Contract Requirement vs. Evaluation Factor
A Key Sustainable Purchasing Decision

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The vision for the Federal Acquisition System is to deliver on a timely basis the best value product or service to the customer, while maintaining the public’s trust and fulfilling public policy objectives.

- FAR Subpart 1.1

Best value includes:

- Cost
- Quality
- Timeliness
- Socioeconomic considerations
- Competition objectives
- Sustainability
- And more
Contract Requirements

• Establish minimum sustainability requirements successful contractor must meet/perform

• Example: Meeting & Conference Services requirements
  – Use/supply green products (e.g., recycled content signage, reusable badges, Energy Star A/V equipment, etc.)
  – Recycling/Waste Minimization program
  – Access to public transportation
Evaluation Factors

• Build sustainability considerations into the evaluation process
• Evaluate how well each offeror addresses your criteria and weigh in relation to other factors (e.g., price, quality, etc.)
• **Example:** Meeting & Conference Services evaluation criteria
  – Rate Sustainability Plans based on how well they address:
    • Energy efficiency/conservation
    • Water management
    • Waste management
    • Use of green products
Supply Chain GHG Emissions Reporting

- EO 13514 required GSA to assess the feasibility of incorporating supplier GHG emissions into federal procurement process
- Pilot procurements began in 2011
- Selection considerations include size, visibility, scope, potential impact, and level of competition
- Market sector approach: analyze market capabilities, prioritize environmental impacts, customize the acquisition strategy
Case #1: Carbon Footprint Tool

- **Background**: IT solution/service, single award
- **Market Research**: varied marketplace adoption of sustainable/ GHG emissions reporting practices, small and large businesses
- **Acquisition Strategy**: Sustainability evaluation sub-factor included:
  1. sustainable practices (rated unacceptable to superior)
  2. GHG emissions reporting practices – 4 questions (rated neutral, satisfactory, excellent, or superior)
Case #2: Domestic Delivery Services

- **Background**: Government-wide contract, multiple awards, high $ value, high visibility
- **Market Research**: Few competitors, large businesses, advanced GHG tracking capability, significant emissions directly associated with service (high impact)
- **Acquisition Strategy**: Prioritize GHGs by requiring:
  1. EPA SmartWay Transport Partnership (or GHG reporting directly to GSA/DOE)
  2. Annual reports quantifying GHG emissions associated with DDS3 (package delivery) by agency
  3. Annual report showing progress toward goals for AFV use
Summary – Pros & Cons

Evaluation Factors
+ Signal to industry
+ Scalable benefits for exceeding minimum requirements
- Contracting staff may resist GHGs as determining factor in award
- Potential for minimal direct impact
- More difficult to evaluate

Contract Requirements
+ Signal to industry
+ Straightforward approach
+ Ensures successful contractor will report GHG emissions
- No direct impact if successful already reports GHGs
- Not appropriate for many industries, small businesses (may restrict competition)
- No incentive to exceed minimum requirements