



GSA Office of Governmentwide Policy

9/12/2023

Acquisition Letter MV-2023-06

MEMORANDUM FOR THE PBS LEASING CONTRACTING ACTIVITIES

FROM: JEFFREY A. KOSES, SENIOR PROCUREMENT EXECUTIVE
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SUBJECT: Lessor Reporting of Green Building Efficiency

1. Purpose.

The purpose of this acquisition letter (AL) is to provide guidance related to required lessor reporting of energy consumption, greenhouse gas emissions, and water usage for GSA leases. Lessors may also elect to report municipal solid waste (MSW) and construction waste but that is not required at this time.

2. Background.

Executive Order (E.O.) 14057¹ *Catalyzing Clean Energy Industries and Jobs Through Federal Sustainability* and the Executive Office of the President Memorandum M-22-06, issued on December 8, 2021, requires Federal agencies to achieve 100% carbon pollution-free electricity by 2035, achieve net-zero emissions by 2050, and transform Federal procurement operations to clean energy and sustainable technologies.

The White House Council on Environmental Quality (CEQ), on August 31, 2022, issued Implementing Instructions² to E.O. 14057, which provided additional guidance for green leasing, leasing in net-zero emission buildings, sustainability strategies (e.g., space utilization and consolidation), and annual lessor reporting requirements³.

General Services Acquisition Regulation (GSAR) 570.117 contains policy for broad sustainable lease requirements. Tied to this policy, GSA received approval from the Office of Management and Budget (OMB) for Information Collection Reporting (ICR) 3090-0086, which provides authority to collect data associated with the sustainable lease requirements and covers the additional reporting from E.O. 14057.

¹ [E.O. 14057 Catalyzing Clean Energy Industries and Jobs Through Federal Sustainability](#)

² [CEQ Implementing Instructions for E.O. 14057](#)

³ While the CEQ implementing instructions require reporting of waste reduction, GSA will not require this until CEQ and EPA develop waste guidance for Federal settings. Lessors may elect to report municipal solid and construction waste in the interim.

This AL supplements existing GSAR and PBS Office of Leasing guidance and provides a new specific reporting clause for lease contracting officers to utilize in applicable leases. The AL does not change the method in which lessors report their information via the Environmental Protection Agency (EPA) Portfolio Manager Tool.

3. Effective Date.

This AL is effective on October 1, 2023, and remains in effect until rescinded or incorporated into the GSAR.

4. Applicability.

New Leases

The clause and requirements listed in paragraph 5 must be included in all new leases⁴ of 25,000 rentable square feet or greater where the Federal Government expects to occupy at least 75% of the building. This requirement includes leasing activities delegated by GSA to other Federal agencies. Specifically:

- For any open solicitation, the solicitation must be either amended prior to close or the clause incorporated into the award prior to signature.
- Include the clause in all future solicitation meeting the criteria listed above

Existing Leases

There is no effect on existing leases, contracting officers are not required to modify existing contracts.

Updating Leasing Templates

The PBS Office of Leasing will update the leasing templates to reflect the clause and requirements listed in paragraph 5. In addition, the PBS Office of Leasing will work expeditiously to revise relevant guides and resources (e.g., Leasing Alerts (LA), Leasing Desk Guide (LDG)).

5. Requirements.

Lease contracting officers must ensure that the clause listed in Attachment A is incorporated into applicable solicitations and contracts. This clause requires lessors to annually report energy consumption, greenhouse gas emissions, and water usage for applicable leases using the Environmental Protection Agency's Portfolio Manager Tool. The EPA tool will use the inputs to calculate the associated greenhouse gas emissions. Lessors may elect, but are not required, to report solid municipal waste and construction waste.

⁴ New leases include new-replacing, succeeding, and superseding leases where the rental square feet and federal occupancy requirement is met or exceeded.

Reports are due annually on March 31st for the previous full calendar year performance (i.e., reporting period being from January 1st - December 31st). March 31st, 2025 will be the first reporting due date for the period (accounting for data recorded from Jan 1st 2024 - Dec 31st 2024).

6. Point of Contact.

Any general policy questions regarding this AL may be directed to GSARPolicy@gsa.gov. Any specific questions regarding implementing the requirements of this AL may be directed to ASKPR@gsa.gov. Any request for assistance on completing the detailed reporting may be directed to GSA's webpage at GSA.gov/UCR or to UCR@gsa.gov.

Attachment:

- Attachment A – GSAR Text Lessor Reporting Clause

**Acquisition Letter MV-2023-06
Attachment A
GSAR Text**

GSAM Baseline: Change 168 effective 08/17/2023

- Additions to baseline made by rule are indicated by **[bold text in brackets]**
- Deletions to baseline made by rule are indicated by ~~strikethroughs~~
- Five asterisks (* * * * *) indicate that there are no revisions between the preceding and following sections
- Three asterisks (* * *) indicate that there are no revisions between the material shown within a subsection

Part 552 Solicitation Provisions and Contract Clauses

Subpart 552.2 - Text of Provisions and Clauses

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[552.270-99 Lessor Reporting of Green Building Efficiency

As prescribed in 570.117, insert the following clause:

552.270-99 Lessor Reporting of Green Building Efficiency (DATE)

(a) For leases that are 25,000 rentable square feet (RSF) or greater where the Federal Government occupies 75% or more of the total building, the Lessor shall annually report the building performance information for energy consumption, greenhouse gas emissions, and water usage.

