



City of Vernon, Malburg Generating Station

**Firm Proposal
Customer Support Proposal
05-09-2023**

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20221217 10 LM

Document Information

Firm Proposal
Siemens Energy Inc., Alpharetta
www.siemens-energy.com



Rev. Num	Rev. Date	Sections Affected	Reason for Revision
0	05-09-2023	Commercial	Price and Invoicing
1	06-28-2023	All	City of Vernon name change

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Project Details

Buyer Name:	City of Vernon,
Site Location:	Malburg Generating Station
Offer Number:	20221217 10 LM



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Customer Support Agreement Offer

Siemens Energy, Inc. is pleased to present this Customer Support Agreement (CSA) offer. The intent of this CSA is to bundle services that compliment your specific operations and maintenance needs. The details of this offer are summarized below and more general information on CSAs is attached to the end of this offer. If you have any questions regarding this offer or the CSA, please contact your Service Sales Specialist.

1.1 Agreement Duration

<u>Number of Years</u>	<u>Start Date</u>	<u>End Date</u>
5	August 1, 2023	July 31, 2028

1.2 Pricing

Total Price for 5-year CSA and Omnivise T3000 Version Upgrade:\$1,041,790

Optional Scope:	Total Price	Price Per Year
*US Security Bundle	\$112,314	\$ 28,078.50
**One Onsite T3000 Training for 2 days (Max 10 people)	\$12,185	\$ 2,437

Pricing and discounts included herein are based upon the total scope of the offering and are evenly distributed over the term of the agreement. In the event that the agreement is cancelled or terminated prior to its anticipated expiration, cancellation/termination charges will be calculated to recover scope provided through the cancellation or termination plus ten percent (10%) of any scope cancelled. System hardware/software upgrades are not a part of the scope of this offer. Should an upgrade be required to continue services under this agreement, it will be quoted and billed in addition to this CSA.

1.3 Scope Entitlements

See Table 1, Offered Entitlements, for the services specifically included in this offer. Unless otherwise specified, these entitlements are on a per-year basis.

1.4 Invoicing Schedule

Siemens Energy shall invoice Buyer in accordance with the milestone payment schedule listed below:

<u>CSA Year</u>	<u>Invoice Date</u>	<u>CSA and VUG Price</u>	<u>Start Date</u>	<u>End Date</u>
2023	Upon receipt of PO	\$208,358	08-01-2023	07-31-2024
2024	07-01-2024	\$208,358	08-01-2024	07-31-2025
2025	07-01-2025	\$208,358	08-01-2025	07-31-2026
2026	07-01-2026	\$208,358	08-01-2026	07-31-2027
2027	07-01-2027	\$208,358	08-01-2027	07-31-2028

1.5 Payment

Payments are due in US Dollars, **net thirty (30) days** from date of invoice.

Please address your questions regarding this offer to:

Siemens Energy, Inc.

Attn: Brandon Hedrick

100 Technology Drive

Alpharetta, GA 30005

Email: Brandon.hedrick@siemens-energy.com

Office: 303-886-1527

1.6 Terms & Conditions of Sale

Siemens Energy shall provide the scope of work described in this Proposal under the terms and conditions set forth in Change Order 14 to the Amended and Restated Services Agreement for the Malburg Generating Station Project by and between Siemens Energy, Inc. and Bicent (California) Malburg LLC (the “Change Order 14”) and the provisions as described in this proposal which shall apply only to the scope of supply described in this proposal and any resulting order. The provisions of this Proposal apply only to the scope of work, and supersede any conflicting terms and conditions related to such supply and services prescribed in the main body of the Amended and Restated Services Agreement for the Malburg Generating Station Project. This proposal is submitted with the express understanding that the project shall be awarded as a separate stand-alone purchase order which shall not be considered or construed to be a change order or amendment to the Amended and Restated Services Agreement for the Malburg Generating Station Project.

The Firm offer extended herein is valid for thirty (30) days from the date of this proposal unless extended, modified, or withdrawn in writing by Siemens Energy. Although this offer has been compiled with utmost care, there may always be the possibility of inadvertent omissions. Please feel free to contact us in the event of any questions you may have.

