Increasing Treasury's Sustainability

Goal Leaders:

John Morton, Climate Counselor to the Secretary, Climate Hub
Michael Thomas, Deputy Assistant Secretary for Management, Treasury Operations

Goal Overview

Goal statement

- Model best practices in sustainable operations, supporting the Department's key role in the whole-of-government effort to manage climate-related risks and enable the transition to a net-zero economy. By September 30, 2023, the Department of the Treasury will:
    1. Transition Treasury's Fleet to Electric Vehicles (EV): Convert 33% of the vehicles to EVs for those vehicles with lease terms needing renewal; and
    2. Implement a Climate Literacy Program: Deliver educational products to 100% of Treasury's target audience of executives and key staff who are needed to support and sustain Treasury's climate change and sustainability priority initiatives (e.g., facility and fleet operations, budget and finance, legal counsel, and procurement).

What Success Looks Like

- Transitioning of Treasury's Fleet to EVs: Increase in EVs as a percentage of Treasury's overall fleet, meeting targets approved by the Council for Environmental Quality (CEQ) and compliant with OMB Memo M-22-06 (Catalyzing Clean Energy Industries and Jobs Through Federal Sustainability).
- Coordinated deployment of high-quality information products to target audiences that are designed to inform, educate, and inspire action, practices, and thoughtful investment in Treasury's climate change and sustainability programs.

Goal Overview

Problem to Be Solved

- The U.S. and the world face a climate crisis and narrowing window of action to avoid the worst impacts of climate change. The U.S. federal government must do its part to respond ambitiously to tackle the challenges of climate change.

Challenges and Opportunities

- Executive Order 14008 (Tackling the Climate Crisis at Home and Abroad) calls for federal agencies to increase the Federal Government's climate adaptation sustainability efforts.
- Executive Order 14057 (Catalyzing Clean Energy Industries and Jobs Through Federal Sustainability) establishes more specific guidelines for agencies. 1) Section 204 requires 100% light-duty vehicle acquisitions be zero-emissions by the end of FY 2027; 2) Sec 102 requires 100% zero-emission vehicle acquisitions in all classes by 2035; and 3) Beginning June 30, 2022, & annually thereafter, agencies must submit a strategic plan for converting the federal fleet to zero-emissions vehicles with annual targets.
- Model best practices in Treasury's internal operations as a leader within the federal sector and an example to industry and global allies in combating climate change through changed business practices.
- Develop strategic approaches and innovative solutions needed to achieve Treasury's EV goals including sustainable funding streams; availability of vehicle models through GSA leasing program; law enforcement mission requirements; policies/approaches to siting of charging infrastructure; and support for home-to-work stationed EVs.
- Ensure that the climate literacy target audience is identified through an assessment of Treasury's workforce capability gaps and cultural acceptance of climate expertise as a necessary knowledge set for certain executive and key staff positions.
- Reframe spending on Treasury's sustainability and climate resiliency programs as an investment in America's future.

Goal target(s)

In the table below, please repeat the key metrics included in the goal statement (previous slide) that will be used to track progress.

Please update **this column** each quarter.

Achievement statement		Key indicator(s)	Quantify progress			Frequency
Repeat the achievement statement from the goal statement on the previous slide		A "key performance indicator" measures progress toward a goal target	These values enable us (and you!) to calculate % complete for any type of target*			When is there new data?
By…	**We will…**	**Name of indicator**	**Target value**	**Starting value****	**Current value**	**Update cycle**
09/30/23	Transition Treasury's Fleet to Electric Vehicles (EV): Convert 33% (198 out of 601) of the vehicles to EVs for those vehicles with lease terms needing renewal	Number of vehicles (due for renewal) transitioned to EVs	33% (198 EVs)	0	19% (38 out of 198 EVs)	Annual
09/30/23	Implement a Climate Literacy Program: Deliver educational products to 100% of Treasury's target audience of executives and key staff who are needed to support and sustain Treasury's climate change and sustainability priority initiatives (e.g., facility and fleet operations, budget and finance, legal counsel, and procurement).	Effectiveness of Climate Literacy Program Implementation.	100%	0	0	Semi-annual

