

## **Legal Lookout: Executive Order Supports Alternative Fuel Use**

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On Jan. 24, 2007, President Bush signed Executive Order (EO) 13423, Strengthening Federal Environmental, Energy and Transportation Management, which mandates that federal agencies reduce oil consumption, use more alternative fuels and curb greenhouse gas emissions. In his 2007 State of the Union address, Bush announced plans to reduce U.S. gasoline usage by 20 percent in 10 years. The EO also renews the administration's commitment to environmentally friendly procurement practices.

### **Background**

Specifically, the EO directs federal agencies to:

- Reduce oil consumption in fleet vehicles. Federal agencies meeting certain conditions should reduce the fleet's petroleum consumption by 2 percent annually through 2015 and purchase plug-in hybrid vehicles when commercially available.
- Increase use of renewable and alternative fuels. Federal agencies meeting certain conditions must increase their alternative fuel consumption by at least 10 percent annually.
- Use more new renewable power. At least 50 percent of an agencies' current renewable energy purchase requirement must come from new renewable sources, such as solar, wind, biomass, landfill gas, geothermal, or new hydroelectric generation capacity achieved from increased efficiency or additions at an existing hydroelectric project.
- Reduce greenhouse gas emissions. Federal agencies must improve energy efficiency and reduce greenhouse gas emissions by cutting back on how much energy is used per square foot of building space by 3 percent annually or 30 percent by 2015, relative to the agency's energy use in FY 2003.
- Acquire environmentally sound products. Federal agencies must increase their purchase of environmentally sound products, including biobased, energy-efficient, water-efficient, and recycled-content products, and ensure the development of high performance buildings that are healthier and consume less energy.

The order revokes earlier EOs 13101, 13123, 13134, 13148 and 13149. The fact sheet on EO 13423 is available at [www.whitehouse.gov/news/releases/2007/01/20070124-5.html](http://www.whitehouse.gov/news/releases/2007/01/20070124-5.html).

### **Why the EO is important**

Executive orders are generally important because they express the administration's preference with respect to targeted initiatives. The government's commitment to alternative fuel use and environmentally sound products and services is largely bipartisan and, if anything, is likely to become more pronounced in the years ahead regardless of who wins the presidential elections in 2008.

These two initiatives – alternative fuels and environmentally sound products and services –

offer enormous opportunity for innovators, consultants, regulatory experts, and others in the environmental value chain. Virtually all federal and state government offices are scrambling to identify innovative sources of energy, and greener products and services that are available for procurement that meet the EO's high standards for being environmentally preferable.

Federal funding opportunities, grant programs and related governmental incentives are abundant, and waiting for enterprising companies or individuals to seize the opportunity to develop products that will leave a smaller environmental footprint resulting from federal procurement practices. For example, the proposed EPA FY 2008 budget contains \$35 million for National Clean Diesel Campaign grants to help meet congressional mandates under the Energy Act and promote fuel efficient technologies. For more specific information, see [www.epa.gov/ocfo/budget/index.htm](http://www.epa.gov/ocfo/budget/index.htm).

For ***Pollution Engineering*** readers, this is all good news. It also means, however, that readers must be diligent in their monitoring of regulatory initiatives and creative in their identification of opportunities for clients and others in taking maximum advantage of new markets, products and services.

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