

## STATEMENT OF WORK

### SECTION I GENERAL INFORMATION

#### I.1 OVERVIEW

This Solicitation, No. 6100066071, will cover the requirements of specified Commonwealth of Pennsylvania (“Commonwealth”) facilities for bulk deliveries of propane gas.

#### I.2 TERM OF CONTRACT

**Each Contract will begin on the effective date, expected to be September 1, 2026, and will conclude on August 31, 2031, unless an extension is granted.**

#### I.3 BIDDING

The bid price is the price differential, which is separate from the monthly adjusted propane commodity price as described in the Price Adjustment Clause (Section III). The quoted price differential must include all costs for transportation, delivery, handling charges, fees, overhead, profit, any applicable taxes, and any costs for telemetric monitoring devices or the monitoring of data provided by those devices. The price differential shall remain fixed for the entire contract term.

#### I.4 INCURRING COSTS

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

#### I.5 PRICE SUBMISSION INSTRUCTIONS

Suppliers will submit their pricing responses utilizing the Excel worksheet, “Bid Sheets – Bulk Propane 2026”. When completing the worksheet, Suppliers must include the following information:

- Price differential per gallon, up to four (4) decimal places.
- Supplier Name – Insert your company name.

Note: If your company is not registered as a supplier with the Commonwealth of Pennsylvania, please do so by completing an online registration at [www.pasupplierportal.state.pa.us](http://www.pasupplierportal.state.pa.us) . On the website, the tab, Supplier Service Center, provides detailed information on the registration process.

The Commonwealth facilities/locations that will use this contract have been grouped by region for bidding purposes within the Excel bid sheet. Suppliers are to submit pricing specific to each facility within each group. Suppliers are permitted to submit pricing for any individual bid group(s) or all bid groups; however, a supplier must submit pricing for all items within a bid group to be considered for award.

Bidders are required to complete and upload the Iran Free Procurement Certification Form as well as the Reciprocal Limitations Act Requirements Form.

#### I.6 EVALUATION AND AWARD

The Commonwealth will evaluate the bids submitted for each bid group based on the total of the bid prices submitted for each item within the bid group. The Commonwealth intends to award a contract for all facilities listed within each bid group to the responsive and responsible bidder offering the lowest total price for the bid group.

**I.7 ADDING FACILITIES TO THIS CONTRACT**

New or existing Commonwealth facilities with requirements for bulk deliveries of propane gas not specified in this solicitation may be added to the contract through mutual agreement between the Issuing Office and the awarded contractor for the bid group representing the region in which the facility seeking to be added to the contract is located. The contract price differential for a facility added to the contract in this manner is subject to the review and acceptance of the Issuing office with consideration given to the following:

- Existing contract pricing for facilities with similar consumption requirements
- The geographic location of the facility seeking to be added to the contract in comparison to that of existing contract facilities within the applicable bid group region.
- Changes in market conditions since the time this solicitation was issued.
- The length of contract term remains (for facilities requiring supplier-provided tanks).

**I.8 REPORTING REQUIREMENTS**

The Commonwealth requires a monthly electronic (Microsoft Excel/Access) summary report from the Contractor. The electronic format shall be jointly determined by the Contractor and the Commonwealth. As a minimum, the report shall contain the following information: Contract Number, Supplier Name, Account Number, Customer Name, Delivery Address (include Street, City, State), Delivery Date, Quantity, 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 Contractor may be asked to furnish additional information to the Commonwealth regarding deliveries, payments, invoices, etc.

**I.9 ISSUING OFFICE:** -Direct all questions concerning this solicitation to the appropriate buyer named herein.

Kent Stimely  
Bureau of Procurement  
1800 Herr Street  
Harrisburg, PA 17103  
(717) 265-8933  
E-mail: [kestimely@pa.gov](mailto:kestimely@pa.gov)

## **SECTION II SCOPE OF WORK**

### **II.1 DELIVERIES**

Supplier shall deliver the propane within five (5) calendar days after receipt of a purchase order or agency notification for delivery. In an emergency, the Supplier shall deliver propane within 24 hours after agency notification of delivery or as otherwise agreed to, by the using agency and the Supplier. Transportation terms are F.O.B. Destination for all deliveries.

The minimum delivery quantity is 200 gallons per facility. Suppliers and using agencies should cooperate to minimize costs (i.e., automatic filling, maximization of delivery quantity, etc.)

