

Cross Agency Priority Goal

Quarterly Progress Update

Climate Change (Federal Actions)

Federal Government Energy Consumption and Energy Efficiency

Goal Leaders:

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FY2015 Quarter 4

Executive Order 13693: On March 19, 2015, President Obama issued [Executive Order 13693](#) (EO), which will extend and expand these cross-agency priority goals beginning in FY2016 (see slide 14 for more details).

Goal Statement (pre-EO 13693)

More than double federal government consumption of electricity from renewable sources to 20% by 2020 and improve energy efficiency at federal facilities including \$4 billion in performance contracts by the end of 2016 as part of the wider strategy to reduce the federal government's direct greenhouse gas emissions by 28 percent and indirect greenhouse gas emissions by 13 percent by 2020 (2008 baseline).

Urgency (pre-EO 13693)

- In 2010, President Obama announced a federal government-wide target of a 28 percent reduction by 2020 in direct Greenhouse Gas (GHG) emissions, such as those from fuels and building energy use, and a target 13 percent reduction by 2020 in indirect GHG emissions.
- On December 5, 2013 President Obama signed a Presidential Memorandum directing the federal government to consume at least 20 percent of its electricity from renewable sources by 2020.
- In May 2014, President Obama challenged federal agencies to enter into an additional \$2 billion in performance contracts for building energy efficiency for a total commitment of \$4 billion worth of performance contracts by the end of 2016.

Vision

- The U.S. government must lead by example. Experience shows that reductions in GHG emissions and increased consumption of renewable energy are both possible while continuing to deliver the mission and may increase mission readiness while saving money.

Progress update

Status

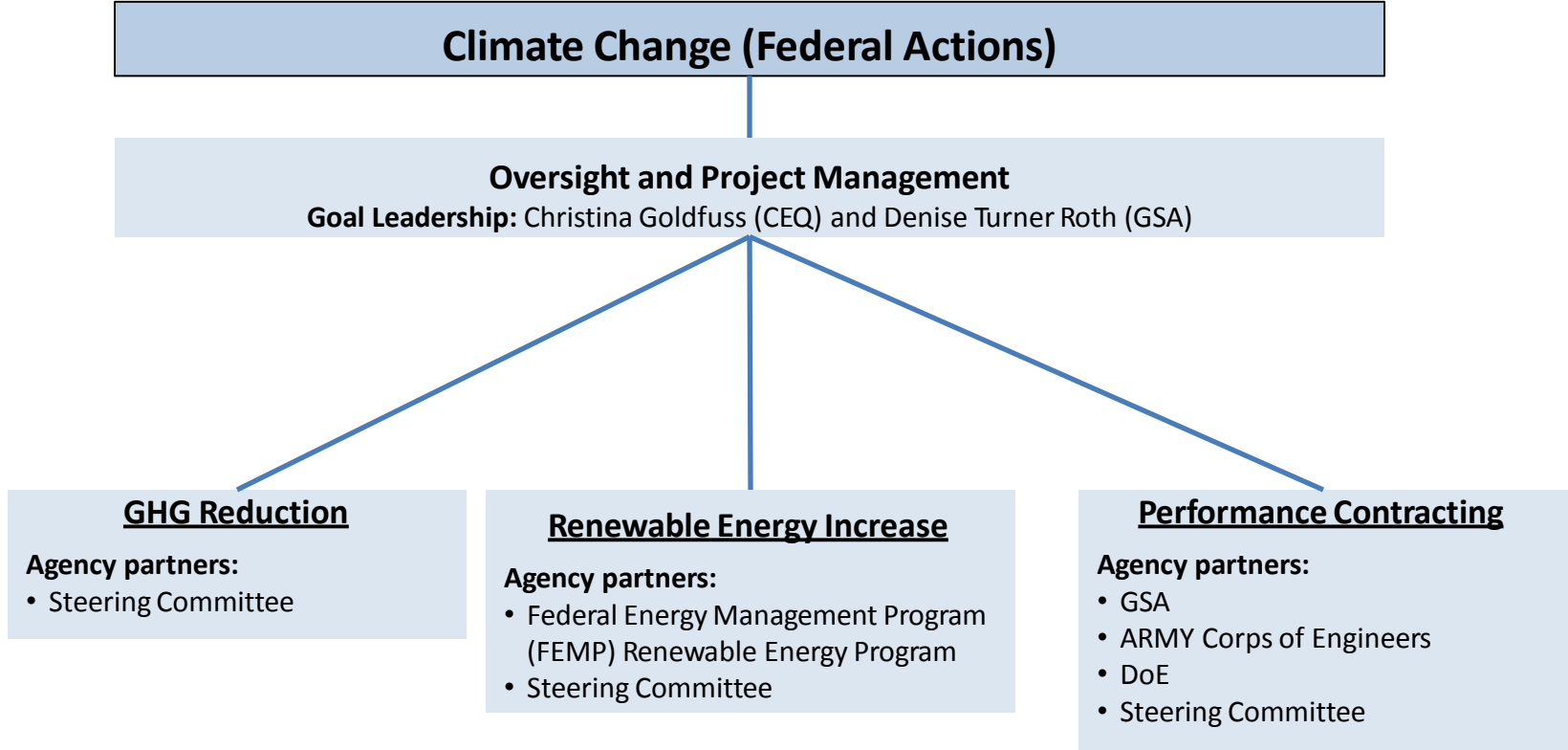
- FY 2014 data - Direct GHG emissions declined 17.4% from FY08; Goal is 28% by 2020
- FY 2014 data - Estimated indirect GHG emissions goal of 13% by 2020 was exceeded (decreased 17.5% since FY2008)
- FY 2014 data - Renewable Electricity goal of 7.5% was exceeded (8.8% of total electricity use)
- The President's Performance Contracting Challenge (PPCC) goal is for federal agencies to commit \$4 billion to performance contracts by December 2016. As of September 2015, agencies have awarded contracts for projects valued at \$2.255 billion with agency identified projects totaling \$5.28 billion (awarded + pipeline).

