



COMMONWEALTH OF PENNSYLVANIA DEPARTMENT OF GENERAL SERVICES

SPECIFICATIONS

Fuels (Fuels - Truck Transport Delivery) Invitation for Bid No. 6100043293



SPECIFICATIONS

SECTION I GENERAL INFORMATION

I.1 OVERVIEW

This solicitation, 6100043293, will cover the requirements of the Commonwealth of Pennsylvania for truck transport delivery of Ultra Low Sulfur (ULS) Diesel Fuel, Red Dye Diesel (Heating Oil), and Unleaded Gasoline. A limited number of locations in need of tank wagon deliveries are also included as shown on the accompanying bid sheets.

In addition to these Specifications, the following documents are incorporated as exhibits and made part of these Specifications:

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|-----------|--|
| Exhibit 1 | Reverse Auction Package <ul style="list-style-type: none">• Attachment A (Intent to Participate Form)• Attachment B (Final Reverse Auction Bid Sheet)• Attachment C (Ariba's Configuring Your Browser) |
| Exhibit 2 | Fuel Tank Locations and Estimated Quantities |
| Exhibit 3 | Initial Reverse Auction Bid Sheet |
| Exhibit 4 | PCID 1056: Fuel, Diesel (5-2-2016) |
| Exhibit 5 | PCID 1107: Bio-Diesel Fuel, B100 (3-28-2013) |
| Exhibit 6 | Reciprocal Limitations Act (GSPUR-89) |
| Exhibit 7 | Iran-Free Procurement Certification Form |
| Exhibit 8 | COSTARS Program Election to Participate |
| Exhibit 9 | Supplier Contact Information Form |

As part of this solicitation, the Department of General Services (DGS) may elect to conduct a Reverse Auction for any or all bid items included in this solicitation. DGS will determine the bid items to be included in a Reverse Auction, if any, after evaluating the prices submitted by all responsible and responsive bidders. If a Reverse Auction is conducted, it will be done so in accordance with the terms and conditions contained within the Reverse Auction Package attached as Exhibit 1. Additional information and complete instructions for the bidding and award process associated with this solicitation are provided in Sections I.3 through I.7 below.

I.2 TERM OF CONTRACT

Each Contract shall commence on the Effective Date to be no earlier than October 1, 2017 and shall expire September 30, 2019 unless extended or renewed in accordance with Section V.3, Renewal of Contract Term or Section V.4, Extension of Contract Term of the Terms and Conditions.

I.3 BIDDING OVERVIEW

Bidders are required to submit their bids electronically at www.pasupplierportal.state.pa.us. If your company is not registered as a supplier with the Commonwealth of Pennsylvania, please do so by completing an online registration at this site. Please reference the [Supplier Service Center](#) for additional information and assistance with the registration and bidding processes.

Bidders are to complete and upload the following documents to their bid response:

1. Completed Exhibit 3 – Fuel Item Bid Sheets
2. Completed State of Manufacture & Bidder’s Residency Form (Part of Exhibit 6)
3. Completed Iran-Free Procurement Certification Form (Exhibit 7)
4. COSTARS Program Election to Participate Form (Exhibit 8)
5. Completed Supplier Contact Information Form (Exhibit 9).

Failure to attach the documents listed in 1, 2, or 3 above may result in the Bidder’s bid being deemed non-responsive.

I.4 EXHIBIT 2, FUEL TANK LOCATIONS AND ESTIMATED QUANTITIES

Exhibit 2 provides a listing of the Commonwealth locations that have purchased their requirements through previous versions of this contract and/or have expressed an intent to do so in the future. This file contains a separate tab specific to each fuel category and lists the locations by bid group for ease of reference to Exhibit 3. The information provided includes the facility location and county, information on the size and type of tanks located on site, and the type of delivery required (truck transport vs. tank wagon).

All estimated quantities and historical consumption information included in Exhibits 2 and 3 are provided for informational purposes only and do not represent a firm commitment for purchase from an awarded supplier.

