

FUEL ESCALATION / DE-ESCALATION GUIDE

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This document explains the process to perform Fuel Escalation/De-Escalations (FE) adjustments on projects in which the FE provisions are included (Section 00195.11). If you have any questions on this process, please contact the Contract Administration Unit at (503) 986-3050.

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SECTION 1 – GENERAL INFORMATION

The intent of the FE specifications are meant to limit the risk to the Contractor if the cost of fuel changes drastically between the time the project is bid, and the time the qualifying work is performed.

FE provisions are included in the project Special Provisions by the specification writer only if the project meets the minimum qualifiers shown on the [Fuel Escalation Worksheet](#). This document is maintained by the ODOT Specification Unit, Cost Estimating Section, and is posted on their website:

Project:						
Prepared by:						
Date Prepared:	NOTICE: THIS SHEET IS NO LONGER APPROVED FOR PRODUCTION WORK					
Bid Date:	SHEET DOES NOT CONTAIN PROCESSES FOR BRIDGE COST DISTRIBUTION					
	NOTICE: MSE WALLS ARE NOT APPROVED FOR FUEL ESCALATION - DO NOT INCLUDE IN BRIDGE STRUCTURES					
BID ITEM	UNIT	QUANTITY	FUEL FACTOR (gal / unit)	GALLONS	MINIMUM QUALIFIER	QUALIFIED GALLONS
General Excavation	yd3		0.29	0	5,000	0
Embankment in Place	yd3		0.29	0	5,000	0
Subgrade Stabilization - convert volumetrically to 12" depth	yd2		0.33	0	5,000	0
Stone Embankment	yd3		0.29	0	5,000	0
Other Excavation (see note 1)	yd3		0.29	0	5,000	0
Cold Plane Removal (see note 2)	yd2		0.04	0	5,000	0
Conc. Pymt Diamond Grinding	yd2		0.04	0	5,000	0
Base Aggr., Shoulder Aggr. & Sub-Base Aggr. (Combined)	ton		0.69	0	5,000	0
Cement Treated Base	ton		1.00	0	5,000	0
Bituminous Base	ton		2.93	0	5,000	0
HMAC Mixture (see note 3)	ton		2.93	0	5,000	0
Aggregate in Chip Seal	ton		0.69	0	5,000	0
Emulsified AC Mixture (see note 4)	ton		1.00	0	5,000	0
Concrete Pavement	yd2		1.00	0	5,000	0
Other PCC (see note 5)	yd2		1.00	0	5,000	0
Structures (Gallons/\$1000)	pre-cast*		10.00	0	10,000	0
Structures (Gallons/\$1000)	cast-in-place*		19.00	0	COMBINED	0
TOTAL FOR PROJECT					25,100	0
Each item needs to meet the minimum qualifier, then the total of those has to be greater than 25,100 gallons as per sec. 00195.11 to qualify for fuel escalation						
* identify the type of superstructure - include combined total group costs for each superstructure type include all items within the group for each structure number						
Notes:						
1. Other excavation includes trench exc, foundation exc, rock exc, boulder exc. Does not include structural exc.						
2. Combine bridge cold plane pavement removal (SP00503) and roadway cold plane pavement removal (SP00620)						
3. HMAC Mixture includes ALL HMAC bid items (Excluding temporary and AC tack coat). Leveling is still included. Do not include the asphalt cement bid items (PG XX-YY), Temporary HMAC, and AC Tack Coat.						
4. Include choke aggregate with EAC Mixture						
5. Other PCC includes sidewalks, driveways, curbs (00753 items) converted to square yards						

Revised FE Worksheet
March 2011

If the project has bid item work that meets the minimum qualifiers for FE, the qualifying bid items will be listed in the Special Provisions, Section 00195.11:

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**I-84: Fifteen Mile Cr-US97: Spanish Hollow Cr – B207
Grading, Drainage, Structures & Paving**

