

March 31, 2015

Timothy J. Horan Contracting Officer General Services Administration 1800 F Street NW Washington, DC 20405

Subject: Comments on the Draft RFP for the NS2020 Enterprise Infrastructure Solutions (EIS) Acquisition

Dear Mr. Horan:

The Coalition for Government Procurement ("The Coalition") is a non-profit association of firms selling commercial services and products to the Federal Government. Our members collectively account for approximately 70% of the sales generated through the GSA Multiple Award Schedules (MAS) program and about half of the commercial item solutions purchased annually by the Federal Government. Coalition members include small, medium and large information technology (IT) firms participating in the GSA Schedules program and the family of IT GWAC programs across government. The Coalition is proud to have worked with Government officials for over 35 years towards the mutual goal of common sense acquisition.

The Coalition appreciates the opportunity to provide comments on the Draft RFP for the NS2020's Enterprise Infrastructure Solutions (EIS) Acquisition. The Coalition looks forward to working with GSA to develop IT contract solutions that increase competition and access to commercial innovation while reducing costly contract duplication across the Federal enterprise. In this regard, the unintended consequences of the current EIS contract structure will have a significant negative impact on competition and innovation in the federal IT market place. Moreover, the current EIS contract structure will increase, rather than decrease, contract duplication within the family of GSA IT contracts and across the entire federal government.

Background

In April 2014, GSA's Integrated Technology Service (ITS) issued its NS2020 white paper, the *Network Services 2020 Strategy, NS2020: Defining the future of Federal Telecommunications.* The white paper set forth the future vision for GSA's provision of government-wide telecommunications including the proposed EIS telecommunications

contract. The white paper indicated that EIS would include a "broadly defined" scope of work enabling agencies to include ancillary or bundled information technology services in task orders that would otherwise fall into other IT program areas. GSA also issued an RFI that provided the public with an opportunity to comment on the acquisition strategy outlined for NS2020 and EIS. In May 2014 The Coalition provided its comments on behalf of its members. Our primary concern was that the acquisition bundled services in such a manner as to prevent cloud service providers, call center providers and a host of equipment suppliers from competing in the government's requirements. See attachment 1. On February 28, 2015, GSA issued the draft EIS RFP for public comment with a due date of March 31, 1015. The draft solicitation does not address the comments and does not explain the government's decision to bundle services in a way that excludes major industry sectors from competition.

The attached pricing chart found at Paragraph B.1.2.1.1, Pricing Identification Structure, of the draft RFP sets forth the services to be provided under EIS. See attachment 2. The chart lists five mandatory telecommunications services and 25 optional services along with optional "service related equipment" and optional cable and wiring. Among the optional service areas are cloud services, data center services, COMSATCOM and wireless. In order to be eligible for award, an offeror must propose and meet the five mandatory service area requirements. The draft RFP contemplates a global geographic scope of performance, a potential ten year contract term and technical refresh capability to incorporate new technologies/services through the life of the contract.

I. The EIS draft RFP unduly restricts competition.

The Competition in Contracting Act (CICA) requires that solicitations permit full and open competition and contain restrictive provisions and conditions only to the extent necessary to satisfy the needs of the agency. Bundled or consolidated procurements combine separate, multiple requirements into one contract potentially restricting competition by excluding firms that can furnish only a portion of the requirement. As such, the government must show a reasonable basis as to why bundling is necessary to meet the agency's needs.

The bundling of the mandatory telecommunications service areas with the optional service areas, excludes commercial cloud and data center providers from the procurement. The significant telecommunication infrastructure costs and requirements associated with the global mandatory telecommunications requirements, creates a barrier to entry and competition for the optional services included in the RFP. As a result, the entire cloud services and data center contractor community, other than the 3-5 firms capable of meeting the telecommunications requirements, will be shut out of the EIS government-wide 15 year contract program. Given the draft RFP's technical refresh

capability for adding new technologies and services to the contract, the draft RFP perpetuates an ongoing anti-competitive framework that limits future competition and access to new technologies/services to the limited number of companies receiving an award for the EIS mandatory telecommunication services.

Throughout the Myth-Busters dialogue on this procurement, GSA has maintained that bundling of the mandatory and optional services is an effort to be "flexible" by providing its customer agencies with an administratively convenient mechanism to purchase consolidated telecommunication and IT infrastructure requirements. Administrative convenience, when weighed against full and open competition, is not a reasonable basis for bundling or consolidating requirements. GSA should focus on solutions that increase administrative convenience without compromising the competitiveness of the acquisition.

