

113TH CONGRESS  
1ST SESSION

# H. R. 472

To reduce Federal expenditures associated with data center real estate and electricity consumption, to implement savings reductions proposed by Federal employees, to reduce energy costs across Federal Executive agencies, and for other purposes.

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## IN THE HOUSE OF REPRESENTATIVES

FEBRUARY 4, 2013

Mr. CONNOLLY introduced the following bill; which was referred to the Committee on Oversight and Government Reform, and in addition to the Committees on Armed Services, Transportation and Infrastructure, and Energy and Commerce, for a period to be subsequently determined by the Speaker, in each case for consideration of such provisions as fall within the jurisdiction of the committee concerned

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## A BILL

To reduce Federal expenditures associated with data center real estate and electricity consumption, to implement savings reductions proposed by Federal employees, to reduce energy costs across Federal Executive 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 AND TABLE OF CONTENTS.**

4 (a) SHORT TITLE.—This Act may be cited as the  
5 “Federal Cost Reduction Act of 2013”.

1 (b) TABLE OF CONTENTS.—The table of contents for  
2 this Act is as follows:

- Sec. 1. Short title and table of contents.
- Sec. 2. Findings.
- Sec. 3. Definitions.
- Sec. 4. Reduction and consolidation of data centers.
- Sec. 5. GSA reports.
- Sec. 6. Reduction of printing.
- Sec. 7. Implementation of Federal employee cost savings proposals.
- Sec. 8. Power purchase agreement program.
- Sec. 9. Federal facility energy efficiency and renewable energy projects fund.
- Sec. 10. Incentives for Executive agencies for utility energy savings contracts.
- Sec. 11. Renewable energy facilities surveys by Executive agencies.
- Sec. 12. Adoption of personal computer power savings techniques by Executive agencies.
- Sec. 13. Federal energy management and data collection standard.
- Sec. 14. Advanced metering best practices for advanced metering.
- Sec. 15. Availability of funds for design updates.
- Sec. 16. Continuous commissioning within the Federal building stock.
- Sec. 17. Elimination of State matching requirement for energy efficiency upgrades at National Guard and reserve armories and readiness centers.

3 **SEC. 2. FINDINGS.**

4 Congress finds the following:

5 (1) The number of Federal data centers has  
6 quintupled over the past decade from 400 to more  
7 than 2,000.

8 (2) Data center consolidation, including data  
9 centers of the House of Representatives, has reduced  
10 electricity expenses and requisite real estate where it  
11 has been pursued.

12 (3) Federal energy expenses exceed \$24 billion  
13 annually, while most existing Federal facilities do  
14 not meet efficiency standards that are expected for  
15 new Federal construction.

1           (4) Contract period limitations of 10 years for  
2           Federal Executive agencies limit deployment of do-  
3           mestic energy sources that could reduce long-term  
4           Federal energy expenses.

5           (5) Energy saving performance contracts can  
6           offer low or zero cost options for improving energy  
7           efficiency in Federal facilities.

8           (6) The Federal Government spends \$1.3 bil-  
9           lion annually on employee printing.

10          (7) Federal employees estimate that they imme-  
11          diately recycle 35 percent of all paper printed,  
12          equating to \$440.4 million in potential annual sav-  
13          ings.

14          (8) Only 9 percent of Federal Executive agen-  
15          cies have automatic duplex printing.

16          (9) The Department of Veterans Affairs has de-  
17          veloped an acquisition personnel training center to  
18          improve Federal employee productivity and reduce  
19          employee turnover.

20          (10) Federal employees have proposed more  
21          than 18,000 ways to save taxpayer money through  
22          the “Save Awards”.

23 **SEC. 3. DEFINITIONS.**

24          In this Act:

1           (1) APPROPRIATE CONGRESSIONAL COMMIT-  
2           TEES.—The term “appropriate congressional com-  
3           mittees” means—

4                   (A) the Committee on Oversight and Gov-  
5                   ernment Reform of the House of Representa-  
6                   tives; and

7                   (B) the Committee on Homeland Security  
8                   and Governmental Affairs of the Senate.

