

# **GUAM POWER AUTHORITY**

ATURIDÅT ILEKTRESEDÅT GUAHAN P.O. BOX 2977 HAGÅTÑA , GUAM U.S.A. 96932-2977

August 24, 2018

AMENDMENT NO.: XIII

TO

**INVITATION FOR MULTI-STEP BID NO.: GPA-008-18** 

**FOR** 

SUPPLY OF DIESEL FUEL OIL NO. 2

Prospective Bidders are hereby notified of the following changes:

## **VOLUME I – COMMERCIAL TERMS AND CONDITIONS**

### 1. Introduction

3<sup>rd</sup> Paragraph:

Delete: "The Supply Contract shall be for THREE (3) years to commence on or about **Three (3) months** after the Guam Public Utilities Commission (PUC) approval. GPA has the option to extend the Contract for TWO (2) years renewable annually upon mutual agreement of both parties."

And Replace with: "The Supply Contract shall be for TWO (2) years to commence on or about **January 01, 2019.** GPA has the option to extend the Contract for THREE (3) years renewable annually upon mutual agreement of both parties."

Changes to "Table 1: Bid Milestones"

Bid Process Milestones		From	То		
Bid Announcement		11/16/2017	01/16/2018		
Pre-Bid Confere	ence (Non-mandatory)	11/30/20	17 (10:00 am)		
Site Visit (Non-r	mandatory)	11/30/20	17 ( 1:30 pm)		
Submit Questio	ns	11/16/2017	08/28/2018		
Cut Off Date for	Receipt of Questions	30	08/28/2018		
GPA Review and Answer Questions		11/16/2017	08/31/2018		
Vendor Prepare	Bids	11/16/2017 09/14/2018			
Cut Off Date for Receipt of Proposals (Technical and Price Proposals)  09/14/2018 4:00 PM Guam Time					
EVALUATION	Technical Proposal (Bid) Evaluation	09/17/2018	09/21/2018		
Step One:	Notify Qualified Bidders	09/24/2018	09/28/2018		

PRICE	Site Location 1	10/15/2018 (2:0	0 PM Guam Time)		
PROPOSAL SUBMITTAL	Site Location 2	10/22/2018 (2:0	0 PM Guam Time)		
AND	Site Location 3	10/29/2018 (2:0	0 PM Guam Time)		
OPENING	Site Location 4	11/05/2018 (2:0	0 PM Guam Time)		
EVALUATION Step Two:	Price Proposal Evaluation	10/16/2018	11/09/2018		
Notify Successf	ul Bidders	T	BD		
CCU/PUC Appr	ovals	TBD			
Contract Signing TBD		BD			
Contract Mobilization TBD		BD			
Contract Commencement		01/0	01/01/2019		

#### 2.8. Price/Cost Data

Delete in its entirety and replace with:

"Bids shall be opened separately for each site location in the order listed in the bid table and in accordance with the schedule provided. BIDDERs are required to furnish a bid price by site location for each year of the contract specified in the price proposal form of the IFB documents.

GPA must have a guaranteed supply of diesel fuel to all generation plants to avoid system outages and support customer demand especially during this contract period with aged baseload units and minimal reserves. Consequently, GPA has structured this bid by site location with staggered opening dates to ensure uninterrupted supply.

Price Proposals shall be submitted on or before the Cut-off Date for Receipt of Price Proposals on a separate sealed envelope marked "PRICE PROPOSAL" and indicating the date and time of bid package remittance."

# 2.13. Award of Contract

Delete in its entirety and replace with:

"The contract will be awarded to the BIDDER evaluated as being qualified and with the best-priced proposal for the TWO (2) year contract base period for each site location. GPA reserves the right to make multiple awards, partial awards, award by site location, or award in whole, whichever may be most advantageous to the Authority.

The successful BIDDER will be notified by GPA through official written correspondence of the intent to award the contract (Notice of Intent to Award). The written correspondence may be sent by GPA via official letter. e-mail and fax.

