SOLICITATION, OFFER AND AWARD

1. THIS CONTRACT IS A RATED ORDER UNDER DPAS (15 CFR 700) ▷	RATING	PAGE OF PAGES
		1 | 136

2. CONTRACT NUMBER	3. SOLICITATION NUMBER	4. TYPE OF SOLICITATION	5. DATE ISSUED	6. REQUISITION/PURCHASE NUMBER
	SP060026R0813	[ ] SEALED BID (IFB) [X] NEGOTIATED (RFP)	**25 SEP 26**	**SP0600269501**

7. ISSUED BY	CODE **SP0600**	8. ADDRESS OFFER TO *(If other than item 7)*
DEFENSE LOGISTICS AGENCY **8725 JOHN J. KINGMAN ROAD** **FT. BELVOIR, VA 22060-6222** **OFFICER/SYMBOL: Jonathan Moore/DLA Energy-FEECB** **Phone: (445) 737-6053** **Email: jonathan.moore@dla.mil** **P.P. 8.2**		**DEFENSE LOGISTICS AGENCY** **8725 JOHN J. KINGMAN ROAD** **FT. BELVOIR, VA 22060-6222** **OFFICER/SYMBOL: Timothy Stark/DLA Energy-FEECB** **Phone: (571) 591-3294** **Email: timothy.1.stark@dla.mil**

NOTE: In sealed bid solicitation "offer" and "offeror mean "bid" and "bidder."

SOLICITATION

9. Sealed offers in **five (5) CD/DVD copies** for furnishing the supplies or services in the Schedule will be received at the place specified in Item 7, or if hand carried, in the depository located in **Item 7** until **3:00 PM Fort Belvoir, VA** local time **01/07/2027**.

CAUTION - LATE Submissions, Modifications, and Withdrawals: See Section L. Provision No. 52.215-1. All offers are subject to all terms and conditions contained in this solicitation.

10. FOR INFORMATION CALL: ▷	A. NAME	B. TELEPHONE NO. *(NO COLLECT CALLS)*			C. E-MAIL ADDRESS
		AREA CODE	NUMBER	EXTENSION	
	Jonathan Moore	445	737-6053		jonathan.moore@dla.mil

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OFFER *(Must be fully completed by offeror)*

NOTE: Item 12 does not apply if the solicitation includes the provisions at 52.214-16, Minimum Bid Acceptance Period.

12. In compliance with the above, the undersigned agrees, if this offer is accepted within **300** calendar days *(60 calendar days unless a different period is inserted by the offer)* from the date for receipt of offers specified above, to furnish any or all items upon which prices are offered at the price set opposite each item, delivered at the designated point(s), within the time specified in the schedule.

13. DISCOUNT FOR PROMPT PAYMENT ▷ *(See section I, Clause No 52.232-8)*	10 CALENDAR DAYS (%)	20 CALENDAR DAYS (%)	30 CALENDAR DAYS (%)	CALENDAR DAYS (%)

14. ACKNOWLEDGMENT OF AMENDMENTS *(The offeror acknowledges receipt of amendments to the SOLICITATION for offerors and related documents numbered and dated):*	AMENDMENT NO.	DATE	AMENDMENT NO.	DATE

15A. NAME AND ADDRESS OF OFFEROR	CODE	FACILITY	16. NAME AND TITLE OF PERSON AUTHORIZED TO SIGN OFFER *(Type or print)*
		CAGE CODE-	

15B. TELEPHONE NUMBER			15C. CHECK IF REMITTANCE ADDRESS	17. SIGNATURE	18. OFFER DATE
AREA CODE	NUMBER	EXTENSION	[ ] IS DIFFERENT FROM ABOVE - ENTER SUCH ADDRESS IN SCHEDULE		

AWARD *(To be completed by Government)*

19. ACCEPTED AS TO ITEMS NUMBERED	20. AMOUNT	21. ACCOUNTING AND APPROPRIATION

22. AUTHORITY FOR USING OTHER THAN FULL AND OPEN COMPETITION: [ ] 10 U.S.C. 2304(c) [ ] 41 U.S.C. 3304(a)( )	23. SUBMIT INVOICES TO ADDRESS SHOWN IN ▷ *(4 copies unless otherwise specified)*	ITEM

24. ADMINISTRATION BY *(If other than Item 7)* CODE	25. PAYMENT WILL BE MADE BY CODE

26. NAME OF CONTRACTING OFFICER *(Type or print)*	27. UNITED STATES OF AMERICA *(Signature of Contracting Officer)*	28. AWARD DATE

IMPORTANT – Award will be made on this Form, or on Standard Form 26, or by other authorized official written notice

Section B

Supplies or Services and Prices/Costs

B.1 Systems to be Privatized

The utility system (hereinafter known as (the "system(s)" or "utility system(s)") shown below represent the utility systems included in this solicitation for privatization:

Installation, State	Utility System
U.S. Army Garrison-Hawaii, Island of Oahu	Water Utility System

B.2 Schedules

B.2.1 Schedule B-1 Regulated Tariff [a]

Available only to entities that:

a) Are approved, as of the date set for submission of initial proposals, to provide utility services by the applicable State regulatory authority body(s); and
b) Are proposing to provide utility services under an existing tariff or a similarly-structured tariff.

	Utility System [a]: _____				
CLIN	**Supplies/Services**	**Qty**	**Unit**	**Unit Price**	**Total**
0001	Utility Services Charge [c]		Months		
	FP				
	The unit price is the Applicable Tariff(s) less the monthly credit as payment for the purchase price plus the recoverable portion of the purchase price.				
	Applicable Tariff [b] $				
	Monthly Credit for PP [d] $				
	# of Months				
	Interest Rate %				
	Recoverable Portion of PP [d] $				
	# of Months				
	Interest Rate %				
	Unit Price $				
0002	Initial System Deficiency Corrections/ Upgrades/Connection Charges [b e]				
	FFP				
0003	Transition Period [f]		Each		
	FFP				

[a] Utility system to be filled in by the Offeror. A Schedule B-1 must be completed for each utility system offered, except as specifically stated in Section L. Utility systems are shown in paragraph B.1, *Systems to be Privatized*. Offerors shall provide a comprehensive description of proposed tariffs in their Price Proposals.

[b] CLIN 0002 is required only if the tariff provides for separate identification of initial system deficiency corrections and connection charges. If separate identification is not provided, it will be assumed the tariff rate includes these costs.

[c] The offeror should enter the Operations and Maintenance and Renewal and Replacement Utility Services Charges, as computed in Price Data Sheet 1.

[d] The offeror should enter the Monthly Credit for Purchase Price and Recoverable Portion of the Purchase Price, as computed in Price Data Sheet 4.

[e] The offeror should enter the Initial System Deficiency Corrections / Upgrades / Connection Charges as computed in Price Data Sheet 3.

[f] The offeror should enter the Transition Period Charges as computed in Price Data Sheet 3.

B.2.2 Schedule B-2 [a]

Available to offerors proposing a Fixed Price Economic Price Adjustment (FPEPA) for Operations and Maintenance (O&M) and a Fixed Price Prospective Price Redetermination (FPPPR) for Renewals and Replacements (R&R).

	Utility System [a]: _____				
CLIN	**Supplies/Services**	**Qty**	**Unit**	**Unit Price**	**Total**
0001	Operations and Maintenance (O&M) FPEPA O&M Utility Service Charge [b] $ Unit Price $		Months		
0002	Renewals and Replacements (R&R) FPPPR The unit price is the R&R Utility Services Charge less the monthly credit as payment for the purchase price (PP) plus the recoverable portion of the PP. R&R Utility Services Charge [b] $ Monthly Credit for PP [c] $ # of Months Interest Rate % Recoverable Portion of PP [c] $ # of Months Interest Rate % Unit Price $		Months		
0003	Initial System Deficiency Corrections/ Upgrades/Connection Charges [d] FFP				
0004	Transition Period [e] FFP		Each		

[a] Utility system to be filled in by the Offeror. A Schedule B-2 must be completed for each utility system offered, except as specifically stated in Section L. Utility systems are shown in paragraph B.1, *Systems to be Privatized*.

[b] The offeror should enter the O&M and R&R Utility Services Charges, as computed in Price Data Sheet 1.

[c] The offeror should enter the Monthly Credit for Purchase Price and Recoverable Portion of the Purchase Price, as computed in Price Data Sheet 4.

[d] The offeror should enter the Initial System Deficiency Corrections / Upgrades / Connection Charges as computed in Price Data Sheet 3.

[e] The offeror should enter the Transition Period Charges as computed in Price Data Sheet 3.

B.3 Price Data Sheets

Offerors must complete the applicable Price Data Sheets that are consistent with their proposed pricing methodology:

B.3.1 Price Data Sheet 1 – Utility Services Charge

Component	Monthly Charge
1. Operations and Maintenance (O&M)	
2. Renewals and Replacements (R&R)	
Total Utility Services Charge (to be entered into CLIN 0001 for Schedule B-1 (if applicable) and CLIN 0001 and CLIN 0002 for Schedule B-2)	

B.3.2 Price Data Sheet 2 – Renewals and Replacements – 50-Year Plan

For each inventory component/item listed in the utility-specific attachment, clearly show the dollar value of the planned R&R (if any) for each year 1-50. This Plan represents the offeror's conceptual methodology that will be used for evaluation purposes.

A	B	C	D	E	F	G	H	I	J	K	L	M	N	O	P	Q	R
													Planned Renewals & Replacements				
Item	Size	Quantity	Unit	Approx Year Installed	Existing Unit RCN	Existing Item Service Life	First Expected Replacement Date	New Item	New Item Service Life	New Unit Cost RCN	New Item RCN	Next Replace Dates	Year 1 (Const $)	Year XX (Const $)	Year 50 (Const $)	Cumulative Total	Residual Value in Year 50 (Const $)
										Total							

B.3.3 Price Data Sheet 3 – Initial System Deficiency Correction(s) / Upgrade(s) / Connection Charge(s) / Transition Period

Project Name	Interest Rate	Project Cost (Current $)	Project Start Month	First Full Month Project will Be In Service	Amortization Period (Months)	Monthly Charge

B.3.4 Price Data Sheet 4 – Monthly Credit as Payment for Purchase Price and Recoverable Portion of Purchase Price

Item	Interest Rate	Amount	Amortization Period (Months)	Monthly Charge
Monthly Credit as Payment for Purchase Price				
Recoverable Portion of Purchase Price				
(to be entered into CLIN 0001 for Schedule B-1 (if applicable) and CLIN-0002 for Schedule B-2)				

B.3.5 Price Data Sheet 5 – Proposal 50-Year Charges to the Government, Applicable Tariff

Notes: 1. Offerors shall provide for Applicable Tariff 2. Contract year - Fill in for each year (1-50)

PRICE DATA SHEET 5 – REGULATED TARIFF

Payment by the Government for Utility Services

Contract Items													
	CLIN 0001 - Utility Service Charge					CLIN 0002 - Initial System Deficiency Corrections / Connection Charges			CLIN 0003 - Transition Period Charges				
a	b	c	d	e	f	g	h	i	j	k	l	m	n
Contract Year	Applicable Tariff less FIT	FIT for Applicable Tariff	Credit for Purchase Price	Recoverable Portion of Purchase Price	**Subtotal CLIN 0001 (b+c+d+e)**	ISDC Projects less FIT	FIT for ISDC Projects	**Subtotal CLIN 0002 (g+h)**	Transition Charges less FIT	FIT for Transition Charges	**Subtotal CLIN 0003 (j+k)**	**Total Contract Costs (f+i+l)**	**Assumed Inflation Rate (%)**
	Nominal	**Nominal**	**Nominal**	**Nominal**		**Nominal**	**Nominal**		**Nominal**	**Nominal**			
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B.3.6 Price Data Sheet 6 – Proposal 50 Year Charges to the Government, Constant 2030 $

Notes:

1. Offerors shall provide for Schedule B-2

2. Contract year--Fill in for each year (1-50)

	Contract Items																			
	CLIN 0001 - O&M Utility Service Charge					CLIN 0002 - R&R Utility Service Charge					CLIN 0003 - Initial System Deficiency Corrections / Connection Charges			CLIN 0004 - Transition Period Charges					
(a)	(b)	(c)	(d)	(e)	(f)	(g)	(h)	(i)	(j)	(k)	(l)	(m)	(n)	(o)	(p)	(q)	(r)	(s)	
Contract Year	Operations & Maintenance less FIT	FIT for O&M	Other Costs & Credits, Net	Non Federal Income Taxes & Fees	Subtotal CLIN 0001	Renewals & Replacements less FIT	FIT for R&R	Purchase Price Recovery	Purchase Price Credit	Subtotal CLIN 0002	ISDC Projects Amortization less FIT	FIT for ISDC Projects	Subtotal CLIN 0003	Transition Charges less FIT	FIT for Transition Charges	Subtotal CLIN 0004	Total Contract Costs	Assumed Inflation Rate (%)	
	Real	Real	Real	Real	--	Real	Real	Nominal	Nominal	--	Nominal	Nominal	Nominal	Nominal	Nominal	Nominal	--	--	
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SECTION C

Description/Specifications/Work Statement

C.1 Precedence

In accordance with Federal Acquisition Regulation (FAR) 52.215-8, any inconsistency in this solicitation or contract shall be resolved by giving precedence in the following order: (a) The Schedule (excluding the specifications); (b) Representations and other instructions; (c) Contract clauses; (d) Other documents, exhibits, and attachments; and (e) The specifications. Additionally, the terms and conditions of Sections A through K, including the Section J attachments, shall take precedence over any inconsistent provisions contained within portions of the Contractor's proposal incorporated in or made exhibits to the Contract. Exceptions not specifically identified by the Contractor in its proposal in accordance with the requirements of Section L of the solicitation and expressly accepted by the Contracting Officer in writing shall not be deemed to be part of the Contract and shall not be binding on the Government.

C.2 Authority, Scope, and Program Goal

C.2.1 General

The Government seeks to convey the utility system(s) identified in this solicitation, provided a favorable business case exists to do so. Subsequent to the Military Service's decision to convey the utility system(s), the Government will enter into a contract to acquire the corresponding utility service(s) from the Contractor as the new owner of the system(s). The Government is requesting proposals for the purchase of the utility system(s) listed in Section B.1, *Systems to be Privatized,* and the provision of utility service(s) across the system(s). The Government will consider the purchase of commodities with the utility services offer(s) on a case-by-case basis.

C.2.2 Authority

Utilities privatization consists of two transactions: 1) the conveyance of the utility infrastructure via a Bill of Sale; and 2) the acquisition of utility services on the privatized system(s) via a utility services contract. The conveyance of the utility system(s) is a property disposal action made in accordance with 10 U.S.C. § 2688 and is not covered under the FAR or this solicitation. The acquisition of utility services is a FAR Part 41 acquisition and will be governed by the FAR and its applicable supplements. Accordingly, proposals will be evaluated for selection of a prospective awardee under the provisions of the FAR and this solicitation. Once a prospective awardee is identified, that entity's proposed price will be utilized by the Military Service to conduct a conveyance decision business case analysis in accordance with executive policy, including Office of Management and Budget (OMB), Department of Defense (DoD), and Military Service policies applicable to conveyances under 10 U.S.C. § 2688.

C.2.3 Scope

The Government seeks a Contractor to assume ownership of the utility system(s) and infrastructure specified in Section B.1, *Systems to be Privatized,* and as the new owner, to operate and maintain the systems and provide utility services to the Government. Assumption of ownership will be in accordance with 10 U.S.C. § 2688. Provision of utility services shall be performed in accordance with all terms, conditions, and special contract requirements, specifications, attachments, exhibits, and drawings contained in this solicitation or incorporated by reference.

Offerors are not required to propose on all of the utility systems specified in the Schedule unless otherwise specified in the Section J Attachments. Proposals may be submitted on individual system(s) or on groups of systems on an all-or-none basis. The Government may consider any efficiencies gained and/or cost savings that may be achieved by awarding multiple systems to a single offeror. If an offeror submits a grouped proposal but also wants to be considered for award on any system on an individual basis, the offeror shall submit an alternate proposal(s), as necessary.

C.2.4 Program Goal

The desired goal of the conveyance is to transfer all rights, title, and interest of the Government in and to the utility system(s) listed in the Schedule. Consequently, the Government will retain no reversionary interests in the utility system(s) sold, other than the terms regarding the repurchase option and rights of access. The transfer of title will be accomplished after contract award and full transfer is the intended and preferred consequence. The utility system(s) being sold includes equipment, fixtures, structures, and other improvements utilized in connection with the utility system(s), which will be more specifically described in the Bill of Sale. The divestiture will not include the real property upon, under, or around the utility system(s). The sale will be documented by a Bill of Sale, see sample at Reference JR1 to this RFP. In addition to the sale of the utility system identified in the Bill of Sale, the Government will also acquire utility services from the transferee.

C.2.5 Utility Systems

Attachments are included in Section J for each utility system(s) listed in Section B.1, *Systems to be Privatized,* and are herein referred to as "utility-specific attachments." The utility-specific attachments provide details and requirements specific to that utility system. Upon contract award(s), the appropriate attachments will be included in the contract and the others will be removed.

C.2.5.1 The property being sold in this action will be as described in the utility-specific attachments of the solicitation. The system will be sold in an "as is, where is" condition without any warranties, representations, or obligation on the part of the Government to make any alterations, repairs, or improvements. Any proposal that offers an alternative description of the property being sold may be deemed technically unacceptable.

C.3 Requirement

C.3.1 Utility Services Requirement

Subject to the terms and conditions in this RFP, the Contractor (a.k.a. "System Owner") shall furnish all necessary labor, management, supervision, permits, licenses, certifications, equipment, supplies, materials, transportation, and any other incidental items or services required for the complete ownership of and provision of utility services via these utility systems, including operation, maintenance, repair, upgrade, and improvement of the systems.

The Contractor shall provide reliable, resilient and efficient utility services to each Government or tenant connection within the service area (see Section C, *Service Area*) 24 hours each and every day. The Contractor shall be responsible for providing capital investments and all other resources required to own, maintain, and operate its utility system(s) in a safe and reliable condition, and to meet all the requirements listed herein.

Access to the utility system(s) will be as specified in Section C, *Access to the Utility System*.

C.3.2 Performance Standards

The Contractor shall ensure adequate and dependable utility service(s) to all facilities and equipment served. Unless otherwise provided for in this contract, the Contractor shall provide utility service(s) in accordance with industry-standard construction, operations, maintenance, management, environmental, safety, and other relevant standards, that apply to similarly situated utility services providers serving customers whose service characteristics are comparable to the service characteristics of the Installation. The Contractor shall be liable for default unless nonperformance is caused by an occurrence beyond the reasonable control of the Contractor and without its fault or negligence such as, acts of God or the public enemy, acts of the Government in its sovereign or contractual capacity, fires, floods, epidemics, quarantine restrictions, strikes, and unusually severe weather. The Contractor shall notify the Contracting Officer in writing as soon as it is reasonably possible after the commencement of any excusable delay, setting forth the full particulars in connection therewith, shall remedy such occurrence with all reasonable dispatch, and shall promptly give written notice to the Contracting Officer of the cessation of such occurrence.

Services provided shall comply with all applicable federal, state, and local laws/regulations and any Installation specific requirements set forth in the utility-specific attachments, as they may be amended from time to time, including those requirements relating to health, safety, and the environment. The Contractor shall modify its service practice as necessary to accomplish such compliance. Unless otherwise specified in the utility-specific attachments, the Contractor is not required to comply with Unified Facilities Criteria (UFCs), as the resultant utility infrastructure installed by the Contractor will not result in Government ownership. In the event that utility assets owned by the Government beyond the contractual point of demarcation require work to mitigate an emergency relating to health, safety, and the environment or otherwise jeopardize the Contractor's applicable permit compliance, the Contracting Officer may authorize the Contractor to complete necessary work to address the emergency and/or ensure compliance with all applicable federal, state, and local laws/regulations.

If a change in the service requirement necessitated by compliance with later imposed/modified laws and regulations or Installation requirements constitutes reasonable cause for an adjustment to the service charge, the charge will be adjusted in accordance with either FAR 52.243-1*, Changes - Fixed-Price-Alt 1,* FAR 52.241-7, *Change in Rates or Terms and Conditions of Service for Regulated Services,* or FAR 52.241-8, *Change in Rates or Terms and Conditions of Service for Unregulated Services,* as applicable (hereinafter the "Changes clause").

C.3.3 Sub-Metering

The Contractor shall be responsible for reading, maintaining, and calibrating all sub-meters on the privatized utility system(s), as identified in the utility-specific attachments. The Government will use sub-meters for internal installation billing purposes, commodity management, and energy conservation purposes. Meter reading reports shall be submitted to the recipient identified in the utility-specific attachments.

All costs for providing, installing, reading, reporting, and maintaining the existing and additional meters shall be the responsibility of the Contractor.

C.3.3.1 Future Sub-Meters

The Contractor shall provide, install, read, maintain, and calibrate sub-meters requested by the Government for any purpose throughout the contract period. Government-approved installation of and responsibility for future sub-meters (not on the system at the time of sale *or* identified for installation as part of the contract) may constitute reasonable cause for an initial installation charge and a utility services charge adjustment in accordance with Section G, *Price Adjustments*.

C.3.4 Energy and/or Water Efficiencies and Conservation, Renewable Energy Generation, Energy Security, Resilience and New and Emerging Technologies

The Government may award additional efficiency, conservation, renewable energy, resilience or energy security projects. Future projects identified by the Contractor shall be proposed to the Government in accordance with Section C, *SDCs/Upgrades/Connections and Renewals and Replacements*. The Government may consider cost-savings sharing and incentives either through utility services charge adjustments or lump-sum payments.

C.3.4.1 Energy Security and Conservation Projects

The Government may enter into energy-security projects with the Contractor or other entities. Energy Security projects may include, but are not limited to, renewable projects, resiliency projects, microgrids, system-redundancy projects for critical infrastructure, and auxiliary or emergency generation. The Contractor shall facilitate interconnection of these projects, where the Government or a third party is the owner/operator of any such generation assets. The Contractor agrees to take no action regarding these projects without the prior approval of the Contracting Officer. The utility-specific attachments identify any such projects that are currently in place for the specific utility system. Projects implemented by the Government that will require changes in the privatized system shall be coordinated between the parties prior to implementation.

C.3.4.2 Future Conservation and Renewable Projects

The Contractor shall strive to provide energy and /or water efficient systems. The Government may award future projects relating to new and emergent technologies, including, but not limited to, renewable projects, resiliency projects, microgrids or system-redundancy projects with either the System Owner or a third party. Future energy projects awarded by the Government that require changes to the privatized system shall be coordinated between the parties prior to implementation. In addition, the Contractor will facilitate interconnection of new or existing renewable energy generation assets that are located on the installation, where the Government or a third party is the owner/operator of any such generation assets.

C.3.5 Commodity Supply

Electric, natural gas, and water commodity supply is not included in this contract, even if any production facilities are included as part of the system to be conveyed. The Government retains the right to procure or supply any commodity that will be transported on the system(s) covered by this contract from any source, including the Contractor if the Contractor proposes to supply the commodity via an alternate proposal. In accordance with FAR 41.101, natural or manufactured gas cannot be procured under this solicitation.

Offerors may submit an alternate proposal that includes the supply of commodities (See Section L, *Alternate Proposals and Exceptions to Terms and Conditions*). Such proposals will be considered on a case-by-case basis. The Government will remain the customer of record and retain ownership of all commodities transported and distributed through the Contractor-owned systems unless otherwise provided in the contract.

C.4 Service Area

The Contractor shall provide utility services to all existing and, at the Government's request, new customers. The service area is defined as all areas within the Government installation boundaries and any other facilities and property boundaries under the control of the Installation. At any time, by written order, the Contracting Officer may designate any location within the service area where utility services under this contract shall commence or be discontinued. Any service charge adjustment as a result of these actions will be in accordance with Section G, *Price Adjustments*.

C.4.1 Use of Privatized Systems to Serve Areas Outside the Installation Service Area

The Contractor may use the utility infrastructure on the Installation to serve or benefit areas or customers outside the service area(s) only with concurrence of the Government. Compensation to the Government will be negotiated. In no way shall service to off-installation customers degrade or hinder reliable service to the Government's facilities, or create unhealthy, unsafe, or unacceptable conditions or outages.

C.4.2 Joint Use

C.4.2.1 Government Use

The Government may have property and equipment installed on or attached to poles, conduits, pipes, duct banks, towers, buildings, and other portions of the utility systems to be transferred. The Government may continue to use the utility system for this purpose, to maintain, repair, operate, upgrade, and replace its property and equipment, and to install new Government equipment after coordinating with the Contractor. Any upgrade or replacement of such installed or attached property shall comply with all applicable safety regulations.

Attachment fees shall not apply. However, costs of any make-ready work related to safety requirements may be recovered under the contract. All new attachments will be coordinated with the Contractor prior to the attachment.

C.4.2.2 Commercial Use

C.4.2.2.1

The Contractor shall enter into joint use agreements with the Installation's telephone company, cable television company, and other service providers in accordance with applicable law and regulation.

C.4.2.2.2

Certain system components may have third-party equipment attached pursuant to a lease or other contractual arrangement between the third party and the Installation. The Contractor will take ownership of the utility system subject to such lease(s), with any revenue continuing to accrue to the Installation until the lease(s) expire or are otherwise terminated at the discretion of the Installation. Any new lease(s), lease extensions, or other arrangements between the Contractor and any third party to permit attachment of third-party equipment to system components must be approved by the Installation and may be subject to revenue sharing, all of which must be negotiated with the Installation under separate agreement. The Installation considers cellular telephone antennae to be mission-essential equipment and requests for permission by a third party to attach such equipment to the utility system shall not be unreasonably withheld or subjected to unreasonable fees.

C.5 Utility System Ownership, Personnel, and Security

C.5.1 Utility System Ownership

C.5.1.1 Transfer of Title

A general description of the utility system(s) assets to be transferred is included in the utility-specific attachments. Prior to the transfer of title, the Government shall continue to own such

facilities. The parties shall accomplish transfer of title by Bill of Sale, with access provided via the Right to Access granted in the Contract. The Bill of Sale will provide the complete list of all assets to be sold.

The Contractor shall neither transfer nor assign its interests in the utility system(s) assets transferred by Bill of Sale without the prior written consent of the Government. No transfer or assignment of the Contractor's interests in the utility system(s) assets transferred by Bill of Sale shall occur except in connection with the Government's recognition of a successor in interest to this contract under FAR Subpart 42.9, *Novation and Change-of-Name Agreements*.

An example of the Bill of Sale is provided in Section J, *Attachment JR1*. The parties shall prepare and execute such additional documents as may be necessary to implement the ownership transfer.

C.5.1.2 Tools, Vehicles, and Equipment

Unless listed in the executed Bill of Sale, Government-owned tools, vehicles, and equipment used for system operations and maintenance that are not a physical part of the utility system will remain the property of the Government.

C.5.1.2.1 Contractor Vehicles

All Contractor vehicles shall be readily identifiable. Identification shall include displaying Contractor name in a clear and unobstructed location on the vehicle.

C.5.1.2.2 Contractor Communications Devices

The Contractor shall not operate communication devices on the Installation without first obtaining approval of the Installation Communication Group by requesting an available clear frequency. The Contractor shall follow all Installation procedures for operating communications devices on the Installation. Approval shall be obtained in accordance with Department of Defense FAR Supplement (DFARS) 252.235-7003, *Frequency Authorization*.

C.5.1.2.3 Contractor Advertising

The Contractor shall not place or display (nor permit a third party to place or display) advertising of any kind on Government property or on the Contractor's property located on the Installation. Reasonable markings on the Contractor's property, including vehicles, for the purpose of identifying it as the Contractor's property are permitted.

C.5.1.2.4 Radiation-Causing Devices

The Contractor shall provide the Government with notice that it has obtained all licenses required by federal laws and regulations for all licensed or licensable radiation source or byproduct materials and provide the Government copies of the licenses. The Government may deny the use or storage of any radiation source or byproduct material on the Installation. The Contractor shall comply with the terms of the licenses and all applicable federal laws and regulations when maintaining, storing, utilizing, and disposing of radiation source or byproduct materials.

C.5.1.3 Placement of Utility System

The Contractor shall comply with requests from the Installation regarding the placement of new or renewal utility systems either overhead or underground, unless to do so would cause the Contractor to violate any applicable law or regulation or would be inconsistent with sound utility operational practices.

C.5.1.4 Contractor Facilities

The Contractor, at its expense, shall acquire, furnish, install, and operate and maintain all facilities required to provide the utility service(s) hereunder. The Contractor shall have title to all facilities it builds and equipment it installs under this contract, except as otherwise provided herein. At the Government's sole discretion, the Contractor may be permitted to either build or lease office space, maintenance shops, materials storage/staging areas, or other facilities on the Installation, free of any rental or similar charge.

The Contractor shall be responsible for acquiring all utilities, janitorial services, building maintenance, and ground maintenance for these facilities. The Government may consent to provide some of these services to the Contractor on a reimbursable basis, as defined in the utility-specific attachments.

The Contractor shall comply with the Installation's architectural standards and fully coordinate with the Installation prior to beginning new construction or remodeling of existing facilities (see utility-specific attachments for list of available facilities).

C.5.1.5 Record Drawings and Utility System Maps

The Contractor shall maintain record drawings for all existing and new facilities installed by the Contractor within the service area. Upon reasonable request and with reasonable notice, the Government may use and copy such drawings. The Contractor shall provide available drawings to the Government in the electronic media formats using the latest release software compatible with Government systems at no cost to the Government. The Contractor will also provide information (*e.g.*, shape files or geodatabase) to allow for updates to the Installation Geographical Information System (GIS).

Within one year of the contract start date and annually thereafter, the Contractor shall provide one hard copy (size to be determined by the Government) and electronic media formats (formats as agreed upon by the Government) of updated system maps to include all Contractor-owned facilities (including new infrastructure, previously unmapped infrastructure, corrected infrastructure and infrastructure properties).

The Contractor shall perform identification of unmapped infrastructure in conjunction with joint inventory and other projects to the maximum extent possible. The Contractor shall submit updated maps annually in conjunction with submission of the Annual SDC/Upgrades/Connections and R&R Plan.

C.5.1.6 Disposition of Removed or Salvaged Materials

The removal and disposition of facilities and materials that are not used and useful for the purpose of providing utility service(s) shall be the responsibility of the Contractor. The Contractor shall notify the Contracting Officer or designated representative when removing hazardous substances in accordance with Section H*., Hazardous Substances,* and the Specific Service Requirements outlined in the utility-specific attachments. If the Contractor discovers preexisting abandoned utility items not identified on existing maps, the Contractor shall notify the Contracting Officer's Representative promptly to permit the installation to document the abandoned facilities. Abandoned utility items not identified on existing maps but found during operations shall be documented on the Contractor's maps and/or drawings. In order to prevent hazardous conditions, the Contractor shall ensure that no interconnections exist between abandoned and utilized facilities.

C.5.1.7 Liens and Mortgages

The Contractor shall not engage in any financing or other transaction creating any mortgage upon any Government property; place or suffer to be placed upon Government property any lien or other encumbrance; or suffer any levy or attachment to be made on the Contractor's interest in any easement or Right of Access to Government property. For the purposes of this section, property shall include, but not be limited to: fee, lease, license, personal property, or any authorized Government use or interest in property.

C.5.2 Personnel

For purposes of this contract, the term “personnel” or “employee(s)” refers to any person performing work related to this contract, including but not limited to, the Contractor’s employees, agents, representatives, or subcontractors. The Contractor shall not permit any personnel to work under this contract if such person is identified to the Contractor as a potential threat to the health, safety, security, general well-being, or operational mission of the Installation or population. All personnel will comply with Installation security, health, and safety conditions.

The Contractor will allow the Installation to review on a continuing basis a listing of all personnel engaged in providing utility services to the Installation. The listing will provide sufficient information on all personnel to allow precise Government identification of each individual.

C.5.2.1 Speaking, Reading, and Understanding English

Where reading, understanding, and discussing environmental, health, and safety warnings are an integral part of an employee’s duties, that employee shall be able to understand, read, write, and speak the English language fluently. All personnel that interface with customers shall be able to speak and understand the English language fluently.

C.5.2.2 Personnel Appearance and Identification

The Contractor’s personnel shall present a neat appearance and be readily recognized as Contractor personnel. As required by the Installation, the Contractor shall ensure each employee obtains from Security Forces an identification card that shall include at a minimum the employee’s name, photograph, and Contractor’s name. Each employee shall follow established Installation procedures for displaying their identification card while within the boundaries of the Installation.

C.5.2.3 Employee Certification

The Contractor shall ensure that employees meet all applicable federal, state, local, and Installation certification, licensing, and medical requirements to perform all assigned tasks and functions as defined in this contract.

C.5.2.4 Installation’s Rules Apply to the Contractor

Rules, regulations, directions, and requirements issued by the Installation, or other command authorities, under their responsibility for good order, administration, and security, including Specific Service Requirements as outlined in the utility-specific attachments, apply to all personnel who enter the Installation.

C.5.2.5 Controlled-Access Areas

The Contractor shall apply for personnel security clearances required for performance after the contract is awarded. Personnel requiring access to secured areas or restricted areas under the control of the Installation shall comply with applicable regulations. The Government may terminate the entry of any employee upon disclosure of information that indicates the individual’s continued entry to the Installation is not in the best interests of national security. Additionally, violation of, or deviation from, the established security procedures by the Contractor’s personnel

may result in the confiscation of identification media and the denial of future entry to the Installation. Costs resulting from such a denial, when done in accordance with Government regulations, shall be borne by the Contractor.

C.5.2.6 Conflict of Interest

The Contractor shall not knowingly employ any person who is a U.S. Government employee if employing that person would create a conflict of interest. Additionally, the Contractor shall not knowingly employ any person who is an employee of the Government, either military or civilian, unless such person seeks and receives written approval according to DOD 5500.7-R, *Joint Ethics Regulations (JER)*.

C.5.2.7 Reserved

C.5.2.8 Employment of Quality Assurance Representative Personnel

The Contractor shall not employ Quality Assurance Representatives (QAR) whom the Contractor knows or should know are responsible for monitoring any contracts/subcontracts awarded to the Contractor.

C.5.2.9 Applicability of Service Contract Labor Standards and Wage Rate Requirements

The Contractor shall comply with 41 U.S.C. Chapter 67, Service Contract Labor Standards (formerly known as the Service Contract Act of 1965) and 40 U.S.C. Chapter 31, Wage Rate Requirements (Construction) (formerly known as the Davis-Bacon Act), as amended and applicable, unless an exception exists.

C.6 Access to the Utility System

C.6.1 General

The Contractor and its agents, employees, contractors, and subcontractors shall have reasonable access to the Installation to accomplish its duties and responsibilities under the Contract, to include the installation of Contractor-owned lines and pipes, or the construction of utility system components as directed by the Government in accordance with Section C, *Service Area*. Such access is subject to the general supervision and control of the Installation Commander, U.S. Army Garrison-Hawaii, Island of Oahu, and his / her duly authorized representatives. In accepting the rights, privileges, and obligations established hereunder, the Contractor recognizes that U.S. Army Garrison-Hawaii, Island of Oahu (the "Installation") serves the national defense and that the Government will not permit the operation, construction, installation, repair, and maintenance of a utility system and the provision of utility services to interfere with the Installation's military mission or the national defense.

Access to the Contractor-owned above-ground and underground lines/pipes under this Contract shall be a total of thirty (30) feet in width fifteen (15) feet on each side of the lines/pipes). The access to utility systems containing operational components of the Contractor-owned system shall include the area inside the fence line that encloses the area and an area of four (4) feet outside the perimeter of the fence line. The Contractor is also provided access to all areas/facilities associated with facilities, lines and pipes covered by this Contract for purposes of performing the Utilities Privatization contract as directed by the Government under this Contract.

If the Contractor is denied access to the system, due to circumstances beyond its control or negligence, its obligations and liabilities under this Agreement will be suspended if such a deficient condition would not have occurred but for its inability to gain access to the utility system and was not the result of previous deficiencies in performance.