(d) Fuel Price Adjustment – A fuel price adjustment for fluctuations in the cost of fuel will apply only to the major fuel usage Pay Items shown in the following list and at the respective fuel factors listed:

Item	Fuel Factor
Level 3, ½ inch Dense Lime Treated HMAC	2.93 Gal/ton
Level 4, ½ inch Dense Lime Treated HMAC	2.93 Gal/ton

All pay items associated with the following bridges and structures:

Structures Nos. 08894 and 20875	10.00 Gal/\$1,000
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The Agency will adjust the payment to the Contractor if the current price differs more than 25% from the established base price. FE adjustments **must** be calculated using the ODOT [FE Worksheets](#), which are available on the ODOT Construction Section, Construction Section forms website at:

<http://www.oregon.gov/ODOT/HWY/CONSTRUCTION/HwyConstForms1.shtml>

SECTION 2 – REVIEW THE PROJECT SPECIAL PROVISIONS

As early as possible after the final Special Provisions are available, and before the project goes to bid, the Project Manager (PM) or staff must review the project Special Provisions to determine if the FE provisions are included. If the FE provisions are not included in the Special Provisions, and the bid schedule contains FE related items such as HMAC, Embankment or Structures, it is strongly recommended that the PM complete a FE Worksheet using the bid item estimated quantities as a way to confirm that there are no eligible bid items. It is not uncommon for bid item estimated quantities to change, or for bid items to be added or deleted immediately prior to bid letting, and the items listed in 00195.11 not get adjusted, if needed.

It is also very important to understand that if the project contains **any** Federal funds, any changes to the FE provisions after contract award **may** be ineligible for participation. Refer to Section 7 for guidance on what types of changes can be made to the FE provisions and still qualify for federal participation. This makes it even more important that the FE provisions be reviewed and verified as early in the bid/award process as possible.

When reviewing the FE provisions under 00195.11, here are some things to look for:

1. Confirm that all of the Pay Items listed in 00195.11 are also listed in the Schedule of Items.

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- *A common error is adding or deleting a bid item from the Schedule of Items, and not reflecting the change on the FE Worksheet or in 00195.11.*
2. Confirm that the correct estimated quantities have been used to calculate the minimum qualifiers on the FE Worksheet:
 - **Other Excavation** – The total quantity includes trench excavation, foundation excavation, rock excavation and boulder excavation. Do not include Structure Excavation in this work item as this is already included in the “Structure” item.
 - **Cold Plane Pavement Removal** – The total quantity for this item includes both Bridge Cold Plane Pavement Removal (SP00503) and Roadway Cold Plane Pavement Removal (SP00620), all depths.
 - **HMAC Mixture** – The total quantity for this item includes **ALL** HMAC bid items, except for temporary HMAC and AC tack coat. This quantity may include leveling. If you are not sure if the leveling HMAC should be included, contact the Construction Estimating Unit or the Contract Administration Unit for assistance. This item does not include any Asphalt Cement bid items (such as PG 70-22).
 - **Other PCC Items** – This item includes the total quantity of all miscellaneous concrete bid items such as sidewalks, curbs, driveways, etc. The unit of measure must be converted to yd² before the items are totaled. This conversion can either be performed by the PM office, or requested from the Designer or Project Leader.
 3. Confirm that the Fuel Factors shown in 00195.11 for each item of work match the Fuel Factors listed on the FE Worksheet. If the Fuel Factor(s) is incorrect, and the contract bid date has not yet closed, the Fuel Factor needs to be corrected via addendum. Refer to Section 7 if the Fuel Factor(s) need to be corrected after the contract has been awarded.
 4. Confirm that the unit shown in 00195.11 matches the unit listed in both the Schedule of Items and the FE Worksheet. An exception to this rule is for “Other PCC” work items which will be listed in 00195.11 with a unit of feet or ft², whichever unit is used in the Schedule of Items. However, the FE Worksheet identifies the unit for this item of work (Other PCC) as yd². As shown on the FE Worksheet, note 5, Other PCC work items will need to be converted to yd² before any escalation/de-escalation payments are made. For concrete curbs, use the width of the top of the curb, times the length of the curb, and convert to yd². Do not include the face of the curb in the calculation. Include a copy of any conversion worksheets in with the FE Adjustment worksheets.
 5. Confirm that the correct Structure type and fuel factor are listed in 00195.11; either Pre-cast 10.00 Gal/\$1000 or Cast-In-Place 19.00 Gal/\$1000. The Structure type is based on the type of superstructure. Is the majority of the superstructure work pre-cast, or cast-in-place?

