

113TH CONGRESS
2D SESSION

S. RES. 562

Expressing the sense of the Senate that performance-based contracts for energy savings are a budget-neutral means to support the Federal Government in reducing its energy consumption without increasing spending while simultaneously supporting United States based jobs and economic development.

IN THE SENATE OF THE UNITED STATES

SEPTEMBER 18, 2014

Mr. COONS (for himself, Mr. HOEVEN, Mrs. SHAHEEN, Mr. PORTMAN, Ms. LANDRIEU, Ms. COLLINS, Mr. FRANKEN, Mr. GRAHAM, Mr. WYDEN, Mr. CHAMBLISS, Mr. MENENDEZ, Mr. REED, Mr. MERKLEY, Mr. KING, Mr. SCHATZ, Mr. MARKEY, Mr. BOOKER, Mr. BLUMENTHAL, Ms. WARREN, and Mr. DONNELLY) submitted the following resolution; which was referred to the Committee on the Budget

RESOLUTION

Expressing the sense of the Senate that performance-based contracts for energy savings are a budget-neutral means to support the Federal Government in reducing its energy consumption without increasing spending while simultaneously supporting United States based jobs and economic development.

Whereas Energy Savings Performance Contracts and Utility Energy Service Contracts were first authorized by Congress in 1986 and 1992 respectively and reduce energy costs and consumption at Federal buildings and facilities without relying on additional appropriations;

Whereas the contracts are financed by a third-party and realize sufficient energy savings to cover the cost of the financed improvements over the contract term;

Whereas the contractor provides a guarantee of energy savings for the Energy Savings Performance Contract and the utility provides energy savings performance assurances or guarantees of the savings for the Utility Energy Service Contract;

Whereas performance-based contracting is an opportunity for significant savings so much so that the Oak Ridge National Laboratory has determined that under an Energy Savings Performance Contract the total cost savings delivered to the Government is nearly twice the guaranteed amount;

Whereas the Energy Independence and Security Act of 2007 required a Government-wide audit of facilities and, although to date only half of those buildings have been surveyed, it has been established that at least \$9,000,000,000 worth of energy savings that could be achieved within a decade;

Whereas the Office of Management and Budget first recognized savings from Energy Savings Performance Contracts and Utility Energy Service Contracts on an annual basis throughout the term of the contract as far back as 1998;

Whereas the Congressional Budget Office instead has determined that the full cost of the authority to enter into the long-term contracts for capital investments be scored upfront as new mandatory spending while the savings in energy costs that flow from these investments be realized over time as part of the annual appropriations process;

Whereas this has continued to hinder the ability of Congress to pass legislation ensuring additional energy and cost savings to the Federal Government through utilization of these contracts despite their proven savings; and

Whereas there is broad bipartisan and bicameral recognition in Congress of the value of these energy saving contracts:
Now, therefore, be it

1 *Resolved*, That it is the sense of the Senate that legis-
2 lation regarding Energy Savings Performance Contracts
3 and Utility Energy Service Contracts, and legislation
4 which may lead to their use by the Federal Government,
5 should receive Congressional scoring treatment that allows
6 future year guaranteed discretionary savings to be counted
7 against the mandatory spending attributed to undertaking
8 such contracts.

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