The BIDDER will be required to send to Guam, within fourteen (14) days of the date of receipt of such notice, a representative or representatives with proper Power-of-Attorney for the purpose of executing a contract with such alterations or additions thereto as may be required to adopt such contract to the circumstances of the proposal.

The successful BIDDER shall provide the required Performance Bond within fourteen (14) working days of receipt of the GPA Notice of Intent to Award. Failure on the part of the successful BIDDER to provide a Performance Bond and/or to enter into a contract with GPA shall be sufficient grounds for the annulment

of the award. GPA may determine the bidder to be non-responsive to the bid, and may proceed with sending a Notice of Intent to Award to the next most qualified BIDDER."

### 3.3. Price Proposal Form

Delete in its entirety and replace with:

"BIDDERs shall provide prices/costs in U.S. Dollars. BIDDERs are required to furnish a bid price for the plant site locations for each year of the contract specified in the PRICE PROPOSAL FORM. BID PRICE OFFER for optional contract years shall also be provided; doing so allows GPA to calculate the cost of the contract should it be extended."

### 4.3. Price Proposal Evaluation

Delete in its entirety and replace with:

"The contract will be awarded to the BIDDER evaluated as being qualified and with the best-priced proposal for the TWO (2) year contract base period. GPA reserves the right to make multiple awards, partial awards, award by site location, or award in whole, whichever may be most advantageous to the Authority."

## **VOLUME II – CONTRACT**

#### **SECTION 1. DEFINITION**

# "Receiving Facility":

Delete in its entirety and replace with:

"Receiving facility" means the GPA plant receiving facility at the site location identified in Schedule B."

#### **SECTION 2. FUEL OIL TO BE SUPPLIED**

Delete in its entirety and replace with:

"CONTRACTOR agrees to furnish and GPA agrees to accept and pay for all of GPA's diesel fuel oil requirements for power generating plants in Guam for the term of the Contract.

Fuel Oil to be supplied to **GPA** shall conform to the product quality requirements specified in <u>Schedule A</u> and shall come from reputable sources not sanctioned by the United States government.

Fuel Oil must be delivered from the **CONTRACTOR** storage to the various GPA plant sites covered in this Contract. The **CONTRACTOR** shall be available to deliver the Fuel Oil to the point of delivery as designated by **GPA** within twelve (12) hours of receiving a request. **CONTRACTOR** must be available to receive and accept delivery requests daily, including weekends and holidays.

The **CONTRACTOR** shall provide transfer pumps and/or whatever else may be necessary to deliver Fuel Oil to **GPA** plant storage tanks to the height of 45 feet. Fuel Oil deliveries shall be on an "on call" basis. **CONTRACTOR** must closely coordinate with the plants and shall exercise its best efforts to deliver Fuel Oil to **GPA** to meet operational requirements regardless of the estimates provided by **GPA**.

CONTRACTOR must also be able to provide sufficient fleet to deliver the quantities as required by GPA.

- i. Estimated annual consumption based on historical data is provided in <u>Schedule B.</u> Actual delivery quantities may vary from day to day depending on the dispatching of the plants.
- ii. Consumption at maximum plant capacities is listed <u>Schedule C.</u> Actual delivery quantities may vary from day to day depending on the dispatching of the plants.

GPA reserves the right to nominate quantities each month and will not guarantee equal amounts of volume every month. Fuel deliveries may be low or not needed one month and increase the next month.

#### **SECTION 3: CONTRACT TERM**

Delete in its entirety and replace with:

"The Contract Term shall be for TWO (2) years and shall commence on or about January 01, 2019. GPA has the option to extend the contract for THREE (3) years renewable annually with mutual consent of parties."

#### **SECTION 4. CONTRACT PRICE**

Delete in its entirety and replace with:

The **CONTRACT PRICE** in U.S. dollars per Gallon (\$/gal) for all Fuel Oil delivered to **GPA** shall be inclusive of all costs and liabilities required to fulfill the contract.

The CONTRACT PRICE is the sum of the REFERENCE PRICE plus the FIXED SERVICE FEE.

The CONTRACT PRICE shall increase or decrease on a cent-for-cent basis with the REFERENCE PRICE.

