



# GUAM POWER AUTHORITY

ATURIDĀT ILEKTRESEDĀT GUAHAN  
P.O.BOX 2977 • AGANA, GUAM U.S.A. 96932-2977

March 07, 2018

## AMENDMENT NO.: VII

TO

INVITATION FOR MULTI-STEP BID NO.: GPA-009-18

FOR

SUPPLY OF RESIDUAL FUEL OIL NO. 6

Prospective Bidders are hereby notified of the following changes and response to inquiries received from ExxonMobil Asia Pacific Pte. Ltd dated 12/11/2017, Adeavor dated 12/12/2017, Vitol dated 12/12/2017, PTT International Trading Pte. Ltd dated 12/12/2017, Mitsui & Co. Energy Trading Singapore Pte. Ltd dated 12/12/2017, Tristar Terminals Guam, Inc. dated 12/12/2017, Petrobras Singapore Private Ltd. dated 12/12/2017 and Hanwha Corporation/Trade dated 12/12/2017:

### CHANGES:

#### 1. Change in Table 1, Bid Milestone:

Bid Process Milestones		From	To
Bid Announcement		11/16/2017	01/18/2018
Pre-Bid Conference (Non-mandatory)		12/05/2017 (10:00 am)	
Site Visit (Non-mandatory)		12/05/2017 (1:30 pm)	
Submit Questions		11/16/2017	12/12/2017
Cut Off Date for Receipt of Questions		12/12/2017	
GPA Review and Answer Questions		11/16/2017	03/09/2018
Vendor Prepare Bids		11/16/2017	04/13/2018
Cut Off Date for Receipt of Proposals (Technical and Price Proposals)		04/13/2018 4:00 P.M. Guam Time	
EVALUATION Step One:	Technical Proposal (Bid) Evaluation	04/23/2018	04/27/2018
	Notify Qualified Bidders	05/07/2018	05/11/2018
Price Proposal Opening		05/29/2018 2:00 PM Guam Time	
EVALUATION Step Two:	Price Proposal Evaluation	06/04/2018	06/08/2018
Approvals		TBA	
Notice of Intent to Award		TBA	
Contract Signing		TBA	
Contract Mobilization		TBA	
Contract Commencement		09/01/2018	

1. **Under Special Reminders to Prospective Bidders, Page 1 of 134.**

Please note verbiage is changed

**FROM:** BID GUARANTEE - ONE HUNDRED FIFTY THOUSAND DOLLARS (US \$150,000.00) May be in the form of; (**NOTE: Cashier's Check or Certified Check Refunds will be ONLY be made out to the name of the Bidder.**) Reference #11 on the General Terms and Conditions.

**TO NOW READ:** BID GUARANTEE - FIVE HUNDRED THOUSAND DOLLARS (US \$500,000.00) May be in the form of; (**NOTE: Cashier's Check or Certified Check Refunds will be ONLY be made out to the name of the Bidder.**) Reference #11 on the General Terms and Conditions.

2. **Under VOLUME I – COMMERCIAL TERMS AND CONDITIONS, Introduction Page 7 of 134**

Please note verbiage is changed

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

**TO NOW READ:** "The Contract shall be for two (2) years to commence on or about September 01, 2018 with three (3) year extension options, renewable annually upon mutual agreement of both parties."

**FROM:** "Footer, MULTI-STEP GPA-068-12 SUPPLY OF RESIDUAL FUEL OIL NO. 6."

**TO NOW READ:** "Footer, MULTI-STEP GPA-009-18 SUPPLY OF RESIDUAL FUEL OIL NO. 6."

3. **Under 1.2.1 Contract Term, Page 9 of 134**

Please note verbiage is changed

**FROM:** "The Contract Term for the base period shall be for THREE (3) years and shall commence on or about after 0:00 hour on September 01, 2018, and shall continue until midnight of August 31, 2021 with options to extend for TWO (2) additional One (1) year term, upon mutual agreement of both parties.

The first delivery of fuel oil pursuant to the Contract is anticipated to be on or about September 01, 2013. The combined total estimated cargo quantity per shipment is between 230,000 to 280,000 barrels at a delivery cycle of about 31-33 days."

**TO NOW READ:** "The Contract Term for the base period shall be for TWO (2) years and shall commence on or about after 0:00 hour on September 01, 2018, and shall continue until midnight of August 31, 2020 with options to extend for THREE (3) additional One (1) year term, upon mutual agreement of both parties.

The first delivery of fuel oil pursuant to the Contract is anticipated to be on or about September 01, 2018. The combined total estimated cargo quantity per shipment is between 230,000 to 280,000 barrels."

4. **Under 2.14.3. Bid Bond Form and Amount, Page 24 of 134**

Please note verbiage is changed

**FROM:** "A bid bond for an amount of no less than One Hundred Fifty Thousand Dollars (US\$150,000.00)."

**TO NOW READ:** "A bid bond for an amount of no less than Five Hundred Thousand Dollars (US\$500,000.00)."

5. **Under VOLUME II – CONTRACT, Section 3. Contract Term Page 43 of 134**

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 September 01, 2018, and shall continue until midnight of August 31, 2021 with options to extend for TWO (2) additional One (1) year term, upon mutual agreement of both parties."

**TO NOW READ:** "The Contract Term shall be for TWO (2) years and shall commence on or about after 0:00 hour on September 01, 2018, and shall continue until midnight of August 31, 2020 with options to extend for THREE (3) additional One (1) year term, upon mutual agreement of both parties."

6. **Under Section 4. Contract Price, Page 44 of 134**

Please note verbiage is changed

**FROM:** "The BID PRICE is the sum of the FIXED SERVICE FEE (per gallon) and the BID REFERENCE PRICE as of July 31, 2017 as posted in the Platts' Asia-Pacific Marketscan Oil Prices."

**TO NOW READ:** "The BID PRICE is the sum of the FIXED SERVICE FEE (per Metric Ton) and the BID REFERENCE PRICE as of July 31, 2017 as posted in the Platts' Asia-Pacific Marketscan Oil Prices."

7. **Under Bid Reference Price, Page 45 of 134**

Please note verbiage is changed

**FROM:** "\$315.100 per Metric Ton"

**TO NOW READ:** "\$312.180 per Metric Ton"

8. **Under Section 5. Invoice Price Determination, Page 46 of 134**

Please note additional verbiage

"If for any reason the quotation "HSFO 180 CST" ceases to exist, the parties shall renegotiate a new price quotation and premium in order to continue the contract."

9. **Under Section 11. Quantity and Quality Assurance, Page 50 of 134**

Please note verbiage is changed

**FROM:** "Original/copy of the quality analysis certificates and ship's "certificate of cleanliness" issued before loading to be handed over with the other shipping documents (B/L, Certificate of Origin, Cargo Manifest, Certificate of Quality, Certificate of Quantity with shore tank measurement report, etc.) upon arrival of vessel at discharge port."

**TO NOW READ:** "Copies of the originals of the ship's "certificate of cleanliness" issued before loading, and the other shipping documents for the consignee (B/L, Certificate of Origin, Cargo Manifest,



Certificate of Quality, Certificate of Quantity with shore tank measurement report, Loadport surveyor's report, etc.) to be marked for the consignee and handed over upon arrival of vessel at discharge port."

10. **Under Section 25. Transportation, Page 59 of 134**

Please note additional verbiage

**FROM:** "The vessel must be able to attain a discharge rate of thirteen thousand barrels per hour (13,000 bbls/hr) and a discharge pressure of up to one hundred (100) psi measured at the F-1 Dock manifold. Time lost for slow discharging shall be deducted from the lay time used for calculating demurrage."

**TO NOW READ:** "The vessel must be able to attain a discharge pressure of up to one hundred (100) psi measured at the F-1 Dock manifold. Time lost for slow discharging shall be deducted from the lay time used for calculating demurrage."

11. **Under Section 36. Notice Page 66 & 67 of 134**

Please note additional verbiage

**FROM:** "Except as otherwise expressly specified herein, any notice to be given hereunder by either party to the other shall be deemed sufficiently given if in writing and enclosed in an envelope properly stamped and addressed to the party at the address set forth in this section, and deposited in the United States mail. Either party may change its address by giving FIFTEEN (15) days prior written notice to the other party. Such address until further notice shall be:"

**TO NOW READ:** "Except as otherwise expressly specified herein, any notice to be given hereunder by either party to the other shall be deemed sufficiently given if in writing and enclosed in an envelope properly stamped and addressed to the party at the address set forth in this section, and deposited in the United States mail or International courier. Either party may change its address by giving FIFTEEN (15) days prior written notice to the other party. Such address until further notice shall be:"

12. **Under Schedule A, Product Quality Specification Residual Fuel Oil No. 6 Page 73 of 134**

Please note additional verbiage

a. **FROM:** "Item 5: Kinematic Viscosity Maximum Allowed Value 180."

**TO NOW READ:** "Item 5: Kinematic Viscosity Maximum Allowed Value 175."

b. **FROM:** "Item 17: API Gravity Maximum Allowed Value 11.2."

**TO NOW READ:** "Item 5: API Gravity Maximum Allowed Value 12.1."

13. **Under VOLUME III – APPENDICES, Appendix A Proposal Checklists Page 77 of 134**

Please note verbiage is changed

**FROM:** "MULTI-STEP BID NO.: GPA-008-18: Supply of Diesel Fuel Oil No. 2."



**TO NOW READ:** "MULTI-STEP BID NO.: GPA-009-18: Supply of Residual Fuel Oil No.6."

14. **Under Appendix B Performance Bond Page 80 of 134**

Please note verbiage is changed

a. **FROM:** "WHEREAS, **CONTRACTOR** has by written agreement dated \_\_\_\_\_, 2018, entered into a **CONTRACT TO SUPPLY DIESEL FUEL OIL NO.2** with the **GUAM POWER AUTHORITY** through midnight of \_\_\_\_\_, 20\_\_\_\_, with the **AUTHORITY's** option to extend the **CONTRACT** for an additional three-year term beginning \_\_\_\_\_, 20\_\_\_\_, in accordance with forms and specifications prepared by the **GUAM POWER AUTHORITY** which **CONTRACT** is by reference made a part hereof, and is hereinafter referred to as the "**CONTRACT**".

**TO NOW READ:** "WHEREAS, **CONTRACTOR** has by written agreement dated \_\_\_\_\_, 2018, entered into a **CONTRACT TO RESIDUAL DIESEL FUEL OIL NO. 6** with the **GUAM POWER AUTHORITY** through midnight of \_\_\_\_\_, 20\_\_\_\_, with the **AUTHORITY's** option to extend the **CONTRACT** for an additional three-year term beginning \_\_\_\_\_, 20\_\_\_\_, in accordance with forms and specifications prepared by the **GUAM POWER AUTHORITY** which **CONTRACT** is by reference made a part hereof, and is hereinafter referred to as the "**CONTRACT**".

b. a. **FROM:** "WHEREAS, **CONTRACTOR** has by written agreement dated \_\_\_\_\_, 2018, entered into a **CONTRACT TO SUPPLY DIESEL FUEL OIL NO.2** with the **GUAM POWER AUTHORITY** through midnight of \_\_\_\_\_, 20\_\_\_\_, with the **AUTHORITY's** option to extend the **CONTRACT** for an additional three-year term beginning \_\_\_\_\_, 20\_\_\_\_, in accordance with forms and specifications prepared by the **GUAM POWER AUTHORITY** which **CONTRACT** is by reference made a part hereof, and is hereinafter referred to as the "**CONTRACT**".