C.6.2 Contractor's Right to Access the Utility System

This Installation is an operating military installation that is closed to the public and is subject to the provisions of the Internal Security Act of 1950, 50 U.S.C. § 797, and of 18 U.S.C. § 1382. Access to the Installation is subject to the control of its Installation Commander and is governed by such regulations and orders as have been lawfully promulgated or approved by the Secretary of Defense or by any designated military commander. Access by the Contractor, its officers, employees, contractors of any tier, agents, and invitees is subject to such regulations and orders. Contractor access to the utility system, as provided in this Section, is subject to all regulations and orders currently promulgated or which may be promulgated by lawful authority as well as all other conditions contained herein. Such regulations and orders may, by way of example and not by way of limitation, include restrictions on who may enter, how many may enter at any one time, when they may enter, and what areas of the Installation they may visit, as well as requirements for background investigations, including those for security clearances, of those entering. The Contractor is responsible for the actions of its officers, employees, contractors of any tier, agents, and invitees while on the Installation and acting under this Contract.

In the event Contractor access to the utility system is either prohibited or curtailed by the Government or in the event the presence of the Contractor's property shall be considered detrimental to governmental activities, the Contractor shall, from time-to-time and upon notice to do so, and as often as so notified, remove or relocate its property to such other location or locations on the Installation as may be required by the Contracting Officer or authorized representative, and in the event the Contractor's property shall not be removed or relocated within 90 days after any aforesaid notice, the Government may cause the same to be done. Any removal or relocation of the Contractor's property at the direction of the Government under this Section shall be at the Government's expense.

The Contractor further recognizes that the operation, construction, installation, repair, and maintenance of the utility system on the Installation may be subject to requirements and approvals not ordinarily imposed by civilian authorities, including, but not limited to, compliance with the National Environmental Policy Act of 1969, as implemented. The Contractor agrees to abide by all applicable regulations and Installation requirements.

The access granted under this Contract is personal to the Contractor and shall neither be transferred nor assigned without the prior written approval of the Government. No transfer or assignment of the Contractor's access under this Contract shall occur except in connection with the Government's recognition of a successor in interest to the Contract under FAR Subpart 42.9, *Novation and Change-of-Name Agreements*.

C.6.2.1 Condition of the Property

The portions of the Installation on which the Contractor is granted access are provided in an "as is, where is" condition without any warranty, representation by the Government concerning their condition, or obligation on the part of the Government to make any alterations, repairs, improvements, or corrections to defects whether patent or latent. At such times and for such part of the Installation as the Installation Commander may determine, the Government and the Contractor, will prepare and sign a Physical Condition Report to reflect the condition of the portions of the Installation where the utility systems are sited prior to any ground disturbing activities of the Contractor. Such Report shall be used by the Government upon the expiration or termination of this Contract to determine whether the Contractor has fulfilled its obligations to maintain and restore the portions of the Installation where said utility systems are sited, to the condition required by this Contract.

C.6.2.2 Airspace Regulations

If the Contractor's property located on the Premises intrudes into airspace subject to regulation under the Federal Aviation Regulations or their military counterparts, the Contractor shall operate, construct, install, repair, and maintain in conformance with such regulations.

C.6.2.3 Government Access

The Contractor's access to the utility system hereunder shall not be interpreted as interfering with or otherwise limiting the right of the Government and its duly authorized officers, employees, contractors of any tier, agents, and invitees to enter upon any portion of the installation on which the Contractor is authorized access for any lawful purpose.

C.6.2.4 Other Grants of Access

The Contractor's access hereunder is subject to and shall not interfere with all outstanding easements, rights-of-way, leases, permits, licenses, and uses for any purpose with respect to the Installation. The Government may grant additional easements, rights-of-way, leases, permits, and licenses, and make additional uses with respect to the any portions of the Installation, including those portions where the Contractor's utility system is sited. The Government shall not, as determined in the sole discretion of the Government, unreasonably interfere with the Contractor's access to its utility system under this Contract.

C.6.2.5 Liability for Damages

The Contractor shall keep the portions of the Installation on which access is granted to perform its obligations under this Contract, in good order and in a clean, safe condition by and at the expense of the Contractor.

Any interference with the use of or damage to any real or personal property under the control of the Government incident to the exercise of the rights and privileges granted to the Contractor under this Contract shall be promptly corrected by the Contractor to the satisfaction of the Installation Commander. If the Contractor fails to promptly repair or replace any damaged property after being notified to do so by the Installation Commander, the Government may repair or replace such property and the Contractor shall be liable to the Government for the costs of such repairs or replacements.

C.6.2.6 Contractor Restoration

On or before the date of expiration or termination of this Contract, the Contractor shall vacate any and all portions of the Installation on which the Government granted access under this Contract, and the Contractor shall remove all of its equipment, fixtures, structure, property and improvements of whatever nature from the Installation and restore the land on which the Contractor was granted access to a condition satisfactory to the Contracting Officer upon coordination with the Installation Commander and without additional expense to the Government. Such restoration shall include, if applicable, removal of contamination caused by the Contractor. The Contractor may, with the Government's prior written consent, which consent shall not be unreasonably withheld, abandon in place any buried conduits, pipes, duct banks, tubes, or wires (Underground Abandoned Utilities), provided that:

(1) the nature, location, and depth of such Underground Abandoned Utilities are known to the Contractor and shown on the Contractor's records, and

(2) the Underground Abandoned Utilities neither contain any environmental contaminant nor pose an environmental or safety hazard.

The Contractor may also, upon receipt of the prior written consent of the Government, which consent shall be granted in the Government's sole discretion, abandon in place all or part of any of the Contractor's other above-grade or below-grade equipment, fixtures, structures, property, and improvements (Other Abandoned Utilities). In the event of a dispute between the Contractor and the Government over whether certain of the Contractor's equipment, fixtures, structures, property, and improvements should be characterized as Underground Abandoned Utilities or Other Abandoned Utilities, such equipment, fixtures, structures, property, and improvements shall be deemed to be Other Abandoned Utilities for purposes of this Contract.

C.6.2.7 Fire Protection

C.6.2.7.1
The Contractor shall enter into a Memorandum of Understanding (MOU) with the Installation Fire Department for fire protection of all facilities included in the purchase of the utility system. Though the protection identified in the MOU will not take effect until conveyance, the MOU shall be completed during the transition period and a copy provided to the Contracting Officer.

C.6.2.7.2
The Contractor shall abide by Installation fire protection requirements. The utility system purchased by the Contractor includes facilities. These facilities may or may not include fire alarm systems. Where required by federal, state, or local regulation, the Contractor shall maintain the fire alarm system for all facilities owned and operated by the Contractor. The Contractor shall permit Fire Department personnel access to their facilities to perform fire inspections and emergency response.

C.7 Response to Service Interruptions/Contingencies and Catastrophes
The Contractor shall employ sound utility practices to ensure continuous, dependable, and reliable utility services and to minimize the scope and length of any service disruption. If an installation has a specific response time requirement then it will be identified in the utility-specific attachment for each utility system.

The Contractor shall develop and maintain a Service Interruption/Contingency and Catastrophic Loss Plan ("SICCLP"). The SICCLP shall define procedures and provisions for reacting to all service interruptions. The SICCLP shall address possible causes for interruption including, but not limited to, acts of God or public enemy, natural disasters, human error, equipment failure, vehicular damage, vandalism, employee strikes, cease and desist orders, and Notice of Violations (NOVs) issued by any regulatory agency. The Contractor may propose standard operating procedures broadly applicable across its customer base as its SICCLP.

The Contractor shall maintain and update the SICCLP as necessary and adhere to its requirements throughout the contract term. It shall not be materially altered without the Government's prior written consent. The Contractor need not seek the Government's consent prior to minor, non-substantive alterations in such procedures provided the Government is notified within a reasonable period of time (no less than annually).

If applicable, the Contractor shall adhere to the Installation's Emergency Restoration Plan for prioritizing service restoration.

C.8 Repair Response Procedures

The Contractor shall identify to the Government and implement clearly defined procedures by which Installation personnel can submit service requests to the Contractor. The Contractor also shall clearly identify any difference in service request procedures that apply to emergency, urgent, and routine matters. The Government will be responsible for disseminating such procedures within the Installation. The Contractor shall provide a service request line with a local or toll-free telephone number by which it can be contacted 24 hours a day, 7 days a week, for service requests. This number will connect the Government to a Contractor representative capable of estimating Contractor repair crew arrival time. When a system condition designation is downgraded to a less severe condition, required response times shall run from the date and time that the initial service call was made. Specific procedures for classification of service call requests, if any, are described in the utility-specific attachment(s).

The Contractor shall maintain records of all service request calls, documenting the time of the call, time of service response, cause of request, and action taken (including time and date completed). The Contractor shall maintain any such records for two years after the date of creation. The Contracting Officer or designated representative may review the records upon reasonable notice.

If the service request affects building operations, the Contractor shall coordinate all work with the person responsible for the building or facility. The Government will provide the Contractor with a list of Government representatives and the buildings or facilities for which they are responsible.

Unless specifically stated otherwise in the utility-specific attachments in Section J, the following requirements in Sections C.8.1 through C.8.4 shall govern the Contractor's response times and procedures:

C.8.1 Notification Procedures

The Contractor shall have in place mechanisms, means, or procedures by which Installation personnel can submit service requests to the Contractor. If there is an order of precedence of phone numbers for Government personnel to call, the Contractor shall determine and clearly define that precedence. The Contractor also shall clearly identify any difference in service request procedures that apply to emergency, urgent, and routine matters.

The Government will be responsible for disseminating such procedures within the Installation. In addition, the Contractor shall provide to the Contracting Officer or designated representative the name of the local Utility Manager or other responsible person and an alternate with after-hours contact telephone numbers.

C.8.2 Emergency Service Requests

An emergency condition is one that is detrimental to the mission of the installation, significantly impacts operational effectiveness, or compromises the safety, health, and life of personnel. Such requests shall include, but are not necessarily limited to, electrical outages, downed power lines, water outages, broken water mains, natural gas outages, natural gas leaks, or wastewater main overflows.

The Contractor shall ensure it is able to receive the Installation's emergency service requests 24 hours a day, every day. Once an emergency request is made, the Contractor shall respond immediately. A Contractor representative who is knowledgeable of the system and the Service Interruption/Contingency and Catastrophic Loss Plan shall be on the site of the emergency within

one hour. Additionally, the Contractor's repair crews appropriately trained to eliminate the condition shall be at the emergency site within two hours. Work will be continuous until the emergency condition is eliminated or downgraded and service is restored. All emergencies will be remedied or downgraded to a non-emergency status within 24 hours, unless the cost and/or level of effort to do so is unreasonable. If the Contractor is a regulated utility, the service and its restoration in times of outage for emergency service requests shall be at least equivalent to the service provided to other similar customers.

C.8.3 Urgent Service Requests

An urgent condition is not an emergency but significantly hinders performance of Installation activities and requires elimination of potential fire, health, and safety hazards (for example, environmental controls, non-emergency utility leaks, special requests and events, plumbing problems, downgraded emergency responses, etc.).

Once an urgent request is received, the Contractor shall respond with a representative knowledgeable of the system and the Service Interruption/Contingency and Catastrophic Loss Plan to the site of the request within 24 hours. All urgent requests will be remedied within five calendar days. For regulated utilities, the service and its restoration in times of outage for urgent service requests shall be at least equivalent to the service provided to other similar customers.

C.8.4 Routine Service Requests

A routine service request is one that does not pose an immediate threat to public health, safety, or property, or to a mission or operation conducted at the Installation. Such requests may arise due to situations that, if left uncorrected will cause measurable discomfort or inconvenience to the customer, waste resources, create the need for additional minor repairs, or is aesthetically unpleasant or inconvenient.

The Contractor is not required to respond to the Installation's routine service requests outside normal duty hours at its option and with appropriate coordination. Initial response to any routine service request shall be made within five calendar days, and completed within 30 calendar days of receiving the request. For regulated utilities, the service and its restoration in times of outage for routine service requests shall be at least equivalent to the service provided to other similar customers.

C.9 Coordination of Work

C.9.1 Routine Work

Routine work, such as the scheduled repair, replacement, or removal of system components that require service interruption, shall be coordinated with the Contracting Officer's Representative at least two weeks prior to commencing work to ensure minimal impact to the mission and operations. The Contractor and Government shall each provide a single point of contact for coordination.

Notification shall include date, time of outage, a list of buildings that will be affected, and the estimated time until the service will be restored. The Contractor shall also notify building occupants in advance of an outage.

C.9.2 Routine, Urgent, and Emergency Service Requests

Any routine, urgent, or emergency service request by Government personnel shall be reported to the Contractor's service request line or point of contact. Emergency service requests to the

Contractor or emergencies identified by the Contractor shall be identified immediately to the Contracting Officer's Representative.

C.9.2.1.Scheduled Utility Services Interruptions

The Installation may reschedule Contractor work requiring service interruption at any time if such interruption might materially adversely affect the Installation's mission and operations. If an interruption is rescheduled, the parties shall coordinate a mutually acceptable alternative time for the scheduled service interruption. Scheduled utility outages may be required to occur after normal duty hours to lessen the inconvenience to Installation mission-critical functions. Except for outages required to be scheduled outside of normal working hours in accordance with the utility-specific attachment, Section J, the Contractor may be entitled to an equitable adjustment in accordance with Section G, *Price Adjustments,* where such rescheduling to non-duty hours results in additional costs. Only designated Government personnel, in coordination with the Contracting Officer's designated representative, may request utility services interruption. The Contractor will refer any other service interruption requests to a designated Government representative.

C.9.3 Construction and Restoration of Site

The Contractor will ensure that proper temporary facilities and controls are in place during any construction and other work it performs that could affect Installation activities. All work must include temporary facilities and control measures to facilitate the flow of vehicular, emergency, and pedestrian traffic to include the following: high-intensity reflective signs, barricades, temporary sidewalks, fencing, and traffic cones. Once work is complete, the Contractor will restore the area to an equal or better condition. Site restoration requires proper waste cleanup, removal, and disposal; replacement of cracked pavement and sidewalks; proper repair and sealing of utility cuts both on improved and unimproved land and roadways; replacement of loam or topsoil; top dressing by hand; lawn bed preparation; hydro air seeding, mulch, fertilizer, and shrub replacement.

C.9.3.1.Excavation Permits

The Contractor shall obtain a written excavation permit from the Contracting Officer's Representative or applicable Installation personnel before commencing any digging or excavation on the Installation. The excavation permit will contain requirements normally applied to similar excavation work on the Installation. The Contracting Officer's Representative or applicable Installation personnel will notify the Contractor as to reasonable time periods for applying for an excavation permit.

C.9.3.2. Underground Utility Location

At the request of the Installation, the Contractor shall be responsible for locating underground utility system components in support of the Installation's excavation permit process. Requests for line location shall be responded to within three working days of the request at no additional cost to the Government.

Information regarding frequency of line locates, underground utility locations, and Points of Demarcation are identified in the utility-specific attachment and/or the Technical Library.

C.9.4 Duty Hours

Normal duty hours are Monday-Friday (0700-1530). The Contractor shall accomplish all routine work during normal duty hours. The Contractor shall not deviate from these normal duty hours without the Contracting Officer's approval.

C.9.5 Coordination, Planning and Programming

The Contractor shall be available for meetings as reasonably required by the Contracting Officer or designated representative. This includes planning and programming activities for projects and plans that may impact the utility systems. Costs associated with such activities shall be included in the Contractor's O&M costs as part of normal operations. The following listing generally describes activities in which the Contractor may be requested to participate:

(1) Meetings for planning and design of Military Construction (MILCON) projects expecting to impact or connect to the utility system;
(2) Discussions concerning proposed plans and initiatives expected to impact demand for utility services;
(3) Discussions concerning impacts to the system of any future Base Realignment and Closure (BRAC) action.

C.9.6 Exercises and Crisis Situations Requiring Utility Support

The Contractor shall respond to Installation emergency and crisis situations and exercises that require utility support. The Contractor shall respond to these events with qualified personnel and equipment as soon as possible after notification. Participation may be in a simulated capacity equal to other participants. In no case will response be longer than those requirements listed in Section C, *Emergency Service Requests*. The Contractor shall advise and assist the on-scene Commander until the event is terminated. Extra work effort under these circumstances may entitle the Contractor to an equitable adjustment in accordance with Section G, *Price Adjustments*.

C.9.7 Government Operation

During Contingencies and/or in the event of Contractor Non-Performance, the Government may take over operation of the system. In such circumstances, the Contractor shall make the privatized facilities available at no cost to the Government for as long as the circumstance requiring Government operation persists. Operation/performance by the Government shall not be deemed a waiver of the Government's right to pursue any remedies for Contractor non-performance that may otherwise exist under the terms of this Contract.

C.9.7.1. Contingencies

The Government may perform or supplement performance of contract functions with Government-designated personnel during periods of disaster, emergency, or other conditions that affect the Installation and prevent the Contractor from fulfilling its obligations under the contract. The Government will use best efforts to coordinate with the Contractor and obtain authorization before supplementing the Contractor's performance in these circumstances. The Contractor's authorization shall not be unreasonably withheld.

C.9.7.2. Contractor Non-Performance

The Government may perform or supplement performance of contract functions with Government-designated personnel if the Contractor consistently fails to perform its obligations under the contract, has been notified in writing of failure to perform its obligations, and has not cured the performance failures within a reasonable time.

C.9.8 Plant Control

After obtaining the prior permission of the Contracting Officer's Representative, the Contractor may trim or remove plants and trees that pose a potential hazard to its utility system. In those areas where the plants or trees contribute to historic or aesthetic values and trimming or removing them would be destructive of those values, the Contractor may be prohibited from trimming or

removing them. In all instances, plants or trees listed as threatened or endangered under applicable federal, state, interstate, or local law will not be harmed by the activities of the Contractor.

C.10 Environmental Compliance

The Contractor shall comply with all applicable environmental laws and regulations including Installation-specific requirements (collectively, "Environmental Requirements"). Environmental Requirements include any statute, law, act, ordinance, rule, regulation, order, decree, permit, or ruling of any federal, state, and/or local Government, or administrative regulatory body, agency, board, or commission or a judicial body, relating to the protection of human health and/or the environment or otherwise regulating and/or restricting the management, use, storage, transportation, treatment, disposal, and/or any release of a hazardous substance, hazardous waste, pollutant, or other material. The Contractor shall provide the Government with advance written notice, of and an opportunity to jointly participate in, meetings (including permit request meetings) with environmental regulatory authorities.

Should implementation of response actions with respect to Environmental Requirements interfere with Contractor's activities under the Contract, such actions may constitute an excusable delay for which Contractor may be entitled to an excuse from performance.

C.10.1 Permit Compliance

Once ownership of the utility system is transferred, the Contractor will be the party of record for all environmental permits related to operating the system. Thereafter, the Contractor shall be responsible for obtaining any new or revised permits needed to operate and maintain the utility system. The Government will remain the party of record, and retain responsibility for any applicable permits prior to the transfer of ownership as defined by Section C, *Operational Transition Plan*. For those permits that the Government cannot transfer, to the extent the non-transferable permit applies to the Utility System, the Contractor shall indemnify the Government as provided in Section H, *Liability*.

C.10.2 Spill Contingencies

The Contractor shall adopt the procedures of the Installation Spill Contingency Plan or shall submit to the Contracting Officer for review and acceptance a Contractor-developed Spill Contingency Plan. A Contractor-developed plan shall be prepared in accordance with the National Response Team's Integrated Contingency Plan Guidance (https://www.nrt.org/sites/2/files/NRT%20ICPG.pdf).

C.10.3 Work in Environmentally Sensitive Areas

The Contractor shall comply with Installation procedures and standards for work in and around environmentally sensitive or contaminated property. Prior to accessing any environmentally sensitive or contaminated areas, the Contractor shall coordinate with the designated Government Representative.

C.10.4 Environmental Impact Assessments

Modification of the utility system(s) on Government installations may require an Environmental Impact Assessment in accordance with environmental impact analysis processes applicable to the Installation. The Contractor shall fully cooperate with the Government and any third parties to facilitate the assessment process, including, but not limited to, providing records, preparing documents, and allowing access to utility infrastructure.

C.10.5 Hazardous Material and Waste Minimization

The Contractor shall handle all hazardous materials used in utility system operation and maintenance in accordance with applicable laws and regulations. Appropriate Safety Data Sheets (SDS) shall accompany all hazardous materials used on the Installation. The Contractor shall submit copies of SDS to the Contracting Officer's Representative and retain a copy of each SDS on-site. The Contractor shall maintain a viable hazardous waste minimization program that includes making every commercially-reasonable effort to identify and utilize non-hazardous or less hazardous materials than those currently in use and recycling versus disposing of consumable wastes.

C.10.6 Environmental Response

The Contractor shall accomplish at no cost to the Government any environmental response required as a result of the Contractor's activities. The Contractor may be required to perform, but shall not be responsible for the cost of, remediation for preexisting environmental conditions with the exception of Asbestos and Lead-based paint as outlined in Section C, *Asbestos and Lead-based Paint*. Unexploded ordnance shall be considered a preexisting environmental condition and shall not be disturbed by the Contractor but, upon discovery, shall be immediately reported to Installation Security and the Contracting Officer's Representative. The Contractor shall not move any soil media off-site without the written permission of the Government. This requirement is in effect even if the Contractor does not believe the media is contaminated.

The Contractor shall provide the Government with a copy of all correspondence with environmental regulatory authorities related to enforcement actions or notices of violations within five days of receipt or issuance.

The Contractor shall not perform any response, removal, remedial or restoration actions on or affecting the Installation relating to Environmental Requirements without the prior written consent of the Government, except that such prior written consent shall not be required to the extent that prompt action is required to abate an imminent and substantial threat to health, safety and welfare and the Government has been notified of Contractor's intent to take such actions. Such Government consent will not be unreasonably withheld.

C.10.7 Asbestos and Lead-based Paint

The Contractor shall not make any improvements or engage in any construction on Government property which contains asbestos-containing material (ACM), without prior approval of the Contracting Officer or designated representative. Any such improvements or construction shall be done in compliance with all applicable federal, state, interstate, and local laws and regulations governing ACM. The Contractor is responsible for monitoring the condition of its facilities and/or plant containing ACM on Government property for deterioration or damage.

The Contractor shall, at its expense, test any painted surface to be affected by any of its operations, construction, installation, repair, or maintenance activities to determine if the paint is lead-based and will handle that surface in compliance with all applicable laws and regulations.

The Contractor may be required to perform, but shall not be responsible for the cost of, remediation for preexisting ACM or lead-based paint which is disturbed or damaged by the Contractor or is deteriorated; except that the Contractor shall be responsible for the cost of any remediation of ACM or lead-based paint necessitated due to Contractor's non-compliance with the terms of this contract or Contractor's fault, negligence, or misconduct.

C.10.8 Environmental Restoration Program

If the Installation has not been listed on the National Priorities List (NPL) under the Comprehensive Environmental Response, Compensation, and Liability Act (CERCLA) of 1980, as amended, at the time of contract award, but is listed subsequent to the award of this contract, the Government will provide the Contractor with a copy of any Federal Facility Agreement (FFA) that is entered into between the Government and the Environmental Protection Agency (EPA), along with any amendments to the FFA when they become effective.

If the Installation has been listed on the NPL at the time of the award of this Contract but no FFA has been entered into, the Government will provide the Contractor with a copy of any FFA subsequently entered into along with any amendments to the FFA when they become effective.

If the Installation has been listed on the NPL at the time of award of this Contract and an FFA has been entered into, the Contractor acknowledges that the Government has provided it with a copy of the FFA, with current amendments. The Government will provide the Contractor with a copy of any subsequent amendments thereto.

The Contractor agrees that should any conflict arise between the terms of such agreement as it presently exists, or may be amended or entered into, and the provisions of this Contract, the provisions of the FFA will take precedence.

C.11 SDCs/Upgrades/Connections and Renewals and Replacements

C.11.1 Responsibility

The Contractor shall be responsible for all required SDCs, upgrades, and renewals and replacements necessary to maintain and operate the utility system(s) in a safe, reliable condition, such that the system is complete and usable, and to meet the requirements of this contract.

C.11.2 Initial System Deficiency Corrections

Initial System Deficiency Corrections (ISDC) are those projects necessary to reach the standards typically maintained by the Contractor on its utility systems or to ensure compliance with applicable law, so that subsequent renewals and replacements will permit the long-term safe and reliable operation of the utility system. All ISDCs shall be listed in the first submittal of the Initial System Deficiency Corrections and Renewals and Replacements Plan, as part of the proposal. Any ISDCs proposed to remedy Government-identified deficiencies listed in the utility-specific attachments, shall be complete within five years of the contract start date. The Government may buy down a previously amortized ISDC at no penalty to the Government.

C.11.3 Renewals and Replacements

Renewals and replacements are investments in the utility system to renew or replace system components that fail or reach the end of their useful life.

C.11.4 Annual SDC/Upgrades/Connections and Renewals and Replacements Plan

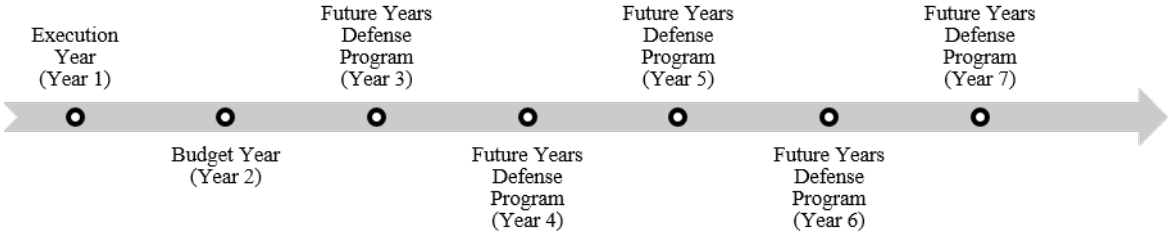
The Contractor shall prepare and submit annually to the Contracting Officer for approval an SDC/Upgrades/Connections and Renewals and Replacements Plan (“Annual Plan”) that identifies

SDCs/Upgrades/Connections and major renewals and replacements the Contractor intends to accomplish. Each Annual Plan shall contain a proposed SDC/Upgrade/Connection list with work efforts that the Contractor intends to accomplish for each of the next seven years, to include status of awarded ISDCs and ongoing Renewals and Replacements projects. Additionally, the Annual Plan shall include a summary of historical Renewals and Replacements projects from the previous five years and expenditures completed since the start of contract performance. The Annual Plan shall be structured as follows:

- Year 1 shall include detailed information for each work effort including site plans, firm-fixed prices, schedules, and an analysis of the impact of construction on Installation operations and the environment. It shall also address safety requirements.

- Year 2 shall include detailed information for each work effort including site plans, cost estimates, schedules, and an analysis of the impact of construction on Installation operations and the environment. It shall also address safety requirements.

- Years 3-7 shall include work effort descriptions, order-of-magnitude estimates, and general-area site plans for each work effort.



Unless the Contracting Officer provides written notification of an alternate date, the first Annual Plan shall be submitted no later than **March 31** of the first full fiscal year following contract start, and annually thereafter. The Annual Plan shall be submitted to the Contracting Officer and Contracting Officer's Representative(s).

C.11.4.1 SDCs and Upgrades

The Contractor may propose SDCs and Upgrades including, but not limited to, energy efficient and/or water conservation projects in the Annual Plan. The Government may determine at its discretion whether it will pay for any portion of proposed SDCs and Upgrades. Future SDCs and Upgrades required to comply with new Government requirements or standards imposed by law that have changed during the contract term will be paid subject to the availability of funds. Approved SDCs and Upgrades and improvements identified in the Annual Plan will be paid according to the price set forth in Section B.2.1, *Schedule B-1 Regulated Tariff*, or Section B.2.2, *Schedule B-2,* when completed. The Government may pay for any SDC/Upgrade in a lump-sum rather than by amortizing the price. The Government further may buy down previously amortized SDCs and Upgrades at no penalty to the Government.

C.11.4.2 Renewals and Replacements

Renewals and replacements identified in the Annual Plan will be paid in accordance with Schedules 1 and 2 and Section B.2.1, *Schedule B-1 Regulated Tariff,* or Section B.2.2, *Schedule B-2.*

C.11.4.3 Requirements and Standards

The Annual Plan shall include an assessment of any new or revised standards and clearly address planned system improvements or operational changes needed to comply with such standards.

C.11.4.4 Anticipated Connections and Disconnections

The Annual Plan shall include a list of anticipated new service connections, including a preliminary design and estimated installation costs. The Government will provide a list of new service requirements and anticipated disconnections.

C.11.5 Connections and Disconnections

The Government may require the Contractor to make new connections and/or disconnections. The Contractor shall respond to such requests within a reasonable timeframe and coordinate this work with the Contracting Officer's Representative and obtain approval from the Contracting Officer.

If a connection or disconnection constitutes reasonable cause for an adjustment to the utility services charge, the rate will be re-negotiated in accordance with Section G, *Price Adjustments*.

C.11.5.1 Temporary Connections

The Contractor shall extend temporary service to the Government or contractors performing work on the Installation when requested by the Government.

The Government will identify the party responsible for reimbursing the Contractor for temporary connections. The temporary connection customer shall provide the following information regarding any temporary service connections to the Contracting Officer's Representative:

(1) Name of the temporary customer
(2) Cost
(3) Date of Installation
(4) Expected duration of the connection
(5) Description of the connection, including route and type of material
(6) POC, Title, and Phone Number

C.11.5.2 Permanent Connections

(a) *Charge*. In consideration of the Contractor furnishing and installing at its expense any new connecting facilities requested by the Government, the Government may pay the Contractor a mutually agreed upon connection charge. Any payment will be in a form agreed to by the parties and as permitted by applicable law. When the Government requests new connecting facilities, including work necessary to increase the capacity of existing facilities, the Contractor shall submit a detailed proposal identifying the work necessary to provide the required utility services, any proposed connection charge, and the proposed change in the monthly utility services fee that will go into effect upon completion and placement into service of the new connecting facilities.

Payment for connection charges may be made as a line item under this contract or directly by the requesting party through a connection charge agreement between the parties in a format similar to the sample provided at Section J, Reference JR3, *Sample Connection Charge Agreement*. However, regardless of payment method, the terms and conditions of this contract shall control. As a condition precedent to final payment, the Contractor shall execute a release of any claims against the Government arising under or by the virtue of such installation. Proposed changes to the monthly utility services fee(s) must be approved in advance by the Contracting Officer, regardless of the payment vehicle utilized for the connection charge.

(b) *Ownership, operation, maintenance, and repair of new facilities to be provided*. The facilities to be supplied by the Contractor under this clause, notwithstanding the payment by the Government of a connection charge, shall be and remain the property of the Contractor and shall,

at all times during the life of this contract or any renewals thereof, be operated, maintained, and repaired by the Contractor at its expense. All taxes and other charges in connection therewith, together with all liability arising out of the construction, operations, maintenance, or repair of such facilities, shall be the obligation of the Contractor.

(c) *Credits*.

(1) Where the Government is part of the Contractor's general rate base and the Contractor subsequently includes the cost of the connecting facilities in its general rate base, the Contractor agrees to allow the Government, on each monthly bill for service furnished under this contract to the service location, a credit in the form of a percentage of the amount of each such bill as rendered until the accumulation of credits shall equal the amount of such connection charge. The amount of the credit percentage shall be negotiated, but shall not be less than that provided for under the terms of any tariff filed by the Contractor or otherwise provided by the Contractor to any commercial customer, provided that the Contractor may at any time allow a credit up to 100 percent of the amount of each such bill.

(2) In the event the Contractor serves any customer other than the Government (regardless of whether the Government is being served simultaneously, intermittently, or not at all) by means of these facilities, the Contractor shall promptly notify the Government in writing. Unless otherwise agreed by the parties in writing at that time, the Contractor shall promptly credit the Government, up to 100 percent of each monthly bill, until there is refunded the amount that reflects the Government's connection costs for that portion of the facilities used in serving others.

(d) *Terminations*. Payment for and disposition of wholly or partially completed facilities upon termination of the contract shall be in accordance with the terms and/or formulas set forth in Section H, *Government Repurchase Option*, of this Contract.

C.11.5.3 Third-Party Construction

(a) Where the Government contracts with a third party to construct new utility system infrastructure that is intended to connect to the Contractor's system, the following terms and conditions shall apply:

(1) The Contractor will provide the Government and the third-party contractor with specifications (the "Specifications") applicable under the terms of this Contract for its system components and for interconnections.

(2) The Government will require the third-party contractor to renovate or construct any infrastructure that will connect to the Contractor's existing systems in accordance with the Specifications.

(3) The Government will coordinate with the Contractor to ensure the existing system can accommodate any additional load requirements necessitated by the renovation/construction. Should the Contractor determine that the existing systems require upgrades to support the additional load requirements; a price for the upgrade will be negotiated in accordance with the Changes Clause.

(4) The Contractor shall cooperate with all other contractors and avoid conflicts with other contractor's performance and work schedules. In the event of conflicts with other

contractors that cannot be satisfactorily resolved, the matter shall be referred to the Contracting Officer or designated representative for decision.

(b) At the Government's option, the Contractor will take ownership of system components renovated or constructed by the third-party contractor to the Specifications. Any adjustment to service requirements and the contract price as a result of these actions will be in accordance with the Changes Clause.

(c) The Contractor shall have the right to reasonably inspect the third-party contractor's construction of system components for which the Contractor will take ownership. The fixed-price hourly rate to be paid by the Government for such inspections shall be specified below and shall be subject to adjustment in accordance with the appropriate price adjustment clauses/mechanisms applicable to the monthly utility services charges under this Contract. If no rate is specified, then inspections shall be deemed to be among the utility services included in the monthly Utility Services Charge. Any inspection charge rates identified below may be addressed during negotiations and must be determined fair and reasonable.

Hourly Inspection Charge Rate: $_____ per hour.

(d) If third-party constructed system components are not built to the Specifications, the Contractor shall identify such components and the basis for the discrepancy to the Government with specificity. The Government may direct the Contractor to perform any work required to bring the system into compliance with the Specifications, in which case the Contractor will be compensated in accordance with the Changes Clause.

(e) In the event the parties are unable to agree on an equitable price adjustment for any of the above paragraphs, the matter shall be resolved under the Disputes clause of this contract.

C.11.6 Amortization of Capital Expenses

The Offeror shall propose to finance ISDCs using the minimum amortization schedules below. The following guidelines set minimum amortization schedules; however, longer amortization is preferred, up to the life of the asset or contract end date, whichever occurs first. Future capital expenses may also require amortization using the same guidelines.

- **Below $1 Million**: No amortization schedule is required.
- **$1 to $5 Million**: A minimum 5-year amortization schedule is required.
- **Over $5 Million**: Provide one or more amortization schedules of not less than 10 years duration.

The Contractor shall submit an amortization schedule for each project selected for amortization. The amortization schedule shall specify for each project the principal and interest components of each monthly payment, the number of total payments required, and the remaining principal balance. Any Government-initiated change to the amortization schedule will require the Contractor to submit a new amortization schedule for that project to the Contracting Officer.

C.11.7 Future SDCs/Upgrades/Connection Charges

Payment for future SDCs/Upgrades/Connection Charges for which the Government agrees to pay in accordance with Section C, *SDCs/Upgrades/Connections and Renewals and Replacements,* will be in addition to the monthly Utility Services Charge for the number of months agreed upon and will commence when the SDC/Upgrade/Connection is put in useful service. The amortization

schedule shall specify for each SDC/Upgrade/Connection the additional monthly payment included in addition to the monthly Utility Services Charge and the number of the payment (of the total payments required). Contract Line Item Numbers (CLIN) for amortized future SDCs/Upgrades/Connection Charges will become part of the monthly Utility Services Charge upon their completion.

If new SDCs/Upgrades/Connections are required as a result of a change in service requirements, the Utility Services Charge may be re-negotiated in accordance with Section G, *Price Adjustments*.

C.12 Operations and Maintenance/Quality Management

The Contractor shall establish and maintain an Operations and Maintenance Plan/Quality Management Plan ("O&M/QM Plan"). The O&M/QM Plan shall ensure the provision of reliable, cost-effective, and compliant service over the term of the contract. The Contractor shall update the O&M/QM Plan as necessary and adhere to its requirements throughout the contract term. It shall not be materially altered without the Government's consent.

C.13 Operational Transition Plan

The Contractor is required to prepare and submit an Operational Transition Plan ("OTP") for execution during the transition period. The OTP shall not be materially altered without the Government's consent. The transition period will begin on contract award and end no later than the contract start date. The Contractor shall propose the length of the transition period.

