

## Appendix F

### SMALL BUSINESS (LOWER-TIER) SUBCONTRACTING PLAN

Because it is anticipated that the total amount of the proposed subcontract will exceed \$650,000 (\$1,500,000 for construction) and the subcontract has lower-tier subcontracting possibilities, the requirements for a Small Business (Lower-Tier) Subcontracting Plan will apply to any resultant subcontract, unless the successful offeror is itself a small business concern. For an award to be made to the successful offeror(s), if other than a small business concern, the offeror will be required to submit a proposed (lower-tier) subcontracting plan for review and approval by NREL. The requirements for such a plan are discussed below, and the required small business (lower-tier) subcontracting plan format is attached. An offer, other than a small business concern, by submittal of its proposal under this solicitation document agrees to submit and negotiate an acceptable small business (lower-tier) subcontracting plan for incorporation into the subcontract, and to comply with the performance goals and submit all required reports during the subcontract's performance.

A. The offeror is hereby notified that -

1. For purposes of this document, the term "small business" means small business, small disadvantaged business, women-owned small business, veteran-owned small business, service-disabled veteran-owned small business, and HUBZone small business concerns.
2. NREL will not award a subcontract unless and until an acceptable small business (lower-tier) subcontracting plan is submitted and negotiated with NREL. An acceptable plan will be incorporated into the subcontract as a material part thereof.
3. An acceptable plan, as determined solely by NREL, shall provide the maximum practicable opportunity for small business concerns to participate in the performance of the subcontract.
4. If a (lower-tier) subcontracting plan acceptable to NREL is not negotiated within the time limits prescribed, the offeror shall be ineligible for an award. NREL shall notify the offeror in writing the reasons for determining a small business (lower-tier) subcontracting plan to be unacceptable. Such notice shall be given early enough in the negotiation process to allow the offeror to modify the plan within the time limits prescribed.
5. Prior compliance of the offeror with other such small business subcontracting plans under previous Government contracts or subcontracts will be considered by NREL in determining the responsibility of the offeror to submit a (lower-tier) subcontracting plan for award of the subcontract.
6. It is the offeror's responsibility to develop a satisfactory (lower-tier) subcontracting plan with respect to small business concerns. The offeror is further notified that a goal of zero percent (0%) is not recommended for small business concerns and should contact their NREL Subcontract Administrator for questions.
7. Small business (lower-tier) subcontracting plans are not required of small business subcontractors.
8. The requirement for a Small Business (Lower-Tier) Subcontracting Plan applies to an offeror's first-tier subcontracts with other than a small business concern that are proposed in a total amount of \$650,000 or more (\$1,500,000 or more for construction projects). The offeror shall require its first-tier subcontracts, if any meeting these same requirements, to agree to submit and negotiate an acceptable small business subcontracting plan that will be approved by NREL.
9. The failure of any subcontractor or lower-tier subcontractor to comply in good faith with (1) the subcontract clause entitled "Utilization of Small Business Concerns," or (2) an approved Small Business (Lower-Tier) Subcontracting Plan, will be a material breach of such subcontract or lower-tier subcontract.
10. Nothing contained herein supersedes the requirements of Defense Manpower Policy 4A or any successor policy.
11. The offeror shall include in its business and cost proposal, its acceptance of this requirement, and the acceptance of any applicable first-tier subcontractors, and the individual anticipated goals described any proposal preparation instructions included in this solicitation document.

B. The Small Business (Lower-Tier) Subcontracting Plan will include, as a minimum -

1. Separate percentage goals for using small business small disadvantaged business women-

Form Date: 1/15/2013

Blank Page

**APPENDIX F**  
**SMALL BUSINESS**  
**(LOWER-TIER) SUBCONTRACTING PLAN**

**SUBCONTRACTOR:**

**ADDRESS:**

**SUBCONTRACT PERIOD OF PERFORMANCE:**

**SOLICITATION OR SUBCONTRACT NUMBER:**

**SUBCONTRACT VALUE:**

(include Option year amounts, if applicable)

**TYPE OF PLAN** (*please check one*)

**Individual  
Subcontract Plan:**

Individual Subcontracting Plan, as used in this subpart, means a Subcontracting Plan that covers the entire subcontract period (including option periods), applies to a specific subcontract, and has goals that are based on the offeror's planned lower-tier subcontracting in support of the specific subcontract, except that indirect costs incurred for common or joint purposes may be allocated on a prorated basis to the subcontract.

**Master Plan:**

Master Plan, as used in this subpart, means a lower-tier subcontracting plan that contains all of the required elements of the individual plans, except goals, and may be incorporated into individual subcontracting plans, provided the Master Plan has been approved.

