

**FILED**

06 APR 2016 09:18 am

**Civil Administration**

A. STAMATO

EFFECTIVE 6/1/63

STANDARDS FOR COMPETITIVE BIDDING

Pursuant to Section VIII of the Agreement

These may be amended at any time by the Gas Commission.

SECTION A - Definitions

1. Purchases

Purchase shall include any purchasing, by contract or otherwise of material, supplies, construction, alterations, repairs, maintenance, services, or any other item, thing, or service.

2. Sales

Sale shall include any sale of residuals or by-products from operations, unserviceable property or equipment.

3. Gas Commission notified

Notice to Gas Commission shall mean notice in writing to each Gas Commissioner.

SECTION B - Purchases and Sales - Competitive Bidding

1. Purchases and Sales over \$10,000

Sealed bids shall be used for all purchases and sales in excess of \$10,000. Serialized return envelopes with preprinted numbers in sequence shall be given to all bidders with the price quotation form and related specifications. All bids must be received in these envelopes. Invitations to bid shall be sent at least one week prior to bid opening to at least three potential bidders who are qualified technically and financially to submit bids, or in lieu thereof a memorandum shall be kept on file showing that less than three potential bidders so qualified exist in the market area within which it is practicable to obtain bids. All bids received shall be opened at a predetermined time and place designated in the bid document. The Gas Commission shall be notified of each proposed purchase or sale at least one week prior to the bid opening and the Commission may extend the date for bid opening if deemed necessary.

2. Purchases and Sales over \$2,000 but under \$10,000

Written price quotations from at least three qualified and responsible vendors shall be obtained for all purchases and sales in this category, or in lieu thereof a memorandum shall be kept on file showing that less than three vendors so qualified exist in the market area within which it is practicable to obtain quotations.

Exhibit 3

Case ID: 160301425

Control No.: 16034280

3. Purchases and Sales Less than \$2,000

Competitive bidding, by the obtaining of written or oral price quotations, shall be used to the maximum degree practicable, consistent with sound procurement practices. Records of all such quotations shall be maintained. Purchases, however, may be negotiated under sound procurement procedures as established and promulgated by the General Manager of the Philadelphia Gas Works.

SECTION C - Purchases and Sales no Competitive Bidding

1. Purchases of gas appliances and other gas consuming equipment, their repair parts, and their installation, bought for resale or for sales promotional purposes.
2. Purchases of such pipe couplings, bell joint clamps, compression ells, and other related materials as may be needed from time to time in the operation of the Philadelphia Gas Works and can only be purchased from one supplier, in the design considered best and most efficient; provided, however, that an adequate memorandum be attached to such a purchase order justifying this restrictive purchase. This paragraph shall not be construed to eliminate competition required where couplings, clamps, ells, etc. may be bought competitively on the open market and are equal in end use performance.
3. Purchases required in emergency situations for the safety of operations or for rendering proper service to customers. An adequate memorandum shall be placed on or attached to each purchase order justifying an emergency purchase.
4. Purchases of such repair parts as may be needed from time to time for apparatus and equipment already part of the Philadelphia Gas Works and presently limited to sole source procurement.

SECTION D - Administrative Rules

1. Release of Bidders

No bidder may be permitted to change or withdraw his sealed bid after it has been opened, except as otherwise provided by law. However, a bidder shall be permitted to amend or completely withdraw his sealed bid by written notice to the purchasing agent prior to the bid opening.

5/28/63