



STATE OF ALASKA
Department of Natural Resources
Support Services Division
550 W. 7th Avenue, Suite 1230, Anchorage, AK 99501

Request For Proposals

RFP 2009-1000-8374

ASP: 10-09-050

Date of Issue: February 11, 2009

Title and Purpose of RFP:

AGIA ECONOMIC & RISK MODELING

Offerors Are Not Required To Return This Form.

Important Notice: If you received this solicitation from the State of Alaska's "Online Public Notice" web site, you must register with the procurement officer listed in this document to receive subsequent amendments. Failure to contact the procurement officer may result in the rejection of your offer.

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Procurement Officer
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SECTION ONE

INTRODUCTION AND INSTRUCTIONS

1.01 Return Mailing Address, Contact Person, Telephone, Fax Numbers and Deadline for Receipt of Proposals

Offerors must submit four copies of their proposal, in writing, to the procurement officer in a sealed envelope. It must be addressed as follows:

State of Alaska
Department of Natural Resources
Support Services
Attention: Marlys Hagen, C.P.M.
Request for Proposal (RFP) Number: 2009-1000-8374
Project name: AGIA Economic & Risk Modeling
550 W. 7th Avenue, Suite 1230
Anchorage, AK 99501

Proposals must be received no later than 4:00 P.M., Alaska Time on March 5, 2009. Fax proposals are acceptable but not encouraged. Oral proposals are not acceptable.

An offeror's failure to submit its proposal prior to the deadline will cause the proposal to be disqualified. Late proposals or amendments will not be opened or accepted for evaluation. Please submit one copy of the cost proposal separately in a sealed envelope.

PROCUREMENT OFFICER: Marlys Hagen, C.P.M., Dept. of Natural Resources, Phone (907) 269-8666, Fax (907) 269-8909, TDD (907) 269-8411

1.02 Contract Term and Work Schedule

The contract term and work schedule set out herein represents the State of Alaska's best estimate of the schedule that will be followed. If a component of this schedule, such as the opening date, is delayed, the rest of the schedule will be shifted by the same number of days.

The length of the contract will be two years from the date of award.

Unless otherwise provided in this RFP, the State and the successful offeror/contractor agree: (1) that any holding over of the contract excluding any exercised renewal options, will be considered as a month-to-month extension, and all other terms and conditions shall remain in full force and effect and (2) to provide written notice to the other party of the intent to cancel such month-to-month extension at least 30-days before the desired date of cancellation.

The approximate contract schedule is as follows:

- Issue and advertise the RFP February 11, 2009
- Pre-proposal conference scheduled for February 20, 2009 at 2:00 pm
- Receive/Open proposals March 5, 2009
- Proposal Evaluation Committee complete evaluation by March 10, 2009
- State of Alaska issues Notice of Intent to Award a Contract March 10, 2009
- State of Alaska issues contract March 23, 2009
- Contract start March 23, 2009

- First contractor work period March 23, 2009 to March 23, 2011
- Contractor submits first draft October 6, 2010
- First draft review by state December 6, 2010.
- Draft back to contractor for revision as required January 6, 2011 to February 5, 2011, Contractor submits final report March 7, 2011.

1.03 Purpose of the RFP

The Division of Oil & Gas, is soliciting proposals for assistance in modeling the consequences of various fiscal and policy measures that could be taken on the various gasoline stakeholders (shippers, the pipeline company, the state, and the Federal Government).

1.04 Budget

The Department of Natural Resources, Division of Oil and Gas, estimates a budget not to exceed (NTE) \$700,000.00 for completion of this project. Proposals priced at more than \$700,000.00 will be considered non-responsive.

1.05 Location of Work

The contractor must provide its own work space. Work may be performed primarily at the offeror's offices. However, consultant may be required to travel to meet with state officials in Anchorage/Juneau, Alaska. Travel & per diem and other direct expenses will be reimbursed in accordance with the Alaska Administrative Manual (i.e. coach airfare, actual cost for hotel, taxis, shuttle's, etc., and reimbursement up to \$60.00 per day for meals and incidental expenses in Alaska), or Federal per diem rates in other locations.

By signature on their proposal, the offeror certifies that:

- (a) all services provided under this contract by the contractor and all subcontractors shall be performed in the United States; and
- (b) the offeror is not established and headquartered or incorporated and headquartered in a country recognized as Tier 3 in the most recent United States Department of State's Trafficking in Persons Report.

The most recent United States Department of State's Trafficking in Persons Report can be found at the following website: <http://www.state.gov/g/tip/>.

Failure to comply with (a) or (b) of this requirement will cause the state to reject the proposal as non-responsive, or cancel the contract.

1.06 Assistance to Offerors with a Disability

Offerors with a disability may receive accommodation regarding the means of communicating this RFP or participating in the procurement process. For more information, contact the procurement officer no later than ten days prior to the deadline for receipt of proposals.

1.07 Required Review

Offerors should carefully review this solicitation for defects and questionable or objectionable material. Comments concerning defects and objectionable material must be made in writing and received by the procurement officer at least ten days before the proposal opening. This will allow issuance of any necessary amendments. It will also help prevent the opening of a defective solicitation and exposure of offeror's proposals upon which award could not be made. Protests based on any omission or error, or on the content of the solicitation, will be disallowed if these faults have not been brought to the attention of the procurement officer, in writing, at least ten days before the time set for opening.

1.08 Questions Received Prior to Opening of Proposals

All questions must be in writing and directed to the issuing office, addressed to the procurement officer. The interested party must confirm telephone conversations in writing.

Two types of questions generally arise. One may be answered by directing the questioner to a specific section of the RFP. These questions may be answered over the telephone. Other questions may be more complex and may require a written amendment to the RFP. The procurement officer will make that decision.

1.09 Amendments

If an amendment is issued, it will be provided to all who were mailed a copy of the RFP and to those who have registered with the procurement officer as having downloaded the RFP from the State of Alaska Online Public Notice web site.

1.10 Alternate Proposals

Offerors may only submit one proposal for evaluation.

In accordance with 2 AAC 12.830 alternate proposals (proposals that offer something different than what is asked for) will be rejected.

1.11 Right of Rejection

Offerors must comply with all of the terms of the RFP, the State Procurement Code (AS 36.30), and all applicable local, state, and federal laws, codes, and regulations. The procurement officer may reject any proposal that does not comply with all of the material and substantial terms, conditions, and performance requirements of the RFP.

Offerors may not qualify the proposal nor restrict the rights of the state. If an offeror does so, the procurement officer may determine the proposal to be a non-responsive counter-offer and the proposal may be rejected.

Minor informalities that:

- do not affect responsiveness;
- are merely a matter of form or format;
- do not change the relative standing or otherwise prejudice other offers;
- do not change the meaning or scope of the RFP;
- are trivial, negligible, or immaterial in nature;
- do not reflect a material change in the work; or
- do not constitute a substantial reservation against a requirement or provision;

may be waived by the procurement officer.

The state reserves the right to refrain from making an award if it determines that to be in its best interest. A proposal from a debarred or suspended offeror shall be rejected.

1.12 State Not Responsible for Preparation Costs

The state will not pay any cost associated with the preparation, submittal, presentation, or evaluation of any proposal.

1.13 Disclosure of Proposal Contents

All proposals and other material submitted become the property of the State of Alaska and may be returned only at the state's option. AS 40.25.110 requires public records to be open to reasonable inspection. All proposal information, including detailed price and cost information, will be held in confidence during the evaluation process and prior to the time a Notice of Intent to Award is issued. Thereafter, proposals will become public information.

Trade secrets and other proprietary data contained in proposals may be held confidential if the offeror requests, in writing, that the procurement officer does so, and if the procurement officer agrees, in writing, to do so. Material considered confidential by the offeror must be clearly identified and the offeror must include a brief statement that sets out the reasons for confidentiality.

1.14 Subcontractors

Subcontractors may be used to perform work under this contract. If an offeror intends to use subcontractors, the offeror must identify in the proposal the names of the subcontractors and the portions of the work the subcontractors will perform.

