



## ATTACHMENT A: PROPOSAL REQUIREMENTS & SPECIFICATIONS

### ENERGY MANAGEMENT SERVICES

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## Section 1. General Guidelines

### 1.1. Instructions for Completing Attachment A

**Attachment A** is provided to Bidders in an editable Microsoft Word form so that it can easily serve as the base document for a Bidder’s Technical Proposal. Bidders should incorporate their Technical Proposal responses directly into this document and include referenced attachments separately.

Use the following electronic file naming convention for naming your Technical Proposal prior to uploading your completed Technical Proposal to Bonfire: **Technical Proposal – Bidder Name.docx**.

For sections of **Attachment A** structured like the example below, simply click in the green cell or paste (using the *Paste Special > Merge Formatting* function in Microsoft Word) your response.

1.1.1.	<b>Formation.</b> In what year was the company formed? For how long has your company been operating under its present business name? If your company has changed its business name, include the most recent prior business name and the year of the name change.
This is a sample question. Do not provide a response.	

For sections of **Attachment A** structured like the example below, click on the “**Yes**” checkbox if your solution **fully provides** the defined requirement. Click on the “**No**” checkbox if your solution does not provide or only provides part of the defined requirement.

1.1.2.	<b>Electric Procurement Services.</b> Does Bidder provide electric procurement services?	<input type="checkbox"/> Yes <input type="checkbox"/> No
This is a sample question. Do not provide a response.		

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### 1.2. Attachments

Bidders may incorporate additional documents by reference as part of their response to the questions in this document. For example, you may want to include brochures, reports, charts, or graphs in response to specific questions. Bidders should clearly state in their response whether any specific documents are incorporated in their proposal by reference. In the event the attached documents are not referenced correctly, the PRT may exclude those attachments from consideration when scoring proposals.

The file names of such referenced documents that are included in a Bidder’s electronic Technical Proposal submissions and uploaded to Bonfire should include in the following order: i) Technical Proposal, ii) Bidder’s name, iii) the Section number of the question for which the file is included as part of the response, and iv) a brief description of what is included in the electronic file. For example, if a Bidder references an attachment that includes financial statements in response to **Section 2.2.1.**, the following electronic file name would be appropriate: **Technical Proposal – Bidder Name – Section 2.2.1. – Financial Statements.pdf**.



## Section 2. Bidder Overview & Qualifications

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### 2.1. Company Information

2.1.1.	<b>Company Name &amp; Address.</b>	
Company Name:	Kinect Energy, Inc.	
Headquarters Street Address:	605 North Highway 169, Suite 1000	
City, State & Zip Code:	Plymouth, MN 55441	
Main Telephone Number:	763-543-4600	
Website:	world-kinect.com	
2.1.2.	<b>Formation.</b> In what year was the company formed? For how long has your company been operating under its present business name? If your company has changed its business name, include the most recent prior business name and the year of the name change.	
Energy management services have been delivered for nearly 30 years. The company's current name of World Kinect Energy Services, (legal name is still Kinect Energy, Inc.), has been in use for about 18 months. The name change was made to reflect a broader scope of the company's global presence in energy related services and fuel supply.		
2.1.3.	<b>Legal Structure.</b> Check the box next to the option that best describes the company's legal structure. Include requested narrative in the space provided.	
<input checked="" type="checkbox"/>	Corporation – provide the State of incorporation and the company ownership structure.	World Kinect Energy Services (Kinect Energy, Inc.), is a wholly owned subsidiary of World Fuel Services, a Fortune 100 energy management and fuel supply provider; NYSE: INT
<input type="checkbox"/>	Partnership – provide the State of registration and the names of all partners.	Click here to enter response.
<input type="checkbox"/>	Sole Proprietorship – provide the State of registration and the name and title of the principal.	Click here to enter response.
<input type="checkbox"/>	Joint Venture – provide the State of registration and the names and titles of all principals.	Click here to enter response.
<input type="checkbox"/>	Other – provide detailed description of corporate structure and ownership.	Click here to enter response.



## 2.2. Financial Strength & Legal Considerations

2.2.1.	<p><b>Financial Strength.</b> Provide three (3) years of company and any parent company financial statements or other documents that speak to the financial strength of the company, such as the most recent Annual Report to Shareholders and 10K Report (if applicable) or audited financial statements, including income statement and balance sheet. <i>Note: you may mark this information as a “Trade Secret” per the terms outlined in the RFP.</i></p>
<p>Refer to file: Technical Proposal - Kinect Energy - Section 2.2.1 - Financial Statements.pdf Income Statements and Balance Sheets are reflected for 2019, 2018 and 2017</p>	
2.2.2.	<p><b>Bankruptcy &amp; Insolvency.</b> Describe any bankruptcy or insolvency for your organization (or its predecessors, if any) or any principal of the firm in the last three (3) years.</p>
<p>No bankruptcy or insolvency incidents to report.</p>	
2.2.3.	<p><b>Litigation.</b> Describe any litigation in which your company has been involved in the last three (3) years and the status of that litigation.</p>
<p>No litigation to report.</p>	
2.2.4.	<p><b>Mandatory Contract Performance Disclosure.</b> Pursuant to <b>RFP Section 3.13</b>, disclose whether your company’s performance and/or the performance of any of the proposed subcontractor(s) under contracts for the provision of services that are the same or similar to those to be provided for the Program which is the subject of this RFP has resulted in any “formal claims” for breach of those contracts. For purposes of this disclosure, “<b>formal claims</b>” means any claims for breach that have been filed as a lawsuit in any court, submitted for arbitration (whether voluntary or involuntary, binding or not), or assigned to mediation. For any such claims disclosed, fully explain the details of those claims, including the allegations regarding all alleged breaches, any written or legal action resulting from those allegations, and the results of any litigation, arbitration, or mediation regarding those claims, including terms of any settlement. While disclosure of any formal claims will not automatically disqualify a Bidder from consideration, at the sole discretion of Equalis Group, such claims and a review of the background details may result in a rejection of a Bidder’s proposal. Equalis Group will make this decision based on the Proposal Review Team’s determination of the seriousness of the claims, the potential impact that the behavior that led to the claims could have on the Bidder’s performance of the work, and the best interests of Members.</p>
<p>No formal claims of breach of contract have been brought against the company under contract for the provision of services that are the same or similar to those provided for the Program.</p>	
2.2.5.	<p><b>Mandatory Disclosure of Governmental Investigations.</b> Pursuant to <b>RFP Section 3.14</b>, indicate whether your company and/or any of the proposed subcontractor(s) has been the subject of any adverse regulatory or adverse administrative governmental action (federal, state, or local) with respect to your company’s performance of services similar to those described in this RFP. If any such instances are disclosed, Bidders must fully explain, in detail, the nature of the governmental action, the allegations that led to the governmental action, and the results of the governmental action including any legal action that was taken against the Bidder by the governmental agency. While disclosure of any governmental action will not automatically disqualify a Bidder from consideration, such governmental action and a review of the</p>



	background details may result in a rejection of the Bidder's proposal at Group's sole discretion. Equalis Group will make this decision based on the Proposal Review Team's determination of the seriousness of the claims, the potential impact that the behavior that led to the claims could have on the Bidder's performance of the work, and the best interests of Members.
	The company has not been subject to any adverse regulatory or governmental actions with respect to the performance of services similar to those described herein.

### 2.3. Industry Qualifications

2.3.1.	<b>Industry Experience.</b> How long has your company provided products and services outlined in your response to this RFP? What percentage of your company's revenue in each of the last three (3) full calendar years was generated from these products and services?
	World Kinect has offered energy management services for over 3 decades. Our revenues are over 95% comprised of energy management services. See the Addendum to Attachment A for more information.
2.3.2.	<b>Geographic Reach.</b> Describe your company's service area in the United States and which areas you intend to offer services under a resulting contract if awarded. If your company does not currently provide services nationwide, describe your plans/timeframes to achieve nationwide service provision, if applicable.
	World Kinect serves clients in 46 of the 50 United States. We are able to support natural gas clients in all areas of the U.S., and electric clients in all of the deregulated electricity states. World Kinect can provide services in the remaining 4 states, but does not currently have any clients with sites located there.
2.3.3.	<b>Certifications and Licenses.</b> Provide a detailed explanation outlining the licenses and certifications that are i) required to be held, and ii) actually held by your organization (including third parties and subcontractors that you use). Has your company maintained these certifications on an ongoing basis? If not, when, and why did your company lose any referenced certifications?
	World Kinect holds certifications/licenses across multiple lines of business and geographies both in and outside of North America. As it pertains to the scope herein, no certification or license is needed beyond general licenses to do business in the applicable jurisdictions. If at any point a client would desire to pay for their services through a brokerage arrangement, World-Kinect holds the appropriate license in each state that requires such. Further, the company holds a Commodity Trading Advisor license issued by the National Futures Association under the CFTC regulations. While the scope as written would not require such a license, if any of the end use customers would desire to use a combination of physical and financial hedging to locking in their energy pricing, such guidance would have to be provided by a registered CTA.
2.3.4.	<b>Natural Gas Customers.</b> Provide an estimate of the annual consumption (MMBtu) of natural gas managed for your customer base in the United States?
	360 BCF year managed



2.3.5.	<b>Electric Customer Portfolio.</b> Provide an estimate of the annual consumption (MWh) of electricity managed for your customer base in the United States?
15 /TWh managed; Wholesale managed: 1.4 TWh	

**2.4. Public Sector Focus**

2.4.1.	<b>Public Sector Contract Vehicles.</b> What Public Sector contract vehicles (e.g., state term contracts, public sector cooperatives, etc.) does your company have in place to provide products & services defined in this RFP? For each contract vehicle, when was the contract established, what is the expiration date, and how much annual revenue does your company generate through the contract(s) in each of the last three (3) calendar years?
World Kinect, through its parent organization, World Fuel Services, holds multiple public sector contract vehicles, however these are primarily designed around commodity supply. While World Kinect has a large number of public sector clients, the engagement is under specific contracts for energy management services, not master procurement contract vehicles.	
2.4.2.	<b>Education Success.</b> What is the i) total dollar amount, and ii) percentage of your company's total annual revenue generated by sales to educational institutions (i.e., K-12 schools & school districts and high education)?
Please see response to Question 2.4.4 below; answer applies. Approximately 5+% of our revenues are derived from Education accounts. As a subsidiary of World Fuel Services, World Kinect does not report revenue numbers separately, and therefore, are not available.	
2.4.3.	<b>Government Success.</b> What is the i) total dollar amount, and ii) percentage of your company's total annual revenue generated by sales to local governments (i.e., municipalities, counties, special districts, and state agencies)?
Please see response to Question 2.4.4 below; answer applies. Approximately 5% of our revenues are derived from Government accounts. As a subsidiary of World Fuel Services, World Kinect does not report revenue numbers separately, and therefore, are not available.	
2.4.4.	<b>Public Sector Strategic Growth Plan.</b> Describe your company's three to five-year public sector sales objectives and the key elements of your strategic plan to achieve those objectives. What is the total annual dollar value of your company's total revenue generated by local governments and educational institutions in each of the last three (3) calendar years? What percentage of your company's total annual revenue is generated by sales to local governments and educational institutions? <i>For clarity, the figures requested are to include revenue generated through cooperative contracts (see question 2.4.1) and all other forms of revenue to local governments and educational institutions to represent the aggregate revenue volume.</i>
As a global energy management company with 1,000s of clients, over 100,000 meters across 40 countries, World Kinect does not typically focus on individual sectors unless such sector has unique energy needs due to regulations or consumption patterns where World Kinect can provide material value. Public sector clients have always been an important and material part of our overall portfolio and the company is well versed in handling their energy needs and	



complying with their procurement regulations. World Kinect currently handles about 140 public sector and 160 educational clients, including townships, municipalities, cities, counties, school districts, colleges and universities within the U.S. These do not include the other 100 or so authorities and other governmental look a-like organizations we serve.

Outside of the opportunities that would arise if World Kinect were fortunate enough to secure this RFP, the company shall continue its current efforts relating to governmental and educational clients, including:

- Marketing our higher education energy management program both directly to colleges and universities as well as through the conference organizations that we are asked to participate in
- Working through both national and state school district organizations to implement our school district procurement brokerage plan
- Support our chamber of commerce and association partners with energy management education programs to their members, many of which include governmental and education institutions

As a public company and due to non-disclosure requirements, we do not disclose specific economic data related to the contracts with our clients, however our governmental and educational clients make up around 10% of our entire U.S. client portfolio.

## 2.5. Customer References

2.5.1.	<p>Provide references of at least three (3) local government or educational institution customers for which your company has provided products and services similar in nature and scope to those defined in this RFP in the last three (3) years. Each reference should include:</p> <ul style="list-style-type: none"><li>• Customer name and location;</li><li>• Customer contact person and their title, telephone number, and email address;</li><li>• A brief description of the products and services provided by your company;</li><li>• Customer relationship starting and ending dates; and,</li><li>• Notes or other pertinent information relating to the customer and/or the products and services your company provided.</li></ul>
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**2.6. Insurance Coverage**

2.6.1.	<p><b>General Liability, Property &amp; Automobile Insurance.</b> If your company is selected as the Winning Supplier, during the term of any agreements between your company and Equalis Group, and for two (2) years following expiration or termination of such agreements, your company, at its own expense, will maintain and will require that its agents, subcontractors, or suppliers engaged in your company's performance of its duties under such agreements, maintain general liability insurance, property insurance, and automobile insurance (at a minimum, in the amount of \$1,000,000 per occurrence/\$5,000,000 annual aggregate) applicable to any claims, liabilities, damages, costs, or expenses arising out of its performance under such agreements. Confirm that your company either a) has, or b) will purchase insurance coverage as described herein.</p>	<input checked="" type="checkbox"/> Yes <input type="checkbox"/> No
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World Fuel Services maintains coverages in General Liability, Auto Liability and Property Insurance. However, Property Insurance and Auto Insurance are not relevant for the type of services World Kinect Energy Services provides.

2.6.2.	<p><b>Employee Dishonesty – Members.</b> The Winning Supplier shall be held fully liable for any and all dishonest acts of its employees and/or its subcontractor's employees. Coverage must be provided for Third Party Employee Dishonesty, covering all employees and all officers of your company and any subcontractors, in an amount not less than \$100,000 per occurrence. Confirm that your company either a) has, or b) will purchase insurance coverage as described above covering all employees and all officers of your company, in an amount not less than \$100,000 per occurrence for each Equalis Group Member utilizing the Program.</p>	<input checked="" type="checkbox"/> Yes <input type="checkbox"/> No
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Yes, World Fuel Services carries Commerical Crime coverage.





## Section 3. Products and Services

### 3.1. General Information

3.1.1.	<b>Customized Offering.</b> Describe how you are able to customize the program offering to Equalis Group Members.
<p>Energy management clients have a broad array of services available. World Kinect offers five primary segments of services: Procurement, Risk Management, Data Management, Sustainability Services/Consulting, and Supply Management. We understand that each client has their own specific goals and objectives that pertain to energy management, and one size does not fit all. See the Addendum for Attachment A to review content of our service areas.</p>	
3.1.2.	<b>Differentiators.</b> Describe what differentiates your company’s products and services from your competitors.
<p>World Kinect is differentiated in the marketplace by our energy expertise, services, innovative supply solutions, and global support. Specific attributes include:</p> <ol style="list-style-type: none"> <li>1. <b>Complexity of Fuel Options:</b> Our experience allows us to understand and advise our clients on the many fuel options available to them. There is a vast array of choices to be made in fuel options that involve price, availability, back-up fuels, renewables, and more. World Kinect Energy Service’s expertise involves fuel options, geographic expertise, risk tolerance assessments, and alternate fuel programs so we can develop a plan that incorporates your specific requirements. This expertise is a strong differentiator between World Kinect and other energy managers.</li> <li>2. <b>World Kinect Employees:</b> World Kinect employs the most talented and broadly diverse energy management professionals globally. A team of seasoned experts manage both the strategic and tactical elements of your account.</li> <li>3. <b>Energy Management Innovation:</b> For nearly 30 years, World Kinect has been innovating the very concept of energy management services. We take a holistic view of the client’s energy needs, incorporating price, risk and sustainability goals when delivering targeted solutions.</li> <li>4. <b>Distribution, Logistics and Storage:</b> World Kinect resolves difficult logistical challenges and routine supply needs to ensure product availability and smoother operations for customers.</li> <li>5. <b>Financial Solutions:</b> World Kinect’s financial solutions help strengthen customers’ businesses through managing energy costs and capital risks, making it easier to thrive in volatile environments.</li> <li>6. <b>Hybrid Supply:</b> We manage a combination of fixed and variable pricing options designed to protect against volatile times yet capture spot market downside pricing.</li> <li>7. <b>Wholesale Power Sourcing:</b> World Kinect has been a leader in successfully working with our clients to evaluate wholesale power opportunities to reduce cost, diversify supply and manage risk. With traditional retail supply, each block is sole-sourced from your contracted retail supplier who can add unlimited margins to the wholesale block price. With wholesale electric supply, each block purchase is a competitive wholesale purchase. Savings are typically substantial.</li> <li>8. <b>Renewable Energy:</b> World Kinect provides a full range of renewable energy solutions. Examples: we evaluate sites for onsite solar and participate in offsite opportunities such as Virtual Power Purchase Agreements (VPPAs) or community solar gardens. We also integrate renewable energy into the customer’s overall energy management plan, leveraging onsite generation and PPAs for price hedging and risk management.</li> <li>9. <b>TrackmyElectricity.com:</b> TrackmyElectricity is the most advanced platform for sourcing renewable energy attributes globally. Cited in GHG Protocol Scope 2 Guidance as one of best practice examples in Europe -- TrackmyElectricity lets our global customers source renewable energy certificates from local sources based on unique stories and attributes of the power plant.</li> </ol>	



- 10. **Biogas:** World Kinect manages biogas and RIN monetization under the U.S. Renewable Fuel Standard (RFS) for many clients. In addition, we source renewable biogas for companies to produce a renewable output (i.e. fertilizer). Our broad understanding and experience enables us to source biogas for clients looking for supply.
- 11. **Sustainability Services:** World Kinect offers a comprehensive suite of sustainability services:
  - Sustainability strategies to understand, quantify and manage your environmental impact in the short and long-term
  - Global sourcing of high-quality renewable energy
  - Carbon footprint calculation with cloud-based online reporting
  - Energy efficiency and carbon compliance services
  - Sustainability communication and reporting aligned with international standards such as Carbon Disclosure Project (CDP), Global Reporting Initiative (GRI), RE100, etc.
- 12. **Carbon Reporting and Management:** World Kinect is an industry leader in carbon reporting and carbon management strategy.
  - Carbon Footprint Development – baseline and footprint development, carbon data management.
  - Carbon Reduction Services – renewable energy and offset sourcing to address emissions scopes 1-3. Energy assessments to drive efficiency and reduce cost and emissions.
  - Carbon Communication – advanced communication tools to help you integrate your sustainability efforts into your brand narrative; increase stakeholder engagement and loyalty, and effectively communicate ROI.
- 13. **World Kinect Online:** Our data management system helps you quickly identify opportunities to minimize energy consumption, reduce your carbon footprint, and maximize cost savings. Our proprietary customer portal stores all energy data in one location online.
- 14. **Incentive Maximization:** World Kinect works with clients to identify and capture utility and government rebates, grants, tax credits and other incentives.

### 3.2. Electric Procurement

3.2.1.	<b>Electric Procurement Services.</b> Does Bidder provide electric procurement services? If yes, continue answering the questions in Section 3.2.	<input checked="" type="checkbox"/> Yes <input type="checkbox"/> No
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World Kinect offers a wide array of supply products that include brokerage, fixed price, blended, index and pool options through the broadest and most well-respected group of energy suppliers. We maximize our client’s savings by finding procurement solutions for every meter type, regardless of size. Our approach to analyzing our clients’ load shape and choosing the optimum supply product to meet their requirements is unmatched in the market. The unique usage characteristics attributable to each customer meter, including load factor, load shape, on-peak and off-peak usage patterns, transmission and capacity tags, are considered with each evaluation. These factors have a large impact on what you pay for electricity and the type of product that would best suit your requirements.

Regardless of where your facilities are located – fully regulated or deregulated markets – there are several key factors affecting electric cost: Electric usage, Peak Demand, and Load Factor (the ratio between the two). The World Kinect team will understand your usage patterns and Peak Demand needs when developing a sourcing plan for World Kinect. We take a truly strategic approach to sourcing electric supply. World Kinect aggregates loads by electric region (ISO or Independent System Operator) and local distribution company (or local utility). We:

- Remain electric supplier neutral



- Regularly vet all suppliers
- Manage multi-sites for improved purchasing power; aggregate loads
- Compare tariff rates
- Monitor regulatory changes
- Monitor both current and forward regional prices to identify purchasing opportunities

World Kinect helps our clients manage their electric consumption to reduce various costs, including monthly demand, seasonal demand, and capacity and transmission costs. We help clients evaluate the use of distributed generation and other technologies to reduce costs.

We monitor both current and forward regional prices to identify purchasing opportunities. We help our clients manage their electric consumption to reduce various costs, including monthly demand, seasonal demand, and capacity and transmission costs. Included in the offer:

- Develop a risk tolerance and corresponding buying plan for electric procurement based on the risk appetites of the client
- Negotiate fair and bi-lateral contract terms and conditions with all suppliers
- Aggregate supply across the client's footprint where and when applicable
- Project and monitor electric values to assist in strategic sourcing
- Conduct Requests for Proposals (RFPs) in the marketplace World Kinects to suppliers meeting the client's quality criteria
- Manage the responses to the RFP, recommend providers, and facilitate contract negotiations
- Manage and monitor compliance with executed contracts and evaluate supplier performance

3.2.2. **Procurement Process.** Describe your Request For Proposal (RFP) process for electric procurement & supply management.

World Kinect conducts RFPs for many different commodities, including electricity. This service is core to our energy management services platform. We have long term relationships with hundreds of suppliers. RFPs are evaluated with an understanding of the pricing proposed, transparency in pricing, terms of the offer, reliability and administrative services. Please refer to the response in Question 3.3.2, Procurement Response, for a process flow and diagram of our RFP evaluations. In North America a Request for Proposal (RFP) process will be triggered either by an opportunistic market condition, a client's request, fulfillment of hedging strategies, or at the end of a contract period.

The sourcing procedure to procure an energy supply contract will be as follows:

- Creation of the energy tender (RFP) document
- Selection of appropriate energy suppliers
- Send RFP invitation to selected energy suppliers
- Create evaluation framework with weightings for key criteria
- Evaluate energy supply offers
- Create short-list of preferred energy suppliers
- Present short-list to client
- Energy supply agreement negotiation with suppliers
- Selection of preferred energy supplier
- Final review of energy supply contract



3.2.3.	<b>24/7 Services.</b> Do you provide 24/7 supply management services?	<input checked="" type="checkbox"/> Yes <input type="checkbox"/> No
Yes, the World Kinect Operations team is on duty 24/7/365 to service our client's energy requirements.		
3.2.4.	<b>Projections.</b> Are you able to provide current and two-year electric market pricing projections?	<input checked="" type="checkbox"/> Yes <input type="checkbox"/> No
Yes, our Risk Management team provides both short and long term market projections for our clients. Of course, projections are not pricing guarantees, therefore it is important to work with energy experts such as those at World Kinect to fully understand supply availability, global market analysis, usage patterns, etc.		
3.2.5.	<b>Energy Budgets.</b> Please describe how you support clients in developing annual electric energy budgets.	
Budget Reporting projects forecasted costs versus actual costs as basis for upcoming budget development. World Kinect will work with our clients to produce annual and up to five-year out commodity budgets. Included in this budget will be items such as forecasted electric usage (based on expectations), supply costs (including supply costs for energy already purchased as well as expected supply costs for energy yet to be purchased), and anticipated changes in distribution rates.		
<ul style="list-style-type: none"> <li>▪ Budgets are to be performed at the site level and reported by account, site, division, and corporation</li> <li>▪ Budgets are to include projected tariff rates, and contracted positions</li> <li>▪ An annual budget forecast based on historical consumption and/or plant provided consumption forecasts</li> <li>▪ Detailed comments regarding the forecast for applicable price components (commodity/generation, transportation/transmission, distribution, taxes, etc.)</li> </ul>		
3.2.6.	<b>Tariff Review.</b> Describe your Tariff Review service for electricity to determine the appropriate utility service recommended to a client.	
World Kinect has extensive experience performing utility rate analysis and rate negotiations. Of course, tariff review for electric rates are available in deregulated states only. Our standard rate analysis includes modeling tariff options using 12 months of actual electric use. Often, our staff discovers a tariff option that presents greater value to the client. We also model tariff options that may include lower costs and lower reliability levels such as interruptible service. We clearly present the advantage and risks associated with alternative service levels.		
3.2.7.	<b>Negotiations.</b> How many years has your company provided negotiating services related to rates, terms, and conditions for electric services? Provide examples with results.	
World Kinect has served electricity clients for three decades as as such has negotiated thousands of issues related to rates and terms with suppliers. Examples: In working with a large coal facility, World Kinect realized that current contracts had a capacity tag that was higher than it should be. We placed shadow meters at the facility and were able to show a corrected KV and the difference saved the customer over \$400K in a one time savings over contract. Also: for a large steel maker in Pennsylvania, we negotiated a hold over the capacity tags prior to the energy auctions, resulting in a \$1M savings in each of the open two years of the contract. Very happy client who renewed for four additional years!		



3.2.8. **Capacity.** Describe your capacity for providing electric procurement services. In your response, please include the numbers of procurement transactions you performed in each of the last three years and the number of customers you for whom you provided procurement services.

World Kinect employs a highly trained base of procurement specialists whose role it is to develop, evaluate and execute electric procurement services. We perform over 10,000 procurement activities annually.

3.2.9. **Supplier Analysis.** Describe your electric supplier analysis process. Your description may include, but is not limited to, experience and process to establish suppliers including credit, contract terms, etc.

World Kinect maintains vendor relations with hundreds of suppliers and utilities on a global basis. These trusted and reliable suppliers source many types of fuel products including natural gas, electricity, liquid fuels, diesel, biofuels, gasoil, renewable energy certificates, etc. We do engage in "partnerships" for some third-party consulting services projects, usually in the area of consulting services. World Kinect manages thousands of sourcing events each year for energy and fuel commodities. The process is multi-step and ensures we create competition among suppliers. The gates we typically check for include: Years in business, Reliability, Customer Service 24/7, Terms and Conditions, Operational Staffing, Contract Negotiations, Flexibility and Credit.

3.2.10. **Alternate Fuel.** Do you provide alternate fuel analysis? If yes, describe Bidder's approach to alternate fuel analysis?  Yes  No

World Kinect routinely offers alternate fuel analysis to our clients. The first step is to evaluate current fuel usage, cost, availability and future requirements. Next, we evaluate alternate fuels and prepare recommendations based on commodities, projected savings, lowering energy usage, and long term needs. For example, we have assisted several clients in moving to CHP (Combined Heat and Power) installations which provides substantial savings in high volume energy use situations. We also evaluate the option of interruptible gas service and backup options to ensure the most cost effective, operationally sound energy solution. We understand the importance of taking a strategic approach to demand side opportunities in order to ensure that we are delivering the greatest value to our clients.

3.2.11. **Coincident Peak.** Do you provide Coincident Peak (utility peak load) services monitoring metering data and load profile?  Yes  No

Yes, we do provide coincident peak evaluations in electric situations when indicated. We may work with a third party to provide metering data and load monitoring to ascertain true usage patterns. Once data is collected and evaluated, there may be a cause to further investigate minimizing utility peak load.

3.2.12. **Aggregate Loads.** Do you provide services to aggregate electric loads, where applicable?  Yes  No

Yes, load aggregation evaluation is always an open opportunity. However, physical plant/facility locations are important, as well as understanding the client's load requirements. Aggregation can yield significant cost savings in certain areas, and is worthy of evaluation.



### 3.3. Natural Gas Procurement

3.3.1.	<b>Natural Gas Procurement Services.</b> Does Bidder provide natural gas procurement services? If yes, continue answering the questions in Section 3.3.	<input checked="" type="checkbox"/> Yes <input type="checkbox"/> No
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Natural gas procurement is core to World Kinect’s business model, and has been offered for over 30 years. The planning process includes developing natural gas supply requirements and defining an implementation timeline. Progress is tracked at timely intervals, and the plan is adjusted accordingly. Our procurement specialists work with the Account Manager to ensure that the optimal natural gas procurement scheme is achieved for you. World Kinect routinely works hundreds of qualified gas suppliers. This provides the client better access to a variety of offers from multiple suppliers. We focus on all services relating to the purchase and delivery of natural gas in the supply chain to provide our clients with the low cost, reliable energy they require. Below are the various strategies that we employ to achieve success for our clients.

