Utility financing of energy efficient measures becomes easier to accomplish with the two new alternative financing guidance memoranda, released April 17, 1998, that address the use of utility incentives for Federal facilities. The memoranda have been approved by the Alternative Financing Guidance Committee of the Interagency Energy Management Task Force. The memoranda include:


The purpose for developing the financing memoranda was to address specific issues within current Federal procurement regulations that require clarification or guidance. This new guidance will allow for increased use of utility incentives as a means of financing energy efficient and life cycle cost-effective projects in Federal facilities.

Please distribute these memoranda to either your membership, cognizant Federal customers, agency regional procurement staff, or field office locations. This approach is being used to widely distribute the memorandums through the most appropriate information channels.

If you have any questions regarding the financing memoranda please use the points of contact included in each memorandum. If you have other questions regarding activities in this area, please contact Lou Harris of FEMP at 202-586-9794.
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If you are making projects happen at your Federal facility, FEMP would like to hear from you. Please submit project descriptions to Tatiana Strainic Muessel at the address listed below. You will be contacted for additional information if your project is selected to be featured in a future edition of the FEMP Focus.

Address mail to:
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U.S. Department of Energy, EE-90
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FEDERAL ENERGY MANAGEMENT PROGRAM
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Utility Partnerships

FEMP Partners Open New Resource Centers in St. Louis and Albuquerque

FEMP’s partners in the utility industry continue their efforts to extend localized assistance to Federal energy managers. FEMP partners recently opened two more Federal Resource Centers in the Midwest and Central Regions.

In February, Ameren Corporation (formerly Union Electric) in St. Louis, Missouri celebrated the grand opening of its Resource Center with a half-day energy management conference designed to acquaint Federal agency customers with available resources and facilitate discussion on energy-related issues. FEMP Senior Utility Services Program Manager, Lou Harris, was a featured panelist for the event which attracted more than 35 government officials and Ameren executives.

Ameren Corporation hosts the only Resource Center in the DOE’s Midwest region. Ameren’s service region includes a 44,500 square mile area covering Missouri and Illinois, and the company currently serves over 1.1 million customers.

Panel presentations for the grand opening ranged from discussions on the impact of the electric industry restructuring on Federal agencies to implementation solutions for energy management programs. Lou Harris provided the Federal agency perspective on the impact of opening electric markets to full competition. This panel also included Ameren executives Paul Agathe, Senior Vice President for Energy Supply Services; Charlie Schukai, Senior Vice President for Customer Service; and James R. Monk, current President of the Illinois Energy Association (representing several Illinois-based investor-owned utilities). Mr. Monk is also former chairman of the Indiana Utility Regulatory Commission and former Indiana state senator.

Later in the day, Federal customers were invited to presentations on “Energy Services for the Public Sector,” led by Ameren representatives and featuring Federal customers discussing case studies. Mark Ewing, Energy Manager for the General Services Administration (GSA) Region 6, presented information on using the GSA Areawide Agreement and work being conducted by Ameren at GSA facilities in St. Louis. Ewing was recently appointed to GSA’s Public Building Service Energy Center of Expertise in Kansas City, MO. Carlos Escobar, the Kansas City-based facility manager of the Heartland Veterans Integrated Service Network, presented a case study of the Energy Master Plan being conducted by Ameren for five Veterans Affairs hospitals across the Network.

For more information about the St. Louis Resource Center, contact Ameren representative Laurie Hoff at 314-554-4916.

PNM, Public Service Company of New Mexico, is an integrated energy company which provides electric and natural gas service to more than 1.3 million customers in New Mexico in addition to marketing power to wholesale customers throughout the U.S. PNM Energy Partners, a division of the Public Service Company of New Mexico, assists managers in analyzing energy procurement, distribution and consumption, and identifying energy and cost saving opportunities.

In April, PNM Energy Partners marked the opening of its Albuquerque Resource Center by hosting a seminar on the advances in lighting technologies. Energy managers throughout the state at the Federal, State, and local governments and the private sector were invited to attend. The seminar featured presentations by representatives from three lighting equipment manufacturers. Discussions outlined the elements of a cost-efficient lighting sensor project and reviewed the benefits and drawbacks of infrared/motion detectors, radar/ultrasound detectors and combination detectors.

This latest partnership builds upon a 1996 agreement between PNM and the General Services Administration which created the New Mexico Initiative, a program which provides a model for Federal and state agencies to streamline the

Continued on page 20
The Chicago metropolitan area is home to a large number of Federal facilities. The United States Navy has the Great Lakes Naval Training Center in North Chicago, the Department of Veterans Affairs maintains four medical centers in the area, and the Department of Energy operates two National Laboratories. Other agencies such as the General Service Administration, the Federal Aviation Administration, the Social Security Administration, and the Bureau of Prisons are also represented.

Commonwealth Edison (ComEd) is the local electric utility serving all of these agencies. In 1996, ComEd formed the Energy Solutions Group to provide customers with comprehensive energy and operational solutions that generate savings from existing budgets. Since its inception in 1996, the Energy Solutions Group has become the preferred supplier of energy services to the Federal agencies in the area.

Energy management services are delivered to Chicago-area Federal agencies through the use of the General Services Administration's area-wide contract. The area-wide contract with ComEd was modified to specifically include the authorization of energy management and demand side management services. Once the area-wide contract includes the authorization of these services, agencies can negotiate their own agreements with the utility that contain the general terms and conditions and any agency or site specific requirements. Projects can then be implemented by writing specific task or delivery orders.

