

STRENGTHENING FEDERAL ENVIRONMENTAL, ENERGY, AND TRANSPORTATION MANAGEMENT

Contact: Rob Sandoli or Cyndi Vallina at 202 395-3634, rsandoli@omb.eop.gov; Vallina@omb.eop.gov

What is the purpose of this information?

Section 5 (b) of Executive Order 13423 on Strengthening Federal Environmental, Energy, and Transportation Management directs OMB to issue instructions on budget and appropriations matters relating to implementation of the order. Section 25 of OMB Circular A-11 allows OMB to track requests for funding for the purpose of meeting the goals of the Executive Order. Each agency must identify in its annual budget submission the funding necessary to meet the requirements of the order.

Which agencies need to report?

Energy management data: Agencies that control their federally-owned building space or pay utilities directly in leased space must report the information required in Table 1.1 (see Spreadsheet). Agencies that lease all space from the General Services Administration (GSA) and do not pay any energy surcharges do not have to report any data in this section. GSA is responsible for reporting energy data for that space.

Transportation management data: Each agency operating a Federal fleet of 20 or more light duty motor vehicles within the United States, whether they are GSA-leased, commercially-leased, or agency-owned must report the information required in Table 1.2 (see Spreadsheet).

Other management data: All executive agencies covered by the Environmental Management Scorecard are expected to report data required on Table 1.3 (see Spreadsheet).

How do I prepare the exhibit?

All tables require you to identify investments planned for the budget year as well as investments made or planned in the past and current years. OMB encourages consultation with your agency's energy, transportation, and environmental coordinator(s) and/or Senior Official for Executive Order 13423 when completing these tables. Below are line-by-line instructions.

Table 1.1 – Identification of funds for strengthening energy management

ESPC and/or UESC negotiation/administration: Report the funding for overhead costs associated with encouraging the use of and administering ESPCs and UESCs. Do not report the total investments or awarded value of ESPCs and UESCs.

Direct spending on efficiency: Report the funds requested each year for energy efficiency activities, including water conservation efforts. This will measure your agency's cost and management of activities undertaken with direct appropriations to achieve the Executive Order's goals with respect to energy and water efficiency. Do not include funds for training or construction/major retrofit projects in this category.

Energy Star® building/Sustainable design Construction incremental costs: Report costs associated with achieving Energy Star® building designation, meeting Leadership in Energy and

Environmental Design (LEED) design criteria or generally incorporating sustainable design principles. Report only *incremental* costs, i.e. up front costs for design, construction, and renovation that exceed costs for an equivalent building that would not incorporate sustainable design principles. See also: Section 300 of Part 7 has been updated to reflect Executive Order 13423 requirements on sustainable design principles.

Renewable purchases: Report costs associated with purchasing power generated by renewable energy, including costs of renewable energy certificates. If an ESPC is being used to install renewable energy on site, do *not* report associated capital costs here.

On-site generation and renewable power generation: Report costs for installation of technologies that use renewable energy to provide light, heat, cooling, or mechanical or electrical energy for use in facilities or other activities. If an ESPC is being used to install renewable energy on site, do *not* report associated capital costs here.

Table 1.2 – Identification of funds for strengthening transportation management

Acquisition of alternative fuel vehicles: Report funding for acquisition of only light duty motor vehicles that are defined as alternative fuel vehicles (dedicated or dual fueled vehicle).

Infrastructure development and use of alternative fuels: Report funding to develop or enhance vehicle refueling infrastructure, either on or off government property, to provide alternative fuel for the purpose of refueling Federal alternative fuel vehicles. Funds required to pay the incremental cost of certain alternative fuels (ethanol and biodiesel) above the cost of petroleum based fuels should also be included in this category.

Implementation of compliance strategy: Report costs to comply with requirements of Executive Order 13423 Section 2 (g) both in terms of developing and implementing a strategy for achieving the goals. Do not include costs to acquire alternative fuel vehicles (covered in the first line of Table 1.2), or alternative fuel or alternative fuel infrastructure (covered in third line of Table 1.2).

