



REPORT TO THE BOARD OF DIRECTORS

RECOMMENDATION TO ENTER INTO A CONTRACT TO PURCHASE ELECTRICITY FROM DOMINION VIRGINIA POWER FOR STARTUP TESTING ON THE DULLES CORRIDOR METRORAIL PROJECT

SEPTEMBER 2012

PURPOSE

The Dulles Corridor Committee approved a recommendation for award of a contract to Dominion Virginia Power (DVP) for interim electrical service to the Dulles Corridor Metrorail Project (DCMP) and recommends approval to the Board of Directors.

BACKGROUND

- The Airports Authority is required to test the rail traction power system prior to turnover of the completed Phase 1 project to the Washington Metropolitan Area Transit Authority (WMATA).
- The Airports Authority has contracts with DVP for electric service at Reagan National and Dulles International Airports and the Dulles Toll Road.
- The rate structure for these contracts was established by the Virginia Energy Purchasing Governmental Association (VEPGA) for using agencies, including the Airports Authority.
- This rate structure was used by staff to negotiate the cost of the interim rail service contract with DVP.

- The projected cost is \$10.1 million for the period July 2012 through December 2013. These costs are included in the Phase 1 project cost forecast and available budget.
- DVP rates include the costs of generating and distributing electricity and fuel surcharges. The base rate is fixed through November 2012, and then adjusted to a new fixed rate through November 2013, and again adjusted to a new fixed rate beginning in December 2013.

BACKGROUND

- Upon turnover of the completed Phase 1 Project to WMATA in late 2013, this contract will expire and WMATA will enter into a separate contract for system operations.
- In accordance with the Airports Authority's Contracting Manual, this contract is excluded from full and open competition because DVP is the exclusive provider of electrical service in the of the Phase 1 alignment areas.

RECOMMENDATION

The Dulles Corridor Committee approved and recommends the Board of Directors approve a contract with DVP for electrical service for interim testing of the DCMP rail traction power system.

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SEPTEMBER 2012

PURPOSE

The Dulles Corridor Committee approved a recommendation to award a contract to Dominion Virginia Power (DVP) for interim electric service for rail system testing and recommends approval to the Board of Directors.

BACKGROUND

The Airports Authority is required to test the rail traction power system prior to turnover of the completed Phase 1 project to the Washington Metropolitan Area Transit Authority (WMATA). The Airports Authority has contracts with DVP for electric services at Reagan National, Dulles International and the Dulles Toll Road with rates established through the Virginia Energy Purchasing Governmental Association (VEPGA) structure. The new DVP contract for the interim rail testing electric service is based on the same VEPGA negotiated rate structure currently used by participating agencies including the Airports Authority. Using this rate structure, the Dulles Corridor Metrorail Project Office staff negotiated with DVP to establish contract costs.

In accordance with the Airports Authority Contracting Manual Section 1.2.3, this contract is excluded from full and open competition because DVP is the exclusive provider of electric services in the region serving the Phase 1 alignment.

The proposed DVP rates include the costs of generating and distributing electricity, fuel surcharges and miscellaneous fees. The contract cost for interim services will be approximately \$10.1 million for the period July 2012 through December 2013. This cost is included in the current project cost forecast and available budget. The base rate is fixed through November 2012, and then will be adjusted to a new fixed rate through November 2013, and again adjusted to a new fixed rate beginning in December 2013. Upon turnover of the completed Rail project to WMATA in late 2013, this electric contract will expire and WMATA will enter into a separate contract for system operations.

RECOMMENDATION

The Dulles Corridor Committee approved and recommends that the Board of Directors approve a contract with DVP for electric services for interim testing of rail cars and systems on the DCMP.

Prepared by:

Office of Engineering

July 2012

Proposed Resolution
Purchase of Electricity for Startup Testing
on the
Dulles Corridor Metrorail Project

WHEREAS, Phase 1 of the Dulles Corridor Metrorail Project is scheduled for turnover to the Washington Metropolitan Area Transit Authority (WMATA) in August 2013;

WHEREAS, The rail traction power system must be tested before the turnover date and the Airports Authority must purchase the electricity used to conduct the tests;

WHEREAS, Dominion Virginia Power is the exclusive provider of electric power in the project area, and provides power to both Airports;

WHEREAS, The rate structure for power available to the project has been established by the Virginia Energy Purchasing Governmental Association for governmental agencies, including the Airports Authority;

WHEREAS, No other sources of electricity are available;

WHEREAS, The proposed contract, which will terminate on the turnover date, is projected to cost \$10.1 million;

WHEREAS, The Dulles Corridor Committee is satisfied with the management proposal; now, therefore, be it

RESOLVED, That an exception is granted to the requirement for full and open competition and that the President and Chief Executive Officer is authorized and directed to contract with Dominion Virginia Power for interim electric service for the rail system testing through turnover to WMATA in 2013, consistent with the terms presented to the Dulles Corridor Committee at its July 18, 2012 meeting.

*Recommended by the Dulles Corridor Committee on July 18, 2012
For Consideration by the Board of Directors on September 5, 2012*