



Department of Administration
 Purchasing Division
 2019 Washington Street East
 Post Office Box 50130
 Charleston, WV 25305-0130

State of West Virginia
Master Agreement

Order Date: 2016-04-18

CORRECT ORDER NUMBER
 MUST APPEAR ON ALL PACKAGES,
 INVOICES, AND SHIPPING PAPERS.
 QUESTIONS CONCERNING THIS
 ORDER SHOULD BE DIRECTED TO
 THE DEPARTMENT CONTACT.

Order Number: CMA 0212 0212 FUELTT14A	Procurement Folder: 175
Document Name: Change Order #3 - FUELTT14A	Reason for Modification: Change Order 3: To renew original contract with the same terms and conditions, specifications, and pricing, as well as to update motor fuel tax rate.
Document Description: FUEL TRUCK TRANSPORT	
Procurement Type: Statewide MA (Open End)	
Buyer Name: Beth Collins	
Telephone: (304) 558-2157	
Email: beth.a.collins@wv.gov	
Shipping Method: Best Way	Effective Start Date: 2014-04-01
Free on Board: FOB Dest, Freight Prepaid	Effective End Date: 2016-06-30

VENDOR	DEPARTMENT CONTACT
Vendor Customer Code: 000000203379 J L BRANNON INC PO BOX 870 PINCH WV 25156870 US Vendor Contact Phone: (999) 999-9999 Extension: Discount Percentage: 0.0000 Discount Days: 0	Requestor Name: Frank Whittaker Requestor Phone: (304) 558-2316 Requestor Email: frank.m.whittaker@wv.gov

INVOICE TO	SHIP TO
ALL STATE AGENCIES VARIOUS LOCATIONS AS INDICATED BY ORDER No City WV 99999 US	STATE OF WEST VIRGINIA VARIOUS LOCATIONS AS INDICATED BY ORDER No City WV 99999 US

AGENCY COPY

Total Order Amount	Open End
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BC
18AP110

PURCHASING DIVISION AUTHORIZATION SIGNED BY: <i>[Signature]</i> DATE: 4/18/2016 ELECTRONIC SIGNATURE ON FILE	ATTORNEY GENERAL APPROVAL AS TO FORM SIGNED BY: <i>[Signature]</i> DATE: 5/4/16 ELECTRONIC SIGNATURE ON FILE	ENCUMBRANCE CERTIFICATION SIGNED BY: <i>[Signature]</i> DATE: <i>[Signature]</i> ELECTRONIC SIGNATURE ON FILE
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Extended Description:

Change Order 03

Change Order No.03 is issued to renew the original contract according to all terms, conditions, prices and specifications contained in the original contract including all authorized change orders.
Effective date of renewal 04/01/2016 through 06/30/2016. The company is planning to dissolve after this date.

Also this change order is to update the variable tax rate of the motor fuel tax rate, the variable motor fuel tax rate dropped to \$0.127 per gallon, the flat rate component of the motor fuel tax rate is \$0.205 per gallon resulting in the combined tax rate of \$0.332 per gallon, per the attached documentation.
Effective date of tax rate change is 01/01/2016.

All provisions of the original Contract and subsequent Change Orders not modified herein shall remain in full force and effect.

No other changes.

Line	Commodity Code	Manufacturer	Model No	Unit	Unit Price
1	15100000			LS	\$0.000000
	Service From	Service To			

Commodity Line Description: FUEL TRUCK TRANSPORT

Extended Description:

FUELTT14A	Document Phase Draft	Document Description FUEL TRUCK TRANSPORT	Page 3 of 3
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ADDITIONAL TERMS AND CONDITIONS

See attached document(s) for additional Terms and Conditions



EARL RAY TOMBLIN
GOVERNOR

STATE OF WEST VIRGINIA
DEPARTMENT OF ADMINISTRATION
PURCHASING DIVISION
2019 WASHINGTON STREET, EAST
CHARLESTON, WEST VIRGINIA 25305-0130

MARY JANE PICKENS
ACTING CABINET SECRETARY
DAVID TINCHER
DIRECTOR

Mr. John L. Brannon, President
J. L. Brannon, Inc.
Oasis Vendor ID: *203379
P.O. Box 870
Pinch, WV 25156
Fax: 304-965-6252

Subject: SWC FUELTT14A

Dear Mr. Brannon:

JUNE 30, 2016

The above referenced statewide contract expires on: March 31, 2016. Under the provisions of the original contract, The State of West Virginia is offering to renew subject contract under the same terms, conditions and pricing. The renewal dates are: April 1, 2016 through ~~March 31, 2017~~. If you as the vendor agree to this renewal, this leaves the contract with zero (0) renewals left and only the twelve (12) month reasonable time extension per the terms and conditions of the original contract.

If you are in agreement to renew this contract under the same specifications, terms and conditions and pricing as the original contract, please sign and date below.

