

**AMENDMENT NO. TWO TO CONTRACT NO. 32709**

**32709**

**RE: Renewal No. Two of Contract No. 32709 (PA-00212) for Furnishing and Delivering liquefied natural gas fuel to the City of Long Beach**

This Amendment to Contract No. 32709 is made and entered as of July 31, 2014 by and between the CITY OF LONG BEACH, a municipal corporation, and **CLEAN ENERGY**. (Contractor)

Contract No. 32709 is amended by mutual agreement of the parties and as indicated below by a check or other mark preceding the appropriate amendment:

- 1. 2nd renewal option extending term to 7/31/15.
- 2. \$800,000 has been added for <sup>2nd</sup> ~~1st~~ renewal option for a new not to exceed total of \$2,400,000.
- 3. Prices during this period shall remain firm.
- 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 items 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)

\_\_\_\_\_  
(Print / Type Name)

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

CONTRACTOR:

\_\_\_\_\_  
(Signature)

PETER GRACE  
(Print / Type Name)

SR. VP. Sales & Finance  
President / Vice President / Secretary / Treasurer  
(circle one)

THE CITY OF LONG BEACH:

By: [Signature] Assistant City Manager  
City Manager

EXECUTED PURSUANT  
TO SECTION 301 OF  
THE CITY CHARTER.

Approved as to form:

Charles Parkin, City Attorney

By: [Signature] Deputy

Exhibit A

4675 MacArthur Court, Suite 800  
Newport Beach, California 92660 USA  
949.437.1000 fax 949.724.1397  
[www.cleanenergyfuels.com](http://www.cleanenergyfuels.com)

Henry Pyle  
Account Manager  
Solid Waste, West Coast

August 12, 2014



Jason MacDonald  
Assistant Director of Business Services & Fleet/City Purchasing Agent  
City of Long Beach  
333 West Ocean Blvd., 7<sup>th</sup> Floor  
Long Beach, CA 90802

32709<sup>08</sup>

**Re: Amendment No. Two to Contract No. 82709 (PA-00212) for Furnishing and Delivering liquefied natural gas to the City of Long Beach**

Dear Mr. MacDonald:

Clean Energy intends to continue its LNG fuel supply partnership with the City of Long Beach (City) and has executed Amendment No. Two to Contract No. ~~82709~~ (PA-00212). We are also requesting a modest price increase to the contract at this time.

32709<sup>08</sup>

Over the past two years utility prices have escalated dramatically thus increasing the plant production costs for LNG. Additionally, more inert gasses are being injected into pipelines by natural gas well-head suppliers which require additional gas conditioning by liquefaction plants so that the LNG being delivered can meet LNG supply specifications. This also results in higher production costs. Over this same period of time, the Producer Price Index has risen but our price to the City for LNG fuel supply services has remained the same. Per the contract, we would like to request a 3% price increase for our LNG supply services. Outlined in the below table and enclosed in "Exhibit A" is the new proposed pricing.

Current Price (LNG Gal)	3% Increase	Proposed Price (LNG Gal)
\$0.628	\$0.0188	\$0.6468

*\*Pricing does not include commodity cost or sales tax*

Clean Energy appreciates the City's consideration of our proposed price increase and is grateful for the City's business. If you have any questions, please do not hesitate to contact me at (949) 437-1308 or [hpyle@cleanenergyfuels.com](mailto:hpyle@cleanenergyfuels.com).

Sincerely,

Henry Pyle  
Account Manager

## Exhibit A

City of Long Beach LNG Pricing	
Item Description	Liquefaction per LNG gallon
Current Unit Price	\$0.628
Proposed Unit Price	\$0.6468
Percent of Increase	3%

\*Pricing does not include commodity cost or sales tax