

Natural Gas Supply Services for Municipal Generation Project

Town of Richlands, Virginia

Issue Date: March 24, 2025

Submission Deadline: April 15, 2025, 4:00 PM EST

1. INTRODUCTION

The Town of Richlands, Virginia ("Town") is seeking proposals from qualified natural gas suppliers to provide firm natural gas supply service for its new 5MW municipal gas turbine generator project. The delivery point must be located on the East Tennessee Natural Gas (ETNG) pipeline system.

2. PROJECT OVERVIEW

The Town is installing a Solar Mercury 50 natural gas-fired turbine generator rated at 5MW capacity. The project requires a reliable natural gas supply to support both baseload and peak generation operations.

Key Project Details:

1. Generator Location: Richlands Gas Generation Site, Richlands, VA
2. Generator Type: Solar Mercury 50 Turbine
3. Capacity: 5MW

3. SCOPE OF SERVICES

The selected supplier shall provide:

- Firm natural gas supply service
- Delivery to the specified point on the ETNG pipeline system
- 24/7 scheduling and nomination services
- Monthly billing and reporting
- Account management services

4. REQUIREMENTS

4.1 Supply Requirements

- Firm gas supply service with 100% reliability

- Delivery pressure: Maximum 250 psig/Minimum 182 psig as required by turbine specifications
- Maximum daily quantity (MDQ): 1,238.4 Mcf/d (at 14.7 psia & 60°F) sufficient to support 5MW generation
- Capability to adjust daily nominations based on generation schedules

4.2 Technical Requirements

- Gas quality must meet or exceed ETNG pipeline specifications
- Gas composition must comply with ES9-98 limits as detailed in Table 1

Table 1: Definitions of Gaseous Fuels for Use with a Standard Fuel System

Physical and Chemical Descriptions	ES9-98 Limits
Fuel Volume Ratio (1220/WOBBE Index)	0.9 to 1.1
Fuel Mass Ratio (21550/LHV Btu/lb)	<5
Hydrogen Content	<4% by volume
Carbon Monoxide Content	<12.5% by volume
Hydrogen Sulfide	10,000 ppmw Max.
Ratio of Flammability Limits <u>Upper flammability limit</u> Lower flammability limit	>2.8
Stoichiometric Flame Temperature with Air Temperature Equal to Compressor Discharge Temperature at Design Point	>3600°F (1980°C)
Total Particulates	<30 ppmw x (LHV/21,500 Btu/lb)
Maximum Particle Size	10 microns Greater than or equal to -20°F and less than or equal to 200°F
Fuel Gas Supply Temperature	Greater than or equal to 130°F for fuels containing elemental sulfur.

- Minimum supply pressure as required by pipeline
- BTU content: 1,000-1,100 BTU/scf
- Supply must be sourced from reliable domestic sources

4.3 Contract Terms

- Initial term: 3 years with option to extend
- Pricing structure: Fixed rate or indexed to published market prices
- Monthly billing with detailed usage reporting
- Force majeure provisions
- Credit requirements

5. PROPOSAL REQUIREMENTS

Proposals must include:

1. Company Overview
 - Business History
 - Financial statements
 - Industry experience
 - Similar project references
2. Technical Approach
 - Gas supply sources
 - Delivery point specifications
 - Nomination procedures
 - Quality control measures
 - Emergency response procedures
3. Pricing Structure
 - Base rate per MMBtu
 - Transportation costs
 - Any additional fees or charges
 - Price adjustment mechanisms
 - Credit terms
4. Sample Contracts
 - Draft gas supply agreement
 - Service level agreements
 - Credit requirements

6. EVALUATION CRITERIA

Proposals will be evaluated based on:

1. Technical capability (30%)
2. Pricing structure and competitiveness (30%)
3. Company experience and reliability (20%)
4. Customer service and support capabilities (10%)
5. Financial stability (10%)

7. SUBMISSION INSTRUCTIONS

Proposals must be submitted in sealed envelopes marked "Natural Gas Supply Proposal - Richlands Generation Project" to:

Town of Richlands
200 Washington Square
Richlands, VA 24641

Electronic copies must also be submitted to: [Town email address]

8. TERMS AND CONDITIONS

- The Town reserves the right to reject any or all proposals

- Questions must be submitted in writing 10 business days before the submission deadline
- Proposals must remain valid for 90 days after submission
- Selected supplier must maintain required insurance and bonding
- Compliance with all applicable federal, state, and local regulations required

9. CONTACT INFORMATION

For questions regarding this RFP, contact:

Ronnie Campbell

Finance Director

276-964-2566

rcampbell@richlands-va.gov

10. SCHEDULE

- RFP Issue Date: March 24, 2025
- Questions Due: April 11, 2025
- Proposals Due: April 15, 2025
- Evaluation Period: April 16-30, 2025
- Selection Notification: May 1, 2025
- Contract Negotiations: May 2025
- Service Commencement: June 2025 or as negotiated