Good morning. This is David Flynn. Alright, let’s get started. Our topics for today are rental cars and sustainability in travel. Before we get started we will go around the table and do roll call. Once again, I am David Flynn and I will go to my right.

Kathy Lane. Bryan Scott. Do we have any committee members on the telephone? Cindy Heston.

Thank you. I would like everyone to remember that all attendees will be muted except for the committee members and speakers. If you have any questions or comments about the presentations, please submit your questions to GTAC@gsa.gov

One of the outcomes that we want to get from this meeting today is to go over rental cars and sustainability programs to make sure the advisory committee better understands these programs to determine if further analysis is needed, as well as to follow up on those action items for future meetings.

As we get started, we want to review some of the comments we received from last month’s meeting, which was January 22, 2014.

One of the comments that we received talked about the methodology and per diem rates. Was it a sound methodology? I think the outcome of that meeting was Yes. The per diem rates that GSA set are a sound methodology. But one of the comments we received was “should we be using actuals versus per diem?” They pulled a study from some Fortune 500 companies and stated that they are having significant misgivings due to using actuals versus a separate per diem methodology. Paul, you had some comments you wanted to share.

Sure. Very interesting meeting. We wanted to explore cost savings and sustainability. Right off the bat, M&IE gets reviewed every five years. We all thought about that and wondered why it was reviewed every five years. Most importantly without the lump sum versus actuals. From a commercial standpoint, I am not aware of any company that gives lump sums. We explored that and wanted to take a look and see if there was an opportunity for savings using actual versus lump sum. We thought of option one.

Looking at the methodology versus the actual expense is the way to explore further. I share that because my recommendation is the same.

Maybe we need to explore places where we can get healthy meals for under $10. Maybe we do not need the fine dining restaurants. That is my recommendation that we do that in March.

This is Dave from DoD and I will give you the abridged version. I agree with Paul, looking at the methodology in the calculation. I tried to put the rest -- the way they did that and they relate a lot of experience from the way we use actual expense allowance, you can itemize which will cost you more. They brought up the flexibility in the mission part. You do not need breakfast at any particular given time. There would have to be a fairly significant one-time investment, all the calculations go to the per diem table. That is a quick summary.

This is David; I am just making the point that is supporting what Paul and Dane were suggesting. Sounds like a good recommendation. I think we can move forward with doing that. Some of the other comments we received were that the per diem methodology was sound and they support it. We want you guys to send whatever feedback you have related to the topic we are discussing and then we can bring them up for discussion during future meetings. That is all we have to close out last month’s meeting. We will go forward with the rest of the agenda. Today we have some presentations. What I would like to do is start off with Marcerto and talk about the FTR and sustainability.

Actually, Harry Lewis will be doing that. We have Harry Lewis. He is an attorney advisor in part of the Environmental Protection Agency. He will be giving us a presentation on sustainability travel in the Federal government and green initiatives.

Hello. I am really happy to be here. I really think this is an opportunity to continue dialogue that started several years ago. We tried to do a number of things; we did the best we could. It was an opportunity to chat a little bit to get your fill.

For those of you on the telephone, please put your telephones on mute. We are getting feedback. Thank you.

I'm in the part of EPA that has to do with environmental purchasing and pollution prevention. Our idea is that by leveraging the buying power of the federal government, we would be able to do a couple of things. One thing is that the government will set an example; if we are able to leverage that buying power to promote sustainability. This is what the government is doing. The government has a lot of laws and we want to show the market and the rest of the world that we are serious about spending our money in what we think are environmentally appropriate ways and we also want to move the market.

The President said the federal government can and should lead by example when it comes to creating innovative ways to reduce greenhouse gas emissions, increase energy efficiency, conserve water, reduce waste and use environmentally responsible products and technologies. We over at EPA really take this to heart and as we go on, I will talk to you a little bit about our mandate. A lot of these slides are background information. The environmentally preferable purchasing program, the government spends about $505 billion and you probably know more than I do about these facts and figures so correct me if I'm wrong. Reduce the U.S. carbon footprint around the world; expand markets for greener products and innovations that I was talking about.

Here are some of our slides and you can see why environmental purchasing is so valuable. This is the area we want to focus on. These are predominately environmental hotspots that we think we can address through environmentally preferable purchasing. There are other interests besides the environment and a number of the standards that we work on are focused on sustainability, not just greenness. These are terms that are flung around a lot.

The word sustainability is commonly thought to include environment and social issues. Social includes things like labor and communities and things like that. There is a new executive order signed by the President having to do with antihuman trafficking, where the government will not buy goods and services that were produced using human trafficking around the world. The State Department is really involved with that. We had a meeting with them to talk about how we might coordinate some of the standards that we are doing. I will talk about the environmental preferable aspects of procurement. Our program that mandates the pollution prevention act, which is the first one. It requires EPA to identify opportunities and use federal procurement, which means we have to work with GSA because GSA is the chief procurement policymaker.

Executive order 13514 of which the president signed is the latest of a series of executive orders and highlighting the requirement that the government should buy environmental goods and services. We take that to heart which requires 95% of new public procurement, buying preferable products and services. I want to say here that the executive order highlights products and services. Most of the work, most of the practice that our area of EPA has been involved with has involved products. We have done a lot of work in developing sustainability standards for products manufacturing, electronics for example, buildings and products.

We have been moving more in the direction of services as well. We are involved in green meetings and conferences. There was a standard that was recently published, nine separate standards on green meetings that we participated with the American National Standard.

Strategic focus has been influencing and using marketplace standards to try to participate in the voluntary product and service environmental performance standards and assisting federal agencies. There was an OMB circular, which requires us to do things in the government, such as purchasing to the extent that it is practicable to do so. We have to use standards, such as The American National Standard. What those organizations do is that they create standards and standard development organizations on IEEE and some of the others. Those organizations are in the marketplace. There is a whole list of procedural requirements.

Once again, if you are on the telephone, please put your telephones on mute. We are getting feedback. Thank you. We are participating in an inter-agency workgroup that GSA served on that was informally called Section 13 workgroup. Section 13 of the executive order, 13514 has to do with guidelines for selecting standards that the government reviews and purchases.

What that is the standard of standards. Standards for eco-labels. There are economic categories including travel. In time, that workgroup was taken to EPA. It is no longer intergovernmental, although a lot of work that was done has been adopted, and so what has resulted from that is a set of guidelines that we in the government use in judging the efficacy, acceptability, for our use, the government’s use of eco-labels and existing standards that are out there in the world. That is ongoing. A lot of the criteria that are in those guidelines are taken from the ANSI and ISO requirements for developing standards of talking about.

We are working in the international realm as well. There is great international work being done on sustainable public procurement. At EPA, they call it public procurement; it is really the same thing.

President Obama, again, as part of 13514 said that the federal government should reduce greenhouse gas pollution from indirect sources, such as employee travel and commuting, by 13% by 2020. That is pretty hard and a fast benchmark. In 2020, we are supposed to be reduced by 13%. I think the baseline is 2008. This is what known as scope three emissions. I am sure many of you are familiar with these emissions. Scope one and scope two, federal agencies are required to report their scope one and two emissions. One for example , at the Postal Service owns their own trucks and delivering mail, the carbon that comes out of the tailpipe of those trucks is scope one. Other agency motor pools which may lease those trucks would be a different scope. The emissions from power plants that send electricity to the GSA building last year, those emissions are considered scope two emissions. Scope three emissions would be employee travel and employee commuting federal workers. So if we take official travel to fly from Chicago to DC for a meeting or something, then the emissions that come out of the airplane engines, the carbon that is produced when scaled down to what I am responsible for is sitting on that airplane, my share of those emissions for that flight would be scope three emissions and that would be attributable to my agency.

Also rental cars would be scope three emissions. And the emissions that are trivial will attribute to hotels. The best we can figure, the carbon for a room night in a hotel room that carbon equivalent or greenhouse gas emission that is attributable to that for a one night stay in one hotel room would be a scope three emissions and attributable to me as a traveling federal employee and thereby to my federal agencies and is therefore reportable.

That is an important thing to keep in mind as we go through the presentation. You were there and you can hopefully correct me if I get anything wrong or fill in the blanks, you all, being GSA contacted us at EPA and said let's get together and have a meeting; at initially a very high level to talk about what we can do to attract sustainability as part of federal policy. We got excited about that because EPA is thinking about sustainability in federal procurement and travel and we consider that to be a great move forward and an exciting thing for future endeavors.

We got the script together in the number of federal agencies, I will go here first. DOE was involved; DTMO, I think there might have been some other ones as well. A number of offices in the EPA were in attendance. We had a number of action items that we came up with. These are some of them: decreasing federal government's direct and indirect environmental impact from employee travel and market incentives for private travel/hospitality/tourism industries to increase sustainability in operations. There were two goals which EPA had. One was setting an example of having green procurement and green travel. The other is providing incentives for the use of our money to try to green the imagery; then recommending green criteria for the airline contract negotiations. Jerry, I hope you'll help fill in the blanks on some of that.

Most is stable government travel. We didn't amend the FTR, but we did go over a little bit of the procurement bulletins having to do with green conferences with GSA, and amending it for the procurement division that doesn't work. I will talk a little bit about that for future collaboration. We had a couple of initiatives that came out of this partnership they're the first one -- partnership. The first one I will talk about is sustainability, to increase government impact from official employee travel; the goal is 50% production, provide marketing -- our outcome from that is EPA assisted GSA with drafting and editing the publication of sustainable conferences and guidance located on your website and GSA's website. Here are some of the links to that document. We were actually very happy in doing this. The final product wasn't exactly what we drafted but I think what we offered was included it and it was really a great collaborative process. It was quite productive. The next screen is on sustainable conferences and facility procurement. This is very much a part of government travel. There are really two aspects which you will have to keep separate, one aspect is the conference itself, those things that you do that meeting planners can do to make them green, such as recycling not using bottled water, organic food being served and a host of things you can do if you are a meeting planner. That is mostly for government meeting planners. Another one is how you do facilitate procurement; the place where you will hold that government meeting or conference. There are things to look at in determining whether that facility is more sustainable. The idea behind this is the government determines which official who is doing the RFP proposal, in whatever city that conference needs to be at. They can say in theory, in that solicitation, please list any eco-labels that your hotel has certified to. That may be green, California green lodging, energy star. There has been a lot of good work in tracking tools to track greenhouse gases on your property, this is all good stuff. There is also international criteria that exists at a number of hotels, which are orienting themselves.

