



Campus Procurement
G5C Campus Support Facility
1870 Miner Circle
Rolla, MO 65409-0070
Phone: 573-341-4266
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E-mail: umrpurch@umr.edu
Internet: <http://procurement.umr.edu>

NOTICE

Sealed Bid Request # 8104SLJ Bid to Furnish and Deliver Natural Gas

Any organization downloading this request for bid/proposal which did not receive a letter by fax from UMR Campus Procurement notifying it of the posting of this request for bids/proposals, must complete this page and immediately fax it to 573-341-4048 or email notification to umrpurch@umr.edu.

By submitting your request to UMR, your organization is advising UMR of your interest in this request for bid/proposal and your organization will be notified of the posting of any addenda. These addenda are issued when there is a need to change the specifications or due date/time of the requests.

It is the responsibility of the organization downloading the request for bid/proposal specifications to notify UMR of interest in this request for bid/proposal and to request notification of addenda. It is also the responsibility of all Bidders to verify if addenda have been issued and to submit all addenda with bid/proposal response prior to the bid/proposal opening date and time.

Name of Organization: _____

Contact Name: _____

Contact Phone Number: _____

Fax number: _____

Note: Organizations are cautioned not to alter the wording of this request for bids / proposals. In the event that changes to the wording do occur, the request for bid / proposal as originally prepared by the University of Missouri-Rolla shall be considered the record copy and shall be deemed the prevailing document. Responses with changed wording MAY BE REJECTED.

Bid/Proposal Request Document Follows

This page is not part of the request for bid/proposal and **MUST** be submitted **IMMEDIATELY** after downloading the request for bid/proposal.

REQUEST FOR SEALED BIDS

TO

FURNISH AND DELIVER

NATURAL GAS

TO

THE CURATORS OF THE UNIVERSITY OF MISSOURI

FOR

THE UNIVERSITY OF MISSOURI – ROLLA

RFB #8104SLJ

OPENING DATE: MAY 3, 2007

TIME: 2:00 PM, CENTRAL TIME

Prepared by:

Stacy L. Jones, Senior Buyer
Office of the Manager
Campus Procurement Department
University of Missouri – Rolla
G5C Campus Support Facility
Rolla, Missouri 65409

Dated: April 12, 2007

NOTICE TO BIDDERS

The University of Missouri – Rolla requests sealed bids to Furnish and Deliver Natural Gas, RFB #8104SLJ, which will be received by the undersigned at the Office of the Manager, Campus Procurement Department, G5C Campus Support Facility, Rolla, Missouri, 65409 until 2:00 pm, Central Time, May 3, 2007. Bids will be opened and identified starting at 2:05 p.m., Central Time.

Specifications and the conditions of bid together with the printed form on which bids must be made may be obtained from the Campus Procurement Department at G5C Campus Support Facility, Rolla, Missouri, 65409, by phoning 573-341-4266, or by accessing on-line at <http://procurement.umar.edu/bids.htm>

The University reserves the right to waive any informalities in bids and to reject any or all bids.

THE CURATORS OF THE
UNIVERSITY OF MISSOURI

By: *Stacy Jones, Sr. Buyer*
Campus Procurement Department

Dated: April 12, 2007

**UNIVERSITY OF MISSOURI
GENERAL TERMS AND CONDITIONS
AND
INSTRUCTIONS TO BIDDERS
REQUEST FOR BID (RFB)**

A. GENERAL TERMS AND CONDITIONS

1. **Purpose:** The purpose of these specifications is to require the furnishing of the highest quality equipment, supplies, material and/or service in accordance with the specifications. These documents, and any subsequent addenda, constitute the complete set of specification requirements and bid response forms.
2. **Governing Laws and Regulations:** Any contract issued as a result of this RFB shall be construed according to the laws of the State of Missouri. Additionally, the contractor shall comply with all local, state, and federal laws and regulations related to the performance of the contract to the extent that the same may be applicable.
3. **Taxes:** The contractor shall assume and pay all taxes and contributions including, but not limited to, State, Federal and Municipal which are payable by virtue of the furnishing and delivery of item(s) specified herein. Materials and services furnished the University are not subject to either Federal Excise Taxes or Missouri Sales Tax.
4. **Sovereign Immunity:** The Curators of the University of Missouri, due to its status as a state entity and its entitlement to sovereign immunity, is unable to accept contract provisions, which require The Curators to indemnify another party (537.600, RSMo). Any indemnity language in proposed terms and conditions will be modified to conform to language that The Curators are able to accept.
5. **Preference for Missouri Firms:** In accordance with University policy, preference shall be given to Missouri products, materials, services and firms when the goods or services to be provided are equally or better suited for the intended purpose and can be obtained without additional cost. Firms are considered "Missouri firms" if they maintain a regular place of business in the State of Missouri.
6. **Equal Opportunity and Non-Discrimination:** In connection with the furnishing of equipment, supplies, and/or services under the contract, the contractor and all subcontractors shall agree not to discriminate against any recipients of services, or employees or applicants for employment on the basis of race, color, religion, national origin, sex, age, disability, or veteran status. The contractor shall comply with federal laws, rules and regulations applicable to subcontractors of government contracts including those relating to equal employment of minorities, women, persons with disabilities, and certain veterans. Contract clauses required by the United States Government in such circumstances are incorporated herein by reference.
7. **Minority and Women Business Enterprise Participation:** It is the policy of the University of Missouri to ensure full and equitable economic opportunities to persons and businesses that compete for business with the University, including Minority and Women Business Enterprises (M/WBEs). To this end, the University has established participation goals of 7% for MBEs and 3% for WBEs of the total value of contracts for goods and services.