Many energy managers offer procurement services, but few offer the breadth of services World Kinect delivers. World Kinect is uniquely skilled in working with its clients to obtain economical and reliable natural gas and electric supplies. We will evaluate qualified supply alternatives, complete sourcing processes, negotiate with vendors on the client’s behalf, and manage all aspects of delivery. We make certain that the client procures supply from reliable suppliers with competitive pricing and terms.

Natural gas procurement advantages in working with World Kinect:

- Ability to nominate multiple supplies to a single client site
- Purchase natural gas from multiple suppliers to reduce overall costs by increasing gas-on-gas competition
- Supplier neutral
- Professionally staffed procurement team
- World Kinect has managed more than 10,000 pricing events in the last calendar year alone
- We manage natural gas supply in 46 of the 50 states in the United States
- We employ dedicated staff members whose sole responsibility is to ensure seamless natural gas procurement services for our clients
- Clients are provided with Deal Reports and numerous other reports which provide complete and accurate procurement data
- Purchase supply at least-cost basis points
- Maximize unsecured credit capacity by transacting with multiple suppliers
- Review supplier invoices very closely to ensure proper pricing
- Purchase natural gas at trading/pooling points with high liquidity.

3.3.2.	<b>Procurement Process.</b> Describe your Request For Proposal (RFP) process for natural gas procurement & supply/logistics management. Your description should address, but it not limited to, transportation, scheduling, nominating; distribution; balancing; supplier management; advisories; hourly index price tracking and analysis; contracting support; default supply tracking and assessment.	
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Requests for Proposals (RFPs) are sent only to qualified, trusted suppliers. Because World Kinect has been active in procurement for three decades, we have strong vendor relationships with hundreds of commodity suppliers. RFP responses are evaluated with an understanding of the pricing proposed, transparency in pricing, terms of the offer, reliability, and administrative services (such as accurate and timely invoicing). After the top-recommended vendor is vetted, negotiations begin. World Kinect always sits on the client’s



side of the table, negotiating best possible pricing and terms. The competitive RFP process is shown below and may vary by region:



3.3.3. **24/7 Services.** Do you provide 24/7 supply management services?  Yes  No

Yes, the World Kinect Operations team is available 24/7/365 to provide supply management services.

3.3.4. **Projections.** Are you able to provide current and two-year natural gas market pricing projections?  Yes  No

Yes, short and long term pricing projections are developed on an on-going basis. Weekly, clients receive a natural gas report called the "Weekly Report", and the price risk management team prepares quarterly and annual market pricing projects. See the Addendum to Attachment A for sample Reports.

3.3.5. **Budgets.** Please describe how you support clients in developing annual natural gas energy budgets.

Similar to the Electric budget response in Question 3.2.5, natural gas budgets are formulated utilizing usage, cost, projected business changes, changes in rates, and contracted purchases. Budgets are prepared at a site and corporate level and utilize base projections on historical consumption and/or plant provided consumption forecasts. Comparing budget to actual, of course, is important as a guiding factor in upcoming years' numbers.



3.3.6. **Tariff Review.** Describe your Tariff Review service for Natural Gas to determine the appropriate utility service to recommend to a client.

World Kinect has extensive experience performing utility rate analysis and rate negotiations. Our standard rate analysis includes modeling tariff options using 12 months of actual gas use. Often, our staff discovers a tariff option that presents greater value to the client. We also model tariff options that may include lower costs and lower reliability levels such as interruptible service. We clearly present the advantage and risks associated with alternative service levels.

3.3.7. **Customer Transitions** Describe your company's experience and the steps involved in converting a customer from tariff sales to transport service.

We have been moving clients from tariff to transportation rates since the earliest days of utility deregulation in the early 1990's. First we analyze the facility usage volumes and patterns and model that against the tariff and transportation options. We consider not only all costs, but potential services requirements in relation to facility operation needs. The model will help make a decision that best fit both cost and operational needs.

3.3.8. **Negotiations.** How many years has your company provided negotiating services with utilities and pipelines for rates, terms, and conditions related to gas transportation? Provide examples with results.

Negotiating with utilities and pipelines are "core" services, spanning a period of 30+ years. World Kinect can add value to the negotiation process by:

- Monitoring the market developments and recommending the best time to start the negotiation exercise
- Recommending the duration of the supply contract (number of delivery years)
- Optimizing the conditions in the supply contract
- Reducing the overall costs by increased supplier competition
- Decreasing risk and exposure resulting from a single source supplier
- Maximizing unsecured credit capacity by transacting with multiple suppliers
- Examples: Negotiations with utility companies in pipeline bypass opportunities, transport services. storage and extra capacity requirements.

3.3.9. **Capacity.** Describe your capacity for providing natural gas procurement services. In your response, please include the numbers of procurement transactions you performed in each of the last three years and the number of customers you for whom you provided procurement services.

The World Kinect team of Operations personnel are seasoned, tenured energy procurement specialists. Natural gas procurement capacity advantages in working with World Kinect:

- Ability to nominate multiple supplies to a single client site
- Purchase natural gas from multiple suppliers to reduce overall costs by increasing gas-on-gas competition
- Supplier neutral
- Professionally staffed procurement team
- Kinect has managed more than 10,000 pricing events in the last calendar year alone
- We manage natural gas supply in 46 of the 50 states in the United States
- We employ dedicated staff members whose sole responsibility is to ensure seamless natural gas procurement services for our clients
- Clients are provided with Deal Reports and numerous other reports which provide complete and accurate procurement data





- Purchase supply at least-cost basis points
- Maximize unsecured credit capacity by transacting with multiple suppliers
- Review supplier invoices very closely to ensure proper pricing
- Purchase natural gas at trading/pooling points with high liquidity.

3.3.10. **Supplier Analysis.** Describe your natural gas supplier analysis process. Your description may include, but is not limited to, experience and process to establish suppliers including credit, contract terms, etc.

Also, see Question 3.2.9 as Supplier Analysis for natural gas and electric are similar. World Kinect maintains vendor relations with hundreds of suppliers and utilities on a global basis. These trusted and reliable suppliers source many types of fuel products including natural gas, electricity, liquid fuels, diesel, biofuels, gasoil, renewable energy certificates, etc. We do engage in “partnerships” for some third-party consulting services projects, usually in the area of consulting services. World Kinect manages thousands of sourcing events each year for energy and fuel commodities. The process is multi-step and ensures we create competition among suppliers. The gates we typically check for include: Years in business, Reliability, Customer Service 24/7, Storage, Pipeline Capacity, Nominations & Balancing, Terms and Conditions, Operational Staffing, Contract Negotiations, Flexibility and Credit.

3.3.11. **Regional Price Monitoring.** Describe your process for evaluation and review of regional basis pricing.

World Kinect’s Sourcing Team conducts an on-going process to review Regional Basis pricing. If Basis becomes attractive, we will contact suppliers to evaluate year-over-year savings opportunities. The deliverable for Regional Price Monitoring is an Advisory. The Advisory describes current basis conditions and identifies the value (if present) in extending with the current supplier.

### Regional Price Monitoring (Gas only)



3.3.12. **Natural Gas Asset Optimization Services.** Describe your Asset Optimization Services.  Yes  No

Our expert scheduling and trading teams can help maximize the value of pipeline transportation and storage options as well as on-site backup systems. Our teams are accessible 24 hours per day, year-round to respond to quickly developing situations that not only protect you from risk but can maximize potential asset optimization opportunities.



### 3.4. Data Management

3.4.1. **Information Security.** Describe the security procedures in place to protect access to clients' energy related data (utility invoices, contracts, GHG emission data, etc).

World Fuel Services Corporation and its affiliates (WFS), maintain a formal information security risk management process and policy governance structure, as well as a related data privacy program. From an information security standpoint, we have a comprehensive information security program that includes a balanced portfolio of defences to prevent, detect, and respond to cyber threats. The effectiveness of our information technology controls is audited annually within the context of compliance with Sarbanes-Oxley (SOX), in 2019 we recertified for the Cyber Essentials Certification from the British Standards Institution, and in 2019 we also achieved ISO 27001 certification. Several parts of our organization also maintain PCI-DSS certification. We routinely self-assess our security program against the NIST Cyber Security Framework, perform a SOC 1 Type 2 attestation for certain of our processes, and conduct regular internal vulnerability scans, penetration tests, and red-team exercises with outside security firms. As necessary, we conduct external risk reviews on critical partners to ensure their security posture aligns with our corporate standards as described above.

In terms of physical security, WFS has a global security program whose purpose is to protect WFS' (and all subsidiaries) people, assets and information (in conjunction with the Information Security Team), from a variety of threats. Leadership is provided by the Senior Director, Global Security & Resilience, based in the WFS London office. This program ensures that physical risks are identified, assessed, and appropriate controls implemented in all locations and business units. It also sets policies and minimum standards for physical security to be adhered to, as well as an audit and assessment process to ensure standards are maintained on an on-going basis.

From a broader data privacy standpoint, we have developed and implemented various data privacy and protection notifications, policies, and procedures to comply with applicable legislation, including the GDPR. For example, you can find online our WFS Data Privacy Centre (<https://www.wfscorp.com/en/privacy-center>), WFS Privacy Notice (<https://www.wfscorp.com/en/privacy-notice>) and WFS Data Protection and Privacy Principles (<https://www.wfscorp.com/en/data-protection-and-privacy-principles>). We also conduct periodic online and live training and other educational activities for employees regarding information security and data privacy topics (e.g. GDPR compliance), and we maintain relevant processes to intake, track, and respond track in a timely manner to GDPR-related subject access requests should they arise.

Kinect maintains a comprehensive library of information security policies, designed to protect confidential, sensitive and classified information. Annually, employees are trained to understand and follow these information security policies and procedures. The current published information security policies include:

- Information Security Policy
- Information Security Management Plan
- Computer Security Incident Response Plan (CSIRP) Policy & Standards
- Information Classification Policy
- Acceptable Use Policy
- Access Control Policy
- Encryption & Key Management Policy
- Secure Software Development Lifecycle Policy
- Clean Workspace Policy
- Removable Media Exception Policy
- Media Disposal Policy



- IT Third Party Engagement Policy
- System Backup Policy
- Physical Security Policy
- Password Policy
- Mobile Device Policy
- Remote Work Policy

In keeping with ISO 27001, these policies are the foundation for a robust library of information security procedures, standards, processes, playbooks, guidelines and metrics. Kinect collects and monitors relevant security log data on a daily basis to ensure all security policies, procedures, and control measures are operating effectively and as intended. Information Security metrics are reviewed monthly by senior management, quarterly by the board and annually by ISO 27001 auditors.

Kinect collects and monitors relevant operational infrastructure and application log data on a daily basis and to ensure all hardware and software applications are operating as intended. Kinect has a 24x7 Network Operations Centre (NOC) to address any reported IT service outages.

At least annually and more frequently as needed, Kinect reviews and updates all information security policies and procedures as new threats emerge. Kinect is audited to this standard annually by third parties, including ISO 27001 auditors.

Kinect treats all customer data as confidential and would address a breach of confidential, sensitive, or classified customer information in accordance with our CSIR Policy. It is worth noting that Kinect retains the services of an internationally recognised security firm in the event of an information security breach, regularly conducts table top exercises with senior leadership engaged and has an external 24x7 Security Operations Centre monitoring for any suspicious network or endpoint traffic indicative of a breach.

3.4.2.	<b>Reporting Capabilities.</b> List and describe the types of reports you develop and maintain for both natural gas and electric energy management services. Provide examples of these types of reports.
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See a list of Reports in Question 3.4.3. Also, report examples can be found in the Addendum to Attachment A.

3.4.3.	<b>Online Reporting.</b> Describe your company's on-line reporting system.
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Our proprietary and award-winning World Kinect Online system provides our clients with a state of the art cloud-based energy reporting system. We track and report our client's energy usage and costs to help them accurately budget, forecast, and meet their strategic energy goals.

The platform, developed by World Kinect, gives a complete overview of an organization's costs, consumption and carbon. The intuitive and user-friendly interface allows an organization to effortlessly view their cost and consumption data along with the associated emissions impact in easy-to-understand visual format on any web browser. All data can be exported in Excel format, as and when needed, throughout the year.

In addition to Reporting, World Kinect Online provides daily, timely, on-line access to industry analysis and updates, natural gas and other pricing, pipeline information, and market trend information. World Kinect has an advanced Energy Management Dashboard which is interactive, web-based, and an easily accessible platform via a personal log



in. This enables users to view market information whenever convenient. Clients can find daily updated information from energy markets, commodities, fundamentals, and price drivers.

The reports are interactive and dynamic, enabling each user to create a view to suit their specific needs. World Kinect Online can currently report in 10 languages and 8 currencies, and these offerings are ever-expanding according to the needs of our clients. We are currently handling a diverse mix of energy and commodities including natural gas, power, wind, solar and diesel.

A wide variety of standard and custom reports are available. Most reports offer the flexibility to look at a single location, division or grouping, or roll up data to a corporate level. We offer a full suite of reports to fit the many needs of organizations from building managers to corporate analysis to accounting functions. Availability of reports can vary by area and client request. World Kinect will work with the client team to produce a very specific set of reporting tools which can be accessed by all managers and decision makers.

Please see the "Reports" Addendum to this RFP for examples of reports, as requested. Commonly used reports include:

- Cost & Usage Dashboard
- Cost Dashboard
- Usage Dashboard
- Usage Analysis
- Cost Management
- Cost vs Budget
- Deviation Report
- Cost Analysis
- Invoice Archive
- Site List

Based on carbon accounting guidelines set by the Green House Gas protocol, the system was designed in-house at World Kinect keeping in mind the needs of real customers. Highlights of the carbon footprint reporting module include a carbon overview dashboard with the ability to drill down and identify carbon intensive hotspots within an organization; and the ability to generate electricity disclosure reports in all areas of operations across the globe and benchmark performance based on long-term emission reduction targets.

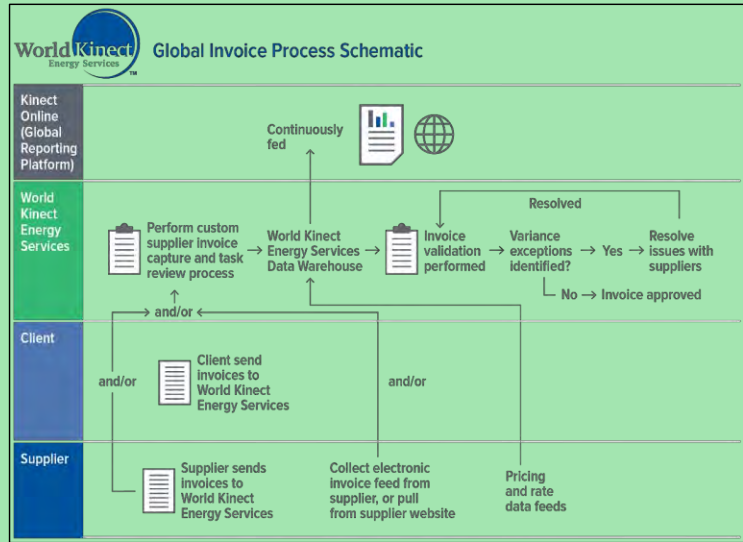
3.4.4.	<b>Payment Services.</b> Does your company audit and pay supplier, utility, pipeline, and other energy invoices, as requested and coordinated with plants to ensure timely processing?	<input checked="" type="checkbox"/> Yes <input type="checkbox"/> No
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World Kinect validates around 1 million invoices per year and our invoice management process combines administration with consumption and cost reporting. World Kinect receives, processes and validates all invoices from suppliers and transmission operators. Invoices arrive via electronic file, mail, email and electronic scanning, and are imaged into World Kinect Online. We strongly suggest that our clients allow us to receive their invoices directly (where possible). The client has access to all processed invoices via World Kinect Online's invoice archive.

Our efficient validation process ensures invoice accuracy. Checks and balances are built into the invoice management system to audit and validate billing information. Certain elements of an invoice are specific to the country that it was generated in and these elements will be addressed as appropriate in that country. Material errors or discrepancies uncovered by World Kinect are seen through to resolution. All errors are captured and tracked in our system for



reporting and control purposes. World Kinect contacts suppliers directly for explanations and/or corrections. The client is updated regularly on the status. The following process flow chart shows the path of invoice processing which ensures quality management. In most cases World Kinect does pay the utility / supplier or pipeline invoices, but it is not a requirement.



3.4.5.	<p><b>Invoice Resolution Services.</b> Do you provide invoice resolution services? If, yes, provide a description of those services. This may include, but is not limited to, correcting invoice errors, research lost or missing invoices, and providing a monthly report identifying error resolutions and their respective statuses.</p>	<input checked="" type="checkbox"/> Yes <input type="checkbox"/> No
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Yes, as shown in the image in Question 3.4.4, our invoice resolution service follows all invoices until successfully processed. World Kinect's efficient Exception Reporting process ensures invoice accuracy. All invoices are automatically audited and pass through a series of validation tests. If a flag is triggered, the bill is routed for further action by World Kinect and approval by the client, if necessary. Exception Reporting reviews:

- a) Service Address
- b) Prior balance
- c) Another bill for the same service period
- d) Missed consumption period
- e) The sequence of meter read dates and counts
- f) Bill total does not match the sum of line detail
- g) Vendor or account number unrecognized
- h) Penalties and fees
- i) Change in rate type
- j) Estimated meter alert



- k) Revised invoice
- l) Analyzed against normal cost and usage trends

Working as your authorized agent, we resolve all invoice discrepancies directly with vendors. World Kinect's team of energy management professionals is highly skilled at working with energy suppliers and utilities to resolve such errors.

3.4.6.	<b>Contract Management Services.</b> Do you offer Contract Management services? If, yes, provide a description of those services and your contract management platform capabilities.	<input checked="" type="checkbox"/> Yes <input type="checkbox"/> No
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Contract management service is available for all Agreements. Information is stored in a secured data setting and is password protected for view only by authorized personnel. The data may be searched by multiple fields and downloaded if required.

### 3.5. Energy Market Information

3.5.1.	<b>Market Information.</b> Describe your approach for delivering current market information to your customers. Your response may include, but it not limited to, daily access to industry analysis, updates, pricing, pipeline information, and market trend information. Provide sample reports to illustrate your capabilities.
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Daily, timely, on-line access to industry analysis and updates, natural gas, electric and other pricing, pipeline information, and market trend information is important to strong energy management.

To be able to provide the best solutions to our customers, we believe that it is essential to have a global international perspective of the energy markets. The energy markets are so closely aligned that changes in one part of the world are likely to have an impact on other regions. It is important to have up-to-date information and advice on the impacts these changes could have and what the best strategy is to adopt if necessary.

World Kinect has an advanced Energy Management Dashboard (through World Kinect Online) which is interactive, web-based, and an easily accessible platform via a personal log in. This enables users to view market information whenever convenient. Clients can find daily updated information from energy markets, commodities, fundamentals, and price drivers.

3.5.2.	<b>Market Data.</b> Describe your approach to provide market data. Your response may include but is not limited to, factors affect trends, risk management, and general energy information. Provide sample reports to illustrate your capabilities.
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World Kinect takes a macro perspective approach to the global markets when working with our customers, regardless of whether they are a local, national, or international company. By combining our international perspective with our cross-border knowledge across countries, segments and customers we can provide expert advice and the best-optimized solutions.

In addition to World Kinect Online, market intelligence information is made available to clients through many different avenues, including email, website, face-to-face meetings, educational forums, and reports. Examples of communication tools produced include:



- Weekly Energy Overview - focus on natural gas and electricity markets
- Webinars
- World Kinect Online (Client web portal)
- World Kinect Hosted Energy Conferences
- Standard and customized reporting
- Interface with Price Risk Manager and other subject matter experts
- Regulatory updates
- Daily market prices, including ICE and NYMEX, can be found on World Kinect's Kinect Online client portal
- World Kinect contracts with several industry experts who provide market information in the areas of crude, electricity, natural gas, and other liquid fuel commodities.
- Market calls with a member of the risk management team
- Detailed market update and strategy discussions
- Special releases throughout the year, including a semi-annual natural gas price and market fundamental forecast
- Forward pricing information for major regional gas and power hubs accessible on-demand at World Kinect Online.

3.5.3. **Regulatory Services.** Describe your Regulatory Services relative to energy.

As with Market Reporting, World Kinect believes it is essential to possess an in-depth understanding of energy regulatory issues, both present and future, in order to excel in our day to day business. We offer this service so that our clients can manage their taxes, transmission costs and other costs in an informed way. Regulatory reporting can be delivered in different methods around the globe, but typically would include:

- Notify you of changes for utilities, taxes, transmission calculation rules
- Provide a financial estimate of these changes for your sites
- Provide quarterly or annual regulatory overview reports

World Kinect's professionals have amassed decades of regulatory experience and have participated in scores of natural gas and electric regulatory proceedings before both state and federal commissions. We provide:

- Regulatory services for end user and wholesale clients
- Unique and broad service offerings for utility clients
- Results driven intervention services
- Support at state and federal levels in the U.S. and regulatory project services in other parts of the world

World Kinect monitors regulatory changes for utilities, pipelines, regional transmission organizations (RTOs) and other regulated entities serving our clients. We inform our clients of any proposed changes that will impact their annual energy cost and recommend an appropriate individual or group regulatory participation strategy.



3.5.4.	<b>Client Engagement.</b> Describe the general informational and educational opportunities, like webinars and conferences you provide customers in the energy space?	<input checked="" type="checkbox"/> Yes <input type="checkbox"/> No
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Market intelligence information is made available to clients through many different avenues including email, website, in person meetings, educational forums and reports. Examples:

- The Weekly Update (Natural Gas and Power) provided by Kinect
- Webinars
- Client web portal
- Energy Conferences
- Standard and customized reporting
- Interface with Price Risk Manager and other subject matter experts
- Regulatory updates
- Daily market prices, including NYMEX
- World Kinect contracts with a number of industry experts who provide market information in the areas of crude, electricity, natural gas, and other liquid fuel commodities.

### 3.6. Price Risk Management

3.6.1.	<b>Risk Objectives.</b> Describe your process to determine risk objectives for Equalis Group Members.	
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Purchasing energy always starts with defining a solid purchasing strategy. There are many possibilities to be considered and it is important that the purchasing strategy is designed in the best interests of the customer. Each strategy involves risk and each customer has different constraints and goals, but it will always be a balance between the company's tolerance to risk and the potential level of optimization.

Our proprietary Risk Assessment tool will evaluate your risk tolerance and set the stage for building a long-term comprehensive plan. World Kinect will help you identify your specific price risk management objectives given:

- Your business and energy supply requirements
- Your risk tolerance /profile
- The current and long-term price drivers

We provide assistance in defining proven strategies to accomplish your objectives. Kinect will provide natural gas and electric purchasing analysis to insure optimum market pricing and reliability of supply. The initial Risk Assessment will produce a model which will help to qualify the risk tolerance of client.





3.6.2. **Hedging Recommendations.** Describe how your organization provides proactive guidance and management of hedging recommendations?

Energy is one of the most volatile commodities in terms of price, and it is becoming more complex, which is why customers need a partner who is actively monitoring the market every day. World Kinect will work with the team to get an in-depth understanding of your risk management policies and establish a clear risk management system. This will be the guiding principle for the risk strategy moving forward. Revision of the strategy takes place in periodic evaluation meetings to ensure that the strategies are aligned with changes in the market.

Developing a purchasing strategy and associated risk management policy is one of the core businesses of World Kinect. Together with our customers, we have defined many tailor-made strategies, always based on the specific purchasing objectives and risk appetite of the customer. World Kinect will start by collecting all the relevant information necessary to fulfill the requested service. This can include the following activities:

- Assessment of risks in combination with the available solutions to manage them in each market
- Establish overall purchasing goals
- Establish budgeting procedures

Our team of professional and experienced Analysts monitor relevant fundamental and technical data from around the world to deliver a holistic view of energy market trends. This involves both a top-down focus on global macro-economic factors and a bottom-up focus on local market issues such as regulation and supply/demand balances. It is also important to note the value of short communication lines because fundamental changes in one region/country can have a direct impact on energy prices in other countries/regions. We should also discuss:

- Advanced hedging (futures, options)
- Locking in different terms without extending contract
- Avoiding supplier premiums
- Access to financial options (caps and collars)



Hedging, of course, can help the client create a mechanism to control costs. This will mitigate exposure to cost uncertainty.

3.6.3. **Hedging.** Do you provide physical and financial hedging?  Yes  No

Hedging, of course, can help our clients create a mechanism to control costs. This will mitigate exposure to cost uncertainty. We can physically and financially hedge, assuming the client purchases third party supply.

3.6.4. **Hedge Reporting.** Do you provide hedge management reporting services? If yes, please provide details of your capabilities.  Yes  No

All elements of hedging are documented and reported to the client. Part of our reporting to the client includes hedged purchases and balances. Annual assessments will evaluate hedged positions and will factor into the budget process.

### 3.7. Sustainability Services

3.7.1. **Sustainability Services.** Does Bidder provide natural Sustainability Strategy Services? If yes, continue answering the questions in Section 3.7.  Yes  No

Yes, World Kinect provides many sustainability services, including strategy development. Some of these include: carbon footprint reporting, energy efficiency audits, renewable energy (on-site solar, VPPAs, RECs, Offset carbon emissions, and environmental audits.

3.7.2. **Sustainability Strategy Services.** Describe your approach and the services related to development of a sustainability strategy for your customers.

Sustainability programs vary widely depending on the environment, government regulations, the needs of the client, availability of technology, and many other factors. World Kinect serves as a consultative manager to help companies develop and implement plans to reduce costs, increase efficiencies, and tract results. Solutions / outcomes include the development of a carbon reduction plan, carbon compliance, reduction of energy usage, sourcing of renewable energy, and offsetting carbon emissions.

Issues for a client to consider include:

- **Goals** – a well defined goal for renewable energy or carbon reduction is imperative. The size of the goal will suggest the applicability of different strategies. For example, a 100% renewable energy goal will be difficult to meet with on-site generation alone.
- **Timing** – how quickly the corporate goal and milestones need to be met. This should also consider the timing on availability of favorable renewable energy incentives and programs. The speed with which a goal must be met will recommend certain strategies over others and whether a bridging strategy is required (e.g., unbundled REC purchases as a bridge to a VPPA)
- **Technology** – are there any requirements to source renewable energy from specific technology types (e.g. wind or solar); or to exclude particular renewable energy sources (e.g. biomass or hydro)
- **Additionality** – is additionality required? Does demand have to be met with new sources of renewable energy added to the electric grid?



- **Marketing/Stakeholder Engagement** – is there value to having an on-site project, or participation in an identifiable off-site project?

3.7.3. **Virtual Purchase Power Agreement.** Describe your Virtual Purchase Power Agreement (VPPA) program for renewables.

An Offsite PPA, also known as a Virtual Power Purchase Agreement (VPPA), or “Financial PPA”, is an agreement to purchase renewable energy directly from a renewable project developer who produces energy away from your physical location. A VPPA is a long-term financial agreement between your company and a renewable energy project developer (such as a solar or wind farm) to indirectly purchase its power generation. A VPPA is a “contract for the differences”.

How a VPPA works:

- Organization signs a VPPA with a renewable energy project developer, typically at a fixed price/MWh (VPPA Price) over a 10-15 year term.
- All the electricity generated by the project is sold into the wholesale market by the project developer who receives the current market price.
- When the market price is greater than the VPPA price the organization has agreed to, the project developer pays the organization the difference.
- Conversely, the organization would pay the difference to the project developer if the market drops below the VPPA price.
- The organization owns all of the Renewable Energy Certificates (RECs) that correspond to their share of the renewable energy project, thus reducing their Scope 2 emissions.
- Facilitating the world’s transition to renewable energy is one of World Kinect’s core areas of focus. For over 20 years, we have worked diligently to develop strong relationships with a large and growing portfolio of renewable project developers. Our insight into market trends allows us to identify the best options to satisfy our clients’ renewable energy needs.
- Our clients choose us for the measurable value we deliver to them.
- Large and growing pool of VPPA projects gives us access to best pricing.
- Market insight through daily contact with developers.
- Expert application of analytical skills and experience to better analyze and assess all the risk factors.
- In-depth industry, market and regulatory knowledge.