Progress Q4, FY2015

- In preparation for the December Climate Change talks, the commitment by federal agencies to reduce carbon emissions by 41.8 percent by 2025 and increase the share of electricity to 30 percent from renewable sources were incorporated into the Administration's outreach efforts. The U.S. Government's "leading by example" effort in taking concrete action on climate change will hopefully encourage other nations and interested parties in the U.S. and abroad to take similar actions.

Action Plan Summary

Sub-goal	Major Actions to achieve Impact (lead agency)	Key indicators
GHG emissions: Reduce GHG emissions by the federal government for Scope 1 and 2 by 28% by 2020, and Scope 3 by 8% by 2020	<ul style="list-style-type: none"> • Reduce GHG direct and indirect emissions (all reporting agencies) • Track GHG emissions (Department of Energy (DoE) & all reporting agencies) • Provide training for agencies in reduction techniques (DoE and GSA) • Provide training for facility managers (DoE, GSA & Department of Defense (DoD)) • Provide best practices for health care facilities (Department of Veterans Affairs (VA)) 	GHG emissions inventory and agency annual reports
Renewable Energy: Increase renewable energy consumed by the federal government to 20% by 2020	<ul style="list-style-type: none"> • Implement renewable energy efforts at Federal facilities (all agencies) • Provide procurement support for acquisition of renewable energy (GSA, Defense Logistics Agency (DLA)) • Provide guidance and advice regarding potential renewable energy projects (DoE) • Grid-based green power working group convened to identify new grid based green power opportunities (CEQ, DOE, GSA) 	New renewable energy (kWh) as a percent of total electrical consumption
Performance Contracting: Improve energy/water efficiency in federal buildings through the use of Energy Savings Performance Contracts (ESPCs) or Utility Energy Service Contracts (UESCs)	<ul style="list-style-type: none"> • Provide models/templates for on deep retrofits using ESPCs and UESCs (GSA, DoE) • Provide procurement support to agencies (GSA, DOE, DLA) • Convene quarterly check in meetings with agency Chief Sustainability Officers (CEQ) • Improve data quality and availability (DOE) 	Public indicator: Number and value of federal investment and guaranteed energy savings of implemented projects



Governance: The overarching governance is the same for all three sub-goals, and the participation at the team lead and agency partner level represents the varying specific tasks in the work plan. The co-leads will utilize the Interagency Steering Committee on Federal Sustainability to support and provide additional feedback for this goal.

