

NATURAL GAS (FIRM SUPPLY – FIXED and INDEXED PRICE) (INTERRUPTIBLE SUPPLY – INDEXED PRICE)

Group 05900 IFB 23008, BOD-**September 13, 2016**

**RESPONSE TO INQUIRIES**

#	Document	QUESTIONS	ANSWERS
1	General	I just received the invitation to bid this IFB, I haven't returned an intent to bid package to you nor do I see one on the NYS Contract Reporting website. Am I still Eligible to participate in this bid?	<b>NO. If an Intent to Bid was not submitted and approved you are not eligible to participate in the bid. Refer to section 2.8 Qualification of Bidder This was advertised 8-15-16 and posted on 8-16-16.</b>
2	General	Can you provide individual account numbers associated with the volumes you have listed in the Delivery schedules? I need these to obtain capacity assignments in order to provide an accurate and relevant price.	<b>Account numbers will be provided seperately and directly to each entity that received a bid qualification notice. However, they will not be posted publicly.</b>
3	General	My understanding is you are looking for a 100% swing tolerance option, is this a correct understanding? If not are you willing to entertain other swing tolerance options?	<b>Yes.</b>
4	General	In order to provide the best pricing for the individual lots, we would require account balancing types (Daily, Monthly) along with MDTQ information. Would it be possible to receive the utility account numbers which make up the lots as well as permission to obtain consumption history?	<b>Yes. Refer to response #2.</b>
5	General	Can the State of NY provide account numbers or confirm the LDC rate code associated with each account?	<b>Yes, Refer to response #2. OGS will not confirm LDC rate codes associated with accounts, but they should be available through the user account information.</b>
6	General	Can you confirm if the Firm accounts are eligible for the mandatory capacity allocation programs of the NY utilities?	<b>This information is available through the Account information. Refer to response # 2.</b>
7	IFB	Will the State allow for exceptions to their contract terms & conditions, or must the contract be signed as is?	<b>Please refer to Appendix B, Section 6.</b>
8	General	my company went through a pre-qualification process for this RFP. Would it still be OK for us to put in a bid as part of a J/V arrangement and/or as a subcontractor? I suppose what I'm asking is are only companies that went through the pre-qualification process allowed to bid or is this RFP open to anyone?	<b>Only those bidders who received a bid qualification notice are eligible to bid. Refer to 2.8 Qualification of Bidders.</b>
9	General	Please advise if Delivery Schedule 1 (230081_Attachment 04a and 230081_Attachment 04b) will be made available in Excel format in addition to the PDF's that were posted	<b>Yes, we will be posting the delivery schedule in Excel versions.</b>
10	General	Would it be possible to get the LDC account numbers for the listed facilities in Delivery Schedules 1 & 2? And would it be possible to have the Delivery Schedules 1 & 2 sent in excel format? Having the LDC account/meter numbers will allow us to pull the historical usage for each facility and to confirm the facility's service class with each LDC.	<b>With respect to LDC account numbers and historical use refer to response to # 5. Refer to response # 9 with respect to Excel versions of the delivery schedules.</b>
11	IFB 1.2	What time on 9/13 does the State consider "close of business"?	<b>Bids are due by 11:00 am on 9/13. The state considers COB 5:00 PM EST on any state work date.</b>