The Parties acknowledge that there is an uncertain situation in the world, in particular due to the invasion of Ukraine and ongoing coronavirus disease (“Uncertain Situation”), which effects are difficult to foresee at the time of this offer and which can directly and indirectly affect the execution of any Contract or purchase order based on this offer including but not limited to the availability or cost of certain equipment, commodities, metals, and materials as well as the availability of transportation means and services. In the light of the above, the Parties agree that the Supplier shall be entitled to reasonable adjustments of the delivery term and/or the Contract price to the extent any delay and costs are caused directly or indirectly by the above-mentioned Uncertain Situation and any related consequences.

Customer Support Agreement		
Siemens Energy Power Plant Automation Control Systems		
Customer Support Agreement Scope Coverage		Level 2
CUSTOMER SUPPORT AGREEMENT TERM	5 Years	
START DATE	August 1, 2023	
SITE(S) COVERED	City of Vernon,	
	Malburg Generating Station	
SPPA-T3000 Scope	Combustion Turbines	2
	HRSGs	2
	Steam Turbines	1
	Balance of Plants	1
	Servers (ft + drMX)	1
Customer Support Agreement Level Entitlements		Level 2
I&C Customer Portal		
Online Access to Customer Relevant Information		Included
I&C System Lifecycle Reporting		
Information on Technological Advances in Software and Hardware		Included
SPPA-View Access		
1 user license to SPPA-View (additional available)		1
I&C Service Communications		Included
I&C Service Bulletins		Included
I&C Product Bulletins		Included
Access to repository of site-specific process logic backups		Included
I&C Monitors and Advisors Standard Services via Customer Portal		Included
Contract and Scope Management		
Assigned Service Manager (Single Point of Contact)		Included
Remote Expert Center (REC) Hotline Access		
Hotline Support Hours per Agreement Year		80
20% Rollover of unused Hotline Support Hours within Agreement Term		Not Available
Discount on additional Hotline Support Hours purchased during Agreement Term		20%
On-site Field Service/Technical Support		
Field Service/Technical Support Hours per Agreement Year		40
Field Service/Technical Support Trips to Site per Agreement Year		***2
Rollover of unused Field Service Hours and Trips within Agreement Term		Included
Discount on additional Field Service hours purchased during Agreement Term		20%
SPPA-T3000 Parts Program		
Parts Exchange Service		Included
Discount on Additional Spare Parts Purchased During Agreement Term		10%
SPPA-T3000 Remote System Administration and Diagnostic Services		
Remote System Checks and Assessment Reviews per Agreement Year		Annual
Classroom Training		
Discount on Additional Classroom Training purchased during Agreement Term		5%
Outage Planning and Maintenance Support		
Remote Support for Turbine Maintenance Support Meetings (as Required)		Included
Support Usage and Summary Report		
Report Frequency		Annual
Cyber Solutions		

Customer Support Agreement	
Siemens Energy Power Plant Automation Control Systems	
MDR Zero (Setup and annual subscription)	Not Included

Optional Scope and Clarifications

- * US security bundle can only be added once the site is upgraded to the latest version of T3000.
- ** Onsite T3000 training is one class per term of CSA for 2 days onsite with max 10 students. Onsite Training does not include travel and living expenses. Travel time invoiced at PL1810 with 20% discount and travel and living expenses billed at cost plus 15%.
- *** One trip to site is dedicated to Performance Maintenance. The planned performance maintenance visit to be completed yearly, but is not limited to the following tasks:
 - workstation, server, and control network diagnostic/error status
 - cabinet power review
 - control module diagnostic error status
 - detailed report of findings and recommendations

Customer Support Agreement

Siemens Energy Power Plant Automation Control Systems – Introduction



Siemens Energy, Inc. understands the competitive pressures that exist within the Power industry today. We understand that these pressures are forcing power generation companies to make significant changes relative to their operations and maintenance models. These operations and maintenance models need to be proactive as well as reactive, swift in their deployment, efficient in their continuous execution, and scalable in response to the economics of expanding and contracting energy needs.

