



Energy Center of



Energy 2004 – UESC Areawides



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GSA Areawide Contract

- A master contract between GSA and utility service supplier to cover utility service acquisitions of all Federal agencies in the franchised certified service territory from the particular utility service provider for a period not to exceed 10 years
- GSA only agency authorized to sign an Areawide Contract but agreement can be used by any Federal Agency



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Background

- 115 Utility Areawide Contracts in place
- Contracting Officer
Lindsey Lee (202) 401-0174
- 2 Guides Available on GSA Energy Center of Expertise website:
 - Utility Areawide Guide
 - Procuring Energy Mgmt Services with the Utility Areawide Contract



Key Benefits

- ✓ Streamlined Process
- ✓ Utilities traditionally more willing to do smaller \$ value projects
- ✓ Existing Relationship with Utility
- ✓ Flexibility with M&V
- ✓ Guarantees not required (but may be negotiated with Utility)



Enabling Legislation

- ✓ EPACT (Public Law 102-486)
- ✓ 42 USC 8256
- ✓ FAR Part 41
- ✓ Legal Opinions

Typical Process

- ✓ Copy of Actual Areawide Contract
- ✓ The Areawide Contract sets up the general agreement for ordering utility services, while the Energy Management Services Authorization (EMSA) is the vehicle to specify energy management projects
- ✓ Complete the Exhibit (EMSA) for service you would like to order
- ✓ Attach Energy Services Agreement (ESA)
- ✓ Send copy to GSA

Authorization Form

- Details utility service or project to be provided under the contract (ex. Project financing)
- Ordering Agency completes an Authorization Form for their project
- Signed by Contracting Officer from Ordering Agency and Contracting Utility
- **Copy of signed authorization sent to GSA**



ESA (Energy Services Agreement)

- Guides Ordering Agency and Utility through Energy Mgmt project
- Main Body contains requirements related to contracting process, payments, termination, special requirements, etc.
- For Financed Project -- include financial exhibits



Recent Developments

-following GAO Report on use of Areawides

- Background:
 - DC government financed non energy related work under GSA areawide contract
- GSA response and approved actions:
 - Include language in all contracts: “All services to be provided by the Utility Company under this agreement are subject to the authority of the State Regulatory Commission”
 - Revised definition of DSM, included in revised guidance documents
 - Require utility contractors to report all UESC activity

Revised DSM Definition

- Approved by GAO

1. The measure must produce measurable energy or water reductions or measurable amounts of demand reduction;
2. The measure must be directly related to the use of energy or water, or demand reduction;
3. The preponderance of work covered by the measure (measured in dollars) must be for items 1 and 2 above; and
4. The measure must be an improvement to real property



More Important Info

- Only requirement is that project scope meet definition of DSM, not required to be “qualified” contract as defined in the June 1999 memo from Mark Schwartz
- Use of project facilitators not required





Current Use of Financing

- GSA has 12 Financed UESCs in place
- GSA legal opinion states term **can** exceed 10 years
- FEMP website lists several case studies
- Check that Utility offers this service
 - Some have more experience than others





Resources

- GSA Energy Center of Expertise
 - www.gsa.gov/energy
- FUPWG (Federal Utility Partnership Working Group)
- DOE FEMP
 - www.eren.doe.gov/femp

