

<u>OPIS Price Location</u>	<u>Fuel Type</u>	<u>Cost per Gallon</u>
Anchorage OPIS	No. 2 ULSD	\$3.749
Fairbanks OPIS	No. 2 ULSD	\$3.729
Seattle, WA OPIS	No. 2 ULSD	\$3.459

Estimated annual gallons required in location XYZ is 20,000.

Bidder One:

- Selects the Anchorage OPIS with a price of \$3.749 per gallon
- Submits a Mgt of plus (+) .1025 cents
- Certifies that they will provide 100% Class III product

Bidder Two:

- Selects the Seattle OPIS with a price of \$3.459 per gallon
- Submits a Mgt of plus (+) .0825 cents
- Indicates they will not provide any Class III products and as such, they do not qualify for the Alaska Product Preference.

Bidder Three:

- Selects the Fairbanks OPIS with a price of \$3.729 per gallon
- Submits a Mgt of plus (+) .0825 cents
- Certifies that they will provide 100% Class III product

Based on the above information, the bidders would be evaluated as follows:

Bidder One

<u>Mgt</u> <u>+ or -</u>		<u>OPIS</u>		<u>TFC</u>		<u>Qty</u>		<u>Bid Amount</u>		<u>AK Product</u> <u>Pref. 7 %</u>		<u>AK Bidder</u> <u>Pref. 5%</u>		<u>Final Evaluation Bid</u> <u>Amount</u>
\$.1025	+	\$3.749	=	\$3.8515	x	20,000	=	\$77,030.00	-	\$5,248.60	-	\$3,851.50	=	\$67,929.90

Bidder Two

<u>Mgt</u> <u>+ or -</u>		<u>OPIS</u>		<u>TFC</u>		<u>Qty</u>		<u>Bid Amount</u>		<u>AK Product</u> <u>Pref. 7 %</u>		<u>AK Bidder</u> <u>Pref. 5%</u>		<u>Final Evaluation Bid</u> <u>Amount</u>
\$.0825	+	\$3.459	=	\$3.5415	x	20,000	=	\$70,830.00	-	\$0.00	-	\$3,541.50	=	\$67,288.50

Bidder Three

<u>Mgt</u> <u>+ or -</u>		<u>OPIS</u>		<u>TFC</u>		<u>Qty</u>		<u>Bid Amount</u>		<u>AK Product</u> <u>Pref. 7 %</u>		<u>AK Bidder</u> <u>Pref. 5%</u>		<u>Final Evaluation Bid</u> <u>Amount</u>
\$.0825	+	\$3.729	=	\$3.8115	x	20,000	=	\$76,230.00	-	\$5,220.60	-	\$3,811.50	=	\$67,197.90

The Alaska Product Preference is calculated by taking the OPIS per gallon price times the quantity (20,000) minus 7%. The preference is not applied to the Mgt price because it is not an Alaska product.

In this example, Bidder Three would receive the award since their total bid (\$67,197.90), after application of the applicable preferences, was lower than Bidder One (\$67,929.90) and Bidder Two (\$67,288.50).

Contract sales for fuel deliveries in locations listed as “Standard Delivery” would be calculated as follows: **The Anchorage OPIS Daily gross rack average in effect on the day of delivery for the type of fuel delivered plus the Mgt equals the TFC. The TFC times the number of gallons equals the total invoice amount.**