

RESIDENTIAL UTILITY CONSUMER OFFICE

REQUEST FOR PROPOSAL

IN THE MATTER OF THE APPLICATION OF QWEST CORPORATION D/B/A/
CENTURY LINK-QC ("CENTURYLINK") TO CLASSIFY AND REGULATE
RETAIL LOCAL EXCHANGE TELECOMMUNICATIONS SERVICES AS
COMPETITIVE, AND TO CLASSIFY AND DEREGULATE CERTAIN SERVICES
AS NON-ESSENTIAL

DOCKET NO. T-0105B-11-0378

BEFORE THE ARIZONA CORPORATION COMMISSION

PROPOSALS TO BE CONSIDERED MUST BE RECEIVED

ON OR BEFORE

5:00 P.M. (ARIZONA TIME), JANUARY 6, 2012

ISSUE DATE: November 22, 2011

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1. INTRODUCTION

You are invited to submit a proposal in accordance with the specifications and conditions contained in this Request for Proposals (RFP). Proposals must address all of the work elements described in Section 3 of the RFP. Offerors must submit an original and three (3) copies of their proposals on or before 5:00 p.m. (Arizona time) on January 6, 2012.

2. BACKGROUND

2.1. DESCRIPTION OF RESIDENTIAL UTILITY CONSUMER OFFICE ("RUCO")

RUCO was established in 1983, through the enactment of enabling legislation by the Thirty-Sixth Legislature of the State of Arizona, for the purpose of representing the interests of residential utility consumers in regulatory proceedings involving public service corporations before the Arizona Corporation Commission ("ACC" or "Commission").

RUCO is empowered to:

- Research, study and analyze residential utility consumer concerns.
- Prepare and present briefs, arguments, proposed rates or orders, and intervene or appear on behalf of residential utility consumers before hearing officers and the ACC.
- Make and execute contracts for outside services.

2.2. DESCRIPTION OF THE DOCKET

On July 1, 2003, Qwest Corporation ("Qwest") filed with the Arizona Corporation Commission ("Commission") its Renewed Price Regulation Plan ("Renewed Plan") pursuant to the provisions of the Second Revised Settlement Agreement approved in Decision No. 63487 on March 30, 2001. The Renewed Price Regulation Plan proposed revisions to the then existing Price Cap Plan.

Ultimately, the Commission issued Decision No. 66772 (February 10, 2004) in which the Commission determined that the language of the Current Plan was clear that Qwest must make the Productivity Adjustment for the third year of the Current Plan effective April 1, 2004, and that the Current Plan remains in effect

until the Commission approves a renewed or modified plan or orders the termination of the Current Plan.

The Commission also found in Decision No. 66772 that Qwest had not filed accurate Arizona financial statements and that because it was seeking a major revenue increase as part of its proposed Renewed Plan, it must comply with the requirements of A.A.C. R14-2-103.

By Procedural Order dated November 17, 2003, the Commission determined that Phase I of the Access Charge Docket, which addresses Qwest's access charges, should be considered in conjunction with the Renewed Plan docket.

On August 24, 2005, Staff filed an executed Settlement Agreement between all of the parties in that docket except RUCO. RUCO argued that the greatest failure of the Settlement Agreement was that it did not recognize the varying degrees of competition that Qwest faced in its wire centers throughout the state, and that the Settlement Agreement's "one price fits all" approach does not reflect the current competitive environment. According to RUCO, statewide rate averaging provides Qwest with little incentive to lower rates in its competitive markets. The biggest losers of rate averaging, RUCO argued were customers in certain urban areas where Qwest faced the most competition. RUCO stated that in areas where Qwest was losing market share, a possible solution would be to lower prices, but Qwest has little incentive to lower prices if it must do so statewide. RUCO argued the better solution was to allow Qwest greater pricing freedom in those areas where it faces competition.

The matter was scheduled for Open Meeting and the Commission issued its decision on March 23, 2006. The Commission adopted the Agreement at the Open Meeting. The Commission noted that this case was not the case to determine the issues associated with geographic pricing. RUCO was instrumental in bringing the geographic pricing issue to the forefront and assuring its consideration in another docket before the Commission. RUCO was also effective in the negotiation process and several of RUCO's recommendations were ultimately a part of the final Agreement adopted by the Commission.

The term of the Renewed Price Cap Plan was a period of three years after the effective date of the Commission's decision – Decision No. 68604 docketed March 23, 2006. In anticipation of the March 23, 2009 renewal date, Qwest filed an application to extend the renewed price cap plan on June 24, 2008 which ultimately was granted.