**TO NOW READ:** "WHEREAS, **CONTRACTOR** has by written agreement dated \_\_\_\_\_, 2018, entered into a **CONTRACT TO RESIDUAL DIESEL FUEL OIL NO. 6** with the **GUAM POWER AUTHORITY** through midnight of \_\_\_\_\_, 20\_\_\_\_, with an option to extend the **CONTRACT** for an additional two-year term beginning \_\_\_\_\_, 20\_\_\_\_, in accordance with forms and specifications prepared by the **GUAM POWER AUTHORITY** which **CONTRACT** is by reference made a part hereof, and is hereinafter referred to as the "**CONTRACT**".

15. **Under Appendix C List of Surety Companies Licensed to Do Business in Guam Page 83 of 134**

Please note verbiage is changed

**FROM:** "MULTI-STEP BID NO.: GPA-008-18: Supply of Diesel Fuel Oil No. 2."

**TO NOW READ:** "MULTI-STEP BID NO.: GPA-009-18: Supply of Residual Fuel Oil No.6."

16. **Under GOVERNMENT OF GUAM, GENERAL TERMS AND CONDITIONS, Item (11) Page 129 of 134**

Please note verbiage is changed

**FROM:** "**BID GUARANTEE REQUIREMENT:** Bidder is required to submit a Bid Guarantee Bond or standby irrevocable Letter of Credit or Certified Check or Cashier's Check in the same bid envelope to be held by the Government pending award. The Letter of Credit, Cash, Certified Check or Cashier's

Check, Bid Guarantee Bond must be issued by any local surety or banking institution licensed to do business on Guam and made payable to the Guam Power Authority in the amount of no less than **one hundred fifty thousand dollars (US\$150,000.00)**. The Bid Bond must be submitted on Government Standard Form BB-1 (copy enclosed). Personal Checks will not be accepted as Bid Guarantee. If a successful Bidder (contractor) withdraws from the bid or fails to enter into contract within the prescribed time, such Bid guarantee will be forfeited to the Government of Guam. Bids will be disqualified if not accompanied by Bid Bond, Letter of Credit, Certified Check or Cashier's check. Bidder must include in his/her bid, valid copies of a Power of Attorney from the Surety and a Certificate of Authority from the Government of Guam to show proof that the surety company named on the bond instrument is authorized by the Government of Guam and qualified to do business on Guam. For detailed information on bonding matters, contact the Department of Revenue and Taxation. Failure to submit a valid Power of Attorney and Certificate of Authority on the surety is cause for rejection of bid. (GPR Section 3-202.03.3) **Pursuant to Public Law 27-127, all competitive sealed bidding for the procurement of supplies or services exceeding \$25,000.00 a 15% Bid Security of the total bid price must accompany the bid package."**

**TO NOW READ: "BID GUARANTEE REQUIREMENT:** Bidder is required to submit a Bid Guarantee Bond or standby irrevocable Letter of Credit or Certified Check or Cashier's Check in the same bid envelope to be held by the Government pending award. The Letter of Credit, Cash, Certified Check or Cashier's Check, Bid Guarantee Bond must be issued by any local surety or banking institution licensed to do business on Guam and made payable to the Guam Power Authority in the amount of no less than **five hundred thousand dollars (US\$500,000.00)**. The Bid Bond must be submitted on Government Standard Form BB-1 (copy enclosed). Personal Checks will not be accepted as Bid Guarantee. If a successful Bidder (contractor) withdraws from the bid or fails to enter into contract within the prescribed time, such Bid guarantee will be forfeited to the Government of Guam. Bids will be disqualified if not accompanied by Bid Bond, Letter of Credit, Certified Check or Cashier's check. Bidder must include in his/her bid, valid copies of a Power of Attorney from the Surety and a Certificate of Authority from the Government of Guam to show proof that the surety company named on the bond instrument is authorized by the Government of Guam and qualified to do business on Guam. For detailed information on bonding matters, contact the Department of Revenue and Taxation. Failure to submit a valid Power of Attorney and Certificate of Authority on the surety is cause for rejection of bid. (GPR Section 3-202.03.3) **Pursuant to Public Law 27-127, all competitive sealed bidding for the procurement of supplies or services exceeding \$25,000.00 a 15% Bid Security of the total bid price must accompany the bid package."**

**ExxonMobil Asia Pacific Pte Ltd dated December 11, 2017:**

**QUESTION:**

1. In page 24 of 134 of IFB No. GPA-009-18, 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 of the annual contract cost".
  - a. Would GPA accept a performance bond in the amount limited up to US\$5M?

**ANSWER:**

Performance Bond requirement remains as is.

**QUESTION:**

2. In page 43 of 134 of IFB No. GPA-009-18, 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:**

Contract Price requirement remains as is.

**QUESTION:**

3. In page 44 of 134 of IFB No. GPA-009-18, Section 4. Contract price, it states the BID REFERENCE PRICE shall be based on the Platt's Singapore Products Assessment for Fuel Oil Cargoes "HSFO 180 CST."
- a. Would GPA confirm that this refers to FO 180 CST 3.5% S assessment using Code PUADV00?

**ANSWER:**

This refers to HSFO 180 CST assessment using code PUADV00.

**QUESTION:**

4. In page 46 of 134 of IFB No. GPA-009-18, 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:**

Title, Custody and Risk of Loss requirement remains as is.

**QUESTION:**

5. In page 55 of 134 of IFB No. GPA-009-18, 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:**

GPA will accept arbitration in Guam.

**QUESTION:**

6. In page 56 of 134 of IFB No. GPA-009-18, 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:**

See page 56 of 134, Section 23 (CONTRACTOR'S INSURANCE). Contractor or its agents must comply with OPA 90 requirements to include, but is not limited to:

- a. Proof of membership to an Oil Response Organization (ORSO)
- b. Vessel Spill Response Plan as approved by the US Coast Guard
- c. Valid copy of Vessel P&I Club Membership
- d. Valid copy of Vessel P&I Club Pollution Liability Coverage of \$25,000,000 per pollution condition / \$25,000,000 aggregate policy limit.



**QUESTION:**

7. In page 56 of 134 of IFB No. GPA-009-18, 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 notification lead time to be "not later than 60 days before the 1<sup>st</sup> calendar day of the delivery date range"?

**ANSWER:**

Transportation requirement remains as is.

**QUESTION:**

- b. If not, would GPA accept "not later than 45 days..."?

**ANSWER:**

Transportation requirement remains as is.

**QUESTION:**

8. In page 57 of 134 of IFB No. GPA-009-18, Section 25. Transportation, it states "GPA shall provide notification to the CONTRACTOR as to the final split cargo delivery quantity approximately TWENTY-ONE (21) days prior to the first (1st) day of the estimated 5-day delivery date range which will also be specified in this final notice."

- a. Would GPA accept increasing the notification lead time to be "not later than 60 days before the 1<sup>st</sup> calendar day of the delivery date range"?

**ANSWER:**

Transportation requirement remains as is.

**QUESTION:**

- b. If not, would GPA accept "not later than 45 days..."?

**ANSWER:**

Transportation requirement remains as is.

**QUESTION:**

9. In page 57 of 134 of IFB No. GPA-009-18, 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"?

**ANSWER:**

Transportation requirement remains as is.

**QUESTION:**

- b. Would GPA accept the addition of "Any cancellation or change would be subjected to Contractor's best endeavor basis."?

**ANSWER:**

Transportation requirement remains as is.

**QUESTION:**

10. In page 59 of 134 of IFB No. GPA-009-18, 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:**

Ship Demurrage requirement remains as is.

**QUESTION:**

11. In page 73 of 134 of IFB No. GPA-009-18, we refer to Schedule A Product Quality Specification – Residual Fuel Oil No. 6.
- a. Per Platt's FO 180 CST, 2.0%S specifications (see picture below), would GPA accept a relaxation to specifications detailed in Schedule A as such:-
- i. Item 3. Pour Point: from Max 21 Deg C to Max 24 Deg C

**ANSWER:**

Requirement remains as is.

**QUESTION:**

- ii. Item 8. Vanadium Content: from Max 70 ppm to Max 95 ppm

**ANSWER:**

Requirement remains as is.

**QUESTION:**

- iii. Item 9. Silicon and Aluminum Content: from Combined Max 70 ppm to Combined Max 80 ppm

**ANSWER:**

Requirement remains as is.

**QUESTION:**

- iv. Item 14. Sodium: from Max 40 ppm to Max 65 ppm

**ANSWER:**

Requirement remains as is.

**QUESTION:**

- v. Item 18. Density @ 15 deg C: from Max 0.9855 to Max 0.991

**ANSWER:**

Requirement remains as is.

**QUESTION:**

12. 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.

**QUESTION:**

13. 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. 009-18?

**ANSWER:**

All inquiries and amendments related to the IFB GPA-009-18 and GPA responses thereto will be posted in the GPA website.

**Andeavor dated December 12, 2017:**

**QUESTION:**

1. When was Andeavor setup with GPA and added to the bidder list?

**ANSWER:**

Andeavor will be included in the updated supplier directory list.

**QUESTION:**

2. When is the opening of the Price Proposal? According to the document the opening starts on 3/13/2018 but the evaluation of prices proposal starts before that, on 3/8/2018.

**ANSWER:**

See Amendment II on Volume I- Bid Milestones for changes.

**QUESTION:**

3. The commercial terms and condition state that the original documents of the proposal must be sent to GPA via post or courier and post-marked no later than the bid-opening date, could you please provide the exact day of the "bid-opening date"?

**ANSWER:**

See Amendment II to Volume I Section 1 (Bid Milestones) for changes. All inquiries and amendments related to the IFB GPA-009-18 and GPA responses thereto are posted in the GPA website.

**QUESTION:**

4. Would you clarify the contract volumes versus individual parcels sizes? The reference to combined cargo size of 230-280kb and cycle of 31-33 days doesn't seem to fit the reference to total volume of approximately 2MM BBLs. Either smaller parcels sizes could be delivered or volume is closer to 3MM BBLs.

**ANSWER:**

See Amendment V to Volume I Section 1.2.1. for changes.

**QUESTION:**

5. If load shore tank is disqualified, is it acceptable to revert to use vessel with VEF?

**ANSWER:**

No.

**QUESTION:**

6. Why is STS loading not permitted if the sale is DES?



**ANSWER:**

Basis for invoicing is the Bill of Lading (BOL) quantity. GPA is concerned with the uncertainties and inaccuracies in measurements in STS loading. GPA is also concerned with the origin of the product, and quality issues that may arise after product receipt or after prolonged storage.

**QUESTION:**

7. What are the available and accepted inspection companies in Guam? And can the appointed inspection company be jointly accepted by GPA and the bidder?

**ANSWER:**

SGS Guam or Intertek Guam are currently established and certified Petroleum Inspection companies in Guam and are both acceptable to GPA.

**QUESTION:**

8. What test will be run as part of the recertification of the delivery?

**ANSWER:**

GPA product specification is listed in Volume II Schedule A, on page 73 of 134 of the bid package.

**QUESTION:**

9. Are time/cost incurred during the analysis of discharge port sample to determine contractual quality compliance previous to discharge to be paid by seller or shared by seller/buyer?

**ANSWER:**

See Volume II Section 11(a), page 49 of 134 on the bid package.

**QUESTION:**

10. We have limited options for inspection companies in Alaska, what companies are acceptable?

**ANSWER:**

SGS and Intertek petroleum inspection companies are acceptable to GPA. Contractor shall provide a list of other inspection companies and copies of certifications from API or other Petroleum certifying organization in the technical proposal submittal for GPA review.

**QUESTION:**

11. Historically, what pump rates do they get to Piti (3 miles)? To Agat (6 miles)?

**ANSWER:**

About 13,000 bbl/hr to Piti and 6,000 bbl/hr to Agat at 100 psi measured at the discharge port dock pipeline manifold.

