

DEPARTMENT OF ENERGY  
FY 2001 CONGRESSIONAL BUDGET REQUEST  
ENERGY EFFICIENCY AND RENEWABLE ENERGY  
ENERGY CONSERVATION  
(Tabular Dollars in Thousands, Narrative in Whole Dollars)

FEDERAL ENERGY MANAGEMENT PROGRAM

PROGRAM MISSION

**I.A. Mission Statement, Situation, Strategic Overview**

**Mission Statement.** The mission of The Federal Energy Management Program (FEMP) is to reduce the cost of government by advancing energy efficiency, water conservation, and the use of solar and other renewable energy sources and by helping to manage utility costs. FEMP accomplishes its mission by leveraging both Federal and private resources to provide technical and financial assistance to other Federal agencies, which take actions and make investments that increase energy efficiency and renewable energy utilization, and reduce water consumption in their buildings, facilities and operations.

**Situation Analysis.** The Federal Government is the nation's largest single energy consumer. Federal building stock in the United States and overseas is widely distributed geographically and functionally diverse. Energy is used for a wide variety of purposes by more than one hundred agencies and government-related organizations. Energy use in the Federal Sector varies widely across agencies, depending on their mission. Some agencies use energy only in office facilities; others maintain large fleets of vehicles; still others have specialized applications such as research and development operations that use energy in highly intensive ways. Each agency has a unique set of technical and financial assistance needs that reflect the characteristics of its building stock, operations, and management structure, adding to the complex nature of achieving Federal energy management goals and objectives.

The President issued Executive Order 13123, "Greening the Government Through Efficient Energy Management," on June 3, 1999, providing new emphasis and commitment to improve the efficiency of Federal energy use. The Executive Order confirms current goals, and establishes new goals of improving efficiency in federal buildings by 35 percent by 2010 from the 1985 baseline, and reducing greenhouse gas emissions attributable to Federal buildings energy use by 30% from 1990 levels by 2010. In addition, the Executive Order extended energy efficiency improvement goals to include laboratory and industrial facilities, and also will narrow the definition of exempt buildings not subject to the goals of Executive Order 12902 which it supplants. The Executive Order provides direction for Federal procurement of energy in emerging competitive markets, and reaffirms commitment to increased use of renewable energy technologies. New provisions strengthen Administration oversight of, and agency accountability for, achieving energy management goals.

## PROGRAM MISSION - FEDERAL ENERGY MANAGEMENT PROGRAM (Cont'd)

The Executive Order acknowledges the need for agencies to allocate funding and personnel resources in order to achieve the established goals. Trained Federal energy managers and procurement staff are essential to efficient and timely development of cost-effective projects and streamlined contracting processes necessary to attract private investment.

Between 1985 and 1998, the government achieved a 18.7 percent reduction in site based energy intensity. While efficiency improvement goals are measured by reductions in site energy intensity, FEMP continues to make sure that cost saving energy efficiency and renewable energy projects are completed regardless of whether energy is measured at the site or the source. Since 1985, absolute energy use in Federal buildings has declined 27 percent measured at the site, and 14.3 percent measured at the source. The energy bill for Federal buildings was \$2.2 billion less in 1998 than in 1985, and cumulative energy bill savings of \$18.8 billion dollars have accrued over the period. Additional cost savings will accrue over the life of investments already completed. While these savings reflect government downsizing and declining energy prices, as well as investment in efficiency, reaching FY 2005 and 2010 goals through energy management will save as much as an additional \$1 billion annually relative to 1995 levels. Based on agencies' FY 1998 reporting, the government is on track to achieve its FY 2005 and 2010 goals, yet faces significant challenges in doing so. Among those challenges are: energy price uncertainty due to restructured energy markets; interest rate fluctuation impact on availability of private sector financing; and, diminishing savings opportunities over time as large, relatively easy efficiency projects are completed.

This budget responds to the Federal government's energy management challenges in three ways. This budget reflects the need to serve the Federal energy management community through the year 2010 by establishing a stable level of appropriated support for the Federal Energy Management Program. As part of this stable funding, appropriated support of project financing is reduced from FY 2000 request levels and flat funded in future years, allowing a gradual capitalization of the reimbursable services account established under authority previously granted by Congress. The current Federal market for alternatively financed efficiency is dynamic, and FEMP must monitor the market and remain flexible in its approach to serving the needs of its customers and the private sector entities that are providing investment. The ability to serve customers is enhanced as the market develops through the generation and reuse of reimbursable funds to assist additional project development. Recognizing the need for agencies to provide resources to prepare the way for private sector investment, a \$5,000,000 budget request for support of alternatively financed energy projects at Department of Energy sites is made under the Energy and Water Development appropriation account. In order to help accommodate these initiatives, FEMP has reduced its request under the Interior appropriations account by \$2.4 million from FY 2000 budget request levels.

Federal appropriations for efficiency projects that require capital from agency budgets have been greatly reduced from 1995 levels. Yet an additional investment in efficiency is needed between 1995 and 2005 to achieve the 30% efficiency improvement goal and additional

PROGRAM MISSION - FEDERAL ENERGY MANAGEMENT PROGRAM (Cont'd)

funding will be needed to achieve the E.O. 13123 FY 2010 35% goal. Utilizing statutory authorities provided in the Energy Policy Act of 1992, the Administration is accelerating the use of private sector funding to meet this investment challenge.

The table below illustrates the decline in past appropriations that provided the impetus for expanding private sector financing opportunities for Federal agencies.

Appropriations for Federal Energy Efficiency Projects (\$ million)						
	FY 1995	FY 1996	FY 1997	FY 1998	FY 1999	FY 2000
Department of Defense*	240	112	51	29	47	0
General Services Administration	7	7	20	0	25	12
Department of Energy	25	0	0	0	0	0
Total	272	119	71	29	72	12

\* Includes Department of Defense central funds and estimated spending by services from unfenced energy accounts.

Additional opportunities for Federal energy, water, and cost savings exist in energy-intensive operations and Federal industrial facilities and Federal laboratories, leased space, and in aircraft, ships, and other heavy equipment. FEMP will undertake preparatory activities to identify, quantify and plan for pursuing energy, water, and cost savings opportunities in these areas. Full implementation of programs will be deferred until current efforts are robustly established. The government faces emerging challenges and risks in an increasingly complex restructured energy market, and in the unresolved environmental policy challenge presented by global climate change.

**Strategic Overview.** FEMP achieves its mission through two primary strategies:

- Create and sustain a core level of Federal energy management as an institutionalized activity at all Federal agencies.
- Assist agencies to access private sector capital to fund capital energy efficiency, water conservation and renewable energy projects by Federal agencies.

FEMP leads the interagency effort focussed on the Federal energy management mission. We lead, coordinate, and assist agencies to install cost-effective technologies and to take other actions to achieve statutory and Executive Order goals. The FEMP program is customer driven

## PROGRAM MISSION - FEDERAL ENERGY MANAGEMENT PROGRAM (Cont'd)

and needs based. We provide information, expertise, technical assistance, project financing vehicles, policy guidance, and interagency coordination that help agencies achieve significant energy and cost savings in their facilities. FEMP priorities are implemented through integrated programs and an aligned field organization that includes regional support offices, National laboratories and private sector contractors.

We apply three key business principles to drive our organization:

- *Partnering* creates greater cooperation, higher probability of successful implementation, increased responsiveness to customer needs, and greater opportunity for innovative action. We support and encourage agencies to pursue many ways to acquire funding and implement energy efficiency and renewable energy projects at their facilities. Partnering with states, utilities and energy service companies (ESCOs) multiplies the ability of FEMP and other agencies to assist Federal sites across the country with cost-effective energy management solutions.
- *Leveraging* capitalizes on the shared interests among FEMP, non-Federal organizations, and other Federal agencies to achieve our individual objectives in mutually supportive ways. Thus, FEMP advances efficient and renewable technologies developed by other parts of the Office of Energy Efficiency and Renewable Energy. We leverage the DOE-EPA Energy Star program to increase the energy efficiency of the annual \$200 billion of Federal procurement activity.
- *Cost recovery*, where justified, stretches the value of appropriated funds and accelerates investment and cost savings. Agency payment, in the form of up-front funding or as part of realized savings, affirms proper design, delivery and value of direct services offered.

The FEMP core program helps agencies help themselves. We act to institutionalize energy efficient management practices and to create agency capacities to sustain and further energy and cost savings. FEMP does this through a broad-based, interconnected program that disseminates critical knowledge and skills to other Federal agencies, in a context of sound planning, analysis, and policy interpretation. The core program provides continuously updated training, skills, and technical know-how to agencies, enabling them to recognize and take advantage of new and important energy-saving technologies and techniques. We analyze, plan, and coordinate with agencies on emerging issues, such as electric utility restructuring and global climate change, identifying implications for Federal energy management and procurement and potential responses to those implications. Core program activities ensure the long-term effectiveness of the Government's effort, renewing its technical and policy bases as broader trends shape future opportunities. FEMP saves the government money by reducing duplication and overlap in technical information, training and assistance services. We ensure consistency and high quality policy, technical guidance, reporting, and analysis through a core focus on interagency coordination and cooperation. (See Mission Supporting Goals and Objectives for detailed discussion of core program elements.)

## PROGRAM MISSION - FEDERAL ENERGY MANAGEMENT PROGRAM (Cont'd)

The FEMP project financing program supports agencies' access to private sector funding for efficiency and renewable energy projects. The project financing program responds directly to the significant reduction of appropriations included in agency budgets for capital intensive energy efficiency and renewable energy projects. We support Federal sites' use of private sector financing by offering technical services and access to FEMP-negotiated energy savings performance contracts (Super ESPCs) with Energy Service Companies (ESCOs). FEMP technical services also support projects (on a cost-recovered basis) that use utility financing and performance contracts issued by other agencies. FEMP provides single access points for FEMP procurement and technical services for private sector financed projects and is also planning to support direct technical assistance services on a cost reimbursed basis. FEMP is organized to allow for ease of access to technical, financial and program experts at DOE Regional Support Offices and several National Laboratories, energy audit and technical services contractors, and DOE contracting officers at DOE headquarters, Golden Field Office, and Oak Ridge Operations Office. The services of these entities is available to agencies on a pay-as-you-go basis, or on a delayed reimbursement basis out of realized cost savings. (See Mission Supporting Goals and Objectives for detailed discussion of project financing program elements.)

FEMP's strategy succeeds with consistent funding of the core program across time, including core activities of the project financing program, and stable funding for capitalizing the reimbursable services aspects of the program. As the financial assistance program matures, costs recovered will allow provision of increased support of energy and cost savings as demand by agencies increases, without the need for increased appropriations. The FY 2001 budget request is designed to achieve the FY 2005 and FY 2010 goals through support of the following:

- The FEMP core program, including providing technical information, training, and non-cost recovered technical assistance; providing policy guidance, maintaining rules and regulations, and general promotion related to private sector financing of efficiency and renewable projects coordinating the utility incentive program; promoting renewable technology use; leading interagency policy, coordination, and reporting; providing education, outreach, and recognition of agency and individual accomplishments; and managing and directing the program, including program planning, analysis, and policy development functions.
- Funding for delivery of FEMP services that directly support agencies use of available alternative financing resources across the government. To the extent to which these funds are recovered through granted reimbursable authority, additional projects will be supported in future years. It is anticipated that up to \$1 million in recovered funds will be utilized in FY 2001 in addition to the requested appropriated funding. Actual cost recovery will depend upon agencies' demand for FEMP services.
- Funding for cost-recovered technical assistance operating in conjunction with the delivery of FEMP services. Costs recovered will be tracked and utilized through an accounting system that is integrated back into the FEMP Program.
- Project approaches that show promise of achieving energy and cost savings with minimal capital investment, such as promotion of procurement of highly efficient products and equipment, improving operations and maintenance, and instituting sustainable design concepts in new buildings and major renovations.

