



VIRGIN ISLANDS WATER AND POWER AUTHORITY
POST OFFICE BOX 1450
SAINT THOMAS
U.S. VIRGIN ISLANDS 00804

**CONTRACT BETWEEN THE VIRGIN ISLANDS WATER AND POWER AUTHORITY
AND RISKED REVENUE ENERGY ASSOCIATES**

Contract No. SC-22-20

The Proceeding Contract is a properly negotiated agreement between all parties involved. Any marks, changes, white out, or deletions without the expressed written permission from all parties involved shall make this contract null and void.

This Agreement (hereinafter "the Contract") is entered into this 30th day of April, 2020 by and between RISKED REVENUE ENERGY ASSOCIATES (R²), (hereinafter called the "Consultant") located at 2029 Woodhead St., Houston, TX 77019 and the VIRGIN ISLANDS WATER AND POWER AUTHORITY (hereinafter called the "Authority"), located at 9720 Estate Thomas, P. O. Box 1450, St. Thomas, USVI 00804, for the purposes of assisting the Authority in the development, implementation and maintenance of a fuel hedge portfolio program covering crude, fuel oil, natural gas, liquids and LPG for the Authority.

WITNESSETH

In consideration of the mutual promises, covenants and conditions contained herein, the Parties hereto, intending to be legally bound, hereby agree as follows:

1. SCOPE OF WORK/WORK: The Consultant shall, in accordance with the Scope of Work outlined in the Consulting Agreement, annexed hereto and made apart hereof as Exhibit "A", shall assist the Authority by providing advice and guidance on

commodity price risk management. Specifically, Consultant shall assist the Authority to develop and maintain a producer hedge program covering crude, liquids, and natural gas production and derivatives for the Authority. Further Consultant will on a monthly basis analyze VIWAPA's fuel hedge portfolio and provide a summary of findings in its Hedge Report. Consultant shall perform the work in accordance with its Consulting Agreement, annexed hereto as Exhibit "A", and the Authority's Professional General Contract Terms annexed hereto as Appendix "A".

2. CONSIDERATION: In consideration of the Consultant's performance of the Work, the Authority shall pay to Consultant during the initial term, an amount not to exceed ONE HUNDRED EIGHTY THOUSAND DOLLARS (\$180,000.00) based on the Consultant's Proposal. Payment shall be made in twelve (12) monthly installments in the amount of FIFTEEN THOUSAND DOLLARS (\$15,000.00). Said consideration shall be for providing professional and/or technical consulting services associated with the Scope of Work. The Authority shall have the option to extend this Contract for a one-year period.

Acceptance of the services performed is contingent upon approval of the Work by the Authority's Project Manager. The consideration stated herein shall be for all Work performed by the Consultant pursuant to this Contract. Payment of any taxes, duties, customs, excise or other fees shall be the sole responsibility of the Consultant. The Authority shall not be responsible in any way for the direct payment of any taxes, customs, duties, excise or other fees.

3. TRAVEL: Should Consultant be required by the Authority to provide services

at a location more than 50 miles from its offices, the Authority agrees to a fifteen-day prior notice to Consultant. Further, the Authority agrees to pay for all reasonable travel related expenses, at the most economical rates, including airfare, rental car and/or mileage, lodging and meals. Other fees and expenses if incurred will be billed at the end of the month.

4. TERM/PROGRESS REPORTS: This Contract shall commence upon full and final execution by the Parties and issuance of a Notice to Proceed from the Authority. The contract shall terminate twelve (12) months from the issuance of the Notice to proceed. The Authority and Consultant may extend, in writing, the term of this agreement.

5. SCHEDULE: The Parties shall mutually agree on any specific schedule of interim milestones required for the Work requested by the Authority.

6. INJURY AND DAMAGE CLAIMS: The Consultant shall be responsible for all damages to persons or property that occur as a result of the negligence or intentional wrongdoing of the Consultant (or its sub-contractors or sub-consultants or agents thereof) in connection with the performance of the Work. The Authority shall be responsible for all damages to persons or property that occurs as a result of the sole negligence or intentional wrongdoing of the Authority (or its agents) during the performance of the Work.

The Consultant shall defend, indemnify and hold the Authority harmless from damages, expenses and costs arising out of claims or demands by persons or parties, asserted in connection with or arising out of any injury, or alleged injury (including

death), or damage or alleged damage, to persons or property sustained or alleged to have been sustained unless caused by the sole negligence of the Authority, its agents, servants or employees, in connection with the performance of the Work and agrees to defend with the assistance and cooperation of the Authority any suit or action brought against the Authority, its agents, servants or employees, based on any such alleged injury or damage, and to pay all damages, costs, and expenses, including attorney's fees in connection therewith or resulting therefrom. In the event that it is determined that to the extent any liability was caused by the sole willful misconduct of the Authority, the Authority shall reimburse and/or its insurance carrier for all judgments and expenses incurred, including the costs incurred in defending any claim arising from such liability. Consultant agrees to name the Authority as an additional insured in the liability policy covering this Indemnity Clause. A copy of the insurance certificate shall be presented upon contract execution.

The Authority shall promptly notify the Consultant, in writing, of the filing of any such suit or action.

7. DESIGNATED PERSONNEL: The Authority reserves the right to designate personnel to provide information and to coordinate the Work with the Consultant. The Authority designates the following individual in the following capacity:

Debra Gottlieb
Chief Financial Officer
V.I. Water and Power Authority
P. O. Box 1450
St. Thomas, VI 00804
(340) 774-3552, ext. 2009

The Consultant designates the following individual in the following capacity:

Mr. Wayne F. Penello
President, ANOVA Management, Inc.
General Partner of Penway Group, LP
D/b/a Risked Revenue Energy Associates
2029 Woodhead St.
Houston, TX 77019
wpenello@riskedrevenue.com

8. CHANGE ORDERS: All change orders or requests for additional services, must be approved in writing by the Contracting Officer. In the absence of such written approval, Consultant shall be liable for any changes in the Work not in conformance with this Contract.