9           (2) ENERGY SAVINGS PERFORMANCE CON-  
10           TRACT.—The term “energy savings performance  
11           contract” means a contract that provides for the  
12           performance of services for the design, acquisition,  
13           installation, testing, operation, and, where appro-  
14           priate, maintenance and repair of an identified en-  
15           ergy conservation measure or series of measures at  
16           one or more locations.

17           (3) FEDERAL DATA CENTER.—The term “Fed-  
18           eral data center”—

19                   (A) means a room within a conventional  
20                   building that is devoted to data processing serv-  
21                   ers, including server closets that are typically  
22                   less than 200 square feet and server rooms that  
23                   are typically less than 500 square feet;

1 (B) means larger floor spaces or entire  
2 buildings dedicated to housing servers, storage  
3 devices, and network equipment; and

4 (C) does not include any facilities that are  
5 exclusively devoted to communications and net-  
6 work equipment (such as telephone exchanges  
7 and telecommunications rooms and closets).

8 (4) EXECUTIVE AGENCY.—Except as provided  
9 in section 8, the term “Executive agency” has the  
10 meaning given that term in section 105 of title 5,  
11 United States Code.

12 **SEC. 4. REDUCTION AND CONSOLIDATION OF DATA CEN-**  
13 **TERS.**

14 (a) OMB RECOMMENDATION.—Not later than 6  
15 months after the date of the enactment of this Act, the  
16 Director of the Office of Management and Budget, in con-  
17 sultation with the Administrator of General Services and  
18 the heads of other Executive agencies, shall issue rec-  
19 ommendations for reducing or consolidating the number  
20 of Federal data centers in existence as of the date of the  
21 enactment of this Act—

22 (1) by at least 40 percent not later than Sep-  
23 tember 30, 2018; and

24 (2) by at least 80 percent not later than Sep-  
25 tember 30, 2023.

1 (b) REDUCTION OF DATA CENTERS.—Not later than  
2 6 months after the issuance of recommendations by the  
3 Director of the Office of Management and Budget under  
4 subsection (a), the head of each Executive agency shall  
5 implement the recommendations by reducing the number  
6 of Federal data centers in accordance with such rec-  
7 ommendations.

8 **SEC. 5. GSA REPORTS.**

9 (a) REPORT ON REDUCING REAL ESTATE COSTS  
10 AND ENERGY EXPENDITURES.—Not later than one year  
11 after the date of the enactment of this Act, the Adminis-  
12 trator of General Services shall submit to the appropriate  
13 congressional committees a report on the following:

14 (1) Recommendations to reduce long-term real  
15 estate costs through consolidating or eliminating  
16 leased space and any additional authority that might  
17 be necessary to replace leased space with owned  
18 space if the payback period is 15 years or fewer.

19 (2) A description of a plan by the General Serv-  
20 ices Administration to use energy saving perform-  
21 ance contracts and other low-capital investments to  
22 reduce energy expenditures.

23 (b) REPORT AND PLAN TO REDUCE FEDERAL AUTO-  
24 MOBILE PARKING EXPENSES.—

1           (1) INITIAL REPORT.—Not later than 6 months  
2 after the date of the enactment of this Act, the Ad-  
3 ministrator of General Services shall submit to the  
4 Congress a report on the annual expense for each of  
5 fiscal years 2002 through 2012 for Federal employee  
6 parking, including—

7           (A) parking spaces and parking facilities  
8 that are leased or owned by the Federal Gov-  
9 ernment;

10           (B) maintenance and construction costs for  
11 such spaces and facilities; and

12           (C) the total construction costs for parking  
13 facilities that are used by Federal employees for  
14 fiscal years 2002 through 2012.

15           (2) PLAN TO REDUCE PARKING EXPENSES.—

16 Not later than one year after the date of the enact-  
17 ment of this Act, the General Services Administra-  
18 tion shall submit a report to Congress that includes  
19 a plan, using existing agency authorities, to reduce  
20 the expense for Federal employee parking by at least  
21 five percent annually for each of the next 5 fiscal  
22 years after date of enactment of this Act.

23 **SEC. 6. REDUCTION OF PRINTING.**

24 Not later than 6 months after the date of the enact-  
25 ment of this Act, each Executive agency shall establish

1 a plan to reduce by 35 percent the volume of material  
2 printed during fiscal year 2013 for each of fiscal years  
3 2014 through 2024, including a requirement for duplex  
4 printing as the default setting on all Federal printers and  
5 copiers, where applicable, and shall submit such plan to  
6 the Office of the Environmental Executive.