Also attached is a **Purchasing Affidavit** that is to be part of the purchase order and is required to be signed and dated.

Please call if you have any questions.

Sincerely,

Beth A. Collins, Senior Buyer
beth.a.collins@wv.gov
Direct: 304.558.2157

Attachment: Purchasing Affidavit

We agree to renew the contract for the period as stated above under the same terms and conditions in the original purchase order and any change orders thereto.

Signature

March 23, 2016

Date

John L. Brannon

Printed Name

President

Title

Brannon Oil

Company

5

March 10, 2016

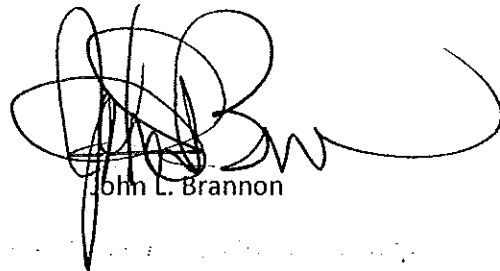
State of West Virginia
Department of Administration
Purchasing Division
2019 Washington Street East
Post Office Box 50130
Charleston, WV 25305-0130
Beth A. Collins, Senior Buyer

Re: Fuel TT 14A - FuelTW 14A

Dear Ms Collins

We regret to inform you that effective June 30, 2016, we will be retiring and ceasing our operations. Pursuant to Paragraph 3 of the Contract entered into by J. L. Brannon, Inc. with an effective date of April 1, 2014, please accept this as our 30 days written notification of our desire to terminate the Contract. If needed we would be willing to continue to provide services under the contract until June 30, 2016+, but not after that date. Please notify me if additional services will be necessary.

If you have any questions, please feel free to contact me.



John L. Brannon



STATE OF WEST VIRGINIA
Department of Revenue
State Tax Department

Earl Ray Tomblin
Governor

Mark W. Matkovich
State Tax Commissioner

FILED

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OFFICE OF THE SECRETARY OF STATE

ADMINISTRATIVE NOTICE 2015-26

Notice of Determination of Average Wholesale Price of Motor Fuel for the Period of January 1, 2016 to December 31, 2016 for the Purposes of the West Virginia Motor Fuel Excise Tax.

This Administrative Notice sets forth the determination of the average wholesale price of conventional motor fuels and "alternative" motor fuels for the 2016 calendar year. The motor fuel tax is composed of a flat rate equal to \$0.205 per invoiced gallon or, for alternative fuel, per each gasoline gallon equivalent, plus a variable component of 5 percent of the average wholesale price of each fuel. Alternative fuel includes butane, compressed natural gas (CNG), liquefied natural gas (LNG), liquefied petroleum gas (LPG or propane), and other specified fuels.

Notice is hereby issued, in accordance with Section 11-14C-5 of the West Virginia Code and based upon available information for the preceding review period, the average wholesale prices of motor fuels for purposes of the West Virginia Motor Fuel Excise Tax for the period beginning January 1, 2016 and ending December 31, 2016, inclusive are as follows:

Average Wholesale Price

Motor Fuel	Average Wholesale Price
Conventional Motor Fuels (Gasoline, Diesel, Kerosene, etc. unless otherwise outlined below)	\$2.537 per gallon
Compressed Natural Gas (CNG)	\$4.695 per 1,000 cubic feet of natural gas
Liquefied Natural Gas (LNG)	\$0.383 per gallon of LNG
Liquefied Petroleum Gas (LPG – Propane)	\$1.094 per gallon of LPG
Field Gas	\$1.321 per 1,000 cubic feet of natural gas

All references to cubic feet are based on measurement at standard pressure and temperature of 14.73 pounds of pressure per square inch at 60° Fahrenheit.

The calculation of the average wholesale prices shown above includes information from Oil Price Information Service (OPIS) for conventional motor fuels and liquefied petroleum gas (LPG – Propane), U. S. Energy Information Administration for natural gas, and Natural Gas Intelligence (NGI) for field gas.

WEST VIRGINIA STATE TAX DEPARTMENT
COMMISSIONER'S OFFICE
PO BOX 11771
CHARLESTON, WV 25339-0751
TELEPHONE (304) 558-0751
FAX (304) 558-8999

Motor Fuel Excise Tax Rates – January 1, 2016 – December 31, 2016

Conventional Motor Fuels:

For gasoline, diesel, kerosene, and related products, the **average wholesale price** per gallon is \$2.537 for the period beginning January 1, 2016 and ending December 31, 2016, inclusive. The **variable component** computed thereon shall be \$0.127 per gallon (\$2.537 x 5% = \$0.127). The **flat rate component** of the Motor Fuel Tax on conventional motor fuels is \$0.205 per gallon resulting in a **combined tax rate of \$0.332 per gallon**. This average wholesale price per gallon (\$2.537), the variable component tax computed thereon (\$0.127 per gallon), and the flat rate component (\$0.205 per gallon) shall apply to all gallons of gasoline, diesel, kerosene, and related products sold, purchased, or used in this State during the period beginning January 1, 2016 and ending December 31, 2016, inclusive, regardless of whether the actual purchase price of such motor fuel is more or less than \$2.537 per gallon.

