



**ACKNOWLEDGMENT OF RECEIPT FORM**

In acknowledgment of receipt of the Request for Proposal (RFP), by its signature and return of this form, the Offeror hereby agrees to be bound by the terms of the confidentiality provisions contained in Exhibit B of the RFP.

This acknowledgment of receipt should be signed and returned to TVA no later than **Monday, September 15, 2008, 4:00 p.m. Eastern Time, via fax or e-mail**. Only potential Offerors who elect to execute and return this form will receive copies of all future communications relating to the RFP and access to the required USER ID and PASSWORD for all additional information related to this RFP and any updates thereto posted on <http://www.tva.com/surplus/realestate.htm>.

FIRM: \_\_\_\_\_ REPRESENTED BY: \_\_\_\_\_

TITLE: \_\_\_\_\_ PHONE NO.: \_\_\_\_\_

E-MAIL: \_\_\_\_\_ FAX NO.: \_\_\_\_\_

ADDRESS: \_\_\_\_\_ CITY, STATE, ZIP CODE: \_\_\_\_\_

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

This name and address will be used for all correspondence related to document this RFP.

Firm **does/does not (circle one)** intend to respond to Request for Proposal #090808 for the Water Treatment Plant.

If firm **does not** intend to reply, please give a brief reason for not responding.

\_\_\_\_\_

Complete and return this acknowledgment of receipt form by Monday, September 15, 2008, 4:00 p.m., Eastern Time, via fax or e-mail to:

**TVA**  
**Attn: William C. Threlkeld**  
**RFP #090808 Water Treatment Plant**  
**Fax: 865-632-3691**  
**E-Mail: [wcthrel5@tva.gov](mailto:wcthrel5@tva.gov)**

Upon receipt of this completed and signed **ACKNOWLEDGMENT OF RECEIPT FORM** by the potential Offeror who indicates the intent to respond to the RFP, TVA will immediately issue a USER ID and PASSWORD necessary for access to additional RFP-related information to the Offeror's representative executing the above. The USER ID and PASSWORD will be transmitted to the e-mail address provided above by the potential Offeror.



**Request  
For  
Proposal**

***Water Treatment Plant  
Muscle Shoals, AL***  
*RFP #090808*

**September 8, 2008**



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## **Request For Proposal**

### ***Water Treatment Plant***

The Tennessee Valley Authority (TVA) is an agency and instrumentality of the United States of America, organized and existing pursuant to the Tennessee Valley Authority Act of 1933, as amended, 16 U.S.C. §§ 831-831ee (2006).

TVA hereby invites proposals for the operation of the Water Treatment Plant (Plant) located on the TVA Muscle Shoals Reservation (TVA Reservation) in Muscle Shoals, Alabama. TVA is seeking qualified utility companies interested in either of the following two acquisition and operation alternatives:

Alternative 1: Convey a 30-year term easement (the Term Easement) and the assumption of all associated operations, maintenance, and improvements and any associated revenue from the Plant. See Exhibit C for the Term Easement objectives and Exhibit D for the draft Term Easement; or

Alternative 2: Execute a 15-year revocable license agreement (the License Agreement) for the operations, maintenance, and improvements associated with the Plant; see Exhibit E for the objectives and the principal business terms of the License Agreement.

Before closing the contemplated transaction, interested parties must be registered or be eligible for licensure as a utility company licensed through the State of Alabama.

TVA also intends to enter separately into an agreement with the successful Offeror for the purchase of treated water on the TVA Reservation.

## **I. Background Information**

### **A. Introduction**

TVA currently operates the Plant on the TVA Reservation. The treated water provided by the Plant is utilized by TVA and two other non-TVA entities located on the TVA Reservation. The facilities and systems have been operated by TVA since 1941. Facilities include raw water intake, pumping and storage, water treatment, and treated water storage, transmission and distribution facilities. For a more comprehensive description of the Plant and its operation, refer to the attached Offering Memorandum developed by Barge Waggoner Sumner Cannon, Inc. dated July 2008 (Exhibit A). Additional information related to Exhibit A and this RFP may be found in electronic format via TVA's website at <http://www.tva.com/surplus/realestate.htm> utilizing the USER ID and PASSWORD to be provided to each Offeror who responds to this RFP.

### **B. Selection Process**

The selection will be based on an evaluation of each Offeror's proposal using a structured point scoring system. The RFP scoring evaluation will consider price, relevant experience, technical resources, financial resources, record of compliance, and completeness and responsiveness of the RFP submittal.

Additionally, due to current ongoing efforts by TVA to work with a local redevelopment entity towards the redevelopment of portions of the TVA Reservation to create economic development opportunities

for the region, an element of flexibility in either alternative will be considered in the awards process. It is advisable for each Offeror to contemplate and state a willingness to work with this local redevelopment entity as that entity considers long-term plans for the benefit of the region.

TVA reserves the right to investigate any information and claims included in each proposal submitted pursuant to this RFP or any related matter that TVA deems necessary. TVA shall not be liable to any Offeror for costs associated with responding to this RFP, participation in any oral presentation(s) or interview(s), or any costs associated with any subsequent contract negotiations.

## **II. Submittal Process**

### **A. RFP Submission**

A copy of this RFP will be distributed to prospective Offerors. This RFP will also be available on the TVA's website, <http://www.tva.com/surplus/realestate.htm>. Offerors will prepare responses in compliance with all the instructions outlined in this RFP.

Until the final award is made, TVA reserves the right to reject any or all responses to this RFP and to waive any informalities and minor irregularities, technicalities, or omissions therein, or negotiate separately with any Offeror in the event TVA considers such action to be in the best interest of TVA. By submitting a proposal, each Offeror agrees with TVA's method of conducting competition, TVA's evaluation criteria, and payment by electronic funds transfer.

TVA reserves the right to select the proposal which is considered to be in the overall best interest of TVA. This RFP, however, does not commit TVA to award a contract or to pay any costs incurred in the development and submission of any proposal by any Offeror. Final selection and award shall be subject to TVA executive management approvals.

### **B. TVA's Management Representative**

TVA's *Management Representative* for this RFP is:

**TVA**  
**William C. Threlkeld**  
**400 W. Summit Hill Drive, WT3B**  
**Knoxville, TN 37902**  
**Fax: 865-632-3691**  
**E-Mail: [wcthrel5@tva.gov](mailto:wcthrel5@tva.gov)**

Only TVA's Management Representative is authorized by TVA to provide an explanation or interpretation of this RFP. Offerors shall not contact the technical organizations or TVA staff either on-site or in a corporate office with regard to this solicitation. Any violation of this direction will provide a basis for disqualification in TVA's sole discretion. Any discussion or questions concerning this RFP shall be directed solely to the Management Representative and must be submitted in written form either by facsimile or e-mail. Any information given to a prospective Offeror concerning this RFP will be furnished promptly to all other prospective Offerors if that information is deemed necessary by TVA in submitting offers or if the lack of it would be prejudicial to any other prospective Offerors.

Failure by any Offeror to adhere to this prohibition may, in the sole discretion of TVA, result in disqualification and rejection of any proposal.

### **C. Pre-Proposal Conference**

All prospective Offerors are required to attend the **mandatory pre-proposal meeting**, which will be held at the **Chemical Engineering Building, Conference Room 104** located on the TVA Reservation on **September 23, 2008** at 10:00 a.m. local time, to ensure a thorough understanding of the scope of work. The meeting will provide Offerors with a discussion of the RFP and TVA will have representatives available for a question-and-answer session. A tour of the Plant will follow the meeting. **Only those Offerors represented at the pre-proposal meeting will be allowed to submit a proposal.**

Each Offeror should notify TVA's Management Representative designated above by e-mail or fax not later than 4:00 p.m. Eastern Time on September 19, 2008, if such Offeror will be attending the pre-proposal conference; the number of representatives from the Offeror who will be in attendance; and whether the Offeror's representatives intend to tour the Plant.

### **D. Questions and Information**

After the pre-proposal meeting, all questions regarding the attached RFP must be provided in written form, either via fax or e-mail (e-mail is preferred). Questions must be received by 4:00 p.m. Eastern Time on **September 26, 2008**, and should be addressed to TVA's Management Representative. Responses to questions will be provided within five (5) business days and will be accessible only on <http://www.tva.com/surplus/realestate.htm> by using the assigned USER ID and PASSWORD. Any information given to an Offeror concerning this RFP will be furnished promptly to all other Offerors if that information is necessary in submitting offers or if the lack of it would be prejudicial to any other prospective Offerors.

Each Offeror shall have no claim against TVA for failure to obtain information made available by TVA which the Offeror could have remedied through the exercise of its due diligence.

### **E. Due Date and Deadline**

An original and four (4) copies (marked as such) of your company's proposal is due before 5:00 p.m. Eastern Time, **October 31, 2008** (Deadline), to TVA's Management Representative listed above.

***Your company name and address must be on the outside of the envelope or container. The proposal package must also be marked as follows:***

#### **PROPRIETARY INFORMATION - PROPOSAL IN RESPONSE TO TVA RFP #090808**

The proposal must be signed by an official authorized to bind the Offeror. The individual who is authorized to conduct negotiations on behalf of the Offeror must also be identified in the proposal. Proposals shall be delivered in sealed envelopes or boxes and must be addressed to and received by TVA's Management Representative.

Each Offeror is fully and solely responsible for timely delivery of its proposal to TVA. Any submittal received by TVA after the above-stated Deadline may be returned unopened, at TVA's sole option.

No objections with regard to the application, meaning, or interpretation of these specifications will be considered after the Deadline.