The University expects participation in contracts for goods and services by firms that are certified as Minority and Women Business Enterprises (M/WBEs). This may either be by the primary contractor being a qualified M/WBE or by the utilization of M/WBE suppliers by the primary contractor (second tier purchases). Contractors are required to make a "best effort" in support of the University's policy and documentation demonstrating this effort is required. Upon request of the University, the contractor shall provide semi-annual or annual reports of the financial participation of M/WBEs, either as the primary contractor or as second tier purchases. The report shall include the name(s) and address (es) of the qualified M/WBEs, products or services provided and the total dollar amount or percentage of utilization."

8. **Applicable Laws and Regulations:** The University serves from time to time as a contractor for the United States government. Accordingly, the provider of goods and/or services shall comply with federal laws, rules and regulations applicable to subcontractors of government contracts including those relating to equal employment opportunity and affirmative action in the employment of minorities (Executive Order 11246), women (Executive Order 11375), persons with disabilities (29 USC 706 and Executive Order 11758), and certain veterans (38 USC 4212 formerly [2012]) contracting with business concerns with small disadvantaged business concerns (Publication L. 95-507). Contract clauses required by the Government in such circumstances are incorporated herein by reference.
9. **Appropriation:** The Curators of the University of Missouri is a public corporation and, as such, cannot create an indebtedness in any one year (the fiscal year beginning July 1 to June 30) above what they can pay out of the annual income of said year as set forth in 172.250, RSMo. Therefore, if the University determines it has not received adequate appropriations, budget allocations or income to enable it to meet the terms of this contract, the University reserves the right to cancel this contract with 30 days notice.
10. **Applicable Health Related Laws and Regulations:** If these specifications or any resulting contract involves health care services or products, the Contractor agrees to maintain, and will further assure such compliance by its employees or subcontractors, the confidential nature of all information which may come to Contractor with regard to patients of the University. All services provided pursuant to this contract shall be provided in accordance with all applicable federal and state laws including The Health Insurance Portability and Accountability Act of 1996,

Public Law 104-191, sections 261-264 (the Administrative Simplification sections) and the regulations promulgated pursuant thereto and regulations of the Joint Commission on Accreditation of Healthcare Organization and the Health Care Financing Administration.

Bidders understand and agree that the Curators of the University of Missouri, in the operation of the University Hospitals and Clinics, is regulated under federal or state laws with regard to contracting with vendors. The Contractor represents that it is not currently excluded or threatened with exclusion from participating in any federal or state funded health care program, including Medicare and Medicaid. Contractor agrees to notify the University of any imposed exclusions or sanctions covered by this representation.

The University will regularly check the "List of Excluded Individuals/Entities" (LEIE), maintained by the Office of Inspector General, United States Department of Health and Human Services ("OIG") to determine if any Bidders/Respondents have been excluded from participation in federal health care programs, as that term is defined in 42 U.S.C. §1320a-7b(f). The University reserves the sole right to reject any bidders who are excluded by the OIG, who have been debarred by the federal government, or who have otherwise committed any act that could furnish a basis for such exclusion or debarment.

11. **Inventions, Patents, and Copyrights:** The Contractor shall pay for all royalties, license fees, patent or invention rights, or copyrights and defend all suits or claims for infringements of any patent or invention right or copyrights involved in the items furnished hereunder. The Contractor shall defend, protect, and hold harmless the University its officers, agents, servants and employees against all suits of law or in equity resulting from patent and or copyright infringement concerning the contractor's performance or products produced under the terms of the contract.

Copyrights for any item developed for the University shall be the property of the University and inure to its benefit and the Contractor shall execute such documents as the University may require for the perfection thereof.

12. **Insurance:** The Contractor shall purchase and maintain such insurance as will protect the Contractor and the University against any and all claims and demands arising from the execution of the contract. Further, when stated in the Detailed Specifications and Special Conditions, the Contractor shall be required to procure and maintain the types and limits of insurance as specified.
13. **Performance Bond/Irrevocable Letter of Credit:** If a performance bond or irrevocable letter of credit is required in the Detailed Specifications and Special Conditions, the Contractor shall furnish to the University, along with their signed contract, a performance bond or unconditional irrevocable letter of credit payable to the Curators of the University of Missouri in the face amount specified in the Detailed Specifications and Special Conditions as surety for faithful performance under the terms and conditions of the contract.

B. INSTRUCTIONS TO BIDDERS

1. **Request For Bid (RFB) Document:** Bidders are expected to examine the complete RFB document and all attachments including drawings, specifications, and instructions. Failure to do so is at bidder's risk. It is the bidder's responsibility to ask questions, request changes or clarifications, or otherwise advise the University if any language, specifications or requirements of a RFB appear to be ambiguous, contradictory, and/or arbitrary, or appear to inadvertently restrict or limit the requirements stated in the RFB to a single source.

Any and all communications from bidders regarding specifications, requirements, competitive bid process, etc., should be directed to the University buyer of record referenced in this RFB. It is the responsibility of the person or organization communicating the request to ensure that it is received. To guarantee a timely response, such communication should be received at least ten calendar days prior to the bid opening date.

The terms and conditions as distributed by the University or made available on a University website, shall not be modified by anyone submitting a bid. Regardless of any modification to these terms and conditions that may appear in the submitted bid, the original University terms and conditions apply. Any exceptions to the terms and conditions shall be stated clearly and it is at the University's discretion whether the exception shall be accepted or shall invalidate the bid.

