

STANDARD CONTRACT FOR SERVICES

1. **Parties.** This is a contract for services between the State of Vermont, Department of Public Service (hereinafter called “State”), and ARC Business Solutions Vermont, LLC, with a principal place of business in Rutland, Vermont, (hereinafter called “Contractor”). Contractor’s form of business organization is corporation. It is Contractor’s responsibility to contact the Vermont Department of Taxes to determine if, by law, Contractor is required to have a Vermont Department of Taxes Business Account Number.
2. **Subject Matter.** The subject matter of this contract is services generally on the subject of completing a comprehensive business process audit of the City of Burlington Electric Department (“BED”) as a result of the Vermont Public Utility Commission (“Commission”) investigation, Case No. 25-2607-INV. Detailed services to be provided by Contractor are described in Attachment A.
3. **Maximum Amount.** In consideration of the services to be performed by Contractor, the State agrees to pay Contractor, in accordance with the payment provisions specified in Attachment B, a sum not to exceed \$274,037.00.
4. **Contract Term.** The period of Contractor’s performance shall begin on April 30, 2026, and end on April 30, 2031.
5. **Prior Approvals.** This Contract shall not be binding unless and until all requisite prior approvals have been obtained in accordance with current State law, bulletins, and interpretations.
6. **Amendment.** No changes, modifications, or amendments in the terms and conditions of this contract shall be effective unless reduced to writing, numbered and signed by the duly authorized representative of the State and Contractor.
7. **Termination for Convenience.** This contract may be terminated by the State at any time by giving written notice at least thirty (30) days in advance. In such event, Contractor shall be paid under the terms of this contract for all services provided to and accepted by the State prior to the effective date of termination.
8. **Primary Contacts.** The Parties will keep and maintain current at all times a primary point of contact for this Agreement, which are presently as follows:

a. For the Contractor:

Name: Tom LeSage, Managing Director

Phone: (403) 702-5238

Email: tlesage@arcbus.com

b. For the State:

Name: Chelsea Vilord, Legal Assistant

Phone: (802) 505-1882

Email: chelseavilord@vermont.gov

9. **Attachments.** This contract consists of 8 pages including the following attachments which are incorporated herein:

Attachment A - Statement of Work

Attachment B - Payment Provisions

Attachment C – “Standard State Provisions for Contracts and Grants” a preprinted form (revision date 02/13/2026)

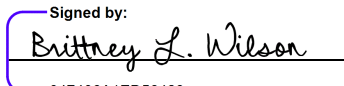
10. **Order of Precedence.** Any ambiguity, conflict or inconsistency between the documents comprising this contract shall be resolved according to the following order of precedence:

- (1) Standard Contract
- (2) Attachment C (Standard Contract Provisions for Contracts and Grants)
- (3) Attachment A
- (4) Attachment B

WE THE UNDERSIGNED PARTIES AGREE TO BE BOUND BY THIS CONTRACT

By the State of Vermont:

Date: 4/22/2026

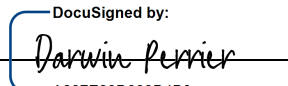
Signature:  Signed by:
047406A1ED56429...

Name: Brittney L. Wilson

Title: Deputy Commissioner

By the Contractor:

Date: 4/22/2026

Signature:  DocuSigned by:
A287E28D883D4B9...

Name: Darwin Perrier

Title: Vice President

ATTACHMENT A – STATEMENT OF WORK

The Contractor shall provide a comprehensive business audit of the City of Burlington Electric Department (“BED”) for the Vermont Department of Public Service (“Department”) on matters related to the investigation proceedings before the Vermont Public Utility Commission (“Commission”). This scope of work includes an audit to assess the adequacy and effectiveness of BED’s business processes and internal quality control systems, with a focus on identifying the root causes of persistent regulatory failures and recommending remedial actions.

Contractor’s services will include the following, subject to the needs of the Department:

1. Conduct a preliminary assessment of notable issues and/or concerns and prepare a work plan consistent with any deadlines set by the Commission and/or Department.
2. Conduct an assessment of regulatory quality controls including of compliance monitoring systems, accuracy verification methods, and regulatory filing processes. Evaluate the systems for timely response to Commission orders and data validation protocols.
3. Conduct an assessment of operation management controls including a review of organizational policies, decision-making procedures, and accountability frameworks. Identify operational insufficiencies and recommendations for process standardization.
4. Conduct an assessment of financial quality controls including an evaluation of financial controls related to revenue management, expenditure authorization, budget compliance, and rate payer fund use. Review past allocation errors and oversight mechanisms.
5. Conduct an assessment of cross-functional management systems including review of staff training programs, competency verification, succession planning, and organizational knowledge of transfer mechanisms. Assess continuous improvement programs, performance metrics, and issue escalation protocols.
6. Conduct a root-cause analysis to identify systemic regulatory and business practice failures which identifies the causes of specific failures to contextualize both the business process audit and any resulting recommendations. The root-cause analysis should identify common, holistic root-causes of BED’s compliance issues.
7. Deliverables include an audit work plan to be provided within 30 days of contract execution; interim progress briefings including monthly meetings with Department staff with the potential for more frequent updates as necessary; a draft report with detailed findings, analysis, and preliminary recommendations; a final report including a comprehensive audit report with prioritized recommendations, an implementation roadmap, and performance benchmarks; and, a summary presentation to the Department, BED, and the Commission.
8. Attend public hearings as needed, according to schedules set by the Commission.

