



FLORIDA DEPARTMENT OF MANAGEMENT SERVICES

**state purchasing**

We serve those who serve Florida

**ITB**

**Natural Gas Supply**

**No. 19-83101601-T**

**ADDENDUM NO. 1**

Contained herein are the answers to the questions submitted to the Department of Management Services (Department). The Department hereby amends ITB No. 19-83101601-T, as noted within this Addendum. In the event of a conflict between previously released information and the information contained herein, the information herein shall control. The information included in this addendum is now made part of this solicitation.

**FAILURE TO FILE A PROTEST WITHIN THE TIME PRESCRIBED IN SECTION 120.57(3), FLORIDA STATUTES, OR FAILURE TO POST THE BOND OR OTHER SECURITY REQUIRED BY LAW WITHIN THE TIME ALLOWED FOR FILING A BOND SHALL CONSTITUTE A WAIVER OF PROCEEDINGS UNDER CHAPTER 120, FLORIDA STATUTES.**

Any protest must be timely filed with the Department of Management Services' Agency Clerk.

Please Note: This Addendum No. 1 does not need to be returned with the response.

The Department has received the following questions from the vendor community and answers are provided in the following table:

#	QUESTION	ANSWER
1.	What sort of reply are you looking for?	Please refer to the ITB for instructions on how to respond.
2.	Will the State be releasing the usage file online or prior to the closing of the Q&A period?	We do not know what "usage file" means. This question is unclear.
3.	We are preparing to enter our questions regarding this bid in the MFMP portal. The ITB states that questions should be submitted using the MFMP "messages" tab. I want to be sure I am entering these into the correct space. Can you please confirm that the below highlighted field "event messages" is the correct space for these questions?	Yes, this is the correct area to submit your questions. The question and answer period is now closed.

4.	Is the renewal term pricing indicative? Would the Contractor have the option to update pricing at the end of the initial term?	No.
5.	The FTS-1 contract that the state has with FGT expires in 2023. If the customer chooses to renew for another 3 years, the contract would last until after that agreement is ended. Does the state have a plan in place with FGT to recontract that capacity after 2023?	Yes.
6.	Will the state provide a breakdown of meters and usage and the capacity each comes with?	No, this information is not readily available.
7.	Are there any ITS meters?	We do not know what "ITS" means. This question is unclear.
8.	Are there any Central Florida Gas (CFG) meters? If so, do they come with capacity or without?	It is unclear what the phrase Central Florida Gas meters refers to. We are unable to answer this question.
9.	Does the allocated FTS-1 and FTS-2 capacity cover the peak needs of the meters it serves?	Yes.
10.	Can we get the details of the FTS-1 and FTS-2 capacity?	Yes, the FTS-1 and FTS-2 Agreements are available in MFMP Sourcing.

11.	Can you confirm that we can pass through the PGS adjusted release rate at the published rate (currently \$0.3071/dth) to the applicable PGS NCTS meters?	We do not know what “PGS adjusted release rate” or “PGS NCTS meters” mean. This question is unclear.
12.	In section 3.7 in attachment C, it mentions a transaction fee. What are the details of this fee? Is it a percentage or set \$ per Dth fee?	The MFMP transaction fee is presently 0.7%.
13.	<p>Please confirm our interpretation of the bid – the following tariff-based charges are not included in the Firm Markup and will be billed as separate line items on the bill as pass-through items:</p> <ol style="list-style-type: none"> <li>1. Pipeline and LDC Fuel?</li> <li>2. Pipeline transportation demand charges?</li> <li>3. Pipeline transportation volumetric charges?</li> <li>4. LDC monthly charges per meter?</li> <li>5. LDC start-up fees per meter?</li> </ol>	Yes, the identified tariff-based charges are not included in the Firm Markup and will be billed as separate line items on the invoice as pass-through items.
14.	What are the delivery points and delivery meter number(s)	This is for statewide delivery. Please see FTS-1 and FTS-2 Agreements, which are uploaded in MFMP Sourcing, for an indication of coverage and capacity. Delivery points may change over the course of the contract.
15.	Is the supplier to enter into a separate Asset Management Agreement for the FTS-1 and FTS-2 capacity?	Yes.
17.	Will this capacity be assigned through an AMA?	Please refer to the answer in question 15.

