

**S. 1460- Energy and Natural Resources Act of 2017**  
**Federal Energy Provisions**

ESPC specific:

- Change May to “shall” in EISA 432 mandating that Federal agencies perform energy efficiency projects when the federally mandated audits show a 10 year payback or less (*sec. 1106*)
- Changes the definition of Federal Building in ESPC statute to that used in other Federal energy statutes (Leased space eligible for ESPCs) (*sec. 1106*).
- Ensures that agencies can’t arbitrarily limit operations and maintenance savings in an ESPC (*sec. 1106*).
- Clarifies plug load is an allowable ECM (*sec. 1106*).
- Clarifies the ability to take Renewable Energy Credits for ESPCs in the Federal government if they are offered (*sec. 1106*)
- Clarifies ability to take utility incentives provided within a Federal ESPC (*sec. 1106*)
- Currently PROHIBITS ESPCs in a Federal Dam (*sec. 1106*) .
- Provides for ESPCs as a means to do data center consolidations in the Federal government (*sec. 110*)
- HUD Multifamily demonstration, which would allow it, through 2020, to enter into budget-neutral, performance-based agreements to reduce energy or water costs. These could be with ESCOs or others as the Secretary decides (*sec. 1102*)

Impacts ESPCs

- Federal Building Energy Intensity improvements of 2.5% per year for 10 years. Sets baseline as 2015 and includes an “out” with “unless otherwise specified and when life cycle cost effective”. for (*sec. 1116*)
- Repeals the Fossil Fuel phase out for new and renovated federal buildings with renovation defined as over \$2.5M (*sec. 1114*)
- Applying existing Federal Energy Efficiency Performance standards for new buildings to additions and alterations of Federal buildings. Some of our members have raised this as problematic for certain ESPC types (HVAC in hospitals, Lighting in Historic Buildings, data center projects) and we have developed definitional language to address (*sec. 1115*)
- Provides for up to 25 year term for Utility Energy Service Contracts. No provision for M&V or assurance but rather DOE publication of the guidance and criteria regarding the conditions of utility energy service contracts (*sec. 1105*).
- Energy Efficient Information Technologies (*sec. 1109*)
- Energy Efficient Data Centers (*sec.1110*)

Other Federal Provisions

- Section 1117: Certification of Green Buildings
- Section 1118: High Performance Green Buildings
- Section 1119: Evaluation of potentially duplicative green building programs
- Section 1120: Study and report on energy saving benefits of operational efficiency programs and services
- Section 1121: Use of Federal Disaster relief and emergency assistance for energy efficient products and structures