



## **STATE OF NEW JERSEY**

### **DIVISION OF PURCHASE AND PROPERTY REQUEST FOR INFORMATION ULTRA LOW SULFUR DIESEL AND BIODIESEL FUEL**

#### **PURPOSE**

The purpose of this Request for Information (RFI) is to solicit potential options, approaches and strategies from groups, individuals and organizations that are knowledgeable regarding the bidding and pricing in the public procurement of fuel, in particular, Ultra Low Sulfur Diesel and Biodiesel.

#### **BACKGROUND**

Bulk deliveries of gasoline, heating fuel, diesel and biodiesel fuel are made to over 225 State Using Agency locations Statewide under existing term contracts. These term contracts are also extended to cooperative purchasing partners that include quasi-state agencies, counties, municipalities, school districts, volunteer fire departments, first-aid squads, independent institutions of higher learning, County and State colleges.

The Purchase Bureau is currently developing an RFP and corresponding price methodology for the reprocurement of ultra low sulfur diesel and biodiesel fuel. Effective with the upcoming reprocurement, the Biodiesel Fuel term contract (T-1844) will be combined with the Ultra Low Sulfur Diesel term contract (T-1845).

On prior solicitations, the Purchase Bureau used a methodology based on the tank sizes for diesel fuel at the numerous Using Agency locations. However, the Purchase Bureau has had issues with the timeliness for submission of and also the accuracy of the information that has been provided by the Using Agencies for use on the price sheets regarding tank size, estimated quantity, contact information and other pertinent details. The individual State locations requiring bulk deliveries of diesel fuel were listed on the price sheets, grouped by county. Although the Director reserved the right to award by location, county, region or for the entire State; the awards were made by location.

On the current contract only one State location required bulk deliveries of biodiesel fuel. However, there was increasing usage by the Cooperative Purchasing participants. Therefore, the State was divided into four regions for bidding and award for use by cooperative purchasing participants for any future State Using Agency locations to be added over the term of the contract. In addition, each region was further broken down by biodiesel blend (B20, B10 & B5) and three ranges of delivered gallons: up to 1000 gallons, 1001-5000 gallons and over 5000 gallons. Awards were made for the one State location and by region, by blend, and delivered gallons.

The four regions for the previously bid and awarded biodiesel contract are as follows:

<u>NORTH</u>	<u>CENTRAL</u>	<u>CAPITOL</u>	<u>SOUTH</u>
Bergen	Hunterdon	Mercer	Atlantic
Essex	Middlesex		Burlington
Hudson	Monmouth		Camden
Morris	Ocean		Cape May
Passaic	Somerset		Cumberland
Sussex			Gloucester
Union			Salem
Warren			

The contract specifications and pricing information for current fuel contracts are available at <http://www.state.nj.us/treasury/purchase/pricelists.shtml>.

T-1845 Fuel Oil #1, 2D & Winter Mix [Diesel] (RFP 00-X- 30691)

T-1844 Biodiesel (RFP 08-X-39865)

T-0083 Gasoline (RFP 12-X-22122)

T-0077 Fuel Oil #2 --- Heating (RFP 12-X-22269)

Please note that this is an RFI, not a Request for Proposal (“RFP”). Responses to this RFI will not lead to a contractual relationship between a respondent and the State of New Jersey. It is anticipated that information received in response to this RFI will be used to develop appropriate documentation (such as an RFP) in support of a future procurement or procurements. While it is anticipated that many of the respondents to this RFI will be vendors, the Division solicits information from any interested relevant party on the topics described herein. All information submitted by respondents to this RFI shall be considered public information.

#### **PARTICULAR AREAS OF INTEREST**

The Purchase Bureau is looking for input on the advantages and disadvantages of the different scenarios for pricing and award for Ultra Low Sulfur Diesel; by individual locations, by region, by county or developed based on grouping of delivery locations. Respondents are encouraged to suggest other scenarios.

On previous contracts locations using Winter Mix had an additional line to price winter mix additive. There will be only one line for a Winter Mix Additive Allowance to be used by all locations throughout the State. The State will assign an allowance value rather than having each vendor bid their own charge. All vendors will use the same allowance. Any difference between this assigned value and any vendors’ own charge for Winter Mix will need to be incorporated into the upcharge/downcharge bid. The State is seeking input regarding what amount should be the assigned allowance value.

The Purchase Bureau welcomes the submission of any other relevant information from vendors, government entities or other interested parties to assist in the development of the RFP and price sheets for the procurement of ultra low sulfur diesel and biodiesel fuel.

#### **SUBMISSIONS IN RESPONSE TO THE RFI / CONTACT INFORMATION**

Responses to this RFI must be directed to:

New Jersey Division of Purchase and Property, Purchase Bureau  
Attention: Wilma Wilt  
33 West State Street, 8<sup>th</sup> floor  
P.O. Box 230  
Trenton, NJ 08625-0230  
Wilma.Wilt@treas.state.nj.us

Responses to this RFI must be received electronically and no later than April 12, 2012. Responses will be acknowledged electronically by return e-mail.

The Division reserves the right to use, adopt or incorporate any recommendations presented in the responses to this RFI in the development of an RFP for all or part of the procurement of any contracts for fuel.

Neither the Division nor the responding vendor or interested party has any obligation under this RFI. Issuance of this RFI does not obligate the State to any particular course of action with regard to any future fuel contract(s). Potential bidders and other interested parties that respond to this RFI are responsible for all costs associated with developing and submitting a response.

Please provide contact information for questions the State may have concerning this information.

In response to this RFI, the responding party is requested to supply the following information:

1. Introduction to the respondent's organization, and if the respondent is a vendor, government agency, or other interested party. If a vendor, please supply information such as location, years in business, size, number of customers, etc.).
2. Contact name(s) and information for questions the Division might have concerning this information and, if respondent is a vendor, the fuels and services offered.
3. If the respondent is a vendor, identification of similar current contracts for other government entities.
4. If the respondent is a government entity please identify your recent/relevant fuel procurements.
5. If the respondent is an "other" interested party please provide a clear indication of your interest.