



OVERVIEW OF EXECUTIVE ORDER 13514 *Federal Leadership in Environmental, Energy, and Economic Performance*



SYNOPSIS

On October 5, 2009, the President signed Executive Order (E.O.) 13514, [Federal Leadership in Environmental, Energy, and Economic Performance](#). The new E.O.:

- establishes greenhouse gas (GHG) emission reductions as an overarching, integrating performance metric for all Federal agencies; and
- requires a deliberative planning process, linked to budget allocations and scored by the Office of Management and Budget (OMB), to ensure goal achievement.

A companion Information Brief describes the goals of E.O. 13514.

E.O. 13423, *Strengthening Federal Environmental, Energy, and Transportation Management* (January 29, 2007) is not revoked by the new E.O.; its goals and requirements remain in effect.

BACKGROUND

The Department of Energy (DOE) must develop percentage reduction targets for Department-wide reductions in absolute terms (i.e., total emissions without normalization for activity levels but including allowable consideration of sequestration) for its combined scope 1 and 2 GHG emissions, and for its scope 3 GHG emissions. Targets are to be achieved by Fiscal Year (FY) 2020 relative to a FY 2008 baseline.

Scope 1 emissions are direct GHG emissions from sources owned or controlled by the Federal agency.

Scope 2 emissions are direct GHG emissions resulting from the generation of electricity, heat, or steam purchased by a Federal agency.

Scope 3 emissions are GHG emissions from sources not owned or directly controlled by a Federal agency,

but related to agency activities such as vendor supply chains, delivery services, and employee travel and commuting.

The GHGs targeted for emission reductions in the E.O. are:

- carbon dioxide (CO₂);
- methane (CH₄);
- nitrous oxide (N₂O);
- hydrofluorocarbons (HFCs);
- perfluorocarbons (PFCs); and
- sulfur hexafluoride (SF₆).

OVERVIEW

Near-Term Deadlines: The E.O. establishes the following near-term deadlines which affect DOE:

November 4, 2009 (30 days): Secretary designates DOE's Senior Sustainability Officer (SSO);

January 4, 2010 (90 days): DOE submits its FY 2008 GHG baseline and its 2020 reduction targets for scope 1 and scope 2 emissions;

April 5, 2010 (180 days): DOE recommends GHG reporting and accounting procedures for Federal agencies;

April 5, 2010 (180 days): DOE issues guidance on Federal fleet management;

June 2, 2010 (240 days): DOE submits its multi-year *Strategic Sustainability Performance Plan* (SSP), including FY 2008 baseline and 2020 reduction target for scope 3 emissions; and

January 5, 2011 (15 months): DOE reports its first annual comprehensive GHG emission inventory for FY 2010.

Policy: E.O. 13514 requires DOE and other Federal agencies to lead by example in creating a clean energy economy. To meet E.O. goals, DOE shall:

- Increase energy efficiency;
- Measure, report and reduce GHG emissions from direct and indirect activities;
- Conserve and protect water resources through

- efficiency, reuse, and stormwater management;
- Eliminate waste, recycle, and prevent pollution;
- Leverage Departmental acquisition to foster markets for sustainable technologies and environmentally preferable materials, products, and services;
- Design, construct, maintain, and operate high performance sustainable buildings in sustainable locations;
- Strengthen the vitality and livability of the communities in which DOE facilities are located; and
- Inform DOE employees about, and involve them in achieving the goals of E.O. 13514.

Responsibilities of DOE's SSO: E.O. 13514 requires DOE's SSO to:

- Prepare the GHG inventory and the targets for Department-wide emissions reductions;
- Prepare and implement the SSP Plan in coordination with appropriate offices and organizations, including General Counsel, Chief Information Officer, Chief Acquisition Officer, Chief Financial Officer, and Senior Real Property Officers and in coordination with other DOE plans, policies, and activities;
- Prepare and submit DOE's multi-year SSP Plan to the Council on Environmental Quality (CEQ) and OMB for their approval;
- Monitor DOE's performance and progress in implementing the SSP Plan and report to CEQ and OMB; and
- Report annually to the Secretary on the adequacy and effectiveness of the Department's SSP Plan in implementing E.O. 13514.

DOE SSP Plan: DOE's SSO is responsible for developing and annually updating DOE's multi-year department-wide SSP Plan that shall:

- Include a policy statement committing DOE to compliance with environmental and energy statutes, regulations, and Executive Orders;
- Establish actions by which DOE can achieve the sustainability goals and targets, including GHG reduction targets of the E.O.;
- Identify DOE-specific goals; a schedule, milestones and approaches for achieving results; and quantifiable metrics for DOE implementation of the E.O.;
- Consider environmental measures as well as economic and social benefits and costs in evaluating projects and activities based on lifecycle return on investment;
- Outline planned actions to provide information on DOE progress and performance with respect to achieving the E.O. goals on a publicly available Federal web-site;
- Evaluate DOE climate-change risks and

- vulnerabilities to manage their effects on DOE operations and missions in the short- and long-term;
- Identify DOE activities, policies, plans, procedures, and practices relevant to DOE's implementation of the E.O. and, as necessary, provide for development and implementation of new or revised policies, plans, procedures, and practices;
- Be integrated into DOE's strategic planning and budget process; and
- Identify, in annual updates, opportunities for improvement and evaluation of past performance to expand or extend projects with net lifecycle benefits and reassess or discontinue under-performing projects.

Continuing Role of DOE Site Environmental Management Systems (EMS): The E.O. includes a goal of sustaining progress toward meeting E.O. goals by continuing the implementation of formal EMSs at all appropriate organizational levels, and ensuring these formal EMSs are appropriately implemented and maintained to achieve the performance necessary to meet the goals of the E.O.

Effect on DOE's Internal Reporting: There should be no change in energy, environmental, and facility reporting for FY 2009. Once OMB develops new metrics, the Department will revisit its internal reporting procedures.

Recommendations for Contractors and Vendors: Within 180 days of E.O. issuance (April 3, 2010), the General Services Administration shall provide recommendations to CEQ and OMB's Office of Federal Procurement Policy regarding the feasibility of:

- Working with the Federal vendor and contractor community to provide information that will assist Federal agencies in tracking and reducing scope 3 GHG emissions related to the supply of products and services to the government;
- Requiring contractors and vendors to register with a voluntary registry or organization for reporting greenhouse gas emissions;
- Requiring contractors and subcontractors, as part of a new or revised registration under the Central Contractor Registration or other tracking system, to develop and make available its GHG inventory and description of efforts to mitigate GHG emissions;
- Using Federal government purchasing preferences or other incentives for products manufactured using processes that minimize GHG emissions; and
- Other options for encouraging sustainable practices and reducing greenhouse gas emissions.