



Utility Areawide Guide

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GSA — Your Partner in Utility Procurement

Procuring utility services becomes a simple, one-step process for Federal facility managers when they take advantage of the General Services Administration's Utility Areawide Contract, a master blanket contract for public utility services. The GSA Areawide Contract spells out the general terms and conditions of service, contains all applicable Federal clauses, and provides instructions for Federal agency use. It's the easiest standardized procedure for ordering utility services.

The GSA Areawide Contract is administered by the GSA Public Utilities Office. This center provides leadership within the Federal government in developing and administering contract vehicles that enable agencies to procure utility services at the lowest cost and the greatest value.

For more information on the GSA Areawide Contract, contact the GSA Public Utilities Office at (202) 501-5543; or on the Internet at: <http://www.gsa.gov/pbs/xu/puindex.htm>.


The Public Utilities Office is part of GSA's Energy Center of Expertise, your best resource for assistance in procuring energy and energy services. The mission of the Energy Center is to reduce utility costs by promoting optimal energy use while protecting the environment and ensuring a quality workspace for Federal workers. The Energy Center provides guidance to agencies on responsible asset management through energy and water conservation projects and the purchase of cost effective utilities. For more information on overall energy and energy services procurement options and strategies, contact the Energy Center of Expertise at (816) 823-2694.

www.gsa.gov/pbs/centers/energy
for more info.

GSA Areawide Contract —An Energizing Option

The GSA Areawide Contract is an agreement between GSA and a utility for a range of utility services for periods up to 10 years. GSA is the only agency authorized to sign an Areawide Contract, but once signed, the agreement can be used by any Federal agency in that particular utility service territory.

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 *The terms and conditions of the contract are already in place; all that the Ordering Agency does is submit a simple, one-page Authorization form.*

Federal Agencies use the contract by signing an *Authorization* that details the utility service or project to be provided under the Areawide Contract. The Areawide Contract encompasses the general terms and conditions of the agreement, while the Authorization details the specific services to be provided to the Ordering Agency.

The GSA Areawide Contract is unique because the contract terms and conditions have already been established between the Government and the utility, making it easier to use than most other contracting mechanisms. The Ordering Agency is assured that all applicable FAR clauses have been included in the contract, as well as language requiring a subcontracting plan for small, minority, women-owned and HUBzone Small Business Concerns. The GSA Areawide Contract is also flexible; the Ordering Agency can negotiate special rates and satisfy any unusual utility requirements by making a simple addendum to the Authorization form.


Federal Agencies can use the Areawide Contract to procure a variety of utility services, from straightforward electric, gas, and steam service to energy and water management projects. The Areawide Contract can also be used to finance energy efficiency projects with guaranteed savings. In short, if your local utility services provider offers it, your Agency can procure it quickly and easily using the GSA Areawide Contract.



Why Use the GSA Areawide Contract?

There are many benefits to utilizing the GSA Areawide Contract to fulfill your facility's utility and energy management services needs:

- 1. Ease of use** - The contract language, provisions, and terms and conditions are already in place, leaving just a one-page Authorization for the Ordering Agency to complete. The GSA Areawide Contract is one of the easiest and quickest ways to procure energy, water, and demand-side management services.
- 2. Flexibility** - Nearly every type of energy and energy management service is available through the GSA Areawide Contract. An Ordering Agency can use as many Authorizations as it needs to take advantage of the myriad of services its utility might offer. In addition, because the Ordering Agency can specify special requirements and additional instructions, renewable power and other earth-friendly approaches to energy supply and management can be provided by the utility.
- 3. Established track record** - GSA Public Utilities Office has currently in place over 160 Areawide Contracts with utilities across the nation, and many Agency's already have a history of working this procurement tool. The GSA Areawide Contract has a proven track record, having facilitated successful partnerships between Agency's and utilities for years.
- 4. Financing** - The GSA Areawide Contract provides an alternative method for financing energy management projects, similar to an energy savings performance contract.
- 5. Help is just a phone call away...or a fax, or a mouse click.** GSA Public Utilities Office is available to provide technical and contract management and administration information and assistance whenever you require it.



