Executive Order 13693

Planning for Federal Sustainability in the Next Decade

What's New for Acquisition of Products and Services?

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Training Objectives

Upon completion of this presentation, attendees will:

- Gain an understanding of what is meant by "Green Purchasing/Sustainable Acquisition."

- Learn about statutory, regulatory, and executive order (EO) drivers for sustainable acquisition; namely, new EO 13693, Planning for Federal Sustainability in the Next Decade.

- Be able to identify and apply the components of the Federal Sustainable Acquisition (Green Purchasing) Program to VA requirements and contracts.

- Learn how EO 13693 expanded the scope of the Federal Sustainable Acquisition Program and gain an understanding of the newest components of this program.

- Learn the latest developments and updates to GSA's Green Procurement Compilation (GPC) and how to apply this resource tool to the acquisition process (GPC demonstration).

Contents

- Introduction

- E.O. 13693

- Other Relevant Things To Know

- What Do We Need To Do In Contracts?

- The Green Procurement Compilation

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Introduction

"Sustainable"

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.

The Federal Footprint

- Spent $450 billion on goods and services in FY 2013.

- Owns or leases more than 630,000 vehicles worldwide (FY 2014).

- Manages or owns nearly 1 in every 5 acres in the U.S.

- Spends $74 billion/year on IT equipment and services.

- Real property portfolio of 756,593 assets, including 275,195 buildings (FY 2014).

- Spends $3.5 billion annually to provide energy to its facilities.

- Released 82 million MTCE of GHGs in FY2014.

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What Are We Trying to Accomplish?

- All Federal agencies purchase goods and services, operate buildings, own or lease fleet vehicles, and use IT equipment.

- These four activities create significant environmental and energy impacts.

- As part of Federal sustainability efforts, Federal agencies are reducing their energy and environmental footprint, including through acquisition.

What Do We Mean By "Sustainable Acquisition"?

- Federal agencies are required by statutes and executive orders to purchase certain products with specific environmental or energy attributes.

- "Green purchasing" or "sustainable acquisition" refers to purchasing **products** with these attributes *and* purchasing **services** under which these products will be supplied or used.
  - For example, janitorial services contracts usually require the contractor to supply replacement paper towels, toilet paper, and plastic trash can lines, all of which can be made from recycled materials.

What About Sustainable Services?

- At this time, there is no standard or definition of "green" or "sustainable" services.

- NSF International developed a protocol and is developing a standard.

- However, there are services that include the supply or use of products.

- There also are energy and environmental services, such as management and consulting services.

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What About Sustainable Services? (Cont'd)

- Building construction, renovation, or repair
- Building operations and maintenance
- Landscaping services
- Pest management
- Electronic equipment, including leasing
- Janitorial services
- Laundry services
- Cafeteria operations
- Meeting and conference services
- Building interiors/furniture

Statutory Requirements

- <u>Recycled content</u>: Resource Conservation and Recovery Act (RCRA), Section 6002.
- <u>Biobased content</u>: Farm Security and Rural Investment Act (2002 Farm Bill), Section 9002; and 2008 and 2014 Farm Bills.
- <u>Energy efficient products and alternative fuel vehicles</u>: Energy Policy Act of 1992 and 2005.
- <u>Building energy efficiency</u>: Energy Independence and Security Act of 2007.
- <u>Alternatives to ozone depleting substances</u>: Clean Air Act.
- <u>Chemicals</u>: Pollution Prevention Act of 1990.

FAR Requirements

- Part 23 contains the primary sustainable acquisition policy and requirements sections.
- Sustainability related provisions can be found in Parts
    - ❖ 4 (Subpart 4.3)
    - ❖ 5 (5.207)
    - ❖ 7 [7.103(p) and 7.105(b)(17)]
    - ❖ 11 [11.002(d)]
    - ❖ 36 [36.104(b)(1)]
    - ❖ 39 [39.101(a)(1)]
    - ❖ 52

VA Green Purchasing Policy

➢ **VA Directives and Handbooks**
  - 0057, VA Environmental Management Program (January 15, 2010)
  - 0058, VA Green Purchasing Program (July 19, 2013)

➢ **VA Procurement Policy Memorandum** (2014-01) Compliance with the 95 Percent Sustainable Acquisition Goal under Executive Order 13514 and Federal Acquisition Regulation 23.103