**QUESTION:**

12. How often does the Port Authority prohibit nighttime discharge?

**ANSWER:**

The Port Authority may prohibit nighttime discharge if there are safety issues. Contractor should consult with its Guam Agent for any port restrictions that prohibits nighttime discharge.

**QUESTION:**

13. Is the bid bond mandatory?

**ANSWER:**

Yes.

**QUESTION:**

14. When is bid bond required to be posted?

**ANSWER:**

See Volume I Section 2.10.1.3 (Required Forms, item 10 on page 16 of 134) and Volume I Section 3 (Required Forms and Supplemental Information, on page 28 of 134) of the bid package.

The Technical and Price Proposals should both be submitted on or before the Cut-off Date of Receipt of Proposals following the instructions specified under Volume I Section 2.

**QUESTION:**

15. For how long is the bid bond to be posted?

**ANSWER:**

Within the 120 days of the date the bid is due.

**QUESTION:**

16. Is the bid bond canceled if Andeavor wins bid?

**ANSWER:**

Bid Guarantee will be returned.

**QUESTION:**

17. Is Bid Bond language negotiable?

**ANSWER:**

No.

**QUESTION:**

18. Is performance bond language negotiable?

**ANSWER:**

No.

**QUESTION:**

19. Will GPA extend credit to Andeavor in lieu of performance bond given that Andeavor is investment grade?

**ANSWER:**

No. Guam Power Authority cannot extend credit to vendors.

**QUESTION:**

20. Will the per cargo Documentary Letter of Credit issuing bank be mutually agreed upon?

**ANSWER:**

ANZ Banking Group Ltd in Singapore currently extends credit to GPA for its Documentary Letter of Credit. If Andeavor is not agreeable to this bank, then any bank suggested must be willing and able to extend credit to GPA.

**QUESTION:**

21. Can we negotiate language in per cargo Documentary Letter of Credit?

**ANSWER:**

This would depend on what changes to the language of the LC is requested.

**QUESTION:**

22. Is GPA willing to provide standby LOC from a mutually agreed upon bank in the amount of \$35M in lieu of per cargo Documentary Letter of Credit?

**ANSWER:**

No.

**QUESTION:**

23. Can GPA provide a list of banks from which the Letters of Credit might be issued?

**ANSWER:**

ANZ Banking Group Ltd in Singapore currently extends credit to GPA for its Documentary Letter of Credit.

**QUESTION:**

24. What is the specific invoice payment method to Andeavor?

**ANSWER:**

Payment method is determined by issuing bank for Doc LC.

**QUESTION:**

25. Is the winning of the bid binding or contingent upon the eventual execution of a mutually acceptable contract?

**ANSWER:**

Amendments on the bid package shall be reflected in the final document and shall be binding for both parties upon Contract execution. The contract must be reviewed and approved by the Consolidated Commission on Utilities (CCU) and the Public Utilities Commission (PUC).

**QUESTION:**

26. What is the time frame for responses to these questions?

**ANSWER:**

See Amendment II to Volume I Section 1 Bid Milestones for changes. Any subsequent amendments or changes to the schedule will be posted in the GPA website.

**QUESTION:**

27. Will there be an opportunity to submit further questions once responses to these questions have been received from GPA?

**ANSWER:**

Further questions may be submitted if GPA issues an amendment to Volume I Section 1 (Bid Milestones) extending the deadlines.

**QUESTION:**

28. When should the bid bond be in place?



**ANSWER:**

See Volume I Section 2.10.1.3 (Required Forms, item 10 on page 16 of 134) and Volume I Section 3 (Required Forms and Supplemental Information, on page 28 of 134) of the bid package.

The Technical and Price Proposals should both be submitted on or before the Cut-off Date of Receipt of Proposals following the instructions specified under Volume I Section 2.

**QUESTION:**

29. When will the bid be awarded?

**ANSWER:**

A Notice of Intent to Award will be issued by GPA after the completion of the bid evaluation to the successful bidder. The contract must be reviewed and approved by the Consolidated Commission on Utilities (CCU) and the Public Utilities Commission (PUC).

**QUESTION:**

30. Date to initiate performance bond in case contract is awarded?

**ANSWER:**

See Volume I Section 2.13 (Award of Contract), page 23 of 134 of the bid package. The successful BIDDER shall provide the required Performance Bond within fourteen (14) working days of receipt of the GPA Notice of Intent to Award.

**QUESTION:**

31. Are there recent soundings for the channel from Sea to Berth?

**ANSWER:**

All soundings at the discharge port are taken only after the vessel is safely secured at the berth.

**QUESTION:**

32. Could you please provide the Tristar port and terminal information handbook as noted in section 25(a)?

**ANSWER:**

See Amendment V to Volume II to add Schedule C (Tristar Port and Terminal Information Handbook).

**QUESTION:**

33. What is demurrage rate structure if the performing vessel is time chartered instead of voyage chartered?

**ANSWER:**

See Volume II Section 25 (c)(i).

**QUESTION:**

34. Please clarify the following statement "The vessel must be able to attain a discharge rate of 13,000 bbls per hour and a discharge pressure of up to 100 psi measured at F-1 Dock Manifold. Is the connector of the sentences meant to be AND or OR?"

**ANSWER:**

See Amendment V to Volume II Section 25(c)(i) for changes.

**Vitol dated December 12, 2017:**

**QUESTION:**

1. In page 42 of 134 Volume II Contract, Section 2. Fuel Oil to Be Supplied, delete the word "reputable."

**ANSWER:**

Requirement remains as is.

**QUESTION:**

2. Delivery to be minimum 250Kb +-10% Sellers option. We would like a minimum volume here so we can be more aggressive in our offer to GPA.

**ANSWER:**

Requirement remains as is.

**QUESTION:**

3. In page 43 of 134 Volume II Contract, Section 3. Contract Term. A 3 year term through 2020 IMO changes represents significant risk and volatility on both buyer and sellers account. We would like to suggest that offers for a one year term contract with options to extend for four (4) additional one (1) year terms, upon mutual agreement between both parties.

**ANSWER:**

Refer to Changes 2 Under VOLUME I – COMMERCIAL TERMS AND CONDITIONS, Introduction Page 7 of 134.

**QUESTION:**

4. DES (5 +6) remove originals- replace with "copies"

**ANSWER:**

Requirement remain as is.

**QUESTION:**

5. Suggest pricing to be 10 days after BL

**ANSWER:**

Requirement remains as is.

**QUESTION:**

6. Amend to read: "Risk and title to the fuel oil shall pass from CONTRACTOR to GPA when the fuel oil has passed the vessel's permanent flange connection at the discharge port. All risk of loss, cost and liabilities prior to the time risk and title passes shall be on the CONTRACTOR.

**ANSWER:**

Requirement remains as is.

**QUESTION:**

7. First paragraph to be deleted and replaced with below:  
Quote  
*Irrevocable Documentary Letter of Credit (L/C) shall be opened in a format, amount and by a first class international bank acceptable to the Contractor, and such L/C shall be opened*

three (3) days prior to the first day of the declared 3 days loading window. Payment/Shipping documents that shall be called for under the L/C are:

- Seller's commercial/provisional invoice
- copy of certificate of quality issued by an independent surveyor
- copy of certificate of quantity issued by an independent surveyor

In case any or all of the Payment Documents are not available to the CONTRACTOR when payment becomes due, the CONTRACTOR shall provide a warranty of title ("WOT") in the format set out in this Agreement together with Seller's commercial/provisional invoice in lieu of such missing documents. Unquote

**ANSWER:**

Requirement remains as is.

**QUESTION:**

8. Second paragraph, first sentence to be deleted and replaced with below

Quote

*Payment shall be made in U.S. Dollars Funds without off-set, deduction, or counter-claim within THIRTY (30) calendar days (30-days net term) after the Bill of Lading date provided vessel tenders its NOR within FIFTEEN (15) days after the B/L date, otherwise it extends day by day (B/L date inclusive).*

Unquote

**ANSWER:**

Requirement remains as is.

**QUESTION:**

9. Second paragraph, first sentence to be deleted and replaced with below

Quote

*Payment shall be made in U.S. Dollars Funds without off-set, deduction, or counter-claim within THIRTY (30) calendar days (30-days net term) after the Bill of Lading date provided vessel tenders its NOR within FIFTEEN (15) days after the B/L date, otherwise it extends day by day (B/L date inclusive).*

Unquote

**ANSWER:**

Requirement remains as is.

**QUESTION:**

10. The format of the L/C and WOT shall be included in the agreement as follows:

Quote

ISSUING BANK : [ ]

APPLICANT : [ ]

BENEFICIARY : [ ]

ADVISING BANK : [ ] (SWFIT: [ ])

CREDIT AMOUNT : USD [ ],000,000.00 (+/- [ ]%)

VALID UNTIL : [ ] 2018, IN SINGAPORE

PRODUCT : [ ]

QUANTITY : [ ] NET US BARRELS / METRIC TONS AT PLUS/MINUS [ ]

PERCENT



TRADE TERM : DES ONE OR MORE SAFE PORT / BERTH [ ], GUAM  
 PORT OF DISCHARGING : ONE OR MORE SAFE PORT(S) [ ], GUAM  
 LATEST SHIPMENT DATE : [ ] 2018  
 PARTIAL SHIPMENT : ALLOWED  
 TRANSHIPMENT : NOT ALLOWED  
 PRICE : PRICE CLAUSE AS PER CONTRACT NUMBER [ XXXXXXXX ]  
 AVAILABLE WITH ANY BANK BY NEGOTIATION AT [ ] CALENDER DAYS AFTER BILL OF LADING  
 DATE (B/L DATE TO COUNT AS DAY ZERO) AGAINST PRESENTATION OF THE FOLLOWING  
 DOCUMENTS ISSUED IN ONE ORIGINAL AND THREE COPIES UNLESS OTHERWISE STATED:  
 1. SELLER'S SIGNED COMMERCIAL/PROVISIONAL INVOICE. (FAX COPY ACCEPTABLE)  
 2. COPY OF BILL OF LADING  
 3. CERTIFICATE OF QUANTITY ISSUED AND SIGNED OR COUNTERSIGNED BY INDEPENDENT  
 INSPECTOR AT LOADPORT (FAX OR PHOTOCOPY IS ACCEPTABLE)  
 4. CERTIFICATE OF QUALITY ISSUED AND SIGNED OR COUNTERSIGNED BY INDEPENDENT  
 INSPECTOR AT LOADPORT (FAX OR PHOTOCOPY IS ACCEPTABLE)  
 SPECIAL CONDITIONS:-