Work plan

Purpose

- Mitigate the effects of federal government operations on climate change

Barriers/Challenges

- As GHG reductions are achieved, identifying and pursuing additional reductions will require continued interagency coordination and effort. Performance contracting efforts will require interagency focus to identify and resolve common process barriers and increase energy savings.
- Renewable energy production on federal property may be limited by the location of existing property.

Milestone Summary

Key Milestones (FY15 and beyond)	Owner	Milestone Due Date	Milestone Status	Comments
Provide advice and guidance about potential renewable energy projects	DoE/FEMP	Ongoing	On track	Ongoing discussions with agencies
Provide agency support for renewable energy projects that utilize GSA procurement authority and contract personnel	GSA	Ongoing	On track	Ongoing discussions with agencies
Provide updated training on energy reduction	DoE/FEMP	Ongoing	On Track	See http://apps1.eere.energy.gov/femp/training/
Provide assistance to agencies based on their performance in monthly reports on President's Performance Contracting Challenge (PPCC)	DoE	Ongoing	On track	Ongoing discussions with agencies

Work plan (cont.)

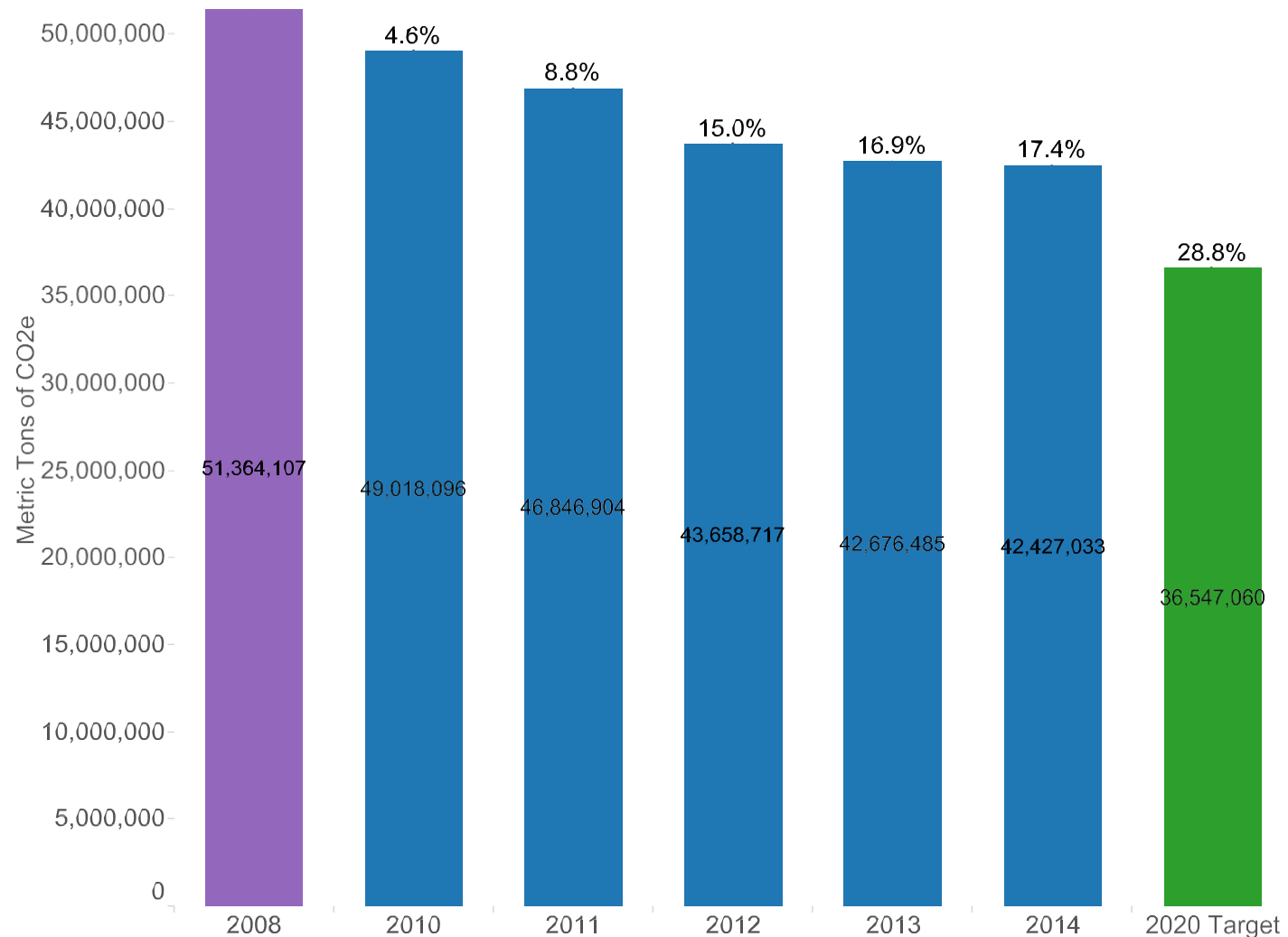
Milestone Summary				
