

REQUEST FOR PROPOSAL

Due Date: September 24, 2020, 5:00 PM PDT

Questions: 2021K12RFP@cenic.org

Address: Email proposals to: 2021K12RFP@cenic.org

Hard copies are not required but may be sent to:

K12 Node RFP, CENIC, 16700 Valley View, Suite 400, La Mirada, CA 90638

Introduction

This Request for Proposal (RFP) is released on behalf of the California K-12 High Speed Network (K12HSN) by The Corporation for Education Network Initiatives in California (CENIC) and in support of providing quality high-speed broadband connectivity for schools statewide.

This Request for Proposal solicits responses from qualified service providers for various communications circuits and optional dark fiber segments across California. The physical addresses are provided in the attached exhibits. For the convenience of sorting and evaluation, responses **MUST** be submitted using the Pricing Worksheet (Exhibit D) and responses cannot be in PDF or locked spreadsheets. Supplemental pricing information is acceptable and may be inserted into the Pricing Worksheet or submitted in a separate spreadsheet.

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.

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 **210000277**. The Form 470 may be viewed by service providers with an EPC login and search under the “Records” tab “FCC Forms 470” option. For service providers without an EPC login, the Form 470 may be viewed at <https://data.usac.org/publicreports/Forms/Form470Rfp/Index>.

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/2nd2021k12rfp>.

B. Due date. Responses must be received in electronic format via email at **2021K12RFP@cenic.org** by September 24, 2020, 5:00 P.M. Pacific Daylight Time. Upon request by one or more proposers, CENIC may, at its sole discretion, extend the due date for all circuits or on a circuit-by-circuit basis.

Any questions or points of clarification received by CENIC will be answered and posted online at <http://cenic.org/2nd2021k12rfp>.

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

CENIC may also consider other criteria outlined below, and what CENIC considers, in its sole judgment, represents the best value, taking into consideration cost, program needs including time to installation, technical issues and similar factors.

Evaluation Criteria

- 35% E-rate eligible cost
- 10% Scalable technology depending on the needs of the network
- 20% Network design considerations (e.g. wire center diversity and other considerations) and timelines of installation
- 10% Proposed contract terms and conditions
- 10% E-rate ineligible costs
- 15% Prior experience including past performance

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 and submitting 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 when possible, 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. Questions should be submitted to the following e-mail address: **2021K12RFP@cenic.org**. Any oral statements made by CENIC employees, consultants or others will not be binding. Proposers are encouraged to review the Questions & Answer exhibit before submitting a question in case it may have been answered already.

H. Rejection of proposals. CENIC may reject proposals if, based on CENIC's sole judgment, the proposals are deemed to be non-responsive.

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. CENIC is working with other organizations regarding this RFP. The inability to share entire or large portions of proposals may adversely affect the review of proposals and result in a proposal being rejected. As a result, proposers are encouraged to make their entire proposal non-confidential. However, proposers may designate some or all of their proposals confidential. Proposer 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 as being non-responsive. 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 Code of Federal Regulations:

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

§ 54.511 Ordering Services (a) Except as exempted in § 54.503(e), 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 proposals.

2.0 Required Administrative Responses

Proposers MUST respond to all required items. Incomplete proposals may, at CENIC's sole discretion, be considered non-responsive and rejected. 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 will be required to have a SPIN in place by July 1, 2021 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 may be submitted for three (3) or five (5) year terms. Proposers MUST indicate if contract period can be extended for up to 12 months past the end of the initial term with an option to cancel during the extension with no penalty to allow for administrative alignment with fiscal and E-rate cycles. Proposers may submit a proposal on all or any subset of services included in this RFP. If Proposer is currently under contract for services, responses should indicate whether existing contracts are to be used for the services in their proposal, 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.

Optional Dark Fiber Segments

With this RFP, CENIC is seeking primarily lit or managed services. However, proposers may submit proposals for optional dark fiber segments. 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 may be submitted for three (3) or five (5) years with optional extensions.

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.

Renewal Circuits and Contracts

There are a number of circuits included in this RFP that are being re-bid because their contract terms are ending in the upcoming E-rate funding year. CENIC does not currently contemplate changes to existing bandwidth needs and A and Z location addresses for these connections. Should, as a result of this open and fair competitive bidding process, CENIC select the incumbent provider's proposal as the most cost-effective, it is CENIC's expectation that there be no interruption or change in service when migrating from the existing contract to the renewal contract. This requirement should not by any measure be construed as a preference to the incumbent provider(s); rather, it is to outline CENIC's expectations for contract renewals should the incumbent provider(s) be selected as a result of the fair and open competitive bidding process.

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. Furthermore, circuit installation dates are to be coordinated between CENIC and the provider; a provider may not unilaterally establish installation dates. Non-recurring/Special Construction costs **MUST NOT** be billed until after circuit installation is complete and CENIC has verified installation. If proposers are unable to accept this term, proposers **MUST** provide an alternate proposal for billing and payment of non-recurring costs.

