

POLICY PRIMER: REDUCING ENERGY USE IN BUILDINGS

American
Cities Climate
Challenge

Bloomberg
Philanthropies

We use a substantial amount of energy keeping our buildings well lit, reliably powered, and at a comfortable temperature year-round—particularly as we all spend more time at home during the COVID-19 crisis. In fact, buildings are often the leading source of greenhouse gas emissions at the city level, which makes their energy efficiency a key pillar of any city’s climate strategy. As part of the Bloomberg Philanthropies American Cities Climate Challenge, 25 cities are working to improve the energy efficiency of their municipal buildings while scaling that progress to privately owned buildings in their communities.

What steps are Climate Challenge cities taking?

Benchmarking data. You can’t manage what you don’t measure. That’s why requiring benchmarking—the process of tracking a building’s current energy and water consumption—is the cornerstone of an effective energy policy. When made public and transparent, this data helps building owners compare energy usage across similar structures, monitor progress, and guide next steps toward cutting waste.

Challenging the private sector. Launching voluntary, energy “challenge” campaigns can encourage local building owners to publicly benchmark their energy use and increase the energy efficiency of their buildings by a targeted amount. Energy challenges can build a community of energy efficiency advocates, raise awareness of the benefits of energy efficiency, and send market signals that the local government and real estate community are investing in energy-efficient products and services.

Setting building performance standards. Going beyond benchmarking, cities can use data to set minimum energy performance standards for various types of buildings. By requiring existing buildings to meet those thresholds by a specific date, typically several years in the future, building owners have ample time to plan and strategically devote resources. In return, building owners save substantial money by curbing their energy consumption.

What are the benefits of reducing energy consumption?

Health. Better insulation reduces indoor moisture and mold and improves overall air quality and occupant health, particularly as we spend more time indoors during the pandemic. Cleaner air and a more comfortable indoor temperature year-round will also provide a better learning and working environment for students and employees, even during power outages, as residents return to work and school.

Money. Tenants and homeowners can reduce their electricity bills over time, which is critical as communities recover economically in the wake of COVID-19. The city can also jump-start private-sector market shifts, like the creation of local efficiency expertise jobs, by demonstrating the benefits of energy efficiency in its municipal buildings first.

Environment. Demand for energy goes down—and reductions in greenhouse gas emissions contribute to cities’ broader climate action goals.

Equity. Energy burden—the percentage of a household’s income that goes toward energy costs—is dramatically lowered through the facilitation and funding of energy efficiency upgrades. When less money is spent on inefficient heating and cooling, low-income households have more of their income freed up for food, medicine, and other necessities.