*The GSA
Areawide
Contract can be
used by any Federal
department or agency, by
any independent estab-
lishment in any branch of
government, and by any
quasi-government organi-
zation.*

The GSA Areawide Contract can fit easily into an Agency's deregulation plan, because utilizing the services of the Contracting Utility under the GSA Areawide Contract **does not in any way** preclude an Agency from using the services of an energy service company or another utility. For instance, the Ordering Agency might procure its electric power from the Contracting Utility, but might also procure water management services from an energy services company.

Helpful Terms to Know

Areawide Contract - A master contract entered into between the Government and a utility service supplier to cover the utility service acquisitions of all Federal agencies in the franchised certified service territory from the particular utility service provider for a period not to exceed 10 years.

Agency - Any Federal department, agency, or independent establishment in the executive branch of the Government, any establishment in the legislative or judicial branches of the Federal Government, or any wholly/mixed ownership government corporation.

Ordering Agency - Any Agency that enters into a bilaterally executed Authorization for procurement of utility services under this Areawide Contract.

Contractor - Any provider of utility services that has entered into an Areawide Contract with the Government.

Utility - A public- or investor-owned utility company that falls under the regulation of a state Public Utilities Commission (PUC).

Authorization - An order form used to acquire services under an Areawide Contract.

Service - Any commodities, financial incentives, goods, and/or services generally available from the Contractor pursuant to its tariffs, rates, rules, regulations, riders, practices, or terms and conditions of services, as may be modified, amended, or supplemented by the Contractor and approved from time to time by the state PUC, and the rules and regulations adopted by the PUC.

Energy Conservation Measure - Any specific service intended to provide energy savings and/or demand reduction in Federal facilities.

Connection Charge - A Contractor's charge for facilities on either one or both sides of the Government's delivery point which 1) facilities are required to make connections with the nearest point of supply, and 2) are installed, maintained, and operated by the Contractor, in accordance with the Contractor's tariffs and the PUC's rules and regulations.

Scope of the Areawide Contract

Part 41 of the Federal Acquisition Regulations (FAR) requires agencies with annual spending over the simplified acquisition threshold to use a GSA Areawide Contract if one is available. Exceptions are when service is available from another Federal agency or the Government benefits from obtaining services under a single-point contract.

The GSA Areawide Contract cannot be used when more than one utility company offers the same services in an area. In this case, an agency should compete its service requirements and use a single-point contract. Also, the Areawide Contract is not for use by contractors doing business with Federal agencies.

Services Available through the Areawide Contract

There are seven Authorizations available to the Ordering Agency, making the GSA Areawide Contract a simple, one-step tool for procuring nearly any type of utility service available. The services covered by the seven Authorizations are described below:

- **Electric Service, Change in Electric Service, or Disconnection of Electric Service** - Includes connection/change/disconnection; continuing electric service; demand-side management services; line extension, alteration, relocation, and/or reinforcement; and special facilities
- **Electric Transmission Service, Change in Electric Transmission Service, or Disconnection of Electric Transmission Service** - Includes connection/change/disconnection; continuing electric transmission service; line extension, alteration, relocation, and/or reinforcement; and special facilities
- **Energy Management Services** - Includes preliminary energy audit; energy conservation project (ECP) installation; ECP

Why Use the GSA Areawide Contract?

- Contract is already negotiated and in place and includes all relevant FAR clauses
- Quick and easy method for procuring energy and energy management services
- Well-established, long and successful track record
- Easy way to accelerate project schedules
- Help in using the contract is readily available from GSA

feasibility study; ECP engineering and design study; demand side management (DSM) projects


■ **Gas Transportation Service, Change in Gas Transportation Service, or Disconnection of Gas Transportation Service** - Includes connection/change/disconnection; continuing gas transportation service; and line extension, alteration, relocation, and/or reinforcement

■ **Natural Gas Service, Change in Natural Gas Service, or Disconnection of Natural Gas Service** - Includes connection/change/disconnection; continuing natural gas service; and line extension, alteration, relocation, and/or reinforcement