On October 13, 2011, Qwest Corporation now doing business as CenturyLink-QC, filed a petition with the Commission. CenturyLink seeks a (1) a determination pursuant to A.C.C. R14-2-1108 that all Commission-regulated

retail local exchange services CenturyLink provides are competitive telecommunications services and (2) a determination pursuant to A.R.S. 640-281(E) that certain of the retail services CenturyLink provides are not essential or integral to the public service and shall not be regulated by the Commission.

As of the time of this RFP there are no procedural schedules or orders.

3. SCOPE OF WORK

The Contractor(s) ("Contractor") will conduct a comprehensive analysis of the issues and provide RUCO with recommendation as to whether all of the Commission-regulated retail local exchange services CenturyLink provides are competitive telecommunication services and whether certain services CenturyLink provides as outlined in its petition are not essential and therefore not subject to Commission regulation.

The Contractor should be aware that the scope of the project and procedural schedules are subject to change and that the Contractor will be required to maintain a reasonable amount of flexibility and accommodate any changes.

3.1. MAJOR WORK ELEMENTS

The major work elements will include, but not be limited to, the following:

1. Read and review and identify issues in the testimony and any schedules submitted by Company and any other parties in this docket, as well as any updated schedules and testimony.
2. Prepare and submit all data requests necessary and prepare responses to data requests served on RUCO.
3. Prepare expert testimony, surrebuttal testimony, and, if required by Procedural Order, supplemental testimony.
4. Appear and testify at the evidentiary hearing(s) for this docket.
5. Provide technical support in the preparation and presentation of RUCO's position in public hearings.
6. Prepare questions for cross-examination and rebuttal.

7. Analyze the Proposed Opinion and Order issued by the Administrative Law Judge and evaluate it for possible exceptions, rehearing and appeal.
8. If requested, provide technical support in the preparation of other RUCO members' testimony and RUCO's brief.
9. Assist RUCO and its attorneys in writing exceptions to the Proposed Order, if necessary.

3.2. WORK PRODUCTS

The Contractor shall provide the following work products:

1. Discovery data requests to submit to other parties as necessary.
2. Three (3) copies of written direct testimony in draft form and twenty-five (25) copies of written testimony in its final form. **Contractor has the option of providing the original testimony electronically; however, Contractor must still provide hardcopies. If Contractor elects to not provide hardcopies, RUCO will make the hardcopies and charge the Contractor for the copies against the Contractor's monthly invoice at the rate of five cents per page.**
3. Three (3) copies of written surrebuttal testimony in draft form and twenty-five (25) copies of written testimony in its final form. **Contractor has the option of providing the original testimony electronically; however, Contractor must still provide hardcopies. If Contractor elects to not provide hardcopies, RUCO will make the hardcopies and charge the Contractor for the copies against the Contractor's monthly invoice at the rate of five cents per page.**
4. One copy of a brief, written summary of Contractor's pre-filed testimony.
5. One copy of questions for cross examination and rebuttal, if desired by RUCO.
6. Responses to data requests submitted to RUCO.

7. Oral briefings, if desired by RUCO staff. Participation in telephonic settlement conferences, if applicable.
8. Oral testimony and technical support at the hearings.
9. One complete set of workpapers, indexed in an orderly form, supporting the development of all calculations by Contractor and summarizing the procedures used in analyzing and evaluating all data. Workpapers shall also include computer disks, printouts, and any other media by which data and narratives were obtained and retained.

3.3. WORK STATUS REPORTS

Throughout all phases of work, the Contractor will be required to submit to the Director, on a monthly basis, one copy of a work status report. The report shall contain the following information:

1. Comparison of planned and actual progress in carrying out all of the Contract tasks during the previous month.
2. Identification of actual or foreseeable problems in completing the work, with an assessment of probable impacts and any recommended solutions to the problems.
3. Timeline showing completion dates for remaining tasks.

3.4. ESTIMATED COMPLETION DATES

Procedural deadlines for this proceeding have been established by the Commission and are described in section 1.5 above.

Preliminary drafts of written testimony must be submitted to RUCO **at least two weeks** prior to the due date for delivery of testimony in its final form. It is anticipated that the written summary of direct testimony and written surrebuttal testimony will be due approximately three days prior to RUCO's scheduled appearance in the hearing, with a draft copy due to RUCO at least one week prior to the specified due date.

