THE CENTURY FOUNDATION

THE NEW ERA OF EXECUTIVE ACTION

REDUCING FEDERAL GOVERNMENT GREENHOUSE GAS EMISSIONS

May 5, 2015

Background

Reducing greenhouse gas emissions across the United States is an essential part of preventing the worst effects of climate change. While the Obama administration is trying to make wholesale economy-wide changes (for example, through the Clean Power Plan), it is also important to lead by example.

The federal government is the single largest energy user in the country; taking steps to reduce its own emissions footprint demonstrates a commitment to practice what it preaches. In addition to reducing its greenhouse gas emissions footprint, installing additional renewable energy generation can save the American taxpayer money over the long-term and spur further investment by the private sector, especially by companies that anticipate the federal government will be a regular customer.

Action

On March 19, 2015, President Barack Obama signed Executive Order 13693: Planning for Federal Sustainability in the Next Decade.

What It Does

The order instructs the executive branch to implement a plan to reduce its emissions 40 percent over the next decade (by fiscal year 2025, using a fiscal year 2008 baseline) and receive no less than 30 percent of its electric energy for buildings from renewable sources by the same deadline. The president also directed federal departments and agencies to partner with private sector contractors, who will put forth their own voluntary emissions pledges. The White House will track success of these pledges publicly and will use its relationship with federal contractors to encourage more ambitious action.

This brief is part of The Century Foundation initiative, The New Era of Executive Action, which is available online at https://tcfdotorg.atavist.com/executive-action.

The top-line policy goals set by the administration are designed to unfold across a series of incremental targets from now until 2025. In order to improve environmental performance and sustainability over the next decade, the federal government is targeting 40 percent reduction in greenhouse gas emissions by fiscal year 2025 (versus a fiscal year 2008 deadline) and a 30 percent target for the deployment of renewable energy for building electricity (also by the same deadline). Separate federal agencies and departments will submit their targets to the White House by ninety days after the date of the order.

Subsequent to the plan submission, beginning in fiscal year 2016, the head of each agency will begin taking steps to meet the following goals, "where life-cycle cost-effective":

Reduce energy intensity (energy unit per unit of gross domestic product) 2.5 percent annually until FY 2025 through a variety of efficiency measures, improving reporting benchmarks for energy use to increase transparency, and ensuring agency data centers are energy-efficient.

Ensure that by FY 2025, no less than 25 percent of building electric energy and thermal energy shall be clean energy (total non-fossil fuel, including renewables and alternative energy sources). This will be achieved through the installation of onsite renewable electricity generation (for example, the existing solar panels on the roof of the Department of Energy) and the purchase of renewable energy certificates.

Reduce water intensity 36 percent by fiscal year 2025 (versus a fiscal year 2007 baseline) through efficiency programs, smarter metering, and introducing waste and stormwater management programs.

Reduce per-mile greenhouse gas (GHG) emissions from vehicles operated by the federal government by 30 percent from 2014 levels by fiscal year 2025.

Encourage the use of zero emission/plug-in hybrid electric vehicles.

Improve supply chain management of greenhouse gas emissions by compiling, beginning thirty days after the order, an inventory of federal suppliers that indicates whether they have disclosed greenhouse gas emissions data and whether they have developed plans for reducing those emissions. Federal contracting agencies may then begin to use that data in considering how companies who wish to participate in federal procurement are meeting those goals and may develop plans for encouraging federal contractors to meet or exceed their reduction plans.

Status

The just-issued executive order gives agencies and departments ninety days to propose its office-specific targets to the White House via the chair of the Council on Environmental Quality (CEQ) and

the director of the Office of Management and Budget (OMB). Some of the private-sector federal suppliers who have offered voluntary emissions reductions targets of their own have, in many cases, already disclosed their emissions profile, as well as their own targets for reduction, which are publicly listed on the White House webpage, Federal Supplier Greenhouse Gas Management Scorecard.

Impact

While federal government departments and agencies will likely submit their plans to the CEQ/OMB closer to the 90-day deadline, many of the private-sector partners have already announced their emissions reductions targets, as shown on the White House scorecard. Changes in federal procurement may actually be happening already, since federal agencies know that targets starting in 2016 will have to be reflected in purchases being made now.

Response

- The NRDC's Susan Casey-Lefkowitz called the order "important" and "ambitious" and lauded the president for leading on this issue at a time when Congress was reluctant to commit to accelerating the development of clean energy. Casey-Lefkowitz said the order went hand-in-hand with the new EPA rules and the voluntary targets set by private sector actors.

- ThinkProgress' Ryan Koronowski was similarly positive about the executive order, citing its projected $18 billion in cost savings to American taxpayers. Koronowski was disappointed, however, that the rule did not address the extraction of fossil fuel resources from federal lands, which, when they are burned for energy, are a significant contributor to greenhouse gas emissions.

- Vox's Brad Plumer was also supportive, though he emphasized that the greater impact of the executive order will be in "greening" the federal procurement supply chain. While the federal government directly produces only about 0.4 percent of carbon dioxide emissions, it is the government purchase of goods from the private sector that should have a bigger impact. With the changes to procurement rules from this order, the federal government will be buying more hybrids and electric vehicles, smart meters, resource management technology, and energy generated from solar panels and wind turbines—purchasing decisions that will benefit American manufacturers and bring the overall cost of these technologies down.