The first Federal project completed by the Energy Solutions Group was implemented at the Great Lakes Naval Training Center. The US Navy and ComEd signed an Energy Services Agreement on June 21, 1996. The agreement authorizes ComEd to develop and implement energy projects at 93 buildings on the base.

A total of three delivery orders have been signed to date. The delivery orders include projects such as lighting, building controls, new chillers, variable frequency drives, motors, steam trap repairs, and

Continued on page 5
Geothermal Heat Pump Super ESPC Solicitation
Scheduled for Release

The U.S. Department of Energy, Oak Ridge
Operations Office, has targeted May 28, 1998 as the
release date for the Request for Proposals (RFP) for
the technology-specific geothermal heat pump Super
ESPC. Actual RFP release is generally within a week
of the target date. Commerce Business Daily
announcements regarding the solicitation were

The scope of the multiple-award indefinite-
delivery indefinite-quantity (IDIQ) contracts are to
deliver energy and maintenance cost-saving services
to Federal facilities throughout the 50 states, the
District of Columbia, and U.S. territories. Federal
agency sites will acquire energy services via delivery
orders against the IDIQ contracts. All delivery
order projects will be centered on geothermal heat
pump systems, but may include other energy-saving
measures.

The national technology-specific geothermal
heat pump Super ESPC will be similar to the
regional general-purpose Super ESPCs already
awarded by DOE/FEMP in DOE’s Western and
Southeast Regions, except that all projects will focus
on geothermal heat pump systems. It differs from
the technology-specific Super ESPC for solar
concentrating parabolic trough installations in that it
is centered on a different technology, and the
procurement is competitive rather than single source
because multiple providers exist.

This national competition will be based on one
“initial project” involving selected buildings at Naval
Air Station Oceana and Naval Amphibious Base
Little Creek, which are located several miles apart
near Virginia Beach, Virginia. The contractor
selected to implement the “initial project” will have
the opportunity to perform a detailed energy survey
and revise the offer for the delivery order in
accordance with new information discovered during
the survey. A walk-through tour of the site is
currently scheduled for June 17, 1998. The deadline
for tour reservations is June 5, 1998, but may be
adjusted in the RFP if the RFP is released later than
May 28, 1998. A reservation form is located in
Attachment D to Section L of the RFP. To request a
tour reservation form by fax or e-mail, please contact
Robert Baugh at 423-574-7639 or by e-mail at
qrb@ornl.gov.

The solicitation will be issued in Wordperfect
and Microsoft Word formats on the Internet on or
about May 28, 1998 at http://www.doe.gov/
procurement/oro_home.html. There will also be a
Site Data Package (SDP) with narrative, spreadsheet
workbook, drawings, and attachments in hard copy
format for the initial project. No hard copies of the
RFP will be mailed. Directions for obtaining the SDP
are contained in the RFP. Responses to the RFP will
be due approximately 60 days after the RFP appears
on the Internet. Awards are planned for October
1998.

For more information, please contact Angela Carroll Hart of
DOE, Oak Ridge Operations at 423-576-0999 or e-mail at
hartap@oro.doe.gov.

Continued from page 4

building envelope improvements. The three
delivery orders are expected to generate over $1.7
million in annual savings to the Navy. Additional
delivery orders are under development at the base.

The Energy Solutions Group was recently
awarded a contract at DOE's Fermi Accelerator
National Laboratory in Batavia, Illinois. The
contract for the replacement of chillers in the central
utility plant was also awarded under the area-wide
contract. The award was somewhat unique in that
the Department of Energy chose to compete the
electric utility versus the gas utility for this project.
The competition was based on the lowest total
installed cost which includes financing. The
Department of Energy is also working with the
Energy Solutions Group to develop and implement
energy efficiency projects at the Argonne National
Laboratory in Argonne, Illinois.

These and other success stories will be
highlighted at the next meeting of the Federal Utility
Partnership working group. The next meeting is
scheduled for July 9-10, 1998 in Chicago and will be
hosted by Commonwealth Edison and the Energy
Solutions Group. Please see page 4 for meeting and
registration information.

For more information, please contact Sharon Gill of
DOE’s Chicago Regional Support Office at 312-886-
8573, or Bob MacDonald of ComEd at 630-684-3693
(e-mail at robert.macdonald@ucm.com).
DOD Leased Facilities Division Pursues First Energy Conservation Partnership

The Department of Defense’s Washington Headquarter Services, Real Estate & Facilities Directorate, Leased Facilities Division (LFD) has been developing and strengthening energy partnerships to implement the goals of reducing energy consumption directed by the Energy Policy Act of 1992 and Executive Order 12902 and achieve the 30 percent reduction in energy consumption in Federal buildings. These partnerships include building lessors, utility companies, energy service companies, and other Government agencies.

The LFD Energy Coordinator, Mrs. Josephine Johnson, has been working over the past year to locate and negotiate opportunities to achieve these required energy reductions. Mrs. Johnson engaged the services of the Department of Energy’s Federal Energy Management Program to provide technical assistance and expertise in this effort. She worked with Nancy Hapstak of DOE’s Philadelphia Regional Support Office to obtain three SAVEnergy audits to identify energy savings opportunities in Government leased buildings assigned to LFD. These audits, worth approximately $50,000, were funded by the DOE. In addition, Mrs. Johnson has pursued other opportunities for meeting the energy reduction goals such as energy savings performance contracting and other innovative financing options for energy savings projects.

