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July 6, 2016

The Honorable Thad Cochran 113 Dirksen Senate Office Building Washington, DC 20510-2402 The Honorable Richard Durbin 711 Hart Senate Office Building Washington, DC 20510-1304



TO SAVE ENERGY

Using less. Doing more.













Dear Chairman Cochran and Ranking Member Durbin:

We, the undersigned representatives of the energy efficiency and renewable energy industries and national security institutions write to express our concerns about the Defense Appropriations bill (H.R. 5293) recently approved in the House of Representatives. The House included an amendment (H. Amdt. 1205) incorporated as section 10017 to the bill forbidding the Department of Defense (DOD) to use the appropriated funds to carry out a variety of tasks necessary to enhance the energy security of the U.S. Armed Forces and mitigate the impact of increased and extreme weather on the Department's assets around the world. Energy efficiency and renewable energy help reduce troop vulnerability related to energy supply, enhance climate resiliency, and fulfill DOD's core missions by providing energy security, realizing long term cost savings, and contributing to our nation's effort to be good stewards of the environment.

Fulfillment of DOD's core missions rests on energy security. The Government Accountability Office has identified four ways in which DOD seeks to provide energy security at military installations: 1) diversification of energy sources, 2) use of renewable energy, 3) energy redundancy, and 4) energy conservation.¹ In addition to conserving energy through improved efficiency, Combined Heat and Power and Waste Heat to Power make DOD installations more resilient since they can operate independently of the grid and can be used to power DOD facilities and microdgrids when the larger grid is out of service.²

¹ See Government Accountability Office. January 2016. *Defense Infrastructure: Improvement* GAO-16-164. <u>http://www.gao.gov/assets/680/674801.pdf</u>

² See Department of Defense. May 2015. *Annual Energy Management Report: Fiscal Year 2014.* P. 24-5.





















Onsite renewables can also be used to power a microgrid in the event of an outage. Each installation uses a different combination of methods, but renewable energy and energy conservation are key components of ensuring energy security for DOD installations.

Energy efficiency and renewable energy provide long term cost savings to the U.S. military. For example, the Army expects the proposed 65-megawatt microgrid capable hybrid solar and wind project serving Fort Hood in Texas to provide savings of \$168 million over the course of the contract.³ The Navy awarded a \$7.4 million contract to construct a new low pressure air compressor at the Pearl Harbor Naval Ship Yard that resulted in cost savings of \$881,000 and an annual energy savings of 11.7 billion BTUs.⁴

As the largest energy consumer among the federal agencies, the energy use and environmental impact of the Department of Defense are too great to ignore. DOD's share of federal energy use fell from 87% in FY 1975 to 78% in FY 2013 – the lowest share on record.⁵ Inadequate or irregular appropriations are one of the main challenges DOD has identified in moving forward in achieving additional energy savings – especially as DOD adopts energy efficiency projects that achieve greater long term energy and financial savings but require higher capital investment.⁶ Imposing additional funding constraints, as the House bill does, would hamper DOD's efforts to reduce its fuel consumption and environmental footprint. The transition to a clean energy future is the responsibility of all segments of our society, and the federal government should continue to be a leader in that effort, rather than withdraw from it.

We appreciate your consideration of our views, and urge the Senate to ensure that these provisions in the House bill are not included in the final DOD appropriations bill.

Sincerely,

Advanced Energy Economy

Alliance for Industrial Efficiency

http://www.acq.osd.mil/eie/Downloads/Reports/Tab%20B%20-%20FY%202014%20AEMR_FINAL.pdf

 ³ U.S. Army Office of Energy Initiatives. January 2016. "Fort Hood Large-Scale Renewable Energy Solar & Wind Project." <u>http://www.asaie.army.mil/Public/ES/oei/docs/FTHOOODFINAL.pdf</u>
 ⁴ Department of Defense. May 2015. *Annual Energy Management Report: Fiscal Year 2014*. P. 24. <u>http://www.acq.osd.mil/eie/Downloads/Reports/Tab%20B%20-%20FY%202014%20AEMR_FINAL.pdf</u>

 ⁵ Energy Information Administration. February 5, 2015 "Defense Department energy use falls to lowest level since at least 1975" <u>http://www.eia.gov/todayinenergy/detail.cfm?id=19871</u>
 ⁶ Department of Defense. May 2015. *Annual Energy Management Report: Fiscal Year 2014.* P. 19-20.

