

General Services Administration

FAST FACTS:

Industry:

Government

Project Notariety:

Marked the largest U.S. Federal Government wind energy contract signed in U.S. history (2014)

Company Mission:

“Deliver value and savings in real estate, acquisition, technology, and other mission-support services across Government.”

Type of Renewable Energy Used:

Wind turbines

Installation Size:

Power Purchase Agreement for 140 MW of a 212 MW wind farm



ABOUT GSA

GSA provides workplaces by constructing, managing, and preserving government buildings and by leasing and managing commercial real estate. GSA's acquisition solutions offer private sector professional services, equipment, supplies, and IT to government organizations and the military. GSA also promotes management best practices and efficient government operations through the development of governmentwide policies.

SEEKING VALUE TO BENEFIT ALL

The United States General Services Administration (GSA) has a long history of providing value and savings for the federal government through its management of government real estate, technology and other services. As part of its ongoing mission to provide benefits and value to all, in 2013, the GSA sought opportunities to utilize their legal right to exercise tribal preference under the Energy Act of 2005. The GSA felt strongly that by working with tribal nations while contracting for renewable energy, all parties would benefit economically and environmentally. The GSA acutely recognized the attainable electric cost savings of acquiring wind energy. Notably, the 2014 Polar Vortex, a winter weather phenomenon, proved that in very cold weather conditions, wind offered additional security and price certainty that other forms of energy could not. During the Polar Vortex, the nation saw extreme LMP pricing and very high wind resource. While gas plants were unable to produce due to the extreme cold, wind projects pumped thousands of megawatt hours into the grid. The GSA recognized an opportunity to acquire wind energy for a fixed priced and issued a competitive Request for Proposals (RFP) to collect bids from wind energy developers. The RFP was issued for renewable energy projects located in the PJM Regional Transmission Organization (RTO), a region in which the GSA has high electric consumption and includes the states of Illinois, Michigan, Indiana, Ohio, Maryland, Pennsylvania, New Jersey, Delaware, Virginia, West Virginia, Kentucky and Washington D.C.

One bidder in the GSA RFP process was MG2 Tribal Energy. MG2 Tribal Energy is a partnership between the Mesa Grande Band of Mission Indians and Geronimo Energy. The partnership seeks to market renewable energy projects to federal government entities and promote clean and renewable energy in the United States. Mesa Grande and Geronimo entered into a partnership to form MG2 Tribal Energy in order to jointly pur-

sue renewable energy opportunities throughout the U.S. The Mesa Grande Band of Mission Indians is a federally-recognized tribe located in northern San Diego County, about 60 miles northeast of the city of San Diego. Archaeologists have confirmed that the people of Mesa Grande have occupied the region for at least 12,000 years. For historical context, this means that the ancestors of today's Mesa Grande citizens lived here 7,000 years before the Pharaohs began ruling ancient Egypt. Today, the Mesa Grande Band is a non-gaming tribe with approximately 800 tribal members. The Band has identified renewable energy development as one of its primary areas of interest. Native culture places a high priority on environmental conservation and respect for the land, so renewable energy development is consistent with the tribe's cultural and spiritual values.

FORMAL BIDDING PROCESS

MG2 Tribal Energy prevailed in the first GSA RFP for a Power Purchase Agreement (PPA) for wind energy. Due to federal regulations, official award of the RFP required eight separate government approvals. Unfortunately, upon reaching the seventh required approval, the GSA was asked to run a second RFP. After several more months, and another round of eight government approvals, MG2 Tribal Energy was officially awarded a wind energy PPA for its Walnut Ridge Wind Farm under a 10 year contract. The Walnut Ridge Wind Farm is a 212 megawatt (MW) wind energy project located in Bureau County, Illinois.

Also part of the RFP process, the GSA awarded two east coast solar projects with PPAs for solar energy.

GERONIMO PREVAILS

A large number bidders proposed PPAs through the GSA RFP. The award required significant due diligence and patience to prevail, as well as a willingness to go above and beyond to contract with a federal government agency. In the end, the GSA succeeded in its original goal to work with a tribal nation while acquiring low-cost, predictable wind energy. The PPA marks the largest U.S. Federal Government wind energy contract signed in U.S. history.

In a 2014 press release, Mark Romero, Chairman for the Mesa Grande, said: "The Mesa Grande Band is excited about our partnership with both Geronimo Energy and the GSA. With very limited opportunities to generate revenue on the reservation due to our remote location, the Mesa Grande Band has sought out multiple economic development strategies, including our partnership with Geronimo. This contract represents an important step forward in the history of the Mesa Grande Band because it is entirely consistent with our historic concern for Mother Earth and the continued availability of clean water, land and air for future generations. Few other economic development opportunities enable us to remain so true to our cultural and spiritual values."

GERONIMO ENERGY

Geronimo Energy is a full-service renewable energy company headquartered in Minneapolis, Minnesota. Geronimo has developed over 1,800 megawatts of wind and solar projects that are either operational or currently under construction throughout the United States. Geronimo also has a multi-gigawatt development pipeline of wind and solar projects in various stages of development throughout the United States. Geronimo provides custom solutions for utilities and corporations looking to harness renewable energy for business growth. With deep roots in agriculture, Geronimo prides itself on developing wind farms that are farmer-friendly, community-driven, and beneficial for rural communities.

