



## **STATE OF NORTH CAROLINA**

**The University of North Carolina at Chapel Hill**

**Invitation for Bid #: 3000012623**

**THE UNIVERSITY OF NORTH CAROLINA AT CHAPEL  
HILL- COGENERATION SYSTEMS  
TECHNICAL COAL SPECIFICATIONS**

**Date Issued: 01/22/2026**

**Submit Written Questions: 02/04/26 at 1:00PM EST**

**Bid Opening Date: 03/09/2026**

**At 01:00 PM EST**

**Direct all inquiries concerning this IFB to:**

**Marcy Moore**

**MRO Category Manager**

**Email: [Mmrowlan@unc.edu](mailto:Mmrowlan@unc.edu)**



## STATE OF NORTH CAROLINA

### Invitation for Bids #

**3000012623**

---

For internal State agency processing, including tabulation of bids, provide your company's eVP (Electronic Vendor Portal) Number. Pursuant to G.S. 132-1.10(b) this identification number shall not be released to the public. **This page will be removed and shredded, or otherwise kept confidential**, before the procurement file is made available for public inspection.

**This page shall be filled out and returned with your bid.  
Failure to do so shall be sufficient cause to reject your bid.**

---

Vendor Name

---

Vendor eVP #

**Note: For a contract to be awarded to you, your company (you) must be a North Carolina registered vendor in good standing. You must enter the vendor number assigned through eVP (Electronic Vendor Portal). If you do not have a vendor number, register at <https://vendor.ncgov.com/vendor/login>**

**STATE OF NORTH CAROLINA**  
***The University of North Carolina at Chapel Hill***

Refer <b><u>ALL</u></b> Inquiries regarding this IFB to: <b>Marcy Moore</b>	Invitation for Bids # 3000012623
	Bids will be publicly opened:03/09/2026 at 1:00PM EST
Using Agency: University of Chapel Hill	Commodity No. and Description: Coal for Cogeneration Systems (Cogen)
Requisition No.: 1001114030	

If you would like to join for opening, please use the link below:

<https://us04web.zoom.us/j/75775175053?pwd=SKZeFrK6d00WvWhqQzw4mcmWd5c4Cg.1>

In compliance with this Invitation for Bids (IFB), and subject to all the conditions herein, the undersigned Vendor offers and agrees to furnish and deliver any or all items upon which prices are bid, at the prices set opposite each item within the time specified herein.

By executing this bid, the undersigned Vendor understands that false certification is a Class I felony and certifies that:

- this bid is submitted competitively and without collusion (G.S. 143-54),
- that none of its officers, directors, or owners of an unincorporated business entity has been convicted of any violations of Chapter 78A of the General Statutes, the Securities Act of 1933, or the Securities Exchange Act of 1934 (G.S. 143-59.2), and
- it is not an ineligible Vendor as set forth in G.S. 143-59.1.

Furthermore, by executing this bid, the undersigned certifies to the best of Vendor’s knowledge and belief, that:

- it and its principals are not presently debarred, suspended, proposed for debarment, declared ineligible or voluntarily excluded from covered transactions by any Federal or State department or agency.

As required by G.S. 143-48.5, the undersigned Vendor certifies that it, and each of its sub-Contractors for any Contract awarded as a result of this IFB, complies with the requirements of Article 2 of Chapter 64 of the NC General Statutes, including the requirement for each employer with more than 25 employees in North Carolina to verify the work authorization of its employees through the federal E-Verify system.

As required by Executive Order 24 (2017), the undersigned vendor certifies will comply with all Federal and State requirements concerning fair employment and that it does not and will not discriminate, harass, or retaliate against any employee in connection with performance of any Contract arising from this solicitation.

G.S. 133-32 and Executive Order 24 (2009) prohibit the offer to, or acceptance by, any State Employee associated with the preparing plans, specifications, estimates for public Contract; or awarding or administering public Contracts; or inspecting or supervising delivery of the public Contract of any gift from anyone with a Contract with the State, or from any person seeking to do business with the State. By execution of this bid response to the IFB, the undersigned certifies, for Vendor’s entire organization and its employees or agents, that Vendor are not aware that any such gift has been offered, accepted, or promised by any employees or agents of Vendor’s organization.

By executing this bid, Vendor certifies that it has read and agreed to the **INSTRUCTION TO VENDORS** and the **NORTH CAROLINA GENERAL TERMS AND CONDITIONS incorporated herein**. These documents can be accessed from the ATTACHMENTS page within this document.

**Failure to execute/sign bid prior to submittal may render bid invalid and it MAY BE REJECTED. Late bids cannot be accepted.**

COMPLETE/FORMAL NAME OF VENDOR:		
STREET ADDRESS:	P.O. BOX:	ZIP:
CITY & STATE & ZIP:	TELEPHONE NUMBER:	TOLL FREE TEL. NO:
PRINCIPAL PLACE OF BUSINESS ADDRESS IF DIFFERENT FROM ABOVE (SEE INSTRUCTIONS TO VENDORS ITEM #21):		
PRINT NAME & TITLE OF PERSON SIGNING ON BEHALF OF VENDOR:	FAX NUMBER:	
VENDOR’S AUTHORIZED SIGNATURE:	DATE:	E-MAIL:

Bid Number: 65-3000012623

Vendor: \_\_\_\_\_

**VALIDITY PERIOD**

Offer shall be valid for at least sixty (60) days from date of bid opening, unless otherwise stated here: \_\_\_\_\_ days, or if extended by mutual agreement of the parties. Any withdrawal of this offer shall be made in writing, effective upon receipt by the agency issuing this IFB.

**BID ACCEPTANCE**

If your bid is accepted, all provisions of this IFB, along with the written results of any negotiations, shall constitute the written agreement between the parties ("Contract"). THE UNIVERSITY OF NORTH CAROLINA AT CHAPEL HILL GENERAL TERMS AND CONDITIONS are incorporated herein and shall apply. Depending upon the Goods or Services being offered, other terms and conditions may apply, as mutually agreed.

**FOR STATE USE ONLY:** Offer accepted and Contract awarded this \_\_\_\_ day of \_\_\_\_\_, 20\_\_\_\_, as indicated on the attached certification, by \_\_\_\_\_  
**(Authorized Representative of University of Chapel Hill)**

