Leveraging Federal Contracting Opportunities to Meet Energy Needs
Jacob Vigil, DLA Energy
Mission:
To provide the Department of Defense and other government agencies with comprehensive energy solutions in the most effective and efficient manner possible.

Vision:
Our customers’ first choice for energy solutions.
Centralized Competitive Procurement of Installation Energy commodities

- Annual deliveries: Coal, ~400,000 tons; Natural Gas, ~40M dekatherms; Electricity, ~5.6 megawatt hours
- 2018: Issued 1st time procurement for liquefied natural gas (LNG)
- ~50 single and multiyear (2-3 years) contracts valued at more than $1 billion
- Leverage regional markets and buying power for lower pricing. Suppliers assist to provide least cost fuel opportunities and maintain continuous operations during utility/pipeline curtailment periods

Energy Savings Performance Contracts (ESPCs)

- More than $900M invested in energy conservation measures and infrastructure improvements for Army, Air Force and other DoD installations located in U.S. and abroad

Utility Energy Service Contracts (UESCs)

- Awarded $861K in energy conservation measures and infrastructure improvements for the AF

Large-scale (>10MW) Renewable Energy (RE) Projects

- Awarded ~135 megawatts of new generation capacity under long term contracts valued at over $800M

Centralized DoD Demand Response (DR) Program

- ~30 Installations participating in DR programs across PJM, NYISO and ERCOT regions
Natural Gas Program

- DoD Installations and federal agencies in 32 states and the District of Columbia
- 51.8M Dekatherms delivered in FY19
- Cost Avoidance:
  - FY19: ~$30M (est)
  - ~$1.3B over the life of the program

Central Region
- 18M Dekatherms
- 6 Suppliers
- 21 Utilities

Northwest Region
- 33M Dekatherms
- 10 Suppliers
- 17 Utilities

West Region
- 26M Dekatherms
- 5 Suppliers
- 7 Utilities

South Region
- 28M Dekatherms
- 9 Suppliers
- 21 Utilities

Natural Gas Customer Profile

- FedCiv 34%
- Army 23%
- Navy/MC 19%
- Air Force 16%
- Other DoD 8%
DLA Energy is executing the competitive acquisition of retail open access for Department of Defense and Federal Civilian agencies in states that have implemented restructuring.

**ISO-NE** - ~307,000 MWH
- 2 Suppliers
- 5 Utilities

**NYISO** - ~211,000 MWH
- 2 Suppliers
- 5 Utilities

**MISO** - ~417,000 MWH
- 2 Suppliers
- 1 Utility

**PJM** - ~11.7M MWH
- 7 Suppliers
- 18 Utilities

**ERCOT** - ~934,000 MWH
- 6 Suppliers
- 4 Utilities

**Fed Civ**
- DOE
- NASA
- DHS
- HHS
- DOL
- DOC
- USDA
- VA

**Retail access implemented, DLA Energy solicited, no awards**

**Retail access implemented, DLA Energy awarded contracts**

**DLA Energy Electricity Customers**

- Army 20%
- Air Force 14%
- Navy / Marines 17%
- DOD Other 14%
- Fed Civ 35%
## Installation Energy Commodity Purchase Programs

### Major Procurement Programs:

<table>
<thead>
<tr>
<th>Program</th>
<th>Procurement</th>
<th>Contract Term</th>
<th>Est $ value</th>
<th># of Suppliers</th>
<th># of Utilities</th>
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<tbody>
<tr>
<td>Natural Gas</td>
<td>Northeast Region</td>
<td>2 years</td>
<td>$95M</td>
<td>20-30</td>
<td>60-70</td>
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<tr>
<td></td>
<td>South Region</td>
<td>2 years</td>
<td>$70M</td>
<td></td>
<td></td>
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<tr>
<td></td>
<td>Central Region</td>
<td>2 years</td>
<td>$53M</td>
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<tr>
<td></td>
<td>West Region</td>
<td>2-3 years</td>
<td>$80M</td>
<td></td>
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<td></td>
<td>Monthly buys</td>
<td>monthly</td>
<td>~$1M or less</td>
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<tr>
<td>Electricity</td>
<td>PJM</td>
<td>2 years</td>
<td>$250M</td>
<td>20-30</td>
<td>30-40</td>
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<tr>
<td></td>
<td>New York</td>
<td>2 years</td>
<td>$10M</td>
<td></td>
<td></td>
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<tr>
<td></td>
<td>Texas</td>
<td>2 years</td>
<td>$30M</td>
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<td></td>
<td>PJM Portfolio</td>
<td>5 years</td>
<td>$360M</td>
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<tr>
<td></td>
<td>MISO</td>
<td>2 years</td>
<td>$18M</td>
<td></td>
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<tr>
<td></td>
<td>New England</td>
<td>2 years</td>
<td>$20M</td>
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<tr>
<td>Coal</td>
<td>U.S. Lower 48 &amp; Alaska</td>
<td>1-5 years</td>
<td>$35M (annually)</td>
<td>3</td>
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Category Management
Whole of Government

DLA Energy Natural Gas and Electricity Programs

- Government-wide Spend Under Management (SUM) Tier 2, Multi-Agency solution
- Customers using DLA Energy contracts will increase their SUM for F&C/Utilities

- Government-wide Category Management (CM)
  - Purchasing approach that federal government is applying to buy smarter and more like a single enterprise
  - Goal: eliminate redundancies, increase efficiency, and deliver more value and savings from our acquisition programs

- Facilities and Construction (F&C) Category
  - 1 of 10 common categories of federal government spending; F&C includes 5 sub-categories
  - Utilities included under the Facility-Related Services sub-category

For more info, visit the F&C hallway:
https://hallways.cap.gsa.gov/app/#!/gateway/facilities-construction
**Summary:**

**Preaward:** Eleven (11) ESPCs

**Awarded:** Twenty-four (24) ESPC/UESCs

- $2.1B in total contract value
- $900M+ in project investment
- 2.4M MBtu annual energy savings

**Awarded PPAs**

**Awarded ESPCs**

**Active PPA procurement**

**Active ESPC/UESC procurement**

**Installation Energy**

**ESPC / UESC / PPA Overview**

- Yokota AB, Japan
- Kadena AB, Japan
- Osan AB, SKorea
- Kunsan AB, SKorea
- Misawa AB, Japan
- USAG, GE (CHP)
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<thead>
<tr>
<th>Installation Energy</th>
<th>POC</th>
<th>Email</th>
</tr>
</thead>
<tbody>
<tr>
<td>Director</td>
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Questions