



## Justification and Approval (J&A) for Other Than Full and Open Competition

**Was a J&A approved for the preceding acquisition?** ☐ Yes ☒ No

**Is this a new or amended J&A Document?** ☒ New ☐ Amended (Prior to Award Only!)

**Is this a Bridge Action as defined at [AFFARS 5302.101](#)?** ☐ Yes ☒ No

**Dollar Value of this Acquisition:** ☐ ≤ \$750K ☐ > \$750K and ≤ \$15M ☒ > \$15M and ≤ \$100M ☐ > \$100M

**Contracting Activity:** Air Force Installation Contracting Center (AFICC)

**Purchase Request (if available):** TBD

**Program / Project** (and PE, if applicable): Facility Generator Replacement Standardization

**Program Type** (PEO, Enterprise, of Operational): Operational

**Authority:** 6.302-1 – 10 USC 2304(c)(1), Only One Responsible Source and No Other Supplies or Services Will Satisfy Agency Requirements

**Estimated Contract Cost** (including options): \$ 54,000,000 J&A Type: ☒ [Class](#) ☐ Individual  
**!! Provide estimated cost of all contracts.**

### COORDINATION ( [AFFARS 5306.304\(a\)](#) )

[Sign and Save Procedure](#)

\*\* The text in the signature blocks below is editable, including the title.

\*\* To remove a row, click the "X" next to the signature block. **CAUTION:** Once removed, it can only be restored by downloading the [BLANK FORM](#) again.

Date 22 Sep 2021	Project Lead / Program Mgr / Requiring Activity Major Patrick J. Grandsaert AFCEC/COOM / DSN 523-6931	Signature	X
Date 04 Oct 2021	Contracting Officer Major Anthony S. Percy AFICC 772 ESS/PKD / DSN 523-6482	Signature	X
Date 12 Oct 2021	Local Legal Reviewer Ms. Karen White AFIMSC/JAQ / DSN 523-6575	Signature	X
Date 19 Oct 2021	Chief of the Contracting Office (COCO) Lt Col Michael E. Corrigan 772 ESS/CC / DSN 969-8776	Signature	X
Date 29 Nov 2021	Director, Acquisition Support (AFICC/KP) Robert A. Hixenbaugh/DSN 787-5529	Signature	X
Date 30 Nov 2021	Director, Enterprise Solutions Support (AFICC/KA) Roger H. Westermeyer/DSN 787-5217	Signature	X
Date 30 Nov 2021	Competition Advocate (Alternate) Roger H. Westermeyer/DSN 787-5217	Signature	X



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**APPROVAL** ( [AFFARS 5306.304\(a\)](#) )

Date	PEO / Head of Procuring Activity / Designated Alternate	Signature
17 Dec 2021	Mr. Anthony W. Everidge, SES AFICC/CA / DSN 787-1900	



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### **I. Agency and Contracting Activity.**

Department of the Air Force, Air Force Installation Contracting Center, 772 Enterprise Sourcing Squadron, Bldg 1, Port San Antonio, 3515 S. General McMullen, Ste 200, San Antonio, TX 78226-1865.

### **II. Nature and/or description of the action being approved.**

The United States Air Force (USAF) has a brand name requirement to procure Facility Generators from a limited selection of manufacturers specified by location to support new generator purchases for the remainder of this Fiscal Year (FY) through 30 Sep 2026. This Class J&A will support multiple contracts (new) throughout CONUS and OCONUS locations.

### **III. Description of supplies/services required to meet agency needs (including the estimated value).**

This Class J&A covers all USAF facility generator purchases from the effective date of this Class J&A through 30 Sep 2026. Generator purchases during the next 5 years are expected to number 1181 units (the number of units expected to reach the end of life cycle). The total spend necessary for replacement of these units has been estimated at approximately \$54M. Approval of this Class J&A will reduce the total cost of ownership to the Air Force by eliminating inefficiencies and duplication in cost by reducing the need to train USAF generator technicians on multiple manufacturers' systems, eventually reducing training requirement by an estimated \$50M per 5 year training cycle. Standardization under this class J&A also allows, over time, generator repair to be done in-house as the primary option versus contracting out these services. Approval will also increase mission performance efficiencies by streamlining and specializing Civil Engineering (CE) maintainer's schoolhouse training and more importantly additional training at the maintainer's duty location on base-specific manufactures' generators, increasing expertise of organic technicians thereby reducing downtime of generators for repair and replacement due to increasing expertise of organic technicians. The increased availability of trained technicians also improves the sustainment of the Air Force's equipment, machinery, and communications systems. Approval will also increase process efficiencies by allowing CE pre-planning for building design, will improve life-cycle maintenance and replacement of expensive and critical equipment, and will leverage spending on spare parts inventory.

### **IV. Statutory authority permitting other than full and open competition.**

The Competition in Contracting Act (CICA) at 10 U.S.C. 2304(c)(1), as implemented by FAR 6.302-1(a)(2) and required by FAR 6.303-2(b)(4), states when supplies or services required by the agency are available from a limited number of responsible sources and no other type of supplies or services will satisfy agency requirements, full and open competition need not be provided for.

### **V. Demonstration that the contractor's unique qualifications or the nature of the acquisition requires use of the authority cited above (applicability of authority).**

The Air Force is required to use the "brand name exception" to CICA because the nature of the acquisition as a strategic vehicle for Category Management (CM) requires a pre-planned brand name approach to acquiring facility generators. This brand name acquisition is integral to avoid estimated costs in training expenses and efficiency improvements in mission performance not otherwise available under full and open competition.

The training requirements of Air Force maintenance personnel would be greatly reduced under the standardization of generators described in paragraph II. There are two aspects of training for Air Force maintenance personnel. Similar to other Air Force assets, additional training beyond initial skills training is required to maintain proficiency in the system's maintenance. Initial training for Air Force personnel maintaining generators is conducted at Shepard AFB (the "school house") and includes basic instruction for common maintenance and operations across the inventory of Air Force generators. However, there is no detailed instruction on fault diagnosis and advanced repair because the Air Force inventory of generators has 15 different manufacturers, the unique difference in the manufacturers' processes cannot be trained to ensure trainees master all manufacturers. Therefore Air Force personnel require additional advanced training at the maintainer's duty location on base-specific manufactures' generators. At every Air Force base, there are between 1 and 15 unique manufactures' generators, requiring the local training to stretch across all different types of generators. The Air Force Civil Engineering Center (AFCEC) Force Development Manager for power production reviewed the Career Field Education and Training Plan (CFETP) to capture the costs for minimal training to operate and maintain multiple systems. Of the 290 generator-



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related tasks on the CFETP, 44 tasks would have to be re-learned or accomplished with each new manufacturer bought and installed. Thus, this 15.1% subset of training tasks must be repeated at the duty station for each new manufacturer installed at a base, and can only be provided by each vendor. This level of effort is not practical, and cannot occur while still meeting the basic mission needs. The result is an under-trained workforce burdened to train-as-you go, which ends in failed attempts to maintain and repair critical equipment.

Additional advanced training must also be provided to ensure advanced troubleshooting and repair of specific systems. Advanced training requires the manufacturer to be involved in order to certify that the maintainer can use proprietary systems for fault diagnosis, or have access to proprietary code for digital faults. The cost of this training is high and is specific to each manufacturer. Currently, the Air Force funds this training for only the top manufacturer used at the base, and any repairs required on other complex systems are contracted out.

The advanced training is currently conducted by the manufacturers at their location resulting in Temporary Duty (TDY) costs for all technicians requiring training. Each manufacturer has courses that must all be completed to be fully trained. The majority of installations, 95%, have more than one generator manufacturer represented, with a mean value of 6.13, and a maximum of 15. This represents a significant duplication of training costs and time in having technicians obtain required training from each manufacturer.

Manufacturer-specific training for CFETP requirement for generators has been priced from actual expenses for OEM systems. The total cost for training one technician on one of the three main OEM generators in the Air Force ranges from \$4100 to \$9350 per person, or an average cost of \$8,816 to train one technician. If we take the 666 technicians, assume 33% need training annually due to turn over, apply the average cost to 222 technicians to 6.13 annually, consolidating to a single brand would reduce our training requirements by \$50M over a 5 year period. These TDYs also take 80 duty hours away from the mission, thus, using the same calculation, consolidating to 1 brands would return 91K hours to the mission.

The greatest requirement reduction would result from the Air Force establishing local specialized training, once the installation's standardized generator manufacturer is designated. However, even if the Air Force paid full vendor prices and were trained at the bases instead of sending technicians TDY, any mix of training reform aided by standardization results in millions in cost requirement reductions.

The Category Management process identified the Air Force did not have an established TCO model for real property installed equipment. The CIR team sponsored a master's student at the Air Force Institute of Technology (AFIT) to develop a Total Cost of Ownership (TCO) model template for RPIE systems that includes sustainment costs. A major finding of this thesis is the enterprise lacks data to properly complete a TCO model. Therefore, the model was used for this effort was derived from existing operations and maintenance and contract spending data associated with generators. The TCO model provides USAF acquisition, contracting, and civil engineering professionals a tool with which to project life-cycle costs, negotiate prices, and justify spending decisions. Furthermore, the model provides a proof of concept to the CE enterprise that will allow for the expansion of TCO modeling to other categories of spending.

Implementation of this Class J&A will (1) standardize the USAF on a limited number of facility generator manufacturers which reduces training requirements by an estimated \$50M and training hours by 91K per 5 year training cycle, (2) will ensure training will be more defined, (3) will increase the responsiveness and effectiveness of in-house technicians resulting in fewer and shorter downtimes for facility generators, (4) will lead to a more cost effective delivery of mission capability by ensuring Air Force technicians are fully trained, and (5) reduce the cyber security requirements across the CE enterprise. Therefore, award to any other sources than those specified brand names for specified Air Force bases would result in continued substantial duplication of cost and lowered mission performance to the Government that is not expected to be recovered through competition. Finally, approval will generate demand efficiencies by reducing the equipment and parts inventories for CE and the personnel required to sustain them.

### **VI. Description of efforts made to ensure that offers are solicited from as many potential sources as practicable, including whether a notice was or will be publicized as required by subpart 5.2 and, if not, which exception under FAR 5.202 applies.**

IAW FAR 5.201 a Notice of Proposed Contract Action/Special Notice, 772\_Facility\_Generator\_Manufacturers\_Brand\_Name was posted on SAM.gov (Government Point of Entry "GPE") 01 June 2021; the posting remained open for 15 days.



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A brief description of the requirement was included in the GPE notice. The notice advised that any interested responsible party that believed it was equally or otherwise uniquely capable of meeting the requirements should submit a capability statement. The notice also stated that supporting evidence must be furnished in sufficient detail to not only demonstrate the ability to fulfill the requirement but also demonstrate that competition would be advantageous to the government and would not create a break in service or degradation of performance quality. Two sources expressed interest in the published Special Notice/Synopsis that was posted on the GPE, neither of the sources were Generator manufacturers.

In addition, a survey of small business companies from GSA listings was conducted in March 2021. A minimum of 17 GSA defined small business in different zones across the United States were found to be capable of performing generator removal and install. This list of small business supports the idea of competition among the manufacturers being maintained at the distributor level, where possible small business awards can be made. The cost and efficiency benefits to the Air Force through standardization and interoperability, with sunk costs of existing and highly reliable infrastructure, greatly outweighs the expected benefits of competition of differing OEM brands.

Ultimately, full and open competition is what led the Air Force to the current state of costly training but still less than fully trained technicians, multiple systems per base requiring contracting out advanced repairs, and preventing the efficiencies of less system down-time. The Air Force owns and operates large infrastructure systems, however installing disparate systems has led to a lack of operations and maintenance proficiency. The market research and the subject matter expert analysis captured in the CIR documents that training effectiveness and system knowledge diminish as manufacturer diversity increased. Inversely, costs to train go up to pay for diverse training programs over all the systems. Lack of expertise with complexity across multiple generator systems coming from a multitude of vendors all lead to gaps in training, and inability to operate and maintain systems effectively. Finally, the CE schoolhouse training dollars as well as local base O&M funds for training are not being effectively applied when the result is less than a fully qualified organic maintenance function. The efficiencies gained by standardization on selected brand name systems per base will allow the saved O&M funds to be applied to unmet training needs.

### **VII. Determination by the Contracting Officer that the anticipated cost to the Government will be fair and reasonable.**

Contracting Activities will be required to make an individual determination of price fair and reasonableness IAW FAR 13.106-3(a) (simplified acquisitions) or FAR 15.403-3(c)(1) (commercial acquisitions) prior to award. AFCEC and local bases have a large data base of historical prices based on competitive acquisitions, which should be used for comparisons and the government's estimate. While there would not be competition among manufacturers for a local base buy of the assigned name brand generator under this J&A, there can still be competition between distributors and most decentralized purchases will include installation and minimal training when needed. These costs will be competed, most likely among small business installers.

At this time, the Air Force CE community needs the immediate J&A authority to limit acquisitions to assigned brand name generators because it is estimated that approximately \$54M of the estimated \$178M in generators have either reached their end of life or will reach their end of service life over the next five years. Procuring under this class J&A will replace the anticipated repeated requests from local contracting units for brand name J&As to ensure equipment interoperability which were not consistently processed and approved and often stalled procurements by roughly 12 weeks on average for similar RPIE requirements. Under this class J&A, contracting units will not process separate J&As, creating more agile acquisition cycles, as well as cost avoidance in demand and process.

### **VIII. Description of the market research conducted and the results, or a statement of the reasons market research was not conducted.**

A joint CIR between Air Force Installation and Mission Support (AFIMSC), AFCEC, and AFICC was accomplished in 2018 to gain practical knowledge and experience in how the Air Force manages RPIE. Supporting facts in this Class J&A were drawn from this CIR, additional historical and future generator long-term and in-depth spend and trend analysis was accomplished to verify data currency. Generator specific input was gathered from AFCEC subject-matter experts and market analysis. Additionally, IAW FAR 5.201 a Notice of Proposed Contract Action/Special Notice, 772\_Facility\_Generator\_Manufacturers\_Brand\_Name was posted on SAM.gov (Government Point of Entry "GPE") 01 June 2021; the posting remained open for 15 days. Two sources expressed interest in the published Special Notice/Synopsis that was posted on the GPE, neither of the sources were Generator manufacturers and no other sources expressed interest or concerns.



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### IX. Any other facts supporting the use of Other Than Full and Open Competition.

In order to increase mission performance and innovation in business methods, facility generator standardization supports the National Defense Strategy objective to innovate business decisions for saving taxpayer dollars. In order to implement this acquisition strategy, the Air Force must pre-plan the brand name facility generators per installation.

### X. List of any sources that expressed, in writing, an interest in the acquisition.

This class J&A does not have a specific acquisition attached to this request. Sources that expressed interest in this effort are as follows: Inglett & Stubbs International, LLC and Native Instinct, LLC. The underlying analysis of the need for standardization accounted for as many different manufacturer's brands as would be practical to achieve the maximum amount of cost reductions and efficiencies. An "or equal" manufacturer to those specified by location is an oxymoron in that other brands may be able to generate power equally. However, those "or equals" could not produce the requirement reductions and efficiencies determined by the extensive business analysis found in the CIR because they could not provide the standardized training on proprietary information and designs, and could change the fact that multiple manufacturers would still be procured using the status quo procedures. The efficiencies of maintaining a limited number of generator brands over time could not be achieved.

### XI. A statement of the actions, if any, the agency may take to remove or overcome any barriers to competition before making subsequent acquisitions for the supplies or services required.

The only barriers to competition under this class J&A have been generated by historical purchases. This class J&A action only recognizes that past competitive awards have established the number and mix of generators on each base. The Category Management analysis and action only recognizes these facts and maximizes efficiencies based on what the Air Force has in its current inventory across the enterprise and at local levels. The Air Force will continue to perform data driven analysis over time to look for market changes that may increase competition amongst generator manufacturers. Additionally, as standard industry practice involves manufacturers, selling through vendors, competition will be maintained at the Dealer/ Distributor level. As noted earlier, the Air Force may pursue negotiations for best customer pricing directly with selected brand name manufacturers to pre-price the generators.

### XII. Certification by the Contracting Officer.

As evidenced by my signature above, I have determined this document to be both accurate and complete to the best of my knowledge and belief.

### XIII. Certification by the technical/requirements personnel.

As evidenced by my (our) signature(s) above, I (we) certify that any supporting data contained herein, which is my (our) responsibility, is both accurate and complete.

☒ Remove the Guidance pages below.

☒ Remove the IACR pages below.