In some cases the Structure type determination can be very clear, but in other cases there may be both pre-cast beams and cast-in-place members on the same structure. In these cases it is common to make the Structure type determination based on which type of work has the higher dollar value. If you have any questions regarding the validity of, or the basis used to determine the Structure type, your first contact should be the Specification Writer for the project, then the Structure Professional of Record (POR).

Remember, any changes required to be made by addendum if the bid date has not closed. Section 7 addresses changes made after the contract is awarded.

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Assuming all 00195.11 issues were addressed during the bidding period, and the contract has been awarded to the low bidder, it is time to set up the FE Zero Estimate Worksheet.

SECTION 3 – SETTING UP THE FE ZERO ESTIMATE WORKSHEET

For each project containing the FE provisions in 00195.11, a FE Worksheet must be customized with the project-specific information.

3-1 Filling out the FE Worksheet

The FE Worksheet is posted on the ODOT Construction Section, Construction Forms website. Be sure to download this form from the website each time you set up the worksheet for a new project to get the most current version. Save the worksheet on your computer.

Open the tab on the bottom of the Workbook labeled “Fuel Esc – Zero Est”. Complete the FE Zero Estimate Worksheet by entering the required information in the blue-shaded fields as follows:

Project Name – Enter the project name as shown on the Special Provisions.

Contract Number – Enter the 5-digit contract number shown on the Special Provisions (C12345).

Adjustment Item – This field will automatically fill in with “Zero Estimate”. You cannot overwrite this field.

Current Date – This field will automatically fill in with the current date and time. You cannot overwrite this field.

Base Price Month and Year – You will need to enter the month and year for the Fuel Base Price. This will be the month preceding the bid opening date. The bid date is shown in the bottom right-hand corner of the Special Provisions cover page. You can also obtain the bid opening date for the project on the ODOT Procurement Office website at:

[ODOT Procurement Office - Construction Contracting Section 2010 Bid Tabulations - Tabulations are the official ODOT bid opening results](#)

Fuel Base Price – The base price for fuel is the monthly fuel value for the month preceding the bid opening date. To find this value, pull up the Monthly Fuel Prices posted on the ODOT Specifications Unit, Estimating, at:

http://www.oregon.gov/ODOT/HWY/ESTIMATING/asphalt_fuel.shtml#Fuel

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ENGLISH		METRIC	
2009		2009	
Posting Date	Monthly Price (\$/Gallon)	Posting Date	Monthly Price (\$/Liter)
January 5, 2009	\$1.5981	January 5, 2009	\$0.4222
February 2, 2009	\$1.4692	February 2, 2009	\$0.3881
March 2, 2009	\$1.2212	March 2, 2009	\$0.3226
April 6, 2009	\$1.5055	April 6, 2009	\$0.3977
May 4, 2009	\$1.5692	May 4, 2009	\$0.4145
June 1, 2009	\$1.6375	June 1, 2009	\$0.4326
July 6, 2009	\$1.7285	July 6, 2009	\$0.4566
August 3, 2009	\$1.8575	August 3, 2009	\$0.4907
September 7, 2009	\$2.0586	September 7, 2009	\$0.5438
October 5, 2009	\$1.8800	October 5, 2009	\$0.4966
November 2, 2009	\$2.0900	November 2, 2009	\$0.5521
December 7, 2009	\$2.1869	December 7, 2009	\$0.5777



If the project had a bid opening date of April 15, 2009, the Fuel Base Price would be the Monthly Value for March, 2009 of \$1.2212. Enter this value to four (4) decimal places, exactly as shown on the Monthly Fuel Price sheet. Print out a copy of the Monthly Fuel Price (MFP) sheet and attach to the FE Zero Estimate Worksheet.

