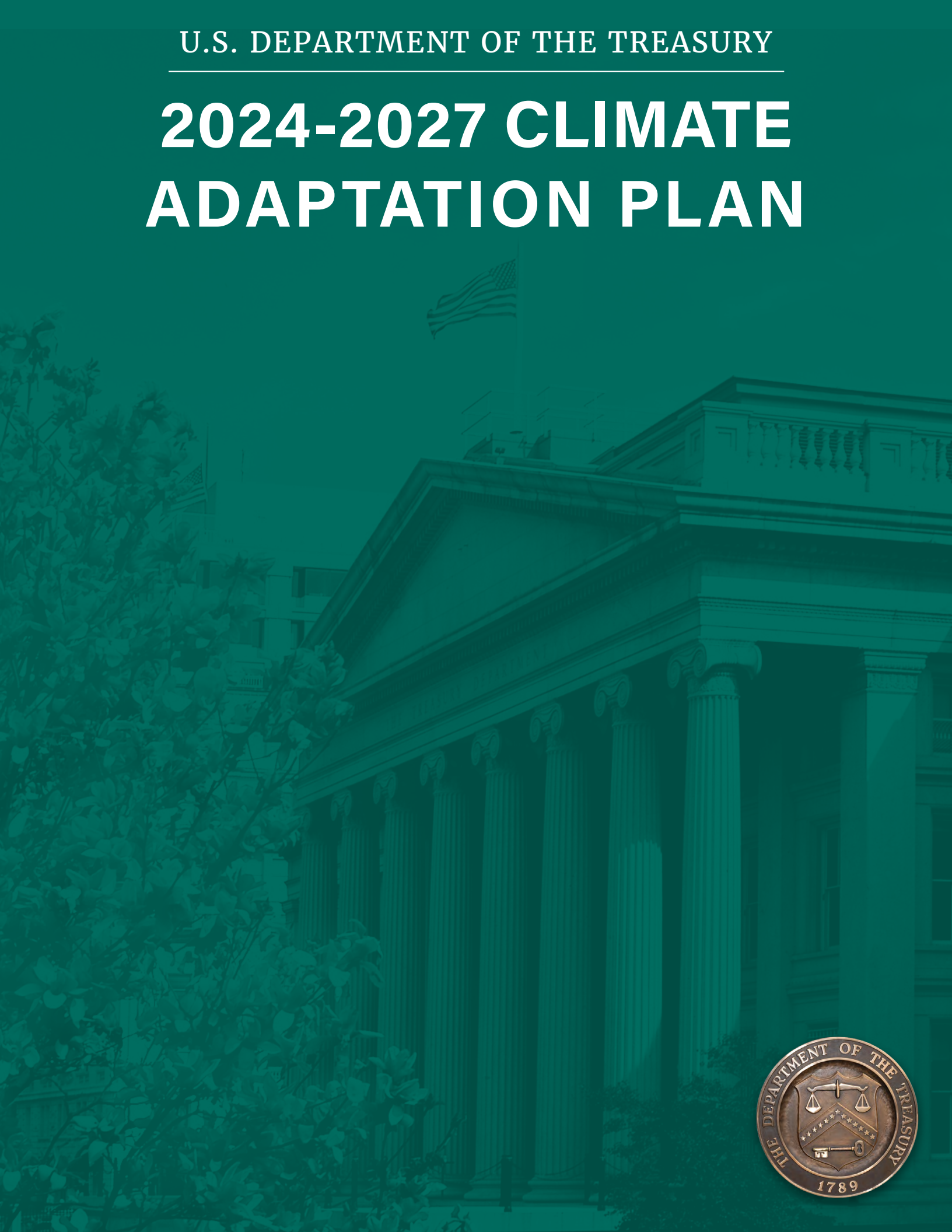
U.S. DEPARTMENT OF THE TREASURY

2024-2027 CLIMATE ADAPTATION PLAN



DEPARTMENT OF THE TREASURY

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Contents

Section 1: Agency Profile 1

Section 2: Risk Assessment 3

2A. Climate Hazard Exposures and Impacts Affecting Federal Buildings 4

Climate Hazard #1 – Extreme Heat 4

Climate Hazard #2 – Extreme Precipitation 5

Climate Hazard #3 – Sea level Rise 5

Climate Hazard #4 – Floodplains 5

Climate Hazard #5 – Wildfire 5

2B. Climate Hazard Exposures and Impacts Affecting Federal Employees 5

Climate Hazard #1 – Extreme Heat 6

Climate Hazard #2 – Extreme Precipitation 6

Climate Hazard #3 – Sea Level Rise 6

Climate Hazard #4 – Wildfire 6

2C. Climate Hazard Exposures and Impacts Affecting Mission, Operations and Services 7

Hazard #1 - Supply Chain Disruptions: 7

Hazard #2 - Real Property Management/Operations Resilience: 7

Hazard #3 - Telecommunications and data center failures: 7

Hazard #4 - Personnel exposures to climate hazards: 8

Section 3: Implementation Plan 9

3A. Addressing Climate Hazard Impacts and Exposure 9

3B. Climate-Resilient Operations 12

3C. Climate-Smart Supply Chains and Procurement 15

3D. Climate Informed Funding to External Parties 16

3E. Climate Training and Capacity Building for a Climate Informed Workforce 18

3F. Summary of Major Milestones 19

Section 4: Demonstrating Progress 21

4A. Measuring progress 21

4B. Adaptation in Action 22

Appendix A: Risk Assessment Data 24

Section 1: Agency Profile

Mission

The U.S. Department of the Treasury's mission is to maintain a strong economy and create economic and job opportunities by promoting the conditions that enable economic growth and stability at home and abroad, strengthen national security by combating threats and protecting the integrity of the financial system, and manage the U.S. Government's finances and resources effectively.

Adaptation Plan Scope

The Alcohol and Tobacco Tax and Trade Bureau (TTB)	Departmental Offices (DO)	The Special Inspector General for Pandemic Recovery (SIGPR)
The Bureau of Engraving and Printing (BEP)	The Financial Crimes Enforcement Network (FinCEN)	The Treasury Inspector General for Tax Administration (TIGTA)
The Bureau of the Fiscal Service	The Internal Revenue Service (IRS)	The U.S. Mint
	The Office of the Comptroller of the Currency (OCC)	

Agency Climate Adaptation Official	**Rob Coffman**, *Acting Deputy Assistant Secretary for Treasury Operations* Departmental Offices
Agency Chief Risk Officer	**Lenora Stiles**, *Chief Risk Officer* Departmental Offices
Point of Public Contact for Environmental Justice	**Kaitlin Dickinson**, *Climate Change and Sustainability Specialist* Departmental Offices
# of Treasury Employees	104,490 federal employees | 2,608 contractors *(FY23 Treasury Space Inventory)*
Total Budget	$14,319,001,000 FY22 Enacted (Pub. L. 117-103) $14,220,782,000 FY23 Enacted Pub. L. 117-328) $14,197,873,000 FY24 Enacted (Pub. L. 118-47) $14.4 billion FY25 President's Budget
Key Areas of Climate Adaptation Effort	Rebuilding Program Capability, Operations, Real Property, Management of Procurement, and Financial Investments

Owned Buildings

11 owned buildings of **4,511,488** square feet
(FY23 Treasury Space Inventory)

Leased Buildings

796 delegated or leased buildings of **27,028,460** square feet
(FY23 Treasury Space Inventory)

Federal Lands and Waters

271
acres managed
(FY23 Treasury Space Inventory)

Overview

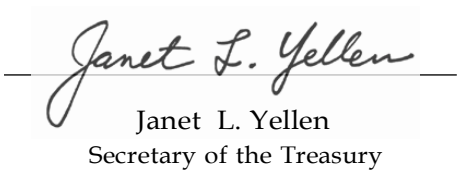
This plan was prepared in accordance with guidance for Federal climate adaptation planning from the White House Council on Environmental Quality (CEQ). The information presented here aligns with adaptation and resilience requirements in section 211 of Executive Order (E.O.) 14008 Tackling the Climate Crisis at Home and Abroad, section 5(d) of E.O. 14030 Climate-Related Financial Risk, and section 503 of E.O. 14057 Catalyzing Clean Energy Industries and Jobs Through Federal Sustainability. Treasury's Climate Adaptation Plan builds on a strong foundation from its 2021 Climate Action Plan, where Treasury identified five priority climate adaptation action areas: *Rebuilding Program Capability, Operations, Real Property, Management of Procurement, and Financial Investments*. The U.S. Department of the Treasury (Treasury) is the executive agency responsible for promoting economic prosperity, creating job opportunities, and ensuring the financial stability of the United States. Treasury is responsible for a wide range of activities, including advising the President on economic issues, encouraging sustainable economic growth, and overseeing financial institutions.