The expected due dates for delivery of testimony may change depending on dates established in any forthcoming Procedural

Order(s). Duration of the contract will run until these proceedings before the Commission have been completed.

It is expected that RUCO will award a contract(s) no later than January 16, 2012.

4. CONTRACT MANAGEMENT

The Director of RUCO, or the Director's designee, is responsible for the overall management of this project. Among other things, the Director, or the Director's designee, will be responsible for:

1. Overseeing the project operation as it relates to policy questions.
2. Determining any changes in emphasis or end product that may be desired.
3. Assessing the progress and problems of the project.
4. Reviewing status reports and approving Contractor's proposed plans for action.
5. Determining final compliance with terms of the contract.

5. INSTRUCTIONS FOR PREPARING PROPOSALS

5.1. GENERAL INSTRUCTIONS

Offerors shall prepare a *single* proposal containing a Technical and a Cost Section. An original and three (3) copies of proposals are to be mailed or delivered to:

Jodi A. Jerich, Director
Residential Utility Consumer Office
1110 W. Washington St., Suite 220
Phoenix, Arizona 85007

Joint ventures involving several firms will be considered, provided that a prime Contractor, who shall be responsible for coordinating the work of Subcontractors, is clearly identified. The prime Contractor will be responsible for the timely completion of the work performed by Subcontractors. The work tasks and associated

budget to be provided by Subcontractors must be clearly defined as part of the proposal.

The cover sheet for the proposal should indicate clearly the consulting firm's name, address, and the coinciding RFP name.

To be considered for award, all proposals must be received no later than 5:00 p.m. (Arizona time), January 6, 2012.

Proposals shall be prepared simply and economically, providing a straightforward, concise description of the Contractor's capabilities to satisfy the requirements of the RFP. Emphasis should be on completeness and clarity of content. If RUCO has recently been provided pertinent information regarding offeror's firm, such as resumes and work history, reference to those documents in lieu of their inclusion will suffice.

Proposals will be opened publicly on January 9, 2012 at RUCO's offices, 1110 W. Washington St., Suite 220, Phoenix, Arizona 85007. Previously submitted offers may not be withdrawn after that time.

After contract award, the proposals shall be open for public inspections except to the extent that the withholding of information is permitted by law. Additionally, work performed under contract will become a matter of public record unless determined to be confidential.

Offerors may designate as proprietary certain portions of the proposals by so identifying those portions in writing at the time of submitting the proposal.

Proposals which do not meet all the requirements specified in the RFP shall be deemed non-responsive.

Inquiries may be directed to:

Residential Utility Consumer Office
1110 W. Washington, Suite 220
Phoenix, Arizona 85007
Telephone: (602) 364-4835

5.2. TECHNICAL SECTION FORMAT

The Technical Section should be submitted as a separate part of the total response to this RFP. The format should be the same as the format below, and all information requested must be presented; otherwise, the proposal may be deemed non-responsive.

PART ONE Business Organization

State the full name and address of your organization, and if applicable, the branch office or other subordinate element that will perform or assist in performing the work. For any Subcontractors included in your proposal, indicate whether they operate as an individual, partnership or corporation; if as a corporation, include the state in which they are incorporated. State whether they are licensed to operate in the State of Arizona.

PART TWO Project Summary

Present your understanding of the project requirements, its goals and objectives, and a summary of the problems which must be addressed and solved to successfully fulfill the requirements. Include a brief narrative description of your proposed effort and of the products that will be delivered.

PART THREE Work Plan

Describe your plan for accomplishing the work. Indicate the number of person-hours you have allocated to each task. Include a time-related display showing each task, even and decision point in your plan.

PART FOUR Management Summary

Provide an overview explanation and chart showing project leadership and supervision, reporting responsibilities, and Contractor (and Subcontractor, if appropriate) team interfaces. Identify individuals by name and title. Indicate the procedures you will use for scheduling and controlling the work to be performed. Indicate the person, or persons, responsible for each phase of the work, and indicate the person with ultimate responsibility for completion of the project.

PART FIVE Prior Experience

Provide a brief description of recent assignments which would qualify your firm to undertake the proposed work. Include the project title and completion date related to each assignment. Also include the names of each assignment's project manager and other key participants. Provide a specific reference including name, title, organization, address, and telephone number for each assignment given. Offerors may be required to submit copies of relevant testimony upon request by RUCO.