### **F. Proposal Modification**

A proposal may be modified, withdrawn, and/or re-submitted in writing prior to the Deadline. After the Deadline, no withdrawals or resubmissions may be made for any reason.



**G. Response Costs**

All costs incurred in preparing the response to this RFP shall be solely the responsibility of the Offeror. All materials and documents submitted by Offerors in response to this RFP become the property of TVA and shall not be returned to the Offerors.

**H. Schedule**

It is TVA's intent to adhere to the following schedule. However, TVA reserves the right in its sole discretion to modify this schedule if and as required or appropriate:

Monday, September 15, 2008	Acknowledgement of Receipt form due to TVA
Friday, September 19, 2008	Offerors must notify TVA if attending mandatory pre-proposal meeting and Plant tour
Tuesday, September 23, 2008	Mandatory pre-proposal meeting and tour of Plant
Friday, September 26, 2008	Questions due from Offerors by 4:00 p.m. Eastern Time (ET)
Friday, October 3, 2008	Questions/ answers posted on TVA website by 4:00 p.m. ET
Friday, October 31, 2008	Deadline-Proposals due to TVA by 5:00 p.m. ET
Week of November 3rd, 2008	Possible interviews with selected Offerors
Wednesday, November 12, 2008	Anticipated selection date
Week of January 12, 2009	Anticipated closing

**I. Format and Content**

Offerors shall include in their proposal the information and documentation requested in this RFP in the format described. Failure of an Offeror to adhere to requirements may, in the sole discretion of TVA, result in the rejection of such Offeror's submittal in response to this RFP. Unsigned responses will be considered non-conforming. Responses containing terms and conditions other than those contained herein may be considered non-conforming in TVA's sole discretion.

**J. Equal Employment Opportunity**

No Offeror shall in any way, directly or indirectly, discriminate against any person because of age, race, color, handicap, sex, national origin, or religious creed. All subcontractors of each Offeror will be required to comply with the same laws, procedures, policies, and regulations as the Offeror.

**K. Laws and Regulations**

This RFP is governed by and is to be construed under Federal law; provided, however, that to the extent that a rule of legal decision is not provided by Federal law with regards to any provision of or issue arising under this RFP, then the laws of the State of Alabama shall govern any such provision of or issue arising under this RFP without regard to such State's conflict-of-laws principles or provisions thereof regarding resolution of conflicts of law. Depending on the conveyance alternative agreed upon, the successful Offeror may be required to obtain any necessary permits for the continued operation of the Water Treatment Plant and associated intakes, to include but not being limited to any ADEM permits, Section 26a permits required by TVA, and permits required by the U.S. Army Corps of Engineers.

**L. Confidentiality**

Refer to Exhibit B, "Confidentiality and Non-Disclosure," for terms and conditions applicable to TVA and each Offeror as to certain specific confidentiality requirements and obligations pursuant to this RFP.

### **M. Standard TVA Clauses**

The following conditions and certifications published in Title 18, Code of Federal Regulations, Part 1316 (Federal Register, April 29, 1993, with any subsequent revisions) are hereby incorporated by reference to the extent applicable:

- a. Officials Not to Benefit; and
- b. Affirmative Action and Equal Opportunity.

## **III. Submittal Requirements**

### **A. General Format for the RFP Response**

To facilitate comparison and evaluation, all Offerors must follow the format outlined in this Section III for the proposal submission. Failure of an Offeror to follow the required format may, in the sole discretion of TVA, result in the rejection of the submittal. The proposal shall contain concise written material and illustrations that enable a clear understanding and evaluation of the capabilities of the Offeror. Legibility, clarity, and completeness are essential. An 8-1/2" x 11" format is required for typed submissions and an 11" x 17" format may be used for illustrations. A minimum 14-point line spacing and 12-point type size is required. All proposals shall utilize two-sided copying and be bound in a three-ring binder with numbered tab dividers corresponding to the requirements contained in the balance of this Section III.

It is the Offeror's responsibility to ensure that all information in the RFP is easily readable and understandable by TVA. TVA, in its sole discretion, may reject any proposal that is unclear in any way.

### **B. Organization of Materials**

The proposal must be organized in the following manner:

Submittal Form (**Attachment 1** must be used to respond)

Cover Letter

Table of Contents

1. Executive Summary
2. Supporting Detail for Submittal Form Pricing Structure, if needed.
3. Offeror Information and Legal Structure
4. Firm Qualifications and Experience
5. Technical Resources
6. Financial Capability
7. Record of Compliance

### **C. Contents of the RFP**

**Submittal Form.** This form is required and is included in this RFP packet immediately following the Exhibits attached to this RFP. It must be completed, signed and incorporated into the submitted proposal. Failure to do so shall provide grounds for disqualification.

**Cover Letter.** The cover letter shall be utilized to introduce the Offeror. Cover letters should contain the following information:

- o Designation of the business entity;
- o Identification of the roles of all Offeror team members; and



- Identification of the principal contact person for the Offeror and an alternate contact together with addresses, telephone and facsimile numbers, and e-mail addresses.

**Table of Contents.** The proposal should contain a detailed table of contents listing major sections and subsections that correspond to the requirements of the RFP. The table of contents should also list all tables, exhibits, figures, etc. contained in the proposal.

**1. Executive Summary.** The Executive Summary should be written in a nontechnical style and present general information sufficient to familiarize evaluators with the highlights of the Offeror's submittal.

The following minimum background information concerning the Offeror must be included in the Executive Summary:

- Name of Offeror;
- Description of the legal structure and composition of the Offeror;
- Central office or headquarters location of the Offeror;
- Size of the Offeror's organization and financial resources; and
- Offeror's unique capabilities and experience that it believes will benefit TVA.

**2. Supporting Detail for Submittal Form Pricing Structure (if needed).**

Any additional information which the Offeror deems as important to the proposal. Information here is supplemental and will not replace the requirement for the blanks to be filled in on Attachment 1, Submittal Form.

**3. Offeror Information and Legal Structure.**

- Provide the name, address, telephone number and facsimile number, and website address of the Offeror;
- Indicate whether Offeror is registered or is eligible for licensure as a utility company licensed through the State of Alabama;
- Indicate the names and respective positions of individuals who are authorized to represent the Offeror for the purposes of this RFP;
- Specify in detail the legal status of the Offeror and the relationship among any team members including partners, consortium members, subcontractors, parent companies, or others;
- Provide and summarize the relationship between Offeror and its team members;
- Indicate the date the Offeror was incorporated or created, the state or other jurisdiction of incorporation or creation, and all names under which the Offeror is conducting business in each jurisdiction;
- Provide an ownership chart displaying the ownership structure of the Offeror. The chart should show the names of individuals who have direct or indirect ownership interests in the Offeror. If the Offeror is publicly owned, it is only necessary to indicate the individuals or other persons who beneficially own or control at least five percent of the shares of stock. In the case of a private company, all shareholders and their shareholdings are to be identified;
- Provide the full name and business address of each director and officer of the Offeror and for each individual shown on the ownership chart;
- Provide a one-page relevant business history of the Offeror;
- Provide brochures of the Offeror; and

- Provide a signed letter from authorized representatives of members of the Offeror team attesting to their commitment to the team and identifying their role in the project.

**4. Qualifications/Experience.** The following information must be provided regarding the Offeror's experience, qualifications and capabilities.

- Describe the relevant capabilities of the Offeror as they relate to the specific services anticipated by this RFP;
- Identify contracts providing **similar services** specifically including water distribution experience that the Offeror has been or currently is involved in, and describe the nature of the service; and
- Describe any additional relevant characteristics that you believe distinguishes the Offeror.

**5. Technical Resources.** Provide a brief description of relevant Offeror personnel (operators, maintenance staff, process control experts, engineers, consultants, subsidiaries) and all environmental and design engineers, water and wastewater treatment specialists, and other key staff.

**6. Financial Capability.** Provide, as applicable, the following information in support of the Offeror's financial capability:

- Most recently filed SEC Form 10-K and Form 10-Q (if the Offeror is a SEC-registered company);
- Most recent annual audited financial statements. If such financial statements are not available, the Offeror must provide current financial statements to demonstrate the financial condition and capitalization of the Offeror. These statements and documents shall be provided in an appendix to the submittal. Failure to provide such information is cause for rejection of the proposal in the sole discretion of TVA;
- Bank references - up to three
  - bank name
  - contact
  - address and phone number (voice and facsimile);
- If the Offeror has been formed to respond to this RFP, provide documentation of the organization of the Offeror (e.g., charter, certificate of incorporation, bylaws, etc.) and the financial resources held by or committed to the Offeror;
- List, by date and court, any corporate bankruptcy filings by Offeror, any team member, and/or its officers since January 2001. Also list any litigation lawsuits, since January 2001 and/or currently on-going, in which the Offeror or any other team members are involved relating to design, construction, and/or contract operations of any public facilities. Disclose all suits over \$10,000;
- Provide any and all other information which the Offeror believes is appropriate to fully reflect the financial strength of the entity; and
- The Offeror shall arrange for its most recent credit rating report to be provided directly to TVA at the Offeror's cost. TVA must receive the report no later than five (5) working days after the Deadline. Failure to do so may result in disqualification of proposal.

## 7. Record of Compliance

- *Safety Record* - Specify all OSHA (and state counterparts) safety citations for all water treatment facilities and systems owned or operated, current or past (within past 10 years), by the Offeror; include reported information on accidents, injuries, lost time-on-job and workers' compensation claims.
- *Water Quality and Environmental Violations* - Specify all environmental violations which have been cited or noticed at all facilities owned or operated, current and past, by Offeror.
- *Regulatory and Contractual Failures to Perform* - For all previous and current operations and maintenance contracts, the Offeror must summarize any reported failures to perform in compliance with regulatory permits, as well as any failures to meet contractual specifications regarding operating performance, financial obligations, default, or any other standards.

