



Leading the Way to Tomorrow's Internet

The Corporation for Education Network Initiatives in California

Request for Proposal

Due Date: November 2, 2007 or the 29th calendar day after E-rate Form 470 No. 745780000626417 is posted, whichever is later.

Questions: CENIC Project Management
Ed Smith, 714-220-3453, esmith@cenic.org

Address: Send proposals to:
Email: circuitrfp@cenic.org
USPS: Circuit RFP, CENIC, 5757 Plaza Drive, #205, Cypress, CA 90630

This Request for Proposal solicits responses from qualified vendors for various communications circuits across California. The physical addresses and NPA/NXX numbers for all sites are provided in separate exhibits. Due to federal E-rate requirements, all circuits supporting K-12 sites are separated and clearly designated. A separate exhibit is also provided listing reporting requirements related to K-12 circuits eligible for federal and state discounts.

1.0 Administrative

- A. Due date. Responses must be received in electronic format via email at circuitrfp@cenic.org by 5:00 P.M. Pacific Time on November 2, 2007. In addition to email, a printed copy of each response must be sent to CENIC at the address specified above.
- B. Bidders' Conference. No bidder's conference has been scheduled. If requested by two or more providers, a bidder's conference held by telephone conference will be scheduled and announced to all potential participants.
- C. Basis for Award. CENIC will award a contract to the bidder(s) whose response, in CENIC's sole judgment, represents the best value considering program needs, technical issues, cost and other factors. CENIC may waive any immaterial deviation in a proposal. Pricing will be given the highest value in the evaluation of proposals and award of contracts.
- D. Awards. CENIC may make more than one award or may make no award as a result of this solicitation. The decision to make no award, to make one award, or to make more than one award is final. Bidders may be awarded some, none, or all of the circuits they provide bids for. There is no protest process.

- 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 Web site, 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. Any oral statements made by CENIC employees, consultants or others will not be binding.
- H. Rejection of proposals. CENIC may reject proposals if 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. 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.
- L. Pricing. Bidders should propose costs for circuits on a monthly basis, and separately show any applicable one-time non-recurring charges. Special construction costs must be separately identified on a per circuit basis. Optional pricing for annual prepayment or multi year prepayments may be submitted. **Pricing must be expressed in rates to CENIC, which do not include State California Teleconnect Fund (CTF) or Federal e-rate discounts, but do include all estimated taxes and surcharges.**
- M. Assignment & Successors. CENIC reserves the right, during the term of the agreements to assign this agreement 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 provider. At the end of the 30-day period, the provider 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.
- N. Upgrades. Following installation of any awarded circuit, and during the term of that circuit, including those ordered on multiple year terms, providers agree that CENIC shall have the right to upgrade the existing circuit to a higher bandwidth circuit of the same or higher cost, 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 circuit, provider shall have the first option to provide that circuit at a cost which reflects, in CENIC's sole discretion, a fair market price. If the provider is unable to provide such a price, CENIC reserves the right to cancel the existing circuit, and change to a provider who can provide the upgrade at a fair market price. CENIC will provide the existing provider with evidence of the change, and will not be subject to termination liability. If, upon receipt of a formal written request to upgrade a circuit, the provider is unable, for whatever reason, to provide the upgrade, CENIC reserves the right to cancel the existing circuit, and change to a provider who can provide the higher bandwidth circuit. CENIC will provide the existing provider with evidence of the change, and will not be subject to termination liability.

- O. Termination Liability. Any contract resulting from this RFP will include a Termination Liability provision for all awarded circuits during the life of the contract. Termination Liability is defined as the amount due and payable should CENIC, its assigns or successors, disconnect any circuit segments prior to the expiration of the term of service. Termination liability shall not apply to any circuit 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 circuits.

The selected service provider(s) must agree to sign a contract that includes the provision CENIC may cancel or terminate circuit(s) with thirty (30) days prior written notice without incurring any penalties or termination fees in case of non-funding or insufficient funding of the K12HSN program by the State of California.

