

PRESIDENTIAL ORDER

How federal green goals will affect your business

Politics aside, interest in green buildings and green goods will affect your customers and your business.

President Obama's October 2009 Executive Order 13154, entitled "Federal Leadership in Environmental, Energy and Economic Performance", illustrates the point. Many experts think the Order instigates a "quiet green revolution" as it musters the economic clout of the U.S. Government both as a tenant and a purchaser of goods.

The Order directs federal agencies to take measurable steps in establishing a clean energy economy for the United States, by advancing the design, construction and maintenance of high-performance sustainable buildings; leveraging their acquisitions to foster markets for sustainable technologies and environmentally preferred products; and implementing many other environmentally conscious measures.

The Order requires federal agencies to establish greenhouse gas emissions reduction targets for 2020, report agency-wide emissions annually, and consider emissions reductions that may be achieved by reducing energy intensity in agency buildings.

Ultimately, the Order promotes a clean energy economy and sustainable building practices, including provisions requiring federal agencies to improve water use efficiency and management, promote pollution prevention and waste elimination, advance regional and local integrated planning, promote electronic stewardship, and sustain environmental management.

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This Alert is intended to be a general summary of legal issues impacting the energy industry and does not constitute legal advice. You should consult with counsel to determine applicable legal requirements in a specific fact situation.

GREEN PROCUREMENT

The Order directs federal agencies to ensure that 95% of their new contracts are for products and services that are energy efficient (e.g., ENERGY STAR or Federal Energy Management Program designated), water-efficient, biobased, environmentally preferable (e.g., Electronic Product Environmental Assessment Tool certified), non-ozone depleting, contain recycled content, or are non-toxic or less toxic alternatives.

GREEN BUILDING

The Order sets the following benchmarks for federal agencies to design, construct and maintain high-performance sustainable buildings:

- » By 2020, all new federal buildings entering the planning process must be designed to achieve zero-net-energy use by 2030. All new construction, major renovation and repair or alteration of federal buildings must comply with the Guiding Principles for Federal Leadership in High Performance and Sustainable Buildings ("Guiding Principles").
- » By 2015, at least 15% of each agency's existing buildings and building leases must meet the Guiding Principles, and every year progress must be made toward making all of the agency's buildings compliant with the Guiding Principles.
- » Agencies planning building additions must identify opportunities to consolidate and dispose of existing buildings, optimize the overall performance of the agency's buildings, and reduce the environmental impact of the addition.
- » Rehabilitation of federally owned historic buildings must use best practices and technologies in retrofitting.
- » Federal agencies must pursue cost-effective strategies to minimize energy, water and material consumption, and manage existing building systems to reduce such consumption or identify alternatives to renovation that reduce existing buildings deferred maintenance costs.