(b) *Reporting Location.* The Lessor shall report the required information in the Environmental Protection Agency (EPA) Portfolio Manager Tool at <https://portfoliomanager.energystar.gov/pm>, or any successor tool. Additional information on the reporting tool can be found at <https://www.gsa.gov/ucr>.

(c) *Reporting Timeline.* All required disclosure information shall be reported for each year of the lease, beginning with the first full calendar year of the lease term. All disclosure data for the previous full calendar year must be reported no later than March 31st of the following year.

(d) *Reporting Elements.*

(1) *Energy Consumption.* The Lessor shall annually report the total amount of monthly energy consumption (e.g., grid electricity, onsite renewable electricity, natural gas, district steam) and other energy (e.g., bulk fuels)

consumed by the entire building to the EPA Portfolio Manager Tool at <https://portfoliomanager.energystar.gov/pm>, or any successor tool.

(2) *Greenhouse Gas Emissions.* The EPA Portfolio Manager Tool will use the energy consumption information entered to automatically calculate total, direct, and indirect greenhouse gas (GHG) emissions for the building.

(3) *Water Usage.* The Lessor shall annually report the total amount of water used by the entire building identified by municipal or private source (e.g., well water), including potable and non-potable water to the EPA Portfolio Manager Tool at <https://portfoliomanager.energystar.gov/pm>, or any successor tool.

(4) *Waste Generation.* The Lessor is encouraged, but not required, to report additional information about waste generation, including municipal solid waste (MSW) (e.g., trash, compostable material) and construction waste (e.g., demolition debris), to the EPA Portfolio Manager Tool at <https://portfoliomanager.energystar.gov/pm>, or any successor tool.

(End of clause)

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Part 570 - Acquiring Leasehold Interests in Real Property

Subpart 570.1 - General

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570.117 Sustainable requirements for lease acquisition.

Contracting officers must include sustainable design requirements appropriate for the type of leasing action in the solicitations for offers. Contracting officers can find solicitation requirements and instructions on <http://www.gsa.gov/leasing> under Leasing Policies and Procedures, Green Leasing, and in the Leasing Desk Guide to assist them in complying with GSA's sustainable requirements identified in this part.

(a) Pre-Award Procedures. The contracting officer must ensure that the sustainable requirements within the lease templates are included in the awarded lease as specified by the PBS Leasing Desk Guide. Review Chapter 18 of the PBS Leasing Desk Guide that can be found on GSA's Acquisition Portal at <https://insite.gsa.gov/acquisitionportal> for guidance on ensuring sustainable requirements are included in leases.

(b) Post-Award, Pre-Occupancy Procedures.

(1) Sustainability Procedures. For specific post-award sustainability procedures, review Chapter 18 of the PBS Leasing Desk Guide.

(2) Receipt of Sustainable Products and Services.

(i) The contracting officer must take reasonable steps to validate any required sustainable products and/or services are received. Review the best available evidence of compliance such as manufacturer product documentation, design submittals, or green lease submittals to ensure the lessor is providing required sustainable products and services.

(ii) The contracting officer must note any discrepancies with sustainable requirements in the lease and provide feedback to the lessor.

(iii) When choosing what documents to review during sustainability compliance reviews, random sampling techniques can be utilized to limit the number of documents/evidence being reviewed. Staff/Service Offices may prioritize which products and/or services to focus on in their compliance reviews. For specific best practices in verifying evidence of compliance, review the Verification Guide for Purchasers of Sustainable Products at <https://sftool.gov/>.

(c) Post-Occupancy Procedures. The contracting officer must take reasonable steps to validate the lessor complies with all post-occupancy sustainable requirements in the lease. Review the Lease Management Desk Guide that can be found on GSA's Acquisition Portal at <https://insite.gsa.gov/acquisitionportal> for guidance on monitoring and documenting lessor compliance with all post-occupancy sustainable requirements.

(d) Sustainability Exceptions. If at any point during a real property lease acquisition the contracting officer determines that one of the mandatory sustainable requirements should not be included in the lease due to an allowable exception, the contracting officer must follow any applicable procedures as stated within the PBS Leasing Desk Guide.

(e) Compliance Monitoring and Reporting.

(1) Review Process. The PBS National Office of Leasing is responsible for lease compliance monitoring to determine compliance with the sustainable acquisition criteria specified in 570.117(e)(2). The PBS National Leasing Office is responsible for coordinating these reviews with the GSA Office of Acquisition Policy. PBS National Leasing Office is required to submit the results of these reviews to the GSA Office of Acquisition Policy. GSA Office of Acquisition Policy is required to monitor and report sustainable acquisition activity to the GSA Chief Sustainability Officer in support of the agency's semiannual status report to Office of Management and Budget.

(2) Determining Compliance. See the GSA Sustainable Acquisition Review Criteria document that can be found on GSA's Acquisition Portal at <https://insite.gsa.gov/acquisitionportal> for the specific criteria used to determine compliance with sustainable acquisition requirements.

[(f) Contract Clause. The contracting officer shall insert clause 552.270-99 *Lessor Reporting of Green Building Efficiency* in solicitations and contracts for leases that are 25,000 rentable square feet (RSF) or greater where the Federal Government occupies 75% or more of the building.]

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