I.5 EXHIBIT 3, FUEL ITEM BID SHEETS

Exhibit 3 contains three separate tabs; one for each category of fuel types included in this solicitation. Within each tab, the specific fuel types are organized into Bid Groups representing bid items for one or more counties. The estimated quantities provided for each Bid Group included in Exhibit 3 represent the combined total of the estimated requirements for the facilities located within the applicable county or counties as listed in Exhibit 2, Fuel Tank Locations and Estimated Quantities.

I.6 BIDDING INSTRUCTIONS

Bidders are required to submit their bid prices by attaching a completed copy of Exhibit 3, Fuel Item Bid Sheets to their bid submittal.

The Bidders bid price is the price differential above the weekly adjusted index for the applicable fuel type as described in the Section III.1, Price Adjustment Clause of these Specifications. The price differential includes all transportation, delivery, handling charges, fees, overhead, profit, and any applicable taxes, etc. The differential shall remain fixed for the entire contract period.

When completing Exhibit 3, bidders must include the following information for each line item that they intend to bid:

- Price differential per gallon (may be up to four decimal places)
- Supplier Name – Insert your company name

A bidder may elect to offer a bid price for one particular item, multiple items, or all items within a bid group. Bidders are not required to submit a bid for all four items in a particular group to be considered for an award of a specific item within that group.

Note that a limited number of bid groups cover the needs of facilities requiring tank wagon deliveries.

Specific bidding instructions for each group of fuel types and notes on historical quantity information provided in Exhibit 2 are included below:

Diesel Fuel

Bids are requested by bid group for four specific diesel fuel item types. Most groups include the requirements for multiple counties. The specific diesel fuel item types requested for each bid group in Exhibit 3 are as follows:

- ULS Diesel Fuel #2/Biodiesel (B2 or B5)
- ULS Diesel Fuel #2/Biodiesel (B5) with Winter Additive
- 80/20 blend of ULS Diesel Fuel #2/Biodiesel (B5) (80%) and ULS Kerosene (20%)
- 80/20 blend of ULS Diesel Fuel #2/Biodiesel (B5) (80%) and ULS Kerosene (20%) with Winter Additive

The ULS Diesel Fuel #2/Bio bid differential item may be applied to B2 or B5 biodiesel. The differential price offered for ULS Diesel Fuel #2/Bio for a particular group shall be the same for each bio percentage. **Currently, PennDOT facilities are committed to purchasing B5 biodiesel.**

The estimated quantities provided for each diesel fuel bid group in Exhibit 3 represent the total estimated quantity for all four diesel fuel types for each counties included within the bid group as listed in Exhibit 2. Columns K through N of the Diesel Fuel tab in Exhibit 2 indicate the types of fuel each location intends to use during the upcoming contract term. Exhibit 2 also contains average annual consumption information for each of the four fuel types based on the time period of April 2014 to March 2017 where available in Columns O through R. As stated above in Section II.4, this information is provided for informational purposes only. Using locations within the counties included in the bid group are free to order any or all the four fuel types from the applicable awarded supplier as dictated by their operational requirements.

Heating Oil

Bids are requested by bid group of one or more counties for up to four specific heating oil item types as follows:

- ULS Red Dye Diesel
- ULS Red Dye Diesel with Winter Additive
- B5 ULS Red Dye Biodiesel
- B5 ULS Red Dye Biodiesel with Winter Additive

Most heating oil bid groups include the requirements of a single county. The specific heating oil items requested within each bid group are included based on the type of heating oil the locations within the applicable county or counties have indicated intent to use as shown in Columns L through N of the Heating Oil tab in Exhibit 2. Column K in the Heating Oil tab of Exhibit 3 indicates the locations the currently use heating oil only as a backup source to another type of fuel.

Unleaded Gasoline

Bids are requested by bid group consisting of one or more counties for only one fuel item type; 87 Octane.

I.7 METHOD OF AWARD

As mentioned in Section I.1 above, DGS reserves the right to conduct a Reverse Auction for any or all items included in this solicitation if it is determined to be in the best interest of the Commonwealth. After the deadline

for submission of bids, the Department will review the prices submitted by all responsive and responsible bidders to determine the bid items to be included in a Reverse Auction, if any.

