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State of New Jersey
DEPARTMENT OF THE TREASURY
DIVISION OF PURCHASE AND PROPERTY
PURCHASE BUREAU
P.O. BOX 230
TRENTON, NJ 08625-0230

JOHN E. MCCORMAC, CPA
State Treasurer

January 26, 2004

TO: All Potential Bidders

RE: RFP #: 04-X-36648, T-1620
RFP Title: Supply of Natural Gas for Various State and State Affiliated Agencies

Enclosed please find a complete set of bid documents for the above referenced solicitation.

The following are the key dates for the project:

Date	Time	Event
February 10, 2004	4:00 PM	Submission of Questions (Stage 1) (Refer to RFP Section 1.3.1 for more information)
February 17, 2004	4:00 PM	Submission of Qualifications (Stage 2) (Refer to RFP Section 1.3.2 for more information)
March 2, 2004	2:00 PM	Submission of Bid Proposal (Stage 3) (Refer to RFP Section 1.3.3 for more information)

Appendix I and Appendix II will be provided separately in CDROM format by mail to interested bidders. All questions concerning the RFP contents and the bidding process must be directed to the undersigned.

Sincerely,

Edward T. Cotterell

Edward T. Cotterell
Contract Procurement Specialist

E-Mail Address: Ed.Cotterell@treas.state.nj.us
Phone: 609-984-6241
Fax: 609-292-5170

ATTENTION VENDORS

Vendor Information and Bidding Opportunities

The Purchase Bureau maintains a bidders mailing list. You as a vendor may have basic information about your firm added to the bidders mailing list by visiting our website at <http://www.state.nj.us/treasury/purchase/forms/forms.htm> and submitting a bidders mailing list application online. You may also download the application and instructions and submit the application by mail. Applications submitted online are processed more quickly than mailed applications.

A bidders mailing list application gives you the opportunity to identify yourself as a potential bidder for the types of goods and services that your firm provides. The Purchase Bureau attempts (but does not guarantee) to provide firms on the bidders mailing list with notice of bidding opportunities related to the goods and services identified in the application.

If you are already on the Purchase Bureau's bidders mailing list and you need to change your information, contact Bid List Management at (609) 984-5396

Note: If you are an awarded State contractor and payments are not being directed to your proper remit-to address, you must send a letter on company letterhead to the Office Of Management and Budget, Vendor Control Unit, PO Box 221, Trenton, NJ 08625 or fax that letter to 609-292-4882. In the letter you must include the current incorrect remit to address and your new correct remit-to address. If you have any question about this process you may call (609) 292-8124 for more information.



Bid Number: 04-X-36648

REQUEST FOR PROPOSAL

**SUPPLY OF NATURAL GAS
FOR
VARIOUS STATE AND STATE AFFILIATED AGENCIES**

Date Issued: JANUARY 26, 2004

Purchasing Agency

State of New Jersey
Department of the Treasury
Division of Purchase and Property
Purchase Bureau
PO Box 230
33 West State Street
Trenton, New Jersey 08625-0230

Using Agency

State of New Jersey
Department of the Treasury
Division of Administration
Office of Statewide Contract Consolidation
PO Box 211
Trenton, NJ 08625-0211

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1.0 INFORMATION FOR BIDDERS

1.1 PURPOSE AND INTENT

The purpose of this Request for Proposal (RFP) is to solicit bids from natural gas suppliers who are licensed by the NJ Board of Public Utilities (BPU), for full-requirements natural gas service for both firm and interruptible categories. The Purchase Bureau, Division of Purchase and Property, Department of the Treasury, on behalf of the State of New Jersey, issues this RFP. The aggregator is the New Jersey Consolidated Energy Savings Program (NJCESP) within the Department of Treasury, Division of Administration.

NJCESP participants are located in the service territories of all four of New Jersey's regulated Natural Gas Local Distribution Companies (LDCs). Most of the participants take service under firm service tariffs. However, several participating accounts in Public Service Electric and Gas (PSE&G) and South Jersey Gas (SJG) territories take service under interruptible tariffs.

This RFP specifies seven (7) bid groups as defined in Section 2.2, including two bid groups for firm service and interruptible service, for accounts in the PSE&G and SJG territories. This RFP also specifies one bid group in the New Jersey Natural Gas (NJNG) territory, one bid group in the Elizabethtown Gas (Etown) territory, and one bid group for motor fuels natural gas in the NJNG territory. The State is seeking bids for a single, fixed up-charge price for each of the seven bid groups.

The State will award contracts in seven bid groups as specified on the Bid Price Forms as shown on Attachment 10. A bidder may bid and be awarded a contract in one bid group, more than one bid group or all seven bid groups.

This RFP splits the total price that the participating agencies will pay to the contractor for natural gas into two parts. One part is a fixed priced up-charge. Bidders may submit a bid for the up-charge in one or more bid groups. Contracts will be awarded to the responsive and responsible bidder who bid the lowest up-charge in each bid group.

The second part of the total gas price is the commodity price for the gas. That price will be set on a day between the date of contract award and April 28, 2004 as specified in Section 3.15. In that window of time, when there are market indications that the commodity price of gas is favorable, the Contract Procurement Specialist (Buyer) from the Department of the Treasury will provide the contractor with oral and written (faxed) authorization to buy gas for the entire twenty (20) month period of the contract. The lock-in price of the gas will be the New York Mercantile Exchange (NYMEX) monthly closing settlement prices on the day the contractor is authorized to buy gas. The contractor is automatically authorized to buy gas on April 28, 2004, if authorization is not given before then. For each awarded bid group, the total price the participating agencies will pay for gas will be the weighted average settlement price (tax included) fixed on the day the gas purchase is authorized plus the up-charge price.

By responding to this RFP, the bidder offers to enter into a contract at the up-charge price as bid and agrees to supply the gas itself in accordance with the procedures specified herein.

1.2 BACKGROUND

The State of New Jersey Department of the Treasury (Department), New Jersey Consolidated Energy Savings Program (NJCESP), will administer the contract. The participants are listed in Appendix I.

Traditionally, public agencies have assessed opportunities for cost savings individually and have conducted separate procurement processes to implement their strategies. The NJCESP was established to coordinate efforts to maximize the benefits available from deregulation of natural gas and electricity. To take advantage of the deregulated natural gas market, each agency would normally prepare bid specifications, advertise for bids, and award the contract to the most responsive and responsible bidder. This could entail the preparation and advertisement of ten (10) or more separate RFPs for the same commodity. The members of the NJCESP have joined together under this RFP to consolidate natural gas purchasing into one RFP instead of several RFPs.

The State of New Jersey and many of its affiliated public agencies consume significant quantities of natural gas to heat and operate office buildings, institutions, other public facilities and for vehicle motor fuels. A deregulated competitive natural gas market presents an opportunity for the State to purchase natural gas from third party suppliers at reduced and predictable costs relative to the LDCs' Basic Gas Supply Service (BGSS) tariffs.

The State intends to enter into contracts for the purchase of both firm and interruptible natural gas for State facilities and state affiliated agencies directly from a licensed gas supplier(s). The contractor shall be responsible for the nomination, coordination, scheduling and balancing of gas transportation including completing all arrangements with gas producers, interstate pipelines and the LDCs for delivery of sufficient quantities of firm or interruptible natural gas to the accounts listed in Appendix II.

Gas will be supplied from the source of supply (i.e. wellhead, etc.) through the interstate pipeline system to the City Gate of the Local Distribution Companies (LDC) in accordance with the respective LDCs' applicable tariffs related to third party gas supply. The LDC's will then deliver the gas to each of the participants listed in Appendix I. Appendix II lists participants' accounts by LDC and by interruptible, firm, or firm vehicle motor fuel classifications and provides a twelve-month history of Natural Gas consumption for those accounts. These figures are based on recent historical usage as provided by the respective LDCs. However, the actual natural gas usage may vary from historical levels and can be lower or higher during the contract period.

The contractor is responsible for all costs associated with supply and delivery of natural gas from the point of origin to the City Gate of the appropriate LDC. All costs related to gas supply service to the LDC City Gate delivery must be included in the contractor's prices.

All participating accounts will be subject to dual billing; that is, the contractor will render a bill for gas supply service and the LDC will render a separate bill for delivery service.

In addition, there are two billing and payment mechanisms for gas supply under this contract. Some of the participants have elected to be billed individually. For those participants, the contractor shall send invoices for gas supply service directly to those agencies. However, other participants have elected to consolidate natural gas billing and payments. This consolidated payment process is called the Consolidated Prompt Payment Option within this RFP in section 4.5.4.1. Appendix I of this RFP lists agencies that want to pay individually, and which agencies that have agreed to pay their natural gas bills centrally. NJCESP will coordinate the Consolidated Prompt Payment process.

All participating agencies within the same bid group will pay the same unit price for firm natural gas or interruptible natural gas regardless of the volume of the gas they consume. If a bid group is awarded with the optional Consolidated Prompt Payment Discount, then the only difference between participants in the price paid will be the amount of the discount.

1.3 KEY EVENTS - STAGED BIDDING

There are three stages in the bidding process for this RFP. The bidder must timely complete each stage. The stages are:

Stage 1 - Questions and Inquiries (participation optional)

Stage 2 - Submission of Qualifications

Stage 3 - Submission of Bid Proposal

1.3.1 QUESTIONS AND INQUIRIES - STAGE 1

It is the policy of the Division to accept questions and inquiries from all potential bidders. Written questions can be, e-mailed, faxed or mailed to the Purchase Bureau to the attention of the assigned Purchase Bureau buyer at the following address:

Attn: Edward T. Cotterell, Contract Procurement Specialist (Buyer)
State of New Jersey
Division of Purchase and Property
Purchase Bureau
PO Box 230
Trenton, New Jersey 08625-0230

E-Mail: <mailto:Ed.Cotterell@treas.state.nj.us>

Phone Number: 609-984-6241

Fax Number: 609-292-5170

Copies of questions should also be sent to:

Carl Doan, State Contract Manager
NJ Department of the Treasury
Division of Administration
PO Box 211
Trenton, NJ 08625-0211

Email: <mailto:carl.doan@treas.state.nj.us>

Fax: 609-633-9090

After the submission of bid proposals, unless requested by the State, contact with the State is limited to status inquiries only and such inquiries are only to be directed to the buyer. Any further contact or communication of information about the proposal to the buyer or any other State official connected with the solicitation will be considered an impermissible supplementation of the bidder's bid proposal.

1.3.1.1 CUT-OFF DATE FOR QUESTIONS AND INQUIRIES

The cut-off date for questions and inquiries relating to this RFP is:

Cut Off Date for Questions and Inquiries

<u>DATE:</u>	February 10, 2004
<u>TIME:</u>	4:00 PM - Close of Business

1.3.1.2 QUESTION PROTOCOL

Questions must be submitted in writing to the attention of the assigned Purchase Bureau buyer. The writer should directly tie written questions to the RFP. Questions should be asked in consecutive order, from beginning to end, following the organization of the RFP. Each question should begin by referencing the RFP page number and section number to which it relates.

Short procedural inquiries may be accepted by telephone by the Purchase Bureau buyer; however, oral explanations or instructions given over the telephone shall not be binding upon the State unless memorialized in an addendum to the RFP. Bidders shall not contact the Using Agency directly, in person, by Email, or by telephone, concerning this RFP.

1.3.1.3 ANSWERS TO QUESTIONS

Answers to written questions will be provided by addenda and posted on the web when issued. Bidders should not contact the Procurement Specialist looking for addenda. Instead, bidders should regularly refer to the current bidding opportunities web site to see if addenda have been posted. The web site address is:

[HTTP://WWW.STATE.NJ.US/TREASURY/PURCHASE/BID/SUMMARY/BID.SHTML.](http://www.state.nj.us/treasury/purchase/bid/summary/bid.shtml)

1.3.2 SUBMISSION OF QUALIFICATIONS - STAGE 2

As discussed in the RFP, bidders must submit sufficient documentation of their qualifications and responsibility to satisfy the State that they can do the work required hereunder.

1.3.2.1 STAGE 2 QUALIFICATION SUBMISSION

In order to be considered for award, a prospective bidder initially must submit to the Purchase Bureau a package of qualification information as described in section 4.3 of this RFP. The submission must be made at the following date, time and location:

Delivery of Qualifications - Stage 2

<u>DATE:</u>	February 17, 2004
<u>TIME:</u>	4:00 PM - Close of Business
<u>LOCATION:</u>	BID RECEIVING ROOM - 9TH FLOOR PURCHASE BUREAU DIVISION OF PURCHASE AND PROPERTY DEPARTMENT OF THE TREASURY 33 WEST STATE STREET, P.O. BOX 230 TRENTON, NJ 08625-0230 Directions to the Purchase Bureau can be found at the following website: http://www.state.nj.us/treasury/purchase/directions.shtml

1.3.3 SUBMISSION OF BID PROPOSAL - STAGE 3

In order to be considered for award, the bid proposal must be received by the Purchase Bureau of the Division of Purchase and Property at the appropriate location by the required time. **ANY BID PROPOSAL NOT RECEIVED ON TIME AT THE RIGHT PLACE WILL BE REJECTED.** The date, time and location is:

Delivery of Bid Proposal - Stage 3

<u>DATE:</u>	March 2, 2004
<u>TIME:</u>	2:00 PM
<u>LOCATION:</u>	BID RECEIVING ROOM - 9TH FLOOR PURCHASE BUREAU DIVISION OF PURCHASE AND PROPERTY DEPARTMENT OF THE TREASURY 33 WEST STATE STREET, P.O. BOX 230 TRENTON, NJ 08625-0230 Directions to the Purchase Bureau can be found at the following website: http://www.state.nj.us/treasury/purchase/directions.shtml

1.3.4 BIDS AVAILABLE FOR INSPECTION

Bids will be publicly opened at the time noted above. Thereafter, the bidders' submissions will be available for public inspection (see section 1.4.6).

1.3.5 FIRM PRICES

Bidders must hold the up-charge prices and any offered Consolidated Prompt Payment Discount firm for 47 hours from the date and time of Stage 3 Bid Proposal submission to allow time for bids to be evaluated, to accommodate an abbreviated protest period and for contracts to be awarded. If awarded a contract, the contractor must hold the prices firm for the duration of the contract. The commodity prices will be set after contract award. Once the weighted average commodity price is determined, the contractor must hold that price firm for the duration of the contract regardless of the amount of gas consumed.

1.4 ADDITIONAL INFORMATION

1.4.1 REVISIONS TO THIS RFP

In the event that it becomes necessary to clarify or revise this RFP, such clarification or revision will be by addendum.

ALL RFP ADDENDA WILL BE ISSUED ON THE PURCHASE BUREAU WEB SITE. TO ACCESS ADDENDA THE BIDDER MUST SELECT THE BID NUMBER ON THE PURCHASE BUREAU BIDDING OPPORTUNITIES WEB PAGE AT THE FOLLOWING ADDRESS:

[HTTP://WWW.STATE.NJ.US/TREASURY/PURCHASE/BID/SUMMARY/BID.SHTML.](http://www.state.nj.us/treasury/purchase/bid/summary/bid.shtml)

There are no designated dates for release of addenda. Therefore interested bidders should check the Purchase Bureau "Bidding Opportunities" website on a daily basis from time of RFP issuance through bid opening.

Bidders are solely responsible to be knowledgeable of all addenda related to this procurement.

1.4.2 ADDENDUM AS A PART OF THIS RFP

Any addenda to this RFP shall become part of this RFP and part of any contract resulting from this RFP.

1.4.3 ISSUING OFFICE

This RFP is issued by the Purchase Bureau, Division of Purchase and Property. The buyer noted in Section 1.3.1 is the sole point of contact between the bidder and the State for purposes of this RFP.

1.4.4 BIDDER RESPONSIBILITY

The bidder assumes sole responsibility for the complete effort required in this RFP. No special consideration shall be given after bids are opened because of a bidder's failure to be knowledgeable of all the requirements of this RFP. By submitting a bid proposal in response to this RFP, the bidder represents that it has satisfied itself, by its own investigation, of all the requirements of this RFP.

1.4.5 COST LIABILITY

The State assumes no responsibility and bears no liability for costs incurred by bidders before the award of the contract resulting from this RFP.

1.4.6 CONTENTS OF BID PROPOSAL

The entire content of every bid proposal will be publicly opened and becomes a public record. This is the case notwithstanding any statement to the contrary made by a bidder in its bid proposal.

All bid proposals, as public records, are available for public inspection. Interested parties can make an appointment with the Purchase Bureau buyer to inspect bid proposals received in response to this RFP.

1.4.7 PRICE ALTERATION

Bid prices must be typed or written in ink. Any price change (including "white-outs") must be initialed. Failure to do so may preclude an award being made to the bidder.

1.4.8 JOINT VENTURE

If a joint venture is submitting a bid proposal, the agreement between the parties relating to such joint venture should be submitted with the joint venture's bid proposal. Authorized signatories from each party comprising the joint venture must sign the bid proposal. A separate Ownership Disclosure Form, Affirmative Action Employee Information Report, MacBride Principles Certification, and business registration must be supplied for each party to a joint venture.

However, LDC switching rules provide that one gas supplier can only serve a natural gas account. As a result, in any joint venture proposal, the proposal must clearly indicate which party is the licensed gas supplier that will be responsible for providing gas supply service and meeting all related responsibilities in accordance with this RFP and the applicable LDC Tariff.

If a joint venture is awarded a contract, all post award submissions must be submitted in the name of the joint venture. This includes the requirement for the submission of the Performance Bond noted in Section 5.2. A performance bond submitted in the name of one of the joint venture partners will not satisfy the bonding requirements for a joint venture.

1.4.9 CONTRACT TERM

The contract start date will be May 1, 2004. The contract end date will be December 31, 2005. If the contract is extended for one year, the contract extension period will run from January 1, 2006 through December 31, 2006.

1.4.10 AWARD TIMING

Stage 3 Bid Proposals must be submitted by 2 p.m. to the Purchase Bureau Bid Receiving Room (33 West State St., 9th fl, Trenton) on the date specified on the Cover Sheet of the RFP. Evaluation shall commence immediately. See Section 6.0 for the bid evaluation methodology. After receipt of a Stage 3 Bid Proposal, the bids will be reviewed and a Notice of Intent to Award letter will be issued by fax to all bidders (whether awarded or not) by close of business the next day. A protest period shall commence immediately and will continue until 9 a.m. on the second day after bid opening. Protests received after 9 a.m. will be disregarded. This protest period is intentionally shortened in order to provide a timely Notice of Award to the winning bidder(s) so as not to lose market conditions. By 1 p.m. on the second day after bid opening, the Notice of Award will be issued to the winning bidder(s), who becomes the contractor(s) immediately upon receipt of such Notice of Award.

2.0 DEFINITIONS

The following definitions shall be part of any contract awarded or order placed as result of this RFP.

2.1 STANDARD DEFINITIONS

Addendum – Written clarification or revision to this RFP issued by the Purchase Bureau.

Amendment – A change in the scope of work to be performed by the contractor. An amendment is not effective until it is signed by the Director, Division of Purchase and Property.

Bidder - An individual or business entity submitting a bid proposal in response to this RFP.

Buyer - A Purchase Bureau representative responsible for obtaining goods and services for state agencies.

Contract - This RFP, any addendum to this RFP, and the bidder's proposal submitted in response to this RFP, as accepted by the State.

Contractor - The contractor is the bidder awarded a contract.

Director - Director, Division of Purchase and Property, Department of the Treasury. By statutory authority, the Director is the chief contracting officer for the State of New Jersey.

Division - The Division of Purchase and Property

Evaluation Committee - A committee established by the Director to review and evaluate bid proposals submitted in response to this RFP and to recommend a contract award to the Director.

May - Denotes that which is permissible, not mandatory.

Project - The undertaking or services that are the subject of this RFP.

Request for Proposal (RFP) – This document which establishes the bidding and contract requirements and solicits bid proposals to meet the purchase needs of the using Agencies as identified herein.

Shall or Must – Denotes that which is a mandatory requirement. Failure to meet a mandatory requirement will result in the rejection of a bid proposal as materially non-responsive.

Should - Denotes that which is recommended, not mandatory.

State Contract Manager – The individual responsible for the approval of all deliverables, i.e., tasks, sub-tasks or other work elements in the Scope of Work.

Subtasks – Detailed activities that comprise the actual performance of a task.

State - State of New Jersey.

Task – A discrete unit of work to be performed.

Using Agency or Agency - The entity for which the Division has issued this RFP and will enter into a contract.

2.2 CONTRACT SPECIFIC DEFINITIONS

Accounts - An initial account designation (number) is issued by the applicable LDC, and this account designation (number) stays with the account until closed by the participant or changed by the LDC. The accounts listed in Appendix II are the accounts that the participants have elected to include herein.

Aggregator - The aggregator is the State of New Jersey

All-inclusive, Loaded, Full-requirements, Firm, Fixed Price - A price that includes all direct and indirect costs including, but not limited to: supply, storage, transportation from well head to City Gate, balances or imbalances, overhead fee or profit, clerical support, taxes, travel expenses, safety equipment, materials, supplies, labor, supervision, managerial support and all documents, forms, reports and reproductions thereof. The All Inclusive Loaded Full-Requirements Firm Fixed Price includes all contractor-incurred costs to perform the work of this contract whether stated directly or implied within the RFP. This price is not subject to change during the term of the contract.

Applicable LDC - For an account, the LDC in whose bid group the account is located, as shown in Appendix II.

Applicable taxes - Any federal, state or local tax applied to the sale of natural gas supply, including, but not limited to New Jersey State Sales and Use Tax, and Corporate Business Tax. Any change in the Sales and Use Tax which is adopted by the State Legislature and applied to the sale of natural gas supply during the contract period, will be permitted under the contract and will be passed through as an adjustment to the contract Up-charge Price and Commodity Price at the time of the new tax effective date. New Jersey currently has a six percent (6%) sales tax on energy, which rate shall be included in the bids.

Balancing- Generally the requirement to match the amount of natural gas and transportation nominated for a given period to that actually consumed. Specific definitions for each LDC are included in the LDC Tariff and/or Third Party Supplier Tariff, and shall be incorporated by reference herein.

Beginning Contract Date - The beginning date of the contract is May 1, 2004.

Bid Group- For purposes of this RFP, bid group shall refer to the combination of Bid group and Natural Gas delivery category (firm, interruptible, or firm vehicle motor fuel). That is, in this RFP, four LDC territories for firm, two for interruptible, and one for firm motor natural gas fuel for a total of seven bid groups.

Billing Address - Refer to Appendix I for participant billing addresses.

Billing month - A calendar month, or any other monthly period agreed to by the parties. For purposes of this contract a bill month starts on the first day of the month and closes on the last day of the same calendar month, for gas nomination and delivery purposes.

Board of Public Utilities (BPU) - Regulatory body for utilities for the State of New Jersey.

Broker (Marketer) -A non-regulated buyer and seller of natural gas.

BTU (British Thermal Unit) - Used to designate the amount of heat required to raise the temperature of one (1) pound of water @60 degrees F, by one (1) degree F.

Emergency - Any situation or circumstance which presents a substantial risk of imminent damage to the public health, welfare, or to the environment.

City Gate (Also City Gate Station) - Point at which a local distribution gas company receives gas from a pipeline company. See Gate Station.

Commodity Price - shall be the charge per therm for gas commodity, and shall be fixed at a locked-in weighted average price as established in accordance with the terms of this RFP.

Consolidated Prompt Payment Option - An optional prompt payment discount amount given for the State's consolidation of individual participants invoices into a single prompt payment.

Contract Price - The total price per Therm to be paid by the participant to the contractor, and which shall equal the sum of the fixed Up-charge Price and the Commodity Price minus any discount.

Curtailment - Curtailment of gas service is a method or distribution capacity to balance a utility or pipeline's natural gas requirements with its natural gas supply. Usually there is a hierarchy of customers for the curtailment plan. A customer may be required to partially cut back or totally eliminate its take of gas depending on the severity of the shortfall between gas supply and demand according to the customer's position in the hierarchy.

Customer - Any account of a participant included in this RFP and being provided gas supply service by the contractor pursuant to this RFP

Day - The period of twenty-four (24) consecutive hours beginning at 8:00 a.m. on any calendar day and ending at 8:00 a.m. on the calendar day immediately following.

Delivery Month - In accordance with the applicable LDC Tariff and/or Third Party Supplier Tariff, the initial monthly period, beginning on or after the contract start date, during which the gas supplier must begin delivering gas to the LDC for an account(s) switched to that supplier under this RFP, and subsequent monthly period(s) for which contractor must deliver gas for an account it is supplying under this RFP.

Dekatherm - One dekatherm = 10 therms = 1 MMBTU

Distribution - The act or process of distributing gas from the City Gate or plant to the end use customer. The LDC provides distribution service.

Ending Contract Date - The ending contract date is December 31, 2005 unless an optional extension period, as described herein, is awarded.

Failure to Supply - A failure by the contractor, other than due to Force Majeure, at any time during the contract to deliver to the appropriate LDC the natural gas load requirements in the manner prescribed in the contract and in the applicable LDC Tariff. Interruptible natural gas is defined elsewhere herein and is included in this Failure to Supply definition.

FERC - Federal Energy Regulatory Commission, The.

FERC Order 636 - order that mandates unbundling of the sales and transportation functions of the interstate pipeline companies.

Firm Transportation (FT) - Service class for natural gas that is not subject to curtailment of fuel. For the purposes of this RFP such service will be considered non-recallable firm gas.

Force Majeure - As used in these specifications, the term "Force Majeure" shall mean acts of God, strikes, lockouts, industrial disputes or disturbances, civil disturbances, acts of the public enemy, wars, riots, blockades, insurrections, terrorism, the freezing of wells and lines of pipe or any other cause, whether of the kind herein enumerated or otherwise, not reasonably within the control of the party claiming force majeure. The party claiming force majeure shall use all reasonable efforts to eliminate the force majeure condition as soon as possible. Force Majeure shall not include events of economic hardship. See RFP Section 5.29.

Gas, Natural - A naturally occurring mixture of hydrocarbon and non-hydrocarbon gases found in porous geologic formations beneath the earth's surface, often in association with petroleum. The principal constituent is methane.

Gate Station - Generally a location at which gas passes from the interstate pipeline system to the LDC distribution system and at which gas generally changes ownership, from one party to another. It should be noted, however, that the gas may change from one system to another at this point without changing ownership. Also referred to as City Gate station, town border station, or delivery point.

