

RESOLUTION NO. 2024-279

RESOLUTION AUTHORIZING THE EXECUTION OF AN AMENDMENT TO A PROFESSIONAL SERVICES AGREEMENT BY AND BETWEEN THE BOHLIN GROUP, HOBOKEN, NEW JERSEY AND THE CITY OF VINELAND FOR REPRESENTATION AND CONSULTING IN REGARD TO TRANSPORTATION, LOGISTICS AND INFRASTRUCTURE MATTERS

WHEREAS, on April 9, 2024, the City Council of the City of Vineland adopted Resolution 2024-153 authorizing the execution of a Professional Services Agreement with the Bohlin Group, Matawan, New Jersey (Bohlin) for representation and consulting in regards to transportation, logistics and infrastructure matters; and

WHEREAS, Bohlin has been tasked with research and consulting for a potential location of a national commercial company in the City with needs involving substantial energy use including natural gas and electric which will require additional expertise in the field of energy market transactions and policy analysis as well as regulatory support on complex matters at the regional transmission organization, State and Federal Energy Regulatory Commission level; and

WHEREAS, Bohlin has presented a proposal to amend their existing Professional Services Agreement to allow them to retain the services of Gabel Associates, Inc, Highland Park, New Jersey to provide them consulting services necessary to further research the needs and provide them with necessary guidance to adequately provide representation to the City for this potential company at a cost as set forth in the Consulting Services Proposal to the Bohlin Group dated May 24, 2024 attached hereto and made a part hereof as well as the change order proposal from the Bohlin Group dated June 10, 2024 also attached hereto and made a part hereof; and

WHEREAS, the Local Public Contract Law (N.J.S.A. 40 A: 11 – 1, et seq.) requires that the Resolution authorizing the award of contract or any amendment thereto for Professional Services without competitive bidding and the contract itself must be available for public inspection; and

WHEREAS, the Chief Financial Officer has certified the availability of funds.

NOW, THEREFORE, BE IT RESOLVED by the Council of the City of Vineland as follows:

1. That the Mayor and Clerk are hereby authorized and directed to execute An amendment to a Non-Fair and Open Agreement pursuant to N.J.S.A. 19:44A – 20.5 with the Bohlin Group, Hoboken, New Jersey for costs associated with the retainage of Gebel Associates Inc. Highland Park, New Jersey to provide energy consulting services as outlined in a Consulting Services Proposal from Gabel dated May 24, 2024, for rate forecasting and cost allocation analysis and in accordance with the proposal from The Bohlin Group, dated June 10, 2024 attached hereto and made a part hereof in an amount not to exceed \$50,000.

2. That this Professional Services Agreement is awarded without competitive bidding in accordance with NJSA 40 A: 11 – 5 (1)(a) of the Local Public Contracts Law because said services to be rendered or performed require knowledge of an advanced type in a field of learning acquired by a prolonged formal course of specialized instruction distinguished from general academic instruction or apprenticeship and training.
3. That the Business Disclosure Entity Certification, the Political Contribution Disclosure Form and the Determination of Value be placed on file with the Resolution.

That a notice of this action shall be printed once in the Daily Journal.

Adopted:

President of Council

ATTEST:

City Clerk

REQUEST FOR CHANGE ORDER

FOR:

PROJECT NAME

TO: BUSINESS ADMINISTRATION

DEPARTMENT: _____ FROM: _____

This is a request for change order # _____ to Contract # _____ for:

Project Name _____

Name/Address of Contractor: _____

The change order is necessary because: (use additional pages if necessary to explain your reason and you must attach *documentation to support the necessity of this change order.
*(Documentation from contractor, engineer, etc.)

Original Contract Amount: \$ _____

Amount of this change order: \$ _____

Previous Change Orders: \$ _____

Total Revised Amount: \$ _____

APPROVED BY: _____
Print/type Signature

NOTE:
CHANGE ORDERS CANNOT EXCEED 20% OF THE ORIGINAL CONTRACT AMOUNT

Please provide the account number that the change order will be charged to:

Account # _____

CC: Purchasing Division



Consulting Services Proposal

To: NorthPoint Development c/o the Bohlin Group
From: Gabel Associates, Inc. (Gabel)
Date: May 24, 2024
Subject: Rate Forecasting and Cost Allocation Analysis

Gabel appreciates the opportunity to provide this proposal to the Bohlin Group to conduct rate forecasting and cost allocation analysis for a potential data center customer located in Vineland, New Jersey.