## IV. Review and Evaluation

### A. Selection Criteria

All proposals will be reviewed by an evaluation committee comprised of TVA staff and/or consultants (the latter, in TVA's sole discretion). TVA will consider all proposals using a structured point scoring system. The evaluation will consider relevant experience, technical resources, financial resources, record of compliance, and completeness and responsiveness of the submittal.

**Price.** This criterion includes the price that the Offeror is willing to pay for the Term Easement or License Agreement.

**Corporate Experience.** This criterion includes the quality and quantity of previous work completed by the Offeror's team and may be verified by TVA.

**Technical Resources.** What technical resources are available to support execution of the operations and maintenance services required by TVA? Does the Offeror have adequate operations and maintenance specialists, process engineers, supporting finance and human resources personnel?

**Financial Strength.** This criterion will consider the financial capability and resources of the Offeror. Has the Offeror or any of the key team member firms and/or management personnel declared bankruptcy? Are there any past projects in which the proposed team has failed to meet its financial obligations? What is the nature of pending and past litigation against the Offeror or other team members?

**Record of Compliance.** What is the Offeror's record of compliance with regard to safety, water quality and environmental standards? In addition, has the Offeror ever been found in violation of contractual requirements or related performance standards?

**Completeness and Responsiveness of Proposal.** This criterion considers the responsiveness and completeness of the Offeror's submittal. This criterion will consider whether all requested information was furnished by the Offeror in the format required by this RFP.

Additionally, due to current ongoing efforts by TVA to work with a local redevelopment entity towards the redevelopment of portions of the TVA Reservation to create economic development opportunities for the region, an element of flexibility in either alternative will be considered in the awards process. It



is advisable for the Offeror to contemplate and state a willingness to work with this local redevelopment entity as such entity considers long-term plans for the benefit of the region.

A selection committee comprised of TVA staff and/or consultants (the latter, in TVA’s sole discretion) will evaluate the proposals. Specific criteria and potential point values comprise:

<b>Criteria</b>	<b>Points</b>
Price	30
Corporate Experience	20
Technical Resources	20
Financial Strength	10
Record of Compliance	10
Completeness	10
<b>Total Points</b>	<b>100</b>

The balance of this Section IV further discusses the procedures and processes that TVA shall use for evaluating the proposals submitted in response to this RFP.

**B. Initial Review of Proposals**

The proposals will be initially reviewed for completeness and compliance with the terms and conditions of this RFP. At a minimum, TVA will verify that all required information has been provided by the Offeror in sufficient detail. If, in the opinion of TVA, a proposal is significantly incomplete or not in compliance with the RFP, TVA, in its sole discretion, may reject the submittal. Each Offeror responding to this RFP shall have no recourse to TVA for judgments made by TVA in evaluating the completeness of its proposal and compliance with the RFP.

If, in the opinion of TVA, a clarification of a particular proposal is needed at any time, TVA may (but is not required to) request such clarification from the affected Offeror and TVA may continue to consider the submittal if, in the sole judgment of TVA, appropriate information is supplied by the Offeror. If after receipt of clarification, TVA believes the submittal to be incomplete or still unclear, TVA shall have the right to reject the submittal. Those proposals which are judged to be complete and prepared in accordance with the format set forth in this RFP will be reviewed further as discussed in the following paragraphs.

**C. Review of Qualifications and Capabilities**

TVA will review the qualifications and capabilities of Offerors, including management capacity, capabilities to fulfill obligations, and performance on prior projects through the information provided in the submittal. TVA’s review will focus on several factors including, but not limited to:

- The ability of the Offeror to provide personnel and resources for the required services;
- The experience of the Offeror in providing similar services (For purposes of this RFP and related evaluation, **similar services** are defined as: operation and maintenance of water distribution systems with booster pumping and treated water storage);
- The financial strength of the business entity which will be the potential contracting party;
- History of compliance with contractual requirements, performance standards, and applicable law;
- If, in the opinion of TVA, the Offeror’s documentation (1) fails to demonstrate that the Offeror is experienced or otherwise capable of providing the required services, or (2) indicates that

the Offeror's previous experience is unsatisfactory and thus inconsistent with the requirements of the RFP, TVA may, at its sole discretion, reject the submittal.

#### **D. Rejection of Proposals**

TVA reserves the right to reject any or all proposals, reject portions of any proposal, and waive any informalities, technicalities, or omissions therein and to accept the response deemed most advantageous to TVA.

#### **E. Additional Requirements**

If necessary, selected Offerors may be asked to make oral presentations to TVA. The Offeror selected for contract award may be required to submit a copy of their response on disc in .pdf format.

### **V. Award**

#### **A. Term Easement or License Agreement**

TVA intends to enter into final negotiations with one Offeror providing the most favorable proposal to TVA for either a Term Easement or a License Agreement. Further information regarding each alternative is provided as follows:

Alternative 1: Convey a 30-year term easement (the Term Easement) and the assumption of all associated operations, maintenance, and improvements and any associated revenue from the Plant. See Exhibit C for the Term Easement objectives and Exhibit D for the draft Term Easement; or

Alternative 2: Execute a 15-year revocable license agreement (the License Agreement) for the operations, maintenance, and improvements associated with the Plant; see Exhibit E for the objectives and the principal business terms of the License Agreement.

Before closing the contemplated transaction, interested parties must be registered or be eligible for licensure as a utility company licensed through the State of Alabama.

For certain insurance and indemnity requirements applicable to either the Term Easement or the License Agreement, see Exhibit F.

#### **B. Water Service Agreement**

TVA intends to enter separately into a water service agreement with the successful Offeror for the purchase of treated water on the TVA Reservation.

#### **C. Taxes**

TVA is exempt from local, state, and federal taxes; provided, however, should fees, taxes or other assessments be levied to the Offeror by an outside taxing authority in the future, the Offeror shall have the sole responsibility for their payment.

#### **D. TVA Rights to Reject, Negotiate or Award**

TVA reserves the right to reject any or all proposals received as a result of the RFP, waive informalities and minor irregularities, or negotiate separately with any Offeror in the event TVA considers such action to be in the best interest of TVA. By submitting a proposal in response to this RFP, the Offeror hereby acknowledges and agrees with TVA's method of conducting competition, TVA's evaluation criteria, and payment or receipt of funds by electronic funds transfer.

TVA reserves the right to enter into final negotiations with selected Offeror(s) for award. TVA's designated Management Representative, or appointee, will conduct oral or written negotiations on



behalf of TVA with all Offerors that are selected for negotiations based on their proposals in TVA's sole discretion.

However, TVA may elect in its sole discretion not to award any contract or agreement in connection with this RFP, and TVA shall not be liable for costs incurred in the development or submission of any proposal.

**E. Final Award; Anticipated Commencement Date**

The acceptance of a proposal and the award to the successful Offeror shall occur when a contract between the parties is fully executed by both parties. TVA anticipates that such award shall occur by Wednesday, November 12, 2008, with closing anticipated during the week of January 12, 2009. However, TVA reserves the right in its sole discretion to modify this schedule as required, and there is and can be no assurance that such date will be the actual award or closing date.

### END OF DOCUMENT ###



**EXHIBIT A**

**BWSC Offering Memorandum - see separate .pdf document**

## **EXHIBIT B**

### **Confidentiality and Non-Disclosure**

By submitting its proposal in response to this RFP, the Offeror hereby covenants and agrees to be fully bound by the following terms and conditions with respect to which TVA and the Offeror shall provide information considered by each party when disclosing such information to the other party to be proprietary and/or confidential (the "Information"):

A. Identification of Information. The Offeror and TVA (each being referred to as "Receiver" when it receives Information from the other) are willing to keep the Information disclosed to it by the other party ("Discloser") confidential in accordance with the terms and conditions of this Exhibit B. The parties agree that any Information disclosed by one party hereto to the other will be subject to the terms of this Exhibit B only if such Information is identified as follows:

1. If the Information is in written or other tangible form, it will be clearly marked or labeled as "Proprietary" and/or "Confidential."
2. If the Information is disclosed orally, the Discloser will specifically state, before or during such disclosure, what portion thereof is deemed by the Discloser to be proprietary and/or confidential, and Discloser shall promptly provide to Receiver a written summary of the Information disclosed.

B. Nondisclosure to Third Parties. Receiver shall treat all Information received as proprietary and confidential information of the Discloser, will not disclose the same to any others (with the exception of any agent, parent organization, representatives, consultants, technical advisors or subcontractors of and to the Receiver whose compliance with the obligations of this agreement shall be the responsibility of Receiver, without the written consent of Discloser, except as required by law, and will safeguard such Information as it would its own confidential information. In the event Receiver receives a request or claim for disclosure of Information as required by law, Receiver shall first notify Discloser with reasonable promptness so that Discloser may, with the cooperation of Receiver, pursue an agreement of confidence with the requester, work with the requester to revise the information in a manner consistent with its interests and the interests of the requester, or take any other action it deems appropriate.

C. News Releases. The Offeror shall not make any announcement, take any photographs, post related information on any website, or release any information concerning this RFP and any resulting lease or contract, its prospective or any prior relationship with TVA, or any related project to any member of the public, press, business entity, or any official body unless (1) such release is required in compliance with any applicable Federal, State, or local laws, ordinances, statutes, rules, and regulations in effect at the time or (2) the prior written consent of TVA has been first obtained.

