



FHFA Sustainability Plan

June 2, 2010

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1. AGENCY POLICY AND STRATEGY

1.1.AGENCY POLICY STATEMENT



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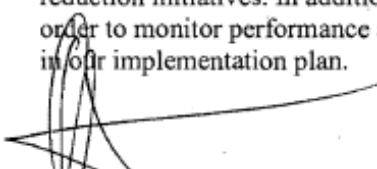
FHFA Sustainability Plan
Agency Policy Statement
Fiscal Year 2010

In accordance with Executive Order 13514, the Federal Housing Finance Agency (FHFA) has developed its Sustainability Plan. FHFA is committed to reducing our greenhouse gas emissions and incorporating sustainability requirements into our daily operations.

As background information, FHFA is a small independent non-appropriated funded agency in the executive branch of the United States Government. FHFA is responsible for the supervision, regulation and housing mission oversight of Fannie Mae, Freddie Mac and the Federal Home Loan Banks.

FHFA intends to pursue several initiatives to improve our sustainability performance and achieve our reduction targets. First, FHFA is pursuing opportunities to optimize the agency's office space by consolidating into one facility. Second, FHFA is expanding the number of employees who work from home when not on-site examining Fannie Mae, Freddie Mac, or the Federal Home Loan Banks. Third, FHFA is consolidating our information technology data center operations to optimize our information technology operations. Fourth, we are reducing emissions from employee commuting by increasing the number of employees who use public transportation and who regularly telework.

These actions will provide tangible benefits to the agency, but challenges exist nonetheless. Employees need to be made aware about programs such as telework, working at home when not on-site at Fannie Mae, Freddie Mac, or the Federal Home Loan Banks, and recycling/waste reduction initiatives. In addition, systems and processes must be identified to capture data in order to monitor performance against sustainability targets. These activities have been included in our implementation plan.



David A. Lee
Senior Sustainability Officer
Chief Administrative Officer

1.2.SUSTAINABILITY AND THE AGENCY MISSION

The Federal Housing Finance Agency is a small independent non-appropriated funded agency in the executive branch of the United States Government. FHFA was created on July 30, 2008, when President Bush signed into law the Housing and Economic Recovery Act of 2008 (HERA). HERA created a single regulator to oversee vital components of our country's secondary mortgage markets – Fannie Mae, Freddie Mac, and the Federal Home Loan Banks. A critical component of the law was combining the existing staffs of the Office of Federal Housing Enterprise Oversight (OFHEO), the Federal Housing Finance Board (FHFB), and the GSE mission office at the Department of Housing and Urban Development (HUD).

The mission of FHFA is to “Provide effective supervision, regulation and housing mission oversight of Fannie Mae, Freddie Mac and the Federal Home Loan Banks to promote their safety and soundness, support housing finance and affordable housing, and support a stable and liquid mortgage market.”

FHFA has developed a Strategic Plan¹ that includes a Resource Management Strategy that states “FHFA has the personnel, resources and infrastructure to manage effectively and efficiently to achieve its mission and goals.” Achieving the sustainability targets will have the biggest affect in the resource management areas, specifically the facilities management, travel, employee commuting, and information technology. FHFA is continually looking for innovative ideas to house, deploy, and connect its employees.

1.3.GREENHOUSE GAS REDUCTION GOALS

FHFA is based in Washington, D.C. and does not operate field or regional offices. FHFA currently leases space in three commercial buildings. FHFA has approximately 450 employees. The vast majority of employees are based in Washington, D.C. FHFA has out-stationed bank examiners who are located through-out the country and work remotely from home offices when not on-site conducting bank examinations.

Scope 1 & 2 Greenhouse Gas Emissions

Electricity Consumption

FHFA currently leases 184,864 square feet of space in three commercial buildings. The building landlords pay the utilities for 98% of the office space. FHFA pays for electricity in a small portion of leased space (3,726 square feet) in one of the buildings. This portion of the building includes a large conference room, storage, and locker rooms. The electricity purchased for this space compromises the FHFA greenhouse gas (GHG) emission baseline for Fiscal Year (FY) 2008. In FY 2008, FHFA consumed 49.4 MWH of electricity to operate this space.

In January, we established a 30% reduction target that would reduce the electricity consumed for this space to 34.6 MWH by FY 2020. To achieve the reduction target, we plan to reduce use of

¹ FHFA Strategic Plan (2009-2014)

unnecessary lighting by installing motion sensors, and monitoring the use of heating and cooling, especially during the warmer months.

