DOD Procedures for Successful UESC Projects
Daniela Holtz - NAVFAC

Hosted by:

FEMP
Federal Energy Management Program

Dominion Energy®
Navy Shore Triad Roles

CNIC
Shore Integrator and Navy Installations Execution Agent
- Budget Submitting Office for all Shore Requirements
- Delivery of QOL, Security, Fleet Ops, and Base Support Services

OPNAV N4
Establish Policy and Advocate Resourcing IAW CNO priorities
- Requirements Assessments
- Oversight and Policy
- Resource Sponsorship
- N464: Facilities Investments

NAVFAC
DoN's Facility Engineering SYSCOM
- Acquisition/Technical Authority
- Facilities Planning, Construction, Maintenance
- Delivery of Utilities, Environmental, Transportation, and Facility services
- Prepare budget exhibits for MILCON
- Project development for clients (reimbursable)
- Lead Design and Construction efforts
- Technical authority for facilities engineering

Navy Installation management is accomplished through close collaboration and integration across the shore triad.
UESC Objectives - Navy

• The primary purpose of all energy projects is to improve energy security for Navy's critical missions.

• Energy projects must focus on the three pillars of energy security, per the NDAA, OSD policy and the DON Energy Security Framework (P-602):
  – Resilience
  – Reliability
  – Efficiency

• Going forward, requirements must be documented in the Installation Energy Plan and prioritized by the EMIG to ensure available resources are optimized to close the highest priority gaps first.
### NAVFAC’s Third-Party Finance Program Structure

**Echelon II (Headquarters) PW8**

<table>
<thead>
<tr>
<th>Resourcing</th>
<th>Reporting</th>
<th>Approvals</th>
<th>Guidance</th>
</tr>
</thead>
</table>

#### ESPC (Energy Savings Performance Contracts)

**Centralized**

- Technical and Acquisition housed at Echelon III - EXWC (Engineering Expeditionary Warfare Center)
- Project Managers, Ops, and Stakeholders support projects out of FECs (Facilities Engineering Commands)/Regions or installations

#### UESC (Utility Energy Service Contracts)

**Decentralized**

- Echelon III (LANT/PAC) provide support and resource and reporting management
- All execution activities run out of the FEC and installations
Execution Steps

Step 1 – Develop Project Concept / To be replaced by EMIG

Step 2 – Project Preparation and Initiation

Step 3 – Contractor Selection

Step 4 – Preliminary Assessment

Step 5 – Approval to Proceed to Utility Proposal

Step 6 – Utility Final Proposal

Step 7 – Approval to Award

Step 8 – Design & Construction

Step 9 – Beneficial Occupancy and Performance Period

CNIC Instruction 4101.A (24Apr 18) governs approval process for all CNIC funded UESC and ESPC projects
Execution Steps

START
Pre-NOO: Develop Project Concept
Project Preparation and Initiation
KTR Selection
PA Phase
PA Review Review and approve Preliminary Assessment
Client Approval

Final Proposal Phase
FP Review Review and approve Final Proposal
Awards
Pre-Award
Construction
Post-Award

Up to 25 years

Performance Period + Annual M&V

Pre-Award
Process Improvements Snapshot

- Mid-PA and frequent IGA Design Charrettes
- Guidance on leveraging non-energy savings (O&M, avoided cost, etc.)
- Guidance on bundling ECMs and acquisition methods
- Job Order Number (JON) tracking for funds fidelity and adequate resourcing
- Project induction process change for comprehensive resource planning
- Standardized Performance Assurance requirements for UESCs
- Guidance on Cyber Security requirements for energy systems
Thank You

Hosted by:

FEMP
Federal Energy Management Program

Dominion Energy