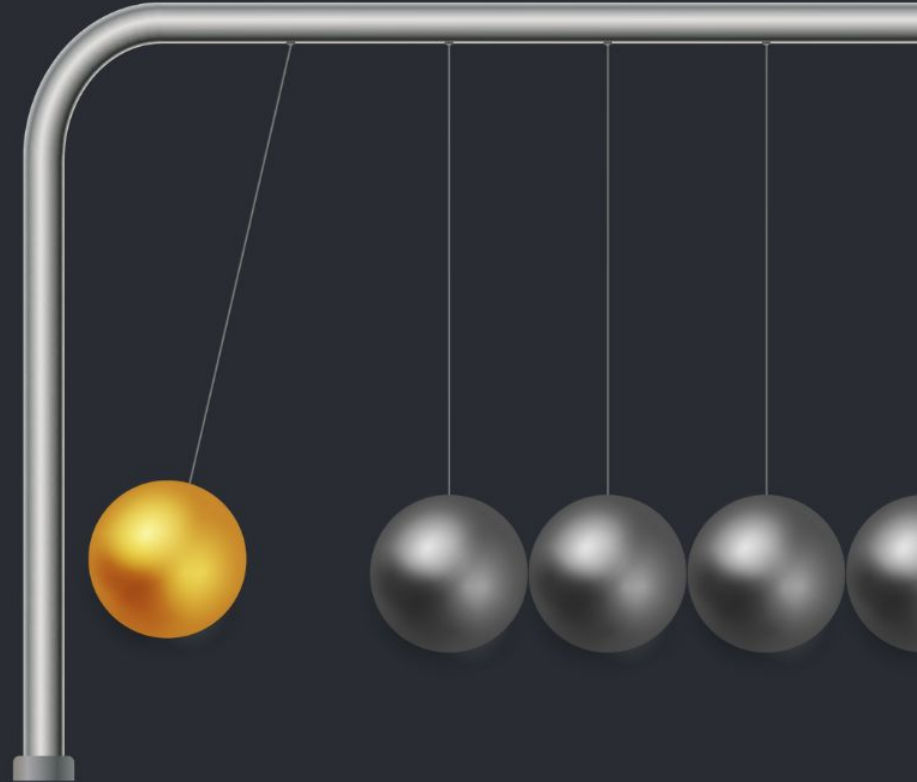


BDC PRESENTS

State of the Union: Post-Election Decarb Outlook

An electric fireside chat about the state of
the building decarbonization movement

Thursday, Dec. 12, 2024
10am PT / 1pm ET



About the BDC

The Building Decarbonization Coalition (BDC) aligns critical stakeholders on a path to transform the nation's buildings through clean energy, using policy, research, market development and public engagement.

The BDC and its members are charting the course to eliminate fossil fuels in buildings to improve people's health, cut climate and air pollution, prioritize high-road jobs, and ensure that our communities are more resilient to the impacts of climate change.

- **Sign up for our newsletter!**
<https://buildingdecarb.org/newsletter>
- **Membership is free!** Join us! buildingdecarb.org/join



Thank you to our Trailblazer Members!



Upcoming Events



National Policy Call: Maryland

Tuesday, February 25, 2025,
1pm ET / 10am PT
[Register](#)



California Policy Call

Tuesday, Dec. 17th, 10am PT
[Register](#)



BDC Presents 2025

2025 Schedule TBA
Past recordings, including
November holiday induction
demo, are [on our website](#)

Webinar Logistics

- Everyone is muted.
- Panelists will not be responding to audience Q&A live, but you are welcome to ask and answer questions of each other in the chat during the conversation
- Drop **comments** for the whole group in the **chat**.
- This webinar is being recorded and will be placed in our website's Resource Library.
- All registrants will be emailed with a link and additional resources early next week.