Benefits of a VPPA

- Aggregate your electricity consumption across multiple sites
- No need to be in a deregulated electricity market
- No capital investment required
- No changes to your facility required
- Achieve cost savings via the economies of scale of utility-scale renewable energy projects
- Reduces your Scope 2 carbon footprint
- Satisfy consumer demand for more sustainable industrial processes
- Potential to generate revenue while achieving your renewable energy goals



- Acts as a "dirty hedge" against rising electricity prices

3.7.4. **Power Purchase Agreements.** Describe your experience with Power Purchase Agreements (PPAs) to buy power from a given power generator.

In North America, World Kinect has handled c. 150MW of VPPAs (with a further 165MW under negotiation), c. 30MW of on-site solar and 31MW of community solar gardens. World Kinect helps our clients achieve buy-in from finance, legal, accounting, and marketing by engaging them in PPA conversations early. Our goal is to help educate internal stakeholders and make them more familiar with the benefits, structure, risks and contract language of a PPA.

- World Kinect provides:
- Development and assessment of the organization’s sustainability goals
  - Green attribute management (Renewable Energy Certificates & Global Equivalents)
  - Renewable energy market analysis and risk evaluation
  - Renewable energy procurement and green project identification
  - Renewable PPA tendering & insights
  - Portfolio management
  - Project assessment measured against and tied directly to the company’s objectives and desired impact.
  - Renewable energy feasibility studies
  - Regulatory, contractual and investment advisory
  - Tax legislation
  - Intermittent renewable energy balancing services
  - Physical sleeved demand matching

- Benefits of a PPA include:
- Sustainability benefits
    - Additionality—enable the building of new renewable energy assets
    - Zero Scope Emissions per WRI’s GHG Protocol Scope 2 reporting methodology – allows an organization to make powerful marketing claims
    - Show true leadership & meaningfully deliver on commitments
    - Avoid ‘greenwashing’ and cement a strong CSR reputation
    - Receive all associated RECs
  - Financial benefits
    - Lock in competitive prices long term, hedging against increasingly volatile energy prices
    - Ensure security of supply
    - Secure the most competitive projects
    - More and more corporations are making renewable commitments, yet projects are limited due to land, permits & technical complexities

3.7.5. **Renewable Energy Certificate.** Describe your Renewable Energy Certificate (REC) capabilities.

- World Kinect helps corporate energy consumers source renewable electricity reliably and transparently from power plants of their choice. Our trusted portfolio of Environmental Attribute Certificates includes:
- Guarantees of Origin (GOs) in Europe
  - Green Energy Certificates (GECs) in Japan
  - Large-Scale Generation Certificates (LGCs) in Australia

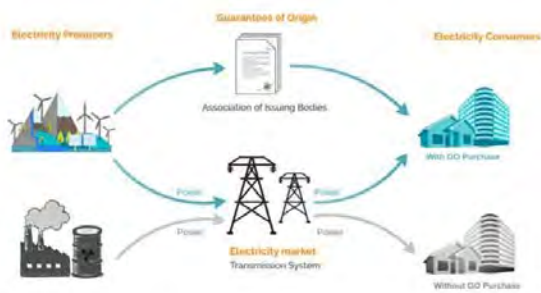


- International RECs (I-RECs)
- Tradeable Instruments for Global Renewables (TIGRs) in many parts of world.
- Renewable Guarantees of Origin (REGO in the UK)

While each product above represents the environmental benefits related to one megawatt-hour of renewable power generated, it is important to keep in mind that these may or may not be “bundled” together with the underlying electricity. These products allow your organization to support renewable energy projects regardless of where you currently source power – effectively reducing power-related carbon emissions.

As a global Fortune 100 company and a supplier of a wide range of renewable energy products and solutions, we leverage our collective experience across nearly all industry types to help clients create a custom renewable energy sourcing plan specific to their needs. Our experience working with major manufacturing companies, government agencies, municipalities, non-profit organizations, commercial and industrial customers, and more, allows us to deliver real-world insight and solutions to our customers.

#### Sourcing renewable energy



#### 3.7.6. Carbon Offsets. Describe your carbon offset capabilities.

A Carbon Offset represents a reduction in greenhouse gas emissions that can be used to compensate for emissions made somewhere else.

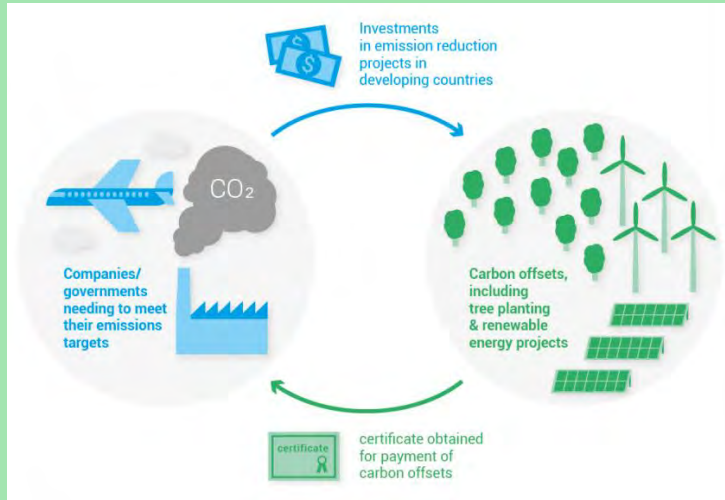
- Purchasing Carbon Offsets allows companies to compensate for their residual carbon footprint by supporting projects worldwide that reduce carbon emissions.
- Many Carbon Offset projects contribute to the improvement of life for people across the globe through access to clean energy, improved health, education, and jobs.
- Carbon Offsets are not a complete solution for managing your company’s entire carbon footprint, but they are an effective bridging mechanism that can be used to compensate for residual and direct carbon emissions.

Our first step is to calculate the amount of carbon emissions associated with your business operations in tonnes of CO2 equivalents (CO2e) – this enables us to understand your carbon footprint. Next, we source an equivalent amount of carbon offsets from a recognized emission reduction project through scrutinizing the market carefully selecting the

[www.equalisgroup.org](http://www.equalisgroup.org)



right project for your business. Finally, we deliver corresponding documentation that allows our customers to report that they are carbon neutral for the portion of their carbon emission that they have offset. Our end to end solution includes full service management of: Project sourcing, Carbon Offset market access and delivery and retirement of certificates.



3.7.7. **Solar Development Model.** Do you offer Solar Development Services for rooftop or ground-mount installations? If so, please detail your services model.  Yes  No

No matter where an organization is located, solar power provides predictably priced electricity for extended periods. World Kinect provides access to innovative financing options that reduce or eliminate upfront costs and help achieve budget and sustainability goals. Solar power can improve an organization’s bottom line and act as a hedge against utility price volatility. Facilities with ample roof or ground space available should strongly consider an on-site solar project to meet their electricity demand. Regardless of the motivation for pursuing on-site solar modules, World Kinect ensures that the project makes economic sense. We work on our clients’ behalf to ensure the triple bottom line is protected, at no upfront cost to them. World Kinect provides:

- High-level site assessment for solar PV and other renewables
- Initial site qualification and solar layout and design



- Competitive bidding process
- Bid analysis and developer recommendation
- Financial and energy modelling of on-site renewable systems
- Contract negotiation
- Development oversight through system commercial operation

Our experts provide turnkey solar solutions that help our clients:

- Own & operate their own solar panels (On-Site Own)
  - This is a good option for those companies and organizations comfortable with deploying capital to achieve their sustainability goals. Owning and maintaining solar panels can quickly pay for itself.
- Enter into an On-Site Power Purchase Agreement (On-Site PPA)

This is a good option for companies and organizations that would prefer to avoid an upfront capital expenses, such as non-profit organizations.

How does an On-Site Solar PPA work? The client:

- Buys renewable energy directly from a renewable energy project developer.
- Takes title to the energy as well as its associated Renewable Energy Certificates.
- Is responsible for moving the energy away from the delivery point to its load—most organizations handle this through a third-party provider.

3.7.8.	<b>On-Site Generation.</b> Do you provide consulting relative to On-site generation Combined Heat and Power (CHP) requirements?	<input checked="" type="checkbox"/> Yes <input type="checkbox"/> No
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World Kinect is also able to conduct an Electric Supply Evaluation review that will focus on identifying and evaluating on-site generation options which reduce cost, improve reliability, and reduce carbon emissions. The evaluations focus on the optimization of various Distributed Energy Resource (DER) solutions, including CHP, that is tailored to the specific facility in order to accomplish goals and address relevant needs.

This evaluation will focus on CHP viability, economics, and delivered benefits at the listed facilities. A CHP assessment involves a review of several key input variables including electric cost paid to the current supplier; thermal load characteristics at the facility; operating hours and load factor at the facility; GHG and carbon reduction goals; and relationship with the current electric supplier including electric outage history. The evaluation will provide an assessment of CHP viability by facility based on data provided.

3.7.9.	<b>Programs.</b> What programs do you offer for carbon footprint reduction and tracking?
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World Kinect’s award-winning platform, Track my Electricity, enables our clients to connect directly to a renewable energy source of their choice, helping them source renewable electricity reliably and transparently from their chosen power plants.

For every MWh of clean energy sourced through the platform, a portion goes towards funding renewable energy projects in remote, off-grid areas to eliminate energy poverty and build sustainable communities. Businesses can not only reduce their organizational footprint significantly, but also demonstrate direct impact in support and acceleration of renewable energy growth. Track my Electricity was cited in GHG Protocol’s Scope II guidance (2015) as one of the



best practice examples of green energy concepts that help companies go one step further and directly contribute to the growth of new low-carbon energy projects.

World Kinect offers a full suite of solutions related to renewable energy and carbon reduction tools, including: Carbon footprint reporting, Renewable energy solutions such as Energy Tracking Attributes, On-site solar and PPA, renewable energy policy and incentives, Energy Efficiency Measures, Carbon Management (Compliance market and Voluntary market), and sustainability strategy workshops.

3.7.10. **Organic Energy.** Do you have programs to evaluate and implement Biogas or other organic energy?  Yes  No

World Kinect manages biogas and RIN monetization under the U.S. Renewable Fuel Standard (RFS) for many domestic and global clients. In addition, we source renewable biogas for companies to produce a renewable output (i.e. fertilizer). Our broad understanding and experience in the U.S. biogas markets enables us to source biogas for clients looking for supply. We also assist many clients with capturing and maximizing the value of biogas produced onsite from production wastes.

### 3.8. Other Capabilities

3.8.1. **Additional Services.** List and describe any additional energy consulting services not yet addressed in this RFP.

World Kinect will evaluate “what else” with our clients to determine if a Full Service Energy Management Plan has been defined and executed. World Kinect maintains a broad array of additional support services to clients that are vitally important to our cohesive “Everything Energy” offer. Over the last three decades Kinect has offered a wide range of Consulting Services for our clients. However, over the most recent years, we have greatly expanded our ability to deliver intensive, customized and structured Consulting Services. The chart below shows some of those capabilities.

Task
1. Sustainability programs (custom)
2. Facility Assessments
3. Energy efficiency programs
4. Carbon emissions reporting
5. CHP (Combined Heat and Power) analysis
6. FERC, CDP & Global Reporting Initiative (GRI)
7. Carbon mitigation
8. Regulatory Interventions
9. Water management services (outside of invoice mgmt. & reporting)
10. Alternate fuel economic analysis
11. Transactional services
12. Assessment of capital intensive modifications
13. CNG/LNG consulting/procurement
14. Solar projects
15. Green Field and Brown Field Plan services
16. Microgrid assessment
17. Biogas sourcing and sales



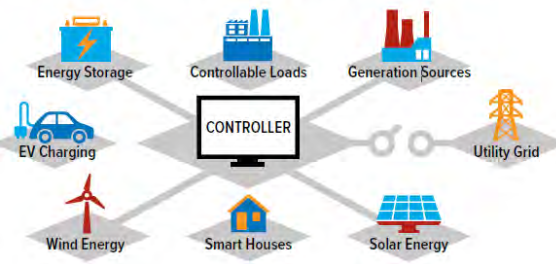

**3.9. Additional Features**

3.9.1.	<p><b>Value Add.</b> Describe any other features or capabilities relating to this RFP that would improve or enhance the Program. Your response may include, but is not limited to, additional products and services, ecommerce capabilities, marketing capabilities, green initiatives, and technological advancements.</p>
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Electric Supply Evaluations are becoming increasingly important to identify and evaluate on-site generation options. See image below for a image view.

**What are your goals?**

- ▼ Lower cost
- ▼ Improved reliability
- ▼ Increased resilience
- ▼ Long term price stability



**3.10. Additional Offerings**

3.10.1.	<p><b>Other Capabilities.</b> Identify and describe any other products and/or services your company offers outside the primary scope of this RFP that can be made available to Equalis Group Members. Include proposed pricing for any additional products or services your company offers in <b>Attachment B – Cost Proposal</b> in accordance with the directions provide in <b>RFP Section 2.3 Cost Proposal &amp; Acceptable Pricing Formats</b>.</p>
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Refer to Question 3.8.1 for a list of additional capabilities. Since this list is primarily consulting services, pricing will be determined either on an hourly or project basis.

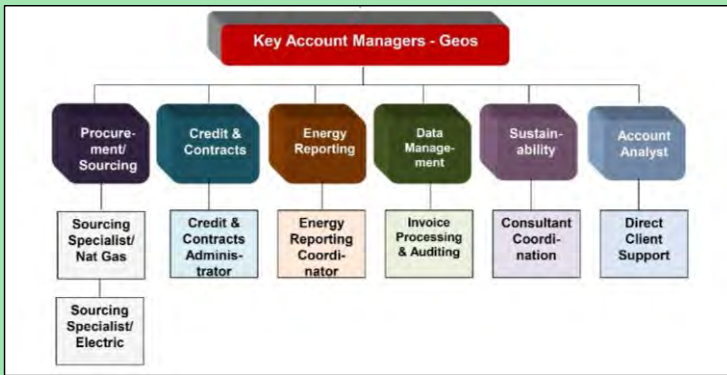


## Section 4. Business Operations

### 4.1. Customer Service

4.1.1.	<b>Customer Service Department.</b> Describe your company's customer service department & operations. Your description may include, but is not limited to, hours of operation, number and location of service centers, number of customer service representatives. Clarify if the service centers are owned by your company or if they are a network of subcontractors.
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World Kinect does not have a customer service department per se. Every client is assigned an Account Manager who acts as their principle point of contact for all of the services provided. The client is also provided with additional contacts for time sensitive issues or those requiring specific subject matter expertise. These individuals are available to the client during regular business hours unless such services pertain to critical operational issues, in which case contacts are available 24/7. The diagram below depicts the support services which flow through the Account Manager.



4.1.2.	<b>Complaint Resolution.</b> Describe your customer complaint resolution process. Describe how unresolved complaints are handled.
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Initial complaints should always be referred first to the client's Account Manager. 95%+ of all issues are resolved during this step. The next point of escalation would be to leader of the account management organization. If the matter is not successfully resolved at this step, then the matter would be referred to the World Kinect in North America who would meet and resolve the matter with the client's executive contact.

### 4.2. Order & Invoice Processing; Payment

4.2.1.	<b>Purchasing Options.</b> Describe the different channels in which this contract will be made available to Equalis Group Members. Your response should include, but is not limited to, whether your organization will serve as the single point of contact or if the contract will be made available to your dealers and reseller to serve as the single point of contact.
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World Kinect Energy Services will be the single point of contact for all contracts and energy management services.

4.2.2. **Invoice Process.** Describe your company's invoicing process.

World Kinect's clients are typically invoiced on a 30 day cycle. Invoices can be generated to single or multiple sites.

4.2.3. **Payment.** What are your standard payment terms? What methods of payment do your company accept?

Payment terms are typically Net 15 Days. We accept payment by business check, automatic withdrawal and certified checks such as money orders.

### 4.3. Members Contracting for Services

4.3.1. **Customer Set Up.** Once an Equalis Group Member decides to accept your company's proposal for services as described in this RFP, what is the process for the Member to become a customer?

The on-boarding process is customized for each client based on the service requirements, locations, energy management goals, in-house personnel capabilities, consumption and fuel factors, reporting needs, and a long list of factors. Below is an example of a client on-boarding process over the first few months of the Agreement. See an example of a "Customer Set-Up" below.

#### HIGH LEVEL VIEW OF IMPLEMENTATION

	Month 1	Month 2	Month 3
<b>INITIAL SET UP</b>			
World Kinect assumes energy management role			
Outbound communications executed			
Begin strategy discussions, agree to plan			
Begin feed of market intelligence to client			
All energy management contracts completed			
Deliver 30/60/90 plan of deliverables			
Determine reporting requirements/map needs			
Develop & agree to Key Performance Indicators			
Implement Activities Tracking system e.g. a Scorecard System			
Systems & software in place			
<b>KINECT ON-LINE &amp; DATA MANAGEMENT</b>			
Control and determine levels of access			
Reporting systems in place and tested			
12 months of historical usage + invoice copies gathered			
Data load / Systems testing			
Determine all reporting requirements by Geo/Site			
Employee training			
Invoice re-direction and set-up access, quarterly audits			
Billing reconciliation launch			
Implement cost and usage reporting			



Balancing services (where applicable) on-going			
Preliminary budget development			
Verification of tax exemptions			
<b>PRICE RISK MANAGEMENT</b>			
Risk management discussions / current hedging status?			
Risk meeting with Price Risk Manager			
Define and implement hedging plans (where applicable)			
Implement, track and advise risk strategies			
Determine needs for financial hedging; cost evaluations			
Regulatory monitoring and feedback to client			
<b>PROCUREMENT NATURAL GAS AND POWER</b>			
Identify immediate sourcing needs			
Develop and implement RFP plan (where applicable)			
Compile current contracts			
Review all sourcing contracts, report back to client			
Determine sourcing vendors, timelines and negotiations			
NYMEX futures reviews & price recommendations			
Review transportation agreements (where applicable)			
Review credit: potential to obtain unsecured credit			
Capacity release (where applicable)			
<b>SUSTAINABILITY AND RENEWALS (If implementing)</b>			
Regional and global analysis of energy environment			
Tracking, measurements, reporting CO2, define plan			
Kinect to assist in the development of sustainability goals/prog			

4.3.2.	<b>Customer Agreements.</b> Does your company have standard customer agreements? If yes, please provide copies of any standard customer agreements and describe your process and timeline for reviewing, negotiating, and finalizing any customer-specific contract terms or requirements.	<input checked="" type="checkbox"/> Yes <input type="checkbox"/> No
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Yes, World Kinect has standard client Agreements, however, each are customized to meet our client's requirements. Reviewing, negotiating and finalizing customer-specific contract terms can happen very quickly, but typically less than two weeks. Please refer to the Technical Proposal Addendum for a sample Agreement.

## Section 5. Go-To-Market Strategy

### 5.1. Bidder Organizational Structure & Staffing of Relationship

5.1.1.	<b>Key Contacts.</b> Provide contact information and resumes for the person(s) who will be responsible for the following areas; Executive Contact, Contract Manager, Account Manager/Sales Lead, Reporting Contact, and Marketing Contact. Indicate who the primary contact will be if it is not the Account Manager.
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World Kinect employs the most talented and seasoned energy professionals in the world, most with over a decade of experience in their given fields of expertise. The following information gives you a brief overview of the types of individuals Equalis' clients can look forward to supporting their businesses.

**Executive Contact:** Mr. Peter Brown, Vice President, Global Brokerage and Market Development: Mr. Brown oversees all North America functions for World Kinect, which includes operations, sales and marketing, accounting, finance, and consultancy services. He joined the company in 2015 and has broad energy expertise in wholesale and retail energy markets, sustainability, global and domestic commodities, asset optimization services and strategic planning. Prior to joining World Kinect, Mr Brown spent seven years at a global energy management company as Chief Operating Officer and General Counsel. From 1996 to 2008 he served in various Senior Legal Counsel functions with Constellation Energy Group, Northeast Utilities, Enviropower, Frost Brown Todd, and Smith, Currie & Hancock, LLP. He holds a J.D. from the University of Kentucky and a B.A. from the University of Dayton.

**Account Manager, Sales Lead:** Stephen Beck has been an energy industry professional for over 25 years. He has considerable experience assisting commercial, industrial and institutional clients manage cost and risk. His résumé includes a well-rounded chronology that represents stops in all corners of the energy industry. Mr. Beck is a Director providing critical advisory services to clients ranging from Fortune 500 clients to public school districts. These services include procurement, sustainability, resiliency, and wholesale market participation. He has been a Certified Energy Manager from the Association of Energy Engineers (AEE) for over 20 years and proudly serves as the President of the Greater Philadelphia Chapter of AEE. He has a BS degree from Penn State University in Operations Management and an MBA degree from Saint Francis University.

**Contract Manager:** Diane Wahl, Manager, Credit & Contracts Administration: Dianne joined World Kinect in February of 2006. As Manager, she oversees Client Credit and Contract Services team. The team provides assistance to clients and account managers in developing a diverse credit and contract strategy to meet their business objectives, verifies the accuracy of transactions and maintains all client contracts and agreements in the company's database. Dianne is a member of the International Energy Credit Association and has completed their Credit Risk Management certification program.

**Reporting Contact:** Alondra Donovan Manager, Client Data Management: Alondra manages a team of coordinators who support three main areas of work; invoice processing, data scraping and validation. This team reports through our Commercial Operations umbrella. The work they complete is the foundation for payment processing, cost and consumption capture and data driven insights. Alondra joined Commercial Operations in January of 2019. Prior to World Kinect Energy Services she worked for Target Corporation and Capella University. During her ten plus years in the Financial Services Industry she managed vendors, completed month-end reporting, implemented system automation and performed vendor compliance audits.

**Marketing Contact / Association Management:** Mr. Phil Orend is a long-tenured World Kinect manager. He has decades of experience working with professional associations and in marketing services. Phil's experience and expertise will serve Equalis well in his role of interfacing and advising regarding marketing strategies and tactical planning.

5.1.2.	<b>Sales Organization.</b> Provide a description of your sales organization, including key staff members, the size of the organization, in-house vs. third-party sales resources, geographic territories, vertical market segmentation, etc.
--------	--

The North American sales force for World Kinect Energy Services is comprised of roughly 100+ sales professionals located across North America covering a plethora of energy specific lines of business.



World Kinect is unique in that we are comprised of subject matter experts and sales professionals across the broadest array of products and services related to energy in the world. Our core offerings are around consultation and procurement services for electricity (both retail and wholesale), natural gas, liquid fuels, diesel, renewable fuels, biogas, sustainability (carbon offsets, on-site solar and Virtual Power Purchase Agreements), energy efficiency, and an emerging Emergency Management Services product line. In addition to our core advisory and procurement services, in certain regions of the country we are also a supplier of liquid fuels (diesel and lubricants) as well as natural gas.

While World Kinect has several third-party business partners, all our sales personnel are full time W2 employees of World Kinect, the majority of which have deep experience in their respective product lines and continuing education credits and accreditations. Our sales professionals are located throughout the regions of North America, with heavy concentrations in Tacoma, Kansas City, Dallas, Houston, Chicago, Pittsburgh, Louisville, Minneapolis, Virginia Beach, Philadelphia and Miami.

Our national vertical sales leader is John Bodine, based in Pittsburgh PA with verticals focused on higher education, K-12, local, county and state government, manufacturing, transportation, and healthcare. This team of national and vertical sales reps are also focused on understanding all of our product lines, and to be able to help organizations within the c-suite manage risk for their entire energy spend.

World Kinect also has an inside sales force located in Houston Texas, focused initially on liquid fuels, but ultimately supporting all of our lines of business, and the sales leader for the inside sales team is Karl Renninger. World Kinect has many of our reps focused on specific regions (outlined above) and more than likely focused on one or a few specific product lines. The national leader for this team of C&I sales professionals is lead by Tyler Mulligan. Our national VP of Sales for North America is led by Jim Pederson out of our Tacoma, Washington office.

## 5.2. Contract Implementation Strategy & Expectations

5.2.1.	<b>Five (5) Year Sales Vision &amp; Strategy.</b> Describe your company's vision and strategy to leverage a resulting contract with Equalis over the next five (5) years. Your response may include, but is not limited to; the geographic or public sector vertical markets being targeted; your strategy for acquiring new business and retaining existing business; how the contract will be deployed with your sales team; and the time frames in which this will be completed.
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As a global provider of energy management and strategic procurement services, as well as sustainability, risk management, and data management, our geographic footprint is not limited. Within five years, we would expect to engage with Equalis members in most of the 16 deregulated states for electricity and the many more states that are deregulated for natural gas procurement. World Kinect Energy Services has decades of experience in the public sector, with extra emphasis on the K-12, University and Government markets. A resulting contract can be leveraged through national and regional events and well as digital marketing campaigns. Each state typically holds regional ASBO events, which our company has participated in for many years. Business retention is important and customers have reporting available that can demonstrate success to school boards, superintendents and other key stakeholders. World Kinect Energy Services employs a dedicated internal sales team made up of seasoned professionals. This team includes both inside and outside sales professionals that engage with prospects via telephone, email and in-person when necessary. This multi-tier approach can be very effective in reaching a wide range of members across a vast geographic footprint.

5.2.2.	<b>Sales Team Incentives.</b> Will your sales team be equally incentivized to leverage the Equalis Group Master Agreement when compared to their typical compensation structure?	<input checked="" type="checkbox"/> Yes <input type="checkbox"/> No
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Yes, incentives will apply to business garnered through Equalis. Our incentive programs are reviewed annually and adjusted as required. Our sales team is very anxious to work with Equalis and your member base. Note: answer to this question is Yes, the boxes are not clearly labeled above.

5.2.3. **Revenue Objectives.** What are your sales revenue objectives in each of the five (5) years if awarded this contract?

We would anticipate a number in the \$3,000,000+ annual gross revenue range over the next 5 years. However, the number could grow based on market conditions, successful campaigns, and an ever evolving energy landscape.

## Section 6. Administrative Requirements

### 6.1. Admin Fee & Reporting

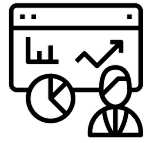
6.1.1.	<b>Administrative Fee.</b> Equalis Group only generates revenue when the Winning Supplier generates revenue based on contract utilization by current and future Members. The proposed Administrative Fee for this contract is two percent (2%) based on the terms disclosed in the <b>Attachment D – Model Administration Agreement</b> .	<input checked="" type="checkbox"/> Agree <input type="checkbox"/> Negotiate
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The Administrative Fee of 2% is agreed to based on the terms disclosed in Attachment D – Model Administration Agreement.

6.1.2.	<b>Sales &amp; Administrative Fee Reporting.</b> Equalis Group requires monthly reports detailing sales invoiced the prior month and associated Administrative Fees earned by the 15 <sup>th</sup> of each month. Confirm that your company will meet this reporting requirement. If not, explain why and propose an alternative time schedule for providing these reports to Equalis Group.	<input checked="" type="checkbox"/> Yes <input type="checkbox"/> No
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The monthly reporting terms and date of the 15<sup>th</sup> of each month are agreed to in regard to Sales and Administrative Fee Reporting. Note: We assume we have checked the “YES” box above, as it is difficult to tell!





## DATA MANAGEMENT

### Kinect Online technology informs data-driven energy decisions

World Kinect Energy Services offers a robust, client centric suite of energy reporting and data management services. Accurate, timely data results in cost savings and an improved ability to manage risk and make informed hedging decisions. World Kinect Energy Services manages your utility, supplier, pipeline and other invoices. Our professional analysts check for volume and pricing accuracy. If errors are found, we resolve them with your suppliers.

*Kinect Online is an award-winning secure client reporting website.*

Kinect Online gives clients a consolidated overview of their energy cost, consumption and carbon footprint from the past, present and future perspectives. The platform features in-depth reporting and data analysis. Kinect Online will track and report your energy cost and usage to help you better manage your business and meet your strategic energy management goals.