- 1.0 PURPOSE AND BACKGROUND ..... 5**
- 1.1 CONTRACT TERM..... 5
- 2.0 GENERAL INFORMATION ..... 5**
- 2.1 INVITATION FOR BID DOCUMENT ..... 5
- 2.2 E-PROCUREMENT FEE ..... 5
- 2.3 NOTICE TO VENDORS REGARDING IFB TERMS AND CONDITIONS ..... 5
- 2.4 IFB SCHEDULE ..... 6
- 2.5 SITE VISIT or PRE-BID CONFERENCE ..... 6
- 2.6 BID QUESTIONS ..... 6
- 2.7 BID SUBMITTAL ..... 6
- 2.8 BID CONTENTS ..... 7
- 2.9 ALTERNATE BIDS ..... 7
- 2.10 DEFINITIONS, ACRONYMS, AND ABBREVIATIONS ..... 7
- 3.0 METHOD OF AWARD AND BID EVALUATION PROCESS ..... 8**
- 3.1 METHOD OF AWARD ..... 8
- 3.2 CONFIDENTIALITY AND PROHIBITED COMMUNICATIONS DURING EVALUATION ..... 8
- 3.3 BID EVALUATION PROCESS ..... 8
- 3.4 PERFORMANCE OUTSIDE THE UNITED STATES ..... 9
- 3.5 INTERPRETATION OF TERMS AND PHRASES ..... 9
- 4.0 REQUIREMENTS ..... 10**
- 4.1 PRICING ..... 10
- 4.2 ESTIMATED QUANTITIES ..... 10
- 4.3 PRODUCT IDENTIFICATION ..... 10
- 4.4 TRANSPORTATION AND IDENTIFICATION ..... 10
- 4.5 DELIVERY ..... 10
- 4.6 AUTHORIZED RESELLER ..... 10
- 4.7 WARRANTY ..... 11
- 4.8 MAINTENANCE OPTION ..... 11
- 4.9 DESCRIPTIVE LITERATURE ..... 11
- 4.10 HUB PARTICIPATION ..... 11
- 4.11 REFERENCES ..... 12
- 4.12 VENDOR’S REPRESENTATIONS ..... 12
- 4.13 FINANCIAL STABILITY ..... 12
- 4.14 AGENCY INSURANCE REQUIREMENTS MODIFICATION ..... 12
- 5.0 PRODUCT SPECIFICATIONS ..... 12**
- 5.1 SPECIFICATIONS ..... 12
- 5.2 CERTIFICATION AND SAFETY LABELS ..... 13
- 5.3 DEVIATIONS ..... 13
- 6.0 CONTRACT ADMINISTRATION ..... 13**
- 6.1 CONTRACT MANAGER AND CUSTOMER SERVICE ..... 13
- 6.2 POST AWARD PROJECT REVIEW MEETINGS ..... 13
- 6.3 CONTINUOUS IMPROVEMENT ..... 13

6.4 PERIODIC STATUS REPORTS ..... 13

6.5 ACCEPTANCE OF WORK ..... 14

6.6 INVOICES ..... 14

6.7 DISPUTE RESOLUTION ..... 14

6.8 PRODUCT RECALL ..... 14

6.9.1 PRICE ADJUSTMENTS ..... 14

6.10 CONTRACT CHANGES ..... 15

**7.0 ATTACHMENTS ..... 16**

**ATTACHMENT A: PRICING ..... 16**

**ATTACHMENT B: INSTRUCTIONS TO VENDORS ..... 16**

**ATTACHMENT C: THE UNIVERSITY OF CHAPEL HILL TERMS & CONDITIONS ..... 16**

**ATTACHMENT D: HUB SUPPLEMENTAL VENDOR INFORMATION ..... 16**

**ATTACHMENT E: CUSTOMER REFERENCE FORM ..... 16**

**ATTACHMENT F: LOCATION OF WORKERS UTILIZED BY VENDOR ..... 16**

**ATTACHMENT G: CERTIFICATION OF FINANCIAL CONDITION ..... 16**

**ATTACHMENT H: VENDOR REQUEST FOR EO50 PRICE-MATCHING ..... 16**

**ATTACHMENT: THE UNIVERSITY OF NORTH CAROLINA AT CHAPEL HILL - COGENERATION SYSTEMS TECHNICAL COAL SPECIFICATIONS ..... 17**

## **1.0 PURPOSE AND BACKGROUND**

---

Proposals are requested to cover the coal requirements for the University of North Carolina at Chapel Hill (University), Cogeneration Systems (Cogen) at 575 W. Cameron Ave, Chapel Hill, NC. While it is not contemplated that any abnormal requirements will develop during the contract period, if such should occur, the University reserves the right to call for a separate contract to cover additional needs.

Bidders are invited to submit proposals on the entire quantity or on a portion thereof. The University reserves the right to make the award(s) to a single overall bidder or progressively to a combination of acceptable bidders up to the tonnage necessary, including a combination award of different quality coals. If a combination results in more than the tonnage required, the University may purchase less than the total quantity offered by the bidder(s) in question as may be necessary to match the required tonnage. Bids that stipulate award on an all-or-nothing basis will not be considered.

### **1.1 CONTRACT TERM**

This agreement shall be binding on both parties for a three (3) year period beginning on the date of contract award. The University shall have the option of extending the contract for two (2) additional, one (1) year periods. The total term of this contract shall not exceed five (5) years.

All prices shall be firm against any increase for two (2) years from the date of contract award. After this period, a request for an increase or decrease may be submitted by either party once per year on or about the contract anniversary date. Any price changes accepted shall become effective not later than thirty (30) days after acceptance. A request for increase shall be accompanied by market condition documentation. The University reserves the right to reject any request for increase based on its own assessment of market conditions, indices, and contractor performance and responsiveness under the contract.

## **2.0 GENERAL INFORMATION**

---

### **2.1 INVITATION FOR BID DOCUMENT**

The IFB is comprised of the base IFB document, any attachments, and any addenda released before Contract award, which are incorporated herein by reference.

### **2.2 E-PROCUREMENT FEE**

This section intentionally omitted.

### **2.3 NOTICE TO VENDORS REGARDING IFB TERMS AND CONDITIONS**

It shall be the Vendor's responsibility to read the Instructions to Vendors, the University of North Carolina at Chapel Hill General Terms and Conditions, all relevant exhibits and attachments, and any other components made a part of this IFB and comply with all requirements and specifications herein. Vendors also are responsible for obtaining and complying with all Addenda and other changes that may be issued in connection with this IFB.

If Vendors have questions or issues, or exceptions regarding any component within this IFB, those must be submitted as questions in accordance with the instructions in the BID QUESTIONS Section. If the University determines that any changes will be made as a result of the questions asked, then such decisions will be communicated in the form of an IFB addendum. The University may also elect to leave open the possibility for later negotiation of specific provisions of the Contract that have been addressed during the question-and-answer period, prior to contact award.

Other than through this process or negotiation under 01 NCAC 05B.0503, the State rejects and will not be required to evaluate or consider any additional or modified terms and conditions submitted with Vendor's bid. This applies to any language appearing in or attached to the document as part of the Vendor's bid that purport to vary any terms and conditions or Vendors' instructions herein or to render the bid non-binding or subject to further negotiation. Vendor's bid shall constitute a firm offer that shall be held open for the period required herein ("Validity Period" above).

The University may exercise its discretion to consider Vendor proposed modifications. By execution and delivery of this IFB Response, the Vendor agrees that any additional or modified terms and conditions, whether submitted purposely or inadvertently, shall have no force or effect, and will be disregarded unless expressly agreed upon through negotiations and incorporated by way of a Best and Final Offer (BAFO). Noncompliance with, or any attempt to alter or delete, this paragraph shall constitute sufficient grounds to reject Vendor’s bid as nonresponsive.

**2.4 IFB SCHEDULE**

The table below shows the *intended* schedule for this IFB. The State will make every effort to adhere to this schedule.

Event	Responsibility	Date and Time
Issue IFB	University	01/22/2026
Hold Pre-Bid Conference/Site Visit	University	N/A
Submit Written Questions	Vendor	02/04/2026 at 1:00PM EST
Provide Responses to Questions	University	ASAP
Submit Bids	Vendor	03/09/2026 at 1:00PM EST
Contract Award	University	ASAP
Contract Effective Date	University	ASAP

**2.5 SITE VISIT or PRE-BID CONFERENCE**

This section intentionally omitted.

**2.6 BID QUESTIONS**

Upon review of the IFB documents, Vendors may have questions to clarify or interpret the IFB in order to submit the best bid possible. To accommodate the Bid Questions process, Vendors shall submit any such questions by the “Submit Written Questions” date and time provided in the IFB SCHEDULE Section above, unless modified by Addendum.

