

Cross Agency Priority Goal

Quarterly Progress Update

Climate Change (Federal Actions)

Federal Government energy consumption and energy efficiency

Goal leaders: Michael Boots, Acting Chair, Council on Environmental Quality; Dan Tangherlini, Administrator, General Services Administration



FY2014 Quarter 4

Goal Statement

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 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

- 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.
- In 2010, President Obama announced a Federal Government-wide target of a 28 percent reduction by 2020 in direct GHG emissions, such as those from fuels and building energy use, and a target 13 percent reduction by 2020 in indirect GHG emissions.

Vision

- The US 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

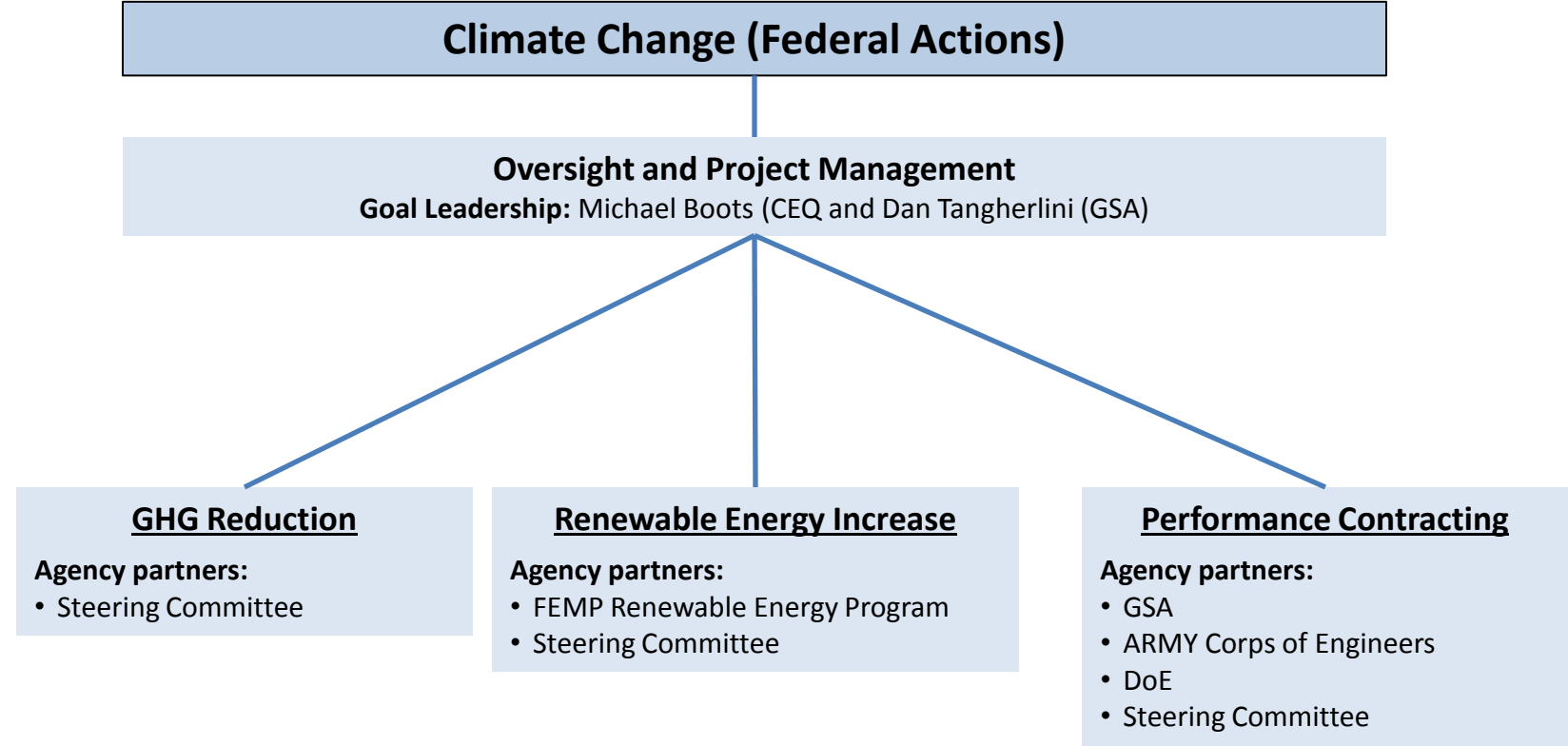
- FY 2013 data - Renewable Energy goal of 7.5% was exceeded (9.2% of total electricity use)
- FY 2013 data - Direct Greenhouse Gas (GHG) emissions declined 17.2% from FY08; Goal is 28% by 2020
- FY 2013 data - Measured indirect GHG emissions decreased 19.8% since FY08; Goal is 13% by 2020
- 2011 Performance Contracting Challenge resulted in \$2.7 billion in proposed projects. The 2016 challenge is \$4 billion total, including the \$2.7 billion. As of September 2014, agencies have awarded 160 projects valued at \$1.66 billion.