This transition period is intended to provide the Contractor time to perform additional due diligence functions, complete the joint inventory, and stand up operations in support of the contract. The Contractor will be paid for transition costs in accordance with the pricing proposal. Transition costs are defined as all costs expended during the transition period that are necessary and reasonable to assume ownership and responsibility for the system.

The Contractor is required to base its proposal on the inventory listed in the utility-specific attachments. If during the joint inventory that takes place during the transition period between contract award and contract start, the Contractor identifies additional inventory not listed in the utility-specific attachments, the Contractor may submit a request for an equitable adjustment to the Contracting Officer. If the Contractor determines that the inventory listed in the utility-specific attachments is overstated, the Contractor shall report the extent of the overstatement to the Contracting Officer, who will determine an equitable adjustment as appropriate.

The Bill of Sale must be approved/signed by the appropriate Service official(s) prior to contract start, and the Government requires 90 days for the Bill of Sale coordination and approval process. This Bill of Sale process cannot begin until the agreed upon joint inventory is complete. Therefore, the Contractor's transition plan must permit sufficient time for the joint inventory to be completed and agreed upon at least 90 days prior to the contract start date to provide the Government the necessary 90-day Bill of Sale processing period prior to conclusion of the transition period. The Bill of Sale shall include all additional infrastructure identified as a result of the joint inventory. Failure to timely submit the joint inventory may result in extension of the transition period and a delayed contract start date. Any resultant additional transition costs incurred as a result of failure to meet these timeliness requirements will only be compensated by the Government where the failure is not attributable in any way to the acts or omissions of the Contractor.

C.14 Historical, Architectural, and Landscaping Requirements

Cultural resources on federal property are protected and managed by the Archaeological Resources Protection Act of 1979 and other applicable laws. The Contractor shall exercise care so as not to disturb or damage artifacts or fossils (should any be uncovered) during the excavation operations. Should the Contractor discover evidence of possible scientific, prehistoric, historic, or archaeological finds, the Contractor shall immediately cease work at that location and notify the Contracting Officer's designated representative. The Contractor shall provide the said representative with complete information as to the specific location and nature of the findings. Where appropriate by reason of discovery, the Contracting Officer may order delays in time of performance or changes in the work or both. If such delays or changes are ordered, an equitable adjustment will be made in accordance with the applicable clauses of the contract.

Information regarding historical, architectural, and landscaping requirements is identified in the utility-specific attachment and/or the Technical Library.

C.15 Reserved

C.16 Latent Subsurface Inventory

For purposes of this Subsection, "latent subsurface inventory" means subsurface inventory:

(1) not listed in the Bill of Sale (as amended) or conveyed to the Contractor; and

(2) materially different system conditions that were not identified by the Government and not reasonably discoverable during the transition period due diligence assessment.

Reasonable additional costs associated with latent subsurface inventory or latent inventory or system conditions that were not reasonably discoverable during the transition period due diligence assessment, and not covered by another provision of this contract, may be presented to the contracting officer as a request for equitable adjustment. Requests for equitable adjustments, certified claims or disputes that arise as a result of this section shall be submitted to the Contracting Officer prior to the start of Contract Year 3.

C.17 Cybersecurity Plan

(1) Verification and Validation

(a) Upon request, the Contractor shall provide the Contracting Officer with a copy of the Contractor's most current cyber compliance assessment, most current Cybersecurity System Security Plan (CSSP), and as applicable, most current CSSP Plan of Action and Milestones (POAM) as required in DFARS 252.240-7997, *NIST SP 800-171 DoD Assessment Requirements*.

(b) The current version of NIST SP 800-171, as included in DFARS 252.204-7012, *Safeguarding Covered Defense Information and Cyber Incident Reporting*, is required for the initial and all subsequent submittals of the CSSP.

(c) If NIST SP 800-53 compliance requirements change, the SO must submit a CCP and POAM detailing the necessary resources and timelines to adopt the new standards.

(d) The Contractor shall comply with assessments conducted in accordance with DFARS 252.240-7997, *NIST SP 800-171 DoD Assessment Requirements*.

(2) Other Safeguarding or Reporting Requirements
The cybersecurity requirements identified in this Statement of Work do not abrogate or otherwise modify the Contractor's responsibility for compliance with any other safeguards or cybersecurity-related requirements contained in this contract or required by other applicable U.S. Government statutes or regulations.

(3) The Contractor will include applicable cybersecurity clauses in subcontracts, as identified in each clause

(4) Definitions

The definitions in DFARS 252.204-7012 apply to the Cybersecurity Requirements stated above.

SECTION D

Packaging and Marking

None

SECTION E

Inspection and Acceptance

The following FAR Clause is incorporated by reference:

FAR 52.246-4: Inspection of Services -- Fixed-Price (Aug 1996) in accordance with (IAW) FAR 46.304

NOTE: This clause does not apply to Schedule B-1 proposals.

SECTION F

Deliveries or Performance

F.1 Contract Term

The Contractor agrees to furnish, and the Government agrees to purchase, utility distribution and/or collection services, in accordance with the terms and conditions of this solicitation, for a maximum period of 50 years commencing with the contract start date, provided that the Government is able to make the determination required by 10 U.S.C. § 2688(d)(2). If the Government terminates the contract, whether for convenience or default, the appropriate FAR termination clauses will apply.

F.2 Commencement of Utility Services

The Contractor shall complete all transition activities and be prepared to provide utility services on the contract start date. The contract start date, as defined below shall begin on the first day of a given month. The period of performance for the utility services contract begins at the contract start date.

Phase I	Phase II
Transition Period (Pre-performance)	Contract Start Date (Performance Period)
Contractor proposes duration of Transition Period; Transition Period begins upon execution of contract award unless a later date is specified	Transition Period ends with the conveyance of Utility System Infrastructure and Performance of Utility Services Contract begins

F.3 50-Year Performance Period

The following table will be completed upon the commencement of utility services.
The dates contained herein are provided as an **example**.

Year	Period of Performance	Year	Period of Performance
1	01/01/28 – 12/31/28	**26**	01/01/53 – 12/31/53
2	01/01/29 – 12/31/29	**27**	01/01/54 – 12/31/54
3	01/01/30 – 12/31/30	**28**	01/01/55 – 12/31/55
4	01/01/31 – 12/31/31	**29**	01/01/56 – 12/31/56
5	01/01/32 – 12/31/32	**30**	01/01/57 – 12/31/57
6	01/01/33 – 12/31/33	**31**	01/01/58 – 12/31/58
7	01/01/34 – 12/31/34	**32**	01/01/59 – 12/31/59
8	01/01/35 – 12/31/35	**33**	01/01/60 – 12/31/60
9	01/01/36 – 12/31/36	**34**	01/01/61 – 12/31/61
10	01/01/37 – 12/31/37	**35**	01/01/62 – 12/31/62
11	01/01/38 – 12/31/38	**36**	01/01/63 – 12/31/63
12	01/01/39 – 12/31/39	**37**	01/01/64 – 12/31/64
13	01/01/40 – 12/31/40	**38**	01/01/65 – 12/31/65
14	01/01/41 – 12/31/41	**39**	01/01/66 – 12/31/66
15	01/01/42 – 12/31/42	**40**	01/01/67 – 12/31/67
16	01/01/43 – 12/31/43	**41**	01/01/68 – 12/31/68

17	01/01/44 – 12/31/44	**42**	01/01/69 – 12/31/69
18	01/01/45 – 12/31/45	**43**	01/01/70 – 12/31/70
19	01/01/46 – 12/31/46	**44**	01/01/71 – 12/31/71
20	01/01/47 – 12/31/47	**45**	01/01/72 – 12/31/72
21	01/01/48 – 12/31/48	**46**	01/01/73 – 12/31/73
22	01/01/49 – 12/31/49	**47**	01/01/74 – 12/31/74
23	01/01/50 – 12/31/50	**48**	01/01/75 – 12/31/75
24	01/01/51 – 12/31/51	**49**	01/01/76 – 12/31/76
25	01/01/52 – 12/31/52	**50**	01/01/77 – 12/31/77

F.4 Clauses Incorporated by Reference

This contract incorporates one or more clauses by reference, with the same force and effect as if they were given in full text.

The following FAR Clauses are incorporated by reference:

FAR Paragraph	Clause Title	IAW	Date
52.242-15	Stop Work Order	FAR 42.1005(b)	Aug 1989
52.242-17	Government Delay of Work	FAR 42.1005(c)	Apr 1984

SECTION G

Contract Administration Data

G.1 DFARS 252.201-7000: Contracting Officer's Representative (Dec 1991)

(a) *Definition*. "*Contracting Officer's Representative"* means an individual designated in accordance with subsection 201.404 of the Defense Federal Acquisition Regulation Supplement and authorized in writing by the contracting officer to perform specific technical or administrative functions.

(b) If the Contracting Officer designates a contracting officer's representative (COR), the Contractor will receive a copy of the written designation. It will specify the extent of the COR's authority to act on behalf of the contracting officer. The COR is not authorized to make any commitments or changes that will affect price, quality, quantity, delivery, or any other term or condition of the contract.

G.2 Submission and Payment of Invoices

The Government will pay the Contractor for utility services in accordance with the CLIN items in Schedule B-1 or B-2, and Section B.2, *Schedules*.

For every monthly invoice that includes a request for the payment of a completed SDC/Upgrade/Connection identified as amortized in Schedule B, the Contractor shall annotate the relevant month of the amortized period being invoiced.

The Contractor shall submit all invoices electronically using the Wide Area Workflow (WAWF) system in accordance with DFARS clause, 252.232-7003, *Electronic Submission of Payment Requests and Receiving Reports*. The WAWF system is located at the following internet website: https://piee.eb.mil/piee-landing/. Failure to submit invoices in WAWF may result in delay of payment.

The Contractor shall prepare and submit the electronic invoice by the 25th of each month for the previous month's billing period.

G.3 DFARS 252.232-7006: Wide Area WorkFlow Payment Instructions (Jan 2023)

(a) *Definitions.* As used in this clause—

"Department of Defense Activity Address Code (DoDAAC)" is a six position code that uniquely identifies a unit, activity, or organization.

"Document type" means the type of payment request or receiving report available for creation in Wide Area WorkFlow (WAWF).

"Local processing office (LPO)" is the office responsible for payment certification when payment certification is done external to the entitlement system.

"Payment request" and "receiving report" are defined in the clause at 252.232-7003 , Electronic Submission of Payment Requests and Receiving Reports.

(b) *Electronic invoicing*. The WAWF system provides the method to electronically process vendor payment requests and receiving reports, as authorized by Defense Federal Acquisition Regulation Supplement (DFARS) 252.232-7003 , Electronic Submission of Payment Requests and Receiving Reports.

(c) *WAWF access*. To access WAWF, the Contractor shall—

(1) Have a designated electronic business point of contact in the System for Award Management at https://www.sam.gov; and

(2) Be registered to use WAWF at https://wawf.eb.mil/ following the step-by-step procedures for self-registration available at this web site.

(d) *WAWF training*. The Contractor should follow the training instructions of the WAWF Web-Based Training Course and use the Practice Training Site before submitting payment requests through WAWF. Both can be accessed by selecting the "Web Based Training" link on the WAWF home page at https://wawf.eb.mil/

(e) *WAWF methods of document submission*. Document submissions may be via web entry, Electronic Data Interchange, or File Transfer Protocol.

(f) *WAWF payment instructions*. The Contractor shall use the following information when submitting payment requests and receiving reports in WAWF for this contract or task or delivery order:

(1) *Document type*. The Contractor shall submit payment requests using the following document type(s):

(i) For cost-type line items, including labor-hour or time-and-materials, submit a cost voucher.

(ii) For fixed price line items—

(A) That require shipment of a deliverable, submit the invoice and receiving report specified by the Contracting Officer.

(B) For services that do not require shipment of a deliverable, submit either the Invoice 2in1, which meets the requirements for the invoice and receiving report, or the applicable invoice and receiving report, as specified by the Contracting Officer.

Invoice 2 in 1

(iii) For customary progress payments based on costs incurred, submit a progress payment request.

(iv) For performance based payments, submit a performance based payment request.

(v) For commercial financing, submit a commercial financing request.

(2) Fast Pay requests are only permitted when Federal Acquisition Regulation (FAR) 52.213-1 is included in the contract.

[Note: The Contractor may use a WAWF "combo" document type to create some combinations of invoice and receiving report in one step.]

(3) *Document routing*. The Contractor shall use the information in the Routing Data Table below only to fill in applicable fields in WAWF when creating payment requests and receiving reports in the system.

Routing Data Table*

Field Name in WAWF	Data to be entered in WAWF
Pay Official DoDAAC	Input at Award
Issue By DoDAAC	SP0600
Admin DoDAAC	SP0600
Inspect By DoDAAC	N/A
Ship To Code	N/A
Ship From Code	N/A
Mark For Code	N/A
Service Approver (DoDAAC)	N/A
Service Acceptor (DoDAAC)	Input at Award
Accept at Other DoDAAC	N/A
LPO DoDAAC	N/A
DCAA Auditor DoDAAC	N/A
Other DoDAAC(s)	N/A

*(*Contracting Officer: Insert applicable DoDAAC information. If multiple ship to/acceptance locations apply, insert "See Schedule" or "Not applicable.")*

*(**Contracting Officer: If the contract provides for progress payments or performance-based payments, insert the DoDAAC for the contract administration office assigned the functions under FAR 42.302(a)(13).)*

(4) *Payment request.* The Contractor shall ensure a payment request includes documentation appropriate to the type of payment request in accordance with the payment clause, contract financing clause, or Federal Acquisition Regulation 52.216-7, *Allowable Cost and Payment*, as applicable.

(5) *Receiving report.* The Contractor shall ensure a receiving report meets the requirements of DFARS Appendix F.

(g) *WAWF point of contact.*

(1) The Contractor may obtain clarification regarding invoicing in WAWF from the following contracting activity's WAWF point of contact.

The Contracting Officer and Contract Specialist(s).

(2) Contact the WAWF helpdesk at 866-618-5988, if assistance is needed.

(End of clause)

G.4 Price Adjustments

If applicable, the monthly Utility Services Charge will be adjusted in accordance with Section G, *Economic Price Adjustment – Price Index Utility Services* and Section I.7, *FAR 52.216-5 Price Redetermination – Prospective.* This paragraph applies to the monthly Utility Services Charge

(CLIN 0001 and CLIN 0002) only, and does not apply to any other CLIN unless the contract explicitly states otherwise.

However, neither party shall request a change to the monthly Utility Services Charge to become effective sooner than one year from the contract start date for the Operations and Maintenance (O&M) Utility Services Charge and sooner than 5 years for the Renewals and Replacements (R&R) Utility Services Charge. [Note: *This paragraph does not apply to regulated utilities submitting a proposal using Schedule B-1 and will not be included in a resultant contract if inapplicable*].

Other price adjustments resulting from changed service requirements, at the request of either party to this contract and with reasonable cause, may be negotiated, at any time, in accordance with the Changes clause, if applicable. Price adjustments for noncompliance with accounting procedures shall be in accordance with Section G, *Price Adjustment for Noncompliance with Accounting Procedures*.

Any changes to charges, terms, or conditions as a result of negotiations shall be made part of this contract by the issuance of a bilateral contract modification. The failure of the parties to agree upon any change after a reasonable period of time shall be a dispute under the Disputes clause as defined in Section I.

G.4.1 Operations and Maintenance Economic Price Adjustment – Price Index Utility Services

(a) The Contractor warrants that the contract prices do not include any amounts to protect against increases covered by this text.

(b) **DEFINITIONS.** As used herein,—

(1) **Base Price** means the price for the Monthly Utility Services Charge in effect immediately prior to the Economic Price Adjustment as identified in the contract Schedule**.**

(2) **Index** means the Consumer Price Index for all Urban Consumers (CPI-U) reported in the publication, "Consumer Price Index – CPI," for **West urban; CUUR0400SA0, CUUS0400SA0 (CONSUMER PRICE INDEX – ALL URBAN CONSUMERS; ALL ITEMS; NOT SEASONALLY ADJUSTED)** as published by the Bureau of Labor Statistics (BLS), U.S. Department of Labor.

(3) **Current Index** is a twelve (12) month average of the CPI-U for **West urban; CUUR0400SA0, CUUS0400SA0 (CONSUMER PRICE INDEX – ALL URBAN CONSUMERS; ALL ITEMS; NOT SEASONALLY ADJUSTED)** using the twelve (12) consecutive monthly indices ending the third month prior to the month of the adjustment, **rounded to two decimal places,** with adjustments effective on the anniversary of the Contract Start Date (see Example in paragraph (c)).

(4) **Base Index** is a twelve (12) month average of the CPI-U for **West urban; CUUR0400SA0, CUUS0400SA0 (CONSUMER PRICE INDEX – ALL URBAN CONSUMERS; ALL ITEMS; NOT SEASONALLY ADJUSTED)**, **rounded to two decimal places**, as follows:

(i) For the first Economic Price Adjustment, the Base Index will be the average of the twelve (12) monthly indices immediately preceding the twelve (12) monthly indices used to compute the Current Index (see Example in paragraph (c))**.**

(ii) For subsequent annual Economic Price Adjustments, the Base Index shall be the Current Index utilized in calculating the immediately preceding Economic Price Adjustment (see Example in paragraph (c))**.**

(5) **Adjustment amount** shall be the product of the rate of change from the Base Index to the Current Index, multiplied by **100** percent of the Base Price, rounded to **two** decimal places.

(6) **Adjusted price** means the sum, rounded to **two** decimal places, of the Base Price plus the instant adjustment amount.

(c) It is hereby agreed that —

(1)The prices payable under this contract shall be subject to **a prospective annual** adjustment beginning on the first anniversary of the Contract Start Date**,** which will be accomplished promptly following publication of the applicable index.

(2) Adjustments to the Base Price shall be determined by the percentage of change from the Current Index, as stated in paragraph (b)(3), to the Base Index, as defined in paragraph (b)(4). Adjustments to the Base Price shall not be compounded.

(3) Adjustment calculations are exemplified below.

Example:

Index	**West urban; CUUR0400SA0, CUUS0400SA0 (CONSUMER PRICE INDEX – ALL URBAN CONSUMERS; ALL ITEMS; NOT SEASONALLY ADJUSTED)**
Contract Start Date	December 1, 2023
Base Price	$100,000.00 per month
Current Index	303.21*
Base Index	293.83***

* The Current Index was computed as follows:

2023			**2024**									
Oct	Nov	Dec	Jan	Feb	Mar	Apr	May	Jun	Jul	Aug	Sep	Avg.
299.394	298.930	298.754	300.421	303.144	304.490	305.104	305.296	305.357	305.819	305.761	306.078	303.21

In this example, the adjustment is effective on December 1, 2024, one year after the Contract Start Date. Note the indices for October and November 2024 were not used in the computation of the Current Index. That is because indices are usually released 2-3 weeks into the following month.

** The Base Index was computed as follows:

2022			**2023**									
Oct	Nov	Dec	Jan	Feb	Mar	Apr	May	Jun	Jul	Aug	Sep	Avg.
288.836	288.991	288.205	290.438	292.285	293.358	295.315	295.889	296.789	297.279	298.975	299.657	293.83

Calculate Rate of Change, rounded to **four** decimal places ((Current Index – Base Index) ÷ Base Index):

((303.21 – 293.83) ÷ 293.83) = 0.0319 or 3.19%

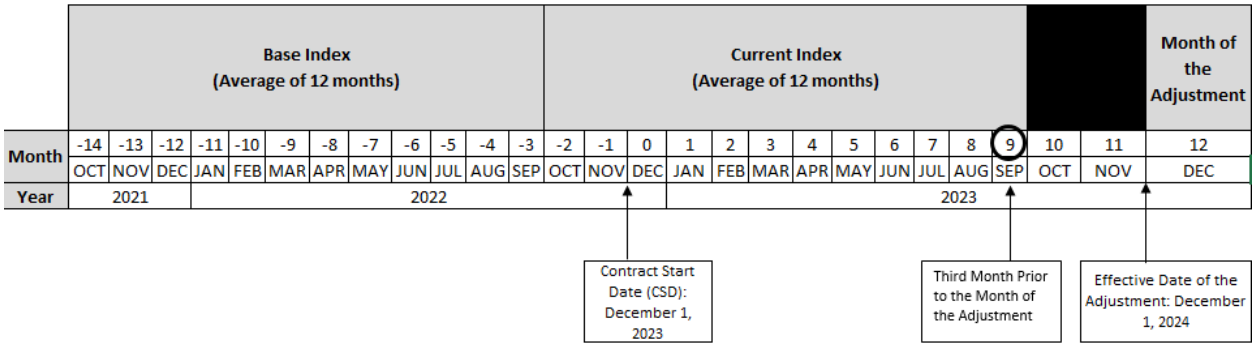
Calculate the adjustment amount, rounded to **two** decimal places (Rate of Change x Base Price):

(0.0319 × $100,000.00) = $3,190.00

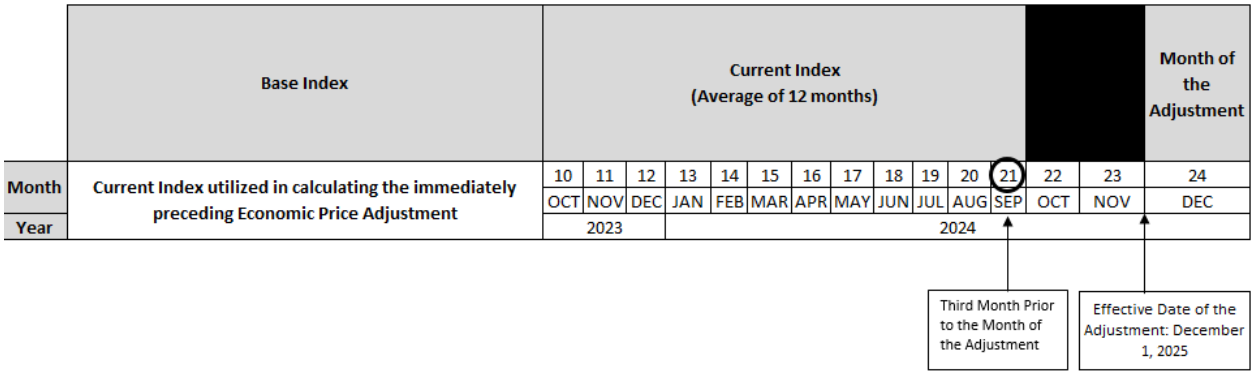
Calculate the adjusted price, rounded to **two** decimal places (Base Price plus adjustment amount):

($100,000 + $3,190.00) = $103,190.00 per month

The following illustration shows the timeline and monthly indices used to compute the Base Index and Current Index for the first Economic Price Adjustment:



The following illustration shows the timeline and monthly indices used to compute the Current Index for the subsequent Economic Price Adjustment:



(d) The Contracting Officer shall use the Index to calculate the adjusted price.

(e) Adjustments pursuant to this information shall be made by contract modification showing the calculation of the adjusted contract unit price and specifying its effective date.

(f) No adjustments shall be made **unless the total change in the contract amount for the Monthly Utility Services Charge exceeds $500.00**.

(g) Notwithstanding any other conditions of this text, no increase(s) in a contract unit price applicable to any annual period of contract performance shall cumulatively exceed the Base Price for such item by more than **10.00% (ten percent)** of the Base Price for such item. There shall be no percentage limit on downward adjustments.

(h) In the event —

(1) Any applicable index is discontinued or its method of derivation is altered substantially; or

(2) The Contracting Officer determines that an index consistently and substantially fails to reflect market conditions

— the parties shall agree upon an appropriate substitute index and the Contracting Officer shall modify the contract to specify use of such substitute index for determining price adjustments hereunder. The contract shall be modified to reflect such substitute index, effective on the date the index specified in the contract begins to consistently and substantially fail to reflect market conditions. Failure to agree on an appropriate substitute or adjustment shall constitute a dispute under the DISPUTES clause of this contract.

(i) The Contractor shall include a statement on the final invoice that amounts invoiced under this contract reflect all applicable decreases.

G.5 Accounting Procedures

The Contractor shall maintain records of all costs and payments associated with the provision of utility service(s) to the Installation using the National Association of Regulatory Utility Commissioners (NARUC) Uniform System of Accounts (USOA), Federal Energy Regulatory Commission (FERC) USOA, the Rural Utility Service (RUS) USOA, or the American Water Works Association (AWWA) USOA, or an alternative USOA acceptable to the Government. The USOA may be supplemented by the Contractor's standard accounting procedures and generally recognized accounting practices and principles, as long as such supplemental procedures and practices are consistent with the NARUC (or an accepted alternative) USOA. The standard utilized must be consistent with the Contractor's written and established practices for measuring, assigning, and allocating costs.

G.5.1 Price Adjustment for Noncompliance with Accounting Procedures

The Government shall be entitled to a price adjustment if it finds that the contract price was adjusted as a result of the use of noncompliant or inconsistent accounting practices. The amount of the adjustment shall be the difference between the contract price that was negotiated and the price that would have been negotiated had the Contractor used compliant and established accounting practices that were in accordance with FERC, NARUC, RUS, AWWA, or other accepted alternative USOA, and were consistent with the Contractor's written and established practices. In such cases, the Government shall be entitled to a credit or cash recovery, at the Government's option, for the amount of the increased price plus interest. The interest rate shall be computed from the date of the payment by the Government until the date of repayment by the Contractor. The interest rate shall be the rate specified at 26 U.S.C. § 6621(a)(2).

G.6 Accounting and Appropriation Data

Summary for the Payment Office

To be determined at Contract Award

SECTION H

Special Contract Requirements

H.1 Mobilization and Other Contingencies

In the event of troop mobilization or other contingencies, the Contractor shall promptly take whatever measures are needed to meet any new demands placed upon it, to include extended work hours and expansion of the contract work force.

H.2 Insurance Requirements

H.2.1 Insurance Certificate

Contractor shall deliver or cause to be delivered upon execution of this contract (and thereafter not less than 30 days prior to the expiration date of each policy furnished pursuant to this contract) to the Government a certificate of insurance evidencing the insurance required by this contract. Each certificate provided shall clearly state the contract number. The Contractor cannot undertake work under the Contract until the certificate of insurance is accepted by the Contracting Officer.

H.2.2 Types of Insurance

During the entire period this contract shall be in effect, the Contractor and its subcontractors at any tier shall carry and maintain the following insurance:

H.2.2.1 General Liability

Commercial general liability insurance with a minimum combined single limit of $1,000,000 per occurrence and $2,000,000 in the aggregate for all premises and operations, including products/completed operations. The policy shall include coverage for bodily injury, including death, and property damage arising out of the acts or omissions by or on behalf of the Contractor by any invitee or any other person or organization, or involving any owned, non-owned, or hired automotive equipment in connection with the Contractor's activities. The policy shall also include broad form property damage and shall cover independent contractors. The policy shall include coverage for hazards referred to as XCU (explosion, collapse, and underground).

H.2.2.2 Automobile Liability

Comprehensive automobile liability insurance with a combined single limit of $1,000,000 per occurrence for bodily injury and property damage. Coverage shall include owned, hired, and non-owned vehicles.

H.2.2.3 Workers' Compensation and Employer's Liability

Workers' compensation coverage shall be provided in compliance with applicable laws and employer's liability limits shall be at least $500,000.

H.2.2.4 Umbrella/Excess Liability Coverage

Umbrella or Excess Liability coverage in an amount of $1,000,000 per occurrence and $1,000,000 in the aggregate. Coverage shall be in excess of commercial general liability, automobile liability, and employer liability.

H.2.3 General

All policies of insurance which this contract requires the Contractor to carry and maintain or cause to be carried or maintained pursuant to this contract shall be with insurance companies who have

an A.M. Best Financial Strength Rating of A- or better and a Financial Size Category of VIII or higher. All such policies of insurance shall list the Government as additional insured, except for workers' compensation. Each such policy shall provide that any losses shall be payable notwithstanding any act or failure to act or negligence of Contractor or Government or any other person; provide that no cancellation, reduction in amount, or material change in coverage thereof shall be effective until at least 60 days after receipt by Government of written notice thereof; provide that the insurer shall have no right of subrogation against the Government; and be reasonably satisfactory to the Government in all other respects. In no circumstances will the Contractor be entitled to assign to any third party rights of action which the Contractor may have against the Government. The foregoing notwithstanding, any cancellation of insurance coverage based on nonpayment of the premium shall be effective upon 10 days written notice to the Government. The Contractor understands and agrees that cancellation of any insurance coverage required to be carried and maintained by the Contractor under this contract will constitute a failure to comply with the terms of this contract.

H.2.4 Self-insurance

The requirements to maintain insurance under Section H, *Insurance Requirements*, may be met by the use of self-insurance only under the following conditions and with the express **prior** written approval of the Contracting Officer:

H.2.4.1 Submittals

If the Contractor desires to self-insure, the Contractor shall submit to the Contracting Officer, in writing, a request to self-insure. Offerors desiring to self-insure must submit the request in their initial proposals. When submitting any documents under this provision, the Offeror/Contractor shall apprise the Contracting Officer of any such documents that constitute confidential or proprietary business records, and mark those records accordingly. The Contracting Officer may request some or all of the following information, to the extent the Offeror/Contractor maintains such information, on the Contractor's proposed self-insurance program—

(1) A complete description of the program, including any resolution of the board of directors authorizing and adopting coverage, including types of risks, limits of coverage, assignments of safety and loss control, and legal service responsibilities;

(2) If available, the corporate insurance manual;

(3) The terms regarding insurance coverage for any Government property;

(4) The Offeror/Contractor's latest financial statements;

(5) Loss history and premiums history;

(6) The means by which the self-insurance will be funded;

(7) Claims administration policy, practices, and procedures;

(8) The method of projecting losses; and

(9) A disclosure of all captive insurance company and reinsurance agreements, including methods of computing cost.

H.2.4.2 Programs of Self Insurance

Programs of self-insurance covering Contractor's insurable risks, including the deductible portion of purchased insurance, may be approved by the Contracting Officer when examination of a program indicates that its application is in the Government's interest; such determination is within the sole discretion of the Government. The Government will not approve a program of self-insurance for workers' compensation in a jurisdiction where workers' compensation does not completely cover the employer's liability to employees, unless the Contractor—

(1) Maintains an approved program of self-insurance for any employer's liability not so covered; or

(2) Shows that the combined cost to the Government of self-insurance for workers' compensation and commercial insurance for employer's liability will not exceed the cost of covering both kinds of risk by commercial insurance.

H.2.4.3 Approval

Once the Contracting Officer has approved a program, the Contractor must submit to that official for approval any major proposed changes to the program. Any program approval may be withdrawn if the Contracting Officer finds that either—

(1) Any part of a program does not comply with the requirements of this part and/or the criteria at FAR 31.205-19; or

(2) Conditions or situations existing at the time of approval that were a basis for original approval of the program have changed to the extent that a program change is necessary.

H.2.4.4 Qualifications

To qualify for self-insurance, the Offeror/Contractor must demonstrate to the Government an ability to sustain the potential losses involved. In making the determination, the Contracting Officer shall consider the following factors:

(1) The soundness of Offeror/Contractor's financial condition, including available lines of credit;

(2) The geographic dispersion of assets, so that the potential of a single loss depleting all the assets is unlikely;

(3) The history of previous losses, including frequency of occurrence and the financial impact of each loss;

(4) The type and magnitude of risk, such as minor coverage for the deductible portion of purchased insurance or major coverage for hazardous risks; and

(5) The Offeror/Contractor's compliance with federal and state laws and regulations.

H.2.4.5 Annual Compliance Confirmation

To ensure continued adequacy of coverage, the Contracting Officer may periodically request copies of the documentation identified in Section H.2.4.1, with reasonable notice. Further, the Contractor shall submit an annual letter confirming its continued compliance with the requirements of Section H.2.

H.3 Availability of Funds

Nothing in this contract shall be construed to obligate funds in advance of appropriations.

H.4 Liability

The Contractor shall indemnify and hold the Government harmless against any and all judgments, liabilities and claims, including all expenses and charges associated therewith that arise from the Contractor's negligence, misconduct or recklessness in the performance of, or as a result of its activities under, this contract, whether tortuous, contractual, or other, except to the extent such claim or charge is cognizable under the Federal Tort Claims Act, or, in regard to indemnification, to the extent the Contractor is prohibited from doing so by federal or state law.

H.4.1 Environmental Liability

The Contractor shall indemnify, defend, save, and hold the Government harmless against any and all judgments, expenses, liabilities, claims, and charges of whatever kind or nature, resulting from the Contractor's failure to comply with Section C, *Environmental Compliance*. Such indemnification shall include, but is not limited to, any costs or claims arising from, or related to, any damage to property, or injury to, or death of, a person to the extent that the Contractor's failure to comply with Environmental Requirements and/or management of contaminated materials caused, or contributed to, such damage, injury, or death. The Contractor shall not be required to indemnify the Government for Losses that are:

(1) caused by pre-existing conditions; and

(2) not caused by the negligence, misconduct, or recklessness of the Contractor.

H.5 Notification of Infrastructure/Service Contract Transfer

The Contractor shall provide 120-day written notice prior to any resale, transfer, or encumbrance of the system or any components thereof. Regardless of the disposition of the Contractor's property, the utility services contract can only be transferred to another entity with the Government's consent (See FAR Subpart 42.9, *Novation and Change-of-Name Agreements*).

H.6 Government Termination Liability Prior to Conveyance

If for any reason conveyance of the utility system(s) does not occur, the Government's termination liability will be limited to transition costs.

H.7 Government Repurchase Option

(1) The Government may, at its sole option, repurchase the privatized system at the end of the contract term or in the event the contract is terminated for the convenience of the Government or for default.

(2) The Government shall exercise its repurchase option by providing written notice to the Contractor.

(3) The Government shall pay the Contractor the amount of the Contractor's Unrecovered Investments in the System as defined in Paragraph 8 below. The repurchase shall become effective and the System(s) shall become the property of the Government 120 days after the Government issues notice of its intent to exercise its repurchase option or on such later date as the Government may designate.

(4) In the event of a repurchase, the system shall be conveyed to the Government free of all liens and encumbrances. The Contractor and the Government shall cooperate in preparing and executing all documents required to accomplish the transfer. All information in all media (electronic, paper, and otherwise) including, without limitation, books, manuals, operating procedures, specifications, databases and maps necessary or useful for operating the System shall be transferred to the Government with the System. In addition, copies of all Contractor operations and maintenance records shall be transferred to the Government with the System.

(5) To the extent the Contractor receives payments for Unrecovered Investments in accordance with this clause; the Contractor shall not be entitled to equivalent payments for Unrecovered Investments under any termination, cancellation, or similar provision of the Contract.

(6) In the event of termination for default, the Government may offset against payments made as consideration for repurchase under this Section any damages, including excess reprocurement costs, it suffers as a consequence of the Contractor's default. The Government shall have no obligation to tender the repurchase price until the quantum of such damages is defined.

(7) The Contractor shall maintain an up to date account of the current System repurchase price throughout the contract term based upon a methodology established by the Contractor and approved by the Government prior to contract award. Upon request, the Contractor shall make the account available to the Government with appropriate supporting documentation.

(8) Definitions

(a) For purposes of this Section, "Privatized System" or "System" means all fixtures and equipment used or useful for operating the utility system[s]

(b) For purposes of this Section, "Unrecovered Investments" means

1. The purchase price for the utility system[s] defined in Section B of the contract but only to the extent the Contractor has paid all or a portion of the purchase price to the Government without offsetting recovery;

2. Improvements or additions to the system located on Government property and approved by the Government that are:

a) identified in the Contractor's Initial System Deficiency Corrections and Renewal and Replacement Plan and subsequent Plans provided annually throughout the contract term; or
b) the result of requests for connections or connecting facilities.

However, the Contractor will only be compensated to the extent such investments have not been recovered by the Contractor in the form of payments made by or on behalf of the Government on account of such investments.

H.8 Foreign Object Damage Prevention Program

The Contractor shall comply with the Installation's foreign object damage prevention program whenever it engages in activities on or around flightlines, airfields, runways, or wharfs/piers/docks (Controlled Access Areas).