Key Milestones (FY15 and FY16)	Owner	Milestone Due Date	Milestone Status	Comments
Federal agencies publicly release FY2015 Strategic Sustainability Performance Plans and Climate Adaptation Plans in support of Executive Orders 13514 and 13653 goals	OMB and CEQ	Q1 FY2015	Completed	Released 10/31/14
Provide best practices FAQ sheet for GHG reduction in health care facilities	VA	September, 2015	Missed	Outlined areas to be covered
Implement Federal Acquisition Regulation (FAR) changes to reflect Hydrofluorocarbon (HFC) use reduction efforts	CEQ/OMB	March, 2015	Completed	Draft FAR case under final review
Federal agencies publicly release FY2014 Agency Sustainability and Energy Scorecards	OMB and CEQ	Q3 FY2015	Completed	2014 Scorecards have been posted
Federal agencies publicly release FY2016 Strategic Sustainability Performance Plans in support of Executive Order 13693 goals	OMB and CEQ	Q1 FY2016	On track	
Issue Guidance for Measuring Waste Diversion in Federal Facilities to reduce GHG emissions associated with waste handling activities	CEQ	Q2 FY2016	On track	
Issue Guiding Principles for Green Buildings for Federal agencies to facilitate reducing the energy intensity of buildings	CEQ	Q2 FY2016	On track	
Federal agencies publicly release FY2015 Agency Sustainability and Energy Scorecards	OMB and CEQ	Q3 FY2016	On track	2015 Scorecards will be posted