➢ **Acquisition Policy Flashes**
  - 15-18, Reporting Requirements for Purchases of Biobased Products (October 1, 2015)
  - 14-04, Contracting for Environmentally Preferable Products and Services: Electronic Product Environmental Assessment Tool (EPEAT)-Registered Products (September 2, 2014)
  - 14-06, Compliance with the 95 Percent Sustainable Acquisition Goal under Executive Order 13514 and Federal Acquisition Regulation 23.103 (August 5, 2014)

VA Green Purchasing Communications

➢ Office of Acquisition and Logistics, Procurement Policy Service (PPS)
    Green Purchasing Program website
    - http://www.va.gov/oal/business/pps/greenPurchasing.asp
    Green Purchasing News quarterly e-newsletter
    http://www.va.gov/oal/business/pps/greenAnnouncements.asp

➢ Office of Asset Enterprise Management, Green Management Program (GMP) VA Green Purchasing Program website
    http://www.green.va.gov/environment/greenPurchasing.asp

➢ Office of Construction and Facilities Management (CFM) Technical Information Library (TIL) – The source for VA's Electronic Design & Construction Information
    VA Sustainable Design Manual (May 6, 2014)
    http://www.cfm.va.gov/til/sustain.asp
    Master Construction Specifications
    http://www.cfm.va.gov/TIL/spec.asp#01

E.O. 13693

E.O. 13693 Overarching Goal

- Reduce federal agency greenhouse gas (GHG) emissions 40 percent over the next decade from a 2008 baseline.

- Primarily focuses on further reductions from operations of buildings (including electricity purchases), data centers, and fleet vehicles.

- For the first time, includes a supply chain GHG emissions reporting requirement.

Goals

- Promote building energy conservation, efficiency, and management.
- Obtain building electric energy and thermal energy from renewable energy and alternative energy sources.
- Purchase specific percentages of electricity from renewable energy.
- Improve water use efficiency and management.
- Improve fleet vehicle efficiency and management.
- Improve building efficiency, performance, and management.
- Promote sustainable acquisition.
- Advance waste prevention and pollution prevention.
- Implement ESPCs and UESCs.
- Promote life cycle electronics stewardship.
- For 7 largest purchasing agencies – annually identify 5 procurements in which to include supply chain greenhouse gas reporting.

Scope of Sustainable Acquisition

The scope of the federal sustainable acquisition program now has three parts:

- Statutory programs – recycled content (EPA's Comprehensive Procurement Guidelines), Energy Star and FEMP-designated energy efficient products, biobased products.
- EPA programs – Significant New Alternatives Policy (SNAP), WaterSense certified water efficient products and services, Safer Choice labeled products, SmartWay Transport partners.
- Third-party specifications, standards, and labels –
  - ❖ EPA recommended OR
  - ❖ Agency-selected third-party specifications, standards, and labels.

What About EPEAT?

- Prior to E.O. 13693, there was an executive order requirement that when agencies purchased electronic products covered by an Electronic Product Environmental Assessment Tool (EPEAT) standard, 95% of their purchases of those products must be EPEAT-registered.
    - ❖ Applied to PCs, laptops, monitors, tablets, slates, televisions, and imaging equipment.
- E.O. 13693 changed that to a requirement that agencies purchase "environmentally sustainable electronic products."
- However, the FAR has not yet been updated and continues to require agencies to purchase EPEAT-registered products. AND…..

EPA's September 2015 Interim Recommendations

- The E.O. Implementing Instructions directed EPA to issue recommendations of specifications, standards, and ecolabels for federal agencies within 90 days (by the end of September 2015).

- EPA issued Interim Recommendations for:
  - ❖ Cafeteria
  - ❖ Construction
  - ❖ Custodial
  - ❖ Electronics – EPEAT
  - ❖ Grounds/Landscaping
  - ❖ Office
  - ❖ Operations/Fleet/Shipping/Shop

www.epa.gov/greenerproducts

What About EPEAT? (Cont'd)

The end result is that agencies must continue to purchase EPEAT-registered products in order to meet the E.O. requirement to purchase "environmentally sustainable electronic products."

Other Relevant Things to Know

Standard Configuration for Desktops and Laptops

- NASA-led project, as part of strategic sourcing, created standard configurations for standard and upgraded Windows desktops and laptops.
  - ❖ Available in the IT Hardware hallway in the Acquisition Gateway.