One of the criteria is called global sustainable criteria, which is part of the Council that is a standard or standards of some green hotels. They provide eco-labels, third-party labels, they can be accredited to. There are a lot of hotels orienting themselves to try to be certified under eco-label, this is all good stuff. I will talk about this also in relation to the FAR. I think this is an area that EPA aspires to go, and wanting to amend the Federal acquisition regulation. These kinds of contract clauses and RFP clauses to be used by procurement, we came up with a draft we presented to GSA; it is on hold I would say right now.

This is Jerry, where I hope you are going to jump in. Most of you probably know this the program with GSA of course, in charge of annually enters into contract for all of the city routes all around the country. There are thousands of them, contract carriers for each route, which are awarded contracts on an annual basis. There are a number of criteria that are evaluated, in deciding which airline will get that contract for that particular route. DC to Chicago would be one example. What we, in theory, were hoping would come out of the initiative, was that there would be a way of folding into the contracting process consideration of environmental for more sustainable performance by airlines. We met a number of times with what used to be called Air transport Association; I don't know what they're called now? The problem I learned in not being an expert airline industry is doing a lot of work in improving technology and improving their greenhouse gas emissions and their performance. There has been great work in avionics, with airlines that are actually revolutionary, instead of airplanes flying Chicago encircling five times before finally landing, they are able to fly a direct route from National Airport straight to and therefore burn less fuel. There are a lot of these that are either in place or are coming online. Nevertheless, it may be that flights having greenhouse gas initiative carbon emissions as part of contracts in making decisions about whom to award contracts to. Having that indication that possibly airlines can do better, they can be accelerated, now they are costing about 10 years, maybe they can accelerate that. We did learn that different airlines have different greenhouse gas emissions when you do the calculation and we wondered why was that?

If everybody is involved in trying to improve sustainability performance and trying to reduce fuel burn, for their advantage, why are some doing better than others on the same route? We asked that question. It is a complicated answer. Nevertheless, we thought it was something that would do well to get into the contract. We did a lot of work with the Department of Transportation, which is involved in the DOT Research Center up in Cambridge Massachusetts. In addition to this helping us understand the world of carbon in airline travel, we also took a close look at the reporting metric that is currently being used for federal travelers or other travelers, who are not Federal travelers. For the determining of carbon that is attributed to a traveler, taking in airline flight, we looked at that metric and we thought there may be room to improve to make it more of a realistic metric. I will give you a little bit on that. Although I am not an expert, it involves such factors as to which seat a passenger is sitting in whether first class or economy, business class, also the configuration of the aircraft, how many seats there are for example.

We were rethinking the idea of a new carbon metric. When we met with the airline industry, they told us what would be more realistic of measuring carbon would be to consider the revenue, the amount of fuel that is burned, the amount of payload -- this can be human bodies, sitting in a seat, it could be baggage, US mail bags, anything that is down there which is not considered in the current metrics that is being used, which we thought that made a lot of sense. We talked to the experts; one of these included fuel burn for airlines, the average tracking for one row per year, the other is another average of pounds that is being transported from that flight. You will put them together and you would be able to get a better idea of the carbon to the traveler. Somebody said wouldn’t that be great if we had that data? Global distribution service for data on travel? Saber told us if we had that data we would use that data as well.

We will develop this new metric into the federal system. EPA is not willing to come up with the money. We have an expression of commitment that would be considered, we came to a bit of a stall. That is where we are with those two ideas, when being metric, the other being can we use sustainability our greenhouse gas emissions as one of those factors, at award of the contract? Our perception after having participated in this workgroup for some time, we basically stalled and perceived that GAS was not willing to go forward.

This is Jerry Bristow from GSA. Can I comment?

You can.

We have moved forward. We were the ones who introduced the methodology, the greenhouse

gas emissions for air and if we take this into consideration we work with the center, as they come up with the metrics, we have been prepared to move that forward. They are not prepared to do this on a government-wide basis, which is the issue. Airlines, annually since 2008 have been reducing this, they are reducing their cost, making an effort. If you look at 2020; we are also going to hit this. We have a balance here. We have travel spent. If that is the way that you are doing these metrics, I think you understand that, we are moving forward. However if I put in a valuation factor for an air carrier, and we have this discussion, we need carriers in your to leverage out the price possible, if that is the fact there, and I lose them because of the missions, this carrier knows I have lost my competition. We are awarding 96% of the time with the carrier that provides us with the best. That is from 2008, we do take that into consideration, if I take into consideration the different carriers, which carrier has a lower emissions, the reason it is perceived is because of the extra overall rows; I will eliminate the other one that is not how we need to be. We have moved forward and we will make any changes when it comes about, as long as those metrics can be segmented government-wide, we will have them to work with.

A company indicated in theory they thought it would be possible to develop this metric. A more realistic way per pound including the average traveler is 110 pounds, when average, based on that assumption. They are able to come up with the more accurate assumption that we cannot go forward with the study. Our agency was ready to make that commitment, which it considered to make that commitment on the money that was needed to do that. We got an expression of intent, if we came up with that metric, if it was good, that would present a change, a new way of calculating carbon that is different than what is being used.

The company was waiting for us. They were waiting for us; they are not going around and around. We wanted expression back from partners, that we would be willing to consider that, and replacing it represents a change in paradigm in that sustainability travel, to make a choice, we are not married to the methodology. I think there is some contradiction between the executive orders to reduce travel spend, and the executive orders to pick your more sustainable products. I do not know the airlines cost to build these into the cost that is way beyond me, from a car rental perspective it costs more to purchase an vehicle. It costs more to rent those vehicles as well. There is a comment to sustainable, and at a higher cost those orders seem to contradict.

I just want to see the EPA's perspective on 2020 is an event this is an aggressive goal. The issue of the contradiction presented itself; haven't seen but maybe there is an interplay between the two executive orders. I think the way that we are looking at this is that there has to be balance, cost is extremely important to the government, never said that by considering sustainability to regard cost. That you can position sustainability that would be towards airline flights and hotels, you can look at this as the sustainability threshold. You can demonstrate that you will earn that way, or you are energy star, some other eco-criteria, then we will consider cost. The other aspects of the award process, I think from a problematic point of view we would like to see that. We are not unrealistic; we understand that there are other considerations as well. Cost is a very important one, the sustainability is an important consideration, and you cannot look at one without looking at the other. If we can assign sustainability as environmental performance, I should say, as one consideration as coequal as the other one, I would say this as a general proposition it depends on what products and services we are talking about. I would say that we would like it to be considered, right now in some procurements, areas of service and the government sustainability is not considered. Our job is how can we get sustainability to be considered?

One of the criteria that was considered, how do we get environmental performance would be one? Is there room for performance criteria, how will that work? Actually it doesn't cost more to buy, you can get a baseline previous for the low 20s. When I go to rent a Prius, a car in the low 20s, I notice this car costs more, it does not cost more to buy, there may be a few more that were available to rent, and maybe that is part of the issue; why is it that the hybrid cars are more expensive when they are not necessarily more expensive to purchase? I would say they are more expensive to purchase. We can show that from one company’s perspective, which we will talk about this a little bit later as I invite you to stay on our presentation here on sustainability.

Is it fair to say that the industry’s leading efforts for sustainability and allowing them to progress in the manner that they have been over the last few years, how would we reach those targets? As we reduce the amount of travel by executive orders, then will we meet the target on that? I agree with the measure; I like what Harry is saying to have it measured and used with other criteria, I think that is fair. I think it is difficult on the airlines side. I find it very interesting; will you start to weigh people? They should not pay more. That averages over the year and the performance they had in X-number of carbon produced per pound; meaning that as a decision I think metrics and other packages, how can you add that? They may do business more on one side. If they are doing that then they are not being as sustainable as others. They are burning more fuel, and therefore under that theory, carbon per pound, it would be a lot lower. If we were to emphasize that instead it would be more realistic.

Moving on to green travel lodging, we want to give incentives to improve travel and performance. A lot of you say we are moving in that direction anyway. The response to you is a lot of you are not, many have not gotten there yet. Some are certifying to eco-standards, which are less robust as others. One issue here that we are concerned with is that there are so many eco-standards, probably 30 or 40, I think, at least 20 some programs that the state uses. EPA has in-house programs to measure energy for example. So in making that decision how do we know which one is better than the others? I go back to the guidelines that evaluate the work. How good we think those eco-levels are would be a good way to apply those guidelines. In the meantime, this will take a long time. EPA is looking at coming up with their own list of eco-levels of standards of hotels that we think have value. In that process for next year that agency is purchasing, what we are talking about here is working with GSA.

To modify the new system you can jump in on some of this. There is this whole structure that is very complicated. Without having to go into all of it, I would say there are some entities ETS, these have booking engines that are attached.

This is Karen, speaking from GSA/FAS , as part of these contracts to make sure that the technology we offer is in line with what is commercially available in the government, we’ll put in place and take action to ensure these standards. The challenges we are having with ETS is the government, there is no standard. When we put this out, we have to evaluate a property based on any number of standards versus price, you run into the same issue. The government GSA/FAS are looking for a standard class for green. As soon as we put something available, that will be an easy fix. Here is what to keep in mind; the government is not going to come up with a government standard, we won't do that at that point. What we will do is evaluate existing sustainability standards that are out there, eco-labels like green key, green globe, Florida Green lodging, these different labels already exist, some of them are better than others, we hope to evaluate and select the ones of government approved eco-levels. Again this is inspirational; we would like to see information provided to federal travelers. We would like to see it on sustainability. Federal travelers are buying airline tickets, rental cars, hotels, there are sustainable information in relation to automobiles, hotels, again there is some information developed for airlines. Let's talk about hotels, how do we get the information that the downtown Hilton Chicago has a green field and then an energy star?

They went out and spend money improved their water performance, their solid waste division; they did a lot of work and have made great strides. How do we communicate this fact? -- Had we communicated with the federal travelers? That is a good point. They earned a green field label. They earned the energy Star. Does that information exist somewhere that travelers who are planning official travel, any trouble for that matter, does that information exist?

Yes. it does in fact exist. It does exist in special places. That would label the hotel as being sustainable. How do you get to the 2%? You're going to the crop that is green. How do you measure to meet the requirements of 2%? Initially we may not be able to reduce greenhouse gas emissions. Where is the baseline in 2008? Where are you now? If you are participating in portfolio manager, you would have that baseline and you would know what your energy intensity score was and we would able to calculate your score. The international tourism IPP partnership has a carbon calculator for motels; there are others out there for hotels. There are others out there that may calculate carbon per room night for a hotel guest. Those things are being adopted more and more. If you are able to calculate the baseline, and what it was, and what the current reading is for hotel, you're able to come up with the score.