LFD, in a partnership with the Hoffman Company Inc. and PEPCO Services Inc., has agreed in principle to pursue a performance contracting project in the Government-leased Hoffman II Building located at 200 Stovall Street, Alexandria, Virginia, assigned to LFD’s Alexandria Area Office. The Hoffman II Building is a 23-year-old commercial office building with 624,838 square feet of Government-leased space. The Government pays the utility bills for the facility as an added cost to the lease.

The Government’s 1996 electrical utility cost for the Hoffman II Building was $1.1 million. In order to assist the Government in reducing these utility costs, the building owner, Hoffman Management Company Inc., has retained PEPCO Services Inc. to perform a feasibility study to identify energy savings opportunities within the building and to prepare a life-cycle cost analysis for each identified energy savings opportunities within the building. These energy conservation measures, once identified and approved by all parties, will be implemented by PEPCO Services to achieve energy savings, improve the overall operation of buildings utility services, and to improve tenant comfort in the facility.

This project will help the Government meet energy reduction goals and possibly save more than $340,000 annually in utility costs in just this one building. LFD is continuing to identify and investigate new partnerships in energy conservation and seek comprehensive energy solutions in all of their Government leased facilities. For more information, please contact Josephine Johnson of LFD at 703-604-5730.
Solar

Dish/Stirling System Demonstrates Solar Power at the Pentagon

A new, hybrid solar dish/Stirling power system that will provide clean, utility-grade electricity to the Pentagon began tracking the sun on Earth Day, April 22, in a demonstration project scheduled to last five to six months. The system began producing power in May.

This demonstration is a joint project of the Department of Energy, Virginia Power Company, and Science Applications International Corporation (SAIC), producer of the Solar Dish/Stirling Power System. DOE and Virginia Power have been working together for more than a year on a “greening” project at the Pentagon, which has been designated a Federal Energy Saver Showcase Facility and is the site of one of the largest energy conservation projects in the Federal Government.

SAIC has worked with Stirling Thermal Motors, Inc. (STM) and DOE since 1994 on this project to develop and demonstrate the Solar Dish/Stirling Power System. Measuring some 15 meters (50 feet) in both height and diameter, this impressive solar electric system has been installed at the new Heating and Refrigeration Plant (HRP) near the Pentagon. Under peak operating conditions, the system will provide 25 kilowatts of electric power for delivery to the HRP electricity grid.

The dish/Stirling power system consists of a stretched-membrane dish with 16 reflective facets. It tracks the sun and focuses the sun's radiant energy onto a receiver, which heats up a working gas (hydrogen, in this case) to about 750 degrees Celsius; temperature fluctuations in the working gas drive the Stirling engine. The receiver and engine together make up the power conversion system, or PCS. The PCS developed for this system by STM can operate either on solar power alone or with a liquid or gaseous fuel such as diesel, biogas, propane, or natural gas. This makes it a hybrid power system that can provide power 24 hours a day on demand, and not just when the sun is shining. Per SAIC, making the system a hybrid has enhanced its cost effectiveness and competitiveness with conventional power generation.

The thermal efficiency of the Stirling engine is 42 percent, and the annual sunlight-to-electricity conversion efficiency of the entire power system is projected to be about 17 percent, which is high for a large solar electric system. It is nearly ready for commercialization, and SAIC has announced plans to construct a manufacturing facility in the Southwest. STM has been working with a coalition of U.S. manufacturers on a plan to produce the PCS at its Michigan plant.

The Department of Defense is serving as host for the demonstration. The project was funded by DOE’s Concentrating Solar Power Program in the Office of Utility Technologies under the Assistant Secretary for Energy Efficiency and Renewable Energy.

For more information on dish/Stirling systems, contact Tommy Rueckert of DOE at 202-586-0942, or Mark Mehos of NREL at 303-384-7458.
ALTERNATIVE FINANCING GUIDANCE MEMORANDUM

Published by the Subcommittee ¹ of the Interagency Energy Task Force.

Policy Statement #: 001


Issue: Clarification on whether section 152 of EPACT provides the statutory exception from the Competition in Contracting Act's full and open competition requirement for demand-side-management utility contracts.

Policy in Brief:

Section 152 (f) of Public Law 102-468, the Energy Policy Act of 1992 (EPACT), which amends section 546 of the National Energy Conservation Policy Act, states the following:

(c) Utility Incentive Programs -

1. Agencies are authorized and encouraged to participate in programs to increase energy efficiency and for water conservation or the management of electricity demand conducted by gas, water, or electric utilities and generally available to customers of such utilities.

2. Each agency may accept any financial incentive, goods, or services generally available from any such utility, to increase energy efficiency or to conserve water or manage electricity demand.

3. Each agency is encouraged to enter into negotiations with electric, water, and gas utilities to design cost-effective demand management and conservation incentive programs to address the unique needs of facilities utilized by such agency.

Background:

Need: As agencies strive to meet the energy reduction goals set forth in EPACT and Executive Order 12902, Energy Efficiency and Water Conservation at Federal Facilities, the ability to quickly develop projects and implement contracts is crucial. Agencies have been unclear concerning their authority to establish sole source contracts with their franchised and/or serving utility for demand-side management services, and this lack of clarity can result in significant delays. Field personnel have requested clarification.

¹ This subcommittee was formed to provide guidance and clarification for the purposes of contracting for energy efficiency and water conservation projects. See enclosed group charter.
from their agencies' headquarters several times on this issue and many memoranda have been issued in response to these requests over the past four years (see "Related Documents," below).