Compressed Natural Gas (CNG):

For compressed natural gas the **average wholesale price** on a per 1,000 cubic feet basis shall be \$4.695 per 1,000 cubic feet for the period beginning January 1, 2016 and ending December 31, 2016, inclusive. The **variable component** computed thereon shall be \$0.235 per 1,000 cubic feet (\$4.695 x 5% = \$0.235). The **flat rate component** of the Motor Fuel Tax on compressed natural gas is \$1.618 per 1,000 cubic feet of compressed natural gas:

$\frac{\$0.205 \text{ per Gal. of conventional fuel}}{126.67 \text{ cubic feet of CNG GGE}}$	=	$\$0.001618378 \text{ GGE per CF}$	x	$1,000 \text{ cubic feet}$	=	$\$1.618 \text{ per 1,000 cubic feet CNG flat rate component}$
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The **combined tax rate is \$1.853 per 1,000 cubic feet**: (\$0.235 variable component + \$1.618 flat rate component = \$1.853 per 1,000 cubic feet). This average wholesale price per 1,000 cubic feet (\$4.695), the variable component tax computed thereon (\$0.235 per 1,000 cubic feet), and the flat rate component (\$1.618 per 1,000 cubic feet) shall apply to all units of compressed natural gas sold, purchased, or used in this State during the period beginning January 1, 2016 and ending December 31, 2016, inclusive, regardless of whether the actual purchase price of such motor fuel is more or less than \$4.695 per 1,000 cubic feet. The tax rates for compressed natural gas specified in terms of the gasoline gallon equivalent (126.67 cubic feet or 5.66 pounds) are shown in the table on the last page of this notice.

Liquefied Natural Gas (LNG):

For liquefied natural gas the **average wholesale price** on a per 1,000 cubic feet basis shall be \$4.695 per 1,000 cubic feet for the period beginning January 1, 2016 and ending December 31, 2016, inclusive. The average wholesale price of liquefied natural gas in terms of GGE LNG gallons is \$0.383 per gallon (\$4.695 per 1,000 cubic feet ÷ 1,000 cubic feet x 126.67 cubic feet per 1.554 gallons). The **variable component** computed thereon shall be \$0.019 per gallon of LNG (\$0.383 X 5% = \$0.019). The **flat rate component** of the Motor Fuel Tax on liquefied natural gas is \$0.132 per gallon of liquefied natural gas (\$0.205 / gallon of conventional fuel ÷ 1.554 gallons of LNG GGE = \$0.132 per

gallon of LNG) resulting in a **combined tax rate of \$0.151 per gallon**. This average wholesale price per gallon (\$0.383), the variable component tax computed thereon (\$0.019 per gallon), and the flat rate component (\$0.132 per gallon) shall apply to all gallons of liquefied natural gas sold, purchased, or used in this State during the period beginning January 1, 2016 and ending December 31, 2016, inclusive, regardless of whether the actual purchase price of such motor fuel is more or less than \$0.383 per gallon.

Liquefied Petroleum Gas (LPG – Propane):

For liquefied petroleum gas (propane) the **average wholesale price** per gallon is \$1.094 for the period beginning January 1, 2016 and ending December 31, 2016, inclusive. The **variable component** computed thereon shall be \$0.055 per gallon equivalent (\$1.094 X 5% = \$0.055). The **flat rate component** of the Motor Fuel Tax on liquefied petroleum gas is \$0.150 per gallon of liquefied petroleum gas (\$0.205/gallon of conventional fuel ÷ 1.367 gallons of LPG GGE = \$.150 per gallon LPG), resulting in a **combined tax rate of \$0.205 per gallon** of LPG. This average wholesale price per gallon (\$1.094), the variable component tax computed thereon (\$0.055 per gallon), and the flat rate component (\$0.150 per gallon), shall apply to all gallons of liquefied petroleum gas sold, purchased, or used in this State during the period beginning January 1, 2016 and ending December 31, 2016, inclusive, regardless of whether the actual purchase price of such motor fuel is more or less than \$1.094 per gallon of liquefied petroleum gas.

Field Gas:

For field gas the **average wholesale price** on a per 1,000 cubic feet basis shall be \$1.321 per 1,000 cubic feet for the period beginning January 1, 2016 and ending December 31, 2016, inclusive. The **variable component** computed thereon shall be \$0.066 per 1,000 cubic feet (\$1.321 X 5% = \$0.066). The **flat rate component** of the Motor Fuel Tax on field gas is \$1.618 per 1,000 cubic feet of field gas.