D. Ownership and Use of Information. All written Information delivered by one party to the other party pursuant to this Exhibit B and the other provisions and requirements of the RFP will be and remain the property of the Discloser, and such written Information, and any copies thereof, will be promptly returned to the Discloser upon written request or destroyed at the Discloser's option. Receiver will not use the Information for any purpose except to evaluate the RFP and the Offeror's bid submitted thereunder.



E. Term. The obligations of the parties under this Exhibit B will continue and survive the completion of the RFP process and will remain binding for a period of three (3) years from the date of the Offeror's submission of its RFP proposal to TVA.

F. Access To and Control of Information. The Receiver will restrict access to Information to those individuals who need to have such access in order to evaluate and complete all required actions necessary to evaluate and respond to the RFP and Offeror's proposal generated thereunder. The identity of all such individuals will be maintained by the Receiver and furnished to the Discloser upon request. Prior to such access, each such individual will be advised of the confidential nature of the Information and will agree to be bound by the terms and conditions pursuant to Section B above.

G. Exceptions. The obligations contained herein will not apply to:

1. Information which is now in or hereinafter enters the public domain without a breach of the provisions of this Exhibit B or other provisions and requirements of the RFP.
2. Information known to the Receiver prior to the time of disclosure by the Discloser or independently developed by employees of the Receiver without access to the Information.
3. Information disclosed in good faith to the Receiver by a third person legally entitled to disclose the same.

H. Miscellaneous. The obligations of the parties will be binding upon and inure to the benefit of each of their respective heirs, successors and assigns.

I. Remedies and Monetary Limitation. The parties acknowledge and agree that divulgence or unauthorized use of Information could damage the Discloser and that the Discloser, therefore, has an interest in protecting the Information by all legal means, and further that breach of the promises set forth above could cause irreparable damage to the Discloser possessing proprietary rights in information wrongfully disclosed, and still further that in the event of such breach, Discloser shall have the right to an injunction, specific performance, or other equitable relief to prevent the violation of the promises mentioned above. Under 18 U.S.C. § 1905, officers and employees of TVA are subject to criminal liability in the event Information is disclosed unless such disclosure is authorized by law. Accordingly, the Offeror agrees that, in addition to the equitable relief identified above, the Offeror shall only be entitled to recover from TVA, its officers, agents and employees any and all gains wrongfully acquired, directly or indirectly, from unauthorized disclosure of any Information covered under these non-disclosure requirements.

J. Federal Law. TVA is an agency and instrumentality of the United States of America and Federal law shall govern the validity, interpretation, and enforceability of this Exhibit B and its terms and conditions. To the extent there is no body of Federal law for guidance, the laws of the State of Alabama, but not its choice of law provisions, shall govern. Any action against TVA under or on account of these non-disclosure requirements shall be brought only in the United States District Court for the Eastern District of Tennessee, and the parties hereby irrevocably waive any right to trial by jury in any such action.

## EXHIBIT C

### Term Easement Objectives

As *Alternative One* in connection with this RFP, TVA contemplates terminating its operation of the Plant and turning over all operations to the successful Offeror, subject to TVA executive management approvals, via a term easement (the Term Easement) detailed in this Exhibit C. Additionally, TVA has attached as Exhibit D to the RFP the draft of Term Easement, which includes certain provisions that are likely to be required in the executed version of the Term Easement; additional terms, conditions, and covenants will be added to reflect final contractual terms and conditions negotiated by TVA and the successful Offeror, as well as conditions required by the final environmental review and other TVA program considerations.

#### **A. Management Objectives**

The conveyance of a 30-year Term Easement and the assumption of all operations, maintenance, and improvements appurtenant to or associated with the Plant to the successful Offeror.

The successful Offeror will be required to assume full responsibility for the safe and efficient operation, maintenance and management of the Plant and its systems in compliance with all applicable federal and state laws, local codes, ordinances, licenses, regulations and policies including the assumption of any and all remaining rights and obligations associated with the existing water contracts for Occidental Chemical Corporation (“OxyChem”) and International Fertilizer Development Corporation (“IFDC”). Accordingly, the successful Offeror will be expected to assume all responsibilities, liabilities and risks associated with operating and maintaining the facilities and systems to ensure reliability of operations. The successful Offeror will be expected to provide all required labor, materials, supplies, utilities, chemicals, fuels, services, administration, reporting, monitoring, and other necessary or appropriate items or services for the operation, maintenance and management of the Plant.

**B. Operations Objectives.** Provide high quality uninterrupted, economical operation of the water facilities and systems. Treat and distribute potable water in a manner meeting all applicable State and Federal laws, regulations and rules including compliance with all current treatment, monitoring and reporting requirements of the Safe Drinking Water Act. Product water quality shall be equal to or better than current quality. Maintain flows and treated water storage to meet emergency situations including firefighting. Install new water service lines, meters and housings, and backflow prevention devices as required by code and standards. The assumption of operations includes service to TVA occupied buildings as well as two (2) existing, assignable revenue contracts for services related to the Water Treatment Plant: (1) a contract with OxyChem, and (2) a contract with IFDC. (Contracts for the same shall be available for review at <http://www.tva.com/surplus/realestate.htm> with the USER ID and PASSWORD assigned to each Offeror after its return to TVA of the completed acknowledgement of receipt form.)

Services are expected to encompass the following operations, maintenance and management responsibilities:

- Water production, treatment, including residuals processing and disposal, and distribution;
- Provision of water to fire hydrants on the TVA Reservation;
- Provision of raw or treated water to TVA’s Power Service Shops location on the TVA Reservation;
- Provision of treated water to TVA buildings as required on the TVA Reservation under a separate service agreement to be executed by the successful Offeror and TVA;
- Water service line and meter installation;
- Warehousing of related spare parts and materials; and



- Responsibility and control for overall system management and administration, capital planning and construction, policy development, and regulations, long range and service area planning, and the setting of rates, fees and charges for services.

***No interruptions in the flow of water to TVA, OxyChem and IFDC shall be allowed as a result of this RFP and any subsequent transfer of rights and operations under the Term Easement.***

**C. Maintenance Objectives.** Preserve the capital investment and assure the long-term reliability and efficiency of the facilities and systems.

**D. Capital Improvements Objective.** The successful Offeror will be solely responsible for any and all capital maintenance and improvements it deems necessary for the successful operation of the Plant.

**E. Facilities and Water System**

The TVA Reservation is currently used by TVA for industrial purposes and office space for its employees and operations. The current service area population is approximately 800 TVA employees in addition to service required by OxyChem and IFDC.

EXHIBIT D

Draft Term Easement

Prepared by:

TVA TRACT NO.

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Leonard L. McCurdy, Attorney  
Tennessee Valley Authority  
1101 Market Street, SP 3L  
Chattanooga, Tennessee 37402-2801  
Telephone: (423) 751-2006

GRANT OF TERM EASEMENT  
FOR A PUBLIC POTABLE WATER TREATMENT PLANT

THIS GRANT OF TERM EASEMENT, made and entered into by and between the UNITED STATES OF AMERICA (sometimes hereinafter referred to as "GRANTOR"), acting by and through its legal agent, the TENNESSEE VALLEY AUTHORITY (sometimes hereinafter referred to as "TVA"), a corporation created by an act of Congress known as the Tennessee Valley Authority Act of 1933, as amended, and the \_\_\_\_\_ (sometimes hereinafter referred to as "GRANTEE");

W I T N E S S E T H:

WHEREAS TVA is authorized by 40 U.S.C. § 1314 to grant to an applicant, on behalf of the United States of America, such easements affecting federal property in its custody and control as TVA's Board of Directors determines will not be adverse to the interests of the GRANTOR, and

WHEREAS in considering GRANTEE's application, TVA's Board of Directors, has determined that the granting of the following described easement, subject to the conditions provided herein, will not be adverse to the interests of GRANTOR;

NOW, THEREFORE, in consideration of the foregoing premises and the other provisions of this grant of easement:

1. GRANTOR, pursuant to the provisions of 40 U.S.C. § 1314, and subject to all of the terms, conditions, reservations, restrictions, exceptions, and/or limitations contained in this grant of easement and exhibits hereto, hereby gives and grants to GRANTEE, its successors and assigns, an easement and right-of-way for a term of thirty (30) years upon subject land, on the condition that the land be used to construct, operate, maintain, and use as a public potable water treatment plant, including but not limited to the right to operate, maintain and use a raw water intake, pumping and storage,

water treatment, and treated water storage, transmission and distribution facilities together with such other appurtenances thereto, as are necessary or incidental to the operation and use thereof, in accordance with plans approved in advance and in writing by TVA, all in, on, over, across, upon, through, or under a parcel of land located in \_\_\_\_\_ County, Alabama, designated as TVA Tract No. \_\_\_\_\_ (hereinafter referred to as the "easement area") and more particularly described in Exhibit A and shown on Exhibit B, which exhibits are attached hereto and made a part hereof [consideration would be entered after final terms and conditions].