## REPORTING & PROCESSING

- Kinect Online – client data delivery platform
- Bill validation
- Customized Kinect Online dashboards
- Invoice management and payment
- Supplier query & cost recovery
- Energy budgeting
- Carbon reporting
- Forecasting







Robust reporting,  
customization and flexibility  
best describe Kinect Online

## THE REPORTING POWER OF KINECT ONLINE

Kinect Online provides reporting for a diverse mix of commodities such as natural gas, power, solar, diesel, etc. We support over a dozen languages and can handle most global currencies. Clients are able to generate customized reports with a high level of flexibility. The platform provides reporting on:

- Energy costs
- Purchases (deals)
- Risk positions
- Market pricing
- Scheduled gas deliveries
- Client's energy contracts
- Energy industry intelligence
- Supplier invoice data
- Storage
- Budgets
- Benchmarking
- Customized reports

Kinect Online has been designed to meet the needs of a diverse range of companies, all with unique requirements. We know that single solutions do not meet the needs of all business models. Executive level insight into trends and patterns are produced based on data-driven insights. Users can view in-depth market information including forward spot pricing updated daily from global energy markets.

## INVOICE MANAGEMENT

Let us review your energy invoices for accuracy, reconcile to contract, audit, bring errors to vendor's attention and achieve resolution, review correct tariffs, pay invoices and provide error-free reporting.

### WORLD KINECT ENERGY SERVICES



PHYSICAL  
SUPPLY



ENERGY  
PROCUREMENT



PRICE RISK  
MANAGEMENT



DATA  
MANAGEMENT



SUSTAINABILITY

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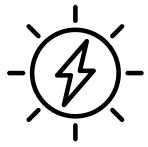
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## ENERGY PROCUREMENT

More than energy procurement –  
a partner who is on your side

Energy procurement and delivery are complex, risky activities! Let World Kinect Energy Services show you how to consistently buy better and buy less energy. The right choices result in reliable, economic energy procurement. The wrong choices can leave you with higher costs or, worse yet, with no energy at all.

*World Kinect Energy Services manages the complex process of moving your energy from where it is produced to where it is needed.*

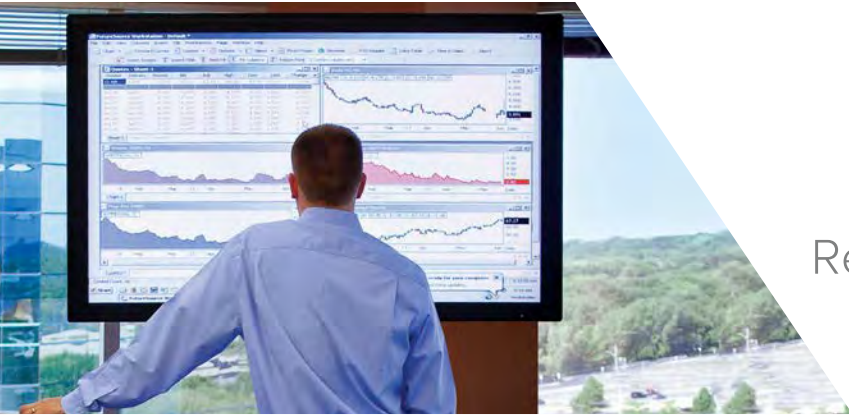
Procurement has been the cornerstone of World Kinect Energy Services' energy management expertise for nearly three decades. We are skilled in the purchase and delivery of natural gas, electricity, biogas and alternative fuels. Because we are actively engaged in physical and financial markets spanning the globe, we are close to the market. Priority one is to evaluate your total requirements and to implement a procurement plan unique to your operation.



### PROCUREMENT EXPERTISE

- Sourcing strategy
- Tariff analysis
- Price optimization
- Global network of solution providers
- Market index – flex and fixed pricing
- RFPs & contract development
- Load shape analysis
- Expert brokerage services
- Market benchmarking





Reliable, expertly managed energy procurement

### ELECTRICITY PROCUREMENT / BROKERAGE SERVICES

World Kinect Energy Services offers a wide array of supply products that include fixed price, blended, index and pool options through the broadest and most well-respected group of energy suppliers. We maximize our client’s savings by finding procurement solutions for every meter type, regardless of size. Our approach to analyzing our clients’ load shape and choosing the optimum supply product to meet their requirements is unmatched in the market.

The unique usage characteristics attributable to each customer meter, including load factor, load shape, on-peak and off-peak usage patterns, transmission and capacity tags, are considered with each evaluation. These factors have a large impact on what you pay for electricity and the type of product that would best suit your requirements.

### NATURAL GAS PROCUREMENT

We first evaluate your total energy spend. If required, we use these volumes to generate Requests for Proposals (RFPs) from qualified natural gas suppliers. An aggressive, transparent procurement process encourages potential suppliers to submit competitive bids, and also forces incumbent suppliers to adjust their pricing, credit, balancing, and other terms to more accurately reflect the ever-changing market.

World Kinect Energy Services works with our clients on both strategic and tactical procurement strategies. RFP responses are evaluated with an understanding of the pricing proposed, transparency in pricing, terms of the offer, reliability, and administrative services. With World Kinect Energy Services, you always have a pro on your team with the capabilities to deliver every approach – fixed basis, NYMEX, multi-leg options – all can be embedded in physical supply to manage your energy spend.

#### WORLD KINECT ENERGY SERVICES



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## PRICE RISK MANAGEMENT

### Customized risk management planning and market analysis

World Kinect Energy Services provides clients with a broad array of risk management services for natural gas, electricity and alternate fuels aligned with your organization's objectives and risk tolerance.

*We help you manage your projected budgets to actual costs and assist in making informed hedging decisions.*

Through constant market analysis, a structured risk plan, established short and long term goals and effective execution, we work to ensure you buy better and buy less energy. Risk management strategies are integrated with physical energy procurement strategies. Our objectives are to help you better manage your projected budgets to actual costs, assist you in making informed hedging decisions, reduce administrative costs, and provide you with the most up-to-date and meaningful information available.



### RISK STRATEGIES

- Price risk hedging strategy
- Market insight and analysis
- Financial and physical hedging strategies
- Comprehensive risk assessment
- Daily monitoring of markets
- Basis monitoring
- Weekly market updates
- Customized on-line reporting
- Documented risk plan
- Consultation with a World Kinect Energy Services Risk Manager





Implement a hedging strategy to address energy market uncertainties

## YOUR BUSINESS IS UNIQUE

World Kinect Energy Services tailors a risk plan to meet each client’s unique requirements. We analyze your business to understand the external factors (i.e. industry, competition) and internal factors (i.e. financial requirements) that dictate your price risk profile. It is important to evaluate your organization’s tolerance to market volatility and other known risks.

- On-line risk management tools
- Forward power and gas basis monitoring
- Integration with physical procurement

Our expert risk managers develop a strategic energy plan that determines a hedging strategy and implementation plan. This includes assisting with the credit process, supplier evaluation, utility infrastructure, capacity, storage, and price monitoring.

## HEDGING STRATEGIES

There is no definitive time to hedge energy. Clients hedge at different times because they have differentiating objectives and processes related to managing their own cost exposure. Whether you hedge monthly, quarterly, or opportunistically, World Kinect Energy Services’ experts will help you chart a course.

- Manage to projected budgets
- Make informed hedging decisions
- Short and long term hedging evaluations

With you, we will develop a strategy, create a documented plan, execute the plan, and compare results to established objectives. World Kinect Energy Services works collaboratively with our clients to identify the specific objectives to be targeted – typically a budget to be secured, a long-term price level to manage toward/below, or profit margin to protect.

### WORLD KINECT ENERGY SERVICES



PHYSICAL SUPPLY



ENERGY PROCUREMENT



PRICE RISK MANAGEMENT



DATA MANAGEMENT



SUSTAINABILITY

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## BACKGROUND & SERVICES

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# Buy Better, Buy Less energy with global experience and local knowledge

We understand our client's energy needs and provide global solutions through a network of expert energy managers.

World Kinect Energy Services' mission is to be your long term preferred energy manager providing best in class services to commercial, industrial and institutional clients.

---

### *The World Kinect Energy Services Offer*

- Trusted energy advice based on decades of experience
  - Custom energy strategies designed to meet your objectives
  - Local market solutions supported by a global presence
  - Examine and offer recommendations for your entire fuel portfolio
  - Measured results, ensuring the value of your energy spend
- 



Our professional energy experts deliver a suite of services through a unique approach – the World Kinect Energy Services way! Energy management services include Physical Supply, Energy Procurement, Price Risk Management, Data Management, and Sustainability.

We combine big data with intelligent analysis to deliver powerful energy solutions. Our certified energy consultants are focused on achieving your energy goals to increase efficiencies, enhance sustainability, and decrease costs.

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### **ABOUT KINECT ENERGY GROUP**

World Kinect Energy Services will listen and respond. Our fuel products and unique service offerings are tailored to each client's requirements.

- 30 years of energy management experience
- World Kinect Energy Services' parent company is World Fuel Services, a Fortune 100 corporation, NYSE:INT
- Coverage around the globe in over 200 countries
- Specializing in natural gas, electricity and alternate fuels







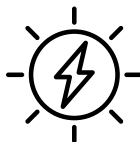
An energy partner  
that is on your side

World Kinect Energy Services will architect strategies to help clients consume less and save more on energy, reflecting individual objectives and risk tolerances. Additionally, our expert energy consultants deliver sustainability consulting, electric supply evaluations, renewable energy services, carbon management services, VPPAs and assessment of on-site generation options.



### PHYSICAL SUPPLY

- Secure (physical) supply operations
- Physical supply hedge
- Load aggregation
- Balancing & nominations
- Market price access
- Transportation/transmission
- Continuity of supply 24/7/365



### ENERGY PROCUREMENT

- Market index – flex & fixed pricing
- Price optimization
- Market benchmarking
- Contract development (RFPs)
- Load shape analysis
- Sourcing strategy
- Expert brokerage services



### PRICE RISK MANAGEMENT

- Price risk hedging strategy
- Daily monitoring of markets
- Market insight & analysis
- Financial & physical hedging
- Risk assessments
- Documented risk plan



### DATA MANAGEMENT

- Kinect Online™ – data delivery platform
- Bill validation
- Customized dashboards
- Supplier query & cost recovery
- Energy budgeting
- Global consolidated reporting



### SUSTAINABILITY

- Renewable Energy Certificates (RECs) – trackmyelectricity.com
- Regulatory response
- On-site generation / CHP
- Virtual Purchase Power Agreements (VPPAs)
- Carbon footprinting
- Electric supply evaluation

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## SUSTAINABILITY

Dedicated to providing expert energy consultative services

Whether you require expert energy consulting or sustainability services, World Kinect Energy Services is the correct match. We serve as a consultative manager to help companies develop and implement plans to reduce costs, increase efficiencies, and track results. Client solutions include sustainability consulting, electric supply evaluations, renewable energy services, carbon management services, and assessment of on-site generation options.

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*Do your renewable strategies align with your financial and environmental goals?*

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We develop client-focused sustainability solutions which may result from energy market trends, new technologies and government regulations. Clients are increasingly concerned about electric reliability and resilience; we can help you sort through the complexities of distributed energy resources to find the best solution.



## EXPERIENCE & EXPERTISE

- Renewable Energy Certificates (RECs) – [trackmyelectricity.com](http://trackmyelectricity.com)
- Regulatory response & reporting
- On-site generation / Combined Heat & Power (CHP)
- Electric supply evaluations
- Distributed Energy Resources (DERs)
- Virtual Power Purchase Agreements (VPPAs)
- Gas & power infrastructure review
- Carbon footprinting
- Environmental audit & compliance







Improved energy efficiency helps achieve environmental goals

World Kinect Energy Services provides targeted energy management solutions and one-on-one support for companies focused on energy goals such as increasing efficiency, enhancing sustainability, and decreasing costs. A few of the most impactful services include:

### ON-SITE RENEWABLE ENERGY

Facilities with ample roof or ground space available should consider an on-site solar project as on-site renewable energy often has excellent economics.

### VIRTUAL POWER PURCHASE AGREEMENTS (VPPAs)

VPPAs enable companies to take advantage of favorable economics for wind and solar projects located offsite; this is a viable strategy to meet renewable energy and economic goals.

### RENEWABLE ENERGY CERTIFICATES (RECs)

World Kinect Energy Services has developed and administrates the Track my Electricity™ platform which provides end-to-end sustainability solutions to effectively communicate sustainability measures and comprehensive services in compliance markets.

### DISTRIBUTED ENERGY RESOURCES (DERs)

World Kinect Energy Services will evaluate your options for DERs to develop a customized solution that can reduce costs, improve reliability and reduce carbon impact.

### REGULATORY SERVICES

World Kinect Energy Services' professionals have amassed decades of regulatory experience and have participated in scores of natural gas and electric regulatory proceedings before both state and federal commissions.

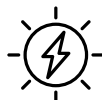
### SITE DEVELOPMENT SERVICES

We have been involved with hundreds of new and expanded plant site development projects as it relates to natural gas and electric supply, biogas, CHP/on-site power generation, and design and construction of natural gas pipelines.

## WORLD KINECT ENERGY SERVICES



PHYSICAL SUPPLY



ENERGY PROCUREMENT



PRICE RISK MANAGEMENT



DATA MANAGEMENT



SUSTAINABILITY

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## MASTER AGREEMENT FOR ENERGY MANAGEMENT SERVICES

This Master Agreement for Energy Management Services (“**Master Agreement**”) is entered into on the \_\_\_ day of \_\_\_\_\_, 2021 (the “**Effective Date**”) between:

<b>Kinect Energy, Inc.</b> A Florida corporation Notice address: 605 North Highway 169, Ste. 1200 Plymouth, MN 55441 Attn: Legal Email: <a href="mailto:kinectlegal@wfscorp.com">kinectlegal@wfscorp.com</a> Phone: 763-543-4600 (hereinafter referred to as “ <b>Service Provider</b> ”)	<b>AND</b>	<b>[CLIENT FULL LEGAL NAME]</b> A [jurisdiction] [type of company] Notice address: Attn: Email: Phone: (hereinafter referred to as the “ <b>Client</b> ”)
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Service Provider and Client are referred to individually as a “Party” or, jointly, the “Parties.”

The Parties, for good and valuable consideration, the sufficiency and receipt of which are hereby acknowledged, agree as follows:

- MASTER AGREEMENT.** This Master Agreement governs every energy management service agreement (“Service Agreement”) entered into between the Parties and/or any of its Affiliates. “Affiliate” is a person, entity, association, co-partnership, partnership, corporation, trust or other business entity, however organized, which directly or indirectly, through one or more intermediaries, controls, is controlled by or is under common control with Service Provider or Client, respectively. Exhibit A attached hereto is a current and accurate list of all active Service Agreements. The Parties agree to amend Exhibit A from time to time to accurately reflect the current Service Agreements then in place (the “Services”). In the event of a conflict or inconsistency between any Service Agreement and this Master Agreement, the latter shall govern.
- AUTHORIZATION.** Where applicable and requested by Service Provider, Client shall provide Service Provider with necessary and proper authorization to act on Client’s behalf with respect to the Services, as well as any information required by Service Provider to enable Service Provider to provide the Services.
- COMPENSATION.** The compensation owed for the Services is set out on each Service Agreement and/or summarized on Exhibit A.
- INVOICING AND PAYMENT.** Service Provider will invoice Client for all compensation, including reimbursable expenses, due. Client shall remit payment to Service Provider by the due date as set forth on the invoice. All payments shall be made by Client to Service Provider free and clear in immediately available funds by wire transfer to the banking account designated by Service Provider or by any other method specified in writing by Service Provider to Client.
- LATE PAYMENT.** If Client fails to make any payment to Service Provider when due, without prejudice to its ability to claim interest under applicable law, Service Provider shall be entitled to charge Client interest on such overdue amount at a rate of the lesser of (i) 12% per annum or (ii) the maximum rate allowed by law from the due date up to the date of Service Provider’s receipt of actual and cleared payment.
- TAXES.** All compensation excludes all duties, taxes, assessments, fees and other charges, whether foreign or domestic, of whatever type and from whatever jurisdiction, and shall be added to the applicable price. Failure to add such duty, tax, assessment, fee or other charge to any invoice shall not relieve Client from liability therefor.
- SERVICE AGREEMENT TERM.** The term of a Service Agreement is set out on each Service Agreement and/or summarized on Exhibit A.
- BREACH OF CONTRACT.** Service Provider may terminate this Master Agreement or any Service Agreement immediately by written notice upon a material breach of this Master Agreement or any Service Agreement, including, but not limited to, non-payment of amounts due hereunder, where such non-payment is not remedied within 14 days after the due date of the invoice, insolvency, howsoever evidenced, or a breach of Sections 9, 10, 11, 12 or 17.
- REPRESENTATIONS AND WARRANTIES.** On the Effective Date and on the date of each Service Agreement:
  - Each Party represents and warrants, with respect to itself, that (i) the execution, delivery and performance of this Master Agreement and each Service Agreement have been duly authorized by all necessary corporate action, constitutional documents and all applicable laws, and that such execution, delivery and performance do not violate or conflict with any applicable law, constitutional documents or any order, rule or judgment of any court or other agency, exchange or regulatory body, and (ii) this Master Agreement and each Service Agreement is its legally valid and binding obligation, enforceable against it in accordance with its terms;
  - Client represents and warrants that (i) Service Provider is not, unless set forth to the contrary in a Service Agreement, acting as a fiduciary or financial, investment or commodity trading advisor for it, and (ii) in

connection with the negotiation and execution of this Master Agreement and the entering into of each Service Agreement, (1) it is acting as a principal only (and not as an agent or in any other capacity, fiduciary or otherwise), (2) it is not relying upon any advice or representations (whether written or oral) of Service Provider other than the representations expressly set out in this Master Agreement or the applicable Service Agreement, (3) it has made and will make its own decisions regarding the entering into this Master Agreement and each Service Agreement based upon its own judgment and upon the advice from such professional advisors as it deemed, or will deem, necessary to consult, (4) all of its decisions regarding this Master Agreement and each Service Agreement have been the result of arm's-length negotiations between the Parties, and (5) it has a full understanding of all the terms, conditions and risks of this Master Agreement and each Service Agreement and it is capable of assuming and willing to assume those risks; and

- c. Service Provider represents and warrants that it will perform the Services in a competent and workmanlike manner in accordance with the level of skill, care and diligence customarily observed by a professional service provider rendering similar services.

**10. INDEMNITY AND LIABILITY.**

- a. Client shall indemnify, defend and hold harmless Service Provider and its officers, directors, employees, owners and successors from and against all claims, costs, charges, penalties and overcharges, including reasonable attorneys' fees and costs of litigation (collectively, "Losses") arising out of or related to this Master Agreement and each Service Agreement, except to the extent the same are caused directly and solely by Service Provider's gross negligence or willful misconduct.
- b. THE LIABILITY OF SERVICE PROVIDER FOR ANY AND ALL CLAIMS, COUNTERCLAIMS, LOSSES, DEMANDS, CAUSES OF ACTION, DISPUTES, OR CONTROVERSIES OF ANY KIND ARISING OUT OF, OR RELATING TO, THIS MASTER AGREEMENT OR ANY SERVICE AGREEMENT WILL NOT EXCEED THE FEES PAID TO SERVICE PROVIDER IN THE TWELVE (12) MONTHS PRECEDING THE DATE OF THE CLAIM. NOTWITHSTANDING ANY OTHER PROVISION OF THIS MASTER AGREEMENT OR ANY SERVICE AGREEMENT, IN NO EVENT WILL EITHER PARTY BE LIABLE FOR ANY INDIRECT, SPECIAL, CONSEQUENTIAL, EXEMPLARY, INCIDENTAL OR PUNITIVE DAMAGE OR LOSS ARISING OR RELATED TO THIS MASTER AGREEMENT OR ANY SERVICE AGREEMENT, INCLUDING, WITHOUT LIMITATION, DAMAGE TO REPUTATION, LOST OPPORTUNITIES OR LOST PROFITS.
- c. Nothing in this Master Agreement or any Service Agreement limits or excludes the liability of either Party for death or personal injury resulting from negligence of such Party;

11. **PROPRIETARY RIGHTS.** Client shall retain all rights in any of Client's data ("Energy Data"). Client grants Service Provider a perpetual, royalty free, non-exclusive, non-transferable license to use and copy the Energy Data in order to perform the Services. All intellectual property rights created or contained in the Services or any deliverable ("Work Product") will remain vested in Service Provider. Provided that Client is not in breach of its obligations hereunder, Service Provider grants Client a perpetual, royalty free, non-exclusive, non-transferable license to use the Work Product for its internal business purposes.

12. **CONFIDENTIALITY AND PUBLICITY.** "Confidential Information" is any and all information that a Party ("Receiving Party") receives or gets access to about the other Party ("Disclosing Party") which reasonably should be considered confidential or proprietary, including, without limitation, the other Party's pricing, trading and operating strategies, customers, business plans, marketing and finances. The Receiving Party shall only use the Confidential Information in connection with the furtherance of this Master Agreement or a Service Agreement, shall only disclose the same to any of its Affiliates and representatives having a need to receive such Confidential Information, and shall not disclose the same to any other person or party, unless such information is (a) already in the Receiving Party's possession and such information is not known by the Receiving Party to be subject to another confidentiality agreement, (b) is or becomes generally available to the public other than as a result of an unauthorized disclosure by the Receiving Party, (c) becomes available to the Receiving Party on a non-confidential basis from a source which is not known to be prohibited from disclosing such information to the Receiving Party, or (d) is required to be disclosed by the Receiving Party by court order, process, law, rule, regulation or order of an administrative agency, regulatory agency, exchange or other authority with jurisdiction over the Receiving Party. Client hereby grants Service Provider permission to use Client's name, logo, trade name, or other marks to (i) disclose Client's name or identity in any press release or other public announcement of this Master Agreement or each Service Agreement and (ii) disclose Client as one of Service Provider's Clients, including using Client's logo on Service Provider's website or other promotional materials for the duration of the term of this Master Agreement.

13. **ASSIGNMENT.** Service Provider may assign, delegate, subcontract or transfer any or all of its rights and obligations, in whole or in part, under this Master Agreement or any Service Agreement to any of its Affiliates or a third party acquiring all or substantially all of the assets or business of Service Provider.

14. **INDEPENDENT CONTRACTOR.** It is not the intent of the Parties to form a partnership or joint venture relationship. Each Party shall act as an independent contractor with respect to the other Party and this Master Agreement and each Service Agreement.
15. **SEVERABILITY.** If any provision of this Master Agreement is or becomes invalid or unenforceable, the remaining provisions shall not be affected, and the Parties shall replace the invalid or unenforceable provisions, as far as possible and reasonable, by new, valid and enforceable provisions corresponding to the original intention of the Parties.
16. **GOVERNING LAW AND JURISDICTION.** This Master Agreement is governed by the laws of the State of Florida without regard to conflict of law principles. The sole and exclusive forum for any proceedings between the Parties shall be the state or federal court in Miami-Dade County, Florida. Each Party consents to the exclusive jurisdiction of such court and waives its right to move any action to any other court and the right to dismiss or transfer any legal proceeding under the doctrine of forum non conveniens or similar doctrine.
17. **ECONOMIC SANCTIONS; ANTI-BRIBERY AND CORRUPTION.** Each Party shall refrain from any action or omission that would result in a violation by the other Party of Economic Sanctions. "Economic Sanctions" means any economic sanction or trade restriction imposed by any rule, regulation or statute of the United Kingdom, the European Union, the United Nations or United States of America, including, without limitation, those administered by the Office of Foreign Assets Control of the United States Treasury Department ("OFAC"), and any other applicable laws imposing economic sanctions or trade restrictions. Each Party represents and warrants that it is not, and is not owned or controlled by (a) a person named on the OFAC List of Specially Designated Nationals and Blocked Persons or any similar applicable blacklist maintained by the United States, as amended from time to time; or (b) a person named on the Consolidated List of Financial Targets maintained by HM Treasury of the United Kingdom, as amended from time to time, or any similar applicable blacklist maintained by the European Union or the United Nations or any other applicable government or jurisdiction. Each Party shall comply with anti-bribery and corruption laws and regulations applicable to it in connection with this Master Agreement or any Service Agreement.
18. **MISCELLANEOUS.** This Master Agreement and each Service Agreement may be executed and delivered via facsimile or pdf with the same force and effect as if an original were executed and may be signed in any number of counterparts, each of which shall be an original, with the same effect as if the signatures hereto were upon the same instrument. Neither Party has been induced to enter into this Master Agreement by virtue of, and is not relying upon, any representations or warranties not set forth in this Master Agreement, any term sheets or other correspondence preceding the execution of this Master Agreement, or any prior course of dealing between the Parties. This Master Agreement constitutes the entire agreement between the Parties pertaining to the subject matter hereof and supersedes any and all prior agreements between the Parties.
19. **Waiver of Jury Trial.** The Parties to this Master Agreement knowingly, intentionally, irrevocably, and unconditionally, waive any and all right to a trial by jury concerning any claims, proceeds, or disputes arising out of or concerning this Master Agreement or any Service Agreement. The Parties acknowledge that this section has either been brought to the attention of each Party's legal counsel or that each Party had the opportunity to do so.
20. **Sovereign Immunity.** To the fullest extent permitted by applicable law, Client expressly and irrevocably waives, and agrees not to assert, a defense of immunity on the grounds of sovereign immunity or other similar grounds in any action or proceeding which may be commenced or asserted by Service Provider against Client or Client's revenues and/or assets, whether in whole or in part or otherwise, which status would otherwise entitle Client to assert such a defense in any claim against it from: (a) suit; (b) jurisdiction of any court; (c) relief by way of injunction, order for specific performance or for recovery of property; (d) attachment of Client's revenues and/or assets (whether before or after judgment); and (e) execution or enforcement of any judgment to which Client or Client's revenues and/or assets might otherwise be subject in any proceedings in the courts of any jurisdiction.
21. **Affiliate Disclosure.** Client hereby acknowledges and agrees that Service Provider, acting in its capacity as an exclusive agent hereunder, may, on Client's behalf, transact and/or enter into legally binding contracts with one or more of Service Provider's Affiliates, or recommend for any potential transaction or a series of transactions that Client transact and/or enter into legally binding contracts with one or more of Service Provider's Affiliates, in addition to transacting with other unaffiliated third parties. Client hereby agrees that any such transaction, contract execution or recommendation, to the extent it is made by Service Provider for the purpose of Client's energy supply management matters, is deemed a bona fide commercial transaction or recommendation within the scope and under authority of this Master Agreement, and Client hereby waives and will not assert any claims against (and will indemnify and hold harmless) Service Provider and its Affiliates on account of any potential or actual conflict of interest or any other claims (regardless of any legal theory or other basis) arising as a result of the foregoing.
22. **CTA Disclosure Acknowledgment.** Service Provider is registered with the Commodity Futures Trading Commission as a commodity trading advisor, and is member of National Futures Association. Service Provider is required to provide all clients a copy of its Commodity Trading Advisor Disclosure Document. Client hereby acknowledges and agrees that Service Provider has provided Client with a copy of Kinect Energy's Commodity Trading Advisor Disclosure Document. Initials: \_\_\_\_\_

Agreed and accepted:

<b>Kinect Energy, Inc.</b> <b>By:</b> <b>Name:</b> <b>Title:</b> <b>Date:</b>	<b>CLIENT LEGAL ENTITY</b> <b>By:</b> <b>Name:</b> <b>Title:</b> <b>Date:</b>
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## SAMPLE SERVICE AGREEMENT

The following agreement (hereinafter "Service Agreement") is hereby entered into by:

<b>Kinect Energy, Inc.</b> A Florida corporation Notice address: 605 North Highway 169, Ste. 1200 Plymouth, MN 55441 Attn: Legal Email: <a href="mailto:kinectlegal@wfscorp.com">kinectlegal@wfscorp.com</a> Phone: 763-543-4600 (hereinafter referred to as " <b>Service Provider</b> ")	<b>AND</b>	<b>[CLIENT FULL LEGAL NAME]</b> A [jurisdiction] [type of company] Notice address: Attn: Email: Phone: (hereinafter referred to as the "Client")
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Service provider and the Client will hereinafter be referred to as the "Party" or jointly the "Parties".

### Preamble

This Service Agreement is entered into pursuant to the Master Agreement dated \_\_\_\_\_ (Master Agreement) between **Kinect Energy, Inc.** and **[CLIENT FULL LEGAL NAME]**. The Parties agree that this Service Agreement and the Master Agreement form an integral part of and comprise the entire agreement (hereinafter the "Agreement") between the Parties with respect to the subject matter of the Agreement. In the event of a conflict or inconsistency between any Service Agreement and the Master Agreement, the latter shall govern.

