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***Electric Reliability Council of Texas, Inc. (ERCOT)***

*Contract Administration and Procurement*



**Request for Quote**

**For**

**Power 8 Capacity on Demand**

**Date of Release: 08/31/2017**

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	Forms can be located at <a href="http://www.ercot.com/about/procurement/index.html">http://www.ercot.com/about/procurement/index.html</a> .	8

## **1 GENERAL INFORMATION**

### **1.1 RFQ Objective**

The purpose of this Request for Quote (RFQ) is to invite suppliers to submit quotes for the procurement of a contract to enable Capacity on Demand functionality for both CPU and memory entitlements in ERCOT Power 8 frame hardware.

### **1.2 ERCOT Background**

#### **1.2.1 Overview of the Electric Reliability Council of Texas, Inc.**

The Electric Reliability Council of Texas (ERCOT) manages the flow of electric power to 24 million Texas customers, representing approximately 90 percent of the state's electric load. As the Independent System Operator for the region, ERCOT schedules power on an electric grid that connects more than 43,000 miles of transmission lines and 550 generation units. ERCOT also performs financial settlement for the competitive wholesale bulk-power market and administers retail switching for 7 million premises in competitive choice areas. ERCOT is a membership-based 501(c)(4) nonprofit corporation governed by a board of directors and subject to oversight by the Public Utility Commission of Texas and the Texas Legislature. Additional information about ERCOT can be found at <http://www.ercot.com/>.

### **1.3 Administrative information**

#### **1.3.1 How to Respond to This RFQ**

Responses to this solicitation will be in the form of a quote according to the format described in this RFQ.

The title of this RFQ is: Power 8 Capacity on Demand. The Quote Deadline is: 09/13/2017.

Section 1 – General Information

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**1.3.2 Contact Personnel**

The ERCOT Contact Person:

Diana Wang  
Electric Reliability Council of Texas (ERCOT)  
Vendor Manager, Supply Chain Management  
2705 West Lake Drive  
Taylor, Texas 76574  
Diana.wang@ercot.com

**1.3.3 How to Deliver the Quote**

All quotes must be e-mailed to the ERCOT Contact Person at:  
Diana.wang@ercot.com

**1.3.4 Key Activities and Dates**

Key activities and tentative dates for this RFQ are presented below:

<b>Procurement Schedule</b>	
<b>Activity</b>	<b>Dates</b>
RFQ release	8/31/2017
Quote Deadline	9/13/2017
Respondent Selected	TBD

## **2 Information and Requirements**

### **2.1 General Information**

- 2.1.1** ERCOT reserves the right to amend this RFQ at any time prior to the specified due date for quotes (“Quote Deadline”).
- 2.1.2** At any time prior to the Quote Deadline, a respondent may withdraw its submitted quote by submitting an email with a signed request for withdrawal to the ERCOT RFQ Contact.
- 2.1.3** ERCOT reserves the right to reject any quote, to reject all quotes, to accept any portion of a quote, or accept all quotes if deemed in the best interest of ERCOT to do so. ERCOT also reserves the right to accept informalities and minor irregularities in quotes received.
- 2.1.4** ERCOT reserves the right to cancel this Request for Quote at any time, without penalty.
- 2.1.5** All respondents submitting quotes shall keep their quotes open for acceptance by ERCOT for a period of 120 days, unless otherwise noted.
- 2.1.6** All materials submitted regarding this RFQ become the property of ERCOT and will only be returned to the respondent at ERCOT’s option.
- 2.1.7** Any restrictions on the disclosure or use of data and materials contained within a quote must be clearly stated in the quote itself with the indication of enclosed proprietary information as stated in this paragraph. If proprietary information is submitted, it must be placed in a separate, sealed envelope with the following information clearly and conspicuously marked: “Proprietary Information Enclosed” RFQ Name, Quote Deadline.
- 2.1.8** No oral or written statements made by ERCOT personnel shall be considered addenda to this RFQ unless the statement is confirmed in writing and identified as a written addendum to this RFQ by the ERCOT Procurement RFQ Contact Person.
- 2.1.9** ERCOT reserves the right to seek quote clarification from any respondent to assist in making decisions.
- 2.1.10** All quotes submitted shall contain enough detail to allow for ERCOT evaluation. Vague or incomplete quotes may be rejected.
- 2.1.11** Respondents shall not contact any ERCOT agent, employee, officer, or director (except for the ERCOT RFQ Contact) regarding this RFQ or related services. Violators of this rule may be disqualified.
- 2.1.12** News releases pertaining to this procurement or any part of the subject shall not be made without prior written approval of an authorized ERCOT employee.
- 2.1.13** Respondents may not use the ERCOT name, logo or any other reference to ERCOT, outside of this quote, without prior written approval by an authorized ERCOT employee.