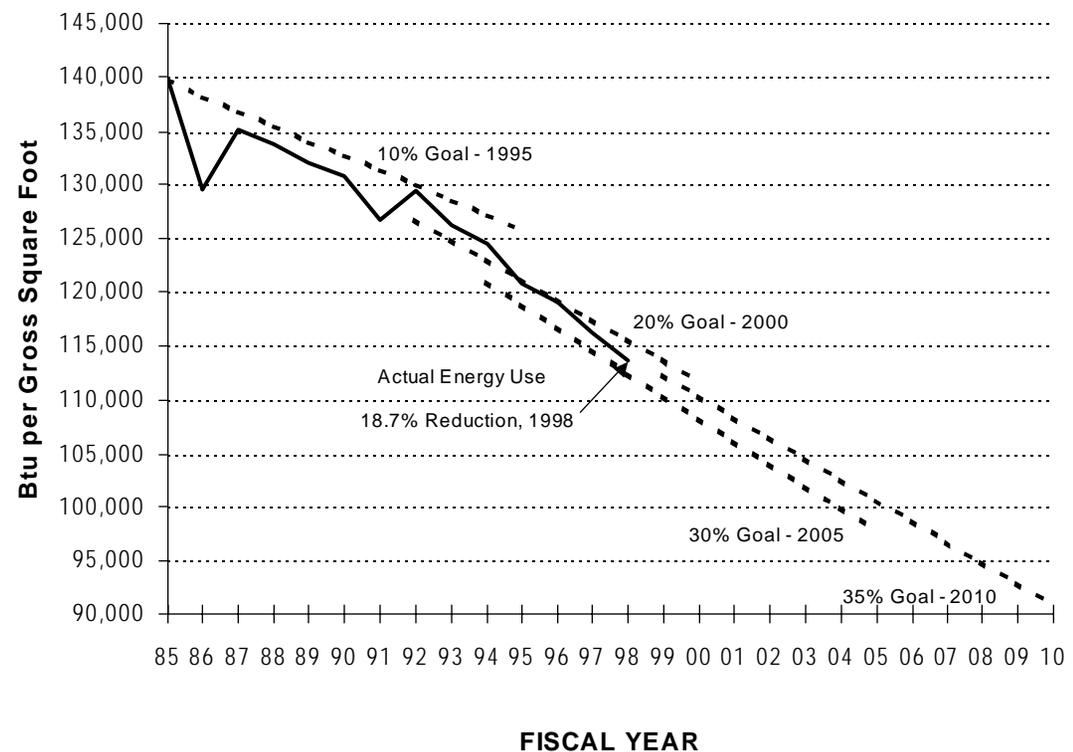
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- Necessary preparatory activities prior to expanding the reach of private sector financing mechanisms for efficiency and renewable energy projects in Federal mobility applications and leased space.
- Federal leadership in energy management to promote an aggressive energy and cost-savings culture in agencies and by demonstrating success in DOE's own facilities.
- Federal/State cooperative efforts to service Federal sites and to transfer the FEMP technical assistance and alternative financing model to state and local governments, broadening the overall impact of FEMP's efforts to save taxpayer dollars.

### I. B. Program Benefits

Potential program benefits from FEMP are significant as is evident from the magnitude of the opportunity and the record of past success. The sheer magnitude of opportunity is clear: the Federal government is the nation's single largest energy consumer and, therefore, represents a substantial commitment of Federal dollars every year. In FY 1998, the Federal government's buildings, facilities, and energy intensive operations consumed 866.0 trillion Btu (quads) of primary energy. This is equivalent to the energy required by the State of West Virginia.

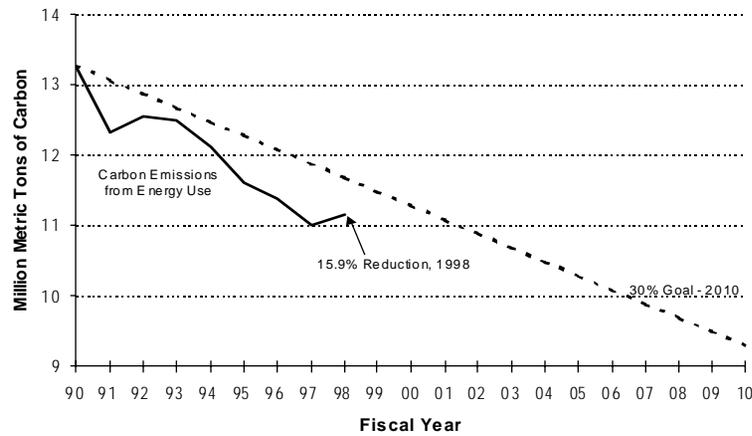
Success to date in reducing energy use in Federal buildings and facilities is impressive. Preliminary reports indicate that from FY 1985 to FY 1998, the energy efficiency of Federal buildings, measured by site Btu per gross square foot, improved by 18.7 percent. This would mean the government, as a whole, has almost achieved its statutory FY 2000 goal, and is more than half way to the year 2010 goal of increasing energy efficiency by 35%



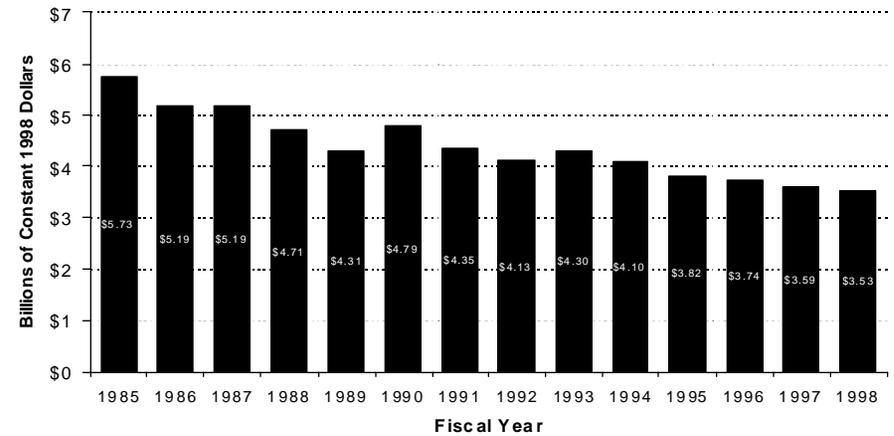
## PROGRAM MISSION - FEDERAL ENERGY MANAGEMENT PROGRAM (Cont'd)

relative to 1985. The FY 1998 energy bill for Federal buildings was \$2.2 billion (1998 constant dollars) less than in 1985, partly as a result of efficiency investments.

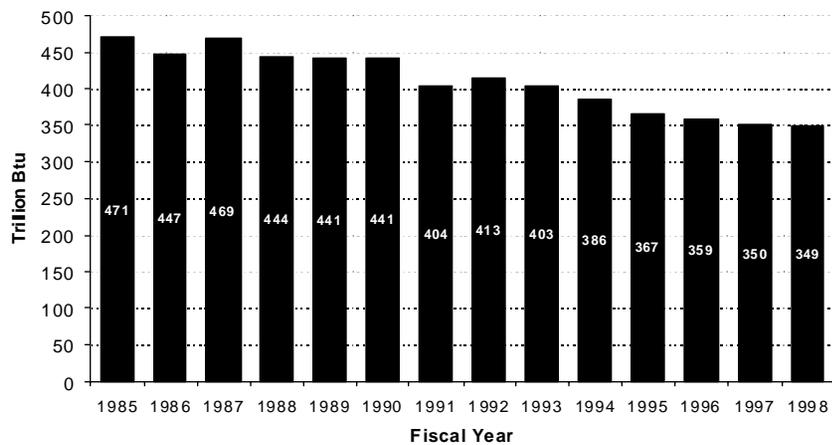
**Carbon Emissions from Federal Buildings Energy Use**



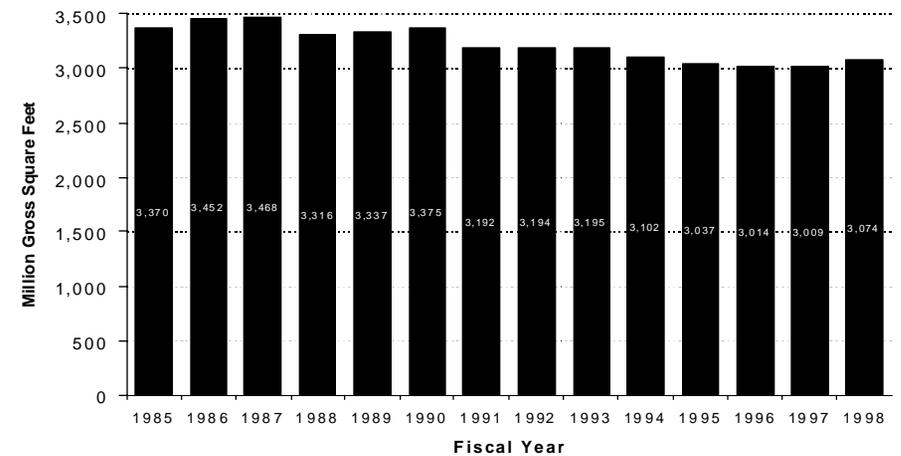
**Federal Energy Costs for Buildings, 1985 to 1998**



**Federal Site Energy Consumption in Buildings, 1985 to 1998**



**Gross Square Footage of Federal Buildings, 1985 to 1998**



## PROGRAM MISSION - FEDERAL ENERGY MANAGEMENT PROGRAM (Cont'd)

The energy and dollar benefits attributable to Federal efficiency actions in 2005, and 2010 as shown below, are based on several key assumptions. First, consistent with historical success, we assume that the year 2005 and 2010 goals of a 30% and 35% efficiency improvement are achieved in Federal buildings. Executive Order 13123 expanded the applicability of the efficiency improvement goals of the government by directing that more stringent criteria be developed for exempting buildings and facilities, and by emphasizing the need to reduce energy intensity in laboratory and industrial facilities. This budget does not attempt to implement energy efficiency or renewable energy projects for mobility energy use, or in Federal leased space, therefore no benefits attributable to improvements in these areas are estimated as they were in the FY 2000 budget. Based on recent historical experiences, Federal gross square footage is also assumed to remain constant rather than the one percent per year decline previously assumed. Shown below are benefits for all Federal buildings.