Your Service Group within Siemens Energy, Inc. recognizes this reality and the need to have a service provider aligned so these issues may be successfully addressed. With this in mind, the Customer Support Agreement service contracts were developed in order to meet our customers' varying operations and controls maintenance needs.

The intent of the Customer Support Agreement is to bundle services that complement the specific operations and maintenance model of each customer. By selecting appropriate services and support, and the level of service from the various offerings within a service contract, the customer defines how Siemens Energy, Inc. will best support them and their success. In general, some of the tangible benefits that can be expected from a service contract are:

- Plant owner/operator can focus more on core competencies.
- Service contract designed to place a portion of the burden of operating cost, including increased personnel staffing and benefits, on Siemens Energy, Inc.
- Market competitive position of each operating plant is improved due to maximized availability of the Siemens Energy Power Plant Automation (SPPA) Systems.
- Access to the Siemens Energy Hotline for remote support and services.
- Single point of contact for Controls and Electrical services, 24x7.

Four Plans to Meet your Needs

Siemens Energy has developed four separate plans to meet the proactive and reactive needs of our customers. The plans start with reduced coverage focusing on reactive support as required then building on that base to extensive coverage that adds proactive maintenance and planning services.

For description of the services and details of the services available within the different CSA Levels, please refer to the Customer Support Agreement Siemens Energy Power Plant Automation Control System – Services Descriptions below.

Your Service Sales Specialist can help you determine the best fit for your needs.

Level 1 Support Agreement

The Level 1 Support Agreement is the most basic plan offered. Designed to meet the emergent needs of a plant with limited support requirements, this plan establishes a relationship that allows for immediate support in the event of a plant emergency and provides access to customer relevant information and bulletins.

A Level 1 Support Agreement can be structured in two different ways:

1. Open Purchase Order – The minimum Level 1 Support Agreement is \$10,000.00 and includes the first \$5,000.00 of requested services or materials. Additional value can be established up front or during the term of the Agreement.
2. Defined Entitlements – The Level 1 Support Agreement can be established with defined entitlements.

A Level 1 Support Agreement is available for a one-year term.

Level 2 Support Agreement

The Level 2 Support Agreement is designed to support the power plant that requires occasional communicative technical support. This plan includes an assigned single point of contact to channel the plants' technical needs, minimal Remote Expert Center (REC) hotline support and an annual remote system administration check and usage report. Specified additional services can also be purchased at the time of entering into the Agreement or during the term of the Agreement.

A Level 2 Support Agreement is available for up to a five-year term. The annual price is the same regardless of the term selected.

Level 3 Support Agreement

The Level 3 Support Agreement is designed to align with industry standard service support. Level 3, in addition to Level 2 services, builds value by combining both proactive and reactive services. The Level 3 Support Agreement includes Field Service/Technical Support hours, a Siemens Energy match on pre-purchased classroom training and provides discounts on specified additional services purchased up front or during the Agreement term.

A Level 3 Support Agreement is available for up to a five-year term. The annual price is the same regardless of the term selected.

Level 4 Support Agreement

The Level 4 Service Agreement provides the most comprehensive support among Siemens' Support Agreements and provides the maximum discounts available on additional services purchased up front or during the Agreement term. This plan is designed to provide the proactive planning and maintenance services to ensure optimal performance along with reactive support to meet the customers' emergent needs.

A Level 4 Support Agreement is available for up to a five-year term. The annual price is the same regardless of the term selected.

Customer Support Agreement

Siemens Energy Power Plant Automation Control Systems – Services Descriptions

The below highlights the services available with the CSA Agreements. For the specific services included within your offer, see Table 1 (Offered Entitlements) above.

I&C Customer Portal

Siemens Energy is committed to establishing and maintaining an information and communication platform accessible from anywhere in the world, at any time. Siemens Energy has thus developed the Instrumentation and Controls (I&C) Customer Portal. The I&C Customer Portal provides single-point access to Buyer's plant service and support history and serves as a secure means for electronic data storage, eliminating the need for hard copies and associated delays.

