

June 21, 2022

MEMORANDUM TO: Domonique Malone, Contracting Officer, ADM/AMD/OBA

FROM: Matthew Picard Contracting Officer's Representative

SUBJECT: **LIMITED SOURCES JUSTIFICATION (LSJ)**

REFERENCE: Secure Data Center Cloud Computing and Cloud Access Point Colocation Service

1. Nature and/or description of the action being approved.

a. Description of the Action .

Noncompetitive GSA Federal Supply Schedule (FSS) Order to procure secure data center space for NRC's secure cloud computing and cloud access with 'zero-hop' connectivity services, and optional solutions on a sole source basis from Equinix, Inc. This acquisition is conducted under the authority of the Multiple-Award Schedule Program.

b. Project Background

The NRC requires a GSA FSS sole-source follow-on to the existing sole-sourced GSA Order No. GS35F401BA, 31310019F0134 with Equinix, which expires on 6/30/2022. The requirement is for secure data center space with "zero-hop" connectivity to any Cloud Service Provider (CSP) and to any Internet Service Provider (ISP).

c. Name of the proposed contractor(s).

Equinix, Inc.

2. Description of the supplies or services required to meet the agency's needs.

a. Project Title

Secure Data Center Cloud Computing and Cloud Access Point Colocation Service

b. Project Description

The contractor shall provide a secure data center space and host NRC network and service infrastructure with direct, zero network hop connectivity to common carrier access points, and multi-point connectivity to NRC-approved Cloud Service Providers (CSPs). This flexible solution enables NRC to rapidly provision communication links and create cross connections to NRC-approved CSPs. The solution accommodates current connections without disruption while providing expanded services to support effective growth of NRC-approved CSP connectivity.

The NRC requires zero-hop connectivity to CSPs and ICPs and the NRC network to

provide NRC HQ, Regional and field sites wide area network (WAN) connectivity and access to multiple cloud environments and O365. NRC requires hosting of Government equipment of Government equipment at a site to serve as NRC's network edge with "zero-hop" connections to any CSP and ISP to achieve peak network performance for NRC's hybrid environment. NRC also requires the site to be heavily redundant to support critical applications and infrastructure with 99.99% uptime, and scalable to provide flexibility for NRC's future plans for expansion.

The contractor shall also provide additional Internet connectivity and flexible / scalable bandwidth plans, dual-homed connectivity, BGP routing and redundant service providers.

c. Acquisition Information.

- **Requirement type.**
 - ☒ Information Technology (IT) or Electronic and Information Technology (EIT)
- **Type of action.**
 - ☒ Follow-on requirement
- **Proposed contract/order type.**
 - ☒ Firm-fixed-price
- **Statement of Work Type: N/A**
- **Requisition number: OCIO-22-0102**
- **Total estimated dollar value and performance/delivery period.**

Total estimated 5-year dollar value is \$3M.

The period of performance is July 01, 2022 - June 30, 2023, with 4 option years.

3. Identification of the justification rationale.

☒ **This acquisition is conducted under Federal Acquisition Regulation (FAR) 8.405-6.**

- ☐ Urgent and compelling need exists
- ☒ Only one source is capable of providing the supplies or services (i.e., peculiar item, brand name item)
- ☒ Logical follow-on

4. Description of the proposed contractor(s) unique qualifications to provide the required supply or service.

Equinix, Inc. is the only GSA Federal Supply Schedule (FSS) vendor in the DC Metropolitan area that can provide the NRC required zero-hop connectivity to all required CSPs and ISPs. NRC needs a vendor local to NRC HQ in Rockville to facilitate NRC moving additional Data Center servers to Equinix, along with NRC' capability to setup, configure, and upkeep of the Data Center equipment hosted locally at Equinix.

The NRC Equinix data center is an existing authorized NRC data center location which has been tested, secured and is an integral part of the NRC's current enterprise architecture and Technical Reference Model. Changing vendors would incur a dramatic and unnecessary increase in cost as the configuration at the new location would require new contractor support to redesign, redeploy, and reconfigure of the equipment. Also, a change to the circuit connection locations from Equinix would be highly disruptive and would introduce significant risk as well as potential delays in service could occur.

5. Description of the efforts made by the Contracting Officer (CO) to determine that the cost/price of the contract/order is fair and reasonable consistent with FAR 8.404(d) or 15.406-2.

This order will be placed in accordance with FAR 8.404, "Use of Federal Supply Schedules." The General Services Administration (GSA) has already negotiated fair and reasonable pricing rates. Discounts to these GSA schedule rates will be requested. The contractor's quote will also be compared to the Independent Government Cost Estimate (IGCE). Equinix, Inc. is on GSA Multiple Award Schedule Contract No. GS-35F-401BA, under the SIN 54151ECOM.

6. Description of the market research conducted (see FAR Part 10) and the results, or a statement of the reasons market research was not conducted.

Market research consisted of validating who the zero-hop direct connection partners existed for each NRC utilized cloud platform (Google, Microsoft, and Amazon). Through this investigation, it was determined that Equinix, Inc. was the only local GSA FSS vendor in the DC Metropolitan area that can provide the required zero-hop connectivity. Again, NRC needs a local vendor to NRC HQ in Rockville, in order to facilitate NRC moving its Data Center equipment to that vendor, along with NRC setup, configuration, and upkeep of the Data Center equipment hosted at the local vendor.

7. Other factors supporting the justification, if any.

N/A

9. If applicable, describe the actions the agency may take to remove or overcome any barriers that led to the restricted consideration before any subsequent acquisition for the supplies or services is made.

The Acquisition Management Division will closely scrutinize any subsequent requests to procure secure data center co-location with zero-hop connectivity services and will ensure that competitive barriers, if any, are mitigated or removed to the maximum extent practicable.

10. Certifications:

This is to certify that the justification for the proposed acquisition has been reviewed and that to the best of my knowledge and belief the information and/or data provided to support the rationale and recommendation for approval is accurate and complete.

Contracting Officer Representative:

Matthew E. Picard

Digitally signed by
Matthew E. Picard
Date: 2022.06.22
06:33:17 -04'00'

Matthew Picard, COR

Date

By signing below, the Contracting Officer certifies that the justification is accurate and complete to the best of his/her knowledge and belief.

Contracting Officer:

Domonique C. Malone

Digitally signed by Domonique
C. Malone
Date: 2022.06.23 13:37:49 -04'00'

Domonique Malone
ADM/AMD/OBA

Date

CONCUR:

Head of Contracting Activity:

Eleni Jernell

Digitally signed by Eleni Jernell
Date: 2022.06.24 10:47:19
-04'00'

Eleni Jernell

Date