Any awards resulting from this solicitation shall be made as follows:

- For bid items not included in a Reverse auction, award will be made to the responsive and responsible bidder offering the lowest price differential for the item.
- For any bid items included in a Reverse Auction, award will be made to the responsive and responsible bidder offering the lowest price resulting from the Reverse Auction

Note that the Commonwealth reserves the right to reject all bids for any or all items as provided for in Section I.15, Rejection of Bids of the Terms and Conditions.

If a Reverse Auction is conducted, it shall be done so in accordance with the terms and conditions contained in Exhibit 1. A Bidder shall only be permitted to participate in the Reverse Auction of a bid item if the Bidder offered a price differential for that item as part of their completed Exhibit 3 submitted with their bid response.

I.8 INCURRING COSTS

The Commonwealth is not liable for any costs or expenses incurred by Qualified Suppliers in the preparation of their bids.

I.9 BLANKET PURCHASE ORDERS

Under this contract, blanket purchase orders are only authorized for orders of 60,000 gallons or less unless the ordering location is granted a waiver from this requirement by the DGS Contracting officer or designee.

I.10 COSTARS PARTICIPATION

The Department has made this contract available for the use of local public procurement units participating through Commonwealth's COSTARS cooperative sourcing program. Specific information and guidelines regarding the use of this contract by COSTARS members can be found in Section I.9 of the Terms and Conditions.

COSTARS members that have expressed an interest in using this contract are identified in Exhibit 2, Fuel Tank Locations and Estimated Quantities. Notations are included in Exhibit 3, Fuel Bid Item Sheets identifying the corresponding bid items that would potentially include the fuel requirements of COSTARS members.

Bidders are advised of the following regarding COSTARS Participation on an Awarded Supplier's contract

- COSTARS participation is not permitted on an awarded supplier's contract until:
 1. The awarded supplier has provided a completed Exhibit 8, COSTARS Program Election to Participate and;
 2. The awarded supplier has paid the Administrative Fee as required in Section I.9 of the Terms and Conditions.
- The COSTARS members listed in Exhibit 2 are not required to use this contract.
- If permitted by an awarded supplier, any COSTARS member located within a county and in need of a fuel type included in the scope of the awarded supplier's contract is permitted to use that supplier's contract

I.11 ADDITIONAL LINE ITEMS

Additional line items that are reasonably construed to be within the scope of each contract may be added to the contract through mutual agreement of the contractor, the Using Agency, and the Department of General Services contract manager. Fair and accepted pricing will be comparable to similar items or the appropriate based line items.

I.12 CONTRACTING OFFICER

Direct all questions concerning this solicitation to the appropriate Contracting Officer named herein.

Keith Worley
Commodity Specialist
Bureau of Procurement
555 Walnut Street, Forum Place
Harrisburg, PA 17101-1914
(717) 346-2679
(717) 346-3820 Fax
E-mail: kworley@pa.gov

SECTION II SCOPE OF WORK

II.1 SCOPE OF SUPPLY REQUIREMENTS

Awarded suppliers are required to supply any facility of the Commonwealth located in their awarded county/counties. The list of facilities provided in Exhibit 2, Fuel Tank Locations and Estimated Quantities is comprehensive to the best knowledge of the Department at the time of this solicitation. However, Exhibit 2 may not include all delivery locations within a county that will utilize this contract during the contract term.

II.2 DELIVERIES

Supplier shall deliver fuel within two (2) days after receipt of a Agency Purchase Order or agency notification for delivery. In an emergency situation, the Supplier shall deliver fuel(s) within 24 hours after agency notification of delivery or as otherwise agreed to, by the using agency and the supplier. Deliveries shall be at the tank inlets at each individual facility for each individual fuel type. Transportation terms are F.O.B. DESTINATION for all deliveries.

The minimum truck transport (TT) delivery quantity is 5,000 gallons. The minimum tank wagon (TW) delivery quantity is 200 gallons.

II.3 DELIVERY NOTES

Contractor is responsible for deliveries of awarded items; however, contractor may arrange to have another company make the actual delivery subject to the same terms and conditions of the contract.

