Request for Proposal

Due Date: Friday, January 18, 2019 5:00pm PST

Questions: CENIC Project Management
k12biignoderfp@cenic.org

Address: Email proposals to:
k12biignoderfp@cenic.org

Hard copies are not required but MAY be sent to:
BIIG RFP, CENIC, 16700 Valley View, Suite 400, La Mirada, CA 90638

Introduction

This Request for Proposal (RFP) is released on behalf of the K12 High Speed Network (K12HSN) and in support of the California Department of Education's Broadband Infrastructure Improvement Grant (BIIG) Program (http://biig.k12hsn.org), which provides broadband funding for school sites with inadequate capacity to administer computer-based online assessments.

This Request for Proposal solicits responses from qualified service providers for various communications circuits and optional dark fiber segments across California. For the convenience of sorting and evaluation, responses MUST include the Pricing Worksheet (Exhibit D) and responses cannot be in PDF or locked spreadsheets.

Time is of the essence for the procurement and installation of these services. With the anticipation of online student achievement testing to be administered, the program seeks services, wherever possible, be installed as quickly as possible. Installation timeline will be factored heavily in the award of any contracts.

CENIC reserves the right to award all, some, or none of the circuits associated with this RFP. CENIC is acting as a consortium lead for the purposes of seeking proposals and awarding contracts, and will also apply for E-rate and CTF discounts for awarded services on behalf of members of the consortium. Therefore, only respondents who are able to offer Federal E-rate and State California Teleconnect Fund (CTF) discounts should respond to this RFP. Others will deemed to be unresponsive. However CENIC MAY also seek to supersede contracts to individual consortium members during the term of awarded contracts such that the individual
members become the customers of record, and, therefore, assume both financial responsibility for the service and the responsibility to apply for their own E-rate and CTF discounts.

1.0 General Administrative Information

A. E-rate Form 470 and USAC E-rate Productivity Center (EPC). For the purposes of this solicitation, the FCC Form 470 number is 190008601. The Form 470 may be viewed by service providers with an EPC log in and search under the “Records” tab “FCC Forms 470” option. For service providers without an EPC login, the Form 470 may be viewed at http://www.usac.org/sl/tools/view-an-fcc-form-470.aspx. There is a copy of the RFP submitted with the Form 470 on USAC’s website. However, the original RFP and all prevailing documents, including frequently asked questions, are posted at CENIC’s website at the following URL: http://cenic.org/k12biignoderfp.

B. Due date. Responses MUST be received in electronic format via email at k12biignoderfp@cenic.org by 5:00PM Pacific Time on Friday, January 18, 2019. Extensions to the due date MAY be offered on a circuit-by-circuit basis if judged in the best interest of the consortium.

Any questions or points of clarification received by CENIC will be answered and posted online at http://cenic.org/k12biignoderfp.

C. Basis for Award. This RFP is being released for planning purposes and to assist with prioritization of sites eligible for grant funds. CENIC, a County Office of Education, school district or individual school MAY still post its own FCC Form 470 to qualify for E-rate discounts for any circuit(s) contained in this RFP, or MAY make some awards directly from proposals received.

It is the intent to award contract(s) to the most cost-effective, responsive proposals for service, and CENIC reserves the right to award contract(s) to qualified proposals based solely upon the lowest price of E-rate and CTF eligible services.

For this RFP only, CENIC MAY also consider other criteria outlined below, plus what CENIC considers, in its sole judgment, to represents the best value considering program needs, technical issues and similar factors.

Scoring

25% E-rate and CTF eligible recurring circuit cost
20% Required time to implement solution (time is of the essence)
15% Provides bundled Customer Premise Equipment
10% Special Construction and One-time (Non-recurring) E-rate Eligible cost
10% Preferred, scalable technology
10% Where requested, innovative aggregation strategy or solution
10% Proposed contract terms and conditions
D. **Awards.** CENIC may make one award, multiple awards or no award as a result of this solicitation. CENIC’s decision regarding awards is final and not subject to protest.

