



December 5, 2013

MEMORANDUM FOR THE HEADS OF EXECUTIVE DEPARTMENTS AND AGENCIES

SUBJECT: Federal Leadership on Energy Management

In order to create a clean energy economy that will increase our Nation's prosperity, promote energy security, combat climate change, protect the interests of taxpayers, and safeguard the health of our environment, the Federal Government must lead by example. During my Administration, Federal agencies have reduced their annual greenhouse gas emissions by more than 15 percent (7.8 million metric tons) -- the equivalent of removing 1.5 million cars from the road. Today I am establishing new goals for renewable energy as well as new energy-management practices.

Agencies are already well on their way towards meeting the aggressive sustainability goals set forth in Executive Order 13514 of October 5, 2009 (Federal Leadership in Environmental, Energy, and Economic Performance). This memorandum establishes a new target for Federal use of renewable energy that challenges agencies to more than double their renewable electricity consumption. In order to improve their ability to manage energy consumption, promote the reduction of greenhouse gas emissions, and achieve the sustainability goals set forth in Executive Order 13514, this memorandum also directs agencies to update their building-performance and energy-management practices, by encouraging the use of the consensus-based, industry-standard Green Button data access system (Green Button) and the Environmental Protection Agency's (EPA) Energy Star Portfolio Manager.

To help agencies achieve my Administration's climate change goals and increase development of new renewable energy sources, I hereby direct the following:

Section 1. Renewable Energy Target. (a) By fiscal year 2020, to the extent economically feasible and technically practicable, 20 percent of the total amount of electric energy consumed by each agency during any fiscal year shall be renewable energy.

(b) Agencies shall seek to achieve the renewable energy consumption target set forth in subsection (a) of this section by, where possible, taking the following actions, which are listed in order of priority:

(i) installing agency-funded renewable energy on-site at Federal facilities and retain renewable energy certificates;

(ii) contracting for energy that includes the installation of a renewable energy project on-site at a Federal facility or off-site from a Federal facility and the retention of renewable energy certificates for the term of the contract;

(iii) purchasing electricity and corresponding renewable energy certificates; and

(iv) purchasing renewable energy certificates.

(c) Agencies shall ensure that 100 percent of renewable energy certificates identified in subsection (b)(iii) and (b)(iv) of this section are produced by new renewable sources as defined in section 5(c) of this memorandum.

(d) Agencies shall consider opportunities, to the extent economically feasible and technically practical, to install or contract for energy installed on current or formerly contaminated lands, landfills, and mine sites.

Sec. 2. Accounting for Renewable Energy. (a) For the purposes of the renewable energy consumption target in section 1(a) of this memorandum, agency progress shall be determined by reference to the ownership of renewable energy certificates for electric energy consumed.

(b) The percentage of renewable energy counted towards the target in section 1 of this memorandum shall be doubled if the

renewable energy conforms with section 203(c)(1) through (3) of the Energy Policy Act of 2005 (42 U.S.C. 15852(c)(1)-(3)).

(c) In order to achieve the target set forth in section 1(a) of this memorandum, each agency shall ensure that the percentage of the total amount of electric energy consumed by that agency that is renewable energy is:

- (i) not less than 10 percent in fiscal year 2015;
- (ii) not less than 15 percent in fiscal years 2016 and 2017;
- (iii) not less than 17.5 percent in fiscal years 2018 and 2019; and
- (iv) not less than 20 percent in fiscal year 2020 and each fiscal year thereafter.

(d) For the purposes of accounting for the generation of renewable energy not included in section 1(b) of this memorandum, such as thermal and hydrokinetic renewable energy and renewable energy generated on a Federal facility or Federal land, the renewable energy and its estimated contribution to meeting greenhouse gas emission reduction goals set forth in section 2(a)(ii) of Executive Order 13514 shall be reported in MWh and be measured against reported total electricity consumption.

