

REQUEST FOR NATURAL GAS SUPPLY PROPOSAL
Texas Tech University
Lubbock, Texas

September 24, 2009

SELLER (Selected Supplier)

BUYER Texas Tech University, Lubbock, Texas

VOLUME Full facility requirements
The projected monthly natural gas demand for the period of November 2009 through October 2010 is enclosed. Actual demand will vary from the identified demand during the term of the Agreement. Seller will be required to satisfy Buyer's full facility requirements.

QUALITY Sufficient to satisfy applicable Northern Natural Gas Co or Oneok Gas Transportation LLC FERC gas tariff requirements

DELIVERY POINT(s) (1) The natural gas pipeline interconnection of Northern Natural Gas Company and Power-Tex/Adobe, Hockley County, Texas on Northern's KV line (POI#36-383), OR
(2) Oneok gas pipeline to interconnection of ATMOS Energy, Block D-3, Section 2, N.E. Lubbock County

PRICE/TERM **Three Options:**

(1) One Hundred (100%) percent of volumes sold monthly to Buyer shall be the price per MMBtu based on the **index posting** as it appears in the first *Report in the section "Market Center Spot-Gas Prices"* for West Texas publication for the applicable month of *Inside F.E.R.C.'s Gas Market* Waha, plus or minus Sellers adjustment as indicated on the Natural Gas Vendor Response Form.

a. **Term: November 1, 2009 to October 31, 2010**

b. **Term: November 1, 2009 to October 31, 2011**

(2) The first 60,000 MMBtu volumes sold monthly (or 2,000 per day) to Buyer shall be at a "**fixed price**" and remaining volumes priced on the **index posting**. **Term: November 1, 2009 to March 31, 2010**

- (3) The first 60,000 MMBtu volumes sold monthly (or 2,000 per day) to Buyer shall be at a "**fixed price**" and remaining volumes priced on the **index posting**. **Term: November 1, 2009 to October 31, 2010**

Prices will be inclusive of upstream transportation fees, fuel and all other charges to point of delivery.

INITIAL DELIVERY DATE November 1, 2009

UPSTREAM TRANSPORTATION

Sellers shall utilize their own transportation arrangements with either Northern Natural Gas Company or Oneok Gas Transportation LLC pipelines.

SUPPLY AND DELIVERY

All natural gas supply shall be available to Buyer at the Point of Delivery on a firm basis.

ADDITIONAL INSTRUCTIONS

The Buyer through facsimile or e-mail transmission must receive initial responses **no later than October 1, 2009, 11:30 a.m. CDT, and remain open for acceptance through October 1, 2009 at 1:30 p.m. CDT.** Responses should be forwarded to the attention of Brenda Bullard at the same address, facsimile telephone number, and e-mail address provided in inquiries. Responses must be submitted on the last attached form entitled Natural Gas Vendor Response and include pricing for each of the three options listed under the heading "Price/Term." Responses received after 11:30 a.m. CDT, October 1, 2009 may be excluded from consideration. This RFP is not an offer. The Buyer shall not have any obligation or liability pursuant to this RFP except pursuant to a written agreement executed by the agreeing parties.

INQUIRIES

A respondent who has questions about this RFP or requires additional information to prepare a response should contact:

Brenda Bullard
Associate Managing Director for Physical Plant
Texas Tech University
Box 43142
Lubbock, Texas 79409-3142
Phone (806) 742-3314
Fax (806) 742-3881
E-mail: brenda.bullard@ttu.edu

AWARDS

The Buyer will review responses and determine an appropriate course of action. The Buyer may initiate further discussions with a number of qualified vendors selected from the field of respondents. The Buyer may require additional information and may ask one or more respondents to revise or negotiate their responses.

The Buyer's evaluation of responses will be discretionary, taking into account the needs, priorities, and interests of the Buyer. The Buyer reserves the right to reject any or all responses. Should a respondent's proposal be selected by the Buyer, the parties will attempt to enter into a natural gas sales and purchase agreement incorporating the basic commercial terms and conditions of the RFP and the selected respondent's proposal. Should the Buyer determine at any time and in its sole discretion that such an agreement will not be reached between the parties, the Buyer will so notify the selected respondent. In such an event, the Buyer will be free to select an alternate respondent's proposal or take any other action in its best interest without any obligation to the previously selected respondent. This Agreement is subject to the Act of July 30, 1991, 72nd Legislature, First Called Session, Chapter 3, 1991 Texas Session Law Service 4, 71 (to be codified at Texas Natural Resources Code, Section 31.401 and Section 31.402) as further defined in the Texas Administration Code, Title 31, Part 1, Chapter 8; and to mutual review and acceptance by the General Land Office of the State of Texas and Buyer. If the General Land Office finds, under the proposal, the Buyer will not be using natural gas produced from state lands to the greatest extent practical, then the resulting contract will not be approved by GLO.

Note: Contract to be used will be prepared by Texas Tech University and will be pursuant to TTU contracting requirements.