7 **SEC. 7. IMPLEMENTATION OF FEDERAL EMPLOYEE COST**  
8 **SAVINGS PROPOSALS.**

9 Not later than 12 months after the date of the enact-  
10 ment of this Act, the Director of the Office of Personnel  
11 Management shall submit to the appropriate congressional  
12 committees a plan to implement Federal employee cost  
13 savings proposals.

14 **SEC. 8. POWER PURCHASE AGREEMENT PROGRAM.**

15 (a) DEFINITIONS.—In this section:

16 (1) COST-EFFECTIVE.—The term “cost-effec-  
17 tive” means, with respect to a power purchase agree-  
18 ment entered into by the head of an Executive agen-  
19 cy for a Federal facility that is owned or controlled  
20 by the Executive agency, that the 30-year average  
21 cost for the purchase of electricity under the power  
22 purchase agreement from 1 or more renewable en-  
23 ergy generating systems is not greater than an  
24 amount equal to 110 percent of the cost of an equal  
25 quantity of electricity from the current electricity



1 supplier of the Federal facility, taking into consider-  
2 ation each—

3 (A) applicable cost, including any cost re-  
4 sulting from—

5 (i) a demand charge;

6 (ii) an applicable rider;

7 (iii) a fuel adjustment charge; or

8 (iv) any other surcharge; and

9 (B) reasonably anticipated increase in the  
10 cost of the electricity resulting from—

11 (i) inflation;

12 (ii) increased regulatory requirements;

13 (iii) decreased availability of fossil  
14 fuels; and

15 (iv) any other factor that may in-  
16 crease the cost of electricity.

17 (2) EXECUTIVE AGENCY.—The term “Executive  
18 agency” has the meaning given the term in section  
19 133 of title 41, United States Code.

20 (3) FEDERAL FACILITY.—The term “Federal  
21 facility” has the meaning given the term “facility”  
22 in section 543(f)(1)(C) of the National Energy Con-  
23 servation Policy Act (42 U.S.C. 8253(f)(1)(C)).

24 (4) GOVERNMENT CORPORATION.—The term  
25 “Government corporation” has the meaning given

1 the term in section 103 of title 5, United States  
2 Code.

3 (5) RENEWABLE ENERGY SOURCE.—The term  
4 “renewable energy source” has the meaning given  
5 the term in section 551 of the National Energy Con-  
6 servation Policy Act (42 U.S.C. 8259).

7 (b) POWER PURCHASE AGREEMENT PROJECTS.—

8 (1) AUTHORIZATION OF HEADS OF EXECUTIVE  
9 AGENCIES.—In accordance with paragraphs (2) and  
10 (3), the head of each Executive agency or a designee  
11 may establish 1 or more projects under which the  
12 head of the Executive agency may offer to enter into  
13 power purchase agreements during the 10-year pe-  
14 riod beginning on the date of enactment of this Act  
15 for the purchase of electricity from 1 or more Fed-  
16 eral facilities that are owned or controlled by the  
17 Executive agency from renewable energy sources lo-  
18 cated at the Federal facility.

19 (2) COST-EFFECTIVE REQUIREMENT.—A head  
20 of an Executive agency described in paragraph (1)  
21 may offer to enter into a power purchase agreement  
22 described in that paragraph only if the power pur-  
23 chase agreement is cost-effective.

24 (3) TERM OF POWER PURCHASE AGREE-  
25 MENT.—Notwithstanding any other provision of law

1 (including regulations), the term of a power pur-  
2 chase agreement described in paragraph (1) may not  
3 be longer than a period of 30 years.