**Goal/Objective:** A definitive statement on this issue contained in one memorandum provides clarification to agency field personnel so they can quickly take advantage of opportunities to implement energy-efficiency and water-conservation utility contracts of this nature.

**Relevant Authorities:** Section 152 of EPACT is the language in question. Additional relevant authorities are listed under "Related Documents" at the end of this memorandum. As stated earlier, memoranda requesting clarification on this issue have been issued by several agencies including the Department of Energy, the General Services Administration, and the Department of Defense; these are also cited under "Related Documents."

**Findings:**

The number of utilities offering incentive programs to the Federal Government has significantly increased over the past few years. Deregulatory changes occurring in the electric utility industry, the likelihood of competition among utilities in the near future, and the increase in customer service offered by all utilities make these programs more attractive than ever before. It is in the government's best interest to take advantage of these incentives while they are available.

These programs provide the government with a means to accomplish many significant goals: (1) to increase energy efficiency and to conserve water and manage electricity demand, (2) to reduce the utility funds needed to operate and maintain Federal facilities, and (3) to provide agencies with another avenue for achieving the 30 percent energy-reduction goal set forth in Executive Order 12902.

**Guidance Statement:**

This memorandum is being issued to clarify the existing language in Section 152 of EPACT with regard to whether agencies have the legal authority to enter into sole-source contracts with their franchised and/or serving utility for utility incentive programs.

In the DOE memorandum dated July 7, 1994, from Anne Troy through Mary Ann Masterson to Mr. Philip Winter with the subject, "Statutory Exception from the Competition in Contracting Act's Full and Open Competition Requirement in Demand Side Management Utility Contracts," DOE's General Counsel found that Section 152 of Public Law 102-468, Energy Policy Act of 1992, provides the authority to "sole source" utility service contracts to obtain demand-side-management services. It concluded that the language contained in Section 152 does meet the criteria of one exception to the Competition in Contracting Act of 1984 (CICA). That exception is contained in 41 USC 253(c)(5), which provides that a civilian agency may use other than competitive procedures when "a statute expressly authorizes or requires that the procurement be made...from a specified source."

As recently as December 13, 1996, a memorandum was issued by the Department of Energy from Lawrence Oliver to John Archibald reiterating the statement that the language in section 152 of EPACT does provide sufficient legal authority for agencies to establish sole-source contracts with their utility for utility incentive program service contracts. This DOE memorandum responded to a request for a legal opinion in order to gain approval for a specific utility project.

Since DOE is tasked with promulgating regulations under the Energy Policy Act, the memoranda referenced above clearly provide the guidance and legal interpretation needed to allow representatives in all civilian agencies to act in accordance with EPACT.

Likewise, the language in 10 USC 2865 and in the DOD Defense Energy Program Policy Memorandum 94-1 of December 20, 1993, provides the military departments and defense agencies with clear authorization to "sole source" with their franchised and/or serving utilities for these types of services.

In summary, ample justification exists for Federal agencies, both civilian and military to enter into sole-source agreements with their franchised and/or serving utilities for any financial incentives, goods, and services provided under their incentive programs.

** Likely Uses of This Guidance:**

This guidance allows Federal agencies to use existing or new utility contract authority for energy services where competition is not required but may be used when desired. This allows agencies to participate in energy-efficiency and water-conservation programs conducted by gas, water, or electric utilities that are generally available to customers of such utilities.
Related Documents:
1) Executive Order 12902, L&AP Book p. 45-56
2) 42 USC 8256 (also NECPA Title VIII, Section 546), L&AP Book p. 73-74
3) 10 USC 2865, L&AP Book p. 81-83
4) DOD memo for 021A from 09CB1, dated 29 Jan 93, L&AP Book p. 13-14
5) GSA memo for Ida Ustad from Edward Broyles, dated 29 Apr 93, L&AP Book p. 5-7
6) DOD - DEPPM 94-1, 20 Dec 93, L&AP Book p. 85-92
7) DOE memo for Philip Winter, GSA, from Anne Troy through Mary Anne Masterson, dated 7 July 94, L&AP Book p. 10-12
8) GSA memo for Ida Ustad from Edward Broyles, dated 7 Nov 94, L&AP Book p. 9
9) GSA memo for Eric Dunham from Amy Brow, dated 11 Apr 95, L&AP Book p. 15-17
10) DOE memo for Larry Oliver from Ralph Oser, dated 12 Dec 96
11) DOE memo for John Archibald from Lawrence Oliver, dated 13 Dec 96

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(509)375-3709
Policy Statement #: 002
Title:
Issue:
Clarification on whether utility projects entered into under the authority of section 152 of EPACT require notification to Congress prior to contract award.

Policy in Brief:
Section 152 of the Energy Policy Act, Public Law 102-468, provides the authorization for Federal agencies to enter into contracts with their franchised and/or serving utility for utility incentive programs. It does not specify whether Congressional notification is required before the contract can be awarded.

These utility contracts are similar in nature to ESPCs (energy savings performance contracts), which are also allowed through EPACT and, consequently, are commonly mistaken as one and the same. The ESPC Procedures and Methods (10 CFR 436) do require Congressional notification as follows:

10 CFR 436.34 (a)(3) states:
Thirty days before the award of any multiyear energy savings performance contract that contains a clause setting forth a cancellation ceiling in excess of $750,000, the head of the awarding Federal agency gives written notification of the proposed contract and the proposed cancellation ceiling for the contract to the appropriate Congressional authorizing and appropriating committees.