### 1. Facilities

### 2. Fees

Service Fee	\$ per month/\$ per Dth/\$ per MWh
Hedge Fee	\$0.0x per Dth

The Service Fee will increase 4% per year on the annual anniversary date of this Service Agreement.

**Hedging Services:** If Client elects to utilize Service Provider to provide physical or financial natural gas hedging services an administrative fee ("Hedge Fee") will be assessed on a per MMBtu basis for all volumes hedged to cover the costs associated with compliance with federal, state, and local commodities rules and regulations and administrative costs of facilitating this natural gas hedging service.

**Pre-approved Expenses:** Client will reimburse Service Provider for any pre-approved travel and other expenses incurred by Service Provider related to the provision of Services under this Agreement. Pre-approved expenses may be billed separately or included on Client's monthly invoice.

**Invoicing:** On or about the first day of each month, Service Provider will invoice Client for any fees and expenses due. Client shall pay Service Provider within ten (10) days after the date of the invoice. Client will make payment to Service Provider by wire transfer or ACH transfer, in each case with immediately available funds.

**3. Agency Authorization.** Service Provider shall act as Client's agent while managing the energy matters for the Facilities. In order for Service Provider to fulfill its responsibility under this Service Agreement an Agency Authorization must be executed by Client.

### 4. Term. [Insert start date – end date of initial term]

After the initial term, the Agreement will automatically renew for successive one-year terms, unless Client or Service Provider terminates the Agreement upon sixty (60) days prior written notice before the annual renewal date. If Service Provider and Client establish a physical or financial transaction on behalf of Client that extends beyond the term of this Agreement, the Agreement will extend for the duration of the transaction.

### 5. Services

**Natural Gas Supply Management.** The following services will be provided when applicable to Client for the acquisition and management of Client's natural gas supply for Client's Facilities subject to this Agreement.

(A) **Procurement of Supply:** Service Provider will assist Client in the procurement of natural gas supplies for Client's Facilities.

1. Service Provider will work with Client to determine the required daily or monthly supply volumes and corresponding receipt point(s) for gas delivery.
  2. Service Provider will administer a procurement process to create competition among suppliers.
  3. Service Provider will assess whether gas utility tariff sales supply, Client transported supply, third party-transported supply, or Service Provider-transported supply will provide the most reliable and economic supply of natural gas to the Facilities.
  4. Service Provider will administer and monitor Client's gas supply contracts.
- (B) **Logistics:** Service Provider will manage Client's supply and transportation assets.
1. Service Provider will provide nomination and scheduling of Client's gas supply with the supplier(s), the pipeline, and/or local gas utility.
  2. Where necessary and where available, Service Provider will obtain Client's metered natural gas consumption data for each Facility.
  3. Client will provide Service Provider with estimated usage volumes for each Facility on request and make a reasonable effort to notify Service Provider when Client's usage will be interrupted or changed.
  4. Service Provider will make reasonable efforts to release any excess firm pipeline capacity held by Client in the capacity release market. Revenue for such released capacity will be the property of Client. Service Provider may purchase the released capacity from Client at prevailing market rates.
  5. Service Provider will evaluate gas storage alternatives available to Client. At Client's direction, Service Provider will facilitate the acquisition of such storage and will manage the use of storage for Client.
  6. Service Provider manages and owns a portfolio of assets (including but not limited to storage, firm transportation entitlement, imbalance pools, etc.). From time to time, it may be in Client's best interest to have their assets managed as part of Service Provider's larger portfolio of assets resulting in lower natural gas costs to Client than would have otherwise been incurred. Client hereby authorizes Service Provider to manage their assets within the larger portfolio to achieve operational optimization.
- (C) **Negotiations:** Service Provider will negotiate natural gas related agreements with third parties on Client's behalf.
1. Service Provider will provide negotiation services to establish transportation rates on interstate pipelines and gas utilities, contractual terms with suppliers and transporters, trade credit with suppliers, and new tariffs where applicable with utilities.
  2. Service Provider will strive to create competition among service providers where possible.
- (D) **Acquisition of Trade Credit:** Service Provider will advise Client of credit issues for gas facilities, transportation contracts, and gas supply.
1. Client will provide Service Provider with the necessary financial information required to obtain trade credit with various vendors.
  2. Service Provider will share Client's financial documents with third parties as directed and in any manner as restricted by Client in order to establish trade credit.
  3. Service Provider will work to establish trade credit with suppliers on Client's behalf. Depending on Client's gas usage, multiple sources of trade credit may be established.
  4. Service Provider makes no guarantee that adequate unsecured trade credit will be obtained from third parties. In the event adequate trade credit cannot be secured, Service Provider will discuss various credit instruments with Client including but not limited to letters of credit, parental guarantees, and prepayment. It will be Client's sole responsibility to provide the necessary security to obtain adequate trade credit.
- (E) **Tariff Review:** Each meter or facility will be evaluated to determine the rate structure that best fits Client's needs. Additionally, Service Provider will monitor natural gas service tariffs to determine if new or modified tariffs will have an impact on Client.
- (F) **Budget Preparation:** At Client's request, Service Provider will provide an annual energy budget.
- (G) **Cost and Usage Analysis:** Where the utility or pipeline has provided Client's metered usage data, Service Provider will:
1. Post Client's gas usage for each Facility to the Service Provider secure website for Client access.
  2. At Client's request, Service Provider will provide Client with detailed cost analyses of transportation and commodity costs for each Facility.
  3. Service Provider will advise Client of options for Client to pursue with assistance from Service Provider in the event of measurement discrepancies with the pipeline or utility.
- (H) **FERC 704 Filing:** If Client's annual volume of natural gas purchases and sales require Client to file Form 552, and if the data needed for Form 552 is readily available to Service Provider, Service Provider will compile and provide such data to Client. Form 552 must be filed by Client due to FERC requirements.
- (I) **Energy Tax Exemption:**
1. If Client hires Service Provider for invoice processing and provides existing energy tax exemptions to Service Provider, Service Provider will verify that the exemptions are applied appropriately to Client's invoices. If an error is found, Service Provider will notify the vendor.

**Regulated Electricity Supply Management.** The following services will be provided when applicable to Client for the acquisition and management of Client's electricity supply for each Facility subject to this Agreement.

- (A) **Tariff Review:** Each Client Facility will be evaluated to determine the most beneficial rate structure available that best fits Client's needs. Service Provider will determine whether firm, interruptible, or a blend of services will provide the lowest cost. Additionally, Service Provider will continue to monitor electric tariffs to determine if new tariffs or changes to the tariffs will have an impact on Client.
- (B) **Budget Preparation:** At Client's Request, Service Provider will provide an annual electricity budget for each Facility.
- (C) **Cost and Usage Analysis:** Where the utility has provided Client's metered usage data, Service Provider will:
  - 1. Post the monthly electric billing information in the Service Provider secure database.
  - 2. At Client's request, Service Provider will provide Client with detailed cost analysis of electricity usage and costs.
- (D) **Energy Tax Exemption:**
  - 1. If Client hires Service Provider for invoice processing and provides existing energy tax exemptions to Service Provider, Service Provider will verify that the exemptions are applied appropriately to Client's invoices. If an error is found, Service Provider will notify the vendor.

**Deregulated Electricity Supply Management.** The following services will be provided when applicable to Client for the acquisition and management of Client's electricity supply for each Facility subject to this Agreement.

- (A) **Procurement of Supply:** Service Provider will investigate the market conditions for third party purchase of electricity at Client's specified Facilities as applicable:
  - 1. Service Provider will work with Client to determine the required daily or monthly electricity supply volumes and corresponding regional transmission organization.
  - 2. Service Provider will conduct a procurement process to create competition among suppliers.
  - 3. Service Provider will assess whether utility-provided electricity or third party supply will provide the most reliable and economic supply of electricity to the facilities.
  - 4. Service Provider will administer and manage the necessary electricity contracts.
- (B) **Evaluation of Electric Delivery Options:** Service Provider will evaluate available delivery voltages such as primary, secondary and transmission voltage if applicable. If warranted, Service Provider may also include on-site generation in the analysis. As regulatory conditions change in each state, the electric procurement process will be reevaluated to take advantage of the changes.
- (C) **Negotiations:** Service Provider will conduct negotiations with third parties on behalf of Client:
  - 1. Service Provider will provide negotiation services to establish electricity costs, contractual terms, and trade credit.
  - 2. Service Provider will assist Client with understanding the structure of electric contracts and comparison to industry norms.
  - 3. Service Provider will strive to create competition among service providers where possible.
- (D) **Acquisition of Trade Credit:** Service Provider will advise Client of trade credit issues for electric facilities, infrastructure, and electricity supply contracts:
  - 1. Client will provide Service Provider with the necessary financial information required to obtain trade credit with various vendors.
  - 2. Service Provider will share Client's financial documents with third parties as directed and in any manner as restricted by Client in order to establish trade credit.
  - 3. Service Provider will work to establish trade credit with suppliers on Client's behalf. Depending on Client's electric usage, multiple sources of trade credit may be established.
  - 4. Service Provider makes no guarantee that adequate unsecured trade credit will be obtained from third parties. In the event adequate trade credit cannot be secured, Service Provider will discuss various credit instruments with Client including but not limited to letters of credit, parental guarantees, and prepayment. It will be Client's responsibility to provide the necessary security to obtain adequate trade credit.
- (E) **Tariff Review:** Each Client Facility will be evaluated to determine the most beneficial rate structure available that best fits Client's needs. Service Provider will determine whether firm, interruptible, or a blend of services will provide the lowest cost. Additionally, Service Provider will continue to monitor electric tariffs to determine if new tariffs or changes to the tariffs will have an impact on Client.
- (F) **Budget Preparation:** At Client's Request, Service Provider will provide an annual electricity budget for each Facility.
- (G) **Cost and Usage Analysis:** Where the utility has provided Client's metered usage data, Service Provider will:
  - 1. Archive the monthly electric billing information in the Service Provider secure database.
  - 2. At Client's request, Service Provider will provide Client with detailed cost analysis of electricity usage and costs.
- (H) **Energy Tax Exemption:**
  - 1. If Client hires Service Provider for invoice processing and provides existing energy tax exemptions to Service Provider, Service Provider will verify that the exemptions are applied appropriately to Client's invoices. If an error is found, Service Provider will notify the vendor.



**Natural Gas Market Intelligence (Basic Service):** The following risk management services are available to Client for each Facility subject to this Agreement:

- (A) Access to a periodic webinar at which industry experts discuss trends in energy markets.
- (B) Weekly update provided to Client containing gas and power market prices, NYMEX, hedge recommendations, and other related energy data.
- (C) Client will be invited to attend an Energy Conference at which energy industry experts and economists speak on pertinent issues.

Via Service Provider's website, Client will have access to internet-based energy pricing indices, energy market data, and opinions from fundamental and technical analysts retained by Service Provider.

**Electric Market Intelligence (Basic Service):** The following electric price risk management services are available to Client for each Facility subject to this Agreement:

- (A) Access to a periodic webinar at which industry experts discuss trends in energy markets.
- (B) Weekly update provided to Client containing gas and power market prices, NYMEX, hedge recommendations, and other related energy data.
- (C) Client will be invited to attend an Energy Conference at which energy industry experts and economists speak on pertinent issues.

Via Service Provider's website, Client will have access to internet-based energy pricing indices, energy market data, and opinions from fundamental and technical analysts retained by Service Provider.

**Invoice Management with Consolidated Invoices.** The following services are available to Client for the processing of Client's invoices, if so elected by Client:

- (A) Invoice Processing and Payment:
  - 1. Service Provider redirects all vendor invoices to Service Provider's agency accounting group. This may include invoices from suppliers, utilities, pipelines, and service companies.
  - 2. Service Provider constructs a database for the management of all vendor invoices.
  - 3. Service Provider processes Client's invoices which contain data needed to perform contract services.
- (B) Vendor invoices are imaged into a secure database.
- (C) Invoices are reviewed for accuracy. Rate, volume, meter read date inconsistencies, overcharges, and service level discrepancies are resolved directly with the vendor.
- (D) Service Provider will prepare a monthly consolidated invoice that summarizes Client's costs from the prior month. This consolidated invoice may include actual and estimated costs dependent on the best available information available on the invoice delivery date. Client agrees to remit funds to Service Provider per the payment terms listed in the Agreement.
- (E) Service Provider agrees that, once Client's funds are deposited and cleared in Service Provider's bank account, Service Provider has the obligation to pay Client's invoices associated with such Client funds. Client further agrees that any interest earned by Service Provider on Client funds held in Service Provider's bank account shall belong to Service Provider and become the property of Service Provider.
- (F) Payment for vendor invoices which Service Provider pays on Client's behalf must be received by Service Provider in advance of vendor due date. A due date is printed on the Service Provider generated invoice indicating the last day in which Service Provider can receive Client's funds in order to pay the vendor in a timely manner. Payment must be received by 11am Central Time on that due date. Client is responsible for any fees assessed by a vendor due to Client's late payment.

**Wholesale Electric Services ("WES") – Load Management.** Wholesale Electricity Services for Load Management is defined as services related to and for those who are currently, or plan to become, wholesale electricity market participants in their respective Regional Transmission Organization (also known as an Independent System Operator) (either an "RTO"). The following services will be provided, as applicable, for each Client Facility subject to this Agreement (per Exhibit A).

- (A) **Retail to Wholesale Transition Services:** Company will identify all forms and registration processes necessary and will assist Client in the completion of each. Typical licenses and registrations include:
  - 1. Obtain FERC Market Based Rate Authority (MBRA)
  - 2. Obtain appropriate RTO membership
  - 3. Obtain appropriate state Retail Electric Supplier license(s)
  - 4. Register with appropriate local electric distribution company(ies)
  - 5. Contract with an Electronic Data Interchange (EDI) service provider and successfully complete all testing required
  - 6. Identify, contract with and establish credit with wholesale electric counterparties for forward purchases

Upon initiation of wholesale electric supply by client, Company will transfer supply obligations and RTO obligations from the prior retail supplier to Client. Ongoing tactical services are described in Section (C), below.

(B) **Strategic Services:** Company will assist Client with establishing strategies that will guide purchasing decisions to optimize the value of, and enable implementation of, wholesale electric supply. Company will provide Client with the following strategic services:

1. **Electric Market Intelligence:** Provide topical information on electric markets, including:
  - a) Company publications: weekly, monthly and as otherwise applicable.
  - b) Periodic Client electric market conference calls on a mutually agreed upon schedule, such as quarterly or monthly plus ad hoc calls driven by developments in the electric market.
2. **Counterparty Relationship Management:** Provide appropriate relationship management activities between Client and selected counterparties, including:
  - a) Establish and assist in negotiating appropriate enabling agreements between Client and counterparties.
  - b) Monitor and manage appropriate bi-lateral credit thresholds.
  - c) Contract management for issue resolution, as necessary.
  - d) Counterparty analysis, including: financial strength, reputation, customer service, competitiveness, market areas served. (Note that Company's analysis of counterparties is not a substitution for Client's credit analysis).
3. **Performance Assessment:** Develop an assessment that measures the effectiveness of the energy purchasing plan. The assessment will include Key Performance Indicators (KPI) as mutually agreed upon, including for example:
  - a) Annual retail versus wholesale electric cost comparison
  - b) Performance to electricity price risk management and purchasing plan
4. **Electric market settlements performance, including Day Ahead (DA) vs Real Time (RT) Renewable Energy Management:** Ensure Client electric purchases meet all state jurisdictional requirements for renewable energy, by performing the following:
  - a) Identify all requirements.
  - b) Develop an acquisition plan.
  - c) Implement the acquisition plan.

(C) **Tactical Services:** Company will manage the implementation of wholesale electric supply for Client. Company will provide Client with the following tactical services:

1. **Budgeting Services:**
  - a) Assist Client in establishing a forward electricity budget annually and provide an electricity budget report.
  - b) Provide Client with a budget variance report depicting variances to budgeted cost and usage. The budget variance report will be provided periodically on a mutually agreed upon schedule, for example annually, quarterly, or monthly.
2. **Wholesale Electricity Procurement Services:**
  - a) Assist Client with procuring fixed price forward electric supply, by:
    - Soliciting established counterparties for fixed price electricity supply offers for agreed upon terms.
    - Providing Client with an analysis of pricing by counterparty and a purchasing recommendation based on all offers received.
    - Facilitating transaction with Client-selected counterparty. Upon execution of electricity transactions, Company will review all transaction confirmations for accuracy to include: Price, term, volume, schedule, product, delivery point, and any special terms and conditions.
3. **Market Operations Center Services (24x7)**
  - a) **Forecasting Services - Forecast the next day's:**
    - Hourly energy consumption
    - Hourly RTO DA and RT settlement prices.
  - b) **Scheduling Services -**
    - Schedule the forecasted hourly energy consumption with the RTO.
    - Confirm that the Wholesale power suppliers with whom Client has contracted for fixed forward priced power have entered schedules for such contracted power with the RTO.
  - c) **Communications Services – Manage communications with and represent Client, if requested, with:**
    - RTO
    - Wholesale counterparties
    - Renewable Portfolio Standard (RPS)/Renewable Energy Certificate (REC) suppliers
    - Local distribution companies (LDCs)
    - EDI provider
    - FERC
4. **Invoice Reconciliations**
  - a) Weekly and monthly RTO invoice reconciliation:

- Reconcile and verify Client's RTO account(s), including energy, capacity, transmission, ancillaries and losses
  - Provide access to Client for all RTO settlement reports documenting all credits/debits, including DA scheduled energy and cost versus RT actual energy and cost
  - b) Monthly wholesale counterparty invoice reconciliation
    - Reconcile and verify Client's wholesale power supply account(s) with each counterparty contracted during the calendar month.
- 5. Reporting:** Provide Client with an array of energy reports including but not limited to the following:
- a) Daily performance reporting – provides the hourly market performance for each Facility
  - b) Monthly performance reporting – provides the daily summary of the market performance for each Facility
  - c) Actual hourly and monthly cost and consumption
  - d) RTO and supplier credit exposure
  - e) Position Reporting
  - f) Compliance reporting
    - FERC
    - NERC
    - RTO
    - State
- 6. Peak Load Management (Optional):** Include client in Company's Peak Load Management (PLM) program. PLM services include the following:
- a) Assist Client with managing its Peak Load Contribution (PLC), as defined by each RTO, by providing Client with advanced alerts when Company projects the RTO is likely to experience a peak load hour.
  - b) Assess the performance of Client in reducing its PLC, at the end of each performance period, as defined by the RTO.

**Contract Management** – Service Provider has been retained by client to maintain a database of gas and electric contracts on its website.

- (A) Service Provider and Client will work together to locate energy contracts associated with the facilities listed in Exhibit A.
- (B) Service Provider will create a database where pertinent information associated with each energy contract will be stored along with the contract image. This database will be available on the Service Provider's secure website.
  - 1. Each contract will be identified by type:
    - a) Energy Management Contract
    - b) Demand Response
    - c) Electric Base Agreement
    - d) Electric Deals
    - e) Gas Deals
    - f) Gas Supply – NAESB
    - g) Sales Tax Exemption
    - h) Utility
- (C) The online database can filter contracts at the plant, subsidiary, or at the corporate level and can also filter by the contract type.
- (D) Expiration dates are shown and highlighted for action.
- (E) All Contracts can be downloaded easily as a pdf image.

Users authorized by Client will be provided the credentials to login to Service Provider's secure website.

**Kinect Energy, Inc.**

**[Client Legal Name]**

\_\_\_\_\_  
Signature Date

\_\_\_\_\_  
Signature Date

## AGENCY AUTHORIZATION

The purpose of this agency authorization (this "Authorization") is to set forth the authorization and agreement between **Kinect Energy, Inc.** ("Kinect Energy") and **[Client's full legal name]** ("Client") related to the provision of energy supply management services for Client's facilities (individually referred to as "Facility" and collectively as "Facilities"). Client and Kinect Energy agree on the following terms and conditions as they pertain to Kinect Energy's role as Client's agent to transact with third-parties on Client's behalf:

1. **APPOINTMENT AND SCOPE:** Client hereby appoints Kinect Energy as its agent to deal with third-parties for energy-related matters for the Facility or Facilities. Kinect Energy is authorized, without limitation, by Client to:
  - a. Negotiate and execute contracts for energy supply procurement, transportation services, and distribution services ("Energy Contracts") with any counterparties as required for Client's Facility or Facilities and as Kinect Energy reasonably determines to be acceptable;
  - b. Amend, extend, renew, or cancel any Energy Contracts;
  - c. Review and sign energy supply transaction confirmations;
  - d. Place daily and monthly nominations for delivery of energy supplies;
  - e. Sign energy tax exemption certificates as they pertain to energy purchases or consumption for Energy Procurements made under this Authorization;
  - f. Obtain trade credit from energy suppliers as needed for Energy Procurements; and
  - g. Receive, review, approve, and pay Client's energy invoices for energy transactions made under this Authorization.
  
2. **RELEASE OF ENERGY CONSUMPTION RECORDS AND BILLS:** By signing this authorization, Client grants permission to pipelines, suppliers, and other parties to release Client's energy consumption records and bills to Kinect Energy.
  
3. **ADOPTION AND RATIFICATION:** Client agrees that each and every act performed by Kinect Energy in connection with any of the authorized powers designated in Paragraph 1 will be valid and binding on Client as if such act had been done by Client. Client acknowledges that by signing this Authorization, Client hereby ratifies any and all actions performed by Kinect Energy in furtherance of the powers granted herein.
  
4. **TERM:** The term of this Authorization shall commence when executed by Client and shall continue until such time as either Client or Kinect Energy terminates the Authorization by written notice to Client or Kinect Energy, as may be applicable. Client will remain obligated for any actions performed by Kinect Energy prior to the effective date of the notice of termination.
  
5. **AUTHORITY:** Each party represents and warrants to the other that it is fully empowered and authorized to execute and deliver this Authorization, and the individuals signing this Authorization each represent and warrant that he or she is fully authorized to do so.

**Agreed to and Accepted by:**

**Kinect Energy, Inc.**

**[CLIENT LEGAL NAME]**

**By:** \_\_\_\_\_

**By:** \_\_\_\_\_

**Name:** \_\_\_\_\_

**Name:** \_\_\_\_\_

**Title:** \_\_\_\_\_

**Title:** \_\_\_\_\_

**Date:** \_\_\_\_\_

**Date:** \_\_\_\_\_

**NatGas ▲ \$0.16**  
\$3.069 per MMBtu

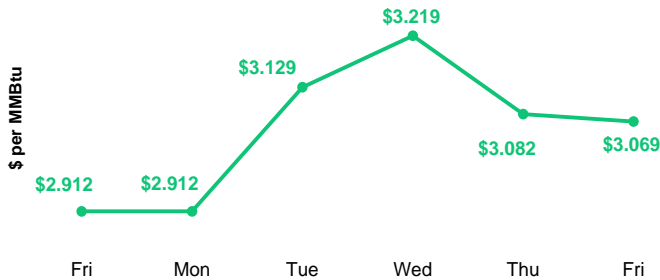
**Crude ▼ \$0.23**  
\$59.24 per Barrel

**Diesel ▲ \$0.05**  
\$1.823 per Gallon

**Propane ▲ \$0.06**  
\$0.936 per Gallon

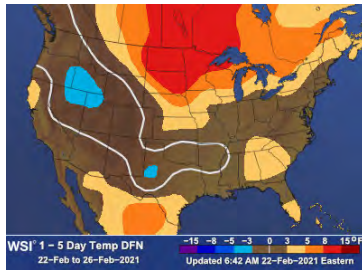
## Natural Gas Highlights

NYMEX Prompt-Month Continuation

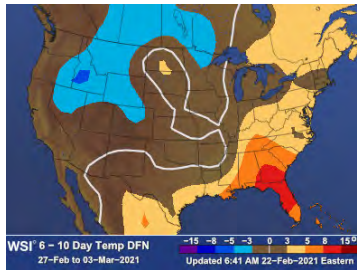


- **Natural gas traded higher** last week as the futures market responded to extremely bullish near-term fundamental conditions
- **The \$3-per-MMBtu level** was breached on a closing basis for the first time since the early days of winter
- **Day-ahead prices** in the Midcontinent, Texas and the Southwest gradually relaxed from record levels by the end of the week
- **Basis futures** were up in most markets as traders priced in added risk premiums

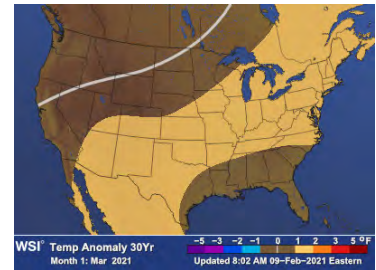
Feb 22 - 26



Feb 27 - Mar 03



March



Forecasts provided by NOAA

## Elsewhere...

- **Crude oil rallied again** last week, with prompt-month WTI trading above \$60 per barrel for the first time in nearly 13 months; the market relaxed back below that benchmark ahead of the weekend
- **Day-ahead power prices were up** dramatically in the middle of the country and Texas, with ERCOT experiencing record pricing amid forced blackouts
- **Industrial production was up by 0.9 percent** in January as that measure of U.S. economic health posted the fourth consecutive strong monthly gain
- **The rig count was unchanged** last week with oil rigs down 1 and gas rigs up 1

## Natural Gas Hedging Recommendation:

**Summer 2021** - Prices for next summer pushed to the upside and exceeded \$3 per MMBtu; the market finished at the highest level since November; **clients should have a healthy level of coverage already in place and be prepared to complete summer portfolios on any move back near or below \$2.75 per MMBtu**

**Winter 21-22** - Next winter pricing also firmed to the upside last week pushing past \$3 per MMBtu to a new three-month high; **conservative end users should take advantage of any dips near \$2.90 per MMBtu for another layer of coverage**

**Longer-Term** - Prices deep across the forward curve have experienced weakness since early November; calendar strips past 2022 are trading near or below \$2.50 per MMBtu, representing historical value; long-term deliveries could be most impacted by lasting supply reductions; **customers with a long-term strategy in place should continue building these positions in the current market**

*The strategies discussed here are general in nature. Please contact your World Kinect Energy Account Manager to discuss your specific situation.*

## Electricity Markets

Day-ahead power pricing was higher in almost every market last week, but the most significant increase by a wide margin was felt in ERCOT. Texas experienced widely reported blackouts early in the week as the system became overwhelmed with demand during a period of widespread generation outages. The result was power trading near the system maximum of \$9,000 per MWh for a long stretch, leading prices to average nearly \$7,100 per MWh for on-peak hours during the week. MISO, PJM, and CAISO also experienced price spikes relating to the historic winter weather, but these markets all remained relatively in check compared to what was observed in Texas and the Southwest.

## Regional On-Peak Power Prices (\$ per MWh)

ISO-NE (Internal)			MISO (Michigan)		
	Price	Chg		Price	Chg
Day Ahead	\$94.57	(\$8.31)	Day Ahead	\$186.63	\$138.79
12-Month Strip	\$43.20	\$0.04	12-Month Strip	\$34.26	\$1.22

NYISO (Zn G)			ERCOT (North)		
	Price	Chg		Price	Chg
Day Ahead	\$91.48	\$10.59	Day Ahead	\$7,092.47	\$7,025.58
12-Month Strip	\$37.71	\$0.35	12-Month Strip	\$42.28	\$4.36

PJM (West)			CAISO (SP-15)		
	Price	Chg		Price	Chg
Day Ahead	\$99.14	\$57.65	Day Ahead	\$185.85	\$146.66
12-Month Strip	\$34.42	\$0.92	12-Month Strip	\$50.10	\$0.70

## Natural Gas Market Outlook

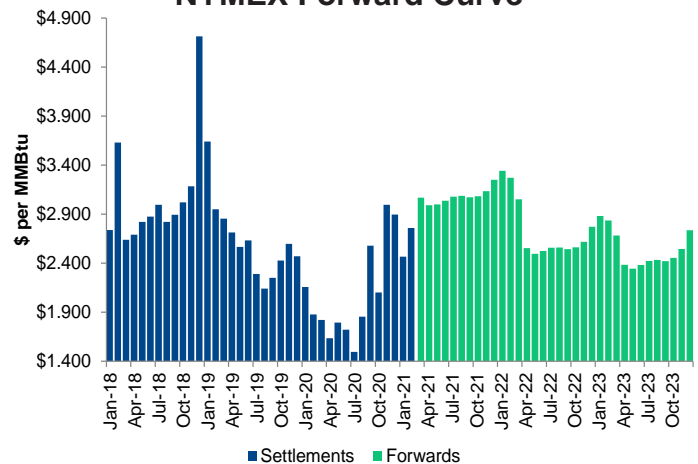
Natural gas futures rallied last week as the market assessed the fallout from the demand spike and production drop due to the historic cold snap in the Midcontinent. The holiday-shortened trading week started off with a dramatic push above \$3 per MMBtu. That level had previously held as resistance for the prompt-month contract during the first half of the month but was finally breached on a closing basis Tuesday. Follow-through buying Wednesday sent the March contract to an intraday high of \$3.316 per MMBtu, which was the highest trade for benchmark natural gas since the early days of winter. However, the bullish sentiment came to a screeching halt on Thursday surrounding the storage report. Although a historically large draw of 237 Bcf was announced, the magnitude of the deduction fell short of market expectations and led to intense selling pressure. Friday saw back and forth trade that ended with the prompt-month contract well off of the week's highs but still above the \$3 benchmark.

