



EXECUTIVE OFFICE OF THE PRESIDENT
OFFICE OF MANAGEMENT AND BUDGET
WASHINGTON, D.C. 20503

February 26, 2010

MEMORANDUM FOR CHIEF INFORMATION OFFICERS

FROM: Vivek Kundra
Federal Chief Information Officer

SUBJECT: Federal Data Center Consolidation Initiative

The reported number of Federal data centers grew from 432 in 1998 to more than 1,100 in 2009.¹ This growth in redundant infrastructure investments is costly, inefficient, unsustainable and has a significant impact on energy consumption. In 2006, Federal servers and data centers consumed over 6 billion kWh of electricity and without a fundamental shift in how we deploy technology it could exceed 12 billion kWh by 2011.² In addition to the energy impact, information collected from agencies in 2009 shows relatively low utilization rates of current infrastructure and limited reuse of data centers within or across agencies. The cost of operating a single data center is significant, from hardware and software costs to real estate and cooling costs.

The Federal Data Center Consolidation Initiative aims to address these challenges by leveraging best practices in the public and private sector. The focus of this initiative is to:

- Promote the use of Green IT by reducing the overall energy and real estate footprint of government data centers;
- Reduce the cost of data center hardware, software and operations;
- Increase the overall IT security posture of the government; and
- Shift IT investments to more efficient computing platforms and technologies.

I have designated Richard Spires, CIO for the Department of Homeland Security and Michael Duffy, CIO for the Treasury Department, to lead this effort within the Federal CIO Council.

¹ 2009 OMB Budget Data Request 09-41

² EPA Report to Congress on Server and Data Center Energy Efficiency Public Law 109-431, U.S. Environmental protection Agency ENERGY STAR Program, August 2, 2007

We have established the following process to collect information that will drive the data center consolidation plans:

1. **INITIAL ASSET INVENTORY:** Agencies will conduct an initial inventory of data center assets by April 30, 2010. This will provide a high-level understanding of the scale and size of existing data centers, IT infrastructure assets, and applications supported by the data centers.
2. **INITIAL DATA CENTER CONSOLIDATION PLAN:** Agencies will develop an initial data center consolidation plan by June 30, 2010. This plan will identify potential areas for consolidation, areas where optimization through server virtualization or cloud computing alternatives may be used, and a high-level roadmap for transitioning to the consolidated end-state architecture.
3. **FINAL ASSET INVENTORY BASELINE:** Agencies will collect the final asset inventory baseline containing more detailed information by July 30, 2010. This will serve as the foundation for developing the final data center consolidation plans.
4. **FINAL DATA CENTER CONSOLIDATION PLANS:** Agencies will develop their final data center consolidation plans and incorporate them into their 2012 fiscal year budgets by August 30, 2010. These plans must be approved by OMB by December 31, 2010. The final plans will include a technical roadmap and approach for achieving the targets for infrastructure utilization, energy efficiency, and cost efficiency.
5. **ONGOING MONITORING:** There will be ongoing monitoring and reporting process to:
 - Update the asset inventory annually by the end of the third quarter of each fiscal year starting in FY2011;
 - Report progress on executing data center consolidation plans by the end of each fiscal year quarter starting in FY11; and
 - Reflect changes in asset inventories and account for execution of data center consolidation plans in subsequent years' budgets.

We look forward to working with each of you on this important effort. Begin completing the Initial Data Center Consolidation Initiative data in Attachment 1, due April 30, 2010. Attachment 2 contains the overall plan for this initiative. If you have questions about the initiative, please contact Richard Spires at 202-447-3735 (Richard.Spires@dhs.gov) or Michael Duffy at 202-622-5093 (Michael.Duffy@do.treas.gov).