<b>18.</b>	Will this capacity be assigned at zero cost to the supplier?	Yes.
<b>19.</b>	Will the Government continue to make monthly payments to FGT for this capacity?	It is the Department's intent to maintain the existing capacity.
<b>20.</b>	Is the supplier responsible for natural gas delivered to the LDC City Gate?	Yes.
<b>22.</b>	Is the supplier responsible for natural gas delivery from the LDC City Gate to an account meter?	Yes.
<b>23.</b>	Can we get 3 + years of historical burn data?	No, this information is not readily available.
<b>24.</b>	Is this purely a wholesale bid or are there retail accounts associated?	The Contract is intended to procure Natural Gas for retail accounts.
<b>25.</b>	If so, who is the retail supplier/will the winning bidder be retail the supplier?	Yes, the winning bidder will be the supplier of the retail accounts.
<b>26.</b>	Section 3.2 – Does FOB Destination and Freight included apply to this RFP for natural gas delivery?	Yes.
<b>27.</b>	If so, could the Government provide a list of accounts, rate for each account and the monthly volumes for the previous 24 months for each account?	No, this information is not readily available.

28.	RFP requires supplier to take on 10% imbalance. However, the pipeline imbalance tolerance may be considerably less. Is the supplier responsible for the differential?	As stated in section 2.6 of Attachment A, Scope of Work, "Customer(s) will be responsible to pay for all imbalance costs if their consumption falls outside of the ±10% imbalance tolerance between requested and consumed volumes. Contractor will reimburse Customer(s) for any imbalance costs and/or penalties that may be charged to Customer(s) due solely to Contractor's failure to schedule volumes requested by Purchase Order. "
29.	Section 2.6 discusses swing volumes. However, the RFP states the supplier is responsible for baseload volumes that will be provided 6 days prior to the start of each month. These volumes are to be equally divided for each day in that month. Where does the 10% swing percentage apply?	The question is unclear. Please see the modification to Attachment A, section 2.7 and new section 2.8, both incorporated below.
30.	Provide the total capacity to be assigned to the supplier.	This information can be found in FTS-1 and FTS-2 Agreements which are uploaded in MFMP Sourcing.
31.	Is the supplier required to provide volumes in excess of the capacity owned by the Government?	No.
32.	Will the Government require intraday changes to the daily requirements?	Yes, the customer will work directly with the supplier based on the customer's individual needs.
33.	Will the Government provide volumes to be scheduled monthly and daily?	Please refer to answer in question 32.
34.	Section 6 – Basis of Award – is the Government requiring firm renewal pricing at this time? If awarded, will the Government award the renewal pricing at the same time?	Yes.
35.	Are there any missing documents/info in the ITB?	Yes, the FTS-1 and FTS-2 Agreements have been uploaded in MFMP Sourcing.

37.	The Scope of Work in Sec. C.1.1. incorporates by reference the FTS-1 and FTS-2 Service Agreements. The document indicates that these agreements are attached as an appendix except in the pdf they appear to only be images of links and not open links. As a result, we have not been able to review the service agreements. Can you provide us with these documents for review?	The FTS-1 and FTS-2 Agreements have been uploaded in MFMP Sourcing.
38.	Sec. 2.3.2 of the Special Contract Conditions grants the Department a termination for convenience right where Contractor will be entitled to a payment only up to the contract value for the percentage of the work performed up to the termination date. Is it the intent of this language that Contractor sell the natural gas at a fixed price and then if the market value of gas falls below the fixed price, the Department may terminate at its convenience without further liability?	No, the markup is fixed, not the price.
39.	Sec. 5.2 of the Special Contract Conditions states that disputes arising out of the Contract must be submitted to the Department's designated Contract Manager for a final and conclusive decision and that this administrative remedy must be exhausted as an absolute condition precedent to pursuing any other legal recourse. Is this language intended to mean that if the Department's Contract Manager finds in favor of the Department, the Contractor has no recourse to the courts? Or is it intended to mean that the Contractor can only go to the courts after a final decision has been rendered by the Department's Contract Manager?	This provision means that the Contractor can only go to the courts after a final decision has been rendered by the Department's Contract Manager.
40.	Sec. 11.3 of the Special Contract Conditions notes "the liquidated damages provisions stated in the Contract documents will apply". However, in our review of the bid documents available we did not identify any liquidated damages provisions. Can you please let us know which liquidated provisions are being referenced?	There are no liquidated damage provisions in the anticipated contract.