### **Federal Government Performance and Results Act Benefits with Current Legislation**

Metric - Federal Buildings	2010	2020
Total Primary Energy Displaced (Quads) . . . . .	0.13	0.13
Total Cost Savings in Year (1997 \$-Millions) . . . . .	\$744	\$694
Carbon Equivalent Savings [million metric tons of carbon equivalent (MMTCE)] . . . . .	2.4	2.4

These benefits flow from the large number of efficiency financing options underway at Federal sites. Assessment of these benefits should include important activities that are *not* directly driven by FEMP, such as the Army Corps of Engineers' energy saving performance contracting activities. FEMP regularly assesses the federal market demand for FEMP services. Preliminary indications are that the market will largely consist of the Navy, Marines, and most civilian agencies. The total combined effect of FEMP's portfolio, including the FEMP Service, Utility Incentives Program, Procurement Challenge, and Technical Services, is assumed to occur in these segments of the total Federal energy market - about 50% of the total. The benefits *directly attributable* to FEMP are shown on the chart below. These savings are a function of successfully implementing efficiency investments in these agencies. FEMP will work with other DOE Energy Efficiency and Renewable Energy (EERE) programs such as the Office of Building Technology, State and Community Programs (BTS), the Office of Power Technologies, and the Office of Industrial Technologies, to deploy cost-effective, high-performance technologies in Federal facilities. FEMP will assist BTS in identifying opportunities in Federal facilities to support the EnergySmart Schools program. In particular, FEMP will work with the Bureau of Indian Affairs and other Federal agencies to assist Federally-owned schools in reducing their energy costs. An important underlying long-term benefit of all these activities is building an infrastructure in Federal agencies that institutionalizes energy efficiency as a standard business practice.

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***FEMP-Specific* Government Performance and Results Act Benefits with Current Legislation**

Metric - Federal Buildings	2010	2020
Total Primary Energy Displaced (Quads) .....	0.07	0.07
Total Cost Savings in Year (1997 \$-Millions) .....	\$372	\$347
Carbon Equivalent Savings (MMTCE) .....	1.2	1.2

Federal Energy Management Program Performance Measures for FY 2001

**1. Federal energy efficiency.** Federal buildings and facilities energy efficiency, measured in site energy per gross square foot of floorspace, relative to a 1985 baseline. Specific performance metrics include:

- 22% reduction in Btu/gsf by 2001 as the stock average for the Federal government
- 30% reduction in Btu/gsf by 2005 as the stock average for the Federal government
- 35% reduction in Btu/gsf by 2010 as the stock average for the Federal government

Within this sector-level goal, supporting FEMP program performance measures are centered on the Department of Energy's own facilities. (DOE is one of the 4 largest civilian Federal agencies in terms of energy use.) Goals for federal energy efficiency *in DOE* will be as follows:

- 38% reduction in Btu/gsf by 2001
- 40% reduction in Btu/gsf by 2005
- 45% reduction in Btu/gsf by 2010.

**2. Total dollar investment.** This performance measure captures the *total* dollar investments in energy efficiency and renewable energy projects at federal facilities and buildings, from all sources. Included here are Super-Energy Saving Performance Contracts and Technology-Specific ESPCs managed by FEMP, other agencies' site-specific and broad application ESPCs, utility service contracts, direct appropriations for efficiency, and capital upgrade projects as well as other mechanisms. Specific performance measures for the performance of the Federal government are:

- \$1.3 Billion *cumulative* investment in federal facilities from FY 1997 - FY 2001, with a baseline of \$845 Million as of FY 1999

## PROGRAM MISSION - FEDERAL ENERGY MANAGEMENT PROGRAM (Cont'd)

- \$4-5 Billion *cumulative* investment in federal facilities by 2005
- \$6-7 Billion *cumulative* investment in federal facilities by 2010

Within this goal, specific FEMP program performance measures include the following:

- \$1.2 - 1.25 Billion *cumulative* investment in Federal facilities via the FEMP Super ESPC delivery order mechanism over the 2001-2010 time frame (which averages to \$120-125 Million per year);
- \$1.2 - 1.325 Billion *cumulative* investment via utility service contracts over the 2001-2010 time frame.

**3. Increased renewable energy use.** Increase total renewable energy use at federal facilities and buildings, including both on-site renewables and purchases of renewable-generated electricity. Executive Order 13123, issued in June of this year, directs DOE to provide guidance for counting renewable projects and green power purchases and for developing specific renewable energy goals for Federal agencies “within 1 year of this order.” (Section 503) These activities will be implemented in FY 2000, and will be fundamental to establishing credible future year performance measures for increased renewable energy use. It is therefore premature to establish “firm” performance measures for renewables at this point. Therefore, we submit the following “illustrative” measures, which *will be revised* following completion of the Executive Order-mandated FY 2000 activities.

- By end of 2001, increase the Federal share of total energy provided by renewable energy by .4% relative to a 1990 baseline;
- By end of 2005, increase Federal use of renewable energy by 1.5% relative to a 1990 baseline;
- By end of 2010, increase Federal use of renewable energy by 3% relative to a 1990 baseline.

Other renewable performance measures that are not contingent upon Executive Order requirements include the following:

- By end of 2001, issue 8-10 renewable energy delivery orders through the Technology-Specific ESPCs.
- By end of 2001, complete award of the biomass Technology-Specific ESPC.

**4. Federal Agency Overall Performance.** Per E.O. 13123, each Federal agency’s progress in meeting the multiple goals of this order shall be evaluated and graded. The methodology for this “scorecard” will be developed by OMB and DOE in FY 2000. As this scorecard has yet to be developed, it is premature to develop firm performance measures at this time. Therefore, the following “illustrative” performance measures are presented below:

- By end of 2001, 25% of all agencies will be “very good” or better;

## PROGRAM MISSION - FEDERAL ENERGY MANAGEMENT PROGRAM (Cont'd)

- By end of 2001, agency scorecards will be available on the Web;
- By end of 2005, 50% of all agencies will be “very good” or better;
- By end of 2010, 80% of all agencies will be “very good” or better.

Within this goal, FEMP-specific performance measures are also necessary. Measures might include:

- By end of 2001, DOE’s overall score will be “very good”
- By end of 2002, DOE will rate each of its major sites and the results will be posted on the Web;
- By end of 2005, DOE’s overall score will be an “outstanding.”

### FY 2002 - 2005 Planned Accomplishments

FEMP will continue to work with agencies to meet mandated energy reduction goals by promoting energy efficient investments and renewable energy use in their facilities. Through energy teams established by agencies, FEMP will assist agencies in prioritizing their energy related needs and activities for capital retrofit projects, new construction, equipment replacement, and operations and maintenance.

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 FY 2001 CONGRESSIONAL BUDGET REQUEST  
 ENERGY CONSERVATION  
 (Dollars in Thousands)

FEDERAL ENERGY MANAGEMENT PROGRAM

PROGRAM FUNDING PROFILE

Activity	FY 1999 Enacted	FY 2000 Enacted	FY 2001 Base	FY 2001 Request	Program Change Request vs. Base	
					Dollar	Percent
<b>Federal Energy Management Program</b>						
Program Activities, Operating Expenses . . . . .	\$ 21,664	\$ 21,718	\$ 21,718	\$ 25,968	\$ 4,250	19.6%
Program Direction, Operating Expenses . . . . .	\$ 2,100	\$ 2,200	\$ 2,200	\$ 3,500	\$ 1,300	59.1%
<b>TOTAL . . . . .</b>	<b>\$ 23,764</b>	<b>\$ 23,918</b>	<b>\$ 23,918</b>	<b>\$ 29,468</b>	<b>\$ 5,550</b>	<b>23.2%</b>
<b>Summary</b>						
Operating Expenses . . . . .	\$ 23,764	\$ 23,918	\$ 23,918	\$ 29,468	\$ 5,550	23.2%
Total Program . . . . .	\$ 23,764 <sup>a</sup>	\$ 23,918	\$ 23,918	\$ 29,468	\$ 5,550	23.2%
<b>Staffing (FTEs)</b>						
HQ FTEs . . . . .	21	30	30	32		
Field FTEs . . . . .	0	0	0	0		
Total FTEs . . . . .	21	30	30	32		

<sup>a</sup> Reflects adjustment of \$-54.0 thousand associated with the Administration and Travel rescission, P.L. 105-61.

DEPARTMENT OF ENERGY  
 FY 2001 CONGRESSIONAL BUDGET REQUEST  
 ENERGY CONSERVATION  
 (Dollars in Thousands)

FEDERAL ENERGY MANAGEMENT PROGRAM

SUMMARY OF CHANGES

	FY 2001 Request
FY 2000 Enacted . . . . .	\$ 23,918
- Non-Discretionary . . . . .	0
FY 2001 Base . . . . .	\$ 23,918
<u>Federal Energy Management Program</u>	
- Project financing - Increases project assistance for delivery orders, technology specific contract development, and outreach efforts. Provides for FEMP activities related to private sector financing efforts. Also, positions the Federal government to take advantage of utility opportunities for energy efficiency; implementation of private sector financing for mobility, energy efficiency, and Federal leased space is not included . . . . .	500
- Technical Guidance and Assistance - Expands support for Federal renewables projects, including biomass and solar projects. Expands support for Green Energy Parks projects and education efforts, in collaboration with other EERE offices. Expands support for State grants. . . . .	2,750
- Planning, Reporting, and Evaluation - Expand technical and analytical support to resolve issues related to energy and water conservation and renewable energy use to make updated policy changes that will impact energy markets such as utility restructuring and “green” power procurement . . . . .	1,000
- Program Direction - Supports FTEs needed to manage expanded finance and technical assistance program efforts .	1,300
FY 2001 Congressional Budget Request . . . . .	\$ 29,468

FEDERAL ENERGY MANAGEMENT PROGRAM  
(Dollars in Thousands)

**I. Mission Supporting Goals and Objectives: Core Program and Financial Support**

The Federal Energy Management Program performs its mission through an integrated program to assist agencies in achieving the Federal energy management goals set forth in the Energy Policy Act of 1992, Executive Order 13123, and other relevant laws. FEMP accomplishes these aims by providing leadership and coordination on cross-cutting issues, providing technical assistance and training in a wide variety of areas, and working with other agencies to facilitate energy efficiency and renewable technology activities that they undertake on their own. FEMP's role in these efforts is multi-faceted, reflecting both the nature of the challenge posed by the goals, and the characteristics of FEMP's constituent agencies and their activities. Up to \$1 billion in annual energy cost savings will result from the cumulative effect of Federal energy management investments and effort by 2010.

FEMP groups its activities in three general categories: Project Financing, which focuses on developing, and helping agencies to implement private sector based methods of financing projects; Technical Guidance and Assistance, which aims to transfer to Federal agencies the knowledge and expertise required to make sound efficiency and renewable energy technology investment choices; and Planning, Reporting, and Evaluation, by which FEMP develops integrated, results-oriented approaches to manage, implement, and track the program. As a set, these activities represent FEMP's dedication to assisting all agencies in their energy savings efforts. It also provides a multi-faceted approach to reach agencies and provide them with the tools and information to enable them to pursue efficiency and renewable projects.

**PROJECT FINANCING: HELPING AGENCIES HELP THEMSELVES TO INVEST IN ENERGY EFFICIENCY**

The project financing component of FEMP's program effectively combines three business principles -- cost-recovery, partnership, and leverage -- in an innovative program that links FEMP, other Federal agencies, and the private sector. FEMP uses a variety of mechanisms to help agencies access private capital, tap into private sector and national laboratory technical expertise, and finance energy savings projects. This includes employing ways to sharpen our focus on the market and target our efforts in the most cost-effective manner. In FY 2001, we will do this, chiefly by greatly expanding the use of non-federal funding for Federal energy savings projects.