Imbalance - Generally, when a party receives or delivers a quantity of natural gas, then delivers or redelivers a larger or smaller quantity of natural gas to another party. Specific definitions for each LDC are included in the LDC Tariff and/or Third Party Supplier Tariff, and shall be incorporated by reference herein.

Incremental cost - The premium over the cost that would have been paid by the participant had the supply been received from the LDC directly.

Indexing - Tying the Commodity Price in a contract to a published price. For purpose of this RFP, indexing of the Commodity Price each month shall be based upon the NYMEX Natural Gas settlement price for that month.

Interruptible -Service class for natural gas which can be required to stop use of natural gas subject to curtailment.

Interruptible Basis - Low priority service offered to customers under schedules or contracts which anticipate and permit interruption on short notice, generally in peak-load seasons, by reason of the claim of firm service Customers and high priority users.

Local Distribution Company (LDC) - A company, which operates a retail distribution system, that delivers natural gas to end use customers and whose rates and services are regulated by the New Jersey Board of Public Utilities, typically a local utility company.

Marketer (Broker) - A non-regulated buyer and seller of natural gas.

MCF - 1,000 cubic feet of natural gas.

MMBTU - A thermal unit of energy equal to 1,000,000 BTUS, that is the equivalent of 1,000 cubic feet of gas having a heating content of 1,000 BTU's per cubic foot, as provided by contract measurement terms. This also equals approximately 10 therms or 1 dekatherm.

Month - A period beginning at 8:00 a.m. on the first day of a calendar month and ending at 8:00 a.m. on the first day of the calendar month immediately following. A month is approximately 30 days which, depending on the LDC Tariff and depending on the application, may coincide with a calendar month, or may be determined by the length of time between meter read dates.

Most Favorable Tarrif - Utility tariff that has the best economic benefit to the participant

Nomination - A request for physical quantity of gas under a specific purchase, sales or transportation agreement or for all contracts at a specific point. A nomination will continue for a specified number of days or until superseded by another service request for the same contract.

NYMEX - New York Mercantile Exchange. As used in this RFP and contract, all NYMEX pricing referred to will be the natural gas pricing published on the NYMEX website at www.nymex.com or in the Wall Street Journal. NYMEX Weighted Averaged Settlement unit price per therm will be used as reference for all commodity pricing for this RFP and contract.

Participant or Participants- One or more agencies of the State of New Jersey and its departments, colleges, universities and authorities included in this contract, as listed in Appendix I.

Prompt Payment Discount - A percentage or amount allowed off invoices for prompt payment

Public Utility - A business organization performing a service relating to or affecting all of the people within a specified area, usually under provisions of a franchise, charter or "certificate," and subject to special governmental regulations.

Savings - The difference in commodity contract costs when compared to what would have been paid to the LDC for the commodity when those costs are lower. If higher, see incremental costs.

Scheduling - A process by which nominations are first consolidated by receipt point, by contract, and verified with upstream/downstream parties. If the verified capacity is greater than or equal to the total nominated quantities, all nominated quantities are scheduled. If verified capacity is less than nominated quantities, nominated quantities will be allocated according to scheduling priorities.

Seasonal Delivery Service (SDS) - A possible LDC account designation available to third party marketers that eliminates contract balancing fees for certain customers.

LDC Tariff - The rate schedule or tariff under which the LDC provides distribution and metering services to the customer's facilities for gas supply service purchased from the contractor under this contract.

Therm - Unit of heating value approximately equivalent to 100,000 BTU'S.

Third Party Supplier (TPS) - A natural gas supplier that is duly licensed by the New Jersey Board of Public Utilities and authorized by the LDC to provide gas supply service to retail customers.

Third Party Supplier Tariff - The section of the LDC's Tariff under which the LDC accepts delivery from third party suppliers for gas supply provided on behalf of customers, and related implementing tariff provisions. For Elizabethtown Gas Company, this section of the LDC Tariff is entitled "Service Classification – Third Party Suppliers (TPS) Service," for New Jersey Natural Gas Company, this section of the LDC Tariff is entitled "Service Classifications – MBR – Marketer and Brokers Requirements," for Public Service Electric and Gas Company, this section of the LDC Tariff is entitled "Third Party Supplier Requirements," and for South Jersey Gas Company, this section of the LDC Tariff is entitled Aggregator/Marketer's Agreement (A/M).

Up-charge Price - The bid price, which is fixed and not subject to increase during the initial contract period or any extension period as defined herein, which shall include all contractor costs other than the direct natural gas commodity price per therm associated with this procurement, including interstate pipeline capacity costs, storage costs, profit, overhead, administrative expenses, standby gas costs, attendance at meetings, fees, licenses, taxes, bonds, bid preparation, etc. For this contract, "up-charge" will be bid and

billed on a per therm basis. Total allowable payments under this purchase order will equal the bid price for the natural gas commodity plus the bid price for "up-charge" to equal a total price per therm.

Weighted Average Commodity Price - means the average Commodity Price over a specified term, derived by weighting the published monthly NYMEX natural gas prices for a specified period on a given date by the usage in each month divided by the total usage over the specified period. For each bid group, the total of all monthly estimated volume times the published NYMEX settlement price for the corresponding month/year stated in dollars divided by the total estimated volume of all months for the bid price form stated in dollars to four decimal places multiplied by 1.06 to add NJ Sales and Use tax to calculate one weighted average commodity price for the grouping for the term of the contract.

This is an example of calculating a weighted average commodity prices that was derived from the "Petroleum Futures" "Natural Gas" "SETTLE" column as published in the November 11, 2003 Wall Street Journal

An abbreviated five-month example follows:

Motor Fuels Grouping Attachment 10			
Month/Yr.	Volume	Settle Price	Cost
May-04	110,000	0.4593	\$50,523.00
Jun-04	110,000	0.4610	\$50,710.00
Jul-04	110,000	0.4628	\$50,908.00
Aug-04	110,000	0.4648	\$51,128.00
Sep-04	110,000	0.4633	\$50,963.00
Total	550,000		\$254,232.00

$$\$254,232.00 / 550,000 = \$0.4622 * 1.06 \text{ (to add tax)} = \mathbf{\$0.4900 \text{ per therm Weighted Average}}$$

3.0 SCOPE OF WORK

3.1 GENERAL SCOPE OF WORK

In general, this contract involves the supply, transportation and delivery of natural gas to the LDC for all State and State affiliated participants as listed in Appendix I. Natural gas shall be delivered to the LDC associated with each of the accounts listed in Appendix II. The measurement, testing, heating value, delivery pressure, and quality of natural gas delivered shall be in accordance with terms and conditions of the delivery specifications of the most favorable LDC tariff and in accordance with the applicable interstate pipeline. The State shall not be obligated to purchase or pay for natural gas that either the LDC or the interstate pipeline has refused to accept due to non-conformance with its specifications.

The contractors supplying a Firm Supply of Natural Gas will be providing a firm supply of natural gas without interruption, subject only to Force Majeure. The contractor shall provide all other standby gas service at its expense. The contractor will deliver the appropriate amount of gas on a daily basis to the LDC to meet the requirements of each account consistent with the requirements of the LDC Tariff and the Third Party Supplier Tariff, and to meet all other obligations imposed on third party suppliers by the Third Party Supplier Tariff, including but not limited to the provision of gas quantity nominations to the LDC. The contractor shall not be permitted to assess to customers any charges it incurs as a result of the Third Party Supplier Tariff, including but not limited to Pipeline Imbalance penalties, daily and/or monthly imbalance cash-out charges, and penalties for delivery shortfalls or other non-conformance with the provisions of the Third Party Supplier Tariff.

The contractors supplying Interruptible Natural Gas shall provide an Interruptible Supply of Natural Gas for the utility accounts specified in Appendix II. The contractor may only interrupt service when the terms and conditions of the LDC rate tariff dictate an interruption. The LDC will provide the notification in accordance with the terms and conditions of the rate tariff approved by the BPU.

Upon resumption of service, the LDC will notify the participant. The contractor shall notify the participant and the State Contract Manager.

The Local Distribution Companies (LDCS) for these accounts are:

New Jersey Natural Gas Company (NJNG), 1415 Wyckoff Road, P.O. Box 1464, Wall, NJ 07719;
Elizabethtown Gas Company, One Elizabethtown Plaza, P.O. Box 3175, Union, NJ 07083-1975;
Public Service Electric & Gas Company, P.O. Box 790, Cranford, NJ 07016;
Public Service Electric & Gas Company, P.O. Box 100, RD2, Bordentown, NJ 07505;
South Jersey Gas Company, One South Jersey Plaza, Route 54, Folsom, NJ 08037.

A twelve (12) month natural gas consumption summary established for each natural gas account by Bid group has been provided in "Appendix II." These quantities represent a guide to but not a guarantee of the consumption expected at these sites.

Subject to the terms and conditions of this contract, the contractor agrees to sell and deliver to the State through the appropriate LDC, and the State agrees to purchase and accept from the contractor, the full natural gas requirements of these accounts consistent with the LDC Tariff and the Third Party Supplier Tariff.

3.2 TARIFF RECOMMENDATION

Where a participant's account is eligible for more than one third party supply tariff, the contractor will make a good faith effort to sign the account up in the tariff that has the best economic benefit for the participant. This is referred to as the most favorable tariff in the text of this RFP. All LDC tariffs are identified and described by the links on the NJ BPU website at <http://www.bpu.state.nj.us/home/energy.shtml>.

3.3 COMMODITY DELIVERY

The contractor shall deliver the natural gas to the designated LDC in accordance with the LDC Tariff and Third Party Supplier Tariff, and the LDC will distribute the natural gas to the facilities represented by the accounts. The participants are listed in Appendix I; the accounts are listed in Appendix II, grouped by participant and bid group. Therefore, Appendix II may not contain all the accounts of the participants, but it does represent the accounts that each participant has designated to be served by the contractor.

3.3.1 COMMODITY QUALITY

All natural gas commodity supplied for resulting contracts shall comply with the quality specifications of each applicable LDC and be commercially free of gum, gum-forming constituents, gasoline and other solid and/or liquid matter that may become separated from the gas during transportation thereof and shall conform to quality specifications included in the LDC's tariff and/or those required by delivering pipelines.

The contractor for motor fuel natural gas shall coordinate with NJNG to ensure that the gas delivered to NJ TRANSIT meets the requirements for use in Detroit Diesel natural gas powered engines as follows:

Property	Limit	ASTM Test Method
Methane Content	Minimum of 88% (mole)	D1945
Ethane	Maximum of 6% (mole)	D1945
Propane	Maximum of 1.7% (mole)	D1945
C4 and Higher	Maximum of 0.3% (mole)	D1945
Hydrogen	Maximum of 0.1% (mole)	D2650
Carbon Dioxide	Maximum of 5% (mole)	D1945
Nitrogen	Maximum of 0.5% (mole)	D1945
Oxygen	Maximum of 0.1% (mole)	D2650

3.4 AMENDMENTS TO APPENDIX I AND APPENDIX II

3.4.1 Both Appendix I and Appendix II were provided in a CDROM supplied with the notice letter that an RFP was posted on the internet.

3.4.2 New participants may be added to this contract by amending Appendix I. Appendix I may be amended by written agreement by the State Contract Manager, the contractor and the proposed participant. A new participant shall not be added unless all three parties agree to add the new participant.

3.4.3 Prior to amending Appendix I to add a participant, the State Contract Manager and the proposed participant shall provide the contractor with a list of new accounts and the natural gas requirements for those accounts. The information on the requirements for natural gas will include a recent 12-month consumption history (unless new accounts represent new construction or other expansion of facilities for which account history data are not available), plus any other information similar to that provided in the contract for the initial participants. The State Contract Manager shall not supply more information about a new participant

and the contractor may not require more information about a new participant beyond what was provided for all the other participants in the contract.

3.4.4 If the contract is amended to add a new participant, the State Contract Manager will amend Appendix I to add the new participant and will amend Appendix II to add the accounts of the new participant. All terms and conditions of the contract shall apply to any newly added participant including eligibility to have all accounts extended, if the contract should be extended.

3.4.5 The end date of the contract shall remain the same whether or not participants are added to the contract.

3.5 AMENDMENTS TO APPENDIX II ACCOUNTS

3.5.1 The State Contract Manager may, upon thirty (30) day written notice, amend Appendix II by deleting any account at which a participant no longer conducts business or any other function. The State will amend Appendix II promptly for the purpose of deleting an account pursuant hereto.

3.5.2 If any participant resumes, commences or continues to conduct business or any other function at a facility that was deleted from this contract (even if it had been a facility of a different participant), then the participant shall follow the procedures identified in 3.4 above to have the facility reinstated on Appendix II. Any such reinstatement requires the concurrence of the State Contract Manager, the participant and the contractor. Any facility so reinstated will thereupon become, or continue to be, a legitimate account.

3.5.3 A participant may voluntarily switch from interruptible service to firm service (or vice versa) during the contract. Dropping one type of service shall be handled the same as deleting an account as noted in Section 3.5.1, however, the voluntary dropping of an account shall also be handled the same as if the participant had defaulted on that account in accordance with Section 5.23.1.8 and the contractor shall be eligible for damages in accordance with Section 5.23.3.3. Signing up the same account to a new type of service shall be handled the same as adding a new account as noted in section 3.5.5.

3.5.4 The notice provisions of this Section are for the convenience of the contractor. The contractor may allow a shorter notification period for the removal of an account from the contract but may not require a longer notification period for the removal of accounts from this contract.

3.5.5 A participant may add a new account by contacting the State Contract Manager and requesting to add the account. In turn, the State Contract Manager will notify the contractor of the request to add the account. The addition of any such account will only be made with the written agreement of the participant, the State Contract Manager and the contractor.

3.6 PREPARATION

The contractor will ensure that all arrangements with the LDC have been completed in time to commence delivery of natural gas on the initial service date (i.e. for individual accounts the first meter read date occurring on or after May 1, 2004 for May supply), including the completion of required paperwork, coordination of information systems, coordination of operations and ability to communicate electronically, as appropriate. The State Contract Manager shall have authority to sign necessary LDC and contract related documents on behalf of the contract participants.

3.7 HISTORICAL DATA

Data pertaining to the historical energy consumption of the participants' accounts are provided in electronic format in Appendix II for a recent 12-month period. This historical usage data have been obtained from the LDC, and are not a guarantee or projection of future usage. The actual LDC energy requirements of the participants during the service term may differ materially from the data presented. The contractor shall provide to all the participants all gas needed to satisfy the participant's actual gas demand in accordance with the LDC tariff and third party supplier tariff, even though that demand may be different from the historical consumption data described in Appendix II.

The NJ TRANSIT motor fuels account is used for a fleet of compressed natural gas powered buses and the consumption is relatively flat from month to month. The buses currently use about 110,000 therms of natural gas per month as they do not operate as many miles as the historical data may show, therefore the historical summary for this account has been adjusted to reflect the estimated future requirements of 110,000 therms/month during the contract term.

3.8 CONTRACTOR CERTIFICATION, LICENSING, AND QUALIFICATION REQUIREMENTS

The contractor supplying natural gas under this contract must be licensed and certified. All contractors must hold a Natural Gas Supplier License from the New Jersey Board of Public Utilities. In addition, the contractor must be certified by the LDC to supply gas in the tariff group and category for which the contractor is supplying gas. The contractor must maintain certification by bid group as follows:

3.8.1 The contractor must be certified by NJNG as a marketer or broker in accordance with NJNG service classification MBR if the contractor is providing gas for accounts in the New Jersey Natural Gas Company territory.

3.8.2 The contractor must be certified as a seller of natural gas in accordance with Third Party Supplier (TPS) requirements of Public Service Electric and Gas Company, and meet PSE&G's Standard Terms and Conditions if the contractor is providing gas for accounts in the PSE&G territory.

3.8.3 The contractor must be certified as a Third Party Supplier (TPS), and if applicable, as a Seasonal Delivery Service (SDS), with Elizabethtown Gas Company if the contractor is supplying gas to accounts in the Elizabethtown Gas Company territory.

3.8.4 The contractor must hold certification for rate schedules LVCS and FES with Rider "D" Customer Owned Gas Clause (COGC), or equivalent, and Aggregator/Marketer Agreement (A/M), if applicable, if the contractor is supplying gas for accounts in the South Jersey Gas Company territory.

3.8.5 The contractor shall secure approvals from all regulatory bodies having jurisdiction and make any filings and reports, as required, pertaining to the acquisition of natural gas and/or the transportation of natural gas from contractor's source to the LDCs interconnection with the delivery pipeline supplier.

3.9 CONTRACT ADMINISTRATION AND CONTROL

3.9.1 CONTRACT MEETING

Prior to the start of the contract, the participants, through the State Contract Manager, will convene a meeting with all essential personnel of the contractor to review the implementation of this contract. At a minimum, participants in the meeting will discuss all forms, documents or agreements; contract deliverables, the contractor's contact personnel, normal and emergency operating procedures, submittal of monthly invoices, and any other relevant contractual or scope of work issues.

All contract administration and contract communications including meetings shall be part of the contractor's overhead. These costs shall be included in the bid prices and shall not be separate billing items.

3.9.2 CONTRACT ADMINISTRATION

The contractor will shall maintain oral and email communications with the State Contract Manager and the individual participants on the progress of this contract. This is especially critical for curtailment requests for interruptible accounts. Minor or administrative operational problems or disputes shall be resolved in this manner. If an agency dispute or problem cannot be resolved between the contractor and the participant, then that dispute or problem shall be reduced to writing and elevated to the State Contract Manager for resolution. If the State Contract Manager cannot resolve the dispute or problem, the issue will be elevated to the Division of Purchase & Property's Contract Compliance and Administration Unit (CCAUC), which shall have final jurisdiction over the issue. For each of the individual agencies participating in this procurement, a participant contact is identified in Appendix I.

Further, the State Contract Manager shall have overall control of contract administration. The State Contract Manager for this contract is:

Carl Doan
NJ Department of the Treasury
Division of Administration
PO Box 211
Trenton NJ 08625-0211
Phone: 609-633-2513
Fax: 609-292-9566
[Email: carl.doan@treas.state.nj.us](mailto:carl.doan@treas.state.nj.us)

The contractor shall also meet on a quarterly basis with the State Contract Manager, if requested, to review the overall operation of the contract, to make recommendations, and present reports. Major contractual problems or disputes shall be presented in writing to the State Contract Manager and should be reviewed and resolved at the quarterly meetings.

All contract administration and contract communications including quarterly meetings shall be the contractor's overhead. These costs shall be included in the bid prices and shall not be separate billing items.

The contractor shall make all arrangements with LDCs or others for delivery of natural gas to participant accounts.

3.9.3 CONTRACT MONITORING AND CONTROL

The contractor shall arrange transportation of the natural gas from the source (wellhead etc.) to the LDC in accordance with the LDC Tariff and the Third Party Supplier Tariff. The contractor shall monitor the quantities of natural gas supplied to all participants that are party to this contract. The contractor will shall monitor gas deliveries to the LDC City Gate and receive and record information from the LDCs concerning the actual consumption of gas by the participants. In addition, the contractor shall maintain adequate deliveries to meet the needs of the participant facilities, subject to the LDC Tariff and Third Party Supplier tariff.

3.9.4 CONTRACT DELIVERABLES

3.9.4.1 CONSUMPTION REPORT

The contractor shall provide each participant with a monthly report of consumption that provides an analysis of savings or incremental costs between the contract price and what would have been paid under the applicable LDC “bundled” tariff for the same quantity of supply. Such cost analysis shall be submitted with each monthly invoice. At the end of each calendar quarter, the contractor shall provide a summary report of the cost analysis for all accounts served to the State Contract Manager. These quarterly reports will provide management with information on the benefits or costs associated with using third party supply.

3.10 EMERGENCY AND STANDBY SERVICE

3.10.1 EMERGENCY CONTACT PERSON

For emergency situations, the contractor shall have available to the State, a representative available to be contacted on a twelve (12) hrs/day basis and who will be capable of meeting State personnel within four (4) hours after a request for such a meeting is made.

3.10.2 STANDBY SERVICE

In the Elizabethtown Gas Region, where the participant and the LDC establish that an account is an "Essential Gas Service User," resulting in the participant being required to contract and pay for Standby service, the contractor shall assist the State in an economic analysis and the determination of whether it will be beneficial for this account to participate in this contract. Such assistance shall occur before the delivery of gas under this contract and shall not be subject to compensation by the State.

Where economic benefit to the account can be demonstrated and where the account is specifically established as an "Essential Gas Service User," the agency will agree to payment of the standby service charge for that account directly to the LDC. For all other accounts, the State will not elect standby service offered by the LDC. The contractor shall provide equivalent or greater standby service included in its up-charge unit price.

3.11 TITLE

The contractor warrants title to all gas delivered by it and warrants that it has the right to sell same and that such gas is free from liens and adverse claims of every kind. The contractor shall indemnify and save the State harmless against all loss, damage and expense of every kind on account of adverse claims, which accrue before delivery to the City Gate (LDC). The contractor shall be in control and possession of the gas delivered hereunder and responsible for any damage or injury caused thereby until the gas is delivered to the City Gate (LDC).

3.12 DELIVERY TO CITY GATE

The contract price for natural gas shall include all charges associated with purchase and transportation of the gas to the City Gate (LDC) for ultimate sale to the participant, including all applicable taxes. Bills shall be based on quantities delivered to the City Gate as required by the LDC in accordance with the LDC Tariff and the Third Party Supplier Tariff . The contractor shall arrange transportation on the pipelines involved from wellhead to City Gate.

3.13 AGREEMENTS

The contractor and the State Contract Manager shall enter into any necessary agreements with the LDCs in connection with the delivery of gas, in accordance with established tariffs approved by the Board of Public Utilities.

3.14 MISCELLANEOUS COSTS

The participants will pay for electronic metering and telephone service(s) if required by the LDCs. Any necessary administrative fees to select or change a seller, commence standby sales service or return to firm sales service for PSE&G accounts shall be paid by the participants. The contractor must inform the participant and the State Contract Manager of such occurrence in advance, with at least fifteen (15) days written notice.

3.15 SETTING THE COMMODITY PRICE FOR GAS

The contract price for gas shall be set during a window of time starting immediately after contract award and ending on April 28, 2004. At the discretion of the State Contract Manager, and at any time during the commodity price setting window, the contractor may be contacted by the Contract Procurement Specialist (buyer) assigned for this contract from the Purchase Bureau in the Department of the Treasury and given telephone authorization and written (faxed) authorization to buy gas. It is the intent that such authorization shall be given before or at 1:00 P.M. if authorized on a Monday through Thursday and before or at 11:00 A.M. if authorized on a Friday. If such authorization is given after 1:00 P.M. on a Monday through Thursday or after 11:00 A.M. on a Friday, then such authorization shall be interpreted as authorization to purchase gas on the following business day. If such authorization has not been granted by April 27, 2004, the contractor shall buy the gas on April 28, 2004 under the authority of this contract, without any oral or written communication from the State.

The price of gas that participants will pay shall equal the Weighted Average Commodity Price (see definition) based on the monthly NYMEX settlement prices for each of the 20 months of this contract as published in the Wall Street Journal and the NYMEX web site for the day purchase was authorized. The projected gas consumption for each month of the contract that will be used for calculating the weighted average in each bid group is the estimated quantity shown on the bid price sheet.

Within three (3) business days following the authorization to buy gas, the contractor shall provide the State Contract Manager and the Contract Procurement Specialist (buyer) with its written (faxed with a mailed original) calculation of the weighted average commodity price and the final combined contract price for each awarded bid group, that being the up-charge price plus the Weighted Average Commodity Price minus any discount. The State Contract Manager or Contract Procurement Specialist shall respond with notice that the calculated final contract price for each bid group is accepted or shall point out any calculation errors to the contractor and request a recalculation.

3.15.1 MARKET INFORMATION FROM THE CONTRACTOR

The State Contract Manager's selection of a date to purchase gas will be reached with a consensus of the bid evaluation committee and the approval of the Director of the Division of Purchase and Property or his designee. The State Contract Manager may also seek the input of the contractor on market conditions as one factor in the date selection process. The contractor shall provide market information and advice to the State Contract Manager, if so requested.

3.16 SETTING THE COMMODITY PRICE FOR GAS – CONTRACT EXTENSION

At any time during this contract, the State Contract Manager, in conjunction with a consensus of the bid evaluation committee, may determine that it is in the best interest of the participants to extend the contract for an additional year. Any extension shall be predicated on the reasonable expectation that the total price of gas (up-charge price plus commodity price) will be less than the original contract price.

If the State Contract Manager determines that market conditions are favorable for extending the contract, the State Contract Manager through the Procurement Specialist (buyer) in the Purchase Bureau in the Department of the Treasury shall solicit from the contractor an offer to extend the contract with a new up-charge price. The Contractor's offer to extend the contract shall be in writing and shall be sent to the Procurement Specialist and the State Contract Manager. The offer must indicate the time period for which the offered up-charge price is valid. Subsequently, the State Contract Manager shall determine with the bid evaluation committee whether or not to proceed with extending the contract. If it is determined to proceed with the contract extension, the Procurement Specialist in the Department of the Treasury shall request that the contractor purchase gas for the 12-month contract extension period. From this point, the processes specified in section 3.15 and section 3.15.1 shall apply to the contract extension.

The State Contract Manager, in conjunction with the participants, may allow the contract extension offer to expire. Any such expiration, if it occurs, will have no cost consequence to the State. The Contractor shall not bill the State for any costs incurred if an offer to extend the contract is not accepted by the State.

Any Consolidated Prompt Payment discount shall continue into the extension period without change.

The projected gas consumption that will be used in the weighting process to determine the Weighted Average Commodity Price for the gas in the extension period in each bid group will be an amount equal to the estimated quantities on the last twelve months of price sheet usage inclusive, as shown in the bid price sheets.

4.0 PROPOSAL PREPARATION AND SUBMISSION

4.1 GENERAL

The bidder must follow instructions contained in this RFP and in the bid cover sheet in preparing and submitting its bid proposal. The bidder is advised to thoroughly read and follow all instructions.

The information required to be submitted in response to this RFP has been determined to be essential in the bid evaluation and contract award process. Any qualifying statements made by the bidder to the RFP's requirements could result in a determination that the bidder's proposal is materially non-responsive and may cause the bidder's bid proposal to be rejected as non-responsive. Consequently, the bidder's eligibility for contract award may be jeopardized. Each bidder is given wide latitude in the degree of detail it elects to offer or the extent to which plans, designs, systems, processes and procedures are revealed. Each bidder is cautioned, however, that insufficient detail may result in a determination that the bid proposal is materially non-responsive or, in the alternative, may result in a low technical score being given to the bid proposal.