REPRESENTATIONS

The factual representations contained in this RFP are drawn from sources that the Buyer believes to be reliable. The Buyer believes the representations to be accurate, but makes no warranty or representation of their accuracy or completeness. Respondents may not rely on the terms or factual content of this RFP. Respondents are solely responsible, at their own expense and risk, for investigating and determining to their satisfaction the facts necessary to make responses to the Buyer.

**ENCLOSURE
TEXAS TECH UNIVERSITY
PROJECTED GAS CONSUMPTIONS**

Projected FY10							
	Texas Tech University Delivery Points						Total Monthly Consumption (MMBtu)
	CHACP1 #936074	CHACP2 #936073	ICC #9888	Museum #S28760	Campus #934307	Ranching #WT902352	
Nov 2009	70,339	29,879	167	3,103	1,902	12	105,401
Dec 2009	80,702	35,023	667	3,785	2,798	38	123,014
Jan 2010	84,585	35,776	797	3,896	3,179	65	128,298
Feb 2010	73,322	30,011	525	3,171	2,424	49	109,502
Mar 2010	69,928	31,126	425	2,984	1,761	36	106,259
Apr 2010	61,374	28,206	137	2,542	1,433	23	93,715
May 2010*	51,694	29,277	40	2,240	680	7	83,938
Jun 2010*	47,057	32,939	20	1,949	461	2	82,428
Jul 2010*	45,629	36,684	21	1,930	411	3	84,678
Aug 2010*	48,439	33,252	15	2,218	572	1	84,498
Sep 2010*	51,994	29,642	17	2,340	749	1	84,743
Oct 2010	58,523	28,364	37	2,720	1,238	3	90,885
Total Projected Consumption							1,177,358
Average Consumption Per Day							3,226

Notes:

- 1. The figures listed are projections for the respective months.**
- 2. Projections for the period Nov 2010 to Oct 2011 as outlined in Pricing Option 1.b of the Proposal are anticipated to be similar to the projections presented above.**
- 3. The Co-Gen Plant has historically operated during high electrical demand months. Therefore, * indicates the months the Co-Gen Plant may be online. With CO-Gen operation, the natural gas requirements could decrease by an average of 1,300 MMBtu's per day.**

NATURAL GAS VENDOR RESPONSE FORM
Texas Tech University
Lubbock, Texas

Texas Tech University
ATTN: Brenda Bullard, P.E.
Associate Managing Director
Box 43142
Lubbock, Texas 79409-3142

Phone: (806) 742-3314
Fax: (806) 742-3881
E-mail: brenda.bullard@ttu.edu
Delivery Address:
Texas Tech University
Physical Plant, Room 106A
Northwest Corner of Flint Ave. and
Main Ave.
Lubbock, Texas

The following is submitted by the undersigned natural gas supply Vendor in response to Texas Tech University's (Buyer) request for natural gas supply proposals (RFP) dated September 24, 2009. Vendor responds subject to the terms and conditions set forth in the RFP. Vendor's proposed price for natural gas supply consists of the following selected price structure:

Provide Pricing as listed below for each of the listed options:

(1.a) Monthly Index price per MMBtu as it appears in the first publication for the applicable month of Inside F.E.R.C.; Gas Market Report in the Section "Market Center Spot – Gas Prices" for West Texas Waha plus or minus (circle one) \$_____ cents per MMBtu for the term of the contract **(November 1, 2009 through October 31, 2010).**

(1.b) Monthly Index price per MMBtu as it appears in the first publication for the applicable month of Inside F.E.R.C.; Gas Market Report in the Section "Market Center Spot – Gas Prices" for West Texas Waha plus or minus (circle one) \$_____ cents per MMBtu for the term of the contract **(November 1, 2009 through October 31, 2011).**

(2) First 60,000 Mmbtu volumes sold monthly to Buyer shall be a fixed price of \$_____ MMBtu and remaining volumes priced at the Monthly Index for West Texas Waha plus or minus (circle one) \$_____ for term of the contract **(November 1, 2009 through March 31, 2010).**

(3) First 60,000 Mmbtu volumes sold monthly to Buyer shall be a fixed price of \$_____ MMBtu and remaining volumes priced at the Monthly Index for West Texas Waha plus or minus (circle one) \$_____ for term of the contract **(November 1, 2009 through October 31, 2010).**

VERIFY DELIVERY POINT (Please indicate your designated point of delivery)
(Check One)

_____ The natural gas pipeline interconnection of Northern Natural Gas Company and Power-Tex/Adobe, Hockley County, Texas on Northern's KV lines (POI#36-383).