Written questions shall be e-mailed to [mmrowlan@unc.edu](mailto:mmrowlan@unc.edu) by the date and time specified above. Vendors will enter “IFB -3000012623: Questions” as the subject for the email. Question submittals will include a reference to the applicable IFB section and be submitted in a format shown below:

Reference	Vendor Question
IFB Section, Page Number	Vendor question ...?

Questions received prior to the submission deadline date, the University’s response, and any additional terms deemed necessary by the University will be posted in the form of an addendum to *the electronic Vendor Portal (eVP)*, <https://evp.nc.gov>, and shall become an Addendum to this IFB. No information, instruction or advice provided orally or informally by any University personnel, whether made in response to a question or otherwise in connection with this IFB, shall be considered authoritative or binding. Vendors shall rely *only* on written material contained in an Addendum to this IFB.

**2.7 BID SUBMITTAL**

**IMPORTANT NOTE: This is an absolute requirement.** Vendor shall bear the risk of late submission due to unintended or unanticipated delay. It is the Vendor’s sole responsibility to ensure its bid has been received as described in this IFB by the specified time and date of opening. The date and time of receipt will be marked on each bid when received. Any bid or portion thereof received after the bid submission deadline will be rejected.

If applicable to this IFB and using eVP, all proposal responses shall be submitted electronically via the electronic Vendor Portal (eVP). Additional information can be found at the eVP updates for Vendors link: <https://eprocurement.nc.gov/news-events/evp-updates-vendors>.

Failure to submit a bid in strict accordance with these instructions shall constitute sufficient cause to reject a Vendor's bid(s). Vendors are strongly encouraged to allow sufficient time to upload bids.

Critical updated information may be included in Addenda to this IFB. It is important that all Vendors responding on this IFB periodically check the State's eVP website for any Addenda that may be issued prior to the bid opening date. All Vendors shall be deemed to have read and understood all information in this IFB and all Addenda thereto.

## 2.8 BID CONTENTS

Vendors shall populate all attachments of this IFB that require the Vendor to provide information and include an authorized signature where requested. Failure to provide all required items, or Vendor's submission of incomplete items, may result in the University rejecting Vendor's bid, in the University's sole discretion

Vendor IFB responses shall include the following items and attachments, which shall be arranged in the following order:

- a) Cover Letter, which must contain all of the following; (i) a statement that confirms that the Vendor has read the IFB in its entirety, including all links, and all Addenda released in conjunction with the IFB; (ii) a statement that the Vendor agrees to perform in accordance with the scope of work, requirements, and specifications contained herein; and (iii) Vendor's agreement to comply with all instructions, terms and conditions, and attachments.
- b) Title Page: Include the company name, address, phone number and authorized representative along with the Bid Number.
- c) Completed and signed version of EXECUTION PAGES, along with the body of the IFB.
- d) Signed receipt pages of any addenda released in conjunction with this IFB, if required to be returned.
- e) Completed version of ATTACHMENT A: PRICING
- f) Completed version of ATTACHMENT D: HUB SUPPLEMENTAL VENDOR INFORMATION
- g) Completed version of ATTACHMENT E: CUSTOMER REFERENCE FORM
- h) Completed version of ATTACHMENT F: LOCATION OF WORKERS UTILIZED BY VENDOR
- i) Completed and signed version of ATTACHMENT G: CERTIFICATION OF FINANCIAL CONDITION
- j) Completed and signed version of ATTACHMENT H: VENDOR REQUEST FOR EO50 PRICE-MATCHING, if applicable

## 2.9 ALTERNATE BIDS

Unless provided otherwise in this IFB, Vendor may submit alternate bids for comparable Goods, various methods or levels of Service(s), or that propose different options. Alternate bids must specifically identify the IFB requirements and advantage(s) addressed by the alternate bid. Any alternate bid, in addition to the marking described above, must be clearly marked with the legend: "Alternate Bid # \_\_\_ [for 'name of Vendor']". Each bid must be for a specific set of Goods and Services and must include specific pricing. If a Vendor chooses to respond with various offerings, each must be offered with a separate price and be contained in a separate bid. Each bid must be complete and independent of other bids offered.

## 2.10 DEFINITIONS, ACRONYMS, AND ABBREVIATIONS

Relevant definitions for this IFB are provided in 01 NCAC 05A .0112 and in the Instructions to Vendors referenced below which are incorporated herein by this reference.

### **3.0 METHOD OF AWARD AND BID EVALUATION PROCESS**

---

#### **3.1 METHOD OF AWARD**

North Carolina G.S. 143-52 provides a general list of criteria the University shall use to award contracts, as supplemented by the additional criteria herein. The Goods or Services being procured shall dictate the application and order of criteria; however, all award decisions shall be in the University's best interest.

All responsive bids will be reviewed, and award or awards will be based on the responsive bid(s) offering the lowest price that meets the specifications to include any required verifications set out herein such as but not limited to past performance, references, and financial documents.

While the intent of this IFB is to award a Contract(s) to a single Vendor for all line items the University reserves the right to make separate awards to different Vendors for one or more line items, to not award one or more line items or to cancel this IFB in its entirety without awarding a Contract, if it is considered to be most advantageous to the University to do so.

If a Vendor selected for award is determined by the University to be a non-resident of North Carolina, all responsive bids will be reviewed to determine if any of them were submitted by a North Carolina resident Vendor who requested an opportunity to match the price of the winning bid, pursuant to Executive Order #50 and G.S. 143-59 (for more information, please refer to ATTACHMENT H: VENDOR REQUEST FOR EXECUTIVE ORDER #50 PRICE MATCHING. If such bid(s) are identified, the University will then determine whether any such bid falls within the price-match range, and, if so, make a Contract award in accordance with the process that implements G.S. 143-59 and Executive Order #50.

The University reserves the right to waive any minor informality or technicality in bids received.

#### **3.2 CONFIDENTIALITY AND PROHIBITED COMMUNICATIONS DURING EVALUATION**

While this IFB is under evaluation, the responding Vendor, including any subcontractors and suppliers, is prohibited from engaging in conversations intended to influence the outcome of the evaluation. See the Paragraph 29 of the Instructions To Vendors entitled COMMUNICATIONS BY VENDORS.

Each Vendor submitting a bid to this IFB, including its employees, agents, subcontractors, suppliers, subsidiaries and affiliates, is prohibited from having any communications with any person inside or outside the using agency; issuing agency; other government agency office or body (including the purchaser named above, any department secretary, agency head, members of the General Assembly and Governor's office); or private entity, if the communication refers to the content of Vendor's bid or qualifications, the content of another Vendor's proposal, another Vendor's qualifications or ability to perform a resulting contract, and/or the transmittal of any other communication of information that could be reasonably considered to have the effect of directly or indirectly influencing the evaluation of proposals, the award of a contract, or both.

Any Vendor not in compliance with this provision shall be disqualified from evaluation and award. A Vendor's proposal may be disqualified if its subcontractor and/or supplier engage in any of the foregoing communications during the time that the procurement is active (*i.e.*, the issuance date of the procurement until the date of contract award or cancellation of the procurement). Only those discussions, communications or transmittals of information authorized or initiated by the issuing agency for this IFB or inquiries directed to the purchaser named in this IFB regarding requirements of the IFB (prior to proposal submission) or the status of the award (after submission) are excepted from this provision.

#### **3.3 BID EVALUATION PROCESS**

Only responsive submissions will be evaluated.

**The University will conduct an evaluation of responsive Bids, as follows:**

Bids will be received according to the method stated in the Bid Submittal section above.