***Energy Savings Performance Contracting.*** Energy savings performance contracting (ESPC) is one of the most important ways that the Federal government can access private sector investment for Federal energy savings. Investments using this mechanism represent a mutually beneficial link between industry and agencies, by both providing performance-based profits to energy service companies for their products and services and reducing future Federal energy budgets by as much as 25 times the cost to the Government of administering the program. In FY 2001, FEMP will continue its efforts to establish and utilize this vehicle in two ways.

## **I. Mission Supporting Goals and Objectives: FEDERAL ENERGY MANAGEMENT PROGRAM (Cont'd)**

A first critical step will be to expand the FEMP Super ESPCs for specific technologies. Any agency can use the government-wide regional or technology specific ESPC contracts to rapidly access private capital and energy services for a wide variety of efficiency and renewable technologies. There are 44 DOE Super ESPCs available to agencies through 17 ESCOs. The expanded use of Super ESPCs will help agencies reduce the burden of soliciting individual contracts. A more effective government will result because appropriated dollars can be applied toward other agency priorities.

Second, FEMP will help agencies set up contracts under this vehicle. To streamline the provision of the project financing assistance and technical assistance that agencies need, FEMP is to serve as the central point of contact for the 100+ Federal agencies for contracting through private sector financing mechanisms. FEMP provides agencies with a wide range of technical information and services to assist them in accurately identifying their energy investment needs and savings potential, and negotiating the best possible contract with an ESCO or utility. FEMP is reimbursed by the agency for the cost of services after the project savings are realized. The precise nature and scope of our services in FY 2001 will reflect the outcome of an implementation plan that FEMP will complete in FY 2000. In addition to the Super ESPCs, some agencies, such as the Department of the Army, have established their own similar, umbrella contracting authorities. FEMP will also provide reimbursable assistance, as requested, to help agencies put energy projects in place by utilizing these non-FEMP based ESPC contracts.

### **I. Mission Supporting Goals and Objectives - Energy Savings Performance Contracting**

DOE awarded 44 Super ESPCs to 17 ESCOs for six regional and three technology-specific contracts. Currently, delivery orders have been issued under the Super ESPCs for projects with the U.S. Coast Guard, the Federal Aviation Administration, the General Services Administration, the U.S. Forest Service, the Department of Veterans Affairs, the National Park Service, the National Aeronautics and Space Administration, the Bureau of Indian Affairs, and the U.S. Navy. These projects will be implemented with \$38.7 million in private sector investments. The contractors will be paid from up to \$82.5 million in savings generated through the Super ESPCs. Under NASA's Johnson Space Flight Center project, the contractor will make an initial investment of about \$20 million to install energy efficient lighting and compressed air systems, reduce water consumption, and improve air conditioning controls in 147 buildings. The total value of the project is about \$43 million and will be performed over the next 23 years. FEMP is working with various agencies to develop 60 additional projects across the country.

### **I. Mission Supporting Goals and Objectives - Utility Service Program**

Under FEMP's Project Financing efforts, FEMP will continue to facilitate partnerships between utilities that have incentive programs and Federal agencies. The offering of incentive programs among utilities varies, but generally takes the form of initial audits, specialized technical assistance, acting as a contractor to direct the various phases of project design and implementation, and providing access to financing for

## **I. Mission Supporting Goals and Objectives:** FEDERAL ENERGY MANAGEMENT PROGRAM (Cont'd)

completion of energy-efficiency and renewable energy projects. Numerous projects have been completed, with many more proposed, anticipated or underway. Summary information regarding information on projects that have been collected as of the latter part of FY 1999:

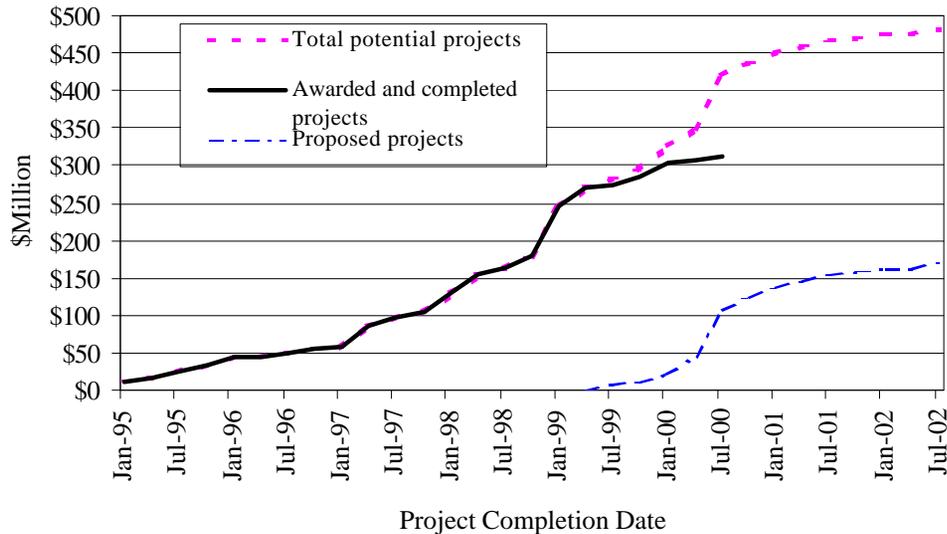
- Number of Utilities Reporting Data on Projects: 43
- Total Project Investments of *Awarded and Completed* projects to date (May 1999): \$350 million
- Total Potential Project Investments (*Awarded, Completed, and Proposed*): \$515 million (Includes proposed projects out to July 2002)
- Total Number of Awarded and Completed Projects to date (May 1999): 291
- Total Number of Projects (*anticipated out to July 2002*): 391
- Average cost of project: \$1.6 million (as of May 1999)
- Current estimated annual cost savings: \$46 million, but is expected to be near \$60 million upon completion of current awarded projects.

There has been significant investments in the Federal government under utility incentive programs over time. Chart 1 shows the rate of change in these investments over the last several years. (It should be noted that these investments represent the increased use of third party financing of projects over the last several years, where DSM rebates have significantly decreased since the early 1990s). The solid black curve shows investment of the awarded and completed projects based on data collected to date, totaling \$312 million (projects completed by July 2000). There is also a significant level of investments that are anticipated in the future through utility projects, shown in the lower dotted curve – this curve shows \$124 million in additional investments expected to be completed by 2002. The total utility investment would total \$515 million by 2002 if all these proposed projects are awarded, shown in the upper dotted curve in Chart 1 below.

Information regarding a sample of both completed and on-going utility related energy projects is provided below. Specific details are provided on the typical scope of the project, actual or planned completion date, and nature of the support provided from FEMP in getting the projects underway. These projects were chosen to highlight the range of technologies applicable in Federal buildings. The nature and magnitude of the projects demonstrates the commitment by utilities to work with agencies so they can meet both EPA Act and Executive Order energy reduction goals. It also highlights projects, such as Ft. Detrick, where both the Department of Defense and the Department of Human and Health Services, which occupy about 50% of the buildings at the Fort, are working together on projects that ultimately benefit both agencies.

**I. Mission Supporting Goals and Objectives: FEDERAL ENERGY MANAGEMENT PROGRAM (Cont'd)**

**Chart 1: Utility Incentive Projects -- \$ Million of Project Cost**  
*Rate of Change Over Time*



**Completed Projects**

**Great Lakes Naval Training Center - Department of Defense:** This comprehensive project was a partnership between the Great Lakes Naval Training Center and Commonwealth Edison.

*Total Project Cost:* \$14.7 Million

*Energy Conservation Measures:* mechanical, electrical, and lighting upgrades.

*Completion Date:* Projects were initiated in spring of 1997 and completed January of 1998.

*Annual Energy Savings:* estimated \$1.4 Million.

*Payback:* 10 years

*Utility:* Commonwealth Edison financed the project and provided engineering services.

*FEMP Support:* Technical and contractual support from FEMP staff.

**Dallas Veterans Administration Medical Center - Office of Veterans Affairs:** This project was a partnership between the VA and Texas Utilities Electric Company which implemented a Thermal Energy Storage (TES) system in the facility. The TES was the first of its kind for the VA.

*Total Project Cost:* \$2.2 Million

*Energy Conservation Measure:* Thermal Energy Storage.

*Completion Date:* The project was initiated in February of 1996 and completed by September of the same year.

*Annual Energy Savings:* estimated \$1.4 million.

*Payback:* 7 years

*Utility:* Texas Utilities Electric Company. They facilitated the project and provided \$500,000 of the total project cost.

*FEMP Support:* Technical and contractual support from FEMP staff.

**I. Mission Supporting Goals and Objectives: FEDERAL ENERGY MANAGEMENT PROGRAM (Cont'd)**

**Awarded Projects:**

**Naval Shipyard in Kittery, Maine - Department of Defense:** This project was recently awarded to Central Maine Power through its areawide contract.

*Total Capital Investment:* \$1.7 Million

*Energy Conservation Measures:* lighting, heating controls, building envelope, and hot water systems.

*Completion Date:* Project was awarded in Spring of 1999 and will be completed by end of the year in 1999.

*Annual Energy Savings:* estimated \$180,000

*Payback:* less than 10 years

*Utility:* Central Maine Power

*FEMP:* Training and education through Federal Utility Partnership Working Group.

**Ft. Detrick - Department of Defense:** The Fort has undertaken a site-wide energy conservation program with design assistance from Pacific Northwest National Laboratories.

*Total Project Cost:* \$13 Million for current proposed projects

*Energy Conservation Measures:* lighting, HVAC, steam and electrical distribution, and water distribution

*Completion Date:* Feasibility studies for six projects are underway and two projects are in the construction stage. Construction activities for current proposed projects will begin through 1999 and into 2000. An additional 11 projects have been identified with the expectation that initial proposals will be submitted for all by December 1999.

The associated cost and energy savings information will be determined upon completion of the associated feasibility study.

*Annual Energy Savings:* \$1.5 million with total guaranteed government retained savings of \$8 million

*Payback:* Varies by project

*Utility:* Allegheny Power

*FEMP Support:* technical review of proposed projects

**Special Projects.** FEMP may also provide a limited amount of financial assistance that is specifically directed to increasing the visibility, and encouraging the early adoption, of selected energy products or services whose widespread application would likely have a strong impact on Federal energy savings. Those are instances where the provision of a small amount of financial assistance to launch a project can demonstrate sufficient leadership to overcome initial resistance of agency managers to try a new technology, despite its excellent energy savings potential. Thus, this approach is designed to promote and expedite the introduction of products and services into Federal sector use; for example, an emerging technology, such as the sulfur lamp, that has recently been developed by another program in the Office of Energy Efficiency and Renewable Energy.