2. This entire grant is expressly made upon and subject to the following conditions which shall be binding on GRANTEE, its successors and assigns:
  - (a) The easement area shall be used solely to construct, operate, maintain, and use as a public potable water treatment plant including but not limited to the right to operate, maintain and use a raw water intake, pumping and storage, water treatment, and treated water storage, transmission and distribution facilities, and other appurtenances as may be necessary or incidental to the operation thereof and appurtenances thereto and for no other purpose or purposes, all as approved in advance and in writing by TVA.
  - (b) In the event that GRANTEE shall cease to use such easement area for the purpose for which this easement is granted for a period of two (2) consecutive years or more or shall, regardless of the time period, initiate use of the area subject to such easement for some other purpose or commit any breach of any of the foregoing conditions, in whole or in part, then GRANTOR, TVA, or their successors or assigns, may terminate the easement by written notice to GRANTEE, its successors and assigns, and take possession of the easement area as if this grant of easement had never been made. Such termination shall be effective as of the date of such notice; provided, however, that GRANTEE, its successors and assigns, shall have the right during a period of ninety (90) days immediately following the date of such notice of termination to remove any improvements placed by it on the easement area; and provided further, that GRANTEE, its successors and assigns, shall restore the easement area to TVA's satisfaction, including any regrading or reseeding TVA may deem appropriate. Title to any such improvements not removed within such 90-day period shall become the property of TVA or, at TVA's option, may be removed at GRANTEE's expense. Any failure of GRANTOR, TVA, or their successors or assigns, to exercise such power of termination shall not be construed as a waiver of any of the conditions or rights of the GRANTOR, TVA, or their successors and assigns.
  - (c) [Conditions for GRANTEE to supply fire hydrants and supply TVA with its needs; and other contractual final terms and conditions of a final environmental review and other program considerations, including but not limited to TVA reserving or excluding roads for ingress and egress for TVA and third parties will be added later.]

3. GRANTEE, by accepting this grant, covenants and agrees on behalf of itself, its successors, and assigns, that the following shall constitute real covenants which shall attach to and run with the easement hereby granted, and which shall also be binding upon anyone who may hereafter come into ownership thereof, whether by purchase, devise, descent, or succession:
  - (a) GRANTEE will control all emissions of pollutants that might be discharged directly or indirectly into the atmosphere, into any stream, lake, reservoir, watercourse, or surface or subterranean waters, or into or on the ground from any part of the easement area, in full compliance with all applicable standards and requirements relating to pollution control of any kind now in effect or hereafter established by or pursuant to federal, state, or local statutes, ordinances, codes, or regulations. GRANTEE shall indemnify, defend and hold harmless GRANTOR and TVA from any and all claims, costs, or losses that may arise as a result of GRANTEE's breach of this provision.

If there is a discharge of a hazardous substance, material, or waste, or of any pollutant or other substance, in or from the easement area by any person or entity other than GRANTOR or TVA for which a cleanup, remediation, restoration, removal, or other action (hereinafter, individually and collectively, referred to as "environmental response") is ordered or required pursuant to any federal, state, or local statute, regulation, or ordinance, (including, without limitation, discharges which spread or move in whole or in part beyond the easement area to other areas owned by GRANTOR), GRANTEE shall bear full responsibility for the cost (including, without limitation, natural resources damages and costs) of said environmental response, and shall not seek any contribution or indemnification from GRANTOR or TVA for all or any portion of said costs; provided, however, that nothing in this covenant is intended to or shall preclude GRANTEE from seeking indemnification or contribution from any other person or entity, and provided further that nothing herein shall create any rights in or be enforceable by any person or entity other than GRANTOR, TVA, or their respective successors and assigns.

- (b) GRANTEE agrees to indemnify GRANTOR and TVA against and save them harmless from all claims, damages, demands, actions, costs, and charges to which they or either of them may be subject or which they or either of them may have to pay by reason of any injury to any person or property, or loss of life or property suffered or sustained by any person whomsoever, resulting from or in any way connected with the condition or use of the easement area, including any means of ingress thereto or egress therefrom, except liability for personal injuries, property damage, or loss of life or property caused by the sole negligence of the GRANTOR or TVA.
    - (c) GRANTEE will not permit or suffer any offensive use of the easement area and will keep the easement area and all improvements thereon in a safe condition and in good order and appearance; and it will collect and dispose of all trash, garbage, and other solid wastes accumulated or left on said easement area in

accordance with applicable laws and regulations and with sufficient frequency to keep the easement area orderly and sanitary.

- (d) GRANTEE will not construct, operate, maintain, or use equipment, structures, or improvements of any nature, conduct any dredging operations, or place fill material on any portion of the easement area, nor will GRANTEE make any modifications to or alter any shoreline vegetation or floodplains within the easement area, now or in the future, except such as are constructed, operated, maintained, used, conducted, placed, or modified in accordance with plans and specifications which shall first have been approved in writing by TVA. Furthermore, GRANTEE shall actively maintain the easement area to prevent erosion, protect water quality, and preserve aquatic habitat.
- (e) GRANTEE will not construct any structure or facility for which approval is required under Section 26a of the Tennessee Valley Authority Act of 1933, as amended, until plans for such structure or facility have been submitted to TVA and have been approved in writing in accordance with established procedures. Nothing in this instrument shall be construed as constituting or evidencing such approval by TVA.
- (f) GRANTEE will conduct all land-disturbing activities on the easement area in accordance with the best management practices as defined by Section 208 of the Clean Water Act and implementing regulations to control erosion and sedimentation so as to prevent adverse impact on water quality and related aquatic interests.
- (g) GRANTEE agrees that all clearing shall be held to a minimum and natural vegetation, selected wildlife plantings, riprap, and/or filter fabric will be used to stabilize disturbed areas and prevent runoff and said disturbed areas shall be back-filled as required by approved construction plans, and resodded, reseeded or otherwise restored to TVA's satisfaction and in such a manner as to be aesthetically pleasing and compatible with the surrounding environment.
- (h) GRANTEE shall conduct all activities associated with the exercise of rights granted hereunder in such a manner as to: 1) comply with all applicable local, state, and federal laws and regulations; and 2) protect the environment. Furthermore, GRANTEE shall be responsible for obtaining all necessary licenses, permits and/or approvals required by local, state, or federal statutes and regulations prior to the commencement of any activities on the easement area.
- (i) GRANTEE shall not disturb or alter in any way the existing state of any archaeological sites, human remains, funerary objects, sacred objects, objects of cultural patrimony, or any other archaeological resources which may be discovered or identified on or under the easement area. Upon the discovery of any such items, GRANTEE shall immediately stop all activity in the area of the discovery, make a reasonable effort to protect such items, and notify TVA's

Pickwick-Wheeler Watershed Team office by telephone at 256-386-2560. GRANTEE shall also provide written notification of such discovery to TVA's Pickwick-Wheeler Watershed Team, P.O. Box 1010, Muscle Shoals, Alabama 35662-1010. GRANTEE will not resume work in the area of the discovery until approved by TVA.

- (j) GRANTEE will monitor the easement area for vector-related problems and immediately report such problems to TVA, and assume full responsibility for the control of any vector related problems that are associated with GRANTEE's operations on the easement area as determined by GRANTEE, subject to the rights of TVA to continue in the conduct of its vector control operations as necessary.
  - (k) GRANTEE shall be responsible and reimburse GRANTOR, if necessary, for any increase in taxes, charges, or any governmental assessments against the easement area.
  - (l) GRANTEE shall not interfere with, gate, or encumber TVA's reservation roads for ingress and egress.
  - (m) GRANTEE will not construct future facilities or place equipment subject to flood damage, unless located above or floodproofed to the TVA Flood Risk Profile elevation \_\_\_\_\_ feet mean sea level.
  - (n) GRANTEE agrees to abide by the terms of the Operating Agreement, which is attached as Exhibit \_\_\_\_ and made a part hereof.
  - (o) GRANTEE shall enter into good faith negotiations with GRANTOR's successors and assigns for the provision of an adequate water supply for the economic redevelopment efforts associated with TVA's Reservation.
  - (p) GRANTEE shall cooperate with and support to the extent practicable the economic redevelopment efforts associated with TVA's Reservation.
  - (q) [Additional covenants would be added depending upon final contractual terms and conditions and conditions of a final environmental review and other program considerations.]
4. Neither this easement nor any interest herein may be assigned, transferred, or conveyed by GRANTEE, in whole or in part, nor may the easement area or any portion of it be leased, nor may use or control of the easement area or any portion of it be granted by license, permit, or other agreement, unless GRANTEE has secured written permission from TVA prior to such assignment, transfer, conveyance, lease, license, permit, or agreement. Any such assignment, transfer, conveyance, lease, permit, or agreement granted or issued by GRANTEE without first obtaining the written consent of TVA shall be void and of no effect.



5. GRANTOR makes no warranties or representations to GRANTEE or any other party, either express or implied, as to the adequacy, condition, safety, reliability, merchantability, suitability, or adaptability of the property for the purposes herein granted, or any means of access to or egress from the property provided or made available by this easement grant.
6. It is expressly understood and agreed that neither GRANTEE nor TVA will be considered the agent of the other for any purpose under this grant. The United States, TVA, and their agents and employees undertake no obligation or duty (in tort, contract, strict liability, or otherwise) to GRANTEE, or any other party for any damages to property (real or personal) or personal injuries (including death) arising out of or in any way connected with the acts or omissions of GRANTEE or any other persons.
7. Nothing in this instrument shall be construed as nullifying or affecting in any way GRANTOR's right as fee owner or TVA's right as GRANTOR's agent, without limitation by reason of specification, to enter in, upon, over, and across any and all portions of the easement area for the purpose of carrying out any part of TVA's statutory programs for river control and development, including TVA's right to do anything it deems necessary or desirable in the promotion of vector control, flood control, navigation, or other programs, including a right to re-enter to inspect or monitor the easement area; and TVA shall not be liable for any loss or damage to the easement area or improvements located thereon resulting therefrom, or as a result of wave action, fluctuation of water levels, or other causes.
8. Without limiting GRANTOR's or TVA's rights referenced in Section 7 above, GRANTOR, as fee owner, expressly reserves for itself, TVA, successors and assigns, the permanent and paramount right to flood permanently, temporarily, and/or intermittently, by the erection and operation of any dam or dams across the Tennessee River or its tributaries, all portions of the easement area and any access thereto, with water from any source or sources.
9. GRANTOR reserves the right to maintain any existing boundary and traverse monuments and silt range stations upon the easement area.
10. GRANTOR, as fee owner, expressly reserves for itself, TVA, their successors and assigns, the right to enter said easement area at any time and from time to time and to erect, maintain, repair, rebuild, operate and patrol lines of transmission line structures as GRANTOR deems necessary or useful for electric power transmission purposes, with sufficient wires and cables for electric power circuit and communication circuits, and all necessary appurtenances in, on, over, and across said easement area, together with the right to clear said easement area and keep same clear of brush, trees, buildings (excluding existing buildings as of the date of the herein conveyance), signboards, billboards, and fire hazards; to destroy or otherwise dispose of such trees and brush; and to remove, destroy, or otherwise dispose of any trees, which in falling could come within ten (10) feet of any transmission line structure, conductor, or appurtenances thereto.