If a proposal with subcontractors is selected, the offeror must provide the following information concerning each prospective subcontractor within five working days from the date of the state's request:

- (a) complete name of the subcontractor;
- (b) complete address of the subcontractor;
- (c) type of work the subcontractor will be performing;
- (d) percentage of work the subcontractor will be providing;
- (e) evidence that the subcontractor holds a valid Alaska business license; and
- (f) a written statement, signed by each proposed subcontractor that clearly verifies that the subcontractor is committed to render the services required by the contract.

An offeror's failure to provide this information, within the time set, may cause the state to consider their proposal non-responsive and reject it. The substitution of one subcontractor for another may be made only at the discretion and prior written approval of the project director.

1.15 Joint Ventures

Joint ventures are acceptable. If submitting a proposal as a joint venture, the offeror must submit a copy of the joint venture agreement which identifies the principals involved and their rights and responsibilities regarding performance and payment.

1.16 Offeror's Certification

By signature on the proposal, offerors certify that they comply with the following:

- (a) the laws of the State of Alaska;
- (b) the applicable portion of the Federal Civil Rights Act of 1964;
- (c) the Equal Employment Opportunity Act and the regulations issued thereunder by the federal government;
- (d) the Americans with Disabilities Act of 1990 and the regulations issued thereunder by the federal government;
- (e) all terms and conditions set out in this RFP;
- (f) a condition that the proposal submitted was independently arrived at, without collusion, under penalty of perjury;
- (g) that the offers will remain open and valid for at least 90 days; and
- (h) that programs, services, and activities provided to the general public under the resulting contract conform with the Americans with Disabilities Act of 1990, and the regulations issued thereunder by the federal government.

If any offeror fails to comply with [a] through [h] of this paragraph, the state reserves the right to disregard the proposal, terminate the contract, or consider the contractor in default.

1.17 Conflict of Interest

Each proposal shall include a statement indicating whether or not the firm or any individuals working on the contract has a possible conflict of interest (e.g., currently employed by the State of Alaska or formerly employed by the State of Alaska within the past two years) and, if so, the nature of that conflict. The Commissioner, Department of Natural Resources, reserves the right to consider a proposal non-responsive and reject it or cancel the award if any interest disclosed from any source could either give the appearance of a conflict or cause speculation as to the objectivity of the program to be developed by the offeror. The Commissioner's determination regarding any questions of conflict of interest shall be final.

1.18 Right to Inspect Place of Business

At reasonable times, the state may inspect those areas of the contractor's place of business that are related to the performance of a contract. If the state makes such an inspection, the contractor must provide reasonable assistance.

1.19 Solicitation Advertising

Public notice has been provided in accordance with 2 AAC 12.220.

1.20 News Releases

News releases related to this RFP will not be made without prior approval of the project director.

1.21 Assignment

Per 2 AAC 12.480, the contractor may not transfer or assign any portion of the contract without prior written approval from the procurement officer.

1.22 Disputes

Any dispute arising out of this agreement will be resolved under the laws of the State of Alaska. Any appeal of an administrative order or any original action to enforce any provision of this agreement or to obtain relief from or remedy in connection with this agreement may be brought only in the Superior Court for the State of Alaska.

1.23 Severability

If any provision of the contract or agreement is declared by a court to be illegal or in conflict with any law, the validity of the remaining terms and provisions will not be affected; and, the rights and obligations of the parties will be construed and enforced as if the contract did not contain the particular provision held to be invalid.

1.24 Federal Requirements

The offeror must identify all known federal requirements that apply to the proposal, the evaluation, or the contract.

SECTION TWO

STANDARD PROPOSAL INFORMATION

2.01 Federal Requirements

All proposals must be signed by an individual authorized to bind the offeror to the provisions of the RFP. Proposals must remain open and valid for at least 90-days from the opening date.

2.02 Pre-proposal Conference

A pre-proposal conference will be held at 2:00 pm Alaska Time, on February 20, 2009 in Suite 1100 on the 11th floor of the Robert B. Atwood building, 550 West 7th Ave, Anchorage, Alaska. The purpose of the conference is to discuss the work to be performed with the prospective offerors and allow them to ask questions concerning the RFP. Questions and answers will be transcribed and sent to prospective offerors as soon as possible after the meeting.

Offerors with a disability needing accommodation should contact the procurement officer prior to the date set for the pre-proposal conference so that reasonable accommodation can be made.

2.03 Site Inspection

The state may conduct on-site visits to evaluate the offeror's capacity to perform the contract. An offeror must agree, at risk of being found non-responsive and having its proposal rejected, to provide the state reasonable access to relevant portions of its work sites. Individuals designated by the procurement officer at the state's expense will make site inspection.

2.04 Amendments to Proposals

Amendments to or withdrawals of proposals will only be allowed if acceptable requests are received prior to the deadline that is set for receipt of proposals. No amendments or withdrawals will be accepted after the deadline unless they are in response to the state's request in accordance with 2 AAC 12.290.

2.05 Supplemental Terms and Conditions

Proposals must comply with Section **1.11 Right of Rejection**. However, if the state fails to identify or detect supplemental terms or conditions that conflict with those contained in this RFP or that diminish the state's rights under any contract resulting from the RFP, the term(s) or condition(s) will be considered null and void. After award of contract:

- a) if conflict arises between a supplemental term or condition included in the proposal and a term or condition of the RFP, the term or condition of the RFP will prevail; and
- b) if the state's rights would be diminished as a result of application of a supplemental term or condition included in the proposal, the supplemental term or condition will be considered null and void.

2.06 Clarification of Offers

In order to determine if a proposal is reasonably susceptible for award, communications by the procurement officer or the proposal evaluation committee are permitted with an offeror to clarify uncertainties or eliminate confusion concerning the contents of a proposal. Clarifications may not result in a material or substantive change to the proposal. The evaluation by the procurement officer or the proposal evaluation committee may be adjusted as a result of a clarification under this section.

2.07 Discussions with Offerors

The state may conduct discussions with offerors in accordance with AS 36.30.240 and 2 AAC 12.290. The purpose of these discussions will be to ensure full understanding of the requirements of the RFP and proposal. Discussions will be limited to specific sections of the RFP or proposal identified by the procurement officer. Discussions will only be held with offerors who have submitted a proposal deemed reasonably susceptible for award by the procurement officer. Discussions, if held, will be after initial evaluation of proposals by the PEC. If modifications are made as a result of these discussions they will be put in writing. Following discussions, the procurement officer may set a time for best and final proposal submissions from those offerors with whom discussions were held. Proposals may be reevaluated after receipt of best and final proposal submissions.

If an offeror does not submit a best and final proposal or a notice of withdrawal, the offeror's immediate previous proposal is considered the offeror's best and final proposal.

Offerors with a disability needing accommodation should contact the procurement officer prior to the date set for discussions so that reasonable accommodation can be made. Any oral modification of a proposal must be reduced to writing by the offeror.

2.08 Prior Experience

In order for offers to be considered responsive offerors must meet these minimum prior experience requirements:

- The Contractor must be able to demonstrate having previously modeled the state of Alaska's upstream fiscal regime, including its Production tax regime (ACES).
- The Contractor must have at least five (5) years demonstrated experience modeling project cash flow for new construction projects.
- The Contractor must have at least five (5) years demonstrated experience modeling natural gas pipeline tariffs.
- The Contractor must have at least five (5) years experience interpreting statutes, regulations, and other authorities, preferably with regard to Alaska.
- The Contractor must have working proficiency with the @RISK or similar software.

An offeror's failure to meet these minimum prior experience requirements will cause their proposal to be considered non-responsive and their proposal will be rejected.

2.09 Evaluation of Proposals

The procurement officer, or an evaluation committee made up of at least three state employees or public officials, will evaluate proposals. The evaluation will be based solely on the evaluation factors set out in Section 7 (Seven) of this RFP.

After receipt of proposals, if there is a need for any substantial clarification or material change in the RFP, an amendment will be issued. The amendment will incorporate the clarification or change, and a new date and time established for new or amended proposals. Evaluations may be adjusted as a result of receiving new or amended proposals.

2.10 Vendor Tax ID

A valid Vendor Tax ID must be submitted to the issuing office with the proposal or within five days of the state's request.