Right now before we get to that spot, we just want federal travelers to have the information just so that they can choose the one acceptable eco-rating. We will start with that basic first step, getting back to that, how do we provide information? If you asked the global distribution services that do not provide information to the entities that we can track, Sabre is the biggest one. They actually have the information and came up with a acceptable eco-levels based on the criteria that I was telling you about before. They take any hotel that has claimed a certification under one eco-level, and they put it in a database and assessed by the companies that draw that information they are able to put a little green check or icon on their product or service. Will they allow the entities to pull that information from Sabre. My understanding is that information is not allowed to come through federal travelers for that one reason.

The only clarification I'd like to make is not being allowed. It will be allowed if it is a technical issue and it can be transported across through the online booking tool, you are correct in that Sabre has the criteria of what is an eco-friendly hotel. The government does have an opportunity granted they do and majority they are not selecting again; they have adopted the eco-label. We feel this is a good way of looking at it for the future of the EPA. We hope to develop our own in the next year and a half. Once we come up with the list, we would like to see those services. If Sabre is willing, maybe to have funding, say the government approved eco-label, they are willing to work with us on doing this, I don't know about the others. Our question on all of this is to be able to supply federal travelers with information to make informed choices.

Under federal law we can't require them to buy a hotel room that has an eco-level attached; given the choice more employees would be given the option. I think the government traveler should have access to other travel information. It is not biased; it is just educating the traveler. They can begin to provide that information. We will work towards this, and I also want to make a point the government is very supportive of the sustainability issue. For example, there is a tool that GSA has in the marketplace, for use by government agencies in the selection of hotels, cars, and airlines while planning a meeting, that tool goes out and identifies the most cost effective venue and city to hold the meeting. In the evaluation process, the airlines specifically right now, it is the GSA meeting planning tool. It incorporates two products that GSA has; one is through our travel MIS system. There is an additional tool to the standard program that helps in procurement of the market research for the selection of a property that is reaching the criteria that the government agency has put in.

At this point, I don't represent this program, this is the information that I would be happy to get back with you. Planners like it because there is a written record, and you can select. I could tell you that HHS, this is David Flynn, we have looked at using this tool internally, and we have planners in place that can do this. I like the tool although I could not get the buy-in across HHS, and maybe there is a criterion that can be factored in that can be used for the planner to want to go there right?

This is where I differ the expert at GSA, for contracting, I understand federal procurement offices, the conference facility are able if they want to, ask any information on sustainability. They can consider that, and there may be a problematic reason for having this help, I would suggest with amending the FAR with language and information that does come back would need to be evaluated to the same degree, maybe not as a threshold, but maybe to other primary factors. We would hope that they would choose the hotel that had the lead rating for example or energy star. Really, the critical thing is the key priorities you have to determine when sustainability thresholds that it comes into play. 5% difference in price? 3% difference in price? Then, like you said, faulting is equal, and as Jerry said it is not going to happen.

This is an excellent point, this is an issue that we kicked around a lot, in EPA, because we are doing a lot of this. by the way, we have a lot of regulations and are moving ahead in these policies. One of the big questions to what degree are we willing to spend extra? If the sustainable choices are more expensive, it could be anything not just travel, how much, what is an acceptable percentage, 5%? We do not have a firm answer to this. We have our own Office of Chief Financial Officer, that has a lot of say, we are trying to identify as a matter of policy what that number has been but have not gotten there yet.

You also stated that the proposal is on hold by GSA for some reason? Maybe an update from us would suffice in the meantime. Would it be reasonable to send out your proposed list to the agencies? To see if they want to incorporate them into their acquisitions before it gets implemented into the FAR? That is a good comment. We will set up specific criteria. The final role taken up package once we have finalized it and providing get to our agency would be a great idea.

I'm just thinking it would be easier if the agencies would have already looked at it, incorporated some of that, when the FAR comes down, to make a couple of tweaks to comply with this, they have at an opportunity to look at it. That is a bureaucratic machine, whereas amending the FAR would be the most efficient way of posting those requirements, it would be a one-shot deal. They knew the future outcome of what is going to happen; they could take the right steps to approach that instead of going out on their own. If we do not move forward with the FAR, then, I don't know if you wanted to comment at all?

Just trying to do a time check right now. Here are some resources we have, there is that HT meeting, green meeting industry Council, you can check our website and green hotel resources, energy star is a big program as well as WasteWise, and the Council I told you about that credits hotels with eco-labels.

Thank you just a quick thought, this presentation will be posted to the gtac.gov website, it will be there in the next day or so. We thank you very much Mr. Harry Lewis from EPA.

To keep things going we have presenter Lee Broughton, with Enterprise Holdings, National Car Rental, to speak on global economics impact on the car rental industry. We are putting up the presentation right now. Then we will get started. Thank you very much.

One thing I hope will become clear, I actually wonder if some of the language we are speaking of, could potentially be put in a positive spin around sustainability. If we were thinking about innovation, which we are, we are talking about how the private sector uses innovating services and products, that GSA and DOD want to purchase, the threshold of cost becomes a very different threshold of operating difference. I will walk us through a little bit about the current rental car industry from Enterprise’ standpoint in the U.S. This is more about some of the things that is happening in the category in the innovation and travel, and then we will get into some of the things that could be examples on how you can define policy making in the travel set, organizing the supply chain.

I will begin with our mission statement. To be the best transportation service provider in the world, to exceed our customers’ expectations for service, quality and value, to provide our employees with a great place to work and a positive attitude and impact within the entities we live and work as well. Okay in terms of Vision, which again I think is important, you are working on something like this in response to the executive order we talked about leadership. For us it is no different. The way we look at ourselves in a category, it is about the information engine to an extent, we think there is information around differentiation, and we think it is acceptable from an environment in an organization. There is a lot of scrutiny and there is a lot of innovation in this area that we are invested in as well as it being supportive. In terms of this category as a whole, I thought it would be helpful to understand a little bit behind the market.

You can see here, most you can put it down to the right in terms of how it is divided in shares, U.S. and Canada in particular looks like they are into rental car national. There are three brands. Looking in travel organization and car rental as a whole, I think this could be considered here, and have taken the time to get verification at a global benchmark, such as GRI. I think we will get into some of the transparency, those sort of things are indicators that you are listed with a supply chain that is very careful about self and the world around. There is not very many in the travel sector, there is one airline that has done this work, so it is challenging. The example of the brief figures is that basically it says we are pretty big, well distributed throughout North America; we are reasonably well-thought of with number 15, in the companies in the U.S.

This slide is trying to suggest, it is not brainwashing, it is good public relation, and a part of how we do our business strategy, the way that can be proved is that we do not have a sustainability department. In the standard sense of the word, we tried to make it work across the department. It goes to the sustainability department; it is a part of everybody’s responsibility. This is very much at the center of how we look at the world if you like. Diving into the area about which we gathered, the Global Business Travelers Association you are familiar with, they have written a paper about sustainability which continues to be an area of differentiation in the marketplace. Today's business traveler is more inclined than ever to factor sustainability considerations into travel arrangements. From our perspective, some of the things that might be considered, it is a complete list that one would want to consider while designing travel policy. I will go through these with relative quickly. I would like it to be dialogue so please dive in. I will talk about some of the challenges. None of this is going to be easy; nothing good tends to come easy. We will take the first one. Sustainability reporting.

I think it is personally very important, the company has found it hugely beneficial to measure something, and then you are able to manage it. One of these things that happens in the sustainability reporting, it depends so much on who actually establishes benchmarks to allow you to take scrutiny of your business, and make it public. The fact that there are so many frameworks out there, this can be a way in which you can create a supply chain with individual organizations that have taken the time to do reporting, having get verified in a third-party, someway shape or form. This has to be the best approach. They are doing things today that are going to change the way in which they benchmark organizations. I won't bore you with details; it is more around renewable energy credit. It may end up meaning the organization may go to someone else. We do not know that yet. They do tend to change so it is important to be verified. You want to make the most of innovative products out there. They would be more sustainable whether they are manufacturers, who are held accountable. There will be checks and balances that will have to be addressed.

The interesting thing is we have to look hard at our supply chain, one of the easier ways is to go through to your supply chain, you can brag about that, and that is interesting the airline authorities require us to have a good supply base. That ends up being about numbers and more competition. The “mom and pop” types of suppliers are very local purchase, and there will be more expensive than a national supplier. There are sort of things out there like Wal-Mart that have been made trendy, again speaking about the challenges there, it is a balance. I do think a formalized plan would actually work where you request your supply chain is being accountable to the same things you are holding yourself accountable to. There are ways where they can be audited; there can be ways were that can be part of a pitch, and all while managing costs, at the end of the day that is one of our roles. Doing this, we have been able to reduce across our fleet. That is something that we have had to manage because we have begun to work with a supply chain that enables us to do this, to be able to measure this. The windshield repair company is working with suppliers that can recycle the glass. We are even looking at taking vehicles that have been totaled in our fleet and transferring glass to our other locations. There are things that can be done across many various body shops, they have come to us and asked if we can help them in the area the sustainability. We have been asked what to figure out, us mandating, not a legal requirement yet, soon it will have to be. Things like tire use, recycling of oil, those are important things. They have created a commitment on their own; Wyndham worldwide, they go into detail about the supply chain.

This whole thing about investment in technology, we talked about the Prius earlier. When we first had it in our fleet, we were getting inquiries about installing tracker lights. We had to create a hotline; a group of people had to manage this impact of the technology that was creating havoc. Today that is laughable, with the other stuff, which is a part of our everyday life.

The consumer is still struggling with some of the stuff because the education is pretty thin. Cost is definitely part of this. There is a challenge to educate all of us. When creating some of this stuff, there is an element that needs investments. In time, the price will go down. If you look at the size of the Prius, and you compare it to the economy car, it is more expensive to buy. If it is a $20,000 vehicle, which is within reaching distance of many more folks today, then it was in 2003, when it was a $40,000 vehicle. There is still a size where the customer is expecting a big vehicle for the amount of the cost to rent a Prius.

There is a revenue component that plays a role as well, which is a bit of a challenge. Some of the things we are looking at is where we can help the experience of the Federal traveler through a better service if you like, rather than just about the vehicle.

