

Press Release

Vicinity Energy Launches Carbon-free Renewable Energy to Decarbonize Buildings

New innovation to provide renewable thermal energy to commercial building owners, decarbonizing urban communities quickly and cost-effectively

BOSTON, April 7, 2022 - [Vicinity Energy](#), a national decarbonization leader with the most extensive portfolio of district energy systems, launches eSteam™, a new innovation designed to rapidly decarbonize the highest source of emissions in major cities, commercial buildings. The company is the first in the U.S. to electrify its operations, offering renewable thermal energy by installing electric boilers, industrial-scale heat pumps, and thermal storage at its central facilities starting in Boston and Cambridge, with its other districts to follow.

Vicinity Energy centrally produces and distributes steam, hot water, and chilled water to over 230 million square feet of building space nationwide. To offer cost-competitive, renewable thermal energy to its customers, Vicinity will leverage and build upon its existing infrastructure, including its extensive network of underground pipes, electric substations, and transmission lines, which are notoriously hard to site and permit. Further, Vicinity has access to renewable power through the electric grid versus commercial buildings that purchase retail power, typically 2 to 3 times more expensive. Coupling the existing infrastructure with favorable pricing, Vicinity's innovative approach to electrifying its operations will provide customers with a cost-effective decarbonization tool to meet sustainability goals without expensive onsite retrofits or significant capital investments.

Vicinity's first electric asset will enter service in late 2024. At that time, the company will procure electricity from renewable, carbon-free energy sources such as wind, solar, and hydro to generate eSteam™.

By electrifying its operations and offering renewable thermal, eSteam™'s benefits include:

- The ability to leverage district energy with carbon-free emissions;
- Total flexibility in the amount selected and the renewable electricity source used to produce eSteam™;
- An affordable, cost-effective energy option to achieve sustainability targets;
- Carbon-neutral energy without substantial capital investments or ongoing, in-building maintenance of equipment;
- Additional potential points for LEED® and ENERGY STAR® certifications; and
- Continued reliability and resiliency from the district energy system.



Vicinity's eSteam™ will provide customers with another option to cleanly heat and cool their buildings. Commercial buildings will no longer need natural gas boilers, eliminating unregulated gas stacks and unmonitored carbon emissions in our neighborhoods, reducing carbon and improving overall air quality.

"We're thrilled to be the first district energy company in the United States to bring renewable thermal energy to our customers. Our operations are incredibly flexible, so we can quickly pivot to electrification and offer an innovative, affordable, carbon-free path for commercial building owners with eSteam™," said Bill DiCroce, president and chief executive officer of Vicinity Energy. "This is game-changing for our communities."

"We applaud the aggressive efforts of Vicinity Energy to decarbonize their Boston steam system," says John Cleveland, Senior Advisor to the Boston Green Ribbon Commission. Vicinity Energy CEO Bill DiCroce has been a long-term member of the Commission. "Success on this front will make a major contribution to Boston's goal of carbon neutrality by 2050 and set a bold example for other district energy systems across the country. It is a great example of what can be accomplished with public-private alignment."

"There's no place for gas in a climate-safe future," said Andee Krasner, on behalf of Mothers Out Front - Boston. "We are excited Vicinity Energy plans to transition away from natural gas to renewable, clean energy, which will enable commercial buildings to reduce carbon emissions and improve air quality in our communities."

"Since we announced our commitment to net zero in the fall of 2020, we have evaluated many technical options and conducted numerous feasibility studies to develop a robust, executable Clean Energy Future roadmap," states Kevin Hagerty, chief technical officer of Vicinity Energy. "We are procuring equipment today to make renewable thermal energy a reality within the next 24 months in Boston and Cambridge. And we're not stopping there. We'll be electrifying and introducing eSteam™ in other districts and continuing to innovate to meet decarbonization goals."

"In cities like Boston and Cambridge, buildings account for nearly 70% of all greenhouse gas emissions," said Matt O'Malley, Vicinity's first-ever chief sustainability officer. "Vicinity is uniquely poised to serve as a national leader in building decarbonization. The time for action is now. Our customers want it, our cities are asking for it, and our planet demands it."

About Vicinity Energy

Vicinity Energy, a clean energy company, provides sustainable, reliable, and resilient energy to over 230 million square feet of building space nationwide. Vicinity owns and operates the nation's most extensive portfolio of district energy systems to produce and distribute steam, hot water, and chilled water to individual buildings and campuses. Vicinity continuously invests in its infrastructure and the latest technologies to remain the energy solution of choice for commercial building decarbonization. For more information, check out www.vicinityenergy.us.

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