11. GRANTOR, as fee owner, expressly reserves for itself, TVA, their successors and assigns, the right to enter on and over the easement area to clear of vegetation, ditch, dredge, and drain said easement area and to apply larvicides, herbicides, and chemicals thereon and do any and all other things GRANTOR deems necessary or desirable for the promotion and furtherance of public health, without liability on the part of the GRANTOR, TVA, their successors or assigns, for any personal injury or property damage which may result therefrom.
12. GRANTOR, as fee owner, expressly retains for itself, TVA, their successors and assigns, the right to deposit upon the easement area such larvicides, herbicides, and chemicals as may drift or blow onto said easement area from application of dusts, sprays, aerosols, or the like, over and upon other land in the same general vicinity in the conduct of GRANTOR's public health operations, without liability on the part of GRANTOR, its successors, agents, or assigns, for any personal injury or property damage which may result therefrom.

[Additional reservations may need to be included depending upon contractual final terms and conditions and conditions of a final environmental review and other program considerations.]

This grant is made subject to outstanding such rights as may be vested in third parties [to be determined after a TVA search of title].

Any reference in this grant of easement to the terms "GRANTEE" will be deemed to include their respective successors and assigns.

TO HAVE AND TO HOLD said easement unto GRANTEE, its successors and assigns, for a term of thirty (30) years from the date hereof; subject, however to the conditions set forth herein.

And TVA does hereby covenant that the UNITED STATES OF AMERICA is seized and possessed of the easement area; that TVA as legal agent of the UNITED STATES OF AMERICA is duly authorized to convey the easement in, on, over, across, upon, through, or under the same; that said land is free and clear of liens and encumbrances; and that, subject to the conditions, reservations, restrictions, exceptions and/or limitations contained herein, it will warrant and defend the title thereto against the lawful demands of all persons claiming by, through, or under the UNITED STATES OF AMERICA, but not further or otherwise.

IN WITNESS WHEREOF, the TENNESSEE VALLEY AUTHORITY, acting herein as legal agent of the UNITED STATES OF AMERICA, and being duly authorized to do so, has caused this instrument to be executed, in the name of the UNITED STATES OF AMERICA, by its authorized officer this the \_\_ day of \_\_\_\_\_, 2009.

UNITED STATES OF AMERICA  
By TENNESSEE VALLEY AUTHORITY,  
its legal agent



By: \_\_\_\_\_  
DAISY A. SNIPES  
Manager, Realty Services



## EXHIBIT E

### License Agreement Objectives and Principal Business Terms

As Alternative Two in connection with this RFP, TVA contemplates executing a license with an Offeror for the operation and maintenance of the Plant, subject to TVA executive management approvals, via a revocable license agreement detailed in this section. The following constitute the principal terms of the contemplated License Agreement:

#### **A. Management Objectives**

TVA contemplates entering with the successful Offeror (the Licensee) into a fifteen (15) year License Agreement terminable by either party upon one-hundred eighty (180) days written notice. The Licensee will be required to assume full responsibility for the safe and efficient operation, maintenance (as set out in the License Agreement), and management of the Plant and systems in compliance with all applicable federal and state laws, local codes, ordinances, licenses, regulations and policies.

**B. Operations Objectives.** Provide high quality uninterrupted, economical operation of the water facilities and systems. Treat and distribute potable water in a manner meeting all applicable State and Federal laws, regulations and rules, including compliance with all current treatment, monitoring and reporting requirements of the Safe Drinking Water Act. Product water quality shall be equal to or better than current quality. Maintain flows and treated water storage to meet emergency situations, including firefighting.

Services are expected to encompass the following operations, maintenance and management responsibilities:

- Water production, treatment, including residuals processing, disposal, and distribution;
- Provision of water to fire hydrants on the TVA Muscle Reservation;
- Provision of treated water to TVA buildings as required on the TVA Reservation under a separate service agreement to be executed by the Licensee and TVA;
- Warehousing of related spare parts and materials; and
- Responsibility and control for overall system management and administration, policy development, and regulations, long range and service area planning, and the setting of rates, fees and charges for services.

***No interruptions in the flow of water to TVA, OxyChem and IFDC shall be allowed as a result of this RFP and any subsequent transfer of rights and operations under the License Agreement.***

#### **C. Maintenance Objectives.**

The Licensee will maintain the Plant in good working condition and will be responsible for operations of the Plant and preventative maintenance on pumps, systems and all appurtenances beginning with the raw water storage reservoir and continuing through all systems including piping, valves, pumps and treated water including service provided off the reservation to other customers. Operations and preventative maintenance items shall be defined as:

Actions taken to maintain an item or system at the Plant in its original state or operational mode less normal wear and tear by one or more of the following:

1. Testing to determine if an item or system is performing as contemplated by the plans or specifications and standard maintenance practice.
2. Balancing or calibration of all equipment to include air and fluid flow devices, temperature and control devices, valves pumps and gauges.
3. Adjusting as required and as per manufacturer's recommendations and according to approved maintenance schedule.
4. Lubrication and/or oil changes in accordance with manufacturer's recommendations.
5. Cleaning of equipment and machinery including but not limited to, pumps, storage ponds, filter elements and containers, building interior surfaces in keeping with good maintenance practice.
6. Application of protective coatings where called for by manufacturer's recommendations where needed due to factors brought by special conditions caused by maintenance.
7. Inspections of equipment from the standpoint of safety, operation and mechanical condition, and general state of repair.
8. Replacement of minor parts defined as components of an item or system which can be installed without removal of the item from the Plant or removal of a system from its normal operational mode which would affect safety and/or health requirements, interrupt the flow of treated water per agreement. An entire item or complete item if such item is generally available as a supply or shelf item. Items necessary for calibration, balancing, testing, and control of equipment or systems.
9. TVA will repair or replace when inoperative including actions taken to restore an item or system on the licensed system or Plant to its original state or operational mode less normal wear and tear or by total replacement when one or more of the following apply:
  - a) Operations and preventative maintenance will not restore the item or system to its design operational mode less normal wear and tear;
  - b) Total cost of replacement of minor parts, including labor shall exceed 75 percent of the cost of replacing the item, including labor on any one occasion or within a (1) year period of time;
  - c) functional minor parts are not available for an item or system due to age, condition, obsolescence, or other reason;
  - d) An existing item must be removed from its position for repairs and "down time" exceeds a reasonable period of time.

#### **D. Capital Improvements Objective**

All items and contracts not mentioned in items 1-9 above will be and will remain the responsibility of TVA, including the OxyChem raw water contract, intakes at Fleet Harbor and the PDW pumping station, income and maintenance responsibility. Capital repairs to the existing system and facilities will be the responsibility of TVA, including roofs, exterior enclosure elements and structural items, except those caused by neglect of the Licensee of those items listed in items 1-9 above.

#### **E. TVA Audit Rights**

*Examination of Costs.* The Licensee shall keep accurate records and books of accounts showing the items and costs billed under the License Agreement, as well as supporting data. Upon reasonable notice, TVA, its agents, or the United States Government Accountability Office shall have the right to audit without restrictions and at no additional cost to TVA, at any time during normal working hours, all costs incurred by the Licensee and billed to TVA, and cost data relevant to the firm fixed price(s) for the purposes described hereafter. The Licensee shall also maintain non-financial documentation and records related to work hereunder but not delivered to TVA.

*Availability of Records.* The Licensee shall preserve and make available its records and books of accounts, both manual and those which are in machine readable form, for a period of three (3) years from the date of final payment under the contract. If the contract is terminated, said records

shall be preserved and made available for a period of three (3) years from the date of any resulting final settlement. Records and books of accounts, which relate to litigation or the settlement of claims arising out of the performance of the contract, or costs and expenses of the contract to which exception has been taken by TVA, shall be retained until such appeals, litigation, claims, or exceptions have been disposed of.

*Errors/Irregularities; Overpayments.* In the event that errors/irregularities by the Licensee are discovered by audit or other means, and TVA relied upon such errors/irregularities in accepting the contract price(s), said rates shall be reduced accordingly, with such reduction retroactive to the effective date of the contract and applicable amounts refunded to TVA. Any payments to the winning Licensee which are not in accordance with the contract's terms or are not supported by the Licensee's books, records, documents, or other valid evidence shall also be refunded to TVA.

*Misrepresentation of Cost or Pricing Data.* If any price, including profit or fee, negotiated in connection with the contract, or any cost reimbursable under the contract, was increased by any significant amount because the Licensee or a subcontractor misrepresented cost or pricing data in negotiations, the price or cost shall be reduced accordingly. This provision also applies to any future supplement or modification to the contract which involves the submission of cost or pricing data.

