

# THE PORT AUTHORITY OF NY & NJ

PROCUREMENT DEPARTMENT  
2 MONTGOMERY STREET, 3<sup>RD</sup> FL.  
JERSEY CITY, NJ 07302

9/10/2014

## ADDENDUM # 2

To prospective Bidder for Bid # 39184 entitled, "Electric Generation Services at Selected New York and New Jersey Facilities of the Port Authority of New York and New Jersey":

### **Prequalification Information due back on 9/18/14, no later than 2:00 PM**

#### **I. BIDDER'S QUESTIONS AND ANSWERS**

The following information is available in response to questions submitted by prospective Bidders. The responses should not be deemed to answer all questions, which have been submitted by Bidders to the Port Authority. It addresses only those questions, which the Port Authority has deemed to require additional information and/or clarification. The fact that information has not been supplied with respect to any questions asked by a Bidders does not mean or imply, nor should it be deemed to mean or imply, any meaning, construction, or implication with respect to the terms.

The Port Authority makes no representations, warranties or guarantees that the information contained herein is accurate, complete or timely or that such information accurately represents the conditions that would be encountered during the performance of the Contract. The furnishing of such information by the Port Authority shall not create or be deemed to create any obligation or liability upon it for any reason whatsoever and each Bidder, by submitting its Bid, expressly agrees that it has not relied upon the foregoing information, and that it shall not hold the Port Authority liable or responsible therefore in any manner whatsoever. Accordingly, nothing contained herein and no representation, statement or promise, of the Port Authority, its Commissioners, officers, agents, representatives, or employees, oral or in writing, shall impair or limit the effect of the warranties of the Bidder required by this Bid or Contract and the Bidder agrees that it shall not hold the Port Authority liable or responsible therefore in any manner whatsoever.

Q1: What are the products The Port Authority is requesting and the pricing that goes along with it?

A1: Please refer to Part V, Section 1b of the solicitation for a full list of potential pricing products the Port Authority may request. An auction schedule will be released to qualified suppliers on or before September 25, 2014. This schedule will detail specific pricing products the Port Authority is requesting.

Q2: What exactly is needed for the Pre-requisite submittals?

A2: Please see Part II, Section 10, entitled "Specific Bidder's Prerequisites".

Q3: We noticed the Appendix I hourly usages aren't calendarized, will it be required for submittal on our end?

A3: No, it is not a requirement.

Q4: Please clarify how suppliers should handle Auction Revenue Rights (ARRs) and Transmission Loss Credits (TLCs).

A4: Auction Revenue Rights (ARRs) and Transmission Loss Credits (TLCs) should be included in price bids.

Q5: Should any costs associated with FERC Order 745 be passed through to the Port Authority?

A5: Yes, please see Part III, Section 3, paragraph g.

Q6: Please confirm that the Supplier has the option to offer the Port Authority 100% bandwidth, in which case Supplier shall not make any adjustments as required by the Adjusted Market Costs calculations. If such an offer is acceptable, please clarify whether such an offer will be viewed more favorably.

A6: Such an offer is acceptable, but will not be viewed differently from other offers that meet the product specifications.

Q7: If Qualification Information is requested by the Port Authority, can the financial information of a supplier's parent company be submitted on behalf of the supplier?

A7: Yes. Please note that a parental guarantee may be required.

Q8: Please confirm that an Award Letter from the Port Authority shall be considered a binding agreement.

A8: Per Part I, Section 8, entitled "Acceptance or Rejection of Bids":

"The selected Bidder(s) will receive a notice of award e-mail within two hours of auction close and no later than 3:00 P.M. Eastern Time on the day of the auction(s) and such notice of award shall be considered official and binding. This notice shall include the date of award, the duration of Contract, the Commencement Date, the Expiration Date, a list of the Accounts awarded, and pricing for each Account. A written confirmation of the award, signed by the Port Authority, will be faxed and mailed to the selected Bidder(s)."

Q9: Please confirm that the entire liability of each party under a resulting contract will be limited to direct actual damages, subject in all cases to an affirmative obligation of each party to mitigate its damages, and neither party will be liable for any consequential, exemplary, special, incidental or punitive damages.

A9: Please see Section 20 of the Standard Contract Terms and Conditions.

Q10: Please confirm that in the event the Port Authority fails to perform a material obligation under the contract, including without limitation its payment obligations, the supplier may terminate the contract and collect its direct actual damages.

A10: Please see Sections 7 and 14 of the Standard Contract Terms and Conditions.

Q11: In Part III, Section 3.c): will the Port Authority change "thirty (30)" to "twenty (20)"?

A11: No.

Q12: In Part III, Section 3.d): will the Port Authority offer the option of an EDC consolidated invoice?

A12: No.

Q13: In Part III, Section 3.g): will the Port Authority agree to pay if the EDC or independent system operator alters market structure, rules or delivery point, or material changes in the electricity markets occur, which results in new or modified fees, costs of performance or other charges being incurred by Contractor and other market participants, including but not limited to

changes that increase transmission, delivery or other market charges incurred by retail suppliers or changes to the delivery point at which the Port Authority electricity consumption is settled by the EDC, such as zonal to nodal?

A13: Please refer to Part III, Section 3, Paragraph g, where Change in Law is described, and to the Pricing Product descriptions in Part V Section 1b, where, in some cases, transmission is treated as a pass through.

Q14: In Part III, Section 9.c): will the Port Authority make the described Event of Force Majeure a non-exclusive, instead of an exclusive, list?

A14: Please refer to the definitions of force majeure in each of the utility tariffs, to which this section refers.

Q15: In the Standard Terms and Conditions, Part III, Section 25: will the Port Authority make confidentiality mutual?

A15: The Port Authority will not agree to mutual confidentiality terms; however, an awarded supplier may propose its own single-sided confidentiality terms for the Port Authority's consideration. The Port Authority makes no representations or guarantees that such terms will be agreed upon.

This communication should be initialed by you and annexed to your Bid upon submission.

In case any Bidder fails to conform to these instructions, its Bid will nevertheless be construed as though this communication had been so physically annexed and initialed.

THE PORT AUTHORITY OF NY & NJ  
Kathy Leslie Whelan  
Assistant Director  
Commodities & Services Division

BIDDER'S FIRM NAME: \_\_\_\_\_

INITIALED: \_\_\_\_\_

DATE: \_\_\_\_\_

QUESTIONS CONCERNING THIS ADDENDUM MAY BE ADDRESSED TO  
Mr. Richard A. Grehl, WHO CAN BE REACHED AT (201) 395-3441 or at rgrehl@panynj.gov.