Climate hazards such as sea level rise, heat waves, drought, and intense storms have escalated significantly over recent years and will continue to do so in the coming decades. Adjusted for inflation, the United States now experiences a billion-dollar disaster every three weeks on average, compared to once every four months during the 1980s.[1]

Treasury recognizes that climate change poses an immediate threat to the United States and the Department's mission and is taking steps to adapt and prepare for future changes to protect our operations and workforce and preserve the nation's economic strength. This will include a comprehensive, collaborative approach that incorporates evolving knowledge and changing conditions into facility operations and programs. As a result, the Department will remain agile and continuously refine its approach by integrating new technologies, best practices, and designs into operations, construction, planning, and maintenance.

Through its Climate Adaptation Plan, the Department is also able to advance environmental justice as part of its mission, consistent with Executive Order 14008 and with EO 14096 on *Revitalizing Our Nation's Commitment to Environmental Justice for All*. As the Department implements its Climate Adaptation Plan to increase the resilience of its facilities and operations, the agency shall use its best efforts to, as appropriate and consistent with applicable law: address disproportionate and adverse environmental and health effects (including risks) and hazards, including those related to climate change and cumulative impacts of environmental and other burdens on communities with environmental justice concerns; and, provide opportunities for the meaningful engagement of persons and communities with environmental justice concerns.

In addition, as a member of the White House Environmental Justice Interagency Council , the Department received recommendations on Climate Planning, Preparedness, Response, Recovery and Impacts from the White House Environmental Justice Advisory Council (WHEJAC). The report includes many recommendations that are relevant to the work of the Department. The Department is reviewing the recommendations and, as appropriate and to the maximum extent permitted by law, is taking steps to address the WHEJAC's recommendations.



Janet L. Yellen
Secretary of the Treasury

1 Jay, A.K., A.R. Crimmins, C.W. Avery, T.A. Dahl, R.S. Dodder, B.D. Hamlington, A. Lustig, K. Marvel, P.A. Méndez-Lazaro, M.S. Osler, A. Terando, E.S. Weeks, and A. Zycherman, 2023: Ch. 1. Overview: Understanding risks, impacts, and responses. In: *Fifth National Climate Assessment*. Crimmins, A.R., C.W. Avery, D.R. Easterling, K.E. Kunkel, B.C. Stewart, and T.K. Maycock, Eds. U.S. Global Change Research Program, Washington, DC, USA.

Section 2: Risk Assessment

Treasury used the Federal Climate Mapping for Resilience and Adaptation Application (Federal Mapping App)—which was developed for federal agencies by the White House Council on Environmental Quality (CEQ) and the National Oceanic and Atmospheric Administration (NOAA) to conduct a high-level screening of climate hazard exposure for federal personnel. The National Oceanic and Atmospheric Association's (NOAA) Climate Mapping for Resilience and Adaptation (CMRA) tool was used to determine climate hazard exposures for Treasury's owned and delegated buildings.

Treasury assessed the exposure of its buildings and employees to five climate hazards: extreme heat, extreme precipitation, sea level rise, flooding, and wildfire risk.

Climate Data Used in Agency Risk Assessment

Hazard	Description	Scenario	Geographic Coverage
Extreme Heat	Measured as whether an asset is projected to be exposed to an increased number of days with temperatures exceeding the 99th percentile of daily maximum temperatures (calculated annually), calculated with reference to 1976-2005. Data are from high-resolution, downscaled climate model projections based on the Localized Constructed Analogs (LOCA) dataset prepared for the 4th National Climate Assessment.	RCP 4.5	CONUS
		RCP 8.5	CONUS
Extreme Precipitation	Measured as whether an asset is projected to be exposed to an increased number of days with precipitation amounts exceeding the 99th percentile of daily maximum precipitation amounts (calculated annually), with reference to 1976-2005. Data are from high-resolution, downscaled climate model projections based on the LOCA dataset prepared for the 4th National Climate Assessment.	RCP 4.5	CONUS
		RCP 8.5	CONUS and AK
Sea Level Rise	Measured as whether an asset is within the inundation extents from NOAA Coastal Digital Elevation Models and the 2022 Interagency Sea Level Rise Technical Report. Intermediate and Intermediate-High sea level rise scenarios used as proxies for RCP 4.5 and 8.5, respectively.	RCP 4.5	CONUS and PR
		RCP 8.5	CONUS and PR
Wildfire Risk	Measured as whether an asset is in a location is rated as high, very high, or extreme risk based on the U.S. Forest Service Wildfire Risk to Potential Structures (a data product of Wildfire Risk to Communities), which estimates the likelihood of structures being lost to wildfire based on the probability of a fire occurring in a location and likely fire intensity. Data reflects wildfires and other major disturbances as of 2014.	Historical	All 50 States
Flooding	Measured as whether an asset is located within a 100-year floodplain (1% annual chance of flooding) or 500-year floodplain (0.2% annual chance of flooding), as mapped by the Federal Emergency Management Agency National Flood Hazard Layer.	Historical	All 50 States and PR

Exposure to extreme heat, extreme precipitation, and sea level rise were evaluated at mid- (2050) and late-century (2080) under two emissions scenarios, Representative Concentration Pathway (RCP) 4.5 and RCP 8.5. Exposure to flooding and wildfire risk were only evaluated for the present day due to data constraints.

Climate Scenarios Considered in Agency Risk Assessment

Summary Description from 5th National Climate Assessment		
RCP 8.5	Very High Scenario	Among the scenarios described in NCA5, RCP 8.5 reflects the highest range of carbon dioxide (CO2) emissions and no mitigation. Total annual global CO2 emissions in 2100 are quadruple emissions in 2000. Population growth in 2100 doubles from 2000. This scenario includes fossil fuel development.
RCP 4.5	Intermediate Scenario	This scenario reflects reductions in CO2 emissions from current levels. Total annual CO2 emissions in 2100 are 46% less than the year 2000. Mitigation efforts include expanded renewable energy compared to 2000.

Additional details about the data used in this assessment is provided in Appendix A.

2A. Climate Hazard Exposures and Impacts Affecting Federal Buildings

Indicators of Exposure of Buildings to Climate Hazards	RCP 4.5 2050	RCP 4.5 2080	RCP 8.5 2050	RCP 8.5 2080
Extreme Heat: Percent of buildings projected to be exposed to more days with temperatures exceeding the 99th percentile of daily maximum temperatures (calculated annually) from 1976-2005	100%	100%	100%	100%
Extreme Precipitation: Percent of buildings projected to be exposed to more days with precipitation amounts exceeding the 99th percentile of daily maximum precipitation amount (calculated annually) from 1976-2005	100%	100%	100%	100%
Sea Level Rise: Percent of buildings projected to be inundated by sea level rise	0%	0%	0%	0%
Wildfire: Percent of buildings at highest risk to wildfire	**High Risk: 0%**		**Very High Risk: 0%**	**Extreme Risk: 0%**
Flooding: Percent of buildings located within floodplains	**100- or 500- year floodplain: 5%**			

The Department of the Treasury's real property portfolio includes twenty owned and delegated buildings, alongside many leased buildings through the General Services Administration (GSA) across the United States. For the purposes of this Climate Adaptation Plan, climate hazard exposure was assessed for Treasury's twenty owned and delegated buildings only.

Climate Hazard #1 – Extreme Heat

All of Treasury's owned and delegated buildings are in areas projected to be exposed to more hot days, (an increase in the annual number of days with the maximum temperature greater than the 99th percentile), but the magnitude of increased temperatures is expected to vary regionally. For southern regions of the contiguous United States, temperatures of 90°F or above will be expected for at least half of the year by 2050. According to NOAA's CMRA tool, under the RCP 8.5 Scenario, Washington, DC will be subjected to an average of 75 days per year exceeding 90°F by mid-century, and 100 days per year by late-century compared to just 33 days per year historically. In the Midwest, the number of days with temperatures of 90 °F or above will double by midcentury compared to historical data. Extreme heat events may result in devastating cascading effects: increased demand for energy to cool buildings could put stress on the grid and leave sites vulnerable to power outages. Higher temperatures also lead to drought, which could affect Treasury's water supply. Increased heat will also increase the utility costs and energy demand of Treasury's buildings.

Climate Hazard #2 – Extreme Precipitation

Treasury's owned and delegated buildings will likely experience more frequent and intense heavy precipitation events in the coming decades. Precipitation changes are expected to differ across the country, with some regions receiving more and others receiving less. Depending on location, precipitation changes could lead to further climate variability and more frequent occurrence of events such as droughts or floods. Treasury's facilities—particularly in coastal areas—may be damaged by more intense high winds, flooding, or storm surges. Heavy precipitation can result in flooding that may block road access to Treasury's facilities. High winds, floods, and/or lightning can also disrupt the supplies of electric power to Treasury's facilities. Flood waters from extreme precipitation can be extremely damaging to facility infrastructure and can increase the everyday cost of operations. Although only 5% of Treasury's owned and delegated buildings are located within 100- or 500-year floodplains, changes in precipitation patterns with more intense storms of shorter duration will add stress to existing infrastructure and increase the likelihood of flooding across several regions.

Climate Hazard #3 – Sea level rise

None of Treasury's owned and delegated buildings are projected to be inundated by sea level rise.

Climate Hazard #4 – Floodplains

The Federal Emergency Management Agency (FEMA) describes 100-year floodplains as areas that have a 1% chance of flooding each year and 500-year floodplains as areas that have a 0.2% (or 1 in 500) chance of flooding within a given year.[2] Any area within a 100-year floodplain is considered to have high flood risk and those areas have at least a one-in-four chance of flooding during a 30-year period. Although floods near rivers and coastal areas are more common, floods are not limited to areas alongside bodies of water. Projected extreme precipitation events and poor drainage systems could put Treasury's buildings at risk of flood damage. Even though only 5% of Treasury's owned and delegated buildings are within 100 or 500-year floodplains, many other buildings are close to 100- or 500-year floodplains and may carry similar risk.

Climate Hazard #5 – Wildfire

None of Treasury's owned and delegated buildings are exposed to high, very high, or extreme wildfire risk. All of Treasury's buildings are exposed to either low or moderate wildfire risk.

2B. Climate Hazard Exposures and Impacts Affecting Federal Employees

Indicators of Exposure of Employees to Climate Hazards	RCP 4.5 2050	RCP 4.5 2080	RCP 8.5 2050	RCP 8.5 2080
Extreme Heat: Percent of employees duty-stationed in counties projected to be exposed to more days with temperatures exceeding the 99th percentile of daily maximum temperatures (calculated annually), from 1976-2005	100%	100%	100%	100%
Extreme Precipitation: Percent of employees duty-stationed in counties projected to be exposed to more days with precipitation amounts exceeding the 99th percentile of daily maximum precipitation amount (calculated annually), from 1976-2005	100%	100%	100%	100%
Sea Level Rise : Percent of employees duty-stationed in counties projected to be inundated by sea level rise	19%	34%	19%	37%
Wildfire: Percent of employees duty-stationed in counties at highest risk to wildfire	**High Risk: 15%**		**Very High Risk: 2.4%**	**Extreme Risk: 1.3%**

2 Federal Emergency Management Agency, "FEMA Dictionary," FEMA Directory.

The changing climate threatens the health and well-being of Treasury's workforce through increased severe weather, warmer temperatures, degradation of air and water quality, and sea level rise. It is imperative that Treasury pair climate adaptation measures with mitigation measures to ensure greenhouse gas emissions decrease and our buildings and personnel are safe from impending climate hazards.

Climate Hazard #1 – Extreme Heat

All of Treasury's workforce will be exposed to more hot days (an increase in the annual number of days with the maximum temperature greater than the 99th percentile), which can negatively affect employee health, safety, and well-being. The ranges and magnitudes of projected hazards increases between different emissions scenarios. In the RCP 4.5 mid-century scenario, 83% of Treasury's workforce is projected to see between a 300% to 599% increase in extreme heat days and none of our personnel is projected to see greater than a 1,500% increase in extreme heat days. However, in the RCP 8.5 late-century scenario, 83% of Treasury's personnel is projected to experience a 1,200% or greater increase in extreme heat days.

Climate Hazard #2 – Extreme Precipitation

All of Treasury's workforce will be exposed to more wet days (an increase in the annual number of days with the maximum precipitation greater than the 99th percentile) in each emissions scenario. Other complications may arise when extreme precipitation events occur, such as sewage overflows and power outages. When runoff from heavy precipitation exceeds the capacity of sewer systems, sewer overflow containing untreated sewage is released into local waterways, which could impact the quality of potable water used by Treasury's workforce. Power outages can occur for long periods of time following heavy precipitation and flooding, and disruptions in supply lines and transportation for employees is highly likely.

Climate Hazard #3 – Sea Level Rise

Even though none of Treasury's buildings are projected to be inundated by sea level rise, sea level rise is expected to affect Treasury's personnel, particularly on the coasts. The impacts of sea level rise may make working and getting to work more challenging for many Treasury personnel. By mid-century under RCP 4.5, 19% of Treasury's personnel will live in counties where sea level rise is projected to inundate at least some parts of their county, with 2% living in counties where sea level rise is projected to inundate greater than 15 square miles of their county. By late century under RCP 8.5, 37% of Treasury's personnel will live in counties where sea level rise is projected to inundate at least some parts of their county, with 10% living in counties where sea level rise is projected to inundate greater than 15 square miles of their county. Sea level rise can result in the loss of human life, threaten local water supplies with intruding salt water, and displace entire communities. Further, severe storms that occur in areas inundated by sea level rise are more likely to cause severe flooding. Sea level rise can affect Treasury's personnel safety, physical security, and emergency communications.

Climate Hazard #4 – Wildfire

While none of Treasury's owned and delegated facilities is in regions where wildfire risk is high, increased fire-related threats could affect the health and livelihoods of Treasury's workforce. According to the Federal Mapping tool, 15% of Treasury's workforce will be at high risk to wildfire, 2.4% will be at very high risk to wildfire, and 1.3% will be at extremely high risk to wildfire. Even for employees who reside and/or work far downwind from wildfires, poor air quality from the smoke can lead to respiratory ailments that may result in emergency department visits, hospital admissions, and deaths. Wildfires may also affect the power grid, communications, and local water supplies.

2C. Climate Hazard Exposures and Impacts Affecting Mission, Operations and Services

SUMMARY OF KEY CURRENT AND PROJECTED CLIMATE HAZARD IMPACTS AND EXPOSURES		
Area of Impact or Exposure	**Identified Climate Hazard**	**Description**
Supply chain disruptions for the U.S. Mint and BEP, Treasury's manufacturing Bureaus	Extreme heat, extreme precipitation, flooding	Drought from extreme heat may affect the accessibility to water that is needed for manufacturing processes. Extreme precipitation and flooding may cause production and transportation disruptions for needed chemicals and materials.
Real property management/ operations	Extreme heat, extreme precipitation, flooding	Extreme heat, extreme precipitation and flooding may lead to deteriorating infrastructure and an increased embodied carbon footprint to fix property damage. Day to day operations costs will likely increase due to infrastructure damage and utility costs.
Telecommunications and data center failures	Extreme heat, extreme precipitation, flooding	Power supply interruptions from grid failures may affect telecommunications and data centers.
Personnel exposures to climate hazards	Extreme heat, extreme precipitation, flooding, sea level rise, wildfire	Employee health, safety, and well-being, decreased employee productivity, and work interruptions are all concerns. Commuting to work may be difficult during extreme precipitation events and flooding. Telework may be impacted as residences are affected by climate hazards. Socioeconomic vulnerability amongst Treasury's workforce may increase climate hazard impacts.

Hazard #1 - Supply Chain Disruptions:

As the frequency and intensity of climate disasters increase throughout different parts of the country, governments and businesses may have to contend for the same limited resources. This can result in delays and supply chain disruptions for critical resources. Raw materials needed for BEP and the U.S. Mint manufacturing processes may be subjected to physical supply chain disruptions resulting from climate driven events or through economic shocks resulting in global ebbs and flows of demand of certain critical commodities.

Hazard #2 - Real Property Management/Operations Resilience:

More destructive and frequent climate hazards will exacerbate vulnerabilities to Treasury's facilities, especially to the Department's aging infrastructure. Major damages to Treasury's real property portfolio could prevent Treasury from upholding its mission, increase physical security threats, and affect employee well-being. Extreme heat can cause building materials to overheat, leading to building maintenance challenges. Warming will be accompanied by decreases in demand for heating energy and increases in demand for cooling energy. The latter will result in significant increases in electricity use and higher peak demand in most regions. Inland flooding caused by excessive rainfall overflowing local waterways can damage Treasury's infrastructure. Loss of power and other utilities for long periods of time could negatively impact Treasury's buildings. Day to day operations costs will likely increase due to infrastructure damage and utility costs.

Hazard #3 - Telecommunications and data center failures:

Extreme heat can drain the capacity of power grids and heighten the severity and frequency of blackouts. Decreased grid resilience during extreme weather events is likely to cause electricity outages, which could affect telecommunications and Treasury's data centers. Water infiltration and flooding could cause failure of below grade electrical systems.

Hazard #4 - Personnel exposures to climate hazards:

Projected climate hazards are likely to affect the safety of Treasury's workforce. Floods can cause power, water, and gas outages, all critical necessities for health and well-being. Inland flooding can harm or displace individuals in communities that are not equipped for such hazards. Much of the country's major transportation infrastructure systems are reaching the end of their lifespans. Failures of aging rail, roads, and bridges because of climate hazards can result in cascading consequences like human health impacts, commuting and emergency response delays, and access to critical goods and supplies. Climate disasters can also have severe mental health consequences for those affected.