E. **Vendor costs.** CENIC SHALL assume no responsibility for vendor costs incurred in developing a proposal.

F. **Addenda.** CENIC MAY modify this RFP, its scope, any of its key action dates, or any of its attachments or exhibits, prior to the date for submission of proposals. Any such addenda will be published on the CENIC website, and email notification will be sent to all potential participants known to CENIC.

G. **Questions on the RFP.** Any questions on the RFP MUST be conveyed in writing and will be responded to in writing and added to the Question & Answer exhibit posted online on the CENIC website. Any oral statements made by CENIC employees, consultants or others will not be binding.

H. **Rejection of proposals.** CENIC MAY reject proposals if, based on CENIC’s sole judgment, the proposals are deemed to be conditional or incomplete.

I. **Negotiation.** CENIC reserves the right to negotiate any aspect of any proposal deemed responsive to this RFP.

J. **Ownership of Proposals.** All proposals become the property of CENIC. CENIC reserves the right to make use of any information or ideas contained in the proposals.

K. **Confidential material.** Bidder MUST notify CENIC of any specific portions of proposals considered confidential or proprietary. CENIC will take reasonable efforts to protect the confidentiality of such material, but makes no guarantees that such material MAY be protected. Entire proposals designated as confidential MAY be rejected. Please note that as of Funding Year 2015, the Federal Communications Commission (FCC), in promoting new “pricing transparency” measures, has stated that the costs for services with an accompanying FCC Form 471 funding request MUST be disclosed for the purposes of public consumption on USAC’s website.

L. **Evaluation Criteria.** With respect to the circuits and optional dark fiber segments, CENIC, in compliance with Federal Communications Commission (FCC) rules, will award to the vendor(s) providing the most cost-effective, end-to-end service offering. Per the Sixth Report and Order, FCC 10-175, FCC rules dictate the following:

- § 54.503 (c)(2)(vii) All bids submitted for eligible products and services will be carefully considered, with price being the primary factor, and the bid selected will be for the most cost-effective service offering consistent with § 54.511.

- § 54.511 Ordering Services (a) Selecting a provider of eligible services. In selecting a provider of eligible services, schools, libraries, library consortia, and consortia including any of those entities shall carefully consider all bids submitted and must select the most cost-effective service offering. In determining which service offering is the most cost-
effective, entities may consider relevant factors other than the pre-discount prices submitted by providers, but price should be the primary factor considered.

Therefore, CENIC MAY consider factors beyond price alone in the consideration of bids.

2.0 Required Administrative Responses

Bidders MUST respond to all required items. Incomplete bids are subject to rejection. Throughout this section and the accompanying appendices, the capitalized words MUST and SHALL are used to indicate requirements that are mandatory and MUST be addressed for a response to be considered complete. The capitalized words MAY and SHOULD are used to indicate desires on CENIC’s part that are not requirements. However, Service Providers are expected to respond to each of these, either by meeting the desire or by providing an alternative approach to meeting the desire.

A. Federal and state discounts. CENIC expects all of the circuits listed in this RFP to be eligible for Federal E-rate and State CTF discounts. All respondents are asked to provide their current USAC Service Provider Identification Number (SPIN), if they have one. It is not required to have a SPIN to submit a response to this RFP; however, the respondent MUST have a SPIN in place by July 1, 2018 or any associated awarded contract will be considered null and void. Additionally, while it is not required to be participating in the CTF program at the time of submitting a response to this RFP, proposers MUST be an active participant in the CTF program by July 1, 2018 or any associated awarded contract will be considered null and void. Additional information and requirements are contained in Exhibit C. Such procedures outlined in Exhibit C may be included in any contract issued as a result of this proposal.

B. Contract period. The contract period for awards resulting from this RFP will be from the date a circuit is installed and has been tested and accepted by CENIC, through its contractual termination date. The termination dates may vary according to the type of circuit. Pricing for managed or lit services SHALL be submitted for five (5) year terms. For dark fiber Lease or Indefeasible Right of Use (IRU) terms may be ten (10), fifteen (15) or twenty (20) years. Maintenance and operation contracts for dark fiber and/or self-provisioned network options SHALL be submitted for five (5) with optional extensions. Bidders may bid on all or any subset of services included in this RFP. If Bidder is currently under contract for services, responses should indicate whether existing contracts are to be used for the services to be bid, are to be superseded by the new proposal, or if services under such agreements convert to the proposed new agreement at the end of the existing contract period. CENIC may choose to adopt a later start date for services included in any proposal in order to fulfill commitments on current contracts. When mutually agreed upon, CENIC will consider contracts with one or more annual contract extensions beyond the basic term.