**I. Mission Supporting Goals and Objectives: FEDERAL ENERGY MANAGEMENT PROGRAM (Cont'd)**

**TECHNICAL GUIDANCE AND ASSISTANCE: FINDING ENERGY SAVINGS OPPORTUNITIES FOR INVESTMENT IN THE BEST PROJECTS**

The Technical Guidance and Assistance (TA) program is at the center of FEMP's core activities. The aim of the program is to help ensure that Federal personnel have the highest level of technical competence to identify and implement sound and cost-effective energy efficiency, water conservation, and renewable energy technology projects at their facilities. Federal facility managers have many choices related to new building construction, renovations, and the purchasing of products. The TA program provides them with the technical information, resources, and training to make those decisions wisely. All TA activities support these efforts.

The TA program operates both on a broad distribution of technical resources to all agencies and on a targeted-projects, facility-specific basis, with each of these two aspects of the program feeding into and enhancing the other. The broad dissemination of technical resources provided to agencies includes training and technical information, such as Federal Technology Alerts and Federal Procurement Challenge information; targeted projects include SAVEnergy audit, and project design assistance for energy efficiency, renewable energy, and water conservation projects.

**Technical Resources.** FEMP's set of technical resources are designed to build a broad foundation of knowledge that contribute to the general capacity to achieve energy savings.

*Technical Information and Tools.* Technical information and decision-making tools will continue to be provided. This technical information will help agencies make the most energy efficient and life-cycle cost effective decisions when spending resources that affect energy use. FEMP provides technical capabilities and software tools to evaluate energy projects quickly, in a fuel neutral analysis, to identify the most life-cycle cost-effective projects in a facility. Similarly, through new technology demonstrations FEMP partners with industry and other agencies to evaluate new, cost-effective, energy efficient, U.S.-manufactured technologies that are not yet widely used in the Federal sector. FEMP is partnering with other DOE EERE programs, such as the Office of Industrial Technologies' Motor Challenge Program, to apply those programs to Federal customers and to bring the many opportunities of the Federal Sector to those programs.

*Training.* As part of our overall emphasis on cost-recovery and leveraging resources, FEMP is exploring new ways to maintain quality training for agencies at reduced funding levels by charging tuition and empowering self-supporting "DOE-Qualified Instructors." We are expanding our access to students by using teleconference training, self-paced computer, and Web-based multimedia training packages through partnering with other agencies. In addition, we are working with utilities and other non-government partners to provide training, information, and tools at regionally-based Federal Resource Centers that use FEMP materials and the partners' human resources.

## **I. Mission Supporting Goals and Objectives: FEDERAL ENERGY MANAGEMENT PROGRAM (Cont'd)**

*Federal Procurement Challenge.* Energy efficient procurement uses the Government's buying power -- at least \$12 to 15 billion in annual purchases of energy and water-consuming products -- to support sound Federal purchasing practices and speed the commercialization of cost-effective new technologies that save energy and water. The Federal Procurement Challenge is a keystone activity in this effort. The Procurement Challenge program recommends product energy efficiency levels that can leverage energy savings from all of an agency's product purchases. These products range from commercial-grade electric chillers to shower heads and office equipment. For example, the Army Corps of Engineers revised many of its guide specifications to ensure that only high efficiency equipment meeting FEMP recommended levels are purchased and installed in all Corps projects. This change leverages a portion of the almost \$3 billion the military plans to spend in FY 2001 on new construction and renovation projects. FEMP will also continue to implement the Technology Procurement for high-efficiency commercial unitary air conditioners which supports EPACT requirements to determine whether Federal purchasing power can be used to commercialize new, high efficiency technologies.

**Targeted Projects.** Targeted projects serve as practical examples to the rest of the Federal sector, providing an opportunity to apply new technologies and practices in the real world of budget constraints, contract requirements, and competing demands. A particularly important feature of many targeted projects is that they can serve to motivate interest in the Super ESPCs and other private sector financing mechanisms, by providing an example of the energy savings that are possible in different types of facilities and circumstances. Targeted projects provide a valuable source of new technical information, validated by agency experience, and contribute practical information about how various approaches play out under a variety of actual conditions. FEMP disseminates these lessons broadly through case studies and by showcasing them as examples for their agency and other Federal facilities. The result is an enriched base of knowledge of the latest and best information and techniques for agency energy managers.

*SAVEnergy Program.* The SAVEnergy program identifies the greatest opportunities at customer sites through a prescreening process, then develops a SAVEnergy Action Plan to carry forward typical audit data and analysis into cost-saving energy and water projects. The Program emphasizes providing the necessary information to leverage audits into private sector financed projects.

*Design Assistance and Renewable Energy.* Design or project assistance identifies the best opportunities through feasibility studies, design reviews, technical specification recommendations, and suggestions for funding. This area is also the central focus within FEMP for expansion of cost-effective renewable energy use within the Federal sector. The Federal sector has the world's broadest range of market niches for remote power from orbiting satellites and ocean signal buoys to isolated sites for Department of Defense and National Parks. Some of these remote locations have already taken advantage of solar and other forms of renewable energy, providing cost-effective energy supply solutions, as well as other values such as silent operation and reduced fuel spill risks. FEMP is working to find more of these niches where solar and other renewables make sense economically and environmentally, and for agency mission purposes. The program has participated directly in the implementation of cost-effective solar projects with the National Park Service; the Federal Bureau of Prisons; the General Services Administration; the Departments of Defense; the Interior; Transportation; and other agencies.

## **I. Mission Supporting Goals and Objectives: FEDERAL ENERGY MANAGEMENT PROGRAM (Cont'd)**

*Water Savings.* Project assistance also identifies and promotes Federal water savings opportunities. The program helps reduce water use comprehensively as required by EPAct. Water efforts include identifying Federal customers' technical and educational needs, deploying tools and training to meet those needs, and facilitating projects that demonstrate, measure water conservation potential, and transfer information to other Federal sites. The water program is closely linked with private sector financing mechanisms through which energy cost savings are to be achieved, to move water conservation opportunities to project implementation.

The Targeted Projects program area also intends to work with the FEMP to provide reimbursable services for agencies who want to work with a mix of FEMP technical resources on projects that are not alternatively financed. For example, for a new building that has funding, an agency may want advice on the best new window technologies to consider, and whether a fuel cell is cost-effective. These resources would be provided from different laboratories and contractor support.

### **PLANNING, REPORTING AND EVALUATION: SYSTEMS TO IMPROVE PROGRAM MANAGEMENT AND PERFORMANCE**

Many changes have taken place since the Energy Policy Act of 1992 and the Executive Orders that empower FEMP took effect. Federal appropriations for agency energy projects have been all but eliminated, the electricity industry is undergoing a profound restructuring, and research and development efforts have developed impressive new energy-saving technologies. These and other issues pose significant challenges for Federal facility managers who want to implement energy efficiency improvements. In short, the context in which the Federal government must attain its goals, and FEMP and must provide leadership, is vastly different than it was only a few years ago and is constantly evolving.

FEMP's response has been to develop innovative approaches to address these issues, with the goal of building sufficient capacity in agencies to make good energy decisions now and in the years to come. For example, we provide comprehensive and up-to-date technical information on the energy products available for Federal purchase, thus strengthening the ability to use the procurement system effectively, and we have streamlined the processes to make capital energy investments through the development of private sector financing mechanisms. These and other FEMP actions, coupled with our emphasis on cost recovery for our services, have created a highly cost-effective program and have greatly enhanced the ability of agencies to carry out their energy-saving responsibilities.

FEMP conducts its planning, reporting, and evaluating activities within an overall strategic management system, which is designed to ensure that our programs and innovative approaches are developed and operated in an integrated manner. The system enables us to understand and describe how all aspects of the program fit together and how they contribute to goal attainment. We use a business and multiyear planning process that articulates a clear roadmap for the future; we are able to define clear expectations for the outcomes of our activities and budgeted

**I. Mission Supporting Goals and Objectives: FEDERAL ENERGY MANAGEMENT PROGRAM (Cont'd)**

investments; and we have good ways of measuring both specific program performance and overall program effectiveness. We accomplish this within the framework of the Government Performance and Results Act.

FEMP is working hard to institutionalize the concept and practice of energy efficiency so that facility management practices that maximize energy efficiency become the standard way of doing business. In FY 2001, FEMP will accomplish this in a variety of ways:

- Conducting analytic work on important emerging issues;
- Improving the precision of our performance and energy savings metrics;
- Using pilot projects to test new ideas and new ways of implementing programs and sharing lessons learned with other agencies, State and local governments, and the private sector;
- Expanding active agency participation in a wide range of programs;
- Strengthening the effectiveness of our partnerships with industry, utilities and states;
- Evaluating existing programs to find the most effective and efficient, cost-saving projects and practices to transfer to others for implementation;
- Refining our regional delivery of information and technical assistance services and creating new ways to reach facility managers;
- Making more effective use of the Federal Interagency Energy Policy Committee (656 Committee) and Interagency Energy Task Force;
- Continuing to develop outreach approaches that can be easily tailored to individual agency needs;
- Working with agencies on “green power” procurement policy and implementation and other emerging policy issues; and
- Assessing program results and updating our planning accordingly.
- Fully implementing the provisions of Executive Order 13123.

**II. A. Funding Table: FEDERAL ENERGY MANAGEMENT PROGRAM**

Program Activity	FY 1999 Enacted	FY 2000 Enacted	FY 2001 Request	\$ Change	% Change
Project Financing . . . . .	\$ 9,810	\$ 9,864	\$ 10,364	\$ 500	5.1%
Technical Guidance and Assistance . . . . .	7,454	7,454	10,204	2,750	36.9%
Planning, Reporting, and Evaluation . . . . .	4,400	4,400	5,400	1,000	22.7%
Program Direction . . . . .	2,100	2,200	3,500	1,300	59.1%
Total, Federal Energy Management Program . . . . .	\$ 23,764	\$ 23,918	\$ 29,468	\$ 5,550	23.2%

**II. B. Laboratory and Facility Funding Table: FEDERAL ENERGY MANAGEMENT PROGRAM**

	FY 1999 Enacted	FY 2000 Enacted	FY 2001 Request	\$ Change	% Change
Lawrence Berkeley National Laboratory . . . . .	\$ 2,290	\$ 2,300	\$ 3,000	\$ 700	30.4%
National Renewable Energy Laboratory . . . . .	6,262	6,300	8,000	1,700	27.0%
Oak Ridge National Laboratory . . . . .	2,668	2,700	3,400	700	25.9%
Pacific Northwest National Laboratory . . . . .	3,501	3,600	4,500	900	25.0%
Sandia National Laboratory . . . . .	132	150	170	20	13.3%
All Others . . . . .	8,911	8,868	10,398	1,530	17.3%
Total, Federal Energy Management Program . . . . .	\$ 23,764	\$ 23,918	\$ 29,468	\$ 5,550	23.2%

