



# Bid Waiver Form

Revised 01/2024

<b>Short Description of Goods/Services</b>	Offtake of renewable compressed natural gas (CNG) from landfill biogas for transportation fuel	<b>Total Cost</b>	Estimated range from \$500,000 to \$700,000 (depending on CNG produced and used as transportation fuel).		
<b>Vendor Name</b>	Kwik Trip, Inc.	<b>MUNIS #</b>	4310	<b>Req #</b>	
<b>Purchasing Officer</b>	Pete Patten	<b>Date</b>	01/30/2024		
<b>Department</b>	Waste & Renewables	<b>Email</b>	mukasa.roger@countyofdane.com		
<b>Name</b>	Roger Mukasa	<b>Phone</b>	608-400-9071		

**\*A VENDOR QUOTE MUST BE ATTACHED TO THE WAIVER FOR APPROVAL\***

**Provide a detailed description of the goods/services intended to be purchased:**

Dane County and Kwik Trip desire to enter into an exclusive and transparent five year relationship, outlined in the attached term sheet, whereby Dane County and Kwik Trip cooperate in the generation and sale of Renewable Identification Numbers (RINs).

Dane County Department of Waste & Renewables produces renewable compressed natural gas (CNG). Dane County's CNG production is used as transportation fuel for the County's fleet, and is introduced into a pipeline system, linked to Kwik Trip, Inc. Kwik Trip owns and operates private and public fueling stations that are capable of fueling vehicles with CNG. Kwik Trip will serve as the provider of qualified CNG to transportation fuel end user, a necessary component of generating RINs from the the U.S. Environmental Protection Agency (EPA) Renewable Fuel Standards (RFS) Program.

RINs may be generated from the use of renewable fuels as transportation fuel. By entering into an exclusive and transparent relationship, whereby Dane County and Kwik Trip cooperate in the generation and sale of RINs, Kwik Trip shall, for a five percent (5%) share of Net RIN proceeds:

1. Generate RINs for Dane County
2. Function as Dane County's RIN portfolio manager/ administrator, maintaining records.
3. Market RINs, at Dane County's discretion.
4. Execute and deliver documents required under the RFS program.
5. Fulfill all RFS program obligations and requirements.

Dane County shall:

1. Arrange for ongoing third-party engineering assessments as required by the RFS program.
2. Pay Kwik Trip for all RIN expenses at such time as expenses are incurred.
3. Submit to EPA all required documents and information, in compliance with the RFS program.
4. Engage an independent third-party auditor to validate RINs, according to the RFS program.

**\*Send to a Purchasing Officer Once Completed\***



# Bid Waiver Form

Revised 01/2024

## Procurement Exception List

- Emergency Procurement
- Unique and specific technical qualifications are required
- A special adaptation for a special purpose is required
- A unique or opportune buying condition exists
- Only one vendor possesses the unique and singularly available ability to meet the Department's requirements

Provide a detailed explanation as to why the competitive bidding (RFB/RFP) process cannot be used. Also provide a detailed justification in relation to the Procurement Exception(s) chosen:

Dane County has a unique and opportune buying condition through a partnership with Kwik Trip to dispense and market Dane County produced renewable natural gas (RNG), for the following reasons:

1. Kwik Trip has 11 CNG dispensing locations in Dane County, with 24 locations outside of Dane County but within Wisconsin, with the ability to dispense Dane County RNG. The number of Kwik Trip CNG dispensing locations within Dane County is anticipated to grow.
2. Dane County fleets would be able to use Kwik Trip dispensing locations instead of building more County-owned fueling infrastructure.
3. Kwik Trip has consistently and reliably been able to dispense the volumes of RNG that Dane County injects into the interstate pipeline for use as vehicle fuel.
4. Kwik Trip has the knowledge and expertise to market RINs generated from Dane County RNG to Obligated Parties.
5. If this agreement is approved, Dane County's costs, or net RIN proceeds will be reduced from ten percent (10%) to six percent (6%), saving Dane County around \$500,000 per year.

## Bid Waiver Approval (For Purchasing Use Only)

Under \$44,000 (Controller)

\$44,000+ (Personnel & Finance Committee)

Date Approved:

**\*Send to a Purchasing Officer Once Completed\***



DANE COUNTY DEPARTMENT OF  
WASTE & RENEWABLES



Date: January 29, 2024

This Term Sheet is subject to the NAESB, RNG Addendum, RDMA and TC Contracts between Kwik Trip (Buyer) and Dane County (Seller), which will be executed by April \_\_, 2024.

**Dane County Department of Waste & Renewables  
(County)**

1919 Alliant Energy Center Way  
Madison, WI 53713

**Kwik Trip**

1626 Oak Street  
La Crosse, WI 54602

**General Terms:**

- 1) County will make all good faith efforts to operate the RNG Plant at full capacity.
- 2) Kwik Trip is entitled and obligated to dispense *all output* (100%) of RNG from the RNG Plant (“Total Volume”).
- 3) County will be the Biogas Producer and RNG Producer for the Total Volume as defined under the new biogas regulatory reform rule (40 CFR, Chapter I, Subchapter C, Sub part 80.105 and 80.110).
- 4) Kwik Trip will be the CNG dispenser and RIN Separator for the Total Volume.
- 5) Kwik Trip will be the agent responsible for all documentation maintenance and regulatory submissions for the generation, separation, marketing and RIN monetization related to the Total Volume, including maintenance of the EMTS account and contracting for attestation. Contracts will define RIN title transfer, termination process and other mutual agreements.
- 6) County will cooperate and provide Kwik Trip with all pertinent information within its control to enable Kwik Trip to fulfill its documentation maintenance and regulatory submission responsibilities, such as sharing Production Transfer Documents (PTD).
- 7) Kwik Trip will provide monthly statements to County showing the volume of RNG received (in dekatherms or MMBTU), RNG dispensed as CNG (in gallons, which may be GGE, DGE or EGE), number of RINs generated, number of RINs sold, the RIN sale price, deductions (if any), and the RIN split calculations.
- 8) Kwik Trip will work on behalf of the Parties, including as the County’s RIN marketer, to market RINs to obligated parties from the Total Volume. Kwik Trip will keep the County apprised of market conditions and opportunities to sell RINs to obligated parties, but the decision on any sale is the sole decision of the County.
- 9) Kwik Trip will work cooperatively with the County’s physical gas marketer, that will manage scheduling and nominations for the physical gas pathway.
- 10) Upon settlement of any sale to an obligated party, Kwik Trip will be entitled to a cash payment equivalent to 6% of the gross RIN revenue and ensure the County receives the remaining 94%. County will pay Kwik Trip \$50,000 per year, for all services provided to the County under Clauses 5, 6, 7, 8, 9 and 10.
- 11) A term of the agreement of five years will begin on or after January 1, 2025. In addition there will be a 6-month RIN separation and sale period following the term.
- 12) Kwik Trip will register as an RNG RIN Separator as defined and required under the new biogas regulatory reform rule (40 CFR, Chapter I, Subchapter C, Sub part 80.115).

13) Kwik Trip will work cooperatively with a U.S. Environmental Protection Agency (EPA) Quality Assurance Plan provider.

**Dane County**

By: 

Name: John Welch

Title: Director

Date: January 29, 2024

**Kwik Trip**

By: 

Name: Ray Robey

Title: Senior Principal of Fuel Supply and Trading

Date: January 29, 2024