Background:
Need: Often the regulations that apply to Energy Savings Performance Contracts are confused with the regulations applied to utility contracts. In title 10 of the Code of Federal Regulations, part 436, the rules for ESPCs clearly indicate a need for Congressional notification prior to contract award for projects totaling $750,000 or greater. Congress must receive notification of the project and be given a minimum of 30 days to respond. If Congress does not respond within the 30-day period, the agency may proceed with awarding the contract.

The utility contracting guidelines do not address the need for Congressional notification. Because the authorities for utility contracting of this nature are silent on this issue, many agencies feel the need to notify Congress as a "just in case" measure.

This subcommittee was formed to provide guidance and clarification for the purposes of contracting for energy efficiency and water conservation projects. See enclosed group charter.
Goal/Objective: Clarifying this issue once and for all in one memorandum that applies to all Federal agencies will eliminate the need for continuous clarification on this issue. Eliminating this issue could reduce by several months the time it takes to receive approval to implement utility contracts of this nature.

Relevant Authorities: Section 152 of EPACT is the utility contracting language that does not address Congressional notification while 10 CFR 436 is the ESPC rule that does require notification to Congress.

Findings:

Preparing a Congressional notification can take many months. Receiving upper management approval on the notification can be a time-consuming process of explaining the project, reiterating the authorities behind the ability to do the project, and explaining the Congressional notification process. After approval has been received and the notification has been sent, the 30-day waiting period begins. All in all, this entire process could take more than six months to complete.

It is in the best interest of the government to reduce the time and resources required to enter into these contracts. Stipulating that notifying Congress is not a requirement of utility contracts can make the contracting process faster and more efficient.

Utility contracting provides the government with a means to accomplish many significant goals to: (1) increase energy efficiency and to conserve water and manage electricity demand, (2) reduce the utility funds needed to operate and maintain Federal facilities, and (3) provide agencies with another avenue to obtain the 30 percent energy reduction goal set forth in Executive Order 12902.

Guidance Statement:

This memorandum is to clarify the issue of whether or not Congressional notification is necessary for utility contracts as allowed under Section 152 of EPACT.

There is no indication in any of the laws, regulations, or policies that Congressional notification is required in utility contracting (as discussed in this statement). Therefore, this statement clarifies that any Federal agency may enter into a utility contract as allowed under section 152 of EPACT without congressional notification.

Likely Uses of this Guidance:

This guidance simply clarifies a procedural issue in the process of contracting with a utility to participate in utility incentive programs as allowed through EPACT.

Related documents:
2) Executive Order 12902, L&AP Book p. 45-56
3) ESPC Rule (10 CFR 436), L&AP Book p. 57-72
4) 42 USC 8256 (also NECPA Title VIII, Section 546), L&AP Book p. 73-74
5) 42 USC 8287 (also NECPA Title VIII, Sections 801-804), L&AP Book p. 75-80
6) 10 USC 2865, L&AP Book p. 81-83
7) DOD - DEPPM94-1, 20 Dec 93, L&AP Book p. 85-92

Points of Contact:
John Archibald
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(202) 586-9794

Each day, the conference and exposition will have six tracks and six session focusing on energy efficiency, water conservation, and renewable energy. Timely track topics address:

- Project Financing Alternatives (including Super ESPCs);
- Efficient Operation and Maintenance;
- Energy Awareness;
- Selling Energy Efficiency (Up the Line and Across the Board);
- Technology; and
- Energy Efficiency through Procurement Contracting.

The track sessions for Energy '98 are designed to be interactive and up to date. The sessions were thoughtfully designed to address issues of concern to energy managers, property managers, and procurement officials in the Federal government, military services, State and local governments, and the private sector.

The exposition will host over 100 energy efficiency, water conservation, and renewable energy technology manufacturers and suppliers. The exposition will be a centerpiece of this conference, with food and social functions scheduled several times each day. The exposition will present learning opportunities for both attendees and exhibitors. The users will inform the manufacturers how their product really holds up, if it meets their needs, and what the manufacturer could do to improve the product for them. Over two-thirds of the exhibit space has already been contracted by suppliers. All interested exhibitor prospects should e-mail: fecnw@tainc.com or call 1-800-960-2242 (at tone, touch 132).

Energy '98 is cosponsored by the General Services Administration and the Defense Logistics Agency in conjunction with the States of California, Oregon, and Washington, the Bonneville Power Administration and the Western Area Power Administration. This national event is expected to host over 1,000 Federal/Military energy and property managers, procurement and contracting officers, and energy management teams from across the country. These professionals and their peers report purchasing power of more than $10 billion in energy efficient products for the U. S. Government.

Energy Conference brochures and registrations have already been sent nationally to Federal energy managers, facility managers, energy engineers and procurement officials in the Federal Government, Military, and regionally to the States of Washington, California, and Oregon. To register via the Internet, visit the Energy '98 Web site at: www.energy98.gsa.gov (credit cards only). You can also obtain the latest information on Energy '98 from the Web site. You can also register by printing the registration form from the Web site and mailing it as directed (make checks or purchase orders payable to: Trade Associates, Inc.). You may also e-mail this information to fecnw@tainc.com.