Goal Team

Treasury Climate Hub	Treasury Operations	Bureau Operations	Federal Agency Partners
Senior Lead: John Morton (Climate Counselor to the Secretary)	**Senior Lead:** Mike Thomas (Deputy Assistant Secretary for Treasury Operations)	**Lead:** Treasury Operations Executive Council*	Office of the Federal Chief Sustainability Officer Council for Environmental Quality
Team Lead: Damian Richardson (Special Assistant to the Climate Counselor)	**Team Leads:** Craig Gardner (Business Director of Facilities Services, Treasury Operations) Jonathan Weeda (Sustainability Program Manager) Angel McCoy (Acting Climate Change and Sustainability Program Manager) Henry Perillo (Climate Change and Sustainability Program Officer)	**Support:** Treasury Sustainability Council* Treasury Learning Leaders Council*	General Services Administration's Fleet Program Department of Energy Federal Energy Management Program

Goal Strategies

Strategy 1: Assess fleet requirements and identify gaps and/or requirements

- Conduct gap assessment of Treasury's fleet conversion needs.
- Identify lease expirations for the entire fleet by fiscal year and group into transition phases.
- Identify EV conversion opportunities based on mission requirements and vehicle capabilities, by fiscal year and transition phases.
- Identify EV charging station requirements based on EV garaging and operating area, current infrastructure availability, and bureaus' vehicle pools and their locations, as well as policies pertaining to installing charging stations at employee' homes for Home-to-Work authorized vehicles, by fiscal year and transition phases.
- Identify funding requirements for transitioning the fleet, by fiscal year and phases.

Strategy 2: Headquarters support each bureaus' EV order

- Onboard a detailee to assist the Treasury Fleet Manager with the assessment and ordering.
- Expedite orders, providing technical assistance, as needed.

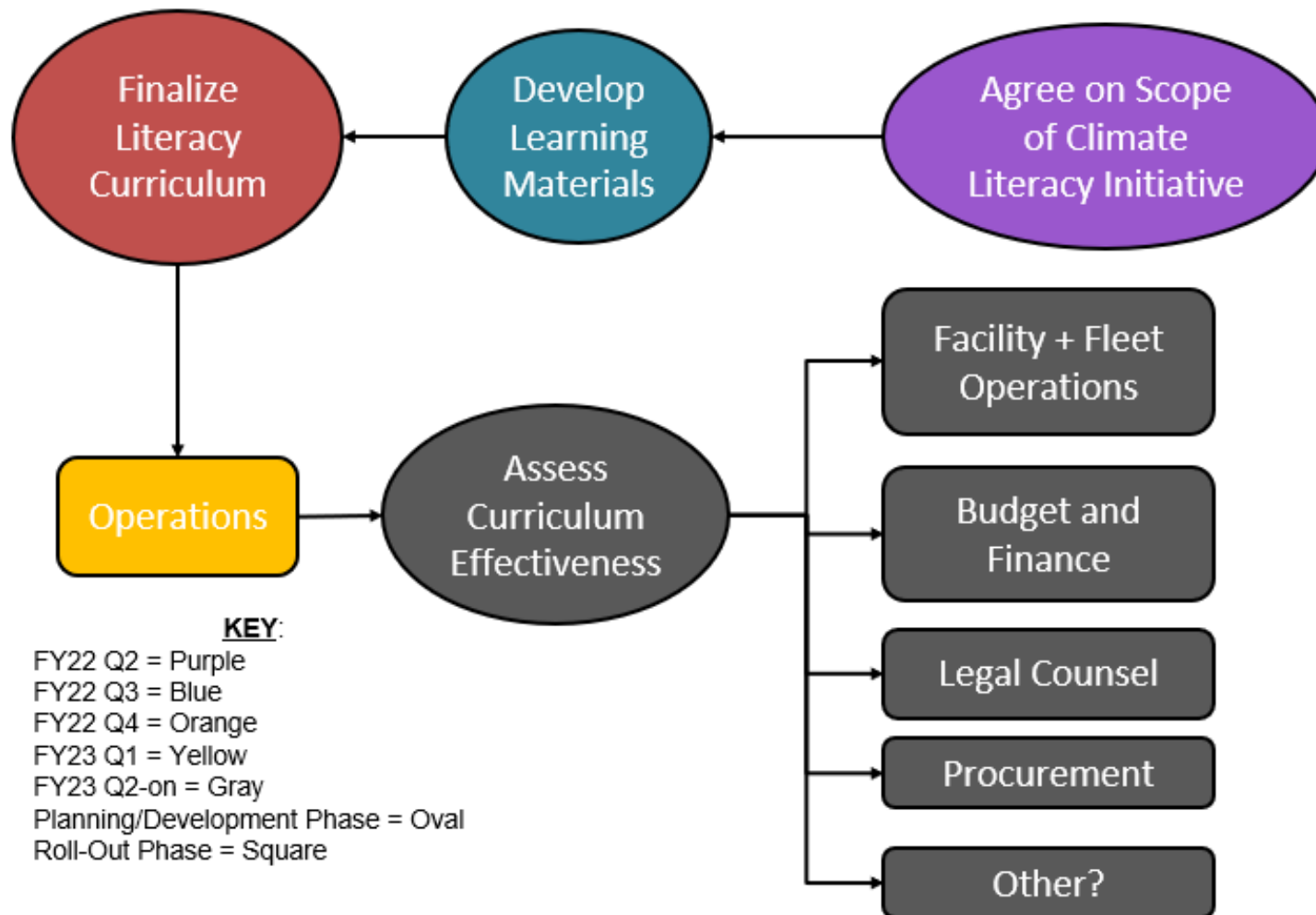**Strategy 3: Increase climate literacy with target audiences**