*Special and Consequential Damages.* If as a result of an audit TVA determines the Licensee has knowingly misrepresented cost or pricing data in any amount, the Licensee agrees to reimburse TVA both the amount of the overcharges plus special and consequential damages. These include, but is not limited to, costs associated with the discovery and determination of the amount of those overcharges, the discovery of misrepresented cost or pricing data, and the quantification of any overcharges resulting therefrom. TVA and the Licensee agree that the amount of such special and consequential damages shall not exceed twenty-five (25) percent of the amount of overcharges and/or the amount of overcharges resulting from misrepresented cost or pricing data.

*Interest on Overpayments.* If TVA makes an overpayment to Licensee as a result of the Licensee's overbillings, the Licensee shall be liable to TVA for interest on the amount of such overpayment, to be computed (1) for the period beginning on the date the overpayment was made to the Licensee and ending on the date the Licensee repays the amount of such overpayment to TVA, and (2) at the rate or rates as prescribed in the Prompt Payment Act.

*Statistical Sampling.* TVA may use statistical sampling methods to determine a point estimate of the total amount, if any, of TVA overpayments or underpayments to Licensee.

*Subcontracts.* Licensee shall include the requirements of this section in each subcontract hereunder.

*Maintenance Records.* Licensee agrees to make available at TVA's request, monthly maintenance records.

## **F. Facilities and Water System**

The TVA Reservation is currently used by TVA for industrial purposes and office space for its employees and operations. The current service area population is approximately 800 TVA employees in addition to service required IFDC. TVA will provide the Licensee with raw water up to the current operating capacity of the Plant.

## **G. Security**

Licensee shall abide by all TVA Reservation federal security and police rules and regulations.

#### **H. Required Clauses**

The following conditions and certifications published in Title 18, Code of Federal Regulations, Part 1316 (Federal Register, April 29, 1993, with any subsequent revisions) are hereby incorporated by reference to the extent applicable:

- a. Officials Not to Benefit; and
- b. Affirmative Action and Equal Opportunity.

#### **I. Removal and Repair**

Upon termination for any reason whatsoever of the License Agreement, the Licensee's license to occupy the premises shall terminate and the Licensee shall quit the premises. Any termination shall be without prejudice to any rights of TVA or the Licensee then accrued hereunder. Any structures, equipment, or facilities placed on the premises by the Licensee shall be removed therefrom within thirty (30) days after termination of the License Agreement and the Licensee shall promptly repair any damage to the premises resulting from the erection, installation, and/or removal of said structures and equipment. Any such property of the Licensee not removed from the premises within thirty (30) days after termination of the License Agreement shall be considered as abandoned by the Licensee and title to such property shall pass to TVA without further consideration and, at TVA's option, the property may be removed at the Licensee's expense. Termination of the License Agreement by TVA or by the Licensee as provided in the License Agreement shall afford no basis for a claim by the Licensee against TVA for said improvements.

#### **J. Lawful Use**

The License Agreement shall provide that the Licensee shall not permit or suffer any unlawful or unlicensed use of the premises and shall not permit or suffer the commission of waste thereon. The Licensee shall do all in its power to prevent and suppress destructive fires upon or in the vicinity of the premises.

#### **K. TVA's Use of Premises**

TVA shall continue to have the right to enter upon and use the premises for any lawful purpose or purposes that will not interfere with the continued use of the premises by the Licensee as allowed by the License Agreement.

#### **L. Environmental Compliance**

The License Agreement shall provide that the Licensee shall control all emissions of pollutants relating to the Licensee's activities that might be discharged, directly or indirectly, into the atmosphere; into any watercourse, reservoir, or subterranean waters; or into or over the ground from any part of the premises, and any such emissions shall be in full compliance with all applicable standards and requirements relating to pollution control of any kind now in effect or hereafter established by or pursuant to federal, state, or local statutes, ordinances, or regulations. The Licensee shall be responsible for any remediation required because of its activities on the premises.

#### **M. No Interest in Realty; Assignment**

The License Agreement shall provide that the Licensee shall agree that it does not and shall not claim, at any time, any interest or estate of any kind or extent whatsoever in the premises by virtue of the License Agreement or its occupancy or use hereunder; and that no assignment or any interest in the License Agreement and no sublicense for any purpose shall be made or granted by the Licensee without the express prior written consent of TVA. The Licensee shall not permit any mechanic's,



materialmen's or other liens to attach to the premises or the land on which the premises are situated and agrees immediately to discharge (either by payment or by filing of the necessary bond, or otherwise) any such lien.

#### **N. Events of Default**

It shall be an "Event of Default" under the License Agreement if any of the following shall occur:

- (1) The Licensee defaults in payment of the license fee as described above;
- (2) The Licensee violates, fails, or neglects to perform any of the covenants, conditions, and agreements contained in the License Agreement on the part of Licensee to be performed;
- (3) The premises become abandoned, vacant, or deserted, for a period of six (6) months or more;
- (4) The Licensee's interests are taken upon execution or other process of law; or
- (5) Any of the Licensee's material representations contained in the License Agreement is discovered to be materially false.

Upon an occurrence of an Event of Default, TVA may, in addition to and not in limitation of TVA's right to distraint for the license fee and other remedies, terminate the License Agreement. Upon such termination, TVA shall be entitled to possession of the premises and to re-enter the same pursuant to law and remove all persons and property therefrom, without demand of the license fee or demand of possession of said premises, and may forthwith proceed to recover possession of the premises. However, with respect to items (2) or (3) above, TVA shall give the Licensee thirty (30) days' prior written notice to cure before exercising its remedies. Any additional statutory or other notice to quit, or of intention to re-enter the premises shall be expressly waived by the Licensee. If TVA so re-enters by process of law, Licensee nevertheless shall agree to remain liable for all damage, deficiency, or loss of the license fee which TVA may sustain by such re-entry including reasonable attorneys' fees and court costs. Nothing in the License Agreement shall prevent TVA from proving in full, damages for the license fees accrued before termination hereof and not paid, and from proving under any applicable laws any amounts allowed thereby, and recovering such sums.

In addition to and not in limitation of the other remedies provided in the License Agreement, TVA shall be entitled to the restraint by injunction of any violation or attempted or threatened violation of any of the terms, covenants, conditions, provisions, or agreements of the License Agreement. The remedies provided to TVA in the License Agreement are cumulative and are not intended to be exclusive of any other remedies to which TVA may be lawfully entitled. The exercise by TVA of any remedy to which it is entitled shall not preclude or hinder the exercise of any other such remedy, nor constitute an election of remedies. The Licensee shall agree to reimburse TVA all reasonable attorneys' fees and other costs which TVA may incur resulting therefrom, whether or not TVA brings a claim against the Licensee.

## EXHIBIT F

### Insurance and Indemnity Requirements

In the event either alternative is selected, the following constitutes the insurance, event of casualty and indemnity requirements applicable to either a Term Easement (to be reflected in a separate insurance and indemnity agreement between TVA and the winning bidder) or a License Agreement:

#### **Insurance**

(a) The winning Offeror selected by TVA (the Successful Offeror) will obtain and maintain in full force and effect, at its sole cost, throughout the Term and during such other time as the Successful Offeror occupies or otherwise is in possession of the Plant or any part of the Plant the following:

(i) "all risks" builder's risk or property insurance as applicable, including during transit, loading and off-loading, covering all property of the Successful Offeror, located on or within the Plant and license or easement areas, including all contents, inventory, stock-in-trade, furniture, moveable equipment and leasehold improvements, in an amount of not less than the full replacement cost thereof, with an agreed amount coinsurance clause. Insurance coverage must at a minimum insure the event of fire and other perils covered under American Association of Insurance Services standard extended coverage endorsements, including sprinkler leakages, earthquake, flood, collapse and by-laws (including increased cost of construction), and showing TVA as additional insureds and loss payee as their respective interests may appear;

(ii) business interruption insurance either as an extension to or on the same form as the insurance referred to in section (i) above, and in such amounts from time to time as necessary to fully compensate the Successful Offeror for an indemnity period of not less than twelve (12) months for direct earnings resulting from or attributable to any of the perils required to be insured against under the policies referred to in section (i) above and all circumstances usually insured against including, without limitation, direct losses resulting from interference with or prevention of access to the as a result of such perils and circumstances, and such insurance shall also name TVA as additional insureds and loss payees, as their respective interests may appear;

(iii) commercial general liability ("CGL") insurance on an occurrence basis with limits of not less than \$5,000,000 inclusive for both bodily injury, including death, personal injury and damage to property, including loss of use thereof, for each occurrence. Coverage will specifically include but not be limited to the following: blanket contractual liability, damage to all property of TVA including loss of use thereof, pollution liability coverage on at least a sudden and accidental basis, products and completed operations, employer's liability; non-owned automobile liability; legal liability and broad form property damage with respect to the Successful Offeror's business, use or occupation of the Plant by the Successful Offeror or any of its servants, agents, contractors or persons for whom the Successful Offeror is in law responsible and showing TVA as additional insureds, as their respective interests may appear, with a severability of interests and a cross-liability clause;

(iv) automobile liability insurance, covering all licensed motor vehicles operated by the Successful Offeror, covering bodily injury and property damage liability to a combined inclusive minimum limit of \$1,000,000 and mandatory accident benefits;

(v) any other forms of insurance as TVA, acting reasonably, requires from time to time, acting reasonably, in amounts and for insurance risks consistent with standard industry practices for similar water treatment plants.