At this point, weather forecasts for early March point toward a warmer-than-normal solution that covers most of the country. This will be a welcomed relief for the day-ahead natural gas market, which has settled down significantly since last weekend. The futures market will be dealt with a bullish data point on Thursday when the government announces the impact that the peak of the cold snap had on storage inventories. Not only did domestic natural gas demand hit all-time record high levels last week, but production fell off dramatically. Expectations point to a draw of as much as 360 Bcf, which would be a new record high. However, the market may already be considering this, with prices for the summer and upcoming winter still trading at a premium to where they started the year.

### NYMEX Forward Strips

	2/19	1-Wk Chg	52-Wk Chg
Summer 21	\$3.05	\$0.09	\$0.83
Winter 21-22	\$3.21	\$0.07	\$0.71
Summer 22	\$2.54	(\$0.00)	\$0.27
Winter 22-23	\$2.76	\$0.01	\$0.19
Summer 23	\$2.41	(\$0.00)	\$0.09

### NYMEX Forward Curve





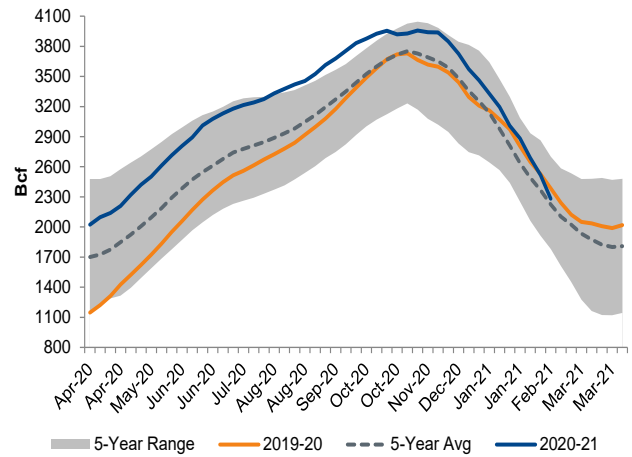
## Natural Gas Fundamental Summary

Natural gas demand increased even higher last week, averaging over 130 Bcf per day for the first time since January 2018. Demand averaged 131 Bcf per day, roughly 7 Bcf per day higher than the previous week. While residential and commercial demand increased incrementally, the major shift week-to-week was from power generation. Demand from power generation averaged over 36 Bcf per day last week, around 12 percent higher than the previous week. As temperatures begin to normalize throughout the U.S., demand should level off in the coming weeks.

Domestic production dipped below 80 Bcf per day last week for the first time since March 2018 as freezing temperatures in the Midcontinent region and Texas disrupted supply. The decline was over 11 Bcf per day lower than averages from the previous week. With this drop, month-to-date volumes are around 6 Bcf per day less than the same period from last year. Meanwhile, imports from Canada increased to 7.6 Bcf per day, around 1.5 Bcf per day higher than the previous week.

LNG exports fell to 5.2 Bcf per day last, with export facilities halting operations in response to the freezing temperatures that shook energy markets in the Gulf Coast. Weather conditions, as well as the slash in natural gas supply, prevented cargoes from being loaded as normally scheduled. The freezing weather in the region ended over the weekend, allowing export facilities to come back online.

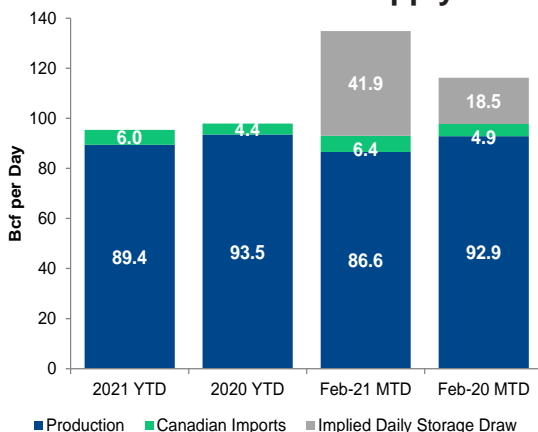
## Natural Gas Storage



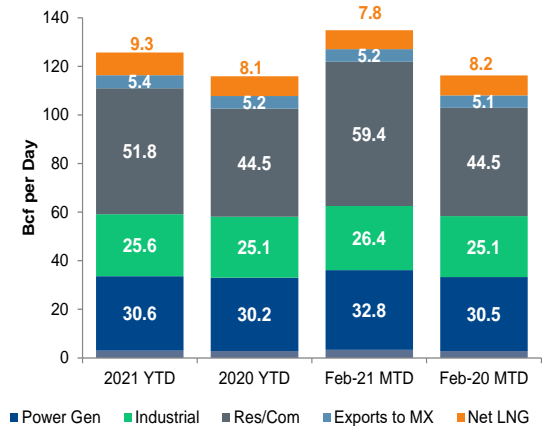
Last week's storage report recorded a net decline of 237 Bcf from U.S. natural gas inventories. This week's release marked the highest withdrawal since February 2019, and only the third time the weekly decline was greater than 200 Bcf since that date. Last week, gas-weighted heating degree days were around 13% higher than normal causing residential and commercial demand to increase to 62 Bcf per day. Compared to the 171-Bcf draw for the prior week, the balance tightened by over 9 Bcf per day. The storage balance remained below inventories from a year ago, with the gap widening to over 100 Bcf.

Current forecasts call for the next storage releases to climb even higher, with estimates as high as 362 Bcf for next week's report. Based on expectations for these historically large withdrawals, we have lowered our end-of-season storage forecast to 1.4 Tcf with the risk pointing to an even lower outcome.

## U.S. Natural Gas Supply



## U.S. Natural Gas Demand



## Natural Gas Technical Analysis

Last week finally saw a breach of psychological resistance at \$3 per MMBtu that was followed by a wave of buying interest. That level had been tested a handful of times in previous weeks, but the bullish sentiment in the near-term market finally spilled into the forward curve early last week. March traded as high as \$3.316 per MMBtu on Wednesday, falling short of seriously testing the pre-winter high for prompt-month gas of \$3.396 per MMBtu. From there, the steam ran out of the rally and prices staged a bearish reversal to the downside on Thursday before stabilizing Friday ahead of the weekend. Price action early next week will go a long way in showing whether the break above \$3 has staying power or if prices will return back to the range that defined trading for the first half of the month.



Price action early next week will go a long way in showing whether the break above \$3 has staying power or if prices will return back to the range that defined trading for the first half of the month.

## Natural Gas Physical Basis - Regional Benchmarks

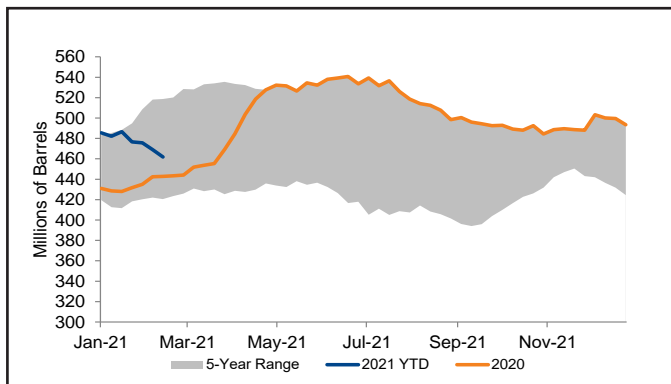
Area	Delivery Point	Winter 20/21	Change	Summer 21	Change
Canada	AECO Hub - Alberta	(\$0.40)	\$0.00	(\$0.75)	(\$0.10)
	Union-Dawn	\$0.12	\$0.03	(\$0.18)	\$0.00
Louisiana	Trunkline East	\$0.00	\$0.00	\$0.00	\$0.00
Midcontinent	Ventura	\$0.21	\$0.09	(\$0.21)	\$0.00
	Demarc	\$0.23	\$0.15	(\$0.18)	\$0.00
	Panhandle Eastern	\$0.05	\$0.18	(\$0.26)	\$0.02
	NGPL Midcon Pool	\$0.10	\$0.23	(\$0.23)	\$0.00
	NGPL TxOk Pool	\$0.00	\$0.10	(\$0.14)	\$0.30
Enable Gas	Enable Gas	\$0.90	\$1.01	(\$0.20)	\$0.00
	Chicago Citygates	\$0.12	\$0.05	(\$0.15)	\$0.00
Midwest	Michcon	(\$0.06)	\$0.00	(\$0.18)	\$0.02
	Emerson 2 (GLGT)	\$0.05	\$0.04	(\$0.28)	\$0.00
	Algonquin Citygates	\$2.30	\$0.00	(\$0.25)	\$0.00
Northeast	Columbia Gas	(\$0.20)	\$0.05	(\$0.55)	\$0.00
	TETCO M3	(\$0.05)	(\$0.25)	(\$0.55)	\$0.00
	Transco Zn 6 Non-NY	(\$0.05)	(\$0.15)	(\$0.60)	(\$0.08)
	Transco Zn 6 NY	\$0.25	(\$0.30)	(\$0.55)	(\$0.10)
	CIG	\$0.10	\$0.25	(\$0.25)	\$0.03
Rocky Mountain	NW Pipeline Rockies	\$0.35	\$0.43	(\$0.15)	\$0.03
Southeast	FGT Zn 3	\$0.08	\$0.03	\$0.08	\$0.00
Texas	Houston SC	\$0.14	\$0.15	\$0.00	\$0.02
	El Paso Permian	\$0.08	\$0.25	(\$0.15)	\$0.07
	El Paso San Juan	\$0.10	\$0.25	(\$0.15)	\$0.05
West	Sumas	\$0.30	\$0.40	(\$0.30)	\$0.00
	PGT - Malin	\$0.15	\$0.18	\$0.00	\$0.10
	PG&E Citygate	\$0.90	\$0.10	\$0.95	\$0.10
	Socal-Border	\$0.70	\$0.69	\$0.30	\$0.13



## Crude Oil

Crude oil prices pushed higher last week, with WTI trading above \$60 per barrel for the first time since early 2020. The market rallied as information came out surrounding a major supply disruption due to the historic cold in the Midcontinent. Some estimates show oil output temporarily down as much as 40 percent. Refinery utilization was also down significantly due to the extreme weather conditions, providing a bottleneck in the oil complex. Prices ultimately failed to hold above the \$60 level as market participants booked profits ahead of the weekend with operations seemingly moving back toward normal for the coming week. Oil demand will almost certainly continue to rise from here as vaccination efforts in the world's largest economies allays concerns about the pandemic. However, as noted in this space previously, the biggest variable rests with OPEC+, whose members still has a significant volume of supply sitting on the sideline. As global prices remain well above 2020 levels, the resolve of these individual nations will be tested. Saudi Arabia can likely afford to keep output suppressed in order to defend price, but less wealthy nations may be apt to push supply into the marketplace to increase revenue. This latent supply is likely to keep oil prices from running away this year even as demand continues to push upward.

**U.S Commercial Crude Stocks**

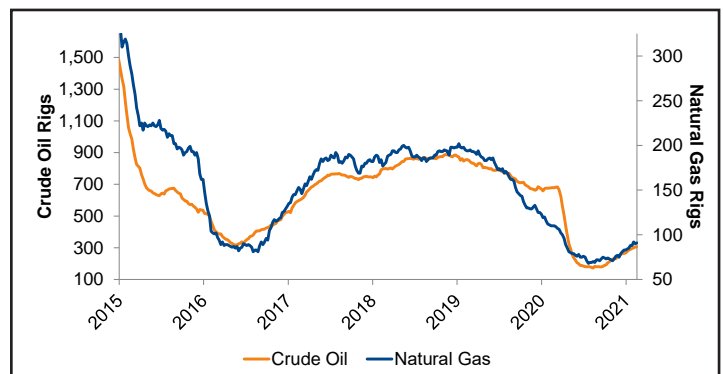


**March 2021 NYMEX WTI**



## Baker Hughes Rig Count

	2/19	1-Wk Chg	52-Wk Chg
Oil	305	-1	-374
Gas	91	+1	-19
Misc	1	0	-1
<b>Total</b>	<b>397</b>	<b>+0</b>	<b>-394</b>



**Managing Editor - Andy Huenefeld, 502.718.1582, ahuenefeld@kinectenergy.com**  
**Contributing Editors - Matthew Dilbeck, Ben Straus, Bradley Dammann**

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ISO-NE Mass Hub \$44.13/MWh ▼ \$2.84/MWh	NYISO Zn G \$36.80/MWh ▼ \$2.10/MWh	PJM West Hub \$32.32/MWh ▼ \$0.25/MWh	MISO IN Hub \$34.46/MWh ▲ \$1.54/MWh	ERCOT North \$35.92/MWh ▲ \$3.44/MWh	CAISO NP-15 \$38.99/MWh ▲ \$1.48/MWh	SPP South \$42.28/MWh ▲ \$12.13/MWh
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March on-peak futures

## Power Market Highlights

- **Day-ahead power prices** soared to historic highs last week in Texas and SPP, with ERCOT trading near maximum levels for extended stretches of time; on- and off-peak deliveries in both markets came in at dramatic levels, with ERCOT averaging more than \$6,500 per MWh for around-the-clock and SPP near \$2,000 per MWh; both markets saw spikes in demand that went above what was planned for coming into the season that coincided with widespread generation outages, as wind and natural gas-fired generation became unreliable due to problems caused by the extreme cold; prices were elevated in MISO and parts of PJM impacted by the extreme weather and elevated natural gas input fuel pricing
- **Peak load** was higher in MISO and ERCOT, with the latter ISO posting a new all-time record winter peak near 70k MW last Sunday evening; subsequent days would have likely seen higher peak demand levels if not for forced blackouts in major markets through midweek
- **Day-ahead natural gas pricing** spiked to levels previously unseen across a large cross section of the country, significantly impacting generator costs and helping to drive power prices to the upside; deliveries to Chicago CG last weekend through Tuesday exceeded \$150 per MMBtu, while hubs in Texas and the Southwest saw an even more dramatic spike; this single event will have a major impact on average pricing for the entire winter in parts of the country that were impacted by the market event
- **Forward pricing was mostly higher**, but only modestly so in the markets that were most impacted by the spikes in day-ahead pricing; the futures market will likely eventually price in added winter risk going forward with this event now baked into the list of possibilities

## Regional Power Prices as of 2/12 (\$/MWh)

	Delivery Point	Day-Ahead (Last Week Avg)				Forward ATC	
		On-Peak	Change	Off-Peak	Change	12-Mth	Change
NYISO	Hudson Valley - G	\$91.48	\$10.59	\$77.71	\$16.54	\$33.55	(\$0.29)
	West - A	\$79.73	\$35.50	\$63.45	\$37.93	\$26.68	\$0.19
ISO-NE	Mass Hub	\$94.57	(\$8.36)	\$74.13	(\$10.57)	\$39.36	(\$0.44)
PJM	Western Hub	\$99.14	\$57.65	\$62.71	\$31.91	\$29.81	(\$0.04)
	Eastern Hub	\$81.50	\$37.72	\$61.32	\$29.71	\$29.99	\$0.05
	AEP Dayton Hub	\$110.98	\$70.56	\$67.06	\$38.10	\$29.37	\$0.41
	Northern Illinois	\$110.75	\$71.15	\$66.85	\$38.74	\$26.61	\$0.94
	Penelec	\$88.50	\$43.86	\$61.57	\$29.06	\$28.65	\$0.08
MISO	Illinois Hub	\$226.22	\$180.65	\$121.48	\$90.52	\$29.08	\$0.81
	Michigan Hub	\$186.63	\$138.79	\$105.43	\$73.10	\$31.02	\$0.82
	Indiana Hub	\$222.40	\$172.68	\$103.80	\$71.21	\$30.88	\$0.82
ERCOT	Houston Zone	\$7,076.71	\$7,013.06	\$5,945.86	\$5,912.60	\$34.68	(\$0.07)
	North Zone	\$7,092.47	\$7,025.58	\$5,937.57	\$5,906.61	\$33.25	\$0.15
CAISO	NP-15	\$164.63	\$119.93	\$95.32	\$55.45	\$42.77	\$0.68
	SP-15	\$185.85	\$146.66	\$138.67	\$100.37	\$44.44	\$1.47
SPP	North Hub	\$2,463.75	\$2,363.41	\$1,828.46	\$1,774.40	\$23.92	\$2.76
	South Hub	\$2,676.09	\$2,588.25	\$1,982.22	\$1,931.11	\$25.60	\$3.29

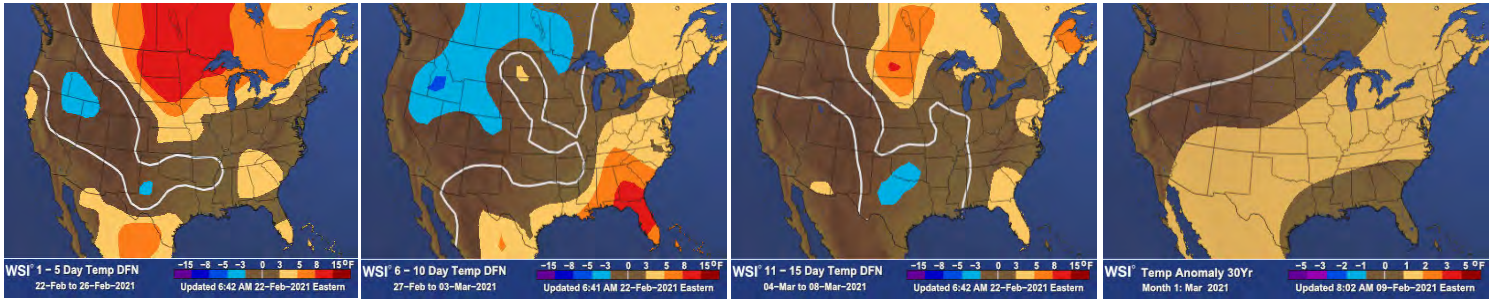
## Temperature Outlook

1-5 Day

6-10 Day

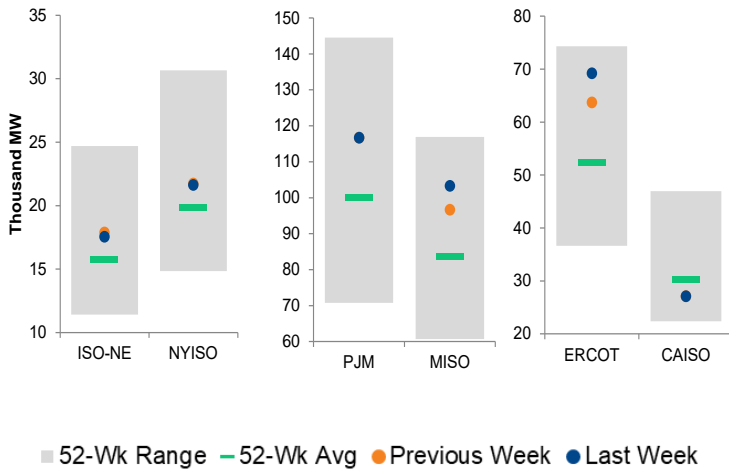
11-15 Day

March

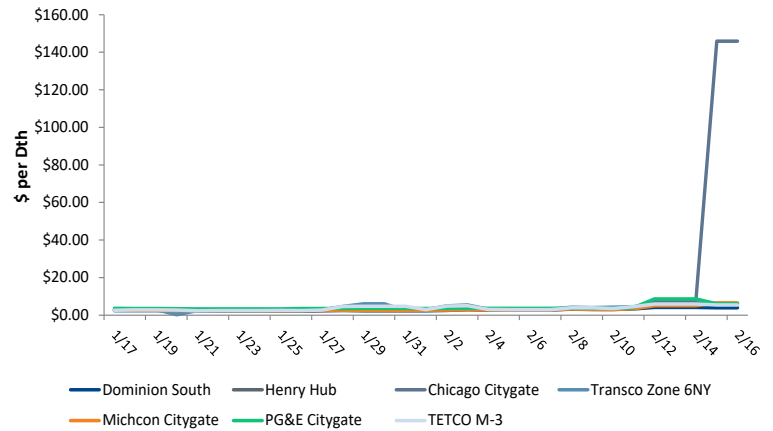


Forecasts provided by WSI Corporation

## ISO Peak System Load



## Day-Ahead Physical Gas



Contributing Editors - Andy Huenefeld, Matthew Dilbeck

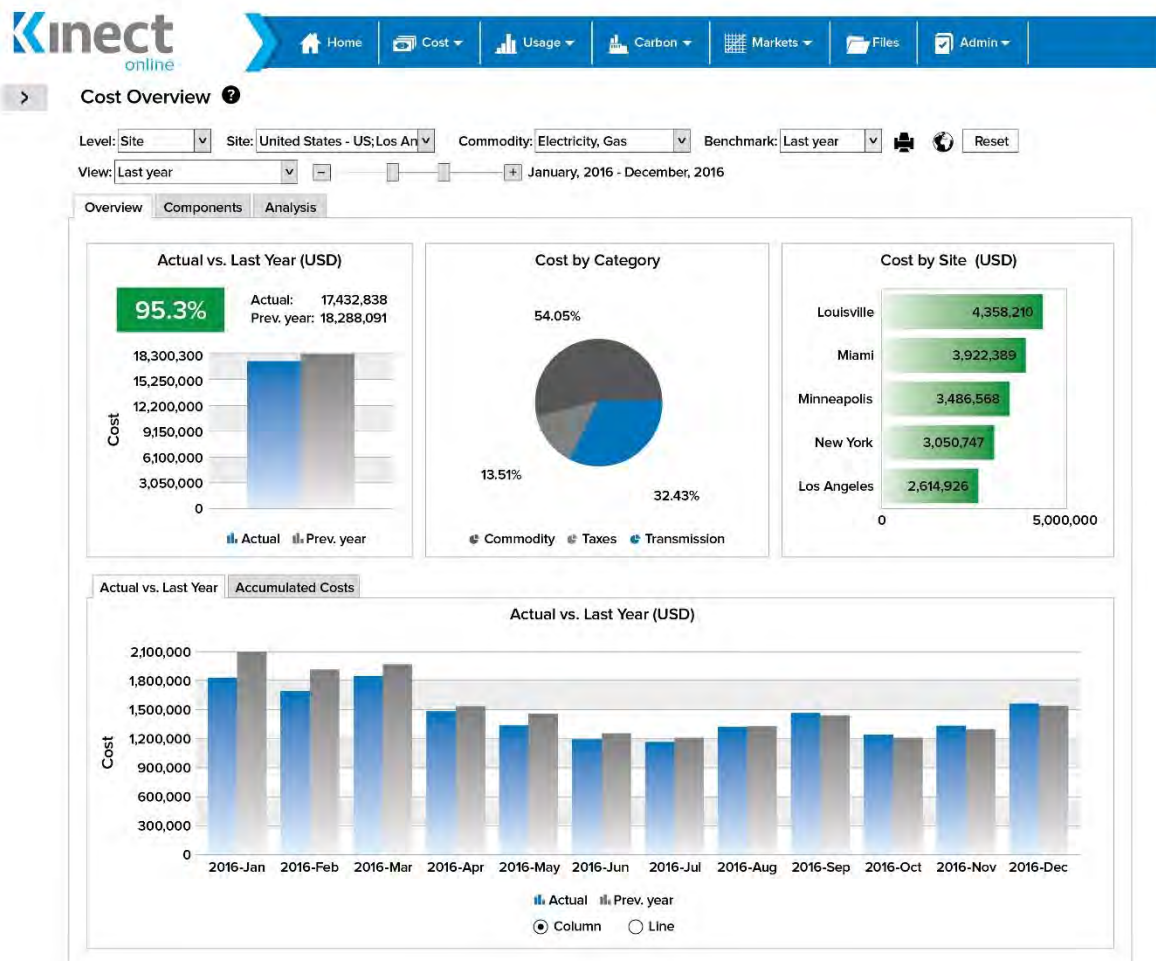
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## KINECT ONLINE SCREEN SHOTS

The following file shows screen shots which have been downloaded from World Kinect's Kinect Online system. Of course, an endless variety of reports can be generated via our customizable dashboard.

Seeing an on-line demonstration would be an excellent way to learn about the vast capabilities of this system.





> Deals Dashboard ?