1. DOCUMENTS PRESENTED LATER THAN 21 DAYS AFTER B/L DATE BUT WITHIN CREDIT  
VALIDITY ACCEPTABLE.
2. ALL BANK CHARGES AT APPLICANT'S BANK ARE FOR APPLICANT'S ACCOUNT. ALL BANK  
CHARGES AT BENEFICIARY'S BANK ARE FOR BENEFICIARY'S ACCOUNT
3. THIRD PARTY DOCUMENTS ACCEPTABLE EXCEPT INVOICE, WOT AND LOI (WHEREVER  
APPLICABLE)
4. CHARTER PARTY/TANKER/THIRD PARTY B/L ACCEPTABLE.
5. WHERE COPIES ARE CALLED FOR, PHOTOCOPIES ARE ACCEPTABLE.
6. IN THE EVENT PAYMENT DUE DATE FALLS ON A SATURDAY OR A NEW YORK BANK  
HOLIDAY WHICH IS NOT A MONDAY, PAYMENT SHALL BE DUE ON THE IMMEDIATE  
PRECEDING BANKING DAY. IN THE EVENT THE ORIGINAL DUE DATE FALLS ON A SUNDAY  
OR A MONDAY NEW YORK BANK HOLIDAY, PAYMENT SHALL BE DUE ON THE  
IMMEDIATE FOLLOWING BANKING DAY.
7. TYPOGRAPHICAL AND SPELLING ERRORS ARE NOT TO BE CONSIDERED AS  
DISCREPANCIES EXCEPT FOR QUANTITY AND AMOUNT.
8. DOCUMENTS UNDER DIFFERENT HEADER/ TITLE BUT SERVE THE SAME PURPOSE  
ACCEPTABLE.
9. PRICE CLAUSE AND CALCULATION NOT SHOWN IN INVOICE ACCEPTABLE.
10. IN THE EVENT FINAL PRICE IS NOT AVAILABLE AT THE POINT OF INVOICING/LC  
PRESENTATION, PRESENTATION OF A PROVISIONAL INVOICE IS ALLOWED. AS SOON AS  
FINAL PRICE IS AVAILABLE, IN THE EVENT THE PROVISIONAL INVOICE AMOUNT IS LESS  
THAN THE FINAL INVOICE AMOUNT, A FINAL INVOICE FOR THE REMAINING BALANCE  
SHALL BE SUBMITTED FOR SETTLEMENT AT [ ] DAYS AFTER B/L OR AT SIGHT,  
WHICHEVER IS LATER WITHIN THE FRAMEWORK OF THE L/C.
11. UNLESS OTHERWISE SPECIFIED, ANY DOCUMENTS EXCEPT DRAFTS AND INVOICE  
SHOWING INVOICE NUMBER, INVOICE VALUE, INVOICE DATE, UNIT PRICE, CONTRACT  
NUMBER, NAME OF APPLICANT, TRADE TERM, L/C NUMBER, L/C ISSUING DATE, NAME  
OF L/C ISSUING BANK, ANY BANK STAMP AND ANY REFERENCE RELATING TO THIS  
CREDIT, IS ACCEPTABLE.
12. ALL DOCUMENTS MUST BE IN ENGLISH.
13. PARTIAL SHIPMENT AND PARTIAL DRAWING ALLOWED.
14. DOCUMENTS PRESENTED IN MORE THAN ONE SET ACCEPTABLE.
15. [ ] % MORE OR LESS IN [PRICE AND] QUANTITY IS ACCEPTABLE.
16. THE AMOUNT OF THIS LETTER OF CREDIT SHALL AUTOMATICALLY FLUCTUATE IN



ACCORDANCE WITH THE INVOICE QUANTITY OF THE CRUDE OIL AND/OR PETROLEUM PRODUCTS AND THE PRICE FORMULA UNDER THE CONTRACT(S) ABOVE AND BELOW THE STATED LIMIT(S) OF THIS LETTER OF CREDIT WITHOUT FURTHER AMENDMENT

17. DRAFT(S) NOT PRESENTED IS ACCEPTABLE.

18. L/C AMOUNT UNDERDRAWN IS ACCEPTABLE.

19. IN THE EVENT THE DOCUMENTS UNDER F46 ARE NOT AVAILABLE AT POINT OF INVOICING, PAYMENT SHALL BE MADE AGAINST PRESENTATION OF THE FOLLOWING DOCUMENTS:

A. SELLER'S SIGNED COMMERCIAL/PROVISIONAL INVOICE. (FAX COPY ACCEPTABLE)

B. SELLER'S WARRANTY OF TITLE (WOT) IN THE FOLLOWING FORMAT:

**WARRANTY OF TITLE FORMAT IS AS FOLLOWS:**

QUOTE

DATE : DD-MM-YYYY

TO : [ ]

FROM : [ ]

--WARRANTY OF TITLE--

WE REFER TO A QUANTITY OF . . . NET US BARRELS OF . . . CRUDE OIL DELIVERED TO YOU BY VESSEL . . . AT (LOCATION) AND DISCHARGED DURING (INSERT COMMENCEMENT OF DISCHARGE DATE TO COMPLETION OF DISCHARGE DATE 20XX).

IN CONSIDERATION OF YOUR PAYMENT OF THE FULL PURCHASE PRICE OF USD . . . WE HEREBY EXPRESSLY WARRANT THAT WE HAVE MARKETABLE TITLE, FREE AND CLEAR OF ANY LIEN OR ENCUMBRANCE TO SUCH MATERIAL, AND THAT WE HAVE FULL RIGHT AND AUTHORITY TO TRANSFER AND EFFECT DELIVERY OF SUCH MATERIAL TO YOU.

THIS WARRANTY OF TITLE SHALL BE GOVERNED BY AND CONSTRUED IN ACCORDANCE WITH ENGLISH LAW AND ANY DISPUTES, CONTROVERSIES OR CLAIMS ARISING OUT OF OR IN RELATION TO THIS WARRANTY OF TITLE SHALL BE SUBJECT TO THE EXCLUSIVE JURISDICTION OF THE ENGLISH COURTS.

AUTHORIZED SIGNATORY NAME

[ ]

UNQUOTE

Unquote

**ANSWER:**

Requirement remains as is.

**QUESTION:**

11.
  - a. Delete the second paragraph ("In the event ... CONTRACTOR's account") and the third paragraph ("CONTRACTOR shall be responsible ... drawbacks or exemptions").
  - b. Amend the penultimate paragraph to read: "Notwithstanding these provisions, should the payment of any such charges described in the section be unduly burdensome to GPA, GPA may request an equitable adjustment of the contract price."

**ANSWER:**

- a. Requirement remains as is.
- b. Requirements remains as is.

**QUESTION:**

12. Amend the second paragraph to read: "... during the process of oil shipment and delivery up to the point risk in the fuel oil transfers from CONTRACTOR to GPA."

**ANSWER:**

Requirement remains as is.

**QUESTION:**

13. Remove clause that STS cargo loading is now allowed.

**ANSWER:**

Requirement remains as is.

**QUESTION:**

14. Amend sub-clause (c) to make it clear that the samples are to be drawn prior to the commencement of discharge and to make the results of the analysis of such samples final and binding on the parties. Also samples to be retained for 30 days not 120

**ANSWER:**

Requirement remains as is.

**QUESTION:**

15. Last line page 15 "...which analysis AT LOADPORT shall be final and binding upon both parties"

**ANSWER:**

Requirement remains as is.

**QUESTION:**

16. The right of rejection shall only be available for any product which has not been discharged.

**ANSWER:**

Requirement remains as is.

**QUESTION:**

17. The right of rejection shall only be available for any product which has not been discharged.

**ANSWER:**

Requirement remains as is.

**QUESTION:**

18. a. Amend the fourth paragraph to read: "In the event of variances between the B/L quantity and the vessel arrival quantity figures. The AUTHORITY shall pay ..."

**ANSWER:**

- a. Requirement remains as is.

**QUESTION:**

19. b. Second paragraph- "bill of lading quantity GROSS not NET"

**ANSWER:**

- b. Requirement remains as is.

**QUESTION:**

20. Delete the word "reputable".



**ANSWER:**

Requirement remains as is.

**QUESTION:**

21. a. Amend to read: "No failure, delay or omission to carry out ... if such failure, delay or omission arises from ...";

**ANSWER:**

- a. Verbiage does not pertain to Section 14 but to Section 16 instead.

**QUESTION:**

- b. Amend sub-clause (d) to read: "... decree or regulation of by cooperation of industry at the insistence of any applicable governmental authority or person purporting to act therefore;"

**ANSWER:**

Requirement remains as is.

**QUESTION:**

- c. Amend sub-clause (e) to read: "... Interference by restriction or regulations imposed by ...";

**ANSWER:**

Requirement remains as is.

**QUESTION:**

- d. Amend sub-clause (h) to read: "Accidents to or adjuncts of shipping navigation and breakdown of the performing vessel"; and

**ANSWER:**

Requirement remains as is.

**QUESTION:**

- e. Amend the last paragraph to read: "No failure, delay or omissions to carry ...".

**ANSWER:**

Requirement remains as is.

**QUESTION:**

22. Possible to delete or to outline what these permits are at this time pls

**ANSWER:**

Requirement remain as is.

**QUESTION:**

23. Amend the last sentence to read: "which may be taken from the Performance Bond if mutually agreed with the CONTRACTOR."

**ANSWER:**

Requirement remains as is.

**QUESTION:**

24. We suggest replacing "indefinite period" with an agreed number of days, for instance 90 cumulative days.

**ANSWER:**

Requirement remains as is.

**QUESTION:**

25. a. We note the reference to the Contracts (Rights of Third Parties) Act 1999 which is an English statute. For consistency therefore we would suggest the contract is governed by English law rather than the laws of Guam

**ANSWER:**

Requirement remains as is.

**QUESTION:**

- b. We also note the reference to the LCIA. Again, for consistency, we would suggest that disputes are dealt with by arbitration under the LCIA rules rather than the AAA rules.

**ANSWER:**

Requirement remains as is.

**QUESTION:**

26. Delete the word "proximately".

**ANSWER:**

Requirement remains as is.

**QUESTION:**

27. a. Change the narrowing to 5-day delivery range, 14 days prior to the 1st day.

**ANSWER:**

Requirement remains as is.

**QUESTION:**

- b. Amend the first sentence of the second paragraph to read: "... prior to the passage of risk

**ANSWER:**

Requirement remains as is.

**QUESTION:**

- c. Amend the third paragraph to read: "GPA shall arrange safe berthing facilities to accommodate vessels ...".

**ANSWER:**

Requirement remains as is.

**QUESTION:**

- d. If we arrive during the laycan and berth not available, all time/ demurrage shall be for buyers account

**ANSWER:**

Both parties shall be guided by the stipulations under Volume II Section 25.

**QUESTION:**

- e. GPA shall provide the Contractor the total cargo quantity to be delivered and estimated split

Forty-five (45) days from estimated 10-day delivery date range.

**ANSWER:**

Requirement remains as is.

**QUESTION:**

f. GPA shall provide notification as to the final split delivery quantity thirty (30) days prior to the first day of the estimated 5-day delivery date range.

**ANSWER:**

Requirement remains as is.

**QUESTION:**

g. Delete last paragraph in section a) ..“GPA shall have the right to cancel’

**ANSWER:**

Requirement remain as is.

**QUESTION:**

h. Section b) “ ... quantities per slate forty five (45) days NOT thirty (30)

**ANSWER:**

Requirement remains as is.

**QUESTION:**

i. Section b) Section b) delete the last sentence around min temperature on arrival and during discharge at Guam Port.

**ANSWER:**

Requirement remains as is.

**QUESTION:**

j. Section (i) delete second paragraph regarding min discharge rate on vessel

**ANSWER:**

Kindly refer to Amendment VII to Volume II Section 25(c)(i) for changes

**QUESTION:**

28. a. We suggest expressly providing that this provision shall not apply in the case where the failure to perform is due to force majeure.

**ANSWER:**

Requirement remains as is.

**QUESTION:**

29. We would suggest aligning the dispute forum with that provided for in section 22, which we would suggest is the LCIA.

**ANSWER:**

Requirement remains as is.



**QUESTION:**

30. Amend to read: "... to have violated any applicable law, rule or regulation ...".

**ANSWER:**

Requirement remains as is.

**QUESTION:**

31. 1. Propose deletion  
IF some must remain  
(a) (1) delete

**ANSWER:**

Requirement remains as is.

**QUESTION:**

2. (b) (1) Change to 0.05% reduction for every 0.5% or part thereof above 0.08%

**ANSWER:**

In page 62 of 134, Section 30, Penalty Clauses, (b) Quality Outside Contractual Specifications  
Requirement remains as is.