C. Commencement of Billing. In no case is a service provider allowed to commence billing on a new service until a CENIC representative confirms successful completion of CENIC’s acceptance testing procedure.
D. Services and Pricing. Bidders MUST respond using the RFP Pricing Worksheet (Exhibit D) and responses cannot be in PDF or locked spreadsheets. Supplemental pricing explanations are acceptable as long as the required Pricing Worksheet is used.

Pricing MUST be expressed in undiscounted rates to CENIC (that is, excluding California Teleconnect Fund (CTF) or Federal E-rate discounts, where applicable). Estimated taxes and surcharges are to be indicated at the top of the worksheet and expressed as a percentage.

- Managed or lit data transmission services, including lit fiber: For the purposes of review and, for determining the potential basis of award, CENIC requests service providers provide pricing in Exhibit D for managed or lit services to be stated in the following manner:
  - Special Construction one-time charge: Per the Federal Communications Commission’s Eligible Service List\(^1\) for Funding Year 2018, special construction is comprised of upfront, non-recurring costs of deployment for new or upgraded facilities, design and engineering, project management, and construction of network facilities. Please identify the one-time charge for these items, if any. Exhibit E has been provided as a reference to illustrate the information required for a USAC E-rate Program Integrity Assurance Review for funding requests for special construction.
  - Other one-time charges: Please also identify any other one-time installation charges, if any. Other one-time installation charges may be comprised of any other one-time costs that do not meet the FCC’s definition of special construction. For example, on premise equipment is not considered to be special constriction.
  - Monthly Recurring charge: Please identify the monthly recurring charge for service for sixty-month (5 year) terms. Provide the monthly recurring charge for service with Customer Premise Equipment (CPE) and for service without CPE.
  - Estimated rate for taxes and surcharges: Please identify the aggregate estimated percentage of taxes and surcharges to be assessed.

- Dark Fiber Long Term Lease or IRU: Pricing for dark fiber can be expressed in either ten (10), fifteen (15) or twenty (20) year Indefeasible Right of Use (IRU) terms. Fiber test results, containing at a minimum bi-directional OTDR and optical power loss readings at both 1310nm and 1550nm must be provided 15 days prior to service delivery. This testing should be end-to-end including any fiber extension built for the handoff of service at either end. For the purposes of review and, for determining the potential basis of award, CENIC requests service...
providers provide pricing in Exhibit D for dark fiber to be stated in the following manner:

- **Special Construction one-time charge:** Per the Federal Communications Commission’s Eligible Service List for Funding Year 2018, special construction is comprised of upfront, non-recurring costs of deployment for new or upgraded facilities, design and engineering, project management, and construction of network facilities. Please identify the one-time charge for these items, if any, as a one-time cost with an associated monthly rate. Exhibit E has been provided as a reference to illustrate the information required for a USAC E-rate Program Integrity Assurance Review for funding requests for special construction.

- **Other one-time charges or monthly charges:** Please also identify any other one-time or monthly charges associated with the Lease or IRU. Other one-time installation charges may be comprised of any other one-time costs that do not meet the FCC’s definition of special construction. For example, on premise equipment is not considered to be special construction.

- **Recurring Maintenance and Operations (M&O) costs:** Please indicate the recurring rate and if it is assessed annually or monthly.

- **Dark Fiber Recurring Maintenance and Operations (M&O) costs:** Please indicate the recurring rate and if it is assessed annually or monthly.