Key indicators

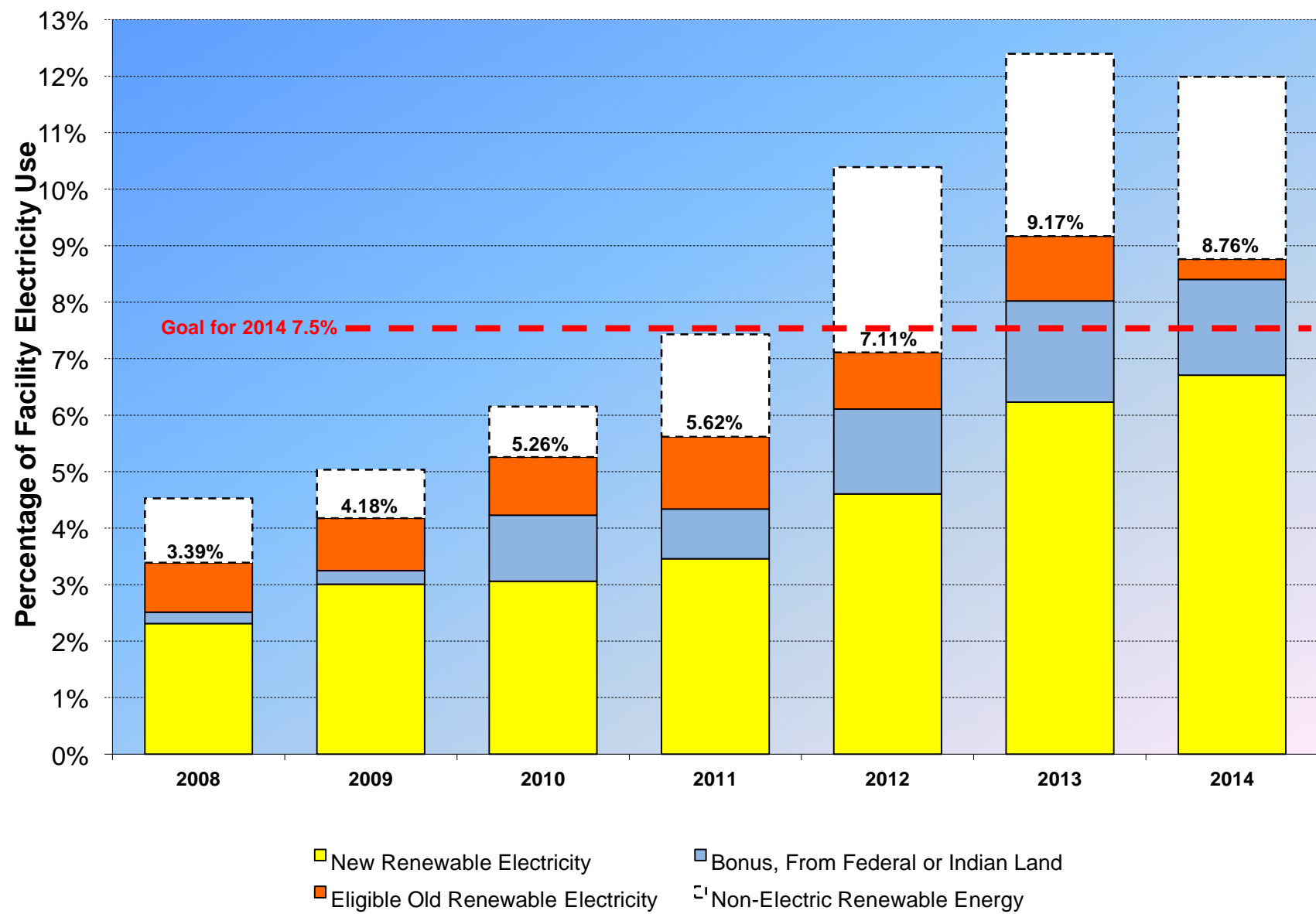
Key Implementation Data						
Indicator	Source	Baseline	Target	Frequency	Latest data	Trend
GHG emissions	DoE/FEMP	51.4 million metric tons of carbon equivalent (FY2008 baseline)	Down 28% by 2020	Annual	17.4% FY2014	Down
Renewable electricity consumed as % of total electricity consumed	DOE/FEMP	3.39% (FY2008 level of use)	Up to 20% by 2020	Annual	8.8% FY2014	Down (<1% but FY2014 goal exceeded)
Contract award amounts for Presidents Performance Contracting Challenge (PPCC)	OMB	\$2 billion (May 2014 baseline)	<u>additional</u> \$2 billion by Dec. 2016	Monthly	\$5.28 billion (awarded + pipeline)	Up