Since Enterprise is a service provider not a manufacturer, it is difficult for us to mandate actual things around the vehicle itself. We can make sure that the experience along the way is a really good one. We have a go mobile app. Fuel efficiency is a big deal, which we talked about it with the airlines and a big cost to our business. There are ways in which you can work with the supplier in efficiency of which there is a lot of interest. If you talk about vehicles that have X miles to the gallon and we can provide you what your vehicle is using on average, and to look at the fuel efficient option over time, this is something we do for customers. Also, there are things we can do around emissions, which we will touch on that in a second.

To give you an idea of our fleet, there are just over 1 million vehicles, which we have 60% at 28 miles per gallon or above, with an average of 32 miles per gallon, which will be difficult to find anywhere else. In terms of the scale of efficient vehicles, with the hybrid vehicles, we do help corporations make sure that they are a percentage factor in their purchase. Also in the area of efficiency, in the city of Loveland Colorado, we have been working with them over the last 12 months with eight cost share programs.

You have roughly 200,000 vehicles around the GSA Fleet. In terms of carbon emissions reporting and carbon offset programs, again I have practiced in saying it is tricky. Going through this with our organization we have 20 vehicles -- it takes a long time to get it right, to feel like you can actually go public, and having it verified by an audit company, what you will discover here is that they do blind testing. To make sure that the vehicle is working reported on randomly, it takes time to create something robust like this, which we have done. We have had a third party audit it for a few years now; you're seeing a reduction here. This is something that they should have in terms of supply chain and how this stuff happens, which is not necessarily robust as the European model, and this even had issues. It is a tricky one, but again, we have taken the time to have it available.

Some corporations are doing great. We have had this over the last three years, our baseline in 2010; our entire inventory on emissions is based on a baseline of 2010. It is on a five year increment.

Question.

Yes sir?

On your emissions, are you thinking to take into consideration your carbons that are coming out as opposed to emissions involving manufacturing and transporting to the senders, then the disposal afterwards?

When we do these the actual emissions and scope, we have done all of that work, the numbers you see are here, we only have and own the vehicle for nine months -- we will resell it back into the used car market between nine and 12 months, for that period of time that is what we have a full inventory of. If you have an average of nine months for that vehicle, if you are doing a full lifecycle analysis of the carbon, that your company is responsible for, if you are to extend that ownership by two months let's say, to 11 months from nine months, you would have to buy another car. You would have less demands on the other car. Your greenhouse gasoline would go down? Here is the problem with that, the first thing the customer's experience would be out of the window. The 9 to 12 month window is about the mileage on the vehicle, the federal worker is traveling around the U.S. would not want to be in a 20,000 mile car , an older vehicle that actually ends up having a bigger footprint than the newer vehicle, because it is not as new technology, it can have issues. The maintenance of the vehicle is a big part. We take enormous pride in maintaining our fleet of vehicles. There are cost aspects that have it impacted on emissions. There would be a piece of work that we would have to do that would be a cradle-to-grave type of thing. You are speaking for the general GM, and Ford, maybe these large big pieces of work and maybe incorporate and recycle materials. To reduce that impact, we are a service provider; this vehicle would be 9 to 12 month span, we want to make it better, and because of some of the issues that happened to the vehicles, it is not about 30% of customers, it is, is the vehicle clean and has good mileage?

Somebody wrote an article a couple of years ago and the question was, should I sell my Hummer, and buy a Prius?

After doing the economic comparison, they found out that if I have this for two years it would be less than a positive impact then if I bought a new Prius today. All of these lifecycle analysis -- I would buy it because I would think it was more because of the Prius as a highway vehicle. In terms of carbon offset just briefly, in case you are not aware, you are able to reduce your emissions that you use on a particular trip, then we put $1.25 to it as well, $1.60 would go towards a project which is an additional project , you don't want to be putting money to a carbon offset project if it would be happening anyway. Efficiency is a big part of what we do. We have a wind farm. We call them big wet lands. Just to clarify, I don't think this has been approved with the Federal traveler? That would be innovative. To take advantage of the electricity, just for the benefit that some organizations do make it something to approve. There are lots of ways one can do it. We talked about energy reduction in building the car rental category is not often thought about being in the building industry, we have 1000 buildings, and property is a big part of what we do. We have a platinum Leed building at O'Hare, we have foliage on the roof, it was costing us an extra $250,000 to do this, the interesting thing was when you build it into the design of the building and as a huge payback factor, it ended up being a 1% increase. In terms of all innovation in that particular building, we learned a lot. We established our own protocol, holding ourselves accountable, you can see for the construction protocol.

We also have 20/20 vision, which is similar where you have talked about reducing energy efficiency. In 2010, our commitment was to reduce our usage and our cost by 20% which is where the 20/20 comes along. This year will be our fourth year. Our goal is to hit 60% and we are pleased with this. We did invest over $150 million into the sustainable construction protocol, making sure that they have the right materials. The things associated with building, we have actually come from the facilities department which is quite large.

For duty of care, this is like being magnified with missing pieces in a service and you will get plans and new strategies for the culture, we have worked very hard on this as well. This is the value proposition as well as organization, this is our vision statement. Delivering unparalleled customer service and access to sustainability rental choices and practices throughout the buyer experiences, some of this also is in disaster relief, sadly in the U.S. it is whether it is disaster relief, and sadly in the U.S. it has been weather-related. We have done a lot with FEMA, and basically maintaining at every level of American life. I think in some way this is something that is important to be a part of a decision when you are looking at travel providers, because when there is disruption, it is just one of those things, how does the organization you with work with work through the disruption? Then how do you end up sustaining your activity -- you cannot work through disruption, which is an important point to make. Formerly, that is all I had to say, I would love to take questions and answers, and I would hope that this was helpful.

Yes it was. Thank you very much, are there any questions in the room?

I have a question for GSA, regarding carbon offsets. Is there a policy allowing Federal travelers to purchase offsets? As of right now, Craig is out of the room, from what I know there is nothing that will allow the employee to offset the expense. Right now it would have to come out of their funds, which they can do that of course, but it is not reimbursable by the government. Whether or not we try to incorporate some of this, this is a good thing especially when you have a matching program. You'll get to your 30% very quickly. That will be a decision that will have to be made. We can definitely look at possibly recommending that. Yes, I hope they would allow us to be heard. Yes, submit your recommendations to the [gtac@gsa.gov](mailto:gtac@gsa.gov). Were there any other questions? All right. Thank you very much for coming out and talking to us about it was very useful.

We are not going to have a lunch, we will work through lunch because we have had time constraints. Before we get started I would like to take a 10 min. break, we can come back in 10 min. to discuss the rental cars. Everyone on the phone we will be on mute mode until 12:15 PM. Let's do 12:15 PM. We will be back at 12:15 PM. Thank you.

RETURNING FROM A 10 MINUTE BREAK

Okay we will go ahead and get started with a meeting, I just want to get a quick update as to our agenda, and we will get started with a presentation from DTMO. Afterwards, we will open it up for questions from DTMO, then we will go to lunch, for one hour, after that our lunch we will get into another presentation, by GSA. Then we will have another presentation by a rental car industry, then we will close it out with the sustainability bulletin, and then we will wrap it up on discussions with the committee closing up all the presentations we have heard.

Right now I would like to open it up to DTMO, which is the Defense Travel Management Office, presentation from both Andrea Carlock and Maureen Rinehart and they both will give the presentation. Thank you for coming in today.

Thank you David, for the great introduction, Inc. David indicated my name is Andrea Carlock. I am with DTMO. I would like to thank you with this opportunity to tell you about our programs that we manage for the federal government. What we will share with you, you will be very pleased with what we believe is the better programs to provide travel services. We will provide you an overview then we will be happy to answer any questions the committee might have.

As I indicated, the rental car program supports the entire federal government, it is administered by the travel defense office, includes the U.S. defense service, and travel for official traveling. It is for official travel when travelers are going on business traveling. We have 16 vendors that participate in the program, which Maureen will go into a little bit more detail, and the added value it brings in having 16 vendors. We have 10,000 locations worldwide, with some being in very remote locations. In the corporate space, it would be hard to find a program that is similar to ours, which have vendors participating in the program worldwide. We believe the program offers great benefits, which can either be booked in the ETS2 system or the agency Travel Management Center.

Moving on to the program benefits, I wanted to stress this is a partnership with our industry vendors as we make the agreements with them, which includes loss damage waiver and liability insurance for personal property insurance we included mileage. There can be a charge for a one-way drop-off fee, reservations are held for delayed travel, no fees for additional authorized drivers or under age drivers. There is a budget crunch we have been going through; we have a lot of ride sharing that was encouraged in rental cars, cars that we took advantage of. No minimum rental fee period the upgrade has been given to the available car to the rental car company. The implementation of all these benefits is secured with a five dollar daily government administrative rate supplement, as I am on official travel, there may be a five dollar fee on my contract on the services that are being provided to implement these on a worksite basis for the government. I will move into program management review, going over a couple of studies, that we have gone through.

Recently within the last two years, DTMO, through an independent review in 2012, we were looking at different aspects -- not only for an improvement -- for best practices we can incorporate. We have specific areas of market share that the government goes to consistently with more than one vendor there which gives us the best overall price for the government. Below the corporate benchmark, we looked at the competition that was driven. We started to look at the airports, how many vendors were there? Of course the airports with one or two vendors we were not getting the best price. The 30% below; we did not have a lot of market share for those products. We moved up to airports with at least five participating vendors. We dropped significantly below the benchmark, at the 30% level, FY 13 our airport averaged $26 a day rate throughout the state. We are still looking at that we have run two years worth of modeling for that. Nine vendors at airports seem to get discounts rather than those that are in the market share. I will explain this process.

We require each vendor to get a feeling rate, which is the maximum amount they can charge, through our data collection. 97% of the time we are never asked that rate. Through the study, they actually found 57% of the time; we were 30% below the benchmark. We never come near, except where there are disasters or events that happen in certain areas. I will give you an example. Most recently, we seen this process done during Hurricane Sandy. We enjoyed a $71 a day rate for the vehicles that the government, first responders, and agencies needed to get into the affected area code. There is also some risk involved as far as the damages in the flooded areas. The flexibility of the agreement allowed us to immediately allow us to go out to the event. We asked them if they could waive any drop-off fees that were close, that may have been open while the traveler picked up the car, but then due to weather conditions were unable to. This is the flexibility.

One of the other things the study was adamant about recommending was stakeholder engagement to our organization, which has been managed the rental car program since the mid 1980s. The arrangement with the stakeholders really was when negotiating a new agreement, we asked for input and showed them changes and asked if they had any comment on that. Now we have established semiannual meetings with the stakeholders.

I have another slide I will go into, through GSA, and inter-agency travel committee we were able to reach out to a lot of our travel professional partners within the government, and we have had a great response. We are on our second year of having a semiannual meeting and it amazes me all the time people wanting to come in or call in to talk about the rental car company.

For a joint development for gold standards for this program, we wanted to look at what would better the program and came up with categories as gold standards for the program. Other things we have in place already are mission support for one, as far as 16 vendors worldwide support for the government, overseas locations is very important. The military -- we do get a lot of support in the areas outside of the U.S. For the FY 13 the market share it showed a decrease by 17% on the revenue spent on the rental car. We do require use of the lowest-cost vendor for that type of car. It is built into our online building system; a justification can be put in before it is approved. We did find out that regulatory guidance is different in the civilian agency. GSA did take action. We are also reviewing test liability, and for states that do not tax the federal government, we found some states adding additional taxes now, and Colorado has a two dollar fee that they just imposed in the past few years.

We have gone out to the vendors which it is not expected to be seen on our contracts. Data collection is under our current agreement in 2010, which is rental car agreement number four, and really had no viable data collection at that point. We are getting monthly reports from all vendors now. We can look at the travel charge cards and also using it under gold standards for compliance. We can see government travelers are complying with regulatory guidance in addition to them doing what they're supposed to do for the program or the vendors from this data; stakeholder engagement. Our semiannual meetings as I mentioned before, received great responses from all of the agencies in on the policy side and operational piece for the travel of professional. We have created outreach and training. We have a communication toolkit that we provide to stakeholders. There is a business card on the left-hand side. If you want to review it further, take one of the business cards. These are the key talking points. We have posters that can be put on kiosks and government buildings.

There are articles that we put in some type of travel forum. This is a way we are trying to educate the government traveler. We want them not only to know about the program, what they're entitlements are.

Saying that, I also want to do the flip side of that; we operate this program in a spirit of partnership. It is a travel program. We have left some agencies that try to use the rental for their duties and administrative use, such as law enforcement agency. So we do stipulate that the use of rental car is for travel. They are not to go out and take the car to the firing range or things like that. Those damages are not the responsibility of the rental car company. The government does take those. Emergency and special occasion related support; our vendors are very proactive in that area-industry engagement. We have always had a semiannual meeting with our industry representatives. We have created several ad hoc working groups for our gold standard. One of them, “counter bypass”, or “government frequent traveler programs”, government travelers can get a number that identifies them as having all the benefits under the rental car program. We have also developed agent training to help support our industry partners so that they can have their employees look at training that gives them the terms and conditions of the program.

We do have a conflict resolution in compliance. We have an automated tool. If you are in an accident with the rental car as a traveler, you can give us the information, your rental contract and we can reach out to the rental car company if things are not going the way you thought they should go or they are not being taken care of. Or possibly your reservation is not showing up as a government reservation. We offer customer service in that respect.

Maureen, if I could, what we are passing around is some information on our communications campaign. Because we manage the program with the federal government, we have the capability of allowing you to go to that link and you can download all of the information that we have in that folder. You can utilize that information to provide training to your individual agency or civilian agency. That is something that stakeholders have really felt is good and important as they manage their own individual programs. We manage the rental car program but they could utilize to train the program. We will provide you the link. That is something that is available to all of our federal agencies. I just want to go one step further in our pressing because I did delve yesterday and wanted to make sure I had some good costing. I had some averages and I will give you our top destination for government travelers is Washington DC. That was not a trivia question. Even though our footprint for FY 13, which granted is an unusual year for travel for the government, decreased into the DC area by almost half our revenue spend here; our rental car rates still reduced in cost. Even from FY 11, they reduced from cost. We were at $30 for Washington/Reagan and now we are at $28.44 for FY 13.

I also printed out and I went in and pulled up Washington there with the daily rate if anybody is flying in March is $25. I even went further into in Dallas -- if you need to go somewhere on three March in the Dallas area, you can rent a car for nine dollars a day under the government rate. It gives the vendor an opportunity to look at their inventory, what is going on in that market. Government travelers to not normally book trips that far out. They can change those prices in the GDF. San Diego, our number two market, for the government is the only area that increased in travel from last year to this year. Even with that, the rates for the first week of March are coming up with $14 per day in the San Diego market; one of nine vendors at the airport there.

The key thing there is the fact that as we talked about having those 16 vendors in our program, those 16 vendors did compete with one another. For example, in the DC area, there are all 16 of those vendors. That allows them to compete with one another, which then allows our cost to be driven down. Having the multiple vendors within the program allows day-to-day competition driving our costs down.

Are the vendors smaller or regional companies?

I guess you would call them regional, they’re mostly out West. Some of these companies do belong to the larger rental agencies, but they all compete as separate corporate entities in the marketplace. We do have small business. We have one specific that operates on Guam, a rental car company. We have one in Europe that does not have any in the states, Mediterranean and Middle East. We have eight regional companies throughout the Midwest. So they are not everywhere, but they are in significant areas.

Are airports moving towards this consolidated system, central location to pick up the car so some of these rental car outlets would not be in that consolidated center?

Right now, there are some that are not.

The traveler would still get the shuttle service right?

Yes, they have to have a shuttle service and be able to reach the airport within 15 to 20 min.

Talk about reduce spend, this is David, is that government-wide? The 70%?

Correct. Government charge card.

We will go to the next question.

When you look at your program versus how the city pare program is, which is on an annual basis, how do you figure out that daily competition works better than doing an annual rate?

So we use benchmarking to determine that. That is part of our gold standard. Part of our gold standard that we worked out with GSA is the fact that we would do benchmarking to determine not only against our daily rate, but also corporate rate. How we are doing in comparison to the corporate world? Our benchmark shows that we've met with Lockheed Martin and we do that with other corporations as well to engage our program in comparison to some of the corporate programs.

I think the city pair program is a very good program. I think it offers the opportunity to provide our travelers what we need as it relates to air. I think the air industry and rental car industries are different. I think the air industry has more where they are willing to charge you for. In the rental car industry, it has not necessarily gotten to that degree, not that they will not get there, but I believe the two programs are vastly different. I do believe that the city pare program is one of the better programs.

It is one of those programs; airline rates change daily as well so you have the same comparison there. You have daily fluctuation of rates. That is pretty much determined on how much travel is being done at the time. So it is nice to have those rates so when it is peak season, but also when it is off-peak, we are still paying maybe a higher rate so it would be nice to find some of those lower rates when available like the nine dollars out of Dallas. That is just remarkable. I know we have a dossier that plugs in with that. I believe how we get there is by looking at the use of restricted fares. The use of restricted fares, understanding that we have to utilize that carrier that was awarded the contract, city pair, but by the use of city pair all travelers can utilize it. I think we need to look at implementing the use of restricted fares. At Lockheed, that was one of the things we talked about for DoD. How would we implement this for travelers? We talked about the nine dollar a day rate where it even the ceiling rate, you might think that is a hike, but in terms of comparison, even our ceiling rate is actually a low rate. You think of Hurricane Sandy situation in the Northeast when during that hurricane response was difficult to get cars anywhere. If cars were open, the government was getting them at ceiling, $64 or $68 a day when everybody else was paying $100. Much more than what the government was paying. So even the ceilings are actually driving a much lower rate for the government then you would expect. It is still a great deal.

What ceiling of rates were used?

We established by individual company in conjunction with approval from the DTMO.

We negotiate with the DTMO based on gold standards what is an acceptable ceiling rate.

Correct. Say for example if we are traveling to Boston. They come in with $300 ceiling rate, we do research to determine whether that $300 ceiling rate is something that we should accept. We negotiate with the vendor to say we accept whatever that ceiling rate is at the time.

This is Craig Flynn. I'm on policy side. Although it is a contract and a guarantee flat rate for the entire year, there are opportunities to go below that if you can find that. If the contract in one entity wins the flight between cities A in city B, there is a negotiated rate and sometimes there is not one that is accepted based on the bidder. And you think we are not going to award a flight because nobody is coming in with an acceptable bid and there is not a contract flight in certain areas. In a lot of ways, even agreement versus contract in different aspects associated with that, from an operational standpoint, they are similar. Only one airline gets the contract in a particular city pair and there are multiple possibilities for rental car companies that have a chance to get a particular travelers business.

This is Pat . On the ceiling rate, is it a bias company?

Avis could have one and Enterprise could have another, National could have a fourth, all in Boston or New Jersey, they would have their own ceiling rate?

We also have by country, ceiling rates in foreign countries, which take them to a maximum amount within that country no matter where their location is.

How far out is the ceiling rate established?

Our ceiling rate with Enterprise, the last one we gave to them was during the renewal of the contract in 2010. I cannot speak for all industries.

It does have to remain in effect for 60 days, you cannot change it. There is a lot of market research as far as commercial rates, with the corporate levels are that we look at before we approve any rate.

This is Kathleen with National Corporate Housing. Are there duplicate rental car programs out there, Federal rental car programs?

GSA has a fleet program, but our program is for official travel. This is the rental car program for that type of travel.

There seems to be a lot of duplication of programs so that is why I asked the question.

There is a lot of procurement from government agencies to put your rental cars in contracts, but when you look at that procurement, it is not for official travel, it is for sustaining operations. An example might be the military in North Carolina might need vehicles for training exercises. Slightly different than official government travel.

Got it .

And the funds come from different places.

Even if they do reach out to Enterprise, they still want to utilize what we have in our terms and conditions because I think it is so good and it goes over to whatever it agreement that they reach.

Hence the motor pool.

To sustainability, five of the companies offer hybrid vehicles or electric vehicles. I will reiterate the cost is more than a lot of the averages and I’m quoting. We do not see a lot of reservations for those types of vehicles, especially under budgetary constraints. We also do not see a lot of the infrastructure for them. On the DoD site, a lot of our military bases are far from the airport and using an electric car for those types of vehicles.

A great example of that is you can rent an electric our DCA but if you go to Cambridge, Maryland, there is no charging station for you. The infrastructure really has not caught up with the available technology.

To that same point, you cannot plug your electric car into a federal building. There are issues with that.

They could contact directly. We do not prohibit that. However, we encourage in the regulations to talk about the use of the T and C or CTL booking tool. If they were all Enterprise, they would be able to get a reservation, but they are supposed to utilize their DTS, etc. tools.

There are three main ways to book a rental car. As Andrea said, one is through the direct drools, DTS, CTS. The other is direct contact with the car rental agency either through their website or telephone call are walking into the branch or any other method that the company may have set up. And the third is through the CTL and having them book the vehicle through the government process.