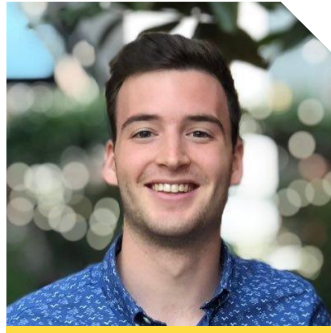
Today's Panelists



**Kristin George
Bagdanov, PhD**

BDC

Senior Manager
of Policy Research



Skip Wiltshire-Gordon

AnnDyl Policy Group LLC

Senior Manager,
Government Affairs



**Rose
Stephens-Booker**

BDC

Managing Director of
Programs and
Partnerships



Matt Casale

BDC

Director of State
Mobilization



Wrapped 2024

Kristin George Bagdanov

Check out the 2024 edition of
Building Decarb Wrapped:
<https://buildingdecarb.org/2024-wrapped-decarb-edition>



2024 Trends

1. **Market:** Heat pump sales outpaced gas counterparts; induction sales continued to grow; US outperforms EU

Consumers are Choosing Heat Pumps Over Fossil Fuel Alternatives

3-Month Rolling Average Data from AHRI Monthly Reports, Jan 2022-Sep 2024



Heat pumps for space heating outperformed furnaces once again; electric water heaters also outsold gas; and heat pump water heaters outpaced gas for the first time

“Induction accounted for 18% of all cooking sales last year, and has been growing in double digits the past three years, outpacing non-induction competitors”

– AJ Madison

Forbes
FORBES | REAL ESTATE

Induction Cooking Trend Soars At Major Design And Construction Expo

By **Jamie Gold**, Senior Contributor @ Jamie Gold writes about wellness design and related housing topics.

Updated Mar 13, 2024, 03:12pm EDT

Electric Water Heaters Gain Market Share Over Declining Fossil Fuel Systems

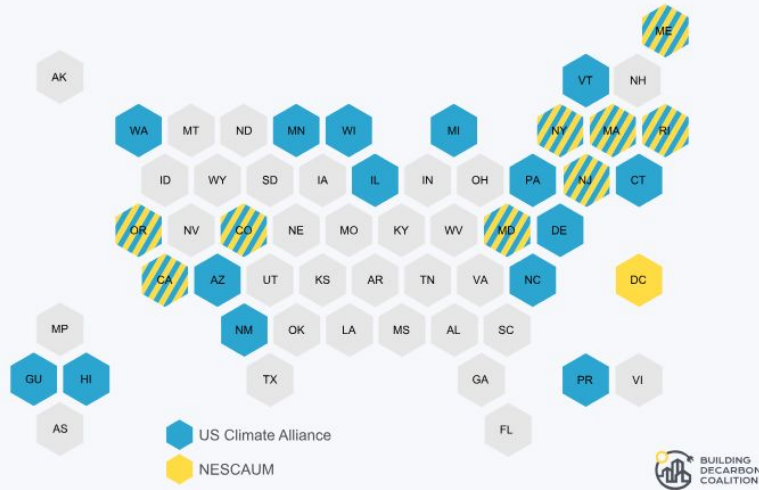
3-Month Rolling Average Data from AHRI Monthly Reports, Jul 2020-Sep 2024