Using agencies may elect to establish automatic deliveries with the Supplier at their discretion. Where automatic deliveries are established, the Supplier shall furnish and install remote telemetric monitoring devices for both Commonwealth-owned and Supplier-owned tanks at no additional cost to the Commonwealth. For agency locations where remote monitoring devices have been installed, the Supplier is responsible for coordinating deliveries such that the amount of propane contained in the location's tanks does not fall below 25% capacity.

The remote telemetric monitoring devices must be capable of providing the necessary signal to allow the supplier to monitor propane quantities without the need for any electrical or network connections to the agency's location. At no time is the Supplier permitted to perform any work to provide electrical or network connections to remote monitoring devices.

### **II.2 LIABILITY**

The supplier shall ensure that adequate safety measures are taken to protect agency buildings, grounds, and/or equipment from damage resulting from the furnishing and delivery of the propane. The supplier shall be liable for any damages from which it or its employees are responsible. The supplier shall provide constant surveillance during product delivery by its driver, always remaining present at the point of transfer.

### **II.3 FUEL SPECIFICATIONS**

The gas tanks, valves, regulators, and piping shall conform to the Gas Processors Association (GPA) Standard 2140-97 entitled "Liquefied Petroleum Gas Specifications and Test Methods", the National Fire Protection Association (NFPA) Pamphlet No. 58 entitled "Liquefied Petroleum Gas Code" and the Pennsylvania Department of Labor and Industry "Liquefied Petroleum Gas Regulations" (Pennsylvania Code, Title 34, Part I, Chapter 13, Subchapter A). The latest edition of these specifications shall apply.

### **II.4 TANK INSTALLATION**

A new supplier shall supply and install their tanks and regulators at no expense to the Commonwealth to replace the existing tanks and regulators of the previously awarded supplier. At their option, the new supplier may confer with the previous supplier concerning tank ownership.

Installation of any additional tanks required during the duration of the contract shall be at the expense of the Commonwealth. Installation includes tank delivery and all necessary hook-ups. Laying and trenching of the service piping/yard line (gas lines) and other construction related work shall be the sole responsibility of the Commonwealth.

Tank removal and purging of supplier owned tanks, if necessary, shall be at no expense to the Commonwealth. Any propane remaining in the tank at the time of removal is the property of the Commonwealth. Thus, the supplier removing and purging the tank shall reimburse the Commonwealth by check or credit to our account at the market

based monthly propane price set forth in the contract at the time of these actions. The Commonwealth will make a concerted effort to minimize the amount of propane within the tank.

## **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. Once a month, the commodity price for propane will be adjusted to reflect current market conditions. The monthly adjusted propane price will then be added to the awarded price differential to arrive at the total price of propane per gallon for that month. A Change Notice will be issued each month to formally incorporate the monthly adjusted propane commodity price as part of contract and shall subsequently be posted to the Department of General Services E-Marketplace website.

The standard for which the monthly adjusted propane commodity price is to be based shall be the Propane, Non-Tet, Mont Belvieu, TX, price per gallon as listed on the weekly Oil Price Information Service (OPIS) report. The effective date shall be the first Tuesday of each month, based on the previous day's published OPIS report.

3. 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 propane price for the month that the fuel delivery is made. The total propane price is comprised of the monthly adjusted propane price plus the awarded price differential. When invoicing, no other taxes or fees shall be added to the 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 propane price, shown on the invoice, shall not be rounded to the next decimal point. This action may also delay invoice payment.

If, resulting from legislation or any regulatory body, a new tax or fee is established subsequently 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.

### **III.3 PAYMENT METHOD**

To facilitate prompt invoice payments, Commonwealth agencies may utilize the Purchasing Card and/or the Utility Purchasing Card.

**SECTION IV  
REQUIRED DATA**

**IV.1 ADDRESS OF PURCHASE ORDER**

Commonwealth agencies may issue purchase orders against this Contract for supplies required by the agencies (using agencies). Please state below where the Purchase Orders should be sent (name, address, city, state, zip code).

Address: \_\_\_\_\_  
\_\_\_\_\_  
\_\_\_\_\_

Contact person: \_\_\_\_\_

Telephone Number: \_\_\_\_\_

Fax Number: \_\_\_\_\_

E-mail Address: \_\_\_\_\_

**IV.2 POINT OF CONTACT – CONTRACT ADMINISTRATION**

If different than the information provided in the previous provision (IV.1), please provide the following:

Contact person: \_\_\_\_\_

Telephone Number: \_\_\_\_\_

Fax Number: \_\_\_\_\_

E-mail Address: \_\_\_\_\_