



*Tenderer to keep this Section*

## **SECTION B – SPECIFICATION**

Invitation to Tender (ITT)

### **Supply of Bulk Fuel, Norfolk Island**

ITT – 05/24

**All enquiries regarding the contents of this document should be directed to:**

**Invitation to Tender Enquiries:** Communication method via VendorPanel

**Invitation to Tender Website:** VendorPanel Public Tenders

**Tender Release Date:** 24 October 2024

**Closing Time and Closing Date:** 2:00 PM, 18 November 2024

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## 1. INTRODUCTION AND SCOPE

This Specification applies to the supply of bulk fuel to Norfolk Island. The Supplier must ensure that the Products under this Contract are carried out in accordance with, and address the requirements of this Specification.

The Supplier shall be responsible during the term of the Contract for the sale, supply, transport and delivery to NIRC of any and all fuel requirements of NIRC including but not limited to the supply of unleaded petroleum and diesel fuel compliant with all relevant Australian standards for such fuels, fuel delivery, transport, sale, supply and delivery of any other petroleum products and oil as and whenever requested or required by NIRC.

## 2. DEFINITIONS FOR SECTION B

In this Specification, except where the context requires otherwise:

Word/Phrase	Definition
<b>Contract</b>	Means a legally binding contract as agreed between NIRC and the Supplier as a result of this Invitation to Tender process.
<b>Delivery</b>	Means the delivery of the Products to the Delivery Point.
<b>Delivery Date</b>	Means the required date for Delivery set out in a Purchase Order for a Product or as otherwise agreed in writing.
<b>Delivery Point</b>	Means the point where the Products are discharged from the discharge nozzle to the Pipeline.
<b>Discharge Port</b>	Means the port located at Ball Bay, Norfolk Island.
<b>DPU</b>	Means the Incoterm, Delivered at Place Unloaded.
<b>Material Safety Data Sheets or MSDS</b>	Means the material safety data sheets for the Products, containing the material data relating to the Products.
<b>Forecast</b>	Has the meaning given in Section 4.1.
<b>NIRC</b>	Means Norfolk Island Regional Council ABN 60 103 855 713.
<b>Pipeline</b>	Means the above-ground pipeline situated at the Discharge Port that is used to discharge and transport fuel from the terminal at the Discharge Port.
<b>Products</b>	Mean the bulk fuel products Delivered by the Supplier to NIRC.
<b>Purchase Order</b>	Means a purchase order issued by NIRC to the Supplier for Products from time to time.
<b>Supplier</b>	Means the Tenderer whose Tender Response has been accepted by NIRC, and who, upon acceptance of the Tender Response by NIRC, will be called the Supplier from whom the Products may be procured.
<b>Tenderer</b>	Means a person or corporation who lodges a Tender Response in accordance with this Invitation to Tender.
<b>Territory</b>	Territory has the meaning given to it in the Norfolk Island Act 1979 (Cth).

## 3. PRODUCTS

### 3.1 Types

The primary Product types required by NIRC are:

- (a) Gasoil;
- (b) ULP and
- (c) Aviation fuel.

The Supplier is also required to provide supply and delivery of any other petroleum products and oil as and whenever requested or required by NIRC.

### 3.2 Product Specifications

The Supplier must supply fuel Products in accordance with the specifications in Annexure A, Annexure B and Annexure C.

The Supplier must provide an MSDS for each Product.

## 4. FORECASTING AND ORDERING

### 4.1 Forecasting

NIRC will on a quarterly basis, provide the Supplier with a Forecast of the Products it is likely to require each quarter for the next 12 months to assist the Supplier in ensuring availability of the Products based on NIRC's expected consumption (**Forecast**).

A Forecast is a non-binding estimate determined by NIRC using its best endeavours to determine its expected Product requirements and a new Forecast may vary any previous Forecast.

For the avoidance of doubt a Forecast does not impose any obligation on NIRC to issue a Purchase Order for any Products.

### 4.2 Estimated Quantity

The estimated volume throughput per annum is as follows.