2024 Trends

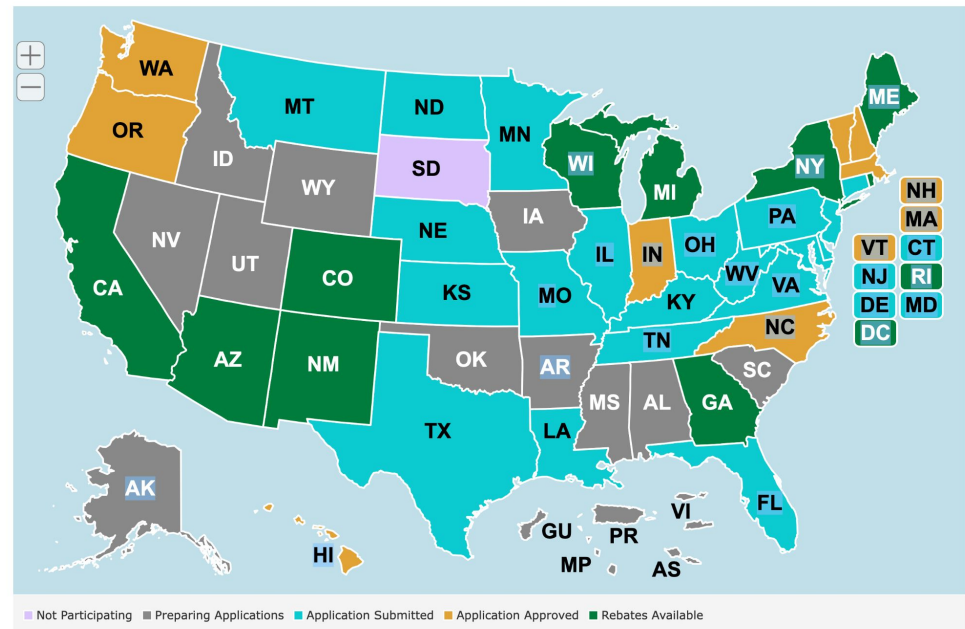
1. Market: Heat pump sales outpaced gas counterparts; induction sales continued to grow
2. Partnerships: Private-public, state, and federal partnerships supercharge commitments for ongoing heat pump deployment

States With Heat Pump Commitments Represent Over Half the U.S. Population



As of Dec. 10th, 51 states and territories have applied for **\$6.6 billion** in IRA funding for electrification rebate and incentive programs.

2024 NESCAUM MOU: Heat pumps to comprise 65% of HVAC sales by 2030 and 90% by 2040.



Last Updated on December 10, 2024

2024 Trends

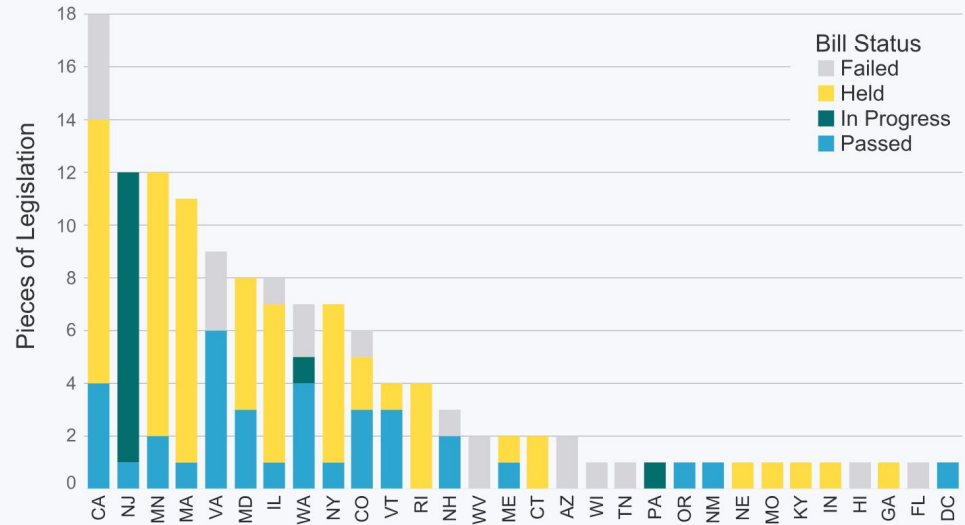
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2. Partnerships: Private-public, state, and federal partnerships supercharge commitments for ongoing heat pump deployment
3. Policy: Legislatures in 15 states and D.C. pass 35 laws to support building decarbonization

In 2024, 130 bills were introduced, 27% succeeded

- Emergent topics include:
 - Obligation to Serve
 - Future of Gas
 - Neighborhood Scale
 - Clean Heat Standards

You can see our full analysis here:
<https://buildingdecarb.org/2024-legislative-roundup>

35 Building Decarbonization Bills in 15 States and DC Became Law in 2024



2024 Trends

1. Market: Heat pump sales outpaced gas counterparts; induction sales continued to grow, reaching 18% of cooking sales for a major retailer.
2. Partnerships: Private-public, state, and federal partnerships supercharge commitments for ongoing heat pump deployment
3. Policy: Legislatures in 15 states and D.C. pass 35 laws to support building decarbonization
4. Regulations: Public utility commissions reign in gas utility spending by targeting subsidies, pipeline replacement programs, and rates