The Commonwealth has a number of above ground, concrete vaulted, fuel storage tanks. Product enters a vaulted tank through a 4" port equipped with a 2" grooved male adapter. The existing adapter and overfill protection equipment does not permit full infusion of a standard delivery nozzle into the tank.

Delivery vehicles are required to carry a cam-and-groove, or quick disconnect fitting adapter, (if not already equipped with one), to insure the proper connection to the tank. It is not permissible to remove the overfill protection to gain access to the tank, nor to deliver product through any other existing port on the tank. This procedure is strictly enforced to insure the integrity of the overfill mechanism, and the tank system in general.

When additive is required, it shall be blended with the diesel fuel or heating oil prior to arriving at the facility's site.

For any ULS diesel fuel/bio-fuel blend, the bio-fuel shall be injection blended with the diesel fuel.

The Commonwealth will pay for the gross amount of gallons received – metered or otherwise; no adjustment will be made for temperature, etc.

II.4 DELIVERY DOCUMENTS

For tank wagon deliveries, trucks equipped with meters must make all deliveries. Meters must provide accurate, automatically printed delivery tickets indicating gallons delivered. Multi-part metered delivery tickets must be used, two copies of which must be given to the Utility Manager or authorized designee. Automatic printouts must show opening and closing readouts. An authorized representative of the Commonwealth must be present at all

deliveries. The driver must obtain a signature from the Commonwealth's authorized representative verifying the readout.

For truck transport deliveries, computerized bills of lading, metered slips from the terminal loadings, and sealed compartment deliveries are acceptable. An authorized representative of the Commonwealth must be present at all deliveries. The driver must obtain a signature from the Commonwealth's authorized representative verifying the readout.

II.5 CERTIFICATION

The awarded supplier must provide certifications for each delivery of the fuel products listed below. Certifications will be submitted on company letterhead or stamped/written on delivery receipt.

- Biodiesel fuel (B100), used as a blend stock, is derived from virgin soybean, rapeseed, corn or canola oils.
- Winter Blend diesel fuel or biodiesel blends have a cold filter plugging point of -15 ° F or lower.
- For winter blending, stamp or write "Fuel Additized with _____ at _____ ratio" on the delivery document. Otherwise the agency will not accept delivery.
- Heating Oil – To demonstrate compliance with the Federal SO₂ standard, a facility may require fuel supplier certification that states:
 - "Oil complies with the specifications under the definition of distillate oil in §60.41c"
 - Sulfur content or maximum sulfur content of the oil.

II.6 DETENTION CHARGES

As stated in Section II.4, an authorized representative of the Commonwealth must be present for all deliveries. In the event delivery is delayed due to such a representative not being present for a scheduled delivery time for longer than 30 minutes, the awarded supplier is permitted to assess detention charges at the rate of \$50 per hour. Agencies are permitted to pay for any such charges using the Commonwealth's Purchasing Card.

II.7 SECURITY CLEARANCE (DEPARTMENT OF CORRECTIONS)

At Department of Correction's facilities, all awarded suppliers, who utilize regular delivery transportation, will have to submit clearance checks for all their drivers and their subcontractor's drivers (regardless if delivery is inside or outside of the fence). Common carriers will not be required to render clearance checks, however are subject to search and escort procedures. All carriers reporting to outside warehouses must secure their vehicle (windows closed and doors locked), sign in at warehouse and wait for further directions from correctional staff.

II.8 SPILLAGE

Accidental release or spillage during delivery of the product by the supplier shall result in the supplier being held responsible for all costs associated with the cleanup and disposal of all contaminated soil. When a spill occurs, the supplier shall immediately notify the Department of Environmental Protection (DEP). Cleanup and disposal must be conducted in accordance with state and federal regulations and guidelines. All spillages must be corrected on an immediate basis to the satisfaction of the ordering agency and DEP.

II.9 LIABILITY

The supplier shall insure that adequate safety measures are taken to protect agency buildings, grounds, and/or equipment from damages resulting from the furnishing and delivery of the fuel. The supplier shall be liable for

any damages from which it or its employees are responsible. The supplier shall provide constant surveillance during delivery by having a person in attendance at all times at the point of transfer.

