Selecting Your Utility Partner

Hosted by:

FEMP
Federal Energy Management Program

FPL
Fair Opportunity for Source Selection – FAR 16.505(b)

• FAR requires agencies to provide a fair opportunity to be considered to all [eligible utilities*]

• Strategies and methods used successfully for UESC:
  – Limit the submission to vital information to save time and money
  – Utility presentations allow the agency to gain familiarity with the utility’s team
  – As it makes sense, tailor the process to the project scope

*Eligible utilities: 1) are the local distribution company, 2) have a certificate of necessity, 3) are subject to regulation by a governing body
Utility Selection

• Utilities reach out to agencies, offering a PA
  – When multiple utilities have expressed interest, provide fair opportunity
  – When the utility is offering a no-cost/no-future-obligation PA, the Contracting Officer may allow technical staff to arrange the PA
  – Utility may have an ESCO sub; ensure the ESCO was selected using a competitive process

Guide: Acquisition Planning Tab - Letter of Interest to Utilities
Letter of Interest

• **Action:** CO contacts each serving utility
• **Purpose:** To determine interest in providing a UESC
• **Objectives:**
  – Clarify agency intention to use UESC to meet energy goals
  – Describe the initial project scope
  – Inform utility that you are providing the same opportunity for consideration to all serving utilities
  – Provide evaluation method and criteria

**CO Tip:** Email provides a time stamp and electronic record

*Guide: Acquisition Planning Tab - Letter of Interest to Utilities*
Utility Presentation to Agency Team

The presentation should address:

- ✓ Evaluation criteria
- ✓ All available energy, water, and renewable energy Incentives
- ✓ UESC experience and capabilities
- ✓ Other

UESC Best Practice: Agency provide presentation format with the invitation to present
Summary Chart for Selecting Utility

Summary – Pricing Evaluation

<table>
<thead>
<tr>
<th>BASE &amp; OPTIONS</th>
<th>Water Utility</th>
<th>Natural Gas Utility</th>
<th>Electric Utility</th>
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<tbody>
<tr>
<td>1 OVERHEAD</td>
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<td>2 PROFIT</td>
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<td>3 CONTINGENCY</td>
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<td>4 TIER 1 SUB OVERHEAD</td>
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<td>9 Risk Insurance</td>
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</table>

Guide: Acquisition Planning Tab – Summary Chart
Select Utility

- Based on evaluation factors and utilities’ responses to letter of interest, interviews, etc.
- CO sends Utility Selection Letter to notify selected utility
  - Also to unsuccessful competitors
- CO documents process and selection for file

Guide: Acquisition Planning Tab – Utility Selection Letter
For Assistance with your UESC:

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