Regulators are cracking down on gas utility spending

Line extension allowances:

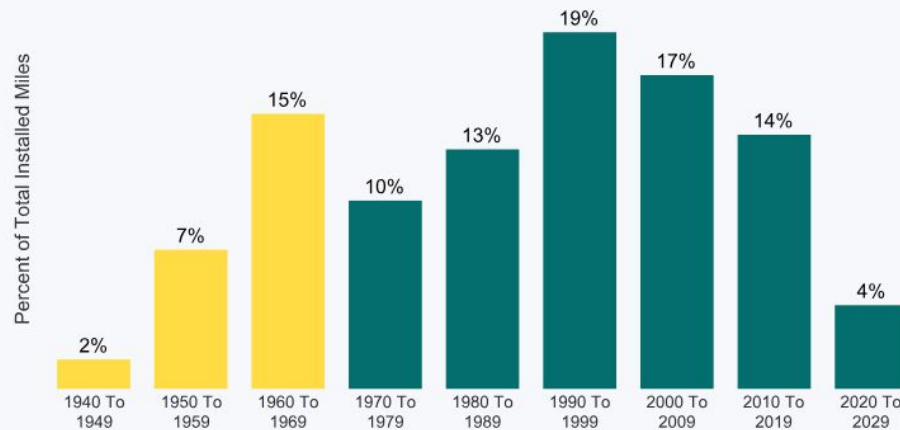
Removed or reduced state-wide or in specific utility territories across nine states

Pipeline Replacement:

A quarter of pipelines are >50 years old; utilities spend \$33B / year to replace them. Huge opportunity to redirect \$ to non-gas-pipeline alternatives.

Nearly a Quarter of Gas Pipeline Mains are Over 50 Years Old and Reaching End-of-life

Data from U.S. Department of Transportation PHMSA

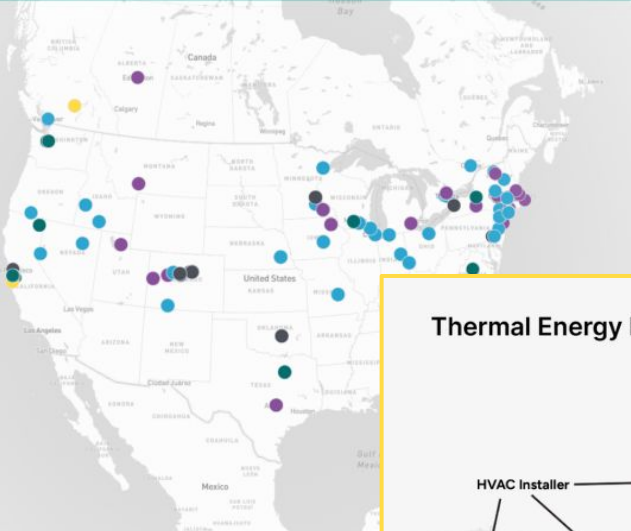


2024 Trends

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4. Regulations: Public utility commissions reign in gas utility spending by targeting subsidies, pipeline replacement programs, and rates
5. Neighborhood Decarbonization: 35+ new neighborhood-scale projects are greenlit, bringing the total for at-scale decarbonization project to >125

