## Building Stock Analysis: Affected Buildings



## Energy Benchmarking and Disclosure

- Low-cost, high impact
- DOE study: 2 to 11% reduction 3 years
- MIT research: 14% reduction in 4 years (New York City office buildings)
- Foundational for energy efficiency programs



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Seed Funding

Energy Efficiency Fund

> Realize Utility Savings

Appropriate

Savings &

Rebates

• Low-income cross-subsidies against distribution inequalities

• Property Assessed Clean Energy (PACE) to align incentives

- Net metering policy for PV
- Utility rebates aligned with positive externalities

**Financing and Incentives** 

- Revolving energy efficiency fund

• Pay as you go financing



Implement

Retrofits

## Energy Codes: Solar Ready

- 2015 IECC voluntary residential measure
- Minimum area thresholds (e.g. 600 ft<sup>2</sup>) of clear roof, properly-oriented
- Provide structural design load of roof
- Pathways for electrical conduit (PV) or plumbing (solar thermal)
- Electrical panel designed to

accommodate future PV





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## Net Zero Energy Buildings



## Tree Rebate Program

- Large species deciduous trees to shade buildings
- \$50 utility rebate per tree
- Annual program benefits (7,600 trees):
  - Energy savings: 2.3M kWh
  - Utility savings: \$225K
  - GHG emissions reduction: 1,400 tons CO<sub>2</sub>e
  - Additional benefits: improved air and water quality, storm water control, reduced temperatures, enhanced quality of life, and improved property value





PLANT A TREE. SAVE ENERGY. SAVE MONEY.



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## Low-Income Weatherization

- Install cost-effective efficiency measures
- Average annual utility savings:
  - \$600 and 5,200 kWh per home
  - \$2.0M and 17.3 million kWh total
- 3,320 low-income households
- Comfort and quality of life improvements
- Supported 130 jobs





## Parting Thoughts on Energy in Buildings



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## Questions & Discussion

Thank you!

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