The RFB document and any attachments constitute the complete set of specifications and bid response forms. No verbal or written information that is obtained other than through this RFB or its addenda shall be binding on the University. No employee of the University is authorized to interpret any portion of this RFB or give information as to the requirements of the RFB in addition to that contained in or amended to this written RFB document. In case of any doubt or difference of opinion as to the true intent of the RFB, the decision of the University's Chief Procurement Officer shall be final and binding on all parties.

2. **Preparation of Bids:** All bids must be submitted, in single copy, on the bid form accompanying these specifications and must be enclosed in a sealed envelope plainly marked: "Bid to Furnish and Deliver Natural Gas" and addressed, mailed and/or delivered to Campus Procurement, University of Missouri-Rolla, G5C Campus Support Facility, Rolla, Missouri 65409 Attn: Stacy Jones.

To receive consideration, bids must be received, at the above address, prior to the bid opening time and date stated in this RFB. Bidders assume full responsibility for the actual delivery of bids during business hours at the specified address.

Unless otherwise specifically stated in the RFB, all specifications and requirements constitute minimum requirements. All bids must meet or exceed the stated specifications or requirements. All equipment and supplies offered must be new, of current production, and available for marketing by the manufacturer unless the RFB clearly specifies that used, reconditioned, or remanufactured equipment and supplies may be offered. Unless specifically stated and allowed in the Detailed Specifications and Special Conditions, all pricing submitted in response to this RFB is firm and fixed.

Whenever the name of a manufacturer, trade name, brand name, or model and catalog numbers followed by the words "or equal" or "approved equal" are used in the specifications it is for the purpose of item identification and to establish standards of quality, style, and features. Bids on equivalent items of the same quality are invited. However, to receive consideration, such equivalent bids must be accompanied by sufficient descriptive literature and/or specifications to clearly identify the item and provide for competitive evaluation. The University will be the sole judge of equality and suitability. Whenever the name of a manufacturer is mentioned in the specifications and the words "or equal" do not follow, it shall be deemed that the words "or equal" follow unless the context specifies "no substitution." Unless noted on the bid form, it will be deemed that the article furnished is that designated by the specifications. The University reserves the right to return, at contractor's expense, all items that are furnished which are not acceptable as equals to items specified and contractor agrees to replace such items with satisfactory items at the original bid price.

Time will be of the essence for any orders placed as a result of this RFB. The University reserves the right to cancel any orders, or part thereof, without obligation if delivery is not made in accordance with the schedule specified by the bidder and accepted by the University. Unless otherwise specified in the Detailed Specifications and Special Conditions, all bids shall include all packing, handling, and shipping charges FOB destination, freight prepaid and allowed.

3. **Submission of Bids:** Bidders shall furnish information required by the solicitation in the form requested. The University reserves the right to reject bids with incomplete information or which are presented on a different form. All bids shall be signed, in the appropriate location, by a duly authorized representative of the bidder's organization. Signature on the bid certifies that the bidder has read and fully understands all bid specifications, plans, and terms and conditions.

By submitting a bid, the bidder agrees to provide the specified equipment, supplies and/or services in the RFB, at the prices quoted, pursuant to all requirements and specifications contained therein. Furthermore, the bidder certifies that: (1) the bid is genuine and is not made in the interest of or on behalf of any undisclosed person, firm, or corporation, and is not submitted in conformity with any agreement or rules of any group, association, or corporation; (2) the bidder has not directly or indirectly induced or solicited any other bidder to submit a false or sham bid; (3) the bidder has not solicited or induced any person, firm, or corporation to refrain from responding; (4) the bidder has not sought by collusion or otherwise to obtain any advantage over any other bidder or over the University.

Modifications or erasures made before bid submission must be initialed in ink by the person signing the bid. Bids, once submitted, may be modified in writing prior to the exact date and time set for the bid closing. Any such modifications shall be prepared on company letterhead, signed by a duly authorized representative, and state the new document supercedes or modifies the prior bid. The modification must be submitted in a sealed envelope marked "Bid Modification" and clearly identifying the RFB title, RFB number and closing time and date. Bids may not be modified after the bid closing time and date. Telephone and facsimile modifications are not permitted.

Bids may be withdrawn in writing, on company letterhead, signed by a duly authorized representative and received at the designated location prior to the date and time set for bid closing. Bids may be withdrawn in person before the bid closing upon presentation of proper identification. Bids may not be withdrawn for a period of sixty (60) days after the scheduled closing time for the receipt of bids.

All bids, information, and materials received by the University in connection with an RFB response shall be deemed open records pursuant to 610.021 RSMo. If a bidder believes any of the information contained in the bidder's response is exempt from 610.021 RSMo, then the bidder's response must specifically identify the material which is deemed to be exempt and cite the legal authority for the exemption, otherwise, the University will treat all materials received as open records. The University shall make the final determination as to what materials are or are not exempt.

4. **Evaluation and Award:** Any clerical errors, apparent on its face, may be corrected by the Buyer before contract award. Upon discovering an apparent clerical error, the Buyer shall contact the bidder and request clarification of the intended bid. The correction shall be incorporated in the notice of award. The University reserves the right to request clarification of any portion of the bidder's response in order to verify the intent. The bidder is cautioned, however, that its response may be subject to acceptance or rejection without further clarification.