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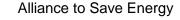












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Business Council for Sustainable Energy

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Federal Performance Contracting Coalition
Fuel Cell & Hydrogen Energy Association
Green Business Certification Inc.
Hannon Armstrong
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July 6, 2016

The Honorable John McCain 218 Russell Senate Office Building Washington, DC 20510-0303 The Honorable Jack Reed 728 Hart Senate Office Building Washington, DC 20510-1304



TO SAVE ENERGY

Using less. Doing more.















Dear Chairman McCain and Ranking Member Reed:

We, the undersigned representatives of the energy efficiency and renewable energy industries and national security institutions write to express our concerns about the National Defense Authorization Act (H.R. 4909) recently approved in the House of Representatives. The House included an amendment (H. Amdt.1030) to the bill forbidding the Department of Defense (DOD) to use the authorized funds to carry out a variety of tasks necessary to enhance the energy security of the U.S. Armed Forces and mitigate the impact of increased and extreme weather on the Department's assets around the world. Energy efficiency and renewable energy help reduce troop vulnerability related to energy supply, enhance climate resiliency, and fulfill DOD's core missions by providing energy security, realizing long term cost savings, and contributing to our nation's effort to be good stewards of the environment.

Fulfillment of DOD's core missions rests on energy security. The Government Accountability Office has identified four ways in which DOD seeks to provide energy security at military installations: 1) diversification of energy sources, 2) use of renewable energy, 3) energy redundancy, and 4) energy conservation.¹ In addition to conserving energy through improved efficiency, Combined Heat and Power and Waste Heat to Power make DOD installations more resilient since they can operate independently of the grid and can be used to power DOD facilities and microgrids when the larger grid is out of service.²

¹ See Government Accountability Office. January 2016. *Defense Infrastructure: Improvement Needed in Energy Reporting and Security Funding at Installations with Limited Connectivity*. GAO-16-164. <u>http://www.gao.gov/assets/680/674801.pdf</u>

² See Department of Defense. May 2015. *Annual Energy Management Report: Fiscal Year 2014.* P. 24-5.



















ARMSTRONG

NANCING THE FUTURE OF ENERGY

Onsite renewables can also be used to power a microgrid in the event of an outage. Each installation uses a different combination of methods, but renewable energy and energy conservation are key components of ensuring energy security for DOD installations.

Energy efficiency and renewable energy provide long term cost savings to the U.S. military. For example, the Army expects the proposed 65-megawatt microgrid capable hybrid solar and wind project serving Fort Hood in Texas to provide savings of \$168 million over the course of the contract.³ The Navy awarded a \$7.4 million contract to construct a new low pressure air compressor at the Pearl Harbor Naval Ship Yard that resulted in cost savings of \$881,000 and an annual energy savings of 11.7 billion BTUs.⁴

As the largest energy consumer among the federal agencies, the energy use and environmental impact of the Department of Defense are too great to ignore. DOD's share of federal energy use fell from 87% in FY 1975 to 78% in FY 2013 – the lowest share on record.⁵ Inadequate or irregular appropriations are one of the main challenges DOD has identified in moving forward in achieving additional energy savings – especially as DOD adopts energy efficiency projects that achieve greater long term energy and financial savings but require higher capital investment.⁶ Imposing additional funding constraints, as the House bill does, would hamper DOD's efforts to reduce its fuel consumption and environmental footprint. The transition to a clean energy future is the responsibility of all segments of our society, and the federal government should continue to be a leader in that effort rather than withdraw from it.

We appreciate your consideration of our views, and urge the Senate to ensure that these provisions in the House bill are not included in the final National Defense Authorization Act.

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 ⁵ Energy Information Administration. February 5, 2015 "Defense Department energy use falls to lowest level since at least 1975" <u>http://www.eia.gov/todayinenergy/detail.cfm?id=19871</u>
 ⁶ Department of Defense. May 2015. *Annual Energy Management Report: Fiscal Year 2014.* P. 19-20.

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³ U.S. Army Office of Energy Initiatives. January 2016. "Fort Hood Large-Scale Renewable Energy Solar & Wind Project." <u>http://www.asaie.army.mil/Public/ES/oei/docs/FTHOOODFINAL.pdf</u> ⁴ Department of Defense. May 2015. *Annual Energy Management Report: Fiscal Year 2014.* P. 24-5.











SIEMENS



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