

**OKLAHOMA DEPARTMENT OF TRANSPORTATION
SPECIAL PROVISIONS
FOR
PRICE ADJUSTMENT FOR FUEL**

These special provisions revise, amend and where in conflict, supersede applicable sections of the 2009 Standard Specifications for Highway Construction, English and Metric.

(Add the following:)

109.13 PRICE ADJUSTMENT FOR FUEL

A price adjustment clause is included in this contract to provide additional compensation to the Contractor or a credit to the Department for fluctuations in fuel prices. This price adjustment is dependent upon a change in the average price of fuel which results in an increase or decrease in the price of products utilized on this project.

A. Payment

Payment will be made to the Contractor for monthly fluctuation in the price of diesel fuel used in performing the applicable items of earthwork as listed in Table 109:1 below when the fuel price fluctuates by more than 3% from the base price defined below. Payments may be positive, negative, or nonexistent depending on the circumstances. Payments or deductions will only be calculated on that portion of the fuel price fluctuation that exceeds the 3% specified above. Payments or deductions for the fuel price adjustment will be included in the Contractor's progressive estimates, and the payment or deduction authorized for each estimate will be based upon the algebraic difference between the quantities for applicable items of work.

The Fuel Price Adjustment will be a dollar amount paid as compensation to the Contractor, or as a credit to the Department as reflected on the Progressive (or Final) Estimate Summary Report as Line Item Adjustments.

B. Fuel Price Adjustment (FPA)

The Fuel Price Adjustment for the current estimate will be computed according to the following formula:

$$\text{FPA} = \text{Q} \times \text{F} \times \text{D}$$

where

- FPA = Fuel Price Adjustment, in dollars.
- Q = The algebraic difference between the quantities for the applicable items on the current estimate and the quantities shown on the previous estimate.
- F = The Fuel Use Factor for the applicable items of work subject to this price adjustment, as listed in Table 109:1.
- D = Allowable price differential, in dollars.

Table 109:1 Fuel Use Factors			
ITEM OF WORK	SPECIFICATION NUMBER	FUEL USE FACTOR PER UNIT (English and Metric units)	
Unclassified Excavation	202(A)	0.30 gal. per cubic yard	0.39 gal. per cubic meter
Unclassified Borrow	202(D)		
Embankments	202(F)		

When the units of measure in this contract for the items of work listed in the table do not correspond with the units shown in the table (i.e. Embankment paid lump sum, etc.), those items will not be subject to the terms of this special provision or any fuel price adjustment.

The allowable price differential, “D”, for the current estimate will be computed according to the following formulas:

<p>When the current price, P, is greater than the base price, P_(b).</p> $D = P - [1.03 \times P_{(b)}], \text{ but not less than zero.}$
<p>When the current price, P, is less than the base price, P_(b).</p> $D = P - [0.97 \times P_{(b)}], \text{ but not greater than zero.}$
<p>P, the fuel current price, in dollars per gallon, is the Monthly Fuel Price Index for the month in which the estimate pay period ends.</p>
<p>P_(b), the fuel base price in dollars per gallon, is the Monthly Fuel Price Index for the month in which the bids for the work were received.</p>

The Department will establish the Monthly Fuel Price Index each month and post the information to the ODOT website at:

<http://www.okladot.state.ok.us/contractadmin/pdfs/fuel-index.pdf>

C. Fuel Price Index Determination

The Monthly Fuel Price Index will be determined by using the 5-Day Average rack price for No. 2 Red-Dyed Distillate (Diesel Fuel) - ULS (Ultra Low Sulfur), as listed for Oklahoma City, in the Weekly Newsletter published by the Oil Price Information Service (OPIS). The issue of the Weekly Newsletter used will be for the last full week in the previous month received by the Department prior to the first day of the index month. If the specified publication ceases to be available for any reason, the Department, at its discretion, will select and begin using a substitute price source or index to establish the Monthly Fuel Price Index.

D. Differing Quantities

Items included in the contract that are listed in the table above are subject to adjustment in accordance with this provision, regardless of any amount of overrun to the plan quantity.

If the final audited quantity for an item deviates from the total quantity previously paid to date on the last progressive estimate for that item by ten percent (10%) or less, then the quantity for the item will be considered acceptable for the purposes of this provision only and no further fuel price adjustments, neither increase nor decrease, will be made.

If the final audited quantity deviates from the total quantity previously paid to date on the last progressive estimate by more than ten percent (10%) for an item, then the entire amount of the deviation will either be added for that item, or deducted in the case of an overpayment in quantities, based on prorating the amount of deviation in relation to the partial quantities and the index used for each specific pay period previously paid on each progressive estimate.

E. Extra Work

Any new earthwork items added to the contract by supplemental agreement that are listed in the table above, will be subject to the fuel price adjustments in accordance with this provision. The fuel base price, $P_{(b)}$, for any newly added eligible items will be the same $P_{(b)}$ as the eligible items in the contract and the new unit price established by supplemental agreement will be determined accordingly.