12	IFB 2.3	Facility Closure Mandate: How would the State like to handle facility closures that are not the result of executive / legislative mandate? Can the language in this section be modified to address this?	<b>Customer is obligated to fulfill their monthly nominations. While this clause covers primarily eligible triggered accounts the state agrees to modify the 2.3 clause to include other closures in addition to any mandated ones. Also refer to clause 2.2, Customer Obligations. Refer to the Bid Notification Update being posted for the modification.</b>
13	IFB 2.6	Utility Classified Interruptible Transportation Rate: Are Contractors required to invoice the State for facilities unused natural gas during an interruption or is this an optional requirement (see INDEX PRICED – FIRM SUPPLY section)?	<b>Contractors are required to invoice for unused natural gas during an interruption. Also, see modification to Clause 2.6 of the IFB for additional language.</b>
14	IFB 2.7	ESCO's Responsibilities During Curtailments/Interruptions: If there is an LDC interruption and the utility mandates a switch to the alternate fuel source, please confirm that any facilities that do not do so are responsible for any LDC penalties assessed.	<b>If the penalties are part of the pipeline or LDC Tariff with NYS Public Service Commission then the pass through is acceptable since clause 5.8 denotes that all PSC rules are to be followed.</b>
15	IFB 2.7	What type of evidence must be shown to prove an upstream pipeline interruption has occurred?	<b>A copy of any notification that the ESCO received from the Interstate Pipeline Bulletin Board Notification.</b>
16	IFB 5.8	PUBLIC SERVICE COMMISSION RETAIL ACCESS BUSINESS RULES: Would the State accept language that allows for an equitable price adjustment should any change in law, tariff or NY PSC ruling increase the Contractor's cost to supply natural gas for any facilities?	<b>State declines to modify language.</b>
17	Appendix B #29	Estimated / Specified Quantity Contracts: Is the 20% bandwidth to order more or take less natural gas based on the estimated quantities in Attachment 1?	<b>The Natural Gas IFB is for an IDIQ contract, not a Specific Quantity contract. Therefore, the 20% clause does not apply. However, Authorized Users are required to purchase all natural gas needed during the term of this Contract from the winning Bidder/Contractor.</b>
18	Appendix B #29	Estimated / Specified Quantity Contracts: What information does the commissioner require to approve an equitable price adjustment in the event greater than 20% or less than 20% of the estimated contract quantities is used?	<b>The Natural Gas IFB is an IDIQ contract, not a Specific Quantity contract. Therefore, the 20% threshold for equitable price adjustments does not apply.</b>
19	Appendix B #46.	Termination: Should the State exercise its right to terminate this contract, would the Contractor be able to apply the calculation set forth in Section 2.3 Facility Closure Mandate to forward contract volumes?	<b>No. However, see section 5.2 of IFB. Section 46 Termination b. Cancellation for Convenience has been deleted by the IFB and does not apply. The clause number in the IFB denotes #43b and will be modified to reflect it is actually 46.b</b>
20	Appendix B #46	Termination: What is the Contractor's remedy for remaining forward volume should the State terminate this contract for convenience?	<b>Appendix B, Clause 46(b) has been deleted.</b>
21	General	Does the State want to be invoiced to the City gate or Burner Tip?	<b>Invoicing is to be to the City Gate. See clause 5.7</b>
22	General	Please provide rate classes for each account.	<b>This information is available through the account numbers. See Response #2.</b>
23	General	Please confirm that you want a weight average price for where it says to provide uniform price – for example lot 5 and lot 27 will be 1 WA price.	<b>The combined lots are to be bid with the exact same price since the only difference will be the contract start date. They are the same utility company pricing and supply type so the combined usage between them is what should be used to calculate your bid price.</b>
24	General	Would the State be open to suppliers emailing prices instead of faxing?	<b>Yes, but only in excel with the bid prices unlocked. See further instructions on Solicitation Update.</b>
25	General	For index price, interruptible supply, how should the gas be settled that is outside the monthly nominations.	<b>Assuming "outside" refers to to use above nomination,if supply is available then it is billed at the current indexed price. If supply is not available at the current rate then billing is based on clause 1.5. However, contractor must adhere to all clauses covering interruptible supply.</b>

