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Capacity crowd turns out to discuss \$7 billion renewable energy contract request for proposals

By Debra Valine

HUNTSVILLE, Ala. – The U.S. Army and Corps of Engineers (USACE) achieved a milestone Aug. 22 when more than 600 interested attendees participated in the pre-proposal conference for the \$7 billion Renewable and Alternative Energy Power Production for DoD Installations Multiple Award Task Order Contract (MATOC).

The Corps of Engineers, through its Engineering and Support Center, Huntsville, issued the MATOC Request for Proposal (RFP) Aug. 7 for \$7 billion in total contract capacity to procure reliable, locally generated, renewable and alternative energy through power purchase agreements. The \$7 billion capacity would be expended for the purchase of energy over a period of 30 years or less from renewable energy plants that are constructed and operated by contractors using private sector financing.

The solicitation is posted on the Federal Business Opportunities website at www.fbo.gov or <http://go.usa.gov/Gd6>. The solicitation closes Oct. 5.

The conference, hosted by the U.S. Army Energy Initiatives Task Force (EITF) and the Huntsville Center was held at the Bob Jones Auditorium on Redstone Arsenal. The conference provided representatives from industry with an overview of the MATOC RFP and USACE's general procurement process and offered an opportunity for a questions and answers session. . All presentations, questions and answers will be posted as an amendment to the solicitation on the Federal Business Opportunities website. A video of the conference will be posted to the Army EITF website, www.armyeitf.com, and the Huntsville Center website, www.hnd.usace.army.mil. The conference places the Army one step closer to putting a contract vehicle in place that will help installations meet mandated energy goals.

Col. John Hamilton, Redstone Garrison commander, opened the conference by telling attendees the importance of renewable energy to energy security on Army installations. He cited the power outages in Huntsville following the April 2011 tornadoes as an example and discussed the challenges of improving energy security and sustainability while remaining cost conscious..

Col. Robert J. Ruch, the Huntsville Center commander, talked about the goals the U.S. Army, the EITF and the Huntsville Center hope to achieve with the RFP.

"This is a huge opportunity for the Army, and we're glad you want to be part of it," Ruch said. "We are truly excited to be leading this effort that will help installations meet mandated energy reduction goals far into the future. Increasing energy security is a top priority for DoD and Army leadership, and this effort will lead to enhanced energy security and sustainability for our installations."

This past April, the White House announced that the Defense Department was making one of the largest commitments to clean energy in history, by setting a goal to deploy three gigawatts of renewable energy – including solar, wind, biomass, or geothermal – on Army, Navy and Air Force installations by 2025. That is enough energy to power 750,000 homes. The Army's goal is one gigawatt of that total. These goals support the broader DoD goal to enhance installation energy security and reduce installation energy costs.

“This MATOC is a key contracting vehicle that will be used to procure reliable, locally generated, renewable and alternative energy through establishing a pool of qualified firms and contractors with solar, wind, biomass and geothermal technologies to compete for individual Power Purchase Agreements,” Ruch said.

By awarding the contract, the Army will increase its agility by streamlining acquisition processes to develop large-scale renewable energy projects that use private sector financing. This approach will help speed overall project development timelines to ensure the best value to the Army and private sector.

Mr. John Lushetsky, the EITF’s executive director, spoke about the role of the EITF in helping the Army meet its renewable energy goals.

“To reach the Army’s goal of deploying 1 GW of renewable energy by 2025 will require a different way of doing business with the private sector. The issuance of the MATOC is a clear milestone for us and the significant interest we’ve seen from industry indicates that we are on the right path. The EITF has worked closely with the Huntsville Center to make the MATOC a streamlined and agile tool for the government to procure power from large scale renewable energy projects. We reviewed and responded to over 900 comments from industry to make this the best product possible. We think we accomplished our goal but ultimately the people in this room will tell us if we’ve got it right.

Attendees at the conference said the information was helpful and the partnering opportunities were important.

Kurt Adams, executive vice president and chief development officer for First Wind, Portland, Maine, said the explanation of how pricing would work was very beneficial since he has projects that range greatly in price per kilowatt hour.

Artis Brazee, vice president for operations, MCC Construction Corporation, said the opportunity to speak with the other conference attendees about possible partnerships was helpful.

“This is a unique effort and partnership with the EITF, USACE and other DoD agencies,” Lushetsky said. “We want to create processes and pipelines that will help ensure Army energy security, and ultimately, to make the Army the preferred partner with industry in developing large-scale renewable energy projects.”

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