Anguilla Electricity Company Limited

Tender for the Supply of Petroleum Products

(Release date 28 Jan 2022)

STIPULATIONS

Anguilla Electricity Company Limited (ANGLEC) is seeking a Fuel supplier for the purpose of a three-year (minimum) supply contract to commence on the 12TH OF April 2022. The prospective supplier must bid to satisfy ANGLEC's requirements of Automotive Gasoil (No. 2), Ultra-Low Sulphur and Unleaded Gasoline Gasoil.

ANGLEC's terms and conditions for the supply of Fuel are detailed below:

1. Product Description:

The products to be supplied are Automotive Gasoil (No 2), Ultra-Low Sulphur and Unleaded Gasoline.

2. Quality of Products:

The products must meet or exceed the standards stipulated in Appendix l. The fuels are for use by the equipment detailed in Appendix lII. Should the quality specified in Appendix I cease to be available from the supplier's normal source of supply for deliveries under the agreement, the supplier shall so inform ANGLEC and indicate what alternative qualities are obtainable. If the original product becomes available, the seller must notify the buyer immediately.

3. Quantity of Products:

3.1 ANGLEC's estimated annual requirements of petroleum products (quoted in imperial gallons) are as follows:

Ultra-Low Sulphur (Engines) or Automotive gas oil (No 2)	Option 1	Option 2
2022 -2023	5100000	4590000
2023-2024	5150000	4635000
2024-2025	5250000	4725000

Unleaded Gasoline (Vehicle)		
2022 -2023	5100	
2023-2024	5100	
2024-2025	5200	

Ultra-Low Sulphur (Vehicles)		
2022 -2023	5825	
2023-2024	5900	
2024-2025	5950	

3.2. Bidder's Minimum Stock Requirements

Bidders are required to maintain 100% ANGLEC-dedicated storage at a minimum of 10 days equivalent storage or 135,000 imperial gallons (excluding ANGLEC's storage listed in Appendix (4)) of Automotive Gasoil on island at all times.

4. Method of Delivery:

4.1 Automotive Gasoil

ANGLEC's total requirements of Automotive Gasoil for use at its power plant should be delivered in bulk by ocean tanker into ANGLEC's shore receiving tanks located at ANGLEC's premises at Corito power station via ANGLEC's tanker receiving pipeline. (See Appendix ll).

4.2 Unleaded Gasoline

ANGLEC's total requirements of unleaded gasoline must be delivered by the supplier from its road tank wagon into underground storage tanks laid down by the supplier and provided on free loan to ANGLEC for the duration of the contract. The supplier is also responsible for the maintenance of the tanks. The tanks, along with all ancillary equipment including dispensers shall be located at the buyer's premises at its Corito power station. (See Appendix ll).

5. Prices:

The price tendered for the contract should be free of all governmental duties, taxes and levies. All such duties, taxes and levies shall be additional to the supplier's stated prices. The Supplier's Price shall be quoted in US Cents per American Gallon; and shall comprise of two separate components:

Price = [BASE COST] + [ESCALATOR]

5.1 Price Components

The supplier's quoted Base Cost shall be only subject to alteration in accordance with the provisions of this section. The terms "Base Cost" and "Escalator" are defined in 5.2 and 5.3 respectively.

5.2 Base Cost – Definition

Base Cost is defined as the formula used to compute the base product cost on the Effective Date. This shall be clearly stated by the supplier, and the formula shall remain unchanged for the duration of the contract. "Effective Date" is a specific term described in 5.4.

Base Cost example: "The Mean of Postings from Exxon Curacao, Shell West, Bahamas, Petrotrin and Tex Trader for 45 Cetane Gasoil as published in Platts Oil Price Report"

5.3 Escalator – Definition

The Supplier's Escalator is a catchall for all other costs associated with the product (Freight, Service Differential etc) and its absolute value shall remain unchanged for the duration of the contract.

5.4 Verification of Base Cost

The supplier shall subscribe to a reputable publication on behalf of (and at no cost to) ANGLEC so that all relevant Refinery Postings can be easily validated. This publication must be approved by ANGLEC. Currently, ANGLEC uses OPR Extra (a Platts Oil Price report) to validate Refinery Postings

5.5 Effective Date for Applied Base Cost

The Base Cost associated with each invoice shall be based on one of two dates:

1. The date at which the invoiced product was transferred to ANGLEC's tanks from the Supplier (the delivery date); OR
2. The date at which the invoiced product was transferred to the Supplier's tankers from the Refinery (the loading date).

The method of determining the Effective Date shall be clearly stated by the supplier and shall remain unchanged for the duration of the contract.

In the event that the Supplier proposes Method 2 (loading date), the following will apply:

a) Procedures for "loading date verification" must be acceptable to ANGLEC; and
b) The Supplier's stock will be priced on a "First In First Out" (FIFO) basis. Procedures for verifying the Supplier's stock levels must be acceptable to ANGLEC.

6. Invoicing and Documentation:

The supplier must be capable of submitting invoices to ANGLEC no more than 72 hours after each delivery. Each invoice must clearly show the fuel price build-up, in accordance with the agreed price formula.