II.10 FUEL SPECIFICATIONS

DIESEL FUEL/BIO

The low-sulfur and ultra-low sulfur diesel fuel shall comply with Pennsylvania Commercial Item Description (“PCID”) 1056, entitled Fuel, Diesel, effective 3/28/13.

The bio-diesel fuel shall be a blend by volume. These fuels shall conform to the attached PCID 1107, entitled Bio-Diesel Fuel, B100, effective 3/28/13 and the PCID 1056, entitled Fuel, Diesel, effective 3/28/13. **The blend of fuels shall be accomplished by the injection blending method.**

HEATING OIL

The heating oil shall comply with the current ASTM D396, Standard Specification for Fuel Oils.

The bio-diesel fuel shall be a blend by volume. These fuels shall conform to the attached PCID 1107, entitled Bio-Diesel Fuel, B100, effective 3/28/13 and the current ASTM D396, Standard Specification for Fuel Oils. **The blend of fuels shall be accomplished by injection blending method.**

UNLEADED GAS

Unleaded gas shall comply with the latest version of ASTM D4814, Specification for Automotive Spark – Ignition Engine Fuel. The gasoline shall have an Antiknock index of 87 adjusted for season and locality in accordance with the recommendations in ASTM D4814.

The acceptable “Maintain” level of the detergent-dispersant additive shall be the lowest additive concentration (LDC) certified for use by the Environmental Protection Agency (EPA).

KEROSENE

Kerosene shall comply with the current ASTM D3699, Standard Specification for Kerosene.

II.11 LIQUIDATED DAMAGES - DIESEL FUEL

The delivery of fuel not meeting specifications defined in PCID 1056 i.e. winter blend, may cause interruption of the proper implementation of the Commonwealth’s winter roadway safety program. The Commonwealth and the awarded supplier, therefore, presume that in the event of any such interruption due to the failure to meet specifications, the amount of damage which will be sustained as \$250.00 per business day per inoperable truck involved in the Commonwealth’s winter roadway safety program. The Commonwealth and the awarded supplier further agree that, the awarded supplier shall pay such amount as liquidated damages not as a penalty. The Commonwealth shall be held responsible for roadways that are officially closed, obstructed, or impassable due to winter weather conditions and is required to release the supplier from the liquidated damages for the day(s) of obstruction to traffic.

The Commonwealth has the following option for deducting amounts due to the Commonwealth as liquidated damages:

- May deduct such from any money payable to the awarded supplier or

- May bill the awarded supplier as a separate item.

It is the responsibility of the Department of General Services to investigate instances of fuel not meeting specifications and causing interruption of the proper implementation of the Commonwealth's winter roadway safety program by gathering information from the using agency and the contractor. The Department of General Services will determine whether liquidated damages are an appropriate remedy in each instance. The Commonwealth shall notify the awarded supplier in writing of any claims for liquidated damages pursuant to this paragraph before the date the Commonwealth deducts such sums from the money payable to the awarded supplier.

II.12 LABORATORY TESTING RESULTS

The Department of General Services reserves the right to require all awarded suppliers to provide certified sample data from laboratory testing performed by the suppliers, or performed by an independent laboratory, as specified by the department. All costs associated with supplying these samples are the responsibility of the supplier.

When it is found that fuel delivered does not comply with the specification requirements, the supplier, at their own expense, may be required to remove all such sub-standard fuel from the purchaser's tank (s) and replace it with fuel meeting the specifications, if such removal is so instructed by the Department

When the inspection of the tank (s) after removal of the sub-standard fuel indicates that the delivered product has rendered the tank (s) unsuitable for use, then the supplier may be responsible for cleaning of the tank (s) so affected, if such cleaning is so instructed by the Department.

