

TRANSCRIPT ONLY

From: Strickland, Jim <Jim.Strickland@memphistn.gov>

Sent: Monday, March 15, 2021 6:53 PM

Subject: RFP compromise

Dear City Council Members, President Young, and MLGW board members:

Thank you for your service to the community and your efforts to issue an RFP for our power supply needs. It appears to me that there remains a lack of consensus between MLGW and the City Council on this issue. I also believe that we all want the same thing – the most reliable service at the best possible price.

In order to bring all parties together, I propose that the board and council agree to the GDS proposal for the RFPs with the following changes:

1. The City Administration should review and approve the RFPs before they are issued.
2. The RFPs should make it clear that the 3 Portfolios are the desired scenarios, but that any response may include additional proposals of a better way to transmit or generate power for Memphis and Shelby County.
3. Use the “EPC/PPA Term Sheet and Final Offer” stage as a check-in for the MLGW board and City Council. The check-in would be to determine if an exit from TVA is feasible, and a majority vote would be required of both boards to move forward. According to the GDS timeline, this phase would occur 7 to 11 months after the “Notice to Proceed.”
4. During the “Bid Evaluation and Short List” process, there must be an evaluation of the reliability of the power supplier, transmission and generation, including such things like evaluating economics, risk analysis, counterparty creditworthiness, counterparty market credibility, past performance, etc.

As stated above, I believe that our common goal is to provide the public with the most reliable service at the best possible price. I am not asking you to compromise this principle. But the means to achieve that principle, like the road to be taken to a destination, should certainly be arrived at through compromise if necessary. I just read *The Measure of Our Days* about the writings of former Governor William Winter. He noted, “That compromise per se is not only not bad but, on the other hand, is as necessary as breathing.” This is true in every aspect of life, from marriage to politics.

Please let me know if you have any questions or if I can help in any way.

Jim

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