



# Bid Waiver Form

Revised 01/2024

<b>Short Description of Goods/Services</b>	Selling renewable compressed natural gas (CNG) to Constellation Energy Generation, LLC (CEG)	<b>Total Cost</b>	Estimated range from \$100,000 to \$300,000 (depending on CNG produced and injected).
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<b>Vendor Name</b>	Constellation Energy Generation, LLC (CEG)	<b>MUNIS #</b>	TBD	<b>Req #</b>	
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<b>Purchasing Officer</b>	Pete Patten	<b>Date</b>	01/24/2024
<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 Constellation Energy Generation, LLC (CEG) desire to enter into an exclusive and transparent five (5) year relationship, outlined in the attached term sheet, whereby Dane County sells and CEG purchases all renewable compressed natural gas (CNG) Dane County injected at the Dane County project interconnection into the ANR Pipeline system. This agreement will replace CEG's current contract with Blue Source/ ANEW to purchase Dane County CNG.

Dane County Department of Waste & Renewables produces renewable compressed natural gas (CNG), injected into the ANR interstate pipeline system, and dispensed for use as transportation fuel. CEG shall buy and receive dekatherms of CNG at the interconnect into the ANR interstate pipeline system. Dane County CNG sales to CEG only transfers gas, Dane County reserves rights to all renewable natural gas (RNG) environmental attributes.

By entering into an exclusive and transparent relationship, whereby Dane County injects dekatherms of CNG into the ANR pipeline system for sale to CEG, CEG will pay Dane County the contractually specified Chicago City Gates price per dekatherm less a commission per dekatherm and a nomination and scheduling service fee per dekatherm.

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



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## 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:

Constellation Energy Generation, LLC (CEG) is currently contracted to purchase Dane County CNG through a contract with Blue Source/ ANEW, and has easily handled the US EPA regulatory reporting requirements. CEG is offering the same terms as the original contracted rates circa 2018, which is a unique buying opportunity.

Contractual relationship with CEG allows a single entity to manage sale of CNG and scheduling and nominations into the ANR interstate pipeline for both landfill CNG and off-load station CNG. This streamlines regulatory compliance and reporting requirements under the Renewable Fuel Standard and provides Dane County and off-load station customers with competitive CNG sale.

CEG has contracting agreements with 50 of the 300 RNG production facilities throughout the US, and therefore has a strong market presence, which makes CEG a reliable and credible partner.

## 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\***



Date: January 25, 2024

This Term Sheet outlines the terms of a transaction the finalization of which is subject to the terms of a NAESB Base Contract for Sale and Purchase of Natural Gas, Special Provisions and Transaction Confirmation documents (“Transaction Documents”) between Constellation Energy Generation, LLC (CEG) and Dane County Department of Waste & Renewables (Dane County), which are expected to be executed by January, 29, 2024.

Capitalized terms used in this Term Sheet that are not defined herein are intended to have the meanings subsequently ascribed to them in any finalized Transaction Documents executed between the parties.

CEG and Dane County agree to work towards the finalization and execution of Transaction Documents following mutual agreement on the general terms outlined in this Term Sheet. This Term Sheet is subject to the negotiation and execution of the final Transaction Documents referenced in this Term Sheet satisfactory to CEG and Dane County. This Term Sheet is non-binding in all respects and does not obligate CEG or any of its affiliates in any way to continue discussions with Dane County regarding a potential transaction or to enter into any Transaction Documents in connection with the same. A binding commitment with respect to a potential transaction will arise only at such time as both parties mutually execute and deliver such Transaction Documents. Neither party should rely on the contents of this Term Sheet in any way. To the extent either party does so, it does so at its own risk and expense. It is anticipated that each party will be responsible for their own expenses relating to the potential transaction, whether or not the potential transaction is consummated.

**Dane County (Seller)**  
**Department of Waste & Renewables (County)**  
1919 Alliant Energy Center Way  
Madison, WI 53713

**Constellation Energy Generation, LLC (CEG) (Buyer)**  
1310 Point Street, 8<sup>th</sup> Floor  
Baltimore, MD 21231

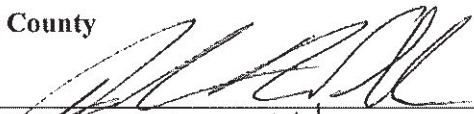
**General Terms:**

- 1) Dane County owns and operates a Renewable Natural Gas (RNG) Facility with an interconnection to an interstate pipeline (ANR Pipeline near Madison, Wisconsin).
- 2) In addition to the RNG Facility, Dane County has an off-load station that provides area manure digesters with an economical solution to off-load RNG into the interstate pipeline.
- 3) Dane County agrees to sell and deliver to CEG only Gas in accordance with the terms of a Transaction Confirmation. Dane County reserves rights to Dane County’s RNG Environmental Attributes, as they are subject to a third-party contract.
- 4) CEG agrees to manage interstate pipeline scheduling and nomination services associated with the RNG Facility.
- 5) Dane County and CEG agree to enter into the Gas sale and purchase transaction for a five (5) year term under the same terms and conditions, summarized below:
  - a. **Structure:** CEG purchases physical gas at Dane County RNG Facility Interconnect onto ANR Pipeline near Madison, Wisconsin
  - b. **Site:** Dane County RNG Facility (EPA Facility ID 70441)
  - c. **Address:** 7242 Maahic Way, Madison, WI 53718
  - d. **LDC/Pipeline Interconnect:** ANR Pipeline
  - e. **Meter:** Dane County Landfill – Meter #513130
  - f. **RNG Facility Volume:** 0 MMBtu/d MinDQ up to 2,000 MMBtu/d MaxDQ
  - g. **Term:** 5-year renewal beginning Jan-2025
  - h. **Pricing \$/MMBtu:**
    - i. Physical gas purchased at Chicago City Gates GDD minus \$0.141

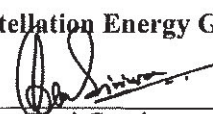
ii. Nomination and scheduling services for \$0.050

6) Subject to the negotiation of Special Provisions applicable to the transaction contemplated in this Term Sheet.

**Dane County**

By:   
Name: ~~Joe Parisi~~ John Welch  
Title: ~~County Executive~~ Director  
Date: January, 29, 2024

**Constellation Energy Generation, LLC (CEG)**

By:   
Name: Ravi Ganti  
Title: SVP, Portfolio Management & Analytics  
Date: January 25 2024

