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Award

Transparency Notice - CPG/12792/2025 - Provision of Natural Gas for the British Embassy in Washington

Foreign, Commonwealth and Development Office

UK5: Transparency notice - Procurement Act 2023 - view information about notice types

Notice identifier: 2025/S 000-046706

Procurement identifier (OCID): ocds-h6vhtk-0582e5

Published 6 August 2025, 9:03pm

Scope

Description

The British Embassy in Washington DC wishes to renew its current contract for Natural Gas (Firm & Interruptible) and utilities for the British Embassy Compound and residential properties in the DC metro area. This new contract will be effective for a period of four (4) years starting from September 01 2025 until August 31 2029. Rates are subject to change from month to month (±5-15%), they will be locked subsequent to contract signature.

Contract 1. CPG/12792/2025 - Provision of Natural Gas for the British Embassy in Washington

Supplier

• WGL Energy Services CONTACT INFORMATION

Contract value

- £358,588.82 excluding VAT
- £358,588.82 including VAT

Above the relevant threshold

Earliest date the contract will be signed

11 August 2025

Contract dates (estimated)

- 1 September 2025 to 31 August 2029
- 4 years

Main procurement category

Services

CPV classifications

• 79993000 - Building and facilities management services

Participation

Particular suitability

Small and medium-sized enterprises (SME)

Other information

Conflicts assessment prepared/revised

Yes

Procedure

Procedure type

Direct award

Direct award justification

Single supplier - technical reasons

Provide the justification to support the selection above:

Consider including:

• How the proposed supplier has been identified as being the only possible supplier to meet the department's requirements?

 What market research has been carried out to identify other potential suppliers and what was the result?

The Washington DC area is serviced by only one distributor of natural gas, a company called Washington Gas. The market requires the use of a broker who is able to negotiate rates that we would otherwise not be privy to. They control and monitor our usage advising the Embassy when to switch to alternative energy to maximize savings and avoid fines charged by the government.

In order to ensure this Direct Award is in compliance with FCDO's policy and offers VfM, the Regional Procurement Hub (RPH) carried out a research in 2019 to understand how the market works and compare rates and options available. The RPH approached a list of a gas companies, the findings showed some suppliers were only brokers and others were actual gas companies but did not serve our area. As part of the reassessment process, the market was reviewed again in 2022 and 2025, and no substantial changes were identified. Therefore, the continued use of the current supplier remains the most viable and cost-effective option.

In this business, the services of a broker is essential as they provide services such as: weekly energy updates including new legislation or change in law with impact cost analysis, review invoices and billing resolutions, hedge strategies that minimize risk during periods of weak market fundamentals or major event disruption, observes the market to find peaks and lows on rates and recommends contract renewal according to predictions. The services of the broker are provided at no cost to the Embassy. Beyond the services previously described, the Embassy's choice to partner with Open Market Energy is largely driven by the broker's designation as a Certified Energy Procurement Professional. This qualification sets OME apart from standard brokers by confirming its proven expertise in navigating energy markets, adhering to regulatory standards, and executing strategic procurement. Given the sector's volatility and regulatory complexity, collaborating with a certified expert offers confidence that procurement decisions are well-informed, justifiable, and aligned with industry best practices.

The Recommendation of Award (RoA) received formal support in 2022 from Graeme Kemp, Procurement Head of Hub, and Laura Jones, Head of Procurement Delivery. This endorsement represented the official approval at that time. This was then approved by CAB on 1st September 2022, with CABs comments being "Happy for this to be handled through hub/post until there is competition in the market to carry out a re-tender exercise."

The market was reassessed in 2025, confirming that conditions remain unchanged since the initial research conducted by the Regional Procurement Hub (RPH) in 2019. No new suppliers or competitive alternatives have emerged in the Washington, D.C. area. As such, the current arrangement remains valid and necessary, providing the best value for money within the existing market structure.

Supplier

WGL Energy Services CONTACT INFORMATION

Public Procurement Organisation Number: PWGW-4962-JZBQ

: 8614 Westwood Center Drive Suite 1200 Vienna VA

Washington

22182

United States

Email: pio@openmarketenergy.net

Small or medium-sized enterprise (SME): Yes

Voluntary, community or social enterprise (VCSE): No

Contract 1. CPG/12792/2025 - Provision of Natural Gas for the British Embassy in Washington

Contracting authority

Foreign, Commonwealth and Development Office

Public Procurement Organisation Number: PXRR-8771-PHVX

King Charles Street

London

SW1A 2AH

United Kingdom

Email: <u>AME.Procurement2@fcdo.gov.uk</u>

Website:

https://www.gov.uk/government/organisations/foreign-commonwealth-development-office

Region: UKI32 - Westminster

Organisation type: Public authority - central government