Gabel is a well-established energy consulting firm that provides economic, regulatory and technical analysis and advice to a wide range of energy clients. The firm has been providing analysis of wholesale and retail energy markets and projects for over 30 years – this includes detailed energy price modeling. We possess highly specialized expertise on interconnection and electric rate issues for large customers (especially data centers) and New Jersey electric rates and frequently interact with PJM and utilities on a range of issues.

Gabel lives in both the world of energy market transactions (having undertaken project development for over 300 renewable and fossil-fuel generation projects and executed energy transactions for hundreds of thousands of accounts) and in the world of regulatory and policy analysis. We provide regulatory support on complex matters and expert testimony at the regional transmission organization (RTO), State, and Federal Energy Regulatory Commission (FERC) level. Firm Principals, Steven Gabel and Robert Chilton, have over 40 years of experience in reviewing utility and ratemaking issues – first in an executive public utility commission role and more recently (in the last 20+ years) as respected experts. Our personnel are highly knowledgeable on utility regulation and testify as experts on various energy matters.

Firm personnel have deep expertise in analyzing utility rates and related regulatory and energy marketplace issues throughout the nation, including New Jersey, New York, New Mexico, Maryland, Indiana, Pennsylvania, Nevada, Colorado, Washington D.C., West Virginia, Virginia, Arizona, North Carolina, South Carolina, Georgia, Alabama, Florida, Mississippi, Illinois, California, Hawaii, Connecticut, Ohio, Pennsylvania, Washington, and many others. Gabel Associates' personnel frequently perform rate analysis and have testified extensively as experts before Commissions on utility rate cases and rate regulation issues. The firm has also conducted hundreds of long-term price wholesale and/or utility rate forecasts during its assessment of energy projects, studies, and procurement programs.

In addition, the firm also has expert knowledge on RTOs and maintains an RTO division that is fully dedicated to monitoring and analyzing issues at the RTO level. Under the leadership of Michael Borgatti, Senior Vice President of RTO Services, this division is deeply engrained in wholesale and grid matters including participation in matters related to interconnection, energy, capacity, transmission and ancillary services. Through this work, the firm serves as a trusted resource to support studies and analysis which form the basis of large-scale investment decisions.

417 Denison Street, Highland Park, New Jersey 08904
Phone (732) 296-0770
www.gabelassociates.com



Unlike many other firms, Gabel Associates possesses specialized and complementary capabilities in a range of energy disciplines (economic, technical, financial, marketplace) and is skilled at building customized forecasts that are completed in strong collaboration with our clients. Gabel has long-standing “real world” experience with the actual development of hundreds of projects and actively participates in the development of RTO rules and regulatory proceedings. Accordingly, our analysis is informed by on-the-ground experience in the market and regulatory arenas. We also support interconnection issues.

Gabel possesses leading-edge modeling tools and can deliver refined, detailed analytics and comprehensive forecasts for all regions of the United States. This includes the development of customized in-house, proprietary tools as well as the utilization of an industry leading power market simulation model. Due to our consulting work in various facets of the energy industry, we can provide important insights that result in a holistic approach to forecasting – one that is rigorously focused on evolving market conditions.

Gabel has commercially tested forecasting methods for wholesale energy markets and environmental product markets backed by the expertise of the firm’s strong analytical team. This includes the use of Encompass, a sophisticated industry energy market simulation model that is programed to simulate real market conditions in the dynamic marketplace. The firm also maintains and develops proprietary and customized modeling platforms that perform advanced market analysis. Recognizing that markets are not static, these tools are “fine-tuned” and enhanced on a continuous basis to stay closely aligned with evolving market conditions and client needs. We also perform sensitivity analysis around various market scenarios and risk factors that could impact results in either direction (i.e., high/low natural gas prices, carbon costs, etc.). We frequently forecast energy, capacity, and ancillary prices.