The **REFERENCE PRICE** for the Fuel Oil supplied and delivered by CONTRACTOR from the **CONTRACTOR**'s storage into the GPA Plants shall be the mean average of the previous month's daily Mid-of-Platts (MOPS) price postings. MOPS is the average of high and low price assessments reported in the Platt's Asia-Pacific/Arab Gulf Marketscan FOB Singapore Price Assessment for Gasoil 10 ppm.

The **FIXED SERVICE FEE** for all Fuel Oil supplied and delivered by **CONTRACTOR** to the **GPA Plants** at the site locations and estimated quantities identified on **Schedule B** hereto shall be as follows:

CONTRACT		2) YEAR PERIOD	THREE (3) YEAR EXTENSION OPTION		
CONTRACT FIXED SERVICE FEE	1 <sup>st</sup> year \$/gal (in 3	2 <sup>nd</sup> year \$/gal (in 3	1 <sup>st</sup> yr Extn \$/gal (in 3	2 <sup>nd</sup> yr Extn \$/gal (in 3	3 <sup>rd</sup> yr Extn \$/gal (in 3
	decimals)	decimals)	decimals)	decimals)	decimals)
SITE LOCATION 1					
YIGO CT AND					
AGGREKO					
SITE LOCATION 2					
DEDEDO CT AND					
MACHECHE CT					

SITE LOCATION 3 PITI 7			
SITE LOCATION 4 CABRAS 1&2, PITI 8&9, MANENNGON, AND TALOFOFO			

# SECTION 11. QUANTITY AND QUALITY ASSURANCE

Delete in its entirety and replace with:

# "a. Delivery by Tanker Truck.

CONTRACTOR, at its sole expense, shall utilize its terminal truck loading rack and metering system to determine the quantity of Diesel Fuel Oil No.2 delivered by tanker truck to GPA. Quantity of product delivered by CONTRACTOR at CONTRACTOR's nominated tanker truck(s) to the GPA plants shall be determined at the time of each delivery by CONTRACTOR, converted in each instance to volume at 60 degrees Fahrenheit by the automated rack control system and shall be the basis for the Bill of Lading (BOL).

Contractor at it sole expense, shall provide a pump and unload the product from the tanker truck into the GPA fuel receiving facility.

CONTRACTOR shall have such meters calibrated no less than annually and shall furnish GPA a copy of the certificate of newly calibrated meter(s) within 10 days after the calibration date.

In the event of a dispute over the accuracy of the CONTRACTOR's meters, an independent third party mutually agreeable to both parties will be brought in to perform a recalibration. In the event of a miscalibration, the costs shall be borne by the CONTRACTOR. Any loss incurred by GPA as a result of miscalibration of meters shall be negotiated and returned to the AUTHORITY.

CONTRACTOR is required to install security seals on valves and compartments of the delivery tanker trucks after Fuel Oil loading is completed. Seals shall remain intact upon inspection by the GPA receiving facility. Seal numbers shall be recorded in the delivery receipt and initialed by an authorized terminal representative. GPA reserves the right to reject deliveries with tampered or missing seals.

# b. Delivery By Pipeline Transfer

Quantity of product delivered by the **CONTRACTOR** by pipeline transfer to **GPA** shall be determined utilizing the meter installed at the pipeline into the **GPA** plant storage tank.

i. In the event that a meter is not installed or is defective, quantity of the product delivered by the CONTRACTOR shall be determined by the CONTRACTOR meter. CONTRACTOR shall have such meters calibrated no less than annually and shall furnish GPA a copy of the certificate of newly calibrated meter(s) within 10 days after the calibration date. In the event of a dispute over the accuracy of the meter, an independent third party mutually agreeable to both parties will be brought in to perform a recalibration. In the event of a miscalibration, the costs shall be borne

by the **CONTRACTOR**. Any loss incurred by **GPA** as a result of miscalibration of meters shall be negotiated and returned to **GPA**.

ii. In the event that the **CONTRACTOR** meter is defective or is not installed, quantity of the product delivered by the **CONTRACTOR** shall be determined by an Independent Third Party Inspector by gauging the receiving tanks before and after delivery. Cost shall be borne by the **CONTRACTOR**.

