

AMENDMENT NO. THREE TO CONTRACT NO. 31165 31165

RE: Extension of Contract No. 31165 (PA-01009) for Furnishing and Delivering ~~street-sweeper brooms~~ to the City of Long Beach (BPPW09000061) LNG Fuel

This Amendment to Contract No. 31165 is made and entered as of November 1, 2011 by and between the CITY OF LONG BEACH, a municipal corporation, and **APPLIED LNG TECHNOLOGIES. (Contractor)**.

Contract No. 31165 is amended by mutual agreement of the parties and as indicated below by a check or other mark preceding the appropriate amendment:

- X 1. Extend term to 04/01/2012.
2. No funds added at this time
3. Prices during this period shall remain firm.
- X 4. The price for certain items shall be increased as shown on Exhibit "A", which is attached hereto and incorporated herein by this reference.
5. The price for certain items shall be decreased as shown on Exhibit "A", which is attached hereto and incorporated herein by this reference.
6. The discount offered to the City is increased by %.
7. The items or locations identified on Exhibit "B", which is attached hereto and incorporated herein by this reference, are hereby deleted from the Contract.
8. The locations identified on Exhibit "B", which is attached hereto and incorporated herein by this reference, are hereby added to the Contract.
9. Current permits, licenses, insurance and other required information are enclosed as Addendum No. 1.

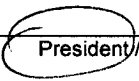
Except as expressly amended above, all terms and conditions in this Contract are ratified and confirmed and remain in full force and effect. Executed with all formalities required by law as of the date first stated above.

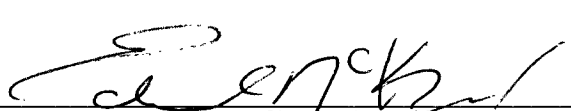
Attach Notary if Out-of-State Contractor

CONTRACTOR:

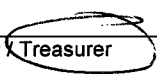

(Signature)

Cem HACIOGLU
(Print / Type Name)

 President / Vice President / Secretary / Treasurer
(circle one)


(Signature)

Edward McKenzie, JR
(Print / Type Name)

 President / Vice President / Secretary / Treasurer
(circle one)

THE CITY OF LONG BEACH:

By:  **Assistant City Manager**
City Manager

**EXECUTED PURSUANT
TO SECTION 301 OF
THE CITY CHARTER.**

Approved as to form:

ROBERT E. SHANNON, City Attorney

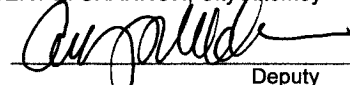
By:  Deputy

EXHIBIT "A"
AMENDMENT NO. THREE TO CONTRACT NO. 31165
FURNISHING AND DELIVERING LNG FUEL TO THE CITY OF LONG
BEACH
LNG Pricing Provision Effective November 1, 2011

Current Pricing Provision:

Pricing fluctuates monthly based upon the average of the monthly indexes for "PG&E South" and "Southern California Gas Company", as published monthly in Platt's Inside F.E.R.C Gas Market Report.

Pricing Calculation is as follows (based upon October 2011 Gas Indexes):

Average Index Price (SoCal--\$3.94; PG&E South--\$3.93; Average--\$3.94)

Gas Price Converted to MMBTU:	\$.3255
Liquefaction Charge	\$.3675
Shipping Expense	<u>\$.1600</u>
Total Price Per LNG Gallon	<u>\$.8530</u>

Proposed Pricing Provision (effective November 1, 2011):

Pricing fluctuates monthly based on the "Southern California Gas Company" (SoCal), as published monthly in Platt's Inside F.E.R.C Gas Market Report. Gas Price Converted to MMBTU (SoCal/12.104) times plant multiplier (1.2) plus Liquefaction Charge and Transportation.

Liquefaction Charge to increase to \$.4500 per LNG Gallon, from \$.3675 per LNG Gallon until the end of 2011 and will increase thereafter by \$.0250 monthly for a maximum of 12 months from the effective date. Add in the Plant multiplier of 1.2 or \$0.0651 per LNG Gallon.

Pricing Example: ((SoCal/12.104 Gas Price Converted to MMBTU) * 1.2 Plant Multiplier) + \$0.4500 Liquefaction Charge + \$0.1800 Shipping Expense

October Example: ((\$3.94/12.104)*1.2) + \$0.45 + \$0.18 = \$1.0206

Gas Price Converted to MMBTU:	\$.3255
Plant Multiplier	\$.0651
Liquefaction Charge	\$.4500
Shipping Expense	<u>\$.1800</u>
Total Price Per LNG Gallon	<u>\$1.0206</u>

Revised price per LNG gallon based upon October 2011 Gas Indexes and the proposed Liquefaction Charge would be \$1.0206 per LNG Gallon.

Proposed pricing to commence with deliveries on or after November 1, 2011.

ACKNOWLEDGMENT

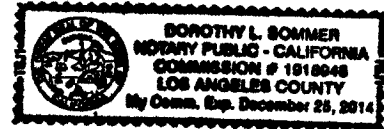
State of California
County of Los Angeles

On November 1, 2011 before me, Dorothy L. Sommer, Notary Public
(insert name and title of the officer)

personally appeared CEM HACIOGLU & EDWARD MC KENNA-----
who proved to me on the basis of satisfactory evidence to be the person(s) whose name(s) ~~is~~/are
subscribed to the within instrument and acknowledged to me that ~~he~~/she/they executed the same in
his/~~her~~/their authorized capacity(ies), and that by ~~his~~/her/their signature(s) on the instrument the
person(s), or the entity upon behalf of which the person(s) acted, executed the instrument.

I certify under PENALTY OF PERJURY under the laws of the State of California that the foregoing
paragraph is true and correct.

WITNESS my hand and official seal.



Signature Dorothy L. Sommer (Seal)



November 1, 2011

City of Long Beach
Business Relations/Purchasing Division
Attn: Michelle King
333 West Ocean Blvd., 7th Floor
Long Beach, CA 90802

Via: ^{UPS}~~Federal Express~~

Re: Amendment No. Three to Contract No. 31165

Dear Ms. King:

Enclosed please find two originals of the above referenced amendment. Please note that the attachments propose a price increase in the pricing of LNG as well as the addition of the Plant Multiplier of 1.2, effective as of November 1, 2011. Also, for simplicity we will no longer be offering the average of two indexes as our plant only operates on one gas source (SoCal).

We appreciate the opportunity to serve your LNG needs. Please contact me directly via my cell phone (#949-294-9435) should you have any questions or additional requirements.

Sincerely,

Scott M. Johns

Vice President of Sales
Applied Natural Gas Fuels, Inc.
Applied LNG Technologies, LLC.

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Main: (818) 450-3650
Fax: (818) 450-3660
Email: sjohns@altlng.com
Website: www.altlng.com

APPLIED LNG TECHNOLOGIES (ALT)

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