Department of Energy Acquisition Regulation (DEAR)

No. <u>AL-2009-08</u> Date <u>06/16/2009</u>



ACQUISITION LETTER

This Acquisition Letter is issued under the authority of the Procurement Executives of DOE and NNSA

Subject: Greening Considerations under Awards Using

American Recovery and Reinvestment Act of 2009

Funding

References:

Public Law 111-5 American Recovery and Reinvestment Act

OMB Guidance Implementing Guidance for the American Recovery and

Reinvestment Act of 2009, Memorandum M-09-15, April 3,

2009

DEAR 970.5223-1 Integration of Environment, Safety, and Health into Work

Planning and Execution

DOE O 430.2B Departmental Energy, Renewable Energy and Transportation

Management

DOE O 450.1A Environmental Protection Program
DOE M 450.4-1 Integrated Safety System Manual

When is this Acquisition Letter (AL) Effective?

This AL is effective immediately upon issuance.

When Does This AL Expire?

This AL remains in effect until superseded or canceled.

Who are the Points of Contact?

Richard Langston, Office of Procurement and Assistance Policy, MA-61, (202) 287-1339 or Richard.Langston@hq.doe.gov or for NNSA, Jill Robbins, Office of Acquisition and Supply Management Office, NA-63, (202) 586-9678 or Jill Robbins@nnsa.doe.gov or Josh Silverman, Office of Health, Safety and Security, HS-22, (202) 586-6535 or Josh.Silverman@hq.doe.gov.

What is the Purpose of this AL?

The purpose of this AL is to provide information and guidance regarding "greening" considerations for projects using American Recovery and Reinvestment Act of 2009 (ARRA) funding at DOE sites. The Department is committed to taking actions to green its ARRA projects, and is issuing this AL to ensure that ARRA funding is used, to the maximum extent practical, to establish "green" processes and supply chains.

What is the Background?

The ARRA made approximately \$32.7 billion available for DOE projects as part of the economic recovery program. The projects will be a mix of new starts and expansions of projects already underway. There is an emphasis on projects which can be undertaken quickly.

OMB requires each agency receiving recovery funds to develop formal, documented plans for how the recovery funds will be applied and managed. Both OMB's initial Implementing Guidance (February 18, 2009) and its Updated Guidance (April 3, 2009) require agencies to develop plans that document compliance with energy efficiency and environmental sustainability requirements and to demonstrate Federal leadership in "greening" the government. Greening actions, which include, but are not limited to improving efficiencies in the use of energy and water and reducing or eliminating the acquisition, use and release of toxic and hazardous chemicals and materials are to be used to implement these requirements and to reduce potential environmental and worker health and safety impacts of projects.

OMB requires separate reports for each program funded by the Recovery Act. Like the Agency level reports, these are expected to document the energy efficiency and environmental sustainability aspects of the funded activity.

DOE Orders 430.2B and 450.1A already require DOE sites and contractors to conduct the greening activities called for in the OMB Guidance. Site activities to meet the Department's energy and environmental goals are to be managed through site Environmental Management Systems (EMSs), and sites are to track their progress and provide information about their activities annually to the Office of Health, Safety and Security.

What is the Applicability of this AL?

This AL is applicable to all contracts where work is performed on a DOE covered workplace, defined in 10 CFR 851.3, in furtherance of a DOE mission. All such contracts are to contain requirements to reduce energy and water consumption, construct high performance and sustainable buildings, procure environmentally preferable and energy efficient products, reuse and recycle demolition and deconstruction materials, and reduce or eliminate the use of toxic chemicals and hazardous materials.

What must the Contracting Officer and Contractor do to comply with these requirements?

Compliance will be managed through EMSs, as required by DOE O 450.1A. Contracting Officers must remind Contractors of the existing requirements to include in their EMSs objectives and targets that incorporate the following greening principles, established in DOE O 450.1A and DOE 430.2B, that support Recovery Act goals of energy efficiency and environmental sustainability. Examples include the following:

- Incorporating sustainability into the design, construction, renovation, leasing, and operation of DOE facilities;
- Reducing or eliminating the generation and/or toxicity of waste and other pollutants;
- Reducing or eliminating the acquisition, use and release of toxic and hazardous chemicals and materials;
- Maximizing the acquisition and use of energy efficient, water efficient, and environmentally preferable products, goods, and services in the conduct of operations;
- Incorporating electronics stewardship practices for purchase, use and disposition of electronic assets;
- Reducing degradation and depletion of environmental resources through the maintenance of cost effective waste prevention and post-consumer material recycling programs;
- Reducing energy consumption, increasing energy efficiency, and increasing the generation of electricity and steam from renewable energy sources;
- Reducing the consumption of vehicle miles travelled and increasing the use of higher-fuel economy vehicles, including alternative fuel vehicles;
- To the extent practical within ARRA deadlines, conducting operations to minimize the direct and indirect generation of greenhouse gases; and,
- Reducing potable water consumption and increasing the use of nonpotable water sources such as reclaimed, recycled and gray water for appropriate applications.

Contracting Officers shall ensure that these greening requirements flow down to subcontractors at any tier to ensure maximum greening of ARRA projects.

DOE Orders 430.2B and 450.1A support compliance with the greening provisions of the ARRA and OMB Guidance. DOE contracts include site-specific objectives and targets in their EMSs that contribute to achieving the energy and transportation goals of 430.2B and the Sustainable Environmental Stewardship goals in DOE O 450.1A. Site personnel and contractors should also monitor progress toward meeting these goals and make it available to the Senior Agency Official and HSS.

To ensure that the environmental, energy, and transportation aspects are adequately addressed when ARRA funded projects are added to existing contracts, the Contracting Officer will consult with DOE environment and energy staff to assess the adequacy of the Contractor's existing EMS in light of any new performance requirements of the ARRA

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duties being assigned to the Contractor. If the existing EMS is found adequate for the ARRA duties, the Contracting Officer will inform the Contractor of this finding. In instances where ARRA duties will significantly increase the Contractor's energy, environment or transportation liabilities, or where there is work not anticipated under the existing EMS, the Contracting Officer should instruct the Contractor to supplement its existing objectives and targets and/or identify new significant aspects for the ARRA responsibilities. Information about the impact of the ARRA work on the existing EMS should be submitted as part of the Contractor's proposal and forwarded to the Head of the Field Element for approval.