

**Strategic Objective: Achieve efficiencies and effectiveness to redirect resources to direct support of combat, combat support, and combat service support elements of the DoD.**

## **OVERVIEW:**

The DoD will continue to experience downward fiscal pressure, making it necessary to consider trades among operations and maintenance, readiness, procurement, and modernization expenditures. This pressure is coupled with the imperative to remain focused on actual mission outcomes, thus continued attention to controlling and reducing the cost of overhead and management structures is essential. Any reduction to these costs will allow the Department to continue to sustain investments in readiness and modernization activities while ensuring that the reductions don't negatively impact these activities. Collaboration across the DoD will occur to reform the Defense institution in an effort to reduce complexity and dramatically lower the cost of back-office business areas, including human resources, procurement, logistics, service contracting, real estate and property management, health care, and financial management. Creating the internal management capacities and capabilities to address these challenges will not only reduce costs, but create a 21st century corporate office better suited to support and resource the warfighter of the future. Improving the processes that drive the Defense institution will help the DoD better understand the costs and risks associated with mission outcomes. Instilling a strong cost culture across the DoD is critical to enabling the Business Mission Area to deliver value to the warfighter. Knowing what it costs to deliver business capabilities will allow DoD leaders to assess the return on investment leading to improved decision making across the organization.

## Performance Indicator

DoD STRATEGIC GOAL #5: REFORM AND RESHAPE THE DEFENSE INSTITUTION			
Performance Goals	Performance Measure Indicators	Prior Year Results	FY15 Results
<b>SO 5.1: Achieve efficiencies and effectiveness to redirect resources to direct support of combat, combat support, and combat service support elements of the DoD.</b>			
APG FY14-15 5.1.1: By September 30, 2015, the DoD will improve its facility energy performance by: 1) reducing average facility energy intensity by 30 percent from the 2003 baseline of 117,334 BTUs per gross square foot, and 2) producing or procuring renewable energy equal to 12 percent of its annual electric energy usage. (USD AT&L) <i>2015 Annual results will be available in January 2016.</i>	Cumulative average percent reduction in building energy intensity.	FY10 Actual: 12.3 FY11 Actual: 13.3 FY12 Actual: 17.7 FY13 Actual: 17.2 FY14 Actual: 17.6	FY15 Target: 30 FY15 Result: NA
	Percentage of renewable energy produced or procured based on DoD's annual electric energy usage.	FY10 Actual: 9.6 FY11 Actual: 8.5 FY12 Actual: 9.6 FY13 Actual: 11.8 FY14 Actual: 12.3	FY15 Target: 12 FY15 Result: NA
PG 5.1.3: By Q4FY 2016, ensure key capabilities meet cost, schedule, and performance requirements to protect and/or enhance defense intelligence capabilities in the areas of global coverage, Anti- Access/Area Denial (A2/AD) environments, counterterrorism, and counter proliferation.(USD(I)	Defense Intelligence Capabilities Index (Aggregate cost (CPI), schedule (SPI) and performance (Key Performance Parameters) of top 15 capabilities).	FY10-14: N/A (new metric)  New measure - ASP FY2015-2018	FOUO See note on page 21
PG 5.1.4: Achieve improved mission effectiveness, efficiency, and security across the DoD, IC, and with our international partners through seamless integration of intelligence information enterprise IT capabilities into both the Joint Information Environment (JIE) and the IC ITE. By Q4FY2016 ensure 50% of services in the Defense Intelligence Information Enterprise (DI2E) conform to Technical Profile Package standards and specifications. (USD(I)	% conformance of DI2E services with Technical Profile Package standards and specifications.	FY10-14: N/A (new metric)x  New measure - ASP FY2015-2018	FOUO See note on page 21
<p><b>Cross Agency Priority Goal (CAP) - Smarter IT Delivery:</b> Improve outcomes and customer satisfaction with federal services through smarter IT delivery and stronger agency accountability for success.</p> <p><b>CAP - Open Data:</b> Fuel entrepreneurship and innovation and improve government efficiency and effectiveness by unlocking the value of government data and adopting management approaches that promote interoperability and openness of this data.</p> <p><b>CAP - Shared Services:</b> Strategically expand high-quality, high value shared services to improve performance and efficiency throughout government.</p> <p><b>CAP - Infrastructure and Permitting Modernization:</b> Modernize the Federal permitting and review process for major infrastructure projects to reduce uncertainty for project applicants, reduce the aggregate time it takes to conduct reviews and make permitting decisions by half, and produce measurably better environmental and community outcomes.</p> <p>Department of Defense engages with the CAP Goals for Smarter IT Delivery, Open Data, Shared Services and Infrastructure and Permitting Modernization initiatives. This CAP Goal's progress can be located at <a href="http://www.performance.gov">www.performance.gov</a>.</p>			

**Cross Agency Priority Goal (CAP) - Climate Change (Federal Actions):** More than double Federal government consumption of electricity from renewable sources to 20% by FY 2020 and improve energy efficiency at Federal facilities including \$4 billion in performance contracts by CY 2016 as part of the wider strategy to reduce the Federal Government's direct greenhouse gas emissions by 28% and indirect greenhouse gas emissions by 13% by FY 2020 (2008 baseline). *Executive Order 13693, signed by on March 25, 2015 revokes the Presidential Memorandum of December 5, 2013, which included the renewable energy goal of 20% by 2020.*

Department of Defense engages with the CAP Goal for Climate Change (Federal Actions) initiatives. This CAP Goal progress can be located at [www.performance.gov](http://www.performance.gov).

The Department's energy data for FY 2015 will be available in January 2016.

DoD remains committed to reducing energy use through third-party financed contract vehicles like Energy Savings Performance Contracts (ESPC) and Utility Energy Service Contracts (UESC). Since the beginning of the President's Performance Contract Challenge in December 2011, \$1.3 billion in ESPCs and UESCs have been awarded, with an additional \$2.0 billion in the pipeline.

*Department of Defense's Data Completeness and Reliability Statement—Fiscal Year 2015 Annual Performance Report*  
Each Goal Owner has attested the performance results and narrative information included in this report is complete, accurate, and reliable; and that data validation and verification procedures are documented and available upon request.

## **Measuring our Progress**

### **FY 2015 Energy Performance Progress Update:**

The Department's energy data for FY 2015 will be available in January 2016.

### **Areas of Significant Improvement:**

The Department's energy data for FY 2015 will be available in January 2016.

### **Areas of Challenge:**

While DoD continues to invest in cost-effective energy efficiency and conservation measures to improve goal progress, challenges remain that may limit future reductions. These challenges will include: (1) budget sequestration and delayed appropriations, which creates obstacles for planning and executing long-term energy efficiency and conservation projects, and (2) uncontrollable variables such as weather and temperature variability (i.e., heating and cooling degree days), increasing facility energy use.

### **Mitigation:**

DoD will execute facility energy conservation projects, applying sustainable design principles and introducing efficient building technologies to new construction and retrofits. All newly constructed buildings must comply with the five principles of High Performance Sustainable Buildings; and they must exceed American Society of Heating, Refrigerating and Air

Conditioning Engineers (ASHRAE's) energy efficiency standards by at least 30 percent. Military Department plans to each develop 1 GW of renewable energy by 2025 are ongoing.

**FY 2015 APR Progress Update, Defense Intelligence Capabilities, and Defense Intelligence Information Enterprise:** Available upon request; on an as needed basis.