



GUAM POWER AUTHORITY

ATURIDÁT ILEKTRESEDÁT GUAHAN
P.O.BOX 2977 • AGANA, GUAM U.S.A. 96932-2977

December 27, 2017

AMENDMENT NO.: I
TO
INVITATION FOR MULTI-STEP BID NO.: GPA-008-18
FOR
SUPPLY DIESEL FUEL OIL NO. 2

Prospective Bidders are hereby notified of the following changes, response to inquiries received from Tristar Terminals Guam, Inc. dated 12/07/2017, ExxonMobil Asia Pacific Pte Ltd dated 12/07/2017, Hanwa Co., Ltd dated 12/07/2017 and Pacific Petroleum Trading Corp. dated 12/07/2017:

CHANGES:

1. Change in Table 1, Bid Milestone:

Bid Process Milestones		From	To
Bid Announcement		11/16/2017	01/16/2018
Pre-Bid Conference (Non-mandatory)		11/30/2017 (10:00 am)	
Site Visit (Non-mandatory)		11/30/2017 (1:30 pm)	
Submit Questions		11/16/2017	01/19/2018
Cut Off Date for Receipt of Questions		01/19/2018	
GPA Review and Answer Questions		11/16/2017	02/02/2018
Vendor Prepare Bids		11/16/2017	02/16/2018
Cut Off Date for Receipt of Proposals (Technical and Price Proposals)		02/16/2018 2:00 P.M. Guam Time	
EVALUATION Step One:	Technical Proposal (Bid) Evaluation	02/26/2018	03/02/2018
	Notify Qualified Bidders	03/12/2018	03/15/2018
Price Proposal Opening		03/30/2018 2:00 PM Guam Time	
EVALUATION Step Two:	Price Proposal Evaluation	04/02/2018	04/06/2018
Approvals		TBA	
Notice of Intent to Award		TBA	
Contract Signing		TBA	
Contract Mobilization		TBA	
Contract Commencement		TBD	

2. Under VOLUME I – COMMERCIAL TERMS AND CONDITIONS, Introduction, Page 7 of 135:

Please note verbiage is changed

FROM: The Supply Contract shall be for THREE (3) years to commence on or about **July 01, 2018** with TWO (2) year extension options, renewable annually upon mutual agreement of both parties.

TO NOW READ: The Supply Contract shall be for THREE (3) years to commence 3 months after the approval of the Public Utilities Commission (PUC). GPA has the option to extend the contract for TWO (2) additional years, renewable annually, upon mutual agreement of both parties.

3. Under VOLUME II – CONTRACT, RECITALS, Second Paragraph, Page 37 of 135:

Please note verbiage is changed

FROM: “**WHEREAS**, the three (3) year base period the current contract for the supply of Diesel Fuel Oil No.2 will expire on December 31, 2017; and”

TO NOW READ: “**WHEREAS**, contract shall be for a three (3) year base period with GPA’s option to extend the contract for TWO (2) additional years, renewable annually, upon mutual agreement of both parties”; and”

First Paragraph, Page 38 of 135

DELETE in its entirety. “**WHEREAS**, the current contract for the supply of Diesel Fuel Oil No.2 will be extended for six (6) months to expire on June 30, 2018; and”

4. Under VOLUME II – SECTION 2, FUEL OIL TO BE SUPPLIED, Page 41 of 135:

Please note verbiage is changed

FROM: The first delivery of fuel oil pursuant to the Contract is anticipated to be on or about **July 01, 2018**.

TO NOW READ: The first delivery of fuel oil pursuant to the Contract is anticipated to be upon the commencement date.

5. Under SECTION 3, CONTRACT TERM, Page 41 of 135

Please note verbiage is changed

FROM: The Contract Term shall be for THREE (3) years and shall commence on or about after 0:00 hour on **July 01, 2018**, and shall continue until midnight of **June 30, 2021**. GPA has the option to extend the contract for TWO (2) years renewable annually with mutual consent of parties.

