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**SUBCOMMITTEE ON FEDERAL FINANCIAL MANAGEMENT, GOVERNMENT
INFORMATION, FEDERAL SERVICES, AND INTERNATIONAL SECURITY**

COMMITTEE ON HOMELAND SECURITY AND GOVERNMENTAL AFFAIRS

**HEARING: "Cutting the Federal Government's Energy Bill: An Examination of the
Sustainable Federal Government Executive Order"**

Opening Statement of Senator Thomas R. Carper, Chairman

The last few years have underscored not only the need, but the opportunities, for our nation to rethink its energy use. Ever-changing energy costs and our nation's severe economic problems have resulted in families, homeowners, businesses, local governments and schools all taking a hard look at how much they are spending.

As a "recovering Governor," I know what it is like to be responsible for coming up with a budget and living within its restraints. And within our state government, you have to make sure the budget is balanced every year. You have to take a tough look across the government and find ways to do more with less.

The federal government should be no different. Becoming more energy efficient is a clear way for the federal government not only to save money, but also improve the quality of service we provide to the American people.

President Obama has recognized that the federal government can lead by example. In October, the President issued Executive Order 13514, calling for the Federal Government to step up its efforts to conserve energy by challenging agencies to meet a number of energy, water and waste reduction targets. The Executive Order establishes a series of energy saving and other 'green government' targets for the federal government. Each federal agency is required to develop plans to reach those targets and we expect initial reports on the status of these plans later this year.

In the meantime, we should start a dialogue about what the Executive Order means for not only the environment, but for our nation's bottom line. Our Subcommittee is always looking at the financial implications of new federal ideas. And we have to explore some basic questions, which I hope our witnesses will help us do today.

Will the executive order save taxpayers' money?

What are the costs, and potential rewards, associated with investing in energy efficiency or alternative energy strategies?

Are there financial or bureaucratic challenges that Congress can address? In other words, if there are opportunities to save money through energy efficiency, why aren't we moving more quickly?

I should point out that we are talking about a lot of money.

And, I should first note that the Federal Government is the single largest energy user in the nation. In fiscal year 2008, the total energy consumption of Federal Government buildings and operations was roughly 1.5 percent of all energy consumption in the United States. The energy bill for the Federal Government that year was \$24.5 billion or about 0.8 percent of total Federal expenditures. Of that \$24.5 billion, over \$7 billion was spent on energy to operate Federal buildings alone. With a price tag that large, there are significant opportunities for savings of taxpayer dollars.

During these times of mindboggling budget deficits, the Federal Government needs to find every way it can to better manage its operations and finances. We also need to find ways to put Americans back to work again.

The Federal government occupies nearly 500,000 buildings of every shape and size, operates more than 600,000 vehicles, employs more than 1.8 million civilians, and purchases more than \$500 billion per year in goods and services. The scope of these assets presents opportunities for businesses and entrepreneurs to employ energy saving products and services that will save taxpayer money, and provide a marketplace for innovation.

So, it is clear that we have an abundance of opportunities to lead by example in the federal government.

We have four very knowledgeable experts from the federal government here with us today to share some of their how ideas on how we might provide that leadership.

The first two represent the overall picture of the Executive Order, from the perspective of the White House and the Department of Energy. The second two witnesses will describe the executive order from the perspective of two large federal agencies: The Department of Defense and the U.S. Postal Service.

Federal managers seem to want the executive order. A recent survey of federal agency managers showed two things. First, managers say that green government ranks as high in importance as managing human capital and financial management. So managers see that taking steps like saving energy makes sense. But second, more than half the respondents said that creating a more green government requires more accountability and clear measures of success.

I understand that these are key goals of the executive order.

Before I close, let me mention a piece of very relevant legislation that our full committee Ranking Member, Sen. Susan Collins introduced last year. I am a cosponsor of the “Federal Agency Energy Efficiency Improvement Act of 2009,” which shares many of the same goals of the executive order and, I believe, is complementary to it. Our legislation has already been approved by the full committee, and we look forward to moving it through the full Senate.

Finally, in the next few weeks I plan on introducing legislation to ensure that the money the federal government spends on improving building efficiency is reaching its full potential.

New technology demands new skills. My bill would give the individuals who manage our federal facilities the training they need to meet these new demands.

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