Any awarded proposals for services with significant special construction costs WILL be asked to provide the following information, upon request, for E-rate Program Integrity Assurance Review:

- Route assessment, maps, ROW access and/or easement requirements.
- Whether fiber will be buried, strung through conduit (existing or newly installed), and/or strung aerially on poles (existing or newly installed), and any associated terms and costs (e.g., pole attachment agreements imposing make-ready costs, trenching and/or boring costs).
- Quantity and cost of other plant elements (e.g., handholes, splice enclosures, vaults).
- Charges for engineering, environmental assessments, traffic control and permits, surveys, testing, etc.
- Explain the reasonableness and need for the costs, such as:
  - Directional boring (buried)
  - Galvanized conduit (buried)
  - A large number of fusion splices
  - A large number of handholes, vaults (buried)
  - Installation of new poles (aerial)
  - Expensive make ready costs (aerial)
• Confirm build route with GIS data as part of cost-per-foot evaluation.

Under the new guidelines established by the Second E-rate Modernization Order,
CENIC may request that its share of costs after E-rate discounts for special construction
charges be amortized up to four years while requesting the E-rate discounted amount for
the entire charge during Funding Year 2018. Bidders should indicate if amortization of
special construction will be allowed under the proposed rates.

E. Pricing. Bidders should propose costs for services on a monthly basis inclusive of all
associated co-location costs, and separately show any applicable one-time non-
recurring charges. Special construction costs must be separately identified on a per
service basis. For the sake of expediency and to improve the installation timeline,
payment of one-time, non-recurring costs outside the E-rate window may be made.
CENIC will not be responsible for any easement/right of way costs incurred by the proposer while implementing the solution. The Main
Point of Entry (MPOE) and Demarcation point at each site shall be determined by
CENIC. All cost proposals must include pricing to install services to the MPOE and
Demarcation point.

If special construction costs are not specified or are specified as zero dollars, the Bidder
will be responsible for construction up to the MPOE at no cost to CENIC. There are
many service segments and pricing alternatives being requested. It is the responsibility
of each responding Bidder to ensure that correct pricing has been input to the pricing
worksheets, and that correct information as to discounts has been entered. This
information will be used extensively in evaluating responses and awarding service
contracts. CENIC relies on each Bidder to provide information that is free from errors or
omissions. Once submitted, Bidders will be held responsible to provide service at the
prices bid and quoted. All services eligible for federal or state discounts must be
expressed in rates before CTF or E-rate discounts, including all estimated taxes
and surcharges. Optional pricing for annual prepayment or multi-year prepayments
may be considered by CENIC.

F. Contract Supersedure, Assignment & Successors. CENIC reserves the right, during
the term of the agreements, to assign services under these agreements to a public
educational entity in California or to any successor organization of CENIC. In the event
of such an assignment, CENIC will supply a 30-day formal notice of intent to transfer
financial responsibility to the responsible Bidder. At the end of the 30-day period, the
Bidder shall change their records and commence billing as instructed in the notice of
transfer. In all other respects, the agreement for service and the terms of this RFP
shall remain intact, and continue through the original term of the circuit agreement for

both CENIC and any superseding entity(ies). Therefore, it is agreed that the terms in this RFP that relate to CENIC will also be applicable to superseding entity(ies). This item is non-negotiable and bidders MUST agree to be considered responsive.

G. **Early Termination Liability.** Any contract resulting from this RFP MAY include an Early Termination Liability provision for any awarded service during the life of the contract. Early Termination Liability is defined as the amount due and payable should CENIC, its assigns or successors, disconnect any service segments prior to the expiration of the term of service. Any early termination liability MUST be specified in all bid responses and under no circumstances can exceed the remaining amount due and payable. Early Termination liability shall not apply to any service disconnect resulting from conditions specified in the contract’s terms and conditions, including: financial hardship, discontinuance of funding available to CENIC, lack of E-rate or CTF discounts, or in the event of upgrading services.

H. **Time is of Essence.** Due to the rapid escalation of bandwidth use by K12 schools in California, CENIC anticipates that any contracts awarded within this RFP shall be operational within the **next fiscal year July 1, 2018 through June 30, 2019.** Bidders MUST provide a reasonably accurate timeline for installation of the services. Bidder’s response MUST indicate, in calendar days, the number of days required to install the service(s) bid in their respective pricing sheets. In CENIC’s experience, 60-120 days from date of order is a reasonable timeframe for installation. In cases where there is significant special construction involved, CENIC acknowledges that additional time may be required, but expects the bidders to provide reasonably accurate timelines inclusive of time required for special construction.

