

113TH CONGRESS  
1ST SESSION

# H. R. 3587

To amend the National Energy Conservation Policy Act to provide guidance on utility energy service contracts used by Federal agencies, and for other purposes.

---

## IN THE HOUSE OF REPRESENTATIVES

NOVEMBER 21, 2013

Mr. GARDNER (for himself, Mr. WELCH, and Mr. BUCSHON) introduced the following bill; which was referred to the Committee on Energy and Commerce

---

## A BILL

To amend the National Energy Conservation Policy Act to provide guidance on utility energy service contracts used by Federal agencies, and for other purposes.

1 *Be it enacted by the Senate and House of Representa-*  
2 *tives of the United States of America in Congress assembled,*

3 **SECTION 1. SHORT TITLE.**

4 This Act may be cited as the “Utility Energy Service  
5 Contracts Improvement Act of 2013”.

6 **SEC. 2. FINDINGS.**

7 Congress finds that—

8 (1) the Federal Government is the largest con-  
9 sumer of energy in the United States;

1           (2) Federal agencies are expected to meet, by  
2 law, Executive order, and mandate, stringent energy  
3 efficiency and conservation targets;

4           (3) the utility energy service contract (referred  
5 to in this section as “UESC”) was developed to pro-  
6 vide Federal agencies an effective means to imple-  
7 ment energy efficiency, renewable energy, and water  
8 efficiency projects, and has been used successfully to  
9 invest nearly \$2,700,000,000 in property at Federal  
10 facilities;

11           (4) the General Services Administration, which  
12 manages more than 9,600 Federal properties and is  
13 the lead agency for procuring utility services for the  
14 Federal Government, has determined that UESCs  
15 may extend beyond a 10-year period under the law;

16           (5) the Federal Energy Management Program,  
17 which oversees the UESC program and is a principal  
18 office guiding agencies to use funding more effec-  
19 tively in meeting Federal and agency-specific energy  
20 and resource management objectives, has determined  
21 that UESCs may extend beyond a 10-year period  
22 under the law;

23           (6) extensive precedent exists for Federal agen-  
24 cies to contract for energy saving services using con-

1 tracts with term limits of more than 10 years but  
2 not to exceed 25 years;

3 (7) a number of Federal agencies, contrary to  
4 congressional intent, have sought to limit UESC  
5 term limits to periods of less than 10 years; and

6 (8) greater flexibility with UESCs will help re-  
7 duce the operational cost of Federal agencies, ulti-  
8 mately saving money for taxpayers.

9 **SEC. 3. UTILITY ENERGY SERVICE CONTRACTS.**

10 Part 3 of title V of the National Energy Conservation  
11 Policy Act is amended by adding after section 553 (42  
12 U.S.C. 8259b) the following:

13 **“SEC. 554. UTILITY ENERGY SERVICE CONTRACTS.**

14 “(a) IN GENERAL.—Each Federal agency may use,  
15 to the maximum extent practicable, measures provided by  
16 law to meet energy efficiency and conservation mandates  
17 and laws, including through utility energy service con-  
18 tracts.

19 “(b) CONTRACT PERIOD.—A utility energy service  
20 contract entered into by a Federal agency may have a con-  
21 tract period that extends beyond 10 years, but not to ex-  
22 ceed 25 years.

23 “(c) REQUIREMENTS.—The conditions of a utility en-  
24 ergy service contract entered into by a Federal agency  
25 shall include requirements for measurement, verification,

1 and performance assurances or guarantees of the sav-  
2 ings.”.

○