Location	Products	Volume (MT p.a)
Norfolk Island	Diesel/Gasoil	1,400
	Unleaded Petrol (ULP)	850
<b>Total volume</b>		<b>3,160</b>

The above volume is based on the current annual consumption of NIRC.

Although this Invitation to Tender (and ensuing contract) is for the bulk fuel to NIRC, the Supplier may have the opportunity to also provide additional fuel for other entities on Norfolk Island.

### 4.3 Ordering

NIRC may issue a Purchase Order to the Supplier for Products from time to time.

A Purchase Order will be issued at least 60 days before the requested Delivery Date and shall include:

- (a) the grades and quantities of the Products to be supplied;
- (b) the price; and
- (c) the Delivery Date.

## **5. SUPPLY AND DELIVERY**

### **5.1 Delivery**

- (a) The Products are to be supplied in accordance with DPU and Delivery of a Product will take place on the date and at the time at which the relevant Product is delivered DPU to the Delivery Point.
- (b) The Supplier is required to deliver the Products to the Delivery Point on or before the Delivery Date.
- (c) Deliveries are to be made in bulk.
- (d) Delivery of the Products will normally be made within the Discharge Port's operating hours. The Supplier will use reasonable endeavours to deliver any emergency Products, which may occur outside the normal operating hours.
- (e) The Supplier is required to carry out all actions necessary to discharge and transport the Products from the tanker at the Discharge Port to the Pipeline including:
  - i. arranging for acceptance of fuel by NIRC so that discharge can proceed;
  - ii. connecting the hoses to the Pipeline intended to receive the Products;
  - iii. giving the necessary instructions for commencing and terminating the pumping of the Products;
  - iv. performing all actions necessary to carry out tanker discharge;
  - v. organising and completing all paperwork required for Products discharge;
  - vi. organising adequate staffing (including the provision of boat and boat-people) to enable the discharge works to take place;
  - vii. water drains after tanker discharge;
  - viii. testing of fuel;
  - ix. notifying NIRC that fuel has been tested and outcome of testing;
  - x. dips before and after discharge; and
  - xi. calculating the quantity of Products delivered.
- (f) Upon Delivery of the Products to the Delivery Point the Supplier will issue NIRC with a written confirmation of Delivery for each load containing the following information:
  - a. reference to the applicable Purchase Order;
  - b. the date of Delivery; and
  - c. a description of the Products, including the type of Products delivered, the quality and the quantity of the Products delivered.

### **5.2 Discharge Port Lessee**

NIRC has leased out the Discharge Port located at Ball Bay to a third party (Discharge Port Lessee), who as well as being lessee, will also provide fuel related services to NIRC including making the Discharge Port and Pipeline available to suppliers of fuel to NIRC.

Interactions between the Supplier and NIRC described in Sections 4 and 5, may be interactions between the Supplier and the Discharge Port Lessee (on behalf of NIRC).

## **6. ALTERNATE PROPOSALS**

Section 5 above describes delivery of Products via a tanker ship to the Discharge Point and Pipeline. Notwithstanding, NIRC welcomes Alternate Tender Responses which may propose alternative solutions and logistical arrangements for the delivery of Products to NIRC.

## **7. PRICE**

The price must be in Australian dollars (AUD) for Products supplied and delivered to NIRC.

Goods and Services Tax (GST) does not currently apply in the Territory and hence prices tendered must not include any amount on account of GST.

## **8. CONTRACT TERM**

The Contract term is for three (3) years with an extension option at the sole discretion of NIRC for an additional period of three (3) years.