PART SIX Personnel

Include the number of executive and professional personnel by skill and qualification. Show where these personnel will be stationed during the time they are engaged in the work. Show the inclusive periods, total number of hours, and percent of time that each individual will devote to the project. Identify each individual by name and title. Provide resumes of all executive or professional personnel. Indicate, by name and title, who prepared the proposal and how the individual will participate in the project. Specify personnel who will testify in the hearing and identify their previous experience in providing oral testimony.

PART SEVEN Relationships with Arizona Utilities

List all public utilities or public utility subsidiaries for which your firm, or any members of your professional staff proposed for the project, has worked in a professional capacity during the past three years. For each firm listed, briefly describe the nature of the professional relationship and the impact of this relationship upon your firm's ability to serve RUCO in an independent capacity. Describe any other legal, professional, or financial relationships between Arizona public utilities and any key members of the firm.

PART EIGHT Authorized Negotiators

Include the name, address, and telephone numbers of persons in your organization authorized to negotiate the proposed contract.

5.3. COST SECTION FORMAT

The Cost Section should be submitted as a separate part within the total response to this RFP. The format should be the same as that below, and all information requested must be present.

The information requested in this section is required to support the reasonableness of your quotation. Your established method of costing should be described.

1. Labor Costs - Itemize so as to show the following for each category of personnel with a different rate per hour:
 - a. Position: *e.g.*, Project Manager, Senior Analyst, etc.;
 - b. Project work station location;
 - c. Estimated hours;
 - d. Rate per hour; and
 - e. Total cost for each position and for all direct labor proposed.
2. Cost of Supplies - Itemize.
3. Other Direct Costs - Itemize.
4. Transportation and Subsistence Costs - Show travel cost and per diem separately.
5. Total Price Bid for Project - By separate explanation, segregate the labor costs between direct labor costs, indirect or overhead costs, and fixed fee or profit.

6. PROPOSAL EVALUATION CRITERIA

The contract will be awarded to the Offeror whose proposal is determined to be most advantageous to the State based on the factors set forth in this Request for Proposal. In addition, RUCO reserves the right to award less than the entire work project described in Section 3 to any one Contractor and to direct the retention of a Subcontractor or Subcontractors approved by RUCO. The following is a list of factors *in descending order of relative importance* that will be considered in evaluating the proposals received:

1. DEMONSTRATED UNDERSTANDING OF THE PROJECT

A determination will be made of the Offeror's clear understanding of the project. Specifically, attention will be given to the Offeror's demonstrated understanding of public utility regulatory issues on a national scope, understanding of the treatment of issues under the State of Arizona's regulatory law, and identification of case-specific issues and understanding of such issues upon the residential consumers of Arizona.

2. TECHNICAL CREDIBILITY

An evaluation will be made of the soundness of the proposal as it relates to the technical details of the project in order to attain the requirements described in the RFP, including a proposed work plan and management plan. Attention will be given to the distribution of person-hours by task for each Contractor team member, the percentage of each team member's time devoted to this project, the chart highlighting relevant deadlines by task, and the clear identification of proposed witnesses and individuals assigned to participate in the hearing.

3. QUALIFICATIONS OF THE FIRM

The proposal will be reviewed with careful attention to the bidder's prior work experience in the areas described in Section 3.

4. QUALIFICATIONS OF ON-SITE CONTRACTOR TEAM

The proposal will also be reviewed with regard to the commitment of specific personnel to the project and their experience in the areas described in the Scope of Work as described in Section 3 of this RFP. Bidders are encouraged to submit illustrative abstracts or samples of individuals' previous work in relevant areas.

5. COSTS

An evaluation of the reasonableness of the proposed cost in light of the project scope will be made.

7. TERMS AND CONDITIONS OF SOLICITATION OF AWARD

7.1 EXPLANATION TO OFFERORS

RUCO is not liable for any cost associated with the preparation of offerors' proposals or any other costs incurred by any offeror prior to the issuance of any agreement or contract.

The contents of the proposal of the successful Offeror(s) shall become contractual obligations if the proposal is accepted. Failure of the successful Offeror(s) to accept these obligations in a contract, agreement, purchase order, or similar acquisition instrument, may result in cancellation of the award.

News releases pertaining to this project shall not be made without prior written approval of RUCO.

In the event it becomes necessary to revise any part of this RFP, addenda will be provided to all offerors previously contacted by RUCO.

All responses, inquiries or correspondence relating to or in reference to this RFP and all reports, charts, displays, schedules, exhibits, and other documentation produced by the Offeror and/or Contractor shall, when received by RUCO, become the property of the State of Arizona.

