

Federal Energy Management Program

For Department of Energy expenses including the purchase, construction, and acquisition of plant and capital equipment, and other expenses necessary for Federal energy management activities in carrying out the purposes of the Department of Energy Organization Act (42 U.S.C. 7101 et seq.), including the acquisition or condemnation of any real property or any facility or for plant or facility acquisition, construction, or expansion, \$82,200,000, to remain available until expended: Provided, That of such amount, \$17,200,000 shall be available until September 30, 2025, for program direction.

P.L. 95-91, "Department of Energy Organization Act" (1977)

P.L. 109-58, "Energy Policy Act of 2005"

P.L. 110-140, "Energy Independence and Security Act of 2007"

P.L. 115-246, "Department of Energy Research and Innovation Act" (2018)

Energy Act of 2020, Section 1012 (42 U.S.C. 8253(i))

Overview

The Federal government is the single largest U.S. energy consumer with more than 360,000 buildings and structures comprising 3 billion square feet and 600,000 vehicles. The Federal Energy Management Program's (FEMP) mission, in accordance with the Energy Act of 2020, Section 1012 (42 U.S.C. 8253(i)), is to facilitate the implementation by the Federal government of cost-effective energy and water management and energy-related investment practices; (A) to coordinate and strengthen Federal energy and water efficiency and resilience; and (B) to promote environmental stewardship.

The Federal government has successfully reduced its energy use and carbon footprint since 2008. In FY 2021, the Federal government used 1.2 quads of primary energy at a cost of \$15.0 billion, which represents a reduction in consumption of 21.8% since 2008.¹ Energy used in buildings and facilities represents about 59 percent of the total energy use of the Federal government, and vehicle and equipment energy use accounts for 41 percent.² In FY 2021, the emissions from onsite building fuels, electricity use, and vehicle fuels (grouped as scope 1 and 2 emissions) from standard and non-standard Federal operations³ totaled 66.8 million metric tons of carbon dioxide equivalent (MTCO_{2e}), which represents a 35.5 percent reduction in emissions.⁴

There is a significant opportunity and responsibility for the Federal government to cut its energy costs and use: agencies estimated and reported just over \$7 billion⁵ of potential cost-effective efficiency investments that would result in energy and water savings. Federal agencies have a tremendous opportunity and responsibility to lead by example, both in sharing practices and approaches that state, local and private sector actors can adopt and by demonstrating and deploying technologies at scale to drive market transformation.

FEMP's activities are responsive to Administration priorities, statutory requirements, and Federal agency needs. Federal agencies are required to comply with Executive Order (EO) and statutory mandates while maintaining resilient, efficient, and secure installations in support of mission assurance. Federal agencies' needs include technology development and integration; infrastructure improvements; energy project development and implementation assistance; and workforce development.

FEMP works with its stakeholders to build Federal agencies' capacity to meet those goals by supplying agencies with the information, tools, and assistance they need to meet and track their energy-related requirements and goals, a main

¹ Table A-4 and Table A-2 <http://ctsedweb.ee.doe.gov/Annual/Report/Report.aspx>.

² In terms of primary (source) energy use.

³ Standard operations include the operation of Federal buildings and fleet vehicles while non-standard operations are primarily military and law enforcement operations.

⁴ Table E-2 <https://ctsedweb.ee.doe.gov/Annual/Report/Report.aspx>

⁵ \$7.2 billion identified by agencies in their evaluations of facilities comprising 75 percent of Federal facility square footage; https://ctsedweb.ee.doe.gov/CTSDDataAnalysis/Default.aspx?ReturnUrl=%2fCTSDDataAnalysis%2fReports%2fPublicAgencyReport_ComprehensiveEvaluationFindings.aspx

instrument in deploying energy infrastructure across the Federal government is by administering the Assisting Federal Facilities with Energy Conservation Technologies (AFFECT) Grant Program under its Federal Energy Efficiency Fund (FEEF) Program authority.

Highlights of the FY 2024 Request

FEMP’s FY 2024 Budget Request of \$82.2 million supports implementation of energy and water efficiency, building and fleet electrification, and decarbonization strategies across the Federal government in support of Executive Order (EO) and statutory energy and water management related goals and objectives.

