



Master Agreement

Effective Date: 11/01/18

Expiration Date: 10/31/20

Master Agreement Description: 2018-2019 Heating Fuel- #2 & ULS Diesel

Buyer Information

Donny Crockett 207-287-5662 ext. Donny.Crockett@maine.gov

Issuer Information

Terry Demerchant 207-624-7334 ext. TERRY.L.DEMERCHANT@MAINE.GOV

Requestor Information

Terry Demerchant 207-624-7334 ext. TERRY.L.DEMERCHANT@MAINE.GOV

Agreement Reporting Categories

Reason For Modification: Extending for another year

Authorized Departments

ALL

Vendor Information

Vendor Line #: 1

Vendor ID

VC1000022542

Vendor Name

DEAD RIVER CO

Alias/DBA

Vendor Address Information

PO BOX 467

SCARBOROUGH, ME 04070-0467

US

Vendor Contact Information

David Luce

207-358-5787 ext.

Commodity Information

Vendor Line #: 1

Vendor Name: DEAD RIVER CO

Commodity Line #: 1

Commodity Code: 40512

Commodity Description: 2019-2020 Heating Fuel- #2 & ULS Diesel

Commodity Specifications: Fixed price thru 10/30/20:
#2 = \$2.2436 per gal. See contracts for margin pricing if reserved gallons have been exhausted.

Commodity Extended Description: As per the specifications attached and made part of this MA. Please attach invoices to Delivery Orders

Quantity	UOM	Unit Price
0.00000		0.000000
Delivery Days	Free On Board	
0	FOB Dest, Freight Prepaid	
Contract Amount	Service Start Date	Service End Date
0.00	11/01/18	10/31/20
Catalog Name	Discount	
	0.0000 %	
	Discount Start Date	Discount End Date

Terms and Conditions

Agreement Terms and Conditions

T&C #: 165

T&C Name:

T&C Details: Net 30



**FIXED PRICE AGREEMENT
ULTRA LOW SULFUR HEATING OIL
STATE OF MAINE**

Date: October 28th, 2019

Account No: 4101601

Dead River Company ("DRC") agrees to sell, and State of Maine, Department of Administrative and Financial Services ("Customer") agrees to purchase 1,000,000 gallons of Ultra-low sulfur #2 fuel oil ("Committed Gallons") for the period of November 1st, 2019 through October 31st, 2020 ("Contract Period") to be delivered at various locations (See attached for both current DRC and proposed locations).

The fixed price per gallon ("Contract Price") is \$2.2436 per gallon (including all taxes except sales, use, or new taxes) for a total amount of \$2,243,600.00.

This Contract ("Contract") provides that Dead River Company ("DRC") will sell, and the above-named customer ("You") will buy exclusively from DRC, the gallons of product shown above ("Committed Gallons") for the period shown above ("Contract Period") at the fixed price shown above, including all taxes except sales and use tax ("Contract Price"), to be delivered at the following address(es) shown above under the following conditions:

1. All gallons delivered will be temperature compensated.
2. **Requirements and Purchase Obligation:** You agree to purchase from DRC ALL requirements of the fuel type indicated for the Contract Period and shall not purchase from any other source during such period. The price of any fuel purchased in excess of the Committed Gallons will be reflected in the pricing addendum.
3. **Payment Terms Service and Equipment:** Charges to your account beyond the fuel charges described above (for example, for service or equipment purchases) shall be paid in full within 30 days of an approved invoice.
4. **Automatic Delivery:** DRC will deliver to the addresses listed above automatically, based upon projections calculated from historical consumption and weather. You should notify DRC of any changes in consumption expectations. Automatic delivery will continue after the term of the Contract Period. Also, please keep the path to the fill location clear for DRC's driver.

5. Limitation of Liability: DRC shall not be liable for any indirect or consequential damages whatsoever. Furthermore, DRC shall not be liable for damages incurred as a result of failure or delay in delivery of fuel as a result of circumstances beyond DRC's control, including but not limited to, force majeure, supplier interruptions, government mandated allocation, Your failure to notify DRC of consumption changes, or Your failure to keep the fill location clear.