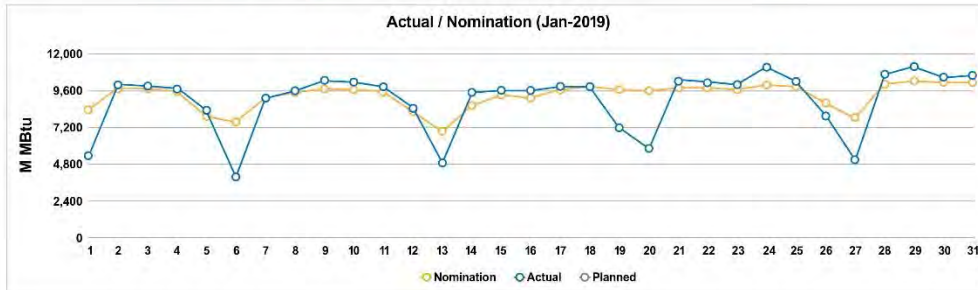
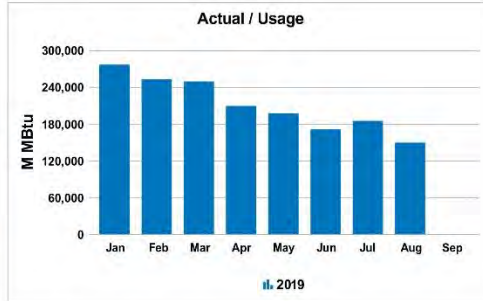
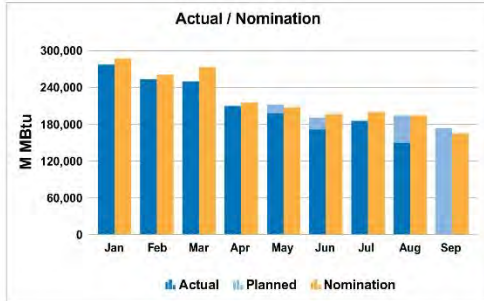


> Natural Gas Scheduling Dashboard

Settings

Overview Analysis

Site: All Receipt Point: All Period: 1/1/2019 9/30/2019



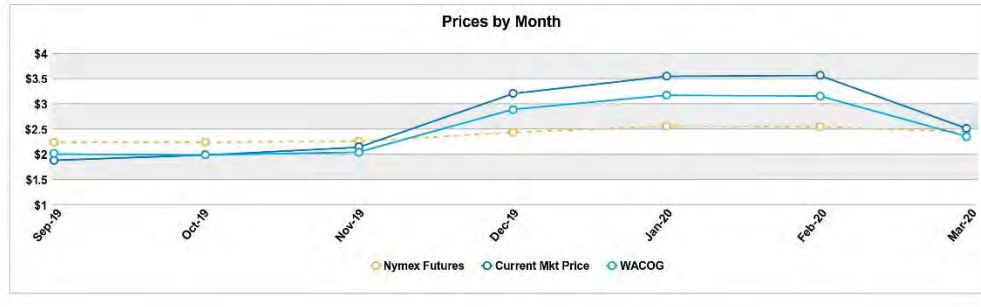
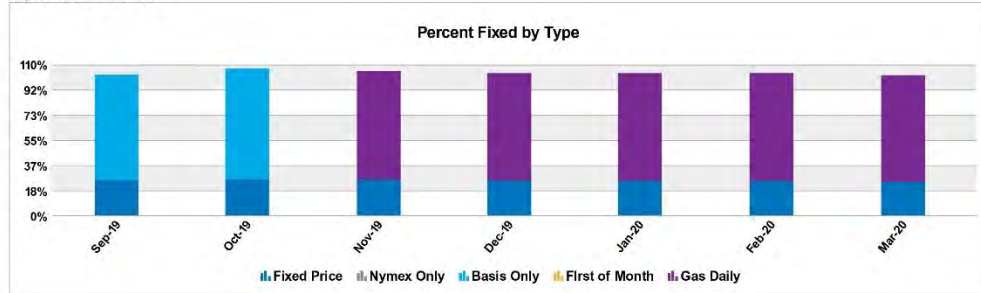
Volume
  Difference
  Imbalance

> **Position Report**

Site: Site 1    Period: September 2019 March 2020

Overview    Analysis

Report Date: 27-08-2019

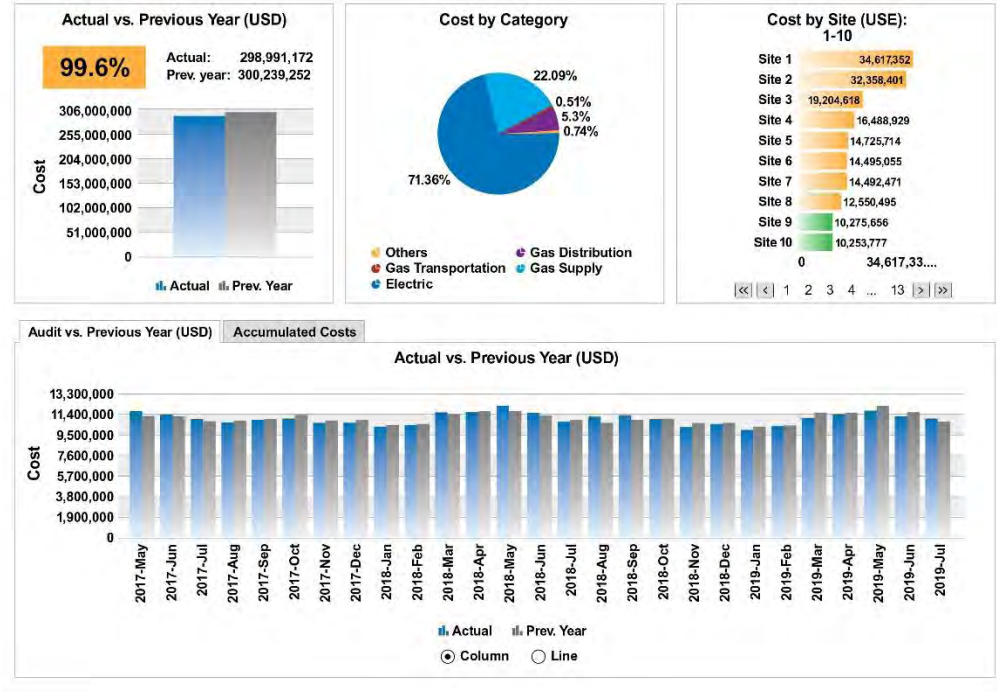


> **Purchases and Sales** ?

Site:  Commodity:  Benchmark:

View:

Overview **Components** Analysis





**COVID-19 Note:** Most state commissions have enacted emergency meeting procedures, and have formally extended statutory filing, ruling, and other timelines. We will relay these delays where they have been established and are otherwise working under the assumption that all current and pending matters before state and federal Commissions will be impacted.

## Electric IOUs

### Arizona

**TEP Base Rate Case, E-01933A-19-0028:** Details are beginning to emerge surrounding the implementation of TEP's recently approved market-based rider MP-EX. As expected, a lottery system will most likely be used to allot space under the program's 75MW cap. TEP will present further details in a late February stakeholder meeting; please contact Brad Anderson if client interest in the program exists and more information is needed.

**APS Base Rate Case, E-01345A-19-0236:** An expected Q1 final decision is looking increasingly less likely. Staff and one Commissioner continue to support a revenue decrease, while APS has slightly reduced its revenue request. If APS' request is approved, C&I customers will see base rates increase approximately 5.0% - 6.5%. APS has proposed market-based rider AG-Y; a weakened version of its existing AG-X program. Intervening parties have proposed an AG-Y program offering greater benefits to a larger group of eligible customers.

### California

**SoCal Edison Phase I Rate Case, A19-08-013:** SoCal Edison has requested an 8.9% Large Power rate increase for 2021, followed by 3.7% - 5.3% increases in both 2022 and 2023. A final decision has been delayed until Q2 2021.

The proceeding's "Track 2" has been settled. The settlement slightly reduced SoCal Edison's wildfire-specific revenue request, which would have increased Large Power class rate by 2.9%. However, SoCal Edison plans to petition the Commission to approve a securitization mechanism to blunt the impact of increased wildfire related spending. Until a securitization decision is made, Large Power rates will decrease imperceptibly. Potential securitization billing impacts are unknown at this time.

**SoCal Edison Phase II Rate Case, A20-10-012:** In SoCal Edison's revenue allocation proceeding, Large Power customers could see yet another rate increase (3.6%), effective mid-2022.

**PG&E Phase I & II Rate Cases, A18-12-009; A19-11-019:** Final tariff sheets implementing PG&E's late 2020 revenue increase have been filed. As anticipated, rate increases for industrial classes were small, however PG&E including in its filing the recovery of transmission balancing account accruals, increasing the overall billing impact. Effective March 1, 2021, B-19 customers can expect an average 2.9% base rate increase, and B-20 customers will see a 0.2% base rate decrease.

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PG&E has concurrently filed its Phase II rate case, in which it projects a 2.3% base rate *reduction* through 2023 for industrial customers. However, this could be offset by marginal increases in numerous programs funding wildfire mitigation, microgrid buildouts, electric vehicle charging stations, etc.

### Colorado

**Xcel Phase II Rate Case, 20AL-0432E:** Xcel's October 2020 filing of its revenue allocation and rate design application would decrease the temporary GSRA-E charges currently in place, resulting in monthly billing reductions of 2.5% - 6.5% for C&I customer classes. An expected decision has been pushed to September 2021.

### Michigan

**Consumers Energy Base Rate Case, U-20697:** Reminder – as of January 1, the following increases were effective:

- Primary: 7.2% decrease
- ROA Secondary: 8.3% increase
- ROA Primary: 13.0% increase

### Minnesota

**Otter Tail Base Rate Case, GR-20-719:** Hearings are underway in Otter Tail's base rate case, where it proposes a 5.1% base rate increase for Large General Service customers, effective June 2021. Otter Tail implemented an across-the-board 3.23% interim rate increase in January 2020.

**Xcel Base Rate Case, GR-20-723:** As reported, Xcel's proposed rate case deferral has been approved by the Commission. ***While base rates will remain steady through 2021, a regulatory account true-up to be filed in April will increase average industrial class rates by up to 8%.***

### North Carolina

**Duke Energy Carolinas Base Rate Case, E-7 Sub 1214:** An eleventh-hour settlement related to coal ash treatment cost recovery has further delayed Duke Energy Carolinas' (DEC) and Duke Energy Progress' (DEP) rate cases. DEC has reduced its revenue request by more than 60%, so final rate increases will be smaller than the initially proposed 7.4% increase for LGS customers and 5.2% increase for Industrial customers.

An interim rate increase was approved in August but was entirely offset by tax-related bill credits. A final order is expected at any time.

**Duke Energy Progress Base Rate Case, E-2 Sub 1219:** DEP's initial request would have increased LGS base rates by 9.8%. However, DEP has reduced its revenue request by over 40%, so final rate increases will be smaller than originally proposed.

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DEP implemented a September interim rate increase; also offset by tax-related bill credits. A final order can be expected in February or March 2021.

### Nevada

**Nevada Power Base Rate Case, Southern Service Area, 20-06003:** Reminder – a final order reduced Large General Service rates between 2% and 9%, effective in January 2021.

### South Carolina

**Dominion Energy Base Rate Case, 2020-125-E:** The Commission has granted a joint request by Staff and Dominion for a procedural delay. However, settlement negotiations are underway even as the case is paused. If approved as filed, implementation of the following proposed rate class increases would occur in or around October 2021:

- GS: 3.3%
- MGS: 5.1%
- IPS: 5.5%

### South Dakota

**Xcel Energy Transmission Cost Recovery, EL20-025:** Reminder – Xcel’s requested 13.8% transmission rate increase was approved, effective January 1.

**Xcel Energy Infrastructure Rider, EL20-026:** Reminder – Xcel’s requested 34% Infrastructure Rider increase was approved, effective January 1.

### Virginia

**Appalachian Power Co. Earnings Review, PUR-2020-00015:** In a reversal of its 2020 decision finding APCO earnings were within their approved margin, the Commission has re-started APCO’s triennial earnings review. It is unclear what rate impacts may come from a Commission finding that APCO is, indeed, under-earning, but the utility’s 2020 filings suggested a 5% rate increase would have resulted from such a finding.

## Natural Gas IOUs

### California

**PG&E Base Rate Case, A18-12-009:** While filings depicting pending electric rate changes have been filed, PG&E has not yet filed an advice letter depicting natural gas rate changes. However, transportation rate increases of 3.5% or less can be expected, effective March 1.

### Minnesota

**CenterPoint Energy Base Rate Case, GR-19-524:** The Commission has decided on all but one contested issue. With modifications, a settlement reducing the utility’s revenue request was

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approved in January. This should yield rate transportation rate increases lower than the 5.2% (on top of January 2020's interim increase) initially requested. CenterPoint was to file new tariff sheets by mid-February, with new rate effective immediately, but has not yet done so.

**Great Plains Base Rate Case, GR-19-511:** Reminder – effective January 1, Large Interruptible Transportation rates increased 35.6%, while Large Interruptible Flex Transportation rates were unchanged.

## ATTACHMENT C: REQUIRED BIDDER INFORMATION & CERTIFICATIONS

**Purpose of this Attachment C:** CCOG requires the following information about Bidders who submit proposals in response to any CCOG request for proposal (“RFP”) in order to facilitate the execution of the master group purchasing agreement (“**Master Agreement**”) with the winning supplier (“**Winning Supplier**”). CCOG reserves the right to reject a Bidder’s proposal if a Bidder fails to provide this information fully, accurately, and by the deadline set by CCOG in **RFP Section 1.3 – Anticipated Procurement Timetable**. Further, some of this information (as identified below) **must** be provided in order for CCOG to accept and consider a Bidder’s proposal. **Failure to provide such required information may result in a Bidder’s proposal being deemed nonresponsive to this RFP.**

**Instructions:** provide the following information about the Bidder. Bidders may a) complete this document in Microsoft Word by completing the form fields, print this attachment, and sign it in the designated signature areas, b) complete this document using the form fields, print to .pdf, and provide certified electronic signatures in the designated signature areas, or c) print this attachment, complete it, and sign it in the designated signature areas. It is mandatory that the information provided is certified with an original signature (in **blue ink**, please) or signed using a certified electronic signature by a person with sufficient authority and/or authorization to represent Bidder. Bidders are to provide the completed and signed information and certifications to CCOG as described in **RFP Section 4.2 – Format for Organization of the Proposal**.

***[REMAINDER OF PAGE INTENTIONALLY LEFT BLANK]***



Bidders must provide all the information outlined below.

<b>1. Equalis Group RFP Name:</b>  <u>RFP # COG-2114, Energy Management Services</u>	<b>2. Proposal Due Date:</b>  <u>March 4, 2021</u>
<b>3. Bidder Name:</b>  <u>Kinect Energy, Inc.</u> <i>(legal name of the entity responding to RFP)</i>	<b>4. Bidder Federal Tax ID # or Social Security #:</b>  <u>41-1731916 Tax ID# Kinect Energy, Inc.</u>
<b>5. Bidder Corporate Address:</b>  605 North Hwy 169 Suite 1000 Plymouth, MN 55441	<b>6. Bidder Remittance Address</b> <i>(or "same" if same as Item #5):</i>  Same Click or tap here to enter text. Click or tap here to enter text.

**7. Print or type information about the Bidder representative/contact person authorized to answer questions regarding the proposal submitted by your company:**

**Bidder Representative:** Peter Brown  
**Representative's Title:** Vice President  
**Address 1:** 323 West Main St., Suite 1200  
**Address 2:** Street Address 2  
**City, State Zip:** Louisville, Kentucky 40202  
**Phone #:** 502-762-8324  
**Fax #:** Fax #.  
**E-Mail Address:** pbrown@wfscorp.com

**8. Print or type the name of the Bidder representative authorized to address contractual issues, including the authority to execute a contract on behalf of Bidder, and to whom legal notices regarding contract termination or breach, should be sent (if not the same individual as in #7, provide the following information on each such representative and specify their function):**

**Bidder Representative:** Elizabeth Williams  
**Representative's Title:** Counsel  
**Address 1:** 323 West Main St., Suite 1200  
**Address 2:** Street Address 2  
**City, State Zip:** Louisville, KY 40202  
**Phone #:** 502-593-5180

Fax #:

Fax #.

E-Mail Address:

ewilliams@wfscorp.com

9. Is this Bidder an Ohio certified Minority Business Enterprise ("MBE")? Yes  No

If yes, attach a copy of current certification to your proposal as an appendix in the third section of your proposal.

**10. Mandatory Supplier Certifications:**

CCOG may not enter into contracts with any suppliers who have been found to be ineligible for state contracts under specific federal or Ohio statutes or regulations. Bidders responding to any CCOG RFP MUST certify that they are NOT ineligible by signing each of the four statements below. **Failure to provide proper affirming signature on any of these statements will result in a Bidder's proposal being deemed nonresponsive to this RFP.**

I, Peter C. Brown (insert signature of representative shown in Item #7 above), hereby certify and affirm that Kinect Energy, Inc. (insert Bidder name as shown in Item #3 above), has not been debarred, suspended, proposed for debarment, declared ineligible, or voluntarily excluded from participation in transactions by the United States Department of Labor, the United States Department of Health and Human Services, or any other federal department or agency as set forth in 29 CFR Part 98, or 45 CFR Part 76, or other applicable statutes.

**AND**

I, Peter C. Brown (insert signature of representative shown in Item #7 above), hereby certify and affirm that Kinect Energy, Inc. (insert Bidder name as shown in Item #3 above), is in compliance with all federal, state, and local laws, rules, and regulations, including but not limited to the Occupational Safety and Health Act and the Ohio Bureau of Employment Services and the following:

- Not penalized or debarred from any public contracts or falsified certified payroll records or any other violation of the Fair Labor Standards Act in the last three (3) years;
- Not found to have violated any worker's compensation law within the last three (3) years;
- Not violated any employee discrimination law within the last three (3) years;
- Not have been found to have committed more than one (1) willful or repeated OSHA violation of a safety standard (as opposed to a record keeping or administrative standard) in the last three (3) years;
- Not have an Experience Modification Rating of greater than 1.5 (a penalty-rated employer) with respect to the Bureau of Workers' Compensation risk assessment rating; and
- Not have failed to file any required tax returns or failed to pay any required taxes to any governmental entity within the past three (3) years.

**AND**

I, Peter C. Brown (insert signature of representative shown in Item #7 above) hereby certify and affirm that Kinect Energy, Inc. (insert Bidder name as shown in Item #3 above), is not on the list established by the Ohio Secretary of State, pursuant to ORC Section 121.23, which identifies persons and businesses with more than one unfair labor practice contempt of court finding against them.

**AND**

I, Peter C. Brown (insert signature of representative shown in Item #7 above) hereby certify and affirm that Kinect Energy, Inc. (insert Bidder name as shown in Item #3, above), either is not subject to a finding for recovery under ORC Section 9.24, or has taken appropriate remedial steps required under



that statute to resolve any findings for recovery, or otherwise qualifies under that section to enter into contracts with CCOG.

**11. Supplemental Bidder Contract and Equal Employment Opportunity Information:**

A. Provide data on Bidder employees both nationwide (inclusive of Ohio staff) and the number of Ohio employees:

	<u>Nationwide:</u>	<u>Ohio Offices:</u>
Total Number of Employees:	<u>1982</u>	<u>0</u>
% of those who are Women:	<u>36%</u>	<u>0</u>
% of those who are Minorities:	<u>22%</u>	<u>0</u>

B. If you are selected as the Winning Supplier and this RFP involves the provision of services to Equalis Group Members, will you subcontract any part of the work?

- NO -or-  
 YES, but for less than 50% of the work -or-  
 YES, for 50% or more of the work

C. If any part of your proposal would be performed by any subcontractors, provide the following information on each subcontractor (additional pages may be added as needed):

Subcontractor Name:	<u>Name</u>
Street Address 1:	<u>Street Address 1</u>
Street Address 2:	<u>Street Address 2</u>
City, State Zip:	<u>City, State Zip</u>
Work to be Performed:	Description of Work

Estimated percentage of total proposal to be performed by subcontractors: \_\_\_\_\_ %  
 (Do NOT show dollar amounts here; show % of WORK sub-contractors will perform/provide).  
 Define the part of the work that will be performed by each subcontractor.

Subcontractor's employee information (attach additional pages if needed):

	<u>Nationwide:</u>	<u>Ohio Offices:</u>
Total Number of Employees:	32	0
% of those who are Women:	<u>we do not track</u>	
% of those who are Minorities:	<u>we do not track</u>	

12. Bidder has reviewed the Model Master Agreement attached to the RFP as Attachment E, and if awarded a contract,  Bidder will not (or)  Bidder will request changes to the standard language and has marked the requested changes and returned the model document with this proposal for consideration by CCOG and Equalis Group, LLC. (All requested changes to Model Master Agreement contract language are subject to negotiation and CCOG and Equalis Group, LLC approval.)



13. Bidder has reviewed the Model Administration Agreement attached to the RFP as Attachment E, and if awarded a contract,  Bidder will not (or)  Bidder will request changes to the standard language and has marked the requested changes and returned the model document with this proposal for consideration by Equalis Group, LLC. (All requested changes to Model Administration Agreement contract language are subject to negotiation and Equalis Group, LLC approval.)

14. I Peter C. Brown, (insert signature of representative shown in Item #7 above) hereby affirm that this proposal accurately represents the capabilities and qualifications of **Kinect Energy, Inc.** (insert Bidder name as shown in item #3, above), and I hereby affirm that the cost(s) proposed to CCOG for the performance of services and/or provision of goods covered in this proposal in response to this CCOG RFP is a firm fixed price structure as described in the Cost Proposal, inclusive of all incidental as well as primary costs. (Failure to provide the proper affirming signature on this item may result in the disqualification of your proposal.)

#### 15. Additional Documents:

CCOG makes every attempt to meet the varying legal requirements of public agencies across the country. The documents included in this section are intended to give our contracts the broadest geographic reach by meeting the procurement requirements of other states outside of Ohio.

#### 15.1. Lobbying Certification

Submission of this certification is a prerequisite for making or entering into this transaction and is imposed by Section 1352, Title 31, U.S. Code. This certification is a material representation of fact upon which reliance was placed when this transaction was made or entered into. Any person who fails to file the required certification shall be subject to civil penalty of not less than ten thousand dollars (\$10,000) and not more than one hundred thousand dollars (\$100,000) for each such failure.

The undersigned certifies, to the best of his/her knowledge and belief, on behalf of Bidder that:

1. No Federal appropriated funds have been paid or will be paid on behalf of the undersigned, to any person for influencing or attempting to influence an officer or employee of any agency, a Member of Congress, an officer or employee of Congress, or an employee of a Member of Congress in connection with the awarding of a Federal contract, the making of a Federal grant, the entering into a cooperative agreement, and the extension, continuation, renewal, amendment, or modification of a Federal contract, grant, loan, or cooperative agreement.
2. If any funds other than Federal appropriated funds have been or will be paid to any person for influencing or attempting to influence an officer or employee of any agency, a Member of Congress, an officer or employee of Congress, or an employee of a Member of Congress in connection with this Federal contract or cooperative agreement, the undersigned shall complete and submit Standard Form LLL, "Disclosure of Lobbying Activities," in accordance with its instructions.
3. The undersigned shall require that the language of this certification be included in the award documents for all covered sub-awards exceeding one hundred thousand dollars (\$100,000) in Federal funds at all appropriate tiers and that all sub-recipients shall certify and disclose accordingly.

Peter C. Brown

Signature of Bidder representative



### 15.2. Boycott Certification

Bidder must certify that during the term of any Agreement, it does not boycott Israel and will not boycott Israel. "Boycott" means refusing to deal with, terminating business activities with, or otherwise taking any action that is intended to penalize, inflict economic harm on, or limit commercial relations specifically with Israel, or with a person or entity doing business in Israel or in an Israeli-controlled territory, but does not include an action made for ordinary business purposes.

Pet C. Brown

Signature of Bidder representative

### 15.3. Federal Funds Certification Form (EDGAR)

When a participating agency seeks to procure goods and services using funds under a federal grant or contract, specific federal laws, regulations, and requirements may apply in addition to those under state law. This includes, but is not limited to, the procurement standards of the Uniform Administrative Requirements, Cost Principles and Audit Requirements for Federal Awards, 2 CFR 200 (sometimes referred to as the "Uniform Guidance" or "EDGAR" requirements). All bidders submitting proposals must complete this Federal Funds Certification Form regarding bidder's willingness and ability to comply with certain requirements which may be applicable to specific participating agency purchases using federal grant funds. This completed form will be made available to Members for their use while considering their purchasing options when using federal grant funds. Members may also require Supplier Partners to enter into ancillary agreements, in addition to the contract's general terms and conditions, to address the member's specific contractual needs, including contract requirements for a procurement using federal grants or contracts.

**For each of the items below, respondent should certify bidder's agreement and ability to comply, where applicable, by having respondents authorized representative complete and initial the applicable lines after each section and sign the acknowledgment at the end of this form.** If a respondent fails to complete any item in this form, CCOG will consider the respondent's response to be that they are unable or unwilling to comply. A negative response to any of the items may, if applicable, impact the ability of a participating agency to purchase from the Supplier Partner using federal funds.

#### 15.3.1. Supplier Partner Violation or Breach of Contract Terms

Contracts for more than the simplified acquisition threshold currently set at one hundred fifty thousand dollars (\$150,000), which is the inflation adjusted amount determined by the Civilian Agency Acquisition Council and the Defense Acquisition Regulations Council (Councils) as authorized by 41 USC 1908, must address administrative, contractual, or legal remedies in instances where Supplier Partners violate or breach contract terms, and provide for such sanctions and penalties as appropriate.

Any contract award will be subject to Terms and Conditions of the Master Agreement, as well as any additional terms and conditions in any purchase order, participating agency ancillary contract, or Member construction contract agreed upon by Supplier Partner and the participating agency which must be consistent with and protect the participating agency at least to the same extent as the CCOG Terms and Conditions.

The remedies under the contract are in addition to any other remedies that may be available under law or in equity. By submitting a proposal, you agree to these Supplier Partner violation and breach of contract terms.

Does Supplier Partner agree? Agreed.

PCB  
(Initials of Authorized Representative)



### 15.3.2. Termination for Cause or Convenience

When a participating agency expends federal funds, the participating agency reserves the right to immediately terminate any agreement in excess of ten thousand dollars (\$10,000) resulting from this procurement process in the event of a breach or default of the agreement by Offeror in the event Offeror fails to: (1) meet schedules, deadlines, and/or delivery dates within the time specified in the procurement solicitation, contract, and/or a purchase order; (2) make any payments owed; or (3) otherwise perform in accordance with the contract and/or the procurement solicitation. Participating agency also reserves the right to terminate the contract immediately, with written notice to offeror, for convenience, if participating agency believes, in its sole discretion that it is in the best interest of participating agency to do so. Bidder will be compensated for work performed and accepted and goods accepted by participating agency as of the termination date if the contract is terminated for convenience of participating agency. Any award under this procurement process is not exclusive and participating agency reserves the right to purchase goods and services from other offerors when it is in participating agency's best interest.

Does Supplier Partner agree? Agreed PCB  
(Initials of Authorized Representative)

### 15.3.3. Equal Employment Opportunity

Except as otherwise provided under 41 CFR Part 60, all participating agency purchases or contracts that meet the definition of "federally assisted construction contract" in 41 CFR Part 60-1.3 shall be deemed to include the equal opportunity clause provided under 41 CFR 60-1.4(b), in accordance with Executive Order 11246, "Equal Employment Opportunity" (30 FR 12319, 12935, 3 CFR Part, 1964-1965 Comp., p. 339), as amended by Executive Order 11375, "Amending Executive Order 11246 Relating to Equal Employment Opportunity," and implementing regulations at 41 CFR Part 60, "Office of Federal Contract Compliance Programs, Equal Employment Opportunity, Department of Labor."

The equal opportunity clause provided under 41 CFR 60-1.4(b) is hereby incorporated by reference. Supplier Partner agrees that such provision applies to any participating agency purchase or contract that meets the definition of "federally assisted construction contract" in 41 CFR Part 60-1.3 and Supplier Partner agrees that it shall comply with such provision.

Does Supplier Partner agree? Agreed PCB  
(Initials of Authorized Representative)

### 15.3.4. Davis-Bacon Act

When required by Federal program legislation, Supplier Partner agrees that, for all participating agency prime construction contracts/purchases in excess of two thousand dollars (\$2,000), Supplier Partner shall comply with the Davis-Bacon Act (40 USC 3141-3144, and 3146-3148) as supplemented by Department of Labor regulations (29 CFR Part 5, "Labor Standards Provisions Applicable to Contracts Covering Federally Financed and Assisted Construction"). In accordance with the statute, Supplier Partner is required to pay wages to laborers and mechanics at a rate not less than the prevailing wages specified in a wage determination made by the Secretary of Labor. In addition, Supplier Partner shall pay wages not less than once a week.

Current prevailing wage determinations issued by the Department of Labor are available at [www.wdol.gov](http://www.wdol.gov). Supplier Partner agrees that, for any purchase to which this requirement applies, the award of the purchase to the Supplier Partner is conditioned upon Supplier Partner's acceptance of the wage determination.

Supplier Partner further agrees that it shall also comply with the Copeland "Anti-Kickback" Act (40 USC 3145), as supplemented by Department of Labor regulations (29 CFR Part 3, "Contractors and Subcontractors on Public



Building or Public Work Financed in Whole or in Part by Loans or Grants from the United States". The Act provides that each Supplier Partner or subrecipient must be prohibited from inducing, by any means, any person employed in the construction, completion, or repair of public work, to give up any part of the compensation to which he or she is otherwise entitled.

Does Supplier Partner agree? Agreed *PCB*  
(Initials of Authorized Representative)

### 15.3.5. Contract Work Hours and Safety Standards Act

Where applicable, for all participating agency contracts or purchases in excess of one hundred thousand dollars (\$100,000) that involve the employment of mechanics or laborers, Supplier Partner agrees to comply with 40 USC 3702 and 3704, as supplemented by Department of Labor regulations (29 CFR Part 5). Under 40 USC 3702 of the Act, Supplier Partner is required to compute the wages of every mechanic and laborer on the basis of a standard work week of forty (40) hours. Work in excess of the standard work week is permissible provided that the worker is compensated at a rate of not less than one and a half times the basic rate of pay for all hours worked in excess of forty (40) hours in the work week. The requirements of 40 USC 3704 are applicable to construction work and provide that no laborer or mechanic must be required to work in surroundings or under working conditions which are unsanitary, hazardous or dangerous. These requirements do not apply to the purchases of supplies or materials or articles ordinarily available on the open market, or contracts for transportation or transmission of intelligence.

Does Supplier Partner agree? Agreed *PCB*  
(Initials of Authorized Representative)

### 15.3.6. Right to Inventions Made Under a Contract or Agreement

If the participating agency's Federal award meets the definition of "funding agreement" under 37 CFR 401.2(a) and the recipient or subrecipient wishes to enter into a contract with a small business firm or nonprofit organization regarding the substitution of parties, assignment or performance or experimental, developmental, or research work under that "funding agreement," the recipient or subrecipient must comply with the requirements of 37 CFR Part 401, "Rights to Inventions Made by Nonprofit Organizations and Small Business Firms Under Government Grants, Contracts and Cooperative Agreements," and any implementing regulations issued by the awarding agency.