D. Invoices. Each Proposer 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

E. Pricing. Proposers 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.

1) **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 Services List for Funding Year 2020, 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 construction.
- Monthly Recurring charge: Please identify the monthly recurring charge for service for the thirty-six month and/or sixty-month terms.
- Estimated rate for taxes and surcharges: Please identify the aggregate estimated percentage of taxes and surcharges to be assessed at the top of the form in the left-hand corner.

2) **Optional Dark Fiber Segments:** With this RFP, CENIC is seeking primarily lit or managed services. However, proposers may submit proposals for optional dark fiber segments. Pricing for dark fiber can be expressed in either ten (10), fifteen (15) or twenty (20) year Lease or Indefeasible Right of Use (IRU) terms. Lateral fibers built as part of IRU delivery MUST be included. 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 Services List for Funding Year 2020, 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 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, an up-front IRU payment 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.

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 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 2020. Proposers should indicate if amortization of special construction will be allowed under the proposed rates.

Proposers of managed or lit services 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. Non-recurring/Special Construction costs MUST NOT be billed until after circuit installation is complete and CENIC has verified installation. If proposers are unable to accept this term, proposers MUST provide an alternate proposal for billing and payment of non-recurring costs. CENIC WILL NOT BE RESPONSIBLE FOR ANY EASEMENT/RIGHT OF WAY COSTS INCURRED BY THE PROPOSER WHILE IMPLEMENTING THE SOLUTION. The Minimum Point of Entry (MPOE) and Demarcation point at each site shall be determined by CENIC and/or its customers. All cost proposals MUST include pricing to install services to the MPOE and extension to Demarcation point.

If special construction costs are not specified or are specified as zero dollars, the Proposer will be responsible for construction up to the MPOE and extension to the Demarcation point at each site as determined by CENIC and/or its customer at no cost to CENIC. There are many service segments and pricing alternatives being requested. It is the responsibility of each responding Proposer 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 Proposer to provide information that is free from errors or omissions. Once submitted, Proposers will be held responsible to provide service at the prices proposed and quoted. All services eligible for federal or state discounts MUST be expressed in rates before CTF or E-rate discounts. Optional pricing for annual pre-payment or multi-year pre-payments may be considered by CENIC.

F. 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 proposal responses and under no circumstances may they 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.

G. 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, 2021 through June 30, 2022. Proposers MUST provide a reasonably accurate timeline for installation of the services. Proposer's response MUST indicate, in calendar days, the number of days required to install the service(s) proposal 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 proposers to provide reasonably accurate timelines inclusive of time required for special construction.

The above notwithstanding, all circuits listed in this RFP are subject to required approvals. CENIC reserves the right to terminate any circuit awarded without penalty should it not be approved. Proposers MUST agree that they shall not begin any work, nor invoice CENIC for any non-recurring costs until such time that CENIC provides written confirmation of approval and acceptance of a non-recurring costs payment schedule. Otherwise, non-recurring/special construction costs MUST NOT be billed until after circuit installation is complete and CENIC has verified installation. This item is non-negotiable and proposers MUST agree to be considered responsive.

The FCC's Second Modernization Order outlines the conditions where E-rate applicants may request a single one-time extension for special construction. Any proposers of special construction MUST submit proposals with the understanding that no extensions of implementation will be allowed beyond June 30, 2023.

H. Failure to Perform. Upon placement of a contract and/or service order, proposers MUST confirm their installation timeline within thirty (30) days. If the timeline is found to be considerably longer than what was proposed in the proposal, CENIC reserves the right to cancel the service order or contract without penalty due to non-performance. CENIC shall not be held responsible for any early termination penalties should the contract be terminated under these conditions. If the contract is terminated due to non-performance, CENIC may award the contract to the proposer that scores second in the evaluation process, or may repeat the proposal process for the service.

I. Open Records. All information provided to CENIC in response to this RFP, or under an agreement or contract between CENIC and the successful proposer, may be

subject to release, inspection, or disclosure upon request. The successful proposer 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 (a)(2)(i)(ii).

J. Terms and Conditions. Proposers **MUST** provide 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.

K. Qualifications. Proposers **MUST** demonstrate their ability and capacity to implement the services proposed.

L. References. Proposals will be judged in part on their experience installing services similar to those proposed, on schedules similar to those proposed. Proposers may include references, with name and contact number, for three (3) such organizations.

M. Non-Disclosure Agreement. Proposers interested in responding to this RFP **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 2021K12RFP@cenic.org. Upon receipt of a signed Exhibit A, a list of aggregation hub site (Exhibit B) addresses will be provided.

If a Proposer believes they have executed an NDA with CENIC they should email 2021K12RFP@cenic.org with this information. Upon confirmation by CENIC of an existing and valid NDA, the list of aggregation hub site addresses (Exhibit B) will be provided to that proposer.

3.0 Required Technical Responses

Proposers **MUST** respond to and acknowledge all required items. Incomplete proposals may, at CENIC's sole discretion, be considered non-responsive and rejected.