- Requires equipment to be Energy Star-certified and EPEAT Gold-registered.

- 10/16/2015 Memorandum from the OFPP Administrator and the Federal CIO directs civilian agencies to use:
  - ❖ Schedule 70
  - ❖ NASA SEWP
  - ❖ NIH's CIO-CS

- These items are called "GSS" items (government-wide strategic sourcing) in GSA Advantage!

Exceptions: Does Size Matter?

- There are no statutory or executive order exceptions based on the size of the procurement.

- In other words, the sustainable acquisition requirements apply to purchases made with the government purchase card or other small purchases and to purchases below the simplified acquisition threshold.

- Depending on the statute, the exceptions are for performance, availability, and price.
    - ❖ The executive order and Office of Federal Procurement Policy memoranda emphasize life cycle costing over initial purchase price.

Supply Chain Greenhouse Gas Emissions

- VA is one of the seven agencies required to develop a plan to include supplier GHG emissions reductions in five acquisitions starting in FY2017.
  - ❖ The others are the Departments of Defense, Energy, Health and Human Services, and Homeland Security, plus NASA and GSA.

- GSA has been piloting this effort and sharing lessons learned.

Climate Change Risk

- Working with regional customers, GSA identified <u>telecommunications</u> and <u>data centers</u> as vulnerable to climate change.
    - ❖ For example, rising sea levels threaten facilities located along the East and West Coasts, as well as low-lying areas such as the Federal Triangle region of Washington, DC.
    - ❖ Other threats include extreme heat or cold, drought, and wildfires.
    - ❖ These can threaten the equipment or the supply chain.

- GSA is starting to include climate risk planning in acquisitions such as Enterprise Infrastructure Solutions and SatCom/CS3.

- GSA can work with VA to identify mission-critical products or services vulnerable to climate change-related risks.

What's Coming?

- Additions to EPEAT:
  - ❖ UL standard for environmentally preferable <u>mobile devices</u>.
  - ❖ IEEE/NSF International jointly developed standard for environmental preferable <u>data servers</u>.
  - ❖ Update to the original standard for <u>PCs, laptops, and monitors</u>.

- Updates to Energy Star standards:
  - ❖ Computers.
  - ❖ Servers.
  - ❖ Small network equipment.
  - ❖ Imaging equipment.

What Do We Need To Do In Contracts?

What Do We Need To Do In Contracts?

- Include <u>both</u> FAR clauses and scope of work provisions.
  - ❖ Scope of Work (Section C) or Special Requirements (Section H) and possibly in Instructions to Offerors (Section L).
- Current FAR clauses for sustainable products:
  - ❖ 52.204-4 Printed or copied double-sided on postconsumer fiber content paper
  - ❖ 52.223-1 Biobased product certification
  - ❖ 52.223-2 Affirmative procurement of biobased products under service and construction contracts
  - ❖ 52.223-4 Recovered material certification
  - ❖ 52.223-9 Estimate of percentage of recovered material content for EPA-designated items
  - ❖ 52.223-11 Ozone-depleting substances
  - ❖ 52.223-12 Refrigeration equipment and air conditioners
  - ❖ 52.223-13, -14, and -16 EPEAT clauses for imaging equipment, tvs, and computers, respectively
  - ❖ 52.223-15 Energy efficiency in energy-consuming products
  - ❖ 52.223-17 Affirmative procurement of EPA-designated items in service and construction contracts

The Green Procurement Compilation

GPC: A Complete Purchasing Guidance Tool

Green Procurement Compilation Demonstration

https://sftool.gov/greenprocurement

For More Information

https://www.sftool.gov/greenprocurement

https://www.fedcenter.gov

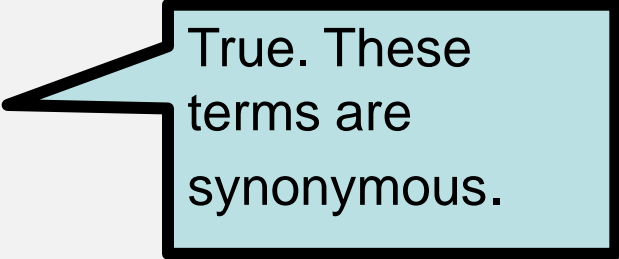www.gsa.gov/sustainability

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Questions?