Extreme heat and poor air quality can exacerbate preexisting chronic illnesses and health burdens and can disproportionately impact populations that already face inequitable health care access, decreased access to public services, and poorer health outcomes before, during, and after disasters. Environmental disasters disproportionately affect communities with environmental justice concerns, which can include low-income households, communities of color, the unhoused, and immigrant populations.[3] Climate change exacerbates the already existing inequalities experienced by racial and ethnic minority communities.[4] Limited air conditioning, blackouts, and threats to water supplies in the face of extreme heat events increases risk of severe dehydration, heat exhaustion, and heat stroke. Poor air quality brought on by extreme heat and/or wildfire smoke can elevate the risk of respiratory diseases. Indoor air quality can be impacted by wildfire smoke, water damage, and mold growth. Milder winters and summer heat extremes create the perfect conditions for the spread of diseases like Lyme and West Nile virus. Contaminated water supplies can result from droughts and floods, and cause illness amongst communities in affected regions.

3 EPA. 2021. Climate Change and Social Vulnerability in the United States: A Focus on Six Impacts. U.S. Environmental Protection Agency, EPA 430-R-21-003.

4 Hayden, M.H., P.J. Schramm, C.B. Beard, J.E. Bell, A.S. Bernstein, A. Bieniek-Tobasco, N. Cooley, M. Diuk-Wasser, Michael K. Dorsey, K.L. Ebi, K.C. Ernst, M.E. Gorris, P.D. Howe, A.S. Khan, C. Lefthand-Begay, J. Maldonado, S. Saha, F. Shafiei, A. Vaidyanathan, and O.V. Wilhelmi, 2023: Ch. 15. Human health. In: Fifth National Climate Assessment. Crimmins, A.R., C.W. Avery, D.R. Easterling, K.E. Kunkel, B.C. Stewart, and T.K. Maycock, Eds. U.S. Global Change Research Program, Washington, DC, USA.

Section 3: Implementation Plan

3A. Addressing Climate Hazard Impacts and Exposure

1. Addressing Climate Hazard Exposures and Impacts Affecting Federal Buildings

PRIORITIZED ACTIONS TO ADDRESS CLIMATE HAZARD EXPOSURES AND IMPACTS AFFECTING FEDERAL BUILDINGS (FY24–27)	
➢ ***Exposure to extreme heat is a national climate hazard that will impact 100% of Treasury's owned and delegated buildings.*** ➢ ***Exposure to extreme precipitation is a national climate hazard that will impact 100% of Treasury's owned and delegated buildings.*** ➢ ***100-year floodplains are national climate hazards that will impact 5% of Treasury's owned and delegated buildings.***	
Priority Action(s): Establish a Climate Change and Sustainability Office in DO's Treasury Operations office to centralize adaptation and resilience efforts across the enterprise and continually assess climate risks.	**FY24**
Priority Action(s): IRS will evaluate ESPCs at five of its facilities to improve building resilience and efficiency.	**FY24–25**
Priority Action(s): Use a climate-focused approach to develop and invest in green resilience processes across all aspects of Treasury's real property portfolio footprint to drawdown emissions and build adaptive capacity. Identify funding for building resilience and adaptation measures, such as the AFFECT grant program. As electric service agreements require renewal, Treasury will coordinate under Utility Lead Agency Initiatives where available to procure Carbon-Free Electricity (CFE) for energy resilience in the face of fossil fuel dependence. Develop Agency-wide climate resilience guidelines for new construction and modernization projects in line with OMB M-24-03. Invest in emergency facility systems (e.g., generators, cloud databases, remote data centers, floor controls, etc.) for sustaining operations. Equitably, safely, and justly relocate from climate-vulnerable facilities where adaptation efforts are not feasible to alternative resilient sites. Minimize real property footprint without compromising mission. Include climate resilience considerations in federal contracts related to infrastructure project planning, development and/or implementation.	**FY24–27**
Priority Action(s): Completion of BEP's new LEED certified facility with an on-site solar array.	**FY27**

The Bureaus in charge of maintaining Treasury's owned and delegated facilities are the Internal Revenue Service (IRS), U.S. Mint, Bureau of Engraving and Printing (BEP), the Bureau of Fiscal Service (BFS), and Departmental Offices (DO). Treasury has been actively developing and implementing adaptation actions within its real property portfolio for several years. Treasury's Climate Action Plan called on each Bureau to appoint a Climate Action Plan Lead to coordinate and execute Bureau-level Climate Action Plans (B-CAPs), which identified specific initiatives, implementation plans, and performance measures supporting adaptation and resilience efforts. Since 2021, the Bureaus have reduced climate vulnerability and risks across a range of functional areas. Some of their efforts are listed here:

- Climate adaptation and resilience measures are being incorporated into the design of BEP's new LEED Gold facility.
- IRS is ensuring climate risk factors and adaptation measures are considered during the overall assessment and decision-making process for a series of Energy Savings Performance Contracts (ESPCs).
- Solar panel arrays that will be able to generate 3.9 MWh and 2MWh of electricity at peak capacity have been planned for two of BEP's facilities, decreasing fossil fuel dependence and increasing energy resilience.

- Fiscal Services is increasing the deployment of Cloud infrastructures to house its data and systems, empowering resiliency through scalability, geographical location diversity, and better recovery times in case of climate-related disruptions.
- In FY23, DO onboarded a new Climate and Sustainability Specialist to provide further support needed to increase adaptation efforts across the enterprise and establish and expand Treasury's Climate Change and Sustainability Program Office.
- At the BEP facility in Texas where extreme heat is a concern, a reflective roof was installed in 2023 to increase energy efficiency and help maintain an optimal indoor environment during high heat days. The western wall at this facility was also reinforced to improve resilience against tornados and high winds.

Treasury recognizes that there is still more to be done to adapt our owned and delegated facilities to projected climate hazards across the country. Treasury aims to not just focus on actions that address current variability and recent extreme events as they occur, but on actions to prepare Treasury's buildings for future change and emergent threats. Treasury's Bureaus will take a proactive adaptation approach to preserve our facilities and the environment, protect capital, and safeguard the Treasury's mission. Where feasible and practical, Treasury will develop and invest in resilient systems, green infrastructure, and adaptive capabilities across all aspects of its real property portfolio.

Since most of Treasury's real property is leased through the General Service Administration (GSA), Treasury will continue to work with GSA to discuss and address the vulnerabilities to leased buildings. Treasury works with and ultimately relies upon GSA's promotion of their facility standards and "green lease" clauses to mitigate potential climate-based risks at the facility level. When selecting new facility sites, Treasury will work with GSA to consider climate hazards and seek to lease space in energy efficient buildings in accordance with Executive Order 14057. Findings from the Risk Assessment will be used to aid in the development of Treasury-specific climate actions for incorporation in real property policy, and in partnership with GSA, as necessary for leased space, or occupancy in GSA-owned and GSA-operated federal property.

Treasury's Climate Change and Sustainability Program Office will work with the Bureaus to reassess risks and the state of existing adaptation efforts as necessary and provide a corresponding update to Treasury's specific adaptation actions. The Treasury Operations Executive Council (TOEC), comprised of senior officials from each Bureau and the Deputy Assistant Secretary for Treasury Operations, is already in place to collaborate on best practices and utilize common efforts. Treasury's Chief Sustainability Officer (CSO) and the TOEC will lead and oversee all efforts to build upon Departmental and Bureau level programs that strengthen climate resilience and adaptative capabilities. Bureau Heads will ensure that individual Bureau level activities to rebuild and establish resilient programs and adaptation actions are consistent with this Climate Adaptation Plan. Treasury will collaborate and share information and best practices amongst its Bureaus and with other governmental agencies. The base timeline for specific actions will focus on a four-year period (FY 2024–2027) with Bureaus evaluating, monitoring, reporting on and adjusting their plans annually.

2. Addressing Climate Hazard Exposures and Impacts Affecting Federal Employees

PRIORITIZED ACTIONS TO ADDRESS CLIMATE HAZARD EXPOSURES AND IMPACTS AFFECTING FEDERAL EMPLOYEES (FY24–27)

Exposure to extreme heat is a national climate hazard that will impact 100% of Treasury's workforce.

Exposure to extreme precipitation is a national climate hazard that will impact 100% of Treasury's workforce.

Sea level rise will impact the employees who work on the coasts. Depending on the RCP, between 19% and 37% of Treasury's workforce will be impacted by sea level rise. 99% of Treasury's workforce live in a county that has a 100-year floodplain. 87% live in a county that has a 500-year floodplain.

Wildfire risk is a regional exposure, mostly in the western United States. 15% of Treasury's workforce lives in an area with a high risk to wildfire. 2.4% of Treasury's workforce lives in an area with a very high risk to wildfire. 1.3% of Treasury's workforce lives in an area with an extreme risk to wildfire.

Priority Action(s): Educate Treasury's workforce about programmatic and operational vulnerabilities created by climate change, and the policies in place at Treasury for climate action, resiliency, and adaptation.

Identify funding to hire more subject-matter experts throughout the Bureaus to collaborate on best practices, challenges, projects, and build agency.

Expand Treasury's Climate Change and Sustainability Program Office to ensure collaboration and communication between Bureaus and relevant offices such as Environmental, Health and Safety and Human Resources to address vulnerabilities to Treasury's personnel.