4.2 PROPOSAL DELIVERY AND IDENTIFICATION

In order to be considered, a bid proposal must arrive at the Purchase Bureau in accordance with the instructions on the RFP cover sheet. Bidders submitting proposals are cautioned to allow adequate delivery time to ensure timely delivery of proposals. State regulation mandates that late bid proposals are ineligible for consideration. **THE EXTERIOR OF ALL BID RESPONSE PACKAGES MUST BE LABELED WITH THE BID IDENTIFICATION NUMBER, FINAL BID OPENING DATE AND THE BUYER'S NAME.** All of this information is set forth at the top of the RFP cover sheet (page 3 of the RFP).

4.3 BIDDER QUALIFICATIONS (STAGE 2 SUBMISSIONS)

As evidence of the bidder's qualifications and responsibility to perform the work required by this RFP, the bidder must submit a package of information which includes at least the following items, copies of which are included as Attachments to this RFP. One (1) clearly marked original of the qualifications must be submitted. An additional seven (7) copies should also be submitted for a total of eight (8) submittals. The Stage 2 submissions are:

- Ownership Disclosure Form
- MacBride Principals
- Affirmative Action Employees Information Report
- Explanation of Past Problems
- Bidder Information Form
- Reciprocity Form (optional)

4.3.1 OWNERSHIP DISCLOSURE FORM

In the event the bidder is a corporation or partnership, the bidder must complete the attached Ownership Disclosure Form. A completed Ownership Disclosure Form must be received prior to or accompany the bid proposal. Failure to do so will preclude the award of the contract.

The Ownership Disclosure Form is attached as Attachment 1 to this RFP.

4.3.2 MACBRIDE PRINCIPLES CERTIFICATION

The bidder must complete the attached MacBride Principles Certification evidencing compliance with the MacBride Principles. Failure to do so may result in the award of the contract to another vendor.

The MacBride Principles Certification Form is attached as Attachment 2 to this RFP

4.3.3 AFFIRMATIVE ACTION

The bidder must complete the attached Affirmative Action Employee Information Report, or, in the alternative, supply either a New Jersey Affirmative Action Certificate or evidence that the bidder is operating under a federally approved or sanctioned affirmative action program. The requirement is a precondition to entering into a valid and binding contract.

The Affirmative Action Forms are attached as Attachment 3 to this RFP

4.3.4 EXPLANATION OF PAST PROBLEMS

If the bidder has previously worked for the State and has received written complaints or negative written formal evaluations from the State or has been involved in disputes with the State about that work, the bidder must explain what, if anything, the bidder has done, or will do, to avoid similar problems in the future. This explanation must deal specifically with the problems involved on the prior contract and any organizational, operational or other changes that have been or will be implemented. The bidder must provide a convincing explanation that past problems will not recur on future work.

In addition, the bidder shall provide a list and description of any disputes or litigation related to performance of services which are pending or finalized at the BPU or with any agency of the State of New Jersey. The State reserves the right to disqualify a Natural Gas Supplier from consideration on the basis of this information or other information it may receive regarding a supplier's service violations or pending litigation that may impact the Natural Gas Supplier's service to the State.

If the bidder is currently working for or has previously worked for the federal government, State of New Jersey or any participant of the State ("Government Contractor"), and has received written complaints or negative written formal evaluations from the Government Contractor, or has been involved in a dispute with the Government Contractor about that work, the bidder must provide a detailed explanation. This explanation must state the type of work, the name of the Government Contractor, the dates and locations of the work, the problems, and changes which the bidder has made or intends to make as a result. The bidder must provide a convincing explanation that past problems will not recur on future work.

Attachment 4 is provided for the purpose of providing information concerning past problems.

4.3.5 BIDDER INFORMATION FORM

The bidder must provide the following information. Attachment 5 reiterates this information.

4.3.5.1 TECHNICAL PROPOSAL

In this section, the bidder shall describe its approach and plans for accomplishing the work outlined in the Scope of Work, Section 3.0. The bidder must set forth its understanding of the requirements of this RFP and its ability to successfully complete the contract. This section of the bid proposal should contain at least the following information:

4.3.5.2 MANAGEMENT OVERVIEW

The bidder shall set forth its overall technical approach and plans to meet the requirements of the RFP in a narrative format. This narrative should convince the State that the bidder understands the objectives that the contract is intended to meet, the nature of the required work and the level of effort necessary to successfully complete the contract. This narrative should convince the State that the bidder's general approach and plans to undertake and complete the contract are appropriate to the tasks and subtasks involved.

Mere reiterations of RFP tasks and subtasks are strongly discouraged, as they do not provide insight into the bidder's ability to complete the contract. The bidder's response to this section should be designed to convince the State that the bidder's detailed plans and approach proposed to complete the Scope of Work are realistic, attainable and appropriate and that the bidder's bid proposal will lead to successful contract completion.

4.3.5.3 CONTRACT MANAGEMENT

The bidder should describe its specific plans to manage, control and supervise the contract to ensure satisfactory contract completion according to the required schedule. The plan should include the bidder's approach to communicate with the State Contract Manager including, but not limited to, status meetings, status reports, etc.

4.3.5.4 CONTRACT SCHEDULE

The bidder should include a contract schedule. If key dates are a part of this RFP, the bidder's schedule should incorporate such key dates required by the Scope of Work. Such schedule should also identify the associated deliverable item(s).

4.3.5.5 GEAR-UP AND IMPLEMENTATION PLAN

It is essential that the State move forward quickly to have this contract in place. Therefore, the bidder must submit with its bid proposal a detailed gear-up and implementation plan that should include at least the following elements:

A detailed timetable for the gear-up and implementation period for service to begin as of May 1, 2004. The timetable should be designed to demonstrate to the State how the bidder will have the contract up and fully operational within the referenced gear-up period (as required) from date of notification of award.

An explanation of how the bidders accounting department is set up, what software systems the bidder uses etc.

An explanation of the bidder's working relationship with the LDC(s), and any agreements the bidder may have in order to complete switching activities timely prior to actual delivery.

4.3.5.6 POTENTIAL PROBLEMS

The bidder should set forth a summary of any and all problems that the bidder anticipates during the term of the contract. For each problem identified, the bidder should provide its proposed solution.

4.3.5.7 ORGANIZATIONAL SUPPORT AND EXPERIENCE

The bidder should include information relating to its organization, personnel, and experience, including, but not limited to, references, together with at least two contact names and telephone numbers, evidencing the bidder's qualifications, and capabilities to perform the services required by this RFP.

4.3.5.8 LOCATION

The bidder should include the location of the bidder's office that will be responsible for managing the contract. The bidders name, address, contact information, headquarters location, local office, fax numbers, telephone numbers, Email addresses and individuals to contact should be noted in this section.

4.3.5.9 ORGANIZATION CHART (CONTRACT SPECIFIC)

The bidder should include a contract organization chart, with names showing management, supervisory and other key personnel (including sub-contractor's management, supervisory or other key personnel) to be assigned to the contract. The chart should include the labor category and title of each individual.

4.3.5.10 IDENTIFY THE BID GROUPS BEING BID

The bidder shall identify the bid groups for which it intends to bid in the Stage 2 Qualification Submission. Such identification shall be used to review the license and certification information specified in Section 4.3.5.11

4.3.5.11 LICENSES CERTIFICATIONS AND REGISTRATIONS

New Jersey Business Registration

The bidder must supply its New Jersey Business Registration Number or a copy of the New Jersey Business Registration Certificate for State Agency and Casino Service Contractors.

Note: The bidder with the Stage 2 Qualification submission should submit proof of valid business registration with the Division of Revenue, Department of the Treasury, State of New Jersey. No contract will be awarded without proof of business registration with the Division of Revenue. Any question in this regard can be directed to the Division of Revenue at (609) 292-1730 or (609)-292-9292.

Registration requires the filing of the NJ-REG form with the Division of Revenue. Information and the form can be obtained at www.state.nj.us/njbgs/services.html and searching for business registration. The registration covers all types of contractors and subcontractors. Contractors should review the instructions associated with the form for more information.

Natural Gas Supplier License

All bidders must submit with their bid either a copy of their current license as a Natural Gas Supplier or their current license number issued by the N.J. Board of Public Utilities.

LDC Certifications

Each LDC has specific requirements for third party suppliers of natural gas. For any bid group that the bidder intends to bid, the bidder must provide copies of its LDC certifications/agreements for third party

supply or a written statement from the bidder that certifies that it will complete any necessary third party supply agreements with the appropriate LDC prior to the delivery of gas.

4.3.5.12 BACKUP STAFF

The bidder should include a list of backup staff that may be called upon to assist or replace primary individuals assigned. Backup staff must be clearly identified as backup staff.

In the event the bidder must hire management, supervisory and/or key personnel if awarded the contract, the bidder should include, as part of its recruitment plan, a plan to secure backup staff in the event personnel initially recruited need assistance or need to be replaced during the contract term.

4.3.5.13 ORGANIZATION CHART (ENTIRE FIRM)

The bidder should include an organization chart showing the bidder's entire organizational structure. This chart should show the relationship of the individuals assigned to the contract to the bidder's overall organizational structure.

4.3.5.14 EXPERIENCE OF BIDDER ON CONTRACTS OF SIMILAR SIZE AND SCOPE

The bidder should provide a comprehensive listing of contracts of similar size and scope that it has successfully completed, as evidence of the bidder's ability to successfully complete the services required by this RFP. Emphasis should be placed on contracts that are similar in size and scope to the work required by this RFP. A description of all such contracts should be included and should show how such contracts relate to the ability of the firm to complete the services required by this RFP. For each contract, the bidder should provide the name and telephone number of two contact persons for the other contract party. Beginning and ending dates should also be given for each contract.

4.3.5.15 FINANCIAL CAPABILITY OF THE BIDDER

The bidder shall provide proof of its financial capacity and capabilities to undertake and successfully complete the contract. To satisfy this requirement, the bidder shall submit a certified financial statement, including applicable notes, reflecting the bidder's assets, liabilities, net worth, revenues, expenses, profit or loss, and cash flow for the most recent calendar year or the bidder's most recent fiscal year; or, if a certified financial statement is not available, then either a reviewed or compiled statement from an independent accountant setting forth the same information required for the certified financial statement. In addition, the bidder must submit a bank reference.

If a corporation, submit the corporation's most recently filed SEC form 10q. Also if a corporation, submit a copy of the corporation's most recent annual report. Also provide the bidder's Dun and Bradstreet number, and bidder's or the bidder's parent company's most recent bond rating (Standard and Poor's, Fitch or Moody's). Failure to provide adequate company financial information may be cause for bid rejection.

4.3.5.16 SUBCONTRACTOR(S)

A. Should the bidder propose to utilize a subcontractor(s) to fulfill any of its obligations, the bidder shall be responsible for the subcontractor's(s): (a) performance; (b) compliance with all of the terms and conditions of the contract; and (c) compliance with the requirements of all applicable laws.

- B. The bidder must provide a detailed description of services to be provided by each subcontractor, referencing the applicable Section or Subsection of this RFP.
- C. The bidder should provide detailed resumes for each subcontractor's management, supervisory and other key personnel that demonstrate knowledge, ability and experience relevant to that part of the work which the subcontractor is designated to perform.
- D. The bidder should provide documented experience to demonstrate that each subcontractor has successfully performed work on contracts of a similar size and scope to the work that the subcontractor is designated to perform in the bidder's proposal.

4.3.6 RECIPROCITY FORM (OPTIONAL)

The reciprocity form is an optional submission. All information relating to this form is noted with the form. Attachment #6 is provided for this purpose.

4.4 REVIEW OF STAGE 2 SUBMISSIONS

Following submission of the bidder's qualifications, the Purchase Bureau will perform a completeness review to determine any deficiencies and if further information is needed to make a determination as to the bidder's qualifications and responsibility. If any further information is needed from the bidder, the Purchase Bureau will request it in writing. The bidder shall respond to any such request for more Stage 2 information in the Stage 3 Bid Proposal.

4.5 BID PROPOSAL (STAGE 3 SUBMISSIONS)

The bidder must submit a package of information, which includes at least the following items, copies of which are included as Attachments to this RFP. One (1) clearly marked original of the bid proposal must be submitted. An additional seven (7) copies should also be submitted for a total of eight (8) submittals. The Stage 3 submissions are:

- Response to any deficiencies found in the Stage 2 Qualification Submission
- Cover Sheet
- Joint Venture Certification form (if applicable)
- Bid Price Forms

4.5.1 RESPONSE TO DEFICIENCIES

The bidder may receive a notice from the Procurement Specialist (buyer) that deficiencies were discovered in the bidder's Stage 2 Qualification Submission. If so, the bidder must correct those deficiencies by providing revised and corrected forms or information in the Stage 3 Bid Proposal. Attachment #7 is provided for this purpose.

4.5.2 COVER SHEET

The bidder shall complete and sign the cover sheet provided as Attachment #8

4.5.3 JOINT VENTURE CERTIFICATION FORM

If the bidder is a joint venture, then the joint venture certification form must be completed, signed by all the joint venture partners and submitted with the bid proposal. Attachment #9 is provided for this purpose.

Also see section 1.4.8 for more information concerning joint ventures.

4.5.4 BID PRICE FORMS

The bidder must submit a bid price form for each bid group for which the bidder is bidding. Attachment #10 is provided for this purpose. The bidder may bid on one bid group, more than one bid group or all seven bid groups. In addition, there is an additional form for the bidder to provide a Consolidated Prompt Payment discount which is bid a price per therm that will be subtracted from billings for the accounts identified as part of the Consolidated Prompt Payment Option.

There are eight (8) bid price forms. On the first seven (7) forms, the bidder is to provide a price for the up-charge per therm for each bid group, multiply that up-charge price by the estimated quantity of therms to produce a total price for the up-charge for that bid group. The up-charge price bid, if awarded, shall be the contract up-charge price. In addition, on the form, there is a commodity price already filled in with a total. This price per therm as shown is just for bid evaluation purposes and for the development of a total bid price that will be used to determine the amount of the Performance Bond. The actual cost of the gas will be determined in accordance with the procedure specified in sections 3.15 and 3.16 of the RFP after contract award.

All bid prices shall be in dollars to the fourth (4th) decimal place (\$0.1234). Bids received to a fifth (5th) decimal place will be truncated to the fourth (4th) decimal place, that is the fifth (5th) decimal place number will be dropped, not rounded and the bidder shall bill the State at the truncated upcharge price.

The eight (8th) form is for bidding the Consolidated Prompt Payment Option discount as discussed below.

4.5.4.1 CONSOLIDATED PROMPT PAYMENT OPTION

The purpose of the Consolidated Prompt Payment Option is to gain a lower up-charge per therm price by consolidating billing and providing one single timely payment from multiple participants. Any bidder bidding a discount under this plan must submit its up-charge per therm discount amount on Bid Sheet Attachment 10-H. Any discount bid must be a per therm discount, in dollar terms to the fourth (4th) decimal place, i.e. \$.nnnn discount off the total up-charge rate. Any discount offered will also extend to any extension period(s), as exercised by the State and contractor. The State will make net 10 day payments on behalf of included participants on one check. Included participants are NJ City University, Ramapo College, University of Medicine and Dentistry, and all State of New Jersey departments except for the Department of Military and Veterans Affairs (DMAVA). The State retains the right not to accept the discount offered, in which case these agencies will be billed directly by the contractor. If the Consolidated Prompt Payment discount offered by the bidder is accepted, these participant accounts will be rolled up into a master bill as determined between the State Contract Manager and contractor (note however, that all participant identities must remain and be identified). The Consolidated Prompt Payment discount offered, will not be a factor in the cost evaluation of bid prices.

However, if the bidder has not offered a Consolidated Prompt Payment discount, the accounts in that bid group will all be individually billed to the participants listed in Appendix I.

4.6 NUMBER OF BID PROPOSAL COPIES

Each bidder must submit one (1) complete ORIGINAL bid proposal, clearly marked as the “ORIGINAL” bid proposal. Each bidder should submit seven (7) full, complete and exact copies of the original for a total of eight (8) copies. Bidders failing to provide the requested number of copies will be charged the cost incurred by the State to produce the requested number of copies. It is suggested that the bidder make and retain a copy of its bid proposal.

4.7 SET ASIDE

Not Applicable.

5.0 SPECIAL TERMS AND CONDITIONS

5.1 PRECEDENCE OF CONTRACTUAL TERMS AND CONDITIONS

The contract shall consist of this RFP, addenda to this RFP, the bidder's bid proposal, and the Division's Notice of Acceptance.

Unless specifically noted within this RFP, the Special Terms and Conditions, take precedence over the Standard Terms and Conditions, attached as Appendix III.

In the event of a conflict between the provisions of this RFP, including the Standard Terms and Conditions and the Special Terms and Conditions, and any addenda to the RFP, the addenda shall govern.

In the event of a conflict between the provisions of this RFP, including any addenda to this RFP, and the bidder's proposal, the RFP and/or the addenda shall govern.

5.2 PERFORMANCE BOND

This section supplements Section 3.3b of the Standard Terms and Conditions. A performance bond is required. The amount of the performance bond is noted on the RFP cover sheet. The contractor must provide the performance bond within ten (10) days of the effective date of the contract award. The performance bond must remain in full force and effect for the term of the contract and any extension thereof. Within thirty (30) days of the anniversary of the contract effective date, the contractor shall provide proof to the Director that the performance bond in the required amount remains in effect. Failure to provide such proof may result in the suspension of payment to the contractor until such time the contractor complies with this requirement.

Contract awardees must submit a Performance Security/Performance Bond within ten (10) days of contract award. The amount of the Performance Bond will equal fifteen percent (15%) of the total twenty-month (20) month total bid price, for each awarded bid group. The total bid price for each bid group as shown on the bid price forms is the basis for calculating the bond. The total bid price on the bid price forms is composed of the up-charge multiplied by the estimated quantity plus an estimated dollar value for the gas itself based on the commodity price that appears on the bid price forms. This total is the basis for calculating the 15% bond. The bond amount will not change up or down if the actual commodity price of the gas is different from the estimated amount shown on the bid price forms.

In the event of a contract extension, the contractor must submit a performance security/performance bond in an amount equal to $x/20$ of the original contract performance bond amount where "x" equals the number of months the contract is extended

5.3 BUSINESS REGISTRATION

See Standard Terms & Conditions, Appendix 1, Section 1.1.

5.4 CONTRACT TERM AND EXTENSION OPTION

The term of the contract shall be for a period of twenty (20) months. The anticipated "Contract Effective Date" is provided on the cover sheet of this RFP (page 3 of this RFP). If delays in the bid process result in an adjustment of the anticipated Contract Effective Date, the bidder agrees to accept a contract for the full term of the contract.

The contract may be extended for two (2) additional periods of up to one (1) year, by mutual written consent of the contractor and the Director at the same terms, conditions and pricing. The length of each extension shall be determined when the extension request is processed.

Should the contract be extended, the contractor shall be paid unit prices that are adjusted in accordance with section 3.16.

5.5 FULL OR PARTIAL CONTRACT TERMINATION

Upon receipt of a termination notice, the contractor shall:

1. Promptly discontinue all affected service (unless the notice directs otherwise);
2. Place no further orders or sub-contracts for gas deliveries, services, or facilities except as necessary to complete the portion of the work under the contract that is not terminated;
3. Terminate all orders and sub-contracts to the extent that they relate to the performance of the work terminated by the Notice of Termination;
4. Assign to the State, in the manner, at the times and to the extent directed by the State, all the rights, title, and interest of the contractor under the pending orders and sub-contractors so terminated. With respect to pending orders, the State shall have the right, at its discretion, to settle or pay any or all claims arising out of the termination of such orders and sub-contracts;
5. Settle all outstanding liabilities and all claims arising out of such termination of pending orders, with the approval or ratification of the State to the extent required;
6. Deliver or otherwise make available to the State all deliveries in process;
7. Complete performance of such part of the work as shall not have been terminated by the Notice of Termination.

After receipt of a Notice of Termination the contractor shall submit to the State its termination adjustment request. Such request shall be submitted promptly, but in no event later than forty-five (45) days from the effective date of the termination, unless one or more extensions in writing are granted by the State upon request of the contractor within such forty-five (45) day period. See section 5.23.2.2 for more information.

5.6 CONTRACT TRANSITION

In the event services end by either contract expiration or termination, it shall be incumbent upon the contractor to continue services, if requested by the Director, until new services can be completely operational. The contractor acknowledges its responsibility to cooperate fully with the replacement contractor and the State to ensure a smooth and timely transition to the replacement contractor. Such transitional period shall not extend more than one hundred twenty (120) days beyond the expiration date of the contract, or any extension thereof. The contractor will be reimbursed for services during the transitional period at the rate established using the procedure specified in Section 3.16 but with the price limitations removed.

5.7 AVAILABILITY OF FUNDS

The State's obligation to pay the contractor is contingent upon the availability of appropriated funds from which payment for contract purposes can be made. No legal liability on the part of the State for payment of any money shall arise unless funds are made available each fiscal year to the State Participating Agency by the Legislature.

5.8 CONTRACT AMENDMENT

Any changes or modifications to the terms of the contract shall only be valid when they have been reduced to writing and executed by the contractor and the Director.

5.9 CONTRACTOR RESPONSIBILITIES

The contractor shall have sole responsibility for the complete effort specified in the contract. Payment will be made only to the contractor. The contractor shall have sole responsibility for all payments due any subcontractor.

The contractor is responsible for the professional quality, technical accuracy and timely completion and submission of all deliverables, services or commodities required to be provided under the contract. The contractor shall, without additional compensation, correct or revise any errors, omissions, or other deficiencies in its deliverables and other services. The approval of deliverables furnished under this contract shall not in any way relieve the contractor of responsibility for the technical adequacy of its work. The review, approval, acceptance or payment for any of the services shall not be construed as a waiver of any rights that the State may have arising out of the contractor's performance of this contract.

5.10 SUBSTITUTION OF STAFF

If it becomes necessary for the contractor to substitute any management, supervisory or key personnel, the contractor will identify the substitute personnel and the work to be performed.

The contractor shall forward a request to substitute staff to the State Contract Manager for consideration and approval. No substitute personnel are authorized to begin work until the contractor has received written approval to proceed from the State Contract Manager.

5.11 SUBSTITUTION OR ADDITION OF SUBCONTRACTOR(S)

This subsection serves to supplement but not to supersede Section 3.11 of the Standard Terms and Conditions of this RFP.

Subcontracting is not part of this contract. Arrangements with producers, pipelines, and the LDC shall not be considered a subcontract for the purpose of this contract.

5.12 OWNERSHIP OF MATERIAL

All data, technical information, materials gathered, originated, developed, prepared, used or obtained in the performance of the contract, including, but not limited to, all reports, surveys, plans, charts, literature, brochures, mailings, recordings (video and/or audio), pictures, drawings, analyses, graphic representations, software computer programs and accompanying documentation and print-outs, notes and memoranda, written procedures and documents, regardless of the state of completion, which are prepared for or are a result of the services required under this contract shall be and remain the property of the State of New Jersey and shall be delivered to the State of New Jersey upon 30 days notice by the State. With respect to software computer programs and/or source codes developed for the State, the work shall be considered “work for hire”, i.e., the State, not the contractor or subcontractor, shall have full and complete ownership of all software computer programs and/or source codes developed. To the extent that any of such materials may not, by operation of law, be a work made for hire in accordance with the terms of this Agreement, contractor or subcontractor hereby assigns to the State all right, title and interest in and to any copyright, and the State shall have the right to obtain and hold in its own name any copyrights, registrations and any other proprietary rights that may be available. To the extent that any of such materials may not, by operation of the law, be a work made for hire in accordance with the terms of this Agreement, contractor or subcontractor hereby assigns to the State all right, title and interest in and to any such material, and the State shall have the right to obtain and hold in its own name and copyrights, registrations and any other proprietary rights that may be available.

Should the bidder anticipate bringing pre-existing intellectual property into the project, the intellectual property must be identified in the bid proposal. Otherwise, the language in the first paragraph of this section prevails. If the bidder identifies such intellectual property ("Background IP") in its bid proposal, then the Background IP owned by the bidder on the date of the contract, as well as any modifications or adaptations thereto, remain the property of the bidder. Upon contract award, the bidder or contractor shall grant the State a non-exclusive, perpetual royalty free license to use any of the bidder/contractor's Background IP delivered to the State for the purposes contemplated by the contract.

5.13 DATA CONFIDENTIALITY

All financial, statistical, personnel and/or technical data supplied by the State to the contractor are confidential. The contractor is required to use reasonable care to protect the confidentiality of such data. Any use, sale or offering of this data in any form by the contractor, or any individual or entity in the contractor's charge or employ, will be considered a violation of this contract and may result in contract termination and the contractor's suspension or debarment from State contracting. In addition, such conduct may be reported to the State Attorney General for possible criminal prosecution.

5.14 NEWS RELEASES

The contractor is not permitted to issue news releases pertaining to any aspect of the services being provided under this contract without the prior written consent of the Director and the State Contract Manager.

5.15 ADVERTISING

The contractor shall not use the State's name, logos, images, or any data or results arising from this contract as a part of any commercial advertising without first obtaining the prior written consent of the Director.

5.16 LICENSES AND PERMITS

The contractor shall obtain and maintain in full force and effect all required licenses, permits, certifications, and authorizations necessary to perform this contract. The contractor shall supply the State Contract Manager with evidence of all such licenses, permits and authorizations. This evidence shall be submitted subsequent to the contract award. All costs associated with any licenses, permits, certifications, and authorizations must be included in the bidders bid price proposal. The State will not pay the contractor any extra money to obtain such licenses, permits, certifications or authorizations.

5.17 CLAIMS AND REMEDIES

5.17.1 CLAIMS

All claims asserted against the State by the contractor shall be subject to the New Jersey Tort Claims Act, N.J.S.A. 59:1-1, et seq., and/or the New Jersey Contractual Liability Act, N.J.S.A. 59:13-1, et seq.

5.17.2 REMEDIES

Nothing in the contract shall be construed to be a waiver by the State of any warranty, expressed or implied, or any remedy at law or equity, except as specifically and expressly stated in a writing executed by the Director.

