

May 24, 2021

To Whom It May Concern:

Cardinal Operating Company (COC) on behalf of AEP Generation Resources Inc. (AEPGR), an unregulated wholly owned subsidiary of AEP Energy Supply, LLC, itself a wholly owned subsidiary of American Electric Power Company, Inc. and Buckeye Power, Inc. (BPI), a corporation not for profit organized and existing under the laws of the State of Ohio and engaged in the generation and transmission of electric energy in said State for distribution and use by its membership, which presently consists of twenty-five cooperatively organized non-profit electric companies operating in said State, also referred to collectively as "Shipper", is inviting proposals to provide barges and barge towing service for the transportation of coal and limestone to **Cardinal Power Plant** (Ohio River milepost 76.6), urea to the Northern Urea Terminal (Ohio River milepost 81.0) and alternatively to the Warrenton River Terminal (Ohio River milepost 92.8) and gypsum from the Cardinal Plant to various destinations. **The term of this proposal will be for shipments beginning January 1, 2022** from the Origins and Destinations as indicated on the attached Exhibit A which indicates the anticipated tonnage but may vary depending on the units' needs, market changes, and associated outages.

Any proposal for barging service must include the movement of all tonnage from various origins and destinations listed in Exhibit A. All rates must be inclusive of all port charges, fleeting, shifting and other ancillary charges. The term of such barging proposals should be for a period of no fewer than 3 years and up to 5 years.

The Initial Rates quoted for barging services shall be stated in July 1, 2021 dollars and shall be subject to Employee Cost Index (ECI) adjustment not more than once each half year (January 1 and July 1) commencing January 1, 2022. The Fuel charge component of the Initial Rate should not be adjusted more frequently than once each quarter, with the earliest adjustment becoming effective October 1, 2021. Bidder shall supply buyer with the proportion of the Initial rate attributable to the ECI and fuel components, respectively.

The standard operating practices currently in effect with Shipper's various suppliers must be adhered to by the barging company without modification. For example, should a coal supplier not have capacity for pre-loading storage of coal, the successful bidder may not require a change in operating practices whereby such supplier would then be required to arrange for storage capacity awaiting the delivery of barges for loading. Additionally, the successful bidder shall recognize that from time-to-time delivery schedules will need to be modified, whereby an entire shipment or a portion of a shipment (but not less than a barge) may be diverted to some other location. Shipper requires that all barges provided be substantially free from extraneous material and if used to transport different commodities (i.e coal, limestone, lime, gypsum, and urea) that the barges will be cleaned prior to loading of a different commodity.

In order to ensure that proposals are responsive to Shipper's needs and provide a uniform basis for evaluation, bidders are requested to complete the attached Exhibit B – "Barging Proposal Form" for

each proposal being submitted. The Barging Proposal Form(s), signed by a person having proper authority to legally obligate such barge company, along with any additional supporting material, must be received no later than 4 p.m. June 14th, 2021 and such binding offers must be kept open for Shipper's acceptance without any condition to effectiveness other than Shipper's acceptance thereof through 4:00p.m. July 16th, 2021.

Shipper is amenable to alternative proposals, but at least one of the proposals should match this specific solicitation request.

All proposals along with any additional supporting documentation are to be submitted via e-mail to dmhubschman@aepes.com.

Failure to submit such proposal as set forth above, could result in Shipper's decision to eliminate the proposal from consideration.

Proposals will be evaluated based upon various commercial considerations, including: (1) the price of barging from the origin areas to the destination during the period, (2) the ability of barge company to allocate sufficient towing and barge capacity, (3) the terms and conditions for barging service, (4) the creditworthiness of barge company or its guarantor, (5) ability to provide reliable, consistent delivery, and (6) the responsiveness to Shipper's needs, provided however, that Shipper reserves the right in its sole discretion at any time to modify or withdraw this invitation, to reject any or all proposals, and to terminate any subsequent negotiations.

Included in all responses should be two years of audited financial statements for the entity providing the barging services and its guarantor. Failure to provide financial information may eliminate the proposal from consideration.

Shipper will not advise bidders of any information relating to the identity, proposals, or negotiations with other bidders. Shipper will retain in confidence all proposals and other information received pursuant to this invitation, except when the same is requested by a court or government agency or Shipper is otherwise required under applicable laws or regulations to disclose such information.

The bidder shall be responsible for the completeness and accuracy of all information contained in and used in preparation of its proposal and for having supplied all necessary information.

With this invitation, Shipper is seeking the best offer from each bidder.

Should further information be required, please contact Don Hubschman at (614) 949-9215.

Regards,

Don Hubschman

Attachments:

RFP Letter – The above letter in Word format

Exhibit A—Estimated Tonnages

Exhibit B—Barging Proposal Form—Filled out and returned by bidder

Exhibit B Paragraph 8 Initial Rates—Excel document that can be used to fill out paragraph 8 of the Coal Barging Proposal Form