- Develop Climate Literacy products.
- Develop specific target audience lists in coordination with the Climate Hub and bureau leadership.
- Implement deployment strategy to deliver products to target audiences.

Key indicators: Treasury Fleet (FY2022-2026)

Potential Changes in Treasury Fleet (FY22-26)
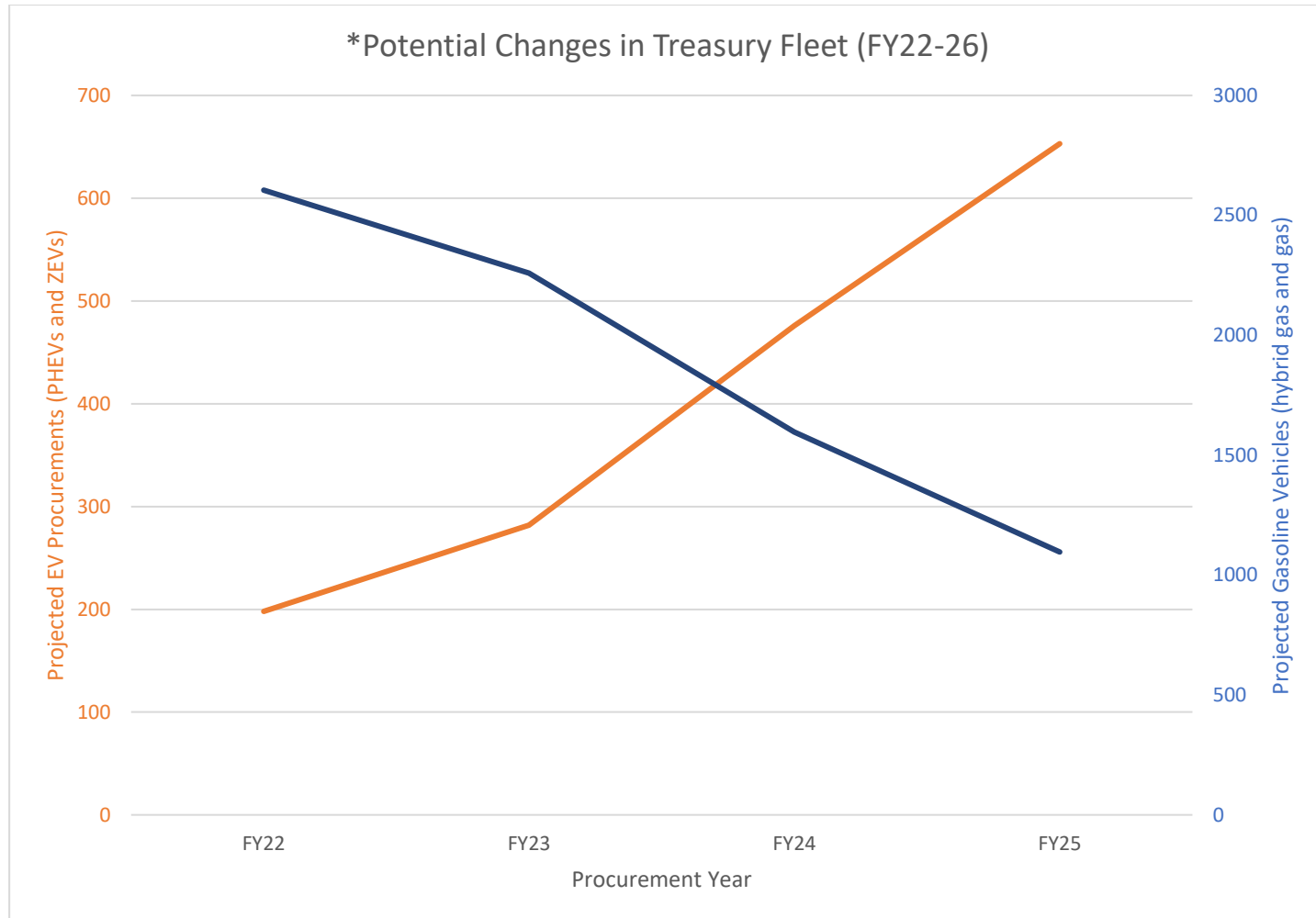
*EV procurement values (orange curve) are updated to reflect Bureau submissions in the FY22 ZEV Fleet Strategy. Projected numbers of gasoline vehicles (blue curve) are based on IRS-CI projections.