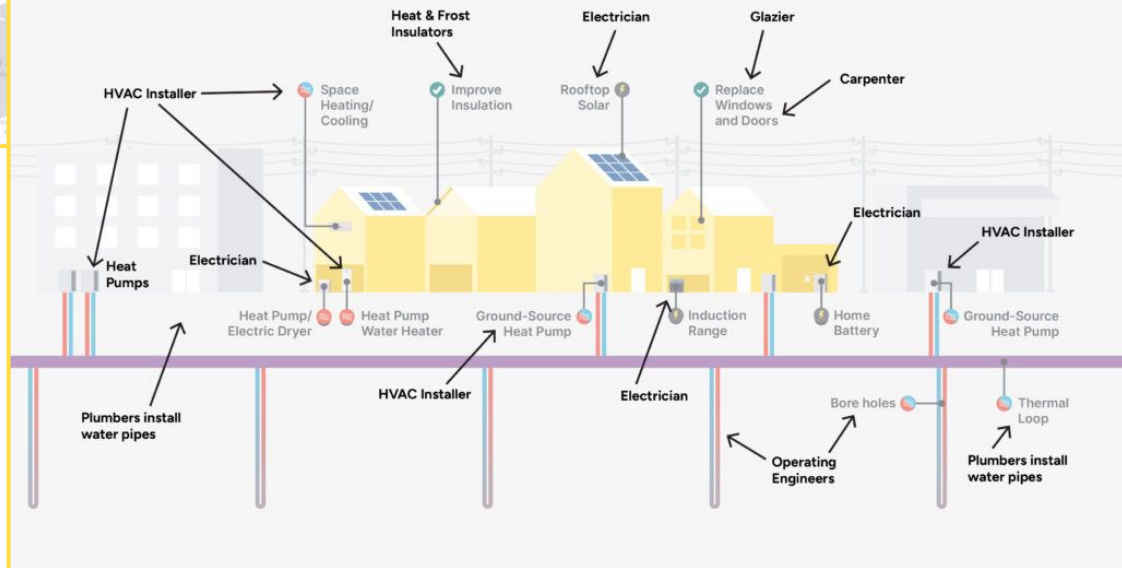


- Decarbonization Pathway**
- Thermal Energy Network (TEN): Waste Heat
 - Geothermal Network (GEN): Earth Heat
 - District Energy
 - Electric Network
 - To Be Determined
- Project Status**
- Operational
 - Under Construction
 - Design Phase
 - Filed
 - Feasibility
- Ownership Type**
- Community
 - Commercial
 - Gas Utility
 - Hospital
 - Military
 - Public Institution
 - Thermal Utility
 - University/College
 - To Be Determined



35+ neighborhood-scale decarbonization projects greenlit in 2024, making that 120+ neighborhood-scale projects that are in progress (or soon to be) in U.S.

Thermal Energy Network (TEN)



You can see more details at our new map here:

<https://buildingdecarb.org/neighborhood-scale-projects-map>

Post-Election Federal Impacts

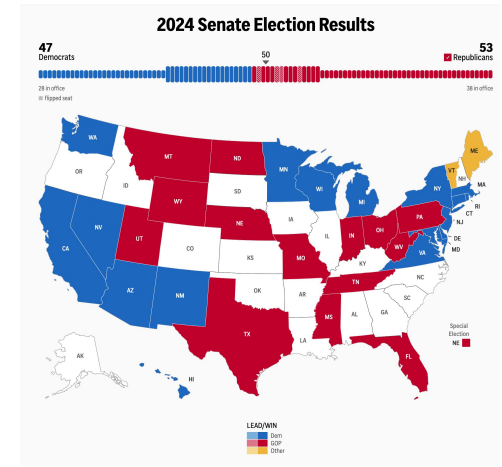
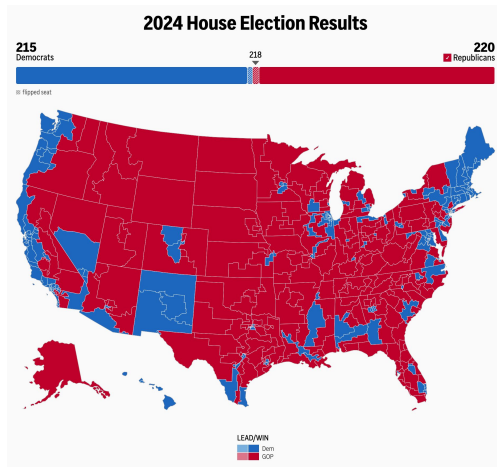
Skip Wiltshire-Gordon

Where we stand in 2025 - Republican "Trifecta"

House: **Remains R**

Presidency: **D to R** (Flip)

Senate: **D to R** (Flip)