Prepared By / Date – The person completing the FE Zero Estimate Worksheet will need to sign and date the worksheet after completion.

Reviewed By / Date – As with any formal pay document, the FE Zero Estimate Worksheet must be checked by a second person for data entry. The reviewer/checker will need to sign and date the worksheet.

Bid Item – Enter the bid item number for the first item of work listed under 00195.11. For an example, let's use the items of work shown in Example 1-1:

Example 1-1

**I-84: Fifteen Mile Cr-US97: Spanish Hollow Cr – B207
Grading, Drainage, Structures & Paving**

(d) Fuel Price Adjustment – A fuel price adjustment for fluctuations in the cost of fuel will apply only to the major fuel usage Pay Items shown in the following list and at the respective fuel factors listed:

Item	Fuel Factor
Level 3, ½ inch Dense Lime Treated HMAC	2.93 Gal/ton
Level 4, ½ inch Dense Lime Treated HMAC	2.93 Gal/ton

All pay items associated with the following bridges and structures:

Structure No. 08894	10.00 Gal/\$1,000
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- Enter bid item number 0860 for the Level 3 HMAC
- Enter bid item number 0870 for the Level 4 HMAC
- Enter all the bid item numbers associated with Structure 08894 - Example:

- BI 0640 – Reinforcement
- BI 0650 - Inject and Seal Cracks
- BI 0660 – Gen. Structural Concrete Class 3300

*Be sure to enter **ALL** bid items associated with the Structure*

Group No. – The group number for each bid item of work will be shown on the monthly progress estimate in the Contract Payments System (CPS). You will need to look there to find this information. Some bid items may have multiple group numbers. If this is the case, you will need to make a separate line entry for each bid item group number. For this example, let's assume that bid item 0860 has two group numbers, 010 and 011. For the first entry, enter "010" in the Group No. field. Then make a separate line entry for group number "011".

Description – Enter the bid item description. Try to match the bid item description as shown in the Schedule of Items as closely as you can. The field size is limited, so some abbreviations may be required.

Unit Price – Enter the unit price for the bid item shown in the Schedule of Items. For this example, the unit price (bid price) is \$59/ton for the Level 3 HMAC, \$64/ton for the Level 4 HMAC, and \$1000 for all of the Structure related bid items.

REMEMBER: If the eligible bid item is for a structure, either CIP or Pre-cast, enter \$1000 in the unit price column.

Amount – This field is locked and is not shaded blue. You will not enter any information in this field.

Quantity - This field is locked and is not shaded blue. You will not enter any information in this field.

Fuel Factor – Enter the Fuel Factor listed for the bid item in 00195.11. For this example, the listed Fuel Factor for the HMAC bid item is "2.93". The Fuel Factor for the structure bid items will be either "10.00" or "19.00".

Per Unit – Enter data shown for the bid item in 00195.11. For this example, the listed per unit is "Gal/ton" for the HMAC bid items, and "gal/1000" for the Structure items.

If the bid item has additional group numbers, continue entering the same information on separate lines for each group number.

Group No. – You will need to manually enter each of the group numbers used in the bottom portion of the worksheet in the Group No. field at the top right-hand corner of the worksheet. For this example, we used group numbers "010" and "011".

Fuel Base Price Range – This field will automatically calculate the fuel price range. This is $\pm 25\%$ from the Fuel Base Price. Any monthly fuel prices falling outside this range, either "+" or "-", will require an adjustment be made on any eligible bid item work performed that month. If the monthly fuel price stays within the range, then no adjustment for that month will be required.