TO NOW READ: The Contract Term shall be for THREE (3) years and shall commence about Three (3) months after the approval of the Guam Public Utilities Commission (PUC). GPA has the option to extend the contract for TWO (2) years renewable annually with mutual consent of parties.

6. Under SECTION 20, ALTERNATE SUPPLY, Page 53 of 135

ADD VERBIAGE: For the purpose of this clause, preference for the second contractor shall be given to the next lowest bidder.

Tristar Terminals Guam, Inc. inquiry dated 12/07/17:

QUESTION:

1. In order to plan the logistics and freight costs, we would like to ask the expected minimum parcel size and delivery frequency to replenish working inventory?

ANSWER:

Kindly refer to page 55 of 135 under Section 25 (Transportation) item (a) provides the estimated parcel size of approximately 40,000 to 120,000 barrels per shipment. Shipment frequency may range from 30-60 days depending on consumption and storage ullage.

QUESTION:

2. Is there a minimum buffer inventory required by GPA at all times during the contract?

ANSWER:

GPA would prefer maintaining a minimum inventory of 100,000 barrels at all times.

QUESTION:

3. In an effort to provide a proper competitive proposal, Tristar requests for an one month extension to the technical and financial proposal deadline date.

ANSWER:

Kindly refer to Item 1 of Changes above.

ExxonMobil Asia Pacific Pte Ltd inquiry dated 12/07/17:

QUESTION:

1. In page 22 of 135 of IFB No. GPA-008-18, 2.14.1. Performance Bond Form, Amount and Duration, it states "the CONTRACTOR shall provide and maintain a performance bond in the amount fifteen percent annual contract cost".
 - a. Would GPA accept a performance bond in the amount limited up to US\$5M?

ANSWER:

The performance bond requirement shall remain the same and unchanged .

QUESTION:

2. In page 42 of 135 of IFB No. GPA-008-18, Section 4. Contract Price, it states the contract price to be based on "DES (Delivered Ex Ship) Provisions".
 - a. Would GPA consider an alternative optional bid price on CIF Provisions in addition to a bid price on DES provisions if the CIF price would be more competitive than the DES price?

ANSWER:

The contract price under Section 4 shall remain the same and unchanged.

QUESTION:

3. In page 44 of 135 of IFB No. GPA-008-18, Section 6. Title, Custody and Risk of Loss, it states Title to the fuel oil and custody thereof shall pass from CONTRACTOR to GPA when the fuel oil has passed the vessel's permanent flange hose connection at the discharge port. All risk of loss, cost and liabilities prior to the time of passage of title of the fuel oil to shall be on the CONTRACTOR.
 - a. Would GPA accept a clause change to title transfer at the last point before entry to Guam territorial waters?

ANSWER:

The Title, Custody, and Risk of Loss under Section 6 shall remain the same and unchanged.

QUESTION:

4. In page 53 of 135 of IFB No. GPA-008-18, it states If the dispute shall not have been amicably resolved within thirty (30) days from the date of the said notice, then the same shall be exclusively and definitely resolved through final and binding arbitration in New York, by the AMERICAN ARBITRATION ASSOCIATION ('AAA'), in accordance with the rules of arbitration of such institution in effect as of the date the existence of the controversy is notified by one of the parties.
 - a. Would GPA accept arbitration in Guam instead of New York?

ANSWER:

The Governing Law and Disputes under Section 22 shall remain the same and unchanged.

QUESTION:

5. In page 54 of 135 of IFB No. GPA-008-18, Section 24. Indemnity, it states "CONTRACTOR shall carry at all times appropriate levels of insurance as determined by GPA to cover any such damage".

- a. Please clarify what would be the Amount determined by GPA as appropriate levels of insurance?

ANSWER:

Kindly refer to page 54 of 135, Section 23 (CONTRACTOR'S INSURANCE). Contractor must comply with OPA 90 requirements.

QUESTION:

6. In page 55 of 135 of IFB No. GPA-008-18, Section 25. Transportation, it states "The Authority shall nominate and advise the CONTRACTOR of the 10-day delivery date range not later than 30 days before the 1st calendar day of the delivery date range. The AUTHORITY and CONTRACTOR shall mutually agree to narrow down to a 5-day delivery date range 21 days prior to the 1st day of the 5-day delivery date range".
 - a. Would GPA accept increasing the nomination lead time to be "not later than 60 days before the 1st calendar day of the delivery date range"?
 - b. If not, would GPA accept "not later than 45 days..."?