For more information, please contact Rick Klimkos of FEMP at 202-586-3287.
Energy Awareness

Federal Agency Earth Day Activities Recognize Importance of Energy Efficiency

The Federal Energy Management Program's DOE Energy Management Team's Earth Day celebration included a week-long display of FEMP's "You Have the Power" campaign banner on the outside of the Headquarters Forresral Building, along with exhibits featuring energy awareness materials and reminders. This activity promoted a greater awareness and understanding of the importance of energy resources, efficiency in energy use, and the role of energy conservation to the creation of a healthy future for our planet. Several Field Office employees and contractor sites, along with DOE Headquarters, actively supported and revitalized their commitment to DOE's Energy Management Program through recognition of the Department's newest 1998 "Energy Champions" as well as last year's Champions. DOE's Energy Champions have all made extraordinary contributions to energy savings by developing and advocating innovative practices that have saved money and improved the efficiency of the Government. Among the materials distributed was an Earth Day Poster designed to complement FEMP's "You Have the Power" campaign, with the theme "Time is of the Essence - Make Every Day Earth Day." The poster was distributed to Headquarters and DOE sites holding Earth Day fairs and exhibits along with "You Have the Power" posters, banners, and Energy Saving Tips for Home and Office.

Secretary of Energy Federico Peña celebrated Earth Day in New York City. On Tuesday April 21, he attended an event to celebrate the ceremonial completion of Four Times Square, a 48-story commercial tower that will be one of the most environmentally and technologically advanced buildings in the nation. The Department of Energy provided technical support throughout the design process of the building, which includes new energy efficient and renewable technologies such as solar power, fuel cells, and efficient lighting. Others attending the event included Rudolf Giuliani, Mayor of New York City, Carol Browner, Administrator of the U.S. EPA, William Howell, Chairman of the New York State Energy Research and Development Authority, and Douglas Durst, President of the Durst Organization, Inc. and owner of the building. After the celebration, Secretary Peña delivered a keynote speech at an event at the City University of New York entitled, Building, Economics, and the Environment: Energy Options in a Restructured Environment. Also participating in this event were DOE's Dan W. Reicher, Assistant Secretary of Energy Efficiency and Renewable Energy, and Mark Ginsberg, Deputy Assistant Secretary for the Office of Building Technology, State, and Community Programs.

Several other Federal agencies in Washington, D.C. sponsored Earth Day activities to showcase their involvement in the "You Have the Power" campaign and their commitment to energy efficiency and conservation. The Department of Health and Human Services (HHS) set up a large maze through which employees navigated while answering energy related questions. Campaign materials were displayed, and prizes were handed out to encourage employees to take action in the office and at home to save energy. The HHS fitness center got involved by offering a free day for anyone who walked, rode a bike or took the metro to work. The day care center also participated by teaching the children about recycling. Both the Agriculture and Justice Departments sponsored an Earth Day fair that showcased "You Have the Power" campaign materials. The Interior Department, National Aeronautics and Space Administration, and the Department of Transportation flew the large "You Have the Power" banners and distributed other materials to interested employees. The Department of Housing and Urban Development, State, and Veterans Affairs displayed Energy Champion posters. Navy's energy efficiency division held an Earth Day event at their facilities in Arlington, Virginia. Just a few of the numerous agency regional offices that sponsored Earth Day activities included: NASA's Kennedy Space Center and Lewis Research Center, the Commerce Department's La Jolla Fisheries Science Center, Interior's Denver Regional Office, and Army's Fort Lee.

For more information on the Department of Energy's Earth Day activities, please contact Annie Haskins of FEMP at 202-586-4536.

For more information about FEMP's You Have the Power campaign, please contact Tatiana Strainic Muessel of FEMP at 202-586-9230.
Energy Awareness

Time is of the Essence
Make Every Day Earth Day

Protect our Natural Resources
Actively Support
- Pollution Prevention
- Environmental Protection
- Energy Management
- Waste Conservation
- Conservation

Department of Energy

Department of Agriculture

National Aeronautics and Space Administration

Department of Health and Human Services

Department of the Interior
On April 1, 1998 the update of the building life-cycle cost software and associated printed materials was released for use. The following versions of the Building Life-Cycle Costing (BLCC) software will be valid from April 1, 1998 to March 31, 1999:

- BLCC 4.6-98
- QuickBLCC 2.5-98
- DISCOUNT 3.7-98
- ERATES 1.0
- EMISS 1.11

The BLCC methodology required for use by Federal agencies in evaluating cost-effectiveness of energy efficiency projects is fully explicated in the National Institute of Standards and Technology publication, Life-Cycle Costing Manual for the Federal Energy Management Program (Handbook 135). The annually updated discount factors used in LCC analysis (and embedded in the software) are available as printed tables in the Annual Supplement to Handbook 135, Energy Price Indices and Discount Factors for Life-Cycle Cost Analysis – April 1998, NISTIR 85-3273-13. The BLCC software all publications can be downloaded from the FEMP Web site. The program user manuals are included either in WordPerfect or in ASCII text. Both the software and the Annual Supplement are also available from the FEMP Help Desk (see text box).

The BLCC computer program can also be used to evaluate state and local government projects, military construction projects, and private-sector projects requiring tax analysis. In addition to determining the lowest life-cycle cost of mutually exclusive projects, it calculates the savings-to-investment ratio and other comparative measures of economic performance. BLCC interfaces with other NIST programs (ERATES, EMISS, QuickBLCC, DISCOUNT) which allow users to set up block-rate, time-of-use-rate, and demand-rate schedules for calculating annual electricity costs; calculate emission reductions; analyze multiple projects simultaneously; and compute additional discount factors.

This year's version of the software remains the same as last year's except for the updates of the default discount rates and energy price escalation rates for 1998. The READ.ME files on the respective diskettes contain information on updates made in previous years.

The BLCC software is being reprogrammed in Java to convert it to a windows-based platform. A prototype will be ready for testing at the end of FY 1998 and the initial version completed at the end of FY 1999.

