RFP 27-09 Natural Gas Supply
Rowan University
Office of Contracting & Procurement

Questions & Answers

1. Do you have a copy of the bid transmittal letter that needs to accompany the proposal? ***The letter should be provided by the proposer, not Rowan.***
2. We cannot hold the price for 90 days. Should we still participate? ***We realize that the price cannot be held. Bids should be awarded based on pricing that is submitted on the due date. All pricing will be refreshed prior to transaction.***
3. We would need a clause that would explain a cost recovery mechanism for the difference in the liquidation if Rowan decided to terminate for any cause or convenience. Can you provide that? ***Should the university decide to terminate, any mechanisms will be provided in the negotiated NAESB.***
4. We can consolidate billing on the GSG rate class. Is that the preference for this type of account? ***Dual billing is preferred rather than consolidated billing.***
5. Can you confirm that all pricing is to the city gate and should not include NJ SUT? ***Pricing should be to the city gate and should not include NJSUT.***
6. Will Rowan University provide Suppliers with an Letter of Authorization (LOA) to request usage? ***This will be provided to the awarded vendor.***
7. Will Rowan University sign the supplier contract, or will suppliers be asked to sign a Rowan University? ***Rowan will sign a negotiated NAESB.***
8. The RFP requests both a fixed all-inclusive price (Item H under the Scope of Services) and an index based pricing option (Item I under the Scope of Work). Would Rowan University consider a proposal that includes only a fixed-price offering and does not provide a basis/index-priced option? ***No, please provide all pricing structure requests.***
   a. Alternatively, are suppliers required to submit both pricing structures to be considered responsive, or may a supplier submit only one of the two options and still be eligible for evaluation? ***Yes, but the preference would be for at least a basis and fixed price indication.***
9. Could you please provide additional information regarding Rowan University commodity hedging process? ***There is currently no hedge process in place, but ideally there would be a foundational hedge put in place at, or just after the basis or index deal is put in place with additional hedges put on later, dictated by market conditions up to an estimated 80%.*** We would appreciate an overview of how commodity hedges have been handled historically, including whether Rowan University typically locks a specific percentage of anticipated volumes at a time and any parameters that govern the timing or frequency of those hedge transactions. ***Please see response above***.
10. The RFP states that Rowan University reserves the right to review and approve any proposed price modifications or adjustments. Our standard agreement permits the pass-through of documented incremental costs resulting from regulatory, legislative, or governmental changes without any markup, with customers paying only the actual costs incurred and supported by documentation. Because these are actual, unavoidable costs imposed by external authorities, they are typically not subject to customer approval or rejection. ***This can be addressed in the review of the NAESB or master agreement. This is not unreasonable, and typical of most transaction language since these changes are out of the supplier's control.***
11. Can Rowan University clarify how this provision aligns with the RFP's right to review or veto price modifications, particularly given that regulatory and legislative changes are also identified elsewhere in the RFP as potential force majeure events? ***This can be addressed in the review of the NAESB or Master***

Agreement. This is not unreasonable and typical of most transaction language since these changes are out of the supplier's control.

12. Rowan University has indicated that they reserve the right for unilateral early termination with or without cause. In the event that the University decides to prematurely terminate the contract, will we be able to assess for potential Early Termination Fees related to liquidating positions taken to support the pricing of the deal? ***Early termination and liquidation will be addressed in the NAESB or Master Agreement.***
13. Is a supplier required to have its own capacity to South Jersey or is a firm purchase from a wholesale supplier with rights to South Jersey Gas acceptable**?** ***Firm Service level is required to the delivery point. Rowan is indifferent as long as it is non-recallable.***
14. Could you please clarify the required pricing hold period following proposal submission? Since proposals are due at 2:00 PM and will then undergo evaluation, we would like to understand whether the review process is typically completed the same day or may extend over several days. If the evaluation period is extended, will there be opportunities for suppliers to refresh pricing, or must the original pricing remain firm throughout the process? Given current commodity market volatility, understanding the expected duration of the pricing commitment would be greatly appreciated. ***The review process may extend over several days and a short-list of suppliers may be subject to a final refresh. Pricing will be refreshed prior to transaction.***
15. Could you please advise on the University's preferred billing structure? Specifically, would Rowan University prefer utility-consolidated billing or separate supplier billing***? Rowan would prefer dual billing.***
16. How long must suppliers hold pricing open following bid submission/opening? Once supplier is selected for award, will they be provided an opportunity to refresh pricing if an award decision is not made prior to 4:00 p.m. on August 25? ***Rowan understands that the pricing is indicative and cannot be held for an extended period of time. The review process may extend over several days and a short-list of suppliers may be subject to a final refresh. Pricing will be refreshed prior to transaction.***
17. Please have the University to provide all applicable tax exemption documentation and/or tax status information prior to billing. ***This will be provided after contract documents are executed.***
18. Is the New Jersey Sales and Use Tax (NJSUT) exemption certificate applicable to the Stratford accounts, or is it limited to the two large Glassboro accounts? ***Yes, applicable to all sites.***
19. As a supplier of natural gas, we respectfully request clarification regarding the requirement for Crime, Pollution, and Professional Liability insurance coverage. These coverages are generally not applicable to the provision of retail natural gas supply services. ***None of these are required for this RFP.***