Source: Associated Press

Election Impacts: Federal Building Decarb Policy

■ Obstacles

- *Recission: Congress*
- *Program Requirements Changes: Executive Branch*
- *Annual Agency Funding: Executive Branch (Budget Request) & Congress (Appropriations)*

■ Opportunities

- Policymaker Education
 - Job Creation
 - Energy Affordability
 - Momentum

Key IRA Building Decarb Programs

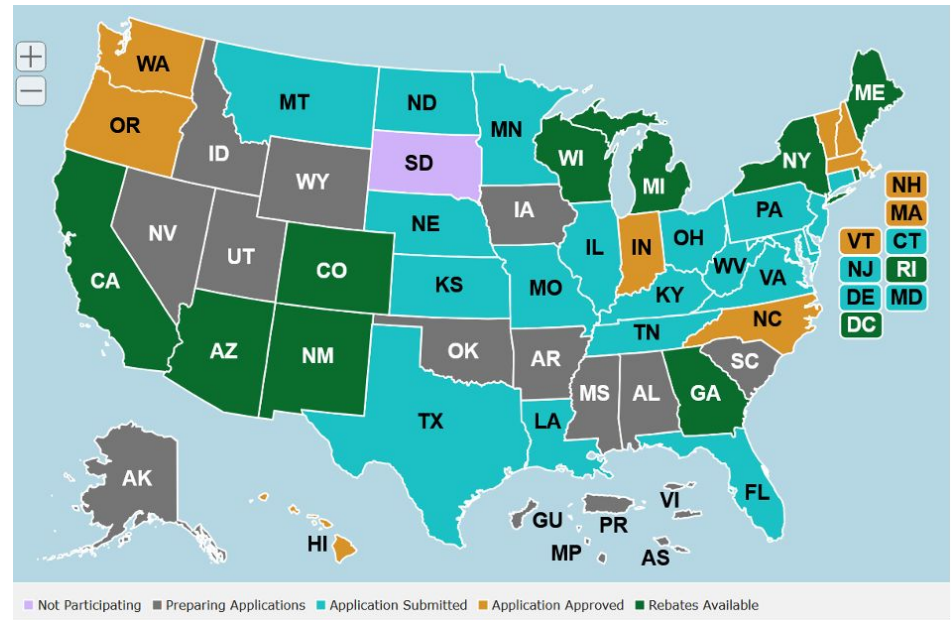
Program	IRA Funding Allocation
HOMES Performance-Based Whole-Home Rebates	\$4.3B
HEAR Home Electrification and Appliance Rebates	\$4.5B
TREC Training for Residential Energy Contractors	\$200M
25C Tax Credit	\$12.4B CBO cost estimate (2022-2031)
GGRF Greenhouse Gas Reduction Fund	\$27B Across three subprograms

Key IRA Building Decarb Programs - Status

Program	IRA Funding Allocation	Funding Status
HOMES Performance-Based Whole-Home Rebates	\$4.3B	\$6.6B Funding <i>applied for</i> by states across both programs.
HEAR Home Electrification and Appliance Rebates	\$4.5B	
TREC Training for Residential Energy Contractors	\$200M	\$150M Funding applied for by states under the formula program.
25C Tax Credit	\$12.4B CBO cost estimate (2022-2031)	\$2.06B Claimed on tax returns in 2023
GGRF Greenhouse Gas Reduction Fund	\$27B Across three subprograms	\$27B 100% obligated

Current Status of Rebate Programs

- **38 states + DC** have **applied** for full funding from DOE to launch programs.
- **10 states + DC** have launched programs



Source: Department of Energy

Outlook for continued leadership in the states

Matt Casale

Heat Pump Adoption Targets and Zero Emission Standards

NINE STATES + WASHINGTON, D.C. 

have committed to accelerate the adoption of **pollution-free heat pumps** to meet air quality and climate goals.

CALIFORNIA **COLORADO** **MAINE**

MARYLAND **MASSACHUSETTS** **NEW JERSEY**

NEW YORK

OREGON

RHODE ISLAND

WASHINGTON, D.C.



