



Wärtsilä Optimized Maintenance Agreement (Princeton Road Station)

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NPPD Board of Directors Meeting &
Operations Committee
June 2026

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Scope

Five-year Agreement with Wärtsilä North America:

- (Certain) Spare Parts for Engine-Generator Sets
 - Needed for preventive maintenance
 - Critical spares
- On-site Customer Support Advisor (2 years) that will:
 - Train, troubleshoot, provide support, and optimize maintenance and performance
- Expertise Center Services (5 years)
 - Remote monitoring, technical support, continue to optimize maintenance and performance

Business Case

These Reciprocating Internal Combustion Engines are new to NPPD's fleet. This service will help develop expertise in-house while ensuring the reliability of these assets.

- Address spare parts and service needs
- Support reliable unit operation
- Reduce outage duration
- Pro-active predictive maintenance
- Streamline materials management
- Funded via future operation and maintenance (O&M)
- Locks in pricing for the first year, and minimizes supply chain risk

Estimated Payment Schedule

- 2028 - \$2,732,374 (materials)
- 2029 - \$2,179,911 (materials, services)
- 2030 - \$1,929,788 (materials, services)
- 2031 - \$ 874,534 (materials, services)
- 2032 - \$2,501,998 (materials, services)
- 2033 - \$ 790,669 (materials, services)
- 2034 - \$8,561,323 (materials)(18,000 maintenance)
- **Total Cost - \$19,570,597**

These are estimated payments, assuming 4,000 operating hours per year for each engine, and 3% escalation per year for 2029 and after. Actual cost will be based on actual operating hours, inflation (tied to indices in the agreement), and the exchange rate with the \$Euro.

Recommendation

Adopt resolution to enter into the Optimized Maintenance Agreement with Wärtsilä, for the supply of spare parts, 2 years of on-site customer support, and 5 years of expertise center services, at a total estimated cost of \$19,570,597, when said agreement is in a form and substance acceptable to management and legal counsel.



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Questions

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