All bids must be received by the issuing agency not later than the date and time specified in the IFB SCHEDULE Section above, unless modified by Addendum. Vendors are cautioned that this is a request for offers, not an offer or request to contract, and the University reserves the unqualified right to reject any and all offers at any time if such rejection is deemed to be in the best interest of the University.

At the date and time provided in the IFB SCHEDULE Section above, unless modified by Addendum, the bids from each responding Vendor will be opened publicly and all offers (except those that have been previously withdrawn, or voided bids) will be tabulated. The tabulation shall be made public at the time it is created. When negotiations after receipt of bids is authorized pursuant to G.S. 143-49 and 01 NCAC 05B.0503, only the names of offerors and the Goods and Services offered shall be tabulated at the time of opening. If negotiation is anticipated, cost and price shall become available for public inspection at the time of the award. Interested parties are cautioned that these costs and their components are subject to further evaluation for completeness and correctness and therefore may not be an exact indicator of a Vendor's pricing position.

At their option, the evaluators may request oral presentations or discussions with any or all Vendors for clarification or to amplify the materials presented in any part of the bid. Vendors are cautioned, however, that the evaluators are not required to request presentations or other clarification—and often do not. Therefore, all bids should be complete and reflect the most favorable terms available from the Vendor. Prices bid cannot be altered or modified as part of a clarification.

Bids will generally be evaluated, based on completeness, content, cost and responsibility of the Vendor to supply the requested Goods and Services. Specific evaluation criteria are listed in Section 3.1 METHOD OF AWARD.

Upon completion of the evaluation process, the University will make Award(s) based on the evaluation and post the award(s) to the State's eVP website under the IFB number for this solicitation. Award of a Contract to one Vendor does not mean that the other bids lacked merit, but that, all factors considered, the selected bid was deemed most advantageous and represented the best value to the University.

The University reserves the right to negotiate with one or more Vendors, or to reject all original offers and negotiate with one or more sources of supply that may be capable of satisfying the requirement, and in either case to require Vendor to submit a Best and Final Offer (BAFO) based on discussions and negotiations with the University.

### 3.4 PERFORMANCE OUTSIDE THE UNITED STATES

Vendor shall complete ATTACHMENT F: LOCATION OF WORKERS UTILIZED BY VENDOR. In addition to any other evaluation criteria identified in this IFB, the University may also consider, for purposes of evaluating proposed or actual contract performance outside of the United States, how that performance may affect the following factors to ensure that any award will be in the best interest of the University:

- a) Total cost to the University
- b) Level of quality provided by the Vendor
- c) Process and performance capability across multiple jurisdictions
- d) Protection of the University's information and intellectual property
- e) Availability of pertinent skills
- f) Ability to understand the University's business requirements and internal operational culture
- g) Particular risk factors such as the security of the University's information technology
- h) Relations with citizens and employees
- i) Contract enforcement jurisdictional issues

### 3.5 INTERPRETATION OF TERMS AND PHRASES

This IFB serves two functions: (1) to advise potential Vendors of the parameters of the solution being sought by the University; and (2) to provide (together with other specified documents) the terms of the Contract resulting from this procurement. The use of phrases such as "shall," "must," and "requirements" are intended to create enforceable contract conditions. In determining whether bids should be evaluated or rejected, the University will take into consideration the degree to which

Vendors have proposed or failed to propose solutions that will satisfy the University's needs as described in the IFB. Except as specifically stated in the IFB, no one requirement shall automatically disqualify a Vendor from consideration. However, failure to comply with any single requirement may result in the University exercising its discretion to reject a bid in its entirety.

## **4.0 REQUIREMENTS**

---

This Section lists the requirements related to this IFB. By submitting a bid, the Vendor agrees to meet all stated requirements in this Section, as well as any other specifications, requirements, and terms and conditions stated in this IFB. If a Vendor is unclear about a requirement or specification or believes a change in a requirement would allow for the University to receive a better bid, the Vendor is encouraged to submit these items in the form of a question during the question and answer period in accordance with the Bid Questions Section above.

### **4.1 PRICING**

Bid price shall constitute the total cost to the University for delivery fully assembled and ready for use, including all applicable charges for shipping, delivery, handling, administrative and other similar fees. Complete ATTACHMENT A: PRICING and include in Vendor's response.

### **4.2 ESTIMATED QUANTITIES**

This section is intentionally omitted.

### **4.3 PRODUCT IDENTIFICATION**

#### SUITABILITY FOR INTENDED USE

Vendors are requested to offer only items directly complying with the specifications herein or comparable items which will provide the equivalent capabilities, features and diversity called for herein. The University reserves the right to evaluate all bids for suitability for the required use and to award the one best meeting requirements and considered to be in the University's best interest.

### **4.4 TRANSPORTATION AND IDENTIFICATION**

The Vendor shall deliver Free-On-Board (FOB) Destination to any requested location within the State of North Carolina with all transportation costs and fees included in the total bid price.

When an order is placed using a purchase order, the purchase order number shall be shown on all packages and shipping manifests to ensure proper identification and payment of invoices. If an order is placed without using a purchase order, such as via phone, the Buyer's name shall be show on all packages. A complete packing list shall accompany each shipment. Vendors shall not ship any products until they have received an order.

### **4.5 DELIVERY**

#### DELIVERY

The University will only receive coal by rail in bottom dump cars.

The University reserves the right to negotiate with any and all rail companies for freight charges to the University. Freight charges will be taken into consideration in determining bidders' total delivered cost per million BTU.

**Please see attached The University of North Carolina at Chapel Hill Cogeneration Systems Technical Coal Specifications attached.**

### **4.6 AUTHORIZED RESELLER**

This section is intentionally omitted

**4.7 WARRANTY**

Manufacturer’s standard warranty shall apply. Vendors shall include a copy of the manufacturer’s standard warranty with the bid response.

Vendor warrants that all equipment furnished under this IFB will be newly manufactured, of good material and workmanship. The warranty will apply from date equipment is put into operation for a minimum period of twelve (12) months or the length of the manufacturer’s warranty, whichever is longer. Such warranty shall cover the cost of all defective parts replacement, labor, freight, and technicians’ travel at no additional cost to the University, or as specified by the Purchasing Agency herein. To the extent not superseded by the terms of this paragraph, manufacturer’s warranty terms shall apply. Vendor’s warranty shall be at least the level of coverage provided for its comparable customers.

The report of a problem does not presuppose that every call must result in an “on-site” visit for service/repair. The Vendor and/or service sub-contractor shall utilize best efforts to resolve problems in a timely fashion by using acceptable servicing methods to include, but not limited to, verbal problem analysis and remote diagnosis. The warranty requirement does not impose any additional duty on the University to make other than normal and good faith problem resolution efforts or expenditures of time. Vendor shall be responsible for compliance with warranty terms by any third-party service provider. Vendor shall provide contact information for warranty service provider, below.

Vendor is authorized by manufacturer to repair equipment offered during the warranty period?  YES  NO

Will the Vendor provide warranty service?  YES  NO, a manufacturer-authorized third party will perform warranty service.

**Contact information** for warranty service provider:

Company Name: \_\_\_\_\_

Company Address: \_\_\_\_\_  
\_\_\_\_\_

Contact Person (name): \_\_\_\_\_

Contact Person (phone number): \_\_\_\_\_

Contact Person (email): \_\_\_\_\_

**4.8 MAINTENANCE OPTION**

This section is intentionally removed.