5.17.3 REMEDIES FOR NON-PERFORMANCE

In the event the contractor fails to comply with any material contract requirement, the Director may take steps to terminate the contract in accordance with the State Administrative Code. In this event, the Director may authorize the delivery of contract items by any available means, with the difference between the price paid and the defaulting contractor's price either being deducted from any monies due the defaulting contractor or being an obligation owed the State by the defaulting contractor.

5.18 LATE DELIVERY

The contractor must immediately advise the State Contract Manager of any circumstance or event that could result in late completion of any task or subtask called for to be completed on a date certain.

5.19 RETAINAGE

Not Applicable

5.20 STATE'S OPTION TO REDUCE SCOPE OF WORK

The State has the option, in its sole discretion, to reduce the scope of work

See Section 3.4 and 3.5 of the Scope of Work.

5.21 SUSPENSION OF WORK

The State Contract Manager may, for valid reason, issue a stop order directing the contractor to suspend work under the contract for a specific time. The contractor shall be paid until the effective date of the stop order. The contractor shall resume work upon the date specified in the stop order, or upon such other date as the State Contract Manager may thereafter direct in writing. The period of suspension shall be deemed added to the contractor's approved schedule of performance. The Director and the contractor shall negotiate an equitable adjustment, if any, to the contract price.

5.22 CHANGE IN LAW

Whenever an unforeseen change in applicable law or regulation affects the services that are the subject of this contract, the contractor shall advise the State Contract Manager and the Director in writing and include in such written transmittal any estimated increase or decrease in the cost of its performance of the services as a result of such change in law or regulation. The Director and the contractor shall negotiate an equitable adjustment, if any, to the contract price.

5.23 FAILURE TO SUPPLY

5.23.1 EVENTS OF DEFAULT

An Event of Default under this contract will occur if the Contractor:

5.23.1.1 fails to obtain or maintain in full force and effect all required licenses, permits, certifications, and authorizations necessary to perform the contract as specified in section 5.16;

5.23.1.2 makes an assignment for the benefit of its creditors;

5.23.1.3 applies for, seeks consent to, or agrees to the appointment of a receiver, custodian, trustee, liquidator, or similar official to manage all or a substantial portion of its assets;

5.23.1.4 is dissolved (other than through a consolidation or merger);

5.23.1.5 has a secured party take possession of all or substantially all of its assets or has a distress, execution, attachment, sequestration or other legal process levied, enforced or sued on or against all or substantially all of its assets;

5.23.1.6 violates any federal, state, or local code, regulation or statute applicable to the supply natural gas in a manner that materially and adversely affects the party's performance under this Contract;

5.23.1.7 fails to supply natural gas for any above reason other than an event of Force Majeure, as defined in Section 5.27; or

5.23.1.8 An Event of Default under this contract with respect to an individual account will occur if a Participant:

a) Fails to accept natural gas supply tendered by the supplier under this contract, for any reason other than an event of Force Majeure (as defined in Section 5.26 of this RFP), or for the close of an account for any business reason.

b) Fails to make payment on undisputed amounts due for natural gas supply within 15 days of notice from the contractor that such payment is late.

5.23.2 SUSPENSION OF WORK

The State, upon prior written notice to the contractor, may suspend the contract due to, but not limited to the following:

- a) Failure to maintain and/or timely renew required certifications, licenses or any other agreements which would affect the contractor's ability to provide the services required under this contract.
- b) Failure to meet federal, state or local regulations concerning the delivery, purchase and selling, and interstate transportation of the commodity purchased under this contract.
- c) Failure to renew insurance and/or any bonding requirements of this contract.
- d) Failure to deliver the required quantities/quality contracted for gas supply service.

5.23.2.1 REASONS FOR TERMINATION

The State may terminate its contract due to material fault or substantial failure of the contractor to meet the terms and conditions of this contract. Material faults and substantial deficiencies include, but are not limited to, the following:

- a) Failure to address or rectify any of the items listed under which the contract was suspended.
- b) deleted.
- c) If the contractor makes a general assignment for the benefit of creditors.
- d) If the contractor files a petition to take advantage of any debtor's act, or to reorganize under the bankruptcy or similar laws.
- e) If the contractor disregards laws, ordinances, rules, regulation, or orders of any public body having jurisdiction.
- f) If the contractor fails to comply with local, state or federal laws, rules or regulations applicable to this contract and the work to be done hereunder.

The contractor may terminate service to a participant due to material fault or substantial failure of the participant. Material faults and substantial deficiencies include the following:

- a) Failure to accept gas supply service tendered by contractor under this contract, except with regard to closed accounts for which the participant has provided 30 days notice.

5.23.2.2 IN THE EVENT OF TERMINATION

Upon receipt of a termination notice to a participant, the contractor shall:

- a) Immediately stop all delivery of gas supply to the participant (unless the notice directs otherwise) subject to account switching protocols of the LDC.
- b) Deliver or otherwise make available to the participant all data drawings, specifications, reports, estimates, summaries and such other information and materials as may have been accumulated by the contractor in performing this contract, whether completed or in process.
- c) Complete performance of such part of the contract as shall not have been terminated by the notice of termination.

5.23.2.3 FINAL PAYMENT IN THE EVENT OF TERMINATION

In the event of termination, the contractor shall only be paid for actual services rendered up to the date of termination. No amount shall be allowed for anticipated costs or profit on unperformed services or other work.

5.23.2.4 RIGHTS NOT AFFECTED

Where the contractor's services have been terminated, the termination shall not affect any existing rights or claims of the State or the participant(s).

5.23.3 DAMAGES

5.23.3.1 In the event of a default by the contractor, the State shall have cause to collect funds up to the full amount of the Performance Bond.

5.23.3.2 In the event of termination resulting from the contractor's actions or failure to act, the State shall procure gas supply service from an alternate supplier at no more than the LDC's approved tariff price. The contractor shall pay the State the difference between the alternate supply price (including the cost of transportation) and the contract price as liquidated damages, which shall not be construed as a penalty.

5.23.3.3 In the event of termination resulting from a participant(s) actions or failure to act, contractor's damages shall consist of the positive difference (if any) between the amounts that would have been payable to the contractor under this RFP had the State purchased gas supply service from the contractor and the amount realized by the contractor in disposing, in a reasonable commercial manner, of the gas supply service not accepted by the participant(s).

5.23.3.4 Net Out of Settlement Amounts: After damages have been finally determined, the amounts of damages due and owing will be reconciled with payments already made by the parties. The non-defaulting party shall quantify all amounts that are due to the non-defaulting party by netting out (a) all amounts that are due to the defaulting party under the contract against (b) all amounts that are due from the non-defaulting party, so that all such amounts shall be netted out to a single liquidated amount payable by one party to the other.

5.24 CONTRACT PRICE INCREASE (PREVAILING WAGE)

Not applicable to this contract.

5.25 ADDITIONAL WORK AND/OR SPECIAL PROJECTS

The contractor shall not begin performing any additional work or special projects without first obtaining written approval from both the State Contract Manager and the Director.

In the event of additional work and/or special projects, the contractor must present a written proposal to perform the additional work to the State Contract Manager. The proposal should provide justification for the necessity of the additional work. The relationship between the additional work and the base contract work must be clearly established by the contractor in its proposal.

The contractor's written proposal must provide a detailed description of the work to be performed broken down by task and subtask. The proposal should also contain details on the level of effort, including hours, labor categories, etc., necessary to complete the additional work.

The written proposal must detail the cost necessary to complete the additional work in a manner consistent with the contract. The written cost proposal must be based upon the hourly rates, unit costs or other cost elements submitted by the contractor in the contractor's original bid proposal submitted in response to this RFP. Whenever possible, the cost proposal should be a firm, fixed cost to perform the required work. The

firm fixed price should specifically reference and be tied directly to costs submitted by the contractor in its original bid proposal. A payment schedule, tied to successful completion of tasks and subtasks, must be included.

Upon receipt and approval of the contractor's written proposal, the State Contract Manager shall forward same to the Director for the Director's written approval. Complete documentation from the Using Agency, confirming the need for the additional work, must be submitted. Documentation forwarded by the State Contract Manager to the Director must all include all other required State approvals, such as those that may be required from the State of New Jersey's Office of Management and Budget (OMB) and Office of Information and Technology (OIT).

No additional work and/or special project may commence without the Director's written approval. In the event the contractor proceeds with additional work and/or special projects without the Director's written approval, it shall be at the contractor's sole risk. The State shall be under no obligation to pay for work performed without the Director's written approval.

5.26 FORM OF COMPENSATION AND PAYMENT

This Section supplements Section 4.5 of the RFP'S Standard Terms and Conditions. The contractor must submit official State invoice forms to the Using Agency with supporting documentation evidencing that work for which payment is sought has been satisfactorily completed

5.26.1 COMPENSATION FOR UNIT PRICE BID ITEMS

The contractor will be compensated for the supply of natural gas according to the unit price for gas. The unit price for gas is the awarded up-charge price plus the average weighted settlement price for the gas as set in accordance with this contract. Total compensation due to the contractor shall be determined by multiplying the unit price by the quantities of natural gas supplied to the LDC City Gate by the contractor, in therms, for each account covered under the contract.

If the contractor offered a Consolidated Prompt Payment discount and that discount was accepted as part of contract award, then the unit price for the gas shall be the awarded up-charge price plus the average weighted settlement price for the gas minus the discount for all accounts electing the consolidated payment option.

The up-charge, commodity and discount prices are not subject to increase during the term of this contract, unless provided for in this contract.

5.26.2 PROCEDURES FOR PAYMENT

This contract specifies dual billing. Participants will pay the contractor for the gas and the up-charge minus any discount and the contractor must bill the participants monthly. Participants will pay the LDCs for delivery of gas to their facilities.

In this contract, some participants have elected to be billed individually. Other participants have elected to have their billing consolidated and paid centrally by the New Jersey Consolidated Energy Savings Program. The contractor must send bills directly to the participant, if the participant elected to be billed individually.

The contractor must send bills to the New Jersey Consolidated Energy Savings Program for participants that have elected to be billed through the Consolidated Energy Savings Program if the following conditions have been met:

1. The participants have elected to have their bill paid centrally and are so identified in Appendix II.
2. The contractor has offered a prompt payment discount.
3. The prompt payment discount was accepted as part of the contract award.

If all three of the above conditions have been met, the contractor shall send all bills for the participants that have elected to participate in the Consolidated Prompt Payment Discount to the New Jersey Consolidated Energy Savings Program for payment. However, if one or more of the above conditions are not met, then the Consolidated Prompt Payment process will be voided and the contractor shall send all bills directly to the individual participants as if they had not elected to participate in the Consolidated Prompt Payment Discount program.

The participants that have elected to pay their gas bills individually are:

DMAVA,
NJ Transit,
NJ Turnpike Authority,
NJ Highway Authority,
Stockton State College,
Kean University

The participants that have elected to pay their gas bills centrally by the New Jersey Consolidated Energy Savings Program under the Consolidated Prompt Payment Option are:

Most State of New Jersey Departments (i.e. Corrections, DHS, Transportation, Treasury - Owned, Treasury - Leases),
New Jersey City University,
University of Medicine & Dentistry,
Ramapo State College,
New Jersey Water Supply Authority

All bills that are being paid centrally by the New Jersey Consolidated Energy Savings Program under the consolidated prompt payment option must be sent to the State Contract Manager.

Payment will be conditioned on the following:

Processing of Invoices: Each participant will process the invoices for its contracted natural gas consumption individually unless the participant is participating in the Consolidated Prompt Payment Option. The New Jersey Consolidated Energy Savings Program will make payments for the participants that chose to have their gas bills paid under the Consolidated Prompt Payment Option if the three conditions for the Consolidated Prompt Payment Discount Program noted above have been met. The participants are listed above.

Rejected Invoices: Any invoice submitted that does not comply with this section shall be returned to the contractor for correction and resubmission.

Discounts: Where a contractor has included a prompt payment discount in its bid, the discount period shall commence when the State both has accepted the contractor's services and has accepted a duly completed invoice. The date of the check issued by the State in payment of an invoice shall be deemed the date of the State's payment of that invoice. The Consolidated Prompt Payment discount shall be subtracted from the combined commodity and up-charge per therm price.

Billing Items: Billing items and unit prices shall be strictly limited to the contract price for gas and include the following:

1. Gas Commodity price per therm
2. Up-charge price per therm
3. Consolidated Prompt Payment Discount (if applicable) per therm

All bills shall include the contract price for gas which is its gas commodity price per therm plus the up-charge price per therm. If the consolidated prompt payment discount applies, the contract price for gas is the gas commodity price for gas plus the up-charge minus the discount. All gas usage shall be billed as therms and not as dekatherms.

Submission of Invoices: The contractor shall submit all invoices directly to the applicable contract "bill to" address found in Appendix I for participants corresponding to the accounts listed in Appendix II, unless the participant has chosen to participate in the Consolidated Prompt Payment Program. Each participant's account shall remain separately identified from other participants (agencies, authorities, colleges etc.), regardless of whether or not a participant is being billed individually or if the participant has elected to participate in the Consolidated Prompt Payment Program.

5.26.3 FORM OF COMPENSATION AND PAYMENT

The contractor must submit official State Payment Voucher forms or a valid vendor invoice to the participant (or to the State Contract Manager for Consolidated Prompt Payment Option), for the supply period of delivery (in arrears), within forty-five (45) days of the billing period end date. All invoices submitted must be in strict accordance with the contract price. The invoice must contain the following: the contractor's name, the participant's name, the LDC's name, the LDC account #, the contractor's account # (if different), the delivery tariff, bill month and year, total therms (not dekatherms) provided for the account for the period, the applicable contract per therm price (rate), including the application of the Consolidated Prompt Payment discount if applicable, and the total cost per account for the period (therms multiplied by the contract price per therm). The participant or the State Contract Manager in the case of the Consolidated Prompt Payment Option must approve all invoices before payment can be made. All billing information must be clear and correct or the invoice will be returned to the contractor for correction. Return of an invoice to the contractor for correction and resubmission cancels the prompt payment obligations and receipt of a replacement invoice starts a new payment cycle. Incremental costs or savings information for each account must preferably be on or with the bill. In either case, incremental costs or savings must be reported no later than one month of issuance of the bill. Note: There may be slight delays when the participants change fiscal year budgets, usually every July first.

A Consolidated Prompt Payment Option is included in this contract. Under the Consolidated Prompt Payment Option, any discount will be subtracted from the combined up-charge price plus commodity price. Monthly bills or invoices must be issued by the contractor for each account under this option. However, the State Contract Manager will make a consolidated payment to the contractor within ten business (10) days from receipt of the combined invoice for of all participants included in the Consolidated Prompt Payment Option. Payment will be based on approved invoice(s). For each account paid via the Consolidated Prompt Payment Option, the invoice must include all the information required in the above paragraph plus the Consolidated Prompt Payment Option discount and total cost (with savings report). The State Contract Manager can guarantee consistency with this process, excepting unusual circumstances. If this option is agreed upon, the contractor will create a master account under the direction of the State Contract Manager after contract award.

5.27 FORCE MAJEURE

5.27.1 The contractor shall not be responsible for non-delivery of natural gas to any account or LDC as a result of a Force Majeure event, during the duration of the Force Majeure event. The following shall apply as a result of a Force Majeure event:

5.27.1.1 Neither party will be liable for any failure to perform its respective obligations under this contract, to the extent such failure is the direct result of an event that is beyond the control of the party that fails to perform, or that is the direct result of the consequences of such event, and such event or consequences could not have been avoided by the exercise of reasonable foresight or action.

5.27.1.2 Interruptions or outages on the LDC's system that affects any account. However, the contractor will cooperate with the LDC, the participants and any other party in all efforts to restore delivery of natural gas to an account.

5.27.1.3 A Force Majeure event shall not include any events or consequences that result from a party's negligence, willful misconduct, or economic hardship, including increases in the price of natural gas charges to the contractor to service participants.

6.0 PROPOSAL EVALUATION/CONTRACT AWARD

6.1 PROPOSAL EVALUATION COMMITTEE

Bid proposals will be evaluated by an Evaluation Committee composed of members of affected departments and agencies together with representative(s) from the Purchase Bureau. Representatives from other governmental agencies may also serve on the Evaluation Committee. On occasion, the Evaluation Committee may choose to make use of the expertise of outside consultant in an advisory role.

6.2 ORAL PRESENTATION AND/OR CLARIFICATION OF BID PROPOSAL

Not Applicable. The 47-hour contract award process will not allow for oral presentations or clarifications.

6.3 BID DISCREPANCIES

In evaluating bids, discrepancies between words and figures will be resolved in favor of words. Discrepancies between unit prices and totals of unit prices will be resolved in favor of unit prices. Discrepancies in the multiplication of units of work and unit prices will be resolved in favor of the unit prices. Discrepancies between the indicated total of multiplied unit prices and units of work and the actual total will be resolved in favor of the actual total. Discrepancies between the indicated sum of any column of figures and the correct sum thereof will be resolved in favor of the correct sum of the column of figures. More than four decimal places in the bid price will be truncated to the fourth digit, and all other numbers ignored. Decimal places of five or more will be dropped and not considered in the evaluation of bids, nor will they be acceptable for award.

6.4 BIDDER QUALIFICATION REVIEW

6.4.1 The Stage 2 Qualification Submission will be reviewed for completeness. Any potential bidder that does not submit anything at the time of the initial Stage 2 Qualification Submission is due will be non-responsive to the bid submission requirements.

6.4.2 If deficiencies are discovered in the Stage 2 Qualification completeness review, the bidder will be notified in writing (Email, fax or letter) by the Purchase Bureau as to the nature of the deficiencies and will be required to resubmit corrected copies of their Stage 2 documents in the Stage 3 Bid Proposal. Bidders may submit, adjust, correct, revise, supplement or replace any Stage 2 submission item in the Stage 3 Bid Proposal. Bidders that fail to correct deficiencies found in the Stage 2 Qualification Submission may be rejected. Stage 2 Qualification Submissions will be reviewed for responsiveness and responsibility at the time of Stage 3 Bid Proposal Submission and bidders will be notified of that review after receipt of a Stage 3 Bid Proposal.

6.5 GENERAL CRITERIA

Following the Stage 3 bid opening, Stage 2 and Stage 3 submissions will be evaluated together in accordance with the following procedure:

6.5.1 Pursuant to the rules of the Division of Purchase and Property and depending on the circumstances, the Director may determine to waive any minor deviation from the RFP and/or any deviation from a minor formality which does not affect the integrity of the bidding process or materially affect the contract which the State seeks through this RFP.

6.5.2 The Evaluation Committee will review bids for responsiveness and responsibility as

follows:

6.5.2.1 Responsiveness

In order for a bid proposal to be considered fully responsive, a bidder must hold the appropriate NJBPU suppliers license. The bidder must also hold the appropriate LDC certification(s) or must submit a statement indicating that it will obtain the appropriate LDC certification(s) prior of the delivery of gas. A bidder that does not hold the NJBPU license will be judged non-responsive. A bidder that does not hold the appropriate LDC certification(s) or fails to submit a statement with the bid indicating that the bidder will obtain the appropriate LDC certification(s) prior to delivery of gas will be judged non-responsive. To be responsive, the bidder must agree to provide gas supply and perform other work as specified in the RFP. In addition, to be responsive, the bidder must agree to the terms and conditions provided in the RFP, complete the attachments provided with this RFP or their equivalents, and provide the information as required in this RFP.

6.5.2.2 Responsibility

In order to be considered responsible, a bidder must have a public record, which indicates that it is able and willing to perform the required work and has satisfactorily performed such work in the past. The State has adopted as its test of responsibility the Federal rules at 40 CFR 31. A responsible bidder must have:

A. Financial resources, insurance and other liability guarantees, technical qualifications, experience, organization and facilities adequate to carry out the project, or a demonstrated ability to obtain these; documented experience in successfully completing commodities market contracts similar to those on which it bids; number of successful years in the business, number of client accounts, the size and load of such accounts, and client references, among other factors to document experience. In addition, the Evaluation Committee will review the overall ability of the bidder, as judged by the State, to gear-up, undertake and successfully complete the contract within the required schedule or on time.

B. Satisfactory performance record for completion of contracts.

C. Accounting and auditing procedures adequate to control property, funds and assets, as required in this RFP.

D. Demonstrated compliance or willingness to comply with the civil rights, equal employment opportunity, labor law and other statutory requirements under New Jersey State law.

E. Bidders who fail to meet the minimum thresholds for these key components will be considered non-responsive to the bid submission requirements and will not be awarded a contract.

6.6 BID PROPOSAL EVALUATION CRITERIA

The Bid Proposals will be subjected to further evaluation based on the following:

6.6.1 BPU SUPPLIERS' LICENSE REVIEWED

The bidder's BPU license as a natural gas supplier will be reviewed. Any bidder that does not hold a BPU Supplier license or that has had its Suppliers' license suspended, revoked or restricted in any way that affects this contract by the BPU will be determined to be non-responsive to the bid submission requirements. The Evaluation Committee will not evaluate further such bidders bid submission. A bid

submission by a bidder that does not hold a current and valid BPU Electricity Suppliers license will be considered non-responsive to the bid submission requirements and ineligible for contract award.

6.6.2 OTHER CERTIFICATIONS

The Evaluation Committee may review the certifications that the bidder claims to hold with the LDCs. Failure to hold a required certification or failure to indicate a willingness to obtain such certification where the RFP allows that shall be a basis to find the bid non-responsive.

6.6.3 ALL OTHER SUBMISSIONS EVALUATED

The Evaluation Committee will evaluate all other submissions, excluding price, and render a final determination on responsiveness and responsibility for each bidder. All responsiveness and responsibility determinations shall be made on a pass/fail basis.

6.6.4 PRICE EVALUATION

The total bid price evaluated for contract award purposes shall be composed of the up-charge price multiplied by the estimated quantity on the price schedule, plus the total estimated price for the gas itself that is shown on the bid price forms for bid evaluation and performance bond calculation purposes.

The Evaluation Committee will review the bid price submissions for every responsive and responsible Stage 3 bidder. After making any adjustment to the total bid price for each bid group as allowed in section 6.3, the Evaluation Committee will rank all responsive and responsible bidders in each bid group by total bid price from lowest to highest. Contract award will be recommended for the lowest priced responsive and responsible bidder in each bid group, without adjustment for the prompt payment discount.

6.6.5 CONSOLIDATED PROMPT PAYMENT OPTION DISCOUNT EVALUATION

The prompt payment discount will not be a factor and will not be considered in the evaluation of bid prices or in the determination of contract award. In addition, the Evaluation Committee may reject the offered prompt payment discount if offered for the consolidated prompt payment discount option if the discount is too small, and require the awardee to bill the participants directly. This action, if identified in the Evaluation Committee Award Recommendation and accepted by the Director, will nullify the prompt payment discount. This decision will be determined for each bid group where bidders may supply a prompt payment discount for the Consolidated Prompt Payment Option.

6.6.6 RECOMMENDED CONTRACT AWARD

It is the intent of this RFP that the lowest priced responsive and responsible bidder in each bid group will be recommended for contract award. The Consolidated Prompt Payment Option discount, if bid, will not be factored into this contract award decision.

6.7 DIRECTOR'S RIGHT OF FINAL BID ACCEPTANCE

The Director reserves the right to reject any and all bids, or to award in whole or in part as deemed to be in the best interest of the State. He shall have authority to award a contract to the bidder best meeting specifications and bid conditions, and who is determined to have offered the most advantageous bid to the State, price and other factors considered.

6.8 NOTICE OF INTENT TO AWARD

The Purchase Bureau will notify all Stage 3 bidders in writing (by fax and/or Email) of the Director's intent to award a contract. It is anticipated that this notice will occur the day after the Stage 3 bid opening. Bidders not receiving an award will have a minimum of 4 hours to protest the award decision pursuant to the rules of the Division of Purchase and Property, N.J.A.C. 17:12-3.3 et seq. The duration of the protest period will depend on the time the Evaluation Committee and the Purchase Bureau can evaluate bids and issue a Notice of Intent to Award. The protest period will end at 9:00 A.M. of the second day.

6.9 CONTRACT AWARD

Contract Awards will be made by letter signed the Director of the Division of Purchase and Property to the awardees within 47 hours of Stage 3 bid submission. Contract award will be made by 1:00 PM of the second day, or in the 47th hour after Stage 3 bid submission. Following all the rounds of bidding, all contractors will receive a formal signed Notice of Term Contract Award.

6.10 SUBMISSIONS AFTER CONTRACT AWARD

All the contractors must submit within 10 days after contract award:

- An Insurance Certificate covering the insurance specified in the Standard Terms and Conditions Appendix 1, Section 2.3 with the exception of automobile insurance. Automobile insurance is not required for this contract.
- The Performance Bond for all the bid groups awarded in accordance with Appendix 3, which is provided for this purpose and Section 5.2 of the RFP

These forms shall be submitted to:

Edward T Cotterell
Contract Procurement Specialist
Purchase Bureau
PO Box 230
Trenton, NJ 08625

7.0 ATTACHMENTS, SUPPLEMENTS AND APPENDICES

APPENDICES

- Appendix I - List of Participants (Provided on CD ROM)
- Appendix II - Participants, Accounts and Usage (Provided on CD ROM)
- Appendix III - Standard Terms and Conditions
- Appendix IV - Set-Off or State Tax Notice
- Appendix V - Performance Bond Form

ATTACHMENTS

Stage 1 - Questions and Answers

No submissions required. Bidders should see web site for addenda

Stage 2 - Submission of Qualifications

- Attachment 1. Ownership Disclosure Form
- Attachment 2. MacBride Principals
- Attachment 3. Affirmative Action Employees Information Report
- Attachment 4. Explanation of Past Problems
- Attachment 5. Bidder Information Form
- Attachment 6. Reciprocity Form (optional submission)

Stage 3 - Submission of Bid Proposal

- Attachment 7. Response to any deficiencies found in the Stage 2 Qualification Submission
- Attachment 8. Cover Sheet
- Attachment 9. Joint Venture Certification form (if applicable)
- Attachment 10. Bid Price Forms

APPENDICES

- Appendix I - List of Participants (Provided on CD ROM)
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- Appendix III - Standard Terms and Conditions
- Appendix IV - Set-Off or State Tax Notice
- Appendix V - Performance Bond Form

The appendices are provided as additional information to the bidders. The Performance Bond form is only be completed and submitted after contract award by the contract awardees. The Performance Bond Form is not to be submitted with either the Stage 2 or Stage 3 submissions.

Appendix I

List of Participants (Provided on CD ROM)

The list of participants for this contract is provided in the CD ROM that was mailed with the letter that notified your firm that an RFP was posted on the internet. Refer to that CD ROM for information.

