

Congress of the United States

Washington, DC 20515

March 30, 2022

President Joseph R. Biden, Jr.
The White House
1600 Pennsylvania Avenue, N.W.
Washington, D.C. 20500

Dear President Biden:

Thank you for issuing your December 2021 *Executive Order on Catalyzing Clean Energy Industries and Jobs Through Federal Sustainability*. We support the government-wide sustainability goals and encourage you to implement specific agency goals and targets, utilizing proven techniques to ensure energy savings, carbon emissions reductions, and resiliency across the federal government.

The Executive Order smartly directs the federal government to lead by example through its goal of achieving a net-zero emissions building portfolio by 2045, including a 50 percent emissions reduction by 2032. We urge you to include concrete interim targets in upcoming guidance and encourage the use of effective and shovel-ready tools, such as performance contracting. The interim targets combined with the power of leveraging private capital through performance contracting will help spur immediate action and put us on a path for long-term success.

As the Executive Order states, agencies shall “use performance contracting, in accordance with the provisions of section 1002 of the Energy Act of 2020 (Public Law 116-133, division Z), to improve efficiency and resilience of Federal facilities, deploy clean and innovative technologies, and reduce greenhouse gas emissions from building operations.”¹

Energy Savings Performance Contracts (ESPC) and Utility Energy Service Contracts (UESC), known collectively as performance contracts, enable federal agencies to procure energy savings and facility infrastructure improvements with no up-front capital costs or appropriations. Financed and implemented by the private sector, performance contracts reduce facility emissions, lower energy and operating costs, address maintenance backlogs, and repair or replace aged and failing equipment in federal buildings. Performance contracts are based on guaranteed private sector performance, and the government pays for the project over time, with actual savings generated by the infrastructure upgrades. If the promised savings are not achieved, the government does not pay.

¹ Exec. Order No 14057, 86 Fed. Reg. 70935, 70943 (2021).

Achieving 100 percent carbon pollution-free electricity utilization by 2030 requires that federal buildings be capable of harnessing load flexibility through innovative grid-interactive technologies and demand-side management, things that efficiency investments and performance contracting can help accomplish. It is critical that Chief Sustainability Officers across federal agencies recognize that performance contracts offer a significant opportunity to improve the operations, resilience, energy efficiency, and comfort of federal facilities, while also addressing clean energy and mission-related requirements. To maximize progress towards the administration's goals, we ask you to prioritize investments that leverage performance contracts and issue a performance contracting challenge focused on getting to 50% annual emissions reductions in federal facilities by 2030.

We hope that forthcoming implementation guidance to agencies will set expectations and prescribe interim goals to ensure near-term and long-term carbon emissions reductions using proven and effective techniques such as performance contracting. We look forward to working with you to ensure that the oversight and execution of this order are successful and stand by you in your efforts to mitigate the risks and costs posed by the climate crisis.

Sincerely,



Peter Welch
Member of Congress



Paul D. Tonko
Member of Congress



Deborah K. Ross
Member of Congress



Earl Blumenauer
Member of Congress



Sean Casten
Member of Congress



Matt Cartwright
Member of Congress



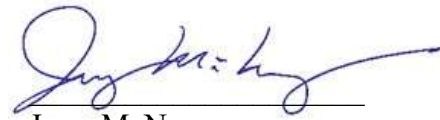
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CC:
The Honorable Jennifer Granholm
Secretary
U.S. Department of Energy

The Honorable Brenda Mallory
Chair
White House Council on Environmental Quality

The Honorable Gina McCarthy
National Climate Advisor
White House Office of Domestic Climate Policy