The University reserves the right to make an award to the responsive and responsible bidder whose product or service meets the terms, conditions, and specifications of the RFB and whose bid is considered to best serve the University's interest. In determining responsiveness and the responsibility of the Bidder, the following shall be considered when applicable: the ability, capacity, and skill of the bidder to perform as required; whether the bidder can perform promptly, or within the time specified without delay or interference; the character, integrity, reputation, judgment, experience and efficiency of the bidder; the quality of past performance by the bidder; the previous and existing compliance by the bidder with related laws and regulations; the sufficiency of the bidder's financial resources; the availability, quality and adaptability of the bidders equipment, supplies and/or services to the required use; the ability of the bidder to provide future maintenance, service and parts.

The University has established formal protest procedures. For more information about these procedures, contact the Buyer in Campus Procurement Services.

The University reserves the right to accept or reject any or all bids and to waive any technicality or informality.

5. **Contract Award and Assignment:** The successful bidder shall, within ten (10) days after the receipt of formal notice of award of the contract, enter into a contract, in duplicate, prepared by the University. The Contract Documents shall include the Notice to Bidders, Specifications and Addenda, Exhibits, Bid Form, Form of Contract, Letter of Award, University Purchase Order, and Form of Performance Bond, if required.
The contract to be awarded and any amount to be paid thereunder shall not be transferred, sublet, or assigned without the prior approval of the University.
6. **Contract Termination for Cause:** In the event the Contractor violates any provisions of the contract, the University may serve written notice upon Contractor and Surety setting forth the violations and demanding compliance with the contract. Unless within ten (10) days after serving such notice, such violations shall cease and satisfactory arrangements for correction be made, the University may terminate the contract by serving written notice upon the Contractor; but the liability of Contractor and Surety for such violation; and for any and all damages resulting therefrom, as well as from such termination, shall not be affected by any such termination.
7. **Contract Termination for Convenience:** The University reserves the right, in its best interest as determined by the University, to cancel the contract by given written notice to the Contractor thirty (30) days prior to the effective date of such cancellation.
8. **Warranty and Acceptance:** The Contractor expressly warrants that all equipment, supplies, and/or services provided shall: (1) conform to each and every specification, drawing, sample or other description which was furnished or adopted by the University, (2) be fit and sufficient for the purpose expressed in the RFB, (3) be merchantable, (4) be of good materials and workmanship, (5) be free from defect. Such warranty shall survive delivery and shall not be deemed waived either by reason of the University's acceptance of or payment for such equipment, supplies, and/or services.

No equipment, supplies, and/or services received by the University pursuant to a contract shall be deemed accepted until the University has had a reasonable opportunity to inspect said equipment, supplies and/or services. All equipment, supplies, and/or services which do not comply with specifications and/or requirements or which are otherwise unacceptable or defective may be rejected. In addition, all equipment, supplies, and/or services which are discovered to be defective or which do not conform to any warranty of the Contractor upon inspection (or at any later time if the defects contained were not reasonably ascertainable upon the initial inspection) may be rejected.
9. **Payment:** Payment terms, unless otherwise stated in the RFB, will be considered to be net 30 days after the date of satisfactory delivery and acceptance by the University and upon receipt of correct invoice whichever occurs last. Cash discounts for prompt payment may be offered but they will not be considered in determination of award unless specifically stated in the Detailed Specifications and Special Conditions. The University may withhold payment or make such deductions as may be necessary to protect the University from loss or damage on account of defective work, claims, damages, or to pay for repair or correction of equipment or supplies furnished hereunder.
10. **Accounting Practices:** The Contractor shall maintain, during the term of the contract, all books of account, reports, and records in accordance with generally accepted accounting practices and standard for records directly related to this contract. The Contractor agrees to make available to the University, during normal business hours, all book of account, reports and records relating to this contract for the duration of the contract and retain them for a minimum period of one (1) year beyond the last day of the contract term.

DETAILED SPECIFICATIONS

1. **General Introduction:** The University of Missouri-Rolla (UMR) is seeking bids to contract for Natural Gas with a supplier of natural gas, whereby the supplier will supply and transport Natural Gas to the gate of the Distributor, AmerenUE, Rolla, Missouri at which time the University of Missouri-Rolla will accept title to the gas for delivery to UMR Residence Halls, Student Center and the UMR Power Plant. The supplier will assume responsibility for

delivery of such gas to the gate of the distributor, balancing with Interstate, Intrastate, and local distributor, and all other duties associated with administration and execution of the contract.

The UMR Residence Halls and Student Center estimated usage is listed in Appendix A. The UMR Power Plant usage varies because the Power Plant utilizes various fuels (wood, coal, and natural gas) based upon the market and needs of the University.

2. **Term of the contract:** The initial term of the contract will be July 1, 2007 through June 30, 2008 with four (4) one (1) year renewals at the University's option. The University will give written notice of its intent to exercise any of the 1-year renewals at least 60 days prior to the end of the current term of the contract.
3. **Evaluation of Bids:** Final price will be determined by a weighted average of anticipated monthly volumes and the monthly NYMEX @ Henry Hub Futures Prices plus the supplier's margin plus delivery to the Rolla City gate for the initial term of the contract.

Bid Basis I pricing evaluations will be based on the index price for the nominated volumes as listed in Appendix A. Bid Basis II pricing evaluations will be based on Item 1 fixed price for nominated volumes as listed in Appendix A. Natural gas purchases for the Power Plant will not be considered in the evaluations since there is no guarantee that a purchase will be made.