■ **Steam Service** - Includes connection/change/disconnection; continuing steam service; demand side management work or conservation projects; line extension, alteration, relocation, and/or reinforcement; and special facilities

■ **Water Management Service** - Includes connection/change/disconnection; continuing water service; demand side management work or conservation projects; line extension, alteration, relocation, and/or reinforcement; and special facilities

Changes in Service

 *Part 41 of the FAR requires agencies with annual spending over the simplified acquisition threshold to use a GSA Areawide Contract if one is available.*

The term of any Authorization is independent of the term of the GSA Areawide Contract; for example, while an Areawide Contract term may be 10 years, the Ordering Agency and utility may sign an Authorization for electric service for any period up to ten years, and may extend beyond the expiration of the Areawide Contract.

The Ordering Agency can change or terminate service with the utility by submitting another Authorization noting the change or termination. As with all Authorizations, an Authorization to change or terminate service must be signed by the utility and Ordering Agency. The Ordering Agency must also provide a written Authorization to the Contracting Utility for any material changes proposed in the volume or characteristic of the utility services required.

There are several cases of changes in which effective Authorizations need not be amended. These include changes to: accounting or appropriation data; rates or other terms applicable to service

classification under which the Agency receives service; terms of the Contracting Utility's tariff; cost of purchased fuel; and the estimated annual cost of service.

During the term of the Areawide Contract, the state Public Utilities Commission (PUC) may approve a change in rates for services covered by Authorizations. In this case, the Ordering Agency agrees to continue paying for the services rendered at the revised rates. However, the Contracting Utility must agree in the Areawide Contract that the service rates offered to the Ordering Agency will **at no time exceed** those charged to any other customer under the same service classification and receiving the same or comparable service under like conditions of use.


Billing and Payment

The Contracting Utility will bill for services rendered under the Authorization to the address specified by the Ordering Agency in the Authorization. Unless otherwise specified in the Authorization, bills are to be submitted in the original. Bills submitted by the Contracting Utility should include such data as required by the PUC to substantiate the bill, and other data requested by the Ordering Agency (and documented in the Authorization).

The Ordering Agency pays all bills for services rendered in accordance with applicable tariffs, rates, rules, regulations, riders, practices, and terms and conditions of service. Late payment charges are applicable. The Ordering Agency is entitled to any billing discounts, incentives or rebates offered to other customers of the same service classification under like conditions of use and service.

Fast Facts - GSA Areawide Contract

- For use by Federal Departments, Agencies and independent establishments in the executive, legislative, and judicial branches of government; and quasi-government organizations.
- Used to procure utility services.
- Good for up to 10 years.
- Agreement between GSA and the participating utility.
- Agencies submit the appropriate Authorization(s) to utilize the contract.



Metering equipment can be acquired through a GSA Areawide Contract for measurement and verification of energy management projects.

Payment will not be made in advance of services rendered (electricity, gas, water, etc.), unless required by the Contracting Utility's tariff. Payment may be required up-front for DSM projects.

Metering Equipment and Facilities

For electric and gas service procurement, metering equipment of standard manufacture to meter gas and electric is to be furnished, installed, calibrated, and maintained by the Utility at its expense unless otherwise stated in the Utility's tariffs, rates, rules, regulations, riders, practices, or terms and conditions of service.

The Utility will read all meters monthly in accordance with the Utility's tariffs and commission regulations. Upon installation, meters will be inspected and tested by the Utility at no cost to the Ordering Agency.

The Ordering Agency will provide, at its expense, mutually agreeable locations on its premises for the installation of meters and other equipment necessary to supply utility service. If the Ordering Agency in any way limits or restricts the Utility's access, the Ordering Agency will not hold the Utility responsible for any damage or dangerous situations that result.

Liability and Access

The liability of the Utility to the Government for failure to supply services, for any interruptions in service, and for any irregular or defective service will be determined in accordance with the Utility's tariff.

The Ordering Agency will provide access to the premises served at all reasonable times during the term of the GSA Areawide Contract, and its termination or expiration, for the purpose of reading meters, for making installations or repairs, or for removal of the Utility's equipment.