Targeted Scope 1&2 GHG Emissions Reductions, FY 2008 - FY 2014

Federal Agency Progress toward Scope 1 & 2 Greenhouse Gas Goals



Renewable Energy Use, FY 2008 to FY 2014

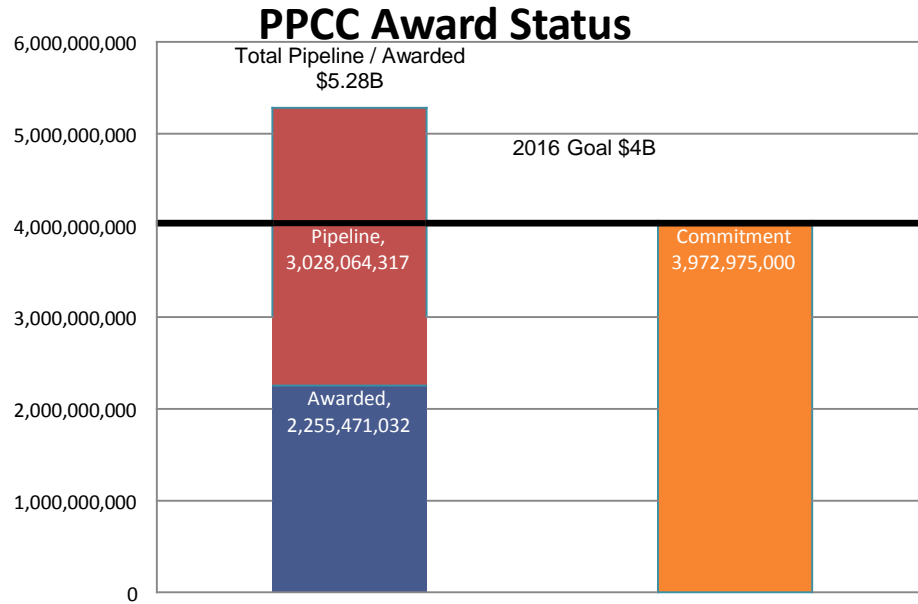


Federal Commitments to the President's Performance Contracting Challenge (Total = \$4.004 billion)

Agency	Total Commitment (\$Millions)
Department of Agriculture	37.5
Department of Commerce	12.0
Department of Defense	2,183.0
Department of Energy	275.0
Department of Homeland Security	73.2
Department of the Interior	20.0
Department of Justice	367.0
Department of Labor	3.0
Department of State	10.9
Department of Transportation	40.6
Environmental Protection Agency	5.0
General Services Administration	344.5
Department Health and Human Services	92.6
National Archives and Records Administration	15.6
National Aeronautics and Space Administration	73.9
Office of Personnel Management	2.0
Smithsonian Institution	14.6
Social Security Administration	20.0
Department of Treasury	27.6
Tennessee Valley Authority	22.5
Army Corps of Engineers	12.5
Department of Veterans Affairs	320.0

President's Performance Contracting Challenge (PPCC) Status

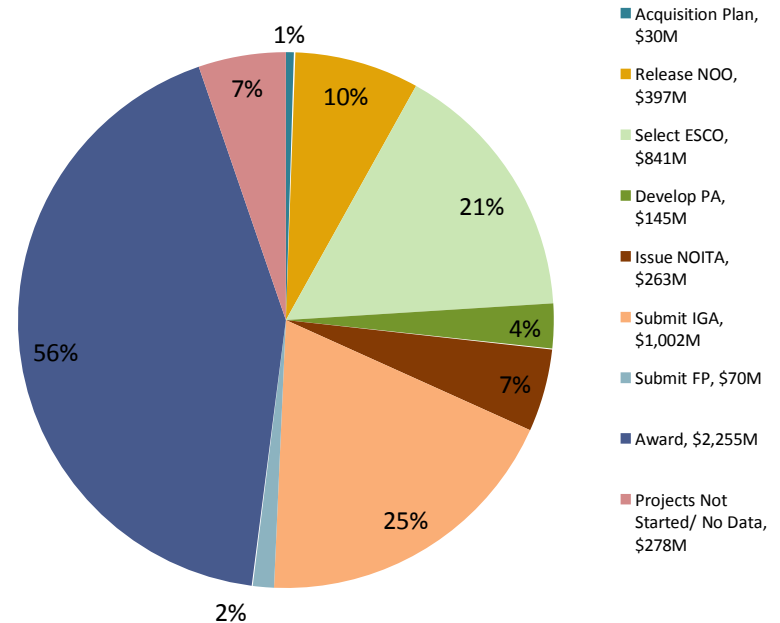
(September 15, 2015 – Monthly Updates Available Are Through [DOE's Website](#))



Pipeline: Amount of project costs in procurement process and expected to award.

Awarded: Amount of project costs awarded.

Agency Commitments: Amount in project costs committed to. Total of pipeline and awarded values may exceed commitment value due to additional projects beyond original agency baselines.