In FY 2024, FEMP will continue to leverage the FEEF Program/AFFECT grant providing competitive funding to Federal agencies to invest in energy and water infrastructure improvements, including decarbonization, electrification and resilience of Federal operations and, at the same time, FEMP will implement its Federal building decarbonization strategy through the development of tools and resources and agency engagements to support implementation of EO and statutory requirements. FEMP will leverage the use of privately financed performance contracting in the form of an Energy Savings Performance Contracts (ESPC), ESPC ENABLE contracts, and Utility Energy Service Contracts (UESC) to implement energy efficiency, clean energy technology integration, and adaptation at mission critical sites. Financing through performance contracting will significantly leverage the FEMP grant investment, help the government lead-by-example on climate and sustainability, and create good-paying jobs with a free and fair choice to join a union. In addition, FEMP will continue to support Workforce Development to develop and maintain an open platform for offering a suite of internationally accredited training and educational content to support a future focused clean energy workforce. FEMP’s training is developed with Federal agency input and available for use by all sectors and international users.

Federal Energy Management Program (\$K)

	FY2022 Enacted	FY 2023 Enacted	FY 2024 Request
Federal Energy Management Program			
Federal Energy Management	27,000	29,000	45,000
AFFECT	13,000	14,000	20,000
Program Direction	0	14,000	17,200
Total, Federal Energy Management Program	40,000	57,000	82,200

**Federal Energy Management Program
Explanation of Major Changes (\$K)**

FY 2024 Request vs FY 2023 Enacted

Federal Energy Management Program: FEMP will expand technical assistance, guidance, and training across all focus areas to facilitate implementation of building decarbonization, fleet electrification, and optimized energy and water management strategies across the Federal government in support of statutory, regulatory, and Executive Order energy and water management related goals

+\$25,200

Total, Federal Energy Management Program

+\$25,200

Federal Energy Management Program

Description

As part of the Department of Energy's (DOE) Under Secretary for Infrastructure, the Federal Energy Management Program's (FEMP) priority is to facilitate strategic energy management across the Federal government. FEMP's efforts enable Federal agencies to meet energy-related goals, comply with statutory and Executive Order requirements, and provide energy leadership to the country by addressing climate change, increasing fleet electrification, and reducing greenhouse gas emissions (GHG) from the Federal footprint.

FEMP is authorized per Sec. 1012 of the Energy Act 2020 (EA 2020) to facilitate the implementation by the Federal government of cost-effective energy and water management and energy-related investment practices to coordinate and strengthen Federal energy and water resilience and promote stewardship. FEMP collaborates with stakeholders to provide the tools, resources, and guidance needed by agencies to implement: EO 13990 *Protecting Public Health and the Environment and Restoring Science to Tackle the Climate Crisis*; EO 14008, *Tackling the Climate Crisis at Home and Abroad*; EO 14057 *Catalyzing Clean Energy Industries and Jobs Through Federal Sustainability*; and the *Energy Act of 2020*. FEMP supports the Executive Office of the President–Council on Environmental Quality and the Office of Management and Budget in the development of Federally focused Executive Orders, implementation guidance, establishing agency performance targets, and tracking agency performance.

FEMP activities address Federal agency needs for spurring technology innovation and deployment; leveraging performance contracting for infrastructure improvements; developing a skilled workforce; and fulfilling statutory requirements. FEMP strengthens agencies' ability and agility to strategically manage their energy and water infrastructure, while maintaining critical mission assurance objectives. This is achieved, through technical assistance focused on Federal building decarbonization, climate adaptation for mission assurance, Federal fleet electrification, and workforce development. FEMP seeks feedback from agencies, through the Interagency Energy Management Task Force, to inform prioritized activities. This feedback resulted in identification of major agency barriers for decarbonizing agency operations including lack of technology; lack of a skilled workforce; and lack of funding to address deferred maintenance and infrastructure requirements.

Federal Energy Efficiency Fund (FEEF) Program: AFFECT grants are authorized under Section 152 (f) of the Energy Policy Act of 1992 (EPA 1992), Public Law 102-486, as codified in 42 USC § 8256 (b). This statute authorized FEEF to provide competitive grants to Federal agencies to help meet requirements of the National Energy Conservation Policy Act (NECPA), 42 USC § 8253(a)-(b). AFFECT grants have been provided most years since 2014.

In FY 2024, FEMP is requesting \$20 million in Assisting Federal Facilities with Energy Conservation Technologies (AFFECT) grant funding for Federal agencies to drive decarbonization of the Federal building stock and fleet electrification and optimize energy and water management systems. AFFECT grants will be used to develop energy and water conservation measures and deep energy retrofits across the Federal government, prioritizing high-impact projects that reduce GHG emissions and mitigate climate change, support achievement of the Administration's goals for agencies, exemplify enterprise-wide approaches that can more easily be replicated and sustained in the future with annual funds and/or performance contracting, and advance market transformation. These innovative projects may include technology and equipment purchases for decarbonization and electrification technologies, life-cycle cost buy-downs and/or bundling with performance contracts.

AFFECT recipients must demonstrate why the grant is needed to implement the project or why the grant is needed to include specific energy conservation measures that would not be possible otherwise. Recipients are encouraged to identify small businesses, especially Minority, Woman, Veteran-Owned, or Disadvantaged Business Enterprise for participation and/or to solicit as vendors and sub-contractors in support of building an inclusive clean energy economy.

Technical Assistance: In FY 2024 FEMP is requesting \$32 million for technical assistance to Federal agencies to support Federal building decarbonization, performance contracting and energy project procurement development, and technical assistance for Electric Vehicle (EV) charging and fleet electrification.

FEMP utilizes DOE's National Laboratory subject matter experts to support the development of tools and resources needed to overcome barriers, and share lessons learned and best practices. These efforts support implementation of energy and water efficiency, fleet electrification, and decarbonization projects and strategies, resulting in viable, replicable, energy and water projects. FEMP shares technical solution sets and resources that enable agencies to meet their statutory, regulatory, and executive order requirements in support of decarbonization strategies, reduce energy and water use, implement cost-effective energy and water conservation measures, and energy-related investment practices. In addition, FEMP will provide technical assistance to Federal agencies in support of implementation of their Climate Action Plans.

Federal Building Decarbonization: FEMP will assist Federal agencies in implementing building decarbonization strategies to enhance building energy performance. FEMP will support agencies in executing goals and actions in EO 14057, through guidance and resources for the EO 14057 Implementing Instructions. This will be achieved through the development and implementation of tools and resources needed to support deployment of energy efficiency building management technologies and strategies across the Federal government. Focus areas will include grid interactive facilities in support of the EA 2020 Federal Smart Buildings initiative; Zero Energy Installations and implementation of decarbonization facility management strategies and approaches.

Performance Contracting and Energy Project Procurement Development: FEMP will assist Federal agencies in implementing energy savings performance contracts (ESPCs), utility energy service contracts (UESCs), and other project financing options in pursuit procurement improvements, distributed energy projects, and demand response strategies. FEMP will be prioritizing assisting agencies with statutory compliance with ESPC implementation requirements set by EA2020 and advancing the inclusion of electrification and decarbonization measures within performance contracting.

Federal Fleet Electrification: FEMP will provide technical assistance to Federal agencies around fleet optimization to identify EV conversion pathways and implement model business case methodologies in support of fleet electrification strategies. FEMP will provide tools and resources needed to support the widespread adoption of the Zero Emission Vehicle Planning and Charging (ZPAC) planning tool and annual ZEV Plans, which identifies EV opportunities and prioritizes EV installations. In addition, FEMP will launch the EVI Locate and ZEV Ready tools as resources for agencies to integrate EV charging infrastructure into building decarbonization strategies. In FY 2024, FEMP will demonstrate EV-to-building and EV-to-grid interaction to optimize building decarbonization opportunities as well as identify revenue streams to sites for demand response management and grid system support.

Reporting and Statutory Requirements: In FY 2024 FEMP is requesting \$7 million to support statutory and EO reporting requirements. DOE is statutorily required to carry out specific functions related to tracking and implementing effective energy and water management throughout the Federal government. FY 2024 efforts will continue to focus on tracking statutory, regulatory, and implementation of EO requirements.

FEMP develops annual reports and tracking tools on Federal agency performance. These analytical reports and tools track Federal progress towards goals on energy efficiency (42 U.S.C. § 8258(a), renewable energy use (42 U.S.C. § 15852(d)), and vehicles (42 U.S.C. § 6374e(a)). In addition, FEMP issues guidance and tracks compliance with the Energy Act of 2020 and the requirements of Section 432 of the Energy Independence and Security Act of 2007 (EISA), Management of Energy and Water Efficiency in Federal Buildings, including the completion of comprehensive evaluations of designated covered facilities and reporting potential and initiated efficiency measures, and annually benchmarking metered buildings.

Workforce Development: In FY 2024, FEMP is requesting \$6 million to improve the capabilities and skills of the Federal energy and water management workforce through training aligned with agency core competency needs and Federal Building Personnel Training Act (FBPTA) of 2010 requirements. FEMP will provide internationally accredited training courses for energy and water management professionals through a coordinated training program that includes on-demand and in person (currently virtual) training sessions, including the annual Energy Exchange training event. In addition, FEMP will assess opportunities to leverage new and existing funding opportunities to develop training content for the Federal energy and water management communities.

Program Direction: In FY 2024, FEMP is requesting \$17.2 million in Program Direction. This includes salary and benefits, travel and training, and other operational needs required to support the transition of the Federal government to a clean energy consumer.

**Federal Energy Management Program
Activities and Explanation of Changes**

FY 2023 Enacted	FY 2024 Request	Explanation of Changes FY 2024 Request vs FY 2023 Enacted
Federal Energy Management \$43,000,000	\$65,000,000	+\$22,000,000
-FEFF – AFFECT \$14,000,000	\$20,000,000	+\$6,000,000
<ul style="list-style-type: none"> Award \$14 million in funding under the Assisting Federal Facilities with Energy Conservation Technologies (AFFECT) grant program to drive decarbonization of the Federal building stock and fleet electrification, optimize energy and water management systems, and fund technology and equipment purchases for established decarbonization and electrification technologies. 	<ul style="list-style-type: none"> Award \$20 million in funding under the Assisting Federal Facilities with Energy Conservation Technologies (AFFECT) grant program to drive decarbonization of the Federal building stock and fleet electrification, optimize energy and water management systems to advance compliance with EA2020 and EO 14057. 	<ul style="list-style-type: none"> Increase will support an additional 5-10 projects with projected energy savings of \$770M. Agencies have reported over \$7B in cost-effective energy and water conservation measures that have not yet been implemented.
Technical Assistance \$22,400,000	\$32,000,000	+\$9,600,000
<ul style="list-style-type: none"> Provide technical assistance to Federal agencies to support Federal building decarbonization, performance contracting and energy project procurement development, and technical assistance for Electric Vehicle (EV) charging and fleet electrification. 	<ul style="list-style-type: none"> Provide technical assistance to Federal agencies to support Federal building decarbonization, performance contracting and energy project procurement development, and technical assistance for Electric Vehicle (EV) charging and fleet electrification. 	<ul style="list-style-type: none"> Increased implementation and deployment that enables scaling up of efficient, clean energy technologies in buildings, fleets, and energy procurement. Increased Technical Assistance focus on projects that support Federal facilities in and around underserved communities.
Reporting and Statutory Requirements \$5,000,000	\$7,000,000	+\$2,000,000
<ul style="list-style-type: none"> Provide statutorily required reporting and technical guidance. Complete reporting requirements for Agency-level energy intensity, EISA 432 CTS Support, GHG Annual Reporting, FEMP Project Tracking System (PTS), FAST Fleet Reporting, EA 2020 requirements, and Renewable Energy Reporting. Coordinate with Council on Environmental Quality (CEQ) and Office of Management & Budget (OMB) on Executive Order implementation 	<ul style="list-style-type: none"> Provide statutorily required reporting and technical guidance. Complete reporting requirements for Agency-level energy intensity, EISA 432 CTS Support, GHG Annual Reporting, FEMP Project Tracking System (PTS), FAST and FleetDASH Fleet Reporting, EA 2020 requirements, and Renewable Energy Reporting. Coordinate with Council on Environmental Quality (CEQ) and Office of Management & Budget (OMB) on Executive Order implementation. 	<ul style="list-style-type: none"> Increased agency compliance tracking, data collection and reporting systems, where FEMP provides back-end infrastructure as well as guidance and agency support.
Workforce Development \$1,600,000	\$6,000,000	+\$4,400,000
<ul style="list-style-type: none"> Provide training content through free internationally accredited training program for energy and 	<ul style="list-style-type: none"> Provide training content through free internationally accredited training program for energy and 	<ul style="list-style-type: none"> Increase is to support moving of FEMP training information to in-house FEMP maintained systems

FY 2023 Enacted	FY 2024 Request	Explanation of Changes FY 2024 Request vs FY 2023 Enacted
<p>water management professionals via on-demand and in person (virtual) training sessions, including the annual Energy Exchange training workshop.</p> <ul style="list-style-type: none"> • Issue Federal Workforce Funding Opportunity, to develop educational modules relevant to clean energy technologies and their integration into Federal sector career training and education pathways. 	<p>water management professionals via on-demand and in person (virtual) training sessions, including the annual Energy Exchange training workshop.</p> <ul style="list-style-type: none"> • Issue Federal Workforce Funding Opportunity, to develop educational modules relevant to clean energy technologies and their integration into Federal sector career training and education pathways. 	<p>and engagement and training related to PCNRC and MUSH market recipients.</p>

Program Direction

Overview

Program Direction provides for the costs associated with the Federal workforce, including salaries, benefits, travel, support services, and other related expenses.

Salaries and Benefits support Federal employees who provide executive management, programmatic oversight, and analysis for the effective implementation of FEMP authorities.

Travel includes transportation, subsistence, and incidental expenses that allow FEMP to effectively provide technical assistance and outreach to regions, states, and tribes regarding planning needs and issues, policies, siting protocols, and new energy facilities.

Support Services includes contractor support directed by the Federal staff to perform administrative tasks and provide analyses to inform management decisions.

Other Related Expenses includes corporate IT support (for DOE's Energy Information Technology Services [EITS] desktop services and IT equipment) and working capital fund (WCF) expenses, such as rent, supplies, copying, graphics, mail, printing, and telephones. It also includes office safety requirements, equipment upgrades and replacements, commercial credit card purchases using simplified acquisition procedures where possible, security clearance expenses, and other needs.

Highlights of the FY 2024 Budget Request

The FY 2024 Program Direction Request reflects an increase in program staff at HQ for business operations functions and Golden Field Office personnel.

**Program Direction
Activities and Explanation of Changes**

FY 2023 Enacted	FY 2024 Request Level	Explanation of Changes FY 2024 Request Level vs. FY 2023 Enacted
Program Direction \$14,000,000	\$17,200,000	+\$3,200,000
Salaries and Benefits \$8,300,000	\$9,100,000	+\$800,000
<ul style="list-style-type: none"> The Request supports 45 FTEs that provide executive management, programmatic oversight, and analysis for the effective implementation of the program. Funding also provides support for S3 operations. 	<ul style="list-style-type: none"> The Request supports 53 approved FTEs that provide executive management, programmatic oversight, and analysis for the effective implementation of the program. 	<ul style="list-style-type: none"> The increase in funding is for additional HQ operational personnel, including budget, communications, legislative affairs, and others essential to the daily operation of the office.
Travel and Training \$168,000	\$300,000	\$132,000
<ul style="list-style-type: none"> Travel includes transportation, subsistence, and incidental expenses to effectively facilitate its mission. 	<ul style="list-style-type: none"> Travel includes transportation, subsistence, and incidental expenses to effectively facilitate its mission. 	<ul style="list-style-type: none"> The increase in travel funding covers additional travel associated with Technical Assistance provided to agencies.
Support Services \$2,032,000	\$3,400,000	+\$1,368,000
<ul style="list-style-type: none"> Support Services includes contractor support directed by the Federal staff to perform administrative tasks and provide analysis to management. Support Services may include support for post-doctoral fellows. 	<ul style="list-style-type: none"> Support Services includes contractor support directed by the Federal staff to perform administrative tasks and provide analysis to management. Support Services may include support for post-doctoral fellows. 	<ul style="list-style-type: none"> The increase in funding is for additional and new contractor support following the implementation of the new office in FY 2023. Support services were previously administered through partnership with EERE.
Other Related Expenses \$3,500,000	\$4,400,000	+\$900,000
<ul style="list-style-type: none"> Other Related Expenses includes EITS desktop services and WCF expense, such as rent, supplies, copying, graphics, mail, printing, and telephones. It also includes equipment upgrades and replacements, commercial credit card purchases using the simplified acquisition procedures to the maximum extent possible, security clearance expenses and other needs. \$500k is provided for 2 FTEs to support the NZL Initiative in addition to the 45 FTEs and \$300k is requested for NEPA compliance activities. 	<ul style="list-style-type: none"> Other Related Expenses includes EITS desktop services and WCF expense, such as rent, supplies, copying, graphics, mail, printing, and telephones. It also includes equipment upgrades and replacements, commercial credit card purchases using the simplified acquisition procedures to the maximum extent possible, security clearance expenses and other needs. 	<ul style="list-style-type: none"> The increase is due to the anticipated WCF increases for the new offices being utilized, and associated WCF costs required to support new FTE and contract personnel.

Infrastructure Investment and Jobs Act Investments (IIJA)

Office of Energy Efficiency and Renewable Energy was appropriated funds through the Infrastructure Investment and Jobs Act (IIJA) (P.L. 117-58). Not all IIJA activities will be managed by the organization to which funds were appropriated. The activity that Federal Energy Management Program will manage is itemized below.

(\$K)

Appropriated Funding Organization	FY 2022 IIJA Appropriation (\$K)	FY 2023 IIJA Appropriation (\$K)	FY 2024 IIJA Appropriation (\$K)	Managing Organization
Energy Efficiency and Renewable Energy				
AFFECT Grants	250,000	0	0	FEMP
Total, Federal Energy Management Program	250,000	0	0	

- **AFFECT Grants:** The goal of this investment is to provide grants for the development of energy and water efficiency projects and processes at U.S. federal government-owned facilities.