

# Brr...Cold Weather Ahead – Don't be left out in the Cold!



The heating season is fast approaching. Soon, we'll all be turning up the heat to beat the winter cold.

Buyer's Buzz News (BBN) had a chat with Linda Wortman, Purchasing Agent from the Office of Purchasing and Contracting (OPC) and she filled us in on the current fuel contracts and options currently available for the State of Vermont and how to use them.

**BNN:** Hi Linda! Thanks for joining us to talk about fuel!

**Linda:** Hello! It's my pleasure to talk to you.

**BNN:** One of your responsibilities is putting in place the fuel contracts. How did you go about this?

**Linda:** Statewide requirements were collected from State Agencies, Departments and political subdivisions into a Request for Proposal (RFP) which was put out for competitive bid.

**BNN:** There are quite a few fuel contracts. Why is that?

**Linda:** There are contracts in place for most cities and towns in the State of Vermont as well as for schools and higher education. These contracts vary by region and for various fuel types and method of delivery required; tank service (small shuttle service) or wagon transport (large tractor trailers).

Fuel contracts can be found here: (Click on Fuel)

<https://bgs.vermont.gov/purchasing-contracting/contract-info/current>

**BNN:** Who can use the fuel contracts?

**Linda:** All Agencies and Departments from the State of Vermont, as well as any political subdivisions, schools and higher education, may utilize the State contracts. Political subdivisions and schools need to work directly with the vendor to set up their accounts.

**BNN:** Does each contract have the same factors? If not, how are they different?

**Linda:** Vendors bid on various types of fuel for the various locations they are interested in providing service to. We have contracts in place for most cities & towns in Vermont and of course, the various fuel types that are in demand. Contracts are in place for: #1 Fuel, #2 Fuel, Diesel, LP gas, Regular gas and Bio-diesel.

**BNN:** How does someone go about ordering fuel?

**Linda:** Agencies and Departments must set up fuel accounts with vendors for their locations, fuel type, and method of delivery.

You can find this information at the following site:

[https://bgs.vermont.gov/sites/bgs/files/files/purchasing-contracting/Fuel%20Mark-Up%20by%20City%20and%20Town%2007-02-2017.xls%20REVISED%208\\_7\\_18.pdf](https://bgs.vermont.gov/sites/bgs/files/files/purchasing-contracting/Fuel%20Mark-Up%20by%20City%20and%20Town%2007-02-2017.xls%20REVISED%208_7_18.pdf)

Fuel deliveries can be set up for either automatic delivery or “will call” (call for fuel as needed). New fuel requirements need to be processed through OPC. Requesting Agencies need to complete and submit the Fuel Requirements Form to OPC. <https://bgs.vermont.gov/content/request-fuel-information-0>.

OPC will work with the appropriate fuel provider to establish the new account(s).

**BNN:** What happens if someone runs out of fuel? Is emergency delivery available?

**Linda:** Emergency delivery is available. Vendors have emergency numbers and contacts listed on their contract(s) and this information can be found on the OPC website. We must caution however, that the Agency/Department may incur additional costs with special deliveries to “will call” locations that run out of fuel and emergency or next day servicing is needed. These terms can be found on the contract and we urge everyone to become familiar with them.

**BNN:** The OPC website has a dedicated section just for fuel. It also has a fuel calculator. What's that for?

**Linda:** As consumers, we all know the price for a gallon of fuel changes daily. The volatility of fuel is incredibly dynamic so we track associated price indexes and offer this information as a service to contract users. To calculate the per gallon cost of fuel you must use the following pricing components:

**Weekly rack price.** All rack pricing is taken from the Oil Price Daily an OPIS Publication formerly The Journal of Commerce - which reflects prices at the close of business on Thursday and will be in effect the following Sunday through Saturday + Contractor's mark-up.

Add applicable prices together to get the fuel cost for the given product, and the delivery date the of fuel, to verify invoices from vendors.

**BNN:** What if there is a problem with an invoice?

**Linda:** Should you identify an error with your invoice, please first work with the fuel provider for a remedy. If an invoice overcharges and there is **agreement between the department and provider** about what the correct amount should be, you may request a corrected invoice or document the reason for the discrepancy and pay the agreed-to amount from the incorrect invoice.

If an invoice overcharges, and an agreement between the department and provider cannot be reached, please call OPC (and/or email our office with copies of applicable invoices) and we will work with the vendor on your behalf.

Our primary objective is that departments pay the **right price** with adequate documentation.

**BNN:** Does the State have contracts for alternate fueling sources?

**Linda:** Yes, we do. We also have contracts in place for wood pellets, wood chips, fire wood, and log length wood for specific locations and Agencies/Departments within the State.

The Montpelier Heat Plant is a prime example of how we're incorporating alternative fuels into the State's energy conservation and reduction plan, further reducing dependency on fossil fuel.

Alternate fueling sources contracts: (Click on Fuel and scroll down list)

<https://bgs.vermont.gov/purchasing-contracting/contract-info/current>

**BNN:** Linda, any suggestions you'd like to share with our readers before you go?

**Linda:** I would suggest monitoring fuel levels especially when there is a cold snap. If your account is "will call" please ensure you call for replenishment sufficiently in advance of your needs (outage). Otherwise, you may miss the scheduled delivery for your area and it could result into an emergency request.

If your account is on automatic delivery, I still recommend you be vigilant of your fuel levels and alert your vendor as warranted. Work with your fuel provider/point of contact if you run into any issues. If you have continued issues, please contact our office immediately. And lastly, I am available if you have any questions.

**BNN:** Thank you Linda for chatting with us. Stay Warm!

**Linda:** Thank you!

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For more information, check out **OPC's website:** [Office of Purchasing and Contracting \(OPC\)](https://bgs.vermont.gov/office-of-purchasing-and-contracting)

**OPC's Fuel Information:**

<https://bgs.vermont.gov/content/fuel-information>

**Fuel Contracts:** Click on "Fuel" – Includes contracts for all Fuel Types

<https://bgs.vermont.gov/purchasing-contracting/contract-info/current>

**New Fuel Requirements Form:**

<https://bgs.vermont.gov/content/request-fuel-information-0>

You can also download the form in Word or PDF and email it.

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