7. Items issued on free loan to ANGLEC by the supplier

Any equipment (such as pumps, valves, tanks etc) required to be installed for the execution of service to ANGLEC under the provisions of this contract shall be issued on free loan to ANGLEC by the supplier. Maintenance of these items issued on free loan to ANGLEC by the supplier will be the responsibility of the supplier for the duration of the contract

8. Evaluation and Award of Tenders

ANGLEC is not bound to accept the lowest or any tender it receives. ANGLEC evaluates tenders on a multitude of factors, including the following (not necessarily listed in order of priority):

- Total Price of Product (Lower Total Price preferred)
- Quality of Product (Higher Quality Standards preferred)
- Reputability of Supplier (Better Reputability preferred)
- Financial strength of company. Audited financial statement for previous year must be supplied
- Ability of the bidder to meet the minimum stock required as stated in section 3.2
- Verifiability, Objectivity and Transparency of Base Cost (Verifiable, Objective and Transparent preferred)
- Effective Date Option (Delivery date preferred)

The above is not an exhaustive list

ANGLEC reserves the right to accept or reject any or all proposals or any parts of proposals.

ANGLEC reserves the right to cancel, amend, modify or otherwise change this RFP at any time if it deems it to be in the best interest of ANGLEC to do so.

During the evaluation process, ANGLEC reserves the right, to request additional information or clarifications from those submitting proposals.

It is anticipated that the selection of a firm will be completed by March 18th, 2022.

Following the notification of the selected firm, a contract will be executed between both parties by April 11th, 2022

9. Additional instructions for tenderers

a) Tenders must be submitted in sealed envelopes, bearing the marking below:

Delivered by Courier to:

CEO

Re: 2022 Fuel Tender

C/O Anguilla Electricity Company Limited

P.O. Box 400

The Valley

Anguilla, BWI

b) Completed tender forms (shown in Appendix V) must be included in the proposals

c) Tenders must be received by ANGLEC no later than Feb 24th 2022

*** Entities desirous of attending the first clarification meeting should write to the Systems Control Engineer, Mr. Sylvan Brooks at sylvan@anglec.com expressing interest in doing so.

10 Anglec intends to integrate renewable and alternative energy resources in the near future

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APPENDIX I

PRODUCTS QUALITY STANDARDS

Product	Property	Unit of measurement	Maximum Allowable value	Minimum allowable value	Test method
Gas Oil	Density at 15 degrees C	Kg/1	0.870	0.820	D1298
Gas Oil	Color	ASTM	3.0	----	D1500
Gas Oil	Kinematic Viscosity at 40 °C		1.6	5.3	D445
Gas Oil	Cloud Point	°C	7	----	D2500
Gas Oil	Flash Point	°C	----	62	D93
Gas Oil	Copper Corrosion	3h@100°C			D130
Gas Oil	Carbon Content	% by mass	0.05	----	
Gas Oil	Sulphur Content	% by mass	0.5	----	D1552
Gas Oil	Water Content	% by volume	0.05	----	D95
Gas Oil	Sediment	% by mass	0.01	----	D473
Gas Oil	Ash	% by mass	0.01	----	D482
Gas Oil	Neutralization Strong acid number	MgkOH/g	0.0	----	----
Gas Oil	Neutralization Total acid number	MgkOH/g	0.5		----
Gas Oil	Distillation recovery	°C			----
Gas Oil	Octane Number	----	-----	95	----

APPENDIX ll

ANGLEC EQUIPMENT

ANGLEC owned equipment:

1. One (1) 4,000 A.G. underground tank for unleaded motor gasoline.
2. One (1) 2005 A.G. above ground tank for ultra-low sulphur diesel.
3. One (1) dispenser for unleaded motor gasoline, pipework and pump.
4. 5,500 feet of 6 inch diameter pipeline and 75 feet of 4 inch diameter pipeline of mild steel AP1 5L grade complete with valves and fittings required for transfer of Gasoil from Corito Bay to ANGLEC's receiving tanks.
5. 3 x 34,000IG Calibrated Gasoil Storage Tank (ANGLEC Storage)
6. 1 x 83,000IG Calibrated Gasoil Storage Tank (ANGLEC Storage)

APPENDIX lll

FUEL CONSUMING EQUIPMENT

Designation	Manufacturer	Model	Capacity (KW)	Fuel Type
Unit 1A	Cummins	KTA50	1250	LFO
Unit 2A	Cummins	KTA50	1250	LFO
Unit 3	Mirrless/Blackstone	ESL9MK2	1070	LFO
Unit 3A	Cummins	KTA50	1250	LFO
Unit 4	Mirrless/Blackstone	ESL9MK2	1070	LFO
Unit 5A	Cummins	KTA50	1250	LFO
Unit 10	Mirrless/Blackstone	ESL16MK2	2500	LFO
Unit 11	Wartsila	9R32	3146	LFO
Unit 12	Wartsila	9R32	3146	LFO
Unit 13	Wartsila	9LW32	3937	LFO
Unit 14	Wartsila	9LW32	3937	LFO
Unit 15	Wartsila	12VW32	5200	LFO

APPENDIX IV

ANGLEC's GASOIL STORAGE FACILITIES AT CORITO POWER STATION

Designation	Capacity (IG)	Base Elevation ASL (ft)
Bulk tank 1	34,000	75
Bulk tank 2	34,000	75
Bulk tank 3	34,000	75
Bulk tank 4	83,000	74
Main Day tank	4,200	96
Standby Day Tank	2,500	85
UltraLow Sulphur	1,665	85
Unit 1A, 2A, 3A, 5A	800	0