Progress Q4, FY2014

- Deep Energy Retrofits study document released by GSA. See <http://www.rmi.org/gsaetrofits> - <http://btrc.ornl.gov/publications/GSA%20NDER%20Report.pdf>
- The Council on Environmental Quality (CEQ), OMB and agencies continued one-on-one meetings to identify and address challenges in achieving the performance contracting goals, with concentrated discussion with agencies behind schedule to help them get back on track.
- GSA signed a contract to purchase 140 megawatts (MW) of wind power from a project that will be located in Illinois - generation from this project will meet GSA's 20% renewable energy goal and greenhouse gas reduction goals.
- Department of the Navy announced a request for proposals from the Department of Energy Western Area Power Administration. The project to provide power to 14 Navy installations in California and will be the largest renewable energy purchase by a Department of Defense entity.
- USDA announced a 1.4 MW solar array for its Beltsville, Maryland facility.
- At Fort Drum Army Base (NY) a 60 MW biomass generation facility will produce 100 percent of the installation's electricity requirements and export power to back to the grid.

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 (DoE & all reporting agencies) • Provide training for agencies in reduction techniques (DoE and GSA) • Provide training for facility managers (DoE & GSA & DoD) • Provide best practices for health care facilities (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) • Develop revised renewable energy guidance (DoE) • Provide procurement support for acquisition of renewable energy (GSA, Defense Logistics Agency) • Provide guidance and advice regarding potential renewable energy projects (DoE) • Develop a renewable energy project development guide for agencies focused on third-party financing approaches (DOE) 	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) • Stand up interagency tiger team to support and review agency performance contracting processes, make procurement and technical resources and assistance available (CEQ) • Improve data quality and availability on contract process and performance • Support Strategic Sourcing Initiative to streamline and improve ESPC contracting process (Office of Federal Procurement Policy) 	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	Milestone Due Date	Milestone status	Owner	Comments
Provide advice and guidance about potential renewable energy projects	Ongoing	On track	DoE/FEMP	Ongoing discussions with agencies
Provide agency support for renewable energy projects that utilize GSA procurement authority and contract personnel	Ongoing	On track	GSA	Ongoing discussions with agencies
Provide updated training on energy reduction	Ongoing	On track	DoE/FEMP	See http://apps1.eere.energy.gov/femp/training/
Extend and expand initial ESPC/UESC challenge to Federal agencies	May, 2014	Completed	CEQ	Action complete
Provide deep energy retrofit guidance for use with ESPCs and UESCs	May, 2014	Completed	GSA (w/FEMP)	See http://www.rmi.org/gsaretrofits and http://btrc.ornl.gov/publications/GSA%20NDER%20Report.pdf

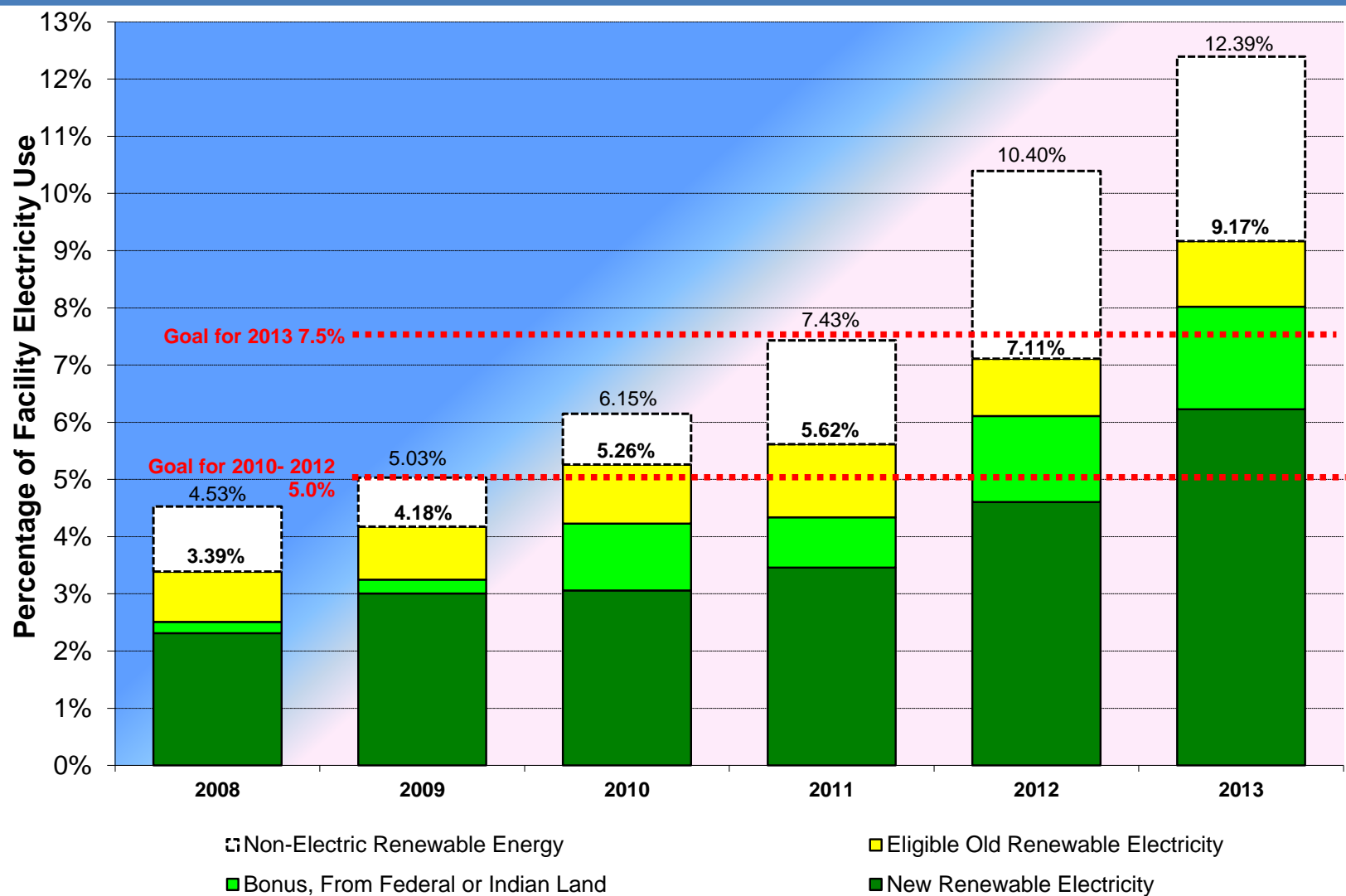
Work plan (cont.)

Milestone Summary				
Key Milestones	Milestone Due Date	Milestone status	Owner	Comments
Issue revised guidance for renewable energy goals based on the Presidential Memorandum	June 5, 2014	Missed	DoE/FEMP	In final review, due out in early 2015
Federal agencies publically release FY2015 Strategic Sustainability Performance Plans and Climate Adaptation Plans in support of EO 13514 and 13653 goals	Q1 FY2105	On track	OMB and CEQ	Final OMB review and approval
Increase pilot for use of the Facility Management Institute (FMI) in facility manager training	September, 2014	On track	GSA	Pilot kickoff Sept 2014 Defense Health Agency - Camp Lejeune & Ft. Belvoir
Provide best practices FAQ sheet for GHG reduction in health care facilities	February, 2015	On track	VA	Outlined areas to be covered
Implement Federal Acquisition Regulation changes to reflect HFC use reduction efforts	March, 2015	On track	CEQ/OMB	Draft FAR case under review
Renew efforts to provide assistance to agencies based on their performance in monthly reports on President's Performance Contracting Challenge (PPCC)	March, 2015	On track	DoE	Renewed contact with agencies

Key indicators

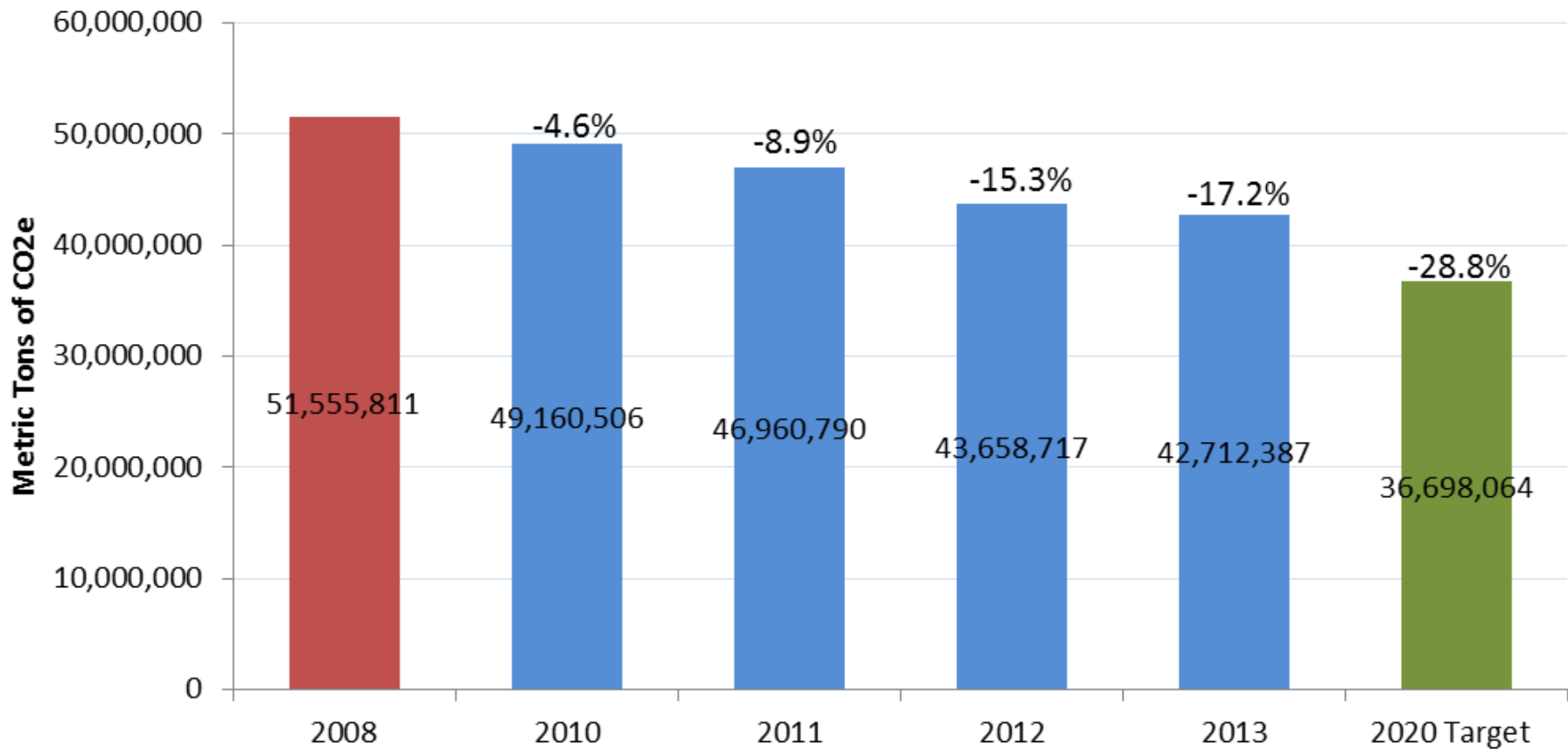
Key Implementation Data						
Indicator	Source	Baseline	Target	Frequency	Latest data	Trend
GHG emissions	DoE/FEMP	2008 (see attached chart)	Down 28% by 2020	Annual	17.2% FY2013	Down
Renewable Energy Consumed as % of total electricity consumed	DOE/FEMP	2008 (see attached chart)	Up 20% by 2020	Annual	9.2% FY2013	Up
Contract award amounts for Presidents Performance Contracting Challenge	OMB	\$2 billion (see attached chart)	<u>additional</u> \$2 billion by 2016	Annual	\$3.97B [9/2014]	Up

Renewable Energy Use, FY 2008 to FY 2013



Targeted Scope 1&2 GHG Emissions, FY 2008 - FY 2013

Federal Agency Progress toward Scope 1 & 2 Greenhouse Gas Goals



Federal Commitments to the President's Performance Contracting Challenge

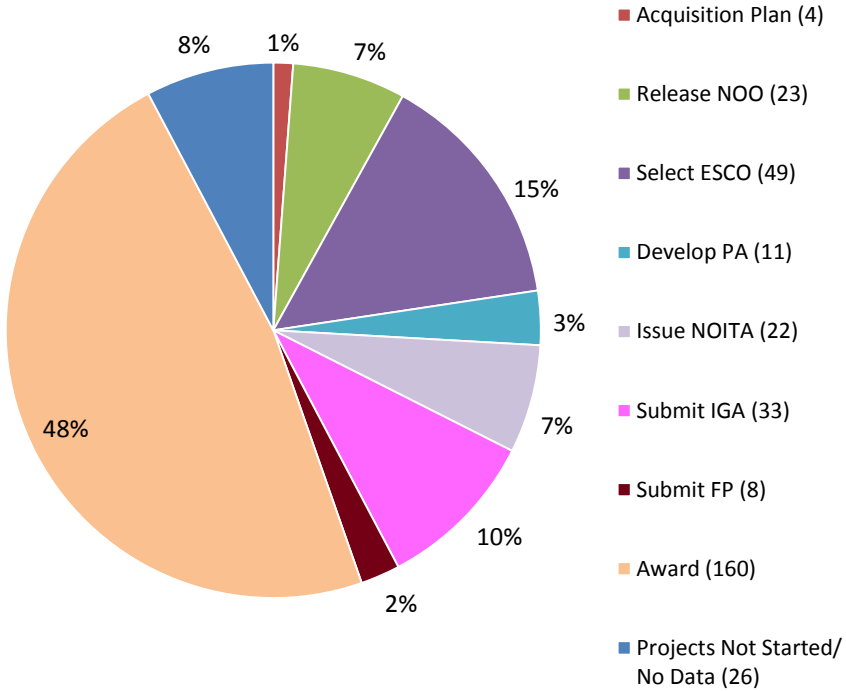
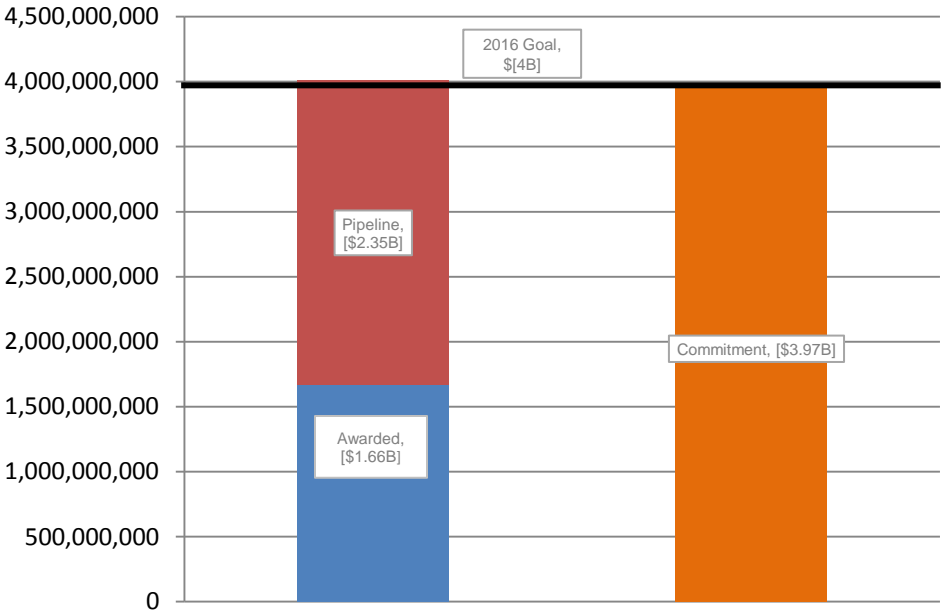
Agency	Total Commitment (\$Millions)
Department of Agriculture	37.5
Department of Commerce	12.0
Department of Defense	2,183.0
Department of Energy	275.0
Department of Homeland Security	73.2
Department of the Interior	20.0
Department of Justice	367.0
Department of Labor	3.0
Department of State	10.9
Department 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

*Additional background
on these commitments
may be found at
OFEE.gov*

President's Performance Contracting Challenge Status

(September 15, 2014)

PPCC Award Status



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.

Acquisition Plan:

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 to account for energy/cost savings.

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.

* Including doubling the Federal government consumption of electricity from renewable sources to 20% by 2020, implementing \$4 billion in performance contracts at Federal facilities by 2016, and reducing the Federal Government's direct greenhouse gas emissions by 28 percent and indirect greenhouse gas emissions by 13 percent by 2020 (2008 baseline)