Reduce reliance on office spaces through increased utilization of teleworking and developing technology-based alternatives that reduce the need for traditional space-based requirements. **FY24–27**

Specific climate hazards and risks to Treasury's personnel vary across the nation, and include exposure to extreme heat, extreme precipitation, sea level rise, flooding, and wildfire. Treasury recognizes that personnel who are exposed to the same climate-related hazards may have varying sensitivity to those hazards and additional effects. Treasury will continue to ensure sound indoor air quality, thermal safety, and building resilience to protect personnel, particularly our most vulnerable employees, from health vulnerabilities such as heat-induced illness and respiratory ailments. When possible, HVAC systems will be on back-up or generator power to ensure occupant comfort and safety. Funding to implement these types of building resilience and adaptation measures, such as the AFFECT grant program, will be explored. Where adaptation efforts are not feasible, Treasury will equitably, safely, and justly relocate from climate-vulnerable facilities to alternative resilient sites.

Treasury will continue to explore resources to use for analyzing future exposure to climate-related hazards and resulting effects to our personnel. Treasury and its Bureaus maintain a Continuity of Operations Plan (COOP) which ensures the capability to continue the organization's essential functions during a wide range of potential emergencies. These plans are drafted and maintained to ensure safety of Treasury personnel and continuation of operations in case of catastrophic events. Treasury will explore the feasibility of addressing, establishing, and integrating specific climate risks into these plans or if necessary, establish a more effective means to improve resilience to the climate impacts to Bureau's personnel.

Treasury's Climate Literacy Working Group will ensure Treasury's workforce, particularly senior leadership, are educated about projected climate hazards and Treasury's adaptation policy. Increasing staff competencies and developing climate change subject-matter experts within the workforce will result in enhanced programmatic and operational resilience from climate change impacts.

3B. Climate-Resilient Operations

1. Accounting for Climate Risk in Planning and Decision Making

Treasury has taken several steps to integrate climate risk management into existing planning and decision-making processes. Combating Climate Change has been established as a major goal in Treasury's 2022-2026 Strategic Plan. One of the main objectives under this goal is to ensure Treasury's facilities, operations, and critical supply chains are resilient to impending climate hazards. The objective will be reached through a holistic approach that combines Treasury's ongoing sustainability program efforts with the adaptation and resilience efforts described in the Department of the Treasury's Climate Action Plan and this Climate Adaptation Plan.

Treasury has developed a framework that emphasizes stakeholder involvement in developing strategies to incorporate climate change risk into decision-making processes. The Climate Change and Sustainability Program Office at Treasury's Departmental Offices has established an operating structure to ensure long-term efficacy of climate adaptation and resilience strategies, establish goals and metrics, and evaluate progress systemically and continually with key stakeholders from Treasury's Operations Executive Council (TOEC) and Bureau Climate Action Plan (BCAP) Leads. TOEC serves as the oversight body responsible for development, implementation, monitoring, evaluation, and oversight for all aspects of the Treasury Climate Adaptation Plan across Treasury's Bureaus and Offices. BCAP Leads serve as Bureaus' Climate Action Champions, ensuring and coordinating the engagement and participation of key Bureau stakeholders (for Bureaus' real property portfolios, fleet, finance, procurement, strategic planning, etc.) Collaboration between these key groups ensures accurate and timely reporting on climate adaptation efforts, progress, and updates as required by the Treasury Climate Action Plan and the Treasury Strategic Plan.

While Treasury has made significant progress integrating climate risk management into existing planning and decision-making processes, efforts need to be scaled. Qualitative and quantitative climate risk analysis, particularly for Treasury's leased facilities that were not included in this Plan's risk assessment, needs to be incorporated more broadly to consider climate implications and project prioritization for all of Treasury's programs. Treasury and its Bureaus would benefit from more data analysts and subject matter experts who can understand, analyze, and use the data to propose and support policy decisions to ensure adoption of risk management alternatives across the Department. Treasury will assess further transformational frameworks and methods that would inherently incorporate climate risk exposure assessments into more planning and decision-making processes. If implemented, these frameworks will significantly increase the resiliency of its planning and operations (e.g., currency manufacturing, tax administration, disbursements and collections, law enforcement, asset management, fleet, etc.) and adaptive actions will be taken where feasible and practical.

2. Incorporating Climate Risk Assessment into Budget Planning

Treasury recognizes that higher up-front adaptation investments are needed to prevent exacerbated future climate risks. Treasury's 2022-2026 Strategic Plan includes a goal to invest in Bureaus' adaptation and resiliency efforts to address climate change impacts on operations and services. A vulnerability assessment that includes the potential costs associated with climate-related disruptions, alongside the costs associated with weatherization upgrades to facilities at the rough-order-of-magnitude (ROM) level is needed to inform Treasury's budget formulation.

Treasury is working on the identification and adoption of analytical practices that more fully integrate the costs and benefits of infrastructure resilience including potential co-benefits, such as climate mitigation and public health improvements, as well as avoided service disruption and damage in future disaster scenarios. In

accordance with DASMB's procedures, Treasury's Bureaus submit budget requests that include the necessary funds to address their climate adaptation and resilience actions. To date, Bureaus' yearly financial plans include costs related to climate and energy efficiency, such as space consolidation projects and electric vehicle fees. For the most part, budgeting for systems and equipment replacements is provided for in accordance with standard life cycle and operations and maintenance processes. Treasury's Bureaus will work to incorporate climate adaptation and resilience programs into planning and budgeting and make further investments that confront the climate crisis with a goal of reducing greenhouse gas emissions, decreasing energy needs, and making facilities and operations more resilient. Specific actions, milestones and metrics will be identified, developed, and implemented both at Treasury Headquarters and by Treasury Bureaus during FY24 through FY27.

3. Incorporating Climate Risk into Policy and Programs

Climate Adaptation and Resilience:

Started in April 2021, Treasury's Climate Hub was created to implement a coordinated climate policy strategy that uses the full force of the Treasury Department on domestic and international policymaking and leverages finance and financial risk mitigation to confront the threat of climate change. These actions will position the economy for strong and sustainable growth consistent with a net-zero emissions future. In its first two years, Treasury's Climate Hub has brought together the tools, capabilities, and expertise from across the Department – including from Domestic Finance, Economic Policy, International Affairs, and Tax Policy – to develop and advance a robust climate finance agenda. This includes implementation of the Inflation Reduction Act, the largest investment our nation has ever made in addressing climate change and building an inclusive clean energy economy. In addition, Treasury has also launched several important efforts to better assess climate-related risks to the economy.

In efforts to reach the goals in Treasury's 2022-2026 Strategic Plan and the 2021 Climate Action Plan, Treasury's Departmental Offices has developed a Climate Change and Sustainability Program Office to scale Treasury's ongoing climate adaptation and resilience efforts and strengthen climate adaptation policy. Treasury's sustainability-related directives, MOUs, planning documents, and other policies will be reviewed and updated to include language concerning climate adaptation and resilience, nature-based solutions, environmental justice, and the co-benefits of adaptation. Treasury's policies that could be/should be revised to include adaptation and resilience capabilities include:

- Treasury's Real Property Directive
- Treasury's Continuity of Operations Plan (COOP)
- Treasury's Environment, Energy and Sustainability Management Directive

This process will involve frequent communication and coordination with BCAP Leads, interagency leaders, the Deputy Assistant Secretary for Treasury Operations, the Federal Chief Sustainability Officer, and the staff of the Council on Environmental Quality to ensure alignment with Administration policy and reporting requirements, as policies are updated and refined.

Nature-Based Solutions:

Treasury currently has no policies that mention nature-based solutions, but Treasury's Climate Change and Sustainability Program Office will work with BCAP leads to implement nature-based solutions into appropriate policies.

Environmental Justice:

Treasury recognizes the importance of advancing environmental justice, while also expanding opportunities in the clean energy economy for workers and businesses in communities with environmental justice concerns. Treasury's 2023 Equity Action Plan includes environmental justice considerations to ensure Treasury services are available to support the needs of regions that are more prone to, and are negatively impacted by, the impacts from climate

change. One of the ways Treasury has done this is by ensuring benefits of the Inflation Reduction Act environmental programs, including those related to climate adaptation and resilience, reach communities with environmental justice concerns, including Tribal communities.

Treasury's Office of Gulf Coast Restoration (OGCR) administers two grant programs created by the RESTORE Act that were designed to rebuild the economy and ecosystems of the U.S. Gulf Coast. While the RESTORE Act does not use the terms "climate change" or "climate crisis," the Act set forth a wide range of eligible uses for these funds, many of which are directly or indirectly tied to building resilience in the face of climate risks. Many awarded projects are in, or directly benefit communities with environmental justice concerns. In this way, Treasury's RESTORE Act Program supports Executive Order 14057, which directs Federal agencies to increase "resilience to the impacts of climate change" and conserve "our lands, waters, and biodiversity."