A CD ROM will be made available to all who request one.

Appendix II

Participants, Accounts and Usage (Provided on CD ROM)

The list of participant's accounts and usage for this contract is provided in the CD ROM that was mailed with the letter that notified your firm that an RFP was posted on the internet. Refer to that CD ROM for information.

A CDROM will be made available to all who request one.

Appendix III

Addenda to the Standard Terms and Conditions

The following amends and modifies the Standard Terms and Conditions attached:

Section	Modification
1.9	<u>Delete</u> Section 1.9 of the Standard Terms and Conditions. Building codes and uniform construction codes do not apply to this contract.
2.3b	<u>Delete</u> item b. under Section 2.3. Automobile Insurance is not required under this contract.
3.5a	<u>Delete</u> item a. under Section 3.5, entitled "Change of Circumstances." Item a. does not apply to this contract.
3.7 through 3.10	<u>Delete</u> Sections 3.7, 3.8, 3.9, and 3.10. As noted in Section 3.3.1 the State may add accounts to the contract, however, the contractor may reject such additions. Therefore, these sections that indicate extension of the contract to other political subdivisions, volunteer fire departments, colleges, etc., do not apply to this contract.
3.13	<u>Delete</u> the following items from Section 3.13, a., b., c., d., e., and f. Only item g. from this section is applicable to this contract.
3.17	<u>Delete</u> in Section 3.17 the following clause, "before making an award" in the first sentence.

APPENDIX III NJ STATE STANDARD TERMS AND CONDITIONS

STATE OF NEW JERSEY STANDARD TERMS AND CONDITIONS

- I. Unless the bidder is specifically instructed otherwise In the Request for Proposal, the following terms and conditions will apply to all contracts or purchase agreements made with the State of New Jersey. These terms are in addition to the terms and conditions set forth in the Request for Proposal (RFP) and should be read in conjunction with same unless the RFP specifically indicates otherwise. If a bidder proposes changes or modifications or takes exception to any of the State's terms and conditions, the bidder must so state specifically in writing in the bid proposal. Any proposed change, modification or exception in the State's terms and conditions by a bidder will be a factor in the determination of an award of a contractor purchase agreement.
- II. All of the State's terms and conditions will become a part of any contract(s) or order(s) awarded as a result of the Request for Proposal, whether stated in part, in summary or by reference. In the event the bidder's terms and conditions conflict with the State's, the State's terms and conditions will prevail, unless the bidder is notified in writing of the State's acceptance of the bidder's terms and conditions.
- III. The statutes, laws or codes cited are available for review at the New Jersey State Library, 185 West State Street, Trenton, New Jersey 08625.
- IV. If awarded a contract or purchase agreement, the bidder's status shall be that of any independent principal and not as an employee of the State.

1. STATE LAW REQUIRING MANDATORY COMPLIANCE BY ALL CONTRACTORS

- 1.1 **BUSINESS REGISTRATION** - All New Jersey and out of State Corporations must obtain a Business Registration Certificate (BRC) from the Department of the Treasury, Division of Revenue prior to conducting business in the State of New Jersey. Proof of valid business registration with the Division of Revenue, Department of the Treasury, State of New Jersey, should be submitted by the bidder and, if applicable, by every subcontractor of the bidder, with the bidder's bid. No contract will be awarded without proof of business registration with the Division of Revenue. Any questions in this regard can be directed to the Division of Revenue at (609) 292-1730. Form NJ-REG. can be filed online at <http://www.state.nj.us/treasury/revenue/gettingregistered.htm#busentity>
- 1.2 **ANTI-DISCRIMINATION** - All parties to any contract with the State of New Jersey agree not to discriminate in employment and agree to abide by all anti-discrimination laws including those contained within N.J.S.A. 10:2-1 through N.J.S.A. 10:2-4, N.J.S.A.10:5-1 et seq. and N.J.S.A.10:5-31 through 10:5-38, and all rules and regulations issued there under.
- 1.3 **PREVAILING WAGE ACT** - The New Jersey Prevailing Wage Act, N.J.S.A. 34: 11-56.26 et seq. is hereby made part of every contract entered into on behalf of the State of New Jersey through the Division of Purchase and Property, except those contracts which are not within the contemplation of the Act. The bidder's signature on this proposal is his guarantee that neither he nor any subcontractors he might employ to perform the work covered by this proposal has been suspended or debarred by the Commissioner, Department of Labor for violation of the provisions of the Prevailing Wage Act.
- 1.4 **AMERICANS WITH DISABILITIES ACT** - The contractor must comply with all provisions of the Americans With Disabilities Act (ADA), P.L 101-336, in accordance with 42 U.S.C. 12101 et seq.
- 1.5 **THE WORKER AND COMMUNITY RIGHT TO KNOW ACT** - The provisions of N.J.S.A. 34:5A-1 et seq. which require the labeling of all containers of hazardous substances are applicable to this contract. Therefore, all goods offered for purchase to the State must be labeled by the contractor in compliance with the provisions of the Act.
- 1.6 **OWNERSHIP DISCLOSURE** - Contracts for any work, goods or services cannot be issued to any corporation or partnership unless prior to or at the time of bid submission the bidder has disclosed the names and addresses of all its owners holding 10% or more of the corporation or partnership's stock or interest. Refer to N.J.S.A. 52:25-24.2.
- 1.7 **COMPLIANCE - LAWS** - The contractor must comply with all local, state and federal laws, rules and regulations applicable to this contract and to the goods delivered and/or services performed hereunder.
- 1.8 **COMPLIANCE - STATE LAWS** - It is agreed and understood that any contracts and/or orders placed as a result of this proposal shall be governed and construed and the rights and obligations of the parties hereto shall be determined in accordance with the laws of the STATE OF NEW JERSEY.
- 1.9 **COMPLIANCE - CODES** - The contractor must comply with NJUCC and the latest NEC70, B.O.C.A. Basic Building code, OSHA and all applicable codes for this requirement. The contractor will be responsible for securing and paying all necessary permits, where applicable.

2. LIABILITIES

- 2.1 LIABILITY - COPYRIGHT** - The contractor shall hold and save the State of New Jersey, its officers, agents, servants and employees, harmless from liability of any nature or kind for or on account of the use of any copyrighted or uncopyrighted composition, secret process, patented or unpatented invention, article or appliance furnished or used in the performance of his contract.
- 2.2 INDEMNIFICATION** - The contractor shall assume all risk of and responsibility for, and agrees to indemnify, defend, and save harmless the State of New Jersey and its employees from and against any and all claims, demands, suits, actions, recoveries, judgments and costs and expenses in connection therewith on account of the loss of life, property or injury or damage to the person, body or property of any person or persons whatsoever, which shall arise from or result directly or indirectly from the work and/or materials supplied under this contract. This indemnification obligation is not limited by, but is in addition to the insurance obligations contained in this agreement.
- 2.3 INSURANCE** - The contractor shall secure and maintain in force for the term of the contract liability insurance as provided herein. The contractor shall provide the State of New Jersey with current certificates of insurance for all coverages and renewals thereof which must contain the proviso that the insurance provided in the certificate shall not be canceled for any reason except after thirty days written notice to:

STATE OF NEVV JERSEY
Purchase Bureau - Bid Ref.#

The insurance to be provided by the contractor shall be as follows.

- a. General liability policy as broad as the standard coverage forms currently in use in the State of New Jersey which shall not be circumscribed by any endorsements limiting the breadth of coverage. The policy shall be endorsed to include:
1. BROAD FORM COMPREHENSIVE GENERAL LIABILITY
 2. PRODUCTS/COMPLETED OPERATIONS
 3. PREMISES/OPERATIONS

The limits of liability for bodily injury and property damage shall not be less than \$1 million per occurrence as a combined single limit.

- b. Automobile liability insurance which shall be written to cover any automobile used by the insured. Limits of liability for bodily Injury and property damage shall not be less than \$1 million per occurrence as a combined single limit.
- c. Worker's Compensation Insurance applicable to the laws of the State of New Jersey and Employers Liability Insurance with limits not less than

\$100,000 BODILY INJURY, EACH OCCURRENCE
\$100,000 DISEASE EACH EMPLOYEE
\$500,000 DISEASE AGGREGATE LIMIT

3. TERMS GOVERNING ALL PROPOSALS TO NEW JERSEY PURCHASE BUREAU

- 3.1 CONTRACT AMOUNT** - The estimated amount of the contract(s), when stated on the Advertised Request for Proposal form, shall not be construed as either the maximum or minimum amount which the State shall be obliged to order as the result of this Request for Proposal or any contract entered into as a result of this Request for Proposal.
- 3.2 CONTRACT PERIOD AND EXTENSION OPTION** - If, in the opinion of the Director of the Division of Purchase and Property, it is in the best interest of the State to extend an contract entered into as a result of this Request for Proposal, the contractor will be so notified of the Director s Intent at least 30 days prior to the expiration date of the existing contract. The contractor shall have 15 calendar days to respond to the Director's request to extend the contract. If the contractor agrees to the extension, all terms and conditions of the original contract, including price, will be applicable.

3.3 BID AND PERFORMANCE SECURITY

- a. Bid Security - If bid security is required, such security must be submitted with the bid in the amount listed in the Request for Proposal, see N.J.A.C. 17: 12- 2.4. Acceptable forms of bid security are as follows:
1. A properly executed individual or annual bid bond issued by an insurance or security company authorized to do business in the State of New Jersey, a certified or cashier's check drawn to the order of the Treasurer, State of New Jersey, or an irrevocable letter of credit drawn naming the Treasurer, State of New Jersey as beneficiary issued by a federally insured financial institution.
 2. The State will hold all bid security during the evaluation process. As soon as is practicable after the completion of the evaluation, the State will:

- a. Issue an award notice for those offers accepted by the State;
- b. Return all bond securities to those who have not been issued an award notice.

All bid security from contractors who have been issued an award notice shall be held until the successful execution of all required contractual documents and bonds (performance bond, insurance, etc. If the contractor fails to execute the required contractual documents and bonds within thirty (30) calendar days after receipt of award notice, the contractor may be found in default and the contract terminated by the State. In case of default, the State reserves all rights inclusive of, but not limited to, the right to purchase material and/or to complete the required work in accordance with the New Jersey Administrative Code and to recover any actual excess costs from the contractor. Collection against the bid security shall be one of the measures available toward the recovery of any excess costs.

- b. Performance Security - If performance security is required, the successful bidder shall furnish performance security in such amount on any award of a term contractor line item purchase, see N.J.A.C. 17: 12- 2.5. Acceptable forms of performance security are as follows:
 - 1. The contractor shall be required to furnish an irrevocable security in the amount listed in the Request for Proposal payable to the Treasurer, State of New Jersey, binding the contractor to provide faithful performance of the contract.
 - 2. The performance security shall be in the form of a properly executed individual or annual performance bond issued by an insurance or security company authorized to do business in the State of New Jersey, a certified or cashier's check drawn to the order of the Treasurer, State of New Jersey, or an irrevocable letter of credit drawn naming the Treasurer, State of New Jersey as beneficiary issued by a federally insured financial institution.

The Performance Security must be submitted to the State within 30 days of the effective date of the contract award and cover the period of the contract and any extensions thereof. Failure to submit performance security may result in cancellation of contract for cause pursuant to provision 3.5b,1, and nonpayment for work performed.

3.4 VENDOR RIGHT TO PROTEST - INTENT TO AWARD - Except in cases of emergency, bidders have the right to protest the Director's proposed award of the contract as announced in the Notice of Intent to Award, see N.J.A.C. 17:12-3.3. Unless otherwise stated, a bidder's protest must be submitted to the Director within 10 working days after receipt of written notification that his bid has not been accepted or that an award of contract has been made. In the public interest, the Director may shorten this protest period, but shall provide at least 48 hours for bidders to respond to a proposed award. In cases of emergency, stated in the record, the Director may waive the appeal period. See N.J.A.C. 17: 12- 3 et seq.

3.5 TERMINATION OF CONTRACT

- a. Change of Circumstances

Where circumstances and/or the needs of the State significantly change, or the contract is otherwise deemed no longer to be in the public interest, the Director may terminate a contract entered into as a result of this Request for Proposal, upon no less than 30 days notice to the contractor with an opportunity to respond.

In the event of such termination, the contractor shall furnish to the using agency, free of charge, such reports as may be required,

- b. For cause:
 - 1. Where a contractor fails to perform or comply with a contract, and/or fails to comply with the complaints procedure in N.J.A.C. 17: 12-4.2 et seq., the Director may terminate the contract upon 10 days notice to the contractor with an opportunity to respond.
 - 2. Where a contractor continues to perform a contract poorly as demonstrated by formal complaints, late delivery, poor performance of service, short-shipping etc., so that the Director is repeatedly required to use the complaints procedure in N.J.A.C. 17:12-4.2 et seq. the Director may terminate the contract upon 10 days notice to the contractor with an opportunity to respond.
- c. In cases of emergency the Director may shorten the time periods of notification and may dispense with an opportunity to respond.
- d. In the event of termination under this section, the contractor will be compensated for work performed in accordance with the contract, up to the date of termination. Such compensation may be subject to adjustments.

3.6 COMPLAINTS - Where a bidder has a history of performance problems as demonstrated by formal complaints and/or contract cancellations for cause pursuant to 3.5b a bidder may be bypassed for this award. See N.J.A.C. 17:12-2.8.

3.7 EXTENSION OF CONTRACT QUASI-STATE AGENCIES - It is understood and agreed that in addition to State Agencies, Quasi-State Agencies may also participate in this contract. Quasi-State Agencies are defined in N.J.S.A. 52:27B-56.1 as any agency, commission, board, authority or other such governmental entity which is established and is allocated to a State department or any bi-state governmental entity of which the State of New Jersey is a member.

3.8 EXTENSION OF CONTRACTS TO POLITICAL SUBDIVISIONS, VOLUNTEER FIRE DEPARTMENTS AND FIRST AID SQUADS, AND INDEPENDENT INSTITUTIONS OF HIGHER EDUCATION - N.J.S.A. 52:25-16.1 permits counties, municipalities and school districts to participate in any term contract(s), that may be established as a result of this proposal.

N.J.S.A. 52:25-16.2 permits volunteer fire departments, volunteer first aid squads and rescue squads to participate in any term contract(s) that may be established as a result of this proposal.

N.J.S.A. 52:25-16.5 permits independent institutions of higher education to participate in any term contract(s) that may be established as a result of this proposal, provided that each purchase by the Independent Institution of higher education shall have a minimum cost of \$500.

In order for the State contract to be extended to counties, municipalities, school districts, volunteer fire departments, first aid squads and independent institutions of higher education the bidder must agree to the extension and so state in his bid proposal. The extension to counties municipalities, school districts, volunteer fire departments, first aid squads and Independent Institutions of higher education must 'be under the same terms and conditions, including price, applicable to the State.

3.9 EXTENSIONS OF CONTRACTS TO COUNTY COLLEGES - N.J.S.A. 18A:64A - 25. 9 permits any college to participate in any term contract(s) that may be established as a result of this proposal.

3.10 EXTENSIONS OF CONTRACTS TO STATE COLLEGES - N.J.S.A. 18A:64- 60 permits any State College to participate in any term contract(s) that may be established as a result of this proposal.

3.11 SUBCONTRACTING OR ASSIGNMENT - The contract may not be subcontracted or assigned by the contractor, in whole or in part, without the prior written consent of the Director of the Division of Purchase and Property. Such consent, if granted, shall not relieve the contractor of any of his responsibilities under the contract.

In the event the bidder proposes to subcontract for the services to be performed under .the terms of the contract award, he shall state so in his bid and attach for approval a list of said subcontractors and an Itemization of the products and/or services to be supplied by them.

Nothing contained in the specifications shall be construed as creating any contractual relationship between any subcontractor and the State.

3.12 MERGERS, ACQUISITIONS - If, subsequent to the award of any contract resulting from this Request for Proposal, the contractor shall merge with or be acquired by another firm, the following documents must be submitted to the Director, Division of Purchase & Property.

- a. Corporate resolutions prepared by the awarded contractor and new entity ratifying acceptance of the original contract, terms, conditions and prices.
- b. State of New Jersey Bidders Application reflecting all updated information including ownership disclosure, pursuant to provision 1.5.
- c. Vendor Federal Employer Identification Number.

The documents must be submitted within thirty (30) days of completion of the merger or acquisition. Failure to do so may result in termination of contract pursuant to provision 3.5b.

If subsequent to the award of any contract resulting from this Request for Proposal, the contractor's partnership or corporation shall dissolve, the Director, Division of Purchase & Property must be so notified. All responsible parties of the dissolved partnership or corporation must submit to the Director in writing, the names of the parties proposed to perform the contract, and the names of the parties to whom payment should be made. No payment should be made until all parties to the dissolved partnership or corporation submit the required documents to the Director.

3.13 PERFORMANCE GUARANTEE OF BIDDER - The bidder hereby certifies that:

- a. The equipment offered is standard new equipment, and is the manufacturer's latest model in production, with parts regularly used for the type of equipment offered; that such parts are all in production and not likely to be discontinued; and that no attachment or part has been substituted or applied contrary to manufacturer's recommendations and standard practice.
- b. All equipment supplied to the State and operated by electrical current is UL listed where applicable.

- c. All new machines are to be guaranteed as fully operational for the period stated in the Request For Proposal from time of written acceptance by the State. The bidder will render prompt service without charge, regardless of geographic location.
- d. Sufficient quantities of parts necessary for proper service to equipment will be maintained at distribution points and service headquarters.
- e. Trained mechanics are regularly employed to make necessary repairs to equipment in the territory from which the service request might emanate within a 48-hour period or within the time accepted as industry practice.
- f. During the warranty period the contractor shall replace immediately any material which is rejected for failure to meet the requirements of the contract.
- g. All services rendered to the State shall be performed in strict and full accordance with the specifications stated in the contract. The contract shall not be considered complete until final approval by the State's using agency is rendered.

3.14 DELIVERY GUARANTEES - Deliveries shall be made at such time and in such quantities as ordered in strict accordance with conditions contained in the Request for Proposal.

The contractor shall be responsible for the delivery of material in first class condition to the State's using agency or the purchaser under this contract and in accordance with good commercial practice.

Items delivered must be strictly in accordance with the Request for Proposal.

In the event delivery of goods or services is not made within the number of days stipulated or under the schedule defined in the Request for Proposal, the using agency may be authorized to obtain the material or service from any available source, the difference in price, if any, to be paid by the contractor failing to meet his commitments.

3.15 DIRECTOR'S RIGHT OF FINAL BID ACCEPTANCE - The Director reserves the right to reject any or all bids, or to award in whole or in part if deemed to be in the best interest of the State to do so. The Director shall have authority to award orders or contracts to the vendor or vendors best meeting all specifications and conditions in accordance with N.J.S.A. 52:34-12. Tie bids will be awarded by the Director in accordance with N.J.A.C.17:12-2.1D.

3.16 BID ACCEPTANCES AND REJECTIONS - The provisions of N.J.A.C. 17:12-2.9, relating to the Director's right, to waive minor elements of non-compliance with bid specifications and N.J.A.C. 17: 12- 2.2 which defines causes for automatic bid rejection, apply to all proposals and bids.

3.17 STATE'S RIGHT TO INSPECT BIDDER'S FACILITIES - The State reserves the right to inspect the bidder's establishment before making an award, for the purposes of ascertaining whether the bidder has the necessary facilities for performing the contract.

The State may also consult with clients of the bidder during the evaluation of bids. Such consultation is intended to assist the State in making a contract award which is most advantageous to the State.

3.18 STATE'S RIGHT TO REQUEST FURTHER INFORMATION - The Director reserves the right to request all information which may assist him or her in making a contract award, including factors necessary to evaluate the, bidder s financial capabilities to perform the contract. Further, the Director reserves the right to request a bidder to explain, in detail, how the bid price was determined.

3.19 MAINTENANCE OF RECORDS - The contractor shall maintain records for products and/or services delivered against the contract for a period of three (3) years from the date of final payment. Such records shall be made available to the, State upon request for purposes of conducting an audit or for ascertaining information regarding dollar volume or number of transactions.

4. TERMS RELATING TO PRICE QUOTATION

4.1 PRICE FLUCTUATION DURING CONTRACT - Unless otherwise noted by the State, all prices quoted shall be firm through issuance of contract or purchase order and shall not be subject to increase during the period of the contract.

In the event of a manufacturer's or contractor's price decrease during the contract period, the State shall receive the full benefit of such price reduction on any undelivered purchase order and on any subsequent order placed during the contract period. The Director of Purchase and Property must be notified, in writing, of any price reduction within five (5) days of the effective date.

Failure to report price reductions will result in cancellation of contract for cause, pursuant to provision 3.5b.1.

4.2 DELIVERY COSTS - Unless otherwise noted in the Request for Proposal, all prices for items in bid proposals are to be submitted F.O.B. Destination. Proposals submitted other than F.O.B. Destination may not be considered. Regardless of the method of quoting shipments, the contractor shall assume all costs, liability and responsibility for the delivery of merchandise in good condition to the State's using agency or designated purchaser.

F.O.B. Destination does not cover "spotting" but does include delivery on the receiving platform of the ordering agency at any destination in the State of New Jersey unless otherwise specified. No additional charges will be allowed for any additional transportation costs resulting from partial shipments made at contractor's convenience when a single shipment is ordered. The weights and measures of the State's using agency receiving the shipment shall govern.

4.3 C.O.D. TERMS - C.O.D. terms are not acceptable as part of a bid proposal and will be cause for rejection of a bid.

4.4 TAX CHARGES - The State of New Jersey is exempt from State sales or use taxes and Federal excise taxes. Therefore, price quotations must not include such taxes. The State's Federal Excise Tax Exemption number is 22-75-0050K.

4.5 PAYMENT TO VENDORS - Payment for goods and/or services purchased by the State will only be made against State Payment Vouchers. The State bill form in duplicate together with the original Bill of Lading, express receipt and other related papers must be sent to the consignee on the date of each delivery. Responsibility for payment rests with the using agency which will ascertain that the contractor has performed in a proper and satisfactory manner in accordance with the terms and conditions of the award. Payment will not be made until the using agency has approved payment.

For every contract the term of which spans more than one fiscal year, the State's obligation to make payment beyond the current fiscal year is contingent upon legislative appropriation and availability of funds.

The State of New Jersey now offers State contractors the opportunity to be paid through the VISA procurement card (p-card). A contractor's acceptance and a State Agency's use of the p-card, however, is optional. P-card transactions do not require the submission of either a contractor invoice or a State payment voucher. Purchasing transactions utilizing the p-card will usually result in payment to a contractor in three days. A contractor should take note that there will be a transaction processing fee for each p-card transaction. To participate, a contractor must be capable of accepting the VISA card. For more information, call your bank or any merchant services company.

4.6 NEW JERSEY PROMPT PAYMENT ACT - The New Jersey Prompt Payment Act N.J.S.A. 52:32-32 et seq. requires state agencies to pay for goods and services within sixty (60) days of the agency's receipt of a properly executed State Payment Voucher or within sixty (60) days of receipt and acceptance of goods and services, whichever is later. Properly executed performance security, when required, must be received by the state prior to processing any payments for goods and services accepted by state agencies. Interest will be paid on delinquent accounts at a rate established by the State Treasurer. Interest will not be paid until it exceeds \$5.00 per properly executed invoice.

Cash discounts and other payment terms included as part of the original agreement are not affected by the Prompt Payment Act.

4.7 RECIPROCITY - In accordance with N.J.S.A. 52:32-1.4 and N.J.A.C. 17: 12- 2. 13, the State of New Jersey will invoke reciprocal action against an out-of-State bidder whose state or locality maintains a preference practice for their bidders.

5. CASH DISCOUNTS - Bidders are encouraged to offer cash discounts based on expedited payment by the State. The State will make efforts to take advantage of discounts, but discounts will not be considered in determining the lowest bid.

a. Discount periods shall be calculated starting from the next business day after the recipient has accepted the goods or services received a properly signed and executed State Payment Voucher form and, when required, a properly executed performance security, whichever is latest.

b. The date on the check issued by the State in payment of that Voucher shall be deemed the date of the State's response to that Voucher.

6. STANDARDS PROHIBITING CONFLICTS OF INTEREST - The following prohibitions on vendor activities shall apply to all contracts or purchase agreements made with the State of New Jersey, pursuant to Executive Order No. 189 (1988).

a. No vendor shall pay, offer to pay, or agree to pay, either directly or indirectly, any fee, commission, compensation, gift, gratuity, or other thing of value of any kind to any State officer or employee or special State officer or employee, as defined by N.J.S.A. 52:13D-13b and e., in the Department of the Treasury or any other agency with which such vendor transacts or offers or proposes to transact business, or to any member of the immediate family, as defined by N.J.S.A. 52:13D-13i., of any such officer or employee, or partnership, firm or corporation with which they are employed or associated, or in which such officer or employee has an interest within the meaning of N.J.S.A. 52: 13D-13g.

b. The solicitation of any fee, commission, compensation, gift, gratuity or other thing of value by any State officer or employee or special State officer or employee from any State vendor shall be reported in writing forthwith by the vendor to the Attorney General and the Executive Commission on Ethical Standards.

- c. No vendor may, directly or indirectly, undertake any private business, commercial or entrepreneurial relationship with, whether or not pursuant to employment, contract or other agreement, express or implied, or sell any interest in such vendor to, any State officer or employee or special State officer or employee or special State officer or employee having any duties or responsibilities in connection with the purchase, acquisition or sale of any property or services by or to any State agency or any instrumentality thereof, or with any person, firm or entity with which he is employed or associated or in which he has an interest within the meaning of N.J.S.A. 52: 130-13g. Any relationships subject to this provision shall be reported in writing forthwith to the Executive Commission on Ethical Standards, which may grant a waiver of this restriction upon application of the State officer or employee or special State officer or employee upon a finding that the present or proposed relationship does not present the potential, actuality or appearance of a conflict of interest.
- d. No vendor shall influence, or attempt to influence or cause to be influenced, any State officer or employee or special State officer or employee in his official capacity in any manner which might tend to impair the objectivity or independence of judgment of said officer or employee.
- e. No vendor shall cause or influence, or attempt to cause or influence, any State officer or employee or special State officer or employee to use, or attempt to use, his official position to secure unwarranted privileges or advantages for the vendor or any other person.
- f. The provisions cited above in paragraph 6a through 6e shall not be construed to prohibit a State officer or employee or Special State officer or employee from receiving gifts from or contracting with vendors under the same terms and conditions as are offered or made available to members of the general public subject to any guidelines the Executive Commission on Ethical Standards may promulgate under paragraph 6c.

