

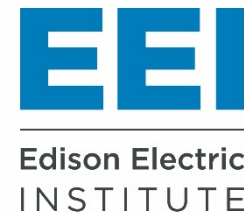
FEDERAL UTILITY PARTNERSHIP WORKING GROUP SEMINAR

November 7-8, 2019
Washington, DC

Leveraging Federal Contracting Opportunities to Meet Energy Needs

Jacob Vigil, DLA Energy

Hosted by:





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.



Installation Energy Overview

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

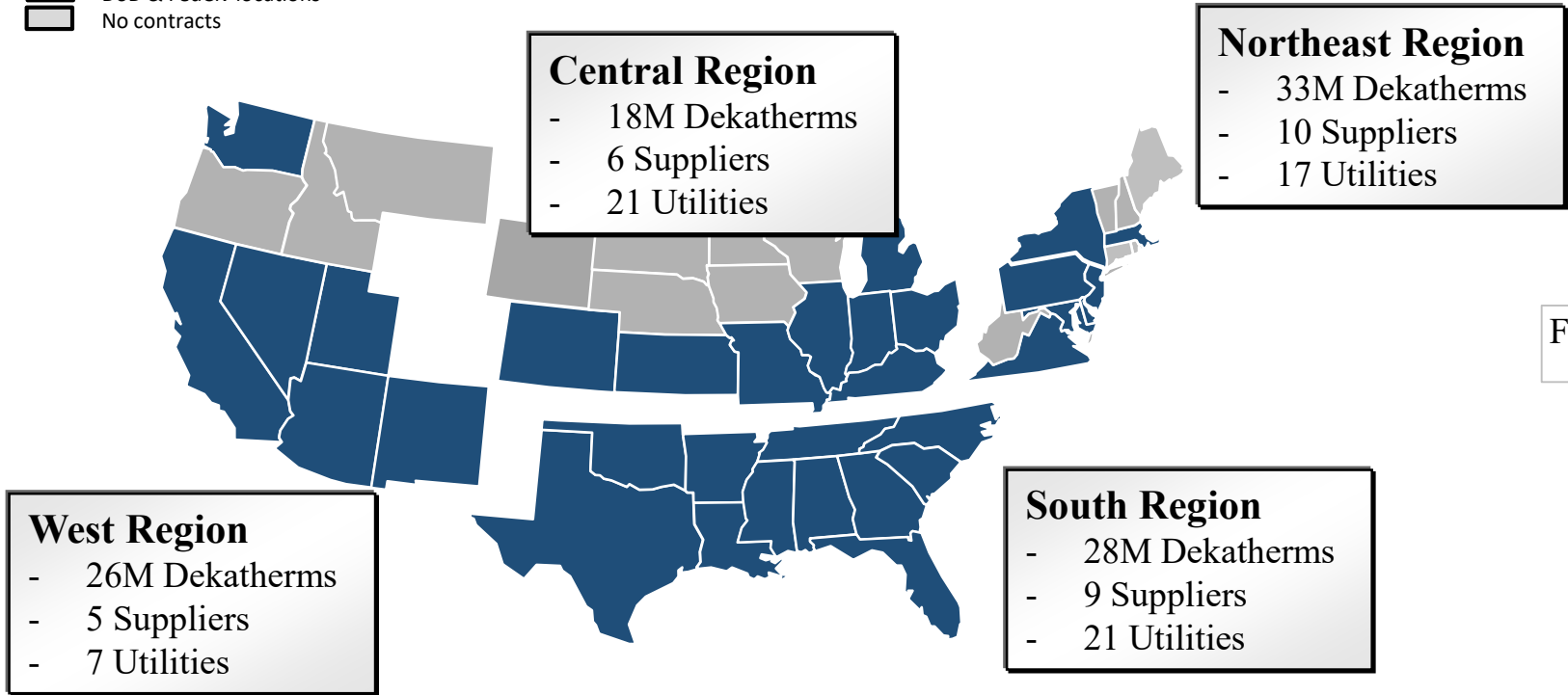
Centralized DoD Demand Response (DR) Program