**III. Performance Summary:** (New BA in thousands of dollars)

Program Activity	FY 1999	FY 2000	FY 2001
Federal Energy Management Program			
Project Financing	<p>Updated and maintained qualified list of energy service companies, program evaluation, identification of barriers, and program management support, including energy service companies and Government performance reviews.</p> <p>Supported other technical and management financing activities such as tracking Federal agency project development and execution and maintaining records of ESPC project activities and their effectiveness.</p> <p>Based on results of the Federal energy market assessment, targeted agencies that have limited energy management organizational support but had significant targets for energy and cost savings.</p> <p>Developed an additional 3 to 4 Technology-Specific ESPCs.</p>	<p>Continue support for updating and maintaining qualified list of energy service companies, program evaluation, identification of barriers, and program management support including energy service companies and government performance reviews.</p> <p>Review the Federal energy market strategy and modify based on lessons learned and additional information available.</p> <p>Increase marketing and outreach materials that will continue to target Federal agency energy management by expanding information, education, and hands-on activities specifically for project financing efforts.</p> <p>Achieve 20% building energy reduction compared to 1985 energy use baseline through alternative</p>	<p>Continue support of regulatory requirement to update and maintain qualified list of energy service companies. Support for program evaluation, implementing solutions to barriers, and improving program management.</p> <p>Continuous review of the Federal energy market and modify performance targets based on lessons learned, new information, and market changes.</p> <p>Focus marketing and outreach efforts of alternative financing on an agency-wide basis.</p> <p>Support for changes to the ESPC regulation to incorporate projects for water conservation.</p> <p>Perform analysis preparatory to instituting ESPC projects for water conservation and energy efficiency</p>

**III. Performance Summary: FEDERAL ENERGY MANAGEMENT PROGRAM (Cont'd)**

Program Activity	FY 1999	FY 2000	FY 2001
Project Financing (Cont'd)	<p>Increased direct project financing to no more than \$1.0 million for the most promising technologies.</p> <p>Provided improved utility incentives and restructure training. Provided support for developing guidance in the purchase of electricity in a deregulating market. Provided technical assistance in the development of utility incentive project. Developed material and effective delivery systems to support the implementation of an aggressive outreach program for utilities and ESPCs.</p> <p>Strengthened FEMP support to the field and administer reimbursable effort. Under the Super ESPC, delivery orders valued at \$55 million were placed.</p> <p>The training plan for FY 1999 included eight regional and four customized workshops. Provided training for approximately 360 personnel in all regions. TeleFEMP broadcast on Super</p>	<p>financing methods. Track energy savings and costs as well as leveraged dollars from private sector investments.</p> <p>Develop one additional Technology Specific Super ESPC (with focus on renewable energy technology such as Biomass), bringing the number of technology Super ESPCs to four.</p> <p>Support efforts to expand use of ESPCs to water conservation projects.</p> <p>Continue to maintain and improve the effectiveness of the Federal Utility Working Group Partnership and expand utility resource centers to assist Federal customers in developing energy-saving projects.</p> <p>Through efficient delivery of FEMP services, increase the pace of awarding Super ESPC delivery orders for Federal energy projects, which includes identifying and screening projects, preparing</p>	<p>projects for Federal mobile equipment and leased space.</p> <p>Process improvement to explore efficient and effective program delivery including but not limited to agency identification of private sector financed projects.</p> <p>Continue the efforts of delivery of the FEMP services to increase the size and pace of awarding Super ESPC delivery orders, which includes identifying and screening projects, preparing delivery orders and site data packages, evaluating proposals, reviewing and documenting projects.</p> <p>Super ESPC delivery orders valued at \$120 - \$150 million will be placed.</p> <p>Continue to update training materials and conduct workshops to help prepare agency technical, contracting, budget, legal, administrative, and management personnel to use the Super ESPC</p>

**III. Performance Summary: FEDERAL ENERGY MANAGEMENT PROGRAM (Cont'd)**

<b>Program Activity</b>	<b>FY 1999</b>	<b>FY 2000</b>	<b>FY 2001</b>
Project Financing (Cont'd)	<p data-bbox="443 337 905 414">ESPCs (estimated to reach 3000 people).</p> <p data-bbox="443 456 905 643">Customized workshops to meet the ESPC training needs of an agency or regional contract needs. (NREL, PNNL, LBNL, ORNL, McNeil Technologies, Inc.)</p> <p data-bbox="443 1149 905 1451">Grants to states under the Special Project State Grants program provided local support to Federal sites in preparation for participation in FEMP Super-ESPCs, and transfer FEMP alternative finance modeling to state and local government. An additional</p>	<p data-bbox="957 337 1419 488">delivery orders and site data packages, evaluating proposals, reviewing and documenting projects.</p> <p data-bbox="957 532 1419 643">Under the Super ESPC, delivery orders valued at \$90 million will be placed.</p> <p data-bbox="957 686 1419 951">Continue to prepare training materials and conduct workshops to help prepare agency technical, contracting, budget, legal, administration, and management personnel to use the Super ESPC contracting vehicle.</p> <p data-bbox="957 995 1419 1065">Approximately 360 personnel in all regions will be trained.</p> <p data-bbox="957 1149 1419 1451">Grants to states under the Special Project State Grants program provide local support to Federal sites. All grants are used by states to conduct audits, develop projects, and promote alternative financing for Federal agency sites. This is in compliance with the National</p>	<p data-bbox="1472 337 1934 448">contracting vehicle. Approximately 360 agency personnel will be trained.</p> <p data-bbox="1472 492 1934 756">Continue to maintain and improve the effectiveness of the Federal Utility Working Group Partnership and expand utility resource centers to assist Federal customers in developing energy-saving projects and purchasing green power.</p> <p data-bbox="1472 800 1934 1065">Assist Federal agencies to develop an understanding of impacts of deregulation and utility restructuring to enable them to make informed decisions regarding commodity purchases and consumption.</p> <p data-bbox="1472 1109 1934 1451">Award grants to states under the Special Project State Grants program which provide local support to Federal installations and sites. The grants are used by states to conduct audits, develop projects, and promote alternative financing for energy efficiency improvements at Federal agency sites in</p>

**III. Performance Summary: FEDERAL ENERGY MANAGEMENT PROGRAM (Cont'd)**

<b>Program Activity</b>	<b>FY 1999</b>	<b>FY 2000</b>	<b>FY 2001</b>
Project Financing (Cont'd)	<p>\$200,000 provided in support of Federal site-based technical services in support of alternative finance FY 1999 only. These funds were used in combination with Technical Assistance and Planning, Reporting and Evaluation funds. Grants of \$655,000 were planned for competitive award. These funds are included in the total Project Financing budget of \$9,810,000.</p>	<p>Energy Conservation Policy Act to inform non-Federal entities of the Federal experience in energy conservation. These funds are used in combination with Technical Assistance and Planning, Reporting and Evaluation funds. Grants of \$655,000 are being implemented in competitive awards. These funds are included in the total Project Financing budget of \$9,864,000.</p>	<p>compliance with the National Energy Conservation Policy Act (NECPA) to inform non-Federal entities of the Federal experience in energy conservation. Previous grants included an award to Florida to conduct a pilot project on alternatively financed multi-site energy efficiency at the Central Florida District U.S. Postal facilities. Another award to the State of Washington supported a Veteran's Administration Hospital energy efficiency project. Another grant supported a State of Utah project for the U.S. Park Service to implement innovative renewable energy projects in remote locations. These funds are used in combination with funds in FEMP Technical Assistance and Planning and FEMP Reporting and Evaluation. Grants of \$225,000 are planned for competitive award. These funds are included in the total Project Financing budget of \$10,364,000.</p> <p>FEMP estimates \$1 Million in</p>

**III. Performance Summary: FEDERAL ENERGY MANAGEMENT PROGRAM (Cont'd)**

Program Activity	FY 1999	FY 2000	FY 2001
	<p>FEMP recovered \$500,000 from other agencies.</p> <p style="text-align: right;">\$9,810</p>	<p>(Note: revised estimates based on actual performance, are for \$500,000 in recovered funds and additional \$500,000 in FY 2000.)</p> <p style="text-align: right;">\$9,864</p>	<p>recovered funds in FY 2001.</p> <p style="text-align: right;">\$10,364</p>
<p>Technical Guidance and Assistance</p>	<p>Trained more than 2600 students through additional sessions of the existing courses, as well as continued expansion into new training media and subjects. The new telecourse format piloted in 1997 continued to be expanded, and additional subjects were converted to the new format. Provided and improved training, technical information, and tools to support more projects than FEMP can assist directly. Provided training in energy-efficient technologies through classroom and satellite courses and other cost-effective delivery mechanisms.</p> <p>Published 16 technical information products. (Federal Technology Alerts from the New Technology Demonstration Program, and Product Recommendations from</p>	<p>Provide and improve training, technical information, and tools to support more projects than FEMP can assist directly. Train 3200 students in energy-efficient technologies through classroom and satellite courses and other cost effective delivery mechanisms. Publish 25 technical information products. (Federal Technology Alerts, Product Recommendations, and others.)</p> <p>Through Procurement Challenge, help agencies procure the most energy-efficient and water-conserving products through barrier reduction, policy guidance, and product recommendation, including new recommendations and a pilot bulk purchase effort.</p> <p>Develop and provide software and</p>	<p>Provide and improve training, technical information, and tools to support more projects than FEMP can assist directly. Train 3200 individuals in energy-efficient technologies through classroom and satellite courses and other cost effective delivery mechanisms. Publish 25 technical information products; such as; Federal Technology Alerts, Product Recommendations, and others.</p> <p>Through Procurement Challenge, help agencies procure the most energy-efficient and water conserving products by reducing barriers, making complying products easier to find, working to incorporate the recommended efficiency levels in agency guide specifications, and continuing the development and updating of</p>

**III. Performance Summary: FEDERAL ENERGY MANAGEMENT PROGRAM (Cont'd)**

Program Activity	FY 1999	FY 2000	FY 2001
Technical Guidance and Assistance (Cont'd)	<p>the Procurement Challenge Program and others.)</p> <p>Helped agencies buy the most energy-efficient and water-conserving products through barrier reduction, policy guidance, and product recommendations.</p> <p>Maintained and updated essential software programs such as Building Life Cycle Cost (BLCC), which is the basis for all Federal managers to assess the cost-effectiveness of projects.</p> <p>Developed and provided software and other tools that help agencies screen for energy and water-saving projects. Evaluated new, cost-effective energy efficient, U.S.-manufactured technologies that were not widely used in the Federal sector; share evaluation with Federal users.</p> <p>Increased the distribution of Internet- based and hard copy product design information</p>	<p>other tools that help agencies screen for energy and water-saving projects.</p> <p>Evaluate new, cost-effective energy efficient, U.S.-manufactured technologies that are not widely used in the Federal sector; and share evaluation with Federal users.</p> <p>Targeted Projects. Assist 60 energy efficiency and renewable projects (through audits and design assistance) and provide supporting documentation for replication.</p> <p>Provide SAVEnergy audits and action plans at sites targeted to lead to alternative financing. Provide project assistance ranging from feasibility studies, design reviews, and technical specifications to funding recommendations.</p> <p>Include efforts to use biomass co-firing at Federal facilities.</p> <p>Support combined heat and power</p>	<p>product efficiency recommendations, including coordination with the Energy Star program. Expand new technology purchases and bulk purchase activities.</p> <p>Accelerate development of improved software tools that help agencies screen for energy and water-saving projects on an even-handed basis. Maintain essential software such as the Building Life Cycle Cost (BLCC) tool, which implements Congressional requirements for Life Cycle Costing project analysis.</p> <p>Evaluate new, cost-effective energy efficient, U.S.-manufactured technologies that are not widely used in the Federal sector; and share evaluations with Federal users.</p> <p>Targeted Projects - Assist 60 energy efficiency, renewable energy and water conservation projects (through audits and design</p>