4. **Nymex Futures Price Lock-In:** UMR will notify the successful supplier of the time to lock-in a NYMEX Futures Price. UMR expects that this notification will occur within 30 days of acceptance of the low bid. However, UMR reserves the right to delay or cancel this notification based on market conditions. The NYMEX @ Henry Hub Futures Prices at the time of lock in will be used to determine the final price for the gas delivered during the period of July 1, 2007 through June 30, 2008. For any of the one (1) year renewals, the successful supplier will be notified and then confirmed in writing of the time to lock-in the NYMEX Futures Price.
5. **Interruptible Natural Gas Supply - Sales Arrangement:**
 - a. Supplier agrees to sell Natural Gas (including transportation), to the University under an "Indexed Sales Arrangement", at a price based monthly in the first issue of the Inside FERC Gas Market Report for Pan Handle Eastern Pipeline. Supplier will make the FERC prices available for inspection by the University upon request.
 - b. The "Index Price" plus a mark-up shall be effective for all purchases by the University during each month, and shall not be revised for any changes in the "Index Price" during the month.
 - c. Supplier shall also offer natural gas to the University at a "Fixed Rate Sales Arrangement", a price quoted according to the Form of the Natural Gas Bid for the term of the Agreement as elected, to be re-established at the time of signing the Contract.
 - d. The University will elect to purchase Natural Gas for UMR Residence Halls and Student Center at either an "Index Sales Arrangement" or a "Fixed Sales Arrangement" for the duration of the Contract.

The "Fixed Price" will be for the first year of the contract with each of the remaining contract terms to be at the Index plus (as outlined in the Bid Form which is Nymex Index – the Basis Differential for P.E.P.L. + Supplier's Margin + Cost of Delivery to the Rolla City Gate) with the option to negotiate a Fixed Price up to ninety (90) days prior to the beginning of each of the remaining contract terms.

- e. The basis Differential for P.E.P.L. will be fixed during the first year of the contract and for each term of renewal. The differential may be adjusted on an annual basis. Increases must be requested in writing to UMR Campus Procurement. Supplier must provide documentation to support any increase requested. Any decreases must be passed on to the University.
6. **Pricing:**

Nominated Gas Pricing: *Volumes listed on Appendix A will be purchased at the Nymex Futures Price Index at the Panhandle Eastern Pipeline + Supplier's Margin + Cost of Delivery to Rolla City Gate.*

Imbalance: Pricing for actual consumption over/under nominated values will be based on the Average Monthly Gas Daily Price for the current month (PEPL) + Supplier's Margin + Cost of Delivery to Rolla City Gate.

7. **Regulatory Driven Price Change:** Supplier shall be allowed to make changes in price per unit to reflect changes in their unit cost related to modification and regulation by any applicable governmental agency.

8. **Transportation Expense:**

a. **Intra and Interstate Carriers:** Supplier agrees to arrange transportation in compliance with all applicable rules and guidelines of authorized purchases of natural gas through Panhandle Eastern Pipeline Company, or any pipeline operating company, or combination of pipeline operating companies who may offer transportation which is demonstrably more competitive, for transportation on behalf of its participants and with approval of Supplier at a price not to exceed the current applicable maximum tariff rate for firm or interruptible transportation, as requested by the University through the most direct route of transportation.

With respect to any "Fuel Reimbursement" component of transportation, Supplier agrees to extend to the Participants the option, Fuel Reimbursement Percent or Fuel Reimbursement Rate, which results in the lowest transportation cost to the University.

b. **Local Distribution Companies:** Supplier agrees to make best efforts to secure, on a timely basis, favorable transportation rates and terms commensurate with the character, volume, and conditions of the University.

c. **Transportation Expense Increase/Decrease:** If the transportation expense that is charged to Supplier increases above the amount listed on Bid Form, Supplier must notify UMR in writing of the increase prior to increase being implemented (or within ten (10) days if price increase is implemented at the time of notice from pipeline provider to Supplier). The increase in cost to the University may increase no more than the amount of increase incurred by Supplier. Any transportation cost decreases to the Supplier must be passed along to the University immediately upon taking effect.

d. Transporting Pipeline charges will be included in the monthly charge for Natural Gas and billed to the University by Supplier in accordance with the terms identified, which shall not exceed FERC tariff for Transporting Pipeline Transportation to the University's delivery point.

e. **Fuel for P.E.P.L charges:** The Fuel for P.E.P.L. percentage as listed on the Bid Form, must remain unchanged for the first term of the agreement. After the first term of the agreement, if the fuel for P.E.P.L charges that is charged to Supplier increases above the percentage listed on Bid Form, Supplier must notify UMR in writing of the increase prior to increase being implemented (or within ten (10) days if percentage increase is implemented at the time of notice from pipeline provider to Supplier). The increase in percentage to the University may increase no more than the amount of increase incurred by Supplier. Any transportation cost decreases to the Supplier must be passed along to the University immediately upon taking effect. A copy of the tariff showing the increase/decrease must be provided to the University with notification of percentage increase/decrease.

9. **Delivery Point & Pressure:** The delivery point(s) shall be the interconnect between Transporting Pipeline and the Local Distribution Company. The Natural Gas Pressure at the delivery point shall be sufficient to effect delivery. The Supplier shall not be required to install pressure regulating facilities nor shall Supplier be liable for pressure deficiencies of the local distribution company.

10. **Measurement:**

a. The unit of measurement is one (1) MMBtu, and the quantity of Natural Gas purchased and paid for by the University shall be computed at the delivery point in accordance with the Panhandle Eastern Pipeline Company policies and shall be in accordance with all applicable state or federal laws as to Natural Gas measurement.