The Siemens Energy I&C Customer Portal allows users to easily:

- Stay on top of product news and updates.
- Get detailed product information and announcements especially tailored to the plant's needs.
- Find information about:
 - Hot topics in the I&C industry
 - Siemens Energy I&C and electrical products
 - Latest product data
 - Service activity updates
 - Submission and tracking of service hotline cases
 - Discussion forums with other Customer Portal users

I&C System Lifecycle Reporting

System Lifecycle Reporting keeps the customer aware of current and upcoming changes to the SPPA-T3000 Control System components and features giving the plant the ability to keep current with technological advances in software and hardware while decreasing and potentially avoiding the need for a complete system replacement.

I&C Archive

I&C Archive, part of the Omnivise™ Availability suite, will enable you to work smarter by quickly in pointing areas of improvement and consolidating alert flooding. With this you can quickly and precisely reduce the alert load by up to 80 %, and with this, the need for manual action. Operators can then focus on critical process alarms. Advanced algorithms identify the root-causes of the most frequent alerts and provide recommendations to reduce them. The result is a clear view of your alert load, as well as defined actions you can take to optimize your alert system. The solution also provides the ability to compare your plant's alert load key performance indicators to similar type of power plants and fleets.

I&C Archive can help, improve efficiency, cut costs, and unlock significant value from your system. Based on Siemens' best-in-class know-how and

experience, site-specific recommendations are displayed, giving you the confidence to make more informed decisions. With the Archive Package you will have full access to Alert Load Reduction.

Besides the Monitor, this access includes the "Advisor" with detailed information to all signals which cause alerts. By using SPPA-T3000 Archive and Engineering data, the Analysis is carried out pattern based in order to identify root cause specific optimization solutions. If available, the platform provides automatically generated recommendations of measures which should be implemented for future alert avoidance.

I&C Archive Monitor evaluates the archive and engineering data of the power plant and identifies causal connections between different data sources. The following topics are covered:

- Alert Load Reduction
- Manual Operations Reduction
- Analog Archive Load Reduction
- Binary Archive Load Reduction

SPPA-View Access

SPPA-View is a powerful tool for presenting SPPA-T3000 engineering information. A licensed user with a secure internet connection has the ability to view the DCS logic diagrams using Microsoft Internet Explorer.

Access to project data is password-protected on an individual or group level. Administrative privileges versus General User privileges are fully configurable by the Buyer for each licensed user. This Support Agreement includes one (1) SPPA-View license. Additional licenses may be purchased if desired.

I&C Service Communications

Within SPPA-View, Siemens Energy provides two types of I&C Service Communications – Product Bulletins and Service Bulletins – as information for customers about Product Change Management (PCM) products.

Product Bulletins (PB) communicates recommended changes to the as-built condition of Siemens Energy product components involving mechanical engineering, electrical engineering, and I&C technology. Service Bulletins (SB) communicates recommended maintenance, inspection, and operational practices along with other useful information.

Site Specific Process Logic Backup Access

The SPPA-View provides access to the repository of site specific process logic backups made by Siemens Energy during maintenance visits and prior to any system changes.

Contract and Scope Management

The foundation of the service contract is the focused attention to the implementation of the Siemens Energy scope. The intention is to establish a long-term relationship and support structure between Siemens Energy and the customer.

Each contract is administered by an experienced Service Manager providing consistency and long term customer care. This individual serves as a single point of contact 24-hours a day, seven days a week for all service needs.

Backing the Service Manager is a staff of technical professionals at the Siemens Energy Controls Headquarters in Alpharetta, Georgia, each with years of commissioning experience within SPPA-T3000.

This staff provides process knowledge and experience on your Siemens Energy Power Plant Automation (SPPA) T3000 control system and the application of the control system to your specific plant configuration.

Remote Expert Center (REC) Hotline Support

Siemens Energy understands that the ability to respond quickly and accurately to system faults and other problems that arise during normal plant operation is critical to maintaining high availability and reliability.