**QUESTION:**

3. (b) (3) Fine for penalty above 50ppm

**ANSWER:**

Requirement remains as is.

**QUESTION:**

4. (b) (4) Al+Si: for every 5ppm price reduction of 0.05%

**ANSWER:**

Requirement remains as is.

**QUESTION:**

5. Last two paragraphs- delete

**ANSWER:**

Requirement remains as is.

**QUESTION:**

32. Delete GPA right to terminate the contract for convenience

**ANSWER:**

Requirement remains as is.

**QUESTION:**

33. We suggest making provision for service of notices to be effected by international courier.

**ANSWER:**

Kindly refer to Amendment VII to Volume II Section 36 for changes.

**QUESTION:**

34. Include the right for Contractor to be able to assign the receivables under the contract without GPA's consent (for financing purposes)

**ANSWER:**

Requirement remains as is.

**QUESTION:**

35. a. Amend to make the CONTRACTOR's obligation one of complying with its own policies on discrimination and affirmative action.

**ANSWER:**

Requirement remains as is.

**QUESTION:**

- b. Delete the last sentence of the first paragraph and all of the second paragraph.

**ANSWER:**

Requirement remains as is.

**QUESTION:**

36. a. **Schedule A** (specification) - changes  
2. Sulphur Mercaptan: from nil to 100ppm

**ANSWER:**

Requirement remains as is.

**QUESTION:**

- b. **Schedule A** (specification) - changes  
11. Micro Carbon Residue: from 10% to 13% mass

**ANSWER:**

Requirement remains as is.

**QUESTION:**

- c. **Schedule A** (specification) - changes  
13 Asphaltenes: from 5% to 8%

**ANSWER:**

Requirement remains as is.

**QUESTION:**

- d. **Schedule A** (specification) - changes  
14 Sodium: from 40 to 50ppm

**ANSWER:**

Requirement remains as is.

**QUESTION:**

- e. **Schedule A** (specification) - changes  
16 Compatibility: Max allowed value "2" for both cleanliness and compatibility.

**ANSWER:**

Requirement remains as is.

**QUESTION:**

37. Note on Item 18: Odor to be revised as follows. The odor shall be typical and characteristic of mild hydrocarbon smell and must not be unusually strong, repulsive or obnoxious. The fuel delivered shall be subject to inspection by regulatory agencies such as the USEPA or by an independent third party inspector, should issues related to odor arise. In the event that such unusually strong repulsive or obnoxious odor is detected and is deemed due to the quality of the product delivered by the Contractor, the product shall be replaced at the Contractor's expense.

- a. Pls can we get a full list of terminal restrictions

**ANSWER:**

Kindly refer to Amendment VII to Volume II for the addition of Schedule B (Tristar Port and Terminal Handbook).

Contractor must consult with its Guam Agent for any other restrictions that may not be covered by this handbook.

**QUESTION:**

- b. Offer validity: 180 days to remain firm and irrevocable is very long. Pls can we amend to 60 days validity.

**ANSWER:**

Requirements remains as is.

**QUESTION:**

38. **Volume III Appendices**

**APPENDIX B: PERFORMANCE BOND FORMAT shall be read/issued as follows:**

**Australia and New Zealand Banking Group Limited [ABN 11 005 357 522] [Insert ANZ entity name] (ANZ) issues its Standby Letter of Credit (Instrument") as follows:**

**Type of Instrument: STANDBY LETTER OF CREDIT ("INSTRUMENT")**

**Instrument No:** [reference number]

**Applicant: VITOL ASIA PTE LTD WITH REGISTRATION NUMBER 199001917Z, AT 260 ORCHARD ROAD #15-02, THE HEEREN, SINGAPORE 238855**

**Beneficiary: GUAM POWER AUTHORITY, ATURIDAT ILEKTRESEDAT GUAHAN, P.O. BOX 2977, AGANA, GUAM U.S.A.**

**Underlying Relationship: [CONTRACT REF FOR BID (IFB) NO. GPA-009-18 SUPPLY OF RESIDUAL FUEL OIL NO. 6]**

**Maximum Amount: [UNITED STATES DOLLARS TWENTY FIVE MILLION ONLY (USD XX,000,000.00) ]**

**Place of Presentation: [10 COLLYER QUAY #18-00, OCEAN FINANCIAL CENTRE, SINGAPORE 049315 (ANZ'S OFFICE)]**

**Form of Presentation: Paper delivered personally, by courier or post to ANZ's Office in one lot**

**Required Documents: [BENEFICIARY'S CERTIFICATE OF DEMAND]**

**Required language: [BENEFICIARY'S CERTIFICATE OF DEMAND TO BE PRESENTED AT ANZ'S OFFICE PURPORTING TO BE SIGN BY THE BENEFICIARY'S AUTHORIZED SIGNATORY(IES) SPECIFYING THE AMOUNT CLAIMED HEREUNDER, CERTIFYING THAT THE APPLICANT HAS FAILED TO FULFILL ITS**



**OBLIGATION TO YOU UNDER THE CONTRACT \_\_\_\_\_  
AND THAT ACCORDINGLY YOU ARE ENTITLED TO RECEIVE PAYMENT  
UNDER THIS STANDBY LETTER OF CREDIT.]**

**Expiry:** [xxx]

**Issue Date:** [Insert DD/MM/YYYY]

1. ANZ irrevocably undertakes to pay the Beneficiary any sum or sums not exceeding in aggregate the Maximum Amount upon presentation in the form indicated above to ANZ of the Beneficiary's compliant demand together with the Required Documents listed above.
2. Demands can only be made by the Beneficiary and must (i) be marked as drawn under this Instrument, (ii) request payment of all or part of the Maximum Amount, (iii) state the respect in which the Applicant is in breach of its obligations under the Underlying Relationship and (iv) specify the bank account of the Beneficiary into which payment is to be made by ANZ.
3. Demands and Required Documents must be received at ANZ's Office on or before the Expiry of the Instrument. ANZ will not recognise or pay a demand made after the Expiry of this Instrument.
4. Other notices in connection with this Instrument must be signed and delivered personally, by courier or by post to ANZ's Office.
5. Payments under this Instrument will be made electronically to an account of the Beneficiary only.
6. The Beneficiary must return this Instrument to ANZ's Office immediately after it expires.
7. This Instrument, issued solely in your favor as Beneficiary, is not assignable or transferable to any third party, (likewise it is not transferable by the principal to any other beneficiary or third party whomsoever is not permissible), as same being personal to all parties concerned.
8. This Instrument is subject to Uniform Customs and Practice for Documentary Credits (2007 Revision) ICC Publication No. 600. ("UCP 600").
9. Nothing in this Instrument obliges ANZ to do or omit to do anything if it would, or might in its reasonable opinion, constitute a breach of any anti-money laundering, counter-terrorism financing or economic or trade sanctions laws or regulations applicable to ANZ.

For and on behalf of

**[Australia and New Zealand Banking Group Limited][Insert ANZ entity name]**

Manager: \_\_\_\_\_

**ANSWER:**

Requirement remains as is.

**QUESTION:**

39. **APPENDIX J: Bid Bond Format shall be read/issued as follows:**

STANDBY LETTER OF CREDIT NO. XXXX

APPLICANT: VITOL ASIA PTE LTD

BENEFICIARY: GUAM POWER AUTHORITY, ATURIDAT ILEKTRESEDAT GUAHAN, P.O. BOX 2977, AGANA, GUAM U.S.A.

L/C ISSUE DATE: xxx

L/C EXPIRY DATE: xxx

AT THE REQUEST AND ON BEHALF OF VITOL ASIA PTE LTD, (PRINCIPAL) WHO HAS SUBMITTED A BID FOR GPA BID NO: GPA-009-18:

INVITATION FOR BID (IFB) NO. GPA-009-18 SUPPLY OF RESIDUAL FUEL OIL NO. 6

WE HEREBY ISSUE OUR IRREVOCABLE STANDBY LETTER OF CREDIT NO XXXXXX IN FAVOUR OF GUAM POWER AUTHORITY, ATURIDAT ILEKTRESEDAT GUAHAN, P.O. BOX 2977, AGANA, GUAM U.S.A., THEIR HEIRS, EXECUTORS, ADMINISTRATORS, SUCCESSORS AND ASSIGNEES. FOR THE SUM OF UNITED STATES DOLLARS [xxx] MILLION ONLY (\$xxx) (MAXIMUM AMOUNT)

ANZ UNDERTAKES TO PAY THE BENEFICIARY ANY SUM OR SUMS NOT EXCEEDING IN AGGREGATE THE MAXIMUM AMOUNT UPON PRESENTATION, IN ACCORDANCE WITH THIS STANDBY LETTER OF CREDIT, TO ANZ BY THE BENEFICIARY OF ITS FIRST WRITTEN DEMAND MARKED AS DRAWN UNDER THIS STANDBY LETTER OF CREDIT REQUESTING PAYMENT OF THE MAXIMUM AMOUNT OR A PART

OF THE MAXIMUM AMOUNT AND STATING THAT THE TERRITORY OF GUAM ACCEPTED THE BID OF THE PRINCIPAL AND THE PRINCIPAL FAILED TO ENTER INTO A CONTRACT WITH THE TERRITORY OF GUAM IN ACCORDANCE WITH THE TERMS OF SUCH BID, AND GIVE SUCH BOND OR BONDS AS SPECIFIED IN BIDDING OR CONTRACT DOCUMENTS WITH GOOD AND SUFFICIENT SURETY FOR THE FAITHFUL PERFORMANCE OF SUCH CONTRACT AND FOR THE PROMPT PAYMENT OF LABOR AND MATERIAL FURNISHED IN THE PROSECUTION THEREOF. THE BENEFICIARY MUST PRESENT ALL DEMANDS BEFORE THIS INSTRUMENT EXPIRES (AND ANZ WILL NOT RECOGNISE OR PAY A DEMAND MADE AFTER THIS INSTRUMENT EXPIRES) AND RETURN THIS INSTRUMENT TO ANZ AT ITS OFFICE IMMEDIATELY AFTER THIS INSTRUMENT EXPIRES. THIS STANDBY LETTER OF CREDIT IS SUBJECT TO INTERNATIONAL STANDBY PRACTICES – ISP98 INTERNATIONAL CHAMBER OF COMMERCE BROCHURE NO 590,. SIGNED AND SEALED THIS \_\_\_\_\_ DAY OF \_\_\_\_\_ 20 \_\_\_\_

\_\_\_\_\_  
(SIGNATURE) (SEAL)

**ANSWER:**

Requirement remains as is.

**PTT International Trading Pte Ltd dated December 12, 2017:**

**QUESTION:**

1. We refer to Volume 1 of the Invitation for Multi-Step Supply of Residual Fuel Oil No. 6 (GPA-009-18) ("Commercial Terms and Conditions"). Pursuant to paragraph 2.10.1.1(d) of the Commercial Terms and Conditions, the Contractor is required to provide:-  
a Dun & Bradstreet Rating;  
Latest 10-K or annual report, plus any 10-Qs and/or quarterly reports issued subsequent to latest 10-K annual report;  
Minimum of 3 trade and banking references.  
Regarding item (i), in order to get Dun & Bradstreet rating we need to submit to them our financial statements, in which we will don't have control if they may share such information with a large pool of undisclosed recipients, we would be grateful if you could consider the direct submission to GPA of our financial statements as an alternative method of fulfilling item (i) above.  
We would be very happy to submit our financial statements directly to Guam Power Authority (GPA) and enter into direct discussions and/or provide clarifications with respect to the financial statements.

**ANSWER:**

Requirement remain as is.