7.2 VALIDITY OF PROPOSALS

All proposals may be modified or withdrawn by written or telegraphic notice received by RUCO any time prior to 5:00 p.m., (Arizona time) **January 6, 2012**. Offers may be withdrawn in person by an offeror or his designated representative, providing his identity is made known and a receipt for the withdrawn offer is signed prior to the due date.

8. TERMS AND CONDITIONS OF THE AWARD

8.1 CONTRACT TYPE

The Contract referred to in this and subsequent sections is the contract or agreement between RUCO and the successful Offeror. RUCO contemplates that a fixed price reimbursement type contract

will be awarded. Reimbursement will be made for authorized travel and subsistence expenses only upon submission and approval of receipts and required supporting information as indicated in this RFP.

8.2 PAYMENT

Payments will be made upon submission of an approved original invoice, detailing charges for the previous month. The invoice (statement) shall include a record of the time expended, services performed, and expenses incurred in sufficient detail so as to justify claims for payment. Each invoice shall clearly show:

- (1) The Contractor's name and address;
- (2) Amount of the bill;
- (3) The RUCO contract billing number and date;
- (4) The hours and rates per individual designating dates, time and hours worked, and distinguishing charged hours from non-charged hours; and
- (5) The percentage of work completed.

Invoices which carry requests for reimbursement of travel and subsistence must be exact and must be accompanied by all required back-up information with one (1) copy of appropriate, legible receipts for each reimbursement. All invoices will be reviewed and must be approved by RUCO prior to payment.

Payments for invoices covering work on contract deliverables may be withheld pending delivery and acceptance of such deliverable items.

RUCO WILL NOT PROCESS PAYMENTS SUBMITTED BY CONTRACTOR UNLESS CONTRACTOR HAS SUBMITTED, ALONG WITH THE DETAILED STATEMENT OF CHARGES, THE MONTHLY WORK STATUS REPORT REQUIRED PURSUANT TO SECTION 3.3. OF RFP.

IF SATISFACTORY PROGRESS IS BEING MADE, THE CONTRACTOR WILL RECEIVE PAYMENT EACH MONTH BASED UPON THE AMOUNT OF WORK COMPLETED DURING

THE PREVIOUS MONTH. EXCEPT AS MAY BE PROVIDED BY WRITTEN WAIVER OF THIS PROVISION BY THE DIRECTOR, RUCO WILL RETAIN TEN PERCENT (10%) OF THE AMOUNT BILLED, ACCORDING TO EACH MONTHLY STATEMENT, UNTIL ALL THE WORK DEFINED IN THE CONTRACT IS COMPLETED TO THE SATISFACTION OF RUCO.

8.3 REGULATIONS FOR THE REIMBURSEMENT OF EXPENSES

In order for reimbursement to occur, regulations must be adhered to, in detail, as described in this RFP. Invoices must be submitted on a timely basis.

- i. Travel, meals and lodging. Travel expense reimbursement will be based upon coach airfare, and reasonable per diem expense reimbursement up to a maximum of the state-approved allowances (\$195.00 per day per person January 1 – March 31; \$163.00 per day per person April 1 – May 31; \$128.00 per day per person June 1 – August 31; \$157.00 per day per person September 1- December 31) will be made for food and lodging. Receipts documenting airfare, lodging, car rentals and significant miscellaneous expenses must be provided to RUCO.
- ii. Telephone Charges. Reimbursement will be made for telephone calls supported by statements indicating the number called and the purpose of the call unless the number implicitly indicates such a purpose (i.e. it is RUCO's, the Commission's, or another Contractor's number).

8.4 GENERAL CONDITIONS

- i. Contractor Conditions. Contractor shall make prompt payment, as due, to all persons supplying to said Contractor labor or material for the performance of the work provided for in this agreement. Contractor shall pay all contributions or amounts due the Industrial Accident Fund from such Contractor and/or Subcontractor, incurred in the performance of the Contract. Contractor shall not permit any lien, or claim, to be filed, or prosecuted, against the State on account of any labor or material furnished.
1. Compliance with Applicable Laws. The materials and services supplied under this Agreement shall comply with all applicable Federal, state and local laws, and the Contractor shall maintain applicable licenses and permit requirements. In particular, Contractor, by entering this Agreement, warrants that it is in

compliance with all federal immigration laws and regulations, and that all Subcontractors to the Agreement have executed similar warranties. The breach of any such warranty shall be deemed a material breach of the Agreement, subject to monetary penalties and other penalties up to and including termination of the Agreement. RUCO shall retain the legal right to inspect the papers of any employee of the Contractor who works on the Agreement to ensure that the Contractor is in compliance with its warranties.