(e) In preparing Strategic Sustainability Performance Plans required under section 8 of Executive Order 13514, agencies shall report on:

- (i) progress towards meeting the agency renewable energy targets established in section 1(a) of this memorandum; and
- (ii) the actions taken pursuant to sections 1(b) and 2(d) of this memorandum.

(f) Within 180 days of the date of this memorandum, the Department of Energy will issue an update to its *Renewable Energy Requirement Guidance for EPACT 2005 and Executive Order 13423* to address the new requirements created by this memorandum.

Sec. 3. Building Performance and Energy Management. (a)

To encourage continuous improvement and better manage building performance, enhance energy efficiency, and reduce energy waste in an open and transparent way, each agency shall:

(i) install building energy meters and sub-meters as required by section 543(e) of the National Energy Conservation Policy Act (NECPA) (42 U.S.C. 8253(e)), and continue installation of additional building energy meters and sub-meters where cost-effective and appropriate;

(ii) install water meters at agency buildings where cost-effective and appropriate;

(iii) ensure that for any agency buildings metered for energy and water performance, the associated monthly performance data is entered into the EPA Energy Star Portfolio Manager to better manage energy performance and allow for benchmarking;

(iv) publicly disclose annual benchmark energy performance data through the Department of Energy web-based tracking system established under section 543(f)(7)(B) of NECPA (42 U.S.C. 8253(f)(7)(B));

(v) where feasible, incorporate Green Button into reporting, data analytics and automation, and processes, in consultation with local utilities; and

(vi) consider participating in demand response programs where available.

(b) To facilitate agency management of energy usage information in Green Button:

(i) within 120 days of the date of this memorandum, the General Services Administration (GSA), in coordination with the Department of Energy (DOE) and EPA, shall prepare and initiate a strategy to pilot Green Button at Federal facilities where feasible;

(ii) within 180 days of initiation of the Green Button pilot strategy described in paragraph (i)

of this subsection, DOE, through the Federal Energy Management Program (FEMP), in coordination with EPA, shall issue guidance on the use of the Green Button at Federal facilities; and

(iii) as soon as practicable, but no later than 1 year after the date of this memorandum, EPA shall update Energy Star Portfolio Manager to facilitate the inclusion of building energy usage data using Green Button and in conformance with the guidance prepared pursuant to paragraph (ii) of this subsection.

(c) To support agency metering and benchmarking, and to promote disclosure of agency building energy usage, within 180 days of the date of this memorandum, DOE, through FEMP, shall:

(i) revise and update the *Metering Best Practices* of August 2011, which shall include definitions for the terms "cost effective" and "appropriate" and shall address leased space so that, where submetering allows, energy and water consumption data will be reported; and

(ii) in coordination with EPA, revise and update the *Building Energy Use Benchmarking Guidance* of April 15, 2010, including necessary revisions to benchmark building performance data fields and disclosure policies.

Sec. 4. Applicability of Renewable Energy Certificates to Federal Target. Within 120 days of the date of this memorandum, DOE, through FEMP, and in coordination with the EPA, the Department of Defense, the Department of Veterans Affairs, GSA, and other agencies as appropriate, shall provide recommendations to the Chair of the Council on Environmental Quality on procurement, reporting, and accounting procedures related to agency use of renewable energy certificates in meeting the target in section 1(a) of this memorandum, including procedures and policies on:

(a) appropriate certification and tracking of renewable energy certificates; and

(b) sale and purchase of renewable energy certificates, including the exchange of project-related renewable energy certificates and interagency and interdepartmental purchase and transfer of renewable energy certificates.

Sec. 5. Definitions. As used in this memorandum:

(a) "Agency" means an executive agency as defined in section 105 of title 5, United States Code, excluding the Government Accountability Office.

(b) "New renewable sources" means sources of renewable energy placed into service within 10 years prior to the start of the fiscal year.

(c) "Renewable energy" has the same meaning as in Executive Order 13514.