Quantity shall be corrected to the volume at sixty degrees Fahrenheit. Conversion shall be made in accordance with the ASTM-IP Petroleum Measurement Tables (IP-200), Table 6B (latest edition).

Appropriate Certificate of Quality (COQ) reports shall also accompany each delivery and must be presented to the **GPA** receiving facility. Quality must conform with the requirements specified in <u>Schedule</u> <u>A</u> as a condition for acceptance of delivery.

In the event of a dispute over the quality of Fuel Oil received by **GPA**, an inspection of Fuel Oil will be conducted by an appointed third party inspector mutually acceptable to **GPA** and the **CONTRACTOR**.

**CONTRACTOR** shall provide a comprehensive summary of the Fuel Oil delivery reports. **CONTRACTOR** shall tailor its reports to **GPA's** needs. **CONTRACTOR** shall submit copy(ies) of all Certificates of Quality (COQ) for the delivery month. Reports shall be submitted to the **GPA** weekly and monthly, within five (5) working days after each report month. **CONTRACTOR** shall also submit other reports and/or documentations that is relevant to the contract as may be required by the Authority."

#### SECTION 13. SECURITY OF SUPPLY

Delete in its entirety and replace with:

**"CONTRACTOR"** reserves the right to supply fuel oil meeting **GPA** quality requirements specified in <u>Schedule A</u> and may come from any sources not sanctioned by the United States government. In the event that supplies are taken from such other places, then the price to Guam will remain the same as established in <u>Section 4</u> above.

**CONTRACTOR** is required to maintain a minimum of thirty (30) days inventory at the **CONTRACTOR**'s storage facility. A list of the **GPA** plant requirements is listed in **Schedule B**.

For security of supply in the event of unexpected, unplanned or forced baseload outages, severe typhoon or other calamities. **CONTRACTOR** shall prioritize delivery to the **GPA** plants and guarantee uninterrupted supply and delivery of Fuel Oil during the recovery period. **CONTRACTOR** must also be able to provide sufficient fleet to deliver the quantities listed in **Schedule C** as may be required by **GPA**.

**CONTRACTOR** must submit weekly and monthly fuel inventory and delivery report to **GPA**.

**GPA** reserves the right to audit the **CONTRACTOR** for safety fuel inventory stock compliance. Such audit shall be in accordance with generally accepted accounting practices."

#### SECTION 25. TRANSPORTATION

Delete in its entirety and replace with:

"CONTRACTOR shall arrange for the transportation of the Fuel Oil to the GPA storage facilities.

All risk of loss, cost and liabilities prior to the time of passage of title of the Fuel Oil shall be on the **CONTRACTOR**.

**CONTRACTOR** 's and **GPA**'s rights and duties under <u>Section 24</u> and <u>Section 25</u> do not supersede or control the provisions of <u>Section 16</u> Force Majeure."

## SCHEDULE A: PRODUCT QUALITY SPECIFICATIONS

Distillation Temp, °C 90%, recovered:

For the Unit of Measure: Replace "% vol" with "oC"

#### SCHEDULE B: ESTIMATED ANNUAL FUEL OIL REQUIREMENTS

Delete in its entirety and replace with:

"This information is provided as reference material only. Although every attempt has been made to ensure its accuracy, **GPA** makes no guarantees that these quantities will be achieved but they may be exceeded. **GPA** expressly disclaims any liability whatsoever arising from reliance or non-reliance of the data provided.