**QUESTION:**

2. We would like to find out if GPA enjoys the benefits of sovereign immunity, and if so, would GPA waive it here.

**ANSWER:**

The enabling act of Guam Power Authority provides in 12 GCA § 8104. Powers. The Authority shall have and exercise each and all of the following powers: ... (e) Enter into contracts and execute all



instruments necessary or convenient in the exercise of its powers, adopt a seal and sue or be sued in its own corporate name.

**QUESTION:**

3. Please clarify if payment is against seller's signed invoice and seller's LOI format? And in the event of LC, please advise the possible LC issuing banks and any LC format?

**ANSWER:**

All payments for the existing contract are made through a Documentary LC issued by ANZ Banking Group Ltd in Singapore.

**Mitsui & Co. Energy Trading Singapore Pte Ltd dated December 12, 2017:**

**QUESTION:**

1. a. A Guam Business License with proof of Employer Identification Number (EIN) is not required in order to provide a proposal for this engagement, but is a pre-condition for entering into a contract with the Authority.  
Is it sufficient for the local agent to have EIN or is the CONTRACTOR required to have EIN?

**ANSWER:**

The CONTRACTOR is required to submit an EIN as a pre-condition for entering into a contract with the Authority.

**QUESTION:**

- b. Bidders MUST comply with PL 26-111 dated June 18, 2002, PL 28-165 dated January 04, 2007 and Wage Determination under the Service Contract Act ([www.wdol.gov](http://www.wdol.gov)).  
Please elaborate why this is required for the BIDDER which is only a potential supplier of RFO to GPA.

**ANSWER:**

Bidders, upon award of the contract, are required to comply with the Wage Determination issued by the U.S. Department of Labor.

**QUESTION:**

- c. Additionally, upon award the successful bidder must provide to GPA the most recently issued Wage Determination by the US Dept. of Labor.  
Please elaborate why this is required for the BIDDER which is only a potential supplier of RFO to GPA.

**ANSWER:**

Bidders, upon award of the contract, are required to comply with the Wage Determination issued by the U.S. Department of Labor.

**QUESTION:**

2. **Volume I: Commercial Terms and Conditions**

1. Introduction

Table 1: Bid Milestones

- a. Would all negotiation of contract language be taken place after CONTRACTOR is awarded through evaluation of Price Proposal?

**ANSWER:**

Amendments on the bid package shall be reflected in the final document and shall be binding for both



parties upon Contract execution.

**QUESTION:**

b. If both parties could not reach to an agreement, could either party decide to decline executing the contract?

**ANSWER:**

Any contract negotiated by the parties, must be reviewed and approved by the Consolidated Commission on Utilities (CCU) and the Public Utilities Commission (PUC). GPA must have an executed contract to forward for review and approval by the CCU and the PUC.

**QUESTION:**

3. 1.2 The CONTRACTOR shall also provide qualified and trained personnel to safely, efficiently and legally deliver the service required by the Authority under this IFB.  
Could we understand that CONTRACTOR is not obligated to provide any further service than supplying RFO?

**ANSWER:**

"delivery of service" means the Contractor's resources required in providing the RFO supply to GPA.

**QUESTION:**

4. 2.10.1.1.f. : At a minimum, the Letter of Commitment from the issuing organization shall Official letterhead of the organization

- A clear statement of work, including the names of key personnel.
- Explicit assurance of commitment
- The signature of a person appropriately authorized to make commitments and assurances on behalf of the organization.
- Company seal or stamp

What does "explicit assurance of commitment" include? We may source the cargos and vessel from the spot market (i.e. not on term basis), but in such case what type of documentation is expected?

**ANSWER:**

"Explicit assurance of commitment" shall include a commitment letter assuring GPA with a long-term commitment of providing the resources and support needed by the Contractor in ensuring the uninterrupted supply of RFO to GPA during the contract period.

**QUESTION:**

5. 2.10.1.1.h The BIDDER shall provide proof of capability to mobilize full support services no later than 30 days after contract signing. Include documentation from vessel company showing list of vessels secured for the next twelve (12) months.  
If we intend to secure vessel from spot market (not term basis), would we required to submit this letter?

**ANSWER:**

Yes.

**QUESTION:**

6. 2.10.1.3.2 Certificate of Good Standing to conduct business in jurisdiction of residence.  
Since "Certificate of Good Standings" does not exist under certain countries (e.g. Japanese

law), we might submit commercial register certified copy (in certain language) with an English translation. Would such document be sufficient for GPA?

**ANSWER:**

An affidavit must be submitted certifying that the document is the equivalent of the "Certificate of Good Standing".

**QUESTION:**

7. 2.10.4 A duly authorized person must sign the BIDDER's proposals. All names shall be typed or printed below the signature. A proposal submitted by a corporation must bear the seal of the corporation, be attested to by its Secretary, and be accompanied by necessary Power-of-Attorney documentation.

**ANSWER:**

Yes.

**QUESTION:**

8. 2.14.2 The CONTRACTOR shall provide a Performance Bond executed by a surety company licensed to do business on Guam. A list of surety companies licensed to do business on Guam is provided in Appendix C.

As per Clause 12 of GT&C, could we issue a standby Letter of Credit by "any" of the local Banks instead of providing bid bond format as per Appendix J?

**ANSWER:**

Requirement remains as is.

**QUESTION:**

9. 2.14.3 A bid bond for an amount of no less than One Hundred Fifty Thousand Dollars (US\$150,000.00) is required and may be in the following form:
- Cash, Bank Draft or Certified Check made payable to the Guam Power Authority;
  - By wire transfer to Guam Power Authority. Account information shall be sent to the bidders upon request.
  - Letter of Credit;
  - Surety Bond – valid if accompanied by:
    1. Current Certificate of Authority to do business on Guam issued by the Department of Revenue and Taxation;
    2. Power of Attorney issued by the Surety to the Resident General Agent
    3. Power of Attorney issued by two (2) major officers of the Surety to whoever is signing on their behalf.
    4. Bonds submitted as Bid Guarantee without signatures and supporting documents are invalid and bids will be rejected. If a BIDDER desires to submit a bid bond with an acceptable bonding company, the BIDDER must submit original copies of Appendix J.

Is there any restriction other than the stipulated in Clause 11 of GT&C when issuing a Letter of Credit (e.g. financial rating of issuing bank)?

**ANSWER:**

Guam Power Authority highly recommend the proponent or its agent in Guam to check with the Department of Revenue and Taxation for any other restrictions other than what is stipulated in Clause 11



of the GT&C. Also See Amendment VI to Volume I Section 2.14.3 (Bid Bond Form and Amount) for change in the Bid Bond amount from \$150,000.00 to \$500,000.00.

**QUESTION:**

10. 2.15.2 If the BIDDER and GPA do not agree as to the disclosure of data, the Procurement Officer or his designee shall inform the BIDDER in writing and in email within five working days of the closing date for Proposal submittal what portions of the Proposal will be disclosed and that, unless the BIDDER protests under the Conditions of Contract Disputes clause the information will be so disclosed.  
What in details, does "the BIDDER protests under the Conditions of Contract Disputes clause" mean? Could we understand that if BIDDER give notice to GPA in writing of existence of such dispute, such information will not be disclosed in public?

**ANSWER:**

Response shall be forthcoming.

**QUESTION:**

11. **Volume II: Contract**  
**Section 2: Fuel Oil to be supplied**

The estimated total fuel oil requirement is about TWO MILLION BARRELS PER YEAR (2,000,000 bbls/yr). The Minimum Purchase under the Contract is estimated at ONE MILLION BARRELS PER YEAR (1,000,000 bbls/yr).

Is the estimated volume (i.e. 2,000,000 bbls/yr) taking into account the impact of new solar power project by (i) KEPCO and LG, (ii) Hanwa Energy (together 120 MW capacity)? Would the grades of fuel differ from the ratio written in the contract (i.e. LSFO: 6 vs HSFO: 14)?

**ANSWER:**

Solar power project is taken into consideration.

Grades of fuel may differ from the ratio estimated in the contract. Fuel switching from HSFO to LSFO or vice versa is driven by wind direction which is unpredictable and the exact LSFO/HSFO ratio cannot be accurately determined and therefore cannot be written in the contract.

**QUESTION:**

12. **Section 8: Payment of Taxes and Other Government Charges**

All fuels under the terms of this Contract are exempt from the Government of Guam Liquid Fuel Tax and the Government of Guam Gross Receipts Tax as provided by 12 G.C.A., Section 8115.

In the event that any cargoes shall be liable to the payment of Import Duty such Import Duty shall be to the CONTRACTOR's account. CONTRACTOR shall be responsible for filing appropriate tax returns or other filings and requesting rebates, credits, drawbacks or exemptions.

Notwithstanding these provisions, should the payment of any such charges described in this section be unduly burdensome to GPA, it shall be grounds for renegotiation for an equitable adjustment in price.

CONTRACTOR shall be solely responsible for filings and payment of income tax or taxes measured on net income.

- a) Please confirm that there are no other tax imposed on CONTRACTOR to supply into Guam laws and regulation.



- b) Is there a possibility for CONTRACTOR to be responsible for filings and payment of income tax or taxes measured on net income, while CONTRACTOR'S obligation is only to supply RFO GPA?

**ANSWER:**

Guam Power Authority highly recommend the proponent get advice from a tax attorney or CPA on Guam regarding their potential tax liability.

**QUESTION:**

13. **Section 11: Quantity and Quality Assurance**

- a) Ship-to-Ship (STS) cargo loading is not allowed.  
We are intending to use FSU for loading to serve this supply. Is it possible for GPA to delete this clause?
- b) Original/copy of the quality analysis certificates and ship's "certificate of cleanliness" issued before loading to be handed over with the other shipping documents (B/L, Certificate of Origin, Cargo Manifest, Certificate of Quality, Certificate of Quantity with shore tank measurement report, etc.) upon arrival of vessel at discharge port.  
It is understood that any delay as may be incurred in discharge due to unavailability of copy of the Bill of Lading will be for CONTRACTOR's account. Furthermore, the correct documentation in original format is required in order to establish to the full satisfaction of GPA.

Would GPA require original B/Ls to be handed upon arrival of vessel at discharge port, or a copy of B/L is sufficient to confirm the volume at the loading port?

**ANSWER:**

Kindly refer to Amendment VII to Volume II Section 11 for changes.

**QUESTION:**

14. **Section 13: Security of Supply**

For security of supply, CONTRACTOR reserves the right to supply fuel oil meeting GPA specifications from any source. Fuel Oil to be supplied to GPA shall conform to the product quality requirements specified in Schedule A and shall come from reputable sources not sanctioned by the United States government.

Please share if there is any specific condition (except "not sanctioned") for GPA to determine whether the source is "reputable" or not.

**ANSWER:**

A reputable source must not be involved in any controversies or illegal activities or is blacklisted by the United States Government. Contractor must check the U.S. Department of Treasury for the updated list of countries sanctioned by the United States government. The following website link may be helpful: <https://www.treasury.gov/resource-center/sanctions/Programs/Pages/Programs.aspx>

**QUESTION:**

15. **Section 15: Permits and Responsibilities**

The CONTRACTOR shall, without additional expense to GPA, be responsible for obtaining any necessary licenses and permits, and for complying with any applicable Federal and Territorial laws, codes and regulations necessary for performance of the Contract by CONTRACTOR.

What are the specific licenses and permits required for CONTRACTOR under applicable Federal and Territorial laws, codes and regulations (except for general requirement under international trading/shipping) to supply RFO to Guam?

**ANSWER:**

Guam Power Authority highly recommend the proponent or its agent in Guam to check with local and Federal Agencies for the specific licenses and permits required.

