



EITF News

March/April 2014



SECURING ARMY INSTALLATIONS WITH ENERGY THAT IS CLEAN, RELIABLE AND AFFORDABLE

From the Desk of the Executive Director

Alternative Approaches in Regulated Markets

Over the past two and a half years, EITF has developed industry relationships that include developers, manufacturers, law firms, financiers and associations. During this time, the EITF has explored many alternate approaches to work with our serving utilities. EITF sees a new set of opportunities that mutually benefit the U.S. Army and its servicing utilities in meeting renewable energy goals. Many installations currently purchase power in regulated markets, which requires the Army to purchase electricity from regulated utilities. Thus, for some of our installations, working with the utility is the best arrangement for cost effective renewable energy.



Developing renewable energy projects with the local utility offers the U.S. Army a significant opportunity to move large-scale projects forward rapidly. Most of our installations purchase power through pre-negotiated, 10-year term General Services Administration (GSA) Areawide Contracts. We have learned that purchasing renewable energy from the same GSA Areawide has proven to be an effective vehicle. When comparing this approach to other EITF third-party projects, we have found that this avenue limits the opportunity for future cost avoidance, as the price of this power may fluctuate with the existing tariff used by that installation. However, the U.S. Army will still receive a measure of energy security by having the renewable energy generation facility on the U.S. Army installation. As with all the EITF projects, this approach requires an entity other than the U.S. Army to design, finance, build, own and operate the facility. The first groundbreaking using this approach is planned for later this month at Fort Huachuca, AZ.

As we refine and reduce the timelines associated with the existing approval and procurement processes, we are finding more efficient approaches, such as the utilization of the GSA Areawide Contracts. It may appear that because these contracts move efficiently through the approval processes, the EITF is putting a higher priority on utility versus third-party opportunities, but that perception is incorrect. Although we will continue to pursue direct utility opportunities, the EITF

continued

remains focused on the issuance of three or four third-party Request for Proposals (RFP) this year, and will continue to work with industry in identifying new and innovative third-party opportunities.

The EITF is committed to providing multiple opportunities through diverse procurement paths as we work toward satisfying the energy security, financial predictability, and renewable energy goals set by Congress, the Secretary and the President.

– **Amanda Simpson**, Executive Director, Army Energy Initiatives Task Force

EITF Updates

The EITF continues to move forward with large-scale renewable energy projects. The current EITF pipeline of projects represents the potential for over 175 megawatts of power capacity from a mix of technologies.

EITF Announces RFQ for Fort Stewart Renewable Energy Project

The Fort Stewart Request for Qualifications (RFQ) closed on January 24, 2014. A number of developers whom submitted packages were issued Letters of Intent (LOI) by the Army. The selected developers met the advertised minimum criteria that included but were not limited to, the fair market rental value or greater for the land. The next step (currently on-going) is the LOI holders participation in the Georgia Power Advanced Solar Initiative (GPASI) RFP process. The LOIs provide developers documentation showing control of land, as required within the GPASI RFP, for this project.

Army Qualifies Additional Firms for Renewable Energy MATOC

This brings the total of MATOC renewable energy awards to 79 for solar, wind, biomass and geothermal. Adding these qualified firms to the renewable energy MATOC reflects the Army's commitment to work with industry.

Fort Drum Moves Closer To Achieving Energy Security & Sustainability

EITF, issued a Notice of Intent to Award for the purchase electricity from a renewable energy biomass facility at Fort Drum, N.Y. This project will include a 20-year Power Purchase Agreement and provide the installation with 100 percent energy security and sustainability.

Schofield Barracks EIS Announced

The Army invited the public to provide comments on the scope of an environmental Impact Statement (EIS) for the construction and operation of a 50 MW biofuel-capable power generation plant at Schofield Barracks. The project would be a source of renewable power to provide energy security for Schofield Barracks, Wheeler Army Airfield, and Field Station Kunia if loss of service occurs from the normal sources of electricity supporting these installations.

EITF Project Map



Explore EITF's NEW interactive project map

“ The EITF is committed to providing multiple opportunities through diverse procurement paths... ”



ENERGY INITIATIVES
TASK FORCE
Securing Army installations with energy
that is clean, reliable and affordable

2530 Crystal Drive, 8156 C
Arlington, VA 22202
Phone: 703-601-0568

www.armyeitf.com



EITF News is published bi-monthly. It is a publication created to inform and engage stakeholders regarding EITF's large-scale renewable energy projects and current hot topics.