By Fall 2024, Treasury will develop an Environmental Justice Strategic Plan pursuant to EO 14096 on *Revitalizing Our Nation's Commitment to Environmental Justic*e. Treasury plans to include environmental justice considerations for financial investment that aids in the development of the economy and infrastructure for communities or geographic areas that are disproportionally affected by climate change effects. The Climate Literacy Working Group is also focused on informing Treasury's workforce about environmental justice and its importance.

Tribal Nations:

Treasury and its Bureaus are committed to strengthening the government-to-government relationships between the United States and Tribal Nations. The Secretary's stated goals of addressing climate change, providing equitable economic opportunity for all people, addressing inequities within underserved communities, and advancing environmental justice all have important implications for Treasury's engagement with Tribal Nations. Treasury's Office of Tribal and Native Affairs was established in September of 2022, under the direction of Treasurer Chief Lynn Malerba, the first Native American to hold the position. The Office works across the Department and IRS offices to advise on economic and recovery programs, tax policies, and other policy matters that impact Tribal and Native communities. In December 2023, Secretary Yellen adopted Treasury Order 112-04 - Tribal Consultation and Coordination with Tribal Nations Policy. The Order establishes Treasury's revised Tribal consultation policy and outlines the guiding principles for all Treasury Bureaus and offices that engage with Tribal Governments on policies that have Tribal Implications.

Treasury recognizes that Tribal Nations are the original caretakers and stewards of the lands on which we now live. The Department has created policies and guidance to allow Tribes to utilize Treasury resources that best responds to their community's needs. For instance, Tribes on the coast in floodplain and tsunami zones are using pandemic relief funding to relocate and construct affordable housing at higher elevations, because of climate change. Additionally, Tribes may use Indigenous Traditional Ecological Knowledge and deploy State and Local Fiscal Recovery Funds (SLFRF) to provide assistance mitigating or averting the threat of a future natural disaster.

Treasury continues to engage with Indian Country on the Climate Adaptation Initiative. In 2023, Treasury hosted two roundtables related to Climate Justice – One on Treasury's Net-Zero Principles for Climate Finance and another on Climate Justice on the Inflation Reduction Act's Low-income Communities Bonus Credit Program. Senior Treasury and Administration officials, including the Treasury Secretary, Deputy Secretary, and the Treasurer, continue to travel to Indian Country to visit clean energy projects and investments made by Tribes. This enables the Department to learn more on the ground how Treasury can continue to listen and be a partner with Tribal Nations in combatting the effects of climate change.

Co-Benefits of Adaptation:

Treasury seeks to exploit synergies among various types of adaptation actions and their co-benefits. By enrolling in Energy Savings Performance Contracts (ESPCs) at several facilities, emissions will be greatly reduced, and

buildings will be retrofitted to be resilient to potential climate impacts. The potential co-benefits of adaptation actions to our facilities include economic development, preserving or expanding green space, protecting the health and well-being of our workforce, especially vulnerable employees, and reducing emissions. Treasury's sustainability policies will be reviewed and revised to integrate adaptation principles and identify co-benefits. Treasury's policies that could be/should be revised to include co-benefits of adaptation include:

- Treasury's Real Property Directive
- Treasury's Continuity of Operations Plan (COOP)
- Treasury's Environment, Energy and Sustainability Management Directive

3C. Climate-Smart Supply Chains and Procurement

At risk supplies/services: Security

Actions to Address Hazard(s): Treasury will review the feasibility of integrating specific climate-related risks into the overall Treasury's Continuity of Operations Plan (COOP), as well as other operation areas.

Progress Towards Addressing Hazard(s): Treasury's Continuity of Operations Plan includes emergency and business continuity plans that provides instruction for service disruption, regardless of reason for disruption.

At risk supplies/services: Utilities failures

Actions to Address Hazard(s): To the extent possible, critical equipment is often connected to redundant power supplies, so that if one power source component fails, it can be supplied from another.

Progress Towards Addressing Hazard(s): IRS data centers are typically equipped with access to Uninterruptible Power Supply (UPS) systems which provides short-term emergency power to allow time for employees to shut down critical equipment in the event of a power failure. ESPCs at 5 IRS facilities will explore geothermal, solar energy opportunities and redundant energy supply, as well as other means to increase the buildings resilience against utility power disruption. Many Bureaus have implemented generators to provide backup power at their facilities in the case a climate-related emergency cuts power. BEP's planned solar array at two of their facilities will assist with back-up generators to maintain operations in the event of an extended power outage.

At risk supplies/services: Chemicals and materials needed to produce printed currency at the Bureau of Engraving and Printing

Actions to Address Hazard(s): As the demand for nickel increases due to an increase in electric vehicle demand, the BEP is at risk of supply shortages which would curtail the ability to make plates and meet the print order. To address this, BEP is working on phasing out need for nickel and chrome in the plate making process. The new BEP facility will be designed to adapt the manufacturing process against climate risks.

Progress Towards Addressing Hazard(s): To ensure proper supply of notes available to meet the print order, BEP reclaims notes that would have been otherwise lost to production waste. A chemical resilience center was completed in 2023 at the Texas facility to ensure that single-source chemicals are used efficiently during unplanned shortages. To reduce demand for chemicals and metals and to prepare for potential supply disruptions, chemical etching has been replaced by laser engraving in certain production processes. BEP recycles solvents that are essential for production to reduce potential for solvent shortages.

At risk supplies/services: Materials needed for currency production at U.S. Mint facilities

Actions to Address Hazard(s): Mint will work collaboratively with the Federal Reserve Bank to develop plans around building a contingency stock that could cover potential production delays due to climate related weather events or supply chain disruptions. Mint will explore whether the current contingency of operation plan is sufficient based on the data included in this CAP's risk assessment.

Progress Towards Addressing Hazard(s): The U.S. Mint has a raw material and supply inventory based on the production of 7 billion coins per plant, per year.

The resilience of Treasury's supply chains, particularly for Treasury's manufacturing Bureaus, is critical to our country's financial security and to the function of the world economy. Extreme climate events and power outages pose risk to U.S. Mint's and BEP's production facilities. If the availability of currency were to be interrupted by disruptions to manufacturing and transportation of critical supply chain materials, this could result in considerable international disruption. Both Mint and BEP have implemented projects and contingency plans to address supply chain vulnerabilities. The BEP's Office of Strategic Project Management continually works with the Senior Executive Team to improve supply chain management in the face of disruptions, including those resulting from climate hazards. Mint hosts a monthly Safety Management Steering Meeting to ensure the raw material and supply inventory is sufficient in the face of the supply chain disruptions from the climate hazards identified in this CAP's risk assessment.

Treasury's Office of the Procurement Executive (OPE) has engaged with leadership and stakeholders across the enterprise to address procurement-related climate risk, including risk to procurement processes and critical supply chains. OPE has developed an information page on Treasury's internal SharePoint site that provides resources for building climate considerations into requirements development for program managers and acquisition professionals. IRS has worked with OPE to review and modify key procurement policy and guidance including the Department of Treasury Acquisition Plan (DTAP) to ensure an adequate and appropriate supply of climate resilient sources for goods and services. Treasury has established standard climate change prioritizing language and utilization of social impact criteria for all Treasury contracts in accordance with updates to the Federal Acquisition Regulation (FAR), as well as ongoing adaptation and updates to GSA Advantage supply chain. Treasury's Environment, Health, and Safety (EHS) Review Program ensures that each procurement action and purchase card transaction that meets the criteria is reviewed for federal greening policy compliance.

Treasury's Continuity of Operations Plan (COOP) includes emergency and business continuity plans that provides instruction for service disruption, regardless of reason for disruption. DO's Climate Change and Sustainability Program Office will work with the Bureaus to continue to further assess climate hazard risk to critical supplies and services and review the feasibility of integrating specific climate related risks into the overall COOP, as well as other operation areas. A lack of subject-matter expertise for prioritizing climate change considerations in purchasing decisions has been identified as an area of improvement by OPE. In accordance with Treasury's Strategic Plan, DO's Climate Change and Sustainability Program Office will work directly with OPE to provide program managers and acquisition professionals with further resources on sustainable procurement policies and practices, and review Treasury requirements for opportunities to leverage strategic sourcing initiatives and Treasury-wide acquisition strategies that support climate adaptation, resilience, and environmental justice. Treasury will continue to identify and address Bureau-level climate vulnerabilities and risks to ensure Treasury's critical supply chains are resilient to climate hazards. Treasury will also continue to encourage procurement policies and processes to consistently prioritize climate change considerations in purchasing decisions, including supporting disadvantaged communities and sources that are more heavily impacted by climate change and ensuring procurement processes that prioritize low embodied carbon products and environmental justice considerations.

