

## THE UNITED STATES OF AMERICA

# ENCOURAGING THE USE OF ENVIRONMENTALLY SUSTAINABLE EQUIPMENT AND PRACTICES

### 1. ISSUE PAPER THEME: Major Equipment, Self-Sustainment, Other/Cross-cutting

## 2. SUMMARY / BACKGROUND

The UN General Assembly has encouraged UN Peacekeeping Operations to reduce their overall environmental footprint. In addition, the UN Secretary General set climate targets during the Climate Summit in 2019, which notably included a transition to 80% renewable energy by 2030. To meet this target, it is imperative that UN Peacekeeping Operations scale back their reliance on diesel generators. Not only are such generators expensive and difficult to maintain, but diesel fuel also presents difficult security and logistic challenges for UN Troop and Police contributing countries (T/PPCs).

The COE Manual was amended during the 2017 COE Working Group. This amendment introduced premiums to encourage T/PCCs to deploy renewable energy systems as major equipment. For example, low-penetration integrated diesel generator-solar photovoltaic (solar PV) systems are reimbursed based on a wet lease rate. The incentives range from 120% to 180% of the equipment prime power rate. The amendment also specified that other types of renewable energy systems are reimbursed as special cases, which include medium-to-high penetration hybrid systems, autonomous photovoltaic and battery systems, and other solar powered equipment. Although these reimbursements and premiums have been introduced, deployment of renewable energy systems by T/PCCs remains limited. Consultations have highlighted that the COE Manual's phrasing may lead to misinterpretations by T/PCCs, which might contribute to inaccurate financial assessments that discourage renewable energy solutions.

This issue paper recommends additional provisions to the COE Manual to establish clear reimbursement parameters and rates.

## 3. DETAILED PROPOSAL

The COE Manual acknowledges “renewable energy increases the self-sustainment capacity of camps by reducing the need for fuel supply and related convoys, especially in areas with asymmetric attacks. Deployment of more renewable energy power generation capacity has a positive effect on the safety, security and health, and reduces the environmental impact of missions globally through a reduction of greenhouse gas emissions, and in country through the prevention of air and ground pollution” (Chapter 8, Annex A, Appendix 3, paragraph 8). This language codifies the positive impact of environmentally conscious and sustainable equipment toward peacekeeper safety and mission resiliency and success. However, the COE Manual does not include established rates of reimbursement for this equipment.

The Manual establishes equipment that generates electricity from a renewable energy as a “special case” for reimbursement (Chapter 3, Annex A, paragraph 12). “Special case equipment is major equipment for which, because of the uniqueness of the item, its high value or the lack of a generic group, a standard rate of reimbursement has not been defined in the tables of reimbursement” (Chapter 5, Section I). This separate and

non-standardized reimbursement structure discourages the use of special case equipment due to the increased complexity and opacity of the process to establish a unique reimbursement rate.

A first step in simplifying the process would be to amend the COE Manual by replacing the existing complex reimbursement modalities for low-penetration solar PV systems with a simple rate, based on a unit of nominal capacity (US\$ per kWp). The proposed methodology simplifies the T/PCC's financial assessment due to two unique benefits. First, it is independent of type and amount of diesel generators, which allows for integrating renewable energy systems with stationary generators—the most common diesel generators in the field. Second, a unit rate-based methodology also allows for the calculation of the pay-back period for the T/PCC.

## 4. PROPOSED MANUAL TEXT

*Chapter 8, Annex B, pages 180 and 181/271*

**It is proposed to amend the text used at Chapter 8, Annex A based on a value US\$ per kWp of nominal capacity to estimate the generic fair market value, the dry and wet lease rate. It is proposed that solar PV systems start to be reimbursed once deployed and based upon confirmation and demonstration that the systems are operational, functioning, and generating energy.**

## 5. FINANCIAL IMPLICATIONS

The proposed amendment in *Chapter 8* simplifies T/PCC's financial assessment related to the deployment of low-penetration solar PV systems by providing a simple unit reimbursement rate per unit of peak capacity of the solar system. This financial assessment simplification will likely lead T/PCCs to deploy more renewable energy systems, aligning with the Environment Strategy for Peace Operations. With increased use of renewable energy, savings are expected to result from fuel economy. However, these savings depend on diesel fuel's cost.

## 6. PREVIOUS HISTORY

The issue paper has not been previously submitted to the Contingent-Owned Equipment Working Group for its consideration.