II. The EIS draft RFP duplicates services available on pre-existing IT contract vehicles.

As the Coalition has noted on several occasions, the scope of services envisioned under EIS duplicates pre-existing contracts across GSA and government-wide. As currently structured, the draft RFP includes optional services that are already available on IT Schedule 70, Alliant, and Alliant SB. With regard to cloud services in particular, there are a host of Blanket Purchase Agreements (BPAs) and agency specific contracts. Moreover, EIS includes optional services that are available under NIH's family of IT GWAC contracts as well as NASA SEWP. Continued contract duplication increases the complexity and costs of the acquisition process for both government and industry. The costs are ultimately passed on to the customer in the form of higher prices.

Conclusion and Recommendations

There are alternatives that allow for robust competition across the telecommunications and IT service areas while maintaining the flexibility to meet customer agency needs. We recommend that GSA consider the following:

- Restructure EIS to eliminate the mandatory nature of the telecommunications services thereby allowing non-telecom companies to compete in the optional areas. This approach would increase competition while still allowing customer agencies to bundle or consolidate telecommunications and IT at the task order competition level.
- Rename the optional services as "functional areas." This would reflect distinct "categories and subcategories of services," and allow any qualified bidders to

compete for work that is predominantly within the optional services categories or subcategories and subcontract the rest. This structure would better enable GSA to manage categories of work.

- Include the telecommunication services on IT Schedule 70 and/or the follow-on Alliant 2 contract. By no longer requiring these services as mandatory, this approach would again maximize competition across all service areas while retaining the ability of customer agencies to consolidate requirements at the order level, as appropriate. An additional benefit would be a reduction in contract duplication. GSA is already moving to a set of cloud line items on IT Schedule 70.
- Delete the optional services from EIS and look to pre-existing vehicles and the Common Acquisition Platform (CAP) Hallways to facilitate meeting customer agency requirements. This approach will also reduce duplication and overlap among contract vehicles.

Finally, NS2020 represents the fourth generation procurements for telecommunications services managed by GSA: (1) FTS 2000; (2) FTS2001; (3) Networx; and now (4) EIS NS2020. In each generation it appears that the transition costs and timing has become more and more challenging. It is time to consider a GSA Schedules telecommunications solution. The GSA Schedules provide flexibility to offer a suite of services while not limiting competition across the market. Continuous open seasons would ensure access to the commercial telecommunication market on an ongoing basis meaning greater access to new services, products and technologies. The 20 year contract period would provide greater stability and ease concerns regarding the timing for task order competitions and transitions. Most importantly, GSA, as the statutory manager of the GSA Schedules program, has the discretion to structure a telecommunications Schedule that maximizes competition from the commercial market.

The Coalition appreciates the opportunity to provide our recommendations on the NS2020 draft RFP. If there are any questions, please contact me at (202) 331-0975 or rwaldron@thecgp.org.

Sincerely,

Roger Waldron President



May 8, 2014

Mr. Timothy Horan Contracting Officer General Services Administration 1800 F Street NW Washington, DC 20405-0001

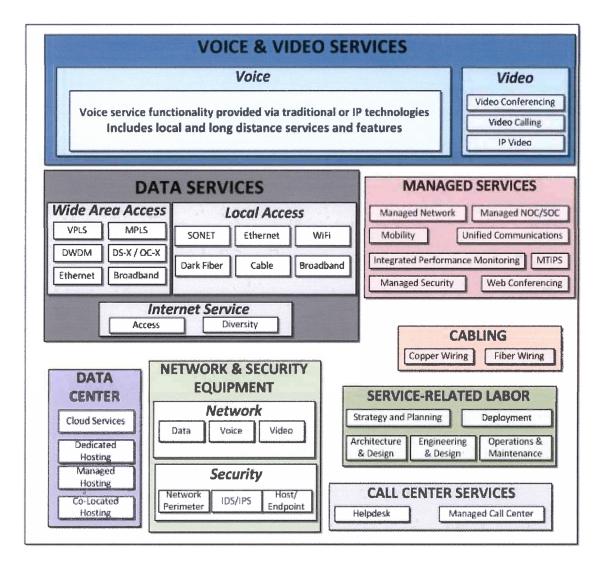
RE: Enterprise Infrastructure Solutions (EIS), Request for Information #QTA00NS14THI3001

Mr. Horan:

The Coalition for Government Procurement (The Coalition) is pleased to respond to Enterprise Infrastructure Solutions' (EIS) Request for Information. The RFI seeks input/feedback on the Network Services 2020 (NS2020) Strategy to meet future Federal information technology and telecommunications needs.