- b. The University may at its own expense install check meters but measurement of Natural Gas purchased shall be by the Missouri Public Service Company meter only. The University's check meters shall be available for inspection at all reasonable times.
11. **Invoicing:** A separate invoice for each facility will be required. Supplier invoice shall be mailed to:
University of Missouri-Rolla
Campus Procurement/Accounts Payable
G5C Campus Support Facility
Rolla, MO 65409-0070
12. **Monthly Billing:** All monthly bills must be accompanied by a spreadsheet showing at least the following columns for each day of the month: units nominated, units used, unit price, imbalance, imbalance unit price (monthly Gas Daily Average for the current month), supplier's margin, total number of units used, total cost for all units, and net cost/unit.
- The University may inspect any charts and measurement books and records relating to the University's account in the supplier's possession at all reasonable times. The quantity of Natural Gas billed shall be that delivered to, accepted by, and measured by the University's supplier. The University shall have the same rights that the Supplier has to inspect its Transporting Pipeline's measuring devices, methods, and computations, and Supplier shall fully cooperate with the University in obtaining such inspection and information.
- The Supplier shall pay all pipeline charges. LDC charges should be paid by the supplier and invoiced to the University, if possible.
13. **Accurate Books of Account; Right to Inspect and Audit:** Supplier shall keep accurate books of account and records covering all matters related to the calculation of Administrative Fees, all of which books and records shall be kept separate from Supplier's books and records which are unrelated thereto. The University, on four (4) business days' notice given to Supplier, shall have the right during normal business hours, to examine the books of account, records and all documents in the possession or under the control of Supplier which relate to calculation of the Administrative Fees, and shall have full access thereto for said purposes and for the purpose of making copies and extracts therefrom.
14. **Payment:** Buyer shall pay Supplier the full amount of the Supplier's invoice in immediately available funds within thirty (30) days after receipt of Supplier's invoice. Payment shall be made as specified in Supplier's invoice. The University will be financially responsible for actual gas consumed, and not for nominations placed by the Supplier.
15. **Service Amendments:** In the event any additional buildings at UMR are changed over to Natural Gas during the period of this agreement, Supplier agrees that such building(s) shall have the option to be included in this agreement, if allowable by tariffs.
16. **Quantities:** The quantity of natural gas set forth in the Bid Form is an estimate only. Quantities consumed will vary depending on weather variations and hot water use in the buildings.
17. **Quantity Measurement:** Measurement of BTU content and testing of the gas delivered under this contract must be done according to the applicable provisions specified in the FERC gas tariff of the delivering pipeline, if applicable, or according to the standards and procedures otherwise established by the delivering pipeline. BTU content will be determined on a dry basis.
18. **Alternate Sources:** The University reserves the right to obtain gas from alternate sources during periods of interruption or reduction.
19. **Interruptible Natural Gas Supply Price Under Indexed Sales Arrangement:** Supplier agrees to offer Natural Gas to the University desiring to purchase under and "Interruptible Rate Sales Arrangement" at a price listed according to the basis identified in this bid.

20. **Most-Favored Pricing:** Supplier agrees that the price, terms, and conditions at which it will supply natural gas and transportation for the index rate sales bid during the same month during the term of this Agreement shall be at least as favorable as the price, terms and conditions charged by Supplier for term natural gas to any other organization in the Rolla, Missouri Area purchasing an equal or lesser annualized volume of natural gas than the University estimates it will purchase.
21. **Reliable Supply:** Supplier will use its knowledge of the natural gas industry to assure the University of a continuous supply of natural gas by securing supply at locations known to be characterized by a lower than average risk of supply or transportation capacity curtailment during each month of transportation.
22. **Quality:** The gas sold under this contract shall be of a quality sufficient to meet the quality standards specified in the tariff filed with the Federal Energy Regulatory Commission by the delivering pipeline and sufficient to meet the quality standards and procedures otherwise established by the delivering pipeline.
23. **Compliance:** This contract and the matters contemplated hereunder are subject to all present and future laws, ordinances, rules and regulations of the State of Missouri or other authority having or asserting jurisdiction in the premises; but nothing contained herein shall be construed as a waiver of any right to question or contest any such law, ordinance, order, rule, or regulation in any forum. The validity, construction, interpretation, and effect of this contract shall be governed by the laws of the State of Missouri, excluding any laws of the State of Missouri applying the laws of another jurisdiction.
24. **Title and Possession:** Title to and possession of the gas shall automatically pass from supplier to buyer upon delivery of gas to the stated delivery point. Supplier shall pay all applicable royalties, taxes and other sums due on production and transportation of the gas until the gas is delivered to the buyer and not pass these charges on to buyer as itemized charges.
25. **Warranty:** Supplier warrants that the title to all Natural Gas delivered by Supplier is free from all liens and adverse claims, including liens to secure payment of production taxes, severance taxes, and other taxes. Supplier must warrant that it has the right to sell gas delivered hereunder and agrees to indemnify and hold buyer harmless from those lawsuits, actions, debts, damages, costs, losses and expenses arising from or out of adverse claims of any and all persons to whom gas is delivered or to royalties or charges thereon. Otherwise, all gas sold hereunder is sold as-is with no warranties, expressed or implied (except as to quality, specified in this bid request).
26. **Taxes:** The University is a tax exempt entity in the state of Missouri. The supplier shall be solely responsible for and will pay all taxes of whatever kind imposed with respect to the gas sold under this agreement prior to its delivery at the delivery point. UMR will be solely responsible for and will pay all applicable taxes of whatever kind imposed with respect to the gas sold under this agreement at or after its delivery and the delivery point. If either party makes any remittance on behalf of the other party, the remitting party shall be reimbursed for such payments, including any interest or penalty for delay in payment or failure to pay taxes, fees, and other costs.
27. **Nominations:** The Supplier shall be authorized to make nomination on behalf of the University of Missouri-Rolla based on the usage contained in Attachment A or other usage as agreed upon in writing by both parties. The supplier will be responsible for making monthly nominations to both interstate and intrastate pipelines on behalf of the University.
28. **Force Majeure:** All obligations of the parties to this agreement, except for the obligation to make payments when due, shall be suspended while and only for so long as compliance is prevented by a cause beyond the reasonable control of the party claiming force majeure and provided the party claiming force majeure provides oral notice followed by written notice as soon as reasonably practical to the other party. Except for failure to make payment for Gas tendered for delivery, neither party shall be liable for a failure to perform hereunder, where such failure was caused by an event of force majeure. Force majeure shall mean those events outside of the reasonable control of the party claiming suspension and which by the exercise of due diligence such party could not have prevented or is unable to overcome including, but not limited to: (i) physical events such as acts of God, landslides, lightning, earthquakes, fires, storms, floods, washouts, explosions, breakage or accident or necessity of repairs to machinery or