#### SITE LOCATION 1: YIGO CT AND AGGREKO

Plant Site Location	Estimated Annual Requirement (Gallons per Year)
Yigo CT	2,000,000 - 4,000,000
Aggreko	10,000,000 — 13,000,000
TOTAL	12,000,000 - 17,000,000

# SITE LOCATION 2: DEDEDO CT AND MACHECHE CT

Plant Site Location	Estimated Annual Requirement (Gallons per Year)
Dededo CT	2,000,000 – 4,000,000
Macheche CT	2,000,000 – 4,000,000
TOTAL	4,000,000 - 8,000,000

# SITE LOCATION 3: PITI 7

Plant Site Location	Estimated Annual Requirement (Gallons per Year)
Piti 7	4,000,000 — 8,000,000
TOTAL	4,000,000 - 8,000,000

# SITE LOCATION 4: CABRAS 1&2, PITI 8&9, MANENNGON, AND TALOFOFO

Plant Site Location	Estimated Annual Requirement (Gallons per Year)
Cabras 1&2 and Piti 8&9	100,000 - 200,000
Manenngon	500,000 — 1,000,000
Talofofo	500,000 – 1,000,000
TOTAL	1,100,000 - 2,200,000

GPA reserves the right to nominate quantities each month and will not guarantee equal amounts of volume every month. Fuel deliveries may be low or not needed one month and increase the next month. Provided below is the maximum daily fuel consumption by plant. Historically, GPA has consumed as little as 700 barrels per day of diesel and as high as 6,000 barrels a day of diesel. Usage levels are dependent on unit availability."

### SCHEDULE C

# PLANT CONSUMPTION AT MAXIMUM CAPACITIES

Delete in its entirety and replace with:

"SCHEDULE C :

MAXIMUM FUEL CONSUMPTION

Maximum F	gals/day	bbls/day	
SITE LOCATION 1	Yigo CT	45,361	1,080
SHE LOCATION I	Aggreko	70,855	1,687
SITE LOCATION 2	Dededo CT	110,460	2,630
SHE LUCATION 2	Macheche CT	50,526	1,203
SITE LOCATION 3	SITE LOCATION 3 Piti 7		2,495
	Baseload Usage		
SITE LOCATION 4	Manenngon	14,728	351
	Talofofo	17,271	411
TOTAL		414,004	9,857

2-baseload outages for 10-day consecutive period Approximately 252,000 gallons per day (~6,000 bbls/day)."

# SCHEDULE D: SUBSTORAGE AGREEMENT

Delete in its entirety and replace with:

# "SCHEDULE D: HISTORICAL PLANT CONSUMPTION

Power Plants	FY 2016	FY 2017
Fower Flams	Gallons	Gallons
Yigo CT	4,242,462	3,631,278
Aggreko	12,830,496	13,183,296
Dededo CT	0	1,692,096
Macheche CT	4,712,568	5,065,074
Piti 7	10,636,836	4,954,866

Baseloads	65,394	120,204
Manenggon	791,154	151,452
Talofofo Diesel	731,304	1,322,244
TOTAL	34,010,214	30,120,510

SCHEDULE E: THROUGHPUT, OPERATING and PIPELINE USE AGREEMENT for Wet Stock Delete in its entirety.

Bid Price Proposal Form	n to now read:				
"On this day of		_, 20, I,	(Name of Rep	oresentative)	, authorized
representative of	(Nam	e of Company)			
a/an (Individual /	/ Partnership / C	orporation / Othe	r:	) incoi	rporated in
_		hereby s	ubmit our Price F	Proposal for	
IFB (	GPA-008-18: S	UPPLY OF DIES	EL FUEL OIL N	0. 2	
BID PRICE PROPOSA	L:				
MANDATORY BID:					
The <b>FIXED SERVI</b> ON Plants at the site long as follows:	cations and esti		referenced unde		ereto shall be
CITE LOCATION 1		PERIOD	EXTENSION OPTION		
SITE LOCATION 1 YIGO CT AND AGGREKO	1 <sup>st</sup> year \$/gal (in 3 decimals)	2 <sup>nd</sup> year \$/gal (in 3 decimals)	1st yr Extn \$/gal (in 3 decimals)	2 <sup>nd</sup> yr Extn \$/gal (in 3 decimals)	3 <sup>rd</sup> yr Extn \$/gal (in 3 decimals)
CONTRACT FIXED SERVICE FEE				,	
BIDDERs shall pro the plant site locati					
Signature and Title of F Authorized to Sign this			Name an	d Address of BID	DER:
		_			
the plant site locations the plant site location of the site of th	ons ḟor each yea Person		specified in the p	orice proposal for	m.