Table of Contents

1. Proposed Scope of Services.....	3
2. Proposed Fees	5
3. Key Contacts	6
4. Standard Terms and Conditions	7
5. Overview of Gabel Associates	9
6. Gabel Associates’ Fee Schedule	12



1. PROPOSED SCOPE OF SERVICES

It is our understanding that the Bohlin Group is looking to potentially build a data center in Vineland, New Jersey, which is anticipated to ramp up to 360 MW of load over time. The data center would take power from the Vineland Municipal Electric Utility. The Bohlin Group would like to better understand electric costs going forward and potential interconnection costs (and their allocation) and receive strategic support for negotiating with other parties with respect to electric service.

The following section outlines the proposed scope of work for this engagement:

Task 1: Rate Forecasting and Analysis

Gabel proposes to prepare a 10-year rate forecast for the rate classification within the Vineland territory that is expected to service the data center customer.

The rate forecast can be developed based upon high-level or in-depth assumptions. A high-level forecast can be produced more quickly and is based upon more generalized assumptions and escalations, while the in-depth forecast incorporates a detailed review of the cost of service of each rate component with specific escalations developed based upon research and expectations for the cost recovery associated with the charge. Gabel can also work on a hybrid approach where some components are escalated at a high-level while others delve into more depth. The following describes each option in more detail:

Task 1a: High-Level Forecast

The high-level forecast will break out the applicable tariff rate class into its individual components and forecast each component separately. Component forecasts will be based upon more generalized sources, such as filings from the utility as well as data available from the Energy Information Administration (EIA) for the PJM-E region on expected generation, transmission, and distribution cost growth over time. This approach relies on publicly available information, does not provide a deep review of potential changes in cost by component, and provides a more generalized forecast based on current regional market fundamentals.

Task 1b: In-Depth Forecast

The in-depth forecast will break out the tariff rate class into its individual components and forecast each component separately. Component forecasts will be based upon research and review of regulatory filings and other available data and detailed forecasting of the costs to be recovered in each rate and rider. This will include a review of FERC Form 1/Rural Utilities Service (RUS) data, regulatory filings, integrated resource plans, and other available information. This approach is a direct examination of the specific costs to estimate future changes based on publicly announced intentions. Energy costs will be forecast using EnCompass, an investment-grade predictive modeling platform. Transmission will be forecast based upon the ACE transmission formula rate currently on file at PJM/FERC.



Deliverables and Timing

The deliverable for Task 1 will include the results of the rate forecast in Excel format, a brief description of the methodologies and key assumptions used, as well as any key uncertainties that could impact the results. Please note that Gabel can work with the Bohlin Group to confirm the assumptions before completing the forecast.

We will also participate in a follow-up call with the Bohlin Group to review the results of the forecast and answer any questions.

Gabel anticipates that the deliverable for Task 1a will take approximately 2 to 4 weeks to complete after the proposal has been executed and any inputs/data requests are provided by the Bohlin Group (as applicable) and Task 1b will take approximately 3 to 6 weeks to complete after the proposal has been executed and any inputs/data requests are provided by the Bohlin Group (as applicable). However, timing may vary based upon the specifications provided by the Bohlin Group.

Task 3: Interconnection Cost Allocation Review

Gabel proposes to review the interconnection costs proposed by Vineland and/or ACE and support the Bohlin Group with determining a reasonable and acceptable allocation.

As part of this task, Gabel will support the Bohlin Group in evaluating interconnection costs based on its expertise in addressing interconnection costs at the utility and PJM level (each of which have their own policies and processes), as well as support and participate in discussions with Vineland and ACE, as requested by the Bohlin Group.



2. PROPOSED FEES

For **Task 1a (High-Level Rate Forecasting)**, Gabel proposes to charge a fixed fee of \$12,000 for the rate-class forecast. Upon provision of the forecast, an invoice will be provided with payment due in full within thirty (30) days of invoice receipt.

For **Task 1b (In-Depth Rate Forecasting)**, Gabel proposes to charge a fixed fee of \$40,000 for the rate-class forecast. Upon provision of the forecast, an invoice will be provided with payment due in full within thirty (30) days of invoice receipt.