Finalize Literacy Curriculum ← **Develop Learning Materials** ← **Agree on Scope of Climate Literacy Initiative**

Finalize Literacy Curriculum → **Operations** → **Assess Curriculum Effectiveness**

Assess Curriculum Effectiveness branches to:
- **Facility + Fleet Operations**
- **Budget and Finance**
- **Legal Counsel**
- **Procurement**
- **Other?**

KEY:
FY22 Q2 = Purple
FY22 Q3 = Blue
FY22 Q4 = Orange
FY23 Q1 = Yellow
FY23 Q2-on = Gray
Planning/Development Phase = Oval
Roll-Out Phase = Square

*Treasury will update with actual data when available.

Key milestones: Strategy 1 & 2 (Fleet)

- **Overview**: Conduct gap assessment of Treasury's fleet conversion needs; identify expiring leases and percentage of vehicles ready for alternative purchasing; get estimate of incremental cost increases needed to meet Department EV acquisition targets.

- **Recent action**: Developed the first strategic plan for fleet electrification (due July 29, 2022).

Milestone Summary

Key Milestone	Milestone Due Date	Milestone Status	Change from last quarter	Comments
Identify lease expirations for the entire fleet	Q3 2022	Complete	N/A	
Identify EV conversion opportunities	Q3 2022	Complete	Completed	Worked with Treasury bureaus to identify EV conversion opportunities
Identify EV charging station requirements	Q4 2022	In Progress	N/A	
Identify funding requirements for transitioning the fleet	Q4 2022	Complete	Completed	Based on Bureau estimates, an incremental cost of $2.8 million will be required to meet FY23 EV target
Finalize first strategic plan for fleet electrification	July 29, 2022	Complete	Completed	Completed and submitted strategic plan for fleet electrification for approval and submission to the Council of Environmental Quality (CEQ)
Work parking space requirements into facilities project requirements	Q4 2022	Not Started	N/A	Will require close partnership with GSA since they own many of the facilities Treasury uses.
Update fleet policies to resolve home-to-work and other issues	Q4 2022	In Progress	In Progress	Ongoing conversations across Law Enforcement agencies and policy changes expected.

Complete updates to refueling structure and charging capabilities for identified projects	Q3 2023	Not Started	N/A	

Key milestones: Strategy 3 (Climate Literacy)

- **Overview**: Develop a climate literacy program and deliver to operations and procurement staffs to raise awareness of climate change issues and sustainability strategies.

- **Recent action**: Met with the National Oceanic and Atmospheric Administration (NOAA) to confirm schedule for material development and pilot roll-out.

Milestone Summary				
Key Milestone	**Milestone Due Date**	**Milestone Status**	**Change from last quarter**	**Comments**
Identify program/staff leads	Q2 2022	Complete	N/A	
Develop requirements and learning objectives for program, complete audience analysis	Q3 2022	Complete	Completed	Working with NOAA to develop requirements and learning objectives
Finalize materials/content and identify delivery mechanisms	Q4 2022	In Progress	Begun	NOAA has begun development of content suitable for various federal audiences since we are not their only partner.
Pilot literacy curriculum	Q1 2023	On Track	N/A	Pilot group includes a select number of senior executives who will receive both parts of the training, and the pre-survey.
Assess curriculum effectiveness and update as needed	Q2 2023	Not Started	N/A	Pilot group will be asked to provide feedback/critique of the CL curriculum
Deliver curriculum to remainder of target audience	Q4 2023	Not Started	N/A	Work with NOAA to refine the curriculum to best-suit Treasury's needs

Narrative – FY 22 Q3

Transition Treasury's Fleet to Electric Vehicles (EVs):
Following FY22 appropriations and vehicle availability, EV acquisition targets were adjusted and submitted. Fleet managers have been engaged in continued efforts to plan Treasury's EV conversion strategy, and the outcomes of these discussions have been recorded in the FY 2022 EV Fleet Strategy document submitted to the Council on Environmental Quality (CEQ) on July 29th, 2022.

