



DEPARTMENT OF THE AIR FORCE  
HEADQUARTERS UNITED STATES AIR FORCE  
WASHINGTON DC

8 OCT 2003

MEMORANDUM FOR ALMAJCOM/CV

FROM: HQ USAF/IL  
1030 Air Force Pentagon  
Washington, DC 20330-1030

SUBJECT: Establishment of Executive Steering Group and Revised Timeline for AF Utilities Privatization (UP) Program (AF/IL Memo, 23 Oct 02)

In an effort to reduce both our staffs' and bases' workload and still meet the Office of the Secretary of Defense (OSD) 30 Sep 05 milestone, we have established an Executive Steering Group (ESG) and streamlined the timeline for the UP program.

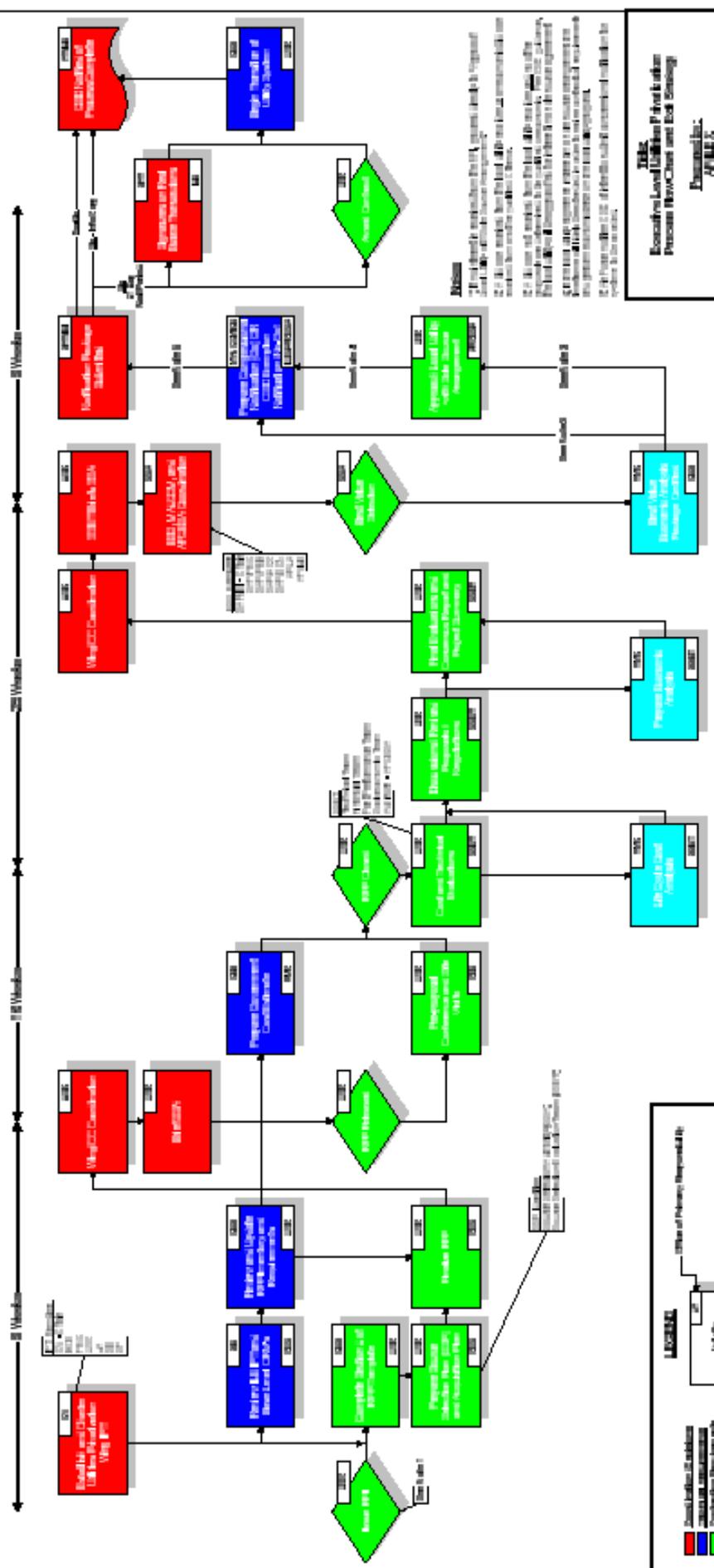
The new ESG requirement will be similar to the current Housing Privatization (HP) ESG process. The Source Selection Authority for each contracting action will be required to present a UP decision brief to the ESG approximately 25 weeks after Request for Proposal is closed. This will allow us to effectively coordinate and execute the contractual documents and notify OSD and Congress.

We are also adjusting the UP timeline from 83 weeks to 50 weeks--a savings of over 8 months (atch 1). In general, sequestering evaluation teams and limiting the number of negotiation rounds during proposal evaluation achieves this savings. Details are outlined in the attached Bullet Background Paper (atch 2).

I solicit your support for these new initiatives. Our contracting agent, the Defense Energy Support Center, stands ready to help us meet the accelerated timeline. As previously stated in my referenced memo, any deviations impacting this program processes/procedures or timeline must come through your office before being sent to my staff for approval. If you have any questions or comments, please have your staff contact HQ USAF/ILEX, Maj Jeff Knippel, DSN 664-4220, [jeffry.knippel@pentagon.af.mil](mailto:jeffry.knippel@pentagon.af.mil), and Mr. Ken Miller, DSN 664-4304, [ken.miller@pentagon.af.mil](mailto:ken.miller@pentagon.af.mil).

  
MICHAEL E. ZETTLER  
Lieutenant General, USAF  
DCS/Installations & Logistics

# Executive Level Utilities Privatization Flow Chart and Exit Strategy



**LEGEND:**

- Red: Joint Venture or Public
- Blue: Private
- Green: Public
- Cyan: Public

**Legend:**

- 0: Office of Primary Responsibility
- 1: Office of Secondary Responsibility
- 2: Office of Tertiary Responsibility

**THE**  
Executive Level Utilities Privatization  
Process Flow Chart and Exit Strategy

**Participants:**  
APRIL  
APRIL  
APRIL

**Executive Level Utilities Privatization  
Process Flow Chart and Exit Strategy**

**Notes:**

1. This chart is intended to provide a high-level overview of the process and is not intended to be used as a detailed guide.
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# **BULLET BACKGROUND PAPER**

## **ON**

### **REVISED UTILITY PRIVATIZATION TIMELINE**

#### **PURPOSE**

Describe specific changes to the revised Utility Privatization (UP) Timeline

#### **DISCUSSION**

- Revised schedule needed to ensure compliance with OSD milestone requiring all eligible systems to complete the UP competitive process by 30 Sep 05
- Schedule revises 83 weeks to 50 weeks prior to Source Selection Authority (SSA) decision
- Impacts two of the three phases prior to SSA decision
  - RFP preparation and release period reduced from 12 to 9 weeks
    - No changes allowed to the AF-approved RFP or Right of Way (ROW) templates
    - Only document to be created and reviewed by installation is Section J of the RFP
  - Issue RFP period remains at 16 weeks based on OSD policy
  - Evaluation and best-value selection period reduced from 55 weeks to 25 weeks
    - Minimize number (optimal 3 reps from installation and MAJCOM total) of members on technical evaluation team
    - Strict adherence to no more than two rounds of proposal negotiations
    - Mandates sequestering of evaluation teams to prevent distractions and interruptions
- Revised UP master schedule located at [www.afcesa.af.mil](http://www.afcesa.af.mil)

#### **RECOMMENDATION**

None for information only