**QUESTION:**

16. **Section 19: Proration or Equitable Allocation**

CONTRACTOR shall also seek an alternative source of fuel oil to fulfill its contractual obligations. If CONTRACTOR could not supply from alternative sources, would it be treated as "failure to supply" under Section 27?

**ANSWER:**

Yes

**QUESTION:**

17. **Section 21:**

No curtailment or suspension of deliveries or payment under the causes listed in Section 16, supra, shall operate to extend the term of or terminate the Contract unless the occurrence of force majeure will materially impair, for an indefinite period of time, the parties' ability to perform the Contract. If force majeure materially impair, for an indefinite period of time, the parties' ability to perform the Contract, would both parties hold the right to terminate the Contract?

**ANSWER:**

Kindly refer to Volume II Section 33 (Termination for Convenience) on page 64 of 134.

**QUESTION:**

18. **Section 31: Default**

In the event of termination because of GPA's default, the CONTRACTOR shall not be liable for the difference between the contract price and the prevailing market price at the time of termination.

So conversely, in the event of termination because of CONTRACTOR'S default, shall the CONTRACTOR be liable for the difference between the contract price and prevailing market price at the time of termination?

**ANSWER:**

Kindly refer to Volume II Section 27 (FAILURE TO SUPPLY) on page 60 of 134.

**QUESTION:**

19. **Section 33**

**(a): Termination**

The delivery of fuel oil supply under this Contract may be terminated by GPA in accordance with this clause in whole, or from time to time in part.

Any such termination shall be effected by delivery to the CONTRACTOR of a written Notice of Termination specifying the extent to which supply of fuel oil under the Contract is terminated.



In the case of termination of this Contract, GPA shall reimburse the CONTRACTOR of all the expenses related to the period of the Performance Bond that were not used.

If the Performance Bond is renewed annually, would the range of compensation include the cost for remaining years of the contract?

**ANSWER:**

Yes.

**QUESTION:**

**(b): CONTRACTOR'S Obligation**

GPA may direct the CONTRACTOR to assign the Contractor's right, title and interest under the terminated orders or Contracts to GPA.

b.1 There are contracts which assignment is subject to counter parties consent. In case such consent could not be obtained what will be the consequence?

**ANSWER:**

Contractor will make its best efforts to obtain consent to allow for the assignment.

**QUESTION:**

b.2 In case the assignment is completed, could we understand that all rights and liabilities under such contract will be passed to GPA?

**ANSWER:**

GPA will negotiate with Contractor a settlement of outstanding claims and interests.

**QUESTION:**

**20. Section 37: Interest of Other Parties**

CONTRACTOR warrants that no member of the governing body of GPA, and no other officer, employee, or agent of GPA who exercises any functions or responsibilities in connection with the work to which the Contract pertains, and no employee, agent or member of the Guam Legislature or other public official of the Government of Guam, has or shall have any personal economic or financial interest, direct or indirect, in the Contract.

It shall be difficult for CONTRACTOR to warrant about the relationship of for members in GPA and others with this contract, which is rather reasonable for GPA to warrant. Could this Section be deleted or modified?

**ANSWER:**

Requirement remains as is. This is to ensure that there is no conflict of interest in the Contract.

**QUESTION:**

**21. Volume III: Appendices**

**a. General (Notarization)**

If BIDDER intends to take notarization at their own country (e.g. Japan, Singapore), the format and language may be different from the Appendices. Please confirm that such arrangement is acceptable for GPA.

**ANSWER:**

Affidavits notarized outside the Territory of Guam is acceptable, however bidders must ensure that original form affidavits are sealed and valid.



**QUESTION:**

**Volume III: Appendices**

b. **Appendix H: Declaration of Compliance with US DOL's Wage Determination**

Please elaborate why such application is required for the CONTRACTOR which is only supplying RFO to GPA.

**ANSWER:**

Contractor is required to abide by this requirement in the event that it hires any services that will be performed by individuals authorized to work in the United States. See Volume I Section 2.10.1.3 on page 16 of 135 and Section 3 (Required Forms and Supplemental Information) on page 29 of 134. Submittal is mandatory.

**QUESTION:**

**Volume III: Appendices**

c. **Appendix I: Restriction Against Sex Offenders**

Please elaborate why such application is required for the CONTRACTOR which is only supplying RFO to GPA.

**ANSWER:**

Contractor is required to abide by this requirement since Contractor or its agents will be engaging with GPA or its agents at the discharge port. It also applies to individuals hired by the Contractor to perform services at the discharge port. See Volume I Section 2.10.1.3 on page 16 of 135 and Section 3 (Required Forms and Supplemental Information) on page 29 of 134. Submittal is mandatory.

**QUESTION:**

**Volume III: Appendices**

d. **Appendix K: Local Procurement Preference Application**

Please elaborate why such application is required for the CONTRACTOR which is only supplying RFO to GPA.

**ANSWER:**

This application is a requirement under the Guam Procurement Law. Contractor is required to abide by this requirement. See Volume I Section 2.10.1.3 on page 16 of 135 and Volume I Section 3 (Required Forms and Supplemental Information) on page 29 of 134. Submittal is mandatory.

**QUESTION:**

22. **Step 2: Price Proposal**

**BID PRICE PROPOSAL**

- a. Would "1st year" mean from September 1st ~ August 31st, while GPA's fiscal year starts from October 1st and ends on September 30th?

**ANSWER:**

1<sup>st</sup> Year means the first contract year commencing on September 01, 2018 and ending on August 31, 2019.

**QUESTION:**

- b. Could GPA consider a bid changing price depending on the season and volume?

**ANSWER:**

Requirement remains as is.

**QUESTION:**

- c. Could GPA consider a bid setting the price of 2 years extension as "mutually agreed"?

**ANSWER:**

Kindly refer to Amendment VI for changes in the contract term to the following:  
Volume I Section 1 (Introduction)  
Volume I Section 1.2.1 (Contract Term)  
Volume II Section 3 (Contract Term)

**QUESTION:**

- d. Could GPA consider a bid setting a fixed number for a shorter term than 3 years (e.g. 1 year with an extension based on mutual agreement)?

**ANSWER:**

Kindly refer to Amendment VII for changes in the contract term to the following:  
Volume I Section 1 (Introduction)  
Volume I Section 1.2.1 (Contract Term)  
Volume II Section 3 (Contract Term)

**QUESTION:**

**23. General Terms & Conditions**

41: Liquidated Damages

42: Physical Liability

Would these 2 Section be applied in addition to the related Sections in the contract draft (e.g. Section 30: Penalty Clauses)?

**ANSWER:**

41: Liquidated Damages; Kindly refer to Volume II, Section 30 Penalty Clauses

42: Physical Liability; Kindly refer to Volume II, Section 24 Indemnity

**Tristar Terminals Guam, Inc. dated December 12, 2017:**

**QUESTION:**

1. Please clarify and confirm if bidder is to consider the product "HSFO 180 CST" published in platts Asia Pacific/Arab Gulf Marketscan as the bid reference price for both product grades requested i.e. LSFO 1.19% w Sulfur Max and HSFO 2% w Sulfur Max?

**ANSWER:**

Yes.

**QUESTION:**

2. 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:**

See Volume II Section 25 (c)(i). The estimated quantity is 230,000 to 280,000 bbls per shipment. Frequency is about every 35 to 50 days depending on consumption and tank ullage.

**QUESTION:**

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

**ANSWER:**

GPA would prefer at least 100,000 bbls minimum buffer inventory for each grade upon arrival of cargo shipment for inventory replenishment.

**QUESTION:**

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

**ANSWER:**

Kindly refer to Amendment IV on Volume I Section 1 Bid Milestones for changes.

**Petrobras Singapore Private LTD dated December 12, 2017:**

**QUESTION:**

1. **Volume I – Commercial Terms and Conditions**

**1.2.1. CONTRACT TERM (p 9)**

"... the Contract is anticipated to be on or about September 01, 2013."

We understand there was a typo mistake and suggest to amend to "... the Contract is anticipated to be on or about September 01, 2018."

**ANSWER:**

Kindly refer to Amendment VII on Volume I Section 1.1.1 for changes.

**QUESTION:**

2. **2.10. Proposal Submittal (p 13)**

Are Bidders allowed to send more than one price proposal?

**ANSWER:**

No.

**QUESTION:**

3. **2.10.1. Technical Proposal Requirements (p 13)**

**2.10.1.1 Technical Proposal**

We hereby request GPA to confirm the possibility that CONTRACTOR could be 2 companies of the same group (subsidiaries of the same holding). In this case, would it be necessary to present the requested documentation for both? Or can it be assumed that, as solidary with their obligations and subsidiaries of the same group, they can be seen as one counterparty and present one set of documents?

**ANSWER:**

Kindly refer to Volume I Section 2.10.4 (Signature of Bidder) on page 19 of 134 for the requirements.



**QUESTION:**

4. **2.10.1.2. Qualitative Proposal Scoring Workbook (p16)**

Qualitative Proposal Scoring: Qualitative Evaluation Worksheet (p 126)

"5. Insurance Policy - Provide a copy of your Insurance Policy for GPA's review, and proof of compliance with OPA 90 Insurance Requirements".

The insurance certificate is only provided for each cargo, after loading, therefore, we hereby request to delete item "5. Insurance Policy".

In case GPA is unable to accommodate this request, can GPA please accept a letter from insurance company, as a substitute to the copy of Insurance Policy?

**ANSWER:**

Requirement remains as is.

**QUESTION:**

5. **2.10.5. Cut-Off Date for Receipt of Proposals (p 20)**

Considering the time and efforts needed to achieve the documents and certifications requested by GPA in the "Invitation for Multi-Step Bid GPA-009-18 SUPPLY OF RESIDUAL FUEL OIL NO.6", we hereby request the extension of the cut-off date for receipt of proposals. We suggest a minimum of 2 weeks extension.

**ANSWER:**

See Amendment IV to Volume I Section 1 Bid Milestones for changes in the cut-off date for receipt of proposals.

**QUESTION:**

6. **2.12.1. Opening of Price Proposals (p 22)**

The "Evaluation of Price Proposals" period starts on 08 March 2018 but the "Opening of Price Proposals" is scheduled to 13 March 2018.

Could you please confirm the "Opening of Price Proposals" date?

**ANSWER:**

Opening of Price Proposals is subject to change. See Amendment IV to Volume I Section 1 Bid Milestones for changes.

**QUESTION:**

7. **SECTION 5. INVOICE PRICE DETERMINATION (p 45)**

Please replace for: "Price shall be based on the arithmetic average of the mean of the high/low quotations for "HSFO 180 CST" as published in Platts Asia Pacific/Arab Gulf Marketscan under the heading "FOB Singapore" priced for ten (10) valid consecutive quotations immediately after the B/L date plus the fixed premium fee".

Please add: "If for any reason the quotation "HSFO 180 CST" ceases to exist, the parties shall renegotiate a new price quotation and premium in order to continue the contract."

**ANSWER:**

Kindly refer to Amendment VII to Volume II Section 5 for inclusion of the proposed additional verbiage.

**QUESTION:**

**8. SECTION 7. TERMS OF PAYMENT (p 46)**

Would GPA agree to open Standby Letter of Credit instead of Documentary Letter of Credit?

**ANSWER:**

Requirement remains as is.

**QUESTION:**

**9. SECTION 10. PRODUCT AND QUALITY (p 48)**

SCHEDULE A - PRODUCT QUALITY SPECIFICATION (p 73)

The specification of the RFO required has been revised on the Aluminum, Carbon Residue, Asphaltenes, Sodium, Compatibility and Density (no changes in API though). More strict specs are very likely to be reflected in more expensive price offers. In this sense, we suggest the revision of the specification for the above mentioned items as follows:

- a. 9b Aluminum Content – Combined Al + Si not to exceed 70 ppm (without specific limitation to the Al content)

**ANSWER:**

Requirement remains as is.

