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MEMORANDUM FOR SECRETARY OF THE ARMY
SECRETARY OF THE NAVY
SECRETARY OF THE AIR FORCE
DIRECTOR, ADMINISTRATION AND MANAGEMENT
DIRECTORS OF DEFENSE AGENCIES

SUBJECT: Installation Energy Policy Goals

DoD Instruction 4170.11 establishes policy and provides guidance for installation energy management. The intent of this memorandum, consistent with paragraph 4.2.2.1 of the subject instruction, is to provide facility energy management goals consistent with current legislative requirements, Executive Orders (EO) and the direction of the Department.

The Department of Defense will strive to modernize infrastructure, increase utility and energy conservation and demand reduction, and improve energy flexibility, thereby saving taxpayer dollars and reducing emissions that contribute to air pollution and global climate change. The applicable energy program goals are:

- **Greenhouse Gases Reduction**: Through life-cycle cost-effective measures, each Defense component shall reduce its greenhouse gas emissions attributed to facility energy use by 30 percent by 2010 compared to such emissions levels in 1990. (EO 13123 Sec. 201)
- **Reduce Energy and Water Consumption**: Through life-cycle cost-effective measures, each Defense component shall reduce energy consumption per gross square foot of its facilities, and implement Water Management Plans with Best Management Practices
  - **All facilities**: Reduce consumption by 2 percent per year relative to a 2003 baseline. (EPAct of 2005 Sec. 102)
  - **Facility Energy Audits**: Conduct energy and water audits at 10 percent of facilities each year. (EO 13123 Sec. 402)
  - **Water Conservation**: Incorporate Water Management Plans with Best Management Practices on 30 percent of facilities by 2006, 50 percent by 2008 and 80 percent by 2010. (EO 13123 Sec. 207)
- **Renewable Energy Procurement**: Each Defense component shall strive to expand the use of renewable energy within its facilities and in its activities by implementing

renewable energy projects and by purchasing electricity from renewable energy sources. Components should procure or produce renewable energy, when life-cycle cost effective, such that it accounts for 3 percent of their total electricity demand in FY 2007-2009; 5 percent in FY 2010-2012; and 7.5 percent in 2013 and thereafter. (EPAct of 2005 Sec. 203) Components are encouraged to aggressively pursue a long range goal of 25 percent by 2025, when life cycle cost effective, to help alleviate the Department's reliance on fossil fuels.

- **Petroleum Use**: Through life-cycle cost-effective measures, each Defense Component shall reduce the use of petroleum within its facilities. Components may accomplish this reduction by switching to a less greenhouse gas-intensive, non-petroleum energy source, such as natural gas or renewable energy sources; by eliminating unnecessary fuel use; or by other appropriate methods. (EO 13123 Sec. 205)
- **Source Energy**: The Department shall strive to reduce total energy use and associated greenhouse gas and other air emissions, as measured at the source. To that end, Defense Components shall undertake life-cycle cost-effective projects in which source energy decreases, even if site energy use increases. (EO 13123 Sec. 206)
- **Utility Systems:** All Utility Systems shall meet and be maintained at a minimum operational level of C2 by 2010 (2004 Defense Installation Strategic Plan).
- **Utility Privatization**: All eligible utility systems will complete the privatization process (Deputy Secretary of Defense memoranda dated September 9, 2002, and November 2, 2005).

In support of these goals, each DoD Component will plan, program, budget, and execute appropriately and report progress and future plans in the relevant sections of the Annual Energy Management Report and Implementation Plan respectively.

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