**4.9 DESCRIPTIVE LITERATURE**

**DESCRIPTIVE LITERATURE/CERTIFICATION**

Each bid shall be accompanied by complete descriptive literature, specifications, certifications, and all other pertinent data necessary for thorough evaluation of the item(s) offered and sufficient to determine compliance of the item(s) with the specifications. Failure to include such information to shall be a sufficient basis for rejection of the bid.

**4.10 HUB PARTICIPATION**

Pursuant to North Carolina General Statute G.S. 143-48, it is State policy to encourage and promote the use of small, minority, physically handicapped, and women contractors in purchasing Goods and Services. As such, this IFB will serve to identify those Vendors that are minority owned or have a strategic plan to support the State’s Historically Underutilized Business program by meeting or exceeding the goal of 10% utilization of diverse firms as 1st or 2nd tier subcontractors. Vendor shall complete ATTACHMENT D: HUB SUPPLEMENTAL VENDOR INFORMATION.

#### **4.11 REFERENCES**

Vendors shall provide at least three (3) references, using ATTACHMENT E: CUSTOMER REFERENCE FORM, for which your company has supplied the exact model of equipment offered. The University *may* contact these users to determine quality level of the offered equipment; as well as, but not limited to user satisfaction with Vendor performance. Information obtained *may* be considered in the evaluation of the bid.

#### **4.12 VENDOR'S REPRESENTATIONS**

If the bid results in an award, Vendor agrees that it will not enter any agreement with a third party that may abridge any rights of the University under the Contract. If any Services, deliverables, functions, or responsibilities not specifically described in this solicitation are required for Vendor's proper performance, provision and delivery of the Service and deliverables under a resulting Contract, or are an inherent part of or necessary sub-task included within such service, they will be deemed to be implied by and included within the scope of the contract to the same extent and in the same manner as if specifically described in the Contract. Unless otherwise expressly provided herein, Vendor will furnish all of its own necessary management, supervision, labor, facilities, furniture, computer and telecommunications equipment, software, supplies and materials necessary for the Vendor to provide and deliver the Services and/or other Deliverables.

#### **4.13 FINANCIAL STABILITY**

As a condition of contract award, the Vendor must certify that it has the financial capacity to perform and to continue to perform its obligations under the Contract; that Vendor has no constructive or actual knowledge of an actual or potential legal proceeding being brought against Vendor that could materially adversely affect performance of this Contract; and that entering into this Contract is not prohibited by any contract, or order by any court of competent jurisdiction

Each Vendor shall certify it is financially stable by completing the ATTACHMENT G: CERTIFICATION OF FINANCIAL CONDITION. The University is requiring this certification to minimize potential performance issues from contracting with a Vendor that is financially unstable. This Certification shall be deemed continuing, and from the date of the Certification to the expiration of the Contract, the Vendor shall notify the University within thirty (30) days of any occurrence or condition that materially alters the truth of any statement made in this Certification.

#### **4.14 AGENCY INSURANCE REQUIREMENTS MODIFICATION**

This section is intentionally omitted. Please see standard Terms and Conditions attached.

#### **4.15 NC COVID-19 VACCINATION AND TESTING REQUIREMENT**

This section intentionally omitted.

#### **4.16 FEDERAL COVID-19 VACCINATION REQUIREMENT**

This section is intentionally omitted.

#### **4.17 LOBBYING ACTIVITY CERTIFICATION FOR FEDERAL GRANTS**

This section is intentionally omitted

### **5.0 PRODUCT SPECIFICATIONS**

---

#### **5.1 SPECIFICATIONS**

Quantities shown in The University of North Carolina at Chapel Hill Cogeneration Systems Technical Coal Specifications are estimates only and are submitted merely as a guide. It shall be understood and agreed that the University may purchase more or less than the estimated quantities during the contract period and the University is not obligated to purchase more fuel than its actual requirements.

The anticipated annual coal usage is estimated to be 30,000 tons per year.

The usage rate for coal at the University is heavily tied to weather.

Qualified proposals will be evaluated, and acceptance made of the lowest and best proposal(s) determined most advantageous to the University. Proposals submitted will be evaluated using the total delivery cost per million BTU's based on the price per ton of coal F.O.B. mine plus all freight charges to the destination and the as- shipped (the bulk loaded condition of the coal in the coal car at the tippel) BTU value of the coal offered. The evaluation will also consider cost of operation based on different amounts of sulfur and ash in the coal that is bid. Adjustments to the delivered cost per million BTU will be made for ash and sulfur content calculated by the following equations that can be found on The University of North Carolina at Chapel Hill Cogeneration Systems Technical Coal Specifications sheet.

**Please see The University of North Carolina at Chapel Hill Cogeneration Systems Technical Coal Specifications for additional details.**

**5.2 CERTIFICATION AND SAFETY LABELS**

All manufactured items and/or fabricated assemblies subject to operation under pressure, operation by connection to an electric source, or operation involving a connection to a manufactured, natural, or LP gas source shall be constructed and approved in a manner acceptable to the appropriate state inspector which customarily requires the label or re-examination listing or identification marking of the appropriate safety standard organization; such as the American Society of Mechanical Engineers for pressure vessels; the Underwriters Laboratories and /or National Electrical Manufacturers' Association for electrically operated assemblies; or the American Gas Association for gas operated assemblies, where such approvals of listings have been established for the type of device offered and furnished. Further, all items furnished shall meet all requirements of the Occupational Safety and Health Act (OSHA), and state and federal requirements relating to clean air and water pollution.

**5.3 DEVIATIONS**

The nature of all deviations from the Specifications listed herein shall be clearly described by the Vendor. Otherwise, it will be considered that items offered by the Vendor are in strict compliance with the Specifications provided herein, and the successful Vendor shall be required to supply conforming goods. Deviations shall be explained in detail on an attached sheet. However, no implication is made or intended by the University that any deviation will be acceptable. Do not list objections to the North Carolina General Terms and Conditions in this section.

**6.0 CONTRACT ADMINISTRATION**

---

All Contract Administration requirements are conditioned on an award resulting from this solicitation. This information is provided for the Vendor's planning purposes

**6.1 CONTRACT MANAGER AND CUSTOMER SERVICE**

This section is intentionally omitted.

**6.2 POST AWARD PROJECT REVIEW MEETINGS**

This section is intentionally omitted.

**6.3 CONTINUOUS IMPROVEMENT**

The University encourages the Vendor to identify opportunities to reduce the total cost the University. A continuous improvement effort consisting of various ideas to enhance business efficiencies as performance progresses.

**6.4 PERIODIC STATUS REPORTS**

This section is intentionally omitted.

## **6.5 ACCEPTANCE OF WORK**

Performance of the work and delivery of Goods shall be conducted and completed at least in accordance with the Contract requirements and recognized and customarily accepted industry practices. Performance shall be considered complete when the Services or Goods are approved as acceptable by the Contract Administrator.

Acceptance of work products shall be based on the following criteria: See Scope of work.

The University shall have the obligation to notify Vendor, in writing ten (10) calendar days following completion of such work or delivery of a deliverable described in the Contract that it is not acceptable. The notice shall specify in reasonable detail the reason(s) it is unacceptable. Acceptance by the University shall not be unreasonably withheld; but may be conditioned or delayed as required for reasonable review, evaluation, installation, or testing, as applicable to the work or deliverable. Final acceptance is expressly conditioned upon completion of all applicable assessment procedures. Should the work or deliverables fail to meet any specifications, acceptance criteria or otherwise fail to conform to the Contract, the University may exercise any and all rights hereunder, including, for Goods deliverables, such rights provided by the Uniform Commercial Code, as adopted in North Carolina.