equipment or lines or pipe, or changes in pipeline operating conditions or well operating conditions; (ii) acts of others such as strikes, riots, insurrections, war, or declaration of force majeure; (iii) order of courts or government agencies preventing performance; and any other causes, whether of the kind herein enumerated or otherwise not reasonably within the control of the parties to prevent or overcome.

29. **Limitations of Damages:** It is agreed that in the event of a breach of this agreement, the non-breaching party shall be entitled to damages equal to the cost to cover plus any transportation penalties actually incurred and paid by the non-breaching party. The amounts due pursuant to this paragraph shall be the sole and exclusive remedy available to the non-breaching party. Neither party shall be liable for any incidental, consequential, exemplary, punitive, or similar damage, including lost profits, related to or arising under this agreement.
30. **Standard Agreement Option:** If Bidder has a standard agreement form that must be considered by the University, bidder must submit a copy of the agreement for with bid response. The University General Counsel's Office will review any agreements submitted. If changes are required, the University and Supplier must agree to changes before an award can be made.
31. **Authorization:** Supplier shall be responsible to provide all Authorization Forms for each transportation company/supplier through which they will be providing our natural gas supply. All transportation agreements will be the responsibility of the Supplier. However, this does not give the Supplier the authority to sign for the University. If an agreement must be listed in the University's name, Supplier is responsible for providing copies of the agreement for University review, approval, and signature. If an agreement is in the University's name, the Supplier may be required to work with transportation company/supplier to reach terms and conditions agreeable to the University prior to the University signing the agreement.
32. **Sell Back Option:** Based on comparative prices per BTU between #2 fuel oil and natural gas, UMR may notify Supplier of their decision to minimize natural gas nominations for a portion of the contract period at no penalty to UMR. This will require Supplier to purchase "sell back" gas not consumed at an agreed to market price.

Supplier shall provide services to avoid the imposition by Transporting Pipelines of penalties for delivery imbalances.

33. **Notice:** Any notice made or given under this agreement must be in writing, or if made or given orally must be confirmed immediately in writing by the party giving such notice. UMR's contact for such notice is:

Stacy Jones, Senior Buyer
Campus Procurement
University of Missouri-Rolla
G5C Campus Support Facility
Rolla, MO 65409-0070
Phone: (573) 341-4266
Fax: (573) 341-4048

34. **Assignment:** Either party may assign its rights and obligations under this agreement to a corporate affiliate without consent of the other party. However, ten (10) days prior written notice of such assignment is required.
35. **Severability:** If any provision of this agreement shall be deemed to be illegal or unenforceable by any court of law or any competent governmental or other authority, the remaining provisions shall be severable and enforceable in accordance with their terms as long as this agreement without such terms or provisions does not fail of its essential purpose or purposes.
36. **General:** Supplier agrees, in any case where it represents itself as providing Firm or Flexible Firm Transportation, to provide a copy of its Firm Transportation Agreement with the transporting pipeline, as well as the attachments which name the University as a delivery point under that agreement. Supplier further agrees to provide, upon request by the University, copies of nominations made under said Firm Transportation Agreement on its behalf.

BID FORM

(Name of firm or individual bidding)

REQUEST FOR SEALED BID
TO
FURNISH AND DELIVER
NATURAL GAS
THE CURATORS OF THE UNIVERSITY OF MISSOURI
FOR
THE UNIVERSITY OF MISSOURI – ROLLA

The undersigned proposes to furnish the following items and/or services at the prices quoted and agrees to perform in accordance with all requirements and specifications contained within this Request For Bid issued by the University of Missouri.

Bid Basis I pricing evaluations will be based on the index price for the nominated volumes as listed on page 17.
 Bid Basis II pricing evaluations will be based Item 1 fixed price for nominated volumes as listed on page 17.
 Natural gas purchases for the Power Plant will not be considered in the evaluations since there is no guarantee that a purchase will be made.

Bid Basis I Index Price with interruptible transportation:

Natural Gas (Dry) to be delivered during the term of the Contract with the price to be based each month on the first issue of the Inside FERC's Gas Market Report for Panhandle Eastern Pipeline.

