



ADVERTISEMENT TO BIDDERS  
FOR  
NATURAL GAS SUPPLY TO THE BURDICK POWER STATION  
CITY OF GRAND ISLAND, UTILITIES DEPARTMENT

Sealed bids will be received at the office of the City Clerk, P.O. Box 1968, Grand Island, Nebraska 68802-1968 (or 100 East 1<sup>st</sup> Street, Grand Island, NE 68801), until **2:15 p.m. (local time), Wednesday, July 27, 2011**, for the delivery of natural gas supply to the Burdick Power Station Power Plant.

Bids received after the specified time will be returned unopened to sender. Bids shall include the following on the **outside** of the envelope: **"Natural Gas Supply Bid"**. All proposals must be signed and dated in order to be accepted. Bids shall be addressed to the attention of RaNae Edwards, City Clerk. **Three (3) original signed documents shall be submitted for each bid.** Failure to submit the necessary qualifying information may result in your bid not being considered.

Specifications are on file at City Hall, Utilities Administration office, (308)385-5444, ext. 280.

The prices set forth in the bids submitted will be considered confidential by the City and shall not be disclosed to any third party without the advance written consent of the bidder (which consent shall not be unreasonably withheld), except where such disclosure may be required by law or in connection with the assertion of a claim or defense in judicial or administrative proceedings, in which event the City shall advise the bidder in advance in writing and shall cooperate to the extent practicable to minimize the disclosure of such information.

The commodity price for gas shall guarantee the availability and delivery of up to 6,000 MMBTU per day for each month of a twenty-four (24) month term. Actual deliveries shall be based upon daily nominations made no later than 8:15 a.m. Central Time on the day prior to the day of delivery, and may be zero. The commodity price for gas shall be stated as a Daily Price Survey index or index average as reported in *Gas Daily*, a Pasha Publication, Inc. publications. Gas actually nominated and delivered shall be priced at the applicable index price corresponding to the gas flow day. Index priced gas delivered with a gas flow date of Saturday, Sunday, or Monday shall be priced at that Monday's published price. Any charge in addition to the set price or index price for commodity transportation or any other charge or fee shall be stated as either a flat rate adder or fuel percentage adder to the gas price.

Purchaser reserves the right to reject any or all bids, to waive irregularities therein, and to accept whichever bid may be in the best interest of the City, at its sole discretion.

All bids submitted shall be valid until August 26, 2011.

RaNae Edwards, City Clerk

# NOTICE TO BIDDERS

---

Bids will be received by the City of Grand Island, Utilities Department, at:

the Office of the City Clerk: 100 East 1<sup>st</sup> Street  
Grand Island, NE 68801

or

P.O. Box 1968  
Grand Island, NE 68802-1968

for the delivery of natural gas supply to the Burdick Power Station Power Plant until **2:15 p.m. (local time), Wednesday, July 27, 2011.** Bids shall be submitted on the form attached hereto as "Attachment A" and shall include 6,000 MMBTU per day Guaranteed Primary Firm Transportation on 24 Hours Notice to the Burdick Power Station, Grand Island/KMIGT/Burdick Power Location 41000; for twenty-four (24) months, commencing, **October 1, 2011 through September 30, 2013.**

Bids received after the specified time will be returned unopened to sender. Bids shall include the following on the **outside** of the envelope: **"Natural Gas Supply Bid"**. All bids must be signed and dated in order to be accepted. Bids shall be addressed to the attention of RaNae Edwards, City Clerk. **THREE (3) SIGNED ORIGINALS shall be submitted for each bid.** Failure to submit the necessary qualifying information may result in your bid not being considered.

The price for Guaranteed Primary Firm Transportation shall be stated separately as a monthly demand charge to be paid in the month following the month stated.

The prices set forth in the bids submitted will be considered confidential by the City and shall not be disclosed to any third party without the advance written consent of the bidder (which consent shall not be unreasonably withheld), except where such disclosure may be required by law, or in connection with the assertion of a claim or defense in judicial or administrative proceedings, in which event the City shall advise

the bidder in advance in writing and shall cooperate to the extent practicable to minimize the disclosure of such information.

The commodity price for gas shall guarantee the availability and delivery of up to 6,000 MMBTU per day for each month of the twenty-four (24) month term. Actual deliveries shall be based upon daily nominations made no later than 8:15 a.m. Central Time on the day prior to the day of delivery, and may be zero. The commodity price for gas shall be stated as a Daily Price Survey index or index average as reported in *Gas Daily*, a Pasha Publications, Inc. publication. Gas actually nominated and delivered shall be priced at the applicable index price corresponding to the gas flow day. Index priced gas delivered with a gas flow date of Saturday, Sunday, or Monday shall be priced at that Monday's published price. Any charge in addition to the set price or index price for commodity transportation or any other charge or fee shall be stated as either a flat rate adder or fuel percentage adder to the gas price.