2.11 F.O.B. Point

All goods purchased through this contract will be F.O.B. final destination. Unless specifically stated otherwise, all prices offered must include the delivery costs to any location within the State of Alaska.

2.12 Alaska Business License and Other Required Licenses

At the time the proposals are opened, all offerors must hold a valid Alaska business license and any necessary applicable professional licenses required by Alaska Statute. Proposals must be submitted under the name as appearing on the person's current Alaska business license in order to be considered responsive. Offerors should contact the Department of Commerce, Community and Economic Development, Division of Corporations, Business, and Professional Licensing, P. O. Box 110806, Juneau, Alaska 99811-0806, for information on these licenses. Offerors must submit evidence of a valid Alaska business license with the proposal. An offeror's failure to submit this evidence with the proposal will cause their proposal to be determined non-responsive. Acceptable evidence that the offeror possesses a valid Alaska business license may consist of any one of the following:

- (a) copy of an Alaska business license with the correct NAICS code;
- (b) certification on the proposal that the offeror has a valid Alaska business license and has included the license number in the proposal;
- (c) a canceled check for the Alaska business license fee;
- (d) a copy of the Alaska business license application with a receipt stamp from the state's occupational licensing office; or
- (e) a sworn and notarized affidavit that the offeror has applied and paid for the Alaska business license.

You are not required to hold a valid Alaska business license at the time proposals are opened if you possess one of the following licenses and are offering services or supplies under that specific line of business:

- Fisheries business licenses issued by Alaska Department of Revenue or Alaska Department of Fish and Game.
- Liquor licenses issued by Alaska Department of Revenue for alcohol sales only.
- Insurance licenses issued by Alaska Department of Commerce, Community and Economic Development, Division of Insurance.
- Mining licenses issued by Alaska Department of Revenue.

2.13 Application of Preferences

Certain preferences apply to all contracts for professional services, regardless of their dollar value. The Alaskan Bidder and Offeror preferences are the two most common preferences involved in the RFP process. Additional preferences that may apply to this procurement are listed below. Guides that contain excerpts from the relevant statutes and codes, explain when the preferences apply and provide examples of how to calculate the preferences are available at the Department of Administration, Division of General Services' web site:

<http://www.state.ak.us/local/akpages/ADMIN/dgs/policy.htm>

Alaska Products Preference - AS 36.30.332
Recycled Products Preference - AS 36.30.337
Local Agriculture and Fisheries Products Preference - AS 36.15.050
Employment Program Preference - AS 36.30.170(c)
Alaskans with Disability Preference - AS 36.30.170 (e)
Employers of People with Disabilities Preference - AS 36.30.170 (f)

The Division of Vocational Rehabilitation in the Department of Labor and Workforce Development keeps a list of qualified

employment programs; a list of individuals who qualify as persons with a disability; and a list of persons who qualify as employers with 50 percent or more of their employees being disabled. A person must be on this list at the time the bid is opened in order to qualify for a preference under this section.

As evidence of an individual's or a business' right to a certain preference, the Division of Vocational Rehabilitation will issue a certification letter. To take advantage of the Employment Program Preference, Alaskans with Disability Preference or Employers of People with Disabilities Preference described above, an individual or business must be on the appropriate Division of Vocational Rehabilitation list at the time the proposal is opened, and must provide the procurement officer a copy of their certification letter. Offerors must attach a copy of their certification letter to the proposal. The offeror's failure to provide the certification letter mentioned above with the proposal will cause the state to disallow the preference.

2.14 5 Percent Alaskan Bidder Preference

2 AAC 12.260 & AS 36.30.170

An Alaskan Bidder Preference of five percent will be applied prior to evaluation. The preference will be given to an offeror who:

- (a) holds a current Alaska business license;
- (b) submits a proposal for goods or services under the name on the Alaska business license;
- (c) has maintained a place of business within the state staffed by the offeror, or an employee of the offeror, for a period of six months immediately preceding the date of the proposal;
- (d) is incorporated or qualified to do business under the laws of the state, is a sole proprietorship and the proprietor is a resident of the state, is a limited liability company organized under AS 10.50 and all members are residents of the state, or is a partnership under AS 32.05 or AS 32.11 and all partners are residents of the state; and
- (e) if a joint venture, is composed entirely of entities that qualify under (a)-(d) of this subsection.

Alaskan Bidder Preference Affidavit

In order to receive the Alaskan Bidder Preference, proposals must include a statement certifying that the offeror is eligible to receive the Alaskan Bidder Preference.

2.15 Formula Used to Convert Cost to Points

AS 36.30.250 & 2 AAC 12.260

The distribution of points based on cost will be determined as set out in 2 AAC 12.260 (c). The lowest cost proposal will receive the maximum number of points allocated to cost. The point allocations for cost on the other proposals will be determined through the method set out below. In the generic example below, cost is weighted as 70% of the overall total score. The weighting of cost may be different in your particular RFP. See section SEVEN to determine the value, or weight of cost for this RFP.

EXAMPLE

Formula Used to Convert Cost to Points

[STEP 1]

List all proposal prices, adjusted where appropriate by the application of all applicable preferences.

Offeror #1 -	Non-Alaskan Offeror	\$40,000
Offeror #2 -	Alaskan Offeror	\$42,750
Offeror #3 -	Alaskan Offeror	\$47,500

[STEP 2]

Convert cost to points using this formula.

$$\frac{[(\text{Price of Lowest Cost Proposal}) \times (\text{Maximum Points for Cost})]}{(\text{Cost of Each Higher Priced Proposal})} = \text{POINTS}$$

The RFP allotted 70% (70 points) of the total of 100 points for cost.

Offeror #1 receives 70 points.

The reason they receive that amount is because the lowest cost proposal, in this case \$40,000, receives the maximum number of points allocated to cost, 70 points.

Offeror #2 receives 65.5 points.

$$\begin{array}{ccccccc} \$40,000 & \times & 70 & = & 2,800,000 & \div & \$42,750 & = & 65.5 \\ \text{Lowest} & & \text{Max} & & & & \text{Offeror \#2} & & \text{Points} \\ \text{Cost} & & \text{Points} & & & & \text{Adjusted By} & & \\ & & & & & & \text{The Application Of} & & \\ & & & & & & \text{All Applicable} & & \\ & & & & & & \text{Preferences} & & \end{array}$$

Offeror #3 receives 58.6 points.

$$\begin{array}{ccccccc} \$40,000 & \times & 70 & = & 2,800,000 & \div & \$47,500 & = & 58.9 \\ \text{Lowest} & & \text{Max} & & & & \text{Offeror \#3} & & \text{Points} \\ \text{Cost} & & \text{Points} & & & & \text{Adjusted By} & & \\ & & & & & & \text{The Application Of} & & \\ & & & & & & \text{All Applicable} & & \\ & & & & & & \text{Preferences} & & \end{array}$$

2.16 Alaskan Offeror's Preference AS 36.30.250 & 2 AAC 12.260

2 AAC 12.260(e) provides Alaskan offerors a 10 percent overall evaluation point preference. Alaskan Bidders, as defined in AS 36.30.170(b), are eligible for the preference. This preference will be added to the overall evaluation score of each Alaskan offeror. Each Alaskan offeror will receive 10 percent of the total available points added to their evaluation score as a preference.

EXAMPLE

Alaskan Offeror's Preference

[STEP 1]

Determine the number of points available to Alaskan offerors under the preference.

Total number of points available - 100 Points

$$\begin{array}{ccccccc} 100 & \times & 10\% & = & 10 \\ \text{Total Points} & & \text{Alaskan Offerors} & & \text{Number of Points} \\ \text{Available} & & \text{Percentage Preference} & & \text{Given to Alaskan Offerors} \\ & & & & \text{Under the Preference} \end{array}$$

[STEP 2]

Add the preference points to the Alaskan offers. There are three offerors: Offeror #1, Offeror #2, and Offeror #3. Offeror #2 and Offeror #3 are eligible for the Alaskan Offeror's Preference. For the purpose of this example presume that all of the proposals have been completely evaluated based on the evaluation criteria in the RFP. Their scores at this point are:

Offeror #1 - 89 points

Offeror #2 - 80 points

Offeror #3 - 88 points

Offeror #2 and Offeror #3 each receive 10 additional points. The final scores for all of the offers are:

*Offeror #1 - **89 points***

*Offeror #2 - **90 points***

*Offeror #3 - **98 points***

Offeror #3 is awarded the contract.