APPENDIX IV

NOTICE TO ALL BIDDERS **SET-OFF FOR STATE TAX NOTICE**

Please be advised that, pursuant to P.L. 1995, c. 159, effective January 1, 1996, and notwithstanding any provision of the law to the contrary, whenever any taxpayer, partnership or S corporation under contract to provide goods or services or construction projects to the State of New Jersey or its agencies or instrumentalities, including the legislative and judicial branches of State government, is entitled to payment for those goods or services at the same time a taxpayer, partner or shareholder of that entity is indebted for any State tax, the Director of the Division of Taxation shall seek to set off that taxpayer's or shareholder's share of the payment due the taxpayer, partnership, or S corporation. The amount set off shall not allow for the deduction of any expenses or other deductions which might be attributable to the taxpayer, partner or shareholder subject to set-off under this act.

The Director of the Division of Taxation shall give notice to the set-off to the taxpayer and provide an opportunity for a hearing within 30 days of such notice under the procedures for protests established under R.S. 54:49-18. No requests for conference, protest, or subsequent appeal to the Tax Court from any protest under this section shall stay the collection of the indebtedness. Interest that may be payable by the State, pursuant to P.L. 1987, c.184 (c.52:32-32 et seq.), to the taxpayer shall be stayed.

Appendix V

Performance Bond

Contractor Name: _____

I have attached a Performance Bond in the amount equal to

\$_____

The Performance Bond must equal fifteen percent (15%) of the total bid price as shown on all the bid groups awarded.

Also see Section 5.2 of the Terms and Conditions of the RFP
Also See Section 3.13 of the Standard Terms and Conditions (Appendix 1)

INSTRUCTIONS FOR COMPLETING PERFORMANCE BOND FORM

To avoid delay, complete documents properly.

For assistance, please call (609) 292-7776.

INSTRUCTIONS FOR THE CONTRACT VENDOR ("PRINCIPAL"):

1. If contractor is an INDIVIDUAL or UNINCORPORATED BUSINESS:
 - Bond must be signed by owner or individual contractor.
 - Acknowledgements Form (PB-1B) must be completed by a Notary Public.
2. If contractor is a PARTNERSHIP:
 - Bond must be signed by all partners or by the partner(s) having authority to bind the partnership.
 - Acknowledgements Form (PB-1B) must be completed by a Notary Public.
3. If contractor is a CORPORATION:
 - Bond must be signed by president, vice president or treasurer of corporation. (If a person other than those noted above signs bond, a corporate resolution must be attached.)
 - Corporate seal must be affixed.
 - Acknowledgements Form (PB-1B) must be completed by a Notary Public.

INSTRUCTIONS FOR THE SURETY COMPANY:

1. A surety company authorized by the New Jersey Department of Insurance to do business in the State of New Jersey must complete the remainder of this form.
2. Bond must be signed by an authorized agent of the surety company.
3. Surety company seal must be affixed.
4. Power of Attorney must be attached for executing agent.

IMPORTANT NOTICE

The terms and conditions of this contract acceptance include the submission of properly executed performance security, which may be a performance bond issued by a surety company authorized by the New Jersey Department of Insurance to do business in the State of New Jersey, and must be acceptable to the Director of the Division of Purchase and Property. State using agencies cannot make payments against invoices for goods and services delivered and accepted unless the property executed performance security is received and accepted by the Purchase Bureau.

FAILURE TO SUBMIT PROPERLY EXECUTED PERFORMANCE SECURITY WITHIN 30 DAYS OF RECEIPT OF NOTICE OF CONTRACT AWARD MAY RESULT IN CANCELLATION OF THE CONTRACT FOR CAUSE (STANDARD BID TERMS AND CONDITIONS PROVISION 3.3 (b) et seq). THE CONTRACTOR MAY BE LIABLE, AT THE OPTION OF THE STATE, FOR THE DIFFERENCE BETWEEN HIS BID PRICE AND THE PRICE FROM AN ALTERNATE SOURCE OF SUPPLY.

NOTE: THIS FORM MUST BE ACCOMPANIED WITH A COMPLETED, NOTARIZED ACKNOWLEDGEMENTS FORM NO. PB-1B, WHICH CAN BE OBTAINED BY CALLING 609-292-7776.

RETURN COMPLETED BOND & ACKNOWLEDGEMENTS FORM TO:

NEW JERSEY DEPARTMENT OF THE TREASURY

PURCHASE BUREAU

ATTN: CONTRACT SECTION

P. O. BOX 230

TRENTON, NJ 08625-0230

STATE OF NEW JERSEY
DEPARTMENT OF THE TREASURY
DIVISION OF PURCHASE AND PROPERTY
PURCHASE BUREAU
33 WEST STATE STREET
P. O. BOX 230
TRENTON, NJ 08625-0230

PERFORMANCE BOND

Know all men by these presents, that _____

(Name and Address of Company)

(hereinafter called "Principal"), and the

(Name and Address of Surety)

organized and existing under the laws of the State of _____ and authorized to transact business in the State of New Jersey (hereinafter called "Surety"), are hold and firmly bound unto the State of New Jersey (hereinafter called "Obligee"), in the penal sum of \$_____, good and lawful money of the United States of America, as shall be sufficient to indemnify Obligee in case of the default of Principal as hereinafter set forth, for the payment of which sums well and truly to be made, we bind ourselves, our heirs, executors, administrators, successors, and assigns jointly and severally, firmly by these presents.

WHEREAS Principal has entered into a contract and/or order with Obligee, the result of a proposal duly made by the Principal in accordance with the terms of Obligee's request for proposals for furnishing materials, supplies and/or services, which contract and/or order is hereby referred to as _____
(Contract and/or Order Number)

effective _____ and expiring _____ and any extension(s) thereof, and made a part hereof as fully and to the same extent as if copied at length herein.

NOW, THEREFORE, if the Principal shall well and truly perform and fulfill all the undertakings, covenants, terms, conditions, specifications and agreements of the contract and/or order during the original term thereof, and of any extension(s) thereof as provided therein, with or without notice to the surety, and during the life of any warranty/guaranty provided under the contract, and shall also well and truly perform and fulfill all the undertakings, covenants, terms, conditions, and agreements of any and all modifications of the contract, that may hereafter be made, notice of which modifications to the surety being hereby waived, then this obligation shall be void; otherwise to be and remain in full force and effect.

IN WITNESS WHEREOF, the above parties have executed this instrument under their several seals this _____ day of _____, the name and corporate seal of each corporate party being affixed hereto and these presents duly being signed by its authorized representative.

(Principal-Please Print)

(Corporate Seal if Applicable)

(Signature and Title of Principal)

(Surety Company)

(Surety Company Seal)

(Signature and Title of Authorized Agent of Surety Company)

PB-1B (Rev 12/00)

STATE OF NEW JERSEY
DEPARTMENT OF THE TREASURY
DIVISION OF PURCHASE AND PROPERTY
PURCHASE BUREAU
33 WEST STATE STREET
P. O. BOX 230
TRENTON, NJ 08625-0230

ACKNOWLEDGEMENTS

INDIVIDUAL
STATE)SS:
COUNTY)

On this _____ day of _____, before me personally appeared _____, known by me to be the individual described in and who executed the foregoing instrument, and he/she acknowledged to me that he/she executed the same.

(Notary Public)

PARTNERSHIP

STATE)SS:
COUNTY)

On this _____ day of _____, before me personally appeared _____, known by me to be one of the partnership of _____, described in and who executed the foregoing instrument, and he/she acknowledged to me that he/she executed the same as and for the act and deed of said partnership.

(Notary Public)

CORPORATE

STATE)SS:
COUNTY)

On this _____ day of _____, before me personally appeared _____, known by me, who, being by me first duly sworn, did depose and say that he/she resides in _____; that he/she is the _____ of _____, the corporation described in and which executed the foregoing instrument; that he/she knows the corporate seal of said corporation; that the corporate seal affixed to said instrument is such corporate seal; that it was so affixed by order and authority of the Board of Directors of said corporation, and that he/she signed his/her name thereto by like order and authority.

(Notary Public)

Stage 1

Questions and Answers

Bidders are not required to submit questions. However, bidders must check the Purchase Bureau web page for addenda and any updates to the RFP that may result from the questions and answers or from any other change that may occur up to the date of Stage 3 Bid submission. The web site is:

[HTTP://WWW.STATE.NJ.US/TREASURY/PURCHASE/BID/SUMMARY/BID.SHTML.](http://www.state.nj.us/treasury/purchase/bid/summary/bid.shtml)

Stage 2 - Submission of Qualifications

The following forms must be submitted with the Stage 2 Qualifications

1. Ownership Disclosure Form
2. MacBride Principals Form
3. Affirmative Action Employees Information Report
4. Explanation of Past Problems
5. Bidder Information Form
6. Reciprocity Form (optional submission)

The above forms are required submissions for Stage 2, except the reciprocity form. Bidders are to submit only these forms in their Stage 2 submittal. Stage 3 forms cannot be accepted in the Stage 2 phase of bidding and will be returned to the bidder.

ATTACHMENT 1

OWNERSHIP DISCLOSURE FORM

DEPARTMENT OF THE TREASURY
 DIVISION OF PURCHASE & PROPERTY
 STATE OF NEW JERSEY
 33 W. STATE ST., 9TH FLOOR
 PO BOX 230
 TRENTON, NEW JERSEY 08625-0230

BIDDER: _____

INSTRUCTIONS: Provide below the names, home addresses, dates of birth, offices held and any ownership interest of all officers of the firm named above. If additional space is necessary, provide on an attached sheet.

<u>NAME</u>	<u>HOME ADDRESS</u>	<u>DATE OF BIRTH</u>	<u>OFFICE HELD</u>	<u>OWNERSHIP INTEREST</u> <small>(Shares Owned or % of Partnership)</small>

INSTRUCTIONS: Provide below the names, home addresses, dates of birth, and ownership interest of all individuals not listed above, and any partnerships, corporations and any other owner having a 10% or greater interest in the firm named above. If a listed owner is a corporation or partnership, provide below the same information for the holders of 10% or more interest in that corporation or partnership. If additional space is necessary, provide that information on an attached sheet. **If there are no owners with 10% or more interest in your firm, enter "None" below.** Complete the certification at the bottom of this form. If this form has previously been submitted to the Purchase Bureau in connection with another bid, indicate changes, if any, where appropriate, and complete the certification below.

<u>NAME</u>	<u>HOME ADDRESS</u>	<u>DATE OF BIRTH</u>	<u>OFFICE HELD</u>	<u>OWNERSHIP INTEREST</u> <small>(Shares Owned or % of Partnership)</small>

COMPLETE ALL QUESTIONS BELOW

	<u>YES</u>	<u>NO</u>
1. Within the past five years has another company or corporation had a 10% or greater interest in the firm identified above? <i>(If yes, complete and attach a separate disclosure form reflecting previous ownership interests.)</i>	_____	_____
2. Has any person or entity listed in this form or its attachments ever been arrested, charged, indicted or convicted in a criminal or disorderly persons matter by the State of New Jersey, any other State or the U.S. Government? <i>(If yes, attach a detailed explanation for each instance)</i>	_____	_____
3. Has any person or entity listed in this form or its attachments ever been suspended, debarred or otherwise declared ineligible by any agency of government from bidding or contracting to provide services, labor, material, or supplies? <i>(If yes, attach a detailed explanation for each instance)</i>	_____	_____
4. Are there now any criminal matters or debarment proceedings pending in which the firm and/or its officers and/or managers are involved? <i>(If yes, attach a detailed explanation for each instance)</i>	_____	_____
5. Has any Federal, State or Local license, permit or other similar authorization, necessary to perform the work applied for herein and held or applied for by any person or entity listed in this form, been suspended or revoked, or been the subject or any pending proceedings specifically seeking or litigating the issue of suspension or revocation? <i>(If yes, attach a detailed explanation for each instance)</i>	_____	_____

CERTIFICATION: I, being duly sworn upon my oath, hereby represent and state that the foregoing information and any attachments thereto to the best of my knowledge are true and complete. I acknowledge that the State of New Jersey is relying on the information contained herein and thereby acknowledge that **I am under a continuing obligation from the date of this certification through the completion of any contracts with the State to notify the State in writing of any changes to the answers or information contained herein.** I acknowledge that I am aware that it is a criminal offense to make a false statement or misrepresentation in this certification, and if I do so, I recognize that I am subject to criminal prosecution under the law and that it will also constitute a material breach of my agreement(s) with the State of New Jersey and that the State at its option, may declare any contract(s) resulting from this certification void and unenforceable.

I, being duly authorized, certify that the information supplied above, including all attached pages, is complete and correct to the best of my knowledge, I certify that all of the foregoing statements made by me are true. I am aware that if any of the foregoing statements made by me are willfully false, I am subject to punishment.

Company Name: _____ (Signature)
 Address: _____ (Name)
 _____ (Title)
 FEIN/SSN#: _____
 Date _____

ATTACHMENT 2

NOTICE TO ALL BIDDERS
REQUIREMENT TO PROVIDE A CERTIFICATION
IN COMPLIANCE WITH MACBRIDE PRINCIPLES
AND NORTHERN IRELAND ACT OF 1989

Pursuant to Public Law 1995, c. 134, a responsible bidder selected, after public bidding, by the Director of the Division of Purchase and Property, pursuant to N.J.S.A. 52:34-12, or the Director of the Division of Building and Construction, pursuant to N.J.S.A. 52:32-2, must complete the certification below by checking one of the two representations listed and signing where indicated. If a bidder who would otherwise be awarded a purchase, contract or agreement does not complete the certification, then the Directors may determine, in accordance with applicable law and rules, that it is in the best interest of the State to award the purchase, contract or agreement to another bidder who has completed the certification and has submitted a bid within five (5) percent of the most advantageous bid. If the Directors find contractors to be in violation of the principles which are the subject of this law, they shall take such action as may be appropriate and provided by law, rule or contract, including but not limited to, imposing sanctions, seeking compliance, recovering damages, declaring the party in default and seeking debarment or suspension of the party.

I certify, pursuant to N.J.S.A. 52:34-12.2 that the entity for which I am authorized to bid:

_____ has no ongoing business activities in Northern Ireland and does not maintain a physical presence therein through the operation of offices, plants, factories, or similar facilities, either directly or indirectly, through intermediaries, subsidiaries or affiliated companies over which it maintains effective control; or

_____ will take lawful steps in good faith to conduct any business operations it has in Northern Ireland in accordance with the MacBride principles of nondiscrimination in employment as set forth in N.J.S.A. 52:18A-89.8 and in conformance with the United Kingdom's Fair Employment (Northern Ireland) Act of 1989, and permit independent monitoring of their compliance with those principles.

I certify that the foregoing statements made by me are true. I am aware that if any of the foregoing statements made by me are willfully false, I am subject to punishment.

Signature of Bidder

Name (Type or Print)

Title Name (Type or Print)

Name of Company Name (Type or Print)

Date

ATTACHMENT 3

AFFIRMATIVE ACTION	TERM CONTRACT - ADVERTISED BID PROPOSAL
DEPT OF THE TREASURY DIVISION OF PURCHASE & PROPERTY STATE OF NEW JERSEY 33 WEST STATE STREET, 9TH FLOOR PO BOX 230 TRENTON, NEW JERSEY 08625-0230	NAME OF BIDDER: _____

SUPPLEMENT TO BID SPECIFICATIONS

DURING THE PERFORMANCE OF THIS CONTRACT, THE CONTRACTOR AGREES AS FOLLOWS:

1. THE CONTRACTOR OR SUBCONTRACTOR, WHERE APPLICABLE, WILL NOT DISCRIMINATE AGAINST ANY EMPLOYEE OR APPLICANT FOR EMPLOYMENT BECAUSE OF AGE, RACE, CREED, COLOR, NATIONAL ORIGIN, ANCESTRY, MARITAL STATUS, SEX, AFFECTIONAL OR SEXUAL ORIENTATION. THE CONTRACTOR WILL TAKE AFFIRMATIVE ACTION TO ENSURE THAT SUCH APPLICANTS ARE RECRUITED AND EMPLOYED, AND THAT EMPLOYEES ARE TREATED DURING EMPLOYMENT, WITHOUT REGARD TO THEIR AGE, RACE, CREED, COLOR, NATIONAL ORIGIN, ANCESTRY, MARITAL STATUS, SEX, AFFECTIONAL OR SEXUAL ORIENTATION. SUCH ACTION SHALL INCLUDE, BUT NOT BE LIMITED TO THE FOLLOWING: EMPLOYMENT, UPGRADING, DEMOTION, OR TRANSFER; RECRUITMENT OR RECRUITMENT ADVERTISING; LAYOFF OR TERMINATION; RATES OF PAY OR OTHER FORMS OF COMPENSATION; AND SELECTION FOR TRAINING, INCLUDING APPRENTICESHIP. THE CONTRACTOR AGREES TO POST IN CONSPICUOUS PLACES, AVAILABLE TO EMPLOYEES AND APPLICANTS FOR EMPLOYMENT, NOTICES TO BE PROVIDED BY THE PUBLIC AGENCY COMPLIANCE OFFICER SETTING FORTH PROVISIONS OF THIS NONDISCRIMINATION CLAUSE;
2. THE CONTRACTOR OR SUBCONTRACTOR, WHERE APPLICABLE WILL, IN ALL SOLICITATIONS OR ADVERTISEMENTS ,FOR EMPLOYEES PLACED BY OR ON BEHALF OF THE CONTRACTOR, STATE THAT ALL QUALIFIED APPLICANTS WILL RECEIVE CONSIDERATION FOR EMPLOYMENT WITHOUT REGARD TO AGE, RACE, CREED, COLOR, NATIONAL ORIGIN, ANCESTRY, MARITAL STATUS, SEX, AFFECTIONAL OR SEXUAL ORIENTATION.
3. THE CONTRACTOR OR SUBCONTRACTOR, WHERE APPLICABLE, WILL SEND TO EACH LABOR UNION OR REPRESENTATIVE OR WORKERS WITH WHICH IT HAS A COLLECTIVE BARGAINING AGREEMENT OR OTHER CONTRACT OR UNDERSTANDING, A NOTICE, TO BE PROVIDED BY THE AGENCY CONTRACTING OFFICER ADVISING THE LABOR UNION OR WORKERS' REPRESENTATIVE OF THE CONTRACTOR'S COMMITMENTS UNDER THIS ACT AND SHALL POST COPIES OF THE NOTICE IN CONSPICUOUS PLACES AVAILABLE TO EMPLOYEES AND APPLICANTS FOR EMPLOYMENT.
4. THE CONTRACTOR OR SUBCONTRACTOR, WHERE APPLICABLE, AGREES TO COMPLY WITH THE REGULATIONS PROMULGATED BY THE TREASURER PURSUANT TO P.L. 1975, C. 127, AS AMENDED AND SUPPLEMENTED FROM TIME TO TIME AND THE AMERICANS WITH DISABILITIES ACT.
5. THE CONTRACTOR OR SUBCONTRACTOR AGREES TO ATTEMPT IN GOOD FAITH TO EMPLOY MINORITY AND FEMALE WORKERS CONSISTENT WITH THE APPLICABLE COUNTY EMPLOYMENT GOALS PRESCRIBED BY N.J.A.C. 17:27-5.2 PROMULGATED BY THE TREASURER PURSUANT TO P.L. 1975, C. 127, AS AMENDED AND SUPPLEMENTED FROM TIME TO TIME OR IN ACCORDANCE WITH A BINDING DETERMINATION OF THE APPLICABLE COUNTY EMPLOYMENT GOALS DETERMINED BY THE AFFIRMATIVE ACTION OFFICE PURSUANT TO N.J.A.C. 17:27-5.2 PROMULGATED BY THE TREASURER PURSUANT TO P.L. 1975, C. 127, AS AMENDED AND SUPPLEMENTED FROM TIME TO TIME.
6. THE CONTRACTOR OR SUBCONTRACTOR AGREES TO INFORM IN WRITING APPROPRIATE RECRUITMENT AGENCIES IN THE AREA, INCLUDING EMPLOYMENT AGENCIES, PLACEMENT BUREAUS, COLLEGES, UNIVERSITIES, LABOR UNIONS, THAT IT DOES NOT DISCRIMINATE ON THE BASIS OF AGE, CREED, COLOR, NATIONAL ORIGIN, ANCESTRY, MARITAL STATUS, SEX, AFFECTIONAL OR SEXUAL ORIENTATION, AND THAT IT WILL DISCONTINUE THE USE OF ANY RECRUITMENT AGENCY WHICH ENGAGES IN DIRECT OR INDIRECT DISCRIMINATORY PRACTICES.
7. THE CONTRACTOR OR SUBCONTRACTOR AGREES TO REVISE ANY OF ITS TESTING PROCEDURES, IF NECESSARY, TO ASSURE THAT ALL PERSONNEL TESTING CONFORMS WITH THE PRINCIPLES OF JOB-RELATED TESTING, AS ESTABLISHED BY THE STATUTES AND COURT DECISIONS OF THE STATE OF NEW JERSEY AND AS ESTABLISHED BY APPLICABLE FEDERAL LAW AND APPLICABLE FEDERAL COURT DECISIONS.
8. THE CONTRACTOR OR SUBCONTRACTOR AGREES TO REVIEW ALL PROCEDURES RELATING TO TRANSFER, UPGRADING, DOWNGRADING AND LAYOFF TO ENSURE THAT ALL SUCH ACTIONS ARE TAKEN WITHOUT REGARD TO AGE, CREED, COLOR, NATIONAL ORIGIN, ANCESTRY, MARITAL STATUS, SEX, AFFECTIONAL OR SEXUAL ORIENTATION, AND CONFORM WITH THE APPLICABLE EMPLOYMENT GOALS, CONSISTENT WITH THE STATUTES AND COURT DECISIONS OF THE STATE OF NEW JERSEY, AND APPLICABLE FEDERAL LAW AND APPLICABLE FEDERAL COURT DECISIONS.

THE CONTRACTOR AND ITS SUBCONTRACTORS SHALL FURNISH SUCH REPORTS OR OTHER DOCUMENTS TO THE AFFIRMATIVE ACTION OFFICE AS MAY BE REQUESTED BY THE OFFICE FROM TIME TO TIME IN ORDER TO CARRY OUT THE PURPOSES OF THESE REGULATIONS, AND PUBLIC AGENCIES SHALL FURNISH SUCH INFORMATION AS MAY BE REQUESTED BY THE AFFIRMATIVE ACTION OFFICE FOR CONDUCTING A COMPLIANCE INVESTIGATION PURSUANT TO SUBCHAPTER 10 OF THE ADMINISTRATIVE CODE (NJAC17:27).

*** NO FIRM MAY BE ISSUED A PURCHASE ORDER OR CONTRACT WITH THE STATE UNLESS THEY COMPLY WITH THE AFFIRMATIVE ACTION REGULATIONS**

PLEASE CHECK APPROPRIATE BOX (ONE ONLY)

- I HAVE A CURRENT NEW JERSEY AFFIRMATIVE ACTION CERTIFICATE, (PLEASE ATTACH A COPY TO YOUR PROPOSAL).
- I HAVE A VALID FEDERAL AFFIRMATIVE ACTION PLAN APPROVAL LETTER, (PLEASE ATTACH A COPY TO YOUR PROPOSAL).
- I HAVE COMPLETED THE ENCLOSED FORM AA302 AFFIRMATIVE ACTION EMPLOYEE INFORMATION REPORT.

INSTRUCTIONS FOR COMPLETING THE AFFIRMATIVE ACTION EMPLOYEE INFORMATION REPORT (FORM AA302)

IMPORTANT:

READ THE FOLLOWING INSTRUCTIONS CAREFULLY BEFORE COMPLETING THE FORM. PRINT OR TYPE ALL INFORMATION. FAILURE TO PROPERLY COMPLETE THE ENTIRE FORM MAY DELAY ISSUANCE OF YOUR CERTIFICATE.

Item 1 - Enter the Federal Identification Number assigned to the contractor or vendor by the Internal Revenue Service, or if a Federal Employer Identification Number has been applied for, but not yet issued, write the words "applied for",
or
If your business is such that you have not, or will not receive a Federal Employee Identification Number, enter the Social Security Number assigned to the single owner or to a partner, in case of partnership.

Item 2 - Check the box appropriate to your TYPE OF BUSINESS. If you are engaged in more than one type of business, check the predominant one. If you are a manufacturer deriving more than 50% of your receipts from your own retail outlets, check "Retail".

Item 3 - Enter the total "number" of employees in the entire company, including part-time employees. This number shall include all facilities in the entire firm or corporation.

Item 4 - Enter the name by which the company is identified. If there is more than one company name, enter the predominant one.

Item 5 - Enter the physical location of the company, include City, County, State and Zip Code.

Item 6 - Enter the name of any parent or affiliated company including City, State and Zip Code. If there is none, so indicate by entering "None" or N/A.

Item 7 - Check the appropriate box for the total number of employees in the entire company. "Entire Company" shall include all facilities in the entire firm or corporation, including part-time employees, not use those employees at the facility being awarded the contract.

Item 8 - Check the box appropriate to your type of company establishment. Single-establishment Employer shall include an employer whose business is conducted at more than one location.

Item 9 - If multi-establishment was entered in Item 8, enter the number of establishments within the State of New Jersey.

Item 10 - Enter the total number of employees at the establishment being awarded the contract.

Item 11 - Enter the name of the Public Agency awarding the contract. Include City, State and Zip Code.

Item 12 - Enter the appropriate figures on all lines and in all columns. THIS SHALL ONLY INCLUDE EMPLOYMENT DATA FROM THE FACILITY THAT IS BEING AWARDED THE CONTRACT. DO NOT list the same employee in more than one job category.

Racial/Ethnic Groups will be so defined:

Black: Not of Hispanic origin. Persons have origin in any of the Black racial groups of Africa.

Hispanic: Persons of Mexican, Puerto Rican, Cuban or Central or South American or other Spanish culture or origin, regardless of race.

American Indian or Alaskan Native: Persons having origins in any of the original peoples of North America, and who maintain cultural identification through tribal affiliation or community recognition.

Asian or Pacific Islander: Persons having origin in any of the peoples of the Far East, Southeast Asia, the Indian Subcontinent or the Pacific Islands. This area includes for example, China, Japan, the Philippine Islands and Samoa.