FHFA Fleet

FHFA does not operate a fleet of twenty or more vehicles.

Scope 3 Greenhouse Gas Emissions

The current FHFA target is to reduce the GHG emissions due to employee travel by 5% by 2020.

FHFA has developed the Scope 3 GHG emissions baseline using the using the Scope 3 Target Tool provided by the Council on Environmental Quality (CEQ). Calculation of the baseline including the data sources and calculation challenges are discussed in Section 2.3.

Due to the agency's size, facility leasing, and mission, the overwhelming majority of FHFA's Scope 3 GHG emissions come from business travel and employee commuting. FHFA's business travel is required to conduct on-site examinations of regulated entities. The travel data used to develop the baseline is from FY 2009. FHFA implemented a new agency travel system in FY 2009 which merged the travel processes from the predecessor agencies into a new travel system for the new agency. FY 2010 was the first full year with the new system. Therefore, the baseline and reduction target should be updated when the FY 2010 travel data is available in order to provide more reliable information.

FHFA conducted an employee commuter survey to develop the commuter baseline. The survey responses identified some reduction opportunities for employee commuting. First, only 18% of the survey responses indicated that they telework on a regular basis. Increasing the use of telework will reduce the total number of days that employee commute to the office. Second, for those that responded, the leading method of transportation for commuting was by car. Increasing the number of people using public transportation will also reduce GHG emissions. The survey methodology directs agencies to count non-responders as car commuters who travel to the office five days per week. This approach is aligned with the LEED for Existing Buildings and SCAQMD methodologies. In the FHFA employee commuter survey over two hundred employees did not respond and are counted as car commuters for the baseline. Based on participation in the agency's parking and transit benefit programs, the number of car commuters is significantly overstated. In future years, employee participation should be increased and/or the survey methodology changed to address this issue.

1.4.PLAN IMPLEMENTATION

The Sustainability Plan will be implemented by the Chief Administrative Officer (CAO) who is the FHFA SSO. Implementation will require action and support from various FHFA divisions and offices. Because of their operational responsibilities, some offices will be more involved in the implementation as outlined below.

1. Facilities Management Office (FMO) – Responsible for managing the facilities including day-to-day building operations, coordination of building repairs and maintenance, purchase of office supplies and equipment, and coordination with building management.
2. Office of Budget and Financial Management (OBFM) – Responsible for the budget, travel, acquisition, and strategic planning programs.

3. Office of Human Resources Management (OHRM) – Responsible for the agency’s human resources functions including coordination of the telework program.
4. Office of Information and Technology Management (OTIM) – Responsible for the information technology systems and hardware including the data center consolidation plan.
5. Division of Enterprise Regulation (DER) and Division of FHLBank Regulation (DBR) – Responsible for conducting examinations of the regulated entities including the work completed on-site and required business travel.

The following table outlines the activities and roles and responsibilities to implement the Sustainability Plan.

#	Activity	Responsible Party	Support From
1.	Develop and maintain the FHFA Sustainability Plan and update it annually with performance metrics.	SSO	
2.	Communicate sustainability requirements, targets, and timelines to key internal stakeholders.	SSO	
3.	Develop and deliver key messages to awareness employee awareness to improve sustainability (e.g. communication plans to increase the use of telework).	SSO	OHRM, OBFM, OTIM, FMO
4.	Submit budget and acquisition requests and identify products and services.	All FHFA division/offices	OBFM
5.	Manage agency budget and acquisition process.	OBFM	
6.	Integrate sustainability requirements into agency acquisitions plans and processes. Purchases of goods and services for specific areas will be coordinated with the following offices where appropriate.	OBFM	SSO
	– Information technology	OTIM	
	– Facilities and vehicles	FMO	
	– Travel	OBFM	
	– Real estate	CAO	
7.	Track and report sustainability metrics and report progress to SSO. The reporting of performance data for specific program	OTIM, FMO, OBFM	

#	Activity	Responsible Party	Support From
	areas will be coordinated with the following offices to capture and report information.		
	<ul style="list-style-type: none"> – Electricity consumption and utilities – Facilities management metrics and information (e.g. recycling programs) 	FMO	
	<ul style="list-style-type: none"> – Business travel and employee commuting methods and cost (e.g. car commuters and transit benefits) 	OBFM	
	<ul style="list-style-type: none"> – Employee commuting including the survey 	SSO	OHRM
	<ul style="list-style-type: none"> – Employee program information (telework, alternate work schedules) 	OHRM	
	<ul style="list-style-type: none"> – Sustainable acquisition 	OBFM	
	<ul style="list-style-type: none"> – Electronic stewardship & data centers 	FMO,OTIM	
8.	Identify opportunities to reduce the amount of business travel needed in order to conduct on-site examinations. Opportunities may include increased use of conference calls, implementation of work collaboration tools, and more on-site and off-site coordination.	SSO	DER, DBR
9.	Include performance metrics in the FHFA Strategic Plan or Annual Performance Plan as appropriate	OBFM/SSO	OTIM, OHRM, FMO
10.	Communicate progress and performance metrics internally and externally as appropriate.	SSO	OBFM

Critical Planning Coordination

Originating Report / Plan	Scope 1 & 2 GHG Reduction	Scope 3 GHG Reduction	Develop and Maintain Agency Comprehensive GHG Inventory	High-Performance Sustainable Design / Green Buildings	Regional and Local Planning	Water Use Efficiency and Management	Pollution Prevention and Waste Elimination	Sustainable Acquisition	Electronic Stewardship and Data Centers	Agency Specific Innovation
FHFA Strategic Plan	No	No	No	No	No	No	No	No	No	Yes
Budget	No	No	n/a	n/a	n/a	n/a	n/a	No	Yes	Yes
Data Center Consolidation Plan	n/a	n/a	n/a	n/a	n/a	n/a	n/a	n/a	Yes	n/a
New Building Acquisition	Yes	n/a	n/a	Yes	n/a	n/a	n/a	Yes	n/a	Yes

1. FHFA Strategic Plan: FHFA develops an Annual Performance Plan that ties annual goals to the five year Strategic Plan including metrics for resource management.
2. Budget: FHFA is a small independent non-appropriated funded agency. FHFA has begun the FY2011 budget process for approval by the FHFA Director. The budget includes costs related to employee travel, transit benefits, facilities, and information technology.
3. Data Center Consolidation Plan: FHFA is currently working on an initiative to consolidate the agency’s information technology operations and hardware.
4. New Building Acquisition: FHFA is currently working on an initiative to consolidate locations to a single facility.

1.5.EVALUATING RETURN ON INVESTMENT

FHFA is a small independent non-appropriated funded agency and does not typically fund a large amount of investment projects requiring evaluation and prioritization. FHFA does maintain an Investment Review Board (IRB) to review and approve large investments. When initiatives are presented to the IRB, they include a cost/benefit analysis to outline the investment and document the decision. The analysis will include a quantitative analysis such as initial investment, annual operating costs, and projected savings. The analysis will also include qualitative analysis such as impact on employees, service delivery improvements, change management requirements, project risks, and the affect on agency compliance with applicable laws, regulations, and strategic directives.

1.6. TRANSPARENCY

FHFA will communicate its progress and results within the agency by posting the Sustainability Plan to the agency intranet site. In addition, the SSO will increase employee awareness through e-mail distribution and posted notices within the agency.

2. PERFORMANCE REVIEW & ANNUAL UPDATE

In FY 2010, FHFA has made the following accomplishments for GHG emission reduction.

1. FHFA appointed David Lee, Chief Administrative Officer, as the agency's SSO.
2. Reviewed the requirements of Executive Order 13514 and identified Scope 1, Scope 2, and Scope 3 GHG emissions and reduction targets.
3. Developed and started a benefit program for employees who regularly bike to work.
4. Conducted an employee commuter survey.
5. Initiated plan to consolidate agency data center operations and infrastructure.
6. Initiated plan to consolidate agency facilities.

2.1. SCOPE 1 & 2 GREENHOUSE GAS REDUCTION GOAL

Goal Description/Target: Reduce electricity consumed in applicable office space by 30% by 2020.

FHFA pays for electricity in a small portion of leased space (3,726 square feet) in one of the buildings. This portion of the building includes a large conference room, storage, and locker rooms. The electricity purchased for this space comprises the FHFA Scope 1 and Scope 2 GHG emission baseline.

Agency Lead: David Lee, Chief Administrative Officer and SSO

Implementation Method: To achieve the reduction target, FHFA will reduce use of unnecessary lighting by installing motion sensors, and monitoring the use of heating and cooling, especially during the warmer months.

Staffing/Resources: FHFA has an adequate amount of staff to meet this goal. FHFA is a non-appropriated agency and does not require approval of additional funding to accomplish this goal.

2.2. SCOPE 3 GREENHOUSE GAS REDUCTION GOAL

Goal Description/Target: Reduce GHG emissions from employee travel by 5% by 2020.

Agency Lead: David Lee, Chief Administrative Officer and SSO

Implementation Method: Employee commuting: To encourage the use of the public transportation, the FHFA transit benefits cover the full cost of the employee's commuting costs using public transportation. FHFA will continue to promote the use of mass transit and the bike

subsidy. In addition, FHFA will plan to increase the use of telework in order to cut down on the number of days that employees commute to the office.

Staffing/Resources: FHFA has an adequate amount of staff to meet this goal. FHFA is a non-appropriated agency and does not require approval of additional funding to accomplish this goal.

2.3.DEVELOP & MAINTAIN AGENCY COMPREHENSIVE GREENHOUSE GAS INVENTORY

FHFA has developed the Scope 1 and 2 GHG Emissions baseline. FHFA pays for electricity for a small portion of leased space in one of the leased buildings. The baseline was developed using utility bills received from Pepco. The baseline was developed using the DART tool and was submitted to OMB and the CEQ on January 4, 2010.

FHFA has developed the Scope 3 GHG Emissions baseline. The Scope 3 baseline has been developed using the *Scope 3 Target Tool* provided by the CEQ. The source of the data in the baseline comes from the following sources.

1. Travel data – Travel data was obtained from the Travel Services Division at the Department of the Treasury, Bureau of the Public Debt (BPD). BPD provides FHFA with travel management services through an interagency agreement. The data provided by BPD also includes travel information maintained by GSA. Since the agency was created on July 30, 2008, the FHFA baseline information is from FY 2009.

The major challenge in developing the Scope 3 baseline was the age of agency and the merging of systems and processes during FY 2009. Since FY 2010 will be the first full year that all users were in a single travel system, the Scope 3 baseline should be updated when FY 2010 data becomes available.

2. Employee commuter data - The employee commuter data was developed using an employee survey. The survey questions and methodology were developed using the templates provided by the CEQ. Approximately 40% of the employees responded to the survey. Therefore, the baseline information for employee commuter information had to be estimated for the employees who did not respond.

2.4.HIGH-PERFORMANCE SUSTAINABLE DESIGN / GREEN BUILDINGS

FHFA is based in Washington, D.C. and is currently located in three leased facilities that were operated by FHFA's predecessor agencies. FHFA is currently working on consolidating FHFA into one leased facility in Washington, D.C. This project is being led by the Chief Administrative Officer who is also the SSO.

2.5. REGIONAL AND LOCAL PLANNING

FHFA is based in Washington, D.C. and does not operate regional field offices. FHFA is continually looking for new and innovative ideas for employee commuting and telework and will monitor both Federal and local groups for new ideas.

2.6. WATER USE EFFICIENCY AND MANAGEMENT

FHFA is currently leases space in three privately owned buildings and cannot provide water usage data. FHFA will work with building management for opportunities to improve water efficiency and management.

2.7. POLLUTION PREVENTION AND WASTE ELIMINATION

FHFA is currently leases space in three privately owned buildings and does not control the waste elimination and removal of solid waste for the buildings. FHFA participates in building programs for waste management and recycling. However, the SSO will look for opportunities to raise employee awareness for recycling and waste elimination.

2.8. SUSTAINABLE ACQUISITION

FHFA does not currently have the systems in place to track and report on sustainable acquisition metrics. FHFA will review the current systems used to track and report our acquisitions. In addition, FHFA is monitoring changes to the Federal Acquisition Regulation (FAR) that incorporate the sustainability requirements.

SUSTAINABLE ACQUISITION	Units	FY 10	FY 11	FY 12	FY 20
New Contract Actions Meeting Sustainable Acquisition Requirements	%	Not available	95%	hold	hold	hold

FHFA is implementing sustainable acquisition requirements for purchases related to office supplies, facilities, and energy efficient equipment (e.g. Energy Star rated). When requests are submitted for purchase, the acquisition staff will check to see if the sustainable acquisition options have been reviewed. Due to the size of the agency and the amount of purchases processed, reporting of metrics and checking sustainable acquisition requirements is a manual process.

2.9. ELECTRONIC STEWARDSHIP AND DATA CENTERS

FHFA has been actively working to merge the information technology systems and infrastructure of the former agencies. The first phase focused on integrating the network and communications infrastructure. FHFA is now focusing on integrating the data center operations and infrastructure. FHFA is currently operating data centers of the former agencies and is working to consolidate the data centers. This project is being led by the Chief Technology Officer. The available data is summarized in the table below.

ELECTRONIC STEWARDHIP & DATA CENTERS	Units	FY 10	FY 11 ²	FY 12	FY 13
% of device types covered by current Energy Star specifications that must be energy-star qualified	%	n/a ¹	90%	95%	hold
% of electronic assets covered by sound disposition practices	%	n/a	?	?	?

% of cloud activity hosted in a data center	%	n/a	30%	60%	hold
% of agency data centers independently metered or advanced metered and monitored on a weekly basis	%	100%	90%	100%	hold
Reduction in the number of agency data centers	%	-	20%	40%	hold
% of agency, eligible electronic products with power management and other energy-environmentally preferable features (duplexing) actively implemented and in use	%	n/a	95%	100%	hold
% of agency data centers operating with an average CPU utilization of 60-70%	%	4.22%	50%	75%	hold
% of agency data centers operating at a PUE range of 1.3 – 1.6	%	0%	25%	50%	hold
% of covered electronic product acquisitions that are EPEAT-registered	%	n/a	95%	95%	hold
% of agency data center activity implemented via virtualization	%	23%	30%	40%	hold

Notes:

1. n/a – Data is not currently available
2. Metrics for FY11, FY12, and FY13 are from the Sustainability Plan template provided by CEQ.

2.10. AGENCY INNOVATION

FHFA has implemented the following innovative methods and programs that will affect the agency's sustainability.

Initiatives	Description	Affect on Sustainability
Commuting benefits	FHFA pays full commuting costs for employees taking public transportation. FHFA provides a subsidy to employees who bike to work.	Reduce GHG emissions from employees commuting.
Remote connectivity to information systems	FHFA utilizes a Citrix solution for a virtual desktop that allows user to work remotely using a secure connection to agency systems and information.	Reduce the amount of redundant agency IT hardware that must be procured, managed, and disposed of.

Initiatives	Description	Affect on Sustainability
Use of home offices for bank examiners	Employees work from home when on-site examining financial institutions.	Reduce the amount of dedicated office space needed for the agency.

In addition to the programs listed above, FHFA initiated plans to consolidate the data centers and agency facilities during FY 2010.

3. SELF EVALUATION

#	Question	Answer
1	Does your plan provide/consider overarching strategies and approaches for achieving long-term sustainability goals?	Yes
2	Does your plan identify milestones and resources needed for implementation?	Yes
3	Does your plan align with your agency's 2011 budget submission? ¹	Yes
4	Is your plan consistent with your agency's FY 2011 budget and appropriately aligned to reflect your agency's planned FY 2012 budget submission?	Yes
5	Does your plan integrate existing EO and statutory requirements into a single framework and align with other existing mission and management related goals to make the best use of available resources?	Yes
6	Does your plan provide methods for obtaining data needed to measure progress, evaluate results, and improve performance? ²	No

Notes:

1. FHFA is a small independent non-appropriated funded agency. FHFA has begun the FY2011 budget process for approval by the FHFA Director.
2. Automated systems that reliably and efficiently capture and report data are not currently in place. Due to the size of the agency's budget, investments in automated performance tracking systems can be difficult to justify from a cost perspective.

For July to December, 2010, FHFA has the following initiatives planned.

1. Work with OTIM and OBFM to identify mechanisms to capture and report sustainability performance metrics for sustainable acquisition and electronic stewardship.
2. Pilot program to increase the number of out-stationed employees.
3. Continue project to consolidate FHFA facilities.
4. Work with divisions and offices to document office space requirements.
5. Continue project to consolidate data center operations.
6. Review office supplies purchases and switch to sustainable products where appropriate.
7. Work with divisions and offices to increase the use of teleworking among FHFA employees.

For January to June, 2011, FHFA has the following initiatives planned.

1. Continue real estate project to consolidate FHFA facilities by working with selected real estate broker to identify properties.
2. Work with selected vendor to consolidate FHFA data centers
3. Improve employee awareness for recycling and waste reduction.