Note: Sum of percentages equals 133% due to agency pipeline development exceeding \$4B PPCC goal.

Acquisition Plan: Development of agency's acquisition

Release NOO: Release of the Notice of Opportunity to perform a performance contract.

Select ESCO: Selection of the Energy Service Company that will perform the work. **Develop PA:** Development of the Preliminary Assessment outlining the work to be done. **Issue NOITA:** Issuance of the Notice of Intent to Award the contract

Submit IGA: Submission of the Investment Grade Audit and cost/savings proposal.

Submit FP: Submission of the Final Proposal

Award: Awarding of the contract to the energy service company

Contributing Programs

- A significant number of federal agencies contribute to the Climate Change Cross Agency Priority Goal.
- Progress towards the goals* is listed for 25 major federal agencies in the [Supporting Information](#) section for this CAP Goal under the OMB Energy/Sustainability Scorecard area.
- Planning documents that outline federal agency strategies to achieve the goals are also provided in the [Supporting Information](#) section under the Strategic Sustainability Performance Plan and Climate Adaptation Plan areas.
- Progress towards the federal government consumption of electricity from renewable sources to 20% by 2020, implementing \$4 billion in energy savings performance contracts at federal facilities by the end of 2016 can also be found in the [Supporting Information](#) section.

* Including reducing the federal government's direct greenhouse gas emissions by 28 percent and indirect greenhouse gas emissions by 13 percent by 2020 (2008 baseline), doubling the federal government consumption of electricity from renewable sources to 20% by 2020, and implementing \$4 billion in performance contracts at federal facilities by 2016. Note that these are all pre-EO 13693 goals.

Executive Order 13693: Planning for Federal Sustainability in the Next Decade

- On March 19, 2015, President Obama issued Executive Order 13693 *“Planning for Federal Sustainability in the Next Decade.”*
- Beginning in Q1, FY 2016, this report will be revised to show federal progress toward the following goals:
 - **Greenhouse Gas Emissions:** Reduce direct greenhouse gas emissions by at least 40 percent by 2025 from a 2008 baseline.
 - **Renewable Energy:**
 - 10 percent in fiscal years 2016 and 2017
 - 15 percent in fiscal years 2018 and 2019
 - 20 percent in fiscal years 2020 and 2021
 - 25 percent in fiscal years 2022 and 2023
 - 30 percent by fiscal year 2025 and each year thereafter
 - **Performance Contracting:** \$4 billion in federal performance-based contracts by the end of calendar year 2016. Beginning in 2017 and each year thereafter, agency Strategic Sustainability Performance Plans will include agency performance contracting goals for the following two fiscal years.

Acronyms

- **CAP – Cross Agency Priority**
- **CEQ – Council on Environmental Quality**
- **DLA – Defense Logistics Agency**
- **DoD – Department of Defense**
- **DoE – Department of Energy**
- **EO – Executive Order**
- **ESCO – Energy Service Company**
- **ESPC – Energy Saving Performance Contract**
- **FAQ – Frequently Asked Questions**
- **FAR – Federal Acquisition Regulation**
- **FEMP – Federal Energy Management Program**
- **FMI – Facility Management Institute**
- **FP – Final Proposal**
- **FY – Fiscal Year (Oct. 1 thru Sept. 30)**
- **GHG – Greenhouse Gas**
- **GSA – General Services Administration**
- **HFC - Hydrofluorocarbon**
- **IGA – Investment Grade Audit**
- **kWh – New Renewable Energy**
- **NOITA –Notice of Intent to Award**
- **NOO – Notice of Release of Opportunity**
- **OMB – Office of Management and Budget**
- **OFPP – Office of Federal Procedure**
- **PA – Preliminary Assessment**
- **Performance Contract – using ESPCs or UESCs to improve energy/water efficiency in federal buildings**
- **PPCC – President’s Performance Contracting Challenge**
- **Q (Q1) – Quarter (1-4)**
- **UESC – Utility Energy Service Contracts**
- **USDA – United States Department of Agriculture**
- **VA – Department of Veterans Affairs**