**QUESTION:**

- b. 11 Micro-Carbon Residue (replace by Conradson Carbon Residue) - Maximum Allowed Value: 15% mass (alternatively, fix a penalty in case it exceeds 10%)

**ANSWER:**

Requirement remains as is.

**QUESTION:**

- c. 13 Asphaltenes – Maximum Allowed Value: 7% mass

**ANSWER:**

Requirement remains as is.

**QUESTION:**

- d. 14 Sodium – Maximum Allowed Value: 80 ppm

**ANSWER:**

Requirement remains as is.

**QUESTION:**

- e. 16 Compatibility – Maximum Allowed Value: 2 for both “Cleanliness ratio” and “Compatibility ratio”

**ANSWER:**

Requirement remains as is.

**QUESTION:**

- f. 18 Density @ 15°C – Maximum Allowed Value: 0.9916 (equivalent to API 11.2) – please note that API Gravity and Density @ 15°C limits are not matching as they should.

**ANSWER:**

Requirement remains as is.

**QUESTION:**

**10. SECTION 11. QUANTITY AND QUALITY ASSURANCE (p 49)**

Since the inspection costs at the discharge port will be equally shared by GPA and the CONTRACTOR, the independent inspector should be mutually appointed.

Kindly revise as follows:

(a) (...) CONTRACTOR shall appoint the independent inspector at the loadport. The independent Inspector at the discharge port shall be mutually appointed. (...) All costs and charges for the inspections for the load port shall be borne by the CONTRACTOR, and costs at the discharge port shall be equally shared by GPA and the CONTRACTOR.

**ANSWER:**

Requirement remains as is.

**QUESTION:**

**11. SECTION 12. QUANTITY DETERMINATION (p 50)**

Kindly confirm if the density used for the conversion from MT to bbl will be the actual density of each delivered cargo.

**ANSWER:**

Yes, as stipulated under Section 12.

**QUESTION:**

**12. SECTION 25. TRANSPORTATION (p 56)**

a. "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." (p 57) Kindly confirm that no cancelation is allowed after 21 days before the first day of the delivery range.

**ANSWER:**

Yes.

**QUESTION:**

b. **(b) Tanker nomination procedures (p 58)**

(i) Vessel Specification

Could you please clarify what are the Tristar's/GPA's vessel vetting requirements?

**ANSWER:**

Kindly refer to Amendment V to Volume II for the addition of Schedule C (Tristar Vessel Vetting Procedure).

**QUESTION:**

c. **(c) Ship Lay time and Demurrage (p 58)**

(i) Ship Demurrage (p 59) Please add:

In the absence of a single voyage Charter Party, the demurrage rate shall be agreed by Buyer and Seller at the time of the vessel nomination. In the event of a dispute on such rate, the rate shall be determined by a London Tanker Brokers Panel as being representative of a current market demurrage rate for a similar vessel performing a similar voyage.

**ANSWER:**

Requirement remains as is.



**QUESTION:**

13. **SECTION 30. PENALTY CLAUSES (p 61)**

(b) Quality Outside Contractual Specifications (p 62)

What are the acceptable limits for each of the items listed under Quality Outside Contractual Specifications without any damages for the power plants?

**ANSWER:**

None

**QUESTION:**

14. **SECTION 38. ASSIGNMENT (p 67)**

PETROBRAS is a Global company and has subsidiaries in different countries. It is important for the Group to guarantee the possibility to assign the agreement to another party inside the Petrobras Group. Therefore, we suggest including such provision in the contract, by adding the following clause: CONTRACTOR and GPA shall not transfer or assign its rights and obligations under this contract, in whole or in part, without the prior written consent of the other party. Notwithstanding the foregoing, the CONTRACTOR may transfer or assign its rights and obligations under this contract, in whole or in part, to an affiliate (as defined hereinafter), without the prior consent of buyer. For the purpose of this contract, "affiliate" means any company or legal entity which (a) controls either directly or indirectly a party hereto, or (b) is controlled directly or indirectly by such party, or (c) is directly or indirectly controlled by a company or entity which directly or indirectly controls such party. "Control" for purposes of the previous sentence means the ability to direct the management and policies of a company or legal entity, whether through ownership of securities, by contract or otherwise.

**ANSWER:**

Requirement remains as is.

**QUESTION:**

15. **Volume III – Appendices**

a. **Appendix A (p 77,78-header), Appendix B (p80), and Appendix C (p83-106-header)**

We suggest replacing "Diesel Fuel Oil No. 2" with "Residual Fuel Oil No.: 6" in Appendix A (p 77, 78 - header), Appendix B (p 80) and Appendix C (p 83-106 - header).

**ANSWER:**

Kindly refer to Amendment VII to Volume III Appendix A for changes.

**QUESTION:**

b. **Appendix B (p 80)**

Please delete "with the AUTHORITY's option to extend the CONTRACT for an additional three-year term beginning \_\_\_\_\_, 20\_\_\_\_".

Or replace for "with an option to extend the CONTRACT by mutual agreement for an additional two-year term beginning \_\_\_\_\_, 20\_\_\_\_".

**ANSWER:**

Kindly refer to Amendment VII to Volume III Appendix B (item b) for the changes.

**QUESTION:**

16. **GOVERNMENT OF GUAM - GENERAL TERMS AND CONDITIONS (p 129)**

- a. The boxes checked on the General Terms and Conditions (GTC) are applicable to the bid. Does the contract supersede the GTC? In case the Contract and the GTC diverge in any matter, which one shall prevail?

**ANSWER:**

The Contract shall prevail.

**QUESTION:**

- b. **LOCAL PROCUREMENT PREFERENCE (p 129)**  
Please confirm if it is mandatory for this bid process.

**ANSWER:**

Local Procurement Preference Application is not mandatory. However, non-completion of this form will automatically be not considered for Local Procurement Preference.

**QUESTION:**

- c. **31. GUARANTEE (p 131)**

This clause seems to be related only to equipment. Please advise if it is applicable to this bid process.

**ANSWER:**

Kindly omit No.: 31, Guarantee (Pg. 131) of the General Terms & conditions, as it does not apply to this bid.

**QUESTION:**

- d. **38. TERMINATION FOR CONVENIENCE (p 131)**

Clause 38 of the GTC seems to address termination of the bid process rather than termination of a contract awarded pursuant to the bid process.

Please advise if the clause refers only to the bid process.

**ANSWER:**

The clause refers to the Contract only.

**QUESTION:**

- e. **41. LIQUIDATED DAMAGES (p 132)**

When the contractor is given notice of delay or non-performance as specified in Paragraph 1 (Default) of the Termination for Default Clause of this contract and fails to cure in the time specified, the contractor shall be liable for damages for delay in the amount of one-fourth of one percent (1%) of outstanding order per calendar day from date set for cure until either the territory reasonable obtains similar supplies or services if the contractor is terminated for default, or until the contractor provides the supplies or services. Would this be an additional head of liability arising upon the Contractor's default?

**ANSWER:**

Kindly refer to Volume II, Section 30 Penalty Clauses

**Hanwha Corporation/Trade dated December 12, 2017:**

**QUESTION:**

- Under Contract (Volume II), Page 10 of 40, we suggest to revise as below.  
Original - The Bid Price is the sum of the FIXED SERVICE FEE (per gallon) and the BID REFERENCE PRICE as of July 31, 2017 as posted in the Platts' Asia-Pacific Marketscan Oil Prices .  
Revise - The Bid Price is the sum of the FIXED PREMIUM FEE (\$/MT) and the BID REFERENCE PRICE as of July 31, 2017 as posted in the Platts'

**ANSWER:**

Kindly refer to Amendment VII on Volume II Section 4 for changes.

**QUESTION:**

2. Under Contract (Volume II), Page 11 of 40, we suggest to revise as below.  
Original- BID REFERENCE PRICE= \$315.100 per Metric Ton  
Revise - BID REFERENCE PRICE= \$312.180 per Metric Ton

**ANSWER:**

Kindly refer to Amendment VII on Volume II Section 4 for changes.

**QUESTION:**

3. Under Commercial Terms and Conditions (Volume II), Page 27 of 40, we suggest to revise as below.  
Original - (a) Late Deliveries  
(1) In case of five (5) delayed deliveries beyond the last day of the ..... the CONTRACTOR.  
  
Revise - (a) Late Deliveries  
(1) In case of five (5) days delayed deliveries beyond the last day of the ..... the CONTRACTOR.

**ANSWER:**

Requirement remains the same. This pertains to the number of shipments delayed within the contract period.

**QUESTION:**

4. Under Commercial Terms and Conditions (Volume I), page 2, we suggest to revise as below.  
  
Original- GPA review and Answers Questions: FROM 11/16/2017 TO 12/28/2018  
  
Revise - GPA review and Answers Questions: FROM 11/16/2017 TO 12/28/2017

**ANSWER:**

Kindly refer to Amendment III to Volume I Section I- Bid Milestones for the changes.

**QUESTION:**

5. Under Commercial Terms and Conditions (Volume I), page 3, we suggest to revise as below.  
  
Original - The first delivery of fuel oil pursuant to the Contract is anticipated to be on or about September 01, 2013 .  
Revise - The first delivery of fuel oil pursuant to the Contract is anticipated to be on or about September 01, 2018.

**ANSWER:**

Kindly refer to Amendment VII to Volume I Section 1.2.1. for the changes.

**QUESTION:**

6. Under Commercial Terms and Conditions (Volume I), page 8, there is clause as below.  
  
"Contract shall also provide documentary evidence of conformity with the Quality Specification set in Volume II Section 10 for the types of fuel to be supplier".  
  
Can you clarify what documentary evidence do you need? Certificate of Quality will be acceptable?



**ANSWER:**

Yes

**QUESTION:**

7. Under Commercial Terms and Conditions (Volume I), page 9, there are clauses as below.

"The CONTRACTOR shall provide supporting documents showing knowledge and experience in complying with Federal regulations and other applicable laws on Guam, such as OPA 90 and others, including documents showing compliance with all federal regulations and applicable laws"

Can you explain what supporting documents do you need?

**ANSWER:**

See requirements under Volume I Section 2.10.1.1(e), page 14 of 134. The Contractor shall provide a copy of at least one contract in the last five (5) years citing past experience in berthing vessels in US harbors. This shall also include a copy of INTERTANKO'S STANDARD TANKER CHARTERING QUESTIONNAIRE 88 (Q88) for each vessel that is owned or chartered by the Contractor.

**QUESTION:**

8. Under Commercial Terms and Conditions (Volume I), page 9, "f. Letter of Commitment", it requires for letter of commitment from the CONTRACTOR's refinery/fuel supplier, vessel charterer, storage facility and others.

Do you need the one of the letter of commitments from CONTRACTOR's refinery/fuel supplier OR vessel charterer OR storage facility and others?

Or

Do you need all letter of commitments from CONTRACTOR's refinery/fuel supplier AND vessel charterer AND storage facility and others?

**ANSWER:**

GPA need all letter of commitments from CONTRACTOR's refinery/fuel supplier AND vessel charterer AND storage facility and others.

**QUESTION:**

9. From September 2013 to August 2020, Hyundai Corporation has made contract of supplying Residual Fuel No. 6 to GPA.

I wonder if GPA can disclose and share the contract between Hyundai and GPA.

Moreover, can you disclose the Hyundai Corporation's technical and price proposals for supplying of Residual Fuel No. 6 from September 2013 - August 2020?

**ANSWER:**

Response shall be forthcoming.

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

  
JOHN M. BENAVENTE, P.E.  
General Manager