I. **Failure to Perform.** Should the bidder, upon award of the contract, materially deviate from their provided timeline, CENIC may terminate the contract without penalty due to non-performance. Upon placement of the service order, contractor MUST confirm the installation timeline within 30 days. If the timeline is found to be considerably longer than what was proposed in the bid, CENIC reserves the right to cancel the service order or contract. If the contract is terminated due to failure to perform, CENIC may award the contract to the bidder that scores second in the evaluation process, or may rebid the service. CENIC shall not be held responsible for any early termination penalties should the contract be terminated under these conditions.

J. **Invoices.** Each Bidder will be expected to provide a single, itemized, monthly invoice indicating all of the contracted services unless otherwise requested by CENIC. Invoices should be mailed to:

The Corporation for Education Network Initiatives in California (CENIC)
16700 Valley View, Suite 400, La Mirada, CA 90638

K. **Open Records.** All information provided to CENIC in response to this RFP, or under an agreement or contract between CENIC and the successful bidder, may be subject to release, inspection, or disclosure upon request. The successful bidder acknowledges that all pricing and technology infrastructure information in its contract shall be considered as public and non-confidential pursuant to CFR Part 54 Section 504 (2)(i)(ii).
L. **Terms and Conditions.** Bidders MUST propose Terms and Conditions in the form of a contract as part of the response. Contracts MUST be provided as Word documents and cannot be locked to editing. The Terms and Conditions proposed MUST include all relevant terms from this RFP. All proposed Terms and Conditions will be subject to CENIC’s approval and subject to negotiations before acceptance.

The approval process to commit funds for projects of this type can be lengthy. Therefore any contract resulting from an award of services MUST include the following clause: All circuits or services listed in this contract are subject to required approvals. CENIC reserves the right to terminate any circuit or service listed without penalty should it not be approved. Provider shall not begin any work, nor invoice CENIC for any special construction/non-recurring costs until such time that CENIC provides written confirmation of approval.

M. **Project Teams.** Bidders MUST identify a project team that will be working with CENIC and K12HSN staff to oversee the execution of all phases of the circuit installation from the procurement to installation. The project team SHALL be identified in the Terms and Conditions of the contract. The teams SHALL include, but not limited to, account managers, project managers, technical sales engineers, engineering staff and senior management. Contact information for all team members SHALL be provided to CENIC, and at minimum should include e-mail address and phone number. If certain members of the project team are not known at the time of contract execution, bidders will have 15 working days to provide the necessary information. CENIC will schedule regular calls on an agreed upon schedule with selected service providers that will serve to gauge progress on all phases of the execution of circuit installations. Bidders SHALL include a clear and preferred escalation process within the project team to the highest decision level personnel within their organization.

N. **Qualifications.** Bidders MUST demonstrate their ability and capacity to implement the services proposed.

O. **References.** Bids will be judged in part on their experience installing services similar to those bid, on schedules similar to those proposed. Bidders MAY include references, with name and contact number, for three (3) such organizations.

P. Bidders that are interested in responding with alternate solutions that require connecting to the CENIC Hub locations MUST submit a signed Non-disclosure Agreement (NDA) or have an existing NDA on file with CENIC. The signed NDA (Exhibit A) MUST be submitted to k12bignonoderfp@cenic.org. Upon receipt of a signed Exhibit A, a list of aggregation hub site (Exhibit B) addresses will be provided.

3.0 **Required Technical Responses**

Bidders MUST respond to all required items. Incomplete bids are subject to rejection. Throughout this section and the accompanying appendices, the capitalized words MUST and SHALL are used to indicate requirements that are mandatory and MUST be addressed for a response to be considered complete. The capitalized words MAY and SHOULD are used to
indicate desires on CENIC’s part that are not requirements. However, Service Providers are expected to respond to each of these, either by meeting the desire or by providing an alternative approach to meeting the desire.

