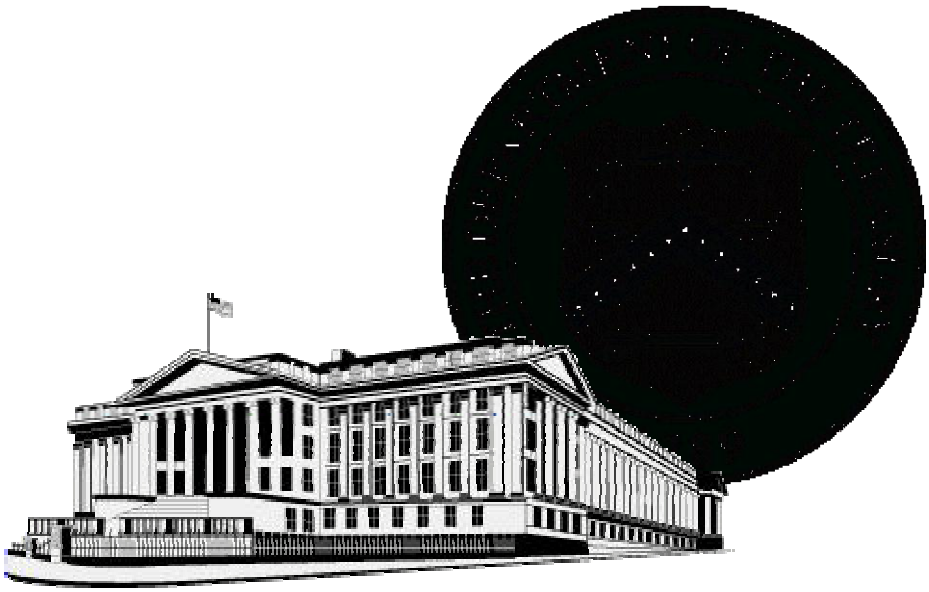
Department of the Treasury



Treasury Strategic Sustainability Performance Plan

June 2012

Office of the Assistant Secretary for Management and Senior Sustainability Officer

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Agency Policy Statement

The Treasury Department is the executive agency responsible for promoting economic prosperity and ensuring the financial security of the United States. Treasury is responsible for a wide range of activities, including advising the President on economic issues, encouraging sustainable economic growth, and governing financial institutions. Treasury operates and maintains systems that are critical to the nation's finances, such as coin and currency production, disbursement of payments to the public, revenue collection, and issuing debt necessary to run the Federal Government.

Treasury is committed to demonstrating leadership in environmental stewardship. Treasury also commits to complying with environmental and energy statutes, regulations, and Executive Orders. Treasury's bureaus are responsible for accomplishing these goals. Current priorities include:

- Achieving Treasury's performance-based energy savings contracting investment target of $9.5 million by the end of CY2013.
- Following through on energy reduction projects throughout Treasury to ensure the aggressive goals for reducing greenhouse gas (GHG) emissions are met by 2020.
- Implementing a wiping solution recycling system that is estimated will save 12 million gallons of water on an annual basis at the Bureau of Engraving and Printing in Washington, DC.
- Integrating the social cost of carbon into budget allocation to ensure appropriate consideration when projects are selected for funding.
- Improving the life cycle environmental management of electronic assets.

Recent accomplishments at Treasury include:

- The Main Treasury Building was awarded Leadership in Energy and Environmental Design (LEED) Gold Certification which the U.S. Green Building Council believes is the oldest building in the world to achieve LEED certification.
- Results of the January 2012 Treasury GHG Inventory reveal emission reductions from the 2008 baseline of: 20% for Scope 1&2, and 8.5% for Scope 3 which places Treasury ahead of plan to reach its FY2020 GHG reduction goal.
- Renewable energy as a percent of facility electricity use of 11% from renewable electricity sources.
- A reduction in fleet petroleum use compared to 2005 of 61 percent.
- An electric vehicle (EV) charging station was installed on Treasury grounds for charging the newly acquired EV and for use by other Federal agencies.

Treasury is a leader in environmental management, minimizing waste and GHG emissions, and reusing and recycling material. Our challenges include integrating social costs into the budgetary process, and addressing the sustainability impacts of Congressionally-mandated staff increases at the IRS.

Nani Coloretti

Nani Coloretti, Acting Assistant Secretary for Management

6/28/12

Date

Executive Summary

Treasury has made significant progress toward reaching stated goals in potable water conservation, reductions in GHG emissions, fleet petroleum use, and renewable energy use. Additional work remains in the areas of energy intensity reduction and sustainable green buildings to meet established goals.

The Department has committed $9.5 million in performance-based contracts in response to the December 2011 "Better Buildings Initiative". That memorandum directs Federal agencies to enter into $2 billion of performance contracts for energy savings government-wide by the end of CY 2013.

Treasury's first-ever Climate Change Adaptation Plan is attached as Appendix 2 to this Plan. Our stated goal is to develop practical, nationally consistent, legally justifiable, and cost-effective measures, both structural and nonstructural, to reduce vulnerabilities to climate change. Treasury intends to take a comprehensive approach to climate change that incorporates new knowledge and changing conditions into our missions, facility operations, and programs. This approach will enhance the capacity of our operations, design, construction, planning, and maintenance to adapt to a changing climate. Our progress to date has primarily been promoting climate change awareness and identifying facilities at risk, as well as assessing areas of potential collaboration with external agencies.

Treasury is working to integrate adaptation and mitigation activities, and to provide resources to achieve our highest priorities for FY13. These priorities include: adopting and implementing a framework for risk-informed decision-making for climate change and developing metrics and endpoints to measure adaptation effectiveness.

The Department has taken aggressive measures to continuously right-size the fleet in order to obtain the optimal number of vehicles. Treasury's fleet management approach is to reduce the size and number of vehicles in the fleet so that only the smallest number of vehicles necessary is used to fulfill the mission and alternative fuel requirements. In conjunction, we have had success in reducing our agency fleet usage requirements by encouraging public/mass transportation, combining trips, carpooling, and teleconferencing/video conferencing whenever possible. Internal policy reviews have been performed on an annual basis to ensure management oversight and fleet program control measures are enforced.

In late 2011, the Main Treasury Building in Washington, DC was awarded Leadership in Energy and Environmental Design (LEED) Gold Certification. According to the United States Green Building Council (USGBC), the Treasury Building is believed to be the oldest building in the world (completed in 1869) to receive LEED certification.

In FY11, IRS reduced energy intensity by 20.6 percent from FY03 baseline levels at facilities for which they have responsibility for operations and maintenance. IRS also purchased over 9 percent of its electricity through Renewable Energy Credits. In addition, IRS facilities in Andover, Austin, Washington DC, and Memphis received the Energy Star rating.

Working with the General Services Administration (GSA) as the lead organization, IRS completed an American Recovery and Reinvestment Act (ARRA) project for the total retro-commissioning at the Ogden campus and a major ARRA project at the Austin campus, which encompassed renovations such as a lighting upgrade, HVAC modernization, and installation of a solar photovoltaic roof. The Brookhaven ARRA project which includes a computerized building management system, chiller replacement, lighting upgrades and a roof replacement expected to be completed by August 2012.

In Philadelphia, the previous multiple building campus was vacated and IRS is now occupying a renovated historic facility which received LEED Gold certification. In addition, a Utility Energy Services

Contract (UESC) is under construction at the Memphis facility for the implementation of several energy conservation measures, and a UESC has also been awarded at Fresno. Additional initiatives included lighting upgrades at Detroit and Covington and installation of boiler controls at Detroit and Memphis, among others.

The United States Mint at Denver, purchased 100% renewable electricity for its first full year for which it was recognized as the 10th largest purchaser of green power in the Federal Government by the Environmental Protection Agency.

The Mint at West Point was accepted into the Northeast Demonstration of Superior Energy Performance (SEP), which is a new certification program for energy-efficient industrial facilities developed by the Department of Energy. Obtaining SEP certification may allow the United States Mint at West Point to become one of the first manufacturing facilities to obtain LEED certification.

The Mint completed water conservation assessments for each of its manufacturing facilities. These assessments identified cost-effective water conservation measures that, once implemented, will reduce the Mint's water consumption by over 5.6 million gallons per year for a reduction of nine percent per year.

At the Bureau of Engraving and Printing Washington DC facility, six chillers with a total capacity of 4,500 tons were replaced with higher efficiency chillers. The investment cost was $3.6 million, with the anticipated annual energy reduction in energy use expected to be 231 megawatt hours (MWh). The project was completed in August 2011.

Treasury has to overcome several challenges before achieving its sustainability goals. Securing capital for sustainability projects and reductions in other resources could affect the pace of reaching FY2020 goals. In some situations, best management practices were completed prior to the establishment of a baseline for reduction goals. This has made it difficult to achieve additional significant reductions in those cases.

Data is incomplete for FY2011 non-hazardous solid waste diversion. Efforts are underway to obtain all data in this area.

Volatility in coin demand has an effect on sustainability performance at the United States Mint. Its energy and water use and solid waste disposal increased over the past year because the Bureau produced more coins in FY 11 than in FY 10 to meet higher coin demand.

Coinage denominations, sizes, and component materials are codified by U.S. statute; therefore, the United States Mint may not change any of these qualities to achieve sustainability goals.

Performance-based contracts have been identified as a means to save energy and money with no "up-front" costs to Treasury Bureaus. Currently, the IRS has Energy Saving Performance contracts in place at its Memphis and Fresno facilities.

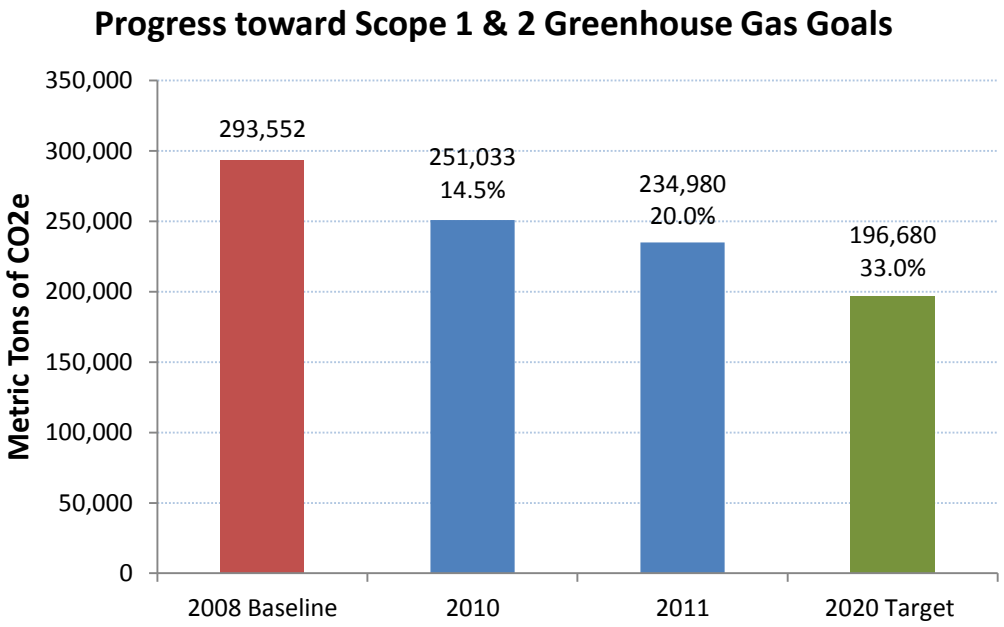
Treasury is exploring the use of a Social Costs of Carbon (SCC) model as an ROI input for sustainability related projects that may appear not to be cost beneficial considering initial economic investments balanced against annualized savings. Savings may be in the form of decreased energy purchases and decreased operating and maintenance costs.

TABLE 1: SIZE AND SCOPE OF AGENCY OPERATIONS

Agency Size and Scope	FY 2011
Total Number of Employees as Reported in the President's Budget	117,881
Total Acres of Land Managed	167
Total Number of Facilities Owned	11
Total Number of Facilities Leased (GSA and Non-GSA lease)	688
Total Facility Gross Square Feet (GSF)	6,673,855
Operates in Number of Locations Throughout U.S.	699
Operates in Number of Locations Outside of U.S.	0
Total Number of Fleet Vehicles Owned	3,089
Total Number of Fleet Vehicles Leased	683

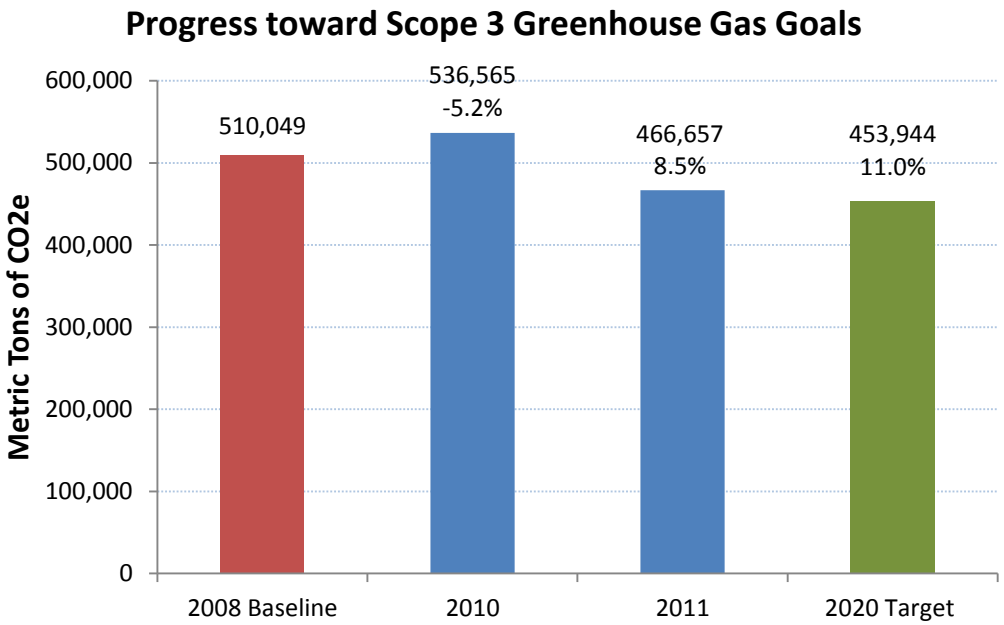
GOAL 1: GREENHOUSE GAS REDUCTION AND MAINTENANCE OF AGENCY COMPREHENSIVE GREENHOUSE GAS INVENTORY

Agency-Specific Performance Metrics for Scope 1 & 2 GHG Emissions Reduction:



Note: E.O. 13514 requires each agency to establish a scope 1 & 2 GHG reduction target for FY2020. The target for this agency is 33% compared to FY2008. The red bar represents the agency's FY2008 baseline. The green bar represents the FY2020 target reduction. The blue bars show actual status in relationship to the target. The percentage on each bar shows the reduction or increase from the FY2008 baseline.

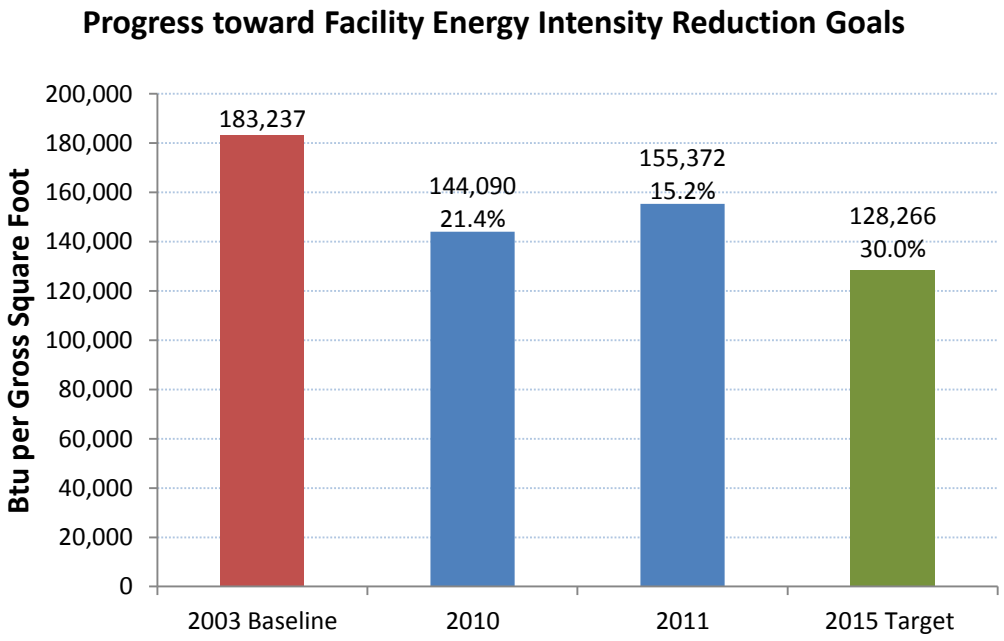
Agency-Specific Performance Metrics for Scope 3 GHG Emissions Reduction:



Note: E.O. 13514 requires each agency to establish a scope 3 GHG reduction target for FY2020. The FY2020 target for this agency is 11% compared to the FY2008 baseline. The red bar represents the agency's FY2008 baseline. The green bar represents the FY2020 target reduction. The blue bars show actual status in relationship to the target. The percentage on each bar shows the reduction or increase from the FY2008 baseline. A negative percentage reflects an increase in scope 3 greenhouse gas emissions.

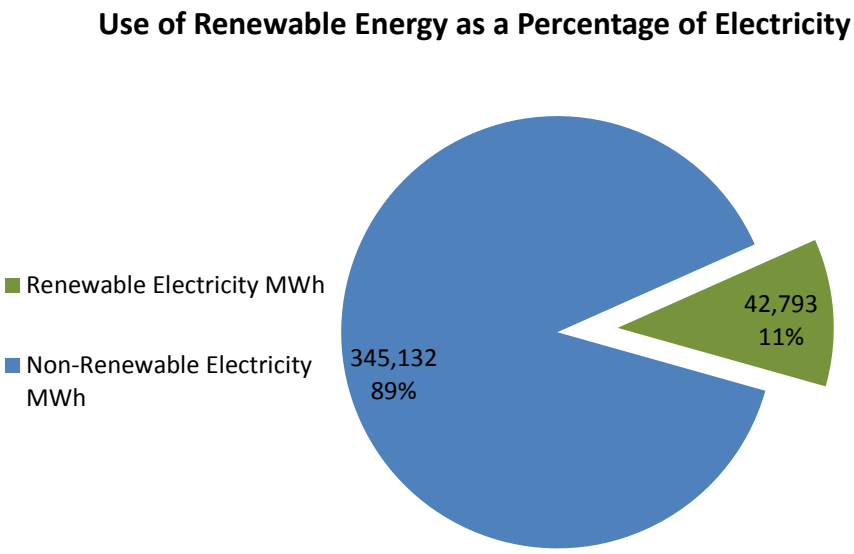
GOAL 2: BUILDINGS

Agency-Specific Performance Metrics for Facility Energy Intensity Reduction:



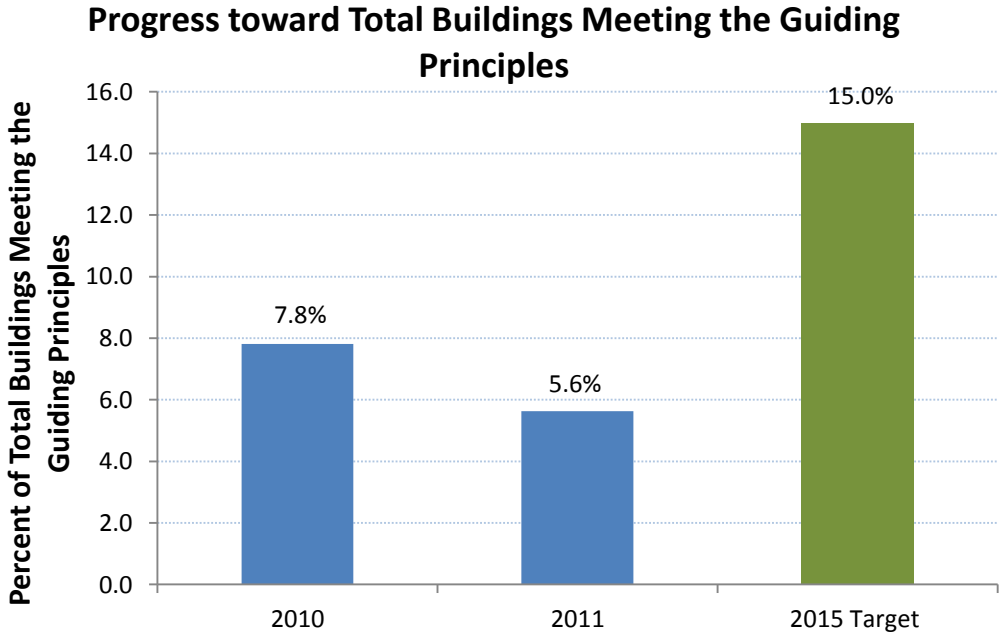
Note: EISA requires agencies to reduce energy intensity by 18% for FY2011, compared to an FY2003 baseline; a 30% reduction is required by FY2015. The red bar represents the agency's FY2003 baseline. The green bar represents the FY2015 target reduction. The blue bars show actual status in relationship to the target. The percentage on each bar shows the reduction or increase from the FY2003 baseline.

Agency-Specific Performance Metrics for Renewable Energy:



Note: EPAct requires agencies to increase the use of renewable energy as a percentage of electricity use to 5% by FY2010-2012 and 7.5% by FY2013 and beyond.

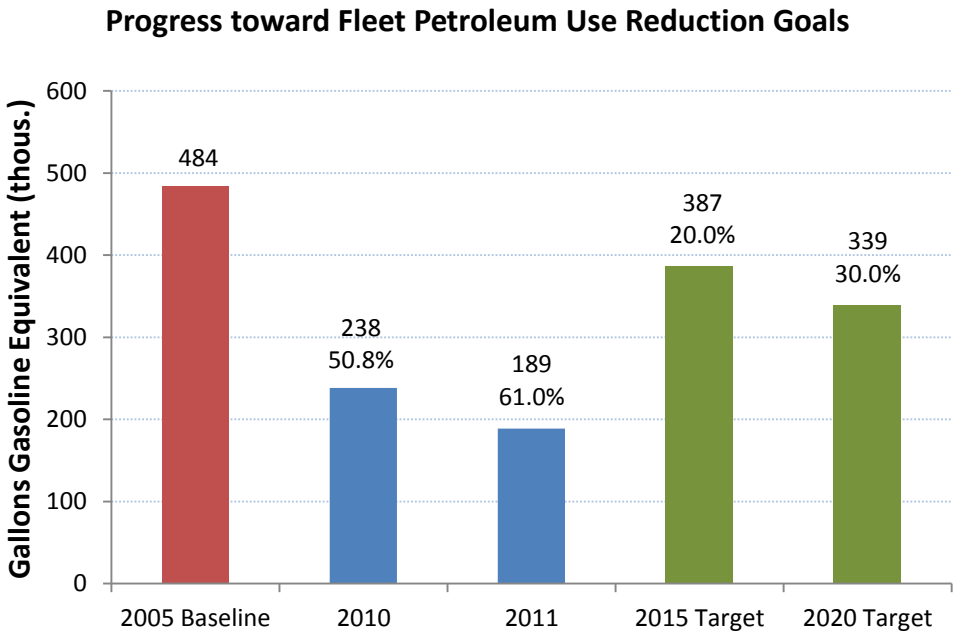
Agency-Specific Performance Metrics for Total Buildings Meeting the Guiding Principles:



Note: E.O. 13514 requires that by FY2011 agencies have 7% of new, existing, and leased buildings >5,000 square feet meet the Guiding Principles; the requirement increases to 15% by FY2015. The green bar represents the FY2015 target. The blue bars show actual progress toward the target.

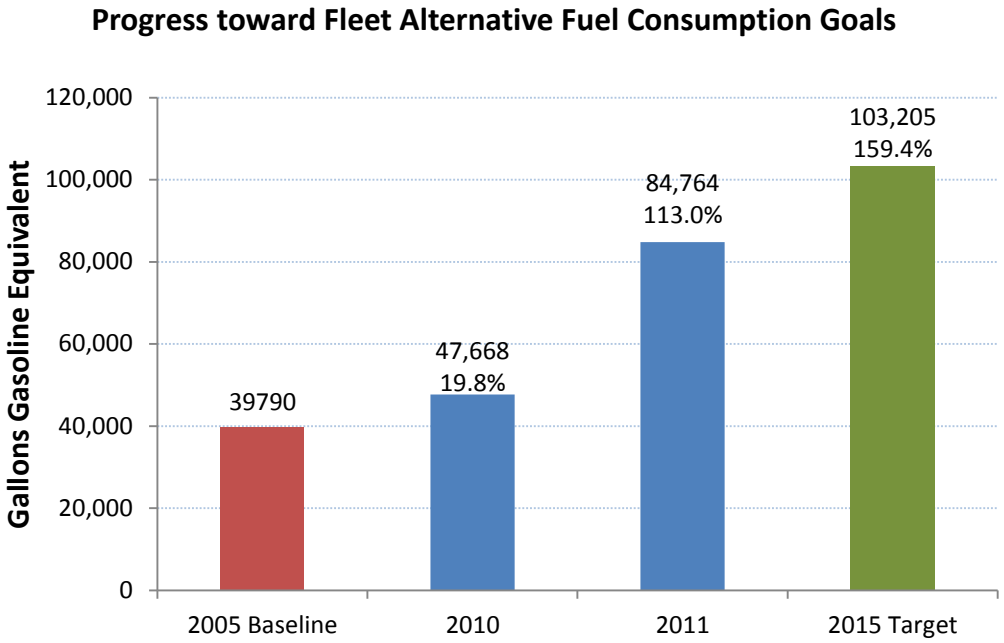
GOAL 3: FLEET MANAGEMENT

Agency-Specific Performance Metrics for Fleet Petroleum Reduction:



Note: E.O. 13514 and EISA require that by FY2011 agencies reduce fleet petroleum use by 12%, compared to an FY2005 baseline. A 20% reduction is required by FY2015 and a 30% reduction is required by FY2020. The red bar represents the agency's FY2005 baseline. The green bars represent the FY2015 and FY2020 target reductions. The blue bars show actual status in relationship to the target. The percentage on each bar shows the reduction or increase from the FY2005 baseline.

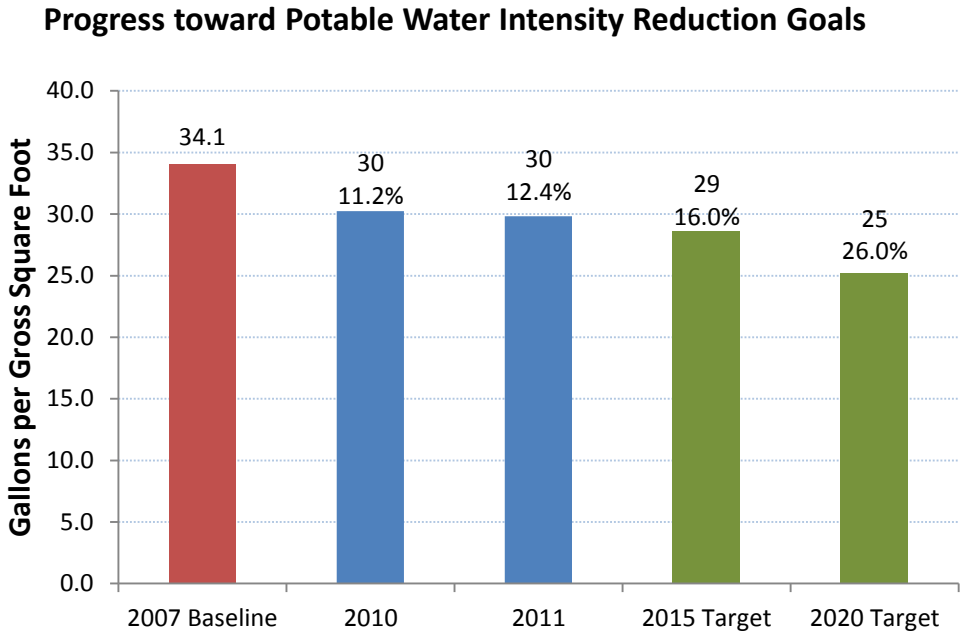
Agency-Specific Performance Metrics for Fleet Alternative Fuel Use:



Note: E.O. 13423 requires that agencies increase total non-petroleum-based fuel consumption by 10% annually compared to an FY2005 baseline. Consequently, by FY2011 agencies must increase alternative fuel use by 77%, compared to an FY2005 baseline. By FY2015, agencies must increase alternative fuel use by 159.4%. The red bar represents the agency's FY2005 baseline. The green bar represents the FY2015 target. The blue bars show actual status in relationship to the target. The percentage on each bar shows the reduction or increase from the FY2005 baseline.

GOAL 4: WATER USE EFFICIENCY AND MANAGEMENT

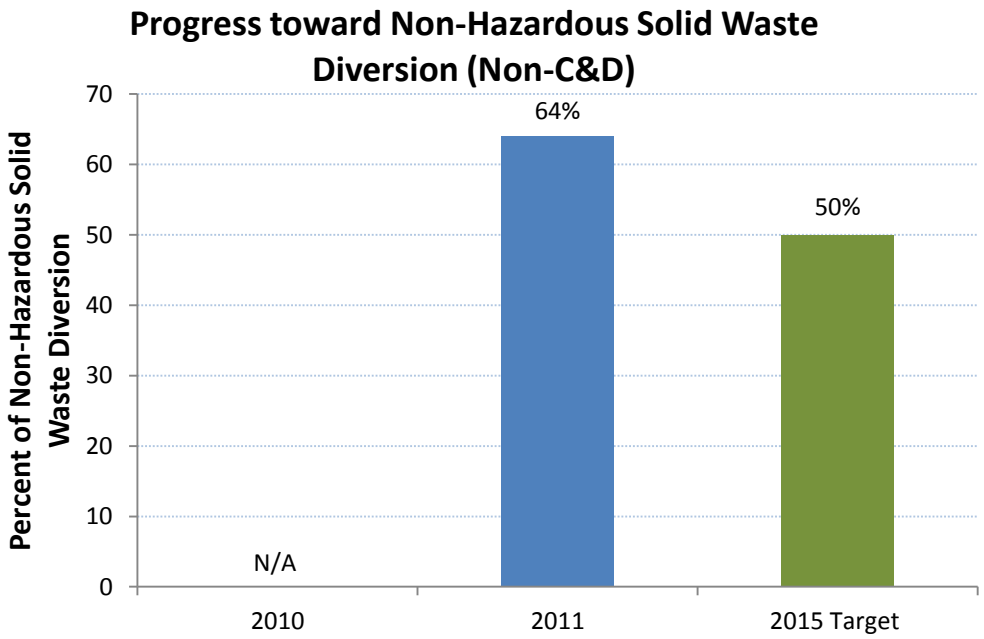
Agency-Specific Performance Metrics for Potable Water Intensity Reduction:



Note: E.O. 13514 requires agencies to reduce potable water intensity by 2% annually through FY2020, compared to an FY2007 baseline. Consequently, by FY2011 agencies are required to reduce potable water intensity by 8%, compared to an FY2007 baseline. A 16% reduction is required by FY 2015 and a 26% reduction is required by FY2020. The red bar represents the agency's FY2007 baseline. The green bars represent the FY2015 and FY2020 target reductions. The blue bars show actual status in relationship to the target. The percentage on each bar shows the reduction or increase from the FY2007 baseline.

GOAL 5: POLLUTION PREVENTION AND WASTE REDUCTION

Agency-Specific Performance Metrics for Non-Hazardous Solid Waste Diversion (Non-C&D):



Note: E.O. 13514 requires that by FY2015 agencies annually divert at least 50% of non-hazardous solid waste from disposal. The green bar represents the FY2015 target. The blue bars show actual progress toward the target.

GOAL 7: ELECTRONIC STEWARDSHIP AND DATA CENTERS

EPEAT	POWER MANAGEMENT	END-OF-LIFE	COMMENTS
			46% Power Management compliant.

EPEAT:

	95% or more Monitors and PCs/Laptops purchased in FY2011 was EPEAT Compliant Agency-wide
	85-94% or more Monitors and PCs/Laptops purchased in FY2011 was EPEAT Compliant Agency-wide
	84% or less Monitors and PCs/Laptops purchased in FY2011 was EPEAT Compliant Agency-wide

Power Management:

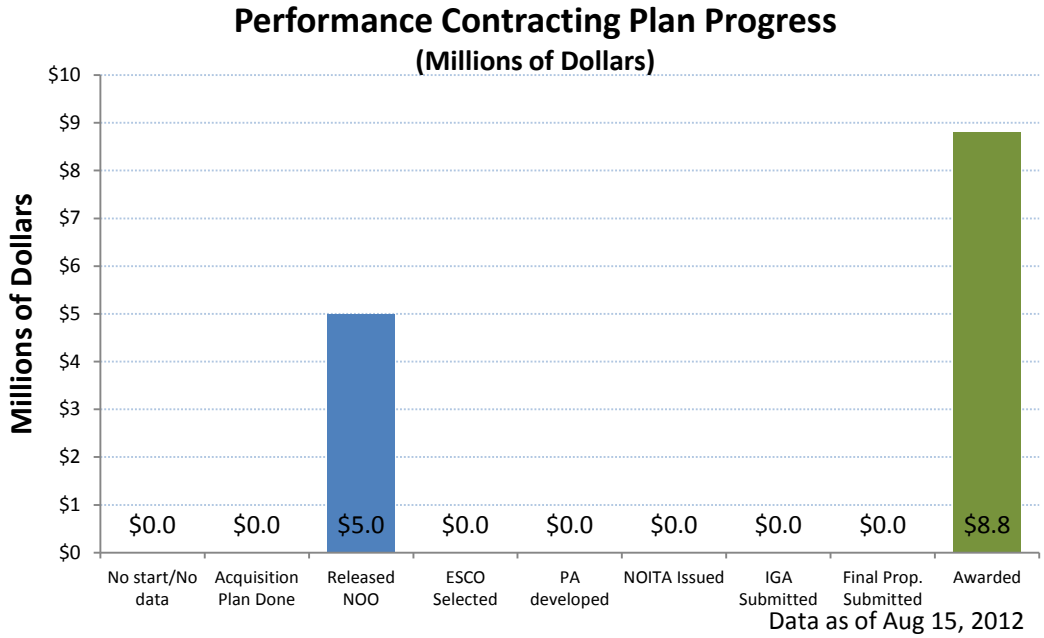
	100% Power Management Enabled Computers, Laptops and Monitors Agency-wide
	90-99% Power Management Enabled Computers, Laptops and Monitors Agency-wide
	89% or less Power Management Enabled Computers, Laptops and Monitors Agency-wide

End-of-Life:

	100% of Electronics at end-of-life disposed through GSA Xcess, CFL, Unicor or Certified Recycler (R2, E-Stewards)
	100% of Electronics at end-of-life disposed through GSA Xcess, CFL, Unicor or non-Certified Recycler
	Less than 100% of Electronics at end-of-life disposed through GSA Xcess, CFL, Unicor or non-Certified Recycler

PRESIDENT'S PERFORMANCE CONTRACTING COMMITMENT

Agency-Specific President's Performance Contracting Commitment Metrics:



Agency-Specific President's Performance Contracting Commitment Metrics: