



U.S. Department of Energy
Energy Efficiency and Renewable Energy

federal energy management program

Federal Renewable Update

FUPWG

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- Energy Policy Act of 2005 (EPACT 05) Federal Renewable Goal
- Executive Order 13423 & Instructions
- EPACT/EO Renewable Goal Guidance
- Federal Renewable Use Update
- Innovative Renewable Projects



- Section 203 (a) Requirement- The President, acting through the Secretary, shall seek to ensure that, to the extent economically feasible and technically practicable, of the total amount of electric energy the Federal Government consumes during any fiscal year, the following amounts shall be renewable energy:
 - (1) Not less than 3% in FY07-09
 - (2) Not less than 5% in FY10-FY12
 - (3) Not less than 7.5% in FY13 & each fiscal year thereafter.



- Renewable Definition - electric energy generated from solar, wind, biomass*, landfill gas, **ocean** (including tidal, wave, current, and thermal), geothermal, municipal solid waste, or **new hydroelectric** generation capacity achieved from increased efficiency or additions of new capacity at an existing hydroelectric project.
- Renewable energy amount shall be doubled if:
 - Renewable energy is produced on-site, on federal lands or on Native American land & used at a Federal facility

**There is a detailed biomass definition in the law*



- EO13423 “Strengthening Federal Environmental, Energy, Transportation Management” was issued on 1/26/07

- Section 2b - Ensure that:
 - (i) at least half of the statutorily required renewable energy consumed by the agency in a fiscal year comes from “New” renewable sources (“New” is defined as 1/1/99)
 - (ii) to the extent feasible, the agency implements renewable energy generation projects on agency property for agency use



- Instructions for Implementing EO13423
 - Issued 3/29/07
 - Section VI Energy and Water Management (p. 12-14)

- (1) UESC (and other funding instruments) should be utilized to the maximum extent practical to implement energy efficiency, water and renewable measures with long- and short-term payback periods that can be incorporated into life-cycle cost effective contracts.
 - May leverage appropriated funds to optimize project scope and reductions in energy use and cost of facility operations.
 - Renewable energy measures shall be considered in each UESC proposal and implemented where practical.



- Distributed Generation-
 - Agencies shall implement life cycle cost-effective distributed generation including renewables
 - Solar electric, solar lighting, geothermal (including ground coupled), small wind.
 - Agencies are encouraged to use distributed generation where it enhances energy reliability or security



- Within 90 days of issuance of these instructions, DOE, in consultation with the Interagency Energy Management Task Force, shall issue or update guidance on:
 - The renewable energy goal and use of renewable energy credits.
 - Use of and investment in renewable energy generation.
 - Calculating and validating funds available for retention in accordance with Section 102(f) of EPAAct 2005.



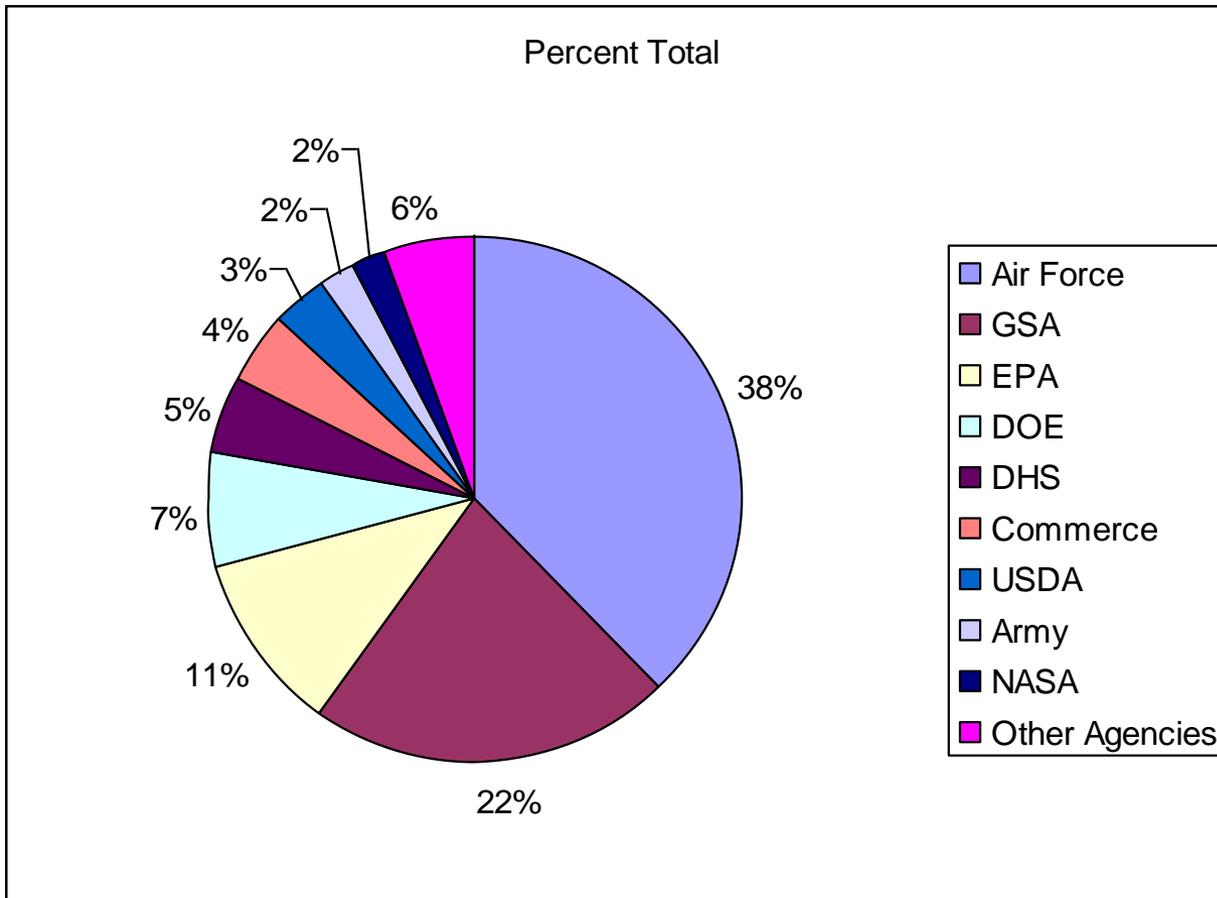
- Internal RE goal guidance meeting on April 24
- Revised draft will be sent up DOE chain for approval
- Approved draft will be posted on the web for ~2 week comment period
- Renewable Working Group meeting soon after draft is posted
- Final guidance is due on June 27



Federal Renewable Use (As of Sept 2006)

Who is Buying Renewable Power/RECs?

DRAFT





- On-site renewable projects
 - Private entity installs, owns, operates and maintains equipment
 - Site purchases electricity through power purchase agreement (PPA)
 - Private entity eligible for tax and other incentives (possible to offset up to ~60% of renewable system cost)
 - Can utilize Western Area Power Administration (and possibly other Power Marketing Administrations) - long term contract authority benefit

- Examples
 - Nellis AFB
 - GSA Sacramento



- GSA Sacramento
 - 1 MW roof-top PV
 - 10-year contract
 - Price matched to SMUD time-of-use tariff with price floor
 - PG&E rebate and federal incentives (30% tax credit and accelerated depreciation) will pay for approximately half the cost of the system.
 - Installation will begin this summer
 - Private entity retains RECs
 - Modified FAR Part 41 with Part 12 (Acquisition of Commercial Items) for the contract.
 - License for use of roof

- Case study and FEMP Focus article pending



Questions?

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