



Tender Evaluation/Fuel Consumption

Nalcor Energy (Buyer) is an environmental leader, and is ISO 14001 certified. One of the key elements of this certification is to continuously improve our environmental performance. In keeping with our commitments all vehicle tenders will be evaluated based upon the lowest Total Tendered Price for the vehicle meeting all conditions of the specification. The Total Tendered Price includes the tendered cost of the vehicle, PLUS the total cost of fuel consumption for a three year period.

Fuel costs per vehicle are based on 25,000 km driven per year for a total of 75,000 km (3 year period); with a ratio of 55% highway and 45% city driving. The cost per litre of fuel used in the calculation will be the Bloomberg Oil Buyer's Guide posted price for St. John's, Newfoundland as published on the Friday previous to tender closing. The total fuel costs will be added to the tendered price for the vehicle, by Buyer to determine the total bid price for the submission.

The bidder shall include the original equipment manufacturer's published fuel consumption information for the vehicle (litres per 100 km) with the bid submission. Both highway and city rates shall be included. The stated consumption will be validated against the results published in the Natural Resources Canada – Energuide. Where discrepancies exist, the Natural Resources – Energuide ratings will be used to calculate the fuel costs.

The total fuel costs will be determined by Buyer using the following formulas:

Highway Formula:

$(75,000 \text{ km} \times 55\% \times \text{hwy fuel consumption rate (L)})/100 = \text{Total Hwy Litres}$

City Formula:

$(75,000 \text{ km} \times 45\% \times \text{city fuel consumption rate (L)})/100 = \text{Total City Litres}$

$\text{Total Fuel Cost} = (\text{Total Hwy Litres} + \text{Total city Litres}) \times \text{Cost/L}$

Notes: The vendor is not required to add the fuel cost into the bid price quoted. The cost of the fuel will be included in the evaluation process by Buyer as a separate item.

In instances where the make/model of a vehicle which is indicated in the bid by any supplier is not listed in the Natural Resources – Energuide, the tender item will be evaluated using the vehicle cost submissions only. Fuel consumption rates will not be used to evaluate that specific item.