



CONSOLIDATED COMMISSION ON UTILITIES

Guam Power Authority | Guam Waterworks Authority

P.O. Box 2977 Hagatna, Guam 96932 | (671) 648-3002 | guamccu.org

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GPA RESOLUTION NO. FY2022-04

AUTHORIZING MANAGEMENT TO AWARD THE CONTRACT FOR THE BULK SUPPLY OF ULTRA LOW SULFUR DIESEL (ULSD) FUEL OIL

WHEREAS, GPA was authorized by the CCU under GPA Resolution No. 2021-09 and approved by the PUC under Docket 21-10 to issue bids for the procurement of a new Ultra Low Sulfur Diesel (ULSD) Fuel Oil Bulk Supply contract for delivery by pipeline transfer to the power plants; and

WHEREAS, the Procurement Officer has provided adequate public announcement for the need for such fuel supply services through Invitation for Multi-Step Bid No. GPA-047-21 describing the type of services required and specifying the type of information and data required of each offeror; and

WHEREAS, Hyundai Corporation, Mobil Oil Guam, and IP&E Holding, LLC submitted bids for GPA consideration; and

WHEREAS, the results and evaluation of the bids are provided in **Exhibit A**; and

WHEREAS, **MOBIL OIL GUAM, INC.** was determined to be the lowest, most responsive bidder meeting the requirements of the bid solicitation; and

WHEREAS, the estimated Fixed Premium Fee cost based on estimated supply quantities has a value of approximately \$4,837,000 for the first year, \$7,255,000 for the second year, for a total of **\$12,092,500** for the two-year contract base period as shown in **Exhibit A**.

WHEREAS, the Ultra Low Sulfur Diesel (ULSD) Fuel Oil Bulk Supply Contract with **MOBIL OIL GUAM, INC.** shall be for an initial period of two (2) years and is anticipated to commence in January 01, 2022 and to expire in December 31, 2023 with three one-year extension options renewable annually upon mutual agreement of both parties; and

31 **WHEREAS**, the award of the contract to **MOBIL OIL GUAM, INC.** based on estimated supply
32 quantities has an estimated contract value of approximately \$76,117,000 for the first year, \$114,175,500
33 for the second year, for a total of **\$190,292,500** for the two-year contract base period.
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35 **NOW THEREFORE, BE IT RESOLVED**, by the CONSOLIDATED COMMISSION ON UTILITIES as the
36 governing body of GPA, and subject to the review and approval of the Public Utilities Commission as follows:
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- 38 1. The General Manager of the Guam Power Authority is hereby authorized to enter into a two (2) year
39 contract commencing January 01, 2022 and expiring December 31, 2023 for an estimated total
40 contract cost of \$190,292,500 with **MOBIL OIL GUAM, INC.** for the Bulk Supply of Ultra Low Sulfur
41 Diesel (ULSD) Fuel Oil.
- 42 2. The General Manager of the Guam Power Authority is hereby authorized an increase in obligating
43 authority to the annual value of the contract and execute such agreements and documents necessary
44 for a contract with **MOBIL OIL GUAM, INC.**

45 **RESOLVED**, that the Chairman of the Commission certifies and the Board Secretary attests the
46 adoption of this Resolution.
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49 **DULY and REGULARY ADOPTED AND APPROVED THIS 23RD DAY of NOVEMBER, 2021**
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Certified by:



JOSEPH T. DUENAS
Chairperson
Consolidated Commission on Utilities

Attested by:



MICHAEL LIMTIACO
Secretary
Consolidated Commission on Utilities

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63 I, Michael Limtiaco, Secretary for the Consolidated Commission on Utilities (CCU), as evidenced by
64 my signature above do certify as follows:

65 The foregoing is a full, true, and correct copy of the resolution duly adopted at a regular meeting of
66 the members of Guam Consolidated Commission on Utilities, duly and legally held at the meeting place
67 properly noticed and advertised at which meeting a quorum was present and the members who were
68 present voted as follows:
69 present voted as follows:

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71 Ayes: 5
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73 Nays: 0
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75 Absent: 0
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77 Abstain: 0



EXHIBIT A: BID PRICE PROPOSAL ANALYSIS

MS IFB GPA-047-21 (Bulk Supply of Diesel Fuel Oil No.2) 2-YEAR BASE PERIOD	BASE CONTRACT- 1st of 2 YEARS			BASE CONTRACT- 2nd of 2 YEARS			SUMMARY: 2-YEAR BASE CONTRACT PERIOD		
	Bidder #1 Hyundai Corp.	Bidder #2 Mobil Oil Guam, Inc	Bidder #3 IP&E Holdings, LLC	Bidder #1 Hyundai Corp.	Bidder #2 Mobil Oil Guam, Inc	Bidder #3 IP&E Holdings, LLC	Bidder #1 Hyundai Corp.	Bidder #2 Mobil Oil Guam, Inc	Bidder #3 IP&E Holdings, LLC
A. Bid Reference Price (\$/bbl)	\$71.280	\$71.280	\$71.280	\$71.280	\$71.280	\$71.280	\$71.280	\$71.280	\$71.280
B. Fixed Premium Fee Cost (\$/bbl)	\$6.900	\$4.837	\$7.980	\$6.900	\$4.837	\$7.980	\$6.900	\$4.837	\$7.980
C. Bid Price (A+B), \$/bbl	\$78.180	\$76.117	\$79.260	\$78.180	\$76.117	\$79.260	\$78.180	\$76.117	\$79.260
D. Estimated Quantity (bbls)	1,000,000	1,000,000	1,000,000	1,500,000	1,500,000	1,500,000	2,500,000	2,500,000	2,500,000
E. ESTIMATED PREMIUM FEE COST (B x D), \$	\$6,900,000.00	\$4,837,000.00	\$7,980,000.00	\$10,350,000.00	\$7,255,500.00	\$11,970,000.00	\$17,250,000.00	\$12,092,500.00	\$19,950,000.00
F. ESTIMATED CONTRACT COST (C x D), \$	\$78,180,000.00	\$76,117,000.00	\$79,260,000.00	\$117,270,000.00	\$114,175,500.00	\$118,890,000.00	\$195,450,000.00	\$190,292,500.00	\$198,150,000.00

Ranking (1 as the Lowest Bidder)

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