

FEDERAL UTILITY PARTNERSHIP WORKING GROUP SEMINAR

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Herndon, VA

What Utilities Should Know About UESC Acquisitions

Hosted by:



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