STATE AUDITOR DOUG HOFFER

PRESS RELEASE

For Immediate Release: Contact Angela Lee at 802.828.2281 or angela.lee@state.vt.us

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State Auditor Examines State Government Energy Consumption

MONTPELIER – Vermont State Auditor Doug Hoffer today released the findings of an audit that examined whether the State is meeting its energy reduction goal of decreasing consumption by 5 percent annually.

Reducing energy consumption has long been a focus of state government. The first State Agency Energy Plan was prepared in the 1990s, and the Department of Buildings and General Services (BGS) has been responsible for oversight of the 2005 and 2010 plans. The Legislature then established the 5-percent annual reduction target in Act 40 of 2011.

The State Auditor's Office approached this issue with two chief objectives: 1) to determine whether and how the State has assurance that the state agency energy plan is being implemented, and 2) to assess whether the state entities that are the largest consumers of energy met the goal of 5 percent reductions in fiscal years 2012 and 2013.

"Unfortunately, the 2010 energy plan doesn't call for the type of information that would allow the State to actually determine the extent to which the State met its energy reduction goals," Auditor Hoffer said. "The 2010 plan neither established comprehensive targets nor an effective mechanism to evaluate reductions. Not all agencies prepared implementation plans. The State hasn't reported on energy consumption since 2011, and the numbers reported before 2011 stemmed from a calculation that contained numerous errors and failed to account for energy consumption of leased space."

Because of the flaws and errors in the calculation and a lack of data for fiscal year 2013, it is unclear if the State's four largest agencies met the 5-percent annual reduction goal in fiscal years 2012 and 2013.

"The good news is that BGS is taking steps to improve the situation and better calculate state energy consumption," Auditor Hoffer said. "For the 2016 SAEP, the department's staff is planning to add targets for annual energy reductions and greenhouse gas emissions, they plan to use new tools to measure consumption, and they plan to issue directions to all agencies for preparing implementation plans."

The audit report makes several recommendations, such as reporting state energy consumption since 2011 and incorporating data of leased spaces into the equation. BGS has outlined various initiatives it plans to undertake in response to these recommendations.

To read the full report, click <u>here</u>.