ENVIRONMENTAL PREFERABLE PURCHASING PLAN

It is the Company's preference to procure the most environmentally preferable product or service as identified by the Company's Environmentally Preferable Purchasing Program Procedure. The goal of this procedure is to promote environmentally preferable purchasing to the maximum extent practicable. This clause applies to first tier subcontracts that exceed $250,000 and offer significant opportunities for designating energy/water efficient or other environmentally responsible products or services in the materials selection process. The Seller will comply with the following:

(a) FAR 52.223-2, *Reporting of Biobased Products Under Service and Construction Contracts*, and FAR 52.223-10, Waste Reduction Program, which includes the requirements outlined in the Resource Conservation and Recovery Act (RCRA) 6002, requires the use and reporting of products that have biobased content, are energy/water efficient, have recycled content, or other environmentally responsible features (i.e., Energy Star®; Federal Energy Management Program [FEMP]–designated; Safer Choice labeled, Electronic Product Environmental Assessment Tool (EPEAT) products, SmartWay products, less toxic alternatives, etc.). To the extent that the services provided by the Seller require provision of any of the above types of products, the Seller must provide the environmentally responsible type of product unless that type of product meets one of the following as outlined in FAR 23.103, *Policy—*

- Is not available competitively within a reasonable time frame
- Is not life cycle cost effective (or does not exceed 110% of the price of alternative items if life cycle cost data is unavailable). EPEAT is an example of lifecycle costs that have been analyzed by DOE and found to be acceptable at the silver and gold level;
- Does not meet reasonable performance requirements; or,
- Cannot be delivered in time to meet a critical need.

Per the FAR and DEAR requirements, the Seller shall consider the best practices within the DOE Acquisition Guide, Chapter 23, Sustainable Acquisition Policy. This guide includes information concerning recycled content products, biobased products, energy efficient products, water efficient products, alternative fuels and vehicles, non-ozone depleting substances and other environmentally preferable products and services. This guide is available on the Internet at Department of Energy Acquisition Guide | Department of Energy

(b) For Construction, when developing the Bill of Materials for approval of the Company, the Seller shall specify energy/water efficient and other environmentally preferable materials to the extent possible within the constraints of the general design specifications. Compliance with the Guiding Principles for Sustainable Federal Buildings (Guiding Principles) shall be achieved through certification to the Leadership in Energy and Environmental Design (LEED) highest Level under the LEED rating system best suited for the building type, size, and based on total project cost, as directed by the company.

(c) In complying with the requirements of paragraph (a) of this clause, the Seller shall coordinate its activities with and submit required reports through the Subcontract Administrator. Reporting under this clause is only required if the subcontract offers subcontracting opportunities for energy/water efficient and other environmentally preferable products or services exceeding $100,000 in any contract year, except for reporting on high-performance sustainable building which may be required elsewhere in this subcontract.

- The Seller will advise the Company if it is unable to procure energy/water efficient and other environmentally preferable items and cite which of the reasons in paragraph (a) of this clause apply.
- Reports shall be submitted before submitting of the final invoice; provided, the subcontract delivery term is not multi-year (fiscal) in nature. If the delivery term is multi-year (fiscal), the Seller shall report its accomplishments for each Federal fiscal year.
- Failure to comply with these reporting requirements may be considered a breach of contract with attendant consequences

(Clause modeled on DEAR 952.223-78, Sustainable Acquisition Program)