Questions regarding substantive issues addressed in this article may be directed to NIST's Linde Fuller (nslinde fuller@nist.gov) at 301-975-6134.
Coming Summer ‘98: Get the Recognition You Deserve with the ENERGY STAR® Building Label

The U.S. Environmental Protection Agency (EPA) and the U.S. Department of Energy (DOE) have joined forces in establishing the ENERGY STAR® Building Label - a voluntary, performance-based, benchmarking and recognition initiative. This effort enables Federal energy and building managers to benchmark the energy performance of their buildings against similar buildings in their region along with climate, building size, and building operating characteristics. Beginning this July, Federal energy and building managers will be able to see how they stack up. Those buildings that meet or exceed ENERGY STAR® Building Label requirements will serve as examples of efficiency, savings to the taxpayer, and pollution prevention.

On April 20, 1998, President Clinton recognized charter applicants, such as the Empire State Building, World Trade Center, and GSA’s Foley Square Federal Office Building in New York City that have agreed to benchmark their building and apply for the label as soon as it becomes available. To learn how to become a charter applicant, visit the Web site at www.epa.gov/buildinglabel.

To assist Federal energy and building managers, EPA’s ENERGY STAR® Buildings Partnership and DOE’s Federal Energy Management Program have developed several tools, including the EPA’s ENERGY STAR® Buildings Upgrade Manual; FEMP’s Federal Technology Alerts; FEMP’s Product Energy Efficiency Recommendations; EPA and DOE general technical information and training; and information on alternative financing for building upgrades using FEMP’s Super Energy Savings Performance Contract. Information about these and other helpful tools can be found by contacting your regional FEMP representative (see contacts on page 19), or by logging onto www.eren.doe.gov/femp or www.epa.gov/energystar.

To learn how you can obtain the ENERGY STAR® Building label, visit the ENERGY STAR® Building Label Web page at www.epa.gov/buildinglabel. The Web site will help you assess whether you have an ENERGY STAR® Building and will guide you through the application process.

For more information please contact Dean McCauley of FEMP at 202-586-1677 or Beverly Dyer of EPA ENERGY STAR® Buildings at 202-564-9721.
Training

ACEEE Presents its 1998 Summer Study on Energy Efficiency in Buildings


Individuals interested in promoting energy efficiency in buildings through innovative technologies, programs, and policies are encouraged to attend. The 1998 conference will address a broad array of subjects including:

- deregulation of the utility industry and the role of energy service companies;
- international growth in energy efficiency programs and their linkages to global climate change initiatives;
- technology assessment;
- program implementation and evaluation;
- building energy analysis; and
- building industry trends.

Peer-reviewed papers will be presented in the mornings, informal sessions and display sessions will take place in the afternoons, and plenary sessions will be offered throughout the conference.

Since 1982, the Summer Study on Energy Efficiency in Buildings has brought together a diverse group of professionals from around the world to discuss the technological basis for and practical implementation of improving the efficient use of energy in buildings.

For more information, visit the official web site at: aceee.org/conf/98ss/98ss.htm, or contact Rebecca Lunetta of ACEEE at 202-429-8873.

1998 Photovoltaic Performance and Reliability Workshop

From November 3 to 4, 1998, The National Center for Photovoltaics (Sandia National Laboratories and the National Renewable Energy Laboratory) will present this year's Photovoltaic Performance and Reliability Workshop. The host for the workshop is the Florida Solar Energy Center. The workshop will focus on reliability and maintenance issues that add to the overall cost of photovoltaic systems, and should be of interest to a broad spectrum of the photovoltaic community. An important goal of the workshop will be to agree on strategies for enhancing performance through improved hardware, improved system designs, and improved maintenance strategies.

Workshop attendees will receive copies of papers presented, an attendees list, and a summary of workshop findings. All papers will be invited, with the majority given by members of industry, utilities, and institutions.

The workshop site is the Howard Johnson Plaza Hotel (soon to be Doubletree), Cocoa Beach, Florida. Conference room rates of $75 to $95 may be obtained by calling 1-800-552-3224 (mention reservation number P-12396).

Technical co-chairs of the 1998 workshop are Ben Kroposki of the National Renewable Energy Laboratory and Mike Thomas of Sandia National Laboratories.

For additional information, please contact Sandia PV Projects at 505-844-3698, or e-mail psac@sandia.gov.

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FEMP Training Reminders

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<thead>
<tr>
<th>June 9-10</th>
<th>Life-Cycle Costing (Project Oriented)</th>
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<tr>
<td></td>
<td>Denver, CO</td>
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<tr>
<td></td>
<td>Amy Tilton</td>
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<td>509-372-4368</td>
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<tr>
<th>July 7</th>
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<tr>
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<td>Chicago, IL</td>
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<tr>
<td></td>
<td>Maya Larson</td>
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<tr>
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<tr>
<td></td>
<td>E-Mail Course</td>
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<td></td>
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## FEMP Contacts

<table>
<thead>
<tr>
<th>FEMP Help Desk</th>
<th>800-383-3732</th>
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<tbody>
<tr>
<td>FEMP Office</td>
<td>202-586-5772</td>
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**FEMP FAX** 202-586-3000  
**FEMP Internet Page** [http://www.eren.doe.gov/femp](http://www.eren.doe.gov/femp)