## **6.6 INVOICES**

Vendor shall invoice the Purchasing Agency. The standard format for invoicing shall be Single Invoices meaning that the Vendor shall provide the Purchasing Agency with an invoice for each order. Invoices shall include detailed line item information to allow Purchasing Agency to verify pricing at point of receipt matches the correct price from the original date of order. At a minimum, the following fields shall be included on all invoices:

Vendor's Billing Address, Customer Account Number, NC Contract Number, Order Date, Buyer's Order Number, Manufacturer Part Numbers, Vendor Part Numbers, Item Descriptions, Price, Quantity, and Unit of Measure.

**INVOICES MAY NOT BE PAID UNTIL AN INSPECTION HAS OCCURRED AND THE GOODS ACCEPTED.**

## **6.7 DISPUTE RESOLUTION**

During the performance of the Contract, the Parties agree that it is in their mutual interest to resolve disputes informally. Any claims by the Vendor shall be submitted in writing to the University's Contract Manager for resolution. Any claims by the University shall be submitted in writing to the Vendor's Project Manager for resolution. The Parties shall agree to negotiate in good faith and use all reasonable efforts to resolve such dispute(s).

During the time the Parties are attempting to resolve any dispute, each shall proceed diligently to perform their respective duties and responsibilities under this Contract. The Parties will agree on a reasonable amount of time to resolve a dispute. If a dispute cannot be resolved between the Parties within the agreed upon period, either Party may elect to exercise any other remedies available under the Contract, or at law. This provision, when agreed in the Contract, shall not constitute an agreement by either party to mediate or arbitrate any dispute.

## **6.8 PRODUCT RECALL**

Vendor expressly assumes full responsibility for prompt notification to the Buyer listed on the face of this IFB of any product recall in accordance with the applicable state or federal regulations. The Vendor shall support the University, as necessary, to promptly replace any such products, at no cost to the University.

### **6.9.1 PRICE ADJUSTMENTS**

Prices proposed by the Vendor shall be firm against any increase for 60 days from the effective date of the Contract.

Price increase requests shall be submitted in writing to the Contract Lead, which shall include the reason(s) for the request and contain supporting documentation for the need. Price increases will be negotiated and agreed to by both the University and Vendor in advance of any price increase going into effect. The University is not obligated to accept pricing adjustments or

*Bid Number: 65-3000012623*

Vendor: \_\_\_\_\_ increases

and reserves the right to accept or reject them in part or in whole. Price de-escalation or decreases may be requested by the University at any time.

It is understood and agreed that orders will be shipped at the established Contract prices in effect on the date an order is placed. Invoicing that deviates from this provision may result in Contract to cancellation.

## **6.10 CONTRACT CHANGES**

Contract changes, if any, over the life of the Contract shall be implemented by contract amendments agreed to in writing by the University and Vendor. Amendments to the contract can only be made through the contract administrator.

**The remainder of this page is intentionally left blank**

## 7.0 ATTACHMENTS

---

### **\*\*IMPORTANT NOTICE\*\***

**RETURN THE REQUIRED ATTACHMENTS WITH YOUR RESPONSE**  
FOLLOW THE LINKS TO ACCESS EACH ATTACHMENT

#### **ATTACHMENT A: PRICING**

---

No attachment associated with this IFB. **Please submit all costs including transportation on a standard company quote document with a line for "TOTAL COST TO THE UNIVERSITY".**

#### **ATTACHMENT B: INSTRUCTIONS TO VENDORS**

---

The Instructions to Vendors, which are incorporated herein by this reference, may be found here:

<https://www.doa.nc.gov/divisions/purchase-contract/vendor-forms>

#### **ATTACHMENT C: THE UNIVERSITY OF CHAPEL HILL TERMS & CONDITIONS**

---

The University Terms and Condition, which are incorporated herein by this reference, may be found here:

<https://finance.unc.edu/departments/purchasing/terms-products/>

#### **ATTACHMENT D: HUB SUPPLEMENTAL VENDOR INFORMATION**

---

Complete and return the Historically Underutilized Businesses (HUB) Vendor Information form, which can be found at the following link:

<https://www.doa.nc.gov/divisions/purchase-contract/vendor-forms>

#### **ATTACHMENT E: CUSTOMER REFERENCE FORM**

---

Complete and return the Customer Reference Form, which can be found at the following link:

<https://www.doa.nc.gov/divisions/purchase-contract/vendor-forms>

#### **ATTACHMENT F: LOCATION OF WORKERS UTILIZED BY VENDOR**

---

Complete and return the Location of Workers Utilized by Vendor, which can be found at the following link:

<https://www.doa.nc.gov/divisions/purchase-contract/vendor-forms>

#### **ATTACHMENT G: CERTIFICATION OF FINANCIAL CONDITION**

---

Complete, sign, and return the Certification of Financial Condition, which can be found at the following link:

<https://www.doa.nc.gov/divisions/purchase-contract/vendor-forms>

#### **ATTACHMENT H: VENDOR REQUEST FOR EO50 PRICE-MATCHING**

---

Complete, sign, and return the Vendor Request for EO50 Price-Matching, which can be found at the following link:

<https://www.doa.nc.gov/divisions/purchase-contract/vendor-forms>

**\*\*\* Failure to Return the Required Attachments May Eliminate  
Your Response from Further Consideration \*\*\***

# The University Of North Carolina at Chapel Hill- Cogeneration Systems Technical Coal Specifications

## SCOPE

Proposals are requested to cover the coal requirements for the University of North Carolina at Chapel Hill (University), Cogeneration Systems (Cogen) at 575 W. Cameron Ave, Chapel Hill, NC. While it is not contemplated that any abnormal requirements will develop during the contract period, if such should occur, the University reserves the right to call for a separate contract to cover additional needs.

## QUANTITY

1. Quantities shown in this document are estimates only and are submitted merely as a guide. It shall be understood and agreed that the University may purchase more or less than the estimated quantities during the contract period and the University is not obligated to purchase more fuel than its actual requirements.
2. The anticipated annual coal usage is estimated to be 30,000 tons per year.
3. The usage rate for coal at the University is heavily tied to weather.

## AWARD OF CONTRACT

1. Qualified proposals will be evaluated, and acceptance made of the lowest and best proposal(s) determined most advantageous to the University. Proposals submitted will be evaluated using the total delivery cost per million BTU's based on the price per ton of coal F.O.B. mine plus all freight charges to the destination and the as-shipped (the bulk loaded condition of the coal in the coal car at the tipple) BTU value of the coal offered. The evaluation will also consider cost of operation based on different amounts of sulfur and ash in the coal that is bid. Adjustments to the delivered cost per million BTU will be made for ash and sulfur content calculated by the following equations:

### Adjustments:

$$\frac{\{ \text{Extra Coal} \} + \{ \text{Extra Ash} \}}{\{ \text{Energy Content} \}} = \text{Adjustment for Ash}$$

of Coal

$$500 \left[ \frac{\text{BTU} \cdot \text{ton coal}}{\text{lb}_m \cdot \text{MMBTU}} \right] \frac{(J - J_G)(L + G)}{E} = \text{Adjustment for Ash} \left[ \frac{\$}{\text{MMBTU}} \right]$$

Where:

J = fractional weight of ash in coal [ton of ash/ton of coal]  
 J<sub>G</sub> = guaranteed fractional weight of ash in coal [ton of ash/ton of coal] (this value is considered to be zero in the bid evaluation)  
 L = Ash disposal cost [\$/ton ash]  
 G = Rail Freight Cost of coal [\$/ton coal]  
 E = Guaranteed Heat Content of Coal [BTU/lbm]

$$\frac{\left\{ \frac{\text{Extra Coal}}{\text{Freight Cost}} \right\} + \left\{ \frac{\text{Extra Sorbent}}{\text{Cost}} \right\} + \left\{ \frac{\text{Extra Ash}}{\text{Disposal Cost}} \right\}}{\left\{ \frac{\text{Energy Content}}{\text{of Coal}} \right\}} = \text{Adjustment for Sulfur}$$

$$500 \left[ \frac{\text{BTU} \cdot \text{ton coal}}{\text{lb}_m \cdot \text{MMBTU}} \right] \left( \frac{(G + 5.208 \left[ \frac{\text{tons CaCO}_3}{\text{tons S}} \right] C + 4.25 \left[ \frac{\text{tons CaSO}_4 \text{ash}}{\text{tons S}} \right] L)(K - K_G)}{E} \right)$$

\$

$$= \text{Adjustment for Sulfur} \left[ \frac{\text{ }}{\text{MMBTU}} \right]$$

Where:

Ca conversion is 60%  
 G = Rail Freight Cost of coal [\$/ton S]  
 C = Cost of Sorbent delivered [\$/ton sorbent]  
 L = Ash disposal cost [\$/ton ash]  
 K = fractional weight of sulfur in coal [ton of sulfur/ton of coal]  
 K<sub>G</sub> = guaranteed fractional weight of sulfur in coal [ton of sulfur/ton of coal] (this value is considered to be zero during the bid evaluation)  
 E = Guaranteed Heat Content of Coal [BTU/lbm]

2. Each bidder shall fill out the form entitled “Description of Mine and Analysis of Coal” found in Appendix-A of this document. The form shall be filled out in its entirety. A separate form shall be submitted for each coal product a bidder wishes to offer. Bids with incomplete forms will not be considered.
3. For each coal offering the bidder must submit a recent certified analysis report from a recognized independent coal testing laboratory. Reports older than six (6) months will not be considered or accepted.
4. Using the bidder supplied data, bidder supplied test report(s), FOB mine pricing, along with the determined shipping cost from each point of origin the University will determine the lowest cost coal per million BTU as defined above. The University will then issue a purchase order to the provisional winning bidder(s) for a ten-car sample of the offered coal. Should the University elect to select more than one bidder for contract, the University will take into account the chemical and physical nature of each vendor’s product for consideration of how they will blend together in the University’s boilers for the purposes of emissions control and general operation. The University will select the mix based on the overall best value to the University, which may not necessarily be the lowest cost per ton from any given vendor.

5. Award of any further contract is contingent upon the ten-car sample matching or exceeding the description and analysis of the coal supplied by the bidder (See Sampling and Testing), and for that coal being of satisfactory handling characteristics upon reaching the University. If the analysis of the coal does not meet or exceed the guaranteed analysis submitted with the bid, the bid will be rejected.
6. In selecting an offering of coal from a bidder, and in accepting the associated bid, the University is acting upon the best information available. If at any time during the contract period such coal becomes unsuited for the purpose for which it is intended the University may cancel the contract immediately upon written notification for such unsuitable coal, to the extent of the undelivered tonnage on said contract.
7. The University will only receive coal by rail in bottom dump cars.
8. The University reserves the right to negotiate with any and all rail companies for freight charges to the University. Freight charges will be taken into consideration in determining bidders' total delivered cost per million BTU.
9. Bidders are invited to submit proposals on the entire quantity or on a portion thereof. The University reserves the right to make the award(s) to a single overall bidder or progressively to a combination of acceptable bidders up to the tonnage necessary, including a combination award of different quality coals. If a combination results in more than the tonnage required, the University may purchase less than the total quantity offered by the bidder(s) in question as may be necessary to match the required tonnage. Bids that stipulate award on an all-or-nothing basis will not be considered.
10. To ensure an adequate supply of coal throughout the year, and especially during the peak heating season, it may be necessary to make multiple or progressive awards to various bidders. Another important factor that will be considered will be the dependability (past performance record) of a bidder as well as the coal mine supplying if the bidder is not the producer.
11. Each bidder must submit certification from each mine operating company that all mines from which the bidder proposes to furnish coal complies with all federal and state regulations and permit requirements. The letter of certification shall also indicate if the mine has any MINING AND/OR RECLAMATION citations or violations of federal or state regulations within the last five years that are pending and have not been resolved. For resolved violations within the last 5 years the letter shall indicate the types of actions taken or required to restore compliance. The response may be grouped and categorized. Individual lists are not required.
12. If the bidder is not also the mine operator for the product being offered, the bidder must submit a letter from an Officer of the mine operating company stating that the bidder is authorized to offer coal in the specified amount from the mine cited. The letter must stipulate that the coal is available for shipment to the University upon receipt of purchase order.

## SAMPLING AND TESTING:

1. Testing shall be done for all shipments on this contract and shall be taken at the point of shipment and the results will be available prior to the coal reaching the University. The University reserves the right to reject any or all of the shipments, if the results of the samples taken indicate that the coal does not meet the specifications herein. The bidder shall divert such shipments that are in route to the Cogen Facility at no expense to the University.
2. The samples will be taken by an independent testing firm in accordance with ASTM standards at the time of loading the coal at the mine. The independent testing firm will be selected and funded by the University. Contact information will be furnished to suppliers after award. The supplier shall notify the testing company one (1) day in advance of loading so that the company can witness the loading and perform the sampling. Flow samples and/or mixed samples will be taken in accordance with the best practices method suitable at each loading point, as determined by the testing firm and the University. The samples will be analyzed by the testing firm. It is estimated that samples will be taken from approximately 20% of the railcars received from each contractor each month. The University reserves the right to sample a larger quantity of railcars at its discretion.
3. The University reserves the right to do additional sampling and testing on the coal after it is received and unloaded. The additional sampling will be performed by the University, or its designated contractor and sent to an independent testing laboratory selected by the University for short proximate analysis. Sampling at the University will be done according to current ASTM standards.
4. Prospective bidders are encouraged but not required to visit the Cogeneration Facility and apprise themselves of any operational constraints that may affect the receiving of coal. Arrangements to visit the site may be made by contacting the Cogeneration Systems Manager, at (919) 962-1167. Submission of a properly executed bid shall constitute sufficient evidence that bidder is familiar with the procedures used by the University and that bidder understands and agrees with all such procedures.

## PREMIUM & PENALTY ADJUSTMENTS:

1. In the event the furnished coal exceeds the heat content BTU offered on the as-shipped basis by more than two percent (2%) difference an adjustment in the form of a premium will be made. In the event the coal furnished is found to be more than two percent (2%) difference below the heat content BTU offered on the as-shipped basis, an adjustment in the form of a penalty will be made. The existence of a penalty clause in no way implies that the vendor may ship coal of less than 12,500 BTU/lbm (HHV). 12,500 BTU/lbm is the specified minimum allowed, and the University reserves the right to reject any coal below this value.

2. The adjustment will apply to all coal received on a calendar month basis and will be based on the BTU as-shipped average of the coal sampled during a particular month.
3. If the University determines from the analysis of the coal, that the quality of the coal shipped is consistently more than two percent (2%) difference below the specifications of the coal offered and accepted, the University may cancel the contract immediately upon written notice to the contractor for the remaining tonnage of the particular coal in question.
4. Refer to Appendix-B for sample premium / penalty calculations as they will be applied to this contract.
5. Payment of premium or penalty adjustments is to be made within thirty (30) calendar days of notification. In the form of penalty, the contractor may make payment via check payable to the University of North Carolina at Chapel Hill, or where the contract is on-going it may be credited on the invoice for the next shipment of coal. In the form of a premium adjustment the University will make payment through the ACH system it uses to make payments for fuel under this contract.