ANSWER:

- a. Transportation under Section 25 shall remain the same and unchanged.
- b. Kindly refer to letter "a" response above.

QUESTION:

7. In page 56 of 135 of IFB No. GPA-008-18, Section 25. Transportation, it states "GPA shall have the right to cancel or change the previously notified cargo size and/or delivery date within twenty one (21) calendar days prior to the first day of the delivery range without penalty".
 - a. Would GPA accept the removal of "without penalty"?
 - b. Would GPA accept the addition of "Any cancellation or change would be subjected to Contractor's best endeavor basis."?

ANSWER:

Kindly refer to letters a and b response above.

QUESTION:

8. In page 57 of 135 of IFB No. GPA-008-18, it states "Demurrage cost if payable by GPA shall be at the single voyage demurrage rate specified in the single voyage Charter Party of the vessel loading the cargo in question and the CONTRACTOR shall furnish GPA with a copy of such Charter Party. Such charges must be submitted to GPA within 90 days after Bill of Lading date."
 - a. Would GPA accept a change from 90 days after B/L date to 6 months after B/L date, or some period greater than 90 days?

ANSWER:

- (i) Section 25, Transportation under (c) Ship lay time and Demurrage item (i) Ship Demurrage shall remain the same and unchanged.

QUESTION:

9. Can GPA please provide a copy of any Purchase Order with applicable Terms and Conditions that might be used?

ANSWER:

GPA will issue a purchase order to the successful bidder prior to the commencement of the contract. Kindly refer to the terms and conditions on page 130 thru 135 of the bid package.

QUESTION:

10. Can GPA please provide us with any additional tender information including any responses to Questions that may have already been raised in relation to IFB Bid No. 008-18?

ANSWER:

All inquiries related to the IFB GPA-008-18 and GPA responses thereto will be provided to all registered proponents and will be posted in the GPA website through a formal amendment.

Hanwa Co., Ltd. inquiry dated 12/07/17:

QUESTION:

1. What is the current price you pay for Diesel No. 2 Fuel?

ANSWER:

GPA does not have the requested information since this is the first solicitation for the bulk Supply of Diesel Fuel Oil No.2.

Pacific Petroleum Trading Corp. inquiry dated 12/07/17:

QUESTION:

1. Can GPA provide historical ULSD monthly consumption for the last 2 years?

ANSWER:

FY 2016	TOTAL (bbls)	FY 2017	TOTAL (bbls)
Oct-15	82,800	Oct-16	30,325
Nov-15	63,048	Nov-16	29,297
Dec-15	71,822	Dec-16	60,994
Jan-16	59,280	Jan-17	32,498
Feb-16	67,765	Feb-17	29,774
Mar-16	106,802	Mar-17	30,080
Apr-16	79,856	Apr-17	75,441
May-16	37,621	May-17	93,083
Jun-16	58,311	Jun-17	89,004
Jul-16	89,338	Jul-17	108,051
Aug-16	79,389	Aug-17	129,416
Sep-16	100,143	Sep-17	88,950
FY-2016	896,175	FY-2017	796,913

QUESTION:

2. Since consumption is expected to increase compared to last year, could GPA provide an out-line of the expected demand, including seasonality, and any other rateable factors?

ANSWER:

Annual consumption is estimated to be between 500,000 bbls to 1million bbls.


QUESTION:

3. Regarding vessel composite inspection at the discharge port, could you clarify which tests will be done as initial tests, and which tests will be part of a final test as they take longer or can-not be done on island?

ANSWER:

GPA will initially test at a minimum: flash point, density, water by distillation, sulfur, ASTM color, API gravity, conductivity, and appearance.

All other Terms and Conditions in the bid package shall remain unchanged and in full force.


JOHN M. BENAVENTE, P.E.
General Manager
③ 12/29/2017