

City of Winnipeg Public Works – fuel cost adjustment clause

- Fuel Adjustment Procedure for Road Renewal Contracts
 - Fuel cost adjustments may result in additional payment to the Contractor or credit to the City within the contract by way of a monthly change order.
 - A base fuel index (BFI) will be the retail price of fuel identified when the project is tendered (unless updated by addendum) based on latest published “Monthly average retail prices for gasoline and fuel by geography” for Winnipeg, published by [Statistics Canada, Table 18-10-0001-01](#). The BFI is proposed to be a blended rate based on 15% regular unleaded gasoline at self-service filling stations and 85% diesel fuel at self-service filling stations.
 - A current fuel index (CFI) based on the above blended rate would be determined for each monthly progress estimate and applied on the following progress estimate as a change order once rates are published by Statistics Canada.
 - No fuel escalation or de-escalation adjustment will be applied if the CFI is within $\pm 15\%$ of the BFI.
 - A set Fuel Factor (FF) rate (2.7% for Public Works road renewal contracts proposed) of the monetary value of all work completed that month based on the contract unit prices will be used to calculate the assumed apportioned cost of fuel on the project.
- For bridge work, CoW will review the fuel factor rate and adjust based on scope of work.
- For tenders closed between December 1, 2021 and the date the Fuel Adjustment Clause is included in advertised tenders, where adjustment is desired
 - requires a Contractor Initiated Change to add the fuel adjustment clause to all contracts awarded or expected to be awarded to them during that time period (ie. no cherry picking).
 - base rates calculated from the Published Statistics Canada rates at the time of tender closing. The adjustment will apply to work that commenced on or after May 1, 2022.
- For planned multi-year projects or carry-over projects with available contract working days, awarded earlier in 2021, where an adjustment is desired
 - Requires Contractor Initiated Change to add the fuel adjustment clause for the remaining work that commences on or after May 1, 2022.
 - base rates calculated from the published Statistics Canada rates at the time of tender closing.
- Fuel escalation adjustments *will not be considered* beyond the contract date or contract working days specified for Substantial Performance/Critical Stages except where those dates/working days are adjusted through a change order.
 - Fuel de-escalation adjustments will apply for work that extends beyond the contract dates or contract working days specified for Substantial Performance/Critical Stages.