

Terms of Reference (Fuel Only)

Procurement of Fuel for Clearing of Sinibaan Creek, Libmanan-Cabusao, Camarines Sur

The procuring entity will adapt the following terms of reference based on Appendix 22 or the Revised Guidelines on the Procurement of Petroleum, Oil, and Lubricant Products of July 19, 2024, Revised Implementing Rules and Regulations (IRR) of Republic Act (RA) 9184, to wit:

1. The procuring entity will use index-price pricing using the Wholesale Posted Price (WPP) index in the procurement of the following products:

- a. Premium, Unleaded, or Regular Gasoline
- b. Automotive Diesel Oil

Wholesale Posted Price, or WPP, refers to the reference fuel prices individually set by local refiners and traders, which are subject to periodic changes based on the movement in crude oil prices, foreign exchange, and all other costs without hauling charge, dealer's mark-up, and dealer's E-VAT ¹.

2. The procuring entity shall withdraw from time to time at the designated fuel station of the winning bidder by presenting an official withdrawal slip authorizing DPWH Regional Office V personnel. Therefore, there will be no delivery cost for this contract.

The winning bidder has the right to refuse the issuance of fuel when an official withdrawal slip is not presented or the indicated DPWH No. of equipment is not included in the contract.

Only the fuel for the following equipment (K4-34) shall be withdrawn from this contract.

The procuring entity's fuel tank truck (H6-162) shall be allowed to withdraw the issuance for the above-stated equipment provided that it is supported by a duly approved withdrawal slip for each equipment.

3. For purposes of payment, the bid price and discount stated in the contract shall be fixed from the time of the bidding through the term of the contract. Payment will be given to the winning bidder through an advanced deposit of the total contract amount. The amount to be deducted by the winning bidder for Petroleum, Oil, and Lubricant or POL Products that were duly received by the procuring entity shall be the **bid price**, less the **discount offered, plus or minus** the weekly price adjustments duly posted by the Oil Industry Management Bureau (OIMB) of the Department of Energy (DOE) in its Price Watch / Price Adjustments / Fuel page in the DOE's website.
4. The winning supplier shall regularly submit an updated Statement of Accounts every month per equipment unit (K4-34) reflecting the weekly price adjustments and the remaining balance available for withdrawal by the procuring entity. This shall be supported with a certification under oath that the supplier's price adjustments are those reported and duly posted on DOE's website for products using the WP index.

1. GPPB Resolution No. 26-2019, dated 30 October 2019, published in the Official Gazette on 30 December 2019.

5. During the contract implementation, if the total contract price for the project would have been consumed notwithstanding that the requirements were not fully delivered in the units/volume contemplated, no further withdrawal shall be made by the procuring entity.

6. If the total units/volume per equipment unit has already been received by the procuring entity, the procuring entity has the right to withdraw the remaining volume of fuel based on the actual remaining balance and price adjustments.

A total of 14,286 Liters are allotted for K4-34. In the case of non-availability of the unit due to equipment downtime/major repairs and/or reassignment of unit upon the discretion of the procuring entity/end-user, the fuel may be withdrawn for use of equivalent equipment for the same stated purpose, unless otherwise revoked/reassigned by the procuring entity/end-user.

7. In consideration of the payment to be deposited in advance by the DPWH Regional Office V to the winning supplier, the winning supplier shall provide to the DPWH Regional Office V its prompt service, correct quantity, and right quality of fuels in conformity with all aspects of the requirements of the procuring entity.

8. The supplier shall give priority and make available to DPWH Regional Office V the fuel at all times and during calamities and emergencies.

9. Example Computation:

a. Bid opening was on the 5th day of August 2024, the winning bidder offered a bid price of Php 56.00/liter for 200,000L of diesel, with no discount.

b. The total contract amount to be paid in advance to the winning bidder will be Php 11,200,000.00.

c. Staggered withdrawal, the procuring entity has withdrawn 2000L from September 3 to 9, 1500L from September 10 to 16, 2000L from September 17 to 23, and 2000L from September 24 to 30.

d. Price adjustment based on the Department of Energy Website:

d.1. Effective 06 August 2024, the oil companies implemented a decrease of Php 0.20/liter of diesel

d.2. Effective 13 August 2024, the oil companies implemented a decrease of Php 1.90/liter of diesel

d.3. Effective 20 August 2024, the oil companies implemented an increase of Php 1.20/liter of diesel.

d.4. Effective 27 August 2024, the oil companies implemented a decrease of Php 1.90/liter of diesel.

- d.5. Effective 03 September 2024, the oil companies implemented an increase of Php 0.30/liter for diesel.
- d.6 Effective 10 September 2024, the oil companies implemented a decrease of Php 1.30/liter of diesel.
- d.7 Effective 17 September 2024, the oil companies implemented a decrease of Php 1.30/liter of diesel.
- d.8 Effective 24 September 2024, the oil companies implemented an increase of Php 0.20/liter of diesel.

e. Computation of the amount to be deducted by the winning bidder:

Dates	Bid Price (Fixed)	Price Adjustment	Adjusted Price	Withdrawn Quantity	Amount to be deducted
8/5/24	Php 56				
8/6/24		-Php 0.20			
8/13/24		-Php 1.90			
8/20/24		Php 1.20			
8/27/24		-Php 1.90			
9/3/24		Php 0.30			
9/3-9/24			Php 53.5	2000L	Php 107,000.00
9/10/24		-Php 1.30			
9/10-16/24			Php 52.2	1500L	Php 78,300.00
9/17/24		-Php 1.30			
9/17-23/24			Php 50.9	2000L	Php 101,800.00
9/24/24		Php 0.20			
9/24-30/24			Php 51.1	2000L	Php 102,200.00
Total Amount To Be Deducted					Php 389,300.00

f. Remaining Balance, available for withdrawal **Php 10,810,700.00**

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