4 (4) ALLOCATION OF INCREMENTAL COSTS.—

5 Each head of an Executive agency (including the  
6 Administrator of General Services) who enters into  
7 a power purchase agreement under paragraph (1)  
8 for the purchase of electricity at a Federal facility  
9 that is owned or controlled by the Executive agency  
10 for distribution to 1 or more other Executive agen-  
11 cies shall allocate, on an annual basis for the period  
12 covered by the power purchase agreement, the incre-  
13 mental cost or incremental savings of the power pur-  
14 chase agreement for the purchase of electricity at a  
15 Federal facility from renewable energy sources (as  
16 compared to the cost of electricity from the elec-  
17 tricity supplier of the Federal facility) among each  
18 user of the Federal facility based on the proportion  
19 that—

20 (A) the electricity usage of the user of the  
21 Federal facility; bears to

22 (B) the aggregate electricity usage of all  
23 users of the Federal facility.

24 (c) POWER PURCHASE AGREEMENTS WITH MUL-  
25 TIPLE FEDERAL FACILITIES.—An Executive agency may

1 enter into an interagency agreement as part of a power  
2 purchase agreement that involves more than 1 Federal fa-  
3 cility.

4 (d) **NEGOTIATED RATE AS BASIS FOR DETERMINING**  
5 **COST EFFECTIVENESS OF FUTURE ENERGY EFFICIENCY**  
6 **OR RENEWABLE ENERGY PROJECTS.**—An Executive  
7 agency that enters into a power purchase agreement may  
8 not use the negotiated rate as a basis for determining the  
9 business case or economic feasibility of future energy effi-  
10 ciency or renewable energy projects.

11 (e) **REGULATIONS.**—The Secretary of Energy shall  
12 promulgate such regulations as are necessary to carry out  
13 this section.

14 (f) **AUTHORIZATION OF APPROPRIATIONS.**—There  
15 are authorized to be appropriated to carry out this section  
16 such sums as are necessary for each of fiscal years 2014  
17 through 2017, to remain available until expended.

18 **SEC. 9. FEDERAL FACILITY ENERGY EFFICIENCY AND RE-**

19 **NEWABLE ENERGY PROJECTS FUND.**

20 (a) **ESTABLISHMENT.**—There is established in the  
21 Treasury of the United States a revolving fund, to be  
22 known as the “Federal Facility Energy Efficiency and Re-  
23 newable Energy Projects Fund” (referred to in this sec-  
24 tion as the “Fund”), consisting of such amounts as are  
25 appropriated to the Fund under subsection (b).

1 (b) TRANSFERS TO FUND.—

2 (1) AUTHORIZATION OF APPROPRIATIONS.—

3 There are authorized to be appropriated to the Fund  
4 \$500,000,000, to remain available until expended.

5 (2) LOAN REPAYMENTS.—There are appro-  
6 priated to the Fund, out of funds of the Treasury  
7 not otherwise appropriated, amounts equivalent to  
8 loan amounts repaid and received in the Treasury  
9 under subsection (e).

10 (c) EXPENDITURES FROM FUND.—

11 (1) IN GENERAL.—Subject to paragraph (2), on  
12 request by the Secretary of Energy (referred to in  
13 this section as the “Secretary”), the Secretary of the  
14 Treasury shall transfer from the Fund to the Sec-  
15 retary such amounts as the Secretary determines are  
16 necessary to provide assistance for energy efficiency  
17 and renewable energy projects carried out at Federal  
18 facilities in accordance with subsection (e).

19 (2) ADMINISTRATIVE EXPENSES.—An amount  
20 not exceeding 10 percent of the amounts in the  
21 Fund shall be available for each fiscal year to pay  
22 the administrative expenses necessary to carry out  
23 this section.

24 (d) TRANSFERS OF AMOUNTS.—

1           (1) IN GENERAL.—The amounts required to be  
2 transferred to the Fund under this section shall be  
3 transferred at least monthly from the general fund  
4 of the Treasury to the Fund on the basis of esti-  
5 mates made by the Secretary of the Treasury.

6           (2) ADJUSTMENTS.—Proper adjustment shall  
7 be made in amounts subsequently transferred to the  
8 extent prior estimates were in excess of or less than  
9 the amounts required to be transferred.

10          (e) FEDERAL FACILITY ENERGY EFFICIENCY AND  
11 RENEWABLE ENERGY PROJECTS FUND PROGRAM.—

12           (1) IN GENERAL.—The Secretary shall establish  
13 a Federal facility energy efficiency and renewable  
14 energy projects fund program under which the Sec-  
15 retary shall make loans to Executive agencies to as-  
16 sist the agencies in reducing energy use and related  
17 purposes, as determined by the Secretary.

