

**Written Testimony of Nancy H. Sutley
Chair of the Council on Environmental Quality
Before the Subcommittee on Federal Financial Management, Government
Information, Federal Services, and International Security
U.S. Senate Committee on Homeland Security and Governmental Affairs
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Thank you Chairman Carper. And thank you Ranking Member McCain and Members of the Committee, for the opportunity to appear before you today.

As you know, the Federal Government is the single largest energy consumer in the United States. It owns nearly 500,000 buildings, more than 600,000 vehicles, and purchases more than \$500 billion per year in goods and services. Given this impact, the President recognizes that the Federal Government itself must be a leader in sustainability and our efforts to build a clean energy economy. Cutting the Federal Government's energy use will not only reduce our carbon footprint, but will also save taxpayer dollars.

As you know, President Obama signed Executive Order 13514 on October 5, 2009. This Executive Order sets sustainability goals for Federal Agencies and focuses on making improvements in environmental, energy and economic performance.

The Executive Order requires Agencies to meet a number of energy, water, and waste reduction targets, including:

- 30% reduction in vehicle fleet petroleum use by 2020,
- 26% improvement in water efficiency by 2020,
- 50% recycling and waste diversion by 2015,
- 95% of all applicable contracts will meet sustainability requirements,
- implementation of the 2030 net-zero-energy building requirement,
- implementation of the stormwater provisions of the Energy Independence and Security Act of 2007, section 438, and,
- development of guidance for sustainable Federal building locations in alignment with the Livability Principles put forward by the Department of Housing and Urban Development, the Department of Transportation, and the Environmental Protection Agency.

Meeting these goals will reduce costs, reduce air and water pollution, and drive investments in local, clean energy jobs. The goals and strategies Federal Agencies are developing will be in harmony with existing statutory energy efficiency requirements such as those in the Energy Policy Act of 2005 and in the Energy Independence and Security Act

of 2007. In fact, statutory requirements such as metering and building recommissioning will help us meet these goals.

In addition, the Executive Order requires Federal Agencies, for the first time, to set a greenhouse gas pollution reduction target. The overall Federal government-wide target will be the aggregate commitment of 35 Federal Agencies^[1]. Achieving the reduction goal will be done through a combination of efforts, including becoming more energy efficient, reducing petroleum used in government fleets, and using renewable energy. The investments made by Federal Agencies today will pay dividends for years to come in taxpayer savings. For example, if annual greenhouse gas emissions decrease incrementally to produce a reduction equal to five percent of calculated base year emissions, the Federal Government will save an estimated \$1.7 - \$2.1 billion in avoided utility costs over the period 2010 to 2020.

Agencies are working toward achieving their targets by pursuing a number of strategies, including installing solar arrays at military installations, tapping landfills for renewable energy, retrofitting Federal buildings, and greening the Federal fleet. These projects, many of which were made possible by Recovery Act funding, will drive long-term savings, build local market capacity, and create new private-sector clean energy jobs.

We know that inefficient energy use in buildings is a major contributor to Federal greenhouse gas emissions. As such, Federal buildings provide significant opportunities for reducing emissions, and the effort is bolstered by the \$5.5 billion provided in the Recovery Act to the General Services Administration to renovate and build high-performance green Federal buildings.

In fact, the General Service Administration's Edith Green Wendell Wyatt Federal building in Portland, Oregon is a good example of what can be done. The building features a series of seven 250 foot tall trellises designed to shade the entire west side of the building during summer months, while allowing light and solar gain during winter months. Once complete, this 18-story building will also include rooftop solar panels that will provide nearly 13 to

^[1] Central Intelligence Agency, Department of Homeland Security, Department of Commerce, Department of Defense, Department of Energy, Department of Health and Human Services, Department of Interior, Department of Justice, Department of Labor, Department of State, Department of Transportation, Department of Education, Environmental Protection Agency, General Services Administration, Department of Housing and Urban Development, National Archives and Records Administration, National Aeronautics and Space Administration, Office of Personnel Management, Railroad Retirement Board, Social Security Administration, Department of Treasury, Tennessee Valley Authority, Nuclear Regulatory Commission, Department of Agriculture and Veterans Affairs, Federal Housing Finance Agency, Federal Trade Commission, Smithsonian, Army Corps of Engineers- Civil Works, National Science Foundation, Corporation for National and Community Service, Court Services and Offender Supervision Agency, Small Business Administration and US Postal Service.

15 percent of the building's energy, elevators that generate electricity during descent, smart lighting systems which will adjust with natural light levels, thus reducing light use by 50 percent, and solar-thermal systems which will provide 30 percent of the building's hot water.

Another example of an agency working to reduce its energy use is the Food and Drug Administration. The FDA has implemented upgrades to the energy management control system at its Jefferson Laboratories Complex in Jefferson, AR that will save an estimated 2.3 percent of the average annual energy consumption on campus, resulting in nearly \$93,000 in annual savings.

Another innovative approach is the Defense Department's Energy Conservation Investment Program, which competitively funds clean energy projects according to estimated return on investment. One such project will install 2,000 solar panels on buildings at the Naval Weapons Station in Seal Beach, CA. The project will produce about 5.5 percent of the total electricity used by the facility, saving the Navy more than \$86,000 per year in energy costs.

Looking forward, implementation of the Executive Order will focus on integrating achievement of sustainability goals with agency mission and strategic planning. The goal is to optimize performance and minimize implementation costs.

Detailed agency implementation plans are due in June 2010, when each Federal Agency will deliver a Strategic Sustainability Performance Plan to the Council on Environmental Quality and the Office of Management and Budget. Each plan will prioritize the agency's actions toward the goals of the Executive Order based on lifecycle return on investment. These Sustainability Plans will describe the specific actions agencies will take to achieve their individual greenhouse gas reduction targets, reduce long-term costs, and meet the other goals of the Executive Order. Finally, to ensure accountability, annual agency progress will be measured and reported online to the public by the Office of Management and Budget through the "scorecard" process.

Meeting the goals of this Executive Order will demonstrate good government as much as green government.

Thank you for the opportunity to testify today and I look forward to your questions.