6. New Taxes: The Contract Price set forth above may be increased by an amount equal to the increment of new taxes imposed on fuel sales not in effect at the time this Agreement was made.

7. Termination by DRC: DRC may terminate this Agreement and pursue legal remedies if You breach this Agreement in any way, including failing to pay for goods and services and/or the Committed Gallons covered by this Agreement, and/or by notifying DRC that you do not intend to fulfill the purchase requirements in paragraph 2, DRC may elect to cease deliveries and pursue damages and/or Liquidated Damages as set forth below.

8. Damages, and Liquidated Damages: See addendum

9. NOTICE OF PRICE RISK TO CONSUMER: The fixed price in this Agreement is based upon market conditions prevailing at the time of signing. You understand and agree that the price is fixed for the season regardless of whether market price goes up or down. You are agreeing to all of the Committed Gallons regardless of weather conditions reducing Your fuel requirements.

10. Downside Protection Option: If a Downside Protection fee is indicated in the Program Terms, You will pay the lower of DRC's standard daily retail price or the Fixed Rate Per Gallon for the Covered Gallons. If there is no downside protection fee indicated above, You have declined to purchase downside protection and will be charged the Fixed Rate Per Gallon for the Covered Gallons. Please initial indicating Your acceptance of the downside protection program: _____ (shall initial)

11. Fixed Price Contract Compliance: DRC's performance is secured by fixed price contracts and inventory in compliance with ME - 10 M.R.S.A. 1110(2), NH - R.S.A. §339:79, and VT - 9 V.S.A. §2461(e).

12. Gallons in Excess of Contract: For gallons in excess of contract, please see schedule below:

Region	Total Fixed Margin
Bangor	0.1300
Capitol	0.2200
Downeast	0.2800
Midcoast	0.1400
Northern	0.2500
Southern	0.1450
Western	0.2200

13. THIS IS A LEGALLY BINDING CONTRACT. PLEASE READ CAREFULLY BEFORE SIGNING BELOW. THIS AGREEMENT IS NOT BINDING UNLESS A SIGNED COPY IS RECEIVED BY DRC BY THE DEADLINE SPECIFIED ABOVE.

DEAD RIVER COMPANY

By:

Name: David Luce

Title: Commercial Account Manager

Date: October 28th, 2019

STATE OF MAINE

By: 

Name: Jaime C. Schorr

Title: Chief Procurement Officer

Date: 10-31-19

**Dead River Company "Program Terms" and "Terms and Conditions" Document
(hereinafter "Agreement")
between Dead River Company and the State of Maine**

- 1) If by March 1, 2020, the State of Maine appears to not be in a position to utilize the ultra-low sulfur heating oil (ULSHO) gallons covered in the above named Agreement, the Parties agree to discuss alternative resolutions to any Damages set forth in the above named Agreement, or as set forth below.
- 2) In the event that a volume shortfall results in actual financial damages to Dead River Company, the State of Maine agrees to compensate Dead River Company for the amount of said financial damage to be calculated in a reasonable manner and not as a penalty. Prior to the calculation of actual financial damages, Dead River Company must demonstrate to the State of Maine that it has made all commercially reasonable efforts to resell the State of Maine's volume shortfall gallons. Fixed price formula based on NYMEX ULSD Futures value of \$1.9975.
- 3) Per Paragraph 2 above, in the event that Dead River Company is able to resell the State of Maine's volume shortfall gallons at a price higher than its initial purchase price, and therefore not experience any actual financial damages, then Dead River Company shall provide the State of Maine with an account credit in an amount matching the monetary benefit received from the sale of Maine's unused gallon commitment.
- 4) It is hereby recognized by both parties that the above-named Agreement and this amendment are a result of State of Maine request for quotes.

DEAD RIVER COMPANY

By:

Name: David Luce

Title: Commercial Account Manager

Date:

STATE OF MAINE

By:

Name: Jaime C. Schorr

Title: Chief Procurement Officer

Date: 10-31-19