18           (2) GUIDELINES FOR APPLICATIONS.—Not later  
19 than 180 days after the date of enactment of this  
20 Act, the Secretary shall issue guidelines for Execu-  
21 tive agencies to submit applications for loans under  
22 this subsection.

23           (3) ELIGIBILITY.—Each Executive agency shall  
24 be eligible to submit an application for a loan under  
25 this subsection.

1 (4) LOAN AWARDS.—

2 (A) IN GENERAL.—The Secretary shall  
3 award loans under this subsection on a competi-  
4 tive basis.

5 (B) ALLOCATION.—The Secretary shall  
6 convene a committee of Executive agencies to  
7 determine allocation from the Fund to carry out  
8 this subsection after a competitive assessment  
9 of the technical and economic effectiveness of  
10 each application for a loan under this sub-  
11 section.

12 (C) SELECTION.—In determining whether  
13 to provide a loan to an Executive agency for a  
14 project under this subsection, the Secretary  
15 shall consider—

16 (i) the cost-effectiveness of the  
17 project;

18 (ii) the amount of energy and cost  
19 savings anticipated to the Federal Govern-  
20 ment;

21 (iii) the amount of funding committed  
22 to the project by the agency;

23 (iv) the extent that a project will le-  
24 verage financing from other non-Federal  
25 sources; and

1 (v) any other factor that the Secretary  
2 determines will result in the greatest  
3 amount of energy and cost savings to the  
4 Federal Government.

5 **SEC. 10. INCENTIVES FOR EXECUTIVE AGENCIES FOR UTIL-**  
6 **ITY ENERGY SAVINGS CONTRACTS.**

7 Not later than 180 days after the date of enactment  
8 of this Act, the Secretary of Energy, in consultation with  
9 the Secretary of Defense and the Administrator of General  
10 Services, shall promulgate regulations that enable Execu-  
11 tive agencies to retain the financial savings that result  
12 from entering into utility energy savings contracts.

13 **SEC. 11. RENEWABLE ENERGY FACILITIES SURVEYS BY EX-**  
14 **ECUTIVE AGENCIES.**

15 (a) IN GENERAL.—Not later than 180 days after the  
16 date of enactment of this Act, the Secretary of Energy,  
17 in consultation with the Secretary of Defense and the Ad-  
18 ministrator of General Services, shall promulgate regula-  
19 tions that establish appropriate methods and procedures  
20 for use by Executive agencies to implement, unless incon-  
21 sistent with the mission of the Executive agencies or im-  
22 practicable due to environmental constraints, the identi-  
23 fication of all potential locations at Federal facilities of  
24 the agencies for renewable energy projects (including  
25 available land, building roofs, and parking structures).



1 (b) IDENTIFICATION OF POTENTIAL LOCATIONS.—  
2 Not later than 1 year after the date of the promulgation  
3 of regulations under subsection (a), each Executive agency  
4 shall complete the report of the agency that identifies po-  
5 tential locations described in subsection (a).

6 **SEC. 12. ADOPTION OF PERSONAL COMPUTER POWER SAV-**  
7 **INGS TECHNIQUES BY EXECUTIVE AGENCIES.**

8 (a) IN GENERAL.—Not later than 180 days after the  
9 date of enactment of this Act, the Secretary of Energy,  
10 in consultation with the Secretary of Defense, the Sec-  
11 retary of Veterans Affairs, and the Administrator of Gen-  
12 eral Services, shall issue guidance for Executive agencies  
13 to employ advanced tools allowing energy savings through  
14 the use of computer hardware, energy efficiency software,  
15 and power management tools.

16 (b) REPORTS ON PLANS AND SAVINGS.—Not later  
17 than 90 days after the date of the issuance of the guidance  
18 under subsection (a), each Executive agency shall submit  
19 to the Secretary of Energy a report that describes—

20 (1) the plan of the agency for implementing the  
21 guidance within the agency; and

22 (2) estimated energy and financial savings from  
23 employing the tools described in subsection (a).