**Description of service requirements.**

Broadband services SHALL consist of one of the following: (1) a pair of single mode dark fibers, (2) Metro Ethernet service (MEF standards compliant) at CIRs of 10, 50, 100, 250, 500 or 1000 Mb/s (or others as requested), (3) dedicated lit DWDM-based or direct-fiber-based point-to-point Gigabit (1000 Mb/s), (4) dedicated lit DWDM-based or direct-fiber-based 10 Gigabit (10,000 Mb/s), (5) dedicated lit DWDM-based or direct-fiber-based 4 x10 Gigabit (40,000 Mb/s) or (6) dedicated lit DWDM-based or direct-fiber-based 100 Gigabit (true 100GE not 10x10GE) (100,000Mb/s), connecting each site to the specified location.

Proposers MAY propose lit DWDM-based connections, lit direct-fiber-based point-to-point connections OR shared connections such as Metro-Ethernet (MEF standards compliant) services, but MUST clearly identify whether the services proposed are shared/Metro-Ethernet services or DWDM/fiber-based point-to-point connections.

Any proposer wishing to propose both DWDM/fiber-based point-to-point connections and shared/Metro-Ethernet connections for a specific A and Z location will need to complete two separate Pricing Worksheets (Exhibit D). Shared/Metro-Ethernet services MUST NOT be oversubscribed and the appropriate service level agreement for the service MUST be provided, including acceptable loss/latency/jitter thresholds. Where Metro-Ethernet (MEF standards compliant) services are being proposal, such services MUST provide transparent support of customer VLAN tags from CE to CE (i.e. EPL, ELAN and E-Tree based services, but NOT EVPL, EV-LAN or EV-Tree based services)

In all cases, proposers MAY propose a pair of single mode dark fibers in place of, or in addition to, the services listed above. That is, CENIC will entertain proposals for a pair of dark fibers where it has requested, for example, 10 Gigabit service. Where dark fiber is proposed, proposers MUST clearly identify the fiber type and distance. Where either estimated or actual loss measurements are available, proposers SHOULD provide this information as well.

Exhibit D lists the A and Z locations for which E-rate eligible pricing and solutions are requested. Proposers MUST meet all requirements noted in Exhibit C. The Proposer SHALL install only sufficient equipment necessary to provide the CENIC requested services at any given location. Equipment will be installed in a workman-like manner. All cables and external connections will be attached or secured in accordance with industry standard practices. The Proposer will remove all waste or unused installation material from the site, at the conclusion of the installation.
A. **Service Documentation.** Every service provider MUST submit a service layout record, also known as a design layout record, within thirty (30) days of CENIC’s acceptance testing procedure, which MUST include fiber distances between end locations and major intermediate sites.

For each distinct service bid, Bidders MUST supply a copy of, or link to, any applicable documentation detailing Bidder’s requirements for customer readiness, including requirements for space/power/HVAC for customer premise equipment, customer-provided conduit, and any similar “room ready” requirements.

If the Bidder has supplied this information to CENIC as part of a previous RFP, it need not be provided again so long the information has not changed.

B. **Adoption of New Technologies.** CENIC reserves the right to substitute, without financial penalty, the functional equivalent of existing services as new technologies emerge. Bidders should address how new technologies and services will be handled within the terms of the contract during the life of the agreement. While CENIC is willing to enter into a multiple year agreement, it is CENIC’s expectation that such an agreement will permit the adoption of new technologies without penalty during the life of the agreement.

C. **Optional Services.** Bidders are encouraged to propose optional services not specifically requested by CENIC as part of this RFP, however CENIC SHALL be under no obligation to consider, nor adopt, any such services.

D. **Upgrades.** Prior to and following installation of any awarded service, and any time during the term of that service, including those ordered on multiple year terms, the Bidder agrees that CENIC SHALL have the right to upgrade the existing service to a higher bandwidth service without incurring termination liability, as defined below, and without modifying the term of the initial contract. In the event that CENIC elects to upgrade an existing service, Bidder SHALL have the first option to provide that service at a cost that reflects, in CENIC’s sole discretion, a fair market price. If, upon receipt of a formal written request to upgrade a service, the Bidder is unable, for whatever reason, to provide the upgrade, CENIC reserves the right to cancel the existing service, and to request bids from other service providers who can provide the higher bandwidth service. In such instance, CENIC will provide the existing Bidder with evidence of the change, and will not be subject to any early termination liability.