The Coalition is a non-profit association of firms selling commercial services and products to the Federal Government. Our members collectively account for approximately 70% of the sales generated through the GSA Multiple Award Schedules (MAS) program and about half of the commercial item solutions purchased annually by the Federal Government. Coalition members include small, medium and large business concerns. The Coalition is proud to have worked with Government officials over the past 30 years towards the mutual goal of common sense acquisition.

The contract structure envisioned by the NS2020 acquisition strategy will have major implications for competition in the federal market. Moreover, the NS2020 strategy creates significant questions regarding duplication among GSA's government-wide contract portfolio. The concerns regarding the NS2020 proposed acquisition strategy center on the scope of services contemplated by the RFI and designation of mandatory services and optional services. The following chart from the RFI (Page 5, Figure 2: EIS Services) sets forth the categories and scope of proposed NS2020 services:



The RFI states that "[f]or services, the minimum mandatory requirement will be for voice and data services as identified in Figure 2." See page 6 of the RFI. The RFI provides that in order to be eligible for award under NS2020 an offeror must propose compliant video and data services as identified in Figure 2. The remaining products/services identified in Figure 2 are optional: (1) Data Center; (2) Network & Security Equipment; (3) Cabling; (4) Managed Services; (5) Service-Related Labor; and Call Center Services. As optional items under NS2020, an offeror may or may not include them in their proposal. However, in order to be eligible to provide optional products/services, an offeror must propose the minimum mandatory voice and data services.

The minimum/mandatory structure, combined with the optional products/services will unduly restrict competition. The practical impact will be to restrict the ability of cloud service providers, call center providers and a host of equipment suppliers from competing directly for requirements under NS2020. In essence, the acquisition strategy bundles requirements in a manner that will limit

competition to a small subset of the information technology and telecommunications market. For example, there are a host of cloud service providers working through GSA's FedRAMP program that are able to compete for and provide cloud services across the federal government. Will NS2020 shut these firms out of the market? How will the bundling impact small business? In order to maximize competition for NS2020, we recommend that GSA establish a separate EIS solicitation for voice and data, rather than making it a mandatory minimum requirement.

Moreover, NS2020's proposed scope and structure duplicate major portions of pre-existing GSA government wide contract vehicles, including Alliant and the GSA Schedules. NS2020's approach is also inconsistent with the contract structure used in the OASIS procurement which maximized competition across the services marketplace. The OASIS structure left it to the offerors to decide which "pools" or functional areas to propose—there was no minimum mandatory set of services.

NS2020 is the fourth generation procurement for telecommunications services managed by GSA: (1) FTS 2000; (2) FTS2001; (3) Networx; and now (4) NS2020. In each generation it appears that the transition costs and timing has become more and more challenging. Perhaps it is time to consider a GSA Schedules telecommunications solution. The GSA Schedules provide flexibility to offer a suite of services while not limiting competition across the market. Continuous open seasons would ensure access to the commercial telecommunication market on an ongoing basis meaning greater access to new services, products and technologies. The 20 year contract period would provide greater stability and ease concerns regarding the timing for task order competitions and transitions. Most importantly, GSA, as the statutory manager of the GSA Schedules program, has the discretion to structure a telecommunications Schedule that maximizes competition from the commercial market.

The Coalition thanks you for allowing us to submit comments in response to this RFI and we look forward to a positive dialogue with ITS on this issue.

