

OFFICE OF THE UNDER SECRETARY OF DEFENSE 3000 DEFENSE PENTAGON WASHINGTON, DC 20301-3000

JUL 2 3 2007

AND LOGISTICS

MEMORANDUM FOR SECRETARY OF THE ARMY
SECRETARY OF THE NAVY
SECRETARY OF THE AIR FORCE
UNDER SECRETARY OF DEFENSE (COMPTROLLER)
DEPUTY UNDER SECRETARY OF DEFENSE FOR
ACQUISITION AND TECHNOLOGY
DEPUTY UNDER SECRETARY OF DEFENSE FOR
LOGISTICS AND MATERIAL READINESS
DIRECTOR, DEFENSE RESEARCH AND ENGINEERING
ASSISTANT SECRETARY OF DEFENSE FOR NETWORKS
AND INFORMATION INTEGRATION
GENERAL COUNSEL OF THE DEPARTMENT OF
DEFENSE

DIRECTOR, DEFENSE LOGISTICS AGENCY

SUBJECT: Implementing Executive Order 13423

On January 24, 2007 President Bush issued Executive Order (EO) 13423, "Strengthening Federal Environmental, Energy, and Transportation Management." The EO (Attachment 1) consolidates and supersedes the requirements of five previous EO's and two memoranda of understanding, and establishes stringent goals, practices, and reporting requirements for environment, energy, and transportation performance and accountability. It also calls for the use of Environmental Management Systems (EMS) as the framework to manage and continually improve these sustainable practices, and better integrate Agency functions into a cohesive, strategic approach.

A DEPSECDEF memo dated 16 February, 2007 (Attachment 2) tasks the USD(AT&L) to develop and promulgate necessary guidance and policies to support EO implementation. USD(AT&L) memo dated 22 May, 2007 (Attachment 3) designates DUSD(I&E) as the Department's Senior Agency Official responsible for implementing and meeting the goals of the EO.

In order for the Department to meet the EO goals and requirements, OSD will establish a senior leadership team with functional responsibility from a variety of Departmental organizations. The EO 13423 Executive Committee will be staffed at the SES/Flag level and charged with developing the guidance, directives, and instructions necessary to execute the EO. As a minimum, this cross-functional group will consist of



representatives from OSD environmental, energy, acquisition, transportation, facilities, procurement, legal, budget, and information technology functional areas, as well as one representative from each Military Department and the Defense Logistics Agency. The Committee will be co-chaired by Mr. Alex Beehler, ADUSD(Environment, Safety, and Occupational Health) and Mr. Chuck Williams, ADUSD (Installations).

You are requested to identify an SES/Flag level representative from your organization to represent you as a member of the EO Executive Committee by August 10, 2007. My points of contact are Mr. David Asiello, 703-571-9068 and CDR Brad Hancock, 703-571-9074.

Ally A. Beehler Philip W. Grone

Deputy Under Secretary of Defense (Installations and Environment)

Attachments: As stated

cc:

Under Secretary of Defense for Policy
Under Secretary of Defense for Personnel and Readiness
Assistant Secretary of Defense (Health Affairs)
Director, Administration and Management
Director, Defense Commissary Agency
Director, National Geospatial-Intelligence Agency
Director, National Security Agency



Friday, January 26, 2007

Part II

The President

Executive Order 13423—Strengthening Federal Environmental, Energy, and Transportation Management

Federal Register

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Title 3—

The President

Executive Order 13423 of January 24, 2007

Strengthening Federal Environmental, Energy, and Transportation Management

By the authority vested in me as President by the Constitution and the laws of the United States of America, and to strengthen the environmental, energy, and transportation management of Federal agencies, it is hereby ordered as follows:

Section 1. *Policy*. It is the policy of the United States that Federal agencies conduct their environmental, transportation, and energy-related activities under the law in support of their respective missions in an environmentally, economically and fiscally sound, integrated, continuously improving, efficient, and sustainable manner.

Sec. 2. Goals for Agencies. In implementing the policy set forth in section 1 of this order, the head of each agency shall:

- (a) improve energy efficiency and reduce greenhouse gas emissions of the agency, through reduction of energy intensity by (i) 3 percent annually through the end of fiscal year 2015, or (ii) 30 percent by the end of fiscal year 2015, relative to the baseline of the agency's energy use in fiscal year 2003;
- (b) 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, and (ii) to the extent feasible, the agency implements renewable energy generation projects on agency property for agency use;
- (c) beginning in FY 2008, reduce water consumption intensity, relative to the baseline of the agency's water consumption in fiscal year 2007, through life-cycle cost-effective measures by 2 percent annually through the end of fiscal year 2015 or 16 percent by the end of fiscal year 2015;
- (d) require in agency acquisitions of goods and services (i) use of sustainable environmental practices, including acquisition of biobased, environmentally preferable, energy-efficient, water-efficient, and recycled-content products, and (ii) use of paper of at least 30 percent post-consumer fiber content;
- (e) ensure that the agency (i) reduces the quantity of toxic and hazardous chemicals and materials acquired, used, or disposed of by the agency, (ii) increases diversion of solid waste as appropriate, and (iii) maintains cost-effective waste prevention and recycling programs in its facilities;
- (f) ensure that (i) new construction and major renovation of agency buildings comply with the Guiding Principles for Federal Leadership in High Performance and Sustainable Buildings set forth in the Federal Leadership in High Performance and Sustainable Buildings Memorandum of Understanding (2006), and (ii) 15 percent of the existing Federal capital asset building inventory of the agency as of the end of fiscal year 2015 incorporates the sustainable practices in the Guiding Principles;
- (g) ensure that, if the agency operates a fleet of at least 20 motor vehicles, the agency, relative to agency baselines for fiscal year 2005, (i) reduces the fleet's total consumption of petroleum products by 2 percent annually through the end of fiscal year 2015, (ii) increases the total fuel consumption that is non-petroleum-based by 10 percent annually, and (iii) uses plugin hybrid (PIH) vehicles when PIH vehicles are commercially available at

- a cost reasonably comparable, on the basis of life-cycle cost, to non-PIH vehicles: and
- (h) ensure that the agency (i) when acquiring an electronic product to meet its requirements, meets at least 95 percent of those requirements with an Electronic Product Environmental Assessment Tool (EPEAT)-registered electronic product, unless there is no EPEAT standard for such product, (ii) enables the Energy Star feature on agency computers and monitors, (iii) establishes and implements policies to extend the useful life of agency electronic equipment, and (iv) uses environmentally sound practices with respect to disposition of agency electronic equipment that has reached the end of its useful life.
- **Sec. 3.** Duties of Heads of Agencies. In implementing the policy set forth in section 1 of this order, the head of each agency shall:
- (a) implement within the agency sustainable practices for (i) energy efficiency, greenhouse gas emissions avoidance or reduction, and petroleum products use reduction, (ii) renewable energy, including bioenergy, (iii) water conservation, (iv) acquisition, (v) pollution and waste prevention and recycling, (vi) reduction or elimination of acquisition and use of toxic or hazardous chemicals, (vii) high performance construction, lease, operation, and maintenance of buildings, (viii) vehicle fleet management, and (ix) electronic equipment management;
- (b) implement within the agency environmental management systems (EMS) at all appropriate organizational levels to ensure (i) use of EMS as the primary management approach for addressing environmental aspects of internal agency operations and activities, including environmental aspects of energy and transportation functions, (ii) establishment of agency objectives and targets to ensure implementation of this order, and (iii) collection, analysis, and reporting of information to measure performance in the implementation of this order;
- (c) establish within the agency programs for (i) environmental management training, (ii) environmental compliance review and audit, and (iii) leadership awards to recognize outstanding environmental, energy, or transportation management performance in the agency;
- (d) within 30 days after the date of this order (i) designate a senior civilian officer of the United States, compensated annually in an amount at or above the amount payable at level IV of the Executive Schedule, to be responsible for implementation of this order within the agency, (ii) report such designation to the Director of the Office of Management and Budget and the Chairman of the Council on Environmental Quality, and (iii) assign the designated official the authority and duty to (A) monitor and report to the head of the agency on agency activities to carry out subsections (a) and (b) of this section, and (B) perform such other duties relating to the implementation of this order within the agency as the head of the agency deems appropriate;
- (e) ensure that contracts entered into after the date of this order for contractor operation of government-owned facilities or vehicles require the contractor to comply with the provisions of this order with respect to such facilities or vehicles to the same extent as the agency would be required to comply if the agency operated the facilities or vehicles;
- (f) ensure that agreements, permits, leases, licenses, or other legally-binding obligations between the agency and a tenant or concessionaire entered into after the date of this order require, to the extent the head of the agency determines appropriate, that the tenant or concessionaire take actions relating to matters within the scope of the contract that facilitate the agency's compliance with this order;
- (g) provide reports on agency implementation of this order to the Chairman of the Council on such schedule and in such format as the Chairman of the Council may require; and

- (h) provide information and assistance to the Director of the Office of Management and Budget, the Chairman of the Council, and the Federal Environmental Executive.
- **Sec. 4.** Additional Duties of the Chairman of the Council on Environmental Quality. In implementing the policy set forth in section 1 of this order, the Chairman of the Council on Environmental Quality:
- (a) (i) shall establish a Steering Committee on Strengthening Federal Environmental, Energy, and Transportation Management to advise the Director of the Office of Management and Budget and the Chairman of the Council on the performance of their functions under this order that shall consist exclusively of (A) the Federal Environmental Executive, who shall chair, convene and preside at meetings of, determine the agenda of, and direct the work of, the Steering Committee, and (B) the senior officials designated under section 3(d)(i) of this order, and (ii) may establish subcommittees of the Steering Committee, to assist the Steering Committee in developing the advice of the Steering Committee on particular subjects;
- (b) may, after consultation with the Director of the Office of Management and Budget and the Steering Committee, issue instructions to implement this order, other than instructions within the authority of the Director to issue under section 5 of this order; and
- (c) shall administer a presidential leadership award program to recognize exceptional and outstanding environmental, energy, or transportation management performance and excellence in agency efforts to implement this order.
- **Sec. 5.** Duties of the Director of the Office of Management and Budget. In implementing the policy set forth in section 1 of this order, the Director of the Office of Management and Budget shall, after consultation with the Chairman of the Council and the Steering Committee, issue instructions to the heads of agencies concerning:
- (a) periodic evaluation of agency implementation of this order;
- (b) budget and appropriations matters relating to implementation of this order:
- (c) implementation of section 2(d) of this order; and
- (d) amendments of the Federal Acquisition Regulation as necessary to implement this order.
- **Sec. 6.** Duties of the Federal Environmental Executive. A Federal Environmental Executive designated by the President shall head the Office of the Federal Environmental Executive, which shall be maintained in the Environmental Protection Agency for funding and administrative purposes. In implementing the policy set forth in section 1 of this order, the Federal Environmental Executive shall:
- (a) monitor, and advise the Chairman of the Council on, performance by agencies of functions assigned by sections 2 and 3 of this order;
- (b) submit a report to the President, through the Chairman of the Council, not less often than once every 2 years, on the activities of agencies to implement this order; and
- (c) advise the Chairman of the Council on the Chairman's exercise of authority granted by subsection 4(c) of this order.
- **Sec. 7.** Limitations. (a) This order shall apply to an agency with respect to the activities, personnel, resources, and facilities of the agency that are located within the United States. The head of an agency may provide that this order shall apply in whole or in part with respect to the activities, personnel, resources, and facilities of the agency that are not located within the United States, if the head of the agency determines that such application is in the interest of the United States.

- (b) The head of an agency shall manage activities, personnel, resources, and facilities of the agency that are not located within the United States, and with respect to which the head of the agency has not made a determination under subsection (a) of this section, in a manner consistent with the policy set forth in section 1 of this order to the extent the head of the agency determines practicable.
- **Sec. 8.** Exemption Authority. (a) The Director of National Intelligence may exempt an intelligence activity of the United States, and related personnel, resources, and facilities, from the provisions of this order, other than this subsection and section 10, to the extent the Director determines necessary to protect intelligence sources and methods from unauthorized disclosure.
- (b) The head of an agency may exempt law enforcement activities of that agency, and related personnel, resources, and facilities, from the provisions of this order, other than this subsection and section 10, to the extent the head of an agency determines necessary to protect undercover operations from unauthorized disclosure.
- (c) (i) The head of an agency may exempt law enforcement, protective, emergency response, or military tactical vehicle fleets of that agency from the provisions of this order, other than this subsection and section 10.
- (ii) Heads of agencies shall manage fleets to which paragraph (i) of this subsection refers in a manner consistent with the policy set forth in section 1 of this order to the extent they determine practicable.
- (d) The head of an agency may submit to the President, through the Chairman of the Council, a request for an exemption of an agency activity, and related personnel, resources, and facilities, from this order.

Sec. 9. Definitions. As used in this order:

- (a) "agency" means an executive agency as defined in section 105 of title 5, United States Code, excluding the Government Accountability Office;
- (b) "Chairman of the Council" means the Chairman of the Council on Environmental Quality, including in the Chairman's capacity as Director of the Office of Environmental Quality;
- (c) "Council" means the Council on Environmental Quality;
- (d) "environmental" means environmental aspects of internal agency operations and activities, including those environmental aspects related to energy and transportation functions;
- (e) "greenhouse gases" means carbon dioxide, methane, nitrous oxide, hydrofluorocarbons, perfluorocarbons, and sulfur hexafluoride;
- (f) "life-cycle cost-effective" means the life-cycle costs of a product, project, or measure are estimated to be equal to or less than the base case (i.e., current or standard practice or product);
- (g) "new renewable sources" means sources of renewable energy placed into service after January 1, 1999;
- (h) "renewable energy" means energy produced by 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;
- (i) "energy intensity" means energy consumption per square foot of building space, including industrial or laboratory facilities;
- (j) "Steering Committee" means the Steering Committee on Strengthening Federal Environmental, Energy, and Transportation Management established under subsection 4(b) of this order;
- (k) "sustainable" means to create and maintain conditions, under which humans and nature can exist in productive harmony, that permit fulfilling

the social, economic, and other requirements of present and future generations of Americans; and

- (l) "United States" when used in a geographical sense, means the fifty states, the District of Columbia, the Commonwealth of Puerto Rico, Guam, American Samoa, the United States Virgin Islands, and the Northern Mariana Islands, and associated territorial waters and airspace.
- **Sec. 10.** General Provisions. (a) This order shall be implemented in a manner consistent with applicable law and subject to the availability of appropriations.
- (b) Nothing in this order shall be construed to impair or otherwise affect the functions of the Director of the Office of Management and Budget relating to budget, administrative, or legislative proposals.
- (c) This order is intended only to improve the internal management of the Federal Government and is not intended to, and does not, create any right or benefit, substantive or procedural, enforceable at law or in equity by a party against the United States, its departments, agencies, instrumentalities, entities, officers, employees or agents, or any other person.
- Sec. 11. Revocations; Conforming Provisions. (a) The following are revoked:
- (i) Executive Order 13101 of September 14, 1998;
- (ii) Executive Order 13123 of June 3, 1999;
- (iii) Executive Order 13134 of August 12, 1999, as amended;
- (iv) Executive Order 13148 of April 21, 2000; and
- (v) Executive Order 13149 of April 21, 2000.
- (b) In light of subsection 317(e) of the National Defense Authorization Act for Fiscal Year 2002 (Public Law 107–107), not later than January 1 of each year through and including 2010, the Secretary of Defense shall submit to the Senate and the House of Representatives a report regarding progress made toward achieving the energy efficiency goals of the Department of Defense.
- (c) Section 3(b)(vi) of Executive Order 13327 of February 4, 2004, is amended by striking "Executive Order 13148 of April 21, 2000" and inserting in lieu thereof "other executive orders".

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THE WHITE HOUSE, January 24, 2007.



DEPUTY SECRETARY OF DEFENSE

USA

1010 DEFENSE PENTAGON WASHINGTON, DC 20201-1010

FEB 1 6 2007

MEMORANDUM FOR SECRETARIES OF THE MILITARY DEPARTMENTS CHAIRMAN OF THE JOINT CHIEFS OF STAFF UNDER SECRETARY OF DEFENSE FOR ACQUISITION, TECHNOLOGY, AND LOGISTICS

SUBJECT: Strengthening America's Security and Improving the Environment

The President recently signed an Executive Order (EO) highlighting the importance of energy efficiency – EO 13423: "Strengthening Federal Environmental, Energy, and Transportation Management." The EO directs all components of the Federal Government to reduce oil consumption in fleet vehicles, increase the use of renewable and alternate energy sources, improve energy efficiency in buildings and purchase environmentally sound products.

As the federal leader in the use of renewable energy, alternative fueled vehicles, and reduced facility energy consumption, the Department has set and should continue to set an example by aggressively implementing the guidance outlined in the EO. In addition, the Department should consider energy efficiency and the ability to use alternative sources in its weapons platforms and tactical vehicles, as identified by the Energy Security Task Force in September 2006, where practical.

To implement the EO, the Under Secretary of Defense for Acquisition, Technology, and Logistics (USD(AT&L)) will develop and implement necessary policies and guidance to support implementation. In addition, the USD(AT&L) should continue the efforts of the Energy Security Task Force by implementing the findings and monitoring implementation.

The Secretaries of the Military Departments are to nominate three cost-effective options to reduce energy consumption or increase the use of alternative fuels and provide them to the USD(AT&L) by March 9, 2007.

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THE UNDER SECRETARY OF DEFENSE

3010 DEFENSE PENTAGON WASHINGTON, DC 20301-3010

MAY 2 2 2007

MEMORANDUM FOR DEPUTY UNDER SECRETARY OF DEFENSE (INSTALLATIONS & ENVIRONMENT)

SUBJECT: Designation of the Department of Defense Senior Official Responsible for the Implementation of Executive Order 13423

You are hereby designated the Department of Defense Senior Agency Official for Implementation of Executive Order 13423, Strengthening Federal Environmental, Energy, and Transportation Management. In this capacity, you will be responsible for meeting the goals and requirements of the Executive Order, including preparing the reports required by the Executive Order and implementing guidance.

As part of your duties you also shall participate in the Steering Committee on Strengthening Federal Environmental, Energy, and Transportation Management, which is responsible for advising the Director of the Office of Management and Budget and the Chairman of the Council on Environmental Quality on their functions under the order.

Sincerely.