To the extent the Bohlin Group is interested in a hybrid of Tasks 1a and 1b, Gabel estimates the fees would range between \$15,000 and \$35,000, depending on the number of charges selected for in-depth analysis and their individual complexity.

For **Task 2 (Interconnection Cost Allocation Review)**, Gabel proposes to charge on an hourly basis in accordance with the fee schedule in Section 6. Invoices will be provided monthly with payment due in full within thirty (30) days of invoice receipt.



3. KEY CONTACTS

The following personnel will serve as key contacts in relation to this project:

Key Contacts Summary		
Organization	Project Lead	Billing Lead
Gabel Associates	Isaac Gabel-Frank Senior Vice President Office – (732) 296-0770 Isaac@gabelassociates.com	Adam Conner Business Administrator (732) 296-0770 adam.conner@gabelassociates.com
Bohlin Group	[Bohlin Group to insert]	[Bohlin Group to insert]



4. STANDARD TERMS AND CONDITIONS

4.1 Liability

Gabel Associates is acting in a consulting capacity and any opinions, advice or analysis presented, or activities undertaken, by Gabel Associates are based on its professional judgment and do not constitute a guarantee. Gabel Associates is not an engineering firm and will not be responsible for any design, engineering, or construction activities. IN NO EVENT SHALL GABEL ASSOCIATES' AGGREGATE LIABILITY ARISING OUT OF OR RELATED TO THIS PROPOSAL, WHETHER ARISING OUT OF OR RELATED TO BREACH OF CONTRACT, TORT (INCLUDING NEGLIGENCE) OR OTHERWISE, EXCEED THE TOTAL OF THE AMOUNTS PAID TO GABEL ASSOCIATES PURSUANT TO THIS PROPOSAL. NEITHER PARTY (OR ITS AFFILIATES, DIRECTORS, OFFICERS, AGENTS OR EMPLOYEES), UNDER ANY CIRCUMSTANCES, WILL BE LIABLE TO THE OTHER PARTY (OR ITS AFFILIATES, OWNERS, DIRECTORS, MANAGERS, OFFICERS, AGENTS OR EMPLOYEES) FOR ANY INCIDENTAL, CONSEQUENTIAL, INDIRECT, SPECIAL, OR PUNITIVE DAMAGES, OR LOST OR IMPUTED PROFITS AND/OR SALES, OR FOR DAMAGES BASED UPON ANY TYPE OF MULTIPLE ARISING OUT OF THIS AGREEMENT OR ITS TERMINATION OR EXPIRATION, WHETHER LIABILITY IS ASSERTED IN CONTRACT OR TORT AND IRRESPECTIVE OF WHETHER ANY PARTY HAS BEEN ADVISED OF THE POSSIBILITY OF ANY SUCH LOSS OR DAMAGE. EACH PARTY HEREBY WAIVES ANY CLAIM THAT THESE EXCLUSIONS DEPRIVE IT OF ANY ADEQUATE REMEDY.

4.2 Confidentiality

In the course of its performance under this Agreement, each Party may acquire certain confidential information from the other in regard to the nature of the services performed. All such confidential information shall not be disclosed or revealed by Gabel Associates or the Bohlin Group, as applicable, to any other person or entity, nor shall any such information be utilized in any way in the performance of any work for any other person or entity, without prior written approval from the other Party or by order of a government agency with jurisdiction. This confidentiality paragraph shall survive termination of this Agreement.

4.3 Work Product

For avoidance of doubt, the results of the modeling associated with any services will be provided to and owned by the Bohlin Group; however, the underlying tools, methodologies, datasets, and modeling systems will remain proprietary, confidential, and the property of Gabel Associates.

4.4 Termination

Either Party may terminate this agreement upon the giving of not less than thirty (30) days' notice in writing (which may be via email). All payment obligations and the liability and confidentiality provision shall survive termination. Upon termination, in the event termination occurs before any deliverables are provided, Gabel Associates will render a final invoice for the compensation and expenses due for the actual period of time that services were performed in accord with the fee



Consulting Services Proposal to the Bohlin Group
May 24, 2024

schedule in Section 6, and such invoice will be paid by the Bohlin Group and is due within thirty (30) days of invoice receipt.