H.8.1 Controlled Access Areas related to Air Operations

The Contractor shall place nothing upon the Controlled Access Area or applicable portions of safety precaution areas without authority of the Contracting Officer or designated representative. The Contractor shall not use the Controlled Access Areas for any purposes, without permission of the Contracting Officer. The Contractor shall accomplish all construction work on runways, taxiways, and parking aprons and in the end zones of the runways and 75 feet to each side thereof with extreme care regarding the operation of aircraft. The Contractor shall cooperate closely, and coordinate with the Contracting Officer. The Contractor shall park equipment in an area designated by the Contracting Officer or designated representative. Parking of equipment, vehicles, or any type of storage overnight, or for any extended period of time, in the proximity of the Controlled Access Areas is strictly prohibited. The Contractor shall not leave material in areas where extreme care is to be taken regarding the operation of aircraft. During periods of active performance of work on the Controlled Access Areas, the Contractor shall govern all operations of mobile equipment per the safety provisions.

H.8.2 Controlled Access Areas related to Navigable Waterways

The Contractor shall maintain complete control of the movement of floating equipment and material. Loose floating equipment and material are not permitted. Keep in readiness at all times a powered craft capable of moving, securing and disposing of floating equipment which may get loose and become a hazard to navigation.

H.9 Hazardous Substances

The Contractor, at its expense, shall comply with all applicable laws on occupational safety and health, the handling and storage of hazardous materials, and the proper handling and disposal of hazardous wastes and hazardous substances generated by its activities. Responsibility for the costs of proper handling and disposal of hazardous wastes and hazardous substances is governed by applicable law. The terms hazardous materials, hazardous wastes, and hazardous substances are as defined in the Federal Water Pollution Control Act, the Comprehensive Environmental Response, Compensation, and Liability Act of 1980, the Solid Waste Disposal Act, the Clean Air Act, and the Toxic Substances Control Act, and their implementing regulations, as they may be amended from time to time.

Any unexploded ordnance discovered on Government property by the Contractor is the responsibility of the Government and will not be disturbed by the Contractor but, upon discovery, shall be immediately reported to Installation Security, Installation Safety, and the Contracting Officer's Representative.

H.10 Interest Allowability of Capital Investment

Pursuant to the DoD Class Deviation signed March 31, 2011 and as determined by the Contracting Officer, the Contractor will be permitted to recover its interest costs associated only with capital expenditures to acquire, renovate, replace, upgrade, and/or expand utility systems. Interest rates used to calculate allowable interest costs must be limited to 600 basis points above the Contract Disputes Act (CDA) interest rate (41 U.S.C. § 7109) in effect at the time the Contractor makes the capital expenditure. The Contractor shall not receive facilities capital cost of money under FAR 31.205-10 *Cost of money*. CDA interest rate(s) are determined by the Bureau of the Public Debt and are published at the following website: https://fiscal.treasury.gov/payments-from-government/prompt-payment/rates.

H.11 Contribution in Aid of Construction (CIAC) Tax Liability

A purchase by the Contractor of a Government utility system at less than fair market value may be treated as a CIAC and taxable income to the Contractor. As a result, the Contractor may incur an associated income tax liability. It is the responsibility of the Contractor to ensure that all transactions undertaken under the contract are in compliance with the United States Internal Revenue Service notices, guidelines, rules, and regulations governing the CIAC tax, and particularly the notices, guidelines, rules, and regulations governing how to determine fair market value, so that there is no CIAC tax liability to the Government. The Government will have no liability for, nor will it pay, any CIAC tax, related to the initial purchase of the utility system(s), for which the Contractor is liable, or may become liable because of the Contractor's performance under this contract.

Should the IRS or other taxing authority determine subsequent to contract award that the Contractor has paid less than FMV, resulting in potential CIAC tax liability, the FMV assigned to the utility system(s) shall be renegotiated in accordance with the taxing authority's finding. A contract modification shall be issued reflecting the negotiated adjustments to the Purchase Price and the Recoverable Portion of the Purchase Price, provided that all the following conditions are met:

(1) The Contractor notified the Contracting Officer promptly after the Contractor became aware of any existing or impending review or determination relative to valuation of the property transferred under this Contract and /or potential CIAC tax liability associated with this Contract.

(2) The Contractor took appropriate action relating to the CIAC tax as the Contracting Officer directed, including any reasonable directive to defend against imposition of a CIAC tax. Contractor shall not be responsible for appealing the taxing authority's decision.

(3) The negotiated revisions to the purchase price would eliminate the potential CIAC tax liability.

H.12 Differing Site Conditions

(a) The Contractor shall promptly, and before the conditions are disturbed, give a written notice to the Contracting Officer of –

(1) Subsurface or latent physical conditions at the site which differ materially from those indicated in this contract, or made available to offerors during the negotiation process; or

(2) Unknown physical conditions at the site, of an unusual nature, which differ materially from those ordinarily encountered and generally recognized as inhering in work of the character provided for in the contract.

(b) The Contracting Officer shall investigate the site conditions promptly after receiving the notice. If the conditions do materially so differ and cause an increase or decrease in the Contractor's cost of, or the time required for, performing any part of the work under this contract, whether or not changed as a result of the conditions, an equitable adjustment shall be made under this clause and the contract modified in writing accordingly.

(c) No request by the Contractor for an equitable adjustment to the contract under this clause shall be allowed, unless the Contractor has given the written notice required; *provided*, that the time prescribed in paragraph (a) of this clause for giving written notice may be extended by the Contracting Officer.

(d) No request by the Contractor for an equitable adjustment to the contract for differing site conditions shall be allowed if made after final payment under this contract.

H.13 Disposition at Contract Expiration

(a) At least two years prior to the end of the contract, the Parties should begin discussions concerning disposition at contract expiration. The parties may mutually agree to renew the contract through execution of a follow-on contract. If the parties do not agree to a renewal follow-on agreement, then, prior to contract expiration, the parties shall negotiate and agree to address disposition of the system, including possible:

(1) transition of ownership of the System from the Contractor to the Government under the Government's Repurchase Option;

(2) transition of any remaining service requirements from this contract to the Contractor's commercial or regulatory service standards; or

(3) the abandonment of the system.

(b) The total duration of any utility services contract shall not exceed the greater of fifty (50) years or the length of time then authorized by 10 U.S.C. § 2688 or any other applicable statute.

(c) Following expiration or termination of the Contract, in the event that the Government's disposition or usage of the real property upon which the utility system is located effectively results in no reasonably foreseeable ability of the Contractor to recover its investment in the System by providing service to either the Government or other customers, the Contractor may seek reimbursement of its Unrecovered Investment in the system in accordance with the Disputes clause.

H.14 Federal, State and Local Taxes

(a) As used in this section —

(1) **After-imposed tax** means any new or increased federal, state, or local tax that the Contractor is required to pay or bear the burden of as the result of legislative, judicial, or administrative action taking effect after the contract date.

(2) **After-relieved tax** means any amount of federal, state, or local tax that would otherwise have been payable on the transactions or property covered by this contract, but which the Contractor is not required to pay or bear the burden of, or for which the Contractor obtains a refund or drawback, as the result of legislative, judicial, or administrative action taking effect after the contract date.

(3) **All applicable federal and state taxes** means all excise taxes that the taxing authority is imposing and collecting on the transactions or property covered by this

contract pursuant to written ruling or regulation in effect on the contract date.

(4) **Contract date** means the date set for bid opening or, if this is a negotiated contract or a modification, the date set for final revised prices.

(5) **Local taxes** means taxes levied by the political subdivisions of the States, District of Columbia, or outlying areas of the United States, e.g., cities and counties.

(6) **Outlying areas** means—

(i) **Commonwealths.** Puerto Rico and the Northern Mariana Islands;

(ii) **Territories.** American Samoa, Guam, and the U.S. Virgin Islands; and

(iii) **Minor outlying islands**. Baker Island; Howland Island, Jarvis Island; Johnston Atoll; Kingman Reef; Midway Islands; Navassa Island; Palmyra Atoll; and Wake Atoll.

(7) **State taxes** means taxes levied by the States, the District of Columbia, or outlying areas of the United States.

(8) **Tax** means taxes, duties and environmental or inspection fees, except social security or other employment taxes.

(b) The contract price includes all applicable federal, state, and local taxes, except as otherwise provided.

(c) The contract price shall be increased by the amount of any after-imposed tax if the Contractor states in writing that the contract price does not include any contingency for such tax.

(d) The contract price shall be decreased by the amount of any after-relieved tax.

(e) The contract price shall also be decreased by the amount of any tax that the Contractor is required to pay or bear the burden of, or does not obtain a refund of, through the Contractor's fault, negligence, or failure to follow instructions of the Contracting Officer.

(f) The Contractor shall promptly notify the Contracting Officer of all matters relating to any tax that reasonably may be expected to result in either an increase or decrease in the contract price and shall take appropriate action as the Contracting Officer directs.

(g) The Government shall, without liability, furnish evidence appropriate to establish exemption from any federal, state, or local tax when the Contractor requests such evidence and a reasonable basis exists to sustain the exemption.

SECTION I

Contract Clauses

In the event of any inconsistencies between non-mandatory FAR or DFARS clauses and any mandatory FAR or DFARS clauses, the mandatory clauses shall control.

I.1 FAR 52.252-2 Clauses Incorporated by Reference (Feb 1998)

This contract incorporates one or more clauses by reference, with the same force and effect as if they were given in full text. Upon request, the Contracting Officer will make their full text available. Also, the full text of a clause may be accessed electronically at these addresses:

https://www.ecfr.gov/ (Title 48, Chapters 1 and 2)
https://www.acquisition.gov/far-overhaul (Revolutionary FAR Overhaul (RFO))
https://www.acquisition.gov/far-overhaul/far-part-deviation-guide (RFO FAR Parts)
https://www.acq.osd.mil/dpap/dars/dfars_far_overhaul_class_deviations.html (DFARS and PGI)

(End of clause)

I.2 FAR Clauses

The following FAR clauses are incorporated by reference:

FAR Paragraph	Clause Title	IAW	Date
52.202-1	Definitions	FAR 2.201	Jun 2020
52.203-3	Gratuities	FAR 3.202	Apr 1984
52.203-5	Covenant Against Contingent Fees	FAR 3.404	May 2014
52.203-6	Restrictions on Subcontractor Sales to the Government	FAR 3.503-2	Jun 2020
52.203-7	Anti-Kickback Procedures	FAR 3.502-3	Jun 2020
52.203-8	Cancellation, Rescission, and Recovery of Funds for Illegal or Improper Activity	FAR 3.104-9(a)	May 2014
52.203-10	Price or Fee Adjustment for Illegal or Improper Activity	FAR 3.104-9(b)	May 2014
52.203-12	Limitation on Payments to Influence Certain Federal Transactions	FAR 3.808(b)	Jun 2020
52.203-13	Contractor Code of Business Ethics and Conduct	FAR 3.1004(a)	Nov 2021
52.203-17	Contractor Employee Whistleblower Rights	FAR 3.906	Nov 2023
52.203-19	Prohibition on Requiring Certain Internal Confidentiality Agreements or Statements	FAR 3.909-3(b)	Jan 2017
52.204-9	Personal Identity Verification of Contractor Personnel	FAR 4.208(d)	Jan 2011

FAR Paragraph	Clause Title	IAW	Date
52.204-10	Reporting Executive Compensation and First-Tier Subcontract Awards	FAR 4.208(e)	Feb 2026 (DEVIATION 2026-O0043)
52.204-13	System for Award Management – Maintenance	FAR 4.208(b)(2)	Feb 2026 (DEVIATION 2026-O0043)
52.204-19	Incorporation by Reference of Representations and Certifications	FAR 4.208(g)	Dec 2014
52.209-2	Prohibition on Contracting With Inverted Domestic Corporations-Representation	FAR 9.108-6(a)	Feb 2026 (DEVIATION 2026-O0042)
52.209-6	Protecting the Government's Interest When Subcontracting with Contractors Debarred, Suspended, Proposed for Debarment, or Voluntarily Excluded	FAR 9.409	Feb 2026 (DEVIATION 2026-O0042)
52.209-9	Updates of Publicly Available Information Regarding Responsibility Matters	FAR 9.104-7(c)	Feb 2026 (DEVIATION 2026-O0042)
52.209-10	Prohibition on Contracting with Inverted Domestic Corporations	FAR 9.108-6(b)	Feb 2026 (DEVIATION 2026-O0042)
52.209-11	Representation by Corporations Regarding Delinquent Tax Liability or a Felony Conviction under any Federal Law	FAR 9.104-7(d)	Feb 2026 (DEVIATION 2026-O0042)
52.215-2	Audit and Records – Negotiation	FAR 15.110(b)	Jul 2026 (DEVIATION 2026-O0048, Revision 1)
52.215-8	Order of Precedence – Uniform Contract Format See Section C.1 of contract	FAR 15.110(h)	Jul 2026 (DEVIATION 2026-O0048, Revision 1)
52.215-17	Waiver of Facilities Capital Cost of Money	FAR 15.110(q)	Oct 1997
52.215-21	Requirements for Certified Cost or Pricing Data and Data Other Than Certified Cost or Pricing Data – Modifications	FAR 15.110(u)	Jul 2026 (DEVIATION 2026-O0048, Revision 1)
52.219-4	Notice of Price Evaluation Preference for HUBZone Small Business Concerns	FAR 19.110(b)	Jul 2026 (DEVIATION 2026-O0037, Revision 1)
52.219-8	Utilization of Small Business Concerns	FAR 19.109(e)	Jul 2026 (DEVIATION 2026-O0037, Revision 1)

FAR Paragraph	Clause Title	IAW	Date
52.219-9	Small Business Subcontracting Plan *Alternate II*	FAR 19.109(e)(2)(i)(B)	Jul 2026 (DEVIATION 2026-O0037, Revision 1)
52.219-16	Liquidated Damages—Subcontracting Plan	FAR 19.109(e)(2)(ii) and FAR 19.302-1(b)(2)	Jul 2026 (DEVIATION 2026-O0037, Revision 1)
52.219-28	Postaward Small Business Program Rerepresentation	FAR 19.101(a)(2)(iii)(A)	Jul 2026 (DEVIATION 2026-O0037, Revision 1)
52.222-1	Notice to the Government of Labor Disputes	FAR 22.102-2(a)	Apr 2026 (DEVIATION 2026-O0040, Revision 1)
52.222-3	Convict Labor	FAR 22.201-2	Apr 2026 (DEVIATION 2026-O0040, Revision 1)
52.222-4	Contract Work Hours and Safety Standards—Overtime Compensation	FAR 22.301-2	Apr 2026 (DEVIATION 2026-O0040, Revision 1)
52.222-35	Equal Opportunity for Veterans	FAR 22.1302-2(a)(1)	Apr 2026 (DEVIATION 2026-O0040, Revision 1)
52.222-37	Employment Reports on Veterans	FAR 22.1302-2(b)	Apr 2026 (DEVIATION 2026-O0040, Revision 1)
52.222-40	Notification of Employee Rights Under the National Labor Relations Act	FAR 22.1602-2(a)	Apr 2026 (DEVIATION 2026-O0040, Revision 1)
52.222-50	Combating Trafficking in Persons	FAR 22.1703-2(a)(1)	Apr 2026 (DEVIATION 2026-O0040, Revision 1)
52.222-54	Employment Eligibility Verification	FAR 22.1802-2	Apr 2026 (DEVIATION 2026-O0040, Revision 1)
52.222-55	Minimum Wages for Contractor Workers Under Executive Order 14026	FAR 22.1906	Apr 2026 (DEVIATION

FAR Paragraph	Clause Title	IAW	Date
			2026-O0040, Revision 1)
52.222-62	Paid Sick Leave Under Executive Order 13706	FAR 22.2102-5	Apr 2026 (DEVIATION 2026-O0040, Revision 1)
52.223-3	Hazardous Material Identification and Safety Data	FAR 23.304(a)(1)	Aug 2026 (DEVIATION 2026-O0018, Revision 1)
52.223-5	Pollution Prevention and Right-to-Know Information	FAR 23.403	May 2024
52.223-12	Maintenance, Service, Repair, or Disposal of Refrigeration Equipment and Air Conditioners	FAR 23.108(d)(2)	Aug 2026 (DEVIATION 2026-O0018, Revision 1)
52.223-23	Sustainable Products	FAR 23.108(a)	Aug 2026 (DEVIATION 2026-O0018, Revision 1)
52.226-8	Encouraging Contractor Policies to Ban Texting While Driving	FAR 26.601-2	Feb 2026 (DEVIATION 2026-O0008)
52.227-1	Authorization and Consent	FAR 27.201-2(a)(1)	Jun 2020
52.227-2	Notice and Assistance Regarding Patent and Copyright Infringement	FAR 27.201-2(b)	Jun 2020
52.227-14	Rights in Data – General	FAR 27.409(b)(1)	May 2014
52.228-5	Insurance-Work on a Government Installation	FAR 28.310	Jan 1997
52.232-1	Payments	FAR 32.111(a)(1)	Apr 1984
52.232-8	Discounts for Prompt Payment	FAR 32.111(b)(1)	Feb 2002
52.232-11	Extras	FAR 32.111(c)(2)	Apr 1984
52.232-17	Interest	FAR 32.611(a) and (b)	May 2014
52.232-18	Availability of Funds	FAR 32.706-1(a)	Apr 1984
52.232-23	Assignment of Claims *Alternate I*	FAR 32.806(a)(1)	May 2014 Alt I Apr 1984

FAR Paragraph	Clause Title	IAW	Date
52.232-25	Prompt Payment	FAR 32.908(c)	Jan 2017
52.232-33	Payment by Electronic Funds Transfer - System for Award Management	FAR 32.1110(a)(1)	Oct 2018
52.232-39	Unenforceability of Unauthorized Obligations	FAR 32.706-3	Jun 2013
52.232-40	Providing Accelerated Payments to Small Business Subcontractors	FAR 32.009-2	Mar 2023
52.233-1	Disputes *Alternate I*	FAR 33.205-9(a)	Feb 2026 (DEVIATION 2026-O0026, Revision 1)
52.233-3	Protest after Award	FAR 33.107(b)	Feb 2026 (DEVIATION 2026-O0026, Revision 1)
52.233-4	Applicable Law for Breach of Contract Claim	FAR 33.205-9(b)	Feb 2026 (DEVIATION 2026-O0026, Revision 1)
52.237-2	Protection of Government Buildings, Equipment, and Vegetation	FAR 37.802-5(b)	Apr 1984
52.237-3	Continuity of Services	FAR 37.802-5(c)	Jan 1991
52.240-90	Security Prohibitions and Exclusions Representations and Certifications	FAR 40.205(a)	Jul 2026 (DEVIATION 2026-O0025, Revision 3)
52.240-91	Security Prohibitions and Exclusions Representations and Certifications	FAR 40.205(b)	Jul 2026 (DEVIATION 2026-O0025, Revision 3)
52.242-13	Bankruptcy	FAR 42.703	Jul 1995
52.243-1	Changes – Fixed-Price *Alternate I*	FAR 43.305(a)(2)	Aug 2026 (DEVIATION 2026-O0034, Revision 1)
52.244-6	Subcontracts for Commercial Products and Commercial Services	FAR 44.403	Jul 2026 (DEVIATION 2026-O0015, Revision 1)
52.246-25	Limitation of Liability – Services	FAR 46.805	Feb 1997

FAR Paragraph	Clause Title	IAW	Date
52.248-1	Value Engineering	FAR 48.201	Dec 2025 (DEVIATION 2026-O0016)
52.249-2	Termination for Convenience of the Government (Fixed-Price)	FAR 49.502(b)(1)(i)	Apr 2012
52.249-8	Default (Fixed-Price Supply and Service)	FAR 49.504(a)(1)	Apr 1984
52.253-1	Computer Generated Forms	FAR 53.111	Jan 2026 (DEVIATION 2026-O0038)

I.2.1 Disputes

NOTE: This clause only applies to Schedule B-1, regulated proposals

The requirements of the Disputes clause at FAR 52.233-1 are supplemented to provide that in regard to the interpretation of retail rates, rate schedules and items directly related to rates and rate schedules provided under this contract, the parties agree to accept as authoritative the interpretation of any statewide public utility regulatory authority with jurisdiction over the contractor. The Government shall not be bound to accept as authoritative interpretations that conflict with federal law or regulation or that are found by any administrative or judicial forum to:

1) result in discrimination against the Installation;

2) have resulted from abuse of discretion; or

3) have directly or indirectly resulted from any failure on the part of the regulatory authority or its members to comply with applicable laws and regulations.

I.3 DFARS Clauses Incorporated by Reference

The following DFARS clauses are incorporated by reference:

DFARS Paragraph	Clause Title	IAW	Date
252.203-7000	Requirements Relating to Compensation of Former DoD Officials	DFARS 203.171-4(a)	Sep 2011 (DEVIATION 2026-O0031)
252.203-7001	Prohibition on Persons Convicted of Fraud or Other Defense-Contract-Related Felonies	DFARS 203.570-3	Jan 2023 (DEVIATION 2026-O0031)
252.203-7002	Requirement to Inform Employees of Whistleblower Rights	DFARS 203.970	Dec 2022 (DEVIATION 2026-O0031)
252.203-7003	Agency Office of the Inspector General	DFARS 203.1004(a)	Aug 2019 (DEVIATION 2026-O0031)

DFARS Paragraph	Clause Title	IAW	Date
252.203-7004	Display of Hotline Posters	DFARS 203.1004(b)(2)(ii)	Jan 2023 (DEVIATION 2026-O0031)
252.203-7005	Representation Relating to Compensation of Former DoD Officials	DFARS 203.171-4(b)	Sep 2022 (DEVIATION 2026-O0031)
252.204-7000	Disclosure of Information	DFARS 240.372-3(a)	Oct 2016 (DEVIATION 2026-O0025, Revision 3)
252.204-7002	Payment for Contract Line or Subline Items Not Separately Priced	DFARS 204.202-78(a)	Apr 2020 (DEVIATION 2026-O0043)
252.204-7003	Control of Government Personnel Work Product	DFARS 240.372-3(b)	Apr 1992 (DEVIATION 2026-O0025, Revision 3)
252.204-7004	Antiterrorism Awareness Training for Contractors	DFARS 204.7203	Jan 2023 (DEVIATION 2026-O0043)
252.204-7018	Prohibition on the Acquisition of Covered Defense Telecommunications Equipment or Services	DFARS 240.270-6(c)	Jan 2023 (DEVIATION 2026-O0025, Revision 3)
252.205-7000	Provision of Information to Cooperative Agreement Holders	DFARS 205.701	Oct 2024 (DEVIATION 2026-O0003, Revision 1)
252.209-7004	Subcontracting with Firms that Are Owned or Controlled by the Government of a Country that is a State Sponsor of Terrorism	DFARS 209.409	May 2019 (DEVIATION 2026-O0042)
252.215-7013	Supplies and Services Provided by Nontraditional Defense Contractors	DFARS 215.110-70(f)	Jul 2026 (DEVIATION 2026-O0048, Revision 1)
252.219-7996	Small Business Subcontracting Plan (DoD Contracts)—Basic	DFARS 219.109(e)(2)(A)(*1*)	Jul 2026 (DEVIATION 2026-O0037, Revision 1)
252.223-7001	Hazard Warning Labels	DFARS 223.304	Dec 1991 (DEVIATION 2026-O0018, Revision 1)

DFARS Paragraph	Clause Title	IAW	Date
252.223-7006	Prohibition on Storage, Treatment, and Disposal of Toxic or Hazardous Materials--Basic	DFARS 223.7106	Sep 2014 (DEVIATION 2026-O0018, Revision 1)
252.223-7008	Prohibition of Hexavalent Chromium	DFARS 223.7306	Jan 2023 (DEVIATION 2026-O0018, Revision 1)
252.225-7012	Preference for Certain Domestic Commodities	DFARS 225.7002-3(a)	Apr 2022 (DEVIATION 2026-O0041, Revision 1)
252.225-7048	Export Controlled Items	DFARS 225.7901-4	Jun 2013 (DEVIATION 2026-O0041, Revision 1)
252.225-7056	Prohibition Regarding Business Operations with the Maduro Regime	DFARS 225.7020-5(b)	Jan 2023 (DEVIATION 2026-O0041, Revision 1)
252.226-7001	Utilization of Indian Organizations, Indian-Owned Economic Enterprises, and Native Hawaiian Small Business Concerns	DFARS 226.102-2	Jan 2023 (DEVIATION 2026-O0008)
252.231-7000	Supplemental Cost Principles	DFARS 231.100-70	Dec 1991 (DEVIATION 2026-O0032, Revision 1)
252.232-7003	Electronic Submission of Payment Requests and Receiving Reports	DFARS 232.7004(a)	Dec 2018 (DEVIATION 2026-O0022)
252.232-7010	Levies on Contract Payments	DFARS 232.7102	Dec 2006 (DEVIATION 2026-O0022)
252.235-7003	Frequency Authorization – Basic	DFARS 235.176(c)	Mar 2014 (DEVIATION 2026-O0014)
252.236-7005	Airfield Safety Precautions	DFARS 236.101-71(b)(3)	Dec 1991 (DEVIATION 2026-O0019)
252.237-7010	Prohibition on Interrogation of Detainees by Contractor Personnel	DFARS 237.873-5	Jan 2023 (DEVIATION 2026-O0023, Revision 1)

DFARS Paragraph	Clause Title	IAW	Date
252.243-7001	Pricing of Contract Modifications	DFARS 243.305-70	Dec 1991 (DEVIATION 2026-O0034, Revision 1)
252.243-7002	Requests for Equitable Adjustment	DFARS 243.305-71	Dec 2022 (DEVIATION 2026-O0034, Revision 1)
252.244-7999	Subcontracts for Commercial Products or Commercial Services	DFARS 244.470-1	Feb 2026 (DEVIATION 2026-O0015, Revision 1)
252.247-7023	Transportation of Supplies by Sea—Basic	DFARS 247.574(a)	Oct 2024 (DEVIATION 2026-O0047)

I.4 Utility Services Clauses Incorporated by Reference

The following Utility Services FAR and DFARS clauses are incorporated herein by reference.

Paragraph	Clause Title	IAW	Date
52.241-4	Change in Class of Service (Applicable to Tariff Priced Contracts Only)	FAR 41.501(c)(3)	Feb 1995
52.241-5	Contractor's Facilities	FAR 41.501(c)(4)	Feb 1995
52.241-11	Multiple Service Locations	FAR 41.501(d)(5)	Feb 1995
252.241-7001	Government Access	DFARS 241.501-70(b)	Dec 1991 (DEVIATION 2026-O0039)

I.5 Clauses Incorporated by Reference: Non-Regulated Utility and Regulated Utility Offering Non-Regulated Rates

The following FAR clauses are incorporated by reference if award is made to a Nongovernmental entity that is offering non-regulated rates.

Paragraph	Clause Title	IAW	Date
52.203-2	Certificate of Independent Price Determination	FAR 3.103-1	Apr 1985
52.222-41	Service Contract Labor Standards	FAR 22.1002-2(b)(1)	Apr 2026 (DEVIATION 2026-O0040, Revision 1)

Paragraph	Clause Title	IAW	Date
52.222-43	Fair Labor Standards Act and Service Contract Labor Standards – Price Adjustment (Multiple Year and Option Contracts)	FAR 22.1002-2(d)(1)	Apr 2026 (DEVIATION 2026-O0040, Revision 1)
52.230-2	Cost Accounting Standards	FAR 30.205(a)(1)	Jul 2026 (DEVIATION 026-O0006, Revision 1)
52.244-5	Competition in Subcontracting	FAR 44.201-5(c)	Aug 2024

I.6 Clauses Incorporated by Reference: Construction Wage Rates Requirements

The following FAR clauses are incorporated by reference and apply to Initial System Deficiency Corrections, subsequent System Deficiency Corrections, and new connections that involve construction, alteration, or repair (including painting or decorating).

Paragraph	Clause Title	IAW	Date
52.222-6	Construction Wage Rate Requirements	FAR 22.402-4(a)(1)	Apr 2026 (DEVIATION 2026-O0040, Revision 1)
52.222-7	Withholding of Funds	FAR 22.402-4(a)(2)	Apr 2026 (DEVIATION 2026-O0040, Revision 1)
52.222-8	Payrolls and Basic Records	FAR 22.402-4(a)(3)	Apr 2026 (DEVIATION 2026-O0040, Revision 1)
52.222-9	Apprentices and Trainees	FAR 22.402-4(a)(4)	Apr 2026 (DEVIATION 2026-O0040, Revision 1)
52.222-10	Compliance with Copeland Act Requirements	FAR 22.402-4(a)(5)	Apr 2026 (DEVIATION 2026-O0040, Revision 1)
52.222-11	Subcontracts (Labor Standards)	FAR 22.402-4(a)(6)	Apr 2026 (DEVIATION 2026-O0040, Revision 1)
52.222-12	Contract Termination – Debarment	FAR 22.402-4(a)(7)	May 2014
52.222-13	Compliance with Construction Wage Rate Requirements and Related Regulations	FAR 22.402-4(a)(8)	May 2014
52.222-14	Disputes Concerning Labor Standards	FAR 22.402-4(a)(9)	Apr 2026 (DEVIATION 2026-O0040, Revision 1)
52.222-15	Certification of Eligibility	FAR 22.402-4(a)(10)	May 2014

I.7 Other Clauses

FAR 52.216-5 Price Redetermination – Prospective (July 2026) (DEVIATION 2026-O0045, Revision 1)

(a) *General.* The unit prices and the total price stated in this contract shall be periodically redetermined in accordance with this clause, except that-

(1) The prices for supplies delivered and services performed before the first effective date of price redetermination (see paragraph (c) of this clause) shall remain fixed; and

(2) In no event shall the total amount paid under this contract exceed any ceiling price included in the contract.

(b) *Definition*. "Costs," as used in this clause, means allowable costs in accordance with part 31 of the Federal Acquisition Regulation (FAR) in effect on the date of this contract.

(c) *Price redetermination periods*. For the purpose of price redetermination, performance of this contract is divided into successive periods. The first period shall extend from the date of the contract to *60 months after the initial date of contract performance,* and the second and each succeeding period shall extend for *60* months from the end of the last preceding period, except that the parties may agree to vary the length of the final period. The first day of the second and each succeeding period shall be the effective date of price redetermination for that period.

(d) Data submission.(1) Not more than 120 nor less than 90 days before the end of each redetermination period, except the last, the Contractor shall submit-

(i) Proposed prices for supplies that may be delivered or services that may be performed in the next succeeding period, and-

(A) An estimate and breakdown of the costs of these supplies or services in the format of Table 15-1, FAR 15.408, or in any other form on which the parties may agree;

(B) Sufficient data to support the accuracy and reliability of this estimate; and
(C) An explanation of the differences between this estimate and the original (or last preceding) estimate for the same supplies or services; and

(ii) A statement of all costs incurred in performing this contract through the end of the *first* month (see Note (3)) before the submission of proposed prices in the format of Table 15-1, FAR 15.408 (or in any other form on which the parties may agree), with sufficient supporting data to disclose unit costs and cost trends for-

(A) Supplies delivered and services performed; and

(B) Inventories of work in process and undelivered contract supplies on hand (estimated to the extent necessary).

(2) The Contractor shall also submit, to the extent that it becomes available before negotiations on redetermined prices are concluded-

(i) Supplemental statements of costs incurred after the date stated in subdivision (d)(1)(ii) of this section for-

(A) Supplies delivered and services performed; and

(B) Inventories of work in process and undelivered contract supplies on hand (estimated to the extent necessary); and

(ii) Any other relevant data that the Contracting Officer may reasonably require.

(3) If the Contractor fails to submit the data required by paragraphs (d)(1) and (2) of this section, within the time specified, the Contracting Officer may suspend payments under this contract until the data are furnished. If it is later determined that the Government has overpaid the Contractor, the Contractor shall repay the excess to the Government immediately. Unless repaid within 30 days after the end of the data submittal period, the amount of the excess shall bear interest, computed from the date the data were due to the date of repayment, at the rate established in accordance with the Interest clause.

(e) *Price redetermination*. Upon the Contracting Officer's receipt of the data required by paragraph (d) of this section, the Contracting Officer and the Contractor shall promptly negotiate

to redetermine fair and reasonable prices for supplies that may be delivered or services that may be performed in the period following the effective date of price redetermination.

(f) *Contract modifications*. Each negotiated redetermination of prices shall be evidenced by a modification to this contract, signed by the Contractor and the Contracting Officer, stating the redetermined prices that apply during the redetermination period.

(g) *Adjusting billing prices*. Pending execution of the contract modification (see paragraph (f) of this section), the Contractor shall submit invoices or vouchers in accordance with the billing prices stated in this contract. If at any time it appears that the then-current billing prices will be substantially greater than the estimated final prices, or if the Contractor submits data showing that the redetermined price will be substantially greater than the current billing prices, the parties shall negotiate an appropriate decrease or increase in billing prices. Any billing price adjustment shall be reflected in a contract modification and shall not affect the redetermination of prices under this clause. After the contract modification for price redetermination is executed, the total amount paid or to be paid on all invoices or vouchers shall be adjusted to reflect the agreed-upon prices, and any requested additional payments, refunds, or credits shall be made promptly.

(h) *Quarterly limitation on payments statement*. This paragraph (h) applies only during periods for which firm prices have not been established.

(1) Within 45 days after the end of the quarter of the Contractor's fiscal year in which a delivery is first made (or services are first performed) and accepted by the Government under this contract, and for each quarter thereafter, the Contractor shall submit to the contract administration office (with a copy to the contracting office and the cognizant contract auditor) a statement, cumulative from the beginning of the contract, showing-

(i) The total contract price of all supplies delivered (or services performed) and accepted by the Government and for which final prices have been established;

(ii) The total costs (estimated to the extent necessary) reasonably incurred for, and properly allocable solely to, the supplies delivered (or services performed) and accepted by the Government and for which final prices have not been established;

(iii) The portion of the total interim profit (used in establishing the initial contract price or agreed to for the purpose of this paragraph (h)) that is in direct proportion to the supplies delivered (or services performed) and accepted by the Government and for which final prices have not been established; and

(iv) The total amount of all invoices or vouchers for supplies delivered (or services performed) and accepted by the Government (including amounts applied or to be applied to liquidate progress payments).

(2) The statement required by paragraph (h)(1) of this section need not be submitted for any quarter for which either no costs are to be reported under subdivision (h)(1)(ii) of this section, or revised billing prices have been established in accordance with paragraph (g) of this section, and do not exceed the existing contract price, the Contractor's price-redetermination proposal, or a price based on the most recent quarterly statement, whichever is least.

(3) Notwithstanding any provision of this contract authorizing greater payments, if on any quarterly statement the amount under subdivision (h)(1)(iv) of this section exceeds the sum due the Contractor, as computed in accordance with subdivisions (h)(1)(i), (ii), and (iii) of this section, the Contractor shall immediately refund or credit to the Government the amount of this excess. The Contractor may, when appropriate, reduce this refund or

credit by the amount of previous refunds or credits effected under this clause. If any portion of the excess has been applied to the liquidation of progress payments, then that portion may, instead of being refunded, be added to the unliquidated progress payment account, consistent with the Progress Payments clause. The Contractor shall provide complete details to support any claimed reductions in refunds.

(4) If the Contractor fails to submit the quarterly statement within 45 days after the end of each quarter and it is later determined that the Government has overpaid the Contractor, the Contractor shall repay the excess to the Government immediately. Unless repaid within 30 days after the end of the statement submittal period, the amount of the excess shall bear interest, computed from the date the quarterly statement was due to the date of repayment, at the rate established in accordance with the Interest clause.

(i) *Subcontracts*. No subcontract placed under this contract may provide for payment on a cost-plus-a-percentage-of-cost- basis.

(j) *Disagreements*. If the Contractor and the Contracting Officer fail to agree upon redetermined prices for any price redetermination period within 60 days (or within such other period as the parties agree) after the date on which the data required by paragraph (d) of this section are to be submitted, the Contracting Officer shall promptly issue a decision in accordance with the Disputes clause. For the purpose of paragraphs (f), (g), and (h) of this section, and pending final settlement of the disagreement on appeal, by failure to appeal, or by agreement, this decision shall be treated as an executed contract modification. Pending final settlement, price redetermination for subsequent periods, if any, shall continue to be negotiated as provided in this clause.

(k) *Termination*. If this contract is terminated, prices shall continue to be established in accordance with this clause for (1) completed supplies and services accepted by the Government and (2) those supplies and services not terminated under a partial termination. All other elements of the termination shall be resolved in accordance with other applicable clauses of this contract.

