

Term Coal Proposal - Proposals Due _____

TO: Tennessee Valley Authority, Fuel Acquisition & Supply, 1101 Market Street, LP 5G, Chattanooga, Tennessee 37402-2801.

The Request for Proposals for Term Coal and Term Coal Contract apply to this offer and any acceptance of it by TVA. Offers may not be withdrawn after proposal closing without the consent of the Fuel Buyer. The undersigned offers and agrees, if this proposal is accepted by _____, coal will be furnished as follows:

____ Year Term (Terms)	____ Year Term (Terms)	____ Year Term (Terms)	Early Payment Discount
<u>Base Schedule</u> Price/Ton FOB Tons/Year \$ _____ Barge _____ \$ _____ Railcar _____ \$ _____ Truck _____ Start Date _____	<u>Base Schedule</u> Price/Ton FOB Tons/Year \$ _____ Barge _____ \$ _____ Railcar _____ \$ _____ Truck _____ Start Date _____	<u>Base Schedule</u> Price/Ton FOB Tons/Year \$ _____ Barge _____ \$ _____ Railcar _____ \$ _____ Truck _____ Start Date _____	Offeror may offer discount for early payment of invoices by TVA. <u>Price Per Ton Reduction</u> \$ _____ NET 20 DAYS (NOTE: Base Contract provides net 30 days.)

TYPICAL ANALYSIS:

The Offeror certifies the following quarterly average coal quality specifications at sampling point. **Values must agree** with those entered on form TVA 9903A and TVA 17527, Summary of Offers.

Total Moisture	_____ %
Ash (as received)	_____ %
Ash (dry)	_____ %
Sulfur (as received)	_____ %
Lbs. SO2/mmBtu	_____ Btu
Btu/Lb. (as received)	_____ Btu
Ash Fusion Temperature/Reducing	_____ °F
Initial	_____ °F
Softening (Hemispherical)	_____ °F
Fluid	_____ °F
Volatile Matter (dry)	_____ %
Grindability (Hardgrove Index)	_____ %
Chlorine (dry)	_____ %
Raw _____% Washed _____% Size: _____" x _____"	

MINE INFORMATION

(as shown on Producer's Statement): If Offeror is offering more than one mine or producer, and more space is needed to complete all required information for each mine, please provide the additional information on an attachment.

Mine Name	_____
Mine Permit No.	_____
MSHA No.	_____
Seam Name	_____
Type Operation	_____
Nearest Town	_____
County	_____
State	_____
Producer	_____
Address	_____
Offeror	_____

TRANSPORTATION (F.O.B. Point):

Rail:	Railroad _____	Tipple: _____	Tipple No.: _____
	City: _____	State: _____	
Barge:	Terminal: _____		
	River: _____	MP: _____	
Truck:	Deliver to the plant. Plant name: _____		

Coal should be offered loaded in railcars or barges at the shipping point.
Truck coal should be offered FOB plant.

Offeror	_____
P.O. Box	_____
Street	_____
City & State	_____
Zip Code	_____
Telephone No.	_____
Fax No.	_____
Signature	_____
Date	_____

Offeror must complete and return along with this form, forms TVA 9903A, 9903C and 9903D attached hereto as made a part thereof. This proposal is valid until _____.

**TVA USE ONLY
T.R.**

OFFEROR MUST ALSO COMPLETE SECOND PAGE OF THIS FORM.

CERTIFICATE OF INDEPENDENT PRICE DETERMINATION

- (a) By submission of this bid, each bidder certifies, and in the case of joint bid each party thereto certifies, as to its own organization, that in connection with this procurement:
- (1) The prices in this bid have been arrived at independently, without consultation, communication, or agreement, for the purpose of restricting competition, as to any matter relating to such prices with any other bidder or with any competitor;
 - (2) Unless otherwise required by law, the prices that have been quoted in this bid have not been disclosed knowingly by the bidder and will not knowingly be disclosed by the bidder prior to bid closing, directly or indirectly, to any other bidder or to any competitor; and
 - (3) No attempt has been made or will be made by the bidder to induce any other person or firm to submit or not to submit a bid for the purpose of restricting competition.
- (b) Each person signing this bid certifies that:
- (1) He is the person in the bidder's organization responsible within that organization for the decision as to the prices being bid herein and that he has not participated, and will not participate, in any action contrary to (a) (1) through (a) (3) above; or
 - (2) (i) He is not the person in the bidder's organization responsible within that organization for the decision as to the prices being bid herein but that he has been authorized in writing to act as agent for the persons responsible for such decisions in certifying that such persons have not participated, and will not participate, in any action contrary to (a) (1) through (a) (3) above, and as their agent does hereby so certify; and (ii) he has not participated, and will not participate, in any action contrary to (a) (1) through (a) (3) above.
- (c) A bid will not be considered for award where (a) (1), (a) (3), or (b) above has been deleted or modified. Where (a) (2) above has been deleted or modified, the bid will not be considered for award unless the bidder furnishes with the bid a signed statement which sets forth in detail the circumstances of the disclosure; and the Contracting Officer determines that such disclosure was not made for the purpose of restricting competition.

AGENT'S WARRANTY, LIABILITY, AND AGREEMENT

If a bid is submitted by an agent in the name of its principal, said agent warrants the correctness of all information contained in the bid and that it has obtained written authority from such principal to make the foregoing bid; and said agent agrees to be fully liable for the performance of any contract awarded on this bid, if agent has submitted it without proper authority from the principal. Said agent further agrees to hold TVA harmless from any claims, demands, or actions made against it by the principal. Said agent further agrees to hold TVA harmless from any claims, demands, or actions made against it by the principal on the ground that said agent has exceeded or acted contrary to its authority in any matter connected with this bid or any resulting contract.

The bidder represents:

That it is , is not , a small business concern as defined in the Code of Federal Regulations, Title 13, Chapter 1, Part 121. If the bidder is not the producer, it also represents that the coal to be furnished hereunder will, will not, be produced by a small business concern.

That, if the aggregate amount of the bid is greater than \$25,000, (a) it has, has not, employed or retained any company or person (other than bona fide employees or bona fide established commercial or selling agencies maintained by the bidder [or contractor] for purposes of securing business) to solicit or secure this contract; and (b) it has, has not, paid or agreed to pay any company or person (other than the bona fide employees or bona fide established commercial or selling agencies maintained by the bidder [or contractor] for purposes of securing business) any fee, commission, percentage, brokerage fee, contingent upon or resulting from the award of this contract; and agrees to furnish information relating thereto as requested.

That it is a regular coal producer, sales agent.

That the producer under this bid does, does not, have any current instances of noncompliance (including uncorrected violations, unabated cease orders, overdue fees, and/or fines) with reclamation or health and safety laws at any mines it owns, controls, or operates. If it does, please attach a full written explanation to this bid.

That, if surface mined coal is offered, it has read, understands, and will comply (if an award is received) with the section of the General Conditions for Spot Coal Purchases entitled Coal Mining Reclamation and Conservation Requirements. A copy of the specific location map must be attached hereto unless a previously furnished map is still valid. If map previously furnished is still valid, please indicate. Yes
 No

That the offered coal will be produced by mine(s) having all currently required federal, state, and other regulatory agency coal mining permits, certificates, and licenses current; and further agrees to furnish TVA with copies thereof if requested.

That, if it is not the producer of the coal to be delivered hereunder, it has contracted directly with the producer for delivery of the coal to TVA.