He said we do not pay the government, you said the CTO. Companies not paying anybody back, they do not have to pay a fulfillment fee -- we do not get involved that. Whatever agreement they have is between them and our flat fee. But whatever relationship they have with that TMC or CTL is between them.

There are companies that pay commissions.

But I must emphasize not in relationship to our federal rental car program; we do not put anything in our program, we do not endorse it. That is an agreement between them and that TMC or CTO.

We do not prohibit them. On the government rate within GDS, whatever the agreement is between the car rental company and the CTO would dictate what you pay commission on.

CTL commercial travel and that is a term that DoD uses. TMC, travel management center that is a term that is familiar with civilian agencies. They are the same contracted entities that make our reservations for us. She asked me to emphasize that.

I must emphasize that our partnership with GSA to develop our gold standard has been tremendous. We talked about compliance, benchmarking, data -- data is essential for us to determine where we are going with our program, where we need to make improvement with the program. Since GSA, if you will, is the outreach to the civilian agencies, we work with GSA to allow them to receive the data that we have so that they are able to support the civilian agencies. We as the managers for DoD will do that with DoD agencies. But we have a tremendous partnership with GSA to ensure that the program continues to improve and to stay in support of what corporations are doing and make sure that our rates are maintained at something we believe should be paying.

How long has DTMO managed the car rental program for the government?

Since 2007. Remember the trend -- DTMO is a relatively new organization. Prior to our establishment, management of the rental car program, it was managed by the SDDC, which was still a DoD entity. Prior to that it was an TMC, and I must say that Maureen and I have been around for a few years.

We have one article dating back to 1985 /1984 timeframe. The GSA did enter into the first agreement with the rental car program. DoD was the only users of it. The rental car users was not that large for the entire federal government so it was pretty much handed to us. Our travelers are the only ones that utilized it and then we grew from there.

And it works in the manner in which it matters. We make sure GSA is involved in every step that we make. Policy folks as well.

Any other questions for us?

No more questions?

We would like to thank you for allowing us the opportunity .

Thank you for coming to us.

Thank you for coming in.

Alright, to keep in line with what I stated before they started, we did change the agenda little bit. Right now, it is approaching 1 PM and I think we should allow everybody on the committee and all those listening in to have a one hour lunch break. Is one hour acceptable to everybody? Do you want to come back sooner than that? What everybody is saying 45 min. so the rest of the agenda once we come back from lunch and I will try to along we have.

GSA will give us a presentation on rental car regulations . Then we will get another look from Brian Scott, Enterprise Holdings. And then we have sustainability bulletin from GSA as well and then we will have open discussion for the committee. After that, we will be done.

Okay we will say 45 min. so we will come back at 1:45 PM. Thank you very much.

RETURNING FROM A 45 MINUTE LUNCHBREAK.

Okay. Thank you for holding on. I think it is about 1:47 PM now so we will get started with the rest of our meeting. This is the Government-wide Travel Advisory Committee. We are now coming back from lunch. Let me recap our agenda will be like for the rest of the afternoon.

We will have a brief presentation from GSA. After that, we will go back to Bryan Scott on the presentation. And get an update on sustainability effort bulletin that is going into the FTR. And then we will wrap up for the day with some discussions by the committee based on the presentations we have today. And then we will be done for the day.

That said, I am going to turn it over to the GSA travel policy office.

Good afternoon. As Dave said, I (Cy Greenidge) work for the travel and relocation policy office. This is the rental car policy as it pertains or outlined in the Federal Travel Regulation. First thing, agencies must determine that the use of a rental car is advantageous to the government before they allow such use.

This information may be a little bit repetitive to what you recently heard from DTMO. but as outlined in that FTR traveler regulation, some of the advantages in the rental car program are agreements are pre-negotiated, they include automatic unlimited mileage and collision damage waiver in the rates cannot be exceeded by the vendor. For collision damage waiver or theft insurance, agencies may not reimburse for these because according to the FTR again, the government is not responsible.

Rental cars are available under that DTMO agreement and include the full coverage for damages resulting from an accident while performing official travel and any deductibles paid by the traveler may be either reimbursed back to the traveler or to the rental agency. One exception to this rule is travel outside of the continental United States when such insurance may be necessary because of rental or leasing agency requirements, statute or legal procedures that could cause extreme difficulty if a traveler has an accident outside the continental United States.

Since personal accident insurance is a personal expense, this is not a reimbursable cost according to the FTR. Finally, travelers are responsible for any additional costs for any unauthorized use of a rental car for other than official travel purposes. That is what is outlined in the FTR regarding rental car policy.

Any questions?

This is Marcerto Barr with GSA. I will discuss the GSA FTR Bulletin 14-05, which was signed on January 16, 2014. This reemphasizes the information that you heard this morning from the DTMO agreement, as well as some of the FTR requirements.

Basically, the bulletin emphasizes the FTR regulation for federal employees. OGP has developed best practices for federal agencies to assist them with this bulletin, which reemphasizes the importance of reading the FTR and keeping their internal policies in line with the regulations of the FTR.

What should agencies do as a result of this bulletin? Hopefully, this will encourage federal agencies to review their internal agency policies to ensure consistency with GSA FTR. Some of this information you’ve probably heard that was heard during the DTMO presentation. Of course, we want the federal agencies to ensure that their rental cars information is consistent with the DTMO agreement.

Finally, we emphasize that this information can also be found in the GSA travel regulation and if you go to the website you will see it there. And you must reference Federal Register Notice 14 /05. Are there any questions from the committee? Anyone on the telephone if you have any questions regarding the FTR regulations that I shared with you earlier or the bulletin, please send your questions to this website. Thank you.

Thank you very much.

If there are no questions then we will go ahead and go to the next phase which is Brian Scott from Enterprise Holdings, and he will give a presentation from the rental car perspective.

We have had a lot of discussion today about the car rental industry. But from DTMO, sustainability perspective, I tried to create a non-branded update, speaking for and representing the car rental industry. Giving you the industry’s perspective as a whole as to what the program is. In this, I have tried not to be too repetitive, but I do focus a little on the government segment in particular.

This slide shows that we have been around for a long time. Rental Cars shortly after the model T was made available for the masses. Henry Ford. Hertz was founded shortly after that in 1928. Avis was founded in 1948. And Enterprise was established in 1957. There are many other companies that go as far back as well, but these are considered the big three. It just shows they have been around and in business for quite some time. According to auto rental news, there are over 21,000 rental locations in the US operating a combined fleet of nearly 2,000,000 vehicles, producing total revenue in 2013 of over $4 billion. In terms of employment, the US travel Association, their records indicate that we support nearly 124,000 jobs and generating a payroll of $4.6 billion in the US. The 2014 auto rental news factbook was recently published in the data that I am about to show you comes from that publication. There data shows that the top eight brands represent 93% of the cars in service. So while there are 11 companies listed here, you can see that the bulk of the business is generated through the brands that are owned by enterprise, Hertz and Avis.

An interesting thing about this is that when auto rental news did this in 1999, which to me is not that long ago, there were 32 companies on their list at that time. Today there are only 11 companies on the list today. Enterprise acquired National and Alamo in 2007. Hertz acquired Dollar and Thrifty in 2012. And Avis recently acquired Payless as well.

DTMO mentioned that the rates have actually gone down in the segment. JD Power and Associates also, you would think with all of this consolidation, that the rates might suffer and customer service might suffer. But in fact, JD Power in their most recent studies show that they are the customer satisfaction was rated at the highest levels have ever recorded in 2013.

In the car rental industry, the types of service we provide, this is well known. At airports we manage business travel, government travel and leisure travel. At non-airports, in the home city, as much business is done in the home city market or not airport market as is done in the airport segment. In the home city, the industry services replacement rentals when you are involved in an accident, leisure rentals, business rentals, and we also do a good amount of government rentals in a home city market. If you think of the Social Security Administration up in Baltimore or NASA, they may need vehicles and the industry will service their needs without having to go to the airport to pay airport access fees and all of the other charges that are incurred at the airport.

The program is managed by the US government car rental program. That is the cover page of agreement number four. You know all of this. It addresses the TDY needs of the traveler. We talked a little bit about the history. It was managed by military traffic management command. It was then taken over by service deployment anticipation command and now by the defense travel management office or DTMO.

An interesting thing in preparing for this, I found that the earliest copy that I had of agreement number one and was six pages long. Agreement number four is 13 pages. Without attendance or attachments, it really, truly, over the years, over 20+ years, has not gotten that much more complex.

Some of the language in agreement number one is exactly the same as in agreement number four. So the program has not changed dramatically over that time. U.S. agreement number four, we mentioned this earlier. I had to be repetitive. It was a joint, really nice, collaborative effort between DTMO in the industry and all of industry sat with DTMO to come up with concerns or things that we needed to address and likewise DTMO came to us with concerns that they needed to address. We came up with a new agreement in 2010. The terms and conditions are consistent among all approved providers. So if you get a TDY car from Company Y and another one from Company C, terms and conditions are exactly the same.

I think I got them all. Those of the 16 providers that are servicing the DTMO and providing official government travel to the US government, examples of service; we do TTY, what does that mean?

Airport travel, how you would get to the Airport either direct connect by the traveler or going to our website and using the government booking code, or just walking in and up to the counter. They are either looking with a CTO or a travel agent or using a direct connect or ETS application.

We do home city, which I mentioned that in the example, but we also serve some military installations, where there is a rental car facility within the gates of many of the military facilities in North America and Europe and Asia-Pacific. What we also do is help the government in their response to national disasters and emergency responses. This is an example where industries work well together and something that is unique with 9/11 is all of the airports were closed and people needed to get out of the airports and get home, collectively the rental car industry provided one way rentals at no fee. This meant you could take a car from Denver and get back to Florida or Kansas City to California, and people were doing that. They clean the rental cars out and move them across the country and they did that at no fee for the first time ever.

We don't do that today, but it is an example of how the car rental industry has served the government in times of need. Recently in Joplin, MO, the tornado response required a lot of vehicles for the tragedy and disaster.

Recently the Colorado wildfires required a lot of vehicles for USDA and the U.S. Forest Service.

And most recently Hurricane Sandy, where we were taking calls at midnight and two o'clock in the morning and opening up branches that were close to the first responders.

What is the current state of government travel?

We talk a lot about budget cuts and the impact it has on the travel industry.

I want to share the impact the car rental industry has had from the government segment perspective. First, look at that pretty picture of the White House, I probably violated some copyright things, but in November of 2011, there was an executive order passed that directed agencies with travel budget below the 2010 levels. A 20% cut in trouble budget, not travel less, but spend less.

Right after this came out in May 2012, the executive office mandated 30% less with a copy on that they must retain the level of spending. We can cut the waste back and further reduce the trouble spending by up to 50% from the 2013 levels.

I didn't find out where was in the government process, but this is the stuff that is coming out of Washington today. Looking at this today, we need to look at budgets and cutting spending. This is the impact directly to the travel industry, the entire travel industry. What we are learning to deal with. What does this mean for the car rental industry? You can see that we peaked at 494 million and these are the mandates that they were using to reduce travel. It dropped to 473 million in 2011, 409 million in 2012, and those numbers are no longer factual, they came in yesterday, a 30% drop is from 2010 and based on what we see we expect it to come in around $300 million and a 39% drop. That is the climate in which we are operating in today.

Through this industry, we are supporting government and are purchasing more compact cars and putting them in airports where the government has to travel through the most, the top 10 Airport. If you do not have compact cars available and you book when you are getting a free upgrade. Rentals with no fee and we have the ceiling rates. If we are open in other channels we have to be open and the government channel, meaning we cannot pick and choose when we want to do government business. That is the current page. Where we going and what are is the opportunity within the industry? What is the industry?

We talked about the sustainability initiatives and the, DTMO and TSA, we want a total transportation solution. This includes reporting measures and we talked about the executive order to reduce carbon emissions by 20%.

The only way to do it is if you report it. We are working in developing those methods to report on each individual's carbon emissions. We are working with DTMO. We are providing examples, we are talking about electric vehicles and as they become more available and the demand increases there will be more hybrid options. As the demand is there, we cannot put these vehicles in our fleets if demand is not there.

That includes electric vehicles, before there was just one, now there’s Chevy, Nissan, Honda; all different categories.

We also mentioned car sharing, hourly car rental. It has a strong application, a competitive application for corporate and community models that we feel strongly the government can benefit from. All three rental car companies own the brand, zip car, Hertz and Enterprise, there are others out there but there are three out there today.

We also want to explore ride share. You might think that is carpooling, to and from work. But there is also corporate sharing. Each vanpool opens nine parking spots, and I don't know if application is here with government policy, but there is an employee benefit at no cost to the agency and it reduces carbon emissions. I thought that was important to bring that up because of sustainability. There is also peer to peer that uses smart apps for individuals going to the same place, which currently focuses on universities and it is an environmentally conscious solution that reduces the number of vehicles on the road. Imagine you have a group of employees at any government installation all need to go to the same place. This application will allow them to identify who else is going to that area. It reduces parking and the cars on the road and drastically reduces mileage. If people in the same area are going to the same meeting, this policy, which also reduces carbon emission, should be used. Peer-to-peer, ride sharing, car sharing, and electric hybrid vehicles are all next-generation things that are available right now today for the federal government.

That is my presentation. Questions?

What happens if someone is in an accident?

Through this program there are a lot of options on the table.

You need to be a certain age to drive the 15 passenger van. What is the government market share of the rental business?

Small. 1%?

I would say it's probably closer to 5% within my company. It is probably different for every vendor. We do quite a bit of government business. I do not know if that is true for every industry. It is probably a low single digit in most companies.

There is peer to peer available today through Enterprise.

It has an app? Yes.

It is confusing if you do not know what it is. If you don't have supplemental liability, the liability that comes with the rental car is the minimum requirement. In Maryland, it is $20,000 for the driver and $40,000 for all occupants. It is for the driver, occupants, and property damage.

For the governments the extended levels of liability are included.

You're getting $30,000 for the occupants and $25,000 for property damage.

There is a five dollars fee that covers that.

I think that is a common misnomer. It covers everything that we provide; all of the terms and conditions. This is Dan, when the government traveler incurs damage, whether it is hail damage or an accident, a rental car company can get the car back into operation quickly and they take care of all of the claims processing .

We do a lot of claims processing and there is a lot of paperwork and lawyers involved. If there is an injury then you cannot use that vehicle. It really is a big deal.

If we did not have sole coverage protection, every government agency would be inundated with claims management. Even if we gave you just a deductible, just managing the claims for the first thousand dollars would inundate every government agency. Worse yet we would be chasing money that we do not want to chase. It covers much more than the things I listed and there are things that need to be considered, underage drivers, a lot of other things. It is extremely rare to have a corporate program that allows 18 to 21-year-olds to drive your vehicles for no additional fee. Any other questions?

Thank you very much.

Once again that was Brian Scott giving us an overview, as you saw there were some things that were repetitive that it is good to hit on them one more time and pound it in. If you hear something seven times you remember it. The next piece on the agenda is the FTR sustainability bulletin.

This is Marcerto Barr, with GSA. This is the last part of the meeting and we will cover travel policies. Some of these things will be repetitive that it is important to note that parts of these presentations are repetitive. This will give you an overview. The background supports the executive order 13514 which was signed October 5, 2009, by President Obama, it is for energy and economic performance which directs federal agencies to keep in line with their essential mission activities.

You will keep hearing this throughout the presentation, about greenhouse gas emissions.

How federal agencies can reduce GHG emissions? Reducing or eliminating travel is one of the most effective means, they encourage all federal agencies to review their internal travel policies and if you go back to your travel policy and look at a quarterly basis, it will help you to keep up with the current policy. Some of these are the agency practices that align with the FTR, understanding that uses of non-travel are the most effective, we also need to analyze trip data and prioritize to accommodate efficiency.

We encourage you to plan enough in advance to take advantage of low-cost and discounted airfares.

Moving on to technology in lieu of travel, you should consider teleconferencing, webinars, and video-conferencing.

We ask you to schedule multiple legs and determine the agency's mission and consider scheduling trips that include multiple segments instead of returning back to your original destination.

The call-center reduction strategies listed here help with travel plans for the agency.

This will help lower the greenhouse emissions and make the trip cost effective. The use of public transportation should be considered as a first option when necessary and the traveler should be familiar with the Metro subway systems in the area. You can consider the trains, buses, and airlines.

Consider using environmentally friendly cabs, such as hybrids. Consider them if you need to take a cab. Ridesharing I mentioned earlier and if you need to go with multiple members, you can take a cab and take other people with you thereby saving on costs. Walking is most effective, and you should be familiar with the area when doing so. In addition to some of the other speakers that we had this morning, it will decrease greenhouse emissions as well.

For lodging at the TDY location, we encourage agencies to consider the following for arranging travel outside of your travel area: Consider green lodging facility, minimize the transportation needed, use shuttle service, participate in linen and recycling programs, that was mentioned earlier, if you have to use our lodging facility then you can turn off the AC, lights, and such. We do mention that you should turn off your computers, TVs, and such when we are leaving for the day.

We encourage the federal agencies to use the electronic checkout program and you can do that on the TVs as well. When you are going to meeting or conferences that require travel, we encourage employees or individuals to use the following strategies to minimize travel, remote conferencing tools like we are doing today, consider flight selection, consider what was mentioned earlier about helping people with cost construction and holding meetings with the green lodging accomplice standards and minimize event to help control cost.

If you have any questions you can go to GSA.gov and there is a GSA bulletin FTR 10-05.

You can also e-mail me or [travelpolicy@gsa.gov](mailto:travelpolicy@gsa.gov).

Are there questions?

So you encourage people to stay at green facilities and are encouraging people to use ridesharing to get to meetings?

These are not policies. There's no policy to dictate employee behavior.

What is the difference between policy and guidance?

I know that with oversight and etc. how does someone get from guidance to policy? It seems like there is not a lot of meat behind it.

You are absolutely right, and that’s why we are reinforcing this over and over. We want agencies to implement these best practices into their travel policies and if they keep thinking about it maybe they will change behavior. If we push it hard enough we could change behavior. I would say this has opportunities and has made a statement as to what, when, and how much encouragement you think should happen in this particular area.

Right now the only place there is any sustainability and direction on travel is in this bulletin that we just went over. It was in September of 2010 and there is not anything right now that says we have to do it a certain way.

Right now we say you have to use city pairs unless certain opportunities are utilized. There is no sustainability requirement in the FTR.

Bulletins and guidance encourage it directly in the absence of a regulation.

Do you have a comment?

I guess I just wanted to follow-up and there is guidance and policy. The 24 agencies have a combined total of 254 individual accounts. This group has run over 1000 conference planning reports.

I think there are a lot of different ways to get where we are going. One of the executive orders states I should reduce travel by 20% in the instruction is beyond guidance, but each agency would designate a senior level travel manager and in terms of this guidance and helping to promote this beyond policy , do we have any insight into where the agencies are?

May be part of the direction from the committee would be a direction or engagement of those individuals. But we first need to know are they in place and have they been identified? The document came out of OMB and the report back went back to OMB and I don't know the answer to that question. Have you had any responses or do you know the names of those individuals?

The committee could possibly write a letter to my boss to engage in who those individual are.

You beat me to it, I was going to propose we do just that, request to identify and then perhaps engage a sample of them.

We would like to get some insight into what we're doing. If it is just encouraging we do not have any order to that. There are takeaways from this and I feel strongly about. We should move forward in unison to either agree or disagree on innovation on the industry and what should occur when the bulletin talks about car sharing but the government is not implementing a lot of these great tools. They talk about the tool that is being used for groups and meetings, but to back it up in contracting is not included it in our fees or RFP. It is not included in it should be that contacting officer can put sustainability as a requirement. It goes to the executive order. Those recommendations are there and could change.

There are certain laws that require them to have things in their document and they fit within the umbrella of the federal travel regulations. I heard today that there is not necessarily in accurate weight to agree on the standards and I did not hear a leadership role in establishing what that is. We labored with this with good intentions on how the use of that is a consideration. We cannot get much beyond that. If it is a consideration out what point do you go with the emissions standard versus the budget, is it 5% or 10%? It is a policy call, what is the policy we are trying to get to. I kind of heard the data analysis piece that drives good policy, the science is still out and we agree that it is a worthy cause , but on how to execute it is the question. We need more standard and data points and the performance piece. I was not quite clear on where the government was and their intentions.

There is a national standard that is an umbrella organization that certified standards would fall under. A lot of them said they want to create their own and we agreed that everything under the umbrella is certified and that is the discretion that they can make. They know about it if we don’t allow them to have that information, it is not acceptable. I do not understand why a traveler would not see this.