**SECTION III
PRICING AND INVOICING**

III.1 PRICE ADJUSTMENT CLAUSE

1. The Commonwealth shall adjust prices under this Contract as established in this clause.
2. The basis for the fuel price changes shall be the weekly Oil Price Information Service (OPIS), PADD 1 Report, published each Monday. The weekly prices changes will be executed every Tuesday. If the Report is not issued for some reason, then the last published price information will remain in effect. The computation for each fuel type is as follows:

(a) Diesel Fuel/BIO

- (1) Price Source: PADD 1 Report, Biodiesel Averages in Key Cities
- (2) Weekly Adjusted ULS Biodiesel Price for Bio Percentages B2 and B5 - Harrisburg ULS2 SME (For all counties except as noted below)

Weekly Adjusted ULS Biodiesel Price for Bio Percentages B2 and B5 – Pittsburgh ULS2 SME (For Allegheny, Armstrong, Beaver, Butler, Greene, Fayette, Lawrence, Washington, and Westmoreland)

- (3) The total fuel price is thus calculated using the Weekly Adjusted ULS Biodiesel Price for each bio percentage in the applicable key cities plus or minus the applicable awarded price differential. Each week, a Change Notice will be issued to incorporate the price changes for each bio percentage and posted on the Department of General Services website.

(b) Diesel Fuel/BIO and ULS Kerosene (80/20 Blend)

- (1) Price Source: PADD 1 Report, Biodiesel Averages in Key Cities and HS No.2, No. 1 Oil Prices and Red Dye Diesel Rack Averages
- (2) Weekly Adjusted 80/20 Blend Price = 80% of Applicable Weekly Adjusted ULS Biodiesel Price for B5 Harrisburg + 20% of Weekly Philadelphia ULS Kero Price (For all counties except as noted below)

Weekly Adjusted 80/20 Blend Price = 80% of Applicable Weekly Adjusted ULS Biodiesel Price for B5 Pittsburgh + 20% of Weekly Philadelphia ULS Kero Price (For Allegheny, Armstrong, Beaver, Butler, Greene, Fayette, Lawrence, Washington, and Westmoreland)

- (3) The total fuel price is thus calculated by adding the Weekly Adjusted 80/20 Blend Price of the applicable city plus or minus the applicable awarded price differential. Each week, a Change Notice will be issued to incorporate the price change and posted on the Department of General Services website. The computation is as follows:

(.80 x Applicable Weekly Adjusted ULS Biodiesel Price for B5 Harrisburg or Pittsburgh)
+ (.20 x Weekly Philadelphia ULS Kero Price) + Applicable Awarded Price Differential,
80/20 Blend

(c) Heating Oil

- (1) Price Source: PADD 1 Report, HS No.2, No.1 Oil Prices and Red Dye Diesel Rack Averages
- (2) Weekly Adjusted **Red Dye LS No.2 Price, Harrisburg ULS** - Harrisburg (All counties except as noted below)
- (3) Weekly Adjusted **Red Dye LS No.2 Price, Philadelphia ULS** - Philadelphia (For Bucks, Chester, Delaware, Montgomery, Philadelphia Counties)
- (4) Weekly Adjusted **Red Dye LS No. 2 Price, Pittsburgh ULS** – Pittsburgh (For Allegheny, Armstrong, Beaver, Butler, Greene, Fayette, Lawrence, Washington, and Westmoreland)
- (5) The total fuel price is thus calculated by adding the Weekly Adjusted **Red Dye LS No. 2 Price** for the applicable city plus or minus the applicable price differential. Each week, a Change Notice will be issued to incorporate the price change and posted on the Department of General Services website.

(d) Bio Heating Oil

- (1) Price Source: PADD 1 Report, HS No.2, No.1 Oil Prices and Red Dyed Rack Averages and the Biodiesel Averages in Key Cities
- (2) Weekly Adjusted **Red Dye LS No. 2 /B5 Price** = 95% of the Weekly Adjusted **Red Dye LS No. 2 Price, Harrisburg ULS** + 5% of the Weekly Adjusted B5 Harrisburg ULS2 SME
- (3) The total fuel price is thus calculated by adding the Weekly Adjusted **Red Dye LS No. 2/B5** price plus or minus the applicable awarded price differential. Each week, a Change Notice will be issued to incorporate the price change and posted on the Department of General Services website. The computation is as follows:

(.95 x Weekly Adjusted **Red Dye LS No.2 Price, Harrisburg ULS**) + (.05 x Weekly Adjusted B5 Average Price) + Applicable Awarded Price Differential for Bio-Heating Oil

(e) Unleaded Gas

- (1) Price Source: PADD 1 Report
- (2) Weekly Adjusted Unleaded Gasoline Price (For all counties except as noted below) = Harrisburg UNL Average Rack Price, CBOB Ethanol 10%.

Weekly Adjusted Unleaded Gasoline Price (For Bucks, Chester, Delaware, Montgomery, and Philadelphia Counties) = Philadelphia UNL Average Rack Price, RFG Ethanol 10%

Weekly Adjusted Unleaded Gasoline Price (For Allegheny, Armstrong, Beaver, Butler, Fayette, Washington, and Westmoreland Counties) = Pittsburgh UNL Average Rack Price,

Conventional Ethanol 10%. When 7.8 RVP is mandated, then the CBOB Ethanol 10%, 7.8 RVP will be utilized to establish the Pittsburgh price.

- (3) The total fuel price is thus calculated using the Weekly Adjusted Unleaded Gasoline Price for the applicable city plus or minus the awarded price differential. Each week, a Change Notice will be issued to incorporate the price changes and posted on the Department of General Services website.
3. The Commonwealth reserves the right to change the underlying fuel types utilized in the index calculations described above in response to market-wide changes in the availability of a particular fuel resulting from regulatory changes, such as the change from High Sulfur #2 Heating Oil to Red Dye Low Sulfur #2 Diesel in 2016.
4. During the contract period, the awarded supplier and the Commonwealth may mutually agree to a fixed price per gallon. The fixed price will then be added to the awarded price differential to establish the total price per gallon. The fixed price will be in effect for the remaining term of the contract.

III.2 INVOICES

Payment will be based upon the total fuel price on the day that the fuel delivery is made. The total fuel price is comprised of the weekly adjusted fuel price plus or minus the awarded price differential. Invoices shall reflect only the weekly adjusted fuel price that appears on the weekly change notice, the awarded price differential, and the total fuel price. When invoicing, no other taxes or fees shall be added to the aforementioned total fuel price. This action only delays invoice payment. **Any applicable taxes or fee assessments shall be included in the price differential (See I.3, BIDDING).** In addition, the total fuel price shall not be rounded to the next decimal point. This action may also delay invoice payment.

If, as a result of legislation or any regulatory body, a new tax or fee is established subsequent to bid opening then the supplier may request that the new tax or fee be added as part of the total fuel price. As a minimum, the request shall include the name, amount, effective date, and applicability, of the new tax or fee, as well as reference to the legislation or regulation that authorized it. If the Commonwealth agrees that it is subject to the new tax or fee, then a change notice will be issued to allow for payment.

Payment for weekend deliveries will be based on the total fuel price of the preceding Friday. For holiday deliveries, if market prices are published by the Oil Price Information Service (OPIS) on that holiday, then payment will be based on the total fuel price calculated for that day. Otherwise the posted total fuel price prior to the holiday will remain in effect for that holiday.

III.3 PAYMENT METHOD

To facilitate prompt invoice payments, Commonwealth Agencies may purchase by a Purchasing Card and /or the Utility Purchasing Card. Current threshold for such purchases is \$10,000 or less.

III.4 TAX EXEMPT CERTIFICATES

As noted in the Standard Contract Terms and Conditions, Contract Clause "Taxes", the Commonwealth will not issue exemption certificates with the exception of un-dyed diesel fuel.

III.5 REPORTING REQUIREMENTS

The Commonwealth requires a monthly electronic (Microsoft Excel/Access) summary report from the supplier. The electronic format shall be jointly determined by the supplier and the Commonwealth. As a minimum, the report shall contain the following information: Contract Number, Supplier Name, Account Number, Invoice Number, Customer Name, Delivery Address (include Street, City, State), Delivery Date, Fuel Description, Quantity, Unit of Measure, Unit Price, and Total Price. The report must be filed within thirty (30) days after the end of each month with the Commonwealth. In addition, the supplier may be asked to furnish additional information to the Commonwealth regarding deliveries, payments, invoices, etc.