Bids will be publicly opened at **2:15 p.m. (local time) on Wednesday, July 27, 2011** in Conference Room #1, City Hall, 100 East Pine Street, Grand Island, Nebraska. **Bids received after said local time will not be considered.** Bid prices based upon an index price will be evaluated upon the basis of a (12) twelve month average of the Daily Price Survey for the applicable index as published in *Gas Daily*. The successful bidder will be notified of selection on or before October 1, 2011. The successful bidder shall execute and return a Gas Sales Agreement Confirmation Order. The Confirmation Order shall be in the form attached hereto as "Attachment B."

Each bidder shall supply three references for natural gas supply service similar to that specified herein. Each reference shall include the name of a contact person familiar with natural gas purchases from the bidder, contact's phone number and a description of the service provided by bidder.

Each bidder shall supply documentation demonstrating the bidder's physical and financial capabilities to provide natural gas supply as stated herein. The City may

require additional proof of a bidder's ability to meet the terms of this solicitation after the bid opening, during bid evaluation.

The City of Grand Island reserves the right to reject any or all bids, to waive irregularities, and to accept whichever bid may be in the best interests of the City, as it shall, in its sole discretion, determine.

I. Name of bidder: \_\_\_\_\_

II. 6,000 MMBTU/day Guaranteed Primary Firm Transportation on 24 Hours Notice:

**2011**

October \_\_\_\_\_

November \_\_\_\_\_

December \_\_\_\_\_

**2012**

January \_\_\_\_\_

February \_\_\_\_\_

March \_\_\_\_\_

April \_\_\_\_\_

May \_\_\_\_\_

June \_\_\_\_\_

July \_\_\_\_\_

August \_\_\_\_\_

September \_\_\_\_\_

October \_\_\_\_\_

November \_\_\_\_\_

December \_\_\_\_\_

**2013**

January \_\_\_\_\_

February \_\_\_\_\_

March \_\_\_\_\_

April \_\_\_\_\_

May \_\_\_\_\_

June \_\_\_\_\_

July \_\_\_\_\_

August \_\_\_\_\_

September \_\_\_\_\_

Total Twenty-four (24) Month Demand Charge: \$ \_\_\_\_\_



Date: \_\_\_\_\_, 2011

This Confirmation Order is made a part of and is subject to all terms and conditions set forth in that Gas Sales Agreement dated \_\_\_\_\_, by and between \_\_\_\_\_, ("Seller") and City of Grand Island ("Buyer").

Terms:

1. Order Period: October 1, 2011 to September 30, 2013
2. Quantity: Up to 6,000 MMBTU per day
3. Delivery Point: KMI Meters 40354 and 40355
4. Price:

***I. 6,000 MMBTU/day Guaranteed Primary Firm Transportation on 24 Hours Notice:***

October 1, 2011 through September 30, 2013

Twenty-four (24) total Monthly Charge \$ \_\_\_\_\_

Twenty-four (24) Month Total Demand Charge \$ \_\_\_\_\_

The demand charge shall be paid monthly, regardless of actual natural gas purchases.

***II. Natural gas commodity price:***

The price for each MMBTU of gas sold and delivered each month hereunder, shall be found in *Gas Daily*, published by Pasha Publications, Inc., under the heading " \_\_\_\_\_ " under the publication date which corresponds to the flow date and shall be equal to the \_\_\_\_\_ of the " \_\_\_\_\_ " index prices for the following "Delivery in" designations: \_\_\_\_\_. Gas delivered with a flow date of Saturday or Sunday shall be priced using the price for the following Monday trade date. Buyer may order up to 6,000 MMBTU per day upon 24 hours advance notice and Seller guarantees the availability and delivery of same. Buyer is not required to purchase any gas.

**III. Natural gas fuel percentage adder:**

A fuel percentage adder of \_\_\_\_\_% shall be added to the natural gas commodity price as determined in paragraph II above.

**IV. Natural gas flat rate adder:**

A natural gas price flat rate adder of \$\_\_\_\_\_ per MMBTU shall be added to the natural gas commodity price after addition of the percentage adder in Paragraph III above.

City of Grand Island (Buyer)

By: \_\_\_\_\_ Date \_\_\_\_\_

\_\_\_\_\_, (Seller) By: \_\_\_\_\_

Date: \_\_\_\_\_