41.	On page 9 of Attachment A its 2 files (FTS-1 and FTS-2) can those be provided as they do not open.	The FTS-1 and FTS-2 Agreements have been uploaded in MFMP Sourcing.
42.	<p><i>Section 5.4 “Additional Information”</i></p> <p>The Department can request and we have to provide any information they request. What type of “additional” information may be required?</p>	The nature of the additional information requested may vary depending upon the needs of the Department.
43.	<p><b>Special Contract Conditions “Attachment C”</b></p> <p><i>Section 5.6 “Cooperation with Inspector General and Records Retention”</i></p> <p>In this section we have to provide the Inspector General any information relevant during an investigation, audit, inspection, review or hearing. Will we be required to submit any information that we have deemed confidential?</p>	Yes, unless the vendor has obtained an order enjoining the Inspector General from accessing such information.
44.	<p><i>Section 6.4 “Risk of Loss”</i></p> <p>The SOF sets risk of loss until the goods or services are approved/accepted. If we have any damage claims that falls on us to file them during that time period. How exactly does this process work?</p>	This provision is intended to clarify that the State has no responsibility regarding damage occurring to goods prior to acceptance. The process used by the Contractor to address such losses is a matter for the Contractor, the Contractor’s insurer, and/or the Contractor’s suppliers.
45.	<p><i>Section 8.1 “Public Records” (b)</i></p> <p>We have the ability to charge the public agency for a copy of any requested records as long as the cost doesn’t exceed the cost in Chapter 119 of the F.S. From what I read it looks like we can only charge the actual cost of duplication. Can we confirm the cost allowed by law?</p>	You may consult an attorney regarding your rights and responsibilities under Chapter 119, Florida Statutes.



The following requirements supplement or replace those found in the ITB. The variations between the new and the old requirements are highlighted in yellow.

1. Section 2.7 of Attachment A, Scope of Work, is hereby replaced in its entirety as follows:

#### 2.7 Credit for Turnback Natural Gas

For Turnback Natural Gas that the Customer elects to turn back by the deadline ~~for Swing Gas, for the same day of flow,~~ the amount credited to Customer's account shall be lowest of the published Natural Gas Daily Midpoint Index prices for FGT Zones 1, 2 or 3 for the day the Natural Gas is to be turned back, reduced by an additional \$0.5 per MMBtu. This amount is then increased by the pipeline fuel percentage, and any applicable Transporter's usage. (Refer to the FGT) <https://fgttransfer.energytransfer.com/ipost/FGT/tariff/entire-tariff>

For Turnback Natural Gas that Customer notifies the Contractor after the deadline, ~~(for Swing Natural Gas for the same day of flow)~~ the amount credited to Customer's account shall be either (i) the daily Market Price reduced by an additional \$0.5 per MMBtu for the day the Natural Gas is to be turned back, or (ii) shall be included on the Customer's monthly imbalance. Customer must choose either of these options at the time Turnback Natural Gas is requested.

2. Section 2.8 of Attachment A, Scope of Work, is hereby added as follows:

#### 2.8 Charge for Swing Natural Gas

For Swing Natural Gas that the Customer requires, the amount assessed to Customer's account shall be the price stated in "Inside FERC's Natural Gas Market Report – Daily Prices of Spot Natural Gas Delivered to Pipelines" for FGT Zones 1, 2 or 3 for the day the Swing Natural Gas is purchased.