Sincerely,

Roger Waldron

President

Attachment 2

B.1.2.1.1 Pricing Identification Structure

Service Area	Service	Mandatory / Optional (M/O)	Service ID	Service CLIN Prefix	Section C Reference	Section B Reference	CBSA Based Service*
Data Service	Virtual Private Network Service	M	VPNS	VN	C.2.1.1	Error! Reference source not found.	Yes (One- sided)
	Ethernet Service	M	EthS	EN	C.2.1.2	Error! Reference source not found.	Yes (One- sided)
	Optical Wavelength Service	0	ows	OW	C.2.1.3	Error! Reference source not found.	Yes (Two- sided)
	Private Line Service	0	PLS	PL	C.2.1.4	Error! Reference source not found.	Yes (Two- sided)
	Synchronized Optical Network Service	0	SONETS	so	C.2.1.5	Error! Reference source not found.	Yes (Two- sided)
	Dark Fiber Service	0	DFS	DK	C.2.1.6	Error! Reference source not found.	Yes (Two- sided)
	Internet Protocol Service	0	IPS	ΙP	C.2.1.7	Error! Reference source not found.	Yes (Two- sided)
Voice Service	Voice**	M	VS	VS	C.2.2.1	Error! Reference source not found.	Yes (One- sided)
	Internet Protocol Telephony**	М	IPTel		C.2.2.4	Error! Reference source not found.	Yes (One- sided)
	Circuit Switched Data Service	0	CSDS	cs	C.2.2.2	Error! Reference source not found.	Yes (One- sided)
	Toll Free Service	0	TFS	TF	C.2.2.3	Error! Reference source not found.	Yes (One- sided)

Attachment 2

Service Area	Service	Mandatory / Optional (M/O)	Service ID	Service CLIN Prefix	Section C Reference	Section B Reference	CBSA Based Service*
Contact Center	Contact Center Service	0	ccs	CC	C.2.3	Error! Reference source not found.	No
Data Center	Data Center Service	0	DCS	DC	C.2.4	Error! Reference source not found.	No
	Colocated Hosting Service	0	CHS	СН	C.2.4	B.2.4	No
Cloud	Infrastructure as a Service	0	laaS	IS	C.2.5.1	Error! Reference source not found.	No
	Platform as a Service	0	PaaS	PS	C.2.5.2	Error! Reference source not found.	No
	Software as a Service	0	SaaS	SS	C.2.5.3	Error! Reference source not found.	No
	Content Delivery Network Service	0	CDNS	CD	C.2.5.4	Error! Reference source not found.	No
Wireless	Wireless Service	0	MWS	WL	C.2.6	Error! Reference source not found.	No
Commercial Satellite Communicatio ns Service	Commercial Mobile Satellite Service	0	CMSS	SA	C.2.7	Error! Reference source not found.	No
	Commercial Fixed Satellite Service	0	CFSS		C.2.7	Error! Reference source not found.	No
Managed Service	Managed Network Service	М	MNS	MN	C.2.8	Error! Reference source not found.	Yes (One- sided)
	Web Conferencing Service	0	WCS	WC	C.2.8.3	Error! Reference source not found.	No
	Unified Communications Service	0	UCS	UC	C.2.8.4	Error! Reference source not found.	No

Attachment 2

Service Area	Service	Mandatory / Optional (M/O)	Service ID	Service CLIN Prefix	Section C Reference	Section B Reference	CBSA Based Service*
	Managed Trusted Internet Protocol Service	0	MTIPS	MT	C.2.8.6	Error! Reference source not found.	Yes (One- sided)
	Managed Security Service	0	MSS	MS	C.2.8.7	Error! Reference source not found.	Yes (One- sided)
	Managed Mobility Service	0	MMS	ММ	C.2.8.8	Error! Reference source not found.	No
	Audio Conferencing Service	0	ACS	AC	C.2.8.9	Error! Reference source not found.	No
	Video Teleconferencing Service	0	VTS	VC	C.2.8.10	Error! Reference source not found.	No
Service Related Equipment	Service Related Equipment	0	SRE	EQ	C.2.9	Error! Reference source not found.	Yes (One- sided)
Service Related Labor	Labor	0	LABOR	LA	C.2.10	Error! Reference source not found.	Yes (One- sided)
Cable and Wiring	Cable and Wiring	0	CW	CW	C.2.11	Error! Reference source not found.	Yes (One- sided)
Access Arrangements	Access Arrangements***	M	AA	AA	C.2.12	Error! Reference source not found.	Yes (One- sided)
National Security and Emergency Preparedness	National Security and Emergency Preparedness	0	NS/EP	NS	C.1.8.8 / G.11	Error! Reference source not found.	No

^{*} Services identified with a Yes (One-sided) may only be provisioned in awarded CBSAs; services identified with "Yes" (Two-sided) may only be provisioned between two awarded CBSAs. Services identified with "No" may be provisioned where priced (e.g., CONUS, OCONUS, non-domestic).

^{**} The contractor shall propose prices for at least one of the two Voice services.

^{***}Access arrangements are required where the contractor proposes service. Section J.2.3 provides the geographic requirements for access.