- P. Response time and Outages. The provider 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 provider technicians. Within two (2) hours of the initial trouble report, the provider shall communicate with the CENIC NOC with periodic reports consisting of status and estimated time to repair. The CENIC NOC will assist the provider in joint testing and coordination to effectuate repairs at the earliest possible time. Outages of circuits shall fall into two categories. Planned outages represent circuit downtime for which the provider has given 72-hour notice of an anticipated outage to CENIC. Upon approval, the provider will be allowed one (1) hour per month per circuit for planned preventative maintenance, equipment change-outs, or circuit grooming, without incurring outage credits. The allotted time per circuit, 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 overnight weekday and weekend time frames. An unplanned outage, through no cause of CENIC, is any denial of service, during which full circuit bandwidth is unavailable for use. 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 Provider. Outage credits shall consist of three times the monthly rate of the affected circuit divided by 43,200, multiplied by the minutes a circuit is unavailable for use. The duration of minutes shall consist of the recorded time between the trouble report delivered to the provider, and the time the provider reports the trouble

is fixed.

- Q. Invoices. Each provider will be expected to provide a single, itemized, monthly invoice indicating all of the contracted circuits. Circuits eligible for federal or state discounts must be submitted on separate invoices. Invoices should be mailed to:

The Corporation for Network Initiatives in California (CENIC)
5757 Plaza Drive, Suite 205, Cypress, CA 90630-5029.

2.0 Required Responses

Bidders must respond to all required items. Incomplete bids are subject to rejection.

- A. Federal and state discounts. CENIC considers a subset of the circuits listed in this RFP to be eligible for Federal E-rate and State CTF discounts. All respondents shall provide their current E-rate Service Provider Identification Number (SPIN) for telecommunications to CENIC as part of the response. Additionally, selected service provider must comply with all E-rate and CTF program regulations, including any E-rate requirements to maintain viability as a service provider, such as, but not limited to, maintaining a current Service Provider Annual Certification Form 473 (SPAC). Failure to comply is grounds for cancellation of any contract issued pursuant to this RFP. The provider(s) awarded contracts on these circuits shall be responsible for applying for CTF discounts, and circuit installation will not be considered completed without having done so. To the extent possible, E-rate and CTF credits will be realized on an on-going basis using Service Provider Invoicing (SPI). If either type of discount cannot be realized using SPI on an on-going basis, then those credits must be automatically converted into checks payable to CENIC. In addition, bidder must describe how federal and state discounts will be accounted for and reported in billing statements and/or other documents if awarded a contract. Information required is contained in Exhibit B. Such procedures will be included in any contract issued as a result of this bid.
- B. Contract period. The contract period for awards resulting from this RFP will be from the date a circuit is installed through its contractual termination date. The termination dates may vary according to the type of circuit. Pricing may be submitted for three (3), four (4) or five (5) year terms. Bidders may bid on all or any subset of circuits included in this RFP. If bidder is currently under contract with CENIC for circuits, responses should indicate whether existing contracts are superseded by the new proposal or if circuits 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 circuits included in any proposal in order to fulfill commitments on current contracts.
- C. 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 not

preclude the adoption of new technologies without penalty during the life of the agreement.