Please countersign below to indicate your agreement with this proposal and acceptance of the Bohlin Group to engage Gabel Associates for the services described above. Please contact Isaac Gabel-Frank or me at 732-296-0770 with any questions.

We appreciate the opportunity to provide this proposal, which will remain valid for 30 days.

Sincerely,

A handwritten signature in black ink that reads 'S Gabel'.

Steven Gabel
President

Countersign by official with authority to bind the Bohlin Group:

Signature

Date

Name

Title



5. OVERVIEW OF GABEL ASSOCIATES

Gabel Associates is a well-established energy and environmental consulting firm specializing in economic, financial, and regulatory advisory services. For over 30 years, the firm has advanced the interests of a wide range of clients across regulated and deregulated markets throughout the United States.

Steven Gabel, the President of Gabel Associates, started the firm in 1993 with the goal of providing a wide range of economic, technical, regulatory, and marketplace advice and analysis in the energy and environmental industries. He previously served as Electric Division Director at the New Jersey Board of Public Utilities (NJBPU) and as the Director of the Division of Solid Waste Management at the New Jersey Department of Environmental Protection and NJBPU.

Robert Chilton, Executive Vice President, joined the firm in 2000 after serving as the Director of the Energy Division at NJBPU, where he led the NJBPU's staff in New Jersey's industry restructuring effort. In addition to his strong regulatory background, Mr. Chilton brings advanced analytical skills to ratemaking and project issues. Both Mr. Gabel and Mr. Chilton have over 40 years of energy industry experience.

Gabel Associates lives in both the world of energy market transactions (having undertaken project development for over 300 renewable and fossil-fueled generation projects and executed energy transactions for hundreds of thousands of accounts) and in the world of regulatory, ratemaking, and policy analysis. We provide regulatory support on complex matters and expert testimony at the RTO, State, and FERC levels.

Unlike many other firms, Gabel Associates possesses highly specialized and complementary energy industry expertise, established through years of leading the development and in-depth analysis of RTO rules, providing expert witness support before public utility commissions, and developing rigorous financial and economic analyses of live transactions for diverse groups of investors. Accordingly, our analysis is uniquely informed by on-the-ground experience in both the market and regulatory arenas.

5.1 Regulatory Expertise

Firm Principals, Steven Gabel and Robert Chilton, have 40 years of experience in reviewing utility and ratemaking issues – first in an executive public utility commission role and more recently (in the last 20+ years) as respected experts. Our personnel are highly knowledgeable on utility regulation and testify as experts on various energy matters.

In addition, two additional employees, Michael Borgatti (Senior Vice President of RTO Services) and Travis Stewart (Vice President of RTO Services), also held previous roles at the NJBPU where they provided legal guidance on energy issues.

This expertise is complemented by other firm members who also possess expert knowledge on cost-of-service matters and have participated in a significant amount of regulatory proceedings, including the provision of expert testimony. This includes the knowledge of Brendon Baatz and



Adrian Kimbrough (Senior Vice Presidents), two former FERC employees who worked extensively on electric cost-of-service and other related issues. Both Mr. Baatz and Mr. Kimbrough have also continued engagement in cost-of-service ratemaking since leaving FERC including litigated proceedings at the federal and state levels. In addition, Rich Priess (Vice President) served as Director of Rates for JCP&L before the BPU and Isaac Gabel-Frank (Senior Vice President) has offered analysis and expert testimony on numerous matters before the NJBPU.

The firm has extensive experience in all aspects of regulatory policy and economic analysis as well as utility ratemaking, including market-based rates, cost-of-service revenue requirements, and reactive power rates, among others.

Gabel personnel also serve as expert witnesses on a wide range of other issues, including those related to energy and capacity markets, ancillary services, interconnection, renewable energy, energy efficiency, electric vehicles, and mergers/acquisitions. This includes expert testimony in various states including Virginia, Arizona, New Jersey, West Virginia, Connecticut, Pennsylvania, Maryland, Delaware, District of Columbia, Louisiana, Oklahoma, North Carolina, Ohio, New Mexico, Colorado, as well as Puerto Rico.