$\frac{\$0.205 \text{ per Gal. of conventional fuel}}{126.67 \text{ cubic feet of natural gas GGE}}$	=	$\frac{\$0.001618378 \text{ GGE per CF}}{1,000 \text{ cubic feet}}$	x	$1,000 \text{ cubic feet}$	=	$\frac{\$1.618 \text{ per 1,000 cubic feet CNG flat rate component}}{1,000 \text{ cubic feet}}$
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The **combined tax rate is \$1.684 per 1,000 cubic feet**: (\$0.066 variable component + \$1.618 flat rate component = \$1.684). This average wholesale price per 1,000 cubic feet (\$1.321), the variable component tax computed thereon (\$0.066 per 1,000 cubic feet), and the flat rate component (\$1.618 per 1,000 cubic feet), shall apply to all gallons of field gas sold, purchased, or used in this State during the period beginning January 1, 2016 and ending December 31, 2016, inclusive, regardless of whether the actual purchase price of such field gas used as a motor fuel is more or less than \$1.321 per 1,000 cubic feet.

For purposes of this notice:

“Field equipment” means generators, compressors, engines, micro turbines, turbines, or any other internal combustion engine, motor or apparatus used to power drilling rigs, well head equipment, gas processing units, compressors or compressor stations, fractionating plants or any other equipment or apparatus used directly or indirectly in

the production, gathering, transportation or processing of natural gas or natural gas liquids or associated products.

"Field gas" means natural gas or any derivative thereof, extracted from a production well, gathering system, pipeline, main or transmission line that is used as motor fuel to power field equipment. The term "field gas" does not include compressed natural gas, liquefied natural gas, liquefied petroleum gas, gasoline, diesel, kerosene or other fuels.

"GGE" means gasoline gallon equivalent.

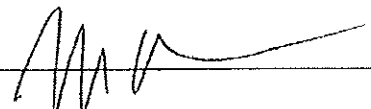
"Natural gas" means a mixture of hydrocarbons (e.g., methane, ethane, or propane), produced in geological formations beneath the Earth's surface that maintains a gaseous state at standard atmospheric temperature and pressure under ordinary conditions, composed of at least 70 percent methane by volume.

Motor Fuel Tax Rates – January 1, 2016 to December 31, 2016

Motor Fuel	Flat Rate Tax	Variable Rate Tax	Combined Rate
Conventional Motor Fuels (Gasoline, Diesel, Kerosene, etc. unless otherwise outlined below)	\$0.205 per gallon	\$0.127 per gallon	\$0.332 per gallon
Compressed Natural Gas (CNG)	\$1.618 per 1,000 cubic feet	\$0.235 per 1,000 cubic feet	\$1.853 per 1,000 cubic feet
Compressed Natural Gas (CNG) – GGE Measure	\$0.205 per 126 cubic feet	\$0.030 per 126 cubic feet	\$0.235 per 126 cubic feet
Liquefied Natural Gas (LNG)	\$0.132 per gallon	\$0.019 per gallon	\$0.151 per gallon
Liquefied Petroleum Gas (LPG – Propane)	\$0.150 per gallon	\$0.055 per gallon	\$0.205 per gallon
Field Gas	\$1.618 per 1,000 cubic feet	\$0.066 per 1,000 cubic feet	\$1.684 per 1,000 cubic feet

Notice of this determination will be filed in the West Virginia Register.

Issued: November 20, 2015



Mark W. Matkovich
Tax Commissioner

Collins, Beth A

From: Crawford, Eric N
Sent: Wednesday, March 30, 2016 11:24 AM
To: Collins, Beth A
Cc: Chapman, Keith E; Moorman, Angie J; Catalano, Maria A
Subject: RE: Fuel Previous change order
Attachments: AdministrativeNotice.2015-26.pdf

Beth,

Per State Tax Department Administrative Notice 2015-26, effective 01/01/2016, the variable rate component of the Motor Fuel Tax dropped to \$0.127 per gallon. The flat rate component of the Motor Fuel Tax is \$0.205 per gallon resulting in a combined tax rate of \$0.332 per gallon.

Eric

From: Collins, Beth A
Sent: Tuesday, March 29, 2016 10:15 AM
To: Crawford, Eric N
Subject: Fuel Previous change order

Thank you both for your assistance in this this morning. I have attached the previous one along with the emails I had forwarded to Angie. I appreciate it. Just please verify it and insert a memorandum in regards from DOT that these are correct changes and the effective date.

Again thank you!

Beth Collins

Senior Buyer

West Virginia State Purchasing Division

2019 Washington Street East, Building 15

Charleston, WV 25305

(304) 558-2157 (Phone)

(304) 558-3970 (Fax)

Beth.A.Collins@wv.gov