Item 13 - Check the appropriate box, if the race or ethnic group information was not obtained by 1 or 2, specify by what other means this was done in 3.

Item 14 - Enter the dates of the payroll period used to prepare the employment data presented in Item 12.

Item 15 - If this is the first time an Employee Information Report has been submitted for this company, check block "Yes".

Item 16 - If the answer to Item 15 is "No", enter the date when the last Employee Information Report was submitted by this company.

Item 17 - Print or type the name of the person completing this form. Include the signature, title and date.

Item 18 - Enter the physical location where the form is being completed. Include City, State, Zip Code and Phone Number.

State of New Jersey
AFFIRMATIVE ACTION EMPLOYEE INFORMATION REPORT

IMPORTANT - READ INSTRUCTIONS ON PRIOR PAGE CAREFULLY BEFORE COMPLETING FORM. TYPE OR PRINT SHARP BALL POINT PEN. FAILURE TO PROPERLY COMPLETE THE ENTIRE FORM MAY DELAY ISSUANCE OF YOUR CERTIFICATE.

SECTION A - COMPANY IDENTIFICATION

1. FID. NO. OR SOCIAL SECURITY	2. TYPE OF BUSINESS <input type="checkbox"/> 1. MFG. <input type="checkbox"/> 2. SERVICE <input type="checkbox"/> 3. WHOLESALE <input type="checkbox"/> 4. RETAIL <input type="checkbox"/> 5. OTHER	3. TOTAL NO. OF EMPLOYEES IN THE ENTIRE COMPANY
4. COMPANY NAME		
5. STREET	CITY	COUNTY STATE ZIP CODE
6. NAME OF PARENT OR AFFILIATED COMPANY (IF NONE, SO INDICATE)		CITY STATE ZIP CODE
7. DOES THE ENTIRE COMPANY HAVE A TOTAL OF AT LEAST 50 EMPLOYEES? <input type="checkbox"/> YES <input type="checkbox"/> NO		
8. CHECK ONE: IS THE COMPANY: <input type="checkbox"/> SINGLE-ESTABLISHMENT EMPLOYER <input type="checkbox"/> MULTI-ESTABLISHMENT EMPLOYER		
9. IF MULTI-ESTABLISHMENT EMPLOYER, STATE THE NUMBER OF ESTABLISHMENTS IN N.J.: []		
10. TOTAL NUMBER OF EMPLOYEES AT THE ESTABLISHMENT WHICH HAS BEEN AWARDED THE CONTRACT: []		
11. PUBLIC AGENCY AWARDED CONTRACT:		CITY STATE ZIP CODE

OFFICIAL USE ONLY

DATE RECEIVED	OUT OF STATE PERCENTAGES	ASSIGNED CERTIFICATION NUMBER
MO/DAY/YR	COUNTY MINORITY FEMALE	

SECTION B - EMPLOYMENT DATA

12. Report all permanent, temporary and part-time employees ON YOUR OWN PAYROLL. Enter the appropriate figures on all lines and in all columns. Where there are no employees in a particular category, enter a zero. Include ALL employees, not just those in minority categories, in columns 1, 2, & 3.

JOB CATEGORIES	ALL EMPLOYEES			MINORITY GROUP EMPLOYEES (PERMANENT)								
	Col. 1 TOTAL (Cols. 2&3)	Col. 2 MALE	Col. 3 FEMALE	MALE				FEMALE				
				BLACK	HISPANIC	AMERICAN INDIAN	ASIAN	BLACK	HISPANIC	AMERICAN INDIAN	ASIAN	
Officials and Managers												
Professionals												
Technicians												
Sales Workers												
Office and Clerical												
Craftworkers (Skilled)												
Operatives (Semi-skilled)												
Laborers (Unskilled)												
Service Workers												
TOTAL												
Total employment from Previous Report (if any)												

The data below shall NOT be included in the request for the categories above.

13. HOW WAS INFORMATION AS TO RACE OR ETHNIC GROUP IN SECTION B OBTAINED? <input type="checkbox"/> 1. VISUAL SURVEY <input type="checkbox"/> 2. EMPLOYMENT RECORD <input type="checkbox"/> 3. OTHER (SPECIFY)	15. IS THIS THE FIRST EMPLOYEE INFORMATION REPORT (AA.302) SUBMITTED? <input type="checkbox"/> 1. YES <input type="checkbox"/> 2. NO	16. IF NO, DATE OF LAST REPORT SUBMITTED MO. DAY YEAR
14. DATES OF PAYROLL PERIOD USED		

SECTION C - SIGNATURE AND IDENTIFICATION

17. NAME OF PERSON COMPLETING FORM (PRINT OR TYPE)(?CONTRACTOR EEO OFFICER)	SIGNATURE	TITLE	MO. DAY YEAR
18. ADDRESS (NO. & STREET)	(CITY)	(STATE)	(ZIP CODE) PHONE (AREA CODE, NO. & EXTENSION)

ATTACHMENT 4

EXPLANATION OF PAST PROBLEMS

Name of Firm: _____

Bid Title: Supply of Natural gas for Various State and Stage Affiliated Agencies

Bid Number:

A. Has your firm previously worked for the State of New Jersey?

Yes No

B. If yes, has your firm ever received written complaints or negative written formal evaluations from the State or has your firm been involved in disputes with the State about that work?

Yes No

C. Has your firm been involved in any disputes or litigation related to the performance of services which are pending or finalized at the BPU? Has your firm previously worked for the Federal Government and received complaints or negative formal evaluations? Has your firm worked as a subcontractor to a government contractor and been involved in disputes or received negative evaluations?

Yes No

D. If you answered yes to B or C above, list below and discuss below what, if anything, the firm has done, or will do, to avoid similar problems in the future. This explanation must deal specifically with the problems involved on the prior contract and any organizational, operational or other changes, which have been or will be implemented. The firm must provide a convincing explanation that past problems will not occur on future work.

Note: The bidder and joint venture partners submit this form in Stage 2 in the bidding process.

ATTACHMENT 5

BIDDER INFORMATION FORM

Supply of Natural Gas for Various State and State Affiliated Agencies

In the Stage 2 bidding process, the bidder must complete this form and submit the following information and documentation:

A. Bidder Name: _____

1. Person to whom a response to this Stage 2 Qualification Submission should be sent:

Name: _____

Address: _____

Telephone: _____

Telefax: _____

Email: _____

2. Bidder's Headquarters:

Company Name: _____

Contact Person: _____

Address: _____

Telephone: _____

Telefax: _____

3. Bidder's Local Office:

Company Name: _____

Contact Person: _____

Address: _____

Telephone: _____

Telefax: _____

Email: _____

4. Provide information required in Section 4.3.5 of the RFP. That section is reproduced here for the convenience of the bidder. Any information that is missing in the Stage 2 Submission will be noted and the bidder will be advised to provide the missing or deficient information in the Stage 3 Bid Proposal

BIDDER INFORMATION FORM

The bidder must provide the information required by Attachment 5 including:

4.3.5.1 Technical Proposal

In this Section, the bidder shall describe its approach and plans for accomplishing the work outlined in the Scope of Work Section, i.e., Section 3.0. The bidder must set forth its understanding of the requirements of this RFP and its ability to successfully complete the contract. This Section of the bid proposal should contain at least the following information:

4.3.5.2 Management Overview

The bidder shall set forth its overall technical approach and plans to meet the requirements of the RFP in a narrative format. This narrative should convince the State that the bidder understands the objectives that the contract is intended to meet, the nature of the required work and the level of effort necessary to successfully complete the contract. This narrative should convince the State that the bidder's general approach and plans to undertake and complete the contract are appropriate to the tasks and subtasks involved.

Mere reiterations of RFP tasks and subtasks are strongly discouraged, as they do not provide insight into the bidder's ability to complete the contract. The bidder's response to this section should be designed to convince the State that the bidder's detailed plans and approach proposed to complete the Scope of Work

are realistic, attainable and appropriate and that the bidder's bid proposal will lead to successful contract completion.

4.3.5.3 Contract Management

The bidder should describe its specific plans to manage, control and supervise the contract to ensure satisfactory contract completion according to the required schedule. The plan should include the bidder's approach to communicate with the State Contract Manager including, but not limited to, status meetings, status reports, etc.

4.3.5.4 Contract Schedule

The bidder should include a contract schedule. If key dates are a part of this RFP, the bidder's schedule should incorporate such key dates and should identify the completion date for each task and sub-task required by the Scope of Work. Such schedule should also identify the associated deliverable item(s) to be submitted as evidence of completion of each task and/or subtask.

The bidder should identify the contract scheduling and control methodology to be used and should provide the rationale for choosing such methodology. The use of Gantt, Pert or other charts is at the option of the bidder.

4.3.5.5 Gear-up And Implementation Plan

It is essential that the State move forward quickly to have this contract in place. Therefore, the bidder must submit with its bid proposal a detailed gear-up and implementation plan that should include at least the following elements:

A detailed timetable for the gear-up and implementation period for service to begin as of May 1, 2004. The timetable should be designed to demonstrate to the State how the bidder will have the contract up and fully operational within the referenced gear-up period (as required) from date of notification of award.

An explanation of how your accounting department is set up, what software systems the bidder uses etc.

An explanation of the bidder's working relationship with the LDC(s), and any agreements it may have in order to complete switching activities timely prior to actual delivery?

4.3.5.6 Potential Problems

The bidder should set forth a summary of any and all problems that the bidder anticipates during the term of the contract. For each problem identified, the bidder should provide its proposed solution.

4.3.5.7 Organizational Support and Experience

The bidder should include information relating to its organization, personnel, and experience, including, but not limited to, references, together with contact names and telephone numbers, evidencing the bidder's qualifications, and capabilities to perform the services required by this RFP.

4.3.5.8 Location

The bidder should include the location of the bidder's office that will be responsible for managing the contract. The bidders name, address, contact information, headquarters location, local office, fax numbers, telephone numbers, Email addresses and individuals to contact should be noted in this section.

4.3.5.9 Organization Chart (Contract Specific)

The bidder should include a contract organization chart, with names showing management, supervisory and other key personnel (including sub-contractor's management, supervisory or other key personnel) to be assigned to the contract. The chart should include the labor category and title of each such individual.

4.3.5.10 Identify the bid groups being bid

The bidder shall identify the bid groups for which it intends to bid. Such identification shall be used to review the license and certification information specified in Section 4.3.5.11

4.3.5.11 Licenses certifications and registrations

New Jersey Business Registration

The bidder must supply its New Jersey Business Registration Number or a copy of the New Jersey Business Registration Certificate for State Agency and Casino Service Contractors.

Note: The bidder with the Stage 2 Qualification submission should submit proof of valid business registration with the Division of Revenue, Department of the Treasury, State of New Jersey. No contract will be awarded without proof of business registration with the Division of Revenue. Any question in this regard can be directed to the Division of Revenue at (609) 292-1730 or (609)-292-9292.

Registration requires the filing of the NJ-REG form with the Division of Revenue. Information and the form can be obtained at www.state.nj.us/njbgs/services.html and searching for business registration. The registration covers all types of contractors and subcontractors. Contractors should review the instructions associated with the form for more information.

Natural Gas Supplier License

All bidders must submit with their bid either a copy of their current license as a Natural Gas Supplier or their current license number issued by the N.J. Board of Public Utilities.

Certified by NJNG

If the bidder intends to bid on a bid group in the NJNG territory, then the bidder must indicate that it is certified by NJNG as a marketer or broker in accordance with NJNG service classification MBR. If not, the bidder must indicate that it will obtain this certification prior to the Submission of the Stage 3 bid proposal.

Certified by PSE&G

If the bidder intends to bid on a bid group in the PSE&G territory, the bidder must indicate that it is a certified seller of natural gas in accordance with Third Party Supplier (TPS) requirements of Public Service Electric and Gas Company, and meets PSE&G's Standard Terms and Conditions. If not, the

bidder must indicate that it will obtain this certification prior to the Submission of the Stage 3 bid proposal

Certified by Elizabethtown Gas

If the bidder intends to bid on a bid group in the Elizabethtown Gas Company territory, the bidder must indicate that it is certified as a Third Party Supplier (TPS), and if applicable, as a Seasonal Delivery Service (SDS), with Elizabethtown Gas Company. If not, the bidder must indicate that it will obtain this certification prior to the Submission of the Stage 3 bid proposal

Willingness To Obtain Certification By South Jersey Gas Company

If the bidder intends to bid on a bid group in the South Jersey Gas Company territory, the bidder must provide a written certification that it will complete any necessary agreements with the South Jersey Gas Company for rate schedules LVCS and FES with Rider "D" Customer Owned Gas Clause (COGC), or equivalent, and Aggregator/Marketer Agreement (A/M) if applicable. If the Bidder has not already entered into these agreements with South Jersey Gas Company, then the bidder should so indicate.

4.3.5.12 Backup Staff

The bidder should include a list of backup staff that may be called upon to assist or replace primary individuals assigned. Backup staff must be clearly identified as backup staff.

In the event the bidder must hire management, supervisory and/or key personnel if awarded the contract, the bidder should include, as part of its recruitment plan, a plan to secure backup staff in the event personnel initially recruited need assistance or need to be replaced during the contract term.

4.3.5.13 Organization Chart (Entire Firm)

The bidder should include an organization chart showing the bidder's entire organizational structure. This chart should show the relationship of the individuals assigned to the contract to the bidder's overall organizational structure.

4.3.5.14 Experience of Bidder on Contracts of Similar Size and Scope

The bidder should provide a comprehensive listing of contracts of similar size and scope that it has successfully completed, as evidence of the bidder's ability to successfully complete the services required by this RFP. Emphasis should be placed on contracts that are similar in size and scope to the work required by this RFP. A description of all such contracts should be included and should show how such contracts relate to the ability of the firm to complete the services required by this RFP. For each such contract, the bidder should provide the name and telephone number of a contact person for the other contract party. Beginning and ending dates should also be given for each contract.

4.3.5.15 Financial Capability of the Bidder

The bidder shall provide proof of its financial capacity and capabilities to undertake and successfully complete the contract. To satisfy this requirement, the bidder shall submit a certified financial statement, including applicable notes, reflecting the bidder's assets, liabilities, net worth, revenues, expenses, profit or loss, and cash flow for the most recent calendar year or the bidder's most recent fiscal year; or, if a certified financial statement is not available, then either a reviewed or compiled statement from an independent accountant setting forth the same information required for the certified financial statement. In addition, the bidder must submit a bank reference.

If a corporation, submit the corporation's most recently filed SEC form 10q. Also if a corporation, submit a copy of the corporation's most recent annual report. Also provide the bidder's Dunn and Bradstreet number, and the bidder's or bidder's parent company's most recent bond rating Standard and Poors, Fitch or Moody's). Failure to provide adequate company financial information may be cause for bid rejection.

4.3.5.16 Subcontractor(s)

- A. Should the bidder propose to utilize a subcontractor(s) to fulfill any of its obligations, the bidder shall be responsible for the subcontractor's(s): (a) performance; (b) compliance with all of the terms and conditions of the contract; and (c) compliance with the requirements of all applicable laws.
- B. The bidder must provide a detailed description of services to be provided by each subcontractor, referencing the applicable Section or Subsection of this RFP.
- C. The bidder should provide detailed resumes for each subcontractor's management, supervisory and other key personnel that demonstrate knowledge, ability and experience relevant to that part of the work which the subcontractor is designated to perform.
- D. The bidder should provide documented experience to demonstrate that each subcontractor has successfully performed work on contracts of a similar size and scope to the work that the subcontractor is designated to perform in the bidder's proposal.

ATTACHMENT 6

RECIPROCITY FORM
(Optional Submission)

IMPORTANT NOTICE TO ALL BIDDERS

Effective October 7, 1991 in accordance with N.J.S.A. 52:32-1.4 and N.J.A.C. 17:12-2.13, the State of New Jersey will invoke reciprocal action against an out-of-State bidder whose State or locality maintains a preference practice for their bidders.

For States having preference laws, regulations, or practices, New Jersey will use the annual surveys compiled by the Council of State Governments, National Association of State Purchasing Officials, or the National Institute of Governmental Purchasing to invoke reciprocal actions. The State may obtain additional information anytime it deems appropriate to supplement the above survey information.

Any bidder may submit information related to preference practices enacted for a local entity outside the State of New Jersey. This information may be submitted in writing as part of the bid response proposal, and should be in the form of resolutions passed by an appropriate governing body, regulations, a Notice to Bidders, laws, etc. It is the responsibility of the bidder to provide the documentation with the bid proposal or submit it to the Director, Division of Purchase and Property within five (5) working days of the public bid opening. Written evidence for a specific procurement that is not provided to the Director within five working days of the public bid opening will not be considered in the evaluation of that procurement, but will be retained and considered in the evaluation of subsequent procurements.

Any bidder having evidence of out-of-State local entities invoking preference practices should complete the form below, with a copy of appropriate documentation. The form and documentation may be submitted with your bid response proposal.

.....
Name of Locality having preference practices:

City /Town/Authority	
County	
State	

Documentation Attached

- Resolution Regulations/Laws
 Notice to Bidder Other _____

Name of Firm Submitting this information _____

Please Print

Stage 3 - Submission of Bid Proposal

The following forms must be submitted with the Stage 3 Bid Proposal

7. Response to any deficiencies found in the Stage 2 Qualification Submission
8. Cover Sheet
9. Joint Venture Certification form (if applicable)
10. Bid Price Forms

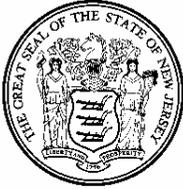
ATTACHMENT 7
Response to Deficiencies

Bidder Name: _____

Response to any deficiencies found in the Stage 2 Qualification Submission

If the bidder received a notice indicating that there were problems, concerns or deficiencies in the Stage 2 Qualification Submission, then the Bidder should provide below or attach a response to those deficiencies or concerns.

ATTACHMENT 8

	STATE OF NEW JERSEY REQUEST FOR PROPOSAL	BID NUMBER: 00-X-00000
	FOR: Supply of Natural Gas for Various State and State Affiliated Agencies	TERM CONTRACT #: T-1620 REQUESTING AGENCY: TREASURY ADMINISTRATION, STATEWIDE CONTRACT CONSOLIDATION
	ESTIMATED AMOUNT: <u>N/A</u> CONTRACT EFFECTIVE DATE: <u>May 1, 2004</u> CONTRACT EXPIRATION DATE: December 31, 2005 COOPERATIVE PURCHASING: NO SET ASIDE: NO	<u>DIRECT QUESTIONS CONCERNING THIS RFP TO:</u> BUYER NAME: Edward T. Cotterell PHONE NUMBER: 609-984-6241 FAX NUMBER 609-292-5170 E-MAIL ADDRESS: Ed.Cotterell@treas.state.nj.us

TO BE COMPLETED BY BIDDER:

Firm Name: _____ Address: _____

PURSUANT TO N.J.S.A. 52:34 - 12 AND N.J.A.C. 17:12 - 2.2, PROPOSALS WHICH FAIL TO CONFORM WITH THE FOLLOWING REQUIREMENTS WILL BE AUTOMATICALLY REJECTED:

- 1) **PROPOSALS MUST BE RECEIVED AT OR ON BEFORE THE PUBLIC OPENING TIME OF 2 PM ON 5/02/04 AT THE FOLLOWING PLACE: DEPARTMENT OF THE TREASURY, PURCHASE BUREAU, PO BOX-230, 33 WEST STATE STREET, 9TH FLOOR, TRENTON, NEW JERSEY 08625-0230. TELEPHONE, TELEFACSIMILE OR TELEGRAPH PROPOSALS WILL NOT BE ACCEPTED.**
- 2) THE BIDDER MUST SIGN THE PROPOSAL.
- 3) THE PROPOSAL MUST INCLUDE ALL PRICE INFORMATION. PROPOSAL PRICES SHALL INCLUDE DELIVERY OF ALL ITEMS, F.O.B. DESTINATION OR AS OTHERWISE PROVIDED. PRICE QUOTES MUST BE FIRM THROUGH ISSUANCE OF CONTRACT.
- 4) ALL PROPOSAL PRICES MUST BE TYPED OR WRITTEN IN INK.
- 5) ALL CORRECTIONS, WHITE-OUTS, ERASURES, RESTRIKING OF TYPE, OR OTHER FORMS OF ALTERATION, OR THE APPEARANCE OF ALTERATION, TO UNIT AND/OR TOTAL PRICES MUST BE INITIALED IN INK BY THE BIDDER.
- 6) THE BIDDER MUST SUBMIT WITH THE PROPOSAL BID SECURITY IN THE AMOUNT OF : NA
CHECK THE TYPE OF BID SECURITY SUPPLIED:
ANNUAL BID BOND ON FILE: _____ BID BOND ATTACHED: _____
CERTIFIED OR CASHIERS CHECK ATTACHED: _____ LETTER OF CREDIT ATTACHED: _____
- 7) THE BIDDER MUST COMPLETE AND SUBMIT, PRIOR TO THE SUBMISSION OF THE PROPOSAL, OR ACCOMPANYING THE PROPOSAL, THE ATTACHED OWNERSHIP DISCLOSURE FORM. (SEE N.J.S.A. 52:25-24.2). [SEE ATTACHMENT 1](#)
- 8) THE BIDDER MUST ATTEND THE MANDATORY PRE-BID CONFERENCE(S) AND SITE VISIT(S) AT THE FOLLOWING DATE(S) AND TIME(S):
PRE-BID CONFERENCE NA AND SITE INSPECTION NA

ADDITIONAL REQUIREMENTS

- 9) PERFORMANCE SECURITY: 15 %
- 10) PAYMENT RETENTION NA
- 11) AN AFFIRMATION ACTION FORM ([ATTACHMENT 3 OF RFP](#))
- 12) A MACBRIDE PRINCIPALS CERTIFICATION ([ATTACHMENT 2 OF RFP](#))
- 13) REQUESTED DELIVERY: SEE DETAILS ELSEWHERE IN RFP
- 14) CERTIFICATION OR NOTIFICATION OF REGISTRATION WITH THE SECRETARY OF STATE IF A FOREIGN (NON-NJ) CORPORATION, IF NECESSARY (SEE N.J.S.A 14A:13-1 ET SEQ. AND N.J.A.C. 17:12-2.12).
- 15) FOR SET ASIDE CONTRACTS ONLY, N.J. DEPARTMENT OF COMMERCE REGISTRATION AS A SMALL BUSINESS (SEE N.J.A.C. 17:13-1.1 et. seq.).

TO BE COMPLETED BY BIDDER

- 16) DELIVERY CAN BE MADE _____ DAYS OR _____ WEEKS AFTER RECEIPT OF ORDER.
- 17) CASH DISCOUNT TERMS (SEE RFP) _____ %, _____ DAYS: NET _____ DAYS. 18) BIDDER PHONE NO: _____
- 19) BIDDER FAX NO. _____ 20) BIDDER E-MAIL ADDRESS. _____
- 21) BIDDER FEDERAL ID NO. _____ 22) YOUR BID REFERENCE NO. _____

SIGNATURE OF THE BIDDER ATTESTS THAT THE BIDDER HAS READ, UNDERSTANDS, AND AGREES TO ALL TERMS, CONDITIONS, AND SPECIFICATIONS SET FORTH IN THE REQUEST FOR PROPOSAL, INCLUDING ALL ADDENDA. FURTHERMORE, SIGNATURE BY THE BIDDER SIGNIFIES THAT THE REQUEST FOR PROPOSAL AND THE RESPONSIVE PROPOSAL CONSTITUTES A CONTRACT IMMEDIATELY UPON NOTICE OF ACCEPTANCE OF THE PROPOSAL BY THE STATE OF NEW JERSEY FOR ANY OR ALL OF THE ITEMS BID, AND FOR THE LENGTH OF TIME INDICATED IN THE REQUEST FOR PROPOSAL. FAILURE TO ACCEPT THE CONTRACT WITHIN THE TIME PERIOD INDICATED IN THE REQUEST FOR PROPOSAL, OR FAILURE TO HOLD PRICES OR TO MEET ANY OTHER TERMS AND CONDITIONS AS DEFINED IN EITHER THE REQUEST FOR PROPOSAL OR THE PROPOSAL DURING THE TERM OF THE CONTRACT, SHALL CONSTITUTE A BREACH AND MAY RESULT IN SUSPENSION OR DEBARMENT FROM FURTHER STATE BIDDING. A DEFAULTING CONTRACTOR MAY ALSO BE LIABLE, AT THE OPTION OF THE STATE, FOR THE DIFFERENCE BETWEEN THE CONTRACT PRICE AND THE PRICE BID BY AN ALTERNATE VENDOR OF THE GOODS OR SERVICES IN ADDITION TO OTHER REMEDIES AVAILABLE.

23) ORIGINAL SIGNATURE OF BIDDER	24) NAME OF FIRM
25) PRINT/TYPE NAME AND TITLE	26) DATE

ATTACHMENT 9

Joint Venture Certification

Joint Venture Name: _____

Submitted to the State of New Jersey in connection with a Bid Proposal in response to the following bid:

Bid Title: Supply of Natural Gas for Various State and State Affiliated Agencies

Bid Number:

The parties whose authorized signatures appear below have duly associated themselves for the purposes of submitting the aforementioned bid proposal to the State of New Jersey and so hereby authorize the submission of that bid proposal and do hereby pledge to perform jointly any contract for the State of New Jersey which is awarded to the joint venture as a result of the bid proposal.

Signature

Signature

Name

Name

Title

Title

Corporation or Company

Corporation or Company

Date

Date

See Section 1.4.8 of the RFP.

ATTACHMENT 10

Bid Price Forms

Bidder Name: _____

Supply of Natural Gas for Various State and State Affiliated Agencies

Bidders must complete all the pricing information required for each bid group that the bidder is bidding. Bidders may bid one bid group, more than one bid group, or all the bid groups.

Bidders are only to provide the up-charge price and then perform the calculations necessary to develop a total bid price for the bid group. The Weighted Average Commodity Price for gas on the forms is an estimate and will be used for two purposes. First it will be used as an estimate of the gas commodity price for bid evaluation purposes. Second, when the total amount is added with the up-charge total, a total bid price will be created for the bid group. This total bid price for the bid group will form the basis for calculating the performance bond that is required 10 days after contract award.

The Weighted Average Commodity price will be determined after contract award in accordance with the procedures specified in the RFP.