2.17 Contract Negotiation

2 AAC 12.315

After final evaluation, the procurement officer may negotiate with the offeror of the highest-ranked proposal. Negotiations, if held, shall be within the scope of the request for proposals and limited to those items which would not have an effect on the ranking of proposals. If the highest-ranked offeror fails to provide necessary information for negotiations in a timely manner, or fails to negotiate in good faith, the state may terminate negotiations and negotiate with the offeror of the next highest-ranked proposal. If contract negotiations are commenced, they may be held in a location selected by the Project Manager, in Anchorage, Alaska. No expenses shall accrue to the Division of Oil & Gas for these activities.

If the contract negotiations take place in Anchorage, Alaska, the offeror will be responsible for their travel and per diem expenses.

2.18 Failure to Negotiate

If the selected offeror

- fails to provide the information required to begin negotiations in a timely manner; or
- fails to negotiate in good faith; or
- indicates they cannot perform the contract within the budgeted funds available for the project; or
- if the offeror and the state, after a good faith effort, simply cannot come to terms,

the state may terminate negotiations with the offeror initially selected and commence negotiations with the next highest ranked offeror.

2.19 Notice of Intent to Award (NIA) — Offeror Notification of Selection

After the completion of contract negotiation the procurement officer will issue a written Notice of Intent to Award (NIA) and send copies to all offerors. The NIA will set out the names of all offerors and identify the proposal selected for award.

2.20 Protest

AS 36.30.560 provides that an interested party may protest the content of the RFP.

An interested party is defined in 2 AAC 12.990(a) (7) as "an actual or prospective bidder or offeror whose economic interest might be affected substantially and directly by the issuance of a contract solicitation, the award of a contract, or the failure to award a contract."

If an interested party wishes to protest the content of a solicitation, the protest must be received, in writing, by the procurement officer at least ten days prior to the deadline for receipt of proposals.

AS 36.30.560 also provides that an interested party may protest the award of a contract or the proposed award of a contract.

If an offeror wishes to protest the award of a contract or the proposed award of a contract, the protest must be received, in writing by the procurement officer within ten days after the date the Notice of Intent to Award the contract is issued.

A protester must have submitted a proposal in order to have sufficient standing to protest the proposed award of a contract. Protests must include the following information:

- a. the name, address, and telephone number of the protester;
 - b. the signature of the protester or the protester's representative;
 - c. identification of the contracting agency and the solicitation or contract at issue;
 - d. a detailed statement of the legal and factual grounds of the protest including copies of relevant documents;
and
- (b) the form of relief requested.

Protests filed by telex or telegram are not acceptable because they do not contain a signature. Fax copies containing a signature are acceptable.

The procurement officer will issue a written response to the protest. The response will set out the procurement officer's decision and contain the basis of the decision within the statutory time limit in AS 36.30.580. A copy of the decision will be furnished to the protester by certified mail, fax or another method that provides evidence of receipt.

All offerors will be notified of any protest. The review of protests, decisions of the procurement officer, appeals, and hearings, will be conducted in accordance with the State Procurement Code (AS 36.30), Article 8 "Legal and Contractual Remedies."

SECTION THREE

STANDARD CONTRACT INFORMATION

3.01 Contract Type

The state anticipates the contract resulting from this RFP will be a time and expenses contract.

3.02 Contract Approval

This RFP does not, by itself, obligate the state. The state's obligation will commence when the contract is approved by the Commissioner of the Department of Natural Resources, or the Commissioner's designee. Upon written notice to the Contractor, the state may set a different starting date for the contract. The state will not be responsible for any work done by the contractor, even work done in good faith, if it occurs prior to the contract start date set by the state.

3.03 Standard Contract Provisions

The Contractor will be required to sign and submit the attached State's Standard Agreement Form for Professional Services Contracts (form 02-093/Appendix A). The Contractor must comply with the contract provisions set out in this attachment. No alteration of these provisions will be permitted without prior written approval from the Department of Law. Objections to any of the provisions in Appendix A must be set out in the offeror's proposal.

3.04 Proposal as a Part of the Contract

Part or all of this RFP and the successful proposal may be incorporated into the contract.

3.05 Additional Terms and Conditions

The state reserves the right to add terms and conditions during contract negotiations. These terms and conditions will be within the scope of the RFP and will not affect the proposal evaluations.

3.06 Insurance Requirements

The successful offeror must provide proof of workers' compensation insurance prior to contract approval.

The successful offeror must secure the insurance coverage required by the state. The coverage must be satisfactory to the Department of Administration Division of Risk Management. An offeror's failure to provide evidence of such insurance coverage is a material breach and grounds for withdrawal of the award or termination of the contract.

Offerors must review form APPENDIX B1, attached, for details on required coverage. No alteration of these requirements will be permitted without prior written approval from the Department of Administration, Division of Risk Management. Objections to any of the requirements in APPENDIX B1 must be set out in the offeror's proposal.

3.07 Bid Bond - Performance Bond - Surety Deposit

Bid Bond and Surety Deposit will not be required for this project.

3.08 Contract Funding

Payment for the contract is subject to funds already appropriated and identified.

3.09 Proposed Payment Procedures

The state will make payments based on a negotiated payment schedule. Each billing must consist of an invoice and progress report. No payment will be made until the progress report and invoice has been approved by the project manager.

3.10 Contract Payment

No payment will be made until the contract is approved by the Commissioner of the Department of Natural Resources or the Commissioner's designee. Under no conditions will the state be liable for the payment of any interest charges associated with the cost of the contract.

The state is not responsible for and will not pay local, state, or federal taxes. All costs associated with the contract must be stated in U.S. currency.

3.11 Informal Debriefing

When the contract is completed, an informal debriefing may be performed at the discretion of the project director. If performed, the scope of the debriefing will be limited to the work performed by the contractor.

3.12 Contract Personnel

Any change of the project team members named in the proposal must be approved, in advance and in writing, by the project director. Personnel changes that are not approved by the state may be grounds for the state to terminate the contract.

3.13 Inspection & Modification Reimbursement for Unacceptable Deliverables

The Contractor is responsible for the completion of all work set out in the contract. All work is subject to inspection, evaluation, and approval by the project director. The state may employ all reasonable means to ensure the work is progressing and being performed in compliance with the contract. The Project Manager may instruct the contractor to make corrections or modifications if needed in order to accomplish the contract's intent. The contractor will not unreasonably withhold such changes.

Substantial failure of the Contractor to perform the contract may cause the state to terminate the contract. In this event, the state may require the Contractor to reimburse monies paid (based on the identified portion of unacceptable work received) and may seek associated damages.

3.14 Termination for Default

If the project director determines that the Contractor has refused to perform the work or has failed to perform the work with such diligence as to ensure its timely and accurate completion, the state may, by providing written notice to the Contractor, terminate the Contractor's right to proceed with part or all of the remaining work.

This clause does not restrict the state's termination rights under the contract provisions of Appendix A, attached.

3.15 Liquidated Damages

The state will not include liquidated damages in this contract.

3.16 Contract Changes – Unanticipated Amendments

During the course of this contract, the Contractor may be required to perform additional work. That work will be within the general scope of the initial contract. When additional work is required, the project director will provide the Contractor a written description of the additional work and request the Contractor to submit a firm time schedule for accomplishing the additional work and a firm price for the additional work. Cost and pricing data must be provided to justify the cost of such amendments per AS 36.30.400.

The contractor will not commence additional work until the project director has secured any required state approvals necessary for the amendment and issued a written contract amendment, approved by the Commissioner of the Department of Natural Resources or the Commissioner's designee.

3.17 Contract Invalidation

If any provision of this contract is found to be invalid, such invalidation will not be construed to invalidate the entire contract.

3.18 Nondisclosure and Confidentiality

The Contractor agrees that all confidential information shall be used only for purposes of providing the deliverables and performing the services specified herein and shall not disseminate or allow dissemination of confidential information except as provided for in this section. The Contractor shall hold as confidential and will use reasonable care (including both facility physical security and electronic security) to prevent unauthorized access by, storage, disclosure, publication, dissemination to and/or use by third parties of, the confidential information. "Reasonable care" means compliance by the contractor with all applicable federal and state law, including the Social Security Act and HIPAA. The Contractor must promptly notify the state in writing if it becomes aware of any storage, disclosure, loss, unauthorized access to or use of the confidential information.

Confidential information, as used herein, means any data, files, software, information or materials (whether prepared by the state or its agents or advisors) in oral, electronic, tangible or intangible form and however stored, compiled or memorialized that is classified confidential as defined by State of Alaska classification and categorization guidelines (i) provided by the state to the Contractor or a Contractor agent or otherwise made available to the Contractor or a Contractor agent in connection with this contract, or (ii) acquired, obtained or learned by the Contractor or a contractor agent in the performance of this contract. Examples of confidential information include, but are not limited to: technology infrastructure, architecture, financial data, trade secrets, equipment specifications, user lists, passwords, research data, and technology data (infrastructure, architecture, operating systems, security tools, IP addresses, etc).

Additional information that the Contractor shall hold as confidential during the performance of services under this contract include:

- Work Product
- Software
- Analyses

If confidential information is requested to be disclosed by the Contractor pursuant to a request received by a third party and such disclosure of the confidential information is required under applicable state or federal law, regulation, governmental or regulatory authority, the Contractor may disclose the confidential information after providing the state with written notice of the requested disclosure (to the extent such notice to the state is permitted by applicable law) and giving the state opportunity to review the request. If the Contractor receives no objection from the state, it may release the confidential information within 30 days. Notice of the requested disclosure of confidential information by the Contractor must be provided to the state within a reasonable time after the Contractor's receipt of notice of the requested disclosure and, upon request of the state, shall seek to obtain legal protection from the release of the confidential information.

The following information shall not be considered confidential information: information previously known to be public information when received from the other party; information freely available to the general public; information which now is or hereafter becomes publicly known by other than a breach of confidentiality hereof; or information which is disclosed by a party pursuant to subpoena or other legal process and which as a result becomes lawfully obtainable by the general public.

SECTION FOUR

BACKGROUND INFORMATION

4.01 Background Information

The Alaska Gasline Inducement Act (AGIA) provides for upstream inducements to induce potential shippers to sign firm transportation contracts for an Alaska natural gas pipeline. In their finding that a license should be awarded to TransCanada Corp under AGIA, the Commissioners of the Department of Natural Resources and the Department of Revenue determined that under TransCanada's Project Plan the basic economics of the project, and potential shipper's risk/reward balance, were favorable.

As general economic conditions change, and as we approach an initial open season under AGIA, the state will continue to evaluate the project's economics and potential shipper's risk/reward balance. At the same time, the state needs to be prepared to offer additional AGIA upstream inducements should they be warranted.

SECTION FIVE

SCOPE OF WORK

5.01 Scope of Work

The Department of Natural Resources seeks assistance in modeling the consequences of various fiscal and policy measures that could be taken on the various gasoline stakeholders (shippers, the pipeline company, the state, and the Federal Government).

- **Phase I: Discovery process (Week 1)**
During this phase the Contractor will work with the state to quickly identify risks faced by potential shippers. Examples of relevant risks include price, reserve, and cost overrun. The Contractor will work with the state to further develop a range of potential commercial instruments or policy measures by which the state might reduce each important risk. As many as two dozen commercial instruments or policy measures may be selected for subsequent investigation.
- **Phase II: Economic Modeling and Policy Analysis (Weeks 2-12)**
During this phase the plan is to fully model the economic consequences to each stakeholder of each instrument identified in Phase I. A critical component of the exercise is to draw out the comparative consequences of different instruments that are targeted to achieve the same goal. Qualitative and quantitative lessons from the exercise will be captured in presentation format for Administration policy makers.

A tenet that will guide the state's determination of favored inducements is that, for any desired outcome, (e.g. increasing shipper NPV, a particular shipper risk), the state should maximize the effectiveness of any resources that it devotes. The state expects to use this principle to help it understand the relative attractiveness of various measures.

It is possible the modeling expert will be called upon to assist contractors who assist the state in performing the duties under RFP 2009-0400-8267, Financial Advisor.

- **Phase III: Continued monitoring of economic conditions and general modeling support (Weeks 13+)**
As general economic conditions change, and as an initial open season under AGIA approaches, the state will continue to evaluate the project's economics and potential shipper's risk/reward balance. Further assessment of policy tools investigated during Phase I and II may be needed in light of changing conditions. The Project Manager may call on the contractor to supplement the state's in-house gasoline modeling capabilities from time to time to assess project Net Present Value under various economic circumstances and various policy conditions. The contractor will provide electronic copies of requested model runs and will prepare presentations summarizing conclusions.

5.02 Deliverables

The contractor will be required to provide the following deliverables:

- At the conclusion of Phase I, a report summarizing the various commercial and policy measures that will be investigated in Phase II.
- Results from Phase II analyses will be summarized in PowerPoint presentations. Underlying models, in electronic form, will be provided to the state. Presentations for policy makers may be required.
- At the direction and discretion of the Project Manager, written reports may be required to summarize modeling analysis performed or unanticipated changes that could possibly effect the net present value or likelihood of success. Electronic copies of model runs will be provided to the state.
- Available as an expert, if necessary to assist contractors who assist the state under RFP 2009-0400-8267.
- All documentation and information developed under this contract will be the property of the state of Alaska and transmitted upon completion of the scope of work in a format and quantity agreed upon.

5.03 Available Resources

Subject to appropriate confidentiality agreements being executed, contractor may use the Excel-based "NPV Model" developed by Black and Veatch for the state's analysis and evaluation of the TransCanada's AGIA license application. The NPV Model relies on @RISK software for Monte Carlo simulations. The Contractor must supply the @RISK software at their own cost.

5.04 Information Services

The State's AGIA website is: <http://gov.state.ak.us/agia/>. It contains background information on AGIA, the AGIA statute, the Licensee's Project Plan, the RFA, and the AGIA license. The qualified expenditure regulations can be found at http://www.dog.dnr.state.ak.us/agia/Draft%20Regulations/agia_qualified_expenditure_regs.pdf.

5.05 Project Control

The Contractor will meet, in person or by teleconference as agreed, every month with the Project Manager to review progress and developments. Because the appropriate level of required modeling is at this point uncertain, adjustments may be made in the overall level of analysis that will be performed. Updates and modifications to the Contractor's activities will be made each month. All changes in the scope of work that will result in cost impacts shall be in writing and approved by both parties via contract amendment. Under the direction of the Contracting Agency, the Contractor will provide project control, budgeting, and scheduling information for his own work and make this assumption in the proposal. Work will be performed under the direction of the state's Project Manager, Antony Scott.

5.06 Schedule

The Contractor shall prepare a proposed schedule for execution of the work that is consistent with the preliminary schedule in this RFP. The Contractor shall perform timely updates to the schedule and maintain it by incorporating changes that may affect the work. For the purposes of project control, the Contractor shall incorporate schedule updates into required reports to the Project Manager. Any significant changes to the Contractor's schedule must be communicated in writing to the Project Manager as soon as is practical.

SECTION SIX

PROPOSAL FORMAT AND CONTENT

6.01 Proposal Format and Content

The state discourages overly lengthy and costly proposals, however, in order for the state to evaluate proposals fairly and completely, offerors must follow the format set out in this RFP and provide all information requested.

6.02 Introduction

Proposals must include the complete name and address of offeror's firm and the name, mailing address, and telephone number of the person the state should contact regarding the proposal.

Proposals must confirm that the offeror will comply with all provisions in this RFP; and, if applicable, provide notice that the firm qualifies as an Alaskan bidder. Proposals must be signed by a company officer empowered to bind the company. An offeror's failure to include these items in the proposals may cause the proposal to be determined to be non-responsive and the proposal may be rejected.

6.03 Methodology Used for the Project

Offerors must provide comprehensive narrative statements that set out the methodology they intend to employ and illustrate how the methodology will serve to accomplish the work and meet the state's project schedule.

- How comprehensive is the methodology and does it depict a logical approach to fulfilling the requirements of the RFP?
- How well does the methodology match and achieve the objectives set out in the RFP?
- Does the methodology interface with the time schedule in the RFP?

6.04 Management Plan for the Project

Offerors must provide comprehensive narrative statements that set out the management plan they intend to follow and illustrate how the plan will serve to accomplish the work and meet the state's project schedule. The contractor response:

- How well does the management plan support project requirements and logically lead to the deliverables required in the RFP?
- Is the organization of the project team clear?
- Has the offeror gone beyond the minimum tasks necessary to meet the objectives of the RFP?
- To what degree is the proposal practical and feasible?
- To what extent has the offeror identified potential problems or issues?

6.05 Experience and Qualifications

Offerors must provide an organizational chart specific to the personnel assigned to accomplish the work called for in this RFP; illustrate the lines of authority; designate the individual responsible and accountable for the completion of each component and deliverable of the RFP.

Offerors must provide a narrative description of the organization of the project team and a personnel roster that identifies each person who will actually work on the contract and provide the following information about each person listed:

- (a) title,
- (b) resume,
- (c) location(s) where work will be performed,
- (d) itemize the total cost and the number of estimated hours for each individual named above.

Offerors must provide reference names and phone numbers for similar projects the offeror's firm has completed.

6.06 Cost Proposal

Cost proposals must include an itemized list of all direct and indirect costs associated with the performance of the contract, including, but not limited to, total number of hours at various hourly rates, direct expenses, payroll, supplies, overhead assigned to each person working on the project, percentage of each person's time devoted to the project, and profit.

For Phase I and Phase II, the contractor should estimate total expenditures. Because the total number of hours required to perform Phase III is highly uncertain at this time, there is no cost proposal required for Phase III. The Contractor will be reimbursed for reasonable and necessary expenses for Phase III at the rates agreed upon in the contract. Please submit one copy of the cost proposal separately in a sealed envelope.

6.07 Evaluation Criteria

All proposals will be reviewed to determine if they are responsive. They will then be evaluated using the criterion that is set out in Section SEVEN.

An evaluation may not be based on discrimination due to the race, religion, color, national origin, sex, age, marital status, pregnancy, parenthood, disability, or political affiliation of the offeror.

A proposal shall be evaluated to determine whether the offeror responds to the provisions, including goals and financial incentives, established in the request for proposals in order to eliminate and prevent discrimination in state contracting because of race, religion, color, national origin, sex, age, marital status, pregnancy, parenthood, or disability.

SECTION SEVEN

EVALUATION CRITERIA AND CONTRACTOR SELECTION

**THE TOTAL NUMBER OF POINTS USED
TO SCORE THIS PROPOSAL IS 100**

7.01 Methodology Used for the Project (10 Percent)

Proposals will be evaluated against the questions set out below:

- [a] How comprehensive is the methodology and does it depict a logical approach to fulfilling the requirement of the RFP?
- [b] How well does the methodology match and achieve the objective set out in the RFP?
- [c] Does the methodology interface with the time schedule in the RFP?

7.02 Management Plan for the Project (10 Percent)

Proposals will be evaluated against the questions set out below:

- [a] How well does the management plan support all of the project requirements and logically lead to the deliverables required in the RFP?
- [b] Is the organization of the project team clear?
- [c] Has the offeror gone beyond the minimum tasks necessary to meet the objectives of the RFP?
- [d] To what degree is the proposal practical and feasible?
- [e] To what extent has the offeror identified potential problems or issues?

7.03 Experience and Qualifications (30 Percent)

Proposals will be evaluated against the questions set out below:

Questions regarding the personnel:

- [a] Are resumes complete and do they demonstrate backgrounds that would be desirable for individuals engaged in the work the project requires?
- [b] How extensive is the applicable education and experience of the personnel designated to work on the project?

Questions regarding the firm:

- [a] How well has the firm demonstrated experience in completing similar projects on time and within Budget?
- [b] How well has the firm demonstrated direct experience in modeling North American natural gas prices?
- [c] How well has the firm demonstrated direct experience in modeling Alaska's natural gas fiscal regime?

- [d] How well has the firm demonstrated direct experience in modeling natural gas tariffs?
- [e] How successful is the general history of the firm regarding timely and successful completion of projects?
- [f] If a subcontractor will perform work on the contract, how well do they measure up to the evaluation used for the offeror?

7.04 Contract Cost (40 Percent)

Overall, a minimum of 40% of the total evaluation points will be assigned to cost. The cost amount used for evaluation may be affected by one or more of the preferences referenced under Section 2.13.

The lowest cost proposal will receive the maximum number of points allocated to cost. The point allocations for cost on the other proposals will be determined through the method set out in Section 2.15.

7.05 Alaskan Offeror's Preference (10 Percent)

If an offeror qualifies for the Alaskan Bidder Preference, the offeror will receive an Alaskan Offeror's Preference. The preference will be 10 percent of the total available points. This amount will be added to the overall evaluation score of each Alaskan offeror.

SECTION EIGHT

ATTACHMENTS

8.01 Attachments

1. Proposal Evaluation Form
2. Standard Agreement Form
3. Appendix A
4. Appendix B1
5. Nondisclosure/Confidentiality Form

PROPOSAL EVALUATION FORM

All proposals will be reviewed for responsiveness and then evaluated using the criteria set out herein.

Person or Firm Name _____

Name of Proposal Evaluation (PEC) Member _____

Date of Review _____

RFP Number _____

EVALUATION CRITERIA AND SCORING

THE TOTAL NUMBER OF POINTS USED TO SCORE THIS PROPOSAL IS 100

7.01 Methodology Used for the Project—10 Percent

Maximum Point Value for this Section - 10 Points

100 Points x 10 Percent = 10 Points

Proposals will be evaluated against the questions set out below.

[a] How comprehensive is the methodology and does it depict a logical approach to fulfilling the requirement of the RFP?

EVALUATOR'S NOTES _____

[b] How well does the methodology match and achieve the objectives set out in the RFP?

EVALUATOR'S NOTES _____

[c] Does the methodology interface with the time schedule in the RFP?

EVALUATOR'S NOTES _____

EVALUATOR'S POINT TOTAL FOR 7.01 _____

7.02 Management Plan for the Project—10 Percent

Maximum Point Value for this Section - 10 Points

100 Points x 10 Percent = 10 Points

Proposals will be evaluated against the questions set out below.

[a] How well does the management plan support all of the project requirements and logically lead to the deliverables required in the RFP?

EVALUATOR'S NOTES _____

[b] Is the organization of project team clear?

EVALUATOR'S NOTES _____

[c] Has the offeror gone beyond the minimum tasks necessary to meet the objectives of the RFP?

EVALUATOR'S NOTES _____

[d] To what degree is the proposal practical and feasible?

EVALUATOR'S NOTES _____

[e] To what extent has the offeror identified potential problems or issues?

EVALUATOR'S NOTES _____

EVALUATOR'S POINT TOTAL FOR 7.02 _____

7.03 Experience and Qualifications—30 Percent

Maximum Point Value for this Section - 30 Points

100 Points x 30 Percent = 30 Points

Proposals will be evaluated against the questions set out below.

Questions regarding the personnel:

[a] Are resumes complete and do they demonstrate backgrounds that would be desirable for individuals engaged in the work the project requires?

EVALUATOR'S NOTES _____

[b] How extensive is the applicable education and experience of the personnel designated to work on the project?

EVALUATOR'S NOTES _____

Questions regarding the firm:

[a] How well has the firm demonstrated experience in completing similar projects on time and within budget?

EVALUATOR'S NOTES _____

[b] How well has the firm demonstrated direct experience in modeling North American natural gas prices?

EVALUATOR'S NOTES _____

[c] How well has the firm demonstrated direct experience in modeling Alaska's natural gas fiscal regime?

EVALUATOR'S NOTES _____

[d] How well has the firm demonstrated direct experience in modeling natural gas pipeline tariffs?

EVALUATOR'S NOTES _____

[e] How successful is the general history of the firm regarding timely and successful completion of projects?

EVALUATOR'S NOTES _____

[f] If a subcontractor will perform work on the project, how well do they measure up to the evaluation used for the offeror?

EVALUATOR'S NOTES _____

EVALUATOR'S POINT TOTAL FOR 7.03 _____

7.04 Contract Cost — 40 Percent

Maximum Point Value for this Section - 40 Points

100 Points x 40 Percent = 40 Points

Overall, a minimum of 40 percent of the total evaluation points will be assigned to cost. The cost amount used for evaluation may be affected by one or more of the preferences referenced under Section 2.13.

For Phase I and Phase II, the contractor should estimate total expenditures. For Phase III, because the total number of hours required to adequately support licensee monitoring is uncertain at this time, the offeror's proposed average hourly rate for personnel assigned to the project will be used in the bid evaluation.

The lowest cost proposal will receive the maximum number of points allocated to cost. The point allocations for cost on the other proposals will be determined through the method set out in Section 2.15.

EVALUATOR'S POINT TOTAL FOR 7.04 _____

7.05 Alaska Preference — 10 Percent

Alaskan Bidders receive a 10 Percent overall evaluation point preference.

Point Value for Alaskan Bidders in this Section -- 10 Points

100 Points x 10 Percent = 10 Points

If an offeror qualifies for the Alaskan Bidder Preference, the offeror will receive an Alaskan Offeror's Preference. The preference will be 10 percent of the total available points. This amount will be added to the overall evaluation score of each Alaskan offeror.

EVALUATOR'S POINT TOTAL FOR 7.05 (either 0 or 10) _____

EVALUATOR'S COMBINED POINT TOTAL FOR ALL SECTIONS _____

STANDARD AGREEMENT FORM FOR PROFESSIONAL SERVICES

1. Agency Contract Number	2. DGS Solicitation Number	3. Financial Coding	4. Agency Assigned Encumbrance Number
5. Vendor Number	6. Project/Case Number	7. Alaska Business License Number	
This contract is between the State of Alaska,			
8. Department of	Division	hereafter the State, and	
9. Contractor		hereafter the Contractor	
Mailing Address	Street or P.O. Box	City	State ZIP+4
10. ARTICLE 1. Appendices: Appendices referred to in this contract and attached to it are considered part of it. ARTICLE 2. Performance of Service: 2.1 Appendix A (General Provisions), Articles 1 through 14, governs the performance of services under this contract. 2.2 Appendix B sets forth the liability and insurance provisions of this contract. 2.3 Appendix C sets forth the services to be performed by the contractor. ARTICLE 3. Period of Performance: The period of performance for this contract begins _____, and ends _____. ARTICLE 4. Considerations: 4.1 In full consideration of the contractor's performance under this contract, the State shall pay the contractor a sum not to exceed \$_____ in accordance with the provisions of Appendix D. 4.2 When billing the State, the contractor shall refer to the Authority Number or the Agency Contract Number and send the billing to:			
11. Department of	Attention: Division of		
Mailing Address	Attention:		
12. CONTRACTOR		14. CERTIFICATION: I certify that the facts herein and on supporting documents are correct, that this voucher constitutes a legal charge against funds and appropriations cited, that sufficient funds are encumbered to pay this obligation, or that there is a sufficient balance in the appropriation cited to cover this obligation. I am aware that to knowingly make or allow false entries or alternations on a public record, or knowingly destroy, mutilate, suppress, conceal, remove or otherwise impair the verity, legibility or availability of a public record constitutes tampering with public records punishable under AS 11.56.815-.820. Other disciplinary action may be taken up to and including dismissal.	
Name of Firm			
Signature of Authorized Representative	Date		
Typed or Printed Name of Authorized Representative			
Title			
13. CONTRACTING AGENCY		Signature of Head of Contracting Agency or Designee	Date
Department/Division	Date		
Signature of Project Director		Typed or Printed Name	
Typed or Printed Name of Project Director		Title	
Title			

NOTICE: This contract has no effect until signed by the head of contracting agency or designee.

APPENDIX A

GENERAL PROVISIONS

Article 1. Definitions.

- 1.1 In this contract and appendices, "Project Director" or "Agency Head" or "Procurement Officer" means the person who signs this contract on behalf of the Requesting Agency and includes a successor or authorized representative.
- 1.2 "State Contracting Agency" means the department for which this contract is to be performed and for which the Commissioner or Authorized Designee acted in signing this contract.

Article 2. Inspections and Reports.

- 2.1 The department may inspect, in the manner and at reasonable times it considers appropriate, all the contractor's facilities and activities under this contract.
- 2.2 The contractor shall make progress and other reports in the manner and at the times the department reasonably requires.

Article 3. Disputes.

- 3.1 Any dispute concerning a question of fact arising under this contract which is not disposed of by mutual agreement shall be decided in accordance with AS 36.30.620-632.

Article 4. Equal Employment Opportunity.

- 4.1 The contractor may not discriminate against any employee or applicant for employment because of race, religion, color, national origin, or because of age, disability, sex, marital status, changes in marital status, pregnancy or parenthood when the reasonable demands of the position(s) do not require distinction on the basis of age, disability, sex, marital status, changes in marital status, pregnancy, or parenthood. The contractor shall take affirmative action to insure that the applicants are considered for employment and that employees are treated during employment without unlawful regard to their race, color, religion, national origin, ancestry, disability, age, sex, marital status, changes in marital status, changes in marital status, pregnancy or parenthood. This action must include, but need not be limited to, the following: employment, upgrading, demotion, transfer, recruitment or recruitment advertising, layoff or termination, rates of pay or other forms of compensation, and selection for training including apprenticeship. The contractor shall post in conspicuous places, available to employees and applicants for employment, notices setting out the provisions of this paragraph.
- 4.2 The contractor shall state, in all solicitations or advertisements for employees to work on State of Alaska contract jobs, that it is an equal opportunity employer and that all qualified applicants will receive consideration for employment without regard to race, religion, color, national origin, age, disability, sex, marital status, changes in marital status, pregnancy or parenthood.
- 4.3 The contractor shall send to each labor union or representative of workers with which the contractor has a collective bargaining agreement or other contract or understanding a notice advising the labor union or workers' compensation representative of the contractor's commitments under this article and post copies of the notice in conspicuous places available to all employees and applicants for employment.
- 4.4 The contractor shall include the provisions of this article in every contract, and shall require the inclusion of these provisions in every contract entered into by any of its subcontractors, so that those provisions will be binding upon each subcontractor. For the purpose of including those provisions in an contract or subcontract, as required by this contract, "contractor" and "subcontractor" may be changed to reflect appropriately the name or designation of the parties of the contract or subcontract.
- 4.5 The contractor shall cooperate fully with State efforts which seek to deal with the problem of unlawful discrimination, and with all other State efforts to guarantee fair employment practices under this contract, and promptly comply with all requests and directions from the State Commission for Human Rights or any of its officers or agents relating to prevention of discriminatory employment practices.
- 4.6 Full cooperation in paragraph 4.5 includes, but is not limited to, being a witness in any proceeding involving questions of unlawful discrimination if that is requested by any official or agency of the State of Alaska; permitting employees of the contractor to be witnesses or complainants in any proceeding involving questions of unlawful discrimination, if that is requested by any official or agency of the State of Alaska; participating in meetings; submitting periodic reports on the equal employment aspects of present and future employment; assisting inspection of the contractor's facilities; and promptly complying with all State directives considered essential by any office or agency of the State of Alaska to insure compliance with all federal and State laws, regulations, and policies pertaining to the prevention of discriminatory employment practices.
- 4.7 Failure to perform under this article constitutes a material breach of contract.

Article 5. Termination.

The Project Director, by written notice, may terminate this contract, in whole or in part, when it is in the best interest of the State. The State is liable only for payment in accordance with the payment provisions of this contract for services rendered before the effective date of termination.

Article 6. No Assignment or Delegation.

The contractor may not assign or delegate this contract, or any part of it, or any right to any of the money to be paid under it, except with the written consent of the Project Director and the Agency Head.

Article 7. No Additional Work or Material.

No claim for additional services, not specifically provided in this contract, performed or furnished by the contractor, will be allowed, nor may the contractor do any work or furnish any material not covered by the contract unless the work or material is ordered in writing by the Project Director and approved by the Agency Head.

Article 8. Independent Contractor.

The contractor and any agents and employees of the contractor act in an independent capacity and are not officers or employees or agents of the State in the performance of this contract.

Article 9. Payment of Taxes.

As a condition of performance of this contract, the contractor shall pay all federal, State, and local taxes incurred by the contractor and shall require their payment by any Subcontractor or any other persons in the performance of this contract. Satisfactory performance of this paragraph is a condition precedent to payment by the State under this contract.

Article 10. Ownership of Documents.

All designs, drawings, specifications, notes, artwork, and other work developed in the performance of this agreement are produced for hire and remain the sole property of the State of Alaska and may be used by the State for any other purpose without additional compensation to the contractor. The contractor agrees not to assert any rights and not to establish any claim under the design patent or copyright laws. The contractor, for a period of three years after final payment under this contract, agrees to furnish and provide access to all retained materials at the request of the Project Director. Unless otherwise directed by the Project Director, the contractor may retain copies of all the materials.

Article 11. Governing Law.

This contract is governed by the laws of the State of Alaska. All actions concerning this contract shall be brought in the Superior Court of the State of Alaska.

Article 12. Conflicting Provisions.

Unless specifically amended and approved by the Department of Law the General Provisions of this contract supersede any provisions in other appendices. The contractor specifically acknowledges and agrees that provisions in any form contracts it appends hereto that purport to (1) waive the State of Alaska's sovereign immunity, (2) impose indemnification obligations on the State of Alaska that are not conditioned on legislative appropriation, or (3) seek to limit liability of the contractor for acts of contractor negligence, are expressly superseded by this contract and are void.

Article 13. Officials Not to Benefit.

Contractor must comply with all applicable federal or State laws regulating ethical conduct of public officers and employees.

Article 14. Covenant Against Contingent Fees.

The contractor warrants that no person or agency has been employed or retained to solicit or secure this contract upon an agreement or understanding for a commission, percentage, brokerage or contingent fee except employees or agencies maintained by the contractor for the purpose of securing business. For the breach or violation of this warranty, the State may terminate this contract without liability or in its discretion deduct from the contract price or consideration the full amount of the commission, percentage, brokerage or contingent fee.

Article 1. Indemnification

The Contractor shall indemnify, hold harmless, and defend the contracting agency from and against any claim of, or liability for error, omission or negligent act of the Contractor under this agreement. The Contractor shall not be required to indemnify the contracting agency for a claim of, or liability for, the independent negligence of the contracting agency. If there is a claim of, or liability for, the joint negligent error or omission of the Contractor and the independent negligence of the Contracting agency, the indemnification and hold harmless obligation shall be apportioned on a comparative fault basis. "Contractor" and "Contracting agency", as used within this and the following article, include the employees, agents and other contractors who are directly responsible, respectively, to each. The term "independent negligence" is negligence other than in the Contracting agency's selection, administration, monitoring, or controlling of the Contractor and in approving or accepting the Contractor's work.

Article 2. Insurance

Without limiting Contractor's indemnification, it is agreed that Contractor shall purchase at its own expense and maintain in force at all times during the performance of services under this agreement the following policies of insurance. Where specific limits are shown, it is understood that they shall be the minimum acceptable limits. If the Contractor's policy contains higher limits, the state shall be entitled to coverage to the extent of such higher limits. Certificates of Insurance must be furnished to the Contracting Officer prior to beginning work and must provide for a 30-day prior notice of cancellation, nonrenewal or material change of conditions. Failure to furnish satisfactory evidence of insurance or lapse of the policy is a material breach of this contract and shall be grounds for termination of the Contractor's services. All insurance policies shall comply with, and be issued by insurers licensed to transact the business of insurance under AS 21.

2.1 Workers' Compensation Insurance: The Contractor shall provide and maintain, for all employees engaged in work under this contract, coverage as required by AS 23.30.045, and; where applicable, any other statutory obligations including but not limited to Federal U.S.L. & H. and Jones Act requirements. The policy must waive subrogation against the State.

2.2 Commercial General Liability Insurance: covering all business premises and operations used by the Contractor in the performance of services under this agreement with minimum coverage limits of \$300,000. combined single limit per occurrence.

2.3 Commercial Automobile Liability Insurance: covering all vehicles used by the Contractor in the performance of services under this agreement with minimum coverage limits of \$300,000. combined single limit per occurrence.

Confidentiality Agreement

1. This Agreement ("Agreement") is effective on _____ by and between the State of Alaska (State) and _____ (Receiving Party).
2. Except as otherwise provided in this Agreement, "Confidential Information" means any work product, software, analyses, or other information made available to Receiving Party as a result of this agreement and that State designates as confidential.
3. Confidential Information may be provided by State to Receiving Party solely for use in evaluating the proposed Request for Proposal (RFP) under the Alaska Gasline Inducement Act, AS 43.90.010 *et seq.*, and subsequent License Applications as directed by State.
4. In consideration of the disclosure of Confidential Information, Receiving Party agrees to keep all Confidential Information strictly confidential and shall not sell, trade, publish, or otherwise disseminate it to any third party, in any manner, including by photocopy or other reproduction, without the prior written consent of State.
5. Receiving Party agrees that the Confidential Information is the valuable property of State. Unless State gives its express prior written consent, Receiving Party shall not use the Confidential Information or any part of it for any purpose other than the limited purposes stated in this Agreement.
6. Receiving Party shall take all reasonable precautions to prevent disclosure of the Confidential Information to any third party. Receiving Party shall limit access to the Confidential Information to employees, consultants, agents, and representatives who have a need to know the Confidential Information for the express limited purposes of this Agreement, and shall require each of those employees, consultants, agents, and representatives to agree to keep the information confidential and comply with the terms of this Agreement.
7. Unless otherwise agreed in writing, Receiving Party shall return the Confidential Information to State immediately upon request or completion of the business purpose for delivering the information, whichever occurs first. Originals and copies of Confidential Information in any form shall be returned to State.
8. Receiving Party may disclose information without State's prior written consent only if such information satisfies any of the following criteria:
 - 8.1. Prior to the disclosure, the information was already lawfully in Receiving Party's possession, free of restrictions on its disclosure and use, and it was not acquired directly or indirectly from State.
 - 8.2. The information was received from a third party after execution of this Agreement, free of

restrictions on its disclosure and use, and was not acquired directly or indirectly from State.

8.3. The information becomes generally available to the public in printed publications of general circulation through no act or omission on the part of Receiving Party or its employees, consultants, agents, or representatives.

8.4. The information was independently developed by Receiving Party and not derived from Confidential Information acquired directly or indirectly from State.

8.5. The Confidential Information must be disclosed under compulsion of law, for example, to governmental agencies. However, in such instance, Receiving Party shall provide adequate advance written notice to State to allow State to take actions necessary to protect its interest.

9. Except as expressly provided in this Agreement, no immunity, license, or right is granted to Receiving Party by implication or otherwise.

10. The parties shall comply with the applicable Confidentiality laws and regulations of the State of Alaska.

11. The confidentiality obligations in this Agreement shall terminate five (5) years after the effective date of this Agreement. State may terminate the confidentiality obligations in this Agreement earlier at its discretion by written notice. Termination shall not affect Receiving Party's obligations regarding Confidential Information disclosed to Receiving Party prior to termination.

12. This Agreement and the disclosure of Confidential Information shall not create any obligation on the part of either party to enter into any further agreements.

13. This Agreement reflects the entire agreement between the parties with respect to its subject matter. No modification of this Agreement shall be of any force or effect unless it (a) is in writing, (b) reflects the effective date of the modification, (c) is signed by both parties, and (d) expressly indicates that it modifies this Agreement.

14. SIGNATURE:

_____(RECEIVING PARTY)

Name:

Date: