



GUAM POWER AUTHORITY

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

May 01, 2018

AMENDMENT NO.: VI

TO

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

FOR

SUPPLY OF DIESEL FUEL OIL NO. 2

Prospective Bidders are hereby notified of the following changes:

1. **VOLUME I – COMMERCIAL TERMS AND CONDITIONS**

Section 4.3 Price Proposal Evaluation

DELETE: “The contract will be awarded to the BIDDER evaluated as being qualified and with the best-priced proposal for the THREE (3) year contract base period. GPA reserves the right to make multiple awards, partial awards, award by site location, or award in whole, whichever may be most advantageous to the Authority.”

REPLACE with: “The contract will be awarded to the BIDDER evaluated as being qualified and with the best-priced proposal for the THREE (3) year contract base period.”

2. **VOLUME II – CONTRACT**

Section 1. Definitions

a. **“D.E.S.”:** Delete in its entirety

b. **“Receiving Facility”:**

Delete in its entirety and replace with:

“Receiving facility” means the GPA-leased bulk storage tank receiving facility at the Tristar Terminals Guam, Inc., and the **GPA** plant receiving facility at the site location identified in [Schedule B](#)

SECTION 2. FUEL OIL TO BE SUPPLIED

Delete in its entirety and replace with:

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

Fuel Oil to be supplied to **GPA** shall conform to the product quality requirements specified in [Schedule A](#).

The **CONTRACTOR** shall supply the fuel oil into the **GPA**-leased bulk storage tank at the Tristar Terminals Guam, Inc. storage facility and deliver the product into the various **GPA** plants listed in [Schedule B](#).

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

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

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

- a. Estimated annual consumption based on historical data is provided in [Schedule B](#).
Actual delivery quantities may vary from day to day depending on the dispatching of the plants.
- b. Consumption at maximum plant capacities is listed [Schedule C](#).
Actual delivery quantities may vary from day to day depending on the dispatching of the plants. Historically, a 2-baseload outage for a 10-day consecutive period has been recorded with an average consumption of approximately 252,000 gallons per day (~6,000 bbls/day).”

SECTION 3: CONTRACT TERM

Delete in its entirety and replace with:

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

SECTION 4. CONTRACT PRICE

Delete in its entirety and replace with:

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

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

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

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

The **FIXED SERVICE FEE** for all Fuel Oil supplied and delivered by **CONTRACTOR** to **GPA** shall be the sum of the **Supply Service Fee** and the **Delivery Service Fee**.

Supply Service Fee shall be the cost to supply the product into the **GPA**-leased bulk storage tank at the Tristar Terminals Guam, Inc. storage facility.

Annual price escalation/descalation for the **Supply Service Fee** shall not exceed five percent (5%).

Delivery Service Fee shall be the cost to deliver the product from the **GPA**-leased bulk storage tank at the Tristar Terminals Guam, Inc. storage facility into the **GPA** plants.

Annual price escalation/descalation for the **Delivery Service Fee** shall not exceed five percent (5%).

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

MANDATORY BID:

CONTRACT FIXED SERVICE FEE	1st year \$/gal (in 3 decimals)	2nd year \$/gal (in 3 decimals)	3rd yr \$/gal (in 3 decimals)	1st yr extn \$/gal (in 3 decimals)	2nd yr Extn \$/gal (in 3 decimals)
A. Supply Service Fee					
B. Delivery Service Fee					
Fixed Service Fee (A+B)					

SECTION 5. INVOICE PRICE DETERMINATION

Delete in its entirety and replace with:

“Sample Calculation:

Delivery Month: March 2018

(1) Sample Calculation of REFERENCE PRICE:

REFERENCE PRICE= Average of Previous Month's Daily MOPS

Previous Month: February 2018

Average of the Daily MOPS for February 2018: \$78.066 per Barrel

Average Price: \$1.859 per Gallon (rounded to three decimal places)

REFERENCE PRICE for March 2018: \$1.859 per Gallon

(2) Sample FIXED SERVICE FEE:

FIXED SERVICE FEE= \$0.192 per Gallon (sample price)

(3) CONTRACT PRICE

\$1.859 (Reference Price) + \$0.192 per gallon (Fixed Services Fee) = \$2.051 per gallon

This is the CONTRACT PRICE for fuel delivered to GPA for the sample month.

For invoice calculation purposes, quantity shall be reported in barrels and gallons at standard sixty degrees Fahrenheit (60°F) as declared in the Bill of Lading.”

SECTION 6. TITLE, CUSTODY, AND RISK OF LOSS

Delete in its entirety and replace with:

“Title and custody to the Fuel Oil supplied by **CONTRACTOR** and delivered to the **GPA** plants thereof shall pass from the **CONTRACTOR** to **GPA** when:

1. The Fuel Oil has passed the GPA pipeline flange at the GPA plant storage tanks connecting the **CONTRACTOR**'s hose if delivered by tanker truck.
2. The Fuel Oil has passed the **GPA** meter flange or pipeline flange at the **GPA** plant storage tanks connecting the **CONTRACTOR**'s pipeline flange if delivered by pipeline.”

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

SECTION 7. TERMS OF PAYMENT

Delete in its entirety and replace with:

“Invoices for Fuel Oil delivered pursuant to quantity (Fuel Oil receipts) and quality prescribed under the terms of this contract shall be submitted no more frequently than weekly, based on the number of Gallons of Fuel Oil delivered to **GPA** during the preceding period. The invoices must be supported by Fuel Oil receipts or receiving tickets including a receipt acknowledgement from a **GPA** representative. The payment terms are 30 days (net) beginning on the date the invoice is received by the **GPA** accounts payable section. All payments shall be based on the delivered quantity, corrected to volume (net) at 60 °F.”

SECTION 8. PAYMENT OF TAXES AND GOVERNMENT CHARGES

Delete in its entirety and replace with:

“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.

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

SECTION 9. WARRANTY AND CLAIMS

Delete in its entirety and replace with:

“**CONTRACTOR** warrants that it has the facilities and resources sufficient to meet **CONTRACTOR**'s obligations under this Contract. Cost for the use of such resources shall be borne by the **CONTRACTOR**.

CONTRACTOR agrees, represents and warrants as follows:

a. **Ability to Supply.**

CONTRACTOR warrants that the fuel oil shall meet the specification prescribed herein under [Schedule A](#), and other pertinent sections. If the fuel oil fails to meet the specifications herein, **CONTRACTOR** shall be liable for any direct damages resulting therefrom.

b. **Ability to Deliver to the GPA Plants.**

CONTRACTOR shall own, lease, sub-lease, or have the right to use tanker trucks, storage tanks, loading racks and gantries and other facilities sufficient to meet **CONTRACTOR**'s obligations for delivering the fuel oil to the **GPA** plants under this Contract.

CONTRACTOR shall be solely responsible for any damages caused by the **CONTRACTOR** or its agents during the process of oil shipment and delivery.

Claims against the **CONTRACTOR** for direct costs incurred on account of their non-performance or negligent actions shall be given in writing together with all supporting documents, invoices and correspondence by **GPA** within thirty days (30) from date of delivery of fuel oil as specified in [Section 4](#).”

SECTION 11. QUANTITY AND QUALITY ASSURANCE

Delete in its entirety and replace with:

a. **Delivery By Tanker Truck.**

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

CONTRACTOR'S tanker truck shall be equipped with a pump and calibrated meters. The tanker truck meter shall be utilized to determine the quantity of fuel received by **GPA**.

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

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

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

b. Delivery By Pipeline Transfer

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

- i. In the event that a meter is not installed or is defective, quantity of the product delivered by the **CONTRACTOR** shall be determined by the **CONTRACTOR** meter. **CONTRACTOR** shall have such meters calibrated no less than annually and shall furnish **GPA** a copy of the certificate of newly calibrated meter(s) within 10 days after the calibration date. In the event of a dispute over the accuracy of the meter, an independent third party mutually agreeable to both parties will be brought in to perform a recalibration. In the event of a miscalibration, the costs shall be borne by the **CONTRACTOR**. Any loss incurred by **GPA** as a result of miscalibration of meters shall be negotiated and returned to **GPA**.
- ii. In the event that the **CONTRACTOR** meter is defective or is not installed, quantity of the product delivered by the **CONTRACTOR** shall be determined by an Independent Third Party Inspector by gauging the receiving tanks before and after delivery. Cost shall be borne by the **CONTRACTOR**.

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

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

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

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

SECTION 12. QUANTITY DETERMINATION

Delete in its entirety and replace with:

“**GPA** reserves the right to require the intervention of a third party independent inspector for quantity determination. Such inspector shall be mutually acceptable to **GPA** and the **CONTRACTOR**. Cost shall be borne by the **CONTRACTOR**. All quantities shall be corrected to volume at sixty degrees Fahrenheit (60 °F) in accordance with the ASTM-IP Petroleum Measurement Table, Table 6B, the latest edition published shall be applicable.

Quantity certification prepared by independent inspector shall be final and binding upon both parties. Inspection report shall be submitted by **CONTRACTOR** to **GPA** no later than two (2) calendar days after completion of inspection and shall provide **GPA** unrestricted access to records or reports as may be required.

In the event of the variances between the B/L quantity and the discharge port (shore tanks) receipts, The **AUTHORITY** shall pay (absorb) a quantity shortfall up to ONE-FOURTH PERCENT (0.25 %) of the barrel established quantity; shortages beyond the 0.25% shall be covered by the **CONTRACTOR**."

SECTION 13. SECURITY OF SUPPLY

Delete in its entirety and replace with:

"**CONTRACTOR** reserves the right to supply fuel oil meeting **GPA** specifications from any source. In the event that supplies are taken from such other places, then the price to Guam will remain the same as established in [Section 4](#) above.

a. For security of supply, **CONTRACTOR** is also required to enter into a sublease agreement with **GPA** as provided in [Schedule D](#). Contractor shall utilize the bulk storage tank at the Tristar Terminals with a storage capacity of 196,000 barrels for additional storage capacity to meet the supply requirement. The monthly tank lease fee shall be waived by **GPA**. Other responsibilities for the sub-lease shall be on the **CONTRACTOR**. **GPA** currently owns certain inventory stock of Fuel Oil and may be used by **GPA** at anytime at its sole discretion. **CONTRACTOR** may be allowed to initially utilize the **GPA** stock to deliver to the **GPA** plants until **CONTRACTOR** receives its fuel shipment. Title to the **GPA** stock shall remain with **GPA**. Custody shall be transferred to **CONTRACTOR** upon commencement of the contract until it is delivered to the **GPA** plants and shall pass from the **CONTRACTOR** to **GPA** when:

1. The Fuel Oil has passed the GPA pipeline flange at the GPA plant storage tanks connecting the **CONTRACTOR**'s hose if delivered by tanker truck.
2. The Fuel Oil has passed the **GPA** meter flange or pipeline flange at the **GPA** plant storage tanks connecting the **CONTRACTOR**'s pipeline flange if delivered by pipeline.
All risk of loss, cost and liabilities prior to the time of passage of custody of the fuel oil shall be on the **CONTRACTOR**.

CONTRACTOR is required to maintain a minimum of one-hundred thousand barrels (100,000 bbls) of Fuel Oil inventory at the sub-leased tank. **CONTRACTOR** shall replenish and manage the inventory in a manner that will ensure security of supply to **GPA**. The contract price for the delivery of **GPA** stock shall be at the contract **Delivery Fixed Service Fee** established in [Section 4](#) above.

At the expiration of the contract, **GPA** and **CONTRACTOR** shall reconcile the inventory remaining in the sub-leased tank:

- i. In the event that the volume is in excess of the **GPA** stock, the difference shall be reimbursed by **GPA** to the **CONTRACTOR**;
- ii. In the event the remaining inventory is less than the **GPA** stock, the difference shall be reimbursed by **CONTRACTOR** to **GPA** or by way of reduction from **GPA**'s debts to the **CONTRACTOR** or from the Good Performance Bond of the Contract, or partially from both;
- iii. Time of Settlement: Shall be at the termination of the contract or as otherwise agreed by both parties; Settlement Price: Reference Price (Average of Mean of Platts Singapore or MOPS under the heading Gasoil 10ppm for the month prior to the contract expiry date) plus the contract **Supply Fixed Service Fee** established in [Section 4](#) above.

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

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

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

SECTION 20. ALTERNATE SUPPLY

Delete in its entirety and replace with:

“**CONTRACTOR** reserves the right to supply Fuel Oil meeting **GPA** specifications from any alternate source. In the event that supplies are taken from such other places, then the price to Guam will remain the same as established in **Section 4** above.

CONTRACTOR must provide **GPA** at least five (5) days prior notice of its inability to supply and/or deliver fuel to **GPA**.

In the event **CONTRACTOR** is unable to fulfill **GPA**'s needs under this Contract as a result of **Section 16**, supra, or if there is a sudden, unexpected increase in fuel demand that **CONTRACTOR** will be unable to supply and/or deliver fuel at the time needed, **CONTRACTOR** shall seek an alternative source for the supply and/or delivery of fuel oil so long as such condition shall exist.

In the event that **CONTRACTOR** is unable to fulfill **GPA**'s needs at any given point in time during the contract period, **GPA** may at its sole discretion seek an alternative source of fuel oil to ensure uninterrupted fuel supply to the various power plants. This alternative source of fuel oil will include services for the supply and delivery of fuel oil for a period time and for various power plants to be determined solely by **GPA**. In the event that the cause of failure to supply is due to negligence on the part of the **CONTRACTOR**, and if the cost of fuel supply and/or delivery during such period of negligence shall exceed the Contract price as provided in **Section 4**, the **CONTRACTOR** shall reimburse **GPA** for the difference and other damages, which may be taken from the Performance Bond or applied as a deduction to payments due from current and future invoices.”

SECTION 23. CONTRACTOR'S INSURANCE

Delete in its entirety and replace with:

“**CONTRACTOR** shall not commence work under this Contract until he has obtained all insurance required under this section and such insurance has been approved by **GPA**, nor shall the **CONTRACTOR** allow any Subcontractor to commence work on his subcontract until all similar insurance required of the Subcontractor has been so obtained and approved.

The **CONTRACTOR** shall provide a copy of their Insurance Policy to **GPA** within the period prescribed by **GPA**. All updates or revisions after contract commencement shall also be forwarded to **GPA**.

Failure on the part of the **CONTRACTOR** to provide the required documents and/or to enter into a contract with **GPA** shall be sufficient grounds for the annulment of the award. **GPA** may determine the bidder to be non-responsive to the bid, and may proceed with sending a Notice of Intent to Award to the next most qualified BIDDER.

1. WORKMEN'S STATUTORY COMPENSATION INSURANCE AND EMPLOYER'S LIABILITY

INSURANCE: The **CONTRACTOR** shall take out and maintain during the life of this Contract the applicable statutory Workmen's Compensation Insurance with an insurance company authorized to write such insurance and in the applicable State or Territory including the Territory of Guam covering all his employees, and in the case of any work sublet, the **CONTRACTOR** shall require the Subcontractor similarly to provide statutory Workmen's Compensation Insurance for the latter's employees. The **CONTRACTOR** shall secure and maintain, during the life of this Contract, Employer's Liability Insurance with a limit of \$1,000,000 with an insurance company authorized to write such insurance in all states or territories including the Territory of Guam where the Contractor will have employees located in the performance of this Contract. **CONTRACTOR** shall provide a Waiver of Subrogation in favor of **GPA** via endorsement to the Workers Compensation policy. This coverage shall be on a primary and non-contributory basis.

2. COMMERCIAL GENERAL LIABILITY:

a. The **CONTRACTOR** shall maintain, during the life of this Contract, such Commercial General Liability as shall protect him against claims for damages resulting from (a) bodily injury, including wrongful death, and (b) property damage, which may arise from operations under this Contract whether such operations be by himself or by any Subcontractor or anyone directly or indirectly employed by either of them. The minimum acceptable limits of liability to be provided Liability Insurance shall be as follows:

Bodily Injury Limits: \$ 1,000,000 Each Person

Property Damage Limits: \$ 1,000,000 Each Occurrence

\$ 2,000,000 Aggregate

- b. The Commercial General Liability required by the preceding Subparagraph 1 shall include the following extensions of coverage:
- i. The property damage coverage shall include a Broad Form Property Damage Endorsement.
 - ii. Contractual Liability coverage shall be included.
 - iii. Protective Liability coverage shall be included to protect the **CONTRACTOR** against claims arising out of operations performed by his Subcontractors.
 - iv. Products Liability and/or Completed Operations coverage shall be included.
 - v. **GPA** shall be an additional insured on the Commercial General Liability policy.
 - vi. This coverage shall be on a primary and non-contributory basis.
 - vii. **CONTRACTOR** shall grant Waiver of Subrogation in favor of **GPA**.

3. AUTOMOBILE LIABILITY INSURANCE:

The **CONTRACTOR** shall take out and maintain during the life of the Contract, such Automobile Liability insurance as shall protect him against claims for damages resulting from (a) bodily injury, including wrongful death, and (b) property damage, which may arise from the operations of any owned, hired or non-owned automobiles used by or for him in any capacity in connection with the carrying out of this Contract. **GPA** shall be an additional insured on Auto Liability policy. **CONTRACTOR** will grant Waiver of Subrogation in favor of **GPA**. The minimum acceptable limits of liability to be provided by such Automobile Liability Insurance shall be as follows:

Bodily Injury Limits: \$ 1,000,000 Each Person

\$ 1,000,000 Each Occurrence

Property Damage Limits: \$ 1,000,000 Each occurrence

This coverage shall be on a primary and non-contributory basis.

4. POLLUTION LIABILITY INSURANCE:

The **CONTRACTOR** shall take out and maintain during the life of the Contract, Pollution Liability Insurance with minimum limits of \$5,000,000 that provides coverage for third party bodily injury, third party property damage, and clean-up cost whether ordered by a government entity or not ordered by a government entity. Grant waiver of subrogation in favor of **GPA**. **GPA** is to be an additional insured. This coverage shall be on a primary and non-contributory basis.

5. EXCESS LIABILITY

Excess Liability with limits of \$5,000,000 over the General Liability, Auto Liability, and workers compensation policies. **GPA** shall be named as an additional insured. **CONTRACTOR** shall grant Waiver of Subrogation in favor of **GPA**. This coverage shall be on a primary and non-contributory basis.

Cancellation Clause:

All policies above shall contain the following Cancellation clause:

The insurance company shall notify in writing the Guam Power Authority (insured) a minimum of 60 days prior to any material changes or cancellation of coverage.

6. CERTIFICATE OF INSURANCE:

The **CONTRACTOR** shall furnish **GPA** with two (2) copies of a Certificate of Insurance evidencing policies required in Paragraphs B, C, D, E, and F above. Such certificates shall specifically indicate that the Commercial General Liability Insurance includes all extensions of coverage required in Paragraph C., Subparagraph 2. above. Such certificate shall specifically state that the insurance company or companies issuing such insurance policies shall give **GPA** at least sixty (60) days written notice in the event of cancellation of or material change in any of the policies. If coverage on said certificate(s) is shown to expire prior to completion of all terms of this Contract, the **CONTRACTOR** shall furnish a Certificates of Insurance evidencing renewal of such coverage to **GPA**. The Certificates of Insurance shall clearly show this Contract number.

The **CONTRACTOR** shall provide a copy of their Insurance Policy to **GPA** as part of the bid requirements. All updates or revisions after contract commencement shall also be forwarded to **GPA**.

7. SUBCONTRACTOR'S INSURANCE:

The **CONTRACTOR** shall require each of his Subcontractors to take out and maintain during the life of his Subcontract, the same insurance coverage required of the **CONTRACTOR** under Paragraphs B, C, D, E, and F above, including the extensions of coverage required under Paragraph C., Subparagraph 2, above. Each Subcontractor shall furnish to the **CONTRACTOR** two (2) copies of a Certificate of Insurance and such certificate shall contain the same information required in Paragraph C. above. The **CONTRACTOR** shall furnish one (1) copy of the certificate to **GPA**.

8. INSURANCE COMPANY AND AGENT:

All insurance policies herein required of the **CONTRACTOR** shall be written by a company duly authorized to do business in the Territory of Guam and where supply under this Contract is being performed and be executed by some agent thereof duly licensed as an agent in said State or Territory.”

SECTION 25. TRANSPORTATION

Delete in its entirety and replace with:

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

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

CONTRACTOR 's and **GPA**'s rights and duties under [Section 24](#) and [Section 25](#) do not supersede or control the provisions of [Section 16](#) Force Majeure.

THIRTY (30) days prior to the commencement of the contract, **CONTRACTOR** shall provide **GPA** with the projected schedule and quantity of fuel shipments into the sub-leased tank for each contract year. **CONTRACTOR** shall notify **GPA** the schedule and quantity for each supply shipment no later than 30 days prior to the arrival of the vessel.”

SECTION 26. COORDINATION AMMUNITION LOADING

Delete entire clause and leave blank.

SECTION 27. FAILURE TO SUPPLY

Delete in its entire clause and replace with:

“If the **CONTRACTOR** refuses or fails to perform any of the provisions of this Contract with such diligence as will ensure the timely delivery of fuel oil supply or commits any other substantial breach of this Contract, **GPA** may notify the **CONTRACTOR** of the delay or non-performance and if not cured within THIRTY (30) days of the date of notification, **GPA** may terminate the Contract in whole or such part of the Contract as to which there has been a delay or a failure to properly perform. In the event of termination in whole or in part, **GPA** reserves the right to procure fuel oil supply from another source or a second contractor immediately upon issuance of such notification or whenever it deems appropriate.”

SECTION 30. PENALTY CLAUSES

Delete in its entirety and replace with:

“(a) **Quality Outside Contractual Specifications**

In the event that any fuel, according to the analysis results has one or more quality characteristics outside the contractual specifications set in [Schedule A](#), then in addition to any other rights or remedies available to the **GPA** under this contract a penalty will be imposed according to the following:

- (1) If the bottom sediment and water exceeds the specification limit, then a price reduction shall be made for all water and non-petroleum sediment in excess of maximums specified in [Schedule A](#) multiplied by the Bill of Lading Quantity.
- (2) If the heating value is less than the specification limit, then there will be a price reduction calculated as the ratio of the Out-of- Specification heating value and the Guaranteed Heating Value specified in [Schedule A](#), multiplied by the Bill of Lading Quantity.

If any other quality parameter (besides the ones stated in) exceeds the specifications' limits, then a penalty will be agreed between **GPA** and **CONTRACTOR**.

It is expressly agreed that the present penalty clauses shall be imposed regardless of whether damages were or not suffered by the **GPA** due to the delay in delivering the fuel and fuel quality

outside contractual specifications, and that the **GPA** reserves the right to claim cumulatively both the amount of the penalty clauses and indemnification for every direct damage suffered by him due to **CONTRACTOR** non-contractual actions or omissions. If during the period of this contract the **GPA** is forced to purchase fuel oil in order to maintain the **GPA's** Power Stations on full commercial load as a result of failure on the part of the **CONTRACTOR** to supply and/or deliver fuel oil in accordance with the terms of this contract (save for events of Force Majeure) any additional cost borne by the **GPA** over and above the price provided for in this Contract, **CONTRACTOR** will be liable to refund **GPA** either by payment of the **CONTRACTOR** or by way of reduction from **GPA** debts to the **CONTRACTOR** or deduction from the **CONTRACTOR's** Good Performance Bond of the Contract, or partially from both.

GPA reserves the right to retain the amount of the penalty clauses from his debts to the **CONTRACTOR** or from the Good Performance Bond of the Contract, or partially from both.”

INSERT AFTER SCHEDULE A:

“SCHEDULE B: ESTIMATED ANNUAL FUEL OIL REQUIREMENTS

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

Plant Site Location	Estimated Annual Requirement (Gallons per Year)
1. Cabras 1&2 and Piti 8&9	100,000 - 200,000
2. Tenjo Vista	2,000,000 – 3,000,000
3. Manengggon	500,000 – 1,000,000
4. Talofoto	500,000 – 1,000,000
5. Piti 7	4,000,000 – 8,00,000
6. Dededo CT	2,000,000 – 4,000,000
7. Macheche CT	2,000,000 – 4,000,000
8. Yigo CT	2,000,000 – 4,000,000
9. Aggreko	10,000,000 – 13,000,000
TOTAL	23,100,000 - 38,200,000

Actual quantities may vary from day to day depending on the dispatching of the plants. The estimated Fuel Oil requirement provided herein are only approximate values and is subject to change. **GPA** shall reasonably notify the Contractor for any changes in the estimated fuel oil requirements.”

“SCHEDULE C: PLANT CONSUMPTION AT MAXIMUM CAPACITIES

Power Plants	Unit Capacity (MW/ Unit)	Units Available	Total Capacity MW	Fuel Consumption	
				gals/hr	gals/day
Tenjo Vista	4.4	4.0	17.6	1,294	31,059
Talofoto Diesel	4.4	2.0	8.8	614	14,728
Manengggon	5.3	2.0	10.6	720	17,271
Piti 7	40.0	1.0	40.0	4,367	104,803
Dededo CT	22.0	2.0	44.0	4,603	110,460
Macheche CT	22.0	1.0	22.0	2,105	50,526
Yigo CT	22.0	1.0	22.0	1,890	45,361
Aggreko	1.0	39.0	39.0	2,952	70,855

The above information is provided for reference purposes only.

Actual delivery quantities may vary from day to day depending on the dispatching of the plants. Historically, a 2-baseload outage for a 10-day consecutive period has been recorded with an average aggregate consumption of approximately 252,000 gallons per day (~6,000 bbls/day).”

STEP 2: PRICE PROPOSAL

Bid Price Proposal Form to now read:

BID PRICE PROPOSAL

On this ____ day of _____, 20____, I, _____ (Name of Representative) _____, authorized representative of _____ (Name of Company) _____, a/an (Individual / Partnership / Corporation / Other: _____) incorporated in _____ hereby submit our Price Proposal for

IFB GPA-008-18: SUPPLY OF DIESEL FUEL OIL NO. 2

BID PRICE PROPOSAL :

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

MANDATORY BID:

CONTRACT FIXED SERVICE FEE	1st year \$/gal (in 3 decimals)	2nd year \$/gal (in 3 decimals)	3rd yr \$/gal (in 3 decimals)	1st yr extn \$/gal (in 3 decimals)	2nd yr Extn \$/gal (in 3 decimals)
A. Supply Service Fee					
B. Delivery Service Fee					
Fixed Service Fee (A+B)					

Notes:

1. Annual price escalation/descalation for the **Supply Service Fee** shall not exceed five percent (5%).
2. Annual price escalation/descalation for the **Supply Service Fee** shall not exceed five percent (5%).

Signature and Title of Person Authorized to Sign this Bid:

Name and Address of BIDDER:

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


JOHN M. BENAVENTE, P.E.
 General Manager