### John Archibald, Acting Director
202-586-5772

### FEMP Operations and Customer Service Team

<table>
<thead>
<tr>
<th>Name</th>
<th>Phone</th>
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</thead>
<tbody>
<tr>
<td>Judy Florance, Team Leader</td>
<td>202-586-0941</td>
</tr>
<tr>
<td>Veronica Ballamy</td>
<td>202-586-5772</td>
</tr>
<tr>
<td>Jerry Dion</td>
<td>202-586-9470</td>
</tr>
<tr>
<td>Jeff Harris (LBNL-DC)</td>
<td>202-484-0880</td>
</tr>
<tr>
<td>Rick Klimkos</td>
<td>202-586-8287</td>
</tr>
<tr>
<td>Katie Kroehle</td>
<td>202-586-4855</td>
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<tr>
<td>Helen Krupovich</td>
<td>202-586-9330</td>
</tr>
<tr>
<td>Ladeane Moreland</td>
<td>202-586-9646</td>
</tr>
<tr>
<td>Tatiana Strainic Muessel</td>
<td>202-586-9230</td>
</tr>
<tr>
<td>Patricia O'Brien</td>
<td>202-586-2215</td>
</tr>
<tr>
<td>Nellie Tibbs</td>
<td>202-586-7875</td>
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### Technical Assistance Team

<table>
<thead>
<tr>
<th>Name</th>
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<tr>
<td>Anne Sprunt Crawley, Team Leader</td>
<td>202-586-1505</td>
</tr>
<tr>
<td>Ted Collins</td>
<td>202-586-8017</td>
</tr>
<tr>
<td>Dean McCauley</td>
<td>202-586-1677</td>
</tr>
<tr>
<td>Phil Coleman (LBNL-DC)</td>
<td>202-484-8485</td>
</tr>
<tr>
<td>Bob McLaren</td>
<td>202-586-0572</td>
</tr>
<tr>
<td>Stephanie Tanner (NREL-DC)</td>
<td>202-651-7517</td>
</tr>
<tr>
<td>Karen Thomas (NREL-DC)</td>
<td>202-651-7536</td>
</tr>
<tr>
<td>Andy Walker (NREL)</td>
<td>303-384-7531</td>
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### Project Financing Team

<table>
<thead>
<tr>
<th>Name</th>
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<tbody>
<tr>
<td>John Archibald, Team Leader</td>
<td>202-586-5772</td>
</tr>
<tr>
<td>Louis Harris</td>
<td>202-586-9794</td>
</tr>
<tr>
<td>Tanya Sadler</td>
<td>202-586-7755</td>
</tr>
<tr>
<td>Brad Gustafson (LBNL-DC)</td>
<td>202-586-2204</td>
</tr>
<tr>
<td>Dave Hunt (PNNL-DC)</td>
<td>202-646-7867</td>
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### Departmental Energy Management Team

<table>
<thead>
<tr>
<th>Name</th>
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<tbody>
<tr>
<td>Vic Petrolati, Team Leader</td>
<td>202-586-4549</td>
</tr>
<tr>
<td>Annie Haskins</td>
<td>202-586-4556</td>
</tr>
<tr>
<td>April Johnson</td>
<td>202-586-4535</td>
</tr>
<tr>
<td>Wil Lintner</td>
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</tr>
<tr>
<td>Wil Prue</td>
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**DOE Regional Support Office (RSO) FEMP Team**

<table>
<thead>
<tr>
<th>RSO</th>
<th>Contact Information</th>
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<tbody>
<tr>
<td>Atlanta RSO</td>
<td>AL, AR, FL, GA, KY, MS, NC, SC, TN, PR, VI</td>
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<td>Boston RSO</td>
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<tr>
<td>Chicago RSO</td>
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<tr>
<td>Denver RSO</td>
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<tr>
<td>Philadelphia RSO</td>
<td>DE, DC, MD, NJ, PA, VA, WV</td>
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<tr>
<td>Seattle RSO</td>
<td>AK, AZ, CA, HI, ID, NV, OR, WA, AS, GM, PW, CNMI</td>
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### Principal DOE National Laboratory Liaisons

<table>
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<tr>
<th>Laboratory</th>
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<tr>
<td>ORNL</td>
<td>423-574-5204</td>
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<tr>
<td>SNL</td>
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<tr>
<td>NREL</td>
<td>303-384-7509</td>
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<tr>
<td>LBNL</td>
<td>510-486-4890</td>
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<tr>
<td>PNNL</td>
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<tr>
<td>Lawrence Berkeley National Laboratory</td>
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<tr>
<td>National Renewable Energy Laboratory</td>
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<td>Oak Ridge National Laboratory</td>
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<td>Pacific Northwest National Laboratory</td>
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<td>Sandia National Laboratories</td>
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procurement process and put energy efficiency projects on a fast-track.

To schedule a visit or for more information about the Albuquerque Resource Center, contact Jim Quigley of Energy Partners at 505-241-4893.

As with other Federal Partner Resource Centers, these centers provide Federal customers with localized access to FEMP publications, software, and training information. Additionally, the Resource Centers are hosted by personnel who are knowledgeable about energy management issues, providing one-on-one assistance to Federal customers concerning available energy efficiency and utility programs, rate offerings and services. Resource Center hosts are knowledgeable about legislative and other requirements affecting Federal customers, as well as other agency-sponsored programs and resources to augment FEMP's offerings. To date, there are 22 Federal Partner Resource Centers, with several others preparing to open in the coming months.

For more information about other Federal Partner Resource Centers or to receive information about establishing a center in your area, contact Lou Harris of FEMP at 202-586-9794. Additionally, FEMP Regional Energy Action Project (REAP) Teams have similar capabilities to assist you.