1 **SEC. 13. FEDERAL ENERGY MANAGEMENT AND DATA COL-**  
2 **LECTION STANDARD.**

3 (a) IN GENERAL.—Not later than 1 year after the  
4 date of enactment of this Act, the Secretary of Energy,  
5 in consultation with the Secretary of Defense, the Admin-  
6 istrator of General Services, the Office of Science and  
7 Technology Policy, and relevant industry and nonprofit  
8 groups, shall develop and issue guidance on a Federal en-  
9 ergy management and data collection standard.

10 (b) REQUIREMENTS.—Guidance described in sub-  
11 section (a) shall include, at a minimum, a plan for the  
12 General Services Administration to publish energy con-  
13 sumption data for individual Federal facilities on a single,  
14 searchable website, accessible by the public at no cost to  
15 access.

16 **SEC. 14. ADVANCED METERING BEST PRACTICES FOR AD-**  
17 **VANCED METERING.**

18 Section 543(e) of the National Energy Conservation  
19 Policy Act (42 U.S.C. 8253(e)) is amended by striking  
20 paragraph (3) and inserting the following:

21 “(3) PLAN.—

22 “(A) IN GENERAL.—Not later than 180  
23 days after the date on which guidelines are es-  
24 tablished under paragraph (2), in a report sub-  
25 mitted by the agency under section 548(a), each  
26 agency shall submit to the Secretary a plan de-

1           scribing the manner in which the agency will  
2           implement the requirements of paragraph (1),  
3           including—

4                   “(i) how the agency will designate  
5                   personnel primarily responsible for achiev-  
6                   ing the requirements; and

7                   “(ii) a demonstration by the agency,  
8                   complete with documentation, of any find-  
9                   ing that advanced meters or advanced me-  
10                  tering devices (as those terms are used in  
11                  paragraph (1)), are not practicable.

12                  “(B) UPDATES.—Reports submitted under  
13                  subparagraph (A) shall be updated annually.

14                  “(4) BEST PRACTICES REPORT.—

15                   “(A) IN GENERAL.—Not later than 180  
16                   days after the date of enactment of the Federal  
17                   Cost Reduction Act of 2013, the Secretary of  
18                   Energy, in consultation with the Secretary of  
19                   Defense and the Administrator of General Serv-  
20                   ices, shall develop, and issue a report on, best  
21                   practices for the use of advanced metering of  
22                   energy use in Federal facilities, buildings, and  
23                   equipment by Federal agencies.

1           “(B) UPDATING.—The report described  
2           under subparagraph (A) shall be updated annu-  
3           ally.

4           “(C) COMPONENTS.—The report shall in-  
5           clude, at a minimum—

6                   “(i) summaries and analysis of the re-  
7                   ports by agencies under paragraph (3);

8                   “(ii) recommendations on standard re-  
9                   quirements or guidelines for automated en-  
10                  ergy management systems, including—

11                           “(I) potential common commu-  
12                           nications standards to allow data  
13                           sharing and reporting;

14                           “(II) means of facilitating contin-  
15                           uous commissioning of buildings and  
16                           evidence-based maintenance of build-  
17                           ings and building systems; and

18                           “(III) standards for sufficient  
19                           levels of security and protection  
20                           against cyber threats to ensure sys-  
21                           tems cannot be controlled by unau-  
22                           thorized persons; and

23                   “(iii) an analysis of—

24                           “(I) the types of advanced meter-  
25                           ing and monitoring systems being pi-

1                   loted, tested, or installed in Federal  
2                   buildings; and

3                   “(II) existing techniques used  
4                   within the private sector or other non-  
5                   Federal government buildings.”.

6 **SEC. 15. AVAILABILITY OF FUNDS FOR DESIGN UPDATES.**

7           Section 3307 of title 40, United States Code, is  
8 amended—

9                   (1) by redesignating subsections (d) through (h)  
10                  as subsections (e) through (i); and

11                  (2) by inserting after subsection (c) the fol-  
12                  lowing:

13                  “(d) AVAILABILITY OF FUNDS FOR DESIGN UP-  
14 DATES.—

15                   “(1) IN GENERAL.—Subject to paragraph (2),  
16                  for any project for which congressional approval is  
17                  received under subsection (a) and for which the de-  
18                  sign has been substantially completed but construc-  
19                  tion has not begun, the Administrator of General  
20                  Services may use appropriated funds to update the  
21                  project design to meet applicable Federal building  
22                  energy efficiency standards established under section  
23                  305 of the Energy Conservation and Production Act  
24                  (42 U.S.C. 6834) and other requirements estab-  
25                  lished under section 3312 of this title.