- ii. Payment of Claims. If the Contractor fails, neglects, or refuses to make prompt payment of any claim for labor or services furnished to the Contractor or a Subcontractor by any person in connection with this agreement as such claim becomes due, the proper officer(s) representing RUCO, or the State of Arizona, may pay such claim to the person furnishing the labor or services and charge the amount of the payment against funds due, or to become due, the Contractor by reason of agreement. The payment of a claim in the manner authorized in this section does not relieve the Contractor or his/her surety from his/her/its obligation with respect to any unpaid claims.
- iii. Incorporation of Documents. The entire contract ("Contract") between Contractor and RUCO shall consist of (1) this Agreement for Professional Services ("Agreement"), (2) the RFP (Exhibit A), (3) the _(date)_ Proposal submitted by Contractor (Exhibit B), (4) the list of State of Arizona Uniform Terms and Conditions (Exhibit C), and (5) all Procedural Orders and briefing schedules that have been, or will be, issued by the Commission in this docket.
- iv. Order of Precedence. In the event of a conflict in the provisions of the Contract, as accepted by RUCO and as they may be amended from time to time, the following shall prevail in the order set forth below:
 1. Procedural Orders.
 2. Agreement.
 3. Uniform Terms and Conditions (attached hereto as Exhibit A)
 4. Proposal submitted by Contractor
 5. RFP

RUCO reserves the right to clarify any contractual relationship in writing -- with the concurrence of the Contractor -- and such written clarification shall govern in case of conflict with the applicable requirements stated in the Agreement or Exhibits.

3. Contractor fails to furnish the required product within the time stipulated in the Contract.

4. Contractor fails to make timely progress in the performance of the requirements of the Contract and/or gives RUCO a positive indication that Contractor will not, or cannot, perform to the requirements of the Agreement.

Upon issuing such notice, RUCO may resort to any single or combination of the following remedies: 1. Cancel the Contract. 2. Reserve all rights or claims to damages for breach of contract. 3. Reserve the right to procure substitute services from other sources, for which RUCO may recover from Contractor excess costs by deduction from any unpaid balance to Contractor or by other means as provided by law.

viii. Conflict of Interest. Contractor avows that no officer, director, member or employee of Contractor has an interest that would conflict in any manner or degree with performance of services Contractor is required to perform under this Agreement. Contractor further promises and avows that during the period this Agreement is in effect it shall not acquire any interest, direct or indirect, which would conflict in any manner or degree with performance of services required to be performed under this Agreement, and further promises and avows that in the performance of this Agreement no person having any such interest shall be employed or otherwise utilized. RUCO reserves the right to establish the specific conflict of interest requirements which will govern any contract resulting from this RFP.

ix. Availability of Funds. Each payment obligation of RUCO which is created hereby is conditioned upon the availability of funds which are appropriated or allocated for the payment of such obligation. If funds are not allocated and available for the continuation of service, the contract for any service may be terminated by RUCO at the end of the period for which funds are available. RUCO shall notify Contractor at the earliest possible time that service will or may be affected by a shortage of funds. No penalty shall accrue to RUCO in the event this provision is exercised, and RUCO shall not be obligated or liable for any future payments due or for any damages as a result of termination under this section. This provision shall not be construed so as to permit RUCO to terminate this Agreement in order to acquire similar service from another Contractor.

x. Contract Claims. All contract claims or controversies arising under this Contract shall be resolved according to A.R.S. Title 41, Chapter 23, Article 9, and rules adopted thereunder. The parties agree to use arbitration, after exhausting applicable administrative reviews, to resolve disputes

arising out of this Contract where the sole relief sought is monetary damages of \$50,000.00 or less, exclusive of interest and costs.

9. FILING OF A PROTEST

Any interested party may protest the award of a Contract pursuant to this RFP. The protest shall include the following information:

1. The name, address and telephone number of the protestor;
2. The signature of the protestor or its representative;
3. A detailed statement of the legal and factual grounds for the protest, including copies of relevant documents; and
4. The form of relief requested.

Protests based upon alleged improprieties in the solicitation that are apparent before the closing date for receipt of proposals shall be filed before the closing date for receipt of proposals. Other protests shall be filed within ten days after the protestor knows or should have known the basis of the protest, whichever is earlier.