5.2 Regional Transmission Organization (RTO) Advisory

Gabel Associates maintains an active leadership presence at multiple RTOs – the grid operators that coordinate the movement of electricity in the United States. Our firm has a dedicated RTO division committed to providing market-leading insights on current RTO rules, trends, and risks on a full-time basis. Our team of experts is highly knowledgeable on evolving RTO issues. This includes the leadership and expertise of:

- Michael Borgatti, Senior Vice President of RTO Services: Mr. Borgatti leads the RTO Division and is a well-respected expert at various RTOs. He previously served as the PJM Generation Owner Sector Whip, Chair of PJM’s Members Committee, the highest-ranking stakeholder committee at PJM, as well as Vice-Chair of PJM’s Liaison Committee, the primary forum where stakeholders discuss strategic concerns with the PJM Board of Managers.
- Travis Stewart, Vice President of RTO Services: Mr. Stewart is deeply engaged with MISO leadership and currently serves as the Chair of the Independent Power Producer Sector, an Advisory Committee representative, and is a member of the Alternative Dispute Resolution Committee. He is also active in PJM and SPP matters.
- Rebecca Stadelmeyer, Director of RTO Services: Ms. Stadelmeyer is a leading subject matter expert in PJM markets and operations. She undertakes monitoring and reporting of PJM activities, supports wholesale energy market transactions, and provides strategic advice and advocacy on RTO operations and procedures. Before joining Gabel Associates, Ms. Stadelmeyer served various roles at PJM.
- Gabriella Hudis, Director of RTO Services: Ms. Hudis is the firm’s lead representative in relation to ERCOT. Ms. Hudis tracks various committees and closely follows key issues in ERCOT’s market including ERCOT’s resource mix and resource adequacy, and



developments affecting price formation in ERCOT's energy-only markets.

- Derek Hagaman, Senior Associate, RTO Services: Mr. Hagaman engages in stakeholder affairs across several markets including NYISO, CAISO, PJM, and ISO-NE. Mr. Hagaman closely monitors market rule and policy changes made at the federal, state, and stakeholder levels and analyzes the potential interaction effects on market outcomes, as well as provides strategic advice.

Gabel Associates has a team of experts involved in RTO activities, especially those related to the development of rules for energy, capacity, ancillary services, and interconnection activities. Although these rules can be highly complex and technical in nature, Gabel Associates possesses in-house experts who are fully committed to understanding and analyzing RTO issues on a continuous basis. This knowledge allows us to translate new and proposed rules and apply them to the interests of our clients.

Gabel Associates is “on the ground” at numerous RTOs including PJM (the largest wholesale grid operator in the country), MISO, SPP, CAISO, NYISO, and ERCOT. The firm also monitors developments in ISO-NE. We use that information to analyze RTO and marketplace issues and interact with market participants at each RTO on a regular basis – allowing us to stay in tune with the evolving market. In this capacity, Gabel Associates provides reporting, analysis, and advice to advance our clients’ objectives. This service allows our clients to make sound business decisions around investments and asset management issues.

5.3 Transactions and Analytics Advisory

Gabel Associates possesses deep expertise guiding commercial transactions, having advised clients in the analysis and closing of hundreds of energy market transactions, including renewable energy and battery storage project development, commodity hedge structuring, capacity interconnection rights transfers, energy efficiency and demand response contract negotiations, and thermal energy generation project finance, among others.

We provide detailed, bankable revenue estimates and risk evaluations for renewable and battery storage project developers (solar, onshore wind, offshore wind) interested in demonstrating the value of this revenue stream to potential investors and lenders. Our analyses are supported by investment-grade forecasts of wholesale energy markets and environmental product markets, rooted in the expertise of the firm’s strong regulatory and analytics teams. This includes the current use of EnCompass and past use and familiarity with AURORAxmp© (AURORA), sophisticated industry models that are programmed to simulate real market conditions in the dynamic marketplace. The firm also maintains proprietary analytics and machine learning platforms, which we routinely customize to address individual client needs and evolving market conditions.



6. GABEL ASSOCIATES' FEE SCHEDULE

Principal Level Steven Gabel Robert Chilton	\$700 per hour
Senior Vice President Level	\$650 per hour
Vice President Level	\$575 per hour
Director Level	\$500 per hour
Senior Associate Level	\$425 per hour
Associate Level	\$350 per hour

Time charges: all time is billed on an hourly basis at the rates set forth above. All time is rounded to the nearest quarter hour. Payment is due within thirty (30) days of invoice receipt.