26	General	Will the State allow winning supplier to pass through the National Grid balancing charge for East Gate and West Gate Daily Balanced accounts as well as the NYSEG balancing charge?	<b>Yes, as part of the National Grid &amp; NYSEG Tarriffs for daily balancing the passthrough is acceptable.</b>
27	Appendix B	Under paragraph a. where it states, "....., which purchases may be deducted from the Contract quantities without penalty or liability to the state." We are ok with this statement, assuming it only applies to take obligations and not payment obligations. We would expect the State to be responsible for the cost of any replacement gas they purchase under FM.	<b>It states in Appendix B clause 47 - a. The Commissioner may purchase from other sources (without recourse to and by the Contractor for the costs and expenses thereof). The state is not obligated to pay contractor for any commitments.</b>
28	Appendix B	In the last paragraph of 47, can you provide an example of what is meant around the language stating that the Commissioner holds the right to make "equitable adjustments" in contract and/or pricing should extreme or unforeseen volatility in the marketplace affect pricing or availability of supply. We are not sure what that practically means.	<b>The State does not have specific examples to share. This clause is meant to cover only extreem and unforeseen volatility in the market place, as defined in Appendix B, not ordinary fluctuations in the market.</b>
29	IFB	1.5 Contract Types: Fixed Price - Firm Supply. EXCEPTION Definition of Firm should list the exception of Force Majeure. Interruptible Supply is gas service that is subject to interruption at the option of the pipeline or LDC	<b>NYS declines to make any change. Force majeure is covered in Appendix B and clause 2.7 of the IFB. Firm supply interruption can also occur through a curtailment that is not classified as force majeure</b>
30	Appendix A	10. Records. Supplier can make records available for audit for a period of three years. Is this acceptable?	<b>No, Appendix A is non-negotiable.</b>
31	Appendix B #46	There is no early termination damages calculation based on estimated usage for remainder of the term. Is the supplier able to take exeption to this condition?	<b>No.</b>
32	General	Could you provide us with utility account numbers for this bid. My gas desk is requesting them for pricing.	<b>Yes, Refer to response #2.</b>
33	General	The facility NYS DOCCS Greene CF Powerhouse does not designate whether the pricing is firm or interruptible. It is our understanding that this account is an interruptible account behind Central Hudson. Do we need to submit both interruptible and firm pricing?	<b>It is designited in the delivery schedule as Item 2 of LOT 1 which is Indexed Price Firm Delivery.</b>
34	General	Regarding facility NYS DOCCS Fishkill CF Powerhouse 35 & 36, it is our understanding that this facility currently supplies their own hot water. When will this gas line be completed? and how will it affect the current monthly usage at the Fishkill facility? Meaning will those volume decrease by 10%, 20%, etc?	<b>The Fishkill facility feeds the Downstate CF which is getting a Natural gas Pipeline. When the Natural Gas pipline is to be completed is unknown at this time. When it is completed the estimated drop in usage from Fishkill will be approximately 28% in the winter and 60% in the summer.</b>
35	General	Central Hudson requires ESCOs to participate in their mandatory storage program, therefore can you please provide to us the Central Hudson accounts numbers for the following accounts or the storage capacity number for each account: NYS DOT S Poughkeepsie; OGS Eleanor Roosevelt State Office Bldg; OMH Hudson River Campus Rockland PC	<b>Refer to response #2.</b>

36	General	The NYC DOCCS Fishkill facility is listed as interruptible, can you please forward to us the daily usage for each month for upto 36-months. This information is available from Central Hudson.	<b>The IFB is based on the Users filed requirements for 12 months. We do not provide the breakdowns requested. However, refer to response # 2 that may assist you in obtaining more specific information.</b>
37	General	The NYC DOCCS Greene CF Powerhouse is listed an interruptible account, can you please forward to us the daily usage for each month for upto 36-months. This information is available from Central Hudson.	<b>Refer to response # 36.</b>
38	General	The NYC DOCCS Coxsackie is listed an interruptible account, can you please forward to us the daily usage for each month for upto 36-months. This information is available from Central Hudson.	<b>Refer to response # 36.</b>
39	General	The NYC DOCCS Coxsackie is listed an interruptible account, can you please forward to us the daily usage for each month for upto 36-months. This information is available from Central Hudson.	<b>Refer to response # 36.</b>
40	General	The NYC DOH Helen Hayes Hospital Power Plant is listed an interruptible account, can you please forward to us the daily usage for each month for upto 36-months. This information is available from Orange & Rockland Utilities	<b>Refer to response # 36.</b>
41	IFB	Section 2.6 does not address the index to be utilized for utility interruptions for Orange & Rockland.	<b>Lot 47 (Orange and Rockland) is bid as a non-Triggered Firm Supply and has no index. It is covered in paragraph 1 of 2.6. Also refer to clause 2.7 Curtailments.</b>
42	IFB	Please confirm that there is no swing provisions, meaning suppliers are responsible to supply monthly full plant requirements.	<b>Yes, Confirmed.</b>
43	IFB	NYC DOH Helen Hayes is only asking for Interruptible pricing, why isn't there a request for Firm Pricing as well?	<b>Authorized Users elect whether to request firm or interruptible supply. OGS cannot provide information as what types of pricing an Authorized User is requesting.</b>
44	IFB 1.4	How is it determined if an account is participating in the monthly excess/deficiency usage adjustment program? Where in this document is this program defined?	<b>No Authorized Users have elected to utilize this program.</b>
45	IFB	What time frame is referenced for the usage provided per month? Was it based off of the last 12-months, 2 years of history, etc.?	<b>Authorized Users are responsible for reporting their own past and predicted estimated usage. OGS cannot verify how Authorized Users made these determinations.</b>