(b) Each of the Successful Offeror's insurance policies will contain, as appropriate:

The Licensee shall require its insurer(s) to amend the above liability policies to provide that:

(i) TVA, the United States of America, their directors, officers, agents, and employees are added as additional insureds on a general primary non-contributory basis as it relates to operations under the License Agreement;

(ii) An insurer's waiver of rights of subrogation is included in favor of TVA, the United States of America, their directors, officers, agents and employees as it relates to operations under the License Agreement;

(iii) A cross-liability or severability of interest clause is included; and

(iv) A provision is included to manifest and reflect that each such policy may not be canceled, non-renewed, or materially changed without giving thirty (30) days prior written notice to TVA.

(c) The policies of insurance shall be written by an insurance company or companies which shall be rated "A" or better by A. M. Best Company and are licensed to do business in the State of Alabama, or which are an accepted surplus lines carrier. The above requested CGL coverage and any umbrella coverage shall be "Occurrence" form. In the event of a claim involving TVA, the Successful Offeror will deliver promptly upon request to the TVA certified copies of the Successful Offeror's insurance policies. A certificate of insurance evidencing such policy or policies shall be delivered to TVA prior to the Licensee's use of the premises. TVA reserves the right to deny use of the premises and/or declare such failure to be a breach of the License Agreement. If the insurance should lapse without knowledge of TVA, such action will not release the Licensee from its financial liabilities. Failure of TVA to demand such certificate or other evidence of full compliance with these insurance requirements or failure of TVA to identify a deficiency from evidence provided will not be construed as a waiver of the Successful Offeror's obligation to maintain such insurance. The acceptance of delivery by TVA of any certificate of insurance evidencing the required coverages and limits does not constitute approval or agreement by TVA that the insurance requirements have been met or that the insurance policies shown in the certificates of insurance are in compliance with the requirements.

(d) All policies required to be maintained by the Successful Offeror pursuant to this Section may be scheduled policies or blanket policies covering other locations and assets of the Successful Offeror.

### **TVA's Right to Place Successful Offeror's Insurance**

If the Successful Offeror at any time fails to take out, keep in force or pay the premiums on any insurance as required in the License or Easement or if the Successful Offeror fails from time to time to deliver to TVA satisfactory proof of the good standing of any such insurance, then TVA will provide the Successful Offeror with notice of such failure, and if the Successful Offeror does not, within ten (10) Business Days, cure such default, TVA may, without prejudice to any of its other rights and remedies under this Sublease, have the right, but not the obligation, to place such insurance on behalf of the Successful Offeror. This cost together with all expenses incurred by the TVA and an amount equal to 15% of those costs and expenses to cover TVA's overhead and supervision will be paid by the Successful Offeror to TVA upon demand.

## **Indemnity and Release of TVA**

(a) The Successful Offeror shall waive any and all claims against the United States of America, TVA and their respective agents and employees, for personal injury, property damage, or loss of life or property, upon or about the premises arising at any time and from any cause whatsoever, and the Successful Offeror shall indemnify and save harmless the United States of America, TVA, and their respective agents and employees from any and all liability for personal injury; property damage; or loss of life or property; damage to the Successful Offeror resulting from interruptions, degradation, or curtailments, even if caused by TVA; loss of revenues; the failure of the Successful Offeror to observe any laws with respect to the use of the Plant; and any other breach of the provisions of this License Agreement or Term Easement (as applicable) by the Successful Offeror, including its directors, officers, employees, agents and contractors; and/or consequential, incidental, indirect, special, or preventive damages resulting from, or in any way connected with, the condition or use of the premises, and such indemnity obligation shall include reasonable attorneys' fees, investigation costs and all other reasonable costs and expenses incurred by TVA and TVA's agents and employees from the first notice that any claim or demand is to be made or may be made.

(b) The Successful Offeror will further release and indemnify the United States of America, TVA and their respective agents and employees from all liabilities, damages, debts, demands, losses, costs, claims, suits or actions relating to:

(i) any damage to the Plant which is caused by steam, water, rain or snow which may leak into, issue or flow from any part of the Plant or from the pipes or plumbing works, including the sprinkler system, thereof, or from any other place or quarter, or for any damage caused by or attributable to the condition or arrangement of any electric or other wiring or of sprinkler heads, or for any damage caused by anything done or omitted by TVA;

(ii) any act or omission (including theft, malfeasance or negligence) on the part of any agent, contractor or person from time to time employed by TVA to perform any work in or about the Plant unless the act or omission is caused by the negligence or willful misconduct of TVA or those for whom TVA is responsible in law (provided that TVA's liability hereunder shall be limited to such acts or omissions resulting in loss or damage that is in excess of \$50,000 and in no event whatsoever shall TVA's maximum annual aggregate liability exceed \$10,000,000).

(iii) loss or damage, however caused, to money, securities, negotiable instruments, papers or other valuables of the Successful Offeror, its directors, officers, employees, agents or contractors; or

(iv) damages required to be insured or self-insured against by the Successful Offeror under the License or Easement.

## **Event of Casualty/Damage and Destruction**

(a) If the Plant is at any time destroyed or damaged (including smoke damage) as the result of fire, the elements, accident or other casualty and if as the result of such occurrence:

(i) *(Use this version if EASEMENT)* the Plant is rendered untenable only in part and the remaining portion of the Plant is accessible, usable and fit for the purposes of the Successful Offeror's undertaking (as the same was conducted immediately prior to the damage and/or destruction), the Term Easement shall continue in full force and effect and

TVA shall, cause the Successful Offeror to promptly commence and thereafter diligently proceed to reconstruct, rebuild or repair the Plant.

*(Use this version if LICENSE)* the Plant is rendered untenable only in part and the remaining portion of the Plant is accessible, usable and fit for the purposes of the Successful Offeror's undertaking (as the same was conducted immediately prior to the damage and/or destruction), TVA shall, at its sole discretion, promptly commence and thereafter diligently proceed to reconstruct, rebuild or repair the Plant. License payments shall abate proportionately to the portion of the Plant rendered untenable from the date of the destruction or damage and until the Plant (including reasonably unimpeded access thereto) and have been restored and rendered fit for the purposes of the Successful Offeror's undertaking in TVA's sole discretion;

(ii) *(Use this version if EASEMENT)* the Plant (including reasonably unimpeded access thereto) are rendered wholly untenable, or partially untenable and the remaining portion of the Plant is not accessible or usable or fit for the purposes of the Successful Offeror's undertaking (as the same was conducted immediately prior to the damage and/or destruction), TVA shall cause the Successful Offeror to promptly commence and thereafter diligently proceed to reconstruct, rebuild or repair the Plant.

*(Use this version if LICENSE)* the Plant (including reasonably unimpeded access thereto) are rendered wholly untenable, or partially untenable and the remaining portion of the Plant is not accessible or usable or fit for the purposes of the Successful Offeror's undertaking (as the same was conducted immediately prior to the damage and/or destruction), TVA shall, at its sole discretion, promptly commence and thereafter diligently proceed to reconstruct, rebuild or repair the Plant. License payments shall abate from the date of the destruction or damage and until the Plant (including reasonably unimpeded access thereto) and have been restored and rendered fit for the purposes of the Successful Offeror's undertaking in TVA's sole discretion or the License may be terminated by either party.

(iii) The Plant is not rendered untenable in whole or in part and the Plant is accessible, usable and fit for the purposes of the Successful Offeror's undertaking (as the same was conducted immediately prior to the damage and/or destruction), the License or Easement shall continue in full force and effect, other amounts payable by the Successful Offeror shall not terminate, be reduced or abate and TVA shall cause the Successful Offeror to promptly commence and thereafter diligently proceed to reconstruct, rebuild or repair the Plant.



Attachment 1

**SUBMITTAL FORM**

**Proposal Due Date: Friday, October 31, 2008, 5:00 p.m. Eastern Time**

***This SUBMITTAL FORM must be signed and attached as the first page of the Offeror's proposal.***

The undersigned declares that the amount and nature of the service to be furnished by Offeror pursuant to this proposal is understood and acknowledged, that the nature of this proposal is in strict accordance with the conditions set forth and is a part of this RFP, and that the undersigned Offeror has read and understands the scope and conditions of the RFP.

The undersigned, in submitting this proposal, represents that Offeror is an Equal Opportunity Employer and shall not in any way, directly or indirectly, discriminate against any person because of age, race, color, handicap, sex, national origin, or religious creed.

<b>OFFEROR MUST COMPLETE THE FOLLOWING</b>		
<i>Note: Offeror may respond to one or both alternatives.</i>		
<b>TERM EASEMENT ALTERNATIVE</b>		
Offeror proposes the following offer price:	<b>Value Determination and Minimum Upset Price: \$14,700,000</b> Offer price \$ _____ <i>(Or other cash-equivalent terms.)</i>	Based on a 30-year term easement ( <i>Objectives and draft term easement attached to RFP as <u>Exhibits C and D.</u></i> )
<b>OR</b>		
<b>LICENSE ALTERNATIVE</b>		
Offeror proposes a percent of gross water sales to TVA annually:	_____ <b>% of gross water sales</b> <i>(Include expected range of production for 15 year period.)</i>	Based on a 15-year revocable license term ( <i>Objectives and principal license agreement business terms attached to RFP as <u>Exhibit E.</u></i> )

FIRM: \_\_\_\_\_ REPRESENTED BY: \_\_\_\_\_

TITLE: \_\_\_\_\_ PHONE NO.: \_\_\_\_\_

E-MAIL: \_\_\_\_\_ FAX NO.: \_\_\_\_\_

ADDRESS: \_\_\_\_\_ CITY, STATE, ZIP CODE: \_\_\_\_\_

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