



EITF News

July/August 2013



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

From the Desk of the Executive Director

When we opened our doors on September 15, 2011, we made a commitment to communicate frequently with our stakeholders to exchange information on renewable energy initiatives, technologies and potential project opportunities. *EITF News* is one more way we are keeping this commitment. The intent of *EITF News* is to keep you informed about our large-scale renewable energy projects and current hot topics.

Over the last approximate 24 months, we have moved five different projects totaling over 100 megawatts (MW) into acquisition. Achieving this level of throughput – potentially the highest ever for any government agency – is the reason the Army Energy Initiative Task Force (EITF) was established. What I think is equally significant is that none of these projects are exactly the same; each has unique technology and integration requirements and has encountered particular challenges. Several projects have business models and acquisition approaches that require close partnerships with local utilities.

I would guess the next five EITF projects - and probably the next five after that - will have similar levels of diversity and complexity. This will only increase as policy around energy security and the introduction of microgrids and energy storage become integrated with installation distribution systems. Within the EITF, we are committed to adapting our business processes and tools to allow us to continue to move projects forward at a rapid pace, both to meet the needs of the Army and to ensure industry can see a pipeline of opportunities that justifies your investment.

We have already begun to demonstrate some of the business practices and tools, such as the Multiple Award Task Order Contract (MATOC) developed through the U.S. Army Corps of Engineers (USACE), Engineering and Support Center, Huntsville. The MATOC will help create a more efficient process for selecting developers for long-term, large-scale power purchase projects on our installations. We also have introduced a Renewable Energy Service Agreement Performance Work Statement template based on industry input that we believe also will streamline the process for project financing and contract award. More though, will need to be done.

We will use this newsletter in the future to continue to engage with industry on these and other important topics, so that we're doing everything we can to speed the Army's project deployment. In the next edition, I will discuss the "termination for convenience" clause in government contracts, a topic on the minds of many developers and a subject on which we get many questions. Please let us know if there are other topics you would like for us to address. You can reach the EITF through our website (www.armyeitf.com) as well as through Facebook, LinkedIn and Twitter.



– **John Lushetsky**, Executive Director of the EITF

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The EITF has moved five large-scale renewable energy projects into acquisition at installations across the United States. These projects total 130 MW of power from a mix of biomass, biodiesel and solar. Listed below are updates on each project currently in the acquisition phase:

Fort Detrick, MD: In November 2012, the Defense Logistics Agency-Energy (DLA-E), in coordination with the EITF, released a Request for Proposal (RFP) for 15 MW of electrical power from a photovoltaic (PV) system located on Fort Detrick.

- Business Model: Power Purchase Agreement (PPA) with a competitively selected developer through Title 10 USC 2922a.
- The RFP closed on April 11, 2013 and is currently going through a source selection process.

Fort Drum, NY: In December 2012, DLA-E, in coordination with the EITF, released a RFP for up to 28 MW of electrical power from a renewable energy generation facility located on, or contiguous to, Fort Drum.

- Business Model: PPA for up to 28 MW and lease with third party developer.
- The RFP closed on April 12, 2013 and is currently going through a source selection process.

Fort Bliss, TX: In April 2013, USACE, Engineering and Support Center, Huntsville, in coordination with the EITF, released a sole source RFP to El Paso Electric (EPE) for electrical power from a 20 MW solar PV facility located at Fort Bliss.

- Business Model: Army purchases electricity from EPE under an Energy Services Contract utilizing Title 10 USC 2922a.
- The Army and EPE are currently in negotiations on specific contract terms prior to EPE releasing their RFP to pre-qualified bidders.

Fort Irwin, CA: In May 2013, DLA-E, in coordination with the EITF, released a RFP for 15 MW of electrical power from a solar PV facility located on Fort Irwin.

- Business Model: PPA through competitively selected developer under Title 10 USC 2922a.
- The RFP for this project is currently available on the Federal Business Opportunities website at www.fbo.gov. (SP0600-13-R-0412); it closes on August 15th.

Schofield Barracks, HI: The Army and the Hawaiian Electric Company (HECO) on Oahu signed a Memorandum of Understanding, and will advance negotiations for a lease of Army real property to HECO to construct, own, operate, and maintain a 52 MW biodiesel-fired peaking power plant.

MATOC: The first announcement of the MATOC awards was made in May 2013 for the geothermal sector. Individual MATOC awards for solar, wind and biomass will be staggered by technology throughout calendar year 2013.

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.



**ENERGY INITIATIVES
TASK FORCE**
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that is **clean, reliable** and **affordable***

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