THE OFFICE OF GOVERNOR WES MOORE

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Governor Moore Signs Executive Order to Advance Maryland's Pollution Reduction Plan

Published: 6/4/2024

ANNAPOLIS, MD—Governor Wes Moore today signed [an executive order](#) to advance Maryland's Climate Pollution Reduction Plan. The order—one of the most comprehensive on climate change issued by a Maryland governor—directs a whole-of-government approach to address climate change, including requiring agencies to submit a Climate Implementation Plan by Nov. 1, action to propose new emissions standards, and the creation of the Governor's Subcabinet on Climate.

CALIFORNIA AIR RESOURCES BOARD

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Zero-Emission Space and Water Heater Standards

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Zero-Emission Space and Water Heater Standards

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Frequently Asked Questions (FAQs)

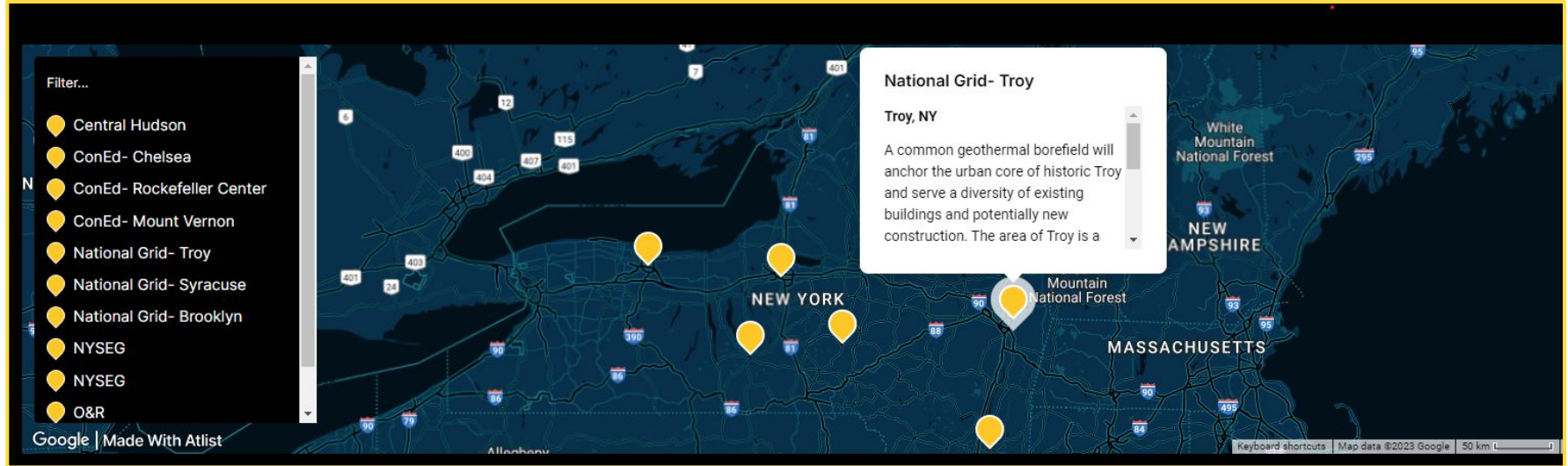
Public Engagement

Subscribe

[MORE ABOUT THIS PROGRAM](#)

Zero-emission standards for new space and water heaters are in alignment with the 2022 Scoping Plan for Achieving Carbon Neutrality (2022 Scoping Plan) as they would reduce building-related greenhouse gas (GHG) emissions. These standards would also assist California with meeting State and federal air quality standards and achieving public health benefits, because they would also provide important smog-forming NOx emission reductions. CARB committed to explore developing and proposing zero-emission GHG standards for new space and water heaters sold in California as part of the 2022 State Strategy for the State Implementation Plan (2022 State SIP Strategy) adopted in September 2022.

Neighborhood Scale and Thermal Energy Networks



Affordability



Incentives, financing and workforce development to address upfront costs.

Rate reform and whole home readiness to address operating costs.



Electric Fireside Chat