_____ The Oneok gas pipeline with interconnection to ATMOS Energy @ Block D-3, Section 2 N.E. Lubbock County

Respectfully submitted,

(Signature of Authorized Officer)

Date

Vendor: _____

Address: _____

Phone: _____

FAX: _____

E-Mail: _____

Contact Name: _____

In compliance with this RFP, and subject to all the conditions herein, the undersigned offers and agrees to furnish any or all commodities or services at the prices quoted. Signing this proposal with a false statement shall constitute a material breach of contract and shall void the submitted proposal or any resulting contracts, and the respondent shall be removed from all proposal lists. By signature hereon affixed and submission of this proposal, the respondent hereby certifies:

- The respondent has not given, offered to give, nor intends to give at anytime hereafter, any economic opportunity, future employment, gift, loan, gratuity, special discount, trip, favor, or service to a public servant in connection with the submitted offer. Failure to sign the offer, or signing it with a false statement, shall void the submitted offer or any resulting contracts.
- Neither the respondent or the firm, corporation, partnership, or institution represented by the respondent or anyone acting for such firm, corporation, or institution has violated the antitrust laws of this State, codified in Section 15.01, et seq., Texas Business and Commerce Code, or the Federal antitrust laws, nor communicated directly or indirectly the offer made to any competitor or any other person engaged in such line of business.
- Pursuant to Texas Government Code, Title 10, Subtitle D, Section 2155.004(b), the respondent has not received compensation for participation in the preparation of the specifications of this RFP.
- Pursuant to Texas Family Code, Title 5, Subtitle D, Section 231.006 (d), regarding child support, the respondent certifies that the individual or business entity named in the respondent is not ineligible to receive the specified payment and acknowledges that this contract may be terminated and payment may be withheld if this certification is inaccurate.
- Pursuant to Section 2155.004 Government Code, re: collection of state and local sales use taxes, the respondent certifies that the individual or business entity named in this RFP is not ineligible to receive the specified contract and acknowledges that this contract may be terminated and/or payment withheld if this certification is inaccurate.
- The respondent shall defend, indemnify and hold harmless Texas Tech, all of its officers, agents and employees from and against all claims, actions, suits, demands, proceedings, costs, damages, and liabilities, arising out of, connected with, or resulting from any acts of omissions of contractor or any agent, employee, subcontractor, or supplier of contractor in the execution or performance of this contract.
- Respondent agrees that any payments due under this contract will be applied towards any debt, including but not limited to delinquent taxes and child support that is owed the State of Texas.
- Respondent agrees to comply with Texas Government Code, Title 10, Subtitle D, Section 2155.4441, relating to use of service contracts for products produced in the State of Texas.
- Respondent agrees to comply with Texas Government Code, Title 8, Subchapter A, Section 824.601, relating to the payment of retirement benefits of retirees of Texas public educational institutions. A retiree who is an employee of a third-party entity is considered to be employed by a Texas public educational institution for purposes of this subchapter unless the retiree does not perform duties or provide services on behalf of or for the benefit of the institution. This information must be reported to the appropriate agency's payroll department.

- Respondent agrees to provide the following notice to all their employees working on any campus of the Texas Tech University System for more than 14 days consecutively or more than 30 days in a calendar year: “All sex offenders required to register with local law enforcement authorities under Chapter 62 of the Texas Code of Criminal Procedure and who intend to work or carry on a vocation (full-time or part-time) on any campus of Texas Tech University System for a consecutive period exceeding fourteen (14) days or for an aggregate period exceeding thirty (30) days in a calendar year are required to register (or verify registration) with the law enforcement authority for campus security in accordance with Article 62.064 of the Texas Code of Criminal Procedure within seven (7) days of beginning work on any campus of Texas Tech University System. In addition, such sex offenders are required to notify the law enforcement authority for campus security within seven (7) days of terminating work on any campus of Texas Tech University System. For additional information, please contact the Texas Tech University Police Department, 2901 4th Street, Lubbock, TX 79409, Phone: 806-742-3931.”
- Respondent certifies that they are in compliance with Texas Government Code, Title 6, Subtitle B, Section 669.003 of the Government Code, relating to contracting with executive head of a State agency. If section 669.003 applies, respondent will complete the following information in order for the respondent to be evaluated.

Name of former executive	
Name of State agency	
Date of separation from State agency	
Position with respondent	
Date of employment with respondent	

- Pursuant to Section 231.006 (c), Family Code, proposal should include name and Social Security Number of each person with at least 25% ownership of the business entity submitting the proposal. Respondents that have pre-registered this information on the GSC Centralized Master Bidders list have satisfied this requirement. If not pre-registered, attach name & social security number for each person. Otherwise, this information must be provided prior to contract award.
- Respondent certifies that if a Texas address is shown as the address of the respondent, the respondent qualifies as a Texas Resident Bidder as defined in the Texas Administration Code, Title 1, Part 5, Chapter 111.2 (10).

Check below if preference claimed under Rule 1 T.A.C. 113.8

- ☐ 1. Texas-produced supplies, materials or equipment
- ☐ 2. Texas agriculture products
- ☐ 3. U.S.A.-produced supplies, materials or equipment
- ☐ 4. Historically Underutilized Business certified by GSC
- ☐ 5. Products of persons with mental or physical disabilities
- ☐ 6. Products made of recycled materials
- ☐ 7. Energy efficient products
- ☐ 8. Rubberized asphalt paving material
- ☐ 9. Recycled motor oil and lubricants

Payee Identification Number (PIN)	
Respondent/Company Name	
Street	
City/State/Zip	
Telephone No	
Name of Official (Typed/Printed)	
Title of Official	
Signature of Official	