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

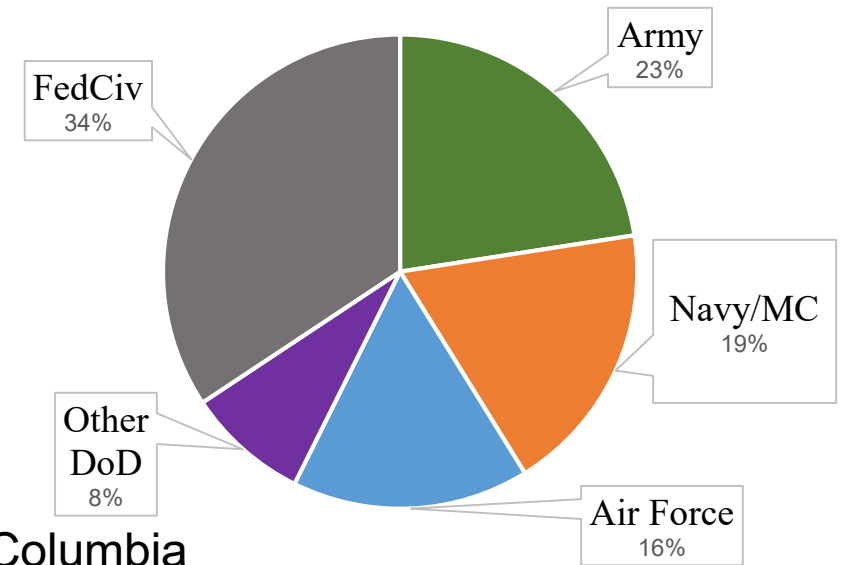


Natural Gas Program

 DoD & FedCiv locations
 No contracts



Natural Gas Customer Profile



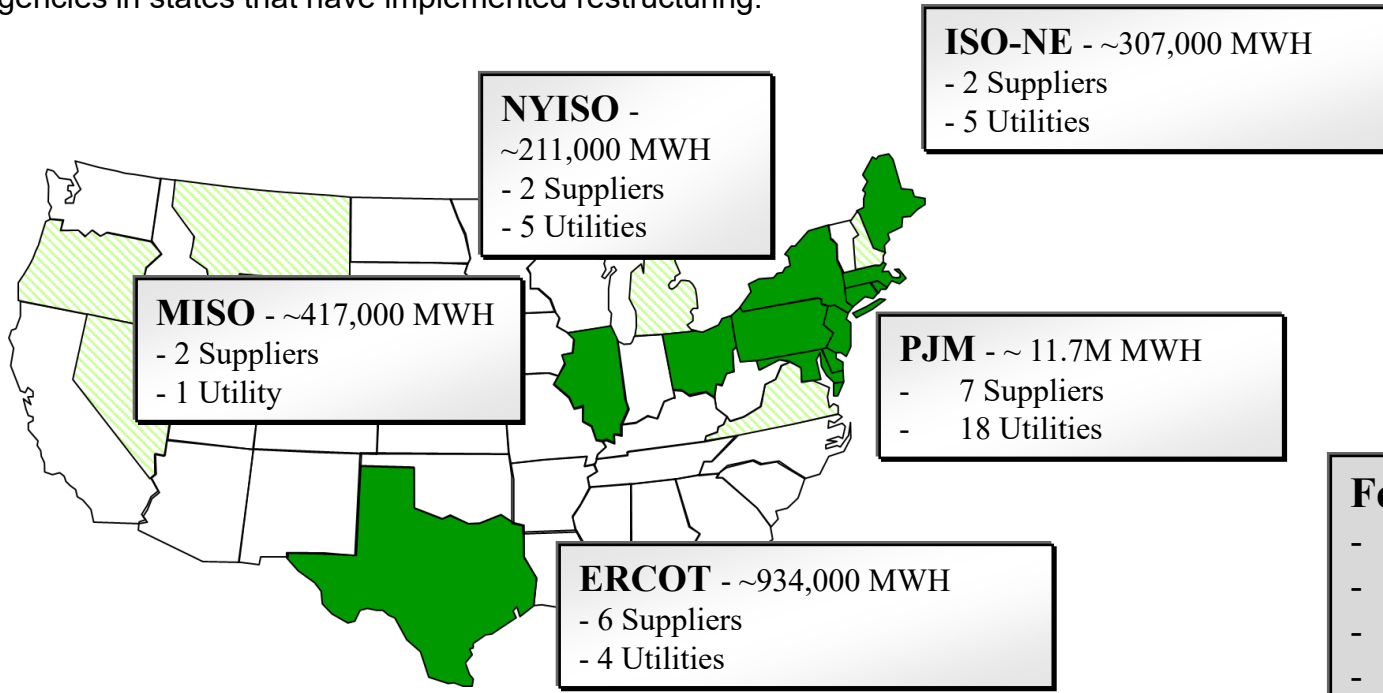
- DoD Installations and federal agencies in 32 states and the District of Columbia
- 51.8M Dekatherms delivered in FY19
- Cost Avoidance:
 - FY19: ~\$30M (est)
 - ~\$1.3B over the life of the program



Electricity Program



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.

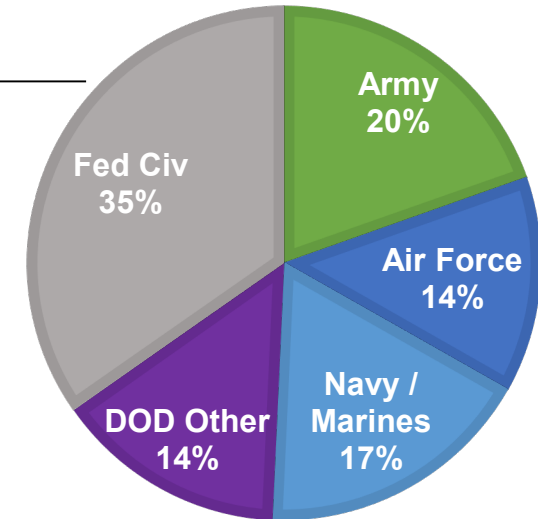


- Retail access implemented, DLA Energy awarded contracts
- Retail access implemented, DLA Energy solicited, no awards

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

DLA Energy Electricity Customers

- Army
- Air Force
- Navy / Marines
- DOD Other
- Fed Civ





Installation Energy Commodity Purchase Programs



Major Procurement Programs:

Program	Procurement	Contract Term	Est \$ value	# of Suppliers	# of Utilities
Natural Gas	Northeast Region	2 years	\$95M	20-30	60-70
	South Region	2 years	\$70M		
	Central Region	2 years	\$53M		
	West Region	2-3 years	\$80M		
	Monthly buys	monthly	~\$1M or less		
Electricity	PJM	2 years	\$250M	20-30	30-40
	New York	2 years	\$10M		
	Texas	2 years	\$30M		
	PJM Portfolio	5 years	\$360M		
	MISO	2 years	\$18M		
	New England	2 years	\$20M		
Coal	U.S. Lower 48 & Alaska	1-5 years	\$35M (annually)	3	



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>



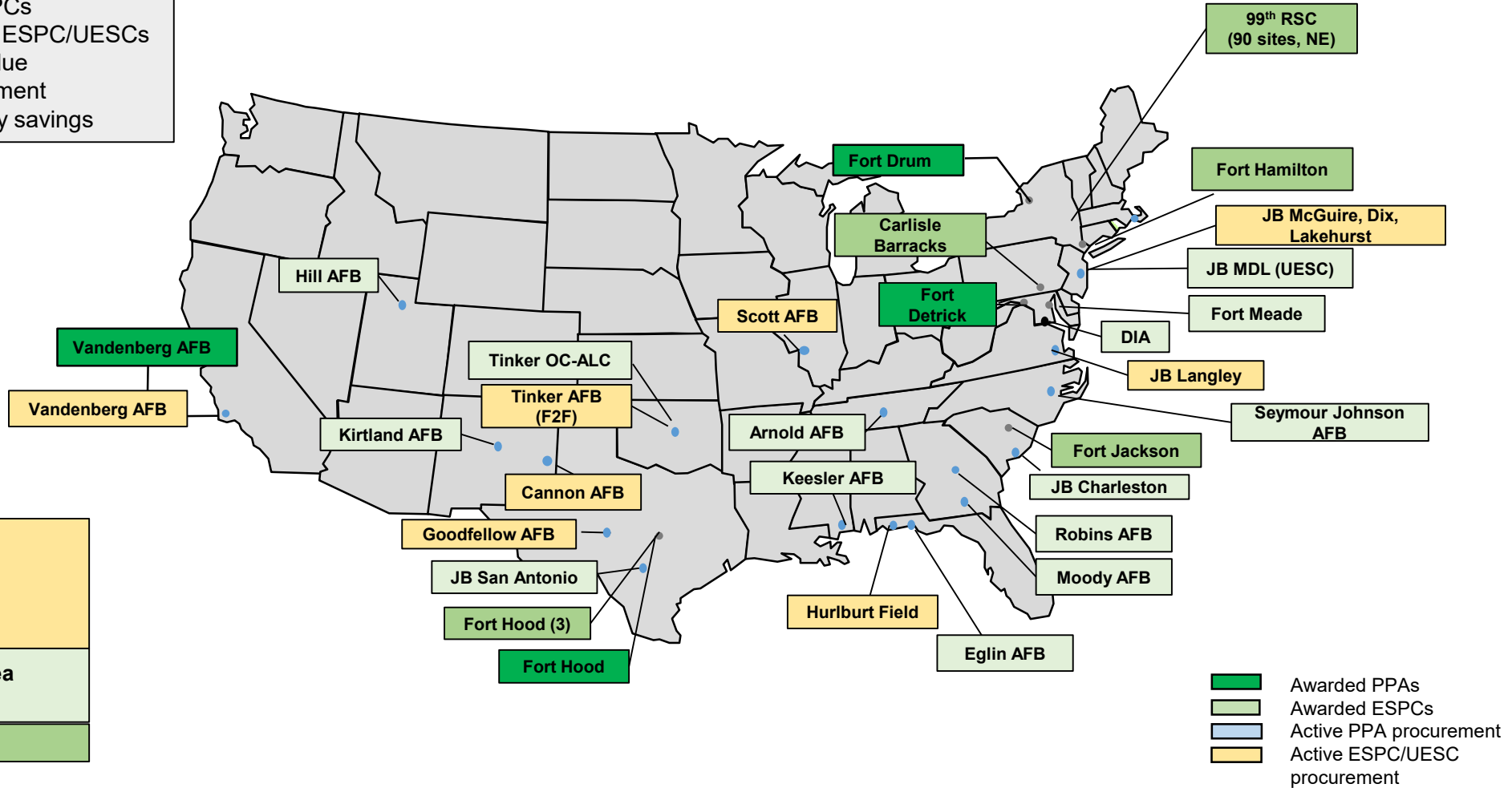
Installation Energy ESPC / UESC / PPA Overview

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



ESPC OCONUS:
- Yokota AB, Japan
- Kadena AB, Japan
- Osan AB, SKorea
- Kunsan AB, SKorea
- Misawa AB, Japan
- USAG, GE (CHP)



DLA Energy Installation Energy Overview



Installation Energy	POC	Email
Director Deputy Director	Pam Griffith Scott Taetsch	Pamela.J.Griffith@dla.mil Scott.Taetsch@dla.mil
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Questions