#### LENGTH OF CONTRACT AND PRICING

1. This agreement shall be binding on both parties for a three (3) year period beginning on the date of contract award. The University shall have the option of extending the contract for two (2) additional, one (1) year periods. The total term of this contract shall not exceed five (5) years.
2. All prices shall be firm against any increase for two (2) years from the date of contract award. After this period, a request for an increase or decrease may be submitted by either party once per year on or about the contract anniversary date. Any price changes accepted shall become effective not later than thirty (30) days after acceptance. A request for increase shall be accompanied by market condition documentation. The University reserves the right to reject any request for increase based on its own assessment of market conditions, indices, and contractor performance and responsiveness under the contract.

#### ORDERS & BILLING:

1. Orders will be issued by the University specifying the number of railcars shipped per week by each contractor. This quantity may be adjusted throughout the contract period. It is understood and agreed that orders will be shipped from the mine at the established contract price in effect on the date of shipment. Delays in shipping will not be permitted to cause price disadvantage to the University.
2. Railcar loads of coal will be ordered in quantities of five or more as needed during the contract period.

3. Billing must be made by email to [Invoice.Energy@unc.edu](mailto:Invoice.Energy@unc.edu). All copies of invoices and shipping notices shall show the mine name, trade name, size of coal, car numbers, routing, weight, purchase order number and any other pertinent information requested for proper identification. Invoices will be submitted electronically, and instructions will be given by the University's contract administrator upon award of the contract.
4. Payment for fuel will not be made by the University until the fuel has reached the University's Cogeneration Facility.

# Appendix A

## Description of Mine and Analysis of Coal

OFFER Number: \_\_\_\_\_

A separate form must be filled out for each different grade, size, and price of coal being offered. All analysis sheets must be properly identified. Bidder may copy this form for additional offerings.

NOTE: All information must be given, or your bid will be subject to rejection

Mine Operating Company: \_\_\_\_\_

Owned by company submitting bid?  Yes  No

Mine Location: State: \_\_\_\_\_ County: \_\_\_\_\_ Town: \_\_\_\_\_

Mine name: \_\_\_\_\_ Brand name: \_\_\_\_\_

Mine Permit number: \_\_\_\_\_ Seam name: \_\_\_\_\_

Mine type: Contour \_\_\_\_\_ Ridge Top \_\_\_\_\_ Deep (underground) \_\_\_\_\_

Railroad name: \_\_\_\_\_ Group name: \_\_\_\_\_

Shipping Point/Tipple Number: \_\_\_\_\_

Daily production during last year of size offered below in cars per day: \_\_\_\_\_

Total annual quantity offered on this item: \_\_\_\_\_

Preparation: Size: \_\_\_\_\_ Type: \_\_\_\_\_

Is Coal: Washed:  Yes  No  
Double screened:  Yes  No

Other: \_\_\_\_\_

### Proximate analysis (Percent by weight as received)

<u>Our Requirements (Specifications)</u>	<u>Bid Offers – answer fully</u>
1. Moisture 15% max	_____ % max.
2. Ash 15% max	_____ % max.
3. Guaranteed average Ash	_____ % Average
4. Volatile matter 28.0 – 35.0%	_____ % max.

5. Sulfur guaranteed maximum (2.5% max allowed) \_\_\_\_\_ % max  
 6. Sulfur guaranteed average percent (2.2% avg. max allowed) \_\_\_\_\_ % avg.  
 7. Acid soluble Na & K%, 0.05 max. \_\_\_\_\_ % max.

*The coal shall have an acid soluble Sodium (Na) and Potassium (K) of less than 0.05% (500 PPM) on a dry basis.*

8. Heating value BTU per lb. (12,500 min.) HHV \_\_\_\_\_ BTU avg.  
 9. Size "6 x 0" max. (top size can vary between 1 inch to 6 inches, but top size must be specified for product bid.) Size \_\_\_\_\_

10. Hardgrove Grindability index, 45 min. \_\_\_\_\_ min.  
 11. Fines: 30% max by weight \_\_\_\_\_ % max.  
*FINES: This term shall mean coal that will pass through 1/4" round screen.*

12. Typical Ultimate Analysis (Percent by weight as received). Bidder Offers:

Carbon	68.3	_____ %
Hydrogen	5.2	_____ %
Nitrogen	1.7	_____ %
Sulfur	2.0	_____ %
Ash	10.5	_____ %
Oxygen	6.8	_____ %
Moisture	5.5	_____ %
Total	100.0%	Total _____ %

*Fusion Temperature of Ash.*

13. Reducing Atmosphere Softening (H – W) 2,450 degrees F min. \_\_\_\_\_ degrees F

14. Guaranteed maximum Chlorine content by weight (1200 ppm max allowed) \_\_\_\_\_ ppm max.

15. Guaranteed Average Chlorine content by weight \_\_\_\_\_ ppm avg.

16. Coal Price in Dollars Per Ton FOB Mine \$ \_\_\_\_\_  
*Shipping charges are negotiated separately*

\*\*\*Any bid received showing a false analysis will be subject to rejection and the bidder being removed from all applicable mailing lists.

Appendix B  
Sample Premium / Penalty Calculations

	<b>Description</b>
A	Actual monthly average – as-shipped BTU
B	Contractor Guaranteed - as-shipped BTU
C	BTU percent difference
D	Price F.O.B. Mine [\$/ton]
E	Total contractor tons received during calendar month
F	TOTAL Premium/ Penalty adjustment

No premium or penalty paid for as-shipped BTU values that are less than +/- 2% of the Contractor guaranteed as-shipped BTU value.

$$(C) = (\text{abs}[A-B] / B) \times 100$$

$$(F) = (C) \times (D) \times (E)$$

[\$/ton]      [tons]

Example: The example illustrates a premium, a penalty and neither a penalty nor premium for a guarantee of 12,900 Btu/lb, \$60.00/ton FOB and 1,000 ton received per month.

<u>Month</u>	(A) <u>Actual monthly Average</u>	(B) <u>Guarantee Btu/lb</u>	<u>Guarantee Minus 2% Btu/lb</u>	<u>Guarantee Plus 2% Btu/lb</u>	(D) <u>FOB Mine</u>	(F) <u>Total tons received during calendar month</u>
Month 1	13,070	12,900	12,642	13,158	\$60.00	1,000
Month 2	13,250	12,900	12,642	13,158	\$60.00	1,000
Month 3	12,500	12,900	12,642	13,158	\$60.00	1,000

**Month 1: No Premium or Penalty**

(within +/- 2 % of Guaranteed BTU)

**Month 2: Premium – UNC owes vendor**

*13,250 Btu/lb, greater than Guarantee plus 2% of 13,158 Btu/lbm*

$$\text{Premium} = (\text{abs}[13250-12900]/12900) \times \$60.00/\text{ton} \times 1,000 \text{ tons} = \$1,627.91$$

**Month 3: Penalty – Vendor owes UNC**

*12,500 Btu/lb, less than Guarantee minus 2% 12,642 Btu/lb*

$$\text{Penalty} = (\text{abs}[12500-12900]/12900) \times \$60.00/\text{ton} \times 1,000 \text{ tons} = \$1,860.47$$