

Due to volatility in the transformer market, BEUD is waiving competitive bidding and entering into an agreement with Prolec-GE to purchase 2 substation transformers for the new substation that will serve the Bentonville Health Care Campus for \$6,044,984.73. Due to market volatility and lead times related to these products, it would be neither practical or feasible to solicit competitive bids. Utility Board approved 4-0. A budget adjustment is needed.



City of Bentonville, Arkansas Agenda Item Form

Item Details

Council Meeting Date:		Submitted By:	
Phone:		For Department(s):	
Email:			

Item Type (Check all that apply)

<input type="checkbox"/> Informational	<input type="checkbox"/> Bid Award	<input type="checkbox"/> Enter into an Agreement	<input type="checkbox"/> Change Order
<input type="checkbox"/> Recognizing Funds	<input type="checkbox"/> Budget Adjustment	<input type="checkbox"/> Waiver of Bid	<input type="checkbox"/> Emergency Clause
<input type="checkbox"/> Ordinance	<input type="checkbox"/> Resolution	<input type="checkbox"/> Informational	

Title, Recommendation & Justification

Title:	
Action Recommendation & Justification:	
Additional Comments for Consideration (Optional):	

Amount for Approval:	\$
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Budget Impact

Is this Item Budgeted? YES NO ITEM HAS NO COST OTHER: _____

Budget Adjustment (to be completed by Finance when applicable)

Account Number (ORG-OBJECT)	Account Description	\$	\$
		Expense	Revenue
		\$	\$
		Expense	Revenue
		\$	\$
		Expense	Revenue
		\$	\$
		Expense	Revenue

Fund(s) Impacted

(check all that apply)

General Fund **Utility Fund** **Street Fund** **Other(s):** _____

Budget Impact Notes for Consideration (Optional):



**CITY of
BENTONVILLE
POLICE
DEPARTMENT**

908 S. E. 14th Street
Bentonville, Arkansas 72712
(479) 271-3173

Ray Shastid
Chief of Police

To: City Council and Mayor Stephanie Orman
From: Ray Shastid, Chief of Police
Date: May 12, 2026
Subject: Budget Adjustment- Transfer in and Use of Impact Fees to Support Expansion of 911 Infrastructure and Emergency Communications Capacity

This is a request for a budget adjustment in the amount of **\$372,446.60** to transfer in Police Impact fee funds to an expense account 102010-47430 (Furniture and Fixtures). This memorandum outlines the justification for using impact fees to fund the expansion of emergency communications infrastructure, including additional 911 dispatch consoles, video monitoring equipment, and related technology necessary to serve new development and population growth.

The impact fee study approved by the City Council in 2023 included the following capital improvement plans for the police department based on growth:

- Training facility
- Substation- expansion for future staff and evidence storage
- Vehicles- 21 units for future patrol and CID hires
- Comms Improvements- expanded network that may include radio tower #6 (structure and land), new 911 consoles and lines.

Note: At the time of the study, 911 communication infrastructure was a newly introduced component; however, continued population growth and the resulting increase in calls for service have directly impacted system demands. Maintaining the same level of service requires infrastructure, staffing, and technology to scale proportionately with community growth.

Impact fees are authorized to ensure that new development pays its proportionate share of the capital costs required to maintain adopted levels of public service. As residential and commercial growth increases call volumes and service demands, the City's 911 communications center must continue to expand its capacity to maintain response times, service reliability, and public safety personnel safety and needs.

Development trends continue to indicate:

- Increased population and call-for-service volume- Police, Fire, and EMS, along with 911 calls and non-emergent calls to the communications center.
- Greater reliance on integrated video monitoring and real-time data systems
- Expanded geographic service areas requiring enhanced dispatch capability
- Higher expectations for rapid emergency response and coordination

Without proportional infrastructure expansion, growth may degrade service levels, increase response times, and place additional strain on existing personnel and equipment.

Eligible capital costs include public safety infrastructure such as:

- Additional 911 dispatch consoles and associated hardware
- Radio and communication system upgrades
- Video monitoring and integration systems
- Facility expansion directly tied to capacity needs

A recent meeting with TischlerBise noted the requested expansion is within the scope of impact fees; however, operational costs (e.g., salaries, routine maintenance, licensing) are not.

Each additional dispatch console represents a fixed capital cost necessary to preserve service levels as call volume increases. Similarly, video monitoring equipment expansion ensures coverage for newly developed areas.

<u>Request for use of Impact Fee (overall project):</u>	
9-1-1 Phone system (7 th console)	\$68,500.00
Cables for computer	\$267.48
Computer and monitors	\$4,405.14
Consoles	\$71,033.16
GTS video wall	\$96,862.11
KA-Comm Radio Addition for console	\$102,601.57
Storm Siren Console Move	\$897.90
UPS batteries	\$27,718.33
Phone for desk	\$160.91
Total:	\$372,446.60

KA-COMM, INC

2000 N. DIXIELAND RD.
 ROGERS, AR 72756
 (785) 776-8177 Ext. 5220
 (785) 827-1921 Fax
 www.ka-comminc.com
 rmeierhoff@ka-comminc.com

Quote

Date	Quote #
2/16/2026	32080

Customer:
BENTONVILLE POLICE DEPT. 908 SE 14TH STREET BENTONVILLE, AR 72712

P.O. No.	Terms	Rep	Freight Charges
	Due on receipt	RJM	FOB

Item	Description	Qty	Cost	Total
UD-SG1F	UD-SG1F, SOFTWARE, REMOTE BATON	1	83.16	83.16T
UD-ZM1E	UD-ZM1E, CONSOLE, BUNDLE, PREMIER, WIN10	1	42,485.79	42,485.79T
UD-SG4W	UD-SG4W, LICENSE, AES AND DES LEVEL ENCRYPTION	1	6,803.77	6,803.77T
UD-SG2V	UD-SG2V, LICENSE, ADDS 2 PATCH DEF AND 1 PATCH ACT	8	529.1875	4,233.50T
UD-SG2W	UD-SG2W, LICENSE, ADDS 2 SMLST DEF	8	529.1875	4,233.50T
UD-SG4P	UD-SG4P, LICENSE, ADDS 2 USER SET-UPS/SCREENS	2	377.985	755.97T
UD-SG4T	UD-SG4T, LICENSE, CONVENTIONAL CONTROLS	1	944.96	944.96T
UD-SG4U	UD-SG4U, LICENSE, PAGING CAPABILITY	1	755.97	755.97T
UD-SH8R	UD-SH8R, LICENSE, ADVANCED PAGING	1	188.99	188.99T
UD-SG4Y	UD-SG4Y, LICENSE, REMOTE AUX I/O	1	566.97	566.97T
UD-SW1U	UD-SW1U SOFTWARE SYMPHONY PC APP	1	2,362.50	2,362.50T
UD-AB1A	UD-AB1A, SPEAKER, NANO, SYMPHONY	2	295.00	590.00T
UD-CU8R	UD-CU8R, MONITOR, 22" CLASS, TOUCH SCREEN, HD	1	2,150.00	2,150.00T
UD-AB1K	UD-AB1K CABLE, DISPLAY PORT TO DVI-D, 10FT	1	30.00	30.00T
UD-AB1F	UD-AB1F, MOUSE, OPTICAL, USB, SCROLL WHEEL	1	15.00	15.00T
UD-AB1G	UD-AB1G, KEYBOARD, 104 KEY, USB	1	185.00	185.00T

Thank you for your business.	Subtotal
	Sales Tax (9.5%)
	Total

Signature:

Quote is valid for 30 days!

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Quote

Date	Quote #
2/16/2026	32080

Customer:
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P.O. No.	Terms	Rep	Freight Charges
	Due on receipt	RJM	FOB

Item	Description	Qty	Cost	Total
UD-AB1D	UD-AB1D, SINGLE FOOTSWITCH, USB, SYMPHONY	1	280.00	280.00T
UD-AB1M	UD-AB1M, DESK MIC, DB9	1	245.00	245.00T
UD-AB1B	UD-AB1B, JACK BOX, 6 WIRE	2	450.00	900.00T
CM-022218-000304	CM-022218-000304 ADAPTER, WIRELESS HEADSET	2	995.00	1,990.00T
NS-SG2C	NS-SG2C, LICENSE, CONSOLE TALKPATH	12	180.00	2,160.00T
CM-022218-001101	CM-022218-001101, LICENSE, VOCODER	1	72.00	72.00T
VSSD03	VSSD03, LICENSE, SUMS, ENDPOINT	1	35.00	35.00T
14017-0104-01	14017-0104-01, CABLE, SYMPHONY, BACKUP RADIO INTERFACE	1	68.40	68.40T
CA-013671-020	CA-013671-020, CABLE, SERIAL DATA, 20FT.	1	130.98	130.98T
XZ-CA6W	XZ-CA6W, CABLE, SYMPHONY, BACKUP RADIO INTF, BASIC	1	141.60	141.60T
MM100UD	MM100UD, MANUAL, OP/INSTA/CONFIG, SYMPHONY, CD	1	25.00	25.00T
SS-SG2U	SS-SG2U LICENSE, INDIVIDUAL CALLS	1	2,500.00	2,500.00T
SS-SG4S	SS-SG4S LICENSE, CALL DIRECTOR	1	4,500.00	4,500.00T
SS-SH7X	SS-SH7X LICENSE, EMBEDDED WEB BROWSER	1	0.01	0.01T
SS-SH8K	SS-SH8K LICENSE, DYNAMIC CROSS-MUTE	1	500.00	500.00T
XT-MPS1M	XT-MPS1M, MOBILE, XL-185M, SINGLE-BAND	1	2,670.50	2,670.50T
XT-PL8Y	XT-PL8Y, FEATURE, ENCRYPTION LITE	1		0.00T

Thank you for your business.	Subtotal
	Sales Tax (9.5%)
	Total

Signature:

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2/16/2026	32080

Customer:
BENTONVILLE POLICE DEPT. 908 SE 14TH STREET BENTONVILLE, AR 72712

P.O. No.	Terms	Rep	Freight Charges
	Due on receipt	RJM	FOB

Item	Description	Qty	Cost	Total
XT-PL4F	XT-PL4F, FEATURE, PHASE 2 TDMA	1	192.50	192.50T
XT-PL5L	XT-PL5L, FEATURE, OTAR	1	490.00	490.00T
XT-PL5K	XT-PL5K, FEATURE, P25 OTAP PROFILE	1	276.50	276.50T
XT-PKG8F	XT-PKG8F, FEATURE, 256 AES, 64-DES ENCRYPTION	1	549.50	549.50T
XT-PL4L	XT-PL4L, FEATURE, SINGLE BAND, 700/800 MHZ	1	0.00	0.00T
XT-PKGPT	XT-PKGPT, FEATURE, PACKAGE P25 TRUNKING	1	1,260.00	1,260.00T
XT-MA4A	XT-MA4A, KIT, MOUNTING XL-MOBILE UNIVERSAL	1	346.50	346.50T
XT-CP6A	XT-CP6A, CONTROL UNIT, XL-CH	1	1,295.00	1,295.00T
XT-MC6C	XT-MC6C, MICROPHONE, XL-MOBILE, DESKTOP	1	171.50	171.50T
LPX-18	LPX-18; DURACOMM LPX SERIES 18AMP DESKTOP POWER SUPPLY	1	156.00	156.00T
KAC-156	KAC-156; GBS# #355078, XL FRONT MOUNT TRANSCEIVER BRACKET	1	50.00	50.00T
EM-BFG11702-NJ	EM-BFG11702-NJ, 746-896 MHZ FIBERGLASS BASE STATION ANTENNA WITH WHITE RADOME	1	168.00	168.00T
KAC-035	KAC-035, GBS# 235023, 18" VHF SIDE MOUNT TOWER BRACKET, STANDOFF	1	125.00	125.00T
MMK4	MMK4, 2-1/2' ANTENNA to 2-1/2'MAST, HEAVY DUTY BASE STATION MOUNT	1	73.00	73.00T

Thank you for your business.	Subtotal
	Sales Tax (9.5%)
	Total

Signature:

Quote is valid for 30 days!

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Quote

Date	Quote #
2/16/2026	32080

Customer:
BENTONVILLE POLICE DEPT. 908 SE 14TH STREET BENTONVILLE, AR 72712

	P.O. No.	Terms	Rep	Freight Charges
		Due on receipt	RJM	FOB
Item	Description	Qty	Cost	Total
LMR600	LMR600, 1/2" BRAIDED FLEXIBLE FOAM DIELECTRIC 50 OHM COAX CABLE	50	3.24	162.00T
EZ-600-NF-X	EZ-600-NF-X; N-FEMALE CONNECTOR FOR LMR-600	1	46.92	46.92T
EZ-600-NMH-X	EZ-600-NMH-X; MALE CONNECTOR FOR LMR-600	1	58.14	58.14T
IS-B50HN-C2-MA	IS-B50HN-C2-MA, POLYPHASED COAX PROTECTOR/BULKHEAD 125-1000 MHZ, 800UJ, N/M-N/F	1	179.53	179.53T
MISC EQUIPME...	LMR-240 JUMPER 8' LONG WITH CONNECTORS	1	46.40	46.40T
MISC INSTALL ...	INSTALLATION SUPPLIES - CONSUMABLES - INCLUDING CAT6 EXTENSIONS FOR MONITORS, HEADSET JACKS, KEY BOARD, ETC.	1	950.00	950.00T
BACKBONE LA...	LABOR TO SETUP AND INSTALL CONSOLE POSITION AND CONTROL STATION AND CONFIRM OPERATION.	1	4,500.00	4,500.00T

Thank you for your business.	Subtotal	\$93,700.06
VISA & MASTERCARD ACCEPTED *ALL CREDIT CARD PAYMENTS ARE SUBJECT TO A 3% PROCESSING FEE*	Sales Tax (9.5%)	\$8,901.51
	Total	\$102,601.57

Signature: R.J. Meierhoff

Quote is valid for 30 days!

ORDINANCE NO. _____

AN ORDINANCE AUTHORIZING THE MAYOR AND CITY CLERK TO WAIVE COMPETITIVE BIDDING AND ENTER INTO AN AGREEMENT WITH KA-COMM, INC. TO PURCHASE ADDITIONAL PUBLIC SAFETY RADIO EQUIPMENT IN THE AMOUNT OF ONE-HUNDRED TWO THOUSAND SIX-HUNDRED ONE DOLLARS AND FIFTY-SEVEN CENTS (\$102,601.57); AMENDING THE 2026 BUDGET; AND FOR OTHER PURPOSES.

WHEREAS, the Bentonville Police Department needs to purchase additional public safety radio equipment from KA-Comm, Inc.

WHEREAS, competitive bidding should be waived in that it is not practical nor feasible to solicit competitive bids for these items as they must be purchased from the same provider to ensure consistency with service agreements and warranties for the new radio system; and

WHEREAS, a budget adjustment is needed to fund this purchase.

NOW, THEREFORE, BE IT ORDAINED BY THE CITY COUNCIL OF THE CITY OF BENTONVILLE, ARKANSAS THAT:

Section 1: The Mayor and City Clerk are authorized to enter into an agreement with KA-Comm, Inc. for the purchase of additional public safety radio equipment in the amount of One-Hundred Two Thousand Six-Hundred One Dollars and Fifty-Seven Cents (\$102,601.57).

Section 2: There exists an exceptional circumstance whereby the requirements of competitive bidding are neither practical nor feasible and the City Council; therefore, waives the requirements of competitive bidding for the purchase of the additional public safety radio equipment.

Section 3: The 2026 Budget is hereby adjusted to appropriate Three-Hundred Seventy-Two Thousand Four-Hundred Forty-Six Dollars and Sixty Cents (\$372,446.60) from Account #252010-49110 Transfer Out – General to Account #102010-39192 Transfer In – Impact/Capacity;

Section 4: The 2026 Budget is further adjusted to transfer the same from Account #102010-39192 Transfer In – Impact/Capacity into Account #102010-47430 Furniture and Fixtures.

Section 5 Severability Provision: If any part of this Ordinance is held invalid, the remainder of this Ordinance shall continue in effect as if such invalid portion never existed; and

Section 6 - Repeal of Conflicting Provisions: All Ordinances, Resolutions, or Orders of the City Council, or parts of the same, in conflict with this Ordinance are repealed to the extent of such conflict.

PASSED this _____ day of _____, 2026.

