

WESTGATE PETROLEUM COMPANY, INC

Agreement for Purchase of Equipment, Materials & Supplies

Facilities Committee
March 2017

Background

- Purchase and delivery of fuel, oils, lubricants and other miscellaneous petroleum products required at the NCPA Geothermal Facility. Westgate Petroleum Company, Inc is a supplier of these products.
- NCPA has additional agreements in place for similar services with Redwood Coast Fuels.
- 5-Year Agreement - NTE \$1,350,000
- Geothermal facility drilling operation fuel cost approximately \$500,000.
- NCPA will seek bids from as many qualified providers as possible and enter into additional enabling agreements as needed. The bid is awarded to the lowest cost provider.

General Scope of Work

- Five Year Agreement
- Scope of Work Includes:
 - Purchase and delivery of fuel, oils, lubricants and other miscellaneous petroleum products for use at NCPA Geothermal Facility.

Environmental Analysis

- This activity would not result in a direct or reasonably foreseeable indirect change in the physical environment and is therefore not a “project” for purposes of Section 21065 the California Environmental Quality Act. No environmental review is necessary.

Proposal

- Staff seeking a recommendation from the Facilities Committee for Commission approval of an Agreement for Purchase of Equipment, Materials and Supplies with Westgate Petroleum Company, Inc for petroleum product purchases, with any non-substantial changes recommended and approved by the NCPA General Counsel, which shall not exceed \$1,350,000 over five years for use at NCPA Geothermal Facility and authorize the General Manager to approve the issuance of purchase orders for any amount as needed pursuant to the contract.