If the Bidder is able to provide service but only at a cost that is in excess of what CENIC, in its sole discretion, considers a fair market price, CENIC reserves the right to cancel the existing service, and to request bids from other service providers who can provide the upgrade at a fair market price. CENIC will provide the existing Bidder with evidence of the change, and will not be subject to any early termination liability.

E. **Relocations.** Prior to and following installation of any awarded service, and during the term of that service, including those ordered on multiple year terms, the Bidder agrees that CENIC SHALL have the right to relocate the existing service to different A or Z locations, without incurring any early termination liability, as defined below, and without
modifying the term of the initial contract. In the event that CENIC elects to relocate an existing service, Bidder SHALL have the first option to provide that service at a cost that reflects, in CENIC's sole discretion, a fair market price. If, upon receipt of a formal written request to relocate a service, the Bidder is unable, for whatever reason, to provide the relocation, CENIC reserves the right to cancel the existing service, and to request bids from other service providers who can provide the relocated service. In such instance, CENIC will provide the existing Bidder with evidence of the change, and will not be subject to any early termination liability.

If the Bidder is able to provide service but only at a cost that is in excess of what CENIC, in its sole discretion, considers a fair market price, CENIC reserves the right to cancel the existing service, and to request bids from other service providers who can provide the relocated service at a fair market price. CENIC will provide the existing Bidder with evidence of the change, and will not be subject to any early termination liability.

F. Additions. CENIC would prefer a master service agreement that allows for the addition of services without modifying the terms of the initial contract. In the event that CENIC elects to add a service, Bidder SHALL have the first option to provide that service at a cost that reflects, in CENIC's sole discretion, a fair market price.

If the Bidder is able to provide service but only at a cost that is in excess of what CENIC, in its sole discretion, considers a fair market price, CENIC reserves the right to request bids from other Bidders who can provide the additional service at a fair market price.

H. Response time and Outages. Bids SHALL include the following with regard to Response time and Outages:
   a. The Bidder SHALL respond to a trouble report within one (1) hour of the initial report. The response MAY include the start of Network Operations Center (NOC) diagnostic efforts, or on-site presence of Bidder technicians. Within two (2) hours of the initial trouble report, the Bidder SHALL communicate with the CENIC NOC with periodic reports consisting of status and estimated time to repair.
   b. The CENIC NOC will assist the Bidder in joint testing and coordination to effectuate repairs at the earliest possible time. Outages of services SHALL fall into two categories. Planned outages represent service downtime for which the Bidder has given five (5) business days' notice of an anticipated outage to CENIC.
   c. Upon approval, the Bidder will be allowed one (1) hour per month per service for planned preventative maintenance, equipment change-outs, or service grooming, without incurring outage credits. The allotted time per service, per month is not cumulative. Outage time not used in the current month is not carried forward to future months. Planned outages SHALL be scheduled during normal maintenance windows of midnight to 6am local time. An unplanned outage, through no causes of CENIC, is defined as the service being unavailable for use and would not include conditions caused by Force Majeure or otherwise beyond the control of Bidder. An outage of this type, or the amount of time a planned outage exceeds the maximum 1-hour duration, SHALL result in “outage credits” being incurred by Bidder.
   d. Outage credits SHALL consist of three times the monthly rate of the affected service divided by 43,200, multiplied by the minutes a service is unavailable for
use. The duration of minutes SHALL consist of the recorded time between the trouble report delivered to the Bidder, and the time the Bidder reports the trouble is fixed.

4.0 Table of Exhibits

- **Exhibit A**: Non-Disclosure Agreement
- **Exhibit B**: CalREN Hubsites
- **Exhibit C**: Reporting Requirements for Federal and State Discounts
- **Exhibit D**: Pricing Worksheet
- **Exhibit E**: Required Information for Special Construction for USAC Program Integrity Review provided for reference only at this time.