

Engine and Generator Overhauls at Plant No. 1 and 2

Project No. J-135B

Presented by:
 Rob Thompson
 Assistant General
 Manager

Operations
 Committee

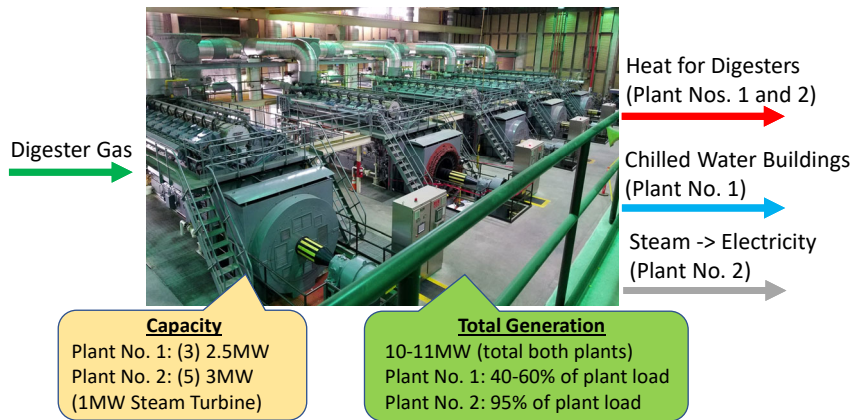
July 6, 2022



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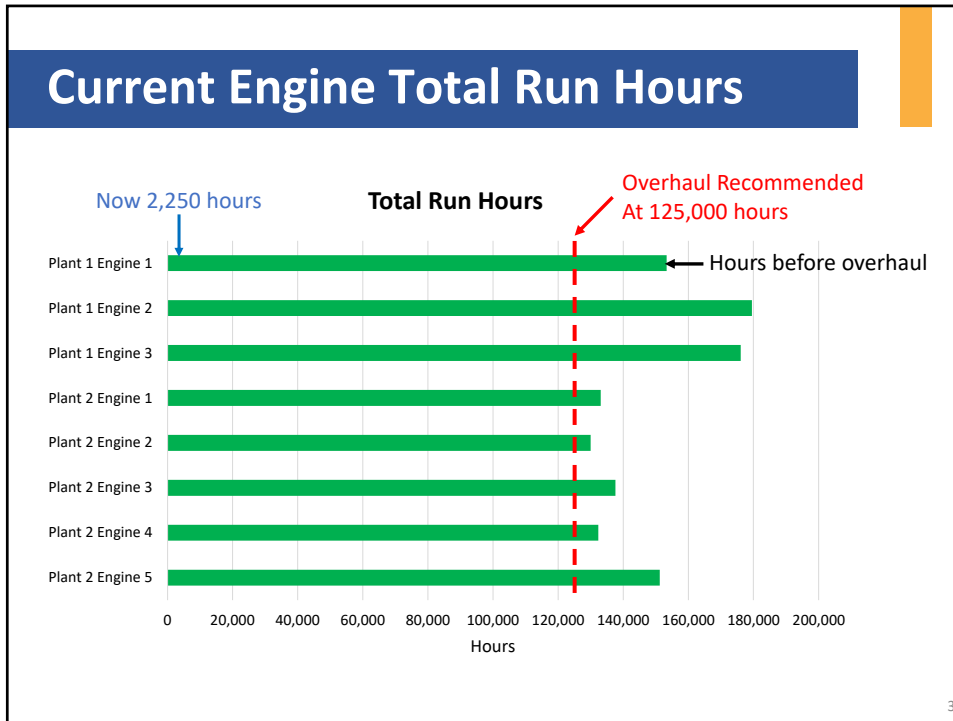
Background - Central Generation

Central Generation Facilities installed in the early 1990s at Plants Nos. 1 and 2

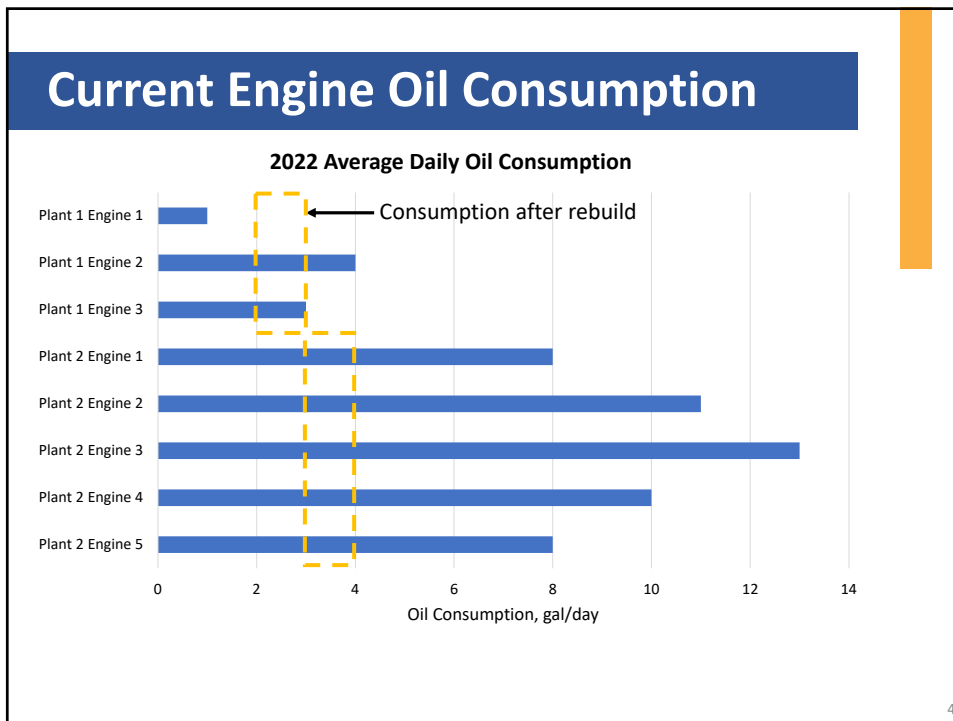


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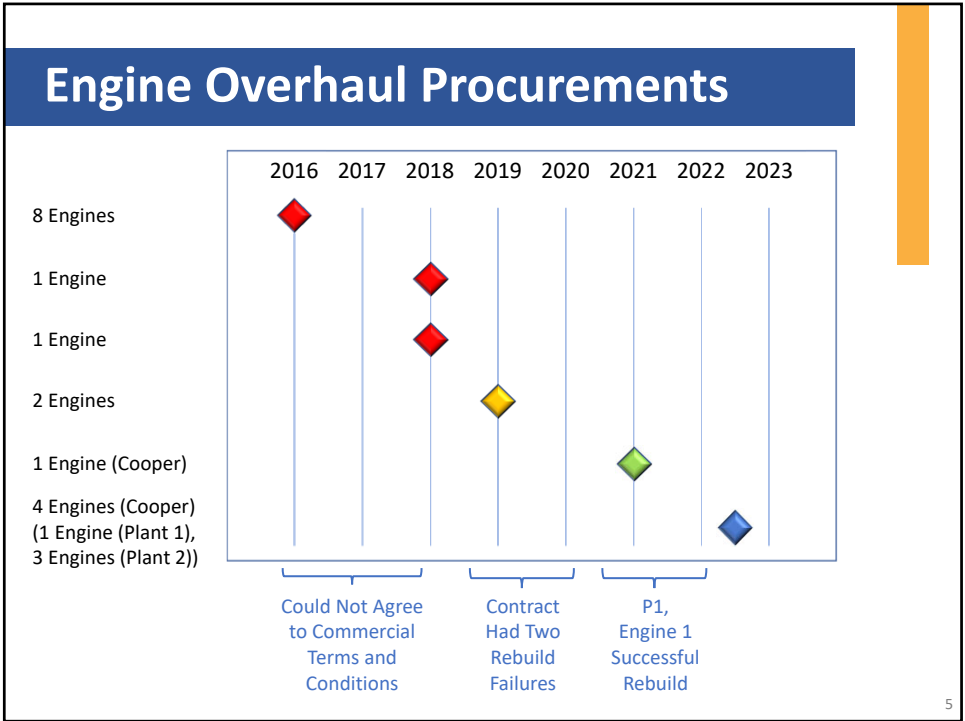
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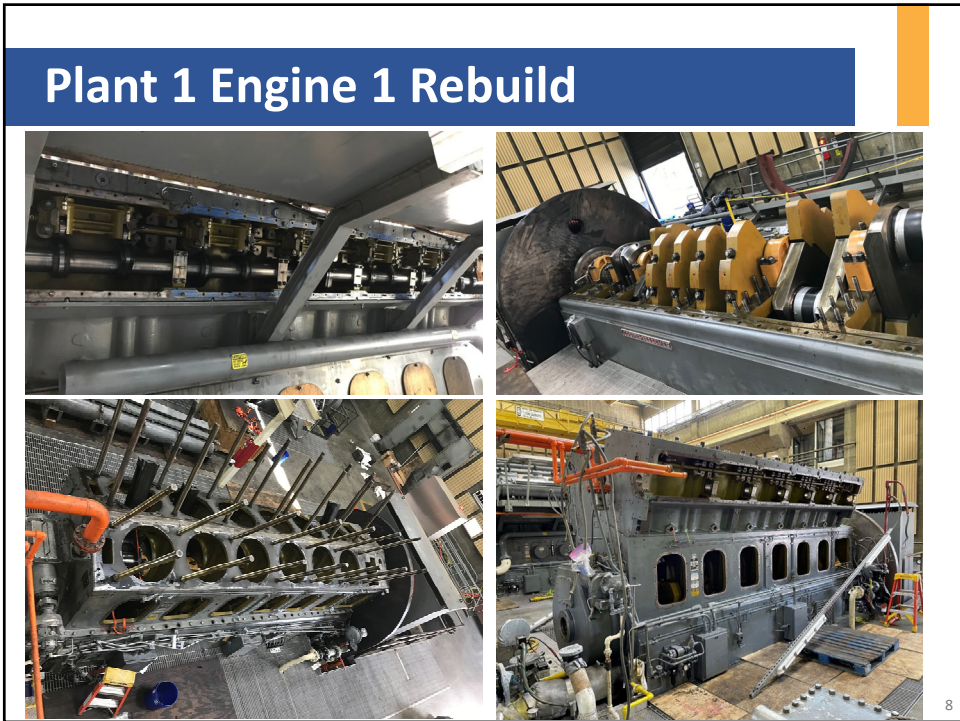
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Why Sole Source Cooper?

- Two unsuccessful rebuilds with another vendor due to part tolerances, and quality
- Cooper delivered a smooth-running engine in February 2022
- Cooper Machinery Services has the OEM drawings and material specs
- Cooper Machinery Services has intimate knowledge and experience rebuilding our engines

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Negotiations

- Cost are Fair and Reasonable based on Plant 1, Engine 1
- 5% escalation per year
- 3% (\$1M saving) by purchasing materials up front

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Recommendation

Recommend to the Board of Directors to:

- A. Award a Sole Source Service Agreement to Cooper Machinery Services LLC for Engine and Generator Overhauls at Plant No. 1 and 2, Project No. J-135B, for a total amount not to exceed \$29,361,029; and
- B. Approve a contingency of \$2,936,103 (10%).

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Questions



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