(End of clause)

FAR 52.222-90 Addressing DEI Discrimination by Federal Contractors (Apr 2026) (DEVIATION 2026-O0040, Revision 1)

As prescribed in 22.2203, insert the following clause:

Addressing DEI Discrimination by Federal Contractors (Apr 2026)

(a) *Definitions*. As used in this clause—

Program participation means membership or participation in, or access or admission to: training, mentoring, or leadership development programs; educational opportunities; clubs; associations; or similar opportunities that are sponsored or established by the contractor or subcontractor.

Racially discriminatory diversity, equity, and inclusion (DEI) activities means disparate treatment based on race or ethnicity in the recruitment, employment (e.g., hiring, promotions), contracting (*e.g.*, vendor agreements), program participation, or allocation or deployment of an entity's resources.

(b) In connection with the performance of work under this contract, the Contractor agrees as follows:

(1) The Contractor will not engage in any racially discriminatory DEI activities.

(2) The Contractor will furnish all information and reports, including providing access to books, records, and accounts, as required by the Contracting Officer, for purposes of ascertaining compliance with this clause.

(3) In the event of the Contractor's or a subcontractor's noncompliance with this clause, this contract may be canceled, terminated, or suspended in whole or in part, and the Contractor or subcontractor may be declared ineligible for further Government contracts.

(4) The Contractor will report any subcontractor's known or reasonably knowable conduct that may violate this clause to the Contracting Officer and take any appropriate remedial actions directed by the Contracting Officer.

(5) The Contractor will inform the Contracting Officer if a subcontractor sues the Contractor and the suit puts at issue, in any way, the validity of this clause.

(6) The Contractor recognizes that compliance with the requirements of this clause are material to the Government's payment decisions for purposes of 31 U.S.C. 3729(b)(4).

(c) The Contractor must include the substance of this clause, including this paragraph (c), in subcontracts at any tier, including those for commercial products and commercial services, except those where the place of delivery or performance is in the United States.

(End of clause)

FAR 52.240-93 Basic Safeguarding of Covered Contractor Information Systems (Jul 2026) (DEVIATION 2026-O0025, Revision 3)

(a) Definitions. As used in this clause—

Covered contractor information system means an information system that is owned or operated by a contractor that processes, stores, or transmits Federal contract information.

Federal contract information—

(1) Means information, not intended for public release, that is provided by or generated for the Government under a contract to develop or deliver a product or service to the Government; but

(2) Does not include information provided by the Government to the public (such as on public websites) or simple transactional information (such as information necessary to process payments).

Information means any communication or representation of knowledge such as facts, data, or opinions, in any medium or form, including textual, numerical, graphic, cartographic, narrative, or audiovisual (Committee on National Security Systems Instruction (CNSSI) 4009).

Information system means a discrete set of information resources organized for the collection, processing, maintenance, use, sharing, dissemination, or disposition of information (44 U.S.C. 3502).

Safeguarding means measures or controls that are prescribed to protect information systems.

(b) *Safeguarding requirements.*

(1) Basic requirements. The Contractor shall safeguard its covered contractor information systems by implementing, at minimum, the following security controls:

(i) Limit information system access to authorized users, processes acting on behalf of authorized users, or devices (including other information systems).

(ii) Limit information system access to the types of transactions and functions that authorized users are permitted to execute.

(iii) Verify and control/limit connections to and use of external information systems.

(iv) Control information posted or processed on publicly accessible information systems.

(v) Identify information system users, processes acting on behalf of users, or devices.

(vi) Authenticate (or verify) the identities of those users, processes, or devices, as a prerequisite to allowing access to organizational information systems.

(vii) Sanitize or destroy information system media containing Federal Contract Information before disposal or release for reuse.

(viii) Limit physical access to organizational information systems, equipment, and the respective operating environments to authorized individuals.

(ix) Escort visitors and monitor visitor activity; maintain audit logs of physical access; and control and manage physical access devices.

(x) Monitor, control, and protect organizational communications (i.e., information transmitted or received by organizational information systems) at the external boundaries and key internal boundaries of the information systems.

(xi) Implement subnetworks for publicly accessible system components that are physically or logically separated from internal networks.

(xii) Identify, report, and correct information and information system flaws in a timely manner.

(xiii) Provide protection from malicious code at appropriate locations within organizational information systems.

(xiv) Update malicious code protection mechanisms when new releases are available.

(xv) Perform periodic scans of the information system and real-time scans of files from external sources as files are downloaded, opened, or executed.

(2) Other requirements. This clause does not relieve the Contractor of any other specific safeguarding requirements specified by Federal departments and agencies relating to covered contractor information systems generally or other Federal safeguarding requirements for controlled unclassified information (CUI) as established by Executive Order 13556.

(c) Subcontracts. The Contractor shall include the substance of this clause, including this paragraph (c), in subcontracts under this contract (including subcontracts for the acquisition of commercial products, other than commercially available off-the-shelf items, or commercial services), in which the subcontractor may have Federal contract information residing in or transiting through its information system.

(End of clause)

FAR 52.241-2 Order of Precedence—Utilities (Feb 1995)

In the event of any inconsistency between the terms of this contract (including the specifications) and any rate schedule, rider, or exhibit incorporated in this contract by reference or otherwise, or any of the Contractor's rules and regulations, Section C.1, *Precedence*, of this contract shall control.

(End of clause)

FAR 52.241-3 Scope and Duration of Contract (Feb 1995)

(a) For the period identified in F.2, *Commencement of Service*, the Contractor agrees to furnish and the Government agrees to purchase the utility services as set forth in the contract.

(b) It is expressly understood that neither the Contractor nor the Government is under any obligation to continue any service under the terms and conditions of this contract beyond the expiration date.

(End of clause)

FAR 52.241-6 Service Provisions (Feb 1995)

(a) *Measurement of service.* (1) All service furnished by the Contractor shall be measured by suitable metering equipment of standard manufacture, to be furnished, installed, maintained, repaired, calibrated, and read by the Contractor at its expense. When more than a single meter is installed at a service location, the readings thereof may be billed conjunctively, if appropriate. In the event any meter fails to register (or registers incorrectly) the service furnished, the parties shall agree upon the length of time of meter malfunction and the quantity of service delivered during such period of time. An appropriate adjustment shall be made to the next invoice for the purpose of correcting such errors. However, any meter which registers not more than ___ percent slow or fast shall be deemed correct.

(2) The Contractor shall read all meters at periodic intervals of approximately 30 days or in accordance with the policy of the cognizant regulatory body or applicable bylaws. All billings based on meter readings of less than ___ days shall be prorated accordingly.

(b) *Meter test.* (1) The Contractor, at its expense, shall periodically inspect and test Contractor-installed meters at intervals not exceeding _____ year(s). The Government has the right to have representation during the inspection and test.

(2) At the written request of the Contracting Officer, the Contractor shall make additional tests of any or all such meters in the presence of Government representatives. The cost of such additional tests shall be borne by the Government if the percentage of errors is found to be not more than ___ percent slow or fast.

(3) No meter shall be placed in service or allowed to remain in service which has an error in registration in excess of ___ percent under normal operating conditions.

(c) *Change in volume or character.* Reasonable notice shall be given by the Contracting Officer to the Contractor regarding any material changes anticipated in the volume or characteristics of the utility service required at each location.

(d) *Continuity of service and consumption.* The Contractor shall use reasonable diligence to provide a regular and uninterrupted supply of service at each service location, and, unless otherwise stated in this contract, shall not be liable for damages, breach of contract or otherwise, to the Government for failure, suspension, diminution, or other variations of service occasioned by or in consequence of any cause beyond the control of the Contractor, including but not limited to acts of God or of the public enemy, fires, floods, earthquakes, or other catastrophe, strikes, or failure or breakdown of transmission or other facilities. If any such failure, suspension, diminution, or other variation of service shall aggregate more than _____ hour(s) during any billing period hereunder, an equitable adjustment shall be made in the monthly billing specified in this contract (including the minimum monthly charge).

(End of clause)

FAR 52.243-7 Notification of Changes (Aug 2026) (DEVIATION 2026-O0034, Revision 1)

(a) *Definitions.*

Contracting Officer, as used in this clause, does not include any representative of the Contracting Officer.

Specifically Authorized Representative (SAR), as used in this clause, means any person the Contracting Officer has designated by written notice (a copy shall be provided to the Contractor) that shall refer to this subparagraph and shall be issued to the designated representative before the SAR exercises such authority.

(b) *Notice.* The primary purpose of this clause is to obtain prompt reporting of Government conduct that the Contractor considers to constitute a change to this contract. Except for changes identified in writing and signed by the Contracting Officer, the Contractor shall notify the Administrative Contracting Officer in writing promptly, within _____ (to be negotiated) calendar days from the date that the Contractor identifies any Government conduct that the Contractor regards as a change to the contract terms and conditions. Examples of conduct that may be regarded as a change to terms and conditions include actions, inactions, and written or oral

communications. On the basis of the most accurate information available to the Contractor, the notice shall state—

(1) The date, nature, and circumstances of the conduct regarded as a change;

(2) The name, function, and activity of each Government individual and Contractor official or employee involved in or knowledgeable about such conduct;

(3) The identification of any documents and the substance of any oral communication involved in such conduct;

(4) In the instance of alleged acceleration of scheduled performance or delivery, the basis upon which it arose;

(5) The particular elements of contract performance for which the Contractor may seek an equitable adjustment under this clause, including—

(i) What line items have been or may be affected by the alleged change;

(ii) What labor or materials or both have been or may be added, deleted, or wasted by the alleged change;

(iii) To the extent practicable, what delay and disruption in the manner and sequence of performance and effect on continued performance have been or may be caused by the alleged change;

(iv) What adjustments to contract price, delivery schedule, and other provisions affected by the alleged change are estimated; and

(6) The Contractor's estimate of the time by which the Government must respond to the Contractor's notice to minimize cost, delay or disruption of performance.

(c) *Continued performance.* Following submission of the notice required by paragraph (b) of this clause, the Contractor shall diligently continue performance of this contract to the maximum extent possible in accordance with its terms and conditions as construed by the Contractor, unless the notice reports a direction of the Contracting Officer or a communication from a SAR of the Contracting Officer, in either of which events the Contractor shall continue performance. However, if the Contractor regards the direction or communication as a change as described in paragraph (b) of this clause, notice shall be given in the manner provided. All directions, communications, interpretations, orders and similar actions of the SAR shall be reduced to writing promptly and copies furnished to the Contractor and to the Contracting Officer. The Contracting Officer shall promptly countermand any action which exceeds the authority of the SAR.

(d) *Government response.* The Contracting Officer shall promptly, within _____ (to be negotiated) calendar days after receipt of notice, respond to the notice in writing. In responding, the Contracting Officer shall either—

(1) Confirm that the conduct of which the Contractor gave notice constitutes a change and when necessary direct the mode of further performance;

(2) Countermand any communication regarded as a change;

(3) Deny that the conduct of which the Contractor gave notice constitutes a change and when necessary direct the mode of further performance; or

(4) In the event the Contractor's notice information is inadequate to make a decision under (1), (2), or (3) of paragraph (d) of this clause, advise the Contractor what additional information is required, and establish the date by which it should be furnished and the date thereafter by which the Government will respond.

(e) *Equitable adjustments*.

(1) If the Contracting Officer confirms that Government conduct effected a change as alleged by the Contractor, and the conduct causes an increase or decrease in the Contractor's cost of, or the time required for, performance of any part of the work under this contract, whether changed or not changed by such conduct, an equitable adjustment shall be made—

(i) In the contract price or delivery schedule or both; and

(ii) In such other provisions of the contract as may be affected.

(2) The contract shall be modified in writing accordingly. In the case of drawings, designs or specifications which are defective and for which the Government is responsible, the equitable adjustment shall include the cost and time extension for delay reasonably incurred by the Contractor in attempting to comply with the defective drawings, designs or specifications before the Contractor identified, or reasonably should have identified, such defect. When the cost of property made obsolete or excess as a result of a change confirmed by the Contracting Officer under this clause is included in the equitable adjustment, the Contracting Officer shall have the right to prescribe the manner of disposition of the property. The equitable adjustment shall not include increased costs or time extensions for delay resulting from the Contractor's failure to provide notice or to continue performance as provided, respectively, in paragraphs(b) and (c) of this clause.

Note: The phrases contract price and cost wherever they appear in the clause, may be appropriately modified to apply to cost-reimbursement or incentive contracts, or to combinations thereof.

(End of clause)

FAR 52.252-6 Authorized Deviations in Clauses (Nov 2020)

(a) The use in this solicitation or contract of any Federal Acquisition Regulation (48 CFR Chapter 1) clause with an authorized deviation is indicated by the addition of "(DEVIATION)" after the date of the clause.

(b) The use in this solicitation or contract of any *Defense Federal Acquisition Regulation Supplement* (48 CFR Chapter 2) clause with an authorized deviation is indicated by the addition of "(DEVIATION)" after the name of the regulation.

(End of clause)

DFARS 252.204-7009 Limitations on the Use or Disclosure of Third-Party Contractor Reported Cyber Incident Information (Jan 2023) (DEVIATION 2026-O0025, Revision 3)

(a) Definitions. As used in this clause—

Compromise means disclosure of information to unauthorized persons, or a violation of the security policy of a system, in which unauthorized intentional or unintentional disclosure, modification, destruction, or loss of an object, or the copying of information to unauthorized media may have occurred.

Controlled technical information means technical information with military or space application that is subject to controls on the access, use, reproduction, modification, performance, display, release, disclosure, or dissemination. Controlled technical information would meet the criteria, if disseminated, for distribution statements B through F using the criteria set forth in DoD Instruction 5230.24, Distribution Statements on Technical Documents. The term does not include information that is lawfully publicly available without restrictions.

Covered defense information means unclassified controlled technical information or other information (as described in the Controlled Unclassified Information (CUI) Registry at http://www.archives.gov/cui/registry/category-list.html) that requires safeguarding or dissemination controls pursuant to and consistent with law, regulations, and Governmentwide policies, and is—

(1) Marked or otherwise identified in the contract, task order, or delivery order and provided to the contractor by or on behalf of DoD in support of the performance of the contract; or

(2) Collected, developed, received, transmitted, used, or stored by or on behalf of the contractor in support of the performance of the contract.

Cyber incident means actions taken through the use of computer networks that result in a compromise or an actual or potentially adverse effect on an information system and/or the information residing therein.

Information system means a discrete set of information resources organized for the collection, processing, maintenance, use, sharing, dissemination, or disposition of information.

Media means physical devices or writing surfaces including, but is not limited to, magnetic tapes, optical disks, magnetic disks, large-scale integration memory chips, and printouts onto which covered defense information is recorded, stored, or printed within a covered contractor information system.

Technical information means technical data or computer software, as those terms are defined in the clause at DFARS 252.227-7989, Rights in Technical Data— Other Than Commercial Products and Commercial Services, regardless of whether or not the clause is incorporated in this solicitation or contract. Examples of technical information include research and engineering data, engineering drawings, and associated lists, specifications, standards, process sheets, manuals, technical reports, technical orders, catalog-item identifications, data sets, studies and analyses and related information, and computer software executable code and source code.

(b) *Restrictions.* The Contractor agrees that the following conditions apply to any information it receives or creates in the performance of this contract that is information obtained from a third-party's reporting of a cyber incident pursuant to DFARS clause 252.204-7012, Safeguarding Covered Defense Information and Cyber Incident Reporting (or derived from such information obtained under that clause):

(1) The Contractor shall access and use the information only for the purpose of furnishing advice or technical assistance directly to the Government in support of the Government's activities related to clause 252.204-7012 and shall not be used for any other purpose.

(2) The Contractor shall protect the information against unauthorized release or disclosure.

(3) The Contractor shall ensure that its employees are subject to use and non-disclosure obligations consistent with this clause prior to the employees being provided access to or use of the information.

(4) The third-party contractor that reported the cyber incident is a third party beneficiary of the non-disclosure agreement between the Government and Contractor, as required by paragraph (b)(3) of this clause.

(5) A breach of these obligations or restrictions may subject the Contractor to—

(i) Criminal, civil, administrative, and contractual actions in law and equity for penalties, damages, and other appropriate remedies by the United States; and

(ii) Civil actions for damages and other appropriate remedies by the third party that reported the cyber incident, as a third party beneficiary of this clause.

(c) *Subcontracts*. The Contractor shall include this clause, including this paragraph (c), in subcontracts, or similar contractual instruments, for services that include support for the Government's activities related to safeguarding covered defense information and cyber incident reporting, including subcontracts for commercial products and commercial services, without alteration, except to identify the parties.

(End of clause)

DFARS 252.204-7012 Safeguarding Covered Defense Information and Cyber Incident Reporting (June 2026) (DEVIATION 2026-O0025, Revision 3)

(a) *Definitions.* As used in this clause—

Adequate security means protective measures that are commensurate with the consequences and probability of loss, misuse, or unauthorized access to, or modification of information.

Compromise means disclosure of information to unauthorized persons, or a violation of the security policy of a system, in which unauthorized intentional or unintentional disclosure, modification, destruction, or loss of an object, or the copying of information to unauthorized media may have occurred.

Contractor attributional/proprietary information means information that identifies the contractor(s), whether directly or indirectly, by the grouping of information that can be traced back

to the contractor(s) (e.g., program description, facility locations), personally identifiable information, as well as trade secrets, commercial or financial information, or other commercially sensitive information that is not customarily shared outside of the company.

Controlled technical information means technical information with military or space application that is subject to controls on the access, use, reproduction, modification, performance, display, release, disclosure, or dissemination. Controlled technical information would meet the criteria, if disseminated, for distribution statements B through F using the criteria set forth in DoD Instruction 5230.24, Distribution Statements on Technical Documents. The term does not include information that is lawfully publicly available without restrictions.

Covered contractor information system means an unclassified information system that is owned, or operated by or for, a contractor and that processes, stores, or transmits covered defense information.

Covered defense information means unclassified controlled technical information or other information, as described in the Controlled Unclassified Information (CUI) Registry at *http://www.archives.gov/cui/registry/category-list.html,* that requires safeguarding or dissemination controls pursuant to and consistent with law, regulations, and Governmentwide policies, and is—

(1) Marked or otherwise identified in the contract, task order, or delivery order and provided to the contractor by or on behalf of DoD in support of the performance of the contract; or

(2) Collected, developed, received, transmitted, used, or stored by or on behalf of the contractor in support of the performance of the contract.

Cyber incident means actions taken through the use of computer networks that result in a compromise or an actual or potentially adverse effect on an information system and/or the information residing therein.

Forensic analysis means the practice of gathering, retaining, and analyzing computer-related data for investigative purposes in a manner that maintains the integrity of the data.

Information system means a discrete set of information resources organized for the collection, processing, maintenance, use, sharing, dissemination, or disposition of information.

Malicious software means computer software or firmware intended to perform an unauthorized process that will have adverse impact on the confidentiality, integrity, or availability of an information system. This definition includes a virus, worm, Trojan horse, or other code-based entity that infects a host, as well as spyware and some forms of adware.

Media means physical devices or writing surfaces including, but is not limited to, magnetic tapes, optical disks, magnetic disks, large-scale integration memory chips, and printouts onto which covered defense information is recorded, stored, or printed within a covered contractor information system.

Operationally critical support means supplies or services designated by the Government as critical for airlift, sealift, intermodal transportation services, or logistical support that is essential to the mobilization, deployment, or sustainment of the Armed Forces in a contingency operation.

Rapidly report means within 72 hours of discovery of any cyber incident.

Technical information means technical data or computer software, as those terms are defined in the clause at DFARS *252.227-7989,* Rights in Technical Data—Other Than Commercial Products and Commercial Services, regardless of whether or not the clause is incorporated in this solicitation or contract. Examples of technical information include research and engineering data, engineering drawings, and associated lists, specifications, standards, process sheets, manuals, technical reports, technical orders, catalog-item identifications, data sets, studies and analyses and related information, and computer software executable code and source code.

(b) *Adequate security.* The Contractor shall provide adequate security on all covered contractor information systems. To provide adequate security, the Contractor shall implement, at a minimum, the following information security protections:

(1) For covered contractor information systems that are part of an information technology (IT) service or system operated on behalf of the Government, the following security requirements apply:

(i) Cloud computing services shall be subject to the security requirements specified in the clause 252.239-7010, Cloud Computing Services, of this contract.

(ii) Any other such IT service or system (*i.e.,* other than cloud computing) shall be subject to the security requirements specified elsewhere in this contract.

(2) For covered contractor information systems that are not part of an IT service or system operated on behalf of the Government and therefore are not subject to the security requirement specified at paragraph (b)(1) of this clause, the following security requirements apply:

(i) Except as provided in paragraph (b)(2)(ii) of this clause, the covered contractor information system shall be subject to the security requirements in National Institute of Standards and Technology (NIST) Special Publication (SP) 800-171, "Protecting Controlled Unclassified Information in Nonfederal Information Systems and Organizations", Revision 2 (available via the internet at: *https://nvlpubs.nist.gov/nistpubs/SpecialPublications/NIST.SP.800-171r2.pdf*).

(ii)(A) The Contractor shall implement NIST SP 800-171, as soon as practical, but not later than December 31, 2017. For all contracts awarded prior to October 1, 2017, the Contractor shall notify the DoD Chief Information Officer (CIO), via email at *osd.dibcsia@mail.mil,* within 30 days of contract award, of any security requirements specified by NIST SP 800-171 not implemented at the time of contract award.

(B) The Contractor shall submit requests to vary from NIST SP 800-171 in writing to the Contracting Officer, for consideration by the DoD CIO. The Contractor need not implement any security requirement adjudicated by an authorized representative of the DoD CIO to be nonapplicable or to have an alternative, but equally effective, security measure that may be implemented in its place.

(C) If the DoD CIO has previously adjudicated the contractor's requests indicating that a requirement is not applicable or that an alternative security measure is equally effective, a copy of that approval shall be provided to the Contracting Officer when requesting its recognition under this contract.

(D) If the Contractor intends to use an external cloud service provider to store, process, or transmit any covered defense information in performance of this contract, the Contractor shall require and ensure that the cloud service provider meets security requirements equivalent to those established by the Government for the Federal Risk and Authorization Management Program (FedRAMP) Moderate baseline (*https://www.fedramp.gov/documents-templates/*) and that the cloud service provider complies with requirements in paragraphs (c) through (g) of this clause for cyber incident reporting, malicious software, media preservation and protection, access to additional information and equipment necessary for forensic analysis, and cyber incident damage assessment.

(3) Apply other information systems security measures when the Contractor reasonably determines that information systems security measures, in addition to those identified in paragraphs (b)(1) and (2) of this clause, may be required to provide adequate security in a dynamic environment or to accommodate special circumstances (*e.g.,* medical devices) and any individual, isolated, or temporary deficiencies based on an assessed risk or vulnerability. These measures may be addressed in a system security plan.

(c) *Cyber incident reporting requirement.*

(1) When the Contractor discovers a cyber incident that affects a covered contractor information system or the covered defense information residing therein, or that affects the contractor's ability to perform the requirements of the contract that are designated as operationally critical support and identified in the contract, the Contractor shall—

(i) Conduct a review for evidence of compromise of covered defense information, including, but not limited to, identifying compromised computers, servers, specific data, and user accounts. This review shall also include analyzing covered contractor information system(s) that were part of the cyber incident, as well as other information systems on the Contractor's network(s), that may have been accessed as a result of the incident in order to identify compromised covered defense information, or that affect the Contractor's ability to provide operationally critical support; and

(ii) Rapidly report cyber incidents to DoD at *https://dibnet.dod.mil*.

(2) *Cyber incident report.* The cyber incident report shall be treated as information created by or for DoD and shall include, at a minimum, the required elements at *https://dibnet.dod.mil*.

(3) *Medium assurance certificate requirement.* In order to report cyber incidents in accordance with this clause, the Contractor or subcontractor shall have or acquire a DoD-

approved medium assurance certificate to report cyber incidents. For information on obtaining a DoD-approved medium assurance certificate, see https://public.cyber.mil/eca/.

(d) *Malicious software.* When the Contractor or subcontractors discover and isolate malicious software in connection with a reported cyber incident, submit the malicious software to DoD Cyber Crime Center (DC3) in accordance with instructions provided by DC3 or the Contracting Officer. Do not send the malicious software to the Contracting Officer.

(e) *Media preservation and protection.* When a Contractor discovers a cyber incident has occurred, the Contractor shall preserve and protect images of all known affected information systems identified in paragraph (c)(1)(i) of this clause and all relevant monitoring/packet capture data for at least 90 days from the submission of the cyber incident report to allow DoD to request the media or decline interest.

(f) *Access to additional information or equipment necessary for forensic analysis.* Upon request by DoD, the Contractor shall provide DoD with access to additional information or equipment that is necessary to conduct a forensic analysis.

(g) *Cyber incident damage assessment activities.* If DoD elects to conduct a damage assessment, the Contracting Officer will request that the Contractor provide all of the damage assessment information gathered in accordance with paragraph (e) of this clause.

(h) *DoD safeguarding and use of contractor attributional/proprietary information.* The Government shall protect against the unauthorized use or release of information obtained from the contractor (or derived from information obtained from the contractor) under this clause that includes contractor attributional/proprietary information, including such information submitted in accordance with paragraph (c). To the maximum extent practicable, the Contractor shall identify and mark attributional/proprietary information. In making an authorized release of such information, the Government will implement appropriate procedures to minimize the contractor attributional/proprietary information that is included in such authorized release, seeking to include only that information that is necessary for the authorized purpose(s) for which the information is being released.

(i) *Use and release of contractor attributional/proprietary information not created by or for DoD.* Information that is obtained from the contractor (or derived from information obtained from the contractor) under this clause that is not created by or for DoD is authorized to be released outside of DoD—

(1) To entities with missions that may be affected by such information;

(2) To entities that may be called upon to assist in the diagnosis, detection, or mitigation of cyber incidents;

(3) To Government entities that conduct counterintelligence or law enforcement investigations;

(4) For national security purposes, including cyber situational awareness and defense purposes (including with Defense Industrial Base (DIB) participants in the program at 32 CFR part 236); or

(5) To a support services contractor ("recipient") that is directly supporting Government activities under a contract that includes the clause at 252.204-7009, Limitations on the Use or Disclosure of Third-Party Contractor Reported Cyber Incident Information.

(j) *Use and release of contractor attributional/proprietary information created by or for DoD.* Information that is obtained from the contractor (or derived from information obtained from the contractor) under this clause that is created by or for DoD (including the information submitted pursuant to paragraph (c) of this clause) is authorized to be used and released outside of DoD for purposes and activities authorized by paragraph (i) of this clause, and for any other lawful Government purpose or activity, subject to all applicable statutory, regulatory, and policy based restrictions on the Government's use and release of such information.

(k) The Contractor shall conduct activities under this clause in accordance with applicable laws and regulations on the interception, monitoring, access, use, and disclosure of electronic communications and data.

(l) *Other safeguarding or reporting requirements.* The safeguarding and cyber incident reporting required by this clause in no way abrogates the Contractor's responsibility for other safeguarding or cyber incident reporting pertaining to its unclassified information systems as required by other applicable clauses of this contract, or as a result of other applicable U.S. Government statutory or regulatory requirements.

(m) *Subcontracts.* The Contractor shall—

(1) Include this clause, including this paragraph (m), in subcontracts, or similar contractual instruments, for operationally critical support, or for which subcontract performance will involve covered defense information, including subcontracts for commercial products or commercial services, without alteration, except to identify the parties. The Contractor shall determine if the information required for subcontractor performance retains its identity as covered defense information and will require protection under this clause, and, if necessary, consult with the Contracting Officer; and

(2) Require subcontractors to—

(i) Notify the prime Contractor (or next higher-tier subcontractor) when submitting a request to vary from a NIST SP 800-171 security requirement to the Contracting Officer, in accordance with paragraph (b)(2)(ii)(B) of this clause; and

(ii) Provide the incident report number, automatically assigned by DoD, to the prime Contractor (or next higher-tier subcontractor) as soon as practicable, when reporting a cyber incident to DoD as required in paragraph (c) of this clause.

(End of clause)

DFARS 252.240-7997 NIST SP 800-171 DoD Assessment Requirements (Feb 2026) (DEVIATION 2026-O0025, Revision 3)

a) Definitions.

Covered contractor information system has the meaning given in the clause 252.204-7012, Safeguarding Covered Defense Information and Cyber Incident Reporting, of this contract.

High Assessment means an assessment that is conducted by Government personnel, trained in accordance with DoD policy and procedures, using NIST SP 800-171A, Assessing Security Requirements for Controlled Unclassified Information that—

(1) Consists of—

(i) A review of a contractor's previous assessment(s), as applicable;

(ii) A thorough document review;

(iii) Verification, examination, and demonstration of a Contractor's system security plan to validate that NIST SP 800-171 security requirements have been implemented as described in the contractor's system security plan; and

(iv) Discussions with the contractor to obtain additional information or clarification, as needed; and

(2) Results in a confidence level of "High" in the resulting score.

Medium Assessment means an assessment conducted by Government personnel, trained in accordance with DoD policy and procedures, using NIST SP 800-171A, Assessing Security Requirements for Controlled Unclassified Information that—

(1) Consists of—

(i) A review of a contractor's previous assessment(s), as applicable;

(ii) A thorough document review; and

(iii) Discussions with the contractor to obtain additional information or clarification, as needed; and

(2) Results in a confidence level of "Medium" in the resulting score.

(b) *Applicability*. This clause applies to covered contractor information systems that are required to comply with the National Institute of Standards and Technology (NIST) Special Publication (SP) 800-171, in accordance with Defense Federal Acquisition Regulation System (DFARS) clause at 252.204-7012, Safeguarding Covered Defense Information and Cyber Incident Reporting, of this contract.

(c) *Requirements*. The Contractor shall provide access to its facilities, systems, and personnel necessary for the Government to conduct a Medium or High NIST SP 800-171 DoD Assessment, using the methodology described at 32 CFR 170.24, if necessary. The results of Medium or High NIST SP 800-171 DoD Assessments, when conducted by DCMA, will take precedence over any other assessment, in accordance with 32 CFR 170.16(a)(1)(iv), 32 CFR 170.17(a)(1)(iv), and 32 CFR 170.18(a)(1)(iv).

(d) *Procedures.* Summary level scores for all assessments will be posted in the Supplier Performance Risk System (SPRS) (https://www.sprs.csd.disa.mil/) to provide DoD Components visibility into the summary level scores of strategic assessments.

Medium and High Assessments. DoD will post the following Medium and/or High Assessment summary level scores to SPRS for each system security plan assessed:

(i) The standard assessed (e.g., NIST SP 800-171 Rev 1).

(ii) Organization conducting the assessment, i.e., DCMA.

(iii) All industry CAGE code(s) associated with the information system(s) addressed by the system security plan.

(iv) Date and level of the assessment, i.e., medium or high.

(v) Summary level score (overall numerical score, not the individual value assigned for each requirement).

(vi) Date that all requirements are expected to be implemented based on information gathered from associated plan(s) of action developed in accordance with NIST SP 800-171.

(e) Rebuttals. (1) DoD will provide Medium and High Assessment summary level scores to the Contractor and offer the opportunity for rebuttal and adjudication of assessment summary level scores prior to posting the summary level scores to SPRS (see SPRS User's Guide https://www.sprs.csd.disa.mil/pdf/SPRS_Awardee.pdf).

(2) Upon completion of each assessment, the contractor has 14 business days to provide additional information to demonstrate that they meet any security requirements not observed by the assessment team or to rebut the findings that may be of question.

(f) Accessibility. (1) Assessment summary level scores posted in SPRS are available to DoD personnel, and are protected, in accordance with the standards set forth in DoD Instruction 5000.79, Defense-wide Sharing and Use of Supplier and Product Performance Information (PI).

(2) Authorized representatives of the Contractor for which the assessment was conducted may access SPRS to view their own summary level scores, in accordance with the SPRS Software User's Guide for Awardees/Contractors available at https://www.sprs.csd.disa.mil/pdf/SPRS_Awardee.pdf.

(3) A High NIST SP 800-171 DoD Assessment may result in documentation in addition to that listed in this clause. DoD will retain and protect any such documentation as "Controlled Unclassified Information (CUI)" and intended for internal DoD use only. The information will be protected against unauthorized use and release, including through the exercise of applicable exemptions under the Freedom of Information Act (e.g., Exemption 4 covers trade secrets and commercial or financial information obtained from a contractor that is privileged or confidential).

(g) *Subcontracts*. The Contractor shall insert the substance of this clause, including this paragraph (g), in all subcontracts and other contractual instruments, including subcontracts for the acquisition of commercial products or commercial services (excluding commercially available off-the-shelf items).

(End of clause)

DFARS 252.232-7007: Limitation of Government's Obligation (Apr 2014)

(a) Contract line item(s) * through * are incrementally funded. For these item(s), the sum of $ * of the total price is presently available for payment and allotted to this contract. An allotment schedule is set forth in paragraph (j) of this clause.

(b) For item(s) identified in paragraph (a) of this clause, the Contractor agrees to perform up to the point at which the total amount payable by the Government, including reimbursement in the event of termination of those item(s) for the Government's convenience, approximates the total amount currently allotted to the contract. The Contractor is not authorized to continue work on those item(s) beyond that point. The Government will not be obligated in any event to reimburse the Contractor in excess of the amount allotted to the contract for those item(s) regardless of anything to the contrary in the clause entitled "Termination for Convenience of the Government." As used in this clause, the total amount payable by the Government in the event of termination of applicable contract line item(s) for convenience includes costs, profit, and estimated termination settlement costs for those item(s).

(c) Notwithstanding the dates specified in the allotment schedule in paragraph (j) of this clause, the Contractor will notify the Contracting Officer in writing at least ninety days prior to the date when, in the Contractor's best judgment, the work will reach the point at which the total amount payable by the Government, including any cost for termination for convenience, will approximate 85 percent of the total amount then allotted to the contract for performance of the applicable item(s). The notification will state (1) the estimated date when that point will be reached and (2) an estimate of additional funding, if any, needed to continue performance of applicable line items up to the next scheduled date for allotment of funds identified in paragraph (j) of this clause, or to a mutually agreed upon substitute date. The notification will also advise the Contracting Officer of the estimated amount of additional funds that will be required for the timely performance of the item(s) funded pursuant to this clause, for a subsequent period as may be specified in the allotment schedule in paragraph (j) of this clause or otherwise agreed to by the parties. If after such notification additional funds are not allotted by the date identified in the Contractor's notification, or by an agreed substitute date, the Contracting Officer will terminate any item(s) for which additional funds have not been allotted, pursuant to the clause of this contract entitled "Termination for Convenience of the Government."

(d) When additional funds are allotted for continued performance of the contract line item(s) identified in paragraph (a) of this clause, the parties will agree as to the period of contract performance which will be covered by the funds. The provisions of paragraphs (b) through (d) of this clause will apply in like manner to the additional allotted funds and agreed substitute date, and the contract will be modified accordingly.

(e) If, solely by reason of failure of the Government to allot additional funds, by the dates indicated below, in amounts sufficient for timely performance of the contract line item(s) identified in paragraph (a) of this clause, the Contractor incurs additional costs or is delayed in the

performance of the work under this contract and if additional funds are allotted, an equitable adjustment will be made in the price or prices (including appropriate target, billing, and ceiling prices where applicable) of the item(s), or in the time of delivery, or both. Failure to agree to any such equitable adjustment hereunder will be a dispute concerning a question of fact within the meaning of the clause entitled "Disputes."

(f) The Government may at any time prior to termination allot additional funds for the performance of the contract line item(s) identified in paragraph (a) of this clause.

(g) The termination provisions of this clause do not limit the rights of the Government under the clause entitled "Default." The provisions of this clause are limited to the work and allotment of funds for the contract line item(s) set forth in paragraph (a) of this clause. This clause no longer applies once the contract is fully funded except with regard to the rights or obligations of the parties concerning equitable adjustments negotiated under paragraphs (d) and (e) of this clause.

(h) Nothing in this clause affects the right of the Government to terminate this contract pursuant to the clause of this contract entitled "Termination for Convenience of the Government."

(i) Nothing in this clause shall be construed as authorization of voluntary services whose acceptance is otherwise prohibited under 31 U.S.C. 1342.

(j) The parties contemplate that the Government will allot funds to this contract in accordance with the following schedule:

On execution of contract	$ _____
(month) (day), (year)	$ _____
(month) (day), (year)	$ _____
(month) (day), (year)	$ _____

(End of clause)

DLAD 5452.233-9001 Disputes: Agreement to Use Alternative Dispute Resolution (ADR) (June 2020)

DISPUTES – AGREEMENT TO USE ALTERNATIVE DISPUTE RESOLUTION (JUN 2020)

(a) The parties agree to negotiate with each other to try to resolve any disputes that may arise. If unassisted negotiations are unsuccessful, the parties will use alternative dispute resolution (ADR) techniques to try to resolve the dispute. Litigation will only be considered as a last resort when ADR is unsuccessful or has been documented by the party rejecting ADR to be inappropriate for resolving the dispute.

(b) Before either party determines ADR inappropriate, that party must discuss the use of ADR with the other party. The documentation rejecting ADR must be signed by an official authorized to bind the contractor (see FAR 52.233-1), or, for the Agency, by the contracting officer, and approved at a level above the contracting officer after consultation with the ADR Specialist and legal counsel. Contractor personnel are also encouraged to include the ADR Specialist in their discussions with the contracting officer before determining ADR to be inappropriate.

(c) If you wish to opt out of this clause, check here [ ]. Alternate wording may be negotiated with the contracting officer.

(End of provision)

I.7.1 Other Clauses that Apply to Regulated Tariff Contract Awards

FAR 52.241-7 Change in Rates or Terms and Conditions of Service for Regulated Services (Feb 1995)

(a) This clause applies to the extent services furnished under this contract are subject to regulation by a regulatory body. The Contractor agrees to give the Contracting Officer written notice of:

(1) the filing of an application for change in rates or terms and conditions of service concurrently with the filing of the application, and

(2) any changes pending with the regulatory body as of the date of contract award. Such notice shall fully describe the proposed change. If, during the term of this contract, the regulatory body having jurisdiction approves any changes, the Contractor shall forward to the Contracting Officer a copy of such changes within 15 days after the effective date thereof. The Contractor agrees to continue furnishing service under this contract in accordance with the amended tariff, and the Government agrees to pay for such service at the higher or lower rates as of the date when such rates are made effective.

(b) The Contractor agrees that throughout the life of this contract the applicable published and unpublished rate schedule(s) shall not be in excess of the lowest cost published and unpublished rate schedule(s) available to any other customers of the same class under similar conditions of use and service.

(c) In the event that the regulatory body promulgates any regulation concerning matters other than rates which affects this contract, the Contractor shall immediately provide a copy to the Contracting Officer. The Government shall not be bound to accept any new regulation inconsistent with Federal laws or regulations.

(d) Any changes to rates or terms and conditions of service, if in accordance with the terms of this contract, will become effective upon the issuance of a contract modification (unless otherwise specified in the contract). The effective date of the change shall be the effective date by the regulatory body. Any factors not governed by the regulatory body will have an effective date as agreed to by the parties.

(End of clause)

I.7.2 Other Clauses that Apply to Fixed-Price Economic Price Adjustment Contract Awards

FAR 52.222-42 Statement of Equivalent Rates for Federal Hires (May 2014)

In compliance with the Service Contract Labor Standards statute and the regulations of the Secretary of Labor (29 CFR Part 4), this clause identifies the classes of service employees expected to be employed under the contract and states the wages and fringe benefits payable to each if they were employed by the contracting agency subject to the provisions of 5 U.S.C. 5341 or 5332.

This Statement is for Information Only:
It is not a Wage Determination

Employee Class	Monetary Wage -- Fringe Benefits
See Attachment JA38 – Federal Equivalents	

(End of clause)

FAR 52.241-8 Change in Rates or Terms and Conditions of Service for Unregulated Services (Feb 1995)

(a) This clause applies to the extent that services furnished hereunder are not subject to regulation by a regulatory body.

(b) Either party may request a change in rates or terms and conditions of service, unless such change is otherwise provided in this contract. Both parties agree to enter in negotiations concerning such changes upon receipt of a written request detailing the proposed changes and specifying the reasons for the proposed changes.

(c) The effective date of any change shall be as agreed to by the parties. The Contractor agrees that throughout the life of this contract the rates so negotiated will not be in excess of published and unpublished rates charged to any other customer of the same class under similar terms and conditions of use and service.

(d) The failure of the parties to agree upon any change after a reasonable period of time shall be a dispute under the Disputes clause of this contract.

(e) Any changes to rates, terms, or conditions as a result of such negotiations shall be made a part of this contract by the issuance of a contract modification.

(End of clause)

FAR 52.241-13 Capital Credits (Feb 1995)

(a) The Government is a member of the _____ *[insert cooperative name],* and as any other member, is entitled to capital credits consistent with the bylaws of the cooperative, which states the obligation of the Contractor to pay capital credits and which specifies the method and time of payment.

(b) The Contractor shall furnish to the Contracting Officer, or the designated representative of the Contracting Officer, in writing, on an _____ basis *[insert period of time]* a list of accrued credits by contract number, year, and delivery point.

(c) Payment of capital credits will be made by check, payable to the _____ *[insert agency name],* and forwarded to the Contracting Officer at _____ *[insert agency address],* unless otherwise directed in writing by the Contracting Officer. Checks shall cite the current or last contract number and indicate whether the check is partial or final payment for all capital credits accrued.

(End of clause)

SECTION J

List of Attachments, Exhibits and References

TABLE J.1-1, List of Attachments, Exhibits, and Reference Documents

Attachments	Utility System
JA1	Reserved
JA2	Reserved
JA3	U.S. Army Garrison-Hawaii, Island of Oahu – Water Utility System
JA4	Reserved
JA5	Reserved
Attachments	**Title**
JA21	Reserved
JA22	Reserved
JA23	Monthly System Performance Report – Water
JA24	Reserved
JA38	Federal Equivalents
JA39	Past Performance Information
JA40	Example Completion of Schedules for FP-EPA and FP-PPR Type Contracts
JA41	Wage Determinations
JA42	B Schedules and Price Data Sheets
JA43	Reserved
JA44	Quality Assurance Surveillance Plan (QASP)
JA45	Subcontracting Plan
JA46	Reserved
JA47	Non-Disclosure Statement and Offeror Consent
JA48	Utilities Privatization System Performance Metrics
Exhibits	**Title**
JE1	Vol. I – Service Interruption/Contingency and Catastrophic Loss Plan (Month DD, 20YY)

JE2	Vol. I – Operations and Maintenance/Quality Management Plan (Month DD, 20YY)
JE3	Vol. I – Initial System Deficiency Corrections/Upgrades/Connections and Renewals and Replacements Plan (Month DD, 20YY)
JE4	Vol. I – Operational Transition Plan (Month DD, 20YY)
JE5	Vol. III – Representations and Certifications (Month DD, 20YY)
JE6	Vol. III – Socioeconomic Plan (Month DD, 20YY)
JE7	Vol. III – Subcontracting Plan (Month DD, 20YY)
JE8	Vol. IV – Price Proposal (Month DD, 20YY)
Reference Documents	**Title**
JR1	Sample Bill of Sale
JR2	Technical Evaluation Categories
JR3	Sample Connection Charge Agreement

SECTION K

Representations, Certifications, and other Statements of Offerors

FAR 52.204-7 System for Award Management – Registration (Feb 2026) (DEVIATION 2026-O0043)

The Offeror shall have an active Federal Government contracts registration in the System for Award Management (SAM) when submitting an offer or quotation in response to this solicitation and at the time of award. As part of the SAM registration process, the Government collects information, as described in paragraphs (b) through (d) of this provision, that is necessary to identify the Offeror and for the Offeror to be awarded Federal Government contracts. To register in SAM, go to https://www.sam.gov. Allow for processing time when registering in SAM. If the Offeror is not registered in SAM, it should register immediately after receiving this solicitation.

(a) *Definitions*. As used in this provision—

Commercial and Government Entity (CAGE) code has the meaning provided in the clause at the Federal Acquisition Regulation (FAR) 52.204-13, System for Award Management—Maintenance, of this solicitation.

Electronic Funds Transfer (EFT) indicator means a bank account identifier to establish additional System for Award Management records for identifying alternative EFT accounts (see part 32) for the same entity.

Highest-level owner means the entity that owns or controls an immediate owner of the offeror, or that owns or controls one or more entities that control an immediate owner of the offeror. No entity owns or exercises control of the highest-level owner.

Immediate owner means an entity, other than the offeror, that has direct control of the offeror. Indicators of control include, but are not limited to, one or more of the following: ownership or interlocking management, identity of interests among family members, shared facilities and equipment, and the common use of employees. There may be more than one immediate owner (e.g., joint ventures).

Predecessor means an entity whose assets were acquired by the offeror or another entity (most often through merger or acquisition) and whose affairs are now carried out by the offeror or the other entity under a new name.

Taxpayer identification number means the number required by the Internal Revenue Service (IRS) to be used by the offeror to report income tax and other returns. It may be either a Social Security Number or an Employer Identification Number.

Unique entity identifier (UEI) has the meaning provided in the clause at FAR 52.204-13, System for Award Management—Maintenance, of this solicitation.

(b) *Identifiers*. The Offeror shall obtain and provide the following identifying information:

(1) *Unique entity identifier (UEI)*.

(i) The Offeror shall obtain a UEI to register in SAM. The Government will independently validate the existence and uniqueness of the Offeror before assigning a UEI to the Offeror. Go to https://www.sam.gov for instructions on obtaining a UEI.

(ii) The Offeror shall enter, in the block with its name and address on the cover page of its offer, the annotation "Unique Entity Identifier" followed by the UEI that identifies the Offeror's name and address exactly as stated in the offer. The Offeror shall also enter its EFT indicator, if applicable.

(iii) The Contracting Officer will use the UEI to verify that the Offeror has an active Federal Government contracts registration in SAM.

(2) *Taxpayer identification number (TIN).*

(i) The Offeror shall provide its TIN or related information to comply with debt collection requirements of 31 U.S.C. 7701(c) and 3325(d); reporting requirements of 26 U.S.C. 6041, 6041A, and 6050M; and implementing regulations issued by the IRS. The Offeror shall consent for TIN validation; and

(3) *Commercial and Government Entity (CAGE) code.*

(i) The Offeror shall provide a CAGE code and legal business name (Do not use a "doing business as" name) for—

(A) Itself;

(B) Its immediate owner(s), if any;

(C) Its highest-level owner, if any; and

(D) Any predecessor(s), or predecessor of an Offeror's predecessor, that held a Federal contract or grant within the last three years.

(ii) If the Offeror is in the United States or its outlying areas and does not already have a CAGE code assigned, the DLA CAGE Branch will assign a CAGE code to the Offeror as a part of the SAM registration process. For information on obtaining a CAGE code go to https://cage.dla.mil/.

(iii) The Offeror shall get from any immediate and/or highest-level owner(s) their respective CAGE code(s) to provide the code(s) as part of the registration (FAR 52.204-7(b)(3)(i)).

(iv) If the Offeror is located outside of the United States or its outlying areas, and does not already have a CAGE code assigned, the Offeror may obtain a CAGE code as indicated in the following table.

If the Offeror is...	Then...
Located in a country that is a member of the North Atlantic Treaty Organization (NATO) or a sponsored nation	Contact the appropriate National Codification Bureau (https://www.nato.int/structur/ac/135/about/contacts)
Located in a country that is not a member of NATO or a sponsored nation	Contact the NATO Support and Procurement Agency (NSPA) (https://eportal.nspa.nato.int/AC135Public/scage/CageList.aspx)

(c) *Representations and certifications.*

(1) The following FAR solicitation provisions contain entity-level representations and certifications that the Offeror shall submit as part of their Federal Government contracts registration in SAM:

Provision	Title	Date
52.204-5	Women-Owned Business (Other Than Small Business)	Oct 2014
52.209-2	Prohibition on Contracting with Inverted Domestic Corporations—Representation	Nov 2015
52.209-5	Certification Regarding Responsibility Matters	Aug 2020
52.209-11	Representation by Corporations Regarding Delinquent Tax Liability or a Felony Conviction under any Federal Law	Feb 2016
52.219-1	Small Business Program Representations	Feb 2024
52.219-1 Alt I	Small Business Program Representations, with its Alternate I	Feb 2024
52.219-1 Alt II	Small Business Program Representations, with its Alternate II	Mar 2023
52.226-2	Historically Black College or University and Minority Institution Representation	Oct 2014

(2) By submitting its offer, the Offeror verifies that, as of the date of its offer, its representations and certifications posted electronically in SAM for the provisions listed in paragraph (c)(1) of this provision are current, accurate, and complete. The Offeror's representations and certifications in SAM are hereby incorporated by reference into its offer.

(d) *Other information*. The Offeror shall provide more information on its business operations and type that is necessary to be considered for award of certain contracts and financial information necessary to receive payment under contracts.

(End of provision)

FAR 52.230-1 Cost Accounting Standards Notices and Certifications (Jul 2026) (DEVIATION 2026-O0006, Revision 1)

Note: This notice does not apply to small businesses or foreign governments. This notice is in three parts, identified by Roman numerals I through III.

Offerors shall examine each part and provide the requested information in order to determine Cost Accounting Standards (CAS) requirements applicable to any resultant contract.

If the offeror is an educational institution, part II does not apply unless the contemplated contract will be subject to full or modified CAS coverage pursuant to 48 CFR 9903.201-2(c)(5) or 9903.201-2(c)(6), respectively.

I. Disclosure Statement—Cost Accounting Practices and Certification

(a) Any contract in excess of the lower CAS threshold specified in Federal Acquisition Regulation (FAR) 30.205(b) resulting from this solicitation will be subject to the requirements of the Cost

Accounting Standards Board (48 CFR chapter 99), except for those contracts which are exempt as specified in 48 CFR 9903.201-1.

(b) Any offeror submitting a proposal which, if accepted, will result in a contract subject to the requirements of 48 CFR chapter 99 must, as a condition of contracting, submit a Disclosure Statement as required by 48 CFR 9903.202. When required, the Disclosure Statement must be submitted as a part of the offeror's proposal under this solicitation unless the offeror has already submitted a Disclosure Statement disclosing the practices used in connection with the pricing of this proposal. If an applicable Disclosure Statement has already been submitted, the offeror may satisfy the requirement for submission by providing the information requested in paragraph (c) of part I of this provision.

Caution: In the absence of specific regulations or agreement, a practice disclosed in a Disclosure Statement shall not, by virtue of such disclosure, be deemed to be a proper, approved, or agreed-to practice for pricing proposals or accumulating and reporting contract performance cost data.

(c) Check the appropriate box below:

[ ] (1) *Certificate of Concurrent Submission of Disclosure Statement*. The offeror hereby certifies that, as a part of the offer, copies of the Disclosure Statement have been submitted as follows:

(i) Original and one copy to the cognizant Administrative Contracting Officer (ACO) or cognizant Federal agency official authorized to act in that capacity (Federal official), as applicable; and

(ii) One copy to the cognizant Federal auditor.

(Disclosure must be on Form No. CASB DS-1 or CASB DS-2, as applicable. Forms may be obtained from the cognizant ACO or Federal official.)

Date of Disclosure Statement: _____
Name and Address of Cognizant ACO or Federal Official Where Filed:
_____

The offeror further certifies that the practices used in estimating costs in pricing this proposal are consistent with the cost accounting practices disclosed in the Disclosure Statement.

[ ] (2) *Certificate of Previously Submitted Disclosure Statement*. The offeror hereby certifies that the required Disclosure Statement was filed as follows:

Date of Disclosure Statement: _____
Name and Address of Cognizant ACO or Federal Official Where Filed:
_____

The offeror further certifies that the practices used in estimating costs in pricing this proposal are consistent with the cost accounting practices disclosed in the applicable Disclosure Statement.

[ ] (3) *Certificate of Monetary Exemption*. The offeror hereby certifies that the offeror, together with all divisions, subsidiaries, and affiliates under common control, did not receive net awards of negotiated prime contracts and subcontracts subject to CAS totaling $50 million or more in the cost accounting period immediately preceding the period in which this proposal was submitted. The offeror further certifies that if such status changes before an award resulting from this proposal, the offeror will advise the Contracting Officer immediately.

[ ] (4) *Certificate of Interim Exemption*. The offeror hereby certifies that:

(i) the offeror first exceeded the monetary exemption for disclosure, as defined in (3) of this subsection, in the cost accounting period immediately preceding the period in which this offer was submitted, and

(ii) in accordance with 48 CFR 9903.202-1, the offeror is not yet required to submit a Disclosure Statement. The offeror further certifies that if an award resulting from this proposal has not been made within 90 days after the end of that period, the offeror will immediately submit a revised certificate to the Contracting Officer, in the form specified under paragraph (c)(1) or (c)(2) of part I of this provision, as appropriate, to verify submission of a completed Disclosure Statement.

Caution: Offerors currently required to disclose because they were awarded a CAS-covered prime contract or subcontract of $50 million or more in the current cost accounting period may not claim this exemption (4). Further, the exemption applies only in connection with proposals submitted before expiration of the 90-day period following the cost accounting period in which the monetary exemption was exceeded.

II. Cost Accounting Standards—Eligibility for Modified Contract Coverage

If the offeror is eligible to use the modified provisions of 48 CFR 9903.201-2(b) and elects to do so, the offeror shall indicate by checking the box below. Checking the box below shall mean that the resultant contract is subject to the Disclosure and Consistency of Cost Accounting Practices clause in lieu of the Cost Accounting Standards clause.

[ ] The offeror hereby claims an exemption from the Cost Accounting Standards clause under the provisions of 48 CFR 9903.201-2(b) and certifies that the offeror is eligible for use of the Disclosure and Consistency of Cost Accounting Practices clause because during the cost accounting period immediately preceding the period in which this proposal was submitted, the offeror received less than $50 million in awards of CAS-covered prime contracts and subcontracts. The offeror further certifies that if such status changes before an award resulting from this proposal, the offeror will advise the Contracting Officer immediately.

Caution: An offeror may not claim the above eligibility for modified contract coverage if this proposal is expected to result in the award of a CAS-covered contract of $50 million or more or if, during its current cost accounting period, the offeror has been awarded a single CAS-covered prime contract or subcontract of $50 million or more.

III. Additional Cost Accounting Standards Applicable to Existing Contracts

The offeror shall indicate below whether award of the contemplated contract would, in accordance with paragraph (a)(3) of the Cost Accounting Standards clause, require a change in established cost accounting practices affecting existing contracts and subcontracts.

Yes [ ] No [ ]

(End of provision)

FAR 52.230-7 Proposal Disclosure – Cost Accounting Practice Changes (Apr 2005)

The offeror shall check "yes" below if the contract award will result in a required or unilateral change in cost accounting practice, including unilateral changes requested to be desirable changes.

[ ] Yes [ ] No

If the offeror checked "Yes" above, the offeror shall--

(1) Prepare the price proposal in response to the solicitation using the changed practice for the period of performance for which the practice will be used; and

(2) Submit a description of the changed cost accounting practice to the Contracting Officer and the Cognizant Federal Agency Official as pricing support for the proposal.

(End of provision)

DFARS 252.204-7998 Alternate A, Annual Representations and Certifications (Feb 2026) (DEVIATION 2026-O0043)

Include the following paragraphs (e), (f), and (g) in the provision at FAR 52.204-7:

(e)(1) If the provision at FAR 52.204-7, System for Award Management – Registration, is included in this solicitation, paragraph (g) of this provision applies.

(2) If the provision at FAR 52.204-7, System for Award Management – Registration, is not included in this solicitation, and the Offeror has an active registration in the System for Award Management (SAM), the Offeror may choose to use paragraph (g) of this provision instead of completing the corresponding individual representations and certifications in the solicitation. The Offeror shall indicate which option applies by checking one of the following boxes:

____ (i) Paragraph (g) applies.

____ (ii) Paragraph (g) does not apply and the Offeror has completed the individual representations and certifications in the solicitation.

(f)(1) The following representations or certifications in the SAM database are applicable to this solicitation as indicated:

(i) 252.204-7016, Covered Defense Telecommunications Equipment or Services—Representation. Applies to all solicitations.

(ii) 252.216-7008, Economic Price Adjustment—Wage Rates or Material Prices Controlled by a Foreign Government. Applies to solicitations for fixed-price supply and service contracts when the contract is to be performed wholly or in part in a foreign country, and a foreign government controls wage rates or material prices and may during contract performance impose a mandatory change in wages or prices of materials.

(iii) 252.225-7042, Authorization to Perform. Applies to all solicitations when performance will be wholly or in part in a foreign country.

(iv) 252.225-7049, Prohibition on Acquisition of Certain Foreign Commercial Satellite Services—Representations. Applies to solicitations for the acquisition of commercial satellite services.

(v) 252.225-7050, Disclosure of Ownership or Control by the Government of a Country that is a State Sponsor of Terrorism. Applies to all solicitations expected to result in contracts of $150,000 or more.

(vi) 252.229-7012, Tax Exemptions (Italy)—Representation. Applies to solicitations when contract performance will be in Italy.

(vii) 252.229-7013, Tax Exemptions (Spain)—Representation. Applies to solicitations when contract performance will be in Spain.

(2) The following representations or certifications in SAM are applicable to this solicitation as indicated by the Contracting Officer: [Contracting Officer check as appropriate.]

____(i) 252.209-7002, Disclosure of Ownership or Control by a Foreign Government.

____(ii) 252.225-7000, Buy American—Balance of Payments Program Certificate.

____(iii) 252.225-7020, Trade Agreements Certificate.

____Use with Alternate I.

____(iv) 252.225-7031, Secondary Arab Boycott of Israel.

____(v) 252.225-7035, Buy American—Free Trade Agreements—Balance of Payments Program Certificate.

____Use with Alternate I.

____Use with Alternate II.

____Use with Alternate III.

____Use with Alternate IV.

____Use with Alternate V.

____ (vi) 252.226-7002, Representation for Demonstration Project for Contractors Employing Persons with Disabilities.

____ (vii) 252.232-7015, Performance-Based Payments—Representation.

(g) The Offeror has completed the annual representations and certifications electronically via the SAM website at https://www.sam.gov. After reviewing the SAM database information, the Offeror verifies by submission of the offer that the representations and certifications currently posted electronically that apply to this solicitation as indicated in FAR 52.204-7 and paragraph (f) of this provision have been entered or updated within the last 12 months, are current, accurate, complete, and applicable to this solicitation (including the business size standard applicable to the NAICS code referenced for this solicitation), as of the date of this offer, and are incorporated in this offer by reference (see FAR 4.203-1); except for the changes identified below [Offeror to insert changes, identifying change by provision number, title, date]. These amended representation(s) and/or certification(s) are also incorporated in this offer and are current, accurate, and complete as of the date of this offer.

FAR/DFARS provision No.	Title	Date	Change

Any changes provided by the Offeror are applicable to this solicitation only, and do not result in an update to the representations and certifications located in the SAM database.

(End of provision)

DFARS 252.225-7055 Representation Regarding Business Operations with the Maduro Regime (May 2022) (DEVIATION 2026-O0041, Revision 1)

(a) Definitions. As used in this provision—

Agency or instrumentality of the government of Venezuela, business operations, government of Venezuela, and person have the meaning given in the clause 252.225-7056, Prohibition Regarding Business Operations with the Maduro Regime, of this solicitation.

(b) *Prohibition*. In accordance with section 890 of the National Defense Authorization Act for Fiscal Year 2020 (Pub. L. 116-92), DoD is prohibited from entering into a contract for the procurement of products or services with any person that has business operations with an authority of the government of Venezuela that is not recognized as the legitimate government of Venezuela by the U.S. Government, unless the person has a valid license to operate in Venezuela issued by the Office of Foreign Assets Control of the Department of the Treasury.

(c) *Representation.* By submission of its offer, the Offeror represents that the Offeror is a person that—

(1) Does not have any business operations with an authority of the Maduro regime or the government of Venezuela that is not recognized as the legitimate government of Venezuela by the U.S. Government; or

(2) Has a valid license to operate in Venezuela issued by the Office of Foreign Assets Control of the Department of the Treasury.

(End of provision)

SECTION L

Instructions, Conditions, and Notices to Offerors

L.1 FAR 52.252-1 Solicitation Provisions Incorporated by Reference (FEB 1998)

L.1.1 Provisions Incorporated by Reference

This solicitation incorporates one or more solicitation provisions by reference, with the same force and effect as if they were given in full text. Upon request, the Contracting Officer will make their full text available. The offeror is cautioned that the listed provisions may include blocks that must be completed by the offeror and submitted with its quotation or proposal. In lieu of submitting the full text of those provisions, the offeror may identify the provision by paragraph identifier and provide the appropriate information with its quotation or proposal.

The full text of a solicitation provision may be accessed electronically at these addresses:

https://www.ecfr.gov/ (Title 48, Chapters 1 and 2)
https://www.acquisition.gov/far-overhaul (Revolutionary FAR Overhaul (RFO))
https://www.acquisition.gov/far-overhaul/far-part-deviation-guide (RFO FAR Parts)
https://www.acq.osd.mil/dpap/dars/dfars_far_overhaul_class_deviations.html (DFARS and PGI)

The following FAR and DFARS provisions are incorporated by reference:

Paragraph	Provision Title	IAW	Date
52.203-11	Certification and Disclosure Regarding Payments to Influence Certain Federal Transactions	FAR 3.808(a)	Sep 2024
52.203-18	Prohibition on Contracting with Entities that Require Certain Internal Confidentiality Agreements or Statements-Representation	FAR 3.909-3(a)	Jan 2017
52.209-7	Information Regarding Responsibility Matters	FAR 9.104-7(b)	Feb 2026 (DEVIATION 2026-O0042)
52.215-1	Instructions to Offerors—Competitive Acquisition - Alt II	FAR 15.211(a)(2)	Jul 2026 (DEVIATION 2026-O0048, Revision 1)
52.215-16	Facilities Capital Cost of Money	FAR 15.110(p)	Jun 2003
52.222-5	Construction Wage Rate Requirements – Secondary Site of the Work	FAR 22.402-4(g)	Apr 2026 (DEVIATION 2026-O0040, Revision 1)
52.237-1	Site Visit	FAR 37.802-5(a)	Apr 1984

Paragraph	Provision Title	IAW	Date
252.203-7005	Representation Relating to Compensation of Former DoD Officials	DFARS 203.171-4(b)	Sep 2022 (DEVIATION 2026-O0031)
252.204-7024	Notice on the use of the Supplier Performance Risk System	DFARS 204.7604	Feb 2026 (DEVIATION 2026-O0043)
252.215-7992	Only One Offer	DFARS 215.110-70(c)	Mar 2026 (DEVIATION 2026-O0048, Revision 1)
252.215-7996	Notification to Offerors – Postaward Debriefings	DFARS 215.301-72	Mar 2026 (DEVIATION 2026-O0048, Revision 1)

L.1.2 FAR & DFARS Provisions

FAR 52.215-20 Requirements for Certified Cost or Pricing Data and Data Other Than Certified Cost or Pricing Data, Alternative IV (Jul 2026) (DEVIATION 2026-O0048, Revision 1)

(a) Submission of certified cost or pricing data is not required.

(b) Provide data described below:

(1) For regulated proposals: Identification of the law or regulation establishing the price offered. If the price is controlled under law by periodic rulings, reviews, or similar actions of a governmental body, attach a copy of the controlling document, unless it was previously submitted to the contracting office.

(2) For non-regulated proposals: The offeror shall submit, at a minimum, information on prices at which the same item or similar items have previously been sold in the commercial market that is adequate for evaluating the reasonableness of the price for this acquisition. Such information may include –

(A) For catalog items, a copy of or identification of the catalog and its date, or the appropriate pages for the offered items, or a statement that the catalog is on file in the buying office to which the proposal is being submitted. Provide a copy or describe current discount policies and price lists (published or unpublished), e.g., wholesale, original equipment manufacturer, or reseller. Also explain the basis of each offered price and its relationship to the established catalog price, including how the proposed price relates to the price of recent sales in quantities similar to the proposed quantities;

(B) For market-priced items, the source and date or period of the market quotation or other basis for market price, the base amount, and applicable discounts. In addition, describe the nature of the market;

(C) For items included on an active Federal Supply Service Multiple Award Schedule contract, proof that an exception has been granted for the schedule item.

(End of provision)

FAR 52.216-1 Type of Contract (July 2026) (DEVIATION 2026-O0045, Revision 1)

The Government contemplates award of either a Regulated Tariff or Fixed-Price with Economic Price Adjustment for O&M and Fixed-Price with Prospective Price Redetermination for R&R contract resulting from this solicitation.

(End of provision)

FAR 52.233-2 Service of Protest (Feb 2026) (DEVIATION 2026-O0026, Revision 1)

(a) Protests, (as defined in FAR 33.102), that are filed directly with an agency, and copies of any protests that are filed with the Government Accountability Office (GAO), must be served on the Contracting Officer identified in the solicitation by obtaining written and dated acknowledgment of receipt from them.

(b) The copy of any protest shall be received in the office designated above within one day of filing a protest with the GAO.

(End of provision)

FAR 52.252-5 Authorized Deviations in Provisions (Nov 2020)

(a) The use in this solicitation of any Federal Acquisition Regulation (48 CFR Chapter 1) provision with an authorized deviation is indicated by the addition of "(DEVIATION)" after the date of the provision.

(b) The use in this solicitation of any *Defense Federal Acquisition Regulation Supplement* (48 CFR Chapter 2) provision with an authorized deviation is indicated by the addition of "(DEVIATION)" after the name of the regulation.

(End of provision)

DFARS 252.204-7008 Compliance with Safeguarding Covered Defense Information Controls (Oct 2016) (DEVIATION 2026-O0025, Revision 3)

(a) *Definitions*. As used in this provision—

Controlled technical information, covered contractor information system, covered defense information, cyber incident, information system, and *technical information* are defined in clause 252.204-7012, Safeguarding Covered Defense Information and Cyber Incident Reporting.

(b) The security requirements required by contract clause 252.204-7012, shall be implemented for all covered defense information on all covered contractor information systems that support the performance of this contract.

(c) For covered contractor information systems that are not part of an information technology service or system operated on behalf of the Government (see 252.204-7012(b)(2))—

(1) By submission of this offer, the Offeror represents that it will implement the security requirements specified by National Institute of Standards and Technology (NIST) Special Publication (SP) 800-171 "Protecting Controlled Unclassified Information in Nonfederal Information Systems and Organizations" (see http://dx.doi.org/10.6028/NIST.SP.800-171) that are in effect at the time the solicitation is issued or as authorized by the contracting officer not later than December 31, 2017.

(2)(i) If the Offeror proposes to vary from any of the security requirements specified by NIST SP 800-171 that are in effect at the time the solicitation is issued or as authorized by the Contracting Officer, the Offeror shall submit to the Contracting Officer, for consideration by the DoD Chief Information Officer (CIO), a written explanation of—

(A) Why a particular security requirement is not applicable; or

(B) How an alternative but equally effective, security measure is used to compensate for the inability to satisfy a particular requirement and achieve equivalent protection.

(ii) An authorized representative of the DoD CIO will adjudicate offeror requests to vary from NIST SP 800-171 requirements in writing prior to contract award. Any accepted variance from NIST SP 800-171 shall be incorporated into the resulting contract.

(End of provision)

L.2 Information to Offerors

L.2.1 General Information

L.2.1.1 Conveyance

The Government will only acquire utility services if the Military Service issues a decision to convey the utility system(s). The Military Service's decision whether to convey will be made in accordance with 10 U.S.C. § 2688 and OMB, DOD, and Military Service executive policies. Award will only be made by the duly authorized execution of the utility services contract which is contingent upon the Military Service's decision to convey the system. If for any reason actual conveyance does not occur, the Government's termination liability will be limited to transition costs.

The sale of the utility system(s) is not governed by the FAR, the Federal Property and Administrative Services Act of 1949, or any of their implementing regulations. The Government may choose to adopt and adapt for use in the sale the processes and methods typically utilized in those laws and regulations but, by doing so, are not thereby subjecting the sale to those laws and regulations. The purchase of utility service(s) is an acquisition and will be governed by the FAR and its applicable supplements.

L.2.1.2 Award of a Utility Services Contract

If the offeror is awarded multiple systems, then a single contract will be awarded for the systems. Therefore, the number of awards may be less than the number of systems listed in the solicitation.

The Government may make no award to any Offeror. If it does make award, the Government does not guarantee renewal of the utility services contract at the end of the contract period.

L.2.1.3 Point of Contact

OFFERORS REQUESTING INFORMATION REGARDING THIS SOLICITATION SHALL CONTACT THE CONTRACTING OFFICER ONLY. CONTACTS TO OTHER GOVERNMENT PERSONNEL OR NONGOVERNMENT ADVISORS ARE PROHIBITED. The Contracting Officer or his/her designated representatives are the only persons authorized to contact Offerors, and the Contracting Officer is the only person authorized to release information regarding an ongoing Source Selection. Refer questions or communications concerning this solicitation directly to the contracting personnel identified in Blocks 7 and 8 of the SF 33, no later than November 24, 2026. Include the Contracting Officer on all such communications (electronic mail is the preferred method). Though the Contracting Officer will attempt to reasonably respond to all communications prior to the date identified for receipt of proposals, the Contracting Officer may not address all pre-proposal questions prior to this date.

L.2.1.4 Use of Nongovernment Advisors

Offerors are advised that data submitted to the Government in response to this solicitation may be released to nongovernment advisors for review and analysis. These advisors may be required to provide advice within their area of expertise regarding proposal strengths, weaknesses, inadequacies, risks, and deficiencies. Nongovernment advisors will be subject to civil and criminal penalties associated with any release of information pursuant to FAR 3.104.

If the offeror has any objection to nongovernment advisor access to its proposal information, the offeror shall provide grounds and justification for its objections. The nongovernment advisors are:

C.H. Guernsey & Company, Tecolote Research, Inc., LR3 Solutions and Applied Intellect LLC

Note: The companies listed above may not assist or participate in preparation or submission of any proposal associated with this acquisition.

L.2.1.4.1 Nongovernment Advisor Non-Disclosure Form

Offerors are required to submit attachment JA47, *Non-Disclosure Statement and Offeror Consent*, as part of their proposal. This form does not count against the page count of the submitted Proposal Volumes. Please enter the Company name every place showing OFFEROR, sign, and submit the form in pdf along with Volume III – Contract Documentation of the proposal. If the proposal is found to be timely and responsive, DLA Energy will return a copy of the Non-Disclosure Statement signed by the appropriate nongovernment advisors.

L.2.1.5 Site Visits and Pre-proposal Conferences

Pursuant to FAR 52.237-1, *Site Visit***,** a site visit(s) will be scheduled (see below). All offerors intending to submit a proposal on a utility system may attend the site visit. The site visit is intended to provide prospective offerors with adequate information to prepare proposals. Pot holing (digging up underground utilities to check/verify condition) by the attendees during the site visit will not be permitted.

In conjunction with the site visit(s), a pre-proposal conference will be held where offerors will be given the opportunity to ask questions. Results of the pre-proposal conference will be documented and made available to all interested offerors.

PRE-PROPOSAL CONFERENCE: A pre-proposal conference will be scheduled (see below). Offerors must register for this conference via email by September 29, 2026, by contacting the points of contact listed in Blocks 7 and 8 of the SF 33. Details regarding exact location and security requirements will be provided upon registration.

In order to make the conference as productive as possible, offerors are requested to submit any questions in writing (electronic mail is preferred) at least five working days in advance of the conference to the points of contact listed in Blocks 7 and 8 of the SF 33.

The following is the schedule for the site visits and pre-proposal conference (subject to change):

(1) Pre-proposal Conference:

Installation	Date	Time
U.S. Army Garrison-Hawaii, Island of Oahu	**October 5, 2026**	**Provided after registered**

(2) Site Visit

Installation	Date	Time
U.S. Army Garrison-Hawaii, Island of Oahu	**October 6-9, 2026**	**Provided after registered**

NOTE: At any time, offerors may request additional site visits through the Contracting Officer.

L.2.1.6 Technical Library

All Technical Library information to include maps and technical data will be made available to offerors on https://sam.gov to the maximum extent possible. Technical Library information will be available at RFP issuance for offerors to view data related to utility system(s). The Technical Library location is located in the Contracting Opportunities Controlled Site identified in Section L.2.1.7 *Instructions for access to the Contract Opportunities Controlled Site*. Non-disclosure agreements may be required by the Installation, and if required, will be provided to offerors when registering for the pre-proposal conference.

L.2.1.7 Instructions for access to the Contract Opportunities Controlled Site

To access the controlled, but unclassified, documents in the SAM.gov system, Offerors are required to be registered in SAM.gov. A CAGE Code and Unique Entity Identifier (UEI) are created through the SAM.gov registration process at https://sam.gov/.

Offerors must create a **login.gov** account in SAM.gov. Instructions are below. For additional help, contact the Federal Service Desk at www.fsd.gov or toll free at 1.866.606.8220.

(1) To link to an existing **login.gov** account
  (a) From https://sam.gov/ go to sign in on the toolbar.
  (b) Enter an email address and password for the existing login.gov account.
  (c) Offerors will then receive an email to associate the existing login.gov account with SAM.gov. Offerors will now use this login.gov account to sign into SAM.gov. New users will be asked to complete their SAM.gov profile.

(2) To create a new **login.gov** account
  (a) From https://sam.gov/ go to sign in on the toolbar.
  (b) Select create an account.
  (c) Enter an email.
  (d) Offerors will receive a link with a security code via email. Go to the link and enter that security code and press continue.
  (e) Create a password. Press continue.
  (f) Select the method to receive one-time security codes in the future. Note: The recommended method is Text message/SMS. As part of the registration process, Offerors will be prompted to select a second authentication method.

(3) Once the **login.gov** user account is created, sign in at SAM.gov and ensure user account has the appropriate roles in the Contract Opportunity Domain. If you do not have one of the roles listed below, you will need to request it from the existing administrator.
  (a) Roles needed:
    (i) Opportunities Administrator
    (ii) Data Entry

(4) In SAM.gov, navigate to the solicitation using the "Search Contract Opportunities" link.
  (a) Click on attachment with "Controlled" in Access column, click "Request Access."
  (b) A pop-up message will appear. Enter a "Reason for Access" and click Submit. Offerors will be notified of the response to the request.
  (c) Please note that Offerors will now need to request access for each attachment individually.

(5) Offerors that already have Joint Certification Program (JCP) certification are encouraged to verify their information in the JCP system at https://www.public.dacs.dla.mil/jcp/ext/. Incorrect information may result in rejection of request and delays in access to controlled documents.

(6) Instructions for obtaining JCP certification or for correcting a current JCP certification are as follows:
  (a) Applicants for JCP certification are required to have an updated and correct SAM.gov registration, UEI, CAGE Code, and **login.gov** account.
  (b) Applicants for JCP certification are required to complete a NIST assessment and upload it to SPRS. NIST assessments are valid for 3 years, must be documented in SPRS, and must be current more than 90+ days.
  (c) Applicants must review and completion the Introduction to Proper Handling of DoD Export-Controlled Technical Data through https://www.dla.mil/Logistics-Operations/Services/JCP/.
  (d) All applications must be completed through the JCP Portal. The portal may be accessed through https://www.dla.mil/Logistics-Operations/Services/JCP/ or directly at https://www.public.dacs.dla.mil/jcp/ext/.
    (i) Click the Registration link below the Login button to navigate to the Registration page.
    (ii) Register either with a username and password. The Register – User Name and Password page is for use by users not in possession of a Government Common Access Card (CAC).

(iii) All JCP Portal users logging in with a username and password must enable Two Factor Authentication (TFA) on the JCP Portal account.
1. Log in to the JCP Portal account with the username and password.
2. A prompt requires the TFA set-up on the account.
3. Set-up Google Authenticator on a smartphone.
4. Google Authenticator will be used upon each log in attempt.
5. Either scan the QR code in the Google Authenticator application or manually enter the verification code. Select verify and save.

(iv) After registering, click Profile in the header of the main page. To update your Profile information (First Name, Last name, Email, or Telephone), make a change in any or all the form fields and save by clicking the Save button.

(v) Upon first login after registration, an organization will not be attached to the profile. The Dashboard page will display an Actions drop down in the upper right corner. Click either Request to Join an Organization or Create New Organization.

(e) Applicants will complete the DD Form 2345, Military Critical Technical Data Agreement, through the JCP Portal.

(f) Notify the DLA Energy Solicitation POCs of the request submission together with company name and CAGE Code used on the request form.

(g) The JCP office will contact the Offeror with additional instructions.

(h) JCP will return an approved and signed certified form, which will include the certification and expiration date.

(i) For assistance with the DD2345 or to inquire about the acceptability of providing documentation electronically, please contact the U.S./Canada Joint Certification Office, DLIS:

U.S./Canada Joint Certification Office
Logistics Information Services
Federal Center, 74 Washington Ave., North
Battle Creek, Michigan USA 49037-3084
Phone: 877-352-2255
E-mail: JCP-Admin@DLA.MIL

(j) Once approval is received, it can take up to 24 hours for the JCP information to reach all systems.

(7) Once Offerors receive the approved DD2345 from JCP, have verified the status, and have verified that all information is correct and matches the SAM registration for the same CAGE Code at https://www.public.dacs.dla.mil/jcp/ext/, follow the steps for requesting access to controlled documents in #3, above.

(8) All JCP account registrants must log in to the JCP Portal at least every 35 days to keep their accounts active. Accounts not active past 35 days will be disabled. A warning email from j62.dacs@dla.mil will be sent five (5) days and then one (1) day prior to your account being locked. If you find that your account is locked/disabled, please go to the

DACS Portal: https://www.public.dacs.dla.mil/portal/ and click the "Unlock Account" link. You will need to provide your username and email address to unlock/enable your JCP Portal account.

(9) Further JCP account instruction may be found at https://www.dla.mil/Logistics-Operations/Services/JCP/.

L.2.1.8 Proprietary Information

Information deemed by the offeror to be proprietary shall be clearly marked as proprietary information. Proposals submitted in response to this solicitation will not be returned.

L.2.1.9 Period of Validity

The proposal and any revisions shall remain valid for **300 days** following the required submission date(s).

L.2.1.10 Contractor Selection

Selection of a Contractor will be based on a best value determination consistent with the evaluation factors described in Section M, *Evaluation Factors for Award*. If the Contracting Officer determines that the number of proposals exceeds the number at which an efficient competition can be conducted, the Contracting Officer may limit the number of proposals in the competitive range to the greatest number that will permit an efficient competition among the most highly rated proposals. Therefore, the offeror's initial proposal should contain the offeror's best terms from a cost or price and technical standpoint. The Government may conduct negotiations if the Contracting Officer later determines them to be necessary.

L.2.1.11 Debriefings

All offerors may request debriefings by providing a written request to the Procurement Contracting Officer (PCO) at the address located in Block 7 and Block 8 of the SF33 within 3 calendar days after receiving notification from the PCO of elimination from the competitive range or award of contract. To the maximum extent practicable, debriefings will be conducted within 5 business days after receipt by the PCO of the debriefing request.

If an offeror believes that the requirements in these instructions contain an error or omission, or are otherwise unsound, the offeror shall immediately notify the PCO in writing with supporting rationale.

L.2.1.12 Agency Protests

In accordance with DLAD 33.103 Procurement Note L06 Agency Protests (DEC 2016), interested parties may file an agency level protest with the contracting officer or may request an independent review by the Chief of the Contracting Office (CCO). Independent review by the CCO is an alternative to consideration by the Contracting Officer and is not available as an appellate review of a Contracting Officer decision on a protest previously filed with the contracting officer. Absent a clear indication of the intent to file an agency level protest with the CCO for independent review, protests will be presumed to be protests to the contracting officer.

L.3 Proposal Preparation Instructions – General

This section provides general guidance for preparing proposals and proposal revisions, as well as specific instructions on the format and content of the proposal. The offeror's proposal must include all data and information requested by these instructions and must be submitted in accordance with these instructions.

In accordance with 52.215-1 *Instructions to Offerors-Competitive Acquisition*, the first page of the offeror's proposal must show–

(1) The RFP number;

(2) The name, address, and telephone and facsimile numbers of the offeror (and electronic address if available);

(3) A statement specifying the extent of agreement with all terms, conditions, and provisions included in the RFP and agreement to furnish any or all items upon which prices are offered at the price set opposite each item;

(4) Names, titles, and telephone and facsimile numbers (and electronic addresses if available) of persons authorized to negotiate on the offeror's behalf with the Government in connection with this RFP; and

(5) Name, title, and signature of person authorized to sign the proposal. Proposals signed by an agent shall be accompanied by evidence of that agent's authority, unless that evidence has been previously furnished to the issuing office.

The Government will read and evaluate only the maximum number of pages allowed. The Government may refuse to consider proposals that do not conform to the specified organization, content, and page limitations.

NOTE: Submissions using Microsoft Office applications should be in Microsoft Office 365 or newer.

L.3.1 Proposal Organization/Page Limits

Offerors are required to submit proposals as set forth in the table below. The titles, contents, and page limits of each volume shall be as defined in the table below. The page limitations below apply only to those disks/volumes with pages accepted; the page limitations do not apply to disks/volumes in track changes.

Volume	Title	Maximum Page Limit
Volume I	Technical Proposal (Written)	200 (PER SYSTEM)
Volume II	Past Performance	50 (PER SYSTEM)
Volume III	Contract Documentation	None
Volume IV	Price Proposal	None

L.3.2 Proposal Format

The proposal shall be clear and concise, and shall include sufficient detail for effective evaluation and for substantiating the validity of stated claims. **The proposal shall not simply restate or rephrase the Government's requirements, but rather provide a convincing rationale explaining how the offeror intends to meet these requirements.** The Government will base its

evaluation on the information presented in the offeror's proposal; therefore, offerors shall assume that the Government has no prior knowledge of their facilities and experience. **Each volume shall be written on a stand-alone basis so that its contents may be evaluated without cross-referencing.** Elaborate graphics (other than plans or drawings), multi-media functions (for example, video clips or sound bites), or other embellishments are not necessary and will not be considered in evaluations.

L.3.2.1 Proposal Contents for Single System vs. Grouped Proposal

Offerors may submit a proposal for either a single system, or a grouped proposal for multiple systems. Offerors submitting a proposal for a single system are required to submit each of the required Volumes in accordance with Section L.3.1 *Proposal Organization/Page Limits*. **Offerors submitting grouped proposals shall submit single consolidated Volume I, II, III, and IV documents addressing all the unique requirements associated with each system.** If Offerors submitting a grouped proposal wish to also be considered for the award of a single system in the event their grouped proposal is not acceptable to the Government, an additional separate Volume I and Volume IV only addressing the requirements for that system shall also be submitted for review and evaluation.

Volume	Number of Volumes Required for Submittal		
	Single System Proposal	Grouped System Proposal	Grouped System and Single System Proposals
Volume I	1	1	1 Grouped + 1 Per Single System
Volume II	1	1	1 Grouped
Volume III	1	1	1 Grouped
Volume IV	1	1	1 Grouped + 1 Per Single System

L.3.3 Submittal

Offerors shall submit five electronic copies of the proposal(s). Paper copies are discouraged. In all cases, the electronic version will be the official version. **Facsimile and e-mail proposals will not be accepted.**

L.3.4 Electronic Proposals

Offerors shall submit their electronic proposals on CD ROM or DVD disks. Each proposal shall contain five (5) disks. Volumes I and IV shall be submitted on four (4) of the disks and Volumes II and III on a separate disk. Offerors shall submit proposal files in *MS Word and MS Excel MS Office 365*, or newer, format with a table of contents (roadmap) of the proposal structure. The Price Volume may be developed in application-specific files but shall be submitted using *MS Word and MS Excel MS Office 365*, or newer, format. Additionally, the Price Volume shall also include a consolidated file that incorporates the narrative portion of the proposal and all tables into a single document in Portable Document Format (PDF). The minimum requirement for hypertext link is a table of contents linked to each file provided in the proposal. Additional hypertext links within the proposal are at the offeror's discretion. Hypertext links to external documents are not acceptable and will not be evaluated.

If multiple files are required for a given volume, offerors shall organize their electronic submission so that each volume is contained in a separate directory. Each disk shall contain an electronic

label, which is to be established on the disk when the disk is formatted. No password-protected, zipped, or self-extracting files shall be used.

Each offeror shall provide certified, virus-free disks. Offerors are reminded that restrictive legends will only be given effect if and to the extent that they appear on all copies submitted.

Electronic files greater than 10MB in size will be rejected by the Government's network, and therefore, found untimely. Responses and any attachments submitted in response to this RFP or any Negotiation Messages that are untimely may be removed from the competitive range.

L.3.5 Pages and Typing

Page size shall be 8½ by 11 inches (portrait format) or 11 by 8½ inches (landscape format). Landscape pages may not be used for pages of text. Landscape pages of 11 by 8 ½ or 11 by 17 inches may be used for large tables, charts, graphs, figures/diagrams, illustration/drawings, and maps. Pages sized 11 by 17 inches will be counted as two pages.

Text shall be single-spaced in 11-point font. Font size of 10 point may be used for tables, captions, matrices, maps, and header and footer information. For charts, graphs, and figures/diagrams, the font shall be no smaller than 8 point. Use 1-inch margins on the top, bottom, and sides. Pages will be numbered by section within each volume. These page format restrictions shall also apply to responses to any correspondence provided during the negotiation process.

Each page shall be counted except for the following: cover pages, table of contents, cross-reference matrix, tabs, glossaries, and attachments (tariffs, statutes, operating manuals, performance specifications, etc.).

L.3.6 Cost or Pricing Information

All cost or pricing information shall be addressed in the price proposal. Price trade-off information, work-hour estimates, and material kinds and quantities may be used in other volumes as appropriate to support design and trade-off decisions.

L.3.7 Proposal Structure

Each section or part of the offeror's proposal shall clearly identify the specific solicitation requirements it addresses.

L.3.8 Cross-Reference Matrix

Offerors shall provide a cross-reference matrix that identifies where in the proposal each requirement of Section C, *Description/Specifications/Work Statement*, is addressed. The purpose of this matrix is to aid the Government's evaluation of the proposals, thereby ensuring no requirements have been overlooked.

L.3.9 Glossary of Abbreviations and Acronyms

Each proposal volume shall contain a glossary of abbreviations and acronyms. Glossaries will not count against the page limitations for their respective volumes.

L.3.10 Documents Incorporated by Reference

Offerors may incorporate by reference documents such as statutes, tariffs, operating manuals, performance specifications, etc. within the proposal volumes in lieu of the specifically requested information in this section. However, the full text documents shall be provided in an appendix to the proposal and website locations where applicable.

L.3.11 Proposal Revisions

When submitting revised proposals offerors shall submit changes in accordance with the following:

Proposal revisions shall be submitted as six electronic proposal revisions on disks, three disks with changes shown (two Vol. I and IV; one Vol. II and III), and three disks with changes accepted (two Vol. I and IV; one Vol. II and III). Changes shall be marked by a change bar in the margin to indicate the changed part of each page or for file formats without this capability, such as MS Excel, a separate table shall be submitted indicating the location of each change and identifying the nature of the change.

Proposal revisions shall include any agreements or changes made between the Government and the Offeror during negotiations.

L.4 Proposal Preparation Instructions – Volume I: Technical Proposal

The Technical Proposal Volume must be specific and complete. Offerors shall submit their Volume I Technical Proposal in accordance with L, *Proposal Contents for Single System vs. Grouped Proposal.* Offerors shall base their proposals on the inventory listed in the utility-specific attachments. For proposals that include the same type of utility system on more than one Installation, a single volume may be submitted. However, offerors shall specifically address and clearly identify Installation-specific requirements as part of the volume.

The technical proposal shall describe the offeror's capability to provide the level of utility services required by this solicitation. It should be specific and complete in every detail. Proposals that merely offer to provide service in accordance with Section C, *Description/Specifications/Work Statement,* will be considered technically unacceptable and may not be considered further.

The technical proposal shall specifically address each of the Technical Capability subfactors.

The Technical Capability subfactors are:

(1) Service Interruption/Contingency and Catastrophic Loss Plan

(2) Operations and Maintenance/Quality Management Plan

(3) Initial System Deficiency Corrections/Upgrades/Connections and Renewals and Replacements Plan

(4) Operational Transition Plan

NOTE: An overview of the technical evaluation categories used by the Government is found in Section J, Reference JR2, Technical Evaluation Categories. The categories listed in Reference JR2 are provided as a supplement to the minimum requirements listed for each subfactor. Offerors should ensure these items (both the minimum subfactor requirements detailed in Section L.4.1 through L.4.4, as well as the Reference JR2 categories) are addressed in their Volume I technical proposals.

L.4.1 Subfactor 1: Service Interruption/Contingency and Catastrophic Loss Plan

Offerors shall submit a Service Interruption/Contingency and Catastrophic Loss Plan in accordance with applicable requirements of Section C, *Response to Service Interruptions/Contingencies and Catastrophes*. The SICCLP will be incorporated into the contract at time of award. The SICCLP shall, at a minimum, address the following:

L.4.1.1. Service Interruption/Contingency

(1) Defined procedures and provisions for responding to all service interruptions, both under normal daily operations and during disaster/contingency operations.

(a) Discussion of the expected causes of service interruption and how each would be handled both internally and externally by the offeror.

(b) Procedures for handling each type of service call (e.g., emergency, urgent, and routine) from notification to completion (may use diagrams, Gantt Charts, flow charts, etc.).

(c) Estimated response and remedy/downgrade times for each type of service call (e.g., emergency, urgent, and routine).

(d) Estimated time for establishment of temporary service.

(e) Estimated time for reestablishment of permanent service.

(f) Discussion of Government notification procedures.

(g) Emergency Restoration Plan in the event of widespread utility outage.

(h) Discussion of Installation-specific requirements, and any resultant procedures/provisions necessary to sufficiently address those requirements when responding to a service interruption.

(2) Resources to be utilized in the implementation of the procedures described in the SICCLP including a description of the staffing and management personnel that will be available to ensure prompt response to emergency situations.

L.4.1.2 Catastrophic Loss

(1) Describe how the offeror plans to protect itself (both financially and in terms of physical assets) from a catastrophic loss or event that significantly affects the utility system(s). NOTE: A catastrophic loss or event includes but is not limited to widespread vandalism, acts of God, or a Public Enemy.

(2) Identify how the offeror will bring the system back into service expeditiously following any such catastrophic loss or event.

(3) Identify any intent to rely on Government relief agencies for financial assistance in recovering from any catastrophic loss or event. Include the nature and extent of that intent, along with supporting rationale. In addition, if the Contractor expects reimbursement under the contract due to catastrophic loss, the Contractor must include the nature and extent of that reimbursement along with supporting rationale.

(4) Identify any catastrophic insurance.

(5) Identify a minimum fiscal threshold for a "catastrophic loss" for each system proposed upon.

L.4.2 Subfactor 2: Operations and Maintenance Plan/Quality Management Plan

Offerors shall submit an Operations and Maintenance Plan/Quality Management Plan in accordance with applicable requirements of Section C, *Operations and Maintenance/Quality Management.* Regulated utilities who have submitted documents similar to the requested Plan to their State Utility Regulatory Commission may submit that documentation in lieu of the specifically requested information in this section. However, if the regulated utility chooses that option, it remains the responsibility of the regulated utility to clearly demonstrate how all of the applicable Government requirements have been addressed. The O&M/QM Plan will be incorporated into the contract at time of award. The O&M/QM Plan shall be divided into two sections, one describing the offeror's policies, practices, and procedures for operations and maintenance (to include performance standards and/or specifications for the provision of utility services), and the other section describing the offeror's policies, practices, and procedures for quality management. Offerors submitting a grouped proposal for multiple systems must account for the utility-specific requirements for each system being proposed in their Operations and Maintenance Plan/Quality Management Plan, as required by L, *Proposal Contents for Single System vs. Grouped Proposal*.

L.4.2.1 Service Standards Criteria

When developing the O&M/QM Plan, the service standards criteria listed in Table L-1 shall be addressed.

TABLE L-1
Service Standards Criteria

Water System
Water Quality
Reliability
Recurring and Preventative Maintenance
Sampling / Analysis
Maintaining System Pressure
Demand and Distribution Capacity
Water Storage Requirements
Fire Flow Capacity / Duration
Corrosion Control (to include Cathodic Protection)
Minimization of Leaks and Losses
Minimization of Water Use
Safety of Government Personnel and Property
Service Connection Standards and Specifications
Exterior Backflow Prevention
Water and Sewer Line Separation
New Construction Standards
Commissioning Standards
Color Identification and Markings
System Inspections
Meter and Equipment Calibration
Service Interruption Frequency
Operating Permits
Employee Certifications
Disaster Recovery

L.4.2.2 Performance Standards

The utility system(s) shall be operated and maintained in accordance with all applicable federal, state, and local laws/regulations and the most current version of any specific requirements defined in the utility-specific attachments. At a minimum, performance standards and/or specifications shall follow best engineering and management practices consistent with the following:

(1) Electric distribution system(s): National Electric Safety Code (American National Standards Institute (ANSI)-C2), National Electrical Manufacturers Association (NEMA), National Electric Code (NFPA-70), and current reference materials published by the Institute of Electrical and Electronic Engineers (IEEE), the Illuminating Engineering Society (IES), and the Insulated Cable Engineers Association (ICEA).

(2) Water distribution and wastewater collection system(s): The most recent edition of reference materials published by the American Water Works Association (AWWA), Water Environment Federation (WEF), American Society of Civil Engineers (ASCE), National Fire Protection Association (NFPA), and Factory Mutual Global.

(3) Natural gas distribution system(s): Code of Federal Regulations (CFR), Title 49 Parts 190, 191, 192 and 199 and the *DOT Guidance Manual for Operators of Small Natural Gas Systems*.

(4) Additional standards for operations and maintenance of the utility system the offeror proposes.

L.4.2.3 Quality Management

Additionally, the Quality Management section of the O&M/QM Plan shall include, but not limited to, the following:

(1) A comprehensive narrative description of how the offeror plans to operate and maintain the utility system(s) in a manner that will satisfy, at a minimum, the requirements of this solicitation.

(2) A comprehensive narrative description of the processes for obtaining customer feedback and translating feedback into appropriate process improvements.

(3) A comprehensive narrative description of how the offeror plans to implement a proven system of inspections or other quality assessment procedures and techniques.

(4) A comprehensive narrative description of its proposed record keeping processes.

(5) For wastewater treatment systems, a Wastewater Environmental Compliance Plan which provides a narrative discussion of the responsibilities for any generated wastes entering, processed by, and discharged from the treatment facilities. This Plan shall clearly define all interface points and responsibilities (from waste generation through waste discharge or disposal – i.e., "cradle-to-grave") for transferring materials to/from the wastewater treatment system between the Government, Contractor, disposal facilities, and any regulatory bodies.

(6) For each of the proposed service standards criteria listed in Table L-1, a description of the applicable performance standard(s) and/or specification(s), and how they will be met.

(7) A discussion and/or listing of standards and specifications not established anywhere else in the solicitation.

(8) Definition of the process by which Government-requested facility and infrastructure expansions would be implemented by the offeror.

(9) Description of how the proposal satisfies the requirements related to compliance with applicable environmental, safety, and OSHA laws and regulations.

(10) A listing and description of opportunities for efficiencies in utility operations, specific to the type(s) of utility system(s) within this solicitation. Opportunities for efficiencies will consist of market-based solutions to improve system utilization as well as technological enhancements. The offeror will also identify cost savings associated with the opportunities for efficiencies included within its proposal.

(11) Description of how technical information shall be managed and the means by which access will be provided to the Government and other Government contractors.

(12) Description of how specialty skills training (if required) will be addressed, to include type(s) of training, location(s) of training, and corresponding administrative support.

(13) Description of any quality awards or certifications that indicate the offeror possesses a high-quality process for providing required services. Such awards or certifications include the Malcolm Baldridge Quality Award, other Government quality awards, and private sector

awards or certifications. Description of the significance and applicability of particular awards, as they relate to the required services, should be provided.

(14) Proposed staffing plan, which clearly defines the qualifications of each staff position for the operation of the utility system. The staffing plan shall also identify training and certifications required for each staff position and the Contractor's approach to ensuring personnel are current in training and certifications. The O&M/QM Plan shall also provide a description of the type(s) of work that is envisioned to be potentially performed by subcontractors vice in-house staff.

If relevant, a regulated utility may cite current operating standards and procedures required by the State Utility Regulatory Commission in satisfaction of the above requirements. However, if the regulated utility chooses that option, it remains the responsibility of the regulated utility to clearly demonstrate how all of the applicable Government requirements have been addressed.

L.4.3 Subfactor 3: Initial System Deficiency Corrections/Upgrades/Connections and Renewals and Replacements Plan

Offerors shall submit an ISDCs/Upgrades/Connections and Renewals and Replacements (R&R) Plan in accordance with applicable requirements of Section C., *Annual SDC/Upgrades/Connections and Renewals and Replacements Plan*. The Annual Plan will be incorporated into the contract at time of award. Offerors submitting a grouped proposal for multiple systems must account for the utility-specific requirements for each system being proposed in their ISDCs/Upgrades/Connections and R&R Plan, as required by L, *Proposal Contents for Single System vs. Grouped Proposal*.

The Annual Plan shall describe in detail the purpose, scope, and cost of the ISDCs and provide a detailed description of the offeror's procedures for identifying, financing, and scheduling long-term capital renewals, connections and System Deficiency Corrections (SDCs)/Upgrades. The Annual Plan shall include, at a minimum, the following:

(1) Detailed description of all proposed ISDCs/Upgrades and initial R&R to the utility system. A schedule for implementing proposed ISDCs/Upgrades and initial R&R shall be included. Note: All ISDCs and R&R shall include all appurtenances necessary for each individual project to be considered complete and usable immediately upon its completion.

(2) Identification, justification, and detailed description of any offeror-recommended additional SDCs/Upgrades and/or improvements to increase the efficiency of system operations.

(3) As applicable, conceptual plans for, including methods for monitoring the effectiveness of, energy efficiencies and conservation projects for purposes as defined in Section C, *Energy and/or Water Efficiencies and Conservation and Renewable Energy Generation*.

(4) Conceptual methodology that will be used for scheduling R&R for the duration of the contract to ensure long-term efficient level of service. In addition to the conceptual methodology, the detailed 50-year renewal and replacement schedule (B.3.2 *Price Data Sheet 2 – Renewals and Replacements – 50-Year Plan*) shall be included with the technical proposal without costs shown.

(5) Describe in detail the offeror's procedures for identifying, financing, and scheduling long-term capital renewals and SDCs/Upgrades. Also include a description of the offeror's methodology to identify and assess new or revised standards/technologies (that may be advantageous to the

Government), and how the offeror may incorporate such improvements into the utility system(s).

(6) Description of proposed process for satisfactorily responding to requests made by the Government for system enhancements, including financing and arrangements for their installation.

(7) Layouts and specifics requested if proposing to either build or lease office space, maintenance shops, materials storage/staging areas, or other facilities on the Installation.

The Contractor is encouraged to propose SDCs/Upgrades to the Government that will increase the overall efficiency of the utility system(s). Efficiency SDCs/Upgrades shall be proposed to the Government in accordance with Section C, *SDCs/Upgrades/Connections and Renewals and Replacements*. The Government may consider cost-savings sharing and incentives either through utility services charge adjustments or lump-sum payments.

L.4.4 Subfactor 4: Operational Transition Plan

Offerors shall submit an Operational Transition Plan (OTP) in accordance with applicable requirements of Section C, *Operational Transition Plan*. The OTP shall propose an adequate transition period and schedule for turnover of the facilities, equipment, permits, operation and maintenance, and other responsibilities to include any new construction, installation of meters required for utility billing, turnover of meter readings and billing responsibilities, on-site familiarization, and the process for evaluating existing employees for employment. The OTP must discuss any system condition that will require the offeror to accomplish work in advance of conveyance and include such work as a transition project.

Installation- and utility-specific transition items are listed in the utility-specific attachments. In no case shall the Government accept any transition event until the Contractor demonstrates full capability or the event is otherwise completed. The OTP is subject to final acceptance by the Contracting Officer. The OTP shall include, at a minimum, the following:

(1) Length of Transition Period: The offeror shall propose a timeframe in terms of months on which the offeror will assume full responsibility for the utility system(s) and for providing utility service(s) as defined in Section F, *Commencement of Utility Services*. The offeror will also outline its plans for onsite familiarization, the transition of system operations, and any transition construction necessary in advance of conveyance. The contract start date shall occur on the first day of a given month.

(2) Connection Requirements: The OTP shall include a detailed plan and schedule for the implementation/completion of new connections as a result of system transfer, if identified in the utility-specific attachments, or any new connections as proposed by the offeror. The OTP shall include procedures for notification of any related outages.

(3) New Meter Requirements: The OTP shall include a detailed plan and schedule for installing new meters, if identified in the utility-specific attachments as a transition requirement, or any new meters as may be proposed by the offeror.

(4) Permits and Procedures: The Government will make initial notification to State agencies regarding the termination or transfer of environmental permits and/or other items, if needed. The OTP shall include a detailed plan and schedule for the transfer or acquisition

of permits as required. It is essential that advanced planning occurs and the Contractor initiates the acquisition of permits within one week after the transition period begins.

(5) Inventory and Transfer Requirements: Contractor-developed checklists will be the basis for the transfer of operations to the Contractor.

(a) Inventory and Transfer of Facilities and Fixed Equipment: The OTP shall include a detailed plan, schedule, and checklist for the joint inventory of all facilities and fixed equipment, to include building structures and installed equipment.

(b) Inventory and Transfer of Non-fixed Equipment, Spare Parts, and Personal Property: The OTP shall include a detailed plan, schedule, and checklist for the joint inventory of personal property transferring from the Government to the Contractor.

(c) Transfer of Manuals and Records: The OTP shall include a detailed plan, schedule, and checklist for the joint inventory of all operating manuals, record drawings, plans and specifications, maintenance records, and other such information available for each utility system.

(d) Joint Inventory Execution/Timeline: The joint inventory shall be completed prior to the contract start date in accordance with Section C.13, *Operational Transition Plan*. Failure to submit a timely joint inventory that results in an extension of the transition period and a delayed contract start date will not be compensated by the Government if the failure is solely attributable in any way to the acts or omissions of the Contractor.

(6) Initial Meter Readings: The OTP shall include a detailed plan and schedule for joint meter readings for secondary meters in place prior to transition.

(7) Authorized Personnel and Points of Contact: The OTP shall clearly define all offeror personnel holding authority to sign for transfer of operations and property. This shall include the name, title, and clear definition of authority or limitations in authority for each person who will sign for acceptance of final transition. The OTP shall also provide offeror points of contact, to include names, phone numbers, and email addresses, for work to be performed under the contract.

L.5 Proposal Preparation Instructions – Volume II: Past Performance

Each offeror shall submit to the Contracting Officer a copy of the offeror's past performance information, to include Attachment JA39, *Past Performance Information.*

Each offeror shall provide past performance information for at least two but not more than six of the Offeror's and any major (over $500,000) proposed subcontractor's largest customers involving work of similar complexity and type to that required in the RFP for **each system** upon which the offeror intends to submit a proposal. If more than six past performance references are submitted, only the first six listed will be evaluated. Past performance references and contracts submitted may include those with federal, state, or local Governments, and those with commercial or private customers for work involving similar scope and magnitude of effort and complexities this solicitation requires. References must be for work performed for at least a one year continuous

duration within the last five years. For each past performance reference, offerors must include: the name, address, telephone number and email address of the customer's primary point of contact, as well as brief description of the services and facilities provided.

The offeror shall provide references for any subcontractors that will be performing a significant portion of the work (over $500,000) and for each firm participating in a joint venture or teaming arrangement. A Standard Form 294 is a suitable alternative.

In the case of an offeror without a record of past performance that is both recent and relevant, or for whom sufficient information on past performance is not available, the offeror will be evaluated neither favorably nor unfavorably for past performance. However, a different rating may be achieved if the offeror proposes management personnel who have a successful record of performance on relevant and recent contracts or if a proposed subcontractor who will be performing a significant portion of the work has a successful performance history on relevant and recent contracts. However, the Government may use its discretion to determine if it will consider the additional references.

The Government may contact the Offeror's references to determine customer satisfaction with the Offeror's performance. If the offeror fails to provide valid client contacts or references fail to respond, past performance references may not be considered. In addition to offeror-provided references, the Government may use information gained from any source known to the Government to evaluate past performance, provided such information is recent (within the past five years).

Offerors shall also provide a list of all system acquisitions in the last five years and/or all contracts and subcontracts currently in progress, which involve similar scope and magnitude of effort and complexities this solicitation requires. Contracts listed may include those entered into by the Federal Government, agencies of State and local Governments and commercial customers. Offerors need not duplicate information provided in Attachment JA39. The list must include, as a minimum, the following:

(1) Name of acquisition or project.
(2) Brief description of contract or subcontract.
(3) Total contract value.
(4) Period of performance.
(5) Principal parties involved, telephone numbers and email addresses.

The offeror shall provide a written statement concerning its status with any independent federal, state, or local regulatory authority with jurisdiction over each utility service on which the offeror is proposing. The statement must include discussion on any violations, penalties, or other enforcement actions taken against the offeror within the last five years. The offeror should not include information on any current investigations if releasing such information would be deemed a violation of law. The statement must include the following:

(1) Name of regulatory authority.
(2) Address, telephone number and email address of authority.
(3) Point of contact within the authority for verification.

Past performance information is proprietary source selection information, therefore, the Government will only discuss past performance information directly with the prospective prime or sub-contractor that is being reviewed. If there is a problem with the proposed subcontractor's past

performance, the prime can be notified, but no details may be discussed without the subcontractor's permission.

L.6 Proposal Preparation Instructions – Volume III - Contract Documentation

L.6.1 General

Volume III shall include the following:

(1) A hard copy of the completed, signed, and dated SF 33. The original document should be clearly marked under separate cover and should be provided without any punched holes.

(2) All required information in accordance with FAR 52.204-7, in Section K. Offerors shall include a copy of their representation and certification submissions in Volume III.

(3) Completed Cost Accounting Standards (CAS) Notices and Certification (FAR 52.230-1) provided in Section K for offerors subject to Cost Accounting Standards (CAS) or statement citing exemption from CAS.

(4) Offerors must acknowledge receipt and acceptance of all amendments to the solicitation as part of the proposal submission package.

(5) Request and justification for Cost Accounting Standards Waiver and/or FAR 31 Deviation from Contract Cost Principles pursuant to the DoD Class Deviation signed March 31, 2011, if any.

(6) Completed Capital Credits (FAR 52.241-13) provided in Section I, if applicable.

(7) Completed Proposal Disclosure – Cost Accounting Practice Changes (FAR 52.230-7)

(8) Completed Non-Disclosure Statement and Offeror Consent

(9) Completed request for approval to self-insure in accordance with H, *Submittals*, if applicable.

(10) Proposals shall include a screenshot or printout of the Supplier Performance Risk System (SPRS) Cybersecurity Self-Assessment with submission indicating the date of completion of the NIST Self-Assessment, as well as the summary score.

L.6.2 Alternate Proposals and Exceptions to Terms and Conditions

The Government encourages the submission of alternate proposals that add value when compared with the requirements in the RFP. If submitting an alternate proposal, provide a rationale explaining the advantages of the alternate proposal to the Government.

All exceptions must be stated with specificity and separately matrixed as shown below. exceptions that are not separately matrixed will not be considered by the Government. Exceptions may be taken to individual terms and conditions of the RFP and must be clearly identified. Each exception shall be specifically related to each paragraph and/or specific part of the

RFP to which the exception is taken. Offerors must provide a rationale in support of the exception, explaining its effect in comparison with the original terms and conditions of the RFP. This information shall be provided in the format shown below. No exceptions will be considered or accepted unless they are raised in Volume III in the required format and accepted by the Government in writing.

The Government will not consider new exceptions raised after negotiations are closed unless it determines, in its sole discretion that it is in the Government's best interest to allow it.

The offeror is required to submit the RFP Exceptions in MS Word Office 365, using the following format:

RFP Exceptions

Exception #

- **RFP Document:** SOW, RFP, Model Contract, etc.
- **Page / Paragraph:** Applicable page and paragraph number(s)
- **Requirement / Portion:** Identify the requirement or portion to which the exception is taken.
- **Rationale:** Justify why the requirement will not be met or discuss reasons why not meeting the Government's terms and conditions might be advantageous to the Government.
  (The rationale section shall be located directly below the exception to which it refers and shall be the width of the page to ensure sufficient room for discussion).