1           “(2) LIMITATION.—The use of funds under  
2 paragraph (1) shall not exceed 125 percent of the  
3 estimated energy or other cost savings associated  
4 with the updates as determined by a life-cycle cost  
5 analysis under section 544 of the National Energy  
6 Conservation Policy Act (42 U.S.C. 8254).”.

7 **SEC. 16. CONTINUOUS COMMISSIONING WITHIN THE FED-**  
8 **ERAL BUILDING STOCK.**

9           (a) IN GENERAL.—Section 3312 of title 40, United  
10 States Code, is amended—

11           (1) by redesignating subsections (e) through (g)  
12 as subsections (d) through (h), respectively; and

13           (2) by inserting after subsection (b) the fol-  
14 lowing:

15           “(c) CONTINUOUS COMMISSIONING WITHIN THE  
16 FEDERAL BUILDING STOCK.—

17           “(1) IN GENERAL.—Not later than 1 year after  
18 the date of enactment of the Federal Cost Reduction  
19 Act of 2013, the Administrator and the Secretary of  
20 Energy shall incorporate commissioning and re-  
21 commissioning standards (as those terms are defined  
22 in section 543(f) of the National Energy Conserva-  
23 tion Policy Act (42 U.S.C. 8253(f))), for all real  
24 property that—

25           “(A) is more than \$10,000,000 in value;

1           “(B) has more than 50,000 square feet; or

2           “(C) has energy intensity of more than \$2

3           per square foot.

4           “(2) REGULATIONS.—Not later than 180 days

5           after the date of enactment of the Federal Cost Re-

6           duction Act of 2013, the Administrator and the Sec-

7           retary of Energy shall promulgate such regulations

8           as are necessary to carry out this subsection.”.

9           (b) CONFORMING AMENDMENTS.—Section 3312 of  
10 title 40, United States Code, is amended—

11           (1) in subsection (e)(1) (as redesignated by  
12           subsection (a)(1)), by striking “and (c)” and insert-  
13           ing “and (d)”;

14           (2) in the first sentence of subsection (f) (as so  
15           redesignated), by striking “and (c)” and inserting  
16           “and (d)”;

17           (3) in subsection (g) (as so redesignated), by  
18           striking “subsection (b), (c), or (d) or for failure to  
19           carry out any recommendation under subsection (e)”  
20           and inserting “subsection (b), (d), or (e) or for fail-  
21           ure to carry out any recommendation under sub-  
22           section (f)”.

1 **SEC. 17. ELIMINATION OF STATE MATCHING REQUIRE-**  
2 **MENT FOR ENERGY EFFICIENCY UPGRADES**  
3 **AT NATIONAL GUARD AND RESERVE ARMOR-**  
4 **IES AND READINESS CENTERS.**

5 Section 18236(b) of title 10, United States Code, is  
6 amended—

7 (1) by redesignating paragraphs (1) and (2) as  
8 subparagraphs (A) and (B), respectively;

9 (2) by striking “A contribution” and inserting  
10 “(1) Subject to paragraph (2), a contribution”;

11 (3) by striking “For the purpose” and inserting  
12 “(3) For the purpose”; and

13 (4) by inserting after subparagraph (B) of  
14 paragraph (1), as so designated, the following new  
15 paragraph:

16 “(2) If an armory or readiness center project for  
17 which a contribution is made under paragraph (4) or (5)  
18 of section 18233(a) of this title consists of or includes an  
19 energy efficiency upgrade, the Secretary of Defense shall  
20 cover—

21 “(A) 100 percent of the cost of architectural,  
22 engineering, and design services related to the up-  
23 grade (including advance architectural, engineering,  
24 and design services under section 18233(e) of this  
25 title), as provided in subparagraph (A) of paragraph  
26 (1); and



1           “(B) 100 percent of the cost of construction re-  
2           lated to the upgrade, notwithstanding subparagraph  
3           (B) of paragraph (1), and payment of such cost  
4           shall not be considered in applying the limitation in  
5           such subparagraph.”.

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