With this in mind, Siemens Energy maintains a staff of trained and experienced engineers ready to supplement the operations and maintenance staff with their expertise. The Controls Hotline provides remote expert services 24-hours a day, seven days a week to assist plant operations and maintenance staff with emergent events and scheduled activities through the ability to logon, view, and monitor the SPPA-T3000 Control System on request.

Remote Expert Center response times are defined as follows and response time will be determined at time of the call.

- Within two (2) hours (Emergency issues needing immediate action)
- Within one (1) business day (Issues needing a timely response)
- No specific promised response time, typically addressed within five (5) business days (Issues or questions not needing a timely response)

Discounts on additional Hotline hours if purchased during the Agreement Term are applied at each level. Levels 3 and 4 have an additional entitlement of twenty percent (20%) of unused Hotline hours that may be rolled over and used within the Agreement term.

SPPA-T3000 Remote System Administration and Diagnostic Services

Siemens Energy's I&C Remote Expert Center (REC) maintains system expertise in performing system administrative tasks and system checks to proactively identify and eliminate potential problems before they arise. The following system components are checked under this service:

SPPA-T3000 Automation System / ET200

- Check communications with the Automation Server
- Check for errors on the Automation Server
- Check current time capacity of the Automation Server
- Check communication of CM module serial links
- Check capacity of CM module disk space
- Check status of ET200 bus lines and I/O cards

SPPA-T3000 Application Server

- Check capacity of hard disk and free up space as required
- Check that virus and malware protection is current
- Check operating system logs
- Check installed Server hardware

- Check SPPA-T3000 logs
- Check SPPA-T3000 processes

SPPA-T3000 Thin Clients (Swap Server)

- Check capacity of hard disk and free up space as required
- Check Java logs and trace files
- Check operating system logs
- Check swapping area

SPPA-T3000 Thin Clients (Operating Station)

- Check capacity of hard disk and free up space as required
- Check Java logs and trace files
- Check operating system logs

SPPA-T3000 System

- Check time synchronization on Servers and Thin Clients
- Check SPPA-T3000 diagnostic files
- Check data archiving

A status report with findings and recommendations is posted on the Siemens Energy I&C Customer Portal upon completion of each system check. The Service Manager reviews the report with plant personnel to determine which, if any, corrective actions are to be implemented. Regular system checks may allow Siemens Energy and the customer to identify trends in the system useful in maintenance planning and in preventing problems before they arise.

For Siemens Energy to be able to perform these services, the customer must maintain an active internet connection and allow Siemens Energy login access at the time of the service. Additional hardware may be required for remote access. If remote access is not available, Siemens Energy can provide on-site system administration and diagnostic services. Siemens Energy will attempt to coordinate Remote System Administration and Diagnostic Services trips to site with Field Service trips to site. Alternatively, trips to site can be pre-purchased for administrative ease or charged in addition to the Agreement price.

On-site Field Service/Technical Support

Siemens Energy maintains tools, applications, and system expertise to assist plant operations and maintenance staff with emergent events and scheduled activities. If a failure arises in the control system that limits power output or causes a forced outage and on-site support is required for this emergent event, Siemens Energy will respond upon Customer request by dispatching a service engineer to resolve the problem. This dispatch typically occurs within twenty-four (24) hours of the request.

If on-site support is required for an emergent event that does not limit power output or cause a forced outage, then the dispatch response time to the request is typically within seventy-two (72) hours of the request.

Pre-purchased service hours may also be used towards scheduled or unscheduled maintenance visits and/or back-office (Alpharetta) technical support.

Support trips to site are typically included for the ease of administration. With the purchase of support trips to site, travel time does not impact the On-site Field Service/Technical Support hours purchased. Any trip required beyond the pre-purchased trip(s) would be billed in addition to the Agreement pricing.

Field Service resources may be different technical specialists for SPPA-T3000, SPPA-E3000, SPPA-D3000, Zolo, and Cyber issues. This should be considered in selecting the appropriate number of hours and trips to include within the CSA.

