Opening

- At DLA Energy is an acquisition agent. We don't own the requirements, we execute them. Our focus is on delivering reliable and resilient energy solutions to support mission-critical operations across the continental United States.
- Solicitation SP0604-26R0409 is centered on electric power generation sourced from coal-based assets, where that generation remains a viable and necessary component of the energy mix.

Purpose of the Solicitation

- This requirement is not for the purchase of coal itself, but for electric generation capabilities derived from coal-fired resources.
- This solicitation reflects recent Executive Branch direction emphasizing the importance of domestic energy reliability, including coal-based generation where it remains operationally advantageous.
- Our objective is to secure dependable, coal-fired electricity in support of federal installations operating in both regulated and deregulated markets.

Bottom Line: This is about reliable power delivery aligned with national energy priorities—not fuel procurement.

Policy Alignment (Executive Direction)

- This effort aligns with federal priorities reinforcing grid reliability, fuel security, and the strategic role of dispatchable generation resources.
- More specifically, Executive Order 14386, Strengthening United States National Defense with America's Beautiful Clean Coal Power Generation Fleet.

Market Context (Regulated vs. Deregulated)

- We recognize the diversity of market structures across the continental U.S., including both regulated utility territories and competitive retail electric markets.
- Offerors should tailor their approach accordingly—whether through tariff-based mechanisms, bilateral agreements, or organized market participation.

-Regulated Markets:

- Regulated markets require alignment with the local utility's tariff and operational structure to achieve the end result of delivering coal-fired generation.

-Deregulated Markets:

- In deregulated or competitive retail markets, offerors must ensure their solution complies with applicable retail electricity market requirements.

- Coal-fired generation alone is not sufficient in those markets—delivery to the end user must occur through the appropriate retail electricity construct.

- This typically requires a relationship or partnership with a certified retail energy provider authorized to serve load in the applicable jurisdiction.

- That retail provider serves as the mechanism for scheduling, transmission, and distribution coordination, ensuring power generated by the asset is properly delivered to the government customer.

- Offerors are responsible for demonstrating that these arrangements are in place, viable, and compliant with market rules.

Bottom Line: If you are proposing coal-based generation in a deregulated market, you need a path to retail—meaning a qualified retail supplier relationship that can actually deliver that power to the meter.

Acquisition Approach

- We are pursuing a competitive approach that allows flexibility in how generation is offered, consistent with market realities.
- The structure is intended to accommodate a range of viable business models while ensuring mission requirements are met.
- This solicitation is structured as an Indefinite Delivery/Indefinite Quantity (IDIQ) contract, which provides flexibility to order power as needs arise.
- The IDIQ establishes the contractual framework and terms under which future orders will be issued.
- Actual power delivery requirements will be executed through task or delivery orders, which will define specific locations, quantities, price, and periods of performance.
- This approach allows the government to respond to changing demand signals, mission needs, and market conditions without recompeting the entire requirement.
- It also enables us to work with multiple-qualified providers, where applicable, to ensure a competitive environment and reliable coverage across different regions.

Bottom Line: Think of the IDIQ as the umbrella—we award the capability up front, and then we place orders for power when and where we need it.

Evaluation Focus (High-Level)

- Our evaluation will consider your methodology and management plan to deliver reliable electric power, past performance for similar type structures, and overall value.
- Alignment with market structures and clarity in execution will be key.

Industry Engagement

- We encourage open dialogue—particularly given the complexity of operating across different power markets.
- Your feedback helps ensure that our requirements are both executable and aligned with real-world market conditions.

Closing

- This effort is about securing mission-assured electric power, leveraging coal-based generation where it provides a reliability advantage.
- So whether you're operating in a regulated utility environment or a competitive retail market, and you're thinking about your approach, focus on what matters most: can you generate it or obtain it, can you structure it, and can you deliver it—reliably and within the rules of the market.