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. Description of service requirements. Broadband services SHALL consist of one of the following or equivalent: (1) Metro Ethernet service (MEF standards compliant) at CIRs of 100 or 1,000 Mb/s (or others as requested), (2) dedicated lit DWDM-based or direct-fiber-based point-to-point Gigabit (1,000 Mb/s), (3) dedicated lit DWDM-based or direct-fiber-based 10 Gigabit (10,000 Mb/s), (4) dedicated lit DWDM-based or direct-fiber-based 4 x10 Gigabit (40,000 Mb/s) or (5) dedicated lit DWDM-based or direct-fiber-based 100 Gigabit (true 100GE not 10x10GE) (100,000Mb/s), or (6) a pair of single mode dark fibers (Optional), 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 proposed, 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**).

Optional Dark Fiber Segments: With this RFP, CENIC is seeking primarily lit or managed services. However, proposers may submit proposals for optional dark fiber segments. 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.

Due to the risk of natural disasters, it has become a priority to perform a best effort in acquiring as near as complete diversity for the various segments in the statewide network. Bidders should consider paths that do not share central facilities that would be vulnerable to natural disasters. CENIC understands that complete diversity may not be attainable; however, bidders should address how they can provide wire center diversity for the segments identified in Exhibit D, where appropriate.

Exhibit D lists the A and Z locations for which E-rate eligible pricing and solutions are requested. Exhibit D indicates desired bandwidths. Note however, CENIC may choose to order multiple circuits of requested bandwidths in order to meet the growing bandwidth needs of the network. If discounts are available for ordering multiple circuits, please indicate the discounted rates under the Multiple 1 Gbps and Multiple 10 Gbps sections in Exhibit D.

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.

B. Service Documentation. For each distinct service proposal, Proposers MUST supply a copy of, or link to, any applicable documentation detailing Proposer's requirements for customer readiness, including requirements for space/power/HVAC for customer premise equipment, customer-provided conduit, and any similar "room ready" requirements.

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 any dark fiber solution, a service provider MUST submit documentation of fiber test results, and fiber route information in a form mutually agreeable to CENIC and the provider before CENIC's acceptance testing procedure can begin.

C. Adoption of New Technologies. CENIC reserves the right to substitute, without financial penalty, the functional equivalent of existing services as new technologies emerge. Proposers 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.

D. Optional Services. Proposers are permitted 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.

E. Upgrades. Following installation of any awarded service, and during the term of that service, including those ordered on multiple year terms, the Proposer 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. If, upon receipt of a formal written request to upgrade a service, the Proposer is unable, for whatever reason, to provide the upgrade, CENIC reserves the right to cancel the existing service, and to request proposals from other service providers who can provide the higher bandwidth service. In such instance, CENIC will provide the existing Proposer with evidence of the change, and will not be subject to any early termination liability.

If the Proposer 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 proposals from other service providers who can provide the upgrade at a fair market price. CENIC will provide the existing Proposer with evidence of the change, and will not be subject to any early termination liability.

F. Relocations. Following the award of service, and during the term of that service, including those ordered on multiple year terms, the Proposer 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, Proposer 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 Proposer is unable, for whatever reason, to provide the relocation, CENIC reserves the right to cancel the existing service, and to request proposals from other service providers who can provide the relocated service. In such instance, CENIC will provide the existing Proposer with evidence of the change, and will not be subject to any early termination liability.

If the Proposer 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 proposals from other service providers who can provide the relocated service at a fair market price. CENIC will provide the existing Proposer with evidence of the change, and will not be subject to any early termination liability.

G. Additions. CENIC would prefer a master service agreement that allows for the addition of services without modifying the terms of the initial contract.

If the Proposer 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 proposals from other Proposers who can provide the additional service at a fair market price.

H. Response time and Outages. Any contract resulting from this RFP MUST include a Service Level Agreement (SLA) documenting how outages are handled, including response times. Proposers should include the SLA with their proposal and it should include the following:

a. The Proposer SHALL respond to a trouble report within one (1) hour of the initial report. The response may include the start of Network Management Center diagnostic efforts, or on-site presence of Proposer technicians. Within two (2) hours of the initial trouble report, the Proposer shall communicate with the CENIC NOC with periodic reports consisting of status and estimated time to repair.

b. The CENIC NOC will assist the Proposer 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 Proposer has given five (5) business days' notice of an anticipated outage to CENIC.

c. Upon approval, the Proposer 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 cause 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 Proposer. 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 Proposer.

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 Proposer, and the time the Proposer reports the trouble is fixed.

4.0 Table of Exhibits

Exhibit A: Nondisclosure Agreement

Exhibit B: CalREN Aggregation Hub Site Locations (*provided upon confirmation of NDA completion*)

Exhibit C: Reporting Requirements for Federal and State Discounts

Exhibit D: Circuit Pricing Worksheet

Exhibit E: Required Information for Special Construction for USAC Program Integrity Review provided for reference only at this time.