Procurement of environmentally preferable motor vehicle products: Report expenditures for retread tires, rerefined motor oil, biolubricants and other vehicle related products identified as recycled, energy efficient, biobased or environmentally preferable purchases by the Environment Protection Agency, the Department of Energy, or the Department of Agriculture.

Table 1.3 – Identification of funds for strengthening other directives under E.O. 13423

Environmental management systems (EMS): Funds required to establish appropriate EMSs, meet agency objectives and targets to ensure implementation, and the collection, analysis, and reporting of information to measure performance of the implementation of EMS as required by Executive Order 13423, should be included in this category.

Water efficiency: Report the costs associated with metering and/or establishing a baseline for potable, landscape, and other water consumption intensity to meet the water conservation goal of Executive Order 13423 Section 2(c).

Waste prevention (hazardous and non-hazardous) and recycling programs: Report funds for the establishment and maintenance of waste prevention and recycling programs in an agency's facilities.

Electronics Stewardship: Report funds requested or used for the implementation of policy for the procurement of more energy efficient and environmentally sustainable electronic equipment, including Electronic Product Environmental Assessment Tool (EPEAT)-registered electronic products where applicable, the implementation of policies to extend the useful life of agency electronic equipment and to ensure that Energy Star® features are enabled on 100 percent of computers and monitors, and the establishment of environmentally sound practices with respect to the disposition of agency electronic equipment that has reached the end of its useful life.

Direct spending on cross-cutting training: Report expenditures for cross-cutting training provided to employees or contractors to ensure that the agency pursues the policy, goals, and objectives set forth in Executive Order 13423 and to emphasize the benefit of improved environmental, energy, and transportation management to the mission of the organization. Training can be, but is not limited to, agency-developed training, training provided by a third party such as a contractor or non-profit organization, training provided by another agency, Defense Acquisition University or Federal Acquisition Institute courses, or educational sessions provided during relevant conferences such as the annual Federal Environmental Symposium, annual GSA Expo, DoD's annual Joint Services Environmental Management conference, FedFleet, or the annual GovEnergy conference.

Acquisition of Green Products and Services: Report costs for the implementation of Executive Order 13423 Section 2 (d) on acquisition of green products and services (biobased, environmentally-preferable, energy-efficient, water-efficient and recycled-content products) and the use of sustainable environmental practices. Do not include agency costs of green products or services.

What definitions are relevant to helping me to determine how to categorize my spending estimates in each of the tables?

Energy Savings Performance Contracts (ESPC) or Utility Energy Service Contracts (UESC) mean contracts that provide for the performance of services for the design, acquisition, financing, installation, testing, operation, and maintenance and repair, of an identified energy, water conservation or renewable energy measure or series of measures at one or more locations or for energy, water, or sewage services, as well as provision of technical services and/or upfront project financing for energy efficiency, water conservation, and renewable energy investments. Such contracts shall provide that the contractor must incur costs of implementing energy savings measures, including at least the cost (if any) incurred in making energy audits, acquiring and installing equipment, and training personnel in exchange for a predetermined share of the value of the energy savings directly resulting from implementation of such measures during the term of the contract. Payment to the contractor is contingent upon realizing a guaranteed stream of future energy and cost savings, with any savings in excess of that guaranteed by the contractor accruing to the Federal government.

Energy Star® Building means a building that ranks in the top 25 percent in energy efficiency relative to comparable commercial and Federal buildings.

Energy Star® Enabled Products mean computers and monitors that reduce the amount of energy consumed by either automatically switching it into a 'sleep' mode when it is not being used and/or reducing the amount of power used when in 'standby' mode.

Leadership in Energy and Environmental Design (LEED) is a commercial green building rating system that includes methodologies for improving energy efficiency and environmental performance of buildings.

Renewable energy means energy produced by solar, wind, biomass, landfill gas, ocean (including tidal, wave, current, and thermal), hydrokinetic, geothermal, municipal solid waste, or new hydroelectric generation capacity achieved from increased efficiency or additions of new capacity at an existing hydroelectric project..

Sustainable Design Principles refer to those covered in the whole building design guide (<http://www.wbdg.org>) and include employment of integrated design principles, optimization of energy efficiency and use of renewable energy, protection and conservation of water, enhancement of indoor environmental quality, and reduction of environmental impacts of materials.