FEDERAL UTILITY PARTNERSHIP WORKING GROUP SEMINAR

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What Utilities Should Know About UESC Acquisitions

Hosted by:

FEMP
Federal Energy Management Program

Dominion Energy®
UESC Acquisitions

✓ Regulated, franchised utilities (i.e., local distribution companies – electric, natural gas and water) are eligible to enter into UESCs

✓ UESCs are awarded within the utility’s service area only

✓ Limited source acquisitions – all regulated utilities serving, or with the right to serve the site must be provided an opportunity for fair consideration

✓ Utilities may self-perform or hire ESCOs to serve as the UESC implementer
  • Regulated utility remains prime on the contract

✓ Utilities must select ESCOs competitively
  ▪ Agencies may prefer utilities enter agreements with more than one ESCO

✓ Subcontractor competition is required – ‘utility shall make available to the contracting officer all documents related to selection of a subcontractor’
UESC Acquisitions

- UESC Task Orders may have terms up to 25 years

- UESC must include a Performance Assurance Plan for annual scoring and to help ensure equipment performance throughout the life of the contract

- UESCs are firm-fixed-price contracts, therefore certified pricing is not required

- Pricing must be fair and reasonable (open book); best value to the Federal government

- Fuel neutral, comprehensive approach – evaluate all energy-consuming systems
UESC Acquisitions

✓ Expect Government oversight – trust and verify

✓ Agency may have some or all funding necessary for energy project
  • 100% financing or funding, or any combination

✓ Agencies may buydown or buyout the contract

✓ Payments to utility commence at Government acceptance; payments may be assigned to financier

✓ As in all partnerships, *communication is key*
UESC Acquisitions

✓ Contractor Performance Assessment Reporting System (CPARS)
  • FAR Part 42.15

✓ Collects the assessment of a contractor’s performance, both strengths and weaknesses, providing a record of performance against a unique contract award or order

✓ Agencies may use to assess past performance of utilities and their subcontractors