Comments – This field is for use by the PM staff to enter any descriptive comments needed.

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RAS Review / Date - The Region Assurance Specialist (RAS) will need to review the FE Zero Estimate Worksheet, and sign and date the worksheet. The FE Zero Estimate Worksheet is the basis off which all FE adjustments are made so it is critical that it be checked for accuracy and completeness.

At this point, the FE Zero Estimate Worksheet is complete, and the first FE adjustment can now be calculated. Be sure to file the electronic worksheet, and print out a hard copy to place in the project Adjustment file. Be sure to attach a copy of the MFP sheet to the FE Zero Estimate Worksheet printout.

Once completed, the FE Zero Estimate Worksheet will look like this:

FUEL (ENGLISH 25%) ZERO ESTIMATE								
COMPLETE INFORMATION FOR BLUE SHADED CELLS				TOTALS FOR ZERO ESTIMATE				
Project Name	I-84: Fifteen Mile Cr-US97: Spanish Hollow Cr - B207				Group No.	Total Gallons for Group		Total Adjustment
Contract No.	C14019				010			
Adjustment Item	ZERO ESTIMATE				011			
Current Date:	10/4/2010 8:57							
Base Price Month & Year	March, 2009							
Fuel Base Price	\$1.2212				Fuel Base Price Range	\$0.9159	\$1.5265	
PREPARED BY	DATE				Comments	All eligible bid items compared to FE Worksheet and are valid		
<i>Thomas J. Smith, CAS</i>	4-7-09			RAS REVIEW	DATE			
REVIEWED BY	DATE			Kevin T. Inspector, RAS	4-10-09			
<i>Sandy Sanderson, EES</i>	4-8-09							
FUEL (ENGLISH 25%) ZERO ESTIMATE								
Project Name	I-84: Fifteen Mile Cr-US97: Spanish Hollow Cr - B207			Contract Number	C14019	Adjustment Item	ZERO ESTIMATE	
Bid Item	Group No.	Description	Unit Price	Amount	Quantity	Fuel Factor	Per Unit	Gallons
0860	010	Level 3, 1/2 inch Dense Lime Treated HMA	\$59.00			2.93	Gal/ton	
0860	011	Level 3, 1/2 inch Dense Lime Treated HMA	\$59.00			2.93	Gal/ton	
0870	010	Level 4, 1/2 inch Dense Lime Treated HMA	\$64.00			2.93	Gal/ton	
0870	011	Level 4, 1/2 inch Dense Lime Treated HMA	\$64.00			2.93	Gal/ton	
0640	011	Reinforcement	\$1,000.00			10.00	gal/1000	
0650	011	Inject and Seal Cracks	\$1,000.00			10.00	gal/1000	
0660	011	General Structural Concrete, Class 3300	\$1,000.00			10.00	gal/1000	

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SECTION 4 – MONTHLY FUEL ESCALATION/DE-ESCALATION ADJUSTMENTS


Typically the FE adjustment will be the last item added to the monthly pay estimate each month. Any adjustments made, either “+” or “-”, will be dependent on the monthly fuel price and the pay quantities for the associated bid items.

It will be necessary for the monthly progress to include all bid items and CCO work before you begin to calculate the FE adjustment.

The first time you process a FE adjustment, you will open the “FE 6600A” worksheet at the bottom of the FE workbook.

Once you open this worksheet you will notice that all of the information you entered on the Zero Estimate worksheet has automatically transferred over. Again, you will only be entering data into the dark blue shaded fields.