April 23, 2007 FERC's Gas Market Report for Texas Oklahoma mainline MMbtu/ \$ _____

Plus Suppliers Margin \$ _____

Cost of gas delivered into Panhandle Eastern Pipeline \$ _____

Plus Interruptible transportation costs for P.E.P.L.
 (include any discounts, if applicable) ** \$ _____

Plus Fuel costs for P.E.P.L.*** _____ % \$ _____

Plus Interruptible transportation costs, Including fuel,
 for Missouri Pipe Line Company ** \$ _____

Plus Interruptible transportation costs, including fuel ,
 for Missouri Gas Company ** \$ _____

Total Delivered price to Gate of Missouri Public Service
 Distributor at Rolla, Missouri MMbtu/\$ _____

** Subject to adjustment based on actual cost, per Detailed Specification 8C

*** Subject to adjustment based on actual cost, per Detailed Specification 8E

BID BASIS II: Fixed Price/interruptible transportation for UMR Residence Halls and Student Center Delivery and Index Price with interruptible transportation for Power Plant Delivery:

Item 1 Natural Gas (Dry) to be delivered to UMR Residence Halls and Student Center during the term of the Contract with the price to be based on the NYMEX weighted twelve (12) months average (July 1, 2007 through June 30, 2008) based on:

April 23, 2007 closing NYMEX prices for
 estimated volumes for UMR MMbtu/\$ _____

Minus the basis differential for P.E.P.L. **** \$ _____

Plus Supplier's margin		\$ _____
Annual fixed gas price delivered into Panhandle Eastern Pipeline		\$ _____
<u>Plus</u> Interruptible transportation costs for P.E.P.L. (include any discounts, if applicable) **		\$ _____
<u>Plus</u> Fuel costs for P.E.P.L.*** _____ %		\$ _____
<u>Plus</u> Interruptible transportation costs, including fuel, for Missouri Pipeline Company **	_____ %	\$ _____
<u>Plus</u> Interruptible transportation costs, including fuel, for Missouri Gas Company. **	_____ %	\$ _____
Total Delivered price to Gate of Missouri Public Service Distributor at Rolla, Missouri		\$ _____

** Subject to adjustment based on actual cost, per Detailed Specification 8c.
 *** Subject to adjustment based on actual cost, per Detailed Specification 8e.
 **** Subject to adjustment, per Detailed Specification 5e.

Item 2 Index price with interruptible transportation as listed in Bid Basis I will be used for any natural gas purchases for the Power Plant. Prices listed for Bid Basis I must be valid for Bid Basis II, Item 2. Purchases for the Power Plant will be made on an as needed basis using the current index when the purchase is made.

AUTHORIZED BIDDER REPRESENTATION

Number of calendar days delivery after receipt of order	Payment Terms
Authorized Signature	Date
Printed Name	Title

Company Name	
Mailing Address	
City, State, Zip	
Phone No.	Federal Employer ID No.
Fax No.	E-Mail Address
Circle one: Individual Partnership Corporation	
If a corporation, incorporated under the laws of the State of _____	
Licensed to do business in the State of Missouri? <input type="checkbox"/> yes <input type="checkbox"/> no	

For WBE/MBE Reporting Purposes Only: Minority Business Type (Optional) (A minority business is defined as an organization in which 51% of the ownership interest, stock, or otherwise, is owned by minority group members. The determination of minority status depends solely on ownership and operation and is not related to employment of minority persons.) Check the appropriate box. <input type="checkbox"/> African-American <input type="checkbox"/> Hispanic / Latino <input type="checkbox"/> Asian Pacific <input type="checkbox"/> Native American <input type="checkbox"/> Asian Indian <input type="checkbox"/> Other (please specify) _____	Missouri Firm? <input type="checkbox"/> Yes <input type="checkbox"/> No
	Woman Owned Business? <input type="checkbox"/> Yes <input type="checkbox"/> No
	Can you provide Second-Tier Reporting? <input type="checkbox"/> Yes <input type="checkbox"/> No

APPENDIX A

NATURAL GAS CONSUMPTION FOR UMR RESIDENCE HALLS
All volumes in MMBtu

MONTH	THOMAS JEFFERSON	HAVENER CENTER	RES COLLEGE #1	RES COLLEGE #2	TOTAL
July '07	350	500	5	5	860
Aug '07	500	515	8	8	1031
Sept '07	600	592	14	14	1220

Oct '07	600	737	48	48	1433
Nov '07	1100	856	76	76	2108
Dec '07	1800	1002	160	160	3122
Jan '08	1900	1041	159	159	3259
Feb '08	1600	893	139	139	2771
Mar '08	1550	906	118	118	2692
Apr '08	700	745	26	26	1497
May '08	550	654	11	11	1226
June '08	350	541	6	6	903
TOTAL	1160	8982	770	770	22122

STATEMENT OF RESPONDENT'S QUALIFICATIONS

(File with Proposal Form in separate envelope appropriately designated.)

1. Number of years in business:_____. If not under present firm name, list previous firm names and types of organizations.

2. Contracts on hand: (Complete the following schedule.)

Amount of Your Contract	Per Cent Completed	Item	Purchaser
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3. General Type of product sold or manufactured

4. There has been no default in any contract completed or uncompleted except as noted below:
(a) Number of Contracts on which default was made: _____
(b) Description of defaulted contracts and reason therefore:

5. List banking references:

6. (a) Do you have a current confidential financial statement on file with University? _____ If not, and you desire, you may file such statement with this proposal, sealed in a separate envelope and appropriately designated.
(b) If not, upon request will you within 3 days file a detailed confidential financial statement?
Yes _____ No _____ (check one)

Dated at _____
this _____ day of _____ 2007.

Name of Organization(s)
By _____
Signature

Title of Person