9. Review and provide critique of filings from BED and other parties, prepare discovery requests and responses, prepare deposition questions, prepare prefiled written testimony (including a description of the review methodology, materials reviewed, conclusions, and recommendations with supporting analysis), and rebuttal prefiled written testimony.
10. Provide live testimony subject to cross-examination and assist with cross-examination of opposing witnesses in hearings before the Commission.
11. Assist in the preparation of legal briefs and proposals for decision as needed.
12. Respond to technical inquiries and assist with development of Department policy positions from time to time, as the need arises and within a reasonable timeframe.
13. Provide additional support to Department staff as needed, including for legal proceedings before courts or other administrative agencies, including in appeals, as they regard BED's in relationship to the Commission investigation, Case No. 25-2607-INV.
14. Regularly confer with and collaborate with Department staff on the accomplishment of the abovementioned tasks in writing and in person, physically and/or electronically, as needed and as directed by the Department.

The Department's Public Advocacy Division will manage the overall contract. Other Department staff will be available for guidance and collaboration on related issues, proposed conclusions, and policy formulation and articulation.

Contractor will coordinate and collaborate in the development of the work plan and work schedule, work efforts, findings, conclusions, and policy positions with the Department's technical and legal staff, and will be available by phone and videoconference. Contractor will maintain the confidentiality of information and documents as specified and directed by the Department or by order of the Commission.

Contractor will work with the Department to create a timeline for deliverables that aligns with any schedules issued by the Commission. Contractor will submit all deliverables to the Department according to the agreed-upon schedule, in advance of case deadlines to allow adequate time for the Department's review and production. Contractor will ensure that any final written work is well-written, clear, and thorough, without need for significant editing by the Department's staff. Contractor will be thoroughly prepared and able to respond effectively to cross-examination and to questions from the Commission.

Reimbursement for services will be based upon the actual staff time spent, at the rate agreed upon, and upon other actual costs incurred based upon documentation acceptable to the Department, subject to the maximum amount indicated. All invoices submitted for payment must

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itemize expenses and tasks performed, listing dates, hours worked and the individuals performing tasks.

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ATTACHMENT B – PAYMENT PROVISIONS

The maximum dollar amount payable under this contract is not intended as any form of a guaranteed amount. The Contractor will be paid for products or services actually delivered or performed, as specified in Attachment A, up to the maximum allowable amount specified on page 1 of this contract.

1. Prior to commencement of work and release of any payments, Contractor shall submit to the State:
 - a. a certificate of insurance consistent with the requirements set forth in Attachment C, Section 8 (Insurance), and with any additional requirements for insurance as may be set forth elsewhere in this contract; and
 - b. a current IRS Form W-9 (signed within the last six months).
2. Payment terms are **Net 30** days from the date the State receives an error-free invoice with all necessary and complete supporting documentation.
3. Contractor shall submit detailed invoices itemizing all work performed during the invoice period, including the dates of service, rates of pay, hours of work performed, and any other information and/or documentation appropriate and sufficient to substantiate the amount invoiced for payment by the State. All invoices must include the Contract # for this contract.
4. Contractor shall submit invoices to the State in accordance with the schedule set forth in this Attachment B. Unless a more particular schedule is provided herein, invoices shall be submitted not more frequently than monthly.
5. Invoices shall be submitted to the State by email to psd.invoice@vermont.gov with a cc to chelsea.vilord@vermont.gov. Contractors may be required to submit invoices via VTBuys.
6. The payment schedule for delivered products, or rates for services performed, and any additional reimbursements, are as follows:

Contractor shall be paid according to its itemized invoice per hour for work performed under this Contract, at the rates quoted, and per other itemized expenses as quoted. Contractor shall submit invoices not more frequently than monthly.

The Contractor is discounting their rates up until the final report is completed. Future regulatory reviews and reports will be prepared at the retainer rate.

Hourly Labor Rates

Service Category/Title/Title of Positions	Retainer Hourly Rate	Discounted Hourly Rate
Subject Matter Expert	\$195	\$125

Business Processes	\$175	\$120
Business Analysis	\$175	\$110
Finance	\$175	\$105
Information Technology	\$195	\$105
Audit	\$175	\$120
Regulatory	\$195	\$120
Project Manager	\$175	\$110

[Remainder of page intentionally left blank.]

**ATTACHMENT C: STANDARD STATE PROVISIONS
FOR CONTRACTS AND GRANTS
REVISED FEBRUARY 13, 2026**

“Attachment C: Standard State Provisions for Contracts and Grants” (revision version dated February 13, 2026) constitutes part of this Agreement and is hereby incorporated by reference as if fully set forth herein and shall apply to the Contractor and to the purchase of all goods and/or services by the State under this Agreement. A copy of this document is available online at: <https://bgs.vermont.gov/purchasing-contracting/forms>.

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