3D. Climate Informed Funding to External Parties

The Office of Gulf Coast Restoration (OGCR) within Treasury administers two grant programs that resulted from the 2012 RESTORE Act. OGCR funds a wide variety of projects that help build a more resilient Gulf Coast in the face of climate risks, including improvements to coastal flood protection systems through construction of levees; restoration of beach, dune, marsh, and other sensitive ecosystems which have been directly denigrated due to unprecedented sea level rise; dredging of rivers which serve as the first line of defense to protect homes and people's livelihoods against rising tides and hurricanes; and funding research to develop monitoring, early detection and alert public systems for vulnerable coastal populations.

The Inflation Reduction Act of 2022 (IRA) represents the most significant legislation to combat climate change in the history of the United States. The IRA provides funding in the form of tax incentives for investments in clean energy, good-paying jobs, home improvements and resilience measures, and clean and equitable solutions to benefit our most vulnerable communities. Treasury is responsible for developing guidance to implement the IRA's tax provisions to ensure the effectiveness of the legislation.

As the United States takes urgent action to rapidly cut emissions fueling the climate crisis, we also need to strengthen our adaptation efforts to the unavoidable impacts. By providing greener, updated infrastructure, the IRA's investments in renewable energy projects throughout the country open adaptation pathways that also promote emissions mitigation. The IRA's tax credits are deliberately broad to encourage investment across a range of clean energy solutions. Renewable energy infrastructure improves the electricity grid's resilience and reliability in the face of climate impacts.

When households need to replace appliances or make home repairs, they can use tax credits provided by the IRA for energy efficient improvements that will save them money and mitigate emissions. These efficiency improvements include upgraded windows, doors, insulation, and other home weatherization services, as well as high-efficient heating and cooling appliances like electric heat pumps, central air conditioners, and water heaters. A credit is also offered for a home energy audit conducted by an inspector to help determine the best home improvement options. Tax credits also cover up to 30 percent of the costs of installing rooftop solar and battery storage. Home builders who construct, reconstruct, or rehabilitate energy efficient homes can receive a tax credit of up to $5,000 per home. These improvements can help residents build resilience to the projected increase in extreme climate events.

The IRA promotes economic opportunity for communities with environmental justice concerns. Investments in clean energy, electric vehicles, and batteries are concentrated in relatively disadvantaged communities with lower wages, lower college graduation rates, and lower employment rates. Clean investments have grown meaningfully since the IRA was enacted, especially in "energy communities," areas sited near harmful fossil fuel industries or brownfields, where clean industry potential exists but opportunity has been scarce. The IRA's prevailing wage and registered apprenticeship requirements ensure that clean energy jobs are good-paying jobs and that the United States is building a robust, diverse pipeline of workers. The IRA includes important place-based bonuses for locating certain clean energy generation investments in low-income and high-unemployment areas to increase access to cheaper, clean energy and benefit individuals and communities that have experienced adverse health or environmental effects. The IRA also provides incentives for investment in affordable and reliable clean energy in rural areas and on Tribal land.

3E. Climate Training and Capacity Building for a Climate Informed Workforce

Training and Capacity Building	
Agency Climate Training Efforts	Treasury's Bureaus required their employees whose duties involve facilities, fleet management, operations, procurement, budget/finance, and legal support, to receive a Climate 101 training. As of end of 2023, a total of 2,200 employees have taken a 60+ minute introductory climate training course, which is 100% of the target audience.
	100% of senior leadership have completed a Climate 101 training.
	100% of budget officials have completed a Climate 101 training.
	100% of acquisition officials have completed a Climate 101 training.
	Treasury has established a Climate Literacy Working Group (CLWG) with members throughout the Bureaus to fortify a climate literacy program. In FY24, CLWG has organized a monthly Climate Literacy Webinar Series featuring speakers from internal and external stakeholders on a variety of topics relevant to Treasury's mission and how it relates to climate change. CLWG is seeking to engage with Treasury's workforce to educate them on the climate crisis and ways in which their work can be part of the climate solution.
Agency Capacity	There is 1 full time Federal staff (FTE) across the agency that has tasks relevant to climate adaptation in their job description.

Treasury has assembled a Climate Literacy Working Group (CLWG) with team members from throughout the Bureaus and Departmental Offices. CLWG worked with the National Oceanic and Atmospheric Administration (NOAA) to develop Treasury's first learning product, beginning with a lunch and learn Climate Change 101 presentation delivered by a climate expert from NOAA to Treasury executives, which was recorded on video. This video was then adapted for broader presentation to various target audiences comprised of operational staff, in accordance with Treasury's 2021 Climate Action Plan. The presentation has been posted on the Treasury-wide Integrated Talent Management (ITM) system and is available to all Treasury staff, along with other training products. Additionally, the U.S. Mint and the Bureau of Engraving and Printing (BEP) developed a separate, specialized Climate Focused Management training presentation for their employees. Mint and BEP are currently developing a second part of their Climate Focused Management training, which is anticipated to be released in early FY24. Treasury's Bureaus required their employees whose duties involve facilities, fleet management, operations, procurement, budget/finance, and legal support, to ensure that they receive the presentations. As of the end of FY23, a total of 325 employees across Treasury have viewed the Climate 101 presentation and 1,875 BEP and Mint employees have viewed the Climate Focused Management presentation.

Treasury's CLWG also developed a Climate Action and Sustainability webpage containing resources for Treasury employees to learn about the climate crisis through IRS' and Main Treasury's internal sites. The webpage contains information on the science behind climate change, environmental justice, energy and water conservation, waste reduction, and resources for employees to learn more about the climate crisis. The webpage will continue to be updated to reflect advancements in our understanding of climate science, our capacity for resilience and adaptation, the impacts of climate change, and national and global climate policy.

Treasury recognizes the importance of fostering a well-versed and educated workforce to create meaningful climate action. Management functions with a high potential to positively impact climate resilience and adaptation within the Department were prioritized early through the Climate 101 and Climate Focused Management trainings. Treasury's CLWG is continuously working on additional training and educational products to create a highly literate workforce capable of developing policy, guidance, procedure, and processes that encourage climate resilience and expand adaptive ability. CLWG proposed a theme of "Literacy and Empowerment" for its efforts in FY24 and has organized a monthly Climate Literacy Webinar Series featuring presentations from internal and external subject-

matter experts on a variety of topics relevant to Treasury's mission and how it relates to climate change. Employees from throughout the Bureaus are invited to these webinars, and they are recorded and put on internal sites as resources for Treasury's workforce. Treasury also organized an inaugural Earth Week celebration in FY24, which included a panel discussion about the progress that Treasury and the Federal Government have made to combat the climate crisis, daily online presentations from subject-matter experts, and several in-person events for those in the Washington DC area, including a group bike ride and a trash cleanup. Additional training and products to educate Treasury's workforce about programmatic and operational vulnerabilities created by climate change, and the policies in place at Treasury for climate action, resiliency, and adaptation will be identified, developed, and implemented by the CLWG with Treasury executive guidance from FY24 through FY27.

3F. Summary of Major Milestones

3A, Subsection 1. Addressing Climate Hazard Impacts on and Exposures to Federal Buildings

FY24: Establish a Climate Change and Sustainability Office in DO's Treasury Operations office to centralize adaptation and resilience efforts across the enterprise and continually assess climate risks.

FY24-FY25: IRS will evaluate ESPCs at five of its facilities to improve building resilience and efficiency.

FY24-FY27: Use a climate-focused approach to develop and invest in green resilience processes across all aspects of Treasury's real property portfolio footprint to drawdown emissions and build adaptive capacity.

Identify funding for building resilience and adaptation measures, such as the AFFECT grant program.

As electric service agreements require renewal, Treasury will coordinate under Utility Lead Agency Initiatives where available to procure Carbon-Free Electricity (CFE) for energy resilience in the face of fossil fuel dependence.

Develop Agency-wide climate resilience guidelines for new construction and modernization projects in line with OMB M-24-03.

Invest in emergency facility systems (e.g., generators, cloud databases, remote data centers, floor controls, etc.) for sustaining operations.

Equitably, safely, and justly relocate from climate-vulnerable facilities where adaptation efforts are not feasible to alternative resilient sites.

Minimize real property footprint without compromising mission.

Include climate resilience considerations in federal contracts related to infrastructure project planning, development and/or implementation.

FY27: Completion of BEP's new LEED certified facility with an on-site solar array.

Indicators for success: Emissions and monetary savings from building resilience projects, reduction of real property footprint, and CFE procurement.

Climate Risk Addressed: **All**

3A, Subsection 2. Addressing Climate Hazard Impacts on and Exposures to Federal Employees

FY24-FY27: Educate Treasury's workforce about programmatic and operational vulnerabilities created by climate change, and the policies in place at Treasury for climate action, resiliency, and adaptation.

Identify funding to hire more subject-matter experts throughout the Bureaus to collaborate on best practices, challenges, projects, and build agency.

Expand Treasury's Climate Change and Sustainability Program Office to ensure collaboration and communication between Bureaus and relevant offices such as Environmental, Health and Safety and Human Resources to address vulnerabilities to Treasury's personnel.

Reduce reliance on office spaces through increased utilization of teleworking and developing technology-based alternatives that reduce the need for traditional space-based requirements.