9. INSURANCE: Contractor shall provide insurance in accordance with Article 14 of the Authority's Professional General Contract Terms as revised. The Insurance Certificate shall be presented upon contract execution by the Contractor to the Authority. Should the Contractor fail to provide the required insurance the Authority may, at its sole option, rescind the contract award.

10. COMPLIANCE WITH OTHER LAWS: The Parties to this agreement shall comply with all applicable laws, rules, regulations and public policies that prohibit unethical conduct regarding the obtaining, retention or conduct of business or an unfair advantage ("Laws"). The Parties shall not directly or indirectly give, offer, promise, authorize, or allow to be given, offered, or promised, anything of value to an official or employee of any government, state-owned enterprise, international organization including subdivisions thereof or entities acting on behalf of a government, state-owned

enterprise, international organization or subdivision thereof (any such employee or official referred to collectively as "Official"), while knowing or having reason to know that such thing of value is to be given, offered, or promised to an Official (including political parties or officials thereof or candidates for foreign office) in order to: (i) influence any officials thereof, or (ii) induce such Official to use this influence to affect or influence any act or decision of any government (or any subdivision thereof), or (iii) assist the Parties in obtaining or retaining business, or in directing business to any person or obtain an unfair advantage for the Parties in any respect.

Should any Party violate any of the Laws then: (i) the other Party(s) shall have the right to immediately terminate the Agreement for cause; (ii) the other Party(s) shall have a right of action against the offending Party in breach of such laws; and (iii) the offending Party shall indemnify the other Party(s) for any penalty, loss or expenses incurred by the other Party(s) as a result of the offending Party's breach of any of its obligations under this Section.

11. PRESENTATION OF COMPLIANCE WITH LAW: The Parties hereto represent and warrant that this Agreement and its performance do not violate any law, regulation or policy of the United States Virgin Islands. Any Party hereto shall be relieved of its obligations to perform under this Agreement to the extent such performance would violate any law, regulation or policy of the United States.

12. CONTRACT DOCUMENTS: Consultant shall complete Work to be performed in accordance with the Contract documents. The Contract Documents include:

1. The agreed to Scope of Work, annexed hereto and made a part hereof as Exhibit "A".
2. The Authority's Professional General Contract Terms attached hereto and made a part hereof as Appendix "A".

In the event of any conflict, the terms of this Contract will govern over the provisions of any documents referenced herein. This Contract and Contract Documents constitute the entire agreement between the Parties hereto, and all prior understandings or communication, written or oral, with respect to the subject matter of this Contract are merged herein.

13. GOVERNING LAW: The laws of the U.S. Virgin Islands shall govern this Contract. The Parties agree that all causes of action against either Party shall be brought in the court of competent jurisdiction in the Virgin Islands. The Authority shall not invoke the defense of sovereign immunity in any litigation arising under the Contract.

14. PROFESSIONAL GENERAL CONTRACT TERMS: This Contract is subject to the Authority Professional General Contract Terms annexed hereto and made a part of this Contract as Appendix "A" and which is modified by the Parties as follows:

Clause 3 b and c - Delete

Clause 5 - Delete

Clause 6 - Delete

Clause 12 (1) a, c and d – Delete


**Exhibit A to Professional General Contract Terms –
Delete Sections B and C**

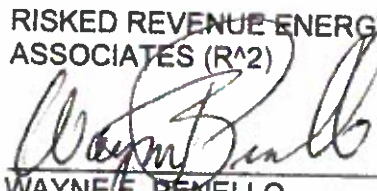
15. WAIVERS AND AMENDMENTS: No waiver, modification, or amendment of any term, condition, or provision of this Contract shall be valid or of any force or effect unless made in writing, signed by the Parties or by their duly authorized representatives, and specifying with particularity the nature and extent of such waiver, modification, or amendment. Any such waiver, modification, or amendment in any instance or instances shall in no event be construed to be a general waiver, modification, or amendment of any of the terms, conditions, or provisions of this Contract, but the same shall be strictly limited and restricted to the extent and occasion specified in such signed writing or writings.

16. ENTIRE AGREEMENT: This Contract and the Contract Documents constitute the entire agreement of the Parties hereto, and all prior understandings or communications, written or oral, with respect to the subject matter of this Contract are merged herein.


17. COUNTERPARTS: This Agreement may be executed in two or more counterparts, each of which together shall be deemed an original and the same instrument, but all of which together shall constitute one and the same instrument. In the event that any signature is delivered by facsimile transmission or by e-mail delivery of a ".pdf" format data file, such signature shall create a valid and binding obligation of the party executing (or on whose behalf such signature is executed) with the same force and effect as if such facsimile or ".pdf" signature page were an original thereof.

IN WITNESS WHEREOF, the parties hereto have duly executed this Agreement
on the day, month and year first above-written.

 4/27/20
WITNESS

RISKED REVENUE ENERGY
ASSOCIATES (R²)
 4/27/20
WAYNE F. PENELLO Date
President


WITNESS

V.I. WATER & POWER AUTHORITY
 4/30/2020
LAWRENCE J. KUPFER Date
Executive Director (CEO)

APPROVED AS TO LEGAL SUFFICIENCY:

 4/24/2020

LORELEI FARRINGTON
General Counsel

Attachments