**Commercial  
Products Plan:**

Commercial Plan, as used in this subpart, means a lower-tier subcontracting plan that covers the offeror's fiscal year and that applies to the entire production of commercial items sold by either the entire company or a portion thereof (e.g., division, plant, or product line). The Subcontractor must provide a copy of the approved plan. **NOTE: A Commercial Plan is the preferred type of lower-tier subcontracting plan for Subcontractors furnishing commercial items.**

**ITEM/SERVICE:**

The following, together with any attachments, is hereby submitted as a Subcontracting Plan (Lower-Tier) to satisfy the applicable requirements of Public Law 95-507 and the Federal Acquisition Regulations (FAR), Part 19.

1. The following percentage goals (expressed in terms of a percentage of total planned lower-tier subcontracting dollars) are applicable to the subcontract cited above or to the subcontract awarded under the solicitation cited.

- a. The total estimated dollar value of all planned lower-tier subcontracting (to all types of

business concerns) under this subcontract is \$   %

(i) **Large Business Concerns:** The total planned dollar value and percentage under this subcontract that will go to lower-tier subcontractors who are large business (all business concerns classified as "other than small"):

\$  and  %

Describe the service/products that will be provided; or, describe rationale for "\$0.00" and/or "0.0%" submittals:

(ii) **Small Business Concerns:** The total planned dollar value and percentage under this subcontract that will go to lower-tier subcontractors who are a small business [include small business (SB); veteran-owned small business (VOSB); service-disabled veteran-owned small business (SDVOSB); HUBZone small business (HUBSB); small disadvantaged business (SDB); and woman-owned small business (WOSB) concerns]:

\$  and  %

Describe the service/products that will be provided; or, describe rationale for "\$0.00" and/or "0.0%" submittals:

(iii) **Small Disadvantaged Business Concerns:** The total planned lower-tier subcontracting dollar value and percentage under this subcontract that will go to lower-tier subcontractors who are a small disadvantaged business:

\$  and  %

Describe the service/products that will be provided; or, describe rationale for "\$0.00" and/or "0.0%" submittals:

(iv) **Women-Owned Small Business Concerns:** The total planned lower-tier subcontracting dollar value and percentage under this subcontract that will go to lower-tier subcontractors who are women-owned small business:

\$  and  %

Describe the service/products that will be provided; or, describe rationale for "\$0.00" and/or "0.0%" submittals:

(v) **Veteran-Owned Small Business Concerns:** The total planned lower-tier subcontracting dollar value and percentage under this subcontract that will go to lower-tier subcontractors who are a veteran-owned small business:

\$  and  %

Describe the service/products that will be provided; or, describe rationale for "\$0.00" and/or "0.0%" submittals:

(vi) Service-disabled Veteran-Owned Small Business Concerns: The total planned lower-tier subcontracting dollar value and percentage under this subcontract that will go to lower-tier subcontractors who are a service-disabled veteran-owned small business:

\$  and  %

Describe the service/products that will be provided; or, describe rationale for "\$0.00" and/or "0.0%" submittals:

(vii) HUBZone Small Business Concerns: The total planned lower-tier subcontracting dollar value and percentage under this subcontract that will go to lower-tier subcontractors who are a HUBZone small business:

\$  and  %

Describe the service/products that will be provided; or, describe rationale for "\$0.00" and/or "0.0%" submittals:

2. **The following method was used to develop lower-tier subcontract goals (i.e., statement explaining how the supplies and services areas to be subcontracted were established, how the areas to be subcontracted to small business concerns were determined, and how small business concerns' capabilities were determined.**

3. ~~The following method was used to identify potential sources for solicitation purposes.~~

4a. Indirect costs  have been  have not been used to establish subcontracting goals.

4b. If indirect costs were used to establish goals, the following method was used to determine the proportionate share of indirect costs to be incurred with small business, small disadvantaged business, women-owned small business, veteran-owned small business, service-disabled veteran-owned small business, and HUBZone small business concerns.

5a. The following individual will administer the lower-tier subcontracting program:

Name:

E-Mail:

Title:

Address:

Telephone:

5b. This individual's specific duties as they relate to the company's lower-tier small business subcontracting program are as follows.

6. General overall responsibility for this company's small business program, the development, preparation and execution of individual's lower-tier subcontracting plans for monitoring performance relative to contractual lower-tier subcontracting requirements contained in this plan, including but not limited to:
- a. Developing and maintaining bidders' lists of small and small disadvantaged business concerns from all possible sources.
  - b. Ensuring that procurement packages are structured to permit small and small disadvantaged business concerns to participate to the maximum extent possible, within applicable laws and regulations.
  - c. Assuring inclusion of small and small disadvantaged business concerns in all solicitations for products or services, which they are capable of providing.
  - d. Reviewing solicitations to remove statements, clauses, etc., which may tend to restrict or prohibit small business concerns participation, where possible.
  - e. Ensuring that the bid proposal review board documents its reasons for not selecting low bids submitted by small business concerns.
  - f. Ensure the establishment and maintenance of records of solicitations and lower-tier subcontract award activity.
  - g. Attending or arranging for attendance of company representatives at Business Opportunity Workshops, Minority Business Enterprise Seminars, Trade Fairs, etc.
  - h. Conducting or arranging for conduct of motivational training for purchasing personnel pursuant to the intent of Public Law 95-507.
  - i. Monitoring attainment of proposed goals.
  - j. Preparing and submitting periodic lower-tier subcontracting reports when required.
  - k. Additions to (or deletions from) the duties specified above are as follows:

--

The following sections (#7 through #9) are guidance that will assist with your lower-tier subcontract plan implementation and requirements.

7. The following efforts will be taken to assure that small business, small disadvantaged business, women-owned small business, veteran-owned small business, service-disabled small business, and HUBZone small business concerns will have an equitable opportunity to compete for lower-tier subcontracts:

a. Outreach efforts will be made as follows:

- (i) Contacts with small business trade associations (identify specific small business trade associations).
- (ii) Contacts with business development organizations (identify specific business development organizations).
- (iii) Attendance at small business procurement conferences and trade fairs (to the extent known, identify specific procurement conferences and trade fairs and dates).
- (iv) Potential sources will be requested from SBA's online Pro-Net System.

b. The following internal efforts will be made to guide and encourage buyers:

- (i) Workshops, seminars and training programs will be conducted.
- (ii) Activities will be monitored to evaluate compliance with this subcontracting plan.

c. Small business concern source lists, guides and other data identifying small business concerns will be maintained and utilized by buyers in soliciting lower-tier subcontracts.

8. The offeror (subcontractor) agrees that the clause from Appendix B derived from FAR 52.219-8, "Utilization of Small Business Concerns" will be included in all lower-tier subcontracts that offer further lower-tier subcontracting opportunities. All lower-tier subcontractors (except small business concerns) who receive lower-tier subcontracts in excess of \$650,000 (\$1,500,000 for construction) will be required to adopt and comply with a subcontracting plan similar to this one. Such plans will be reviewed by comparing them with the provisions of Public Law 95-507, and assuring that all minimum requirements of an acceptable subcontracting plan have been satisfied. The acceptability of percentage goals shall be determined on a case-by-case basis depending on the supplies/services involved, the availability of potential small lower-tier subcontractors, and prior experience. Once approved and implemented, plans will be monitored through the submission of periodic reports, and as time and availability of funds permit, periodic visits to lower-tier subcontractor's facilities to review applicable records and subcontracting program progress.

9. The offeror (subcontractor) agrees to:

- a. Cooperate in any studies or surveys as may be required by NREL, the Department of Energy, or the Small Business Administration;
- b. Submit periodic reports so that NREL can determine the extent of compliance with the small business subcontracting plan and with the clause entitled "Utilization of Small Business Concerns" contained in Appendix B of the subcontract;
- c. Electronically submit through the Electronic Subcontracting Reporting System (eSRS) the *Report for Individual Contracts* and the *Summary Subcontract Report*;
- d. Ensure that its lower-tier subcontracts agree to electronically submit through the Electronic Subcontracting Reporting System (eSRS) the *Report for Individual Contracts* and the *Summary Subcontract Report*.

10. The offeror (subcontractor) agrees that the types of records described below will be maintained concerning procedures adopted to comply with the requirements and goals in the small business subcontracting plan;

- a. Small business, small disadvantaged business, women-owned small business, veteran owned small business, service-disabled veteran-owned small business and HUBZone small business concern source lists, guides, and other means of identifying small businesses.
- b. Organizations contacted to identify sources of small business, small disadvantaged business, and women-owned small business, veteran-owned small business, service-disabled veteran-owned small business and HUBZone small business concerns.
- c. For each lower-tier subcontract solicitations over \$150,000, records indicating:

(i) Whether small business concerns were solicited, and if not, why not;

(ii) Whether small disadvantaged business concerns were solicited, and if not, why not;

(iii) Whether women-owned small business concerns were solicited, and if not, why not;

(iv) Whether veteran-owned small business concerns were solicited, and if not, why not;



g. Records to be maintained in addition to the above are as follows:

--

11. This Small Business (Lower-Tier) Subcontracting Plan is submitted by:

Subcontractor	
DUNS Number	
Signature	_____
Name	
E-Mail	
Title	
Date	
Telephone	

12. Acceptance by NREL of Small Business (Lower-Tier) Subcontracting Plan:

National Renewable Energy Laboratory	
Signature	_____
Name	
E-Mail	
Title	
Date	
Telephone	

Please fax signed and dated plan to your NREL Subcontract Administrator for further processing. Should you have any questions, please contact your NREL Subcontract Administrator.