

GAO Report (June 2015): Energy Savings Performance Contracts

Purpose: To highlight SPAWAR success and continued initiatives in the area of energy savings in pertinent contract actions.

GAO Findings Summary: Energy Savings

Table 4: Agency Actions That Affected Savings for Selected Energy Savings Performance Contract (ESPC) Projects

Agency	Project site	Reported savings included savings that were not achieved due to agency actions	Factor affecting savings	
			Agency did not operate or maintain equipment as agreed	Agency removed or abandoned equipment
Air Force	Cape Canaveral Air Force Station	✓		✓
	Columbus Air Force Base	✓	✓	✓
	McGuire Air Force Base	✓	✓	
	Tinker Air Force Base	✓	✓	
Army	Aberdeen Proving Ground	✓	✓	✓
	Fort Bliss	✓	✓	✓
	Fort Hood	✓	✓	
Department of Energy	DOE Headquarters	✓	✓	
	National Renewable Energy Laboratory ²			
Department of Justice	Allenwood Federal Correctional Complex	✓	✓	
	Petersburg Federal Correctional Complex	✓	✓	✓
Department of Veterans Affairs	Veterans Integrated Service Network 22, Greater Los Angeles ²	✓	✓	
General Services Administration	Federal Research Center at White Oak ²			
	The J. Caleb Boggs Federal Courthouse ²			
	Prince Jonah Kuhio Kalaniana'ole Federal Building	✓	✓	
Navy	Naval Air Station Oceana ²			
	Space and Naval Warfare Systems Command Center Pacific Task Order 1 ²			
	Space and Naval Warfare Systems Command Center Pacific Task Order 2 ²			
	Walter Reed National Military Medical Center, Central Plant Improvements	✓	✓	✓
	Washington Navy Yard	✓	✓	
Total		14	13	6

Finding: The SSC PAC contracts which were analyzed reported savings that were actually achieved and did not overstate these savings

Sources: GAO analysis of agencies' data. | GAO-15-432. [GAO Report GAO-15-43 is available here](#)

GAO Report Intent:

- GAO conducted this study in order to ensure protection of the Government's interests when using Energy Savings Performance Contracts (ESPC).
 - Under ESPCs, private contractors finance the up-front costs of energy improvements. Agencies then repay contractors from the savings, such as those resulting from lower utility bills.

Relevant SPAWAR Initiatives:

- Policy Alert 14-054 reminded Contracting Officers to include FAR Clause 52.223-15 (Energy Star Compliance) for energy-consuming products in all solicitations and contracts for IT hardware.
- A Claimancy review of IT hardware contracts was conducted on 7/24/14, to ensure the two clauses were included. Of the 12 contracts reviewed, 10 included the appropriate clause.*
- Reviews continue to be held of IT hardware open solicitations to ensure inclusion of these clauses.

*Note: The two contracts which did not contain the appropriate clause were GSA orders that failed to include DoD-unique clauses altogether. The PCOs were notified and the two contract actions were modified accordingly.