Here is what FE 6600A will look like before you enter any data:

FUEL (ENGLISH 25%) ADJUSTMENT ITEM 6600A									
COMPLETE INFORMATION FOR BLUE SHADED CELLS					TOTALS FOR 6600A				
Project Name	I-84: Fifteen Mile Cr-US97: Spanish Hollow Cr - B207					Group No.	Total Gallons for Group	Total Adjustment	
Contract No.	C14019					010	0.00	\$0.00	
Adjustment Item	6600A					011	0.00	\$0.00	
Current Date:	10/4/2010 10:43						0.00	\$0.00	
Base Price Month & Year	March, 2009						0.00	\$0.00	
Fuel Base Price	\$1.2212						0.00	\$0.00	
Est. Number							0.00	\$0.00	
Est. Month							0.00	\$0.00	
Current Average Fuel Price							0.00	\$0.00	
Fuel Base Price Range							\$0.9159	\$1.5265	
PREPARED BY					INSERT REVISION COMMENTS BELOW				
DATE									
REVIEWED BY									
DATE									
FUEL (ENGLISH 25%) ADJUSTMENT ITEM 6600A									
Project Name	I-84: Fifteen Mile Cr-US97: Spanish Hollow Cr - B207			Contract Number	Total	Adjustment Item	6600A		
Bid Item	Group No.	Description	Unit Price	Amount	Quantity	Fuel Factor	Per Unit	Gallons	
0860	010	Level 3, 1/2 inch Dense Lime Treated HMAC	\$59.00		0.00000	2.93	Gal/ton	0.00	
0860	011	Level 3, 1/2 inch Dense Lime Treated HMAC	\$59.00		0.00000	2.93	Gal/ton	0.00	
0870	010	Level 4, 1/2 inch Dense Lime Treated HMAC	\$64.00		0.00000	2.93	Gal/ton	0.00	
0870	011	Level 4, 1/2 inch Dense Lime Treated HMAC	\$64.00		0.00000	2.93	Gal/ton	0.00	
0640	011	Reinforcement	\$1,000.00		0.00000	10.00	gal/1000	0.00	
0650	011	Inject and Seal Cracks	\$1,000.00		0.00000	10.00	gal/1000	0.00	
0660	011	General Structural Concrete, Class 3300	\$1,000.00		0.00000	10.00	gal/1000	0.00	

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Enter the following information on FE 6600A:

Estimate Number – Let's assume for this example that you are on Estimate #5. Enter 5 in this field.

Estimate Month – If the project was bid in April, 2009 let's assume for this example that the estimate month is September, 2009. Enter this date in this field. Remember, you may be working on the estimate during the first few days of October, 2009, but the estimate month, and the month in which the work was performed, will be September 2009.

Current Average Fuel Price – You will need to pull the current average fuel price from the ODOT website at: http://www.oregon.gov/ODOT/HWY/ESTIMATING/asphalt_fuel.shtml#Fuel

Enter the monthly fuel price shown for September, 2009, which will be \$2.0586. Remember to enter the price using 4 decimal points exactly as shown. Print a copy of the MFP sheet to attach to the FE Adjustment.


At this point you will need to look to see if the Monthly Fuel Price (\$2.0586) falls within the Fuel Base Price Range shown on FE 6600A - \$0.9159 - \$1.5265:

- If the Monthly Fuel Price **does** fall within the price range, or if no eligible bid item work was performed during the month, then no monthly FE adjustment will be required for this month. You will need to process a "NO ADJUSTMENT" worksheet – Skip ahead to **Section 5 – NO ADJUSTMENT WORKSHEET**.
- If the Monthly Fuel Price **does not** fall within the price range and, if eligible bid item work has been performed, then you will need to continue processing the FE adjustment for this month. This means that the Monthly Fuel Price has gone either 25% above or below the Fuel Base Price and the Contractor will be subject to either a "+" or "-" adjustment.

Amount – Enter the amount of work performed during the month for each of the eligible bid items. This information is taken from the final monthly progress estimate. You are entering the total dollar amount paid for each eligible bid item - not the "units" completed – just the total dollar amount.

The FE 6600A worksheet will automatically calculate the total adjustment due the Contractor separated out by group number. At this point, your FE 6600A adjustment worksheet will look like this:

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FUEL (ENGLISH 25%) ADJUSTMENT ITEM 6600A							
COMