Federal Utility Partnerships

What the Government Needs from the Utility

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Understand the Government’s Authority and Objectives

- **Federal Utility Incentive Authority** (42 USC 8256 and 10 USC 2913)
  - encourage to participate in utility programs offered;
  - accept any financial goods and services;
  - and negotiate to meet the unique needs of their facilities

- **Energy Management Mandates by Federal Legal Authority**
  - reduce energy intensity by 2.5% annually, participate in demand management programs;
  - ensure 15% of energy consumed is renewable electric energy between 2018 and 2019
  - proposed projects should be comprehensive and geared to help achieve goals
Be Aware of Federal Acquisition Regulations!

• Understand your Federal customers have Federal Acquisition Regulation (FAR) requirements
  – Start by being familiar with the FAR requirements in your own GSA Areawide Contract
    » here are a few of utmost importance:
      • Subcontractor cost or pricing data (52.215-12)
      • Availability of funds (52.232-18)
      • Competition in subcontracting (52.244-5)
  – Agency-specific FAR requirements
Utility, Understand Your Commitment

• Understand the language in the Areawide Contract, Master Agreement, Basic Ordering Agreement or Interagency Agreement (BPA, TVA, etc.)
  – In UESCs, propose energy conservation measures that demonstrate a net overall energy usage or cost reduction
  – Competitively select subcontractors and make available to Contracting Officer all documents related to selection of subcontractors
  – In USCs, provide services that help the site increase reliability, address mission requirements and critical assets, and enhance service
Be the Prime Contractor

• Regulated utility is always the prime on utility contracts
• DoD legislation allows direct negotiation with competitively selects ESCOs, however, the prime should always be involved and aware
• Issues and problems that may become showstoppers can arise when the prime is not working their subcontractors
• Please stay engaged!
The Office of Management & Budget requires Performance Assurance Plans to verify performance of the installed equipment throughout the life of the contract.

The Plan addresses—
- commissioning the installed equipment
- verifying equipment performance
- conducting operation & maintenance
- ongoing training of facilities staff
- resolving discrepancies
Be a Long Term Partner

• Get in on the agency energy management planning process
  – Plan to meet short term and long range goals
  – Listen and identify opportunities to:
    • increase reliability
    • optimize efficiency
    • maximize energy resiliency
• Design programs with your Federal customer in mind
• Implement plan in a manner that makes most sense
  – Phased approach or large project
• Stay in communication with contracting, energy and facility management staff of the agencies you serve!
Utilities are encouraged to take advantage of the assistance that FEMP offers to utilities serving Federal facilities

— Facilitate partnership with Federal customers
— Train utility staff
— Support Strategic Partnership meetings
Thank you!

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