APPROVED:

ATTEST:

Stephanie Orman, MAYOR

Malorie Marrs, CITY CLERK



City of Bentonville, Arkansas Agenda Item Form

Item Details

Council Meeting Date:		Submitted By:	
Phone:		For Department(s):	
Email:			

Item Type (Check all that apply)

<input type="checkbox"/> Informational	<input type="checkbox"/> Bid Award	<input type="checkbox"/> Enter into an Agreement	<input type="checkbox"/> Change Order
<input type="checkbox"/> Recognizing Funds	<input type="checkbox"/> Budget Adjustment	<input type="checkbox"/> Waiver of Bid	<input type="checkbox"/> Emergency Clause
Ordinance	Resolution	Informational	

Title, Recommendation & Justification

Title:	
Action Recommendation & Justification:	
Additional Comments for Consideration (Optional):	

Amount for Approval:	\$
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Budget Impact

Is this Item Budgeted? YES NO ITEM HAS NO COST OTHER: _____

Budget Adjustment (to be completed by Finance when applicable)

Account Number (ORG-OBJECT)	Account Description	Expense	Revenue
		\$	\$
		\$	\$
		\$	\$
		\$	\$

Fund(s) Impacted

(check all that apply)

General Fund **Utility Fund** **Street Fund** **Other(s):** _____

Budget Impact Notes for Consideration (Optional):

ORDINANCE NO. _____

AN ORDINANCE WAIVING COMPETITIVE BIDDING FOR THE REPAIR OF THE WEST MCNELLY ROAD BRIDGE; AUTHORIZING THE MAYOR AND CITY CLERK TO ENTER INTO A CONSTRUCTION CONTRACT FOR SAID REPAIR, IN AN AMOUNT NOT TO EXCEED FIVE HUNDRED THOUSAND DOLLARS (\$500,000.00); PROVIDING FOR THE EMERGENCY CLAUSE; AND FOR OTHER PURPOSES.

WHEREAS, the West McNelly Bridge railing was struck resulting in multiple rail post failures which caused unsafe conditions to the traveling public;

WHEREAS, the need to make this repair is immediate and going through the competitive bid process would delay the start of construction by one (1) to two (2) months which prolongs public exposure to the unsafe conditions;

WHEREAS, the Transportation Department is currently selecting an engineering firm, pursuant to the City's Purchasing Policy, to expedite the design and cost estimate so that a construction company can be placed under contract as soon as possible; and

WHEREAS, the budget adjustment will come through Council at a different time once the final cost is known.

NOW, THEREFORE, BE IT ORDAINED BY THE CITY COUNCIL OF THE CITY OF BENTONVILLE, ARKANSAS THAT:

Section 1: City Council authorizes the Mayor and City Clerk to enter into a construction contract, for the repair of the West McNelly Road Bridge, in an amount not to exceed five hundred thousand dollars (\$500,000.00);

Section 2: The budget adjustment for this item will come to Council at a later date;

Section 3: There exists an exceptional circumstance whereby the requirements of competitive bidding are neither practical nor feasible and the City Council; therefore, waives the requirements of competitive bidding for the repair of the West McNelly Road Bridge;

Section 4 - Emergency Clause: The need to contract for this repair is immediate and an emergency is hereby declared to exist and this Ordinance shall be in full force and effect from the date of its passage and approval;

Section 5 - Severability Provision: If any part of this Ordinance is held invalid, the remainder of this Ordinance shall continue in effect as if such invalid portion never existed; and

Section 6 - Repeal of Conflicting Provisions: All Ordinances, Resolutions, or Orders of the City Council, or parts of the same, in conflict with this Ordinance are repealed to the extent of such conflict.

PASSED this _____ day of _____, 2026.

APPROVED:

STEPHANIE ORMAN, Mayor

ATTEST:

Malorie Marrs, CITY CLERK



City of Bentonville, Arkansas Agenda Item Form

Item Details

Council Meeting Date:		Submitted By:	
Phone:		For Department(s):	
Email:			

Item Type (Check all that apply)

<input type="checkbox"/> Informational	<input type="checkbox"/> Bid Award	<input type="checkbox"/> Enter into an Agreement	<input type="checkbox"/> Change Order
<input type="checkbox"/> Recognizing Funds	<input type="checkbox"/> Budget Adjustment	<input type="checkbox"/> Waiver of Bid	<input type="checkbox"/> Emergency Clause
Ordinance	Resolution	Informational	

Title, Recommendation & Justification

Title:	
Action Recommendation & Justification:	
Additional Comments for Consideration (Optional):	

Amount for Approval:	\$
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Budget Impact

Is this Item Budgeted? YES NO ITEM HAS NO COST OTHER: _____

Budget Adjustment (to be completed by Finance when applicable)

Account Number (ORG-OBJECT)	Account Description	\$	\$
		Expense	Revenue
		\$	\$
		Expense	Revenue
		\$	\$
		Expense	Revenue
		\$	\$
		Expense	Revenue

Fund(s) Impacted

(check all that apply)

General Fund **Utility Fund** **Street Fund** **Other(s):** _____

Budget Impact Notes for Consideration (Optional):



CITY OF BENTONVILLE, AR

Prolec GE Waukesha Quotation 70013368 (REF# Q-00042890)

REV.	DESCRIPTION
0	Initial Release

CREATED BY	DATE
Mariana Escobedo	04/28/2026



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Quotation # 70013368
04/28/2026

Prolec-GE Waukesha, Inc. Quotation

CITY OF BENTONVILLE, AR
117 W Central Ave
Bentonville, AR 72712-5256

Inquiry
Quote Number 70013368 (REF# Q-00042890)
Specification Document(s) Substation Power Transformer. April 2026

1. TEAM CONTACT INFORMATION

Channel Partner Jason Simon HV Sales Company, Inc. TEL 225-291-2314 FAX 225-291-3543 jsimon@hvsales.com	Application Engineer Mariana Escobedo Prolec-GE Waukesha, Inc. TEL 262-446-8449 FAX 262-521-0198 mariana.escobedo@prolec.energy	Product Sales Specialist Matthew Webb GE Grid Solutions TEL 919-330-7705 matthew.webb@governova.com	Proposal & Order Coordinator Angelique Matzen Prolec-GE Waukesha, Inc. TEL 262-123-4567 FAX 262-521-0198 angelique.matzen@prolec.energy
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2. QUOTE SUMMARY

Item Number	10
Price Per Unit	\$2,544,000.00 Transformer \$ 54,866.00 Freight* \$ 31,851.00 Rigging* \$ 106,300.00 Assembly, vacuum filling & Test** <hr/> \$2,737,017.00 Total per unit

*Freight and Rigging (F&R) is provided as an estimate only. Actual Cost plus 10% will be invoiced after F&R invoices are received.

**Field Services [includes Warranty Validation, Assembly, vacuum filling & Test] are provided as an estimate only, with Project Management providing price adjustment prior to shipment. Services not completed within six (6) months of delivery may incur additional charges.

Quantity	2
Warranty	Prolec GE Waukesha's 5 Year Power Transformer Warranty
Rating Information	24/32/40/44.8 MVA, ONAN/ONAF/ONAF 3 Phase, 60 Hz., 55/65 Degree C rise 161 kV DELTA To 12.47 kV WYE with RMV Reduced Capacity LTC and MDIV motor drive
Ship To Destination	Bentonville, Arkansas

Confidential and Proprietary

This document contains proprietary information of Prolec-GE Waukesha, Inc. and may not be disclosed, copied, modified or used without the written permission of Prolec-GE Waukesha, Inc.

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Ship To Location Address or To Be Determined

If the Ship To Location is not known as of the bid issue date, then the quoted freight and rigging costs may be subject to adjustment based upon final delivery location.

Shipment Lead Time* Two (2) slots in July 2028, after Waukesha Order Acknowledgment issue date, subject to plant loading at the time of receipt of order.

Please consult the Channel Partner, Application Engineer or Product Sales Specialist identified in the CONTACT INFORMATION shown in this quotation if an alternate lead time is preferred.

3. ADDERS

- One (1) HV bushing \$10,900.00 each
- One (1) LV bushing \$ 6,200.00 each
- One (1) HV arrester \$ 2,750.00 each
- One (1) LV arrester \$ 850.00 each
- Gaskets \$ 1,500.00 per set
- Fan Assembly \$ 1,050.00 per unit

Customer requested Adders shall be added to the Transformer Price and they shall be payable in accordance with agreed upon Payment Terms unless otherwise stated by Waukesha in writing.

4. PRICE & PAYMENT TERMS POLICY

Price Adjustment Policy

Prolec-GE Waukesha, Inc. will provide an updated transformer selling price at the time of shipment, based upon the change in material costs for copper, core steel, plate steel, oil, paper insulation, labor and miscellaneous materials from the time of quotation until one (1) month prior to the shipment date. A change order will be issued for the adjustment amount.

The following material indices are the base indices for this quotation and applies to 85% of the transformer material content, excluding freight, rigging, and field assembly services:

Material	Name	Value	Unit	Index Date	% of Transformer Sales Price
Copper	HG-Comex	565.17	\$/cwt	Mar-26	12.0%
Core Steel	Waukesha Internal Pricing Index	207.00	--	Mar-26	10.0%
Plate Steel	Cut-to-length Plate Carbon Grade FOB mill US\$/CWT	58.50	\$/cwt	Mar-26	6.0%
Oil	Brent Crude Futures, Continuous Contract #1 (B1) (Front Month)	99.91	42-gal barrel	Mar-26	4.0%
Insulation	RISI NBSK Index [change from PIX NBSK (June 2024)]	1,590.00	\$/MT	Mar-26	2.0%
Labor	U.S. BLS NAICS Code 335 – Mfg Labor Cost Index	29.04	\$	Mar-26	27.0%
Misc.	U.S. BLS – Consumer Price Index	330.21	\$	Mar-26	24.0%

Final Index = Calculated as average of daily values for the month prior to shipment unless otherwise stated in quote/contract.

Price Adjustment % = (CV# * CV%) + (CO# * CO%) + (PL# * PL%) + (OI# * OI%) + (IN# * IN%) + (LA# * LA%) + (MS# * MS%); Price Adjustment \$ = Price Adjustment% * Transformer Sale Price

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Transformer Sale Price = Total Contract Value, less freight / rigging / field assembly services

- **CV# - Change in HG Comex from base to final**
- **CO# - Change in Waukesha Internal Core Steel Pricing Index from base to final**
- **PL# - Change in AMM Cut-to-Length Plate Carbon Grade FOB Mill US\$/CWT Index from base to final**
- **OI# - Change in Brent Crude Futures, Continuous Contract #1 (B1 - Front Month) Index from base to final**
- **IN# - Change in RISI NBSK Index from base to final**
- **LA# - Change in U.S BLS NAICS Code 335 Mfg Labor Cost Index from base to final**
- **MS# - Change in U.S. BLS Consumer Price Index from base to final**
- **CV% - Copper as % of Transformer Sale Price**
- **CO% - Core Steel as % of Transformer Sale Price**
- **PL% - Plate Steel as % of Transformer Sale Price**
- **OI% - Oil as % of Transformer Sale Price**
- **IN% - Insulation as % of Transformer Sale Price**
- **LA% - Labor as % of Transformer Sale Price**
- **MS% - Miscellaneous material as a % of Transformer Sale Price**

Notes:

- The Quoted Item Price(s) does not include sales, use, excise or any other taxes. Any taxes imposed shall be the responsibility of Customer and will be invoiced accordingly, unless Prolec GE Waukesha is presented with a valid exemption certificate.
- Pricing may be subject to additional price adjustment to reflect direct and/or indirect effects of a government imposed tax or duty, such as tariffs, that a government may impose on imports or exported goods. If additional adjustment(s) applies, it will be made at the time of shipment. If Customer elects a progress payment schedule and an adjustment is made, the adjustment will be reflected on the invoice for the last payment.
 - Price Adjustment Methodology:
 - At the time of final invoicing, Waukesha will provide an updated selling price based upon the percentage content of affected commodity or component and applied to the transformer price. The final selling price will be adjusted with the final price adjustment calculation being provided in advance of shipment and applied to the last invoice.

PAYMENT TERMS & MILESTONES

Payment milestones, subject to credit approval, are as follows:

- 10% to be invoiced at time of Order Acknowledgement
- 40% to be invoiced at Approval Drawing Submittal
- 40% to be invoiced at time of Release to Manufacturing
- 10% to be invoiced at Delivery to pad

Note: All payments are Due Net 30 days from date of invoice

LATE PAYMENT POLICY

If payment is more than 10 days past the due date of the applicable invoice, Prolec GE Waukesha may:

1. Charge interest of 1½% per month of the unpaid balance, and/or;
2. Withhold shipment of the affected Transformer until Customer is current on all payment obligations as set forth under the applicable Purchase Order.

For the avoidance of doubt, any delay in shipment due to Customer's late payment shall be credited to Prolec GE Waukesha in regards to the calculation of any liquidated damages. Any additional costs incurred due to postponed shipment under this section shall be the responsibility of Customer.

5. DRAWINGS

Approval drawings will be provided 30 weeks before ship date. Please contact the Application Engineer if an earlier date is required. Quoted Shipment Lead Time includes 2 weeks for customer to review and return approval drawings.

For orders requiring drawing approval, a release to immediately proceed with production must be returned to Waukesha within 2 weeks after drawing submittal to maintain scheduled date(s).

Confidential and Proprietary

This document contains proprietary information of Prolec-GE Waukesha, Inc. and may not be disclosed, copied, modified or used without the written permission of Prolec-GE Waukesha, Inc.

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6. MINERAL OIL

Mineral Oil is included in the quoted transformer price. If mineral oil is shipped separately, pricing includes shipment/delivery of the oil within sixty (60) days of shipment of the transformer. After that date, any additional costs will be charged to the customer.

7. SHIPMENT

The above quoted transformer(s) will be shipped **dry by truck to your specified pad.**

Quoted freight and rigging prices are based on the delivery location and site conditions known as of the bid issue date and based on the free access required for Waukesha to unload the equipment without obstruction. Prices are subject to adjustment to the extent that there are changes to the delivery location, the delivery location's transportation route, or the site conditions ("Conditions") that would complicate the movement of the transformer(s).

Such Conditions that would complicate the movement of the transformer(s), include, but are not limited to: lack of existing roads; impassable conditions; extreme grade or any other condition that would prevent Waukesha from delivering to the specified site with a single crane lift; if clearance is not available due to highway construction; changes in state regulations; changes in bridge limitations; needed repairs to, but not limited to, roadway, delivery site access, or railways (customer or non-customer owned); obstructions such as existing fencing, or removal or reinstallation of any overhead or adjacent structures; insufficiently compacted soil (necessitating matting); oil containment pits or dikes around pad; debris or other condition beyond Waukesha's control or unknown at the time of bid.

Any additional costs associated with such Conditions will be charged to the customer. Customer shall, at its own cost and expense, warrant free and clear access within the delivery site for the purpose of Waukesha's ability to perform its obligations under this Contract including but not limited to delivery and warranty repairs.

8. WARRANTY VALIDATION / FIELD SERVICE

Services for **Warranty Validation / Assembly, Vacuum Filling & Testing** ("Field Services") as identified in this quotation are included in the quoted transformer price. Other Field Services may be identified as an ADDER. Field Services standard work scope is included as an attachment. Quoted Field Service prices are based on free access to the site required to perform the field services and on the anticipated schedule with a single trip to the site. Quoted Field Service prices do not include any site specific or customer required access and/or safety training, any special and/or site-specific safety, PPE or environmental requirements, use of union labor or any local Sales or Use tax. Any additional direct costs associated with deviations from the proposed field service schedule will be charged to the Customer on a time and material basis.

Any Field Service offered in this quote, either as part of the quoted price or which can be elected as an adder, shall be subject to the terms of purchase of the transformer. In no event shall Waukesha have any obligation to identify, correct, abate, clean up, control, or remove from customer's premises any toxic or hazardous material. **Services not completed within six (6) months of delivery may incur additional charges.**

9. TERMS & CONDITIONS

The enclosed Prolec-GE Waukesha, Inc. **Terms and Conditions for Sale of Products and Services** form an integral part of this proposal and shall apply unless otherwise agreed in writing by an authorized representative of Prolec-GE Waukesha, Inc. To facilitate efficient order processing, all purchase orders will be governed by these terms. If the parties subsequently negotiate and agree upon alternative terms, the purchase order will be amended accordingly upon execution of those mutually agreed terms.

Seller shall in no event be liable for any indirect, special or consequential damages whatsoever, whether grounded in tort (including negligence), strict liability, or contract. Under no circumstances shall Seller's liability to Buyer exceed the contract price for the specific goods and services upon which the claim is based. Any action for breach of contract or otherwise must be commenced within one year after the cause of action has accrued.

After execution of a Purchase Order, should the United States of America or any state or local government authority impose any new tariff, legislation, regulation, or other remedy related to commodities or inputs affecting the work, the parties agree to equitably adjust the pricing under such Purchase Order as necessary to account for the financial effects or other direct or indirect effects of any such remedy that cannot be reasonably avoided by either party. Any adjustment subject to this clause will be reflected on the final invoice.

Prolec-GE Waukesha, Inc. reserves the right to correct clerical and administrative errors in this quotation, and other related documents.

10. WARRANTY

The above transformer is quoted with the Prolec GE **Five Year Power Transformer Warranty** in lieu of all others specified, expressed or implied. To qualify for the Five Year Warranty, a Waukesha Service representative **must be** present at the time the transformer is dressed out, and both the primary and secondary must be protected from surges with arresters mounted on the transformer tank.

In addition to the above, full compliance to the Waukesha Instruction Manual is required to validate the warranty. A complete Instruction Manual is provided in the control box of every Waukesha Power Transformer.

CUSTOMER ACKNOWLEDGES THAT THIS WARRANTY MAY BE DEEMED VOID BY PROLEC-GE WAUKESHA, INC. UNTIL PAYMENT IS RECEIVED IN FULL FOR ALL UNDISPUTED INVOICES RELATED TO THE TRANSFORMER, STORAGE OF THE TRANSFORMER, AND ANY RELATED SERVICES.

11. TECHNICAL NOTES & COMMENTS

- a. This proposal is based on the information provided in the Request for Quote documentation (RFQ) and, if applicable, any addendum to the RFQ received prior to proposal submittal. Customer requested changes after proposal submittal or at the time of order placement will be subject to commercial and technical review and acceptance by Waukesha. Acceptable impacts to scope, schedule, or cost may require a Waukesha Change Order Request Proposal. Implementation of the mutually agreed upon changes will commence after written acceptance by the Customer.
- b. For units shipping Twenty-Four (24) months after approval drawing submittal, Waukesha may require design changes to ensure compliance with current industry, customer, or manufacturer standards, as well as available components. If applicable, these design changes, and potential cost impacts, will be reviewed with the customer by the project manager at time of manufacturing.
- c. **Spec 4.1.5.** Prolec GE Waukesha provides our standard Black Anodized Aluminum nameplate, which offers improved legibility and appearance.
 - a. Subjected to ASTM standards per MS 9510-001 (Salt Spray, Humidity, Taber Abrasion, Temperature Resistance, QUV, Sea Water Immersion, Acid Resistance, Solvent Resistance), this superior technology is especially critical in high abrasion and/or corrosive environments
 - b. **Spec 5.6.20.** The SEL-2414 is being provided with the device manufacturer's factory default settings. No programming will be supplied by Waukesha. If programming is required, please consult the Application Engineer for the adder.
 - c. **Spec 5.8.** Waukesha uses inhibited mineral oil (ANSI/ASTM D-3487) from Waukesha approved sources [see attached oil specification].

12. TECHNICAL EXCEPTIONS

- a. Supply chain constraints may require Prolec GE Waukesha to procure equivalent components/materials from alternate sources not listed in your specification.
- b. **Spec 2.2.7. IEEE C57.119 Heat Run Testing** is classified as a special test intended to determine thermal exponents (m and n) for overload temperature calculations. IEEE C57.12.00 already provides recommended exponent values for this purpose. Historical heat run tests on Waukesha transformer designs have consistently produced thermal exponents lower than the IEEE-recommended values, with minimal impact on calculated temperatures and no operational significance. Because IEEE C57.119 requires three full heat runs—resulting in significant test bay time and power consumption—Waukesha proposes to provide overload temperature calculations using both IEEE-recommended exponents and Waukesha design-based calculated exponents in lieu of performing the full test sequence. The cost of IEEE C57.119 heat run testing in duplicates is **not included** in this proposal. If required, it can be performed for an additional cost of \$42,500.
- c. **Spec 4.4.5.** Exception taken to providing an accelerated aging test on the paint to be used inside the tank. The aged oil and control shall meet the IEEE C57-637 standard for continued use of Insulating oils.

13. LOSS GUARANTEE

In accordance with latest revision of IEEE Standard C57.12.00, Section 5.9, No-load (core) loss guarantee on the enclosed performance specification(s) is based on the standard reference temperature of 20°C. Load (winding) loss guarantee is at the standard reference temperature of 85°C on 65°C rise rated transformers (or 75°C on 55/65°C rise rated transformers).

Waukesha tests no-load and load losses with less than 1.0% measurement error. These measurement errors are determined by a calibration system that is traceable to the National Institute of Standards and Technology (formerly the National Bureau of Standards) using methods described in NIST's Technical Note 1204.

14. AWARD OF CONTRACT

In the event that the transformer contract is awarded to Prolec-GE Waukesha, Inc., please provide the following text on the purchase order to help expedite order processing: **Unit(s) will be Designed, Manufactured, Tested, Shipped, Sold and Invoiced in accordance with Prolec-GE Waukesha, Inc. Quotation 70013368, dated 04/28/2026.**

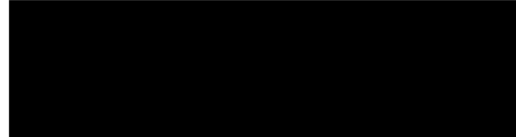
15. VALIDITY

This bid will remain in effect for 30 days unless changed in the interim by written notice from Waukesha. Extensions to the 30-day validity may be considered, as required, to facilitate the order process.

Sincerely,
Prolec-GE Waukesha, Inc.



Mariana Escobedo
Application Engineer



Mark Ritcher
Commercial Operations Manager – U.S.A.

16. ENCLOSURES

- a. Performance Specification(s)
- b. Proposal Form / Data Sheets
- c. Preliminary Outline
- d. Waukesha Terms and Conditions of Sale
- e. Cancellation/Delay Policy
- f. Waukesha Five Year Power Transformer Warranty
- g. Waukesha Warranty Validation
- h. Assembly Vacuum Filling & Testing: Units Shipped Without Oil
- i. Waukesha Service Solutions
- j. Transformer Oil Specification
- k. Transformer Paint Systems
- l. Transformer Tank Design & Construction
- m. Nameplate - Black Anodized Aluminum
- n. Short Circuit Test Results

FOR: 645 CITY OF BENTONVILLE, AR

70013368

Item No: 000020

Project Name: 24/32/40 MVA

TRANSFORMER RATINGS

Phase	3	Cooling Class	HV Volts		XV Volts		YV Volts		ZV (TV) Volts	
Frequency	60		161,000	--	12,470	--	--	--	--	--
Temp Rise °C	55 / 65		Delta	--	Wye	--	--	--	--	--
Insulating Oil		ONAN	24.00	/	26.88	24.00	/	26.88	--	--
		ONAF	32.00	/	35.84	32.00	/	35.84	--	--
		ONAF	40.00	/	44.80	40.00	/	44.80	--	--

ADDITIONAL TAP VOLTAGES

Terminal	Style	Taps or KV		Capacity
HV	DETC	+ 2 / - 2	@ 2.500 %	FULL
XV	RMV	+ 16 / - 16	@ 0.625 %	REDUCED

PERCENT IMPEDANCE VOLTS

%	Windings	At MVA
10.50	H-X	24.0
--	H-Y	--
--	X-Y	--

AUXILIARY LOSSES AND SOUND LEVEL

MVA	Class	Cooling	Sound Level dB
24.00	ONAN	--	65
32.00	ONAF	1,500	67
40.00	ONAF	3,000	68

The above values for cooling loss do not include ancillary equipment (heaters, control devices, etc.) losses of 3,000 watts

INSULATION LEVELS (KV)

Terminal	Winding	Bushing
HV Line	750	-- 750
HV Neutral	--	--
XV Line	110	-- 110
XV Neutral	110	-- 110
YV Line	--	--
YV Neutral	--	--
ZV (TV) Line	--	--
ZV (TV) Neutral	--	--

PERFORMANCE BASED ON A LOADING OF

HV Winding	161,000	Volts @	24.00	MVA
XV Winding	12,470	Volts @	24.00	MVA
YV Winding	--	Volts @	--	MVA
ZV (TV) Winding	--	Volts @	--	MVA

EFFICIENCIES Base MVA (ONAN) = 100%

Load	100%	75%	50%	25%
Percent	99.57	99.64	99.67	99.61

REGULATION

Power Factor	Percent Regulation
1.0	0.90
0.9	5.30
0.8	6.89

PERFORMANCE DATA No Load Temp: 20 °C/ Load Loss Temp: 75 °C

Exciting Current (Percent) and Loss (Watts)				
Excitation	Exciting Current(%)	No Load Loss	Load Loss	Total Loss
100%	.500	18,500	84,100	102,600

MECHANICAL DATA - Not for Construction

Dimensions are in inches & weights are in pounds (approx.values)

Outline Drawing Number:	Shipping: Dry by Truck			
	Base	Assembled	Shipping	Weight (lbs)
Height (A)	--	223	155	Core and Coils 78,384
Width (B)	197	236	236	Tank and Fittings 53,156
Depth (C)	87	185	127	Liquid (8,819 gallons) 66,146
Height Over Cover (D)	--	142	142	Total Weight 197,686
				Shipping Weight, Heaviest Piece 111,131

Manufacturer's Proposal Information to be Submitted with Bid

Manufacturer/Factory Location	Prolec GE Waukesha, Inc.	
No-Load (Core) Losses @ 100% Rated Voltage	18,500 watts	
Load (Copper) Losses @ Base Rating (24 MVA)	84,100 watts	
% Regulation at 100% P.F., 24 MVA	0.90	
% Regulation at 80% P.F., 24 MVA	6.89	
Impedance, % at Base Rating	Z1%	10.5
	Z1%	
Total Assembled Weight, Including Oil	197,686	
Height over Cover (Tank Height)	142	
Height over 161kV Bushing	223	
Height over Low Voltage Bushing	155	
Transformer Tank Base Dimensions	197 x 87	
Shipping Weight	111,131	
Total Weight	197,686	
Proposal Outline Drawing	Included	
Insulation System	N2 system	
Gallons of Oil Required	8,819	
Oil Being Shipped in Transformer	No	
Oil Manufacturer and Type	from our approved resources	
LTC Manufacturer and Model	RMV-II-2500	
Can LTC be manually operated, safely, without de-energizing transformer?	the manual advises <u>deenergizing the transformer</u> if a manual tap change is needed.	
Bushing Manufacturer(s)	High	PCORE
	Low	PCORE
Lightning Arrester Manufacturer(s)	High	OHIO BRASS
	Low	OHIO BRASS

Terms and Conditions for Sale of Products and Services

FORM PGE2025

NOTICE: Sale of any Products or Services is expressly conditioned on Buyer's assent to these Terms and Conditions. Any acceptance of Seller's offer is expressly limited to acceptance of these Terms and Conditions and Seller expressly objects to any additional or different terms proposed by Buyer. No facility entry form shall modify these Terms and Conditions even if signed by Seller's representative. Any order to perform work and Seller's performance of work shall constitute Buyer's assent to these Terms and Conditions. Unless otherwise specified in the quotation, Seller's quotation shall expire 30 days from its date and may be modified or withdrawn by Seller before receipt of Buyer's conforming acceptance.

1. DEFINITIONS

"Buyer" means the entity to which Seller is providing Products or Services under the Contract.

"Contract" means either the contract agreement signed by both parties, or the purchase order signed by Buyer and accepted by Seller in writing, for the sale of Products or Services, together with these Terms and Conditions, Seller's final quotation, the agreed scope(s) of work, and Seller's order acknowledgement. In the event of any conflict, the Terms and Conditions shall take precedence over other documents included in the Contract.

"Contract Price" means the agreed price stated in the Contract for the sale of Products and Services, including adjustments (if any) in accordance with the Contract.

"Firmware" means software provided with or embedded in a Product and necessary for the proper functioning of the Product, but excluding software supplied by a third party and software applications licensed separately.

"Hazardous Materials" means any toxic or hazardous substance, hazardous material, dangerous or hazardous waste, dangerous good, radioactive material, petroleum or petroleum-derived products or by-products, or any other chemical, substance, material or emission, that is regulated, listed or controlled pursuant to any national, state, provincial, or local law, statute, ordinance, directive, regulation or other legal requirement of the United States ("U.S.") or the country of the Site.

"Insolvent/Bankrupt" means that a party is insolvent, makes an assignment for the benefit of its creditors, has a receiver or trustee appointed for it or any of its assets, or files or has filed against it a proceeding under any bankruptcy, insolvency dissolution or liquidation laws.

"Power Transformers" means single-phase or three-phase transformers above 5 MVA base rating and sold by Seller's Power Transformers business units.

"Products" means the equipment (including Power Transformers, if applicable), parts, materials, supplies, software, and other goods Seller has agreed to supply to Buyer under the Contract.

"Seller" means the entity providing Products or performing Services under the Contract.

"Services" means the services Seller has agreed to perform for Buyer under the Contract.

"Site" means the premises where Products are used or Services are performed, not including Seller's premises from which it performs Services.

"Terms and Conditions" means these "Terms and Conditions for Sale of Products and Services," including any relevant addenda pursuant to Article 18, together with any modifications or additional provisions specifically stated in Seller's final quotation or specifically agreed upon by Seller in writing.

2. PAYMENT

- 2.1 Buyer shall pay Seller for the Products and Services by paying all invoiced amounts by direct bank transfer in the currency specified by Seller in the Contract or with check delivered to the Seller's payment address set forth in the Contract, without set-off for any payment from Seller not due under this Contract, within thirty (30) days from the invoice date. Remittance

notification of payment is to be sent to the contact listed on the invoice. Invoicing and payment shall be in accordance with the Contract. If not otherwise agreed in the Contract, Seller shall issue invoices upon shipment of Products and as Services are performed, or if the Contract Price is U.S. Two Hundred Fifty Thousand Dollars (\$250,000) or more, progress payments shall be invoiced starting with twenty-five percent (25%) of the Contract Price for Products and Services upon the issuance of Seller's order acknowledgement and continuing such that ninety percent (90%) of the Contract Price for Products is received before the earliest scheduled Product shipment and Services are invoiced as performed ("the Progress Payments"). For each calendar month, or fraction thereof, that payment is late, Buyer shall pay a late payment charge computed at the rate of one-and-a-half percent (1.5%) per month on the overdue balance, or the maximum rate permitted by law, whichever is less. If the price is set by the Contract in a currency other than U.S. dollars, references to U.S. dollars in this Section 2.1 shall mean the equivalent amount in the applicable currency. In case of any increase in material or labor costs over the Contract execution period, the Seller shall be entitled to compensation as per the Contract price adjustment/escalation mechanism specified in the Seller's offer. In case the Contract does not comprise a price adjustment/escalation mechanism and if a Party can demonstrate that the continued performance of its contractual obligations has become excessively onerous due to an event as per Clause 10 (which will include evolution of any event pre-existing at the time of signature of the Contract), the Parties are bound, within a reasonable time of written notice by one Party to the other, to negotiate alternative contractual terms or a mitigation plan which reasonably permit the consequences of the event to be mitigated or the restoration of the balance that was pre-existing at the signature of the Contract between the Parties. The Party serving notice under this Clause shall provide the other Party with as much commercially available details of the event or events affecting that Party's contractual obligations, the affected obligations themselves and how and to which extent these events are (and will be) affecting the performance of the Contract. The Parties shall act in the spirit of openness and transparency in this communication within the limits set by applicable anti-trust laws and regulations. Where an agreement is reached, the Parties shall start implementing the agreed measures immediately, pending the signature of the relevant amendment to the Contract. In the event the Parties are unable to agree on alternative contractual terms or on a mitigation plan as provided above within fifteen (15) days of the written notice, and in the absence of any other agreement, the Party serving notice under this Clause will be entitled to either suspend its performance of the affected portion of the Contract, or to terminate the Contract, without any liability to the other party. If the Contract is suspended for a period greater than 60 consecutive days by that Party, either Party may terminate the Contract by sending written notice of termination to the other Party. In case of termination of the Contract hereunder, the Parties shall settle their accounts accordingly as if the Contract had been terminated through no fault of the Parties, without prejudice to any Party's right to apply the provisions of Clause 16.2 hereof. To support the prevention of fraud, in the event the Buyer is required to make a payment to a bank account that is not the one expressly agreed in the Contract, the Buyer shall, before proceeding with payment, request confirmation to the Seller that the bank account identified in the invoice or request for payment is valid. Verification must be anticipated not to lead to any delay in making payment.

- 2.2 As and if requested by Seller, Buyer shall at its expense establish and keep in force payment security in the form of an irrevocable, unconditional, sight letter of credit or bank guarantee allowing for pro-rata payments as Products are shipped and Services are performed, plus payment of cancellation and termination charges, and all other amounts due from Buyer under the Contract ("Payment Security"). The Payment Security shall be (a) in a form, and issued or confirmed by a bank acceptable to Seller, (b) payable at the counters of such acceptable bank or negotiating bank, (c) opened prior to commencement of work by Seller with respect to development, manufacturing and shipment of Products and at least sixty (60) days prior to commencement of Services, and (d) remain in effect until the latest of ninety (90) days after the last scheduled Product shipment, completion of all Services and Seller's receipt of the final payment required under the Contract. Buyer shall, at its expense, increase the amount(s), extend the validity period(s) and make other appropriate modifications to any Payment Security within ten (10) days of Seller's notification that such adjustment is necessary in connection with Buyer's obligations under the Contract.
- 2.3 Seller is not required to commence or continue its performance unless and until any required Payment Security is received, operative and in effect and all applicable Progress Payments have been received. For each day of delay in receiving Progress Payments or acceptable Payment Security, Seller shall be entitled to an equitable extension of the schedule and Seller may withhold shipment of the affected Products until Buyer is current on all payment obligations as set forth under the applicable Purchase Order. For the avoidance of doubt, any delay in shipment due to Buyer's late payment shall be credited to Seller in regard to the calculation of any liquidated damages. Any additional costs incurred due to postponed shipment shall also be the responsibility of Buyer. If at any time Seller reasonably determines that Buyer's financial condition or payment history does not justify continuation of Seller's performance, Seller shall be entitled to require full or partial payment in advance or otherwise restructure payments, request additional forms of Payment Security, suspend its performance or terminate the Contract.

3. TAXES AND DUTIES

Seller shall be responsible for all corporate taxes measured by net income due to performance of or payment for work under this Contract ("Seller Taxes"). Buyer shall be responsible for all taxes, duties, fees, or other charges of any nature (including, but not limited to, consumption, gross receipts, import, property, sales, stamp, turnover, use, or value-added taxes, and all items of withholding, deficiency, penalty, addition to tax, interest, or assessment related thereto, imposed by any governmental authority on Buyer or Seller or its subcontractors) in relation to the Contract or the performance of or payment for work under the Contract other than Seller Taxes ("Buyer Taxes"). Any Buyer Taxes imposed shall be the responsibility of Buyer and will be invoiced accordingly, unless Seller is presented with a valid exemption certificate. The Contract Price does not include the amount of any Buyer Taxes. If Buyer deducts or withholds Buyer Taxes, Buyer shall pay additional amounts so that Seller receives the full Contract Price without reduction for Buyer Taxes. Buyer shall provide to Seller, within one month of payment, official receipts from the applicable governmental authority for deducted or withheld taxes.

4. DELIVERIES, TITLE TRANSFER, RISK OF LOSS AND STORAGE

- 4.1 For shipments that do not involve export, including shipments from one European Union ("EU") country to another EU country, Seller shall deliver Products to Buyer FCA Seller's facility or warehouse (Incoterms 2020), except to the extent otherwise mutually agreed by the parties and reflected on the applicable Purchase Order and in Seller's quotation, which shall be deemed acceptance of the Products. For export shipments, Seller shall deliver Products to Buyer FCA Port of Export (Incoterms 2020). Notwithstanding anything to the contrary, for any importation, Buyer shall be identified as the importer in all applicable documents. If not otherwise agreed in the Contract, Buyer shall pay all delivery costs and charges or pay Seller's standard shipping charges plus up to twenty-five (25%) percent. Partial deliveries are permitted. Seller may deliver Products in advance of the delivery schedule. In case Buyer and Seller agree on different transportation arrangement with cost of freight and delivery to destination included in the Contract Price, Seller will not be responsible for any increase in transportation costs occurring after the Contract signature unless if caused by Seller's sole negligence, and Seller will be entitled to invoice the Buyer the additional transportation costs it has actually incurred, subject to reasonable justification of such additional costs. Delivery times are approximate and will be confirmed through the acknowledgement of an acceptable Purchase Order. Delivery time and cost are dependent upon prompt receipt by Seller of all information necessary to proceed with the work without interruption. Any additional costs associated with the change in delivery location, with impact from any lack of clear access or resulting from changes in site conditions will be charged to the Buyer. If Products delivered do not correspond in quantity, type or price to those itemized in the shipping invoice or documentation, Buyer shall so notify Seller within ten (10) days after receipt.
- 4.2 For shipments that do not involve export, title to Products shall pass to Buyer upon delivery in accordance with Section 4.1. For export shipments from a Seller facility or warehouse outside the U.S., title shall pass to Buyer upon delivery in accordance with Section 4.1. For shipments from the U.S. to another country, title shall pass to Buyer immediately after each item departs from the territorial land, seas and overlying airspace of the U.S. The 1982 United Nations Convention of the Law of the Sea shall apply to determine the U.S. territorial seas. For all other shipments, title to Products shall pass to Buyer the earlier of (i) the port of export immediately after Products have been cleared for export, or (ii) immediately after each item departs from the territorial land, seas and overlying airspace of the sending country. When Buyer arranges the export or intercommunity shipment, Buyer will provide Seller evidence of exportation or intercommunity shipment acceptable to the relevant tax and custom authorities.
- 4.3 Risk of loss shall pass to Buyer upon delivery pursuant to Section 4.1, except that for export shipments from the U.S., risk of loss shall transfer to Buyer upon title passage.
- 4.4 If any Products to be delivered under this Contract or if any Buyer equipment repaired at Seller's facilities cannot be shipped to or received by Buyer or end user when ready due to any cause attributable to Buyer, its other contractors or the end user, Seller may ship the Products and equipment to a storage facility, including storage at the place of manufacture or repair, or to an agreed freight forwarder. If Seller places Products or equipment into storage, the following apply: (i) title and risk of loss immediately pass to Buyer, if they have not already passed, and delivery shall be deemed to have occurred; (ii) any amounts otherwise payable to Seller upon delivery or shipment shall be due; (iii) Seller will be entitled to invoice the Buyer the costs of transportation to and rigging into the storage facilities, the costs of transportation from and rigging out of the storage facilities, the costs of the railcar or other materials required to store the equipment, plus a lumpsum amount of no less than 1.0% of the Contract Price per day of storage with a minimum of fifteen hundred United States dollars (US \$1,500). Invoices shall be on a monthly basis starting the beginning at the end of the first month of storage until the shipment of the Products can be made;

and (iv) when conditions permit and upon payment of all amounts due, Seller shall make Products and repaired equipment available to Buyer for delivery. If the Contract requires Seller to submit drawings or other documents for approval by Buyer, Buyer shall review and issue its response (either approval or disapproval with reasons for disapproval detailed) within 10 days of Seller's submittal. If Buyer fails to provide a response within 10 days, the submittal shall be deemed approved.

- 4.5 If repair Services are to be performed on Buyer's equipment at Seller's facility, Buyer shall be responsible for, and shall retain risk of loss of, such equipment at all times, except that Seller shall be responsible for damage to the equipment while at Seller's facility to the extent such damage is caused by Seller's negligence.
- 4.6 Buyer shall, at its own cost and expense, warrant free and clear access within the delivery site for purposes of Seller's ability to perform its obligations under the Contract including but not limited to delivery and warranty repairs.

5. WARRANTY

- 5.1 Seller warrants that Products shall be delivered free from defects in title and in material and workmanship under normal use and service, and that Services shall be performed in a competent, diligent manner, in accordance with any mutually agreed specifications.
- 5.2 Unless otherwise agreed to by the parties, Products: the warranty shall expire twelve (12) months from first use, or eighteen (18) months from the delivery of the Products to its destination from Seller's facility whichever occurs first, except that, if developed by Seller, software is warranted for ninety (90) days from delivery. Power Transformers warranty shall be five (5) years from the date of shipment, according to Seller's standard 5-year warranty attached in Seller's quotation. Services: the warranty shall expire twelve (12) months after performance of the Service, except that software-related Services are warranted for ninety (90) days.
- 5.3 If any part is found to contain defects in material and/or workmanship during the warranty period, Seller's liability and Buyer's remedies under this warranty shall be limited solely to repair or replacement, at Seller's option, of the defective part. Decision on the location, method and extent of repairs rests solely with Seller. Buyer shall give Seller prompt written notice of any claim hereunder in writing, and in any event prior to expiration of the warranty period. Seller shall be given a reasonable opportunity to investigate all claims, and no Products may be returned to Seller without authorization and instructions from Seller's Customer Service Department.

Warranty repair, replacement or re-performance by Seller shall not extend or renew the applicable warranty period. Buyer shall obtain Seller's agreement on the specifications of any tests it plans to conduct to determine whether a non-conformance exists.

- 5.4 For Power Transformers only, during the first year, Seller's warranty covers freight within the 48 contiguous United States, Mexico and Brazil of defective Power Transformers. This warranty also covers the cost of removal from the site and reinstallation after repair, subject to a limit of 10% of the original selling price of the impacted Power Transformer. Costs of moving structures or associated equipment not included in Seller's scope are expressly excluded from this warranty coverage.
- 5.5 Unless otherwise set forth herein, Buyer shall bear the costs of access for Seller's remedial warranty efforts (including removal and replacement of systems, structures or other parts of Buyer's facility), de-installation, decontamination, reinstallation and transportation of defective Products to Seller and back to Buyer.
- 5.6 To validate the warranty of Power Transformer products, a Seller's customer service representative must be present during field assembly, vacuum filling (if required) and inspection of the installation prior to energization. In the event that Power Transformers are relocated, a Seller's customer service representative must be present during field re-assembly, vacuum-filling (if required) and inspection of the reinstallation prior to re-energization. Buyer forfeits the provisions of this warranty if either of these service requirements is not followed.
- 5.7 The warranties and remedies are conditioned upon (a) proper storage, installation (if not performed by Seller, by properly Seller-certified installers or under the supervision of properly Seller-certified supervisors, if required), use, operation, and maintenance of Products; (b) Buyer keeping accurate and complete records of operation and maintenance during the warranty period and providing Seller access to those records; and (c) modification or repair of Products or Services only as authorized by Seller in writing. For this warranty to be valid, Seller requires that all transformer windings shall be protected from surges, including but not limited to arresters mounted on the transformer tank or an insulation coordination study may be required. Failure to meet any such conditions renders the warranty null and void. Seller is not responsible for normal wear and tear or vandalism.

5.8 This Article 5 provides the exclusive remedies for all claims based on failure of or defect in Products or Services, regardless of when the failure or defect arises, and whether a claim, however described, is based on contract, warranty, indemnity, tort/extra-contractual liability (including negligence), strict liability or otherwise. The warranties provided in this Article 5 are exclusive and are in lieu of all other warranties, conditions and guarantees whether written, oral, implied or statutory. THIS WARRANTY IS EXCLUSIVE AND IS IN LIEU OF ALL OTHER WARRANTIES, EXPRESS OR IMPLIED, INCLUDING, BUT NOT LIMITED TO, ANY IMPLIED OR STATUTORY WARRANTY, OR WARRANTY OR CONDITION OF MERCHANTABILITY OR FITNESS FOR A PARTICULAR PURPOSE. BUYER ACKNOWLEDGES THAT THIS WARRANTY MAY BE DEEMED VOID BY SELLER UNTIL PAYMENT IS RECEIVED IN FULL FOR ALL UNDISPUTED INVOICES RELATED TO THE PRODUCTS, STORAGE OF THE PRODUCTS, AND ANY RELATED SERVICES.

6. CONFIDENTIALITY

- 6.1 Seller and Buyer (as to information disclosed, the "Disclosing Party") may each provide the other party (as to information received, the "Receiving Party") with Confidential Information in connection with this Contract. "Confidential Information" means (a) information that is designated in writing as "confidential" or "proprietary" by Disclosing Party at the time of written disclosure, and (b) information that is orally designated as "confidential" or "proprietary" by Disclosing Party at the time of oral or visual disclosure and is confirmed to be "confidential" or "proprietary" in writing within twenty (20) days after the oral or visual disclosure. In addition, prices for Products and Services shall be considered Seller's Confidential Information.
- 6.2 Receiving Party agrees: (i) to use the Confidential Information only in connection with the Contract and use of Products and Services, (ii) to take reasonable measures to prevent disclosure of the Confidential Information to third parties, and (iii) not to disclose the Confidential Information to a competitor of Disclosing Party. Notwithstanding these restrictions, (a) Seller may disclose Confidential Information to its affiliates and subcontractors in connection with performance of the Contract, (b) a Receiving Party may disclose Confidential Information to its auditors, (c) Buyer may disclose Confidential Information to lenders as necessary for Buyer to secure or retain financing needed to perform its obligations under the Contract, and (d) a Receiving Party may disclose Confidential Information to any other third party with the prior written permission of Disclosing Party, and in each case, only so long as the Receiving Party obtains a non-disclosure commitment from any such subcontractors, auditors, lenders or other permitted third party that prohibits disclosure of the Confidential Information and provided further that the Receiving Party remains responsible for any unauthorized use or disclosure of the Confidential Information. Receiving Party shall upon request return to Disclosing Party or destroy all copies of Confidential Information except to the extent that a specific provision of the Contract entitles Receiving Party to retain an item of Confidential Information. Seller may also retain one archive copy of Buyer's Confidential Information.
- 6.3 The obligations under this Article 6 shall not apply to any portion of the Confidential Information that: (i) is or becomes generally available to the public other than as a result of disclosure by Receiving Party, its representatives or its affiliates; (ii) is or becomes available to Receiving Party on a non-confidential basis from a source other than Disclosing Party when the source is not, to the best of Receiving Party's knowledge, subject to a confidentiality obligation to Disclosing Party; (iii) is independently developed by Receiving Party, its representatives or affiliates, without reference to the Confidential Information; and (iv) is required to be disclosed by law or valid legal process provided that the Receiving Party intending to make disclosure in response to such requirements or process shall promptly notify the Disclosing Party in advance of such disclosure and reasonably cooperate in attempts to maintain the confidentiality of the Confidential Information.
- 6.4 Each Disclosing Party warrants that it has the right to disclose the information that it discloses. Neither Buyer nor Seller shall make any public announcement about the Contract without prior written approval of the other party. As to any individual item of Confidential Information, the restrictions under this Article 6 shall expire five (5) years after the date of disclosure. Article 6 does not supersede any separate confidentiality or nondisclosure agreement signed by the parties.

7. INTELLECTUAL PROPERTY

- 7.1 Notwithstanding the provisions of section 4.2, Seller grants only a non-exclusive license, and does not pass title to any Firmware and other software provided by Seller under this Contract, drawings and other documentation delivered for use of Buyer shall remain subject to ownership and/or intellectual property rights of Seller, as applicable and title to any leased equipment remains with Seller.
- 7.2 Seller shall defend and indemnify Buyer against any claim by a non-affiliated third party (a "Claim") alleging that Products or Services furnished under this Contract infringe a patent in effect in the U.S., an EU member state or the country of the Site (provided there is a corresponding patent issued by the U.S. or an EU member state), or any copyright or trademark registered

in the country of the Site, provided that Buyer (a) promptly notifies Seller in writing of the Claim, (b) makes no admission of liability and does not take any position adverse to Seller, (c) gives Seller sole authority to control defense and settlement of the Claim, and (d) provides Seller with full disclosure and reasonable assistance as required to defend the Claim.

- 7.3 Section 7.2 shall not apply and Seller shall have no obligation or liability with respect to any Claim based upon (a) Products or Services that have been modified or revised, (b) the combination of any Products or Services with other products or services when such combination is a basis of the alleged infringement, (c) failure of Buyer to implement any update provided by Seller that would have prevented the Claim, (d) unauthorized use of Products or Services, or (e) Products or Services made or performed to Buyer’s specifications, designs or instructions.
- 7.4 Should any Product or Service, or any portion thereof, become the subject of a Claim, Seller may, at its option, (a) procure for Buyer the right to continue using the Product or Service, or applicable portion thereof; (b) modify or replace it in whole or in part to make it non-infringing; or (c) failing (a) or (b), take back infringing Products or Services and refund the price received by Seller attributable to the infringing Products or Services.
- 7.5 Article 7 states Seller’s exclusive liability for intellectual property infringement by Products and Services.
- 7.6 Each party shall retain ownership of all Confidential Information and intellectual property it had prior to the Contract. All rights in and to Firmware and software not expressly granted to Buyer are reserved by Seller. All new intellectual property conceived or created by Seller in the performance of this Contract, whether alone or with any contribution from Buyer, shall be owned exclusively by Seller. Buyer agrees to deliver assignment documentation as necessary to achieve that result.

8. INDEMNITY

Each of Buyer and Seller (as an “Indemnifying Party”) shall indemnify the other party (as an “Indemnified Party”) from and against claims brought by a third party, on account of personal injury or damage to the third party’s tangible property, to the extent caused by the negligence of the Indemnifying Party in connection with this Contract. In the event the injury or damage is caused by joint or concurrent negligence of Buyer and Seller, the loss or expense shall be borne by each party in proportion to its degree of negligence. For purposes of Seller’s indemnity obligation, no part of the Products or Site is considered third party property.

9. INSURANCE

During the term of the Contract, Seller shall maintain for its protection the following insurance coverage: (i) Worker’s Compensation, Employer’s Liability and other statutory insurance required by law with respect to work related injuries or disease of employees of Seller in such form(s) and amount(s) as required by applicable laws; (ii) Automobile Liability insurance with a combined single limit of U.S. \$1,000,000.00; and (iii) Commercial General Liability or Public Liability insurance for bodily injury and property damage with a limit of U.S. \$1,000,000.00 per occurrence, U.S. \$2,000,000 in the aggregate. If required in the Contract, Seller shall provide a certificate of insurance reflecting such coverage.

10. EXCUSABLE EVENTS

Neither party shall be liable or considered in breach of its obligations under this Contract to the extent that such party’s performance is delayed or prevented, directly or indirectly, by any cause beyond its reasonable control, or by armed conflict, acts or threats of terrorism, epidemics, pandemics, strikes or other labor disturbances, or acts or omissions of any governmental authority or of the other party or the other party’s contractors or suppliers. If an excusable event occurs, the schedule for performance shall be extended by the amount of time lost by reason of the event plus such additional time as may be needed to overcome the effect of the event. If acts or omissions of the Buyer or its contractors or suppliers cause the delay, Seller shall also be entitled to an equitable price adjustment.

Buyer recognizes that in cases of epidemics or pandemics (or evolution of existing epidemics or pandemics), the precautionary, mitigation or corrective measures implemented by the Seller in the frame of the Contract are implemented in the best interest of the Buyer and the Contract performance, and the Buyer and Seller both agree that the additional costs reasonably incurred by Seller in implementing such measures shall be compensated by the Buyer to the Seller.

11. TERMINATION AND SUSPENSION

- 11.1 Buyer may terminate the Contract (or the portion affected) for cause if Seller (i) becomes Insolvent/Bankrupt, or (ii) commits a material breach of the Contract which does not otherwise have a specified contractual remedy, provided that: (a) Buyer shall

first provide Seller with detailed written notice of the breach and of Buyer's intention to terminate the Contract, and (b) Seller shall have failed, within 30 days after receipt of the notice, to commence and diligently pursue cure of the breach.

- 11.2 If Buyer terminates the Contract pursuant to Section 11.1, (i) Seller shall reimburse Buyer the difference between that portion of the Contract Price allocable to the terminated scope and the actual amounts reasonably incurred by Buyer to complete that scope, and (ii) Buyer shall pay to Seller (a) the portion of the Contract Price allocable to Products completed, (b) lease fees incurred, and (c) amounts for Services performed before the effective date of termination. The amount due for Services shall be determined in accordance with the milestone schedule (for completed milestones) and rates set forth in the Contract (for work toward milestones not yet achieved and where there is no milestone schedule), as applicable or, where there are no milestones and/or rates in the Contract, at Seller's then-current standard time and material rates.
- 11.3 Seller may suspend or terminate the Contract (or any affected portion thereof) immediately for cause if Buyer (i) becomes Insolvent/Bankrupt, or (ii) materially breaches the Contract, including, but not limited to, failure or delay in Buyer providing Payment Security, making any payment when due, or fulfilling any payment conditions.
- 11.4 If the Contract (or any portion thereof) is terminated for any reason other than Seller's default under Section 11.1, Buyer shall pay Seller a cancellation fee in accordance with the cancellation fee schedule set forth in Seller's quotation. The amount due for Services shall be determined in accordance with the milestone schedule (for completed milestones) and rates set forth in the Contract (for work toward milestones not yet achieved and where there is no milestone schedule), as applicable or, where there are no milestones and/or rates in the Contract, at Seller's then-current standard time and material rates.
- 11.5 Either Buyer or Seller may terminate the Contract (or the portion affected) upon twenty (20) days advance notice if there is an excusable event (as described in Article 10) lasting longer than ninety (90) days or such other period agreed upon in writing. In such case, Buyer shall pay to Seller amounts payable under Section 11.4, provided that Buyer's payments shall include the cancellation charge for uncompleted Products if the excusable event(s) leading to the termination included an act or omission of the Buyer or Buyer's contractors or suppliers but Buyer shall not be required to pay the cancellation charge if the excusable event(s) leading to termination did not include any act or omission of the Buyer or Buyer's contractors or suppliers.
- 11.6 Buyer shall pay all reasonable expenses incurred by Seller in connection with a suspension, including, but not limited to, expenses for repossession, fee collection, demobilization/remobilization and costs of storage during suspension. The schedule for Seller's obligations shall be extended for a period of time reasonably necessary to overcome the effects of any suspension.

12. COMPLIANCE WITH LAWS AND REGULATIONS

- 12.1 Seller shall comply with laws applicable to the manufacture of Products and its performance of Services. Buyer shall comply with laws applicable to the purchase, application, operation, use and disposal of the Products and Services, including without limitation those regarding anticorruption/antibribery; fair competition (antitrust); and environment, health and safety (EHS). Buyer acknowledges it had access, reviewed, and fully understands GE Vernova's Integrity Policies. Seller shall at all times comply with the GE Vernova Integrity Policies. The GE Vernova Integrity Policies can be accessed electronically at https://www.governova.com/sites/default/files/2024-03/ge_vernova_the_spirit_the_letter.pdf
- 12.2 Seller's obligations are conditioned upon Buyer's compliance with all U.S., EU, UK and other applicable trade control laws and regulations. Buyer shall not trans-ship, re-export, divert or direct or otherwise make or allow any disposition of equipment, materials, services, technology, technical data, software or other information or assistance or Product furnished by the Seller under the Contract other than in and to the ultimate country of destination declared by Buyer and specified as the country of ultimate destination on Seller's invoice. The Buyer hereby certifies that the equipment, materials, services, technology, technical data, software or other information or assistance or product furnished by the Seller under the Contract will not be used in the design, development, production, stockpiling or use of chemical, biological or nuclear weapons. The Buyer shall also ensure that the bank or financial institution or other entity executing any payments or financial transactions under the Contract on behalf of the Buyer (including without limitation the issuance of any payment securities such as a letter of credit) is not subject to any export regulation prohibiting to do business with such bank, financial institution or entity. Should the Buyer fail to comply with any of the obligations as specified above, the Seller may, without prejudice to the exercise of any other rights or remedies which may be available to it, terminate the Contract by giving the Buyer notice in writing to that effect.

In the event of a change in applicable trade control laws and regulations, including but not limited to the laws of the U.S., EU and UK and changes in the interpretation thereof, or in the event an authorization pursuant to said laws is either denied, revoked, withdrawn or cancelled at any time, preventing the Seller from executing its obligations without breaching such applicable trade control laws and regulations or makes Seller's execution of its obligations unreasonably burdensome or

unbalanced, Seller shall have the right without incurring liability to the Buyer to (i) withdraw its proposal, or (ii) either suspend its performance of the Contract or terminate the Contract. If the suspension lasts more than four (4) months, either party shall have the right to terminate the Contract by giving the other Party notice in writing to that effect.

- 12.3 Notwithstanding any other provision, Buyer shall timely obtain, effectuate and maintain in force any required permit, license, exemption, filing, registration and/or other authorization, including, but not limited to, building and environmental permits, import licenses, environmental impact assessments, and foreign exchange authorizations, required for the lawful performance of Services at the Site or fulfillment of Buyer's obligations, except that Seller shall obtain any license or registration necessary for Seller to generally conduct business, including transportation permits, and visas or work permits, if any, necessary for Seller's personnel. Buyer shall provide reasonable assistance to Seller in obtaining such visas and work permits.

13. ENVIRONMENTAL, HEALTH AND SAFETY MATTERS

- 13.1 Buyer shall maintain safe working conditions at the Site, including, without limitation, implementing appropriate procedures regarding Hazardous Materials, confined space entry, and energization and de-energization of power systems (electrical, mechanical and hydraulic) using safe and effective lock-out/tag-out ("LOTO") procedures including physical LOTO or a mutually agreed upon alternative method.
- 13.2 Buyer shall timely advise Seller in writing of all applicable Site-specific health, safety, security and environmental requirements and procedures. Without limiting Buyer's responsibilities under Article 13, Seller has the right but not the obligation to, from time to time, review and inspect applicable health, safety, security and environmental documentation, procedures and conditions at the Site.
- 13.3 If, in Seller's reasonable opinion, the health, safety, or security of personnel or the Site is, or is apt to be, imperiled by security risks, terrorist acts or threats, the presence of or threat of exposure to Hazardous Materials, or unsafe working conditions, Seller may, in addition to other rights or remedies available to it, evacuate some or all of its personnel from Site, suspend performance of all or any part of the Contract, and/or remotely perform or supervise work. Any such occurrence shall be considered an excusable event. Buyer shall reasonably assist in any such evacuation.
- 13.4 Operation of Buyer's equipment is the responsibility of Buyer. Buyer shall not require or permit Seller's personnel to operate Buyer's equipment at Site.
- 13.5 Buyer will make its Site's medical facilities and resources available to Seller's personnel who need medical attention.
- 13.6 Seller has no responsibility or liability for the pre-existing condition of Buyer's equipment or the Site. Prior to Seller starting any work at Site, Buyer will provide documentation that identifies the presence and condition of any Hazardous Materials existing in or about Buyer's equipment or the Site that Seller may encounter while performing under this Contract. Buyer shall disclose to Seller industrial hygiene and environmental monitoring data regarding conditions that may affect Seller's work or personnel at the Site. Buyer shall keep Seller informed of changes in any such conditions.
- 13.7 Seller shall notify Buyer if Seller becomes aware of: (i) conditions at the Site differing materially from those disclosed by Buyer, or (ii) previously unknown physical conditions at Site differing materially from those ordinarily encountered and generally recognized as inherent in work of the character provided for in the Contract. If any such conditions cause an increase in Seller's cost of, or the time required for, performance of any part of the work under the Contract, an equitable adjustment in price and schedule shall be made.
- 13.8 If Seller encounters Hazardous Materials in Buyer's equipment or at the Site that require special handling or disposal, Seller is not obligated to continue work affected by the hazardous conditions. In such an event, Buyer shall eliminate the hazardous conditions in accordance with applicable laws and regulations so that Seller's work under the Contract may safely proceed, and Seller shall be entitled to an equitable adjustment of the price and schedule to compensate for any increase in Seller's cost of, or time required for, performance of any part of the work. Seller shall properly store, transport and dispose of all Hazardous Materials introduced, produced or generated in the course of Seller's work at the Site, but Seller shall have no responsibility for any pre-existing Hazardous Materials or pre-existing hazardous conditions at the Site.
- 13.9 Buyer shall indemnify Seller for any and all claims, damages, losses and expenses arising out of or relating to any Hazardous Materials which are or were (i) present in or about Buyer's equipment or the Site prior to the commencement of Seller's work, (ii) improperly handled or disposed of by Buyer or Buyer's employees, agents, contractors or subcontractors, or (iii) brought, generated, produced or released on Site by parties other than Seller.

14. CHANGES

- 14.1 Each party may, at any time, propose changes in the schedule or scope of Products or Services. Seller is not obligated to proceed with any change until both parties agree upon such change in writing. The written change documentation will describe the changes in scope and schedule and the resulting changes in price and other provisions, as agreed.
- 14.2 The scope, Contract Price, schedule, and other provisions will be equitably adjusted to reflect additional costs or obligations incurred by Seller resulting from a change, after Seller's proposal date, in Buyer's Site-specific requirements or procedures, or in industry specifications, codes, standards, applicable laws or regulations. However, no adjustment will be made on account of a general change in Seller's manufacturing or repair facilities resulting from a change in laws or regulations applicable to such facilities. Unless otherwise agreed by the parties, pricing for additional work arising from such changes shall be at Seller's time and material rates.
- 14.3 It shall be acceptable and not considered a change if Seller delivers a Product that bears a different, superseding or new part or version number compared to the part or version number listed in the Contract.

15. LIMITATIONS OF LIABILITY

- 15.1 The total liability of Seller for all claims of any kind arising from or related to the formation, performance or breach of this Contract, or any Products or Services, shall not exceed the purchase Price of the specific Product or Service giving rise to the claim.
- 15.2 Seller shall not be liable for loss of profit or revenues, loss of use of equipment or systems, interruption of business, cost of replacement power, cost of capital, downtime costs, increased operating costs, any special, consequential, incidental, indirect, or punitive damages, or claims of Buyer's customers for any of the foregoing types of damages.
- 15.3 All Seller liability shall end upon expiration of the applicable warranty period, provided that Buyer may continue to enforce a claim for which it has given notice prior to that date by commencing an action or arbitration, as applicable under this Contract, before expiration of any statute of limitations or other legal time limitation but in no event later than one year after expiration of such warranty period.
- 15.4 Seller shall not be liable for advice or assistance that is not required for the work scope under this Contract.
- 15.5 If Buyer is supplying Products or Services to a third party, or using Products or Services at a facility owned by a third party, Buyer shall either (i) indemnify and defend Seller from and against any and all claims by, and liability to, any such third party in excess of the limitations set forth in this Article 15, or (ii) require that the third party agree, for the benefit of and enforceable by Seller, to be bound by all the limitations included in this Article 15.
- 15.6 For purposes of this Article 15, the term "Seller" means Seller, its affiliates, subcontractors and suppliers of any tier, and their respective employees. The limitations in this Article 15 shall apply regardless of whether a claim is based in contract, warranty, indemnity, tort/extra-contractual liability (including negligence), strict liability or otherwise, and shall prevail over any conflicting terms, except to the extent that such terms further restrict Seller's liability.

16. GOVERNING LAW AND DISPUTE RESOLUTION

- 16.1 This Contract shall be governed by and construed in accordance with the laws of the State of New York without giving effect to any choice of law rules that would cause the application of laws of any other jurisdiction (the "Governing Law"). If the Contract includes the sale of Products and the Buyer is outside the Seller's country, the United Nations Convention on Contracts for the International Sale of Goods shall apply.
- 16.2 In the event of any dispute arising out of or in connection with this Contract, including any question regarding its existence or validity, the parties agree to submit the matter to mediation under the ICC mediation Rules, without prejudice to either party's right to seek emergency, interim or conservatory measures of protection at any time.

If the dispute has not been settled pursuant to the ICC Mediation Rules within thirty (30) days following the filing of a request for Mediation or within such other period as the parties may agree in writing, such dispute shall be finally settled under the Rules of Arbitration of the International Chamber of Commerce by one or more arbitrators appointed in accordance with the said Rules of Arbitration. In case the arbitral tribunal is constituted of more than one arbitrator, the party-appointed arbitrators shall, for a period of two (2) weeks following the date on which their appointments have both been confirmed, attempt to reach agreement on the president of the arbitral tribunal. For this purpose, the arbitrators may communicate with the parties on an

ex-parte basis. If the two arbitrators are unable to agree upon the third, upon request of either Buyer or Seller, the President of the ICC shall appoint the third.

The seat, or legal place, of the mediation and arbitration shall be New York City, NY.

The language to be used in the mediation and in the arbitration shall be the English language.

The parties' written submissions shall, to the extent possible, contain all arguments and supporting materials on fact, law and damages, including all exhibits on which each party intends to rely, supporting witness statements, expert reports and legal authorities.

17. INSPECTION AND FACTORY TESTS

Seller will apply its normal quality control procedures in manufacturing Products and perform any factory tests in accordance with Seller's standard procedures. Seller shall attempt to accommodate requests by Buyer to witness Seller's factory tests of Products, subject to appropriate access restrictions, if such witnessing can be arranged without delaying the work and provided further that such witnessing requests and factory visits shall be subject to payment of the price set forth in Seller's quotation (only if the same are expressly priced therein). In the event the factory tests or any other tests to be performed under the Contract cannot be either witnessed or performed (as the case may be) by the Buyer for any reason (including as a consequence of any pandemic) and the Buyer cannot delegate any third party to represent it, or to perform the tests in its name and on its behalf, the Seller may propose to the Buyer alternate measures in order to avoid delaying the testing, including but not limited to the use of electronic messaging services such as Skype, Teams or equivalent, recording devices such as cameras, and a distribution of results via electronic storage media such as DVD or streamed videos. The Buyer and the Seller shall make their best efforts to agree on such measures with a view not to delay the testing of the Products, provided however that Buyer expressly acknowledges and agrees that there are no holding points allowed in Seller's manufacturing process. If despite reasonable alternate measures proposed by the Seller, the Buyer instructs the Seller to suspend or postpone the performance of the tests, the Seller shall, notwithstanding anything to the contrary in the Contract, be entitled to a reasonable extension of the time for completion and compensation by the Buyer for the additional costs incurred as a result of the suspension or postponement of the affected tests. Travel and living expenses of Buyer personnel to witness such tests shall be borne by Buyer, unless otherwise agreed by the Parties.

18. FIRMWARE AND SOFTWARE

Seller grants Buyer a non-exclusive license to use Firmware solely in connection with use of the Product for which the Firmware is provided by Seller. Buyer shall not sublicense, assign, or otherwise transfer the license to use the Firmware to any third party, except with that specific Product and to the extent such transfer is not otherwise restricted by the Contract. If Seller provides any software to Buyer other than Firmware, the Software License Addendum shall apply. If there is any conflict between these "Terms and Conditions for the Sale of Products and Services, Form PGE2025" and the terms of any addendum incorporated pursuant to this Article 18, the terms of the addendum shall take precedence with respect to the applicable scope.

19. GENERAL CLAUSES

- 19.1 Products and Services sold by Seller are not intended for use in connection with any nuclear facility or activity, and Buyer warrants that it shall not use or permit others to use Products or Services for such purposes, without the advance written consent of Seller. If, in breach of this, any such use occurs, Seller (and its parent, affiliates, suppliers and subcontractors) disclaims all liability for any nuclear or other damage, injury or contamination, and, in addition to any other rights of Seller, Buyer shall indemnify and hold Seller (and its parent, affiliates, suppliers and subcontractors) harmless against all such liability. Consent of Seller to any such use, if any, will be conditioned upon additional terms and conditions that Seller determines to be acceptable for protection against nuclear liability.
- 19.2 Seller may assign or novate its rights and obligations under the Contract, in whole or in part, to any of its affiliates or may assign any of its accounts receivable under this Contract to any party without Buyer's consent. Buyer agrees to execute any documents that may be necessary to complete Seller's assignment or novation. Seller may subcontract portions of the work, so long as Seller remains responsible for it. The delegation or assignment by Buyer of any or all of its rights or obligations under the Contract without Seller's prior written consent (which consent shall not be unreasonably withheld) shall be void.
- 19.3 Buyer shall notify Seller immediately upon any change in ownership of more than fifty percent (50%) of Buyer's voting rights or of any controlling interest in Buyer. If Buyer fails to do so or Seller objects to the change, Seller may (a) terminate the Contract,

(b) require Buyer to provide adequate assurance of performance (including but not limited to payment), and/or (c) put in place special controls regarding Seller's Confidential Information.

- 19.4 If any Contract provision is found to be void or unenforceable, the remainder of the Contract shall not be affected. The parties will endeavor to replace any such void or unenforceable provision with a new provision that achieves substantially the same practical and economic effect and is valid and enforceable.
- 19.5 The following Articles shall survive termination or cancellation of the Contract: 2, 3, 4, 5, 6, 7, 8, 10, 11, 12, 13, 15, 16, 18, 19 and 20.
- 19.6 The Contract represents the entire agreement between the parties. No oral or written representation or warranty not contained in this Contract shall be binding on either party. Buyer's and Seller's rights, remedies and obligations arising from or related to Products and Services sold under this Contract are limited to the rights, remedies and obligations stated in this Contract. No modification, amendment, rescission or waiver shall be binding on either party unless agreed in writing.
- 19.7 Except as provided in Article 15 (Limitations of Liability) and in Section 19.1 (no nuclear use), this Contract is only for the benefit of the parties, and no third party shall have a right to enforce any provision of this Contract, whether under the English Contracts (Rights of Third Parties) Act of 1999 or otherwise.
- 19.8 This Contract may be signed in multiple counterparts that together shall constitute one agreement. If permitted by applicable laws, the Contract may be signed by the parties using certified digital signature tools such as DocuSign, or any other agreed upon certified means.

20. U.S. GOVERNMENT CONTRACTS

- 20.1 This Article 20 applies only if the Contract is for the direct or indirect sale to any agency of the U.S. government and/or is funded in whole or in part by any agency of the U.S. government.
- 20.2 Buyer agrees that all Products and Services provided by Seller meet the definition of "commercial-off-the-shelf" ("COTS") or "commercial item" as those terms are defined in Federal Acquisition Regulation ("FAR") 2.101. Unless otherwise specifically stated by Seller in this Contract, Seller makes no representation or warranty as to the country of origin of Products. Buyer agrees any Services offered by Seller are exempt from the Service Contract Act of 1965 (FAR 52.222-41). The version of any applicable FAR clause listed in this Article 20 shall be the one in effect on the effective date of this Contract.
- 20.3 If Buyer is an agency of the U.S. Government, then as permitted by FAR 12.302, Buyer agrees that all paragraphs of FAR 52.212-4 (except those listed in 12.302(b)) are replaced with these Terms and Conditions. Buyer further agrees the sub-paragraphs of FAR 52.212-5 apply only to the extent applicable for sale of COTS and/or commercial items and as appropriate for the Contract Price.
- 20.4 If Buyer is procuring the Products or Services as a contractor, or subcontractor at any tier, on behalf of any agency of the U.S. Government, then Buyer agrees that FAR 52.212-5(e) or 52.244-6 (whichever is applicable) applies only to the extent applicable for sale of COTS and/or commercial items and as appropriate for the Contract Price.

Cancellation / Delay Policy

Cancellation of an order will be accepted after the purchaser has given written notice, with the following conditions:

1. If the cancellation occurs after order acknowledgement, the termination charge will be ten percent (10%) of the purchase price.
2. If the cancellation occurs after procurement start of long lead-time items, then the termination charge will be thirty percent (30%) of the purchase price.
3. If the cancellation occurs after approval drawings have been issued, the termination charge will be sixty percent (60%) of the purchase price.
4. Notwithstanding items 1, 2 and 3 above, if the order is cancelled by the purchaser, the cancellation charge shall be one hundred percent (100%) of the purchase price depending on the cancellation timing as set forth in the table below (Figure 1).
5. Depending on the type of unit as set forth in Figure 1, if the order is suspended or shipment is delayed, the equipment will be completed and invoiced. Storage shall be subject to availability and any related costs shall be at the customer's expense.
6. If the order is suspended or shipment is delayed at a point greater than the number of weeks established in Figure 1 (depending on the type of unit) prior to scheduled ship date, then a new ship date will be mutually agreed upon within ten (10) days, or Prolec reserves the right to reschedule or cancel, and any cancellation penalties will be issued.
7. If a request to delay shipment changes the scheduled ship date, an adjustment to the base price may be necessary.

Figure 1

Type of unit (base MVA)	Number of weeks prior to shipment
Up to 50 MVA	52 weeks
50 to 100 MVA	65 weeks
Greater than 100 MVA	78 weeks



Five Year Power Transformer Warranty

Seller warrants to the original purchaser that the complete transformer, together with all parts included in the original purchase (the "Transformer"), has been designed in accordance with the specifications of the original purchaser and that the Transformer will be free from defects in material and workmanship under normal use and service for a period of five (5) years from the date of arrival of the Transformer at its destination from the factory. Seller's liability under this warranty does not extend to defects caused by vandalism, improper installation, improper maintenance, alterations by purchaser, purchaser-furnished materials, or improper operation. For this warranty to be valid, Seller requires that all transformer windings shall be protected from surges with arresters mounted on the transformer tank or an insulation coordination study may be required.

A customer service representative must be present during field assembly, vacuum filling (if required) and inspection of the installation prior to energization. In the event that the Transformer is relocated, a customer service representative must be present during field re-assembly, vacuum-filling (if required) and inspection of the reinstallation prior to re-energization.

Purchaser forfeits the provisions of the Five-Year Warranty if either of these service requirements is not followed.

If any part is found to contain defects in material and/or workmanship during the five-year warranty period, Seller's liability and Purchaser's remedies under this warranty shall be limited solely to repair or replacement, at Seller's option, of the defective part. Decision on the location, method and extent of repairs rests solely with Seller. Purchaser shall give Seller prompt written notice of any claim hereunder. Seller shall be given a reasonable opportunity to investigate all claims, and no parts may be returned to Seller without authorization and instructions from the Customer Service Department.

During the first year, this warranty covers freight within the 48 contiguous United States, Mexico and Brazil in full. This warranty also covers the cost of removal from the site and reinstallation after repair, subject to a limit of 10% of the original selling price. Costs of moving structures or associated equipment not included in Seller's scope are expressly excluded from this warranty coverage. During the last four (4) years, freight within the 48 contiguous United States, Mexico and Brazil, costs of removal from the site and reinstallation after repair are excluded from this warranty.

Under no circumstances will Seller be responsible for damage in excess of the sale price to Purchaser for the goods and/or services for which damages are claimed.

This provides the exclusive remedies for all claims based on failure of or defect of the Transformer, regardless of when the failure or defect arises, and whether a claim, however described, is based on contract, warranty, indemnity, tort/extra-contractual liability (including negligence), strict liability or otherwise. The warranties provided herein are exclusive and are in lieu of all other warranties, conditions and guarantees whether written, oral, implied or statutory. THIS WARRANTY IS EXCLUSIVE AND IS IN LIEU OF ALL OTHER WARRANTIES, EXPRESS OR IMPLIED, INCLUDING, BUT NOT LIMITED TO, ANY IMPLIED WARRANTY OF MERCHANTABILITY OR FITNESS FOR A PARTICULAR PURPOSE. SELLER SHALL NOT BE LIABLE FOR ANY INCIDENTAL OR CONSEQUENTIAL DAMAGES OR EXPENSES OF ANY KIND, INCLUDING LOSS OF PROFITS.

In the event a performance bond is provided as part of the contract to which this warranty applies, the Surety's liability shall be limited to one (1) year from the date of delivery of the Transformer. The remaining four (4) year warranty period is solely the obligation of Seller.

CUSTOMER ACKNOWLEDGES THAT THIS WARRANTY MAY BE DEEMED VOID BY SELLER UNTIL PAYMENT IS RECEIVED IN FULL FOR ALL UNDISPUTED INVOICES RELATED TO THE TRANSFORMER, STORAGE OF THE TRANSFORMER, AND ANY RELATED SERVICES.

Mexico | Brazil | USA | prolec.energy



Prolec GE Waukesha Warranty Validation (<100MVA)

Waukesha® Service personnel are required to provide assistance to a customer during installation of the transformer and verify proper assembly to facilitate activation of the applicable warranty.

Minimum requirements for warranty validation are as follows:

- Waukesha® Service personnel will perform internal inspection of transformer and witness the installation and connection of bushings.
- Waukesha® Service personnel will complete service warranty validation checklist.
- Customer will provide vacuum filling records, where applicable.
- Customer will perform electrical acceptance tests and provide copies of test results to Waukesha; as specified in Waukesha's Pre-operational Testing Instruction Booklet 2012, the minimum acceptance tests include:
 - Core Insulation Resistance (Megger)
 - Winding Insulation Resistance
 - Transformer Turns Ratio
 - Insulation Power Factor of Bushings and Windings (Doble)
 - General Oil Chemistry Tests – Dielectric Strength, Power Factor and Moisture Content

Pricing is based upon a single mobilization to jobsite during standard work hours. When requested assistance lasts longer than 5 days, requires overtime assistance or multiple mobilizations to the site, the extra work will be billed in accordance with rates designated on the current Waukesha® Service Technician & Specialist Rate Schedule sheet.

Assembly, Vacuum Filling & Testing: Units Shipped Without Oil

applicable for transformers < 100 MVA base rating and < 345kV

If included in the quoted price or selected as an “adder” as outlined in the proposal, Prolec GE (PGE) Waukesha service crews and equipment will perform transformer installation once the transformer has been placed on the pad. Assembly and testing work will include the following:

ASSEMBLY

- Install, connect and tape, as necessary, all bushings
- Hang and brace radiators and/or fans
- Mount oil preservation system, if required
- Mount lightning arresters, if required
- Mount control cabinet, if required
- Mount any miscellaneous items removed for shipment
- Check all internal clearances including DETC and LTC (if equipped) for proper alignment and timing
- Hang any conduit removed for shipment; pull and terminate associated wiring

OIL FILLING

- Elevate core/coil temperature, if necessary
- Conduct vacuum leak test
- Vacuum fill in accordance with PGE Waukesha’s Instruction Leaflet Document No. 2011
- Pull vacuum at a level of 1 Torr (1,000 micron, 1mm of Hg) or less and hold for a minimum of 8 hours
- Vacuum fill transformer oil while maintaining a vacuum level of 5 torr or less
- Fill conservator tank or activate nitrogen system, as appropriate for transformer design

TESTING

As specified in PGE Waukesha’s Pre-Operational Testing Instruction Booklet No. 2012, the minimum acceptance tests include the following:

- Bushing power factor and capacitance
- Core megger
- Transformer turns ratio
- Insulation power factor
- Insulation resistance
- Functional check of unit control cabinet
- Oil tests after filling
 1. Moisture content
 2. Power factor
 3. Dielectric strength
 4. Dissolved gas analysis
 5. Flash and fire point (natural ester fluid filled units only)



See next page for Scope Clarifications.

SCOPE CLARIFICATIONS

For all transformer installations, the following apply:

- Purchaser shall be responsible for switching, lock out and grounding of any equipment necessary to establish safe work area.
- Purchaser shall provide suitable, free, clear, unlimited and compacted access route, roads and area around work location for access of service equipment.
- Purchaser shall connect all external protection, control and relay wiring, as required.
- Purchaser shall connect all external bushing terminations or bus work, as required.
- Purchaser shall assemble any deluge systems, as required.
- PGE Waukesha service crews will compile all crating and waste material in designated area; however, purchaser shall be responsible for disposal of solid wastes.
- Purchaser shall provide one open top drum and one closed top drum for disposal of all waste, flush and scrap oil generated in execution of work.
- Purchaser shall provide communication and sanitation facilities.
- No provisions have been included for secondary oil containment as may be required for compliance to local site SPCC programs.
- No provisions have been included for Union Labor requirements.
- Any site specific or customer required access and/or safety training is not included in pricing and would be billed at applicable field service rates.
- If a natural ester fluid is included in this quotation, acceptance test results of that fluid will differ from the typical values of transformers filled with mineral oil. Insulation power factor values are expected to increase and insulation resistance values are expected to decrease when compared to test values with mineral oil insulation system.
- If a natural ester fluid is included in this quotation, purchaser shall be responsible for disposal of all totes/drums utilized for make-up and flush oil that is generated during course of project; PGE Waukesha can arrange for disposal upon request at an additional cost.



Should additional requirements, tests and/or processing procedures apply, please contact Prolec GE Waukesha Service for pricing at 800.758.4384.

Transformer Service Solutions to 765kV

Available for ALL Manufacturers' Units



888-365-24x7



Waukesha's service team focuses on maintaining performance quality, reliability and life of transformers and load tap changers throughout your electric power system — whether manufactured by Prolec GE Waukesha or other suppliers. Our mission is simple: to keep your transformers up and running with responsive and cost-effective service and maintenance support 24/7/365.

TRANSFORMER INSTALLATION & LOGISTICS

- Heavy Hauling
- Rigging
- Assembly
- Oil Filling
- Acceptance Testing
- Relocation

TRANSFORMER TESTING SERVICES

- Insulation Resistance
- Power Factor
- Transformer Turns Ratio
- Winding Resistance
- CT Testing
- Leakage Reactance
- Winding Excitation & Alarm Checks
- Gauge Calibration
- Sweep Frequency Response Analysis
- Dissolved Gas Analysis & General Chemistry
- Materials Analysis

TRANSFORMER MAINTENANCE

- Inspections
- Component Addition & Replacement
- Regasketing
- Leak Repairs
- Life Extension
- Oil Preservation System Upgrades
- Control Upgrades
- Retrofits
- Removal, Sourcing and Installation of Conservator Aircells, Regardless of OEM

TRANSFORMER OIL PROCESSING

- Field Dry Out
- Vacuum Filling
- Hot Oil Processing
- Cryogenic Drying (Cold Traps)
- Fullers Earth Reclamation
- Natural Ester Retrofills

SPARE PARTS

- Bushings/Arresters
- Cooling Equipment
- Gauges/Controls
- Gaskets
- Transformer Health Products®
- LTC Parts

TRAINING SERVICES

- LTC Training
- Maintenance Training
- Testing Training
- Print Reading
- Oil Processing Training

LTC MAINTENANCE

- All Manufacturers
- Inspections
- Overhauls
- Upgrade Kits
- Filtration Installation
- Core Replacement
- Vacuum Retrofits

TECHNICAL SERVICES

- Condition Assessment Studies
- Life Assessment Studies
- Thermal Uprate Studies
- Component Retrofits
- Failure Analysis
- Feasibility Studies
- Technical Supervision



LOCATION

Prolec-GE Waukesha, Inc.
2701 US Hwy 117 South
Goldsboro, NC 27530
800-758-4384

waukeshaservice.com



Transformer Oil Specification

(as received from refiner)

Waukesha's standard is inhibited mineral oil with 0.3% max DBPC (oxidation inhibitor). Oil meeting other specific customer requirements may be available upon request.

Oil is purchased only from approved domestic sources, and for each approved source, oil has been tested and proven to meet the following specification values:

KEY PROPERTIES	ASTM TEST METHOD	IEEE / ASTM D-3487 LIMITS
Physical Properties		
Color	D1500	0.5 max
Flash point, °C	D92	145 min
Interfacial tension @ 25°C (dynes/centimeter)	D971	40 min
Pour point, °C	D97	-40 max
Specific gravity @ 15°C/15°C	D1298	0.91 max
Viscosity, SSU/cSt @	D88 / D445	
100°C		36 / 3.0 max
40°C		60 / 11 max
0°C		350 / 76.0 max
Polychlorinated Biphenyls (PCBs) ppm	D-4059	Not Detectable
Visual appearance	D1524	Clear and Bright
Chemical Properties		
Aniline point, °C	D611	63 min
Approved antioxidant content, wt %	D2668, D1473	0.30 max
Corrosive sulfur ¹ Test to be run for 48 hours @ 150°C	D1275	Non-Corrosive
Moisture, ppm	D1533	35 max*
Neutralization number, mg KOH/g of oil	D974	0.03 max
Oxidation stability Method A (acid / sludge test)	D2440	
72 hours sludge, wt %		0.10 max
Neutralization value, mg KOH/g		0.30 max
164 hours sludge, wt %		0.20 max
Neutralization value, mg KOH/g		0.40 max

*35 ppm max as received from refiner; Waukesha dehumidifies to lower value for installation in transformer.

Continued on next page...

KEY PROPERTIES	ASTM TEST METHOD	IEEE / ASTM D-3487 LIMITS
Electrical Properties		
Dielectric breakdown voltage at 60 hertz Disc electrodes, kV VDE electrodes, kV @ 0.040-in. gap or @ 0.080-in. gap	D877 D1816* D1816*	30 min 28 min 56 min
Dielectric breakdown voltage 25°C impulse conditions, kV Needle (negative)-to-sphere (grounded) @ 1-in gap	D3300	145 min
Power factor at 60 hertz, % at: 25°C 100°C	D924 D924	0.05 max 0.30 max
Gassing Tendency @ 80°C (µL/min)	D-2300 B	+ 30 max

*D1816 only applies to new oil that has been filtered, dehumidified and degasified.

Oil shall be PCB-free to existing current law. Properties as listed are only attainable on new oil as received from the refinery. It is expected that oil contained in equipment as received from the manufacturer when properly sampled from such equipment usually exhibits characteristics slightly different from those obtained from new oil, which has not been in contact with apparatus constructional materials. In such cases, the oil, as drawn from the transformer, should be evaluated per IEEE C57.106 latest revision for acceptance and maintenance of insulating oil in equipment.

IN-PLANT QUALITY CONTROL

In addition to extensive testing by an independent testing laboratory to determine approved sources of supply, Waukesha performs acceptance tests on each shipment of oil received.

Waukesha receives oil at its plants in dedicated tank cars and trucks. Upon arrival, acceptance testing is performed before the oil is unloaded into a Waukesha storage tank. Prior to filling a transformer, oil is degasified and dehumidified, passed through Fullers Earth and re-filtered at various points in the process.

Transformer Paint Systems

Waukesha provides as standard a coating system that exceeds the requirements of IEEE C57.12.29, “Enclosure Integrity—Above-Ground Pad-Mounted Enclosures” specification (the specification for pad-mounted equipment). The coating system consists of an epoxy primer with a polyurethane topcoat. This process has been both lab tested and field evaluated.

Coating system processes used for the transformer are as follows:

SUBSTRATE

Hot rolled low alloy steel.

SURFACE PREPARATION

The performance of a coating system is highly dependent upon the condition of the surface to which the coating is applied. All sharp edges, scale, weld spatter and surface irregularities shall be removed by shot blasting, hand grinding, sanding or other appropriate manufacturing procedures.

Shot blasted per SSPC-SP6 (Commercial Blast Cleaning) then detergent washed with an iron phosphate conversion coating and a non-chrome seal.

-or-

Blast to SSPC-SP10 (near white) condition and apply paint within 24 hours.

COATING PROCEDURE

Interior of tank and tank cover are coated using a white, two-part, oil-resistant epoxy enamel. The exterior surfaces are first painted using a two-part epoxy primer then top coated using a two-part urethane enamel. All coating materials are applied using plural component equipment that automatically measures and mixes the paint systems to eliminate operator error. The coatings are then force cured to produce a uniform cured coating.

COATING RESULT

Interior coating compatible with transformer oil per ASTM 3455; 3 mil exterior coating capable of meeting IEEE C57.12.29.

The two-component coatings used for painted surfaces have a high crosslink density and an exceptional barrier property characteristic. Two-component systems develop full corrosion resistance at a 2 mil total film thickness (primer and topcoat); in fact, the mechanical properties of any organic coating will deteriorate as the thickness approaches 5 mils. For these reasons, the Waukesha paint system exhibits optimal performance at a nominal 3 mil thickness (range 3–5 mils).

NOTE: Radiators are purchased from an outside supplier and are hot dip galvanized or painted to meet the customer’s specification.

See next page for paint system test results.

EXTERIOR PAINT SYSTEM PERFORMANCE

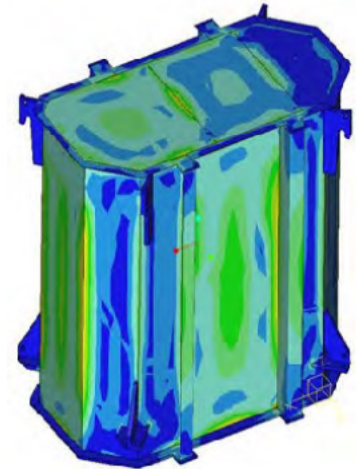
TEST	ASTM TEST METHOD	RESULTS
Adhesion	D-3359-B	No Removal
Salt Spray	B-117	1500 Hrs, 1/32" Loss of Adhesion
Humidity	D2247	1000 Hrs @ 40°C; No Blisters
Impact	D-2794	160 in/lbs., No Chipping
U-V Resistance	G-53	500 Hrs, Less than 15% Gloss Change
Taber Abrasion	D-4060	More than 3,000 Cycles @ 3 Mills
Oil Resistance	72 Hrs @ 100°C	No Effect
Thermal Aging	1,000 Hrs @ 120°C	No Effect
Pencil Hardness	D-3363	2-H After 2 Weeks
VOCs	D-2369	3.5 #/gal.

Transformer Tank Design and Construction

Tank integrity is essential for reliability and long transformer life. To help ensure a perfect fit to the application, Waukesha designs all transformer tanks to high internal standards while taking customer specifications into account.

All Waukesha® transformer tanks feature the following:

- Hot-rolled, low carbon steel plates plasma cut to critical tolerances then joined via submerged arc welding to ensure against cracked seams and irregularities
- Formed tank corners which eliminates high stress corner welds
- Jack pads and lifting hooks for lifting, jacking or pulling, meeting the criteria of C57.12.10
- Guides used to solidly "fit" and brace the completed core and coil assembly inside the tank to prevent shifting during shipment
- Slightly domed covers to help prevent water accumulation
- Raised flanges with machined gasket grooves in cover openings
- Conveniently located hand holes and/or manholes for easy access to the lower end of bushings, terminal boards and upper portion of core and coil assembly



Finite Element Analysis

Additionally, Waukesha's standard coating system exceeds the requirements of ANSI/IEEE C57.12.28, the specification for pad-mounted equipment.

TANK DESIGN STYLES

Waukesha uses several tank design styles to optimize the use of tank steel, transformer oil and lead time. All are designed to withstand full vacuum and pressures 25% greater than achieved during normal operation. The tank design shown on the preliminary bid outline is an initial estimate and *subject to change based on the optimum design criteria*. The best tank design is chosen based on unit specifications, including overall dimensions, equipment location, cooling requirements and shipping profile.

Octagonal Tank Design

Octagonal end walls are used when possible to optimize total oil volume and installed transformer weight, resulting in lower overall footprint.



Rectangular Tank Design

Horizontal stiffener designs can be used where full length walls are necessary for mounting various accessories. This configuration can also be used for air expansion on N2 and sealed tank designs to reduce tank height for improved shipping clearances.



Vertical Stiffener Design

Vertical stiffeners are used on larger units when necessary to reduce shipping profile width by using multiple vertical stiffeners. This design is also used on some longer units to produce an optimum tank design with minimal tank wall deflection.



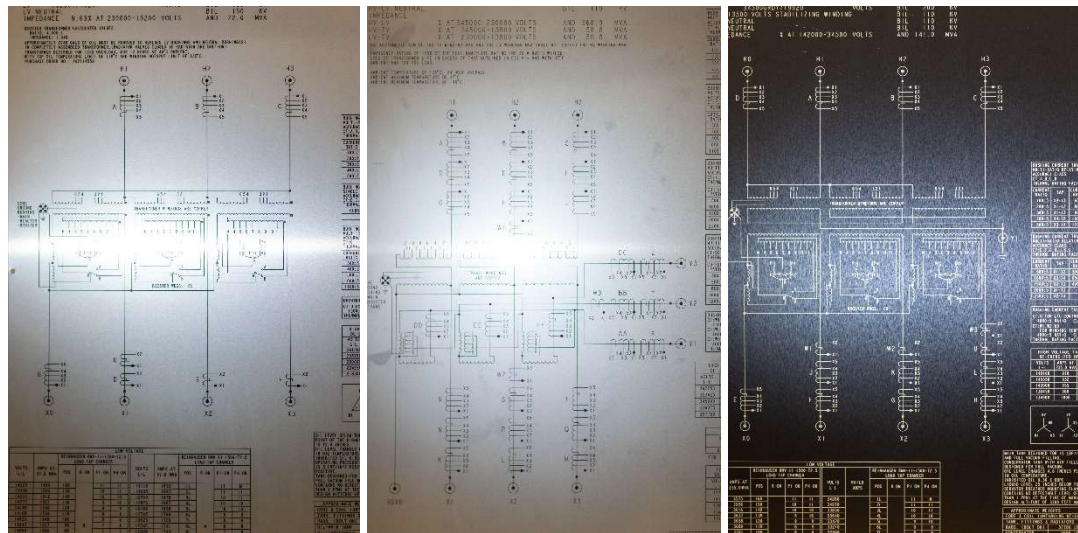
Nameplate - Black Anodized Aluminum

4/11/2023

Prolec GE Waukesha performed an extensive study of nameplate materials and processes to help determine the best product for our customers and for our transformers. We performed testing on stainless steel, aluminum, and anodized aluminum nameplates. We investigated various laser etching machines along with suppliers of nameplates with laser etching capabilities. The various laser etching and marking methods, various ink brands and application methods were subjected each to the following ASTM standards per MS 9510-001:

- Salt Spray ASTM B-117 1000 Hours 40 °C
- Humidity ASTM D-4585 1000 Hours 40 °C
- Taber Abrasion ASTM D-4060 7000 cycles, 1000 gm load
- Temperature Resistance 1000 Hours 121 °C
- QUV ASTM G-53 400 Light Hours
- Sea Water Immersion 168 Hours 25 °C
- Acid Resistance (Immersion) 168 Hours 25 °C
 (3 % Nitric, sulfuric and hydrochloric)
- Solvent Resistance (Immersion) 168 Hours 25 °C
 (Alcohol, kerosene, MEK, hydraulic fluid, citric cleaners)

When tested per the above listed tests, the legibility and appearance of the nameplate samples were evaluated, and the black anodized performed the best. The abrasion resistance of the anodize aluminum panels also exceeded the aluminum and stainless-steel panels.



Stainless Steel

Aluminum

Black Anodized Aluminum

Prolec-GE Waukesha, Inc.
 400 South Prairie Avenue
 Waukesha, Wisconsin 53186-5969
 USA

T (262) 547-0121
 (800) 835-2732

www.waukeshatransformers.com

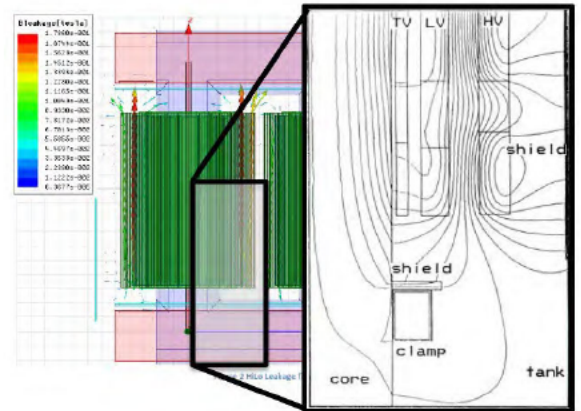
The anodized aluminum nameplates performed the best out of all the tested nameplates for legibility. The nameplates were far more legible in both bright sunlight and in the dark using a flashlight, due to higher contrast and low reflectivity.

Based on the test results, we are planning to use anodized aluminum nameplates across all of our units. This superior technology is especially critical in high abrasion environments and corrosive environments.

Short Circuit Testing

DESIGN

All Waukesha® transformers are designed with state-of-the-art tools and manufactured in our factories per strict quality assurance plans to ensure survival through even the worst-case faults. To start, worst-case fault currents are determined assuming infinite bus supply (zero system impedance) for single line to ground as well as three phase faults at the transformer terminals. Using this fault current, all designs are analyzed with detailed stress calculations for worst case combinations of tap positions (LTC and DETC) for all known failure modes. These stresses are then compared to known strengths for each of the failure modes and must have acceptable design margins as set by Waukesha.



MANUFACTURING

All windings are manufactured with rectangular, electrolytic-grade copper conductor or epoxy-bonded, continuously transposed cable (CTC). Radial spacers are locked to strips fastened to the winding cylinders. These radial spacers and other support blocks in the pressure column are manufactured from high density, pre-compressed pressboard or laminated wood. Other specialized components—angle/cap rings, coil collars and static ring insulation—are manufactured from molded grade, soft pressboard as required.



Fully Distributed Regulating Voltage Winding

After the windings are completed, they are thoroughly dried using hot air. After removal from the dryout chamber, coils are hydraulically pressed successively using a predetermined force then pressed again using the clamping force they will experience when fully assembled. When required, radial spacers are adjusted to achieve the required design height, maintaining the design's "electrical center" of the windings for ampere-turn balance, stray flux and axial force mitigation.

The coils are clamped in place by first applying a precise, hydraulic force which compresses the windings to the design height as verified in the coil sizing operation (as described in the paragraph above). In this condition, the coils are fastened in place to maintain a compressive force as specified by Waukesha engineering. Verifying exact clamping pressure and winding height in this manner helps guarantee a finished product that conforms to what was designed in engineering.

The entire clamping technique and underlying scientific principles on which it is based are major contributors to the outstanding Waukesha service record.

See next page for a list of transformers tested for short-circuit at high power laboratories.

WAUKESHA SHORT CIRCUIT TEST LIST:

MVA RATING	HV RATING	LV RATING
0.833	67 kV Delta	12.47 kV Wye
5 / 6.25	24.4 kV Delta	4.16 kV Wye
5 / 6.25	26.4 kV Delta	4.16 kV Wye
5 / 6.25	59.58 kV Wye	10.66 kV Wye
5 / 6.25	67 kV Delta	12.47 kV Wye
7.5 / 9.375	69 kV Delta	12.47 kV Wye
7.5 / 9.375	138 x 69 kV Delta	26.4 X 13.2 kV Wye
12 / 16 / 20	66 kV Delta	14.4 kV Wye
15 / 20	67 kV Delta	12.47 kV Wye
15 / 20 / 25	69 kV Delta	12.47 kV Wye
1.0	12.47 kV Delta	4.8 kV Wye
3.75	23 kV Delta	4.8 kV Wye
5.0	34.4 kV Delta	12.47 kV Delta
5.0	69 kV Delta	12.47 kV Delta
7.5	23 kV Delta	12.47 kV Wye
7.5	115 kV Delta	13.2 kV Wye
10.0	43.8 kV Delta	24.9 X 12.47 kV Wye
5 / 6.2	34.5 kV Delta	12.47 kV Wye
15 / 20	67 kV Delta	12.5 kV Wye
15 / 20	67 kV Delta	12.5 kV Wye
15 / 20 / 25	120 kV Delta	13.2 kV Wye
15 / 20 / 25	120 kV Delta	13.2 kV Wye
18	39.5 kV Delta	4.8 kV Delta
30	230 kV Delta	55.2 kV Delta

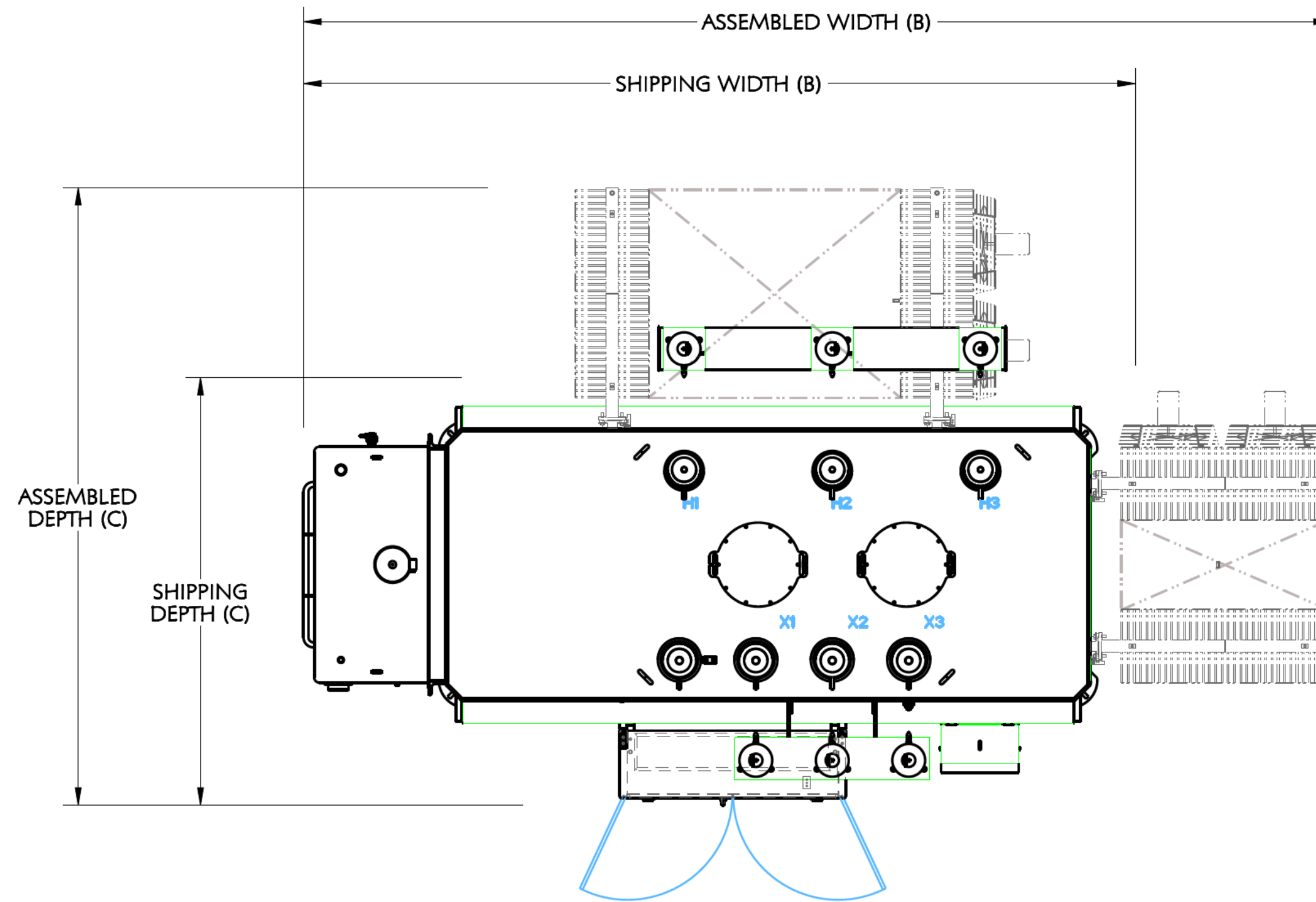


Helical Winding with CTC

Continuous Disk Winding with Copper Magnet Wire

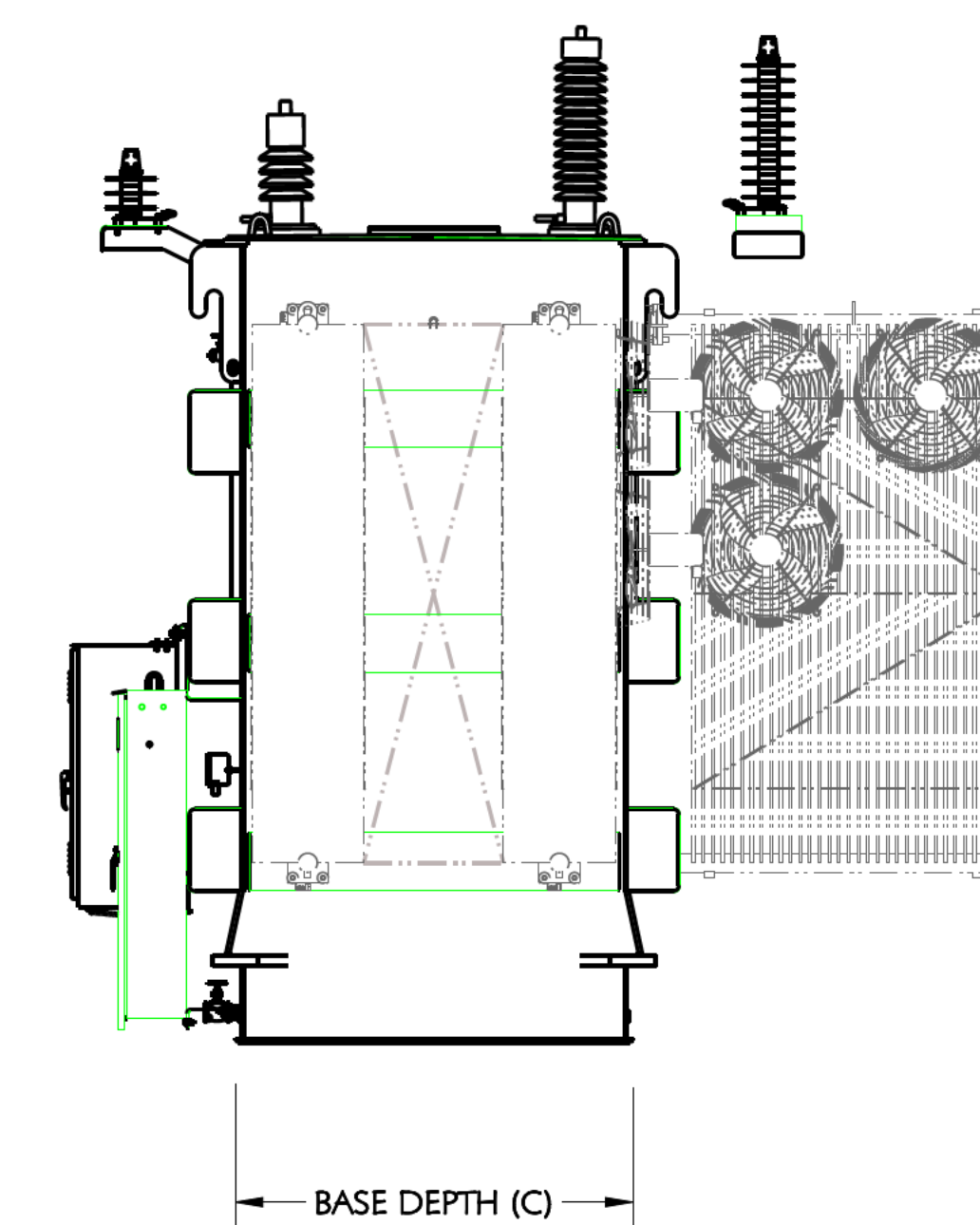
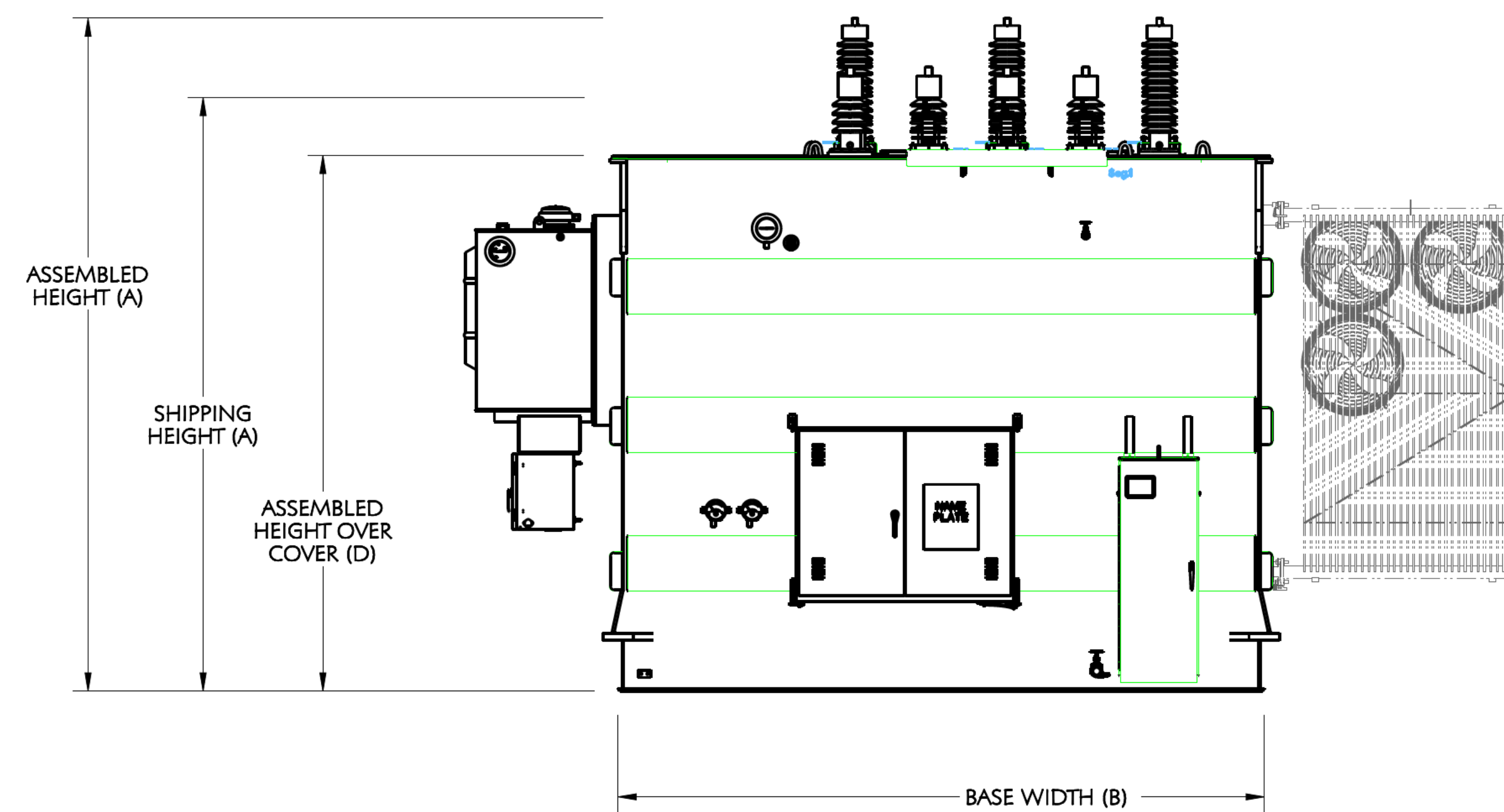


ZONE	REV	DESCRIPTION	DATE	APPROVED



PRELIMINARY OUTLINE
 THE INTENT OF THIS DRAWING IS TO SHOW THE GENERAL LOCATION OF MAJOR COMPONENTS,
 WHILE ACCOMPANYING THE PERFORMANCE SPECIFICATION FOR OVERALL SIZE AND WEIGHT OF
 THE COMPLETE TRANSFORMER. ALL DIMENSIONS, COMPONENTS, COOLING ARRANGEMENT,
 TANK STIFFENING DESIGN, AND WEIGHTS ARE SUBJECT TO CHANGE IN FINAL DESIGN.

TOLERANCE:
 ALL DIMENSIONS $\pm 12"$
 ALL WEIGHTS $\pm 10\%$
 ALL OIL $\pm 10\%$



PRELIMINARY OUTLINE				
ALL DIMENSIONS ARE IN INCHES				
DWN	ZJR	CHK	JS	DATE
				06/10/17
SHEET	SCALE			
1 OF 1	NTS	PreOL 00021		D

ORDINANCE NO. _____

AN ORDINANCE AUTHORIZING THE MAYOR AND CITY CLERK TO ENTER INTO AN AGREEMENT WITH PROLEC-GE FOR THE PURCHASE OF TWO SUBSTATION TRANSFORMERS IN THE AMOUNT OF SIX MILLION FORTY-FOUR THOUSAND NINE-HUNDRED EIGHTY-FOUR DOLLARS AND SEVENTY-THREE CENTS (\$6,044,984.73); WAIVING COMPETITIVE BIDDING; AMENDING THE 2026 BUDGET; PROVIDING FOR THE EMERGENCY CLAUSE; AND FOR OTHER PURPOSES.

WHEREAS, BEUD is seeking to purchase two substation transformers for the new substation that will serve the Bentonville Health Care Campus; the BHCC will reimburse the City for the total costs of electric improvements needed for the construction of the BHCC.

WHEREAS, market volatility and lead times related to these emergency services make it impractical and unfeasible to solicit competitive bids.

WHEREAS, a budget adjustment is needed.

NOW, THEREFORE, BE IT ORDAINED BY THE CITY COUNCIL OF THE CITY OF BENTONVILLE, ARKANSAS THAT:

Section 1: The Mayor and City Clerk are authorized to enter into an agreement with Prolec-GE to purchase two substation transformers in the amount of Six Million Forty-Four Thousand Nine-Hundred Eighty-Four Dollars and Seventy-Three Cents (\$6,044,984.73).

Section 2: There exists an exceptional circumstance whereby the requirements of competitive bidding are neither practical nor feasible and the City Council; therefore, waives the requirements of competitive bidding for the two substation transformers

Section 3: The 2026 Budget is hereby adjusted to recognize Six Million Forty-Four Thousand Nine-Hundred Eighty-Four Dollars and Seventy-Three Cents (\$6,044,984.73) into Account #503010-34410 Billed Services.

Section 4: The 2026 Budget is further adjusted to appropriate the same from Account #503010-34410 Billed Services into Account #503010-47210 Plants and Building.

Section 5 - Emergency Clause: The need to make this purchase is immediate and an emergency is hereby declared to exist and this Ordinance shall be in full force and effect from the date of its passage and approval;

Section 6 - Severability Provision: If any part of this Ordinance is held invalid, the remainder of this Ordinance shall continue in effect as if such invalid portion never existed; and

Section 7 - Repeal of Conflicting Provisions: All Ordinances, Resolutions, or Orders of the City Council, or parts of the same, in conflict with this Ordinance are repealed to the extent of such conflict.

PASSED this _____ day of _____, 2026.

APPROVED:

Stephanie Orman, MAYOR

ATTEST:

Malorie Marrs, CITY CLERK