**III. Performance Summary: FEDERAL ENERGY MANAGEMENT PROGRAM (Cont'd)**

Program Activity	FY 1999	FY 2000	FY 2001
Technical Guidance and Assistance (Cont'd)	<p>materials such as lighting design manuals and software.</p> <p>Targeted Projects. A specific target in FY 1999 was to target at least one demonstration of combined heat and power at a Federal facility.</p> <p>Assisted 41 energy efficiency and renewable projects (through audits and design assistance) and provided supporting documentation for replication.</p> <p>Provided SAVEnergy audits and action plans at sites targeted to lead to alternative financing. Provided project assistance ranging from feasibility studies, design reviews, technical specifications to funding recommendations.</p> <p>Specifically targeted new tasks that reduce carbon use in the Federal sector for low or no incremental cost.</p>	<p>activities, to include three demonstrations, two at DOE facilities and one at another Federal facility. Technical information will be developed to help other agencies use combined heat and power.</p> <p>Support program to assist Federal agencies in improving energy efficiency of windows in Federal facilities. (NREL, PNNL, LBNL, ORNL, SNL, ORISE, McNeil Technologies, Aspen Systems)</p>	<p>assistance) and provide supporting documentation for replication. Expand water conservation program to capture savings from increasing water rates. Support Green Energy Parks through project, education and regional coordination support, in collaboration with other EERE offices. FEMP will assist Federal agencies to participate in other EERE programs such as the Million Solar Roofs and Wind Powering America initiatives.</p> <p>Provide SAVEnergy audits and action plans at sites targeted to lead to private sector financed projects. Provide project assistance to sites, including: feasibility studies, design reviews, technical specifications, and funding mechanism recommendations.</p> <p>Replicate biomass cofiring projects for Federal facilities utilizing documentation from previous projects.</p>

**III. Performance Summary: FEDERAL ENERGY MANAGEMENT PROGRAM (Cont'd)**

Program Activity	FY 1999	FY 2000	FY 2001
Technical Guidance and Assistance (Cont'd)	<p>Increased support to Federal facilities participating in the Presidential initiatives and other cost-effective solar technology purchases by providing streamlined access to solar technologies.</p> <p>(NREL, PNNL, LBNL, ORISE, SNL, McNeil Technologies, Inc.)</p> <p>Grants to states under the Special Project State Grants program, provided local direct technical assistance to Federal sites. These funds were used in combination with Project Financing, Planning, Reporting, and Evaluation funds. Competitively award \$200,000 in grants. These funds are included in the total Technical Guidance and Assistance.</p>	<p>Grants to states under the Special Project State Grants program, provide local direct technical assistance to Federal sites. For example, the State of Utah has a grant that allows the National Park Service to do innovative renewable projects in remote locations. These funds are used in combination with Project Financing, Planning, Reporting, and Evaluation funds. Competitively award \$200,000 in grants. These funds are included in the total Technical Guidance and Assistance.</p>	<p>Expand support for combined heat and power demonstrations at Federal Facilities. Technical information will be developed to help other agencies use combined heat and power.</p> <p>Award grants to states under the Special Project State Grants program which provide local support to Federal installations and sites. The grants are used by states to conduct audits, develop projects, and promote alternative financing for energy efficiency improvements at Federal agency sites in compliance with the National Energy Conservation Policy Act (NECPA) to inform non-Federal entities of the Federal experience in energy conservation. Previous grants included an award to Florida to conduct a pilot project on alternatively financed multi-site energy efficiency at the Central</p>

**III. Performance Summary: FEDERAL ENERGY MANAGEMENT PROGRAM (Cont'd)**

Program Activity	FY 1999	FY 2000	FY 2001
Technical Guidance and Assistance (Cont'd)	\$7,454	\$7,454	<p>Florida District U.S. Postal facilities. Another award to the State of Washington supported a Veteran's Administration Hospital energy efficiency project. Another grant supported a State of Utah project for the U.S. Park Service to implement innovative renewable energy projects in remote locations. These funds are used in combination with funds in FEMP Project Financing and FEMP Planning, Reporting and Evaluation. Grants of \$100,000 are planned for competitive award. These funds are included in the total Technical Guidance and Assistance budget of \$10,204,000.</p> <p>(NREL, PNNL, LBNL, ORNL, SNL, ORISE, McNeil Technologies, Aspen Systems)</p> <p style="text-align: right;">\$10,204</p>
Planning, Reporting, and Evaluation	Increased technical support to the Interagency Energy Management Task Force, the Federal Interagency Energy Policy Committee (656 Committee), and	Support core program activities, such as data collection and reporting for the FEMP Annual Report, which consolidates the energy use data of the Federal	Expand scope of program activities in support of FEMP mission and programs to reflect new goals and activities under E.O.13123 including new data collection and

**III. Performance Summary: FEDERAL ENERGY MANAGEMENT PROGRAM (Cont'd)**

Program Activity	FY 1999	FY 2000	FY 2001
Planning, Reporting, and Evaluation (Cont'd)	<p>Federal Energy Awards Program. Provided interagency coordination and management for developing and implementing energy efficiency, water conservation and renewable energy projects with emphasis on projects in the field. Increased support to agencies through a series of regionally focussed meetings.</p> <p>Evaluated Federal power purchasing as a customer and aggregation and solicitation methods for purchasing power in line with the emerging deregulation of electricity.</p> <p>Increased support of policy analyses of key issues related to Federal energy and water conservation and renewable energy use. Reviewed policy changes to address impacts of energy market changes, e.g., electric utility restructuring and “green” power procurement and Federal energy efficiency improvements as a contributor to environmental and</p>	<p>government and a variety of Congressional and Presidential reports required by law, Executive Order, GAO, OMB and Congressional inquiry.</p> <p>Continues support to the Interagency Energy Management Task Force, the 656 Committee, the Federal Energy Awards Program, and regionally focussed meetings to bring together agency energy managers, procurement officials, and energy product and service suppliers.</p> <p>Adjust FEMP management structure and policies to capture a growing portion of the multi-billion dollar market for Super ESPC delivery orders. Support development of policy and background analyses supporting the use of ESPC-type financing approaches for Federal mobility energy, water conservation and projects, and track Super ESPC delivery order activity. Support analyses and planning activities</p>	<p>reporting requirements for the FEMP Annual Report, which consolidates the energy use data of the Federal government and a variety of Congressional inquiries in response to new E.O. 13123 programmatic responsibilities and direction.</p> <p>Increase efforts to more actively engage the Interagency Energy Management Task Force, the 656 Committee, the Federal Energy Awards Program, and regionally focussed meetings to bring together agency energy managers, procurement officials, and energy product and service suppliers to more productively participate in energy efficiency, water conservation and renewable energy programs.</p> <p>Evaluate and revise FEMP management structure, policies and reimbursable activities to reflect Federal agency needs regarding alternative financing opportunities, developing partnerships and</p>

**III. Performance Summary: FEDERAL ENERGY MANAGEMENT PROGRAM (Cont'd)**

Program Activity	FY 1999	FY 2000	FY 2001
Planning, Reporting, and Evaluation (Cont'd)	<p>economic benefits and goals.</p> <p>Evaluated resource support needs to assist agencies through ESPCs and other contract vehicles which can best deliver early energy savings while providing resources to those agencies which have opportunities but lack the capacity to take advantage of FEMP's contracting and assistance programs.</p> <p>Assessed strategies to approach Federal agencies to maximize early successes with mobility energy efficiency and leased space ESPCs and analyzes potential in these markets.</p> <p>Continued to enhance databases of Federal facilities, energy consumption and costs, facility managers, energy efficiency, solar and other renewables and water conservation projects to fulfill mandated reporting requirements. The databases support reporting of energy efficiency impacts and perform analyses of Federal carbon</p>	<p>addressing "green" power purchases by Federal agencies and establishing Federal Renewable Portfolio Standard. Develop new and amend existing, policy guidance to support FEMP activities as new projects are initiated under fee for service agreement with outside agencies.</p> <p>Begin to develop a Web-based database that will track and provide information on Federal facilities, energy consumption and costs, facility managers, energy efficiency, solar and other renewables and water conservation projects to fulfill mandated reporting requirements. The database will support reporting of energy efficiency impacts and perform analyses of Federal carbon emissions and efficiency-related carbon reductions.</p> <p>Support continuing an aggressive energy awareness campaign to reduce energy use by targeting trade journals and other media to</p>	<p>leverage program opportunities.</p> <p>Enhances support efforts in the development of policy and background analyses supporting the use of ESPC-type financing approaches for Federal mobility energy, water conservation projects, and track Super ESPC delivery order activity. Expand analyses and planning activities addressing "green" power purchases by Federal agencies and potentially establishing Federal Renewable Portfolio Standard. Review and revise existing policy guidance to support FEMP activities as new projects are initiated under fee for service agreement with outside agencies. Adjust and improve guidance as required by E.O. 13123 to support Federal energy management efforts.</p> <p>Reevaluate and make enhancements on a Web-based database which will provide accurate and up-to-date</p>

**III. Performance Summary: FEDERAL ENERGY MANAGEMENT PROGRAM (Cont'd)**

Program Activity	FY 1999	FY 2000	FY 2001
Planning, Reporting, and Evaluation (Cont'd)	<p>emissions and efficiency-related carbon reductions. Made changes to FEMP database based on input from FY 1998 assessment. Began planning Web-site database.</p> <p>Delivered effective corporate technology transfer programs to ensure that Federal energy reduction goals are clearly understood and that FEMP's programs are able to be implemented by Federal energy managers and Federal employers. The "You Have The Power" campaign included the use of multimedia educational tools, teleconferences, resources guides, action kits, and building the FEMP network of partners.</p> <p>The Regional Energy Action Project team of experts in six regions (Seattle, Chicago, Denver, Boston, Atlanta, and Philadelphia) supported FEMP's hands-on, highly responsive, and customer-oriented new way of doing business. They supported Federal energy managers</p>	<p>reach Federal employees who manage energy efficiency programs.</p> <p>Review FEMP corporate outreach activities that were designed primarily to provide motivational and case study support for energy management and water conservation activities across the Federal sector. Modify these materials based on lessons learned from materials used in FY 1999.</p> <p>In accordance with legislation, FEMP information products are made available to all public and private sector organizations that request them.</p> <p>Support for printing costs and continuous updates of the FEMP Web site and other materials to maintain uniform communications material across the Federal sector.</p>	<p>information on Federal facilities, energy consumption and costs, facility managers, energy efficiency, solar and other renewables and water conservation projects, and private sector financed projects; and FEMP customers. Survey users to verify ease of use, appropriateness of data collected, and usefulness of reports. The database will support reporting of energy efficiency impacts and enable analyses of Federal carbon emissions and efficiency-related carbon reductions.</p> <p>Maintain a comprehensive energy efficiency outreach program by emphasizing the ability of individual Federal employees, Federal agencies, and stakeholder organizations to easily access FEMP's energy efficiency tools and resources through a set of integrated delivery programs.</p> <p>Promote FEMP's goals in four strategic areas: integration and infrastructure building, resource</p>