Implement a Climate Literacy Program:
The Climate Literacy Working Group (CLWG) is collaborating with the National Oceanic and Atmospheric Administration (NOAA) to develop and implement the literacy curriculum. NOAA's Climate Literacy outreach program is an ideal partnership since this branch has a wealth of content already developed as well as expert science communicators.

CLWG has drafted a Statement of Work that included a timeline and content specifications, and NOAA has been developing this content and should be ready to deploy to the pilot group on-schedule. CLWG has developed outreach communications for Treasury Workforce to ensure continuous learning. The next step for CLWG will be to assemble a group of executives to be the pilot group for this effort.

Data accuracy & reliability (Part 1)

All data collected and verified through Treasury Operations Executive Council performance metrics reviews and agency quarterly reviews.

Measure: Number of EVs in Treasury Fleet		
Definition	Total number of EVs in Treasury's fleet. The total number of EVs are separated into two data points. First data point includes those that are successfully procured/ordered in the fiscal year. The second data point includes the number of vehicles delivered and are in Treasury's physical possession. Note that there is a general supply delay for EVs nation-wide (from the time when EVs are purchased to when they are delivered from the manufacturer). FY 2023 target assumes that there is a 1-year delay to when EVs are procured/ordered to physical possession and shows a cumulative count of EVs in Treasury possession from FY 2022.	
Type	Performance Measure (Outcome)	
Targets:	FY 2022	FY 2023
Number of EVs	198 procured/ordered; 14 possessed	282 to be ordered
Desired Direction	An increase in number of EVs in Treasury's fleet (both possessed and procured/ordered).	
Unit of Measure	Number of electric vehicles in Treasury Fleet.	
Calculation Methodology	Count of EVs successfully ordered/procured. Count of EVs in Treasury's physical possession.	
Data Source	The data source for FY22 is per the GSA Federal Automotive Statistical Tool (FAST) database and Treasury Operations.	
Quality	The measure accurately represents the EV fleet for the Treasury in FY22.	
Frequency	Number of EVs to be updated annually (on FY basis).	

Data accuracy & reliability (Part 2)

All data collected and verified through Treasury Operations Executive Council performance metrics reviews and agency quarterly reviews.

Measure: Number of vehicles (eligible for renewal)		
Definition	Number of vehicles in Treasury's fleet that are eligible for renewal (number of vehicles acquired, including lease and purchase).	
Type	Performance Measure (Input)	
Targets: N/A	FY 2022	FY 2023
Number of Vehicles	647 (601 vehicles were renewed)	855
Desired Direction	No desired direction as this measure does not have a target.	
Unit of Measure	Number of vehicles acquired through lease.	
Data Source	GSA FAST Tool, Treasury Operations, and IRS-CI Electric Fleet Strategy.	
Quality	The data includes standard quality control as conducted by the fleet inventory assessment. Data will be validated by bureaus and the Treasury Operations Executive Council in accordance with assessment reporting guidance.	
Frequency	Number of EVs to be updated annually (on FY basis).	

Data accuracy & reliability (Part 3)

All data collected and verified through Treasury Operations Executive Council performance metrics reviews and agency quarterly reviews.

Measure: Share of audience reached		
Definition	Number of employees who successfully complete the Treasury climate literacy curriculum.	
Type	Performance Measure (Outcome)	
Targets:	FY 2022	FY 2023
	0% of target audience; N/A	100% of target audience
Desired Direction	Anticipate deploying literacy materials available to Treasury workforce next Fiscal Year	
Unit of Measure	Amount of workforce who has completed/engaged with the climate literacy course material.	
Calculation Methodology	For executives/managers: attendance at live climate workshops/teaching events. For Treasury employees: viewing of recorded sessions (required) and attendance at optional continuous learning events (workshops, town halls). Aiming to provide training to the entire Treasury workforce.	
Data Source	Integrated Talent Management (ITM) training system	
Quality	ITM system will verify training completion for each employee that is required to take the training	
Frequency	Semi-Annual	

Additional information

<u>Contributing Programs</u>

President's Management Agenda

- o Pillar 3: Managing the Business of Government to Build Back Better

Policies:

- o Executive Orders 14008 and 14057
- o Treasury Climate Action Plan

<u>Stakeholder / Congressional Consultations</u>

Treasury Operations staff have consulted with the staff of the Council on Environmental Quality (CEQ) regarding establishing FY-22 EV targets. CEQ staff acknowledged the challenges associated with Treasury's fleet portfolio comprised of 93% Home-to-Work authorized vehicles. Treasury also consulted Congress in establishing Strategic Objective 4.4 (Sustainable Treasury Operations), which this APG supports.