Knowledge Check

1. The terms "green purchasing" and "sustainable acquisition" are synonymous.

   ☐ True
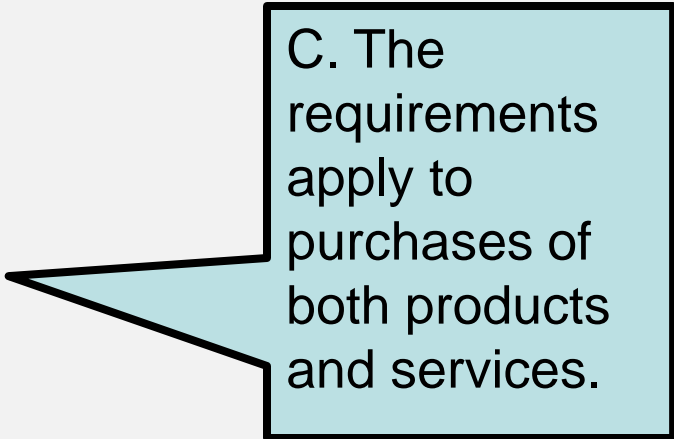   ☐ False

True. These terms are synonymous.

Knowledge Check

2. The requirements to purchase "green" or sustainable" products apply to purchases of:
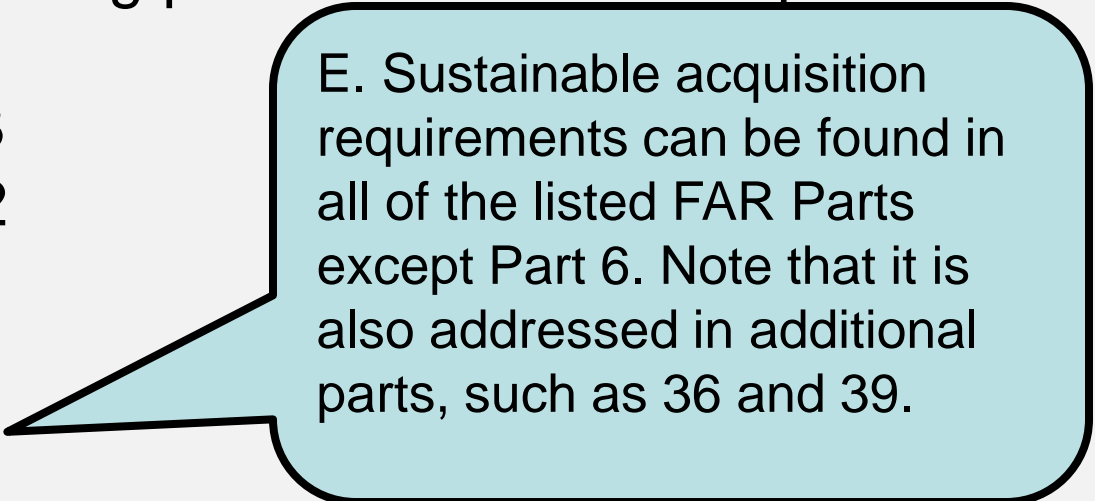
A. Products
B. Services
C. Both A and B

C. The requirements apply to purchases of both products and services.

Knowledge Check

3. Sustainable acquisition requirements can be found in all of the following parts of the FAR except:

A. Part 23
B. Part 52
C. Part 7
D. Part 11
E. Part 6
F. Part 4

E. Sustainable acquisition requirements can be found in all of the listed FAR Parts except Part 6. Note that it is also addressed in additional parts, such as 36 and 39.

Knowledge Check

4. Executive Or~~d~~ ~~and~~ requirements for

A. Sustainabl~~e~~ stewardshi~~p~~

B. Sustainabl~~e~~ ~~stewardship,~~ and supply chain ~~greenhouse reporting~~

C. Sustainable acquisition and honeybee protection

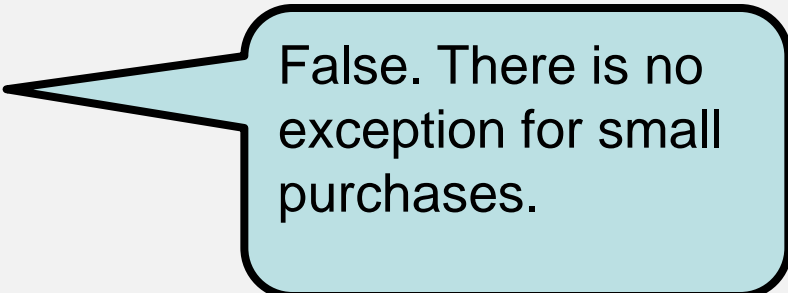D. Sustainable acquisition, electronics stewardship, and honeybee protection

> B. E.O. 13693 has acquisition requirements for sustainable acquisition, electronics stewardship, and supply chain greenhouse gas reporting. While there is a Federal policy for pollinators such as bees, there is not an acquisition requirement.

Knowledge Check

5. The sustainable acquisition requirements do not apply to micropurchases.

☐ True
☐ False

False. There is no exception for small purchases.

Knowledge Check

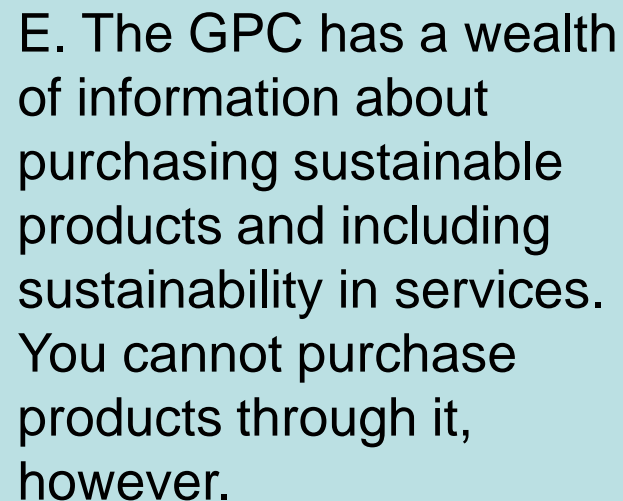6. The Green Procurement Compilation is a tool for:

    A. Purchasing green products
    B. Researching which products have one or more environmental designations
    C. Researching options for making services contracts sustainable
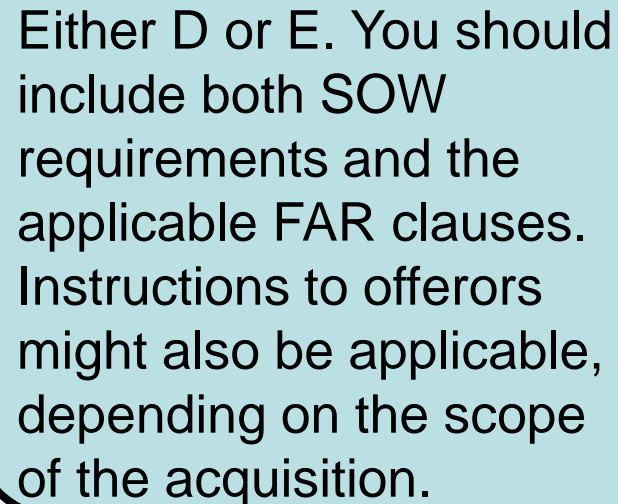   D. A, B, and C
    E. B and C

E. The GPC has a wealth of information about purchasing sustainable products and including sustainability in services. You cannot purchase products through it, however.

Knowledge Check

7. When "greening" contracts, include which of the following:

    A. FAR clauses

    B. Instructions to offerors, when appropriate

    C. Statement of work requirements

    D. FAR clauses and statement of work requirements

    E. A, B, and C

Either D or E. You should include both SOW requirements and the applicable FAR clauses. Instructions to offerors might also be applicable, depending on the scope of the acquisition.

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Knowledge Check

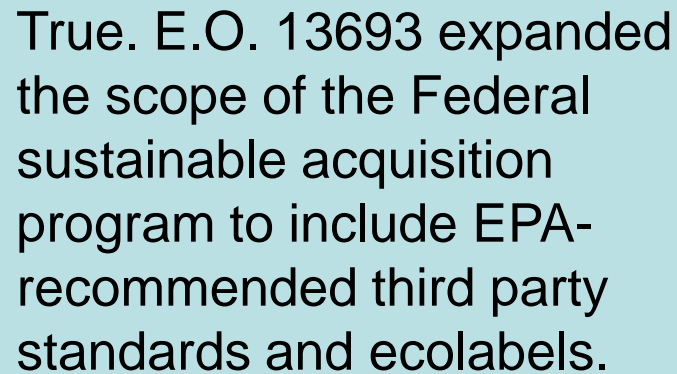8. There are "green" or "sustainable" product designations for (select all that apply):

    A. Water-loving plants
    B. Energy efficient products
    C. Biobased products
    D. Recycled content products
    E. Endangered animals
    F. Water-efficient products

B, C, D, and F. There are federal green product designations for energy-efficient products, biobased products, recycled content products, and water-efficient products.

Knowledge Check

9. Sustainable acquisition now includes EPA-recommended third party standards and labels.
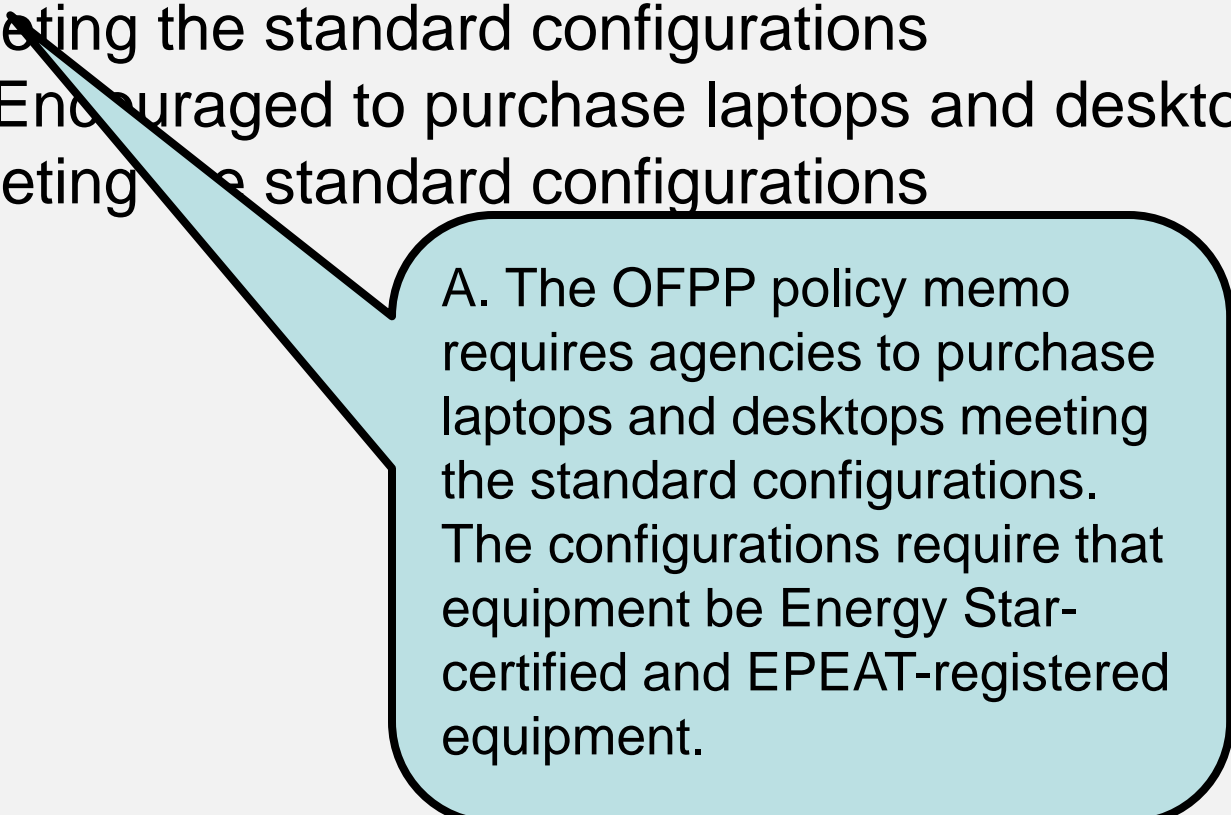
☐ True
☐ False

True. E.O. 13693 expanded the scope of the Federal sustainable acquisition program to include EPA-recommended third party standards and ecolabels.

Knowledge Check

10. Per a recent OFPP policy memo, agencies are:

A. Required to purchase laptops and desktops meeting the standard configurations
B. Encouraged to purchase laptops and desktops meeting the standard configurations
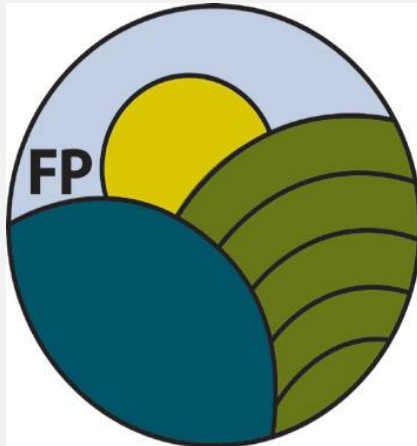
A. The OFPP policy memo requires agencies to purchase laptops and desktops meeting the standard configurations. The configurations require that equipment be Energy Star-certified and EPEAT-registered equipment.
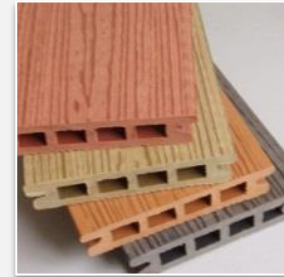
Supplemental Slides

BioPreferred®

Promotes biobased products

Designates categories of products with biobased content

Sets a minimum biobased content

Federal Procurement Preference

http://www.biopreferred.gov/BioPreferred/

Comprehensive Procurement Guidelines

Products with recycled and recovered materials

Designates products that contain recovered materials

Recommends purchasing practices and recycled content for products

Federal agencies must purchase products with the highest content of recycled material

https://www3.epa.gov/epawaste/conserve/tools/cpg/index.htm

ENERGY STAR®

Identifies and promotes energy-efficient products

Reduces greenhouse gas emissions

Federal agencies are required to purchase ENERGY STAR products

Products generally represent the top 25% of energy efficient products in the market

https://www.energystar.gov/

Electronic
Product
Environmental
Assessment
Tool

Rating system for electronic products

Products are rated on a combination of required and optional criteria

Products earn gold, silver, or bronze rating based on how many optional criteria they meet

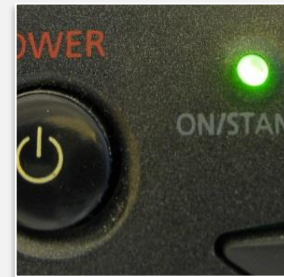Federal agencies are required to purchase EPEAT products

http://www.epeat.net/about-epeat/

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Federal **E**nergy **M**anagement **P**rogram

Sets energy-efficiency requirements for product categories

FEMP-designated products are in the upper 25% of their class for energy-efficiency

Also sets low standby power requirements

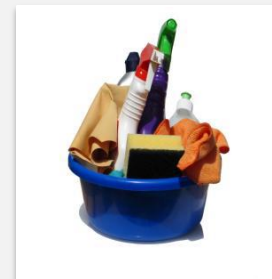Helps Federal agencies meet energy-efficiency purchasing requirements

http://energy.gov/eere/femp/federal-energy-management-program

Safer Choice

Products with safer chemical ingredients

Product labeling program for consumer and institutional buyers
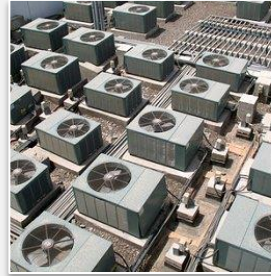
Protects human health and the environment

Inspected against stringent health and safety standards

https://www.epa.gov/saferchoice

Significant
New
Alternatives
Policy

Regulates alternatives to ODS and high-GWP HFCs

Helps market move away from ozone-depleting substances (ODS) and high-global warming potential (GWP) HFCs

Identifies acceptable and unacceptable substitutes

Federal agencies must purchase non-ODS and low-GWP products where feasible

www.epa.gov/snap

SmartWay®

Improves fuel efficiency and environmental performance in the transportation sector

SmartWay Transport Partnership with freight carriers and shippers

SmartWay Technology Program for efficient equipment, technologies, and strategies

SmartWay Vehicles certifies top 20% of low-emitting passenger vehicles

https://www3.epa.gov/smartway/index.htm

WaterSense®

Identifies and promotes water-efficient products

Saving water reduces energy costs

WaterSense® products are 20% more water efficient

Federal agencies are required to reduce water consumption by 26% between 2007-2020

https://www3.epa.gov/watersense/index.html