



TEXAS HEALTH AND HUMAN SERVICES COMMISSION

ALBERT HAWKINS
EXECUTIVE COMMISSIONER

April 11, 2006

Mr. Mike Morrissey, Director
Governor's Office of Budget, Planning and Policy
1100 San Jacinto, 4th Floor
Austin, Texas 78701

Subject: Executive Order RP 49 Progress Report

Dear Mr. Morrissey:

Pursuant to the requirement of Executive Order RP 49, I am pleased to submit the energy and vehicle fuel savings report for the first quarter of 2006. This is a consolidated report for the health and human services agencies, including the state schools and hospitals.

This progress report details our progress in meeting the energy and vehicle fuel conservation goals established in the plan we submitted to you on December 1, 2005. Please let me know if you have any questions or need additional information. Lee Harsh serves as the lead staff on this matter and can be reached at (512) 424-6973 or lee.harsh@hhsc.state.tx.us.

Sincerely,

A handwritten signature in cursive script that reads "Albert Hawkins".

Albert Hawkins

Enclosure

AH:LH:lh

Quarterly Report on Energy, Water and Vehicle Fuel
Conservation
Quarterly Report to the Governor and Legislative Budget Board

April 14, 2006

Texas Health and Human Services Commission

This progress report is being submitted to you as required by Executive Order RP 49. In the energy and water conservation plan submitted to your office December 1, 2005 we described three required elements of our consolidated Resource Efficiency Plan (REP) for the health and human services enterprise (HHS); an estimated 20 % savings in energy and water usage for state schools and hospitals, a goal of reducing vehicle fuel consumption by one to two percent, and implementation of a User Awareness Program (UAP) for space occupied by HHS employees around the state. A status report on the Preliminary Utility Assessment (PUA) for the Criss Cole Rehabilitation Center was included with our REP and is updated with this report.

Energy, water and vehicle fuel data for the first quarter of calendar year 2006 is not available for this report but will be included in the June 1, 2006 report. The energy and water savings provided here is for the last quarter of calendar year 2005, for vehicle fuel consumption the information is through March 14, 2006.

State Schools and Hospitals

Energy and water conservation projects at state schools and hospitals continue to produce savings in reducing the consumption of electrical power, natural gas, water and reducing the cost of associated processes. A cost baseline for those resources was established using historical information. The reported cost savings were developed using that data, the cost of retrofits for the energy and water conservation measures, and the estimated savings from those retrofits. The savings identified and reported here provided the funding source to secure the performance contracts to pay for the retrofits. The savings are guaranteed through performance contracts with the contractors involved. Table 1 details the available savings data for the state schools and hospitals for this reporting period.

Fleet Fuel Management

Complete vehicle fuel consumption data for the quarter ending April 1, 2006 will not be available for 60 days after the close of the quarter. We are submitting reports showing consumption for the last quarter of 2005 to use as a baseline for calculating savings, and for fuel consumption reported to the Texas Building and Procurement Commission (TBPC) Fleet Focus fleet management system through March 14, 2006. Due to the currently incomplete information for the quarter ending April 1, 2006 we are not able to demonstrate any progress in meeting the goal stated in our December 1, 2005 plan to reduce consumption by one to two percent. We will have a complete report for the current quarter for the report due June 1, 2006. The reports for the last quarter of 2005 and for information reported through March 14, 2006 are shown in Table 2.

User Awareness Program

The health and human services User Awareness Program (UAP) began with the publication of energy and water saving tips in "The Connection", an on-line publication

of the Health and Human Services System distributed to all HHS employees statewide. The article informed employees of their critical role in conserving electrical, water and natural gas resources, and gave suggestions as to how they can accomplish those goals. In the same article building managers were asked to be certain that exterior lighting is turned off during the day and that hot water heaters are set at appropriate levels.

During the month of March a set of posters was distributed that are designed for posting in break rooms and other areas where employees work and visit on a regular basis. The posters were developed from models used by the Federal Office of Energy Management in their UAP programs. Six different posters were developed so that they can be changed out on a regular basis, this will promote increased readership and reinforce energy and water conservation awareness.

The next steps in our UAP program include energy and water conservation articles to be published in the newsletters maintained by each of the HHS agencies. An energy and water conservation coordination group has been formed with members from each of the HHS agencies to lead this effort, and to ensure continuity and consistency in promoting the UAP program.

As we mentioned in our December 1, 2006 plan the UAP is designed to provide an effective and efficient way to manage energy and water conservation in buildings owned and maintained by private sector owners or in cooperation with Texas Building and Procurement Commission staff who manage the state owned buildings we occupy. As energy and water costs continue to rise we will ensure HHS employees do their part in conserving those resources and controlling costs.

Criss Cole Rehabilitation Center

The first of two energy saving projects is being completed at the Criss Cole Rehabilitation Center (CCRC) this year. The projects were recommended by Johnson Controls, energy management consultant for the Department of Assistive and Rehabilitative Services (DARS) after an energy audit of the CCRC. One project, the installation of two chillers and a cooling tower is nearing completion with the second project, installing HVAC bypass control valves, is scheduled to begin. For our next report we will include more detailed information on those projects and the estimated cost savings.

Ideas for Additional Savings

The cost of electricity and natural gas is a major budget concern for many state agencies. The HHS state schools and hospitals, and the leased and state owned office building occupied by HHS staff use significant amounts of energy and water resources. While UAPs are one element of cost control by minimizing consumption of energy in those facilities, another important element in any conservation effort is controlling total costs. The other factor with direct cost impact concerns the rates paid for energy and water

resources. One way to manage the rate issue could be accomplished by aggregating utility bills for state agencies to provide an incentive for energy providers to compete for the business. Our suggestion is that appropriate state entities determine whether such arrangements would benefit the state in reduced energy costs and if so how they could be most effectively implemented.

In conclusion, we will be posting this report on the HHS website as required by Executive Order RP 49, with links from websites for all the HHS agencies. If you have any questions please contact Lee Harsh, Director of Facility Management and Leasing, at 424-6973.

Table 1

Health and Human Services Commission
Energy and Water Conservation Report
State Schools and Hospitals
April 1, 2006

Oct. - Dec. 2005	Defined Savings and Normalized (1)	% Reduction
Electricity	\$53,161	6.1%
Natural Gas	\$165,211	18.8%
Water (2)	\$41,286	4.7%
Other (3)	\$30,218	3.4%

NOTES:

1) "Defined" savings are calculated as described in note (2). "Normalized" savings are calculated with a weather adjusted baseline consumption using models developed to calculate pre-retrofit and post-retrofit savings. Electric and natural gas utility bills are used for this process.

2) "Water" savings are stipulated, i.e., calculated once and carried forward for the life of the project. Plumbing fixtures were changed out for water saving devices and savings determined based on flow rates between the new and old devices and estimated usage calculated on the number of clients and industry standard average flows for the new fixtures per client.

3) "Other" includes deletion of boiler chemicals that are no longer needed due to decommissioning of steam plants, laundry equipment upgrades, and a more favorable rate structure for electrical services for the San Antonio State Hospital.

Some of the energy and water saving projects that produced these savings are still in implementation stage with adjustments being made to metering equipment. The accuracy of the numbers reported will improve over time as the adjustments are made.

Table 2

Health and Human Services Commission

Fleet Fuel Consumption Report
 April 1, 2006

Last Quarter Calendar 2005

Agency/Department	Gals. of Vehicle Fuel	Gals. of Alt. Vehicle Fuel	Total Vehicle Fuel	Other Regular Fuel	Other Alt. Fuel	Total Fuel - Vehicle & Other	Miles Traveled	MPG - Miles Traveled / Total Vehicle Fuel
529HHSC Region/Central	9237.186	882.900	10120.086	0.000	0.000	10120.086	129975	12.843
529HHSC Fleet Operations	4713.308	0.000	4713.308	513.800	0.000	5227.108	39085	8.292
529HHSC Total	13950.494	882.900	14833.394	513.800	0.000	15347.194	169060	11.397
530DFPS Total	1575.246	0.000	1575.246	0.000	0.000	1575.246	21555	13.684
537DSHS Region/Central	17855.347	166.300	18021.647	0.000	0.000	18021.647	423890	23.521
537DSHS Hospitals	58430.990	1412.800	59843.790	2223.990	15.400	62083.180	718848	12.012
537DSHS Total	76286.337	1579.100	77865.437	2223.990	15.400	80104.827	1142738	14.676
538DARS Total	4718.503	0	4718.503	0.000	0.000	4718.503	76093	16.127
539DADS Central	589.800	0.000	589.800	0.000	0.000	589.800	6552	11.109
539DADS Schools	94027.709	2695.9	96723.609	3514.609	118.100	100356.318	994840	10.285
539DADS Total	94617.509	2695.900	97313.409	3514.609	118.100	100946.118	1001392	10.290
HHSC Total Agency	191148.089	5157.900	196305.989	6252.399	133.500	202691.888	2410838	12.281

First Quarter Calendar 2006 entered as of 03/14/06

Agency/Department	Gals. of Vehicle Fuel	Gals. of Alt. Vehicle Fuel	Total Vehicle Fuel	Other Regular Fuel	Other Alt. Fuel	Total Fuel - Vehicle & Other	Miles Traveled	MPG - Miles Traveled / Total Vehicle Fuel
529HHSC Region/Central	5408.196	616.200	6024.396	0.000	0.000	6024.396	70449	11.694
529HHSC Fleet Operations	3681.327	0.000	3681.327	424.265	0.000	4105.592	27811	7.555
529HHSC Total	9089.523	616.200	9705.723	424.265	0.000	10129.988	98260	10.124
530DFPS Total	541.429	0.000	541.429	0.000	0.000	541.429	8297	15.324
537DSHS Region/Central	10445.425	112.9	10558.325	0.000	0.000	10558.325	164953	15.623
537DSHS Hospitals	39286.807	1142.000	40428.807	1579.800	16.000	42024.607	521685	12.904
537DSHS Total	49732.232	1254.900	50987.132	1579.800	16.000	52582.932	686638	13.467
538DARS Total	4282.581	0	4282.581	0.000	0.000	4282.581	68256	15.938
539DADS Central	428.590	0.000	428.590	0.000	0.000	428.590	4325	10.091
539DADS Schools	55607.470	1715.000	57322.470	3011.978	109.900	60444.348	570751	9.957
539DADS Total	56036.060	1715.000	57751.060	3011.978	109.900	60872.938	575076	9.958
HHSC Total Agency	119681.825	3586.100	123267.925	5016.043	125.900	128409.868	1436527	11.654