Indicators for success: Surveys will be given to assess the effectiveness of the climate literacy programs and initiatives.

Climate Risk Addressed: **All**

3B. Subsection 1. Accounting for Climate Risk in Planning and Decision Making

FY24-FY27: Scale efforts to integrate climate risk management into existing planning and decision-making processes.

Indicators for success: Emissions and monetary savings from building resilience projects, reduction of real property footprint, and CFE procurement.

Climate Risk Addressed: **All**

3B. Subsection 2. Incorporating Climate Risk Assessment into Budget Planning

FY24-FY27: Identify financial investment opportunities for adaptation and resilience measures and subject-matter expertise.

Indicators for success: Monetary investment in adaptation and resilience measures and hiring of personnel with expertise in climate adaptation and mitigation strategy.

Climate Risk Addressed: **All**

3B. Subsection 3. Incorporating Climate Risk into Policy and Programs

FY24-FY27: Review and revise policies, directives, and programs to incorporate climate risk, adaptation, environmental justice, resilience, and nature-based solutions.

Indicators for success: Number of policies and programs reviewed and revised.

Climate Risk Addressed: **All**

3C. Climate-Smart Supply Chains and Procurement

FY24-FY27: DO's Climate Change and Sustainability Program Office will work directly with OPE to provide program managers and acquisition professionals with further resources on sustainable procurement policies and practices, and review Treasury requirements for opportunities to leverage strategic sourcing initiatives and Treasury-wide acquisition strategies that support climate adaptation and resilience.

Indicators for success: Number of program managers and acquisition professionals provided with resources. Number of Treasury requirements reviewed to implement climate adaptation and resilience opportunities.

Climate Risk Addressed: **All**

3E . Climate Training and Capacity Building for a Climate Informed Workforce

FY24-FY25: Monthly Climate Literacy Webinar Series and Earth Week.

FY24-FY27: Additional training and products to educate Treasury's workforce about programmatic and operational vulnerabilities created by climate change, and the policies in place at Treasury for climate action, resiliency, and adaptation.

Indicators for success: Surveys will be given to assess the effectiveness of the climate literacy programs and initiatives.

Climate Risk Addressed: **All**

Section 4: Demonstrating Progress

4A. Measuring progress

Key Performance Indicator: Climate adaptation and resilience objectives and performance measures are incorporated in agency program planning and budgeting by 2027.

Section of the CAP	Process Metric	Agency Response
3A –Addressing Climate Hazard Impacts and Exposure	Step 1: Agency has an implementation plan for 2024 that connects climate hazard impacts and exposures to discrete actions that must be taken. (Y/N/Partially)	Step 1: Partially
	Step 2: Agency has a list of discrete actions that will be taken through 2027 as part of their implementation plan. (Y/N/Partially)	Step 2: Yes
3B.1 – Accounting for Climate Risk in Decision-making	Agency has an established method of including results of climate hazard risk exposure assessments into planning and decision-making processes. (Y/N/Partially)	Partially
3B.2 –Incorporating Climate Risk Assessment into Budget Planning	Agency has an agency-wide process and/or tools that incorporate climate risk into planning and budget decisions. (Y/N/Partially)	Partially
3D – Climate Informed Funding to External Parties	Step 1: By July 2025, agency will identify grants that can include consideration and/or evaluation of climate risk.	Step 1: Yes
	Step 2: Agency modernizes all applicable funding announcements/ grants to include a requirement for the grantee to consider climate hazard exposures. (Y/N/Partially)	Step 2: Partially

Key Performance Indicator: Data management systems and analytical tools are updated to incorporate relevant climate change information by 2027.

Section of the CAP	Process Metric	Agency Response
3A –Addressing Climate Hazard Impacts and Exposure	Agency has identified the information systems that need to incorporate climate change data and information, and will incorporate climate change information into those systems by 2027. (Y/N/Partially)	No

Key Performance Indicator: Agency CAPs address multiple climate hazard impacts and other stressors, and demonstrate nature-based solutions, equitable approaches, and mitigation co-benefits to adaptation and resilience objectives.

Section of the CAP	Process Metric	Agency Response
3B.3 –Incorporating Climate Risk into Policy and Programs	By July 2025, 100% of climate adaptation and resilience policies have been reviewed and revised to (as relevant) incorporate nature-based solutions, mitigation co-benefits, and equity principles. (Y/N/Partially)	Yes

Key Performance Indicator: Federal assets and supply chains are evaluated for risk to climate hazards and other stressors through existing protocols and/or the development of new protocols; response protocols for extreme events are updated by 2027.

Section of the CAP	Process Metric	Agency Response
3C – Climate- Smart Supply Chains and Procurement	Step 1: Agency has assessed climate exposure to its top 5 most mission-critical supply chains. (Y/N/Partially)	Step 1: Yes
	Step 2: By July 2026, agency has assessed services and established a plan for addressing/overcoming disruption from climate hazards. (Y/N/ Partially)	Step 2: Yes
	Agency has identified priorities, developed strategies, and established goals based on the assessment of climate hazard risks to critical supplies and services. (Y/N/Partially)	Yes
Key Performance Indicator: By 2027, agency staff are trained in climate adaptation and resilience and related agency protocols and procedures.		
Section of the CAP	**Process Metric**	**Agency Response**
3E – Climate Training and Capacity Building for a Climate Informed Workforce	Step 1: By December 2024 100% of agency leadership have been briefed on current agency climate adaptation efforts and actions outlined in their 2024 CAP. (Y/N/Partially)	Step 1: Yes
	Step 2: Does the agency have a Climate 101 training for your workforce? (Y/N/Partially) If yes, what percent of staff have completed the training?	Step 2: Yes. 100% of target audience has completed the training.
	Step 3: By July 2025, 100 % employees have completed climate 101 trainings. (Y/N/Partially)	Step 3: Yes

4B. Adaptation in Action

Further achievements toward building resilience and adapting to climate risks that have been established through Treasury's initial 2021 CAP are listed below:

- BEP intends to have Contracting Officers, Contracting Officers' Representatives, and Program Managers utilize CEQ's "Guiding Principles for Sustainable Federal Buildings" for future design and new construction projects that are greater than 25,000 gross square feet.
- Questions pertaining to the "Guiding Principles for Sustainable Federal Buildings" will be incorporated into the U.S. Mint's Management Acquisition Plan.
- In 2024, BEP is planning to add water pumps to the basement at their DC facility to remove rainwater that collects after heavy rainfall.
- BEP integrated a climate risk assessment into their Enterprise Risk Management System in FY22.
- IRS operations in Puerto Rico are being fortified through new infrastructure investments in facilities designed to withstand severe weather events.

Several challenges for increasing Treasury's adaptive capacity have been identified as barriers to action. There is currently a significant lack of personnel across the agency that have tasks relevant to climate adaptation in their job description. A centralized Climate and Sustainability Program Office at DO and the hiring of more personnel with subject-matter expertise throughout the Bureaus are needed to foster a culture of sustainability at Treasury.

More educational materials need to be developed for Treasury's workforce to learn how climate change impacts Treasury's mission and their daily work. Another major challenge is that Treasury relies on GSA and other lessors for "green lease" clauses to mitigate potential climate-based risks at the facility level for more than 97% of our real property. Therefore, Treasury does not have much control over implementation of building adaptation and resilience measures like retrofits or electrification at our leased facilities.

Appendix A: Risk Assessment Data

The Federal Mapping App uses the following data:

Buildings

Buildings data comes from the publicly available Federal Real Property Profile (FRPP). The General Services Administration (GSA) maintains FRPP data and federal agencies are responsible for submitting detailed asset-level data to GSA on an annual basis. Although FRPP data is limited—for example, not all agencies submit complete asset-level data to GSA, building locations are denoted by a single point and do not represent the entirety of a structure or could represent multiple structures, and properties may be excluded on the basis of national security determinations— it is the best available public dataset for federal real property. Despite these limitations, this data is sufficient for screening-level exposure assessments to provide a sense of potential exposure of federal buildings to climate hazards.

Personnel

Personnel data comes from the Office of Personnel Management's (OPM) non-public dataset of all personnel employed by the federal government that was provided in 2023. The data contains a number of adjustments, including exclusion of military or intelligence agency personnel, aggregation of personnel data to the county level, and suppression of personnel data for duty stations of less than 5 personnel. Despite these adjustments, this data is still useful for screening-level exposure assessments to provide a sense of key areas of climate hazard exposure for agency personnel.

Climate Hazards

The climate data used in the risk assessment comes from the data in Climate Mapping for Resilience and Adaptation (CMRA) Assessment Tool. When agency climate adaptation plans were initiated in 2023, CMRA data included climate data prepared for NCA4. Additional details on this data can be found on the CMRA Assessment Tool Data Sources page. Due to limited data availability, exposure analyses using the Federal Mapping App are largely limited to the contiguous United States (CONUS). Additional information regarding Alaska, Hawai'i, U.S. Territories, and marine environments has been included as available.

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1789