



Power Purchase Agreement Program

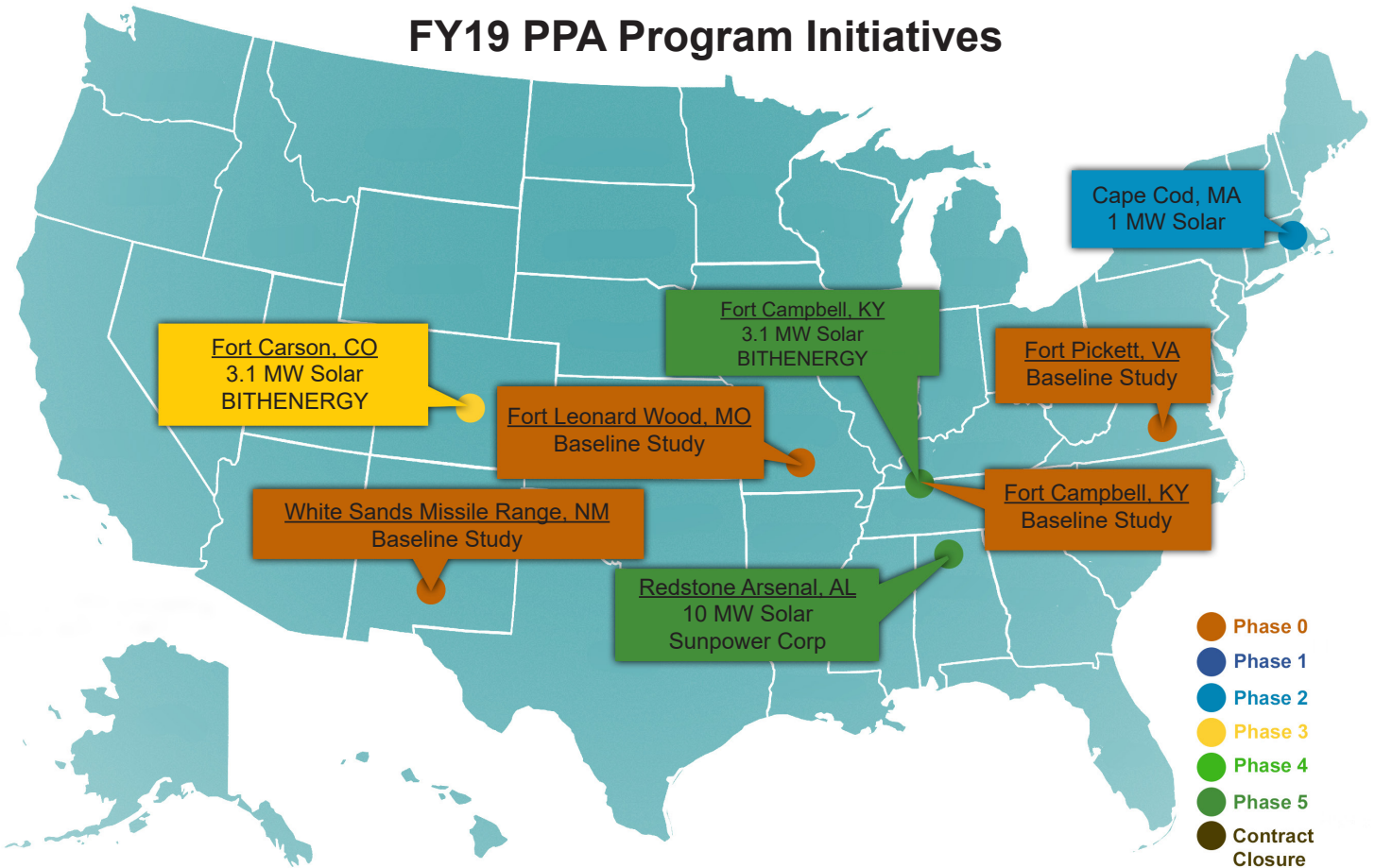
PPA Questions: 256-895-2565

U.S. ARMY CORPS OF ENGINEERS

BUILDING STRONG®

The U.S. Army Engineering and Support Center, Huntsville's Power Purchase Agreement (PPA) Program develops and provides life cycle project management for large (10MW or greater) and small scale (less than 10MW) renewable energy projects that leverage private sector (third party) finance. The PPA Program provides a Multiple Award Task Order Contract (MATOC) vehicle for the long-term purchase of energy from renewable alternative energy production facilities that private sector corporations design, finance, construct, operate and maintain on or near Department of Defense installations. The installation then purchases power from these facilities without acquiring any power generation assets, facilities or services costs.

FY19 PPA Program Initiatives



| Project Life Cycle | | | | | | |
|--|--------------------------------------|--------------------------------------|--|--------------------------------|--|-------------------------|
| Phase 0 Portfolio Development | Phase 1 Project Assessment | Phase 2 Project Validation | Phase 3 Contracts & Agreements | Phase 4 Construction | Phase 5 Operations & Support | Contract Closure |
| 2-3 years (typical) OEI/Installation Funding (QUTM) | | | 6-12 months | | 25 years (typical) QDPW (J account) | |
| | | | | | Up to 1 year (typical) | |

U.S. Army Corps of Engineers – Engineering and Support Center, Huntsville

P.O. Box 1600, Huntsville, AL 35807 Public Affairs Office 256-895-1694

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Benefits

A privately financed project delivers significant value to the Army, supports its mission and enhances the resiliency and sustainability of installations through the delivery of clean, reliable and affordable energy. PPAs provide installations with programmatic and acquisition assistance to meet the 2007 National Defense Authorization Act (NDAA) mandate to produce or procure not less than 25 percent of facility energy consumed from renewable sources by 2025.

The PPA Program can successfully assist installations in achieving their mandated goals and streamlining the acquisition process by using the \$7 billion Renewable Energy MATOC established in 2013 that consists of 38 companies (26 of them managing solar power, four managing wind, and eight managing both solar and wind).

The PPA Program works closely with the U.S. Army Office of Energy Initiatives (OEI) on large scale (10MW or greater) efforts and provides project management support to installations for projects less than 10MW.

Power Purchase Agreement Facts

- The intent of PPA is to purchase power and not acquire any power generation assets. The PPA Program will focus on renewable alternative energy projects, but may include alternate energy sources that do not qualify as renewable but offer improvements or benefits in terms of greenhouse gas reductions, reduced energy costs or improved energy security.
- The geographic scope of PPA projects will be the United States, District of Columbia, U.S. Territories and the Republic of the Marshall Islands.
- The PPA Multiple Award Task Order Contract (MATOC) has a 10-year ordering period. The contract provides expertise in solar and wind technologies.
- The authority for the PPA is 10 U.S.C 2922a, which allows the Army to enter into contracts (Renewable Energy Service Agreements) with power generation companies for up to 30 years.
- Construction of energy generating facilities located on or near DOD installations can reduce the risks to its installations of disruption caused by attacks on or breakdowns of electricity transmission systems.
- PPA supports the primary policy drivers for DOD renewable energy and energy security: Section 203 of the Energy Policy Act of 2005; Executive Orders 13423, 13514 & 13693; Energy Independence & Security Act of 2007; and 10 U.S.C. 2911.

Huntsville Center has additional energy programs and experience that can result in the analysis and combination of initiatives to provide customers an efficient and cost effective approach to reduce energy costs and usage.

Installation Hotline – PPA Program support is available to Army installation energy managers and Directorate of Public Works personnel. Call 256-895-2565.

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