Expenses: all direct expenses incurred are billed at cost. Direct expenses include travel, overnight expenses, Federal Express, and bulk copying as well as other expenses approved in advance by the client.

Gabel reserves the right to amend the rates set forth above on an annual basis, or upon mutual agreement by the Parties. In such event, written notice will be provided.

BOHLIN GROUP

253 Main Street,
Suite 306
Matawan, NJ 07747
(732) 616-0542; Fax (201) 623-2456

The City of Vineland – Contract Addendum

640 East Wood St Vineland, NJ 08360
(856) 794-4000

Attn: Anthony Fanucci, Mayor

June 10, 2024

Dear Mr. Fanucci,

This addendum, pursuant to the original memorialized agreement between *THE CITY OF VINELAND* (hereinafter referred to as “Client”) and *BOHLIN GROUP* (hereinafter “Consultant”) requests additional fees to retain *GABEL ASSOCIATES, INC* (hereinafter referred to as “Gabel”) to conduct rate forecasting and cost allocation analysis for the Vineland, New Jersey Data Center Project.

SCOPE OF SERVICES:

The scope of services to be provided by Gabel shall include the following:

Task 1: Rate Forecasting and Analysis

Gabel proposes to prepare a 10-year rate forecast for the rate classification within the Vineland territory that is expected to service the data center customer. The rate forecast can be developed based upon high-level or in-depth assumptions. A high-level forecast can be produced more quickly and is based upon more generalized assumptions and escalations, while the in-depth forecast incorporates a detailed review of the cost of service of each rate component with specific escalations developed based upon research and expectations for the cost recovery associated with the charge. Gabel can also work on a hybrid approach where some components are escalated at a high-level while others delve into more depth.

Task 1a: High-Level Forecast

The high-level forecast will break out the applicable tariff rate class into its individual components and forecast each component separately. Component forecasts will be based upon more generalized sources, such as filings from the utility as well as data available from the Energy Information Administration (EIA) for the PJM-E region on expected generation, transmission, and distribution cost growth over time. This approach relies on publicly available information, does not provide a deep review of potential changes in cost by component, and provides a more generalized forecast based on current regional market

fundamentals.

Task 1b: In-Depth Forecast

The in-depth forecast will break out the tariff rate class into its individual components and forecast each component separately. Component forecasts will be based upon research and review of regulatory filings and other available data and detailed forecasting of the costs to be recovered in each rate and rider. This will include a review of FERC Form 1/Rural Utilities Service (RUS) data, regulatory filings, integrated resource plans, and other available information. This approach is a direct examination of the specific costs to estimate future changes based on publicly announced intentions. Energy costs will be forecast using EnCompass, an investment-grade predictive modeling platform. Transmission will be forecasted based upon the ACE transmission formula rate currently on file at PJM/FERC.

Task 3: Interconnection Cost Allocation Review

Gabel proposes to review the interconnection costs proposed by Vineland and/or ACE and support the Bohlin Group with determining a reasonable and acceptable allocation. As part of this task, Gabel will support the Bohlin Group in evaluating interconnection costs based on its expertise in addressing interconnection costs at the utility and PJM level (each of which have their own policies and processes), as well as support and participate in discussions with Vineland and ACE.

COMPENSATION:

Client agrees to compensate Consultant for the consulting services to be rendered under this Addendum to the original Contract by payment of a monthly fee. The fee will not exceed Fifty Thousand (\$50,000.00) Dollars for the term of the Contract and shall be invoiced by Consultant to Client on a monthly basis. The monthly invoice fee is payable on or before the 5th day of each month of the term of this Agreement.

ACCEPTANCE OF TERMS OF THE AGREEMENT:

The acceptance of Client to the terms of this Agreement is evidenced by the signature(s) affixed below:

THE CITY OF VINELAND

BOHLIN GROUP

By: _____

By: _____

**Anthony Fanucci,
Mayor**

**Tiffany A. Bohlin,
President & CEO**

Dated: _____

Dated: _____