



U.S. Department of Energy Small Business Advocate Success Story: Office of Energy Efficiency and Renewable Energy (EERE) Federal Energy Management Program (FEMP)

The Office of Energy Efficiency and Renewable Energy's (EERE's) Small Business Program is highlighting the Federal Energy Management Program (FEMP) for its integral role in supporting small business opportunities across the federal government. Below, FEMP Director Leslie Nicholls sheds light into exactly how FEMP advocates for small business. For more information on FEMP, please visit [the program's website](#).

1) Please describe FEMP's mission and services.

- A. FEMP focuses on enabling federal agencies to meet energy-related goals, facilitating public-private partnerships, and providing energy leadership to the country. This is primarily accomplished by identifying and leveraging government performance contracting to help agencies implement energy-savings projects for building optimization, resiliency, and security. FEMP provides federal agencies with a broad range of information, tools, and assistance to foster building optimization, affordable and replicable solutions, consistent best practices, project development guidance, and process quality assurance.

2) What is FEMP's relationship with small business?

- A. The U.S. federal government is America's largest single energy consumer, with more than 600,000 vehicles and 350,000 buildings and structures. There has been a greater than 47% reduction in building energy intensity in federal buildings since 1975 and a 25% reduction since 2003. Federal agencies are required to continue reducing energy use in federal buildings, and they will do this by making energy-efficient upgrades. A large portion of these upgrades will be completed using performance-based contracts¹. In fact, a recently updated [Lawrence Berkeley National Laboratory study](#) on the U.S. energy service company (ESCO) industry suggests that the remaining market potential under an unfettered

¹ Performance-based contracts focus on measurable outcomes instead of direct performance processes.

market is between \$190–\$333 billion. State and local governments, private-sector buildings, K-12 schools, and other sectors are also included in this estimate in addition to the federal market.

FEMP recognizes the potential role small businesses will play in the future of performance contracting. A few years ago, FEMP established the ENABLE program. The ENABLE program—designed to streamline and standardize the procurement process for small federal projects to install energy conservation measures in 6 months or less—is uniquely suited for small businesses. Twenty ESCOs are currently eligible for ENABLE, and 10 of them are small business firms². Small business ESCOs have received 8 of the 11 ENABLE projects awarded to date, ranging in size from about \$200,000 to \$6 million.

FEMP uses the U.S. General Services Administration (GSA) Federal Supply Schedule 84, SIN 246-53, Facility Management and Energy Solutions, in order to administer ENABLE projects using a set of pre-established procurement and technical tools. Please visit [the Energy Savings Performance Contract \(ESPC\) ENABLE Energy Service Companies page](#) to learn more about how an firm can become an eligible ESPC ENABLE project (GSA Schedule 84) service provider. You may also contact the GSA Schedule 84 Chief Kevin Mitchell at kevin.mitchell@gsa.gov.

3) What kind of FEMP resources would you recommend to small businesses, and where can they be found?

- A. In addition to the ENABLE program and FEMP’s performance contracting team, FEMP training is also a great resource for small businesses. FEMP offers a robust online training program on a wide range of topics, both live and on-demand online. The online trainings are free and are accredited by the International Association for Continuing Education and Training (IACET), and the IACET awards continuing education units upon the successful completion of select courses. Visit FEMP’s [training program page](#) for more information.

I would also recommend attending FEMP’s premier in-person training event, the Energy Exchange. The annually held Energy Exchange provides professional skill building via accredited training sessions, networking opportunities, and a tradeshow to the federal energy management community. By bringing together subject matter experts from a wide range of technical disciplines, everybody is able to share their knowledge of government best practices in the 2-1/2 day forum. The Energy Exchange has tremendous appeal for those who are currently engaged in a range of energy-related projects at federal agencies or who are thinking about partnering with federal agencies in the near future.



²Each ENABLE Program ESCO’s socioeconomic categorization per [GSA Schedule 84 SIN 246-53](#) determines its socioeconomic status within the ENABLE program.

For product manufacturers and vendors, FEMP provides information on [how to sell products to the federal government](#). Vendors may also be interested in [GSA's Mentor-Protégé Program](#), which partners small businesses that are new to selling to the federal government with experienced companies.

4) Please tell us about the recently awarded ESPC indefinite-delivery indefinite-quantity (IDIQ) contracts and how small business is involved?

- A. On April 28, FEMP announced the award of the new DOE ESPC IDIQ contracts to 21 ESCOs. An ESPC project provides guaranteed cost savings as a result of privately financed energy and water infrastructure improvements to federal facilities, without the need for additional congressional appropriations. One of the 21 companies is considered a small business³. The other 20 large companies have approved small business subcontracting plans incorporated into their contracts, which include robust subcontracting goals for utilizing small businesses on every project⁴.

5) What other small business opportunities are available through FEMP?

- A. Besides FEMP's ENABLE program, the resources offered through the training program, and subcontracting opportunities under the DOE ESPC IDIQ contracts, small businesses are also able to work with ESCOs on DOE's qualified list under non-DOE ESPC contracts and utility companies on Utility Energy Service Contracts (UESCs). Opportunities also exist for vendors to sell energy efficient products to these companies as well.

6) Please share a success story of a small business working with FEMP.

- A. A recent success story I would like to share comes from DOE's very own backyard. Earlier this year, DOE Forrestal Headquarters completed a light-emitting diode (LED) lighting project awarded under ENABLE to American Development Institute (ADI), a small business ESCO. The project consisted of re-lamping more than 30,000 existing interior luminaries in the Forrestal complex with LED tubes and ENERGY STAR®-listed LED screw-in lamps. In certain areas, ADI also installed new LED retrofit kits, lenses, or electronic ballasts. The project replaced 2-ft., 3-ft., 4-ft., 8-ft., and u-bend, linear fluorescent lamps, as well as a variety of compact fluorescents and incandescent lamps.

The total amount financed was \$2.3 million with a 12-year term. Total project estimated savings are \$3.1 million, with total guaranteed savings of \$2.9 million. The project was awarded only 6 months after FEMP issued the notice of opportunity.

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³For DOE ESPC IDIQ contracts, the small business size standard is \$35.5 million. For a firm submitting an offer on a non-construction or non-service contract to furnish products it does not manufacture itself, the small business size standard is 500 employees.

⁴All DOE IDIQ ESCOs must meet the following minimum subcontracting goals: Small Business—30%; Small Disadvantaged Business—5%; Women-Owned Small Business—5%; Service-Disabled Veteran-Owned Small Business—3%; and HUBZone—3%.

7) What advice do you have for small business contractors looking to work with FEMP?

- A. For small business firms looking to do business with the federal government, I would first recommend visiting the [U.S. Small Business Administration website](#) to learn more about contracting with the federal government as a small business. I mentioned the GSA Schedule 84 for ENABLE above, but to learn more about how to get on the general GSA Acquisition Schedule, visit the [GSA web page for industry partners](#).

Next, if the small business firm has not already applied to become a DOE-Qualified ESCO, that is the next step. Please visit the [FEMP website](#) to learn more. Companies approved for the DOE Qualified List of ESCOs may compete for ESPCs with federal agencies. This also includes ENABLE.

For more EERE small business success stories, visit the Small Business Program's [success stories page](#). For additional questions, contact EERE Small Business Program Manager Lani MacRae at SmallBusinessQuestions@ee.doe.gov.