



The Secretary of Energy
Washington, DC 20585

December 10, 1998

MEMORANDUM FOR ALL DEPARTMENTAL ELEMENTS

FROM:

BILL RICHARDSON

A handwritten signature in black ink that reads "Bill Richardson".

SUBJECT:

Phaseout Goal for DOE's Air-conditioning and Refrigeration
Chillers to Protect the Ozone Layer and to Reduce Energy Costs

To make progress in meeting Clean Air Act and Executive Order requirements to maximize use of substitutes for ozone-depleting substances, I am establishing a departmental goal for the phaseout of Class I ozone-depleting substances--the class of chemicals most destructive to the stratospheric ozone layer. These chemicals are used for refrigeration and air conditioning in many DOE chillers.

DOE's goal is the retrofit or replacement by 2005 of all DOE chillers using Class I refrigerants that are greater than 150 tons of cooling capacity and were manufactured prior to 1984. An exception process will be established for individual chillers where retrofit or replacement is not cost effective. Meeting this goal would eliminate 50 percent of DOE's use of Class I refrigerants and reduce energy costs by \$6 million per year over the projected 23-year-life of the chillers.

The President has recently directed all Cabinet agencies to expand the use of Energy Savings Performance Contracting using private sector investment to reduce Federal energy costs and cut greenhouse gas emissions. I am committed to making DOE a leader in energy efficiency and pollution prevention.

Approximately 50 percent of DOE chillers can be replaced using Energy Savings Performance Contracting. I highly recommend the use of these contracts, which will allow other energy efficiency measures to be integrated with the replacement of the chillers. If this is accomplished the Department will need over \$20 million in appropriations for replacement of remaining chillers. I also would like our facilities to plan for the eventual phaseout of all chillers using Class I refrigerants.

I am asking Mr. Dan W. Reicher, Assistant Secretary for Energy Efficiency and Renewable Energy, and the Department's Environmental Executive to work with the Assistant Secretary for Environment, Safety and Health to provide guidance to Secretarial Officers to implement a program and schedule for my goal. The Environmental Executive will coordinate and report our progress towards achieving this goal, and through our Federal Energy Management Program, assist DOE sites with using Energy Savings Performance Contracting to acquire these new chillers.