Supplier Partner agrees to comply with the above requirements when applicable.

Does Supplier Partner agree? Agreed *PCB*  
(Initials of Authorized Representative)

### 15.3.7. Clean Air Act and Federal Water Pollution Control Act

Clean Air Act (42 USC 7401-7671q.) and the Federal Water Pollution Control Act (33 USC 1251-1387), as amended – Contracts and subgrants of amounts in excess of one hundred fifty thousand dollars (\$150,000) must contain a provision that requires the non-Federal award to agree to comply with all applicable standards, orders, or regulations issued pursuant to the Clean Air Act (42 USC 7401-7671q.) and the Federal Water Pollution Control Act, as amended (33 USC 1251-1387). Violations must be reported to the Federal awarding agency and the Regional Office of the Environmental Protection Agency (EPA).

When required, Supplier Partner agrees to comply with all applicable standards, orders, or regulations issued pursuant to the Clean Air Act and the Federal Water Pollution Control Act.

Does Supplier Partner agree? Agreed *PCB*



(Initials of Authorized Representative)

### 15.3.8. Debarment and Suspension

Debarment and Suspension (Executive Orders 12549 and 12689) – A contract award (see 2 CFR 180.220) must not be made to parties listed on the government-wide exclusions in the System for Award Management (SAM), in accordance with the OMB guidelines at 2 CFR 180 that implement Executive Orders 12549 (3 CFR Part 1966 Comp. p. 189) and 12689 (3CFR Part 1989 Comp. p. 235), “Debarment and Suspension.” SAM Exclusions contains the names of parties debarred, suspended, or otherwise excluded by agencies, as well as parties declared ineligible under statutory or regulatory authority other than Executive Order 12549.

Supplier Partner certifies that Supplier Partner is not currently listed on the government-wide exclusions in SAM, is not debarred, suspended, or otherwise excluded by agencies or declared ineligible under statutory or regulatory authority other than Executive Order 12549. Supplier Partner further agrees to immediately notify the Cooperative and all Members with pending purchases or seeking to purchase from Supplier Partner if Supplier Partner is later listed on the government-wide exclusions in SAM, or is debarred, suspended, or otherwise excluded by agencies or declared ineligible under statutory or regulatory authority other than Executive Order 12549.

Does Supplier Partner agree? Agreed *PCB*  
(Initials of Authorized Representative)

### 15.3.9. Byrd Anti-Lobbying Amendment

Byrd Anti-Lobbying Amendment (31 USC 1352) – Supplier Partners that apply or bid for an award exceeding one hundred thousand dollars (\$100,000) must file the required certification. Each tier certifies to the tier above that it will not and has not used Federal appropriated funds to pay any person or organization for influencing or attempting to influence an officer or employee of any agency, a member of Congress, officer or employee of Congress, or an employee of a member of Congress in connection with obtaining any Federal contract, grant or any other award covered by 31 USC 1352. Each tier must also disclose any lobbying with non-Federal funds that takes place in connection with obtaining any Federal award. Such disclosures are forwarded from tier to tier up to the non-Federal award. As applicable, Supplier Partner agrees to file all certifications and disclosures required by, and otherwise comply with, the Byrd Anti-Lobbying Amendment (31 USC 1352).

Does Supplier Partner agree? Agreed *PCB*  
(Initials of Authorized Representative)

### 15.3.10. Procurement of Recovered Materials

For participating agency purchases utilizing Federal funds, Supplier Partner agrees to comply with Section 6002 of the Solid Waste Disposal Act, as amended by the Resource Conservation and Recovery Act where applicable and provide such information and certifications as a participating agency may require to confirm estimates and otherwise comply. The requirements of Section 6002 include procuring only items designated in guidelines of the Environmental Protection Agency (EPA) at 40 CFR Part 247 that contain the highest percentage of recovered materials practicable, consistent with maintaining a satisfactory level of competition, where the purchase price of the item exceeds ten thousand dollars (\$10,000) or the value of the quantity acquired during the preceding fiscal year exceeded ten thousand dollars (\$10,000); procuring solid waste management services in a manner that maximizes energy and resource recovery, and establishing an affirmative procurement program for procurement of recovered materials identified in the EPA guidelines.

Does Supplier Partner agree? Agreed *PCB*  
(Initials of Authorized Representative)



**15.3.11. Profit as a Separate Element of Price**

For purchases using federal funds in excess of one hundred fifty thousand dollars (\$150,000), a participating agency may be required to negotiate profit as a separate element of the price. See, 2 CFR 200.323(b). When required by a participating agency, Supplier Partner agrees to provide information and negotiate with the participating agency regarding profit as a separate element of the price for a particular purchase. However, Supplier Partner agrees that the total price, including profit, charged by Supplier Partner to the participating agency shall not exceed the awarded pricing, including any applicable discount, under Supplier Partner's Group Purchasing Agreement.

Does Supplier Partner agree? Agreed *PCB*  
(Initials of Authorized Representative)

**15.3.12. General Compliance and Cooperation with Members**

In addition to the foregoing specific requirements, Supplier Partner agrees, in accepting any purchase order from a Member, it shall make a good faith effort to work with Members to provide such information and to satisfy such requirements as may apply to a particular participating agency purchase or purchases including, but not limited to, applicable recordkeeping and record retention requirements.

Does Supplier Partner agree? Agreed *PCB*  
(Initials of Authorized Representative)

**15.3.13. Applicability to Subcontractors**

Offeror agrees that all contracts it awards pursuant to the Contract shall be bound by the foregoing terms and conditions.

Does Supplier Partner agree? Agreed *PCB*  
(Initials of Authorized Representative)

By signature below, I certify that the information in this form is true, complete, and accurate and that I am authorized by my company to make this certification and all consents and agreements contained herein.

**Kinect Energy, Inc.**

**Bidder Name**

*Peter C. Brown*

**Signature of Authorized Company Official**

**Peter C. Brown**

**Printed Name**

**Vice President**

**Title**

**3/3/2021**

**Date**

**16. Required Documents for Supplier Partners Intending to Do Business in New Jersey**

**16.1. Ownership Disclosure Form**

Pursuant to the requirements of P.L. 1999, Chapter 440 effective April 17, 2000 (Local Public Contracts Law), Bidder shall complete the form attached to these specifications listing the persons owning 10 percent (10%) or more of the firm presenting the proposal.

**Bidder Name:** Kinect Energy, Inc.  
**Street Address:** 605 Hwy North 169, Suite 1000  
**City, State Zip:** Plymouth, MN 55441

**Complete as appropriate:**

*I Click or tap here to enter text., certify that I am the sole owner of Click or tap here to enter text., that there are no partners and the business is not incorporated, and the provisions of N.J.S. 52:25-24.2 do not apply.*

**OR:**

*I Click or tap here to enter text., a partner in Click or tap here to enter text., do hereby certify that the following is a list of all individual partners who own a 10 percent (10%) or greater interest therein. I further certify that if one (1) or more of the partners is itself a corporation or partnership, there is also set forth the names and addresses of the stockholders holding 10 percent (10%) or more of that corporation's stock or the individual partners owning 10% or greater interest in that partnership.*

**OR:**

*I **Peter C. Brown**, an authorized representative of **Kinect Energy, Inc.**, a corporation, do hereby certify that the following is a list of the names and addresses of all stockholders in the corporation who own 10% or more of its stock of any class. I further certify that if one (1) or more of such stockholders is itself a corporation or partnership, that there is also set forth the names and addresses of the stockholders holding 10 percent (10%) or more of the corporation's stock or the individual partners owning a 10 percent (10%) or greater interest in that partnership.*

**[Kinect Energy, Inc. is a wholly owned subsidiary of World Fuel Services, Inc.. As a public company, its stockholders change on a daily basis so at any given point in time, a stockholder could hold 10% or more of a given class of stock in the company]**

**(Note: If there are no partners or stockholders owning 10% or more interest, indicate none.)**

NAME	ADDRESS	% INTEREST
Click or tap here to enter text.	Click or tap here to enter text.	None
Click or tap here to enter text.	Click or tap here to enter text.	
Click or tap here to enter text.	Click or tap here to enter text.	
Click or tap here to enter text.	Click or tap here to enter text.	
Click or tap here to enter text.	Click or tap here to enter text.	



I further certify that the statements and information contained herein, are complete and correct to the best of my knowledge and belief.

Pete CB

\_\_\_\_\_  
*Authorized Signature and Title*

3/3/2021

*Date*

**16.2. Non-Collusion Affidavit (to be completed and included with each proposal submitted to Members in NJ)**

**Bidder Name:** Enter Bidder Name

**Street Address:** Enter Street Address

**City, State Zip:** Enter City, State Zip

*State of New Jersey*

*County of Customer County*

*I, Your Name of the Your City in the County of Your County, State of Your State of full age, being duly sworn according to law on my oath depose and say that:*

*I am the Your Title of the firm of Bidder Name, the Bidder making the proposal for the goods, services, or public work specified under the attached proposal, and that I executed the said proposal with full authority to do so; that said respondent has not directly or indirectly entered into any agreement, participated in any collusion, or otherwise taken any action in restraint of free, competitive bidding in connection with the above proposal, and that all statements contained in said bid proposal and in this affidavit are true and correct, and made with full knowledge that the Customer Name relies upon the truth of the statements contained in said bid proposal and in the statements contained in this affidavit in awarding the contract for the said goods, services, or public work.*

*I further warrant that no person or selling agency has been employed or retained to solicit or secure such contract upon an agreement or understanding for a commission, percentage, brokerage or contingent fee, except bona fide employees or bona fide established commercial or selling agencies maintained by:*

Bidder Name

\_\_\_\_\_  
*Authorized Signature*

Title

Subscribed and sworn before me

this \_\_\_\_\_ day of \_\_\_\_\_, 20 \_\_\_\_\_

\_\_\_\_\_  
*Notary Public of New Jersey*



My commission expires \_\_\_\_\_, 20\_\_\_\_

SEAL

**16.3. Affirmative Action Affidavit  
(P.L. 1975, C.127)**

**Bidder Name:** Kinect Energy, Inc.  
**Street Address:** 605 North Hwy 169, Suite 1000  
**City, State Zip:** Plymouth, MN 55441

**Bid Proposal Certification:**

Indicate below your compliance with New Jersey Affirmative Action regulations. Your proposal will be accepted even if you are not in compliance at this time. No contract and/or purchase order may be issued, however, until all Affirmative Action requirements are met.

**Required Affirmative Action Evidence:**

Procurement, Professional & Service Contracts (Exhibit A)

Supplier Partners must submit with proposal:

1. A photocopy of their Federal Letter of Affirmative Action Plan Approval  
  
OR
2. A photocopy of their Certificate of Employee Information Report  
  
OR
3. A complete Affirmative Action Employee Information Report (AA302)

**Public Work – Over Fifty Thousand Dollars (\$50,000) Total Project Cost:**

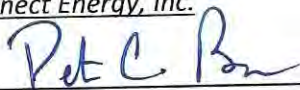
Check One –

No approved Federal or New Jersey Affirmative Action Plan. We will complete Report Form AA201-A upon receipt from the Customer Name, or

Approved Federal or New Jersey Plan – certificate enclosed

I further certify that the statements and information contained herein, are complete and correct to the best of my knowledge and belief.

Kinect Energy, Inc.



Authorized Signature

Vice President

3/3/2021

**P.L. 1995, c. 127 (N.J.A.C. 17:27)**

**MANDATORY AFFIRMATIVE ACTION LANGUAGE**

**PROCUREMENT, PROFESSIONAL & SERVICE CONTRACTS**

During the performance of this contract, the Supplier Partner agrees as follows:

The Supplier Partner or subcontractor, where applicable, will not discriminate against any employee or applicant for employment because of age, race, creed, color, national origin, ancestry, marital status, sex, affectional or sexual orientation. The Supplier Partner will take affirmative action to ensure that such applicants are recruited and employed, and that employees are treated during employment, without regard to their age, race, creed, color, national origin, ancestry, marital status, sex, affectional or sexual orientation. Such action shall include, but not be limited to the following: employment, upgrading, demotion, or transfer; recruitment or recruitment advertising; layoff or termination; rates of pay or other forms of compensation; and selection for training, including apprenticeship. The Supplier Partner agrees to post in conspicuous places, available to employees and applicants for employment, notices to be provided by the Public Agency Compliance Officer setting forth provisions of this non-discrimination clause.

The Supplier Partner or subcontractor, where applicable will, in all solicitations or advertisement for employees placed by or on behalf of the Supplier Partner, state that all qualified applicants will receive consideration for employment without regard to age, race, creed, color, national origin, ancestry, marital status, sex, affectional or sexual orientation.

The Supplier Partner or subcontractor, where applicable, will send to each labor union or representative of workers with which it has a collective bargaining agreement or other contract or understanding, a notice, to be provided by the agency contracting officer advising the labor union or workers' representative of the Supplier Partner's commitments under this act and shall post copies of the notice in conspicuous places available to employees and applicants for employment.

The Supplier Partner or subcontractor, where applicable, agrees to comply with any regulations promulgated by the Treasurer pursuant to P.L. 1975, c. 127, as amended and supplemented from time to time and the Americans with Disabilities Act.

The Supplier Partner or subcontractor agrees to attempt in good faith to employ minority and female workers trade consistent with the applicable county employment goal prescribed by N.J.A.C. 17:27-5.2 promulgated by the Treasurer pursuant to P.L. 1975, C.127, as amended and supplemented from time to time or in accordance with a binding determination of the applicable county employment goals determined by the Affirmative Action Office pursuant to N.J.A.C. 17:27-5.2 promulgated by the Treasurer pursuant to P.L. 1975, C.127, as amended and supplemented from time to time.

The Supplier Partner or subcontractor agrees to inform in writing appropriate recruitment agencies in the area, including employment agencies, placement bureaus, colleges, universities, labor unions, that it does not discriminate on the basis of age, creed, color, national origin, ancestry, marital status, sex, affectional or sexual



orientation, and that it will discontinue the use of any recruitment agency which engages in direct or indirect discriminatory practices.

The Supplier Partner or subcontractor agrees to revise any of its testing procedures, if necessary, to assure that all personnel testing conforms with the principles of job-related testing, as established by the statutes and court decisions of the state of New Jersey and as established by applicable Federal law and applicable Federal court decisions.

The Supplier Partner or subcontractor agrees to review all procedures relating to transfer, upgrading, downgrading and lay-off to ensure that all such actions are taken without regard to age, creed, color, national origin, ancestry, marital status, sex, affectional or sexual orientation, and conform with the applicable employment goals, consistent with the statutes and court decisions of the State of New Jersey, and applicable Federal law and applicable Federal court decisions.

The Supplier Partner and its subcontractors shall furnish such reports or other documents to the Affirmative Action Office as may be requested by the office from time to time in order to carry out the purposes of these regulations, and public agencies shall furnish such information as may be requested by the Affirmative Action Office for conducting a compliance investigation pursuant to Subchapter 10 of the Administrative Code (NJAC 17:27).

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Signature of Procurement Agent

#### 16.4. Political Contribution Disclosure Form

##### Public Agency Instructions

This page provides guidance to public agencies entering into contracts with business entities that are required to file Political Contribution Disclosure forms with the agency. **It is not intended to be provided to Supplier Partners.** What follows are instructions on the use of form local units can provide to Supplier Partners that are required to disclose political contributions pursuant to N.J.S.A. 19:44A-20.26 (P.L. 2005, c. 271, s.2). Additional information on the process is available in Local Finance Notice 2006-1 ([www.nj.gov/dca/lgs/lfnslfnmenu.shtml](http://www.nj.gov/dca/lgs/lfnslfnmenu.shtml)).

1. The disclosure is required for all contracts in excess of seventeen thousand five hundred dollars (\$17,500) that are **not awarded** pursuant to a "fair and open" process (N.J.S.A. 19:44A-20.7).
2. Due to the potential length of some Supplier Partner submissions, the public agency should consider allowing data to be submitted in electronic form (i.e., spreadsheet, pdf file, etc.). Submissions must be kept with the contract documents or in an appropriate computer file and be available for public access. **The form is worded to accept this alternate submission.** The text should be amended if electronic submission will not be allowed.
3. The submission must be **received from the Supplier Partner** and on file at least ten (10) days prior to award of the contract. Resolutions of award should reflect that the disclosure has been received and is on file.
4. The Supplier Partner must disclose contributions made to candidate and party committees covering a wide range of public agencies, including all public agencies that have elected officials in the county of the public agency, state legislative positions, and various state entities. The Division of Local



Government Services recommends that Supplier Partners be provided a list of the affected agencies. This will assist Supplier Partners in determining the campaign and political committees of the officials and candidates affected by the disclosure.

- a) The Division has prepared model disclosure forms for each county. They can be downloaded from the "County PCD Forms" link on the Pay-to-Play web site at [www.nj.gov/dca/lgs/p2p](http://www.nj.gov/dca/lgs/p2p). They will be updated from time-to-time, as necessary.
  - b) A public agency using these forms **should edit them to properly reflect the correct legislative district(s)**. As the forms are county-based, **they list all legislative districts** in each county. **Districts that do not represent the public agency should be removed from the lists.**
  - c) Some Supplier Partners may find it easier to provide a single list that covers all contributions, regardless of the county. These submissions are appropriate and should be accepted.
  - d) The form may be used "as-is", subject to edits as described herein.
  - e) The "Supplier Partner Instructions" sheet is intended to be provided with the form. It is recommended that the Instructions and the form be printed on the same piece of paper. The form notes that the Instructions are printed on the back of the form; where that is not the case, the text should be edited accordingly.
  - f) The form is a Word document and can be edited to meet local needs, and posted for download on web sites, used as an e-mail attachment, or provided as a printed document.
5. It is recommended that the Supplier Partner also complete a "Stockholder Disclosure Certification." This will assist the local unit in its obligation to ensure that Supplier Partner did not make any prohibited contributions to the committees listed on the Business Entity Disclosure Certification in the twelve (12) months prior to the contract. (See Local Finance Notice 2006-7 for additional information on this obligation) A sample Certification form is part of this package and the instruction to complete it is included in the Supplier Partner Instructions. **NOTE: This section is not applicable to Boards of Education.**

### C. 271 POLITICAL CONTRIBUTION DISCLOSURE FORM Supplier Partner Instructions

Supplier Partners receiving contracts from a public agency that are NOT awarded pursuant to a "fair and open" process (defined at N.J.S.A. 19:44A-20.7) are subject to the provisions of P.L. 2005, c. 271, s.2 (N.J.S.A. 19:44A-20.26). This law provides that ten (10) days prior to the award of such a contract, the Supplier Partner shall disclose contributions to:

- 1) any State, county, or municipal committee of a political party,
- 2) any legislative leadership committee\*,
- 3) any continuing political committee (a.k.a., political action committee),
- 4) any candidate committee of a candidate for, or holder of, an elective office:
  - a) of the public entity awarding the contract,
  - b) of that county in which that public entity is located,
  - c) of another public entity within that county,
  - d) or of a legislative district in which that public entity is located or, when the public entity is a county, of any legislative district which includes all or part of the county. The disclosure must list reportable contributions to any of the committees that exceed three hundred dollars (\$300) per election cycle that were made during the twelve (12) months prior to award of the contract. See N.J.S.A. 19:44A-8 and 19:44A-16 for more details on reportable contributions.

N.J.S.A. 19:44A-20.26 itemizes the parties from whom contributions must be disclosed when a business entity is not a natural person. This includes the following:



- 1) individuals with an "interest" ownership or control of more than ten percent (10%) of the profits or assets of a business entity or 10% of the stock in the case of a business entity that is a corporation for profit,
- 2) all principals, partners, officers, or directors of the business entity or their spouses,
- 3) any subsidiaries directly or indirectly controlled by the business entity,
- 4) IRS Code Section 527 New Jersey based organizations, directly or indirectly controlled by the business entity and filing as continuing political committees, (PACs). When the business entity is a natural person, "a contribution by that person's spouse or child, residing therewith, shall be deemed to be a contribution by the business entity." [N.J.S.A. 19:44A-20.26(b)] The contributor must be listed on the disclosure. Any business entity that fails to comply with the disclosure provisions shall be subject to a fine imposed by ELEC in an amount to be determined by the Commission which may be based upon the amount that the business entity failed to report. The enclosed list of agencies is provided to assist the Supplier Partner in identifying those public agencies whose elected official and/or candidate campaign committees are affected by the disclosure requirement. It is the Supplier Partner's responsibility to identify the specific committees to which contributions may have been made and need to be disclosed. The disclosed information may exceed the minimum requirement. The enclosed form, a content-consistent facsimile, or an electronic data file containing the required details (along with a signed cover sheet) may be used as the Supplier Partner's submission and is disclosable to the public under the Open Public Records Act. The Supplier Partner must also complete the attached Stockholder Disclosure Certification. This will assist the agency in meeting its obligations under the law.

**NOTE: This section does not apply to Board of Education contracts.**

<sup>1</sup> N.J.S.A. 19:44A-3(s): "The term "legislative leadership committee" means a committee established, authorized to be established, or designated by the President of the Senate, the Minority Leader of the Senate, the Speaker of the General Assembly or the Minority Leader of the General Assembly pursuant to section 16 of P.L.1993, c.65 (C.19:44A-10.1) for the purpose of receiving contributions and making expenditures."

### C. 271 POLITICAL CONTRIBUTION DISCLOSURE FORM

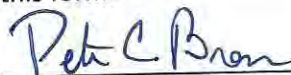
Required Pursuant to N.J.S.A. 19:44A-20.26

**This form or its permitted facsimile must be submitted to the local unit no later than ten (10) days prior to the award of the contract.**

#### Part I – Supplier Partner Information

Bidder Name:	Kinect Energy, Inc.		
Address:	605 North Hwy 169, Suite 1000		
City:	Plymouth	State:	MN
		Zip:	55441

The undersigned being authorized to certify, hereby certifies that the submission provided herein represents compliance with the provisions of N.J.S.A. 19:44A-20.26 and as represented by the Instructions accompanying this form.



Authorized Signature

Peter C. Brown

Vice President



**Part II – Contribution Disclosure**

Disclosure requirement: Pursuant to N.J.S.A. 19:44A-20.26 this disclosure must include all reportable political contributions (more than three hundred dollars (\$300) per election cycle) over the twelve (12) months prior to submission to the committees of the government entities listed on the form provided by the local unit.

Check here if disclosure is provided in electronic form.

Contributor Name	Recipient Name	Date	Dollar Amount
No Contributions Made	Recipient Name	Date	\$0.00
Contributor Name	Recipient Name	Date	\$Amount
Contributor Name	Recipient Name	Date	\$Amount
Contributor Name	Recipient Name	Date	\$Amount
Contributor Name	Recipient Name	Date	\$Amount
Contributor Name	Recipient Name	Date	\$Amount
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Contributor Name	Recipient Name	Date	\$Amount

Check here if the information is continued on subsequent page(s)

**List of Agencies with Elected Officials Required for Political Contribution Disclosure**  
**N.J.S.A. 19:44A-20.26**

**County Name:**

State: Governor, and Legislative Leadership Committees

Legislative District #s:

State Senator and two members of the General Assembly per district.

**County:**

Freeholders

County Clerk

Sheriff

{County Executive}

Surrogate

Municipalities (Mayor and members of governing body, regardless of title):

**USERS SHOULD CREATE THEIR OWN FORM, OR DOWNLOAD FROM [WWW.NJ.GOV/DCA/LGS/P2P](http://WWW.NJ.GOV/DCA/LGS/P2P) A COUNTY-BASED, CUSTOMIZABLE FORM.**

**16.5. Stockholder Disclosure Form**

**Name of Business:**

I certify that the list below contains the names and home addresses of all stockholders holding ten percent (10%) or more of the issued and outstanding stock of the undersigned.

OR

I certify that no one stockholder owns ten percent (10%) or more of the issued and outstanding stock of the undersigned.

**Check the box that represents the type of business organization:**

- Partnership
- Corporation
- Sole Proprietorship
- Limited Partnership
- Limited Liability Corporation
- Limited Liability Partnership
- Subchapter S Corporation

Sign and notarize the form below, and, if necessary, complete the stockholder list below.

**Stockholders:**

Name: Stockholder Name	Name: Stockholder Name
Home Address: Home Address	Home Address: Home Address
Name: Stockholder Name	Name: Stockholder Name
Home Address: Home Address	Home Address: Home Address



Name: Stockholder Name	Name: Stockholder Name
Home Address: Home Address	Home Address: Home Address
Subscribed and sworn before me this ___ day of _____, 2__.	_____ (Affiant)
(Notary Public)	_____ (Print name & title of affiant)
My Commission expires:	(Corporate Seal)

**17. Required Documents for Supplier Partners Intending to Do Business in Arizona**

**17.1. Arizona Supplier Partner Requirements**

AZ Compliance with Federal and state requirements. Supplier Partner agrees when working on any federally assisted projects with more than two thousand dollars (\$2,000.00) in labor costs, to comply with all federal and state requirements, as well as Equal Opportunity Employment requirements and all other federal and state laws, statutes, etc. Supplier Partner agrees to post wage rates at the work site and submit a copy of their payroll to the member for their files. Supplier Partner must retain records for three years to allow the federal grantor agency access to these records, upon demand. Supplier Partner also agrees to comply with the Arizona Executive Order 75-5, as amended by Executive Order 99-4.

When working on contracts funded with Federal Grant monies, Supplier Partner additionally agrees to comply with the administrative requirements for grants, and cooperative agreements to state, local and federally recognized Indian Tribal Governments.

AZ Compliance with workforce requirements. Pursuant to ARS 41-4401, Supplier Partner and subcontractor(s) warrant their compliance with all federal and state immigration laws and regulations that relate to their employees, and compliance with ARS 23-214 subsection A, which states, ..."every employer, after hiring an employee, shall verify the employment eligibility of the employee through the E-Verify program".

CCOG reserves the right to cancel or suspend the use of any contract for violations of immigration laws and regulations. CCOG and its members reserve the right to inspect the papers of any Supplier Partner or subcontract employee who works under this contract to ensure compliance with the warranty above.

AZ Supplier Partner Employee Work Eligibility. By entering into this contract, Supplier Partner agrees and warrants compliance with A.R.S. 41-4401, A.R.S. 23-214, the Federal Immigration and Nationality Act (FINA), and all other Federal immigration laws and regulations. CCOG and/or Equalis Group members may request verification of compliance from any Supplier Partner or subcontractor performing work under this contract. CCOG and Equalis Group members reserve the right to confirm compliance. In the event that CCOG or Equalis Group members suspect or find that any Supplier Partner or subcontractor is not in compliance, CCOG may pursue any and all remedies allowed by law, including but not limited to suspension of work, termination of contract, suspension and/or debarment of the Supplier Partner. All cost associated with any legal action will be the responsibility of the Supplier Partner.

AZ Non-Compliance. All federally assisted contracts to members that exceed ten thousand dollars (\$10,000.00) may be terminated by the federal grantee for noncompliance by Supplier Partner. In projects that are not

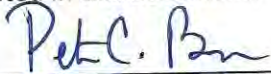
federally funded, respondent must agree to meet any federal, state or local requirements as necessary. In addition, if compliance with the federal regulations increases the contract costs beyond the agreed on costs in this solicitation, the additional costs may only apply to the portion of the work paid by the federal grantee.

Registered Sex Offender Restrictions (Arizona). For work to be performed at an Arizona school, Supplier Partner agrees that no employee or employee of a subcontractor who has been adjudicated to be a registered sex offender will perform work at any time when students are present, or reasonably expected to be present. Supplier Partner agrees that a violation of this condition shall be considered a material breach and may result in the cancellation of the purchase order at the Equalis Group member's discretion. Supplier Partner must identify any additional costs associated with compliance to this term. If no costs are specified, compliance with this term will be provided at no additional charge.

Offshore Performance of Work Prohibited. Due to security and identity protection concerns, direct services under this contract shall be performed within the borders of the United States.

Terrorism Country Divestments. In accordance with A.R.S. 35-392, CCOG and Equalis Group members are prohibited from purchasing from a company that is in violation of the Export Administration Act. By entering into the contract, Supplier Partner warrants compliance with the Export Administration Act.

The undersigned hereby accepts and agrees to comply with all statutory compliance and notice requirements listed in this document.



\_\_\_\_\_  
Signature of Authorized Representative

3/03/2021