

FEDERAL UTILITY PARTNERSHIP WORKING GROUP SEMINAR

November 3-4, 2015
Houston, TX

DoD Update
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Office of Assistant Secretary of Defense (EI&E)

Hosted by:





UESC Term Limit: Current Situation

- UESCs authorized for Federal Agencies under 42 U.S.C. § 8256
- DoD has specific authority under 10 U.S.C § 2913:
 - Authorizes “Agreements With Gas or Electric Utilities”
 - Does not indicate a term limit
 - Directs SecDef to “accelerate the use of these contracts”
- Default term limit applies to utility services contracts
 - Not to exceed 10 years per DFARS § 241.103
- DoD also eligible to use GSA Area-wide Contracts



UESC Term Limit

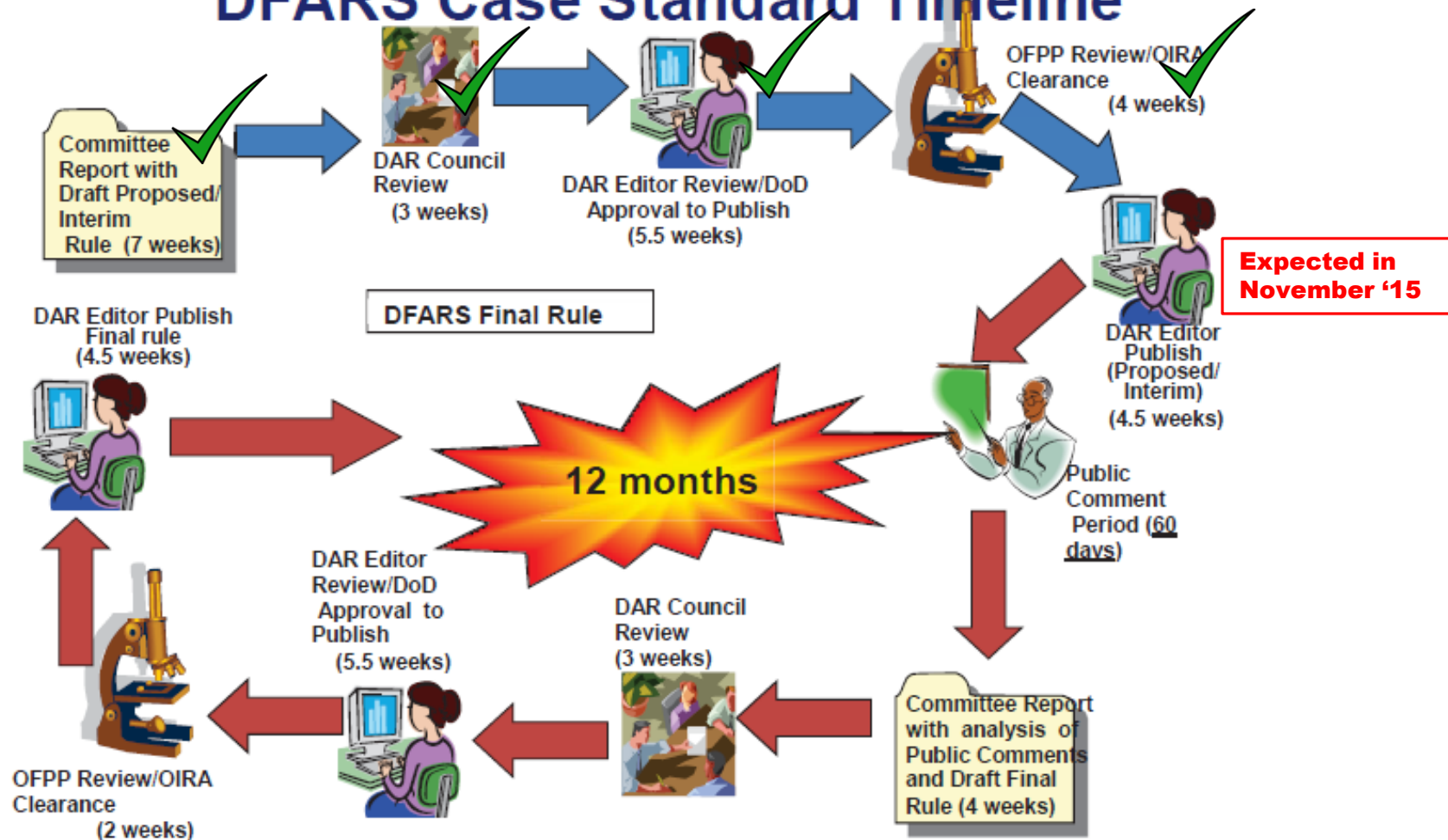
Desired End State: The contracting officer may enter into a shared energy savings contract under 10 U.S.C. 2913 for a period not to exceed 25 years.

- **Justification**
 - ESPC authority NTE 25 years for all agencies
 - GSA's legal determination for Federal Agencies – no 10-year limitation
 - Uniformity among similar contract vehicles
 - Can be paid back “under terms no less favorable than those applicable to its most favored customer.” (10 U.S.C. § 2913)
 - Strong support from
 - DoD Components
 - CEQ
 - EEI
- **Benefits**
 - Accelerate identification and incorporation of ECMs
 - Consistency of guidance
 - Deeper retrofits possible
 - Greater volume and variety of ECMs possible
 - Eliminates “cream skimming”
 - More effectively leverage private sector funding
 - Longer term partnerships with servicing utilities
 - Faster accomplishment of PPCC goals



UESC Term Limit: Proposed Solution

DFARS Case Standard Timeline



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OSD Policy/Guidance Development Underway

- Installation Energy Master Plan Policy/Guidance
- Demand Response Policy/Guidance
- Energy Efficiency Strategy
- Energy Manager Toolbox
- DoD Master Plan
- Energy Management Policy
- DODI 4170.11 Update
- Energy Manager Handbook Update



Questions?





UESC Term Limit DFARS Rule Change: Current Status

Date	Status
10/26/2015	OIRA cleared the subject proposed rule. The editors will prepare for publication on 6 Nov. DARMIS has been updated.
10/23/2015	The subject rule was submitted to OMB/OIRA.
10/22/2015	DAR editor notified OASD(LA) of planned publication of draft proposed DFARS rule.
10/21/2015	DAR editor received DoD approval to publish draft proposed DFARS rule.
10/14/2015	DAR editor requested DoD approval to publish draft proposed DFARS rule.
8/18/2015	Case manager forwarded draft proposed rule to DAR editor. DAR editor reviewing.
8/12/2015	DARC agreed to draft proposed DFARS rule. Case manager processing.
7/15/2015	DARC received Ad Hoc Cmte draft proposed DFARS rule from DARS staff. Discuss on 8/12/2015.
3/12/2015	DARC Director tasked Ad Hoc Cmte. to draft proposed DFARS rule. Report due 05/20/2015. Report due date extended to 7/15/2015.
3/11/2015	DARS opened case, proposed DFARS rule. DAR staff processing.