



# EXHIBIT 1



**Denton Municipal Electric**  
**Generation Management System Quote**  
**DME2016-Q06-Rev2**

**Base Quote**

No.	Description	Qty	Unit	Price
<b>Standalone Generation Management System</b>				
1	Hardware and 3rd Party Software for monarch	1	EA \$	14,260
2	NERC CIP Related Recommended Hardware and 3rd Party Software for Medium Impact SCADA Systems	1	EA	CFE
	Associated Engineering Services	1	EA \$	24,000
3	OSI Platform License See LOD for Details	1	EA \$	86,000
4	OSI System GMS Software Licensing ERCOT Generation Applications including, AGC, OpenMOS, OpenECA, OpenSTLF, OpenTMS	1	EA \$	165,000
	License Transfer Discount		\$	(165,000)
5	Engineering and Implementation Project Management, Design, Engineering, Testing, Site Installation, Commissioning and Documentation	1	EA \$	210,920
	Customer Appreciation Discount		\$	(21,092)
6	Custom Onsite Training Up to 5 days for up to 5 people	1	EA \$	15,000
7	monarch™ Support Adder	1	EA \$	37,650
<b><u>Base Total</u></b>			<b>\$</b>	<b>366,738</b>

**Option #1: Formal FAT**

1	Engineering and Implementation Factory Acceptance Testing FAT Planning and Preparation, 1 Week of Factory Acceptance Testing at OSI, FAT Cleanup	1	EA \$	21,000
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**Option #1 Total** **\$ 21,000**

**Option #2: Formal SAT**

1	Engineering and Implementation Site Acceptance Testing SAT Planning and Preparation, 1 Week of Site Acceptance Testing at DME, SAT Cleanup	1	EA \$	27,200
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**Option #2 Total** **\$ 27,200**

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### Terms and Conditions:

1. Prices are in US Dollars and do not include Sales or usage taxes.
2. Proposed Payment Milestones:
  - 100% Licensing and Hardware Upon Quote Acceptance
  - Remaining Project:
    - 25% Engineering Services Upon Quote Acceptance
    - 25% Upon Completion of FAT
    - 25% Upon Completion of SAT
    - 25% Upon Project Completion with No Critical Variances
3. The pricing quoted above is valid for 120 days.
4. Prices exclude shipping costs. Applicable shipping costs will be added to invoices.
5. Software support proposed is based on OSI's **monarch**™ Gold Support Program.
6. Travel will be bill as incurred.
7. User Training as quoted assumes Maintenance and Software training at **OSI University**™ (**OSIU**) in Minneapolis, Minnesota, and Operator Training on site at DME's facilities.
8. Project schedule is assumed to be a 6-8 month project schedule from project kickoff to cutover.
9. All database and display building and maintenance is the responsibility of DME.
10. Quote assumes DME is responsible for procurement, setup, and configuration of firewalls and Corporate switches as seen on the System Configuration Diagram.
11. Quote assumes DME will have dedicated personnel assigned to assist in the installation and implementation effort.
12. DME shall provide all relevant system information required for the work as needed (i.e. databases, displays, networking information, etc.).
13. Quote assumes all interfaces to other 3rd party systems and all external communications to field devices are setup and configured by DME.
14. Quote assumes [CUSTOMER] will provide high-speed remote access to server and console hardware if needed (VPN, Remote Desktop Connection, etc.). Dial-up modem connections are insufficient.
15. SOE data and multiple change of state alarms will not be required of data received via ICCP.
16. Labor to build up to six (6) new displays is included within scope quoted. All remaining displays will consist of displays and databases that already exist on DME's existing monarch system. Labor to configure displays and databases in addition to this is excluded from quote.
17. Quote assumes the Wartsila SCADA system supports an OPC DA interface. Other versions of OPC such as UA are not supported.

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### OSI Standard Terms and Conditions:

1. Travel costs are not included in this quote. All travel and associated administrative costs will be billed as incurred.
2. All quoted prices are in US Dollars (\$), unless otherwise noted.
3. OSI will schedule all work upon receipt of the purchase order subject to OSI's resource availability.
4. Unless otherwise stated, Customer shall pay all applicable shipping.
5. Training, if applicable, will be provided at OSI's facility, unless otherwise agreed.
6. Quoted price does not include applicable taxes.
7. Customer shall provide all relevant system information required for the work as needed (i.e. databases, displays, reports, IP addresses, networking information, RTU channel information, etc.) and shall be responsible for all delays caused by Customer's failure to do so in a timely manner.
8. Unless otherwise stated, Customer will have dedicated personnel available to assist OSI in the work.
9. OSI does not guarantee that third-party goods will be available at time of quote acceptance. If third party goods are not available, upon Customer's authorization, OSI will provide suitable replacements and bill any resulting cost differences to the Customer. Failure to timely authorize replacements may result in delays and/or need to re-quote.
10. When applicable, Customers subscribing to Gold or above Support Plans may be entitled to new software version updates without charge. With the exception of Diamond Plan subscribers, the Customer will be responsible to pay for any engineering services required to implement the software upgrades.
11. Unless otherwise agreed and quoted, Customer is responsible for all preparations for OSI's installation of software, hardware or services and any post-installation compatibility testing and compliance issues.
12. Customer will provide adequate environmental and power conditions onsite, unless otherwise stated.
13. Cutover is defined as the quoted functionality being operational with no outstanding critical incidents.
14. Any Quote(s) for system upgrade services require(s) that at the time of actual implementation Customer has a valid premium monarch™ Support plan which includes software upgrade privileges and that the system size or scope does not change dramatically between the issuance of the quote and implementation of the service.
15. Customer Furnished Hardware and Software: Customer shall provide all required third-party equipment and software ("CFE") for the Project except for the OSI-provided equipment identified in this quote. Customer shall be responsible to timely deliver all CFE to OSI in compliance with the mutually agreed upon Project Schedule for integration with the OSI software. Customer shall pay all shipping and insurance costs both to and from OSI and shall be responsible for all CFE warranties.
16. Export Controls:

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- 16.1. Customer represents: It is not a citizen, national, or resident of, and is not under control of, the government of Cuba, Iran, Sudan, Libya, North Korea, Syria, nor any country to which the United States has prohibited export and that it is not listed on the United States Department of Treasury lists of Specially Designated Nationals, Specially Designated Terrorists, and Specially Designated Narcotic Traffickers, nor are you listed on the United States Department of Commerce Table of Denial Orders.
- 16.2. Customer agrees that it will not export or re-export the Product(s), directly or indirectly, to the above mentioned countries nor to citizens, nationals or residents of those countries nor to any entity so listed on any of the above mentioned lists.
- 16.3. Customer agrees that it will not use the Product(s) for, and will not allow the Product(s) to be used for the development, design, manufacture or production of nuclear, chemical or biological weapons of mass destruction.
- 16.4. The requirements of (b) and (c) above apply to all Product(s) purchased or licensed to Customer from OSI whether included in this quote or purchased or licensed previous

Notice: OSI's quote is based upon Customer's acceptance of all applicable Terms and Conditions. Requests for additions to, deletions of, or different Terms and Conditions, may require a revised quote and/or additional costs or schedule delays.