**State of New Jersey
Supply of Natural Gas for Various State and State Affiliated Agencies**

**Attachment 10 - A Bid Group: ETOWN FIRM
Bid Price Sheet**

SUPPLIER TO ENTER INFORMATION BELOW

Supplier Name: _____

	Unit Price (\$/th)	x	Historical Quantity (th)	Total (\$)
1a) 20-Month Fixed Upcharge Price Bid May 1, 2004 - December 31, 2005 (See note # 1) - includes 6% NJ SUT	<input type="text"/>		1,104,209	_____
1b) 20-Month Indicative Commodity Price (See note #2) - includes 6% NJ SUT	\$0.5423		1,104,209	\$598,792.88
1c) Total Price (sum of 1a & 1b above)			1,104,209	_____

	Indicative NYMEX Commodity Price (\$/th)	Historical Volumes (th)	Total Cost of Gas Commodity
May-04	\$0.5112	34,390	\$17,580.17
Jun-04	\$0.5112	17,097	\$8,739.99
Jul-04	\$0.5135	12,130	\$6,228.76
Aug-04	\$0.5155	11,308	\$5,829.27
Sep-04	\$0.5130	125,454	\$64,357.90
Oct-04	\$0.5145	69,168	\$35,586.94
Nov-04	\$0.5320	47,242	\$25,132.74
Dec-04	\$0.5485	74,704	\$40,975.14
Jan-05	\$0.5605	100,647	\$56,412.64
Feb-05	\$0.5555	91,751	\$50,967.68
Mar-05	\$0.5350	74,130	\$39,659.55
Apr-05	\$0.4760	54,695	\$26,034.82
May-05	\$0.4650	34,390	\$15,991.35
Jun-05	\$0.4655	17,097	\$7,958.65
Jul-05	\$0.4680	12,130	\$5,676.84
Aug-05	\$0.4695	11,308	\$5,309.11
Sep-05	\$0.4683	125,454	\$58,750.11
Oct-05	\$0.4718	69,168	\$32,633.46
Nov-05	\$0.4898	47,242	\$23,139.13
Dec-05	\$0.5078	74,704	\$37,934.69

20-Month Total	1,104,209	\$564,898.95
Wtd Avg Commodity Price		\$0.5116
Sales and Use Tax SUT	6%	\$0.0307
Wtd Avg Commodity Price Plus SUT		\$0.5423

Note 1: Supplier to Provide in Box in row 1a) its 20-Month Term Bid Fixed Upcharge Price, including 6% State Sales and Use Tax. Supplier to multiply Bid Fixed Upcharge Price (\$/th) times Historical Quantity (th) and fill-in Total in Row 1a). Supplier to add Bid Fixed Upcharge (\$/th) to Indicative Commodity Unit Price and fill-in Total Unit Price in Row 1c). Supplier to multiply Total Unit Price (\$/th) times Historical Quantity (th) and fill-in Total in Row 1c). Bid Fixed Upcharge Price (\$/th) must be stated with four significant digits. Additional digits will be truncated.

Note 2: For bid evaluation purposes, the Weighted Average Commodity Price is calculated by dividing 20-month total commodity costs using the January 2, 2004 closing NYMEX strip prices for May 2004 through December 2005, grossed up for 6% State Sales and Use Tax, by the 20-month total historical volumes

Note 3: Bid award will be based upon the lowest responsible and responsive Total Price bid

Note 4: 20-Month Term Weighted Average Commodity Price used in bid evaluation is indicative-only. Actual Contract Commodity Price calculated using same methodology but using monthly NYMEX strip closing prices on the day that the State exercises its lock-in rights under RFP

**State of New Jersey
Supply of Natural Gas for Various State and State Affiliated Agencies**

**Attachment 10- B Bid Group: NJNG FIRM
Bid Price Sheet**

SUPPLIER TO ENTER INFORMATION BELOW

Supplier Name: _____

	Unit Price (\$/th)		Historical Quantity (th)	Total (\$)
1a) 20-Month Fixed Upcharge Price Bid May 1, 2004 - December 31, 2005 (See note # 1) - includes 6% NJ SUT	<input type="text"/>	x	1,553,502	_____
1b) 20-Month Indicative Commodity Price (See note #2) - includes 6% NJ SUT	\$0.5516	x	1,553,502	\$856,969.07
1c) Total Price (sum of 1a & 1b above)	_____	x	1,553,502	_____

	Indicative NYMEX Commodity Price (\$/th)	Historical Volumes (th)	Total Cost of Gas Commodity
May-04	\$0.5112	86,451	\$44,193.82
Jun-04	\$0.5112	19,995	\$10,221.29
Jul-04	\$0.5135	30,336	\$15,577.67
Aug-04	\$0.5155	7,765	\$4,002.78
Sep-04	\$0.5130	7,848	\$4,026.15
Oct-04	\$0.5145	40,475	\$20,824.14
Nov-04	\$0.5320	89,414	\$47,568.05
Dec-04	\$0.5485	159,318	\$87,385.98
Jan-05	\$0.5605	186,051	\$104,281.83
Feb-05	\$0.5555	188,202	\$104,546.24
Mar-05	\$0.5350	171,151	\$91,565.62
Apr-05	\$0.4760	124,895	\$59,449.79
May-05	\$0.4650	86,451	\$40,199.78
Jun-05	\$0.4655	19,995	\$9,307.53
Jul-05	\$0.4680	30,336	\$14,197.37
Aug-05	\$0.4695	7,765	\$3,645.60
Sep-05	\$0.4683	7,848	\$3,675.34
Oct-05	\$0.4718	40,475	\$19,095.87
Nov-05	\$0.4898	89,414	\$43,794.79
Dec-05	\$0.5078	159,318	\$80,901.74

20-Month Total	1,553,502	\$808,461.38
Wtd Avg Commodity Price		\$0.5204
Sales and Use Tax SUT	6%	\$0.0312
Wtd Avg Commodity Price Plus SUT		\$0.5516

Note 1: Supplier to Provide in Box in row 1a) its 20-Month Term Bid Fixed Upcharge Price, including 6% State Sales and Use Tax. Supplier to multiply Bid Fixed Upcharge Price (\$/th) times Historical Quantity (th) and fill-in Total in Row 1a). Supplier to add Bid Fixed Upcharge (\$/th) to Indicative Commodity Unit Price and fill-in Total Unit Price in Row 1c). Supplier to multiply Total Unit Price (\$/th) times Historical Quantity (th) and fill-in Total in Row 1c). Bid Fixed Upcharge Price (\$/th) must be stated with four significant digits. Additional digits will be truncated.

Note 2: For bid evaluation purposes, the Weighted Average Commodity Price is calculated by dividing 20-month total commodity costs using the January 2, 2004 closing NYMEX strip prices for May 2004 through December 2005, grossed up for 6% State Sales and Use Tax, by the 20-month total historical volumes

Note 3: Bid award will be based upon the lowest responsible and responsive Total Price bid

Note 4: 20-Month Term Weighted Average Commodity Price used in bid evaluation is indicative-only. Actual Contract Commodity Price calculated using same methodology but using monthly NYMEX strip closing prices on the day that the State exercises its lock-in rights under RFP

**State of New Jersey
Supply of Natural Gas for Various State and State Affiliated Agencies**

**Attachment 10 - C Bid Group: PSE&G FIRM
Bid Price Sheet**

SUPPLIER TO ENTER INFORMATION BELOW

Supplier Name: _____

	Unit Price (\$/th)	x	Historical Quantity (th)	Total (\$)
1a) 20-Month Fixed Upcharge Price Bid May 1, 2004 - December 31, 2005 (See note # 1) - includes 6% NJ SUT	<input type="text"/>		26,569,846	_____
1b) 20-Month Indicative Commodity Price (See note #2) - includes 6% NJ SUT	\$0.5431		26,569,846	\$14,429,387.41
1c) Total Price (sum of 1a & 1b above)			26,569,846	_____

	Indicative NYMEX Commodity Price (\$/th)	Historical Volumes (th)	Total Cost of Gas Commodity
May-04	\$0.5112	1,153,718	\$589,780
Jun-04	\$0.5112	595,118	\$304,224
Jul-04	\$0.5135	594,004	\$305,021
Aug-04	\$0.5155	1,358,612	\$700,364
Sep-04	\$0.5130	865,287	\$443,892
Oct-04	\$0.5145	1,409,221	\$725,044
Nov-04	\$0.5320	1,456,470	\$774,842
Dec-04	\$0.5485	1,774,685	\$973,414
Jan-05	\$0.5605	2,256,504	\$1,264,771
Feb-05	\$0.5555	2,302,909	\$1,279,266
Mar-05	\$0.5350	2,138,988	\$1,144,358
Apr-05	\$0.4760	1,457,219	\$693,636
May-05	\$0.4650	1,153,718	\$536,479
Jun-05	\$0.4655	595,118	\$277,027
Jul-05	\$0.4680	594,004	\$277,994
Aug-05	\$0.4695	1,358,612	\$637,868
Sep-05	\$0.4683	865,287	\$405,214
Oct-05	\$0.4718	1,409,221	\$664,870
Nov-05	\$0.4898	1,456,470	\$713,379
Dec-05	\$0.5078	1,774,685	\$901,185

20-Month Total	<input type="text"/>	26,569,846	\$13,612,630
Wtd Avg Commodity Price			\$0.5123
Sales and Use Tax SUT		6%	\$0.0307
Wtd Avg Commodity Price Plus SUT			<input type="text"/>

Note 1: Supplier to Provide in Box in row 1a) its 20-Month Term Bid Fixed Upcharge Price, including 6% State Sales and Use Tax. Supplier to multiply Bid Fixed Upcharge Price (\$/th) times Historical Quantity (th) and fill-in Total in Row 1a). Supplier to add Bid Fixed Upcharge (\$/th) to Indicative Commodity Unit Price and fill-in Total Unit Price in Row 1c). Supplier to multiply Total Unit Price (\$/th) times Historical Quantity (th) and fill-in Total in Row 1c). Bid Fixed Upcharge Price (\$/th) must be stated with four significant digits. Additional digits will be truncated.

Note 2: For bid evaluation purposes, the Weighted Average Commodity Price is calculated by dividing 20-month total commodity costs using the January 2, 2004 closing NYMEX strip prices for May 2004 through December 2005, grossed up for 6% State Sales and Use Tax, by the 20-month total historical volumes

Note 3: Bid award will be based upon the lowest responsible and responsive Total Price bid

Note 4: 20-Month Term Weighted Average Commodity Price used in bid evaluation is indicative-only. Actual Contract Commodity Price calculated using same methodology but using monthly NYMEX strip closing prices on the day that the State exercises its lock-in rights under RFP

State of New Jersey
Supply of Natural Gas for Various State and State Affiliated Agencies

Attachment 10 - D Bid Group: SJG FIRM
Bid Price Sheet

SUPPLIER TO ENTER INFORMATION BELOW

Supplier Name: _____

	Unit Price (\$/th)	x	Historical Quantity (th)	Total (\$)
1a) 20-Month Fixed Upcharge Price Bid May 1, 2004 - December 31, 2005 (See note # 1) - includes 6% NJ SUT	<input type="text"/>		6,603,659	_____
1b) 20-Month Indicative Commodity Price (See note #2) - includes 6% NJ SUT	\$0.5379		6,603,659	\$3,551,879.85
1c) Total Price (sum of 1a & 1b above)			6,603,659	_____

	Indicative NYMEX Commodity Price (\$/th)	Historical Volumes (th)	Total Cost of Gas Commodity
May-04	\$0.5112	135,761	\$69,401
Jun-04	\$0.5112	85,129	\$43,518
Jul-04	\$0.5135	203,699	\$104,599
Aug-04	\$0.5155	77,950	\$40,183
Sep-04	\$0.5130	481,622	\$247,072
Oct-04	\$0.5145	573,096	\$294,858
Nov-04	\$0.5320	915,443	\$487,016
Dec-04	\$0.5485	265,390	\$145,566
Jan-05	\$0.5605	306,542	\$171,817
Feb-05	\$0.5555	329,743	\$183,172
Mar-05	\$0.5350	272,112	\$145,580
Apr-05	\$0.4760	219,082	\$104,283
May-05	\$0.4650	135,761	\$63,129
Jun-05	\$0.4655	85,129	\$39,628
Jul-05	\$0.4680	203,699	\$95,331
Aug-05	\$0.4695	77,950	\$36,598
Sep-05	\$0.4683	481,622	\$225,544
Oct-05	\$0.4718	573,096	\$270,387
Nov-05	\$0.4898	915,443	\$448,384
Dec-05	\$0.5078	265,390	\$134,765

20-Month Total	6,603,659	\$3,350,830
Wtd Avg Commodity Price		\$0.5074
Sales and Use Tax SUT	6%	\$0.0304
Wtd Avg Commodity Price Plus SUT		\$0.5379

Note 1: Supplier to Provide in Box in row 1a) its 20-Month Term Bid Fixed Upcharge Price, including 6% State Sales and Use Tax. Supplier to multiply Bid Fixed Upcharge Price (\$/th) times Historical Quantity (th) and fill-in Total in Row 1a). Supplier to add Bid Fixed Upcharge (\$/th) to Indicative Commodity Unit Price and fill-in Total Unit Price in Row 1c). Supplier to multiply Total Unit Price (\$/th) times Historical Quantity (th) and fill-in Total in Row 1c). Bid Fixed Upcharge Price (\$/th) must be stated with four significant digits. Additional digits will be truncated.

Note 2: For bid evaluation purposes, the Weighted Average Commodity Price is calculated by dividing 20-month total commodity costs using the January 2, 2004 closing NYMEX strip prices for May 2004 through December 2005, grossed up for 6% State Sales and Use Tax, by the 20-month total historical volumes

Note 3: Bid award will be based upon the lowest responsible and responsive Total Price bid

Note 4: 20-Month Term Weighted Average Commodity Price used in bid evaluation is indicative-only. Actual Contract Commodity Price calculated using same methodology but using monthly NYMEX strip closing prices on the day that the State exercises its lock-in rights under RFP

**State of New Jersey
Supply of Natural Gas for Various State and State Affiliated Agencies**

**Attachment 10 - E
Bid Price Sheet**

Bid Group: PSE&G INTERRUPTIBLE

SUPPLIER TO ENTER INFORMATION BELOW

Supplier Name: _____

	Unit Price (\$/th)	x	Historical Quantity (th)	Total (\$)
1a) 20-Month Fixed Upcharge Price Bid May 1, 2004 - December 31, 2005 (See note # 1) - includes 6% NJ SUT	<input type="text"/>		1,957,898	_____
1b) 20-Month Indicative Commodity Price (See note #2) - includes 6% NJ SUT	\$0.5507		1,957,898	\$1,078,159.34
1c) Total Price (sum of 1a & 1b above)			1,957,898	_____

	Indicative NYMEX Commodity Price (\$/th)	Historical Volumes (th)	Total Cost of Gas Commodity
May-04	\$0.5112	144,453	\$73,844
Jun-04	\$0.5112	20,009	\$10,228
Jul-04	\$0.5135	22,333	\$11,468
Aug-04	\$0.5155	22,221	\$11,455
Sep-04	\$0.5130	19,409	\$9,957
Oct-04	\$0.5145	19,569	\$10,068
Nov-04	\$0.5320	94,255	\$50,144
Dec-04	\$0.5485	174,552	\$95,742
Jan-05	\$0.5605	250,246	\$140,263
Feb-05	\$0.5555	229,892	\$127,705
Mar-05	\$0.5350	243,103	\$130,060
Apr-05	\$0.4760	201,055	\$95,702
May-05	\$0.4650	144,453	\$67,171
Jun-05	\$0.4655	20,009	\$9,314
Jul-05	\$0.4680	22,333	\$10,452
Aug-05	\$0.4695	22,221	\$10,433
Sep-05	\$0.4683	19,409	\$9,089
Oct-05	\$0.4718	19,569	\$9,232
Nov-05	\$0.4898	94,255	\$46,166
Dec-05	\$0.5078	174,552	\$88,637

20-Month Total	<input type="text"/>	1,957,898	\$1,017,131
Wtd Avg Commodity Price			\$0.5195
Sales and Use Tax SUT		6%	\$0.0312
Wtd Avg Commodity Price Plus SUT			\$0.5507

Note 1: Supplier to Provide in Box in row 1a) its 20-Month Term Bid Fixed Upcharge Price, including 6% State Sales and Use Tax. Supplier to multiply Bid Fixed Upcharge Price (\$/th) times Historical Quantity (th) and fill-in Total in Row 1a). Supplier to add Bid Fixed Upcharge (\$/th) to Indicative Commodity Unit Price and fill-in Total Unit Price in Row 1c). Supplier to multiply Total Unit Price (\$/th) times Historical Quantity (th) and fill-in Total in Row 1c). Bid Fixed Upcharge Price (\$/th) must be stated with four significant digits. Additional digits will be truncated.

Note 2: For bid evaluation purposes, the Weighted Average Commodity Price is calculated by dividing 20-month total commodity costs using the January 2, 2004 closing NYMEX strip prices for May 2004 through December 2005, grossed up for 6% State Sales and Use Tax, by the 20-month total historical volumes

Note 3: Bid award will be based upon the lowest responsible and responsive Total Price bid

Note 4: 20-Month Term Weighted Average Commodity Price used in bid evaluation is indicative-only. Actual Contract Commodity Price calculated using same methodology but using monthly NYMEX strip closing prices on the day that the State exercises its lock-in rights under RFP

State of New Jersey
Supply of Natural Gas for Various State and State Affiliated Agencies

Attachment 10 - F
Bid Price Sheet

Bid Group: **SJG INTERRUPTIBLE**

SUPPLIER TO ENTER INFORMATION BELOW

Supplier Name: _____

	Unit Price (\$/th)	x	Historical Quantity (th)		Total (\$)
1a) 20-Month Fixed Upcharge Price Bid May 1, 2004 - December 31, 2005 (See note # 1) - includes 6% NJ SUT		x	13,104,180		
1b) 20-Month Indicative Commodity Price (See note #2) - includes 6% NJ SUT	\$0.5376	x	13,104,180		\$7,044,435.42
1c) Total Price (sum of 1a & 1b above)		x	13,104,180		

	Indicative NYMEX Commodity Price (\$/th)	Historical Volumes (th)	Total Cost of Gas Commodity
May-04	\$0.5112	681,053	\$348,154
Jun-04	\$0.5112	556,575	\$284,521
Jul-04	\$0.5135	579,287	\$297,464
Aug-04	\$0.5155	591,407	\$304,870
Sep-04	\$0.5130	600,672	\$308,145
Oct-04	\$0.5145	564,587	\$290,480
Nov-04	\$0.5320	677,773	\$360,575
Dec-04	\$0.5485	722,371	\$396,220
Jan-05	\$0.5605	832,419	\$466,571
Feb-05	\$0.5555	854,269	\$474,546
Mar-05	\$0.5350	735,579	\$393,535
Apr-05	\$0.4760	734,463	\$349,604
May-05	\$0.4650	681,053	\$316,690
Jun-05	\$0.4655	556,575	\$259,086
Jul-05	\$0.4680	579,287	\$271,106
Aug-05	\$0.4695	591,407	\$277,666
Sep-05	\$0.4683	600,672	\$281,295
Oct-05	\$0.4718	564,587	\$266,372
Nov-05	\$0.4898	677,773	\$331,973
Dec-05	\$0.5078	722,371	\$366,820

20-Month Total	13,104,180	\$6,645,694
Wtd Avg Commodity Price		\$0.5071
Sales and Use Tax SUT	6%	\$0.0304
Wtd Avg Commodity Price Plus SUT		\$0.5376

Note 1: Supplier to Provide in Box in row 1a) its 20-Month Term Bid Fixed Upcharge Price, including 6% State Sales and Use Tax. Supplier to multiply Bid Fixed Upcharge Price (\$/th) times Historical Quantity (th) and fill-in Total in Row 1a). Supplier to add Bid Fixed Upcharge (\$/th) to Indicative Commodity Unit Price and fill-in Total Unit Price in Row 1c). Supplier to multiply Total Unit Price (\$/th) times Historical Quantity (th) and fill-in Total in Row 1c). Bid Fixed Upcharge Price (\$/th) must be stated with four significant digits. Additional digits will be truncated.

Note 2: For bid evaluation purposes, the Weighted Average Commodity Price is calculated by dividing 20-month total commodity costs using the January 2, 2004 closing NYMEX strip prices for May 2004 through December 2005, grossed up for 6% State Sales and Use Tax, by the 20-month total historical volumes

Note 3: Bid award will be based upon the lowest responsible and responsive Total Price bid

Note 4: 20-Month Term Weighted Average Commodity Price used in bid evaluation is indicative-only. Actual Contract Commodity Price calculated using same methodology but using monthly NYMEX strip closing prices on the day that the State exercises its lock-in rights under RFP

State of New Jersey
Supply of Natural Gas for Various State and State Affiliated Agencies

Attachment 10 - G Bid Group: NJNG MOTOR FUEL
Bid Price Sheet

SUPPLIER TO ENTER INFORMATION BELOW

Supplier Name: _____

	Unit Price (\$/th)	x	Historical Quantity (th)	Total (\$)
1a) 20-Month Fixed Upcharge Price Bid May 1, 2004 - December 31, 2005 (See note # 1) - includes 6% NJ SUT	<input type="text"/>		2,200,000	_____
1b) 20-Month Indicative Commodity Price (See note #2) - includes 6% NJ SUT	\$0.5349		2,200,000	\$1,176,738.86
1c) Total Price (sum of 1a & 1b above)			2,200,000	_____

	Indicative NYMEX Commodity Price (\$/th)	Historical Volumes (th)	Total Cost of Gas Commodity
May-04	\$0.5112	110,000	\$56,232.00
Jun-04	\$0.5112	110,000	\$56,232.00
Jul-04	\$0.5135	110,000	\$56,485.00
Aug-04	\$0.5155	110,000	\$56,705.00
Sep-04	\$0.5130	110,000	\$56,430.00
Oct-04	\$0.5145	110,000	\$56,595.00
Nov-04	\$0.5320	110,000	\$58,520.00
Dec-04	\$0.5485	110,000	\$60,335.00
Jan-05	\$0.5605	110,000	\$61,655.00
Feb-05	\$0.5555	110,000	\$61,105.00
Mar-05	\$0.5350	110,000	\$58,850.00
Apr-05	\$0.4760	110,000	\$52,360.00
May-05	\$0.4650	110,000	\$51,150.00
Jun-05	\$0.4655	110,000	\$51,205.00
Jul-05	\$0.4680	110,000	\$51,480.00
Aug-05	\$0.4695	110,000	\$51,645.00
Sep-05	\$0.4683	110,000	\$51,513.00
Oct-05	\$0.4718	110,000	\$51,898.00
Nov-05	\$0.4898	110,000	\$53,878.00
Dec-05	\$0.5078	110,000	\$55,858.00

20-Month Total	2,200,000	\$1,110,131.00
Wtd Avg Commodity Price		\$0.5046
Sales and Use Tax SUT	6%	\$0.0303
Wtd Avg Commodity Price Plus SUT		\$0.5349

Note 1: Supplier to Provide in Box in row 1a) its 20-Month Term Bid Fixed Upcharge Price, including 6% State Sales and Use Tax. Supplier to multiply Bid Fixed Upcharge Price (\$/th) times Historical Quantity (th) and fill-in Total in Row 1a). Supplier to add Bid Fixed Upcharge (\$/th) to Indicative Commodity Unit Price and fill-in Total Unit Price in Row 1c). Supplier to multiply Total Unit Price (\$/th) times Historical Quantity (th) and fill-in Total in Row 1c). Bid Fixed Upcharge Price (\$/th) must be stated with four significant digits. Additional digits will be truncated.

Note 2: For bid evaluation purposes, the Weighted Average Commodity Price is calculated by dividing 20-month total commodity costs using the January 2, 2004 closing NYMEX strip prices for May 2004 through December 2005, grossed up for 6% State Sales and Use Tax, by the 20-month total historical volumes

Note 3: Bid award will be based upon the lowest responsible and responsive Total Price bid

Note 4: 20-Month Term Weighted Average Commodity Price used in bid evaluation is indicative-only. Actual Contract Commodity Price calculated using same methodology but using monthly NYMEX strip closing prices on the day that the State exercises its lock-in rights under RFP

**State of New Jersey
Supply of Natural Gas for Various State and State Affiliated Agencies**

**Attachment 10 - H
Bid Price Sheet**

Bid Group: Consolidated Prompt Payment
Discount Option

SUPPLIER TO ENTER INFORMATION BELOW

Supplier Name: _____

	(a) Unit Price Discount (\$/th)	(b) Historical Quantity (th)	(a) x (b) Total (\$)
1) Prompt Payment Discount Bid May 1, 2004 - December 31, 2005 (See note # 1) - includes 6% NJ SUT	<input type="text"/>	x 38,843,577	_____

	Historical Volumes (th)
May-04	1,774,229
Jun-04	1,049,268
Jul-04	1,196,148
Aug-04	1,970,197
Sep-04	1,898,069
Oct-04	2,302,994
Nov-04	2,670,440
Dec-04	1,973,004
Jan-05	2,492,245
Feb-05	2,432,840
Mar-05	2,306,647
Apr-05	1,943,147
May-05	1,774,229
Jun-05	1,049,268
Jul-05	1,196,148
Aug-05	1,970,197
Sep-05	1,898,069
Oct-05	2,302,994
Nov-05	2,670,440
Dec-05	1,973,004

20-Month Total

Note 1: Supplier to Provide Bid for Fixed Unit Price Discount, including 6% SUT, applicable over entire 20-Month Term. Bid Unit Price Discount (\$/th) must be stated with four significant digits. Additional digits will be truncated. Supplier should also fill-in Total (\$) by multiplying (a) times (b).

Note 2: Historical Monthly and 20-Month Total Volumes Represent the Historical Monthly Usage for all the Accounts of the Participants in the consolidated billing, Prompt Payment Program. Stated historical volumes are not guarantee of volumes over the contract term; volumes are provided solely for the purpose of evaluating the magnitude of the bid discount. The Prompt Payment Option includes and is applicable to all of the accounts for the following participants: NJ City University, Ramapo College, University of Medicine and Denistry of NJ (UMDNJ), and the following State of New Jersey departmental accounts: Treasury (TRE)-Owned, Treasury (TRE) -Leased, NJ Aquarium, Department of Transportation (DOT), Department of Human Services, Department of Corrections

Note 3: This discount, if bid, will not be used as a cost evaluation factor

Note 4: The Prompt Payment Discount Option, if accepted by the State, will provide for a single timely payment (within 10 days of bill receipt) to Contractor