Discounts on additional Field Service hours if purchased during the Agreement Term are applied at each level. Levels 3 and 4 have an additional entitlement of twenty percent (20%) of unused Field Service hours that may be rolled over and used within the Agreement term.

Parts Program

Parts Exchange Service

Siemens Energy recommends the Customer maintain a comprehensive set of spare parts on-site to allow quick replacement when a component within the control system fails. In addition, it is critical to have a parts supply ready to replace system components should they fail. This service gives the customer the ability to purchase parts at a discounted price if a part fails. The customer is required to ship the failed part back to Siemens Energy, a new or refurbished part is then sent to the customer at a 25% discount from list price plus shipping.

Siemens Energy maintains SPPA-T3000 parts in inventory for CSA Customers in a central location. Parts maintained in inventory will generally be ready for shipment within 24 hours of receiving the request for replacement. All other requests will be shipped according to standard lead times. SPPA-TXP parts under the Parts Exchange program are based on the availability of the parts.

Parts Repair and Replacement Services

Siemens Energy recommends that the customer maintain a comprehensive set of spare parts on site to allow quick replacement when a component within the control system fails. In addition, it is critical to have a parts supply ready to replace system components should they fail. This service covers repair or replacement of the SPPA-T3000 components for the turbine(s) and/or plant DCS as they fail under normal operation.

In fulfilling this service, Siemens Energy has identified parts for which it maintains inventory in a central location. Parts maintained in inventory will typically be ready for shipment within 24 hours of receiving the request for replacement and will typically be shipped Federal Express priority overnight where available. All other requests will be shipped according to standard lead times.

A plant-specific list of covered parts will be provided at the start of the Support Agreement term. Siemens Energy reserves the right to replace defective components with new or remanufactured parts or with parts having compatible functions. Siemens Energy will offer a discount for additional spare parts purchased during the Agreement term (does not include Level 1).

Support Usage and Summary Reports

Siemens Energy offers service support usage and summary reports as an overview of how well your current Support Agreement selections are meeting the plant needs. Reports are customized to the specific Support Agreement selections of each site (i.e., Hotline Support, Parts Repair, Cyber Security Services, etc.) and indicate the amount of service agreement entitlements that have been used, along with the remaining options available to ensure effective site maintenance planning.

SPPA-T3000 Alarm Analysis and Optimization Report

Siemens Energy engineers will review the alarm data provided by plant personnel in line with appropriate industry standards and guidelines and provide a comprehensive report that includes recommendations that could be implemented into the SPPA-T3000 DCS to achieve improvements in

alarm reporting and handling.

As a prerequisite, the Alarm Management Application (AMA) is installed in the SPPA-T3000 system with up to five (5) KPIs set for analysis and archival.

Outage Planning and Maintenance Support

Annual Upgrade Planning Roadmap

Outage planning is an important aspect of a Siemens Energy program. Our experienced professionals can provide recommendations developed specifically for the planned outage work scope to meet the current outage schedule.

Remote Turbine Maintenance Support

The Siemens Energy Service Manager can participate remotely in Turbine Maintenance Support (TMS) meetings as required via live meeting.

MDR Zero: Cyber Health Monitors and Advisors

Siemens Energy offers dedicated support service to assist with remote monitoring through our Cyber Advisors and Monitors.

Cyber Advisors

Siemens Energy will evaluate your hardware and software inventory against vulnerability releases and inform you when those vulnerabilities are applicable to your system. This will also include recommendations for mitigation.

Cyber Monitors

Siemens Energy analysts will evaluate your system logs daily to determine if there are high impact cyber security events that may impact your system, as well as inform Mankato Energy Center if any such events are observed. This service will include quarterly reporting.

The parties acknowledge their intent to be bound by the provisions of this CSA by adding the signature of an authorized representative below.

SIEMENS ENERGY, INC.

**Miller
Jeffrey**
Digitally signed by Miller Jeffrey
DN: cn=Miller Jeffrey, c=DE,
o=Siemens,
email=jeff.s.miller@siemens-
energy.com
Date: 2023.05.19 11:51:38 -04'00'

Signature

Title

Date

CITY OF VERNON

Signature

Title

Date