



U.S. General Services Administration

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Senate Committee on Environment and Public Works
“Review of the President’s Climate Action Plan”
January 16, 2014

Good morning Chairman Boxer, Ranking Member Vitter, and Members of the Committee. I appreciate being invited here today to testify on this important topic.

Last year, the U.S. Government Accountability Office added climate change to its High Risk List, citing that it presents “a significant financial risk to the federal government.” According to the National Climatic Data Center, in 2012 weather and climate disaster events caused over \$110 billion in damages, making it the second costliest year on record.

This Administration is committed to reducing the damage caused by climate change, and to preparing for its impacts, both in the long term as well as those we are already experiencing. In June 2013, the President reaffirmed this commitment with a Climate Action Plan that directs agencies to: cut carbon pollution; prepare for the impacts of climate change; and lead international efforts to address global climate change.

The U.S. General Services Administration (GSA) is one of the many Federal agencies doing its part to assist in this effort. As the landlord and caretaker of federal properties, GSA owns or leases 9,624 assets, which includes maintaining an inventory of more than 370 million rentable square feet of workspace, and preserving more than 481 historic properties. This large and diverse portfolio presents many opportunities for GSA to increase energy efficiency, reduce our contribution to climate change, save millions of dollars in energy costs and to plan and implement risk management.

As part of the President’s Climate Action Plan, GSA is improving the efficiency of our Federal buildings, identifying and preparing for climate risks, and working to ensure that we share lessons learned with our partner agencies.

Reducing Impact on Climate Change –

GSA reduces energy consumption across its portfolio through a variety of means. GSA leverages technology such as advanced metering, remote building analytics and smart building systems to uncover deeper energy savings opportunities. Advanced meters, which provide real time energy use information, have been installed in 450 buildings, representing 80% of GSA’s total electricity consumption metered. Continuous enhancements to the system, ongoing training of users, use of detailed historical data and expert modeling are all proven methods which are increasing energy efficiency at lesser cost.

GSA uses rapid building assessments to perform sophisticated energy audits that require no onsite work or new device installations. Such remote analytics have resulted in significant cost savings over traditional audits and have identified additional energy savings opportunities.

The President’s Climate Action Plan also highlights other important tools we can use to improve the efficiency of our buildings, including continued use of Energy Savings Performance

Contracts (ESPCs). An ESPC engages the private sector in an agency's efforts to achieve energy efficiency improvements. The private sector provides the upfront capital to make energy efficiency upgrades in a facility, and is paid by the Federal agency from the guaranteed energy savings under the contract. Once the contract ends, the agency continues to benefit from the reduced energy costs. In December 2011, the President challenged Federal agencies to enter into a combined \$2 billion worth of ESPCs by December 31, 2013. GSA exceeded its own target of \$175 million with \$191 million in contracts awarded. These contracts, which range from 12 to 23 years in duration, are projected to reduce GSA's annual energy consumption by 365 billion Btus, or about the amount of energy used in 3,380 single family homes per year, resulting in direct savings (lower utility payments) of \$10.6 million per year.

The President's Climate Action Plan sets new goals on the Federal use of Renewable Energy, increasing the current goal from 7.5 percent to 20 percent by 2020. In FY 2013, 46.1 percent of electricity procured or generated by GSA came from renewable sources (nearly 1,200 GWh).

Over 24 GWh of this renewable electricity was generated at our own facilities. GSA expects to generate nearly 29 GWh per year once on-site renewable projects currently underway are fully operational. This amount of on-site renewable energy is enough to power nearly 2,600 homes.

Through the use of Green Button data, the President's Climate Action Plan also highlights the importance of collecting data to promote better energy management. Green Button is an industry-led effort, in response to the Administration's call-to-action, that looks to meet the challenge of providing electricity consumers with secure, easy to understand information on their energy usage. As directed in the December 2013 Presidential Memorandum on Federal Leadership in Energy Management, GSA will partner with the Department of Energy and Environmental Protection Agency to prepare and initiate a pilot Green Button initiative at Federal facilities. Following the pilot, DOE, in coordination with EPA, is required to issue guidance on use of the Green Button standard at Federal facilities. GSA will leverage the Green Button standard within its federal facilities to increase the ability to manage energy consumption, reduce greenhouse gas emissions, and meet sustainability goals.

Taken together, these efforts have led to a significant reduction in GSA's energy use intensity and greenhouse gas emissions. In FY 2013, GSA achieved a cumulative reduction in energy usage per square foot of 24.8 percent,¹ ahead of statutory targets. Since Fiscal Year 2011, these reductions have saved \$192.7 million in avoided direct energy costs.² Also, in FY 2013, GSA achieved an approximately 50 percent reduction in greenhouse gas emissions, exceeding our FY 2020 target.³ That is the equivalent of more than 60,000 homes powered for one year.

¹ Per the Energy Independence and Security Act of 2007, this reflects a reduction in "covered facilities" from a baseline of Fiscal Year 2003.

² Based on energy use consumption in FY 2003 multiplied by the current price of energy, subtracted from actual costs.

³ Executive Order 13514 required Federal agencies to set a target for reductions to Scope 1 and 2 GHG emissions. In Fiscal Year 2010, GSA established a 28.7 percent reduction target from a Fiscal Year 2008 baseline.

Preparing for the Impacts of Climate Change –

GSA is also preparing for the potential impacts of climate change as part of the President's Climate Action Plan. While it is impossible to predict the precise occurrence and costs of each and every climate risk, it is imperative to develop a robust risk management approach.

One such area of focus has been preparing for future floods. GSA is actively coordinating with the U.S. Army Corps of Engineers (USACE), U.S. Global Change Research Program (USGCRP), Federal Emergency Management Agency (FEMA), National Oceanic and Atmospheric Administration (NOAA), and Federal Interagency Floodplain Management Task Force to incorporate the most recent and relevant flood-risk reduction strategies into GSA's operations. We are in the process of updating GSA's internal floodplain management guidance and are taking into consideration updated FEMA floodplain maps and additional guidance on using climate projections.

GSA is also working to boost the resilience of buildings and infrastructure. We are in the process of prioritizing our most mission critical and vulnerable facilities, looking into cost-effective climate-resilient investments, and investigating solutions that reduce both climate change risks and greenhouse gas emissions. A pilot project is currently in place to incorporate climate risk reduction factors into a new land port of entry facility. GSA will take lessons learned from this pilot and share with other agencies.

We believe these efforts will ensure GSA, and the Federal government broadly, is more prepared to address the long-term consequences of climate change.

Conclusion –

The President's Climate Action Plan represents a commitment to reduce and respond to the impacts of climate change. As a major landholding agency of the Federal government, GSA plays an important role in mitigating and preparing for these adverse effects. Through improved energy efficiency and risk planning, we hope to continue to make progress on both of these critical efforts.

I am pleased to be here today, and I am happy to answer any questions you may have. Thank you.