(d) "Renewable energy certificates" means the technology and environmental (non-energy) attributes that represent proof that 1 megawatt-hour (MWh) of electricity was generated from an eligible renewable energy resource, and can be sold separately from the underlying generic electricity with which it is associated.

(e) "Green Button data access system" or "Green Button" means the system developed by the North American Energy Standards Board for providing web-based secure access to energy bill account information, energy usage information, and energy consumption and usage data to customers of utilities and energy providers for the purposes of business management and energy usage management.

(f) "Hydrokinetic renewable energy" means renewable energy from free flowing water in rivers, lakes, and streams or free flowing water in man-made channels and does not include energy from any source that uses a dam, diversionary structure, or impoundment for electric power purposes.

(g) "Thermal renewable energy" means energy generated from renewable heat sources, including biomass, solar thermal, geothermal, waste heat, and combined heat and power processes.

(h) "Energy or water metering" means energy or water consumption recording for the purposes of billing by a utility

company or energy or water management at an installation, campus, or building level, which conforms with established accuracy standards and uses utility-grade meters.

(i) "Sub-metering" means the application of metering technology to provide for capturing data at the level necessary to facilitate energy or water management at different buildings in a multi-building campus, different floors of the same building, different tenants in a multi-tenant office facility, individual building systems (e.g. heating and cooling, lighting, plug loads), electrical circuits, or specific devices.

Sec. 6. Limitations. (a) This memorandum shall apply to an agency with respect to the activities, personnel, resources, and facilities of the agency that are located within the United States. The head of an agency may provide that this memorandum shall apply in whole or in part with respect to the activities, personnel, resources, and facilities of the agency that are not located within the United States, if the head of the agency determines that such application is in the interest of the United States.

(b) The head of an agency shall manage activities, personnel, resources, and facilities of the agency that are not located within the United States, and with respect to which the head of the agency has not made a determination under subsection (a) of this section, in a manner consistent with this memorandum to the extent the head of the agency determines practicable.

Sec. 7. Exemption Authority. (a) The Director of National Intelligence may exempt an intelligence activity of the United States, and related personnel, resources, and facilities, from the provisions of this memorandum, other than this subsection and section 8, to the extent the Director determines necessary to protect intelligence sources and methods from unauthorized disclosure.

(b) The head of an agency may exempt law enforcement activities of that agency, and related personnel, resources, and facilities, from the provisions of this memorandum, other than this subsection and section 8, to the extent the head of any agency determines necessary to protect undercover operations from unauthorized disclosure.

(c) The head of an agency may exempt particular agency activities and facilities from the provisions of this memorandum, other than this subsection and section 8, where it is in the interest of national security. If the head of any agency issues an exemption under this subsection, the agency must notify the Chair of the Council on Environmental Quality in writing within 30 days of the issuance of the exemption. To the maximum extent practicable, and without compromising national security, each agency shall strive to comply with the purpose, goals, and implementation steps in this memorandum.

(d) The head of any agency may submit to the President, through the Chair of the Council on Environmental Quality, a request for an exemption of any agency activity, and related personnel, resources, and facilities, from this memorandum.

Sec. 8. General Provisions. (a) This memorandum shall be implemented consistent with Executive Order 13514 and other applicable law, including international trade obligations, and subject to the availability of appropriations.

(b) Nothing in this memorandum shall be construed to impair or otherwise affect:

(i) the authority granted by law to a department, agency, or the head thereof; or

(ii) the functions of the Director of the Office of Management and Budget relating to budgetary, administrative, or legislative proposals.

(c) Nothing in this memorandum shall be construed to require the disclosure of classified information, law enforcement sensitive information, or other information that must be protected in the interest of national security or public safety.

(d) This memorandum is not intended to, and does not, create any right or benefit, substantive or procedural, enforceable at law or in equity by any party against the United States, its departments, agencies, or entities, its officers, employees, or agents, or any other person.

(e) The Chair of the Council on Environmental Quality is hereby authorized and directed to publish this memorandum in the *Federal Register*.

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