**III. Performance Summary: FEDERAL ENERGY MANAGEMENT PROGRAM (Cont'd)**

Program Activity	FY 1999	FY 2000	FY 2001
Planning, Reporting, and Evaluation (Cont'd)	<p>in the field identify efficiency improvements in their buildings and operations and ensure the delivery of a full range of regional technical, financial, outreach and related services. This approach resulted in 50 efficiency projects through the Regional teams.</p> <p>Continued the implementation of recoverable funding. Developed new, and amended existing, policy guidance to support FEMP activities as new projects are initiated under fee for service agreement with outside agencies. Implemented initial processes for handling questions, issues, and work assignments for operating systems.</p> <p>Evaluated methods to lower the cost of financing energy efficiency measures through programs to lower interest rates for qualifying projects.</p> <p>Expanded corporate outreach activities, primarily to provide</p>		<p>building, partnership facilitation, and regional delivery of services. Disseminate information and products through multi-media products, educational tools, teleconferences, resource guides, action kits and through established network partners.</p> <p>Evaluate methods to increase effective communications through DOE Regional Office (RO) support in both distributing materials and formulating activities that incorporate various FEMP activities. Program areas include media, public relations, special events, FEMP web site, EREC, corporate information materials, the <i>You Have The Power</i> campaign, and relationship building with new organizations.</p> <p>Expand ROs involvement in encouraging private sector partners to become involved in the Industry Partnership program in order to support the Super Energy Savings Performance Contract program.</p>

**III. Performance Summary: FEDERAL ENERGY MANAGEMENT PROGRAM (Cont'd)**

Program Activity	FY 1999	FY 2000	FY 2001
Planning, Reporting, and Evaluation (Cont'd)	<p data-bbox="443 342 905 451">motivational and case study information to help with marketing efforts for ESPC delivery orders.</p> <p data-bbox="443 496 905 605">Tracked energy savings relative to ESPC contracts. (PNNL, NREL, ORNL, McNeil Technologies, Inc.)</p> <p data-bbox="443 764 905 1409">Grants to states under the Special Project State Grants program encourage intergovernmental cooperation and knowledge sharing on alternative financing and improving government energy efficiency, coordination with EERE Regional Support Offices and interstate peer assistance. These funds were used in combination with Finance and Technical Assistance funds. Grants of \$95,000 were planned for competitive award. These funds are included in the total Planning, Reporting and Evaluation budget of \$4,400,000.</p>	<p data-bbox="957 651 1419 1450">Grants to states under the Special Project State Grants program encourage intergovernmental cooperation and knowledge sharing on alternative financing and improving government energy efficiency, coordination with EERE Regional Support Offices and interstate peer assistance. This is in compliance with the National Energy Conservation Policy Act to inform non-Federal entities of the Federal experience in energy conservation. These funds are used in combination with Finance and Technical Assistance funds. Grants of \$95,000 are being implemented in competitive awards. These funds are included in the total Planning, Reporting and Evaluation budget of \$4,400,000.</p>	<p data-bbox="1472 342 1934 643">Maintain a unified educational approach throughout the entire spectrum of FEMP communications. Support for printing costs, additions, updates and improvements on the FEMP web site, and maintaining the FEMP portion of EREC.</p> <p data-bbox="1472 688 1934 1450">Award grants to states under the Special Project State Grants program which provide local support to Federal installations and sites. The grants are used by states to conduct audits, develop projects, and promote alternative financing for energy efficiency improvements at Federal agency sites in compliance with the National Energy Conservation Policy Act (NECPA) to inform non-Federal entities of the Federal experience in energy conservation. Previous grants included an award to Florida to conduct a pilot project on alternatively financed multi-site energy efficiency at the Central Florida District U.S. Postal facilities. Another award to the</p>

**III. Performance Summary: FEDERAL ENERGY MANAGEMENT PROGRAM (Cont'd)**

Program Activity	FY 1999	FY 2000	FY 2001
			<p>State of Washington supported a Veteran's Administration Hospital energy efficiency project. Another grant supported a State of Utah project for the U.S. Park Service to implement innovative renewable energy projects in remote locations. These funds are used in combination with funds in FEMP Project Financing and FEMP Technical Guidance and Assistance. Grants of \$75,000 are planned for competitive award. These funds are included in the total Planning, Reporting and Evaluation budget of \$5,400,000.</p>
<p>Technical/Prog. Management Support</p>	<p>INTRODUCTION: Consistent with other DOE programs under the jurisdiction of the Interior and Related Agencies Appropriations Committees, the Energy Conservation programs provide funding for: (a) Technical/Program Management Support; (b) and Management Support Services.</p>	<p>\$4,400</p>	<p>\$4,400</p>
	<p>Technical/Program Management Support includes activities such as R&amp;D feasibility studies; R&amp;D option development and trade-off analysis; and technical, economic, market evaluations of R&amp;D, and contract audit costs. These activities provide important benefits directly to the R&amp;D program described above and are therefore an integral part of the R&amp;D program.</p>		<p>\$5,400</p>
	<p>As directed by Congress, the FY 2001 Congressional Budget Request identifies the funding requirements for Technical/Program Management Support as shown below.</p>		

**III. Performance Summary: FEDERAL ENERGY MANAGEMENT PROGRAM (Cont'd)**

<b>Program Activity</b>	<b>FY 1999</b>	<b>FY 2000</b>	<b>FY 2001</b>
Technical/Prog. Management Support (Cont'd)	Funding of \$ 533,000 from within the Federal Energy Management Program activities described above was used to provide Technical/Program Management Support.	An estimated \$ 534,000 from within the Federal Energy Management Program activities described above provides for the continuation of critical Technical/ Program Management Support.	A total of \$ 543,000 from within the Federal Energy Management Program activities described above provides for the continuation of critical Technical/ Program Management Support.
Total, Federal Energy Management Program Activities	\$21,664	\$21,718	\$25,968
<b>Program Direction</b>	The following is a breakdown of the funding by Object Class:	The following is a breakdown of the funding by Object Class:	The following is a breakdown of the funding by Object Class:
	11.9 Personnel compensation \$ 1,397	11.9 Personnel compensation \$ 1,903	11.9 Personnel compensation \$2,440
	12.1 Civilian personnel benefits \$ 328	12.1 Civilian personnel benefits \$ 446	12.1 Civilian personnel benefits \$ 570
	21.0 Travel and transportation of persons \$ 125	21.0 Travel and transportation of persons \$ 125	21.0 Travel and transportation of persons \$ 250
	25.2 Other services \$ 23	25.2 Other services \$ 90	25.2 Other services \$ 240
	Provided salaries, benefits, travel support, and realignment costs for 21 FTEs to manage the Federal Energy Management Program under the Energy Policy Act of 1992. The funding in other services includes training, employee incentive awards, library services, and a	Provide for salaries, benefits, and travel for 30 FTEs to manage and support the FEMP program activities. Particular emphasis is to increasingly dedicate these resources toward Super ESPC delivery order development and reimbursable activities. With authority granted by Congress in	Provide for salaries, benefits, and travel for 32 FTEs to manage and support the FEMP program activities. Particular emphasis is to increasingly dedicate these resources toward alternative financing and reimbursable activities. With authority granted by Congress in the Omnibus Bill,

**III. Performance Summary: FEDERAL ENERGY MANAGEMENT PROGRAM (Cont'd)**

Program Activity	FY 1999	FY 2000	FY 2001
Program Direction (Cont'd)	<p>small contingency. With authority granted by Congress in the Omnibus Bill, P.L. 105-277 signed by the President October 21, 1998, additional limited appointment personnel are envisioned to support project financing and technical assistance programs at HQ, GFO and RSOs to be paid on a reimbursable basis. A total of \$364,000 of FY 1999 unobligated carryover balances will be used to cover FY 2000 Program Direction requirements. The \$364,000 includes \$227,000 unobligated from the FY 1999 appropriation and \$137,000 unobligated at the end of FY 1998.</p>	<p>the Omnibus Bill, P.L. 105-277 signed by the President October 21, 1998, additional limited appointment personnel are envisioned to support project financing and technical assistance programs at HQ, GFO and RSOs to be paid on a reimbursable basis. Supports adjustments resulting from Workforce for the 21st Century. Total obligational authority of \$2,564,000 for Program Direction includes \$364,000 from FY 1999 unobligated carryover.</p>	<p>P.L. 105-277 signed by the President October 21, 1998, additional limited appointment personnel are envisioned to support project financing and technical assistance programs at HQ, GFO and ROs to be paid from reimbursed funds.</p> <p>The Department of Energy has conducted detailed workforce analyses that have identified current and projected staffing disciplines. During 1999, DOE conducted a systematic analysis of staffing needs within the context of current and projected R&amp;D program missions. The Department will develop a comprehensive plan that will focus on building and sustaining a talented and diverse workforce of R&amp;D Technical Managers. The plan will include innovative recruitment strategies, retention incentives, comprehensive training and development programs for new and current employees, and succession planning. The FY 2001 program</p>

**III. Performance Summary: FEDERAL ENERGY MANAGEMENT PROGRAM (Cont'd)**

Program Activity	FY 1999	FY 2000	FY 2001
Program Direction (Cont'd)			<p>direction request includes \$149,000 for the Scientific Retention and Recruitment Initiative. This will enable the recruitment of experienced scientists and related support staff (full-time equivalents) in areas of emerging interest to the Department's science mission. Funds will also be used to motivate and retain highly skilled, top-performing technical managers with, for example, retention allowance and performance awards. Additionally, training in areas crucial for effective job performance will be a key element of the initiative.</p>
Management Support Services	<p>INTRODUCTION: Consistent with other DOE programs under the jurisdiction of the Interior and Related Agencies Appropriations Committees, the Energy Conservation programs provide funding for: (a) Technical/Program Management Support; (b) and Management Support Services.</p> <p>Technical/Program Management Support includes activities such as R&amp;D feasibility studies; R&amp;D option development and trade-off analysis; and technical, economic, market evaluations of R&amp;D, and contract audit costs. These activities provide important benefits directly to the R&amp;D program described above and are therefore an integral part of the R&amp;D program.</p> <p>Management Support Services include activities such as improving the effectiveness, efficiency and economy of management and general administrative services. These activities are critical to the planning, formulation, and</p>		

**III. Performance Summary: FEDERAL ENERGY MANAGEMENT PROGRAM (Cont'd)**

<b>Program Activity</b>	<b>FY 1999</b>	<b>FY 2000</b>	<b>FY 2001</b>
Management Support Services (Cont'd)	<p>execution of the Energy Conservation programs.</p> <p>As directed by Congress, the FY 2001 Congressional Budget Request identifies the funding requirements for Management Support Services as shown below. Funding for Technical/Program Management Support continues to be funded in the R&amp;D programs described above.</p> <p>Funding of \$ 1,195,000 from within the Federal Energy Management programs described above was used to provide Management Support Services and LAN operations.</p>	<p>An estimated \$1,196,000 from within the Federal Energy Management programs described above provides for the continuation of critical Management Support Services and LAN operations.</p>	<p>A total of \$1,209,000 from within the Federal Energy Management programs described above provides for the continuation of critical Management Support Services and LAN operations.</p>
Total, Program Direction	\$2,100	\$2,200	\$3,500
<b>Federal Energy Management Program, Total</b>	<b>\$23,764</b>	<b>\$23,918</b>	<b>\$29,468</b>