

FEDERAL UTILITY PARTNERSHIP WORKING GROUP SEMINAR

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Financial Incentives for DoD Agencies

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Statutory Authority for DoD

- 10 USC 2913 (b): “The Secretary of Defense shall permit and encourage each military department, Defense Agency...to participate in programs conducted by any *gas or electric utility* for the management of energy demand or for energy conservation.” (emphasis added)
- 10 USC 2912 (c): “Financial incentives received from *gas or electric utilities* under section 2913 of this title shall be credited to an appropriation designated by the Secretary of Defense. Amounts so credited shall be merged with the appropriation to which credited and shall be available for the same purposes and the same period as the appropriation with which merged. (emphasis added)

DoD Financial Management Regulation

- DoD FMR chapter 12, paragraph 120302 provides that “financial incentives received from gas or electric utilities under 10 USC 2913 shall be credited to the installation’s Operations and Maintenance (O&M) account and shall be available for the same purposes and the same period as the O&M appropriation.”
- These funds are not limited in use or “fenced” for energy conservation projects—they become part of the installation O&M funding and expire at the end of the fiscal year.