- 2.1.14** ERCOT shall not be liable for any cost incurred by respondents prior to completion of a fully-signed agreement or issuance of a purchase order. Any cost incurred by respondent in the preparation of the quote will be borne by the respondent.
- 2.1.15** ERCOT will evaluate quotes and consider cost, reliability, quality of service, and other factors. Contracts/Purchase Order(s) will be awarded to the respondent whose final quote will be the most advantageous to ERCOT. Due to the evaluation procedure for the Request for Quote, lowest dollar price MAY or MAY NOT indicate the successful awardee. Price constitutes only one of several evaluation criteria.
- 2.1.16** Complete payment by ERCOT will be made ONLY after specifications are met and services are accepted by ERCOT. Alternate payment quotes will be reviewed and evaluated by the ERCOT Procurement Department and Accounts Payable Department.
- 2.1.17** A respondent may submit any additional information or data not requested in this RFQ (which the respondent believes should be considered in the evaluation of a response) by including in its quote a separate section entitled “Additional RFQ Bid/Quote Information.”
- 2.1.18** Upon review and approval of the evaluation committee’s recommendation for award, the ERCOT Contact will issue a “Notice of Proposed Award” to a respondent. All other respondents may be notified that an award has been made, but ERCOT does not commit to giving specific feedback to individual respondents.

**2.2 General Requirements**

The request in this RFQ is to arrange a contract and pricing to facilitate ERCOT quickly and easily licensing or decommissioning temporary capacity on IBM Power 8 hardware as needed. This capacity on demand request applies to the ability to activate, or deactivate, both CPU and memory capacity as ERCOT needs change.

- 2.2.1** Except for current ERCOT suppliers who have an active Master Agreement with ERCOT or who have completed the Vendor Information Form (VIF) within the last six months, all Respondents must complete a Supplier Vendor Information Form along with the proposal and provide it to the person identified in the form itself when submitting notice of intent to bid.
- 2.2.2** Before entering into a contract with ERCOT, respondent must become a qualified vendor. The qualification process may require that Respondent provide information demonstrating respondent’s financial and commercial viability. In the event respondent’s staff requires unescorted access to ERCOT facilities, they will be required to undergo identity verification, a background check including a criminal history report, and drug testing.

## Section 2 – Information and Requirements

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- 2.2.3** Respondent agrees to accept the ERCOT terms and conditions.
- 2.2.4** This RFQ may contain information that is confidential and proprietary. Respondent may not use the information contained herein for any purposes other than the preparation of a response to this RFQ. Confidential or proprietary information provided by respondent (and marked as such in accordance with the rules of this RFQ) will be handled as confidential by ERCOT and all project team members assisting in the evaluation process.

### **3 Appendix**

#### **3.1 Appendix A - Vendor Information Form and W-9 Form**

**3.1.1** New Vendors doing business with ERCOT are required to submit signed copies of the NDA, IRS W-9 and Vendor Information Form

Forms can be located at <http://www.ercot.com/about/procurement/index.html>.

**THIS IS NOT AN ORDER**