L.6.2.1 Waiver of Applicability of Cost Accounting Standards and Deviations from Specific Parts of Federal Acquisition Regulation (FAR) Part 31

L.6.2.1.1 Cost Accounting Standards (CAS) Waiver

Offerors otherwise subject to CAS (See FAR Part 30 and FAR 52.230-1), who seek to have the utilities privatization CAS waiver allowed by the Cost Accounting Standards Board[1] applied to any resultant contract must submit the following information in writing as part of the proposal:

(1) Certification that the business segment offering will not, at the time of award, be performing on any other contract that is subject to Cost Accounting Standards;

(2) Disclosure of the Offeror's established accounting practices for allocating costs to contracts for which CAS has been waived; and

(3) Certification that offeror will consistently use the disclosed practices to prepare current and future pricing.

Additionally, all the following provisions must be met for the CAS Waiver to be applied:

[1] A copy of the UP CAS Waiver can be found at http://www.acq.osd.mil/dpap/policy/policyvault/USA001350-11-DPAP.pdf, scroll down to Attachment B.

(1) The contract type must be Firm-Fixed Price (FFP), or Fixed-Price with Economic Price Adjustment (FPEPA).

(2) Cost or Pricing Data as defined in the FAR was not obtained during the award process.

(3) Accounting practices used must be disclosed and comply with those laid out in Section G.5, *Accounting Procedures*.

(4) Contractor agrees that adjustments to contract pricing can be made by the Government if accounting practices disclosed are not used (see Section G, *Price Adjustment for Noncompliance with Accounting Procedures*).

(5) Any resulting contract includes FAR Clause 52.215-2.

L.6.2.1.2 FAR Part 31 Deviation

Offerors seeking a deviation from any otherwise applicable FAR Part 31 provisions, as permitted by the Office of the Under Secretary of Defense for Acquisition, Technology, and Logistics (OUSD-AT&L) deviation dated March 31, 2011[2], must provide the following information and the following criteria must be met:

(1) FAR 31.205-20 *Interest and Other Financial Costs*.
  (a) A description as to why allowing costs otherwise disallowed by the cost principle will significantly reduce the costs to the Government under any resulting contract or price adjustment.
  (b) Interest costs must be directly related financial costs incurred to obtain loans or borrow capital from third-party financial institutions and are reasonable.

(2) FAR 31.205-41 *Taxes*
  (a) For Federal Income Tax directly related to a Contribution in Aid of Construction (CIAC) Tax, an offer should be constructed in a manner to ensure no such tax liability is incurred. However, if, prior to award, a CIAC liability is identified, the offer shall notify the Contracting Officer and provide a written description as to why the liability exists, the amount of the liability, and why an offer cannot be structured to eliminate the tax.
  (b) The allowable portion of any CIAC obligation would be limited to the portion of the actual CIAC tax attributable to the difference between:
    (i) The fair market value determinations of the Government using a generally accepted valuation methodology, and
    (ii) The fair market value determination of the Internal Revenue Service in assessing the tax.
  (c) Please refer to Section H, *Contribution in Aid of Construction (CIAC) Tax Liability*, for CIAC obligations arising after contract award.

(3) General Deviation from FAR Part 31
  (a) The following criteria must be met in order for a waiver to be granted:
    (i) Offeror must request a waiver from FAR Part 31, or a specific part of FAR Part 31, and provide a rationale as to why it is in the best interest of the Government to do so.

[2] A copy of the Class Deviation can be found at http://www.acq.osd.mil/dpap/policy/policyvault/USA001350-11-DPAP.pdf, scroll down to Attachment A.

(ii) The contract contemplated must be FFP or FPEPA and include FAR Clause 52.215-2.
(iii) The offer must be either exempt from CAS or have CAS requirements waived for the contract.
(iv) The initial fixed-price or fixed-price with economic price adjustment must:
1. Meet the limitations for any deviation granted from FAR 31.205-20 I*nterest and other financial costs*;
2. Meet the limitations specified for any deviation granted from FAR 31.205-41 *Taxes*;
3. Exclude costs listed in 10 U.S.C. § 2324(e); and
4. If a regulated entity, exclude costs typically consider to be unallowable by the cognizant State regulatory body.

L.6.3 Other Required Information

L.6.3.1 Authorized Personnel

The offeror shall provide the name, title, address, e-mail, and telephone number of the company representative(s) who can obligate the offeror contractually. Also, identify those individuals authorized to negotiate with the Government providing the same information requested above.

L.6.3.2 Subcontracting Plan (Other Than Small Business)

An "Other than Small" Business offeror shall submit a Subcontracting Plan as part of its proposal submission (see JA45 *Subcontracting Plan*). The Subcontracting Plan shall be prepared in accordance with FAR 52.219-9, *Small Business Subcontracting Plan (Feb 2026)*, and include realistic goals based on prior subcontracting performance and work that will be performed under any contract resulting from this solicitation. The Subcontracting Plan will also be reviewed against prior subcontracting performance in the System for Award Management (SAM.gov), Small Business Program Compliance Reviews, and the statutory goals applicable to all Federal agencies of total subcontracting dollars to small businesses. Statutory goals may be found at https://www.sba.gov/document/support-agency-contracting-goals.

Offerors with an existing commercial Subcontracting Plan that has been filed with and approved by the General Services Administration (GSA) pursuant to a GSA Area Wide contract or other Government agency may comply with this requirement by incorporating such Subcontracting Plan by reference and including a copy with the proposal. Such submission shall include the Government point of contact name, telephone number, and email address.

L.6.3.3 Small Business Office

For questions regarding small business matters, contact the DLA Energy Small Business Office at dla.energy.osbp@dla.mil.

L.6.3.4 Small Business Subcontracting

Information on potential small business subcontractors can be found at the following website maintained by the Small Business Administration: https://web.sba.gov/pro-net/search/dsp_dsbs.cfm

L.6.3.5 Socioeconomic Plan

Offerors regardless of business size shall submit a socioeconomic plan that demonstrates a commitment to providing subcontracting opportunities to small businesses. Small businesses will be credited for the dollar value/percentage of the work it performs as if the work were

subcontracted to a small business concern. Work performed by a small business in-house shall be identified in the Socioeconomic Plan.

Socioeconomic Plan: In addition to any subcontracting plan required by FAR 52.219-9, describe the extent of participation of small businesses as stated in performance of the contract whether as a joint venture, teaming arrangement, or subcontractor. As part of this description the offeror shall include:

(1) The extent of participation of small business concerns in terms of the dollar value and percentage of the total acquisition. Participation shall be identified for each category of small business concerns described in FAR 52.219-9(c).

(2) The offeror's current commitment to use small business and new efforts that will be made to maximize small business participation after contract award.

(3) The variety and complexity of the work that will be performed by small businesses during contract performance.

(4) Methods for identifying local small businesses for subcontracting opportunities and any specific names of subcontractors to the extent they are known.

(5) The type of performance data the offeror would accumulate and provide to the Contracting Officer regarding its support of small business concerns described in FAR 52.219-9(c) during the period of contract performance.

(6) Any past performance information that demonstrates the offeror's commitment to utilizing small businesses and/or meeting small business goals.

(7) The name and title of the individual principally responsible for ensuring company support to such firms.

NOTE: Offerors must address all items, even if this means simply stating that the requested information does not exist and why; or that the offeror is a small business and will be performing the work in-house, provided such information is stated with specificity.

L.7 Proposal Preparation Instructions – Volume IV: Price Proposal

L.7.1 General

The offeror shall submit a single Schedule B (B-1 or B-2) addressing all utility systems at each Installation included in the offeror's proposal. The offeror shall submit their Volume IV in accordance with L, *Proposal Contents for Single System vs. Grouped Proposal*. For grouped Water/Wastewater systems submitted on an "all or none" basis, the offeror may submit a single price proposal.

L.7.2 Submission of Certified Cost or Pricing Data

If an exception does not apply, as determined by the Contracting Officer, certified cost or pricing data (see FAR 15.403-4, *Certificate of Current cost or pricing data*) may be required. In the event that certified cost or pricing data is required, the offeror shall provide certified cost or pricing data within 30 calendar days after receipt of the Contracting Officer's request.

L.7.3 Accounting Systems

The offeror shall describe the accounting system proposed for this contract (see Section G, *Accounting Procedures*).

L.7.4 Organization

Volume IV shall consist of the following sections:

- Table of Contents
- Section 1: Schedule B-1 or B-2 and Price Data Sheet(s) 1, 2, 3, 4, and 5 or 6 as applicable
  - (see Sections B.2 *Schedules* and B.3 *Price Data Sheets*)
- Section 2: Introduction, Price Proposal, and Pricing Assumptions
- Section 3: Accounting System, Standard Estimating Methodology

L.7.5 Detailed Instructions for Price Proposal

Table of Contents

The Table of Contents shall specify, by page number, the location of information requested in these instructions.

Section 1 – Price Schedule B-1 or B-2

- Include a completed copy of the Price Schedule B-1 or B-2 as appropriate. For all proposals, whether grouped or not, the offeror shall provide a single price schedule addressing all utility systems at each Installation included in the offeror's proposal. Include completed copies of Price Data Sheets (1, 2, 3, 4, and 5 or 6) as appropriate. For all proposals, whether grouped or not, the offeror shall provide single, consolidated Price Data Sheets for all utility systems at each Installation included in the offeror's proposal.
  - Offerors shall include documentation to support all price data sheets, formulas, where used, shall be included with no hard-coding of data and not password-protected.
  - All offerors must provide the following information; except that offerors proposing a Schedule B-1 Regulated Tariff are required to submit Price Data Sheet 1 *Utility Services Charge* if O&M and R&R are separately identified in the tariff. Additionally, only offerors proposing a Schedule B-1 Regulated Tariff Special Contract approach are required to submit Price Data Sheet 2 (See Section B.3.2, *Price Data Sheet 2 – Renewals and Replacements – 50-Year Plan*):

Proposal	Price Schedule	Required Price Data Sheets
Regulated Tariff Rate (Includes Special Contracts)	B-1	Price Data Sheet 1 and 2 (if applicable) Price Data Sheets 3, 4, and 5
Fixed-Price with Economic Price Adjustment and Price Redetermination	B-2	Price Data Sheets 1, 2, 3, 4, 6

- Include completed inspection charge rate located in Section C, *Third Party Construction*, if any.

Section 2 – Introduction and Price Proposal

- The offeror shall provide the breakdown of its proposed Monthly Utility Services Charge or Applicable Tariff Charge proposed in the appropriate Schedule B. In particular, the offeror shall differentiate between the operation and maintenance costs and renewals and replacements. This information shall be provided in a separate Price Data Sheet 1 for each utility system included in the proposal.
- The discussion of pricing methodology must explicitly show the offeror's calculation of each Contract Line Item Number (CLIN).
- The offeror shall ensure an inspection rate is provided as required by Section C, *Third-Party Construction*.

Section 3 – Pricing Assumptions

- Assumptions are considered by the Government solely for evaluation purposes. Unless identified as an exception in accordance with RFP Section L, *Alternate Proposals and Exceptions to Terms and Conditions*, assumptions will not modify a resultant contract and will not form the basis for an equitable adjustment.
- Pricing assumptions regarding price inflation in the first year of operation and its effect on the cost of service for each CLIN must be explicitly described.
- All pricing assumptions, scope limitations, and/or price proposal qualifiers shall be addressed and explained for each CLIN.
- Assumptions include scope limitations and price proposal qualifiers. All pricing assumptions shall be addressed and explained for each CLIN.
- Any pricing assumptions made by the offeror shall be provided in the format shown below as part of this volume or they may not be considered. The Government will only respond to assumptions if they create a significant weakness or deficiency.

The offeror is required to submit all Pricing Assumptions in MS Word Office 365 using the following format.

Assumption #

- **Page / Paragraph / CLIN:** Applicable page and paragraph numbers within the referenced document.
- **Assumption:** State the Assumption and the pricing/work to which it applies.
- **Rationale & Effect:** Justify why the offeror is making the assumption and what effect the assumption will have on current and/or future pricing.

Section 4 - Standard Estimating Methodology

The offeror shall summarize its standard estimating system as it pertains to this acquisition. For offerors proposing CAS compliant accounting systems as a Uniform System of Accounts (USOA); state whether or not a Disclosure Statement has been determined adequate by the cognizant Government ACO. If determined adequate, provide date of approval. Identify any outstanding CAS violations; provide status/action being taken. If an offeror is exempt from CAS, the offeror shall state the reason for the exemption and/or provide the documentation required at Section L, *Cost Accounting Standards (CAS) Waiver*.

Section 5 – Other Possible Pricing Impacts

The offeror shall discuss and quantify to the extent practicable other possible long-term costs and benefits to the Government, if the conveyance affects separate contract relationships, particularly for commodities. To the extent long-term costs and benefits require the cooperation of a third party (e.g., an upstream utility that owns the exclusive physical means to deliver electrical energy, natural gas, or water supplies to an installation), the offeror shall discuss its proposed methodology for cooperation and provide copies of any written agreements or representations.

As part of its submittal, the offeror shall also detail:

- Its proposed pricing methodology, to include an explanation of proposed pricing adders the offeror contemplates using in the development of pricing for future SDCs, Upgrades and Connections (*e.g.*, overhead rates, profit margin, G&A expenses, *etc*.).
- An explanation of the process it proposes to use for calculating utility services charge adjustments resulting from additions or deletions to the system inventory.
- An explanation of its approach to determining the amount of inspection hours required for a third-party construction project being supported in accordance with C, *Third-Party Construction*.

L.7.6 Schedule B-1 – Regulated Tariff(s)

L.7.6.1 Schedule B-1 CLIN 0001: Utility Services Charge

Offerors proposing tariff-based proposals must be:

(1) approved, as of the date set for submission of initial proposals, to provide utility services by the applicable State regulatory authority body(s); and

(2) proposing to provide utility services under an existing tariff or a similarly-structured tariff.

Offerors shall include a comprehensive description of the tariff in their price proposal. The offeror shall propose a tariff rate or rates no less favorable than that offered to similarly-situated utility customers. The offeror shall provide an explanation of the tariff, identify the facilities and infrastructure to which it applies, and identify any assumptions regarding service quantity and quality. The offeror shall also describe the regulatory process, if any, which will govern future rate changes. The total monthly price will be the Applicable Tariff(s) less the Monthly Credit as Payment for Purchase Price plus the Recoverable Portion of the Purchase Price, as defined below.

Offerors are encouraged to provide service in accordance with their standard methods of service and standard service practices. It is acceptable for regulated utilities to submit an offer subject to regulatory approval, provided a proposed timeframe for approval is addressed.

L.7.6.2 CLIN 0001: Monthly Credit as Payment for Purchase Price

The monthly credit is the monthly portion of the purchase price that will be credited to the Government over the number of months proposed by the offeror. The purchase price is the product of the monthly credit, without interest, multiplied by the number of months the Government will receive the credit. The credit will be applied to the Applicable Tariff, as defined above.

L.7.6.3 CLIN 0001: Recoverable Portion of the Purchase Price

The recoverable portion of the purchase price will be listed in Price Data Sheet 4 for the relevant utility system. The recoverable portion of the purchase price will be recovered for the relevant utility system for the amount and number of months proposed by the offeror and accepted by the Government. The recoverable portion will be applied to the Applicable Tariff, as defined above.

L.7.6.4 CLIN 0002: Initial System Deficiency Corrections/Upgrades/Connection Charges

Initial System Deficiency Corrections (ISDCs)/Upgrades/Connection Charges are all nonrecurring prices the Government will pay the Contractor to bring the system up to industry/regulatory standards or prices for new connections/disconnections to be accomplished during the transition period. See footnote (b) on Schedule B-1.

The following applies if ISDCs/Upgrades/Connection Charges are priced separately from the tariff rate. The requirement to perform an ISDC/Upgrade/Connection may originate from either a Government-identified requirement, in which case the project will be listed in the relevant utility-specific attachment in Section J, or as a result of the offeror's determination that the ISDC/Upgrade/Connection is necessary to meet legally applicable regulatory requirements, or to achieve the standards typically maintained by the offeror on its utility system(s). The offeror must provide rationale to support any projects the offeror proposes.

The offeror shall provide price information for ISDCs/Upgrades/Connections. Information to support the price proposed for ISDCs/Upgrades/Connections shall include project name, the interest rate, total ISDC project price, project start month, the first full month it will be put into service, the amortization period, and the monthly charge associated with each ISDC/Upgrade/Connection. The offeror shall provide this information in Price Data Sheet 3 (See Section B.3.3, *Price Data Sheet 3 – Initial System Deficiency Correction(s) / Upgrade(s) / Connection Charge(s) / Transition Period*).

If not encompassed in a tariff rate, the price of each ISDC/Upgrade/Connection proposed by the offeror in Price Data Sheet 3 will be added to the Utility Services Charge in CLIN 0001, for the number of months indicated in the offeror's pricing information for the ISDCs/Upgrades/Connections, when the ISDC/Upgrade/Connection is put in useful service.

The price for each ISDC/Upgrade/Connection is a firm-fixed price. The price for each ISDC/Upgrade/Connection will be amortized as described in as described in Section C, *Amortization of Capital Expenses*, or as mutually agreed between the Government and the offeror.

Each Government-identified ISDC is considered one project for the purpose of applying the amortization schedule requirements.

The Government may make a lump sum payment for any or all capital investment costs that would normally be recovered through CLIN 0002. Lump sum payments, minus prepayment expenses permitted under the FAR, will reduce the remaining unpaid principal in the amortization schedule established for CLIN 0002. The amortization schedule will be recalculated based on the new, reduced principal amount amortized over the number of months remaining in the original amortization schedule. The interest rate used in the recalculated amortization will be the same as that used in the original amortization schedule.

L.7.6.5 CLIN 0003: Transition Period

The offeror shall provide a firm-fixed price for the Transition Period in accordance with Section C, *Operational Transition Plan*. The information to support the price proposed for the Transition Period shall include all costs associated with the Operational Transition Plan. The Government agrees to pay for the Transition Period using the method proposed by the offeror and accepted by the Government. This information shall be provided in Price Data Sheet 3 (See Section B.3.3, *Price Data Sheet 3 – Initial System Deficiency Correction(s) / Upgrade(s) / Connection Charge(s) / Transition Period*).

L.7.7 Schedule B-2 – Fixed Price with Economic Price Adjustment for O&M and Fixed Price with Prospective Price Redetermination for R&R

L.7.7.1 Schedule B-2 CLIN 0001: O&M Utility Services Charge

Offerors proposing a Fixed Price with Economic Price Adjustment (FPEPA) for O&M (CLIN 0001) proposal(s) shall include the fully built up monthly Utility Services Charge to the Government for provision of utility services, including operations and maintenance, Price Data Sheets 1 and 2. (See Section B.3.1, *Price Data Sheet 1 – Utility Services Charge* and Section B.3.6, *Price Data Sheet 6 – Proposal 50 Year Charges to the Government, Constant 2030 $*.

Prices proposed for CLIN 0001 identified in Price Data Sheet 1 shall be based on expected price levels during the first year of operation. The effect of price inflation costs incurred in years subsequent to the first year of operation will be considered as part of the Economic Price Adjustment identified in Section G, *Economic Price Adjustment – Price Index Utility Services*.

L.7.7.2 Schedule B-2 CLIN 0002: R&R Utility Services Charge

Offerors proposing a Fixed Price with Prospective Price Redetermination for R&R (CLIN 0002) proposal(s) shall include the fully built up monthly Utility Services Charge to the Government for provision of utility services, including renewals and replacements, Price Data Sheets 1 and 2. (See Section B.3.1, *Price Data Sheet 1 – Utility Services Charge* and Section B.3.2, *Price Data Sheet 2 – Renewals and Replacements – 50-Year Plan,* and *Section B.3.6, Price Data Sheet 6 – Proposal 50 Year Charges to the Government, Constant 2030 $*.).

Prices proposed for CLIN 0002 identified in Price Data Sheets 1 and 2 for the R&R component of the Utility Service Charge are based on the expected price levels during the first five years of operation. Following the first five years, and each subsequent five years, the R&R price will be revised based on the market inflation, changes related to system inventory, and changes in the service requirements or conditions, in accordance with contract Section G, *FAR 52.216-5 Price Redetermination – Prospective*.

L.7.7.3 CLIN 0002: Monthly Credit as Payment for Purchase Price

The monthly credit will be listed in Price Data Sheet 4 for the relevant utility system. The monthly credit is the monthly portion of the purchase price that will be credited to the Government over the number of months proposed by the offeror. The purchase price is the product of the monthly credit, without interest, multiplied by the number of months the Government will receive the credit. The credit will be applied to the Utility Services Charge, as defined above.

L.7.7.4 CLIN 0002: Recoverable Portion of the Purchase Price

The recoverable portion of the purchase price will be listed in Price Data Sheet 4 for the relevant utility system. The recoverable portion of the purchase price will be added to the Utility Services Charge for the relevant utility system for the amount and number of months proposed by the offeror and accepted by the Government.

L.7.7.5 CLIN 0003: Initial System Deficiency Corrections/Upgrades/Connection Charges

ISDC/Upgrades/Connection Charges are all nonrecurring costs to be paid by the Government to the Contractor. These nonrecurring costs include costs required to bring the system up to industry/regulatory standards and costs for new connections/disconnections to be accomplished during the transition period. Costs shall also include all appurtenances necessary for each individual project to be considered complete and usable immediately upon its completion.

The requirement to perform an ISDC/Upgrade/Connection may originate from either a Government-identified requirement, in which case the project will be listed in the relevant utility-specific attachment in Section J, or as a result of the offeror's determination that the ISDC/Upgrade/Connection is necessary to meet legally applicable regulatory requirements, or to achieve the standards typically maintained by the offeror on its utility system(s). The offeror must provide rationale to support any projects the offeror proposes.

The price of each ISDC/Upgrade/Connection proposed by the offeror in Price Data Sheet 3 will be added to the Utility Services Charge, for the number of months indicated, when the ISDC/Upgrade/Connection is put in useful service.

The price for each ISDC/Upgrade/Connection is a firm-fixed price. The price for each ISDC/Upgrade/Connection will be amortized as described in Section C, *Amortization of Capital Expenses*, or as mutually agreed between the Government and the offeror.

The Government may make a lump sum payment for any or all capital investment costs that would normally be recovered through CLIN 0003. Lump sum payments, minus prepayment expenses permitted under the FAR, will reduce the remaining unpaid principal in the amortization schedule established for CLIN 0003. The amortization schedule will be recalculated based on the new, reduced principal amount amortized over the number of months remaining in the original amortization schedule. The interest rate used in the recalculated amortization will be the same as that used in the original amortization schedule.

L.7.7.6 CLIN 0004: Transition Period

The offeror shall provide a firm-fixed price for the Transition Period in accordance with Section C, *Operational Transition Plan*. The information to support the price proposed for the Transition Period shall include all costs associated with the Operational Transition Plan. The Government agrees to pay for the Transition Period using the method proposed by the offeror and accepted by the Government. This information shall be provided in Price Data Sheet 3 (See Section B.3.3, *Price Data Sheet 3 – Initial System Deficiency Correction(s) / Upgrade(s) / Connection Charge(s) / Transition Period*).

L.7.7 Price Data Sheets

L.7.7.1 General

All offerors must provide the following information; except that offerors proposing a Schedule B-1 Regulated Tariff are required to submit Price Data Sheet 1 if O&M and R&R are separately identified in the tariff (See Section B). Documentation for all Price Data Sheets MUST be provided in MS Excel format with internal workbook logic and formulas intact. Such documentation shall not contain links to documents not provided as part of the offeror's proposal.

L.7.7.1.1 Price Data Sheet 1 Utility Services Charge

To facilitate price and cost realism analyses of the operations and maintenance component of the monthly utility services charge, the offeror shall clearly establish a direct correlation between the price listed in Price Data Sheet 1 (See Section B.3.1, *Price Data Sheet 1 – Utility Services Charge*) and the operations and maintenance plan provided in accordance with Section L, *Subfactor 2: Operations and Maintenance Plan/Quality Management Plan*. The offeror shall provide detailed pricing data for all labor, direct and indirect, materials and procurement costs, insurance, equipment, general and administrative, overhead costs, and any other cost identified by the offeror.

L.7.7.1.2 Price Data Sheet 2 Renewals and Replacements – 50-Year Plan

Renewals and Replacements (R&R) are defined in Section C, *SDCs/Upgrades/Connections and Renewals and Replacements*. For the R&R component of the monthly utility services charge, offerors shall establish a conceptual 50-year plan for renewal and replacement of major system components given the information available in this solicitation, technical library, through site visits, and other pertinent information, with the understanding that during the course of the contract this schedule may change to reflect the actual condition of system components. The conceptual 50-year plan for R&R shall be established as shown in Price Data Sheet 2 (See B.3.2, *Price Data Sheet 2 – Renewals and Replacements – 50-YEAR Plan*) in constant dollars. To facilitate price and cost realism analyses, all offerors shall clearly establish a direct correlation between the applicable inventory in the utility-specific attachment(s), the 50-year R&R Plan, and the R&R component of the monthly Utility Services Charge presented in Price Data Sheet 1.

L.7.7.1.3 Price Data Sheet 3 Initial System Deficiency Correction(s) / Upgrade(s) / Connection Charge(s) / Transition Period

The offeror shall provide price information for ISDCs/Upgrades/Connections. Information to support the price proposed for ISDCs/Upgrades/Connections shall include project name, the interest rate, total ISDC project cost, project start month, the first full month will be put into service, the amortization period, and the monthly charge associated with each ISDC/Upgrade/Connection. The offeror shall provide this information in Price Data Sheet 3 (See Section B.3.3, *Price Data Sheet 3 – Initial System Deficiency Correction(s) / Upgrade(s) / Connection Charge(s) / Transition Period*).

L.7.7.1.4 Price Data Sheet 4 Recoverable Portion of Purchase Price

The offeror shall provide price information for the Recovery Portion of the Purchase Price. Information to support the proposed shall include the interest rate, amount, amortization period and the monthly charge. The offeror shall provide this information in Price Data Sheet 4 (See Section B.3.4, *Price Data Sheet 4 – Recoverable Portion of Purchase Price*).

L.7.7.1.5 Price Data Sheet 5 Proposal 50-Year Charges to the Government, Applicable Tariff

Offerors proposing a regulated tariff rate in Schedule B-1 shall submit a separate Price Data Sheet 5 for each utility system, except for grouped "all or none" water/wastewater proposals, which may be submitted on a single Price Data Sheet 5. Price Data Sheet 5 is defined as a 50-year statement of proposed prices to the Government in nominal dollars (See Section B.3.5, *Price Data Sheet 5 – Proposal 50-Year Charges to the Government, Applicable Tariff*). If a shorter contract period is proposed, the price data sheet need only address the number of years proposed for the contract.

All values shown on Price Data Sheet 5 and the derivation of same shall be provided in the offeror's pricing proposal with supporting documentation.

L.7.7.1.6 Price Data Sheet 6 Price Data Sheet 6 – Proposal 50 Year Charges to the Government, Constant 2030 $

Offerors proposing a Fixed Price with Economic Price Adjustment and Fixed Price with Prospective Price Redetermination in Schedule B-2 shall submit a separate Price Data Sheet 6 for each utility system, except for grouped "all or none" water/wastewater proposals, which may be submitted on a single Price Data Sheet 6. Price Data Sheet 6 is defined as a 50-year statement of proposed prices to the Government in nominal and constant dollars (See Section B.3.6, *Price Data Sheet 6 – Proposal 50 Year Charges to the Government, Constant 2030 $*. If a shorter contract period is proposed, the price data sheet need only address the number of years proposed for the contract.

All values shown on Price Data Sheet 6 and the derivation of same shall be provided in the offeror's pricing proposal with supporting documentation.

L.7.8 Economic Price Adjustment Alternate Index Methodology

Offerors shall clearly state if it is proposing the CPI-U or an alternate index or indices. If offerors propose an alternate index or indices to Section G, *Economic Price Adjustment – Price Index Utility Services*, offerors shall specify the Government published index or indices they propose as a price adjustment mechanism in Section G.4.1, subparagraph (b)(2), (3), and (4) and provide the revised clause in full text. Offerors shall explain why the index proposed was selected, comprehensively describe the working of the price adjustment mechanism including the timing of adjustments and the composition of the base, and provide a sample calculation under paragraph (c)(3) of the clause.

SECTION M

Evaluation Factors for Award

M.1 Basis for Conveyance and Contract Award

If the Military Service decides to convey the utility system(s), a contract will be awarded to the responsible offeror based on a best value determination consistent with the evaluation factors and subfactors below. The lowest priced proposal may not necessarily receive the award; likewise, the highest rated technical proposal may not necessarily receive the award. Pursuant to the provisions of Section L *Information to Offerors*, and FAR 52.215-1, the Government may evaluate and award without negotiations. However, the Government may conduct negotiations if determined necessary. **Therefore, offerors are encouraged to submit their best proposal as their initial proposal.**

Additionally, offerors should note that OMB, DoD, and Military Service executive policies concerning utilities privatization and property conveyance require consideration of the proposed contract costs as part of the business case analysis in determining whether or not to convey the system under 10 U.S.C. § 2688. Therefore, the total evaluated price of the proposal selected under this Solicitation will be provided to the Military Service conveyance authority for that purpose.

M.2 Evaluation Factors and Subfactors for Contract Award

The five evaluation factors are Technical Capability, Past Performance, Risk, Socioeconomic, and Price. The evaluation factors and subfactors are as follows:

Factor 1: Technical Capability: Subfactors 1 through 3 are of approximately equal importance, and together are significantly more important than Subfactor 4. However, a less than acceptable rating in any subfactor will result in a less than acceptable rating for Technical Capability.

> Subfactor 1: *Service Interruption/Contingency and Catastrophic Loss Plan*: Will be evaluated based upon the degree to which it ensures an appropriate, efficient, and effective response to service interruptions and contingencies and catastrophic system losses.
>
> Subfactor 2: *Operations and Maintenance Plan/Quality Management Plan*: Will be evaluated based upon the degree to which it ensures appropriate, efficient, and effective operation and maintenance of the utility system(s) and a superior level of quality.
>
> Subfactor 3: *Initial System Deficiency Corrections/Upgrades/Connections and Renewals and Replacements Plan*: Will be evaluated based upon the degree to which it supports the long-term ability of the utility system(s) to be used to provide utility service(s).
>
> Subfactor 4: *Operational Transition Plan*: Will be evaluated based upon the degree to which it ensures an effective and efficient transition.

Factor 2: Past Performance: The offeror will be evaluated based on the degree to which current and previous (within the past five years) efforts indicate the probability of the offeror successfully accomplishing contract requirements throughout the performance period. The recentness and relevancy of the information, source of the information, context of the data, and general trends in offeror's performance will be considered.

In the case of an offeror without a record of past performance that is both recent and relevant, or for whom sufficient information on past performance is not available, the offeror will be evaluated neither favorably nor unfavorably for past performance. However, a different rating may be achieved if the offeror proposes management personnel who have a successful record of performance on relevant and recent contracts or if a proposed subcontractor who will be performing a significant portion of the work has a successful performance history on relevant and recent contracts. However, the Government may use its discretion to determine if it will consider the additional references.

Offerors are advised that the Government may use information gained from market research or any source known to the Government, including the evaluator's personal experience, to evaluate past performance, provided such information is recent (within the past five years). If any past performance information provided by the Contractor is utilized in evaluating the offeror's proposal, a past performance questionnaire will be used to contact references and rate proposals.

Factor 3: Risk: The following four subfactors are approximately equal in importance to each other in the evaluation of Factor 3. However, an Unacceptable rating in any subfactor will result in an Unacceptable rating for Risk.

Subfactor 1: *Performance Risk*: Proposals will be evaluated on the degree to which award of a contract would present a risk of degradation of the quality of utility service(s). The Performance Risk will be assessed as a cumulative result of the risk presented in the following four elements:

- Service Interruption/Contingency and Catastrophic Loss Plan
- Operations and Maintenance Plan
- Quality Management Plan
- Initial System Deficiency Corrections/Upgrades/Connections and Renewals and Replacements Plan

Subfactor 2: *Assurance of Long-Term Price and Service Stability*: Proposals will be evaluated on the degree to which long-term price and service stability are enhanced or hindered as a result of the offeror's proposed approach.

Subfactor 3: *Price Risk*: Cost realism and unbalanced pricing proposal analysis techniques will be used in accordance with the applicable provisions of FAR 15.404-3(c) and FAR 15.404-6. Realism will be based on an evaluation of the information provided in support of the offered price to determine if the prices are realistic for the work to be performed; reflect a clear understanding of the requirements; and are consistent with the various elements of the offeror's technical proposal. The proposal will also be evaluated to determine whether prices are unbalanced, meaning that the price of one or more contract line items is significantly over or understated.

Subfactor 4: *Other Possible Long-Term Costs and Benefits to the United States:* Such costs and benefits may be considered, including but not limited to: the effect of privatization on separate contract relationships (e.g., commodity contracts, power allocation agreements, energy savings performance contracts, utility energy savings contracts); regulatory exemptions/exclusions; efficiencies; cost savings achieved by privatization of grouped systems to a single contractor; and/or unique costs and burdens (including monitoring and administration) associated with the offeror's proposed approach, and Capital Credits.

Factor 4: Socioeconomic: Will be evaluated to determine whether offeror's proposal satisfactorily demonstrates its commitment to use, in performance of the offered requirements, Small Businesses (including each of the categories of small business concerns described in FAR 52.219-9(c)).

NOTE: The offeror's proposal for socioeconomic support will be made a part of any resulting contract for use in determining how well the Contractor has adhered to its Socioeconomic Plan.

Factor 5: Price: The total evaluated price will be a consideration in the final source selection decision. Price reasonableness will be assessed in accordance with FAR 15.404-1.

For Price Schedule B-1, the total evaluated price (Schedule B-1 and Price Data Sheets, as applicable) will be the net present value of the stream of monthly payments the Government is expected to make to the contractor over the 50-year contract period. Each monthly payment will be calculated by crediting the total monthly payment (the Applicable Tariffs including ISDCs/Upgrades/Connection Charge(s) and Renewals and Replacements and the recoverable portion of the purchase price expressed in the price proposal) by the purchase price in CLIN 0001. Present values will be calculated using the discount rate specified in Appendix C of OMB Circular A-94 (current issue at the time the proposals being evaluated were due).

For Price Schedule B-2, the total evaluated price (Schedule B-2 and Price Data Sheets, as applicable) will be the net present value of the stream of monthly payments the Government is expected to make to the contractor over the 50-year contract period. Each monthly payment will be calculated by crediting the total monthly payment (the Utility Services Charge (O&M and R&R) including applicable ISDCs/Upgrades/Connection Charge(s)) and the recoverable portion of the purchase price expressed in the price proposal by the purchase price in CLIN 0002. Present values will be calculated using the discount rate specified in Appendix C of OMB Circular A-94 (current issue at the time the proposals being evaluated were due).

M.2.1 Order of Importance for Evaluating Factors and Subfactors:

For purposes of selecting a prospective awardee of a long term utility services contract under this Solicitation, proposals will be evaluated using the following factors and subfactors:

Technical Capability, Past Performance, and Risk are of approximately equal importance. Socioeconomic is significantly less important than Technical Capability, Past Performance, and Risk. When combined, Technical Capability, Past Performance, Risk, and Socioeconomic are significantly more important than Price. Technical Capability and Risk will be evaluated at the subfactor level. Under Technical Capability, Subfactors 1-3 are of approximately equal importance, and together are significantly more important than Subfactor 4; however, a less than Acceptable rating in any subfactor will result in a less than Acceptable rating for Technical Capability. Under Risk, all subfactors are of approximately equal importance; however, an Unacceptable rating in any subfactor will result in an Unacceptable rating for the Risk factor.

M.3 Conveyance Determination

Once an offeror is selected, but before an award can be made, the Military Service must determine whether conveyance of the utility system(s) will be made. This conveyance decision is distinct and separate from the procurement decision and is not governed by the terms of the FAR or this Solicitation. Rather, the conveyance decision will be made by the Military Service in accordance with 10 U.S.C. § 2688 and OMB, DoD, and Military Service executive policies. The Government will attempt to make Military Service specific policies available in the technical library and upon

request, however, it is the offeror's responsibility to conduct due diligence in researching applicable current law and policies.