## ANNEXURE A – PRODUCT SPECIFICATION: DIESEL/GAS OIL

**Product: Diesel/Gas Oil (0.05% or 500ppm Sulphur)**

PROPERTY	TEST METHOD	UNIT	SPECIFICATION LIMITS	
			MIN	MAX
APPEARANCE	ASTM D4176, PROC 2			HAZE RATING 2
ASH	ASTM D482	WT%		0.01
WATER & SEDIMENTS	ASTM D2709	VOL%		0.05
CARBON RESIDUE (ON 10% BOTTOM)	ASTM D4530/D 189	WT%		0.2
CETANE INDEX	ASTM D4737, PROC A/ASTM D976	-	46	
CLOUD POINT	ASTM D2500/D5773	°C		10
COLOUR	ASTM D1500	-		2.0
CORROSION, COPPER STRIP (3 HR @100°C)	ASTM D130	-		1
DENSITY AT 15°C	ASTM D4052/D 1298	KG/M <sup>3</sup>	820	860
<b>DISTILLATION</b>				
95% RECOVERY AT	ASTM D86	°C		371
FLASH POINT	ASTM D93	°C	62	
ODOUR (INDIRECT)	-	-	MARKETABLE	
TOTAL ACID NUMBER	ASTM D974/D644	MGKOH/G		0.30
STRONG ACID NUMBER	ASTM D974/D644	MGKOH/G		NIL
OXIDATION STABILITY (INSOLUBLES)	ASTM D2274	MG/100ML		2.5
SULPHUR <sup>1</sup> , TOTAL	ASTM D4294/D2622/ D4045/D5453	WT%		0.05
VISCOSITY (AT 40°C)	ASTM D445	CST		4.5

## ANNEXURE B – PRODUCT SPECIFICATION: UNLEADED PETROL

**Product: Unleaded Gasoline ULP (RON 91)**

PROPERTY	TEST METHOD	UNIT	SPECIFICATION LIMITS	
			MIN	MAX
APPEARANCE	VISUAL	-	CLEAR & BRIGHT, FREE OF UNDISSOLVED WATER AND SUSPENDED MATTER	
COLOUR	VISUAL	-	PURPLE/BRONZE	
CORROSION – COPPER STRIP (3 HRS @ 50°C)	ASTM D130/IP 154	-		1
DENSITY AT 15°C	ASTM D4052/D1298/IP 160	KG/L	REPORT	
DISTILLATION	ASTM D86/IP 123			
10% EVAPORATED AT		°C		65
50% EVAPORATED AT		°C	77	116
90% EVAPORATED AT		°C		185
FINAL BOILING POINT		°C		228
RESIDUE		VOL%		2
GUM - WASHED	ASTM D381/IP 131	MG/100ML		5
LEAD CONTENT	ASTM D3237/D5059/IP 224	G/L		0.013
OCTANE NUMBER				
ANTI-KNOCK INDEX (R+M)/2	CALCULATED ASTM D2699/D2700	-	86	
OXIDATION STABILITY (INDUCTION PERIOD)	ASTM D525/IP40	MINUTES	240	
PHOSPHORUS	ASTM D3231	G/L		0.0013
SULFUR	ASTM D4294/D2622/D1266/D4045/D5453/IP243	WT%		0.1
VOLATILITY				
RVP @ 37.80C (1000F)	ASTM D5191/D6378/D323/IP 69	KPA		79
DRIVEABILITY INDEX	ASTM D4814	-		586
VAPOUR/LIQUID RATIO = 20	ASTM D4814 APP X2	°C	51	



