Selecting Your Subcontractors
(for the Utility)

Hosted by:

FEMP
Federal Energy Management Program

FPL
Selecting Your Subcontractors

• **Energy Service Companies** – Act as your general contractor
  – Experienced with alternatively financed projects (UESCs and Energy Savings Performance Contracts)
  – Select through competitive bid process or RFQ
    • For individual project or set number of years
    • One or more than one winner
    • Criteria for selection: Go for best value not necessary low bidder
    • Overheads and margins have to be competitive – utility/energy service company sharing
    • Check with fed customer on method of selecting & small/disadvantaged business requirements

• **10 USC 2913** – FOR DOD: Allows direct negotiation with energy savings contractors on project details
Selecting Your Subcontractors

- **You** act as general contractor
  - Select specialty subcontractors for different aspects of the project or hire a design/build contractor
  - Select through competitive bid process
    - For individual project or set number of years
    - More than one or one winner
    - Criteria for selection? Best value.
    - Check with fed customer on method of selecting & small/disadvantaged business requirements

**NOTE:**

- FAR Part 45, Clause Number 52-244-5 requires “Competition in Subcontracting”
  - Your federal site customer will want to have a say in **how** you select your subs, but they cannot tell you **which** subs to select.
- The small business reporting requirement found in the GSA areawide contract language is applicable here. Requires an annual small business subcontracting plan.
Whichever Path You Choose . . .

• Utility still responsible for the work contractually
  – Through the end of the performance provisions

• Utility handling of the project during the entire process will affect relationship and reputation regardless of subcontracting process

• Customers repeatedly express desire for Utility to be an active participant . . . .

• Don’t just sit on the sidelines!
ESCO and Utility Agreement

Found in:
UESC Enabling Documents Book

Utility-issued Request for Qualifications (to ESCOs)

Also Available by request
For Assistance Contact:

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Help is available

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