Bid Price Proposal Form	n to now read:					
"On this day of		_, 20, I,	(Name of Reg	oresentative)	, authorized	
representative of	(Nam	e of Company)				
a/an (Individual /	/ Partnership / C	orporation / Othe	er:	) inco	rporated in	
		hereby s	ubmit our Price I	Proposal for		
IFB (	GPA-008-18: S	UPPLY OF DIES	EL FUEL OIL N	0. 2		
BID PRICE PROPOSA	L:					
MANDATORY BID:						
The <b>FIXED SERVI</b> ON Plants at the site lot as follows:						
`	TWO (2) YEAR BASE PERIOD		THREE (3) YEAR EXTENSION OPTION			
SITE LOCATION 2 DEDEDO CT AND MACHECHE CT	1 <sup>st</sup> year \$/gal (in 3 decimals)	2 <sup>nd</sup> year \$/gal (in 3 decimals)	1st yr Extn \$/gal (in 3 decimals)	2 <sup>nd</sup> yr Extn \$/gal (in 3 decimals)	3 <sup>rd</sup> yr Extn \$/gal (in 3 decimals)	
CONTRACT FIXED SERVICE FEE	,			,		
BIDDERs shall pro the plant site locati						
Signature and Title of P Authorized to Sign this i			Name an	d Address of BID	DER:	
		_			<u></u>	

Bid Price Proposal Form	n to now read:					
"On this day of		, 20, I,	(Name of Rep	oresentative)	, authorized	
representative of	(Nam	e of Company)				
a/an (Individual /	/ Partnership / C	orporation / Othe	r:	) inco	rporated in	
_		hereby s	ubmit our Price F	Proposal for		
IFB (	GPA-008-18: S	UPPLY OF DIES	EL FUEL OIL N	0. 2		
BID PRICE PROPOSA	L:					
MANDATORY BID:						
The <b>FIXED SERVI</b> ON Plants at the site lost as follows:	cations and esti		referenced unde		ereto shall be	
	BASE	PERIOD	EXTENSION OPTION			
SITE LOCATION 3 PITI 7	1 <sup>st</sup> year \$/gal (in 3 decimals)	2 <sup>nd</sup> year \$/gal (in 3 decimals)	1 <sup>st</sup> yr Extn \$/gal (in 3 decimals)	2 <sup>nd</sup> yr Extn \$/gal (in 3 decimals)	3 <sup>rd</sup> yr Extn \$/gal (in 3 decimals)	
CONTRACT FIXED SERVICE FEE			,	,	,	
BIDDERs shall pro the plant site location						
Signature and Title of Person Authorized to Sign this Bid:			Name and Address of BIDDER:		DER:	
	<del>.</del>					
		<u></u>				

n to now read:					
	_, 20, I,	(Name of Rep	resentative)	, authorized	
(Nam	e of Company)				
Partnership / C	orporation / Othe	r:	) inco	rporated in	
	hereby s	ubmit our Price F	Proposal for		
GPA-008-18: S	UPPLY OF DIES	SEL FUEL OIL N	0. 2		
L:					
cations and esti	mated quantities  2) YEAR	referenced unde	er <u>Schedule B</u> he THREE (3) YEA	ereto shali be	
BASE PERIOD		EXTENSION OPTION			
1s year \$/gal (in 3 decimals)	2 <sup>na</sup> year \$/gal (in 3 decimals)	1 <sup>st</sup> yr Extn \$/gal (in 3 decimals)	2 <sup>nd</sup> yr Extn \$/gal (in 3 decimals)	3 <sup>rd</sup> yr Extn \$/gal (in 3 decimals)	
	_	Name and	d Address of BIE	DDER:	
	(Name / Name / Partnership / Company			(Name of Company) (Partnership / Corporation / Other:) incomplete proposal for hereby submit our Price Proposal for	

The reference "Stay of Procurement" has been lifted. This is my final determination. However, you have 2. the right to seek judicial review within the confines of the law.

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

JOHN M. BENAVENTE, P.E. General Manager