

**FAYETTEVILLE PUBLIC WORKS COMMISSION
SOLE SOURCE FOR STANDARDIZATION REQUEST**

TO: Timothy L. Bryant, CEO/General Manager

DATE: December 16, 2025

FROM: Joel C. Valley, Director of Electric System Support JV
JV

PWC's Electric System Substation Department seeks approval to purchase specific equipment pursuant to a sole source exception to the competitive bidding requirements. North Carolina law allows an exception from the competitive bidding requirements for "Purchases of apparatus, supplies, materials, or equipment when: (i) performance or price competition for a product are not available; (ii) a needed product is available from only one source of supply; or (iii) standardization or compatibility is the overriding consideration." NCGS §143-129(e)(6). Such an exception is only available in this instance if the Commission approves the purchase.

The sole source request is specifically to purchase spare parts for our existing on-load tap changers (OLTC) from Reinhauen Manufacturing, Inc. A quote for \$178,691.04 was provided on December 16, 2025. The Director of Electric System Support has knowledge of the products and market, and supports this request based on the overriding consideration of standardization and compatibility with existing equipment. It is in the best interest of PWC to standardize the equipment for the following reasons:

- 30 of 30 (100%) of the Reinhauen OLTC are in use throughout our system.
- The OLTC provides the required means to adjust the system voltage up and down to match the load by using 32 taps 0.6525 volts per tap change on 120-volt base through a vacuum interrupter.
- Standardization decreases staff learning curves by maintaining the current equipment, maintenance, and operating standards.
- Standardization reduces operating and maintenance costs by reducing the inventory of replacement parts.

Reinhauen Manufacturing Inc. has provided an email establishing that Reinhauen Manufacturing Inc. is the exclusive supplier of the required equipment in North Carolina. The Substation Department has provided a letter to further justify this sole source request. Therefore, the Substation Department seeks approval to purchase the spare parts listed in the provided quote without the need for competitive bidding.