This is David, I know in the contract it talks about reporting greenhouse gas (GHG) emissions but being able to pull a full report at any given time, the information is coming through, but I have not gone through anything to go back and ask them whether or not they can see that the travel level. Is that something we can agree that it is something that should be looked at?

Sure. I don't know why not. Travelers should know this.

They should get credit.

If something is not available they should provide that. We need to make a recommendation that this should happen. We need to make a point that the following things will happen. If that happens or not we cannot control that.

We need to let people know that there is a property that we can recommend. I think we are talking about two different issues and I do not want to get sidetracked, but if there is not a standard of what is considered, that is the issue and that should be the industry discussion on establishing a standard so that every hotel that is shown has a fair chance. Until the industry has a common standard, they cannot push it through because we are not comparing apples to apples.

You need some certification I think. Maybe it is education but there are contracts that if you cannot meet the requirements you cannot participate is there a law that were -- will permit federal regulation dictating that you must be green to respond to this contract?

You look at the contract that is now in place for the next 15 years. We can try and do something to the contract but they both have to agree and there is no way we can do it. The effort is too expensive.

I understand the concept of writing a requirement in a contract. I recycle paper, so I am green, does not get the same qualification?

I think that would be the recommendation.

I was thinking what the true definition of sustainability is. Are they the same or different? I think I am speaking on behalf of the agencies. Do they own that effort?

No. We indicated that when we started this group 3 1/2 years ago, we are exactly at the same place right now is where those meeting started, and we are not far away from where they ended. Who, how, and what, is the definition, what is the standard and who defined and which is the best one, or could it be anyone that certifies those entities and verifies those authorities? GSA does not have that authority and I will not speak for what is said at the meeting, but we ended not far from where we are today.

Our recommendation could be that the government's identifies what is the standard.

I think I agree with some of these things. The government can decide what the standard is, they have good intentions and we went back and some of those meetings and lodging for example has multiple sites and we looked at trying to link to one of them, but we don't know if it is the right standard. We are not resisting but we just want to know step one, what is the different standard and in the acquisition process you need to make sure that it is a level playing field in the private sector and we pick a standard that includes one thing or the other, and we cannot flux in and out. We all agree that we ought to be doing more to move in this direction, so step one is one of the standards, and how can we measure, and what will be the single source. What is the official standard? If that is what we display to travelers we want to mention that it.

What is the green certification based on?

Basically we decided that is good enough.

We are forgetting part of what Harry addressed in the earlier presentation. There is a consensus standard that does exist and they did not go into great detail, but we are setting standards for our contractors and private industry is doing it. There is consensus standards that are out there and technically there is the who the what and the how and we asked for that because we cannot begin to do anything in terms of measurement improvements unless we have a baseline. The standards are out there, they exist. The only issue I have is in the past knowing how far behind the U.Ss was to international, all we are talking about is educating travelers. It cannot be forced; it is coming through so they are vetted. Maybe it is more complicated. Maybe we just need to find out what the standards are. I'm sure they don’t just say we are going green. They need to find out what the standards are.

This is Craig, one of the people we attempted to invite is a green hotel standard expert and he had a conflict so he could not attend. We will work hard to get him at a future meeting that in itself is a great opportunity. I don't want to lose the thought that Brian had about the industry standard and the opportunity for government. I don't want to caveat that by saying we know something about standards within hotels. That is not the total answer, we worked with it

In the meantime, before he comes and presents that we should get some of the standards that are out there, then we will have a little bit of knowledge there and be able to ask some questions as to how we bridge the gaps between this and the other two pieces that we see.

I'm going to pass something around.

One of my peers has quite a bit of experience developing standards. There are industry consensus standard and development settings and we can talk about the processes and educate yourself about what your requirements are. I personally do not know a lot about that. Maybe it is saying that we are making a concerted effort. We do not have the type of data or research, so if we are giving research and education on these products and services to become green, and things like that, they fall under different categories. At least we have a benchmark and people moving in the right direction.

We have to change the behavior of the traveler. If they do not choose that, it means nothing.

Maybe we can articulate what to put down in closing, I heard a couple of things. What exactly does the committee recommend?

I think we invite the person to come and talk about what the standards are and get some of these standards that are set in favorite. We can look at whether or not we should have the standard or utilize provider recommendations, which would be at a future meeting. After that, we can look at giving the travelers a choice to use these standards. If we’re going to try and do agency standards and we would need to write a letter to OMB. I am just trying to get clarification and see where the agency is.

When we are talking about recommendations I would like to get some insight into how that has penetrated throughout the agency and is being led.

I can just tell you my experience, at HHS our sustainability office is completely separate and the only thing we are ever asked for is a report and gas emissions. Then I am done and out of the picture. I am not asked to provide any assistance. This position was created to help agencies meet their requirements for travel cost reduction and it is the same sustainability, I actually don't know if that was part of that. We are committee and they are a committee.

You would think that is an identifiable position and the government can achieve its goals.

That is also an action item to get the list of the agencies and travel managers.

I know for a fact that that is being done. Rather aggressively.

That is on the car sharing module.

Are you talking about peer to peer?

GSA is exploring a car sharing module.

That's where you do a multiple agency car sharing program.

Is that something where they will have dedicated fleets two car sharing? They don't know that.

If every car rental would charge an additional $50 and you would have zero emissions, what does that translate to?

It is worth exploring.

It’s match to the certain level. They discussed that the renter has an option to purchase for a carbon offset that is matched with the enterprise foundation to a certain level. I think it is $1 million. I will give you more information. We had three areas where those happened. There are zero emissions for your rental that is the key.

They qualify these and the government would meet all of its goals. I am happy to report on that; if you do the cost analysis. I have a meeting on Monday and I can get more information on carbon offsets and the number of rentals, etc. and the number of rentals, etc.

This is Karen, with a question on car sharing and where the government is on that I took the opportunity to get some updates from my team and they did issue a request for information and they held an industry last month and now in the second stage of the process. There will be an evaluation process and they will move forward to issue a plan that will award standards for car sharing and travelers. Under the scheduled program and supplemental vehicle program, car sharing is on that. Government can implement car sharing.

Are we able to get the lodging experts in March? We will have to figure out what agenda is sketched out between March and April. I know one of those two times there is some follow-up and some data that is requested at that particular time.

We have managed lodging in April and perhaps that would be a better fit for the green lodging. We are managing the difference and they don't necessarily fit just right, but sustainability is odd and it is not a package by itself. There are agenda items that we still need to discuss. Is there anything we still want to talk about prioritizing? Is there anything we need to talk about sooner than later or is it we have six and we need to get to them by the end of the year?

So far we have collected three and I sent that out to the committee in an Excel spreadsheet. As far as an Excel spreadsheet, we talked about that in February. Do we want to discuss any of the presentations in more detail than what we have already done today?

We have had some good presentations talking about sustainability in the private sector and the green initiatives from Harry Lewis, which was a good one. We had DTMO and we talked about the rental car industry by enterprise and we talked about the FTR and then we talked about FTR and the sustainability bulletin which sparked a lot of conversation. There are definitely some action items.

Will all of the presentations be posted on the website?

Yes, also all of the information that was handed out. Those of you listening in, all of the presentations discussed today will be posted on the website within one week. We will be looking at inviting Jill from last month to give her feedback about actual expenses versus per diem. We will see when she is available and we can talk about actuals. I guess we will look in more detail at the carbon offset expense reimbursement for federal employees. Brian Scott will put some information together on that and we can go with that in a month or two months, whenever we get it on the agenda. We are going to get the list of individuals and travel managers and OMB has that list. We will reach out. We will send a memo up to GSA management to get that list. We are going to find out what some of the standards are from GBTA as it relates to sustainability.

I know GSA has contacts with Sabre and GBTA. Claudia will check.

I think that can go back to Harry.

Okay.

Once we get that information then we have another guy that we want to bring out here. And he will talk about the green program as it relates to hotels. He is an expert in that and we can start bridging the gaps to see if we need to do any recommendations. If we need to do any other things related to the government, we can give recommendations for sustainability and then we can give a recommendation for the actual travelers to choose whether or not they want to go green in their travel. That is all the action items I had, did I miss anything? Are there any other questions or open issues that you would like to discuss before we close? We still have 45 min. before the end of our session.

Cindy, are you on the line?

Yes.

Do you anything to share?

Yes. When we look at rental cars, we look at the policy with mileage limitations of the travel policy as far as personal car use. Is there anything that gives guidance versus renting a car? It is a big opportunity especially when I hear prices that use that you pay per day, mileage at $.50 per mile it could be a great opportunity for savings and putting your traveler with government staff and dependable and reliable staff. For the education of everyone in the room, could you briefly discuss group policy?

Based on average daily rates, that gives us the mileage per day limitation on personal car used for business travel. In the expense tool, if someone is putting in extra miles per day they receive a flag. Depending on the average rate that could be 70 miles per day or 180 miles per day; it depends on your daily rate.

I know some agencies manage that. I know that certainly is something that could be researched as far as where and how.

I am kicking myself for not bringing that up earlier. We could bring up some models for the committee to review and what they are talking about.

The basic policy is sometimes it is cheaper to take a flight and then you do the breakout between a rental car and a privately owned vehicle, keeping mind although it may be cheaper to use a privately owned vehicle, you cannot direct someone to take their own car, you can only authorize it and some people may want to take their car even if it is cheaper to take a rental car. If you are authorized there is $.56 you know you are not authorized to take it and there is a medical rate of $23 or $.24 and you get reimbursed half of that. There are fixed in variable costs.

The cheapest way to do something is to maybe fly someone, it costs more but you can do that trip down and back in one day. It will help in visualizing it, the analytics is taste on things you use it in an organization. If you are paying a standard you could clarify that in a policy and the expense tool could have a trigger and give them a window of miles and policy. It is safer for the individuals and you can look at expenses and package it is of value from that standpoint. This is supposed to be going on and it is not quite laid out this way. This would be good particularly with the push and it could be clearly articulated.

Thank you Cindy. The only other comment I had, and we discussed this last month, they are open to meeting and presenting to the committee for future opportunities. Thank you very much.

Are there any other open questions that you would like to discuss before we close out? Thank you very much and if you have anything that you would like us to talk about related to a topic or any other topics , please feel free to e-mail us at [gtac@gsa.gov](mailto:gtac@gsa.gov). We look forward to your comments and we will read all of those at the next meeting. Since we do not have anything else we look forward to talking next month. March 26 will be the next meeting.

We will adjourn right now. Cindy we will give you a call at 3:30 PM for an administrative meeting.

Great, thank you.

Goodbye . >> [Event Concluded]