## ANNEXURE C – PRODUCT SPECIFICATION: AVIATION FUEL

**Product: JET A1 (DPK)**

PROPERTY	TEST METHOD	UNIT	SPECIFICATION LIMITS	
			MIN	MAX
APPEARANCE	VISUAL	-	CL & BR	-
SAYBOLT COLOUR	ASTM D156	-	+18	
TOTAL PARTICULATE CONTAMINANT	ASTM 5452	MG/L		1.0
PARTICLE COUNTS $\geq 4\mu\text{M(C)}$	IP 564	-		
PARTICLE COUNTS $\geq 6\mu\text{M(C)}$	IP 564	-		
PARTICLE COUNTS $\geq 14\mu\text{M(C)}$	IP 564	-		
PARTICLE COUNTS $\geq 21\mu\text{M(C)}$	IP 564	-		
PARTICLE COUNTS $\geq 25\mu\text{M(C)}$	IP 564	-		
PARTICLE COUNTS $\geq 30\mu\text{M(C)}$	IP 564	-		
ISO CODE WRT PARTICLE COUNTS $\geq 4\mu\text{M(C)}$	IP 564	-		
ISO CODE WRT PARTICLE COUNTS $\geq 6\mu\text{M(C)}$	IP 564	-		
ISO CODE WRT PARTICLE COUNTS $\geq 14\mu\text{M(C)}$	IP 564	-		
ISO CODE WRT PARTICLE COUNTS $\geq 21\mu\text{M(C)}$	IP 564	-		
ISO CODE WRT PARTICLE COUNTS $\geq 25\mu\text{M(C)}$	IP 564	-		
ISO CODE WRT PARTICLE COUNTS $\geq 30\mu\text{M(C)}$	IP 564	-		
TOTAL ACIDITY	ASTM D3242	MGKOH/G		0.015
AROMATICS	ASTM D1319	VOLPCT		25.0
SULPHUR (MASS PCT=WT PCT)	ASTM D4294	MASSPCT		0.30
MERCAPTAN SULFUR	ASTM D3227	WTPCT		0.0030
NON HYDROPROCESSED COMPONENTS	REPORT	VOLPCT		
MILDLY HYDROPROCESSED COMPONENTS	REPORT	VOLPCT		
SEVERELY HYDROPROCESSED COMPONENTS	REPORT	VOLPCT		
SYNTHETIC COMPONENTS (0.0 = NIL)	REPORT	VOLPCT		50
DISTILLATION IBP	ASTM D86	$^{\circ}\text{C}$		
DISTILLATION 10% RECOVERED	ASTM D86	$^{\circ}\text{C}$		205.0

DISTILLATION 50% RECOVERED	ASTM D86	°C		
DISTILLATION 90% RECOVERED	ASTM D86	°C		
DISTILLATION FBP	ASTM D86	°C		288.0
DISTILLATION RESIDUE	ASTM D86	VOLPCT		1.5
DISTILLATION LOSS	ASTM D86	VOLPCT		1.5
FLASHPOINT BY ABEL	IP 170	°C	39.0	
DENSITY @ 15°C	ASTM D4052	KG/M <sup>3</sup>	775.0	840.0
DENSITY @ 15°C UPPER	ASTM D4052T	KG/L	0.7750	0.8400
DENSITY @ 15°C MIDDLE	ASTM D4052M	KG/L	0.7750	0.8400
DENSITY @ 15° LOWER	ASTM D4052B	KG/L	0.7750	0.8400
FREEZING POINT - MANUAL	ASTM D2386	°C		-47.0
VISCOCITY @ -20°C	ASTM D445	MM <sup>2</sup> /S		8.000
SMOKE POINT AND	ASTM D1322	MM	19.0	
NAPHTHALENE HYDROCARBONS	ASTM 1840	VOLPCT		3.00
NET HEAT OF COMBUSTION, SULPHUR CORRECTED	ASTM 3338	MJ/KG	42.80	
COPPER CORROSION (2HRS AT 100°C	ASTM D130	-		1
JFTOT CONTROL TEMPERATURE	ASTM D3241	°C	260	
JFTOT TUBE DEP RATING	ASTM D3241	-		<3
JFTOT FIL PRESSUE DIFFERENTIAL	ASTM D3241	MMHG		25
EXISTENT GUM, AIR MEDIUM	IP 540	MG/100ML		7
MSEP W/O STADIS	ASTM D3948	-	85	
MSEP WITH STADIS	ASTM D3948	-	70	
CONDUCTIVITY	ASTM D2624	PS/M	150	600
LUBRICITY (WEAR SCAR DIAMETER)	ASTM D5001	MM		0.85
WICK CHAR, MG/KG	IP 10	MG/KG		20
ODOR	ODOR	-	MKTBL	
ANTIOXIDANT (0.0 = NIL ADDITION)	DECLARED	MG/L	17.0	24.0
AO QUALIFICATION REFERENCE	DECLARED	-		(RDE/A/
META DEACTIVATOR	DECLARED	MG/L		NIL ADDN

STATDIS 450 RDE/A/621, STDOPING 0.0 = NIL ADDITION	DECLARED	MG/L		3.0
STADIS 450, REDOPING- CUMULATIVE 0.0 = NIL ADDITION	DECLARED	MG/L		5.0
FATTY ACID METHYL ETHER (FAME)	DECLARED	MG/KG		NIL ADDN