- D. **Optional Services.** Optional services, not specifically requested by CENIC as part of this RFP, may be proposed by bidders, but CENIC shall be under no obligation to consider nor adopt any such services.
- E. **Terms and Conditions.** Bidder should propose terms and conditions as part of the response. All proposed Terms and Conditions will be subject to CENIC's approval and may be negotiated before acceptance.
- F. **Qualifications.** Bidders must demonstrate their ability and capacity to implement the services proposed.
- G. **References.** Bids will be judged in part on their experience installing circuits similar to those bid, on schedules similar to those proposed. Bidders may include references, with name and contact number, for three (3) such organizations.
- H. **Pricing.** Bidders should propose costs for circuits on a monthly basis inclusive of all associated collocation costs, and separately show any applicable one-time non-recurring charges. Any equipment included in these charges shall remain the property of the provider. Special construction costs must be separately identified on a per circuit basis. If special construction costs are not specified or are specified as zero dollars, the provider will be responsible for construction up to the curb or property line at no cost to CENIC. There are many circuit segments and pricing alternatives being requested. It is the responsibility of each responding provider 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 carrier responses and awarding circuit contracts. CENIC relies on each provider to provide information that is free from errors or omissions. Once submitted, providers will be held responsible to provide service at the prices bid and quoted. **All circuits eligible for federal or state discounts must be expressed in rates to CENIC which do not include CTF or e-rate discounts, but do include all estimated taxes and surcharges.** Optional pricing for annual prepayment or multi year prepayments will be accepted as well.

Price Worksheet responses should be provided as:

- 1. completed electronic file copies saved with no changes in format; and
 - 2. paper copies as part of the providers printed response document.
- I. **Description of circuit requirements.** Broadband circuits shall consist of (1) a dark fiber pair, (2) DS-3 (44.736Mb/s) service, (3) OC-3c (155.52Mb/s) service, (4) OC-12c (622.08Mb/s) service, (5) Metro Ethernet service at CIRs of 50, 100, 250, 500 or 1000 Mb/s, (6) point-to-point Gigabit (1000 Mb/s), or (7) 10 Gigabit (10,000 Mb/s) where available, connecting each node location to either a desired hub location or other node locations. The CENIC design architecture represents a best-practices approach to an

efficient and economical network design. Based upon the CENIC design architecture, there are broadband circuit segments of various speeds that make up the current network. These segments do not include future circuits that may be needed for additional node sites, or as growth within existing sites.

Circuits must be point-to-point and not make use of virtual-circuit technologies such as frame relay or MPLS. All circuits must have C-bit parity signaling.

CENIC is interested in Optical Carrier Network (OCN) type transport services to provide a high speed synchronous, full duplex optical path between a service provider's wire center where add/drop multiplexing and add/drop functions are performed at CENIC backbone hub sites. As indicated in Exhibit C, service providers interested in responding to this RFP must submit a signed Nondisclosure Agreement, Exhibit D. The signed NDAs (Exhibit D) must be submitted to circuitrpf@cenic.org and/or esmith@cenic.org. Upon receipt of a signed Exhibit D, a list of hub site addresses will be provided.

Exhibit E lists circuits and site locations that are NOT eligible for federal E-rate or state CTF discounts.

Exhibit F lists circuit segments which will principally serve K12 sites. As such, these circuits will be eligible for federal E-rate and state CTF discounts. Providers interested in providing any of these circuits must meet all requirements noted in Exhibit B. For the purpose of this procurement, a "circuit segment" is defined as a single circuit connecting either a hub to a node, or a node to a node. Should a provider determine that it is able to serve a node location from a hub site different than shown in Exhibit F, the provider shall indicate the exceptions, with full details. The provider shall install only sufficient equipment necessary to provide the CENIC requested circuits at a location. Equipment will be installed in a workmanship-like manner. All cables and external connections will be attached or secured in accordance with industry standard practices. The provider will remove all waste or unused installation material from the site, at the conclusion of the installation.

All awarded circuits must complete acceptance testing with the CENIC NOC and must have been accepted before billing can commence, regardless of the circuit installation date.

3.0 Table of Exhibits

Exhibit A: Questions & Answers

Exhibit B: Reporting Requirements for Federal and State Discounts

Exhibit C: Backbone Hub Site Locations

Exhibit D: Service Provider NDA

Exhibit E: Non E-rate Circuits

Exhibit F: K12 E-rate Circuits

Exhibit G: SLC Circuit Specifications