

Notice of Intent to Request Waiver under Title IX, Public Law 117-58, Infrastructure Investment and Jobs Act, Build America Buy America Requirements

Please accept the following as our notice of intent to submit a request for waiver under Title IX, Public Law 117-58, Infrastructure Investment and Jobs Act, Build America Buy America. Please take this information into consideration as part of our submission in support of Wildfire Mitigation and Extreme Weather Resilience made by Xcel Energy Services, LLC.

1. Requester Name & Contact Information:

Xcel Energy

Business Contact Name: Kathryn Valdez

Business Contact Phone: (b) (4)

Business Contact Email: Kathryn.valdez@xcelenergy.com

2. Brief Project Description:

Wildfire Mitigation and Extreme Weather Resilience is a proposed project presented to the Department of Energy (“DOE”) Grid Resiliency and Innovation Partnership (“GRIP”) initiative (the “Project”). The Project is sponsored by Xcel Energy Services, LLC and its subsidiaries.

3. Goods Subject for Waiver Consideration: The table below contains information about the iron, steel, manufactured product, and/or construction materials for waiver consideration:

| Item Name (iron, steel, manufactured product, construction material) | Cost | Country(ies) of Origin (if known) | <u>Relevant Product and Service Codes (PSC)*</u> | <u>Relevant NAICS Code</u> | Basis for Waiver |
|---|-----------|---|--|--------------------------------|-------------------------------------|
| EATON Non- Expulsion Fuses | \$(b) (4) | Manufacturing of these non-expulsion fuses is performed in Mexico by EATON | 5920 | unknown | Public Interest Non-Availability |
| Unmanned Aerial Systems (UAS) units | unknown | unknown | | | |

4. Waiver Justification: DOE may waive the application of a Buy America Requirement under a project/award in any case in which it determines that:

1. Applying the domestic content procurement preference would be inconsistent with the public interest (“Public Interest waiver”);
2. The types of iron, steel, manufactured products, or construction materials are not produced in the United States in sufficient and reasonably available quantities or of a satisfactory quality (“Non-Availability waiver”); or
3. The inclusion of iron, steel, manufactured products, or construction materials produced in the United States will increase the cost of the overall project by more than 25 percent (“Unreasonable Cost waiver”).

5. Describe which justification applies to your situation.

Both the Public Interest and Non-Availability bases for waiver apply to this Project. The

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EATON non-expulsion fuses are engineered, designed, and tested to have a self-contained design that eliminates noise and expulsive showers of hot particles or sparks — unlike traditional expulsion fuses — making it suitable for use in areas where a high wildfire hazard exists. It is in the public interest to install this type of fuse on existing electric distribution systems to mitigate the potential for a wildfire being caused when a fuse operates due to a fault condition on a power line. The EATON non-expulsion fuse is CAL FIRE approved and has been used extensively across utilities in the Western United States and it has been tested to meet these strict fire prevention standards. Research was undertaken with representatives of various utilities to determine if there were any American made alternatives that exist for this specific type of fuse. Unfortunately, it was found that EATON is the only manufacturer of these current limiting non-expulsion fuses, and there are no American-made alternatives. For the UAS units, the solicitation for that equipment will determine final need for a waiver if there is no domestic made solution that meets the equipment requirements.

6. Describe due diligence you performed (e.g., market research, industry outreach).

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7. Explain how the nondomestic item(s) is essential to the project.

The primary objective of the projects that Xcel Energy is proposing for this grant application is to utilize innovative technology with a focus on wildfire mitigation strategies to reduce the number and severity of wildfires in Colorado, New Mexico and Texas. This non-domestic item is essential to the success of mitigating wildfires in Xcel Energy's service territory.

8. Good Faith Effort Certification:

Are you willing to certify that you have made a good faith effort to solicit bids for domestic products? Yes.

Describe the terms you included in requests for proposals, contracts, and **nonproprietary communications** with potential suppliers. Attach copies if available.

RFx Statement:

"Do the products you propose to supply under this engagement comply with Public Law 117-58, Division G, Title IX, Build America, Buy America which requires that: (1) the product is manufactured in the United States and (2) the cost of the product's components mined, produced or manufactured in the United States exceeds 55 percent of the total cost of the product's components? Yes or No. If Yes, please specify with detail how you will comply."

Contract Statement (Warranties clause)

"Supplier represents, warrants and covenants that the Goods supplied under this Agreement comply with Title IX, Public Law 117-58, Infrastructure Investment and Jobs

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Act, Build America Buy America in that such Goods are (i) are manufactured in the United States and (ii) the cost of the Goods components mined, produced or manufactured in the United States exceeds fifty-five percent (55%) of the total cost of the Goods components.”

9. Anticipated Impact to the Project:

Describe the anticipated impact to the project if no waiver is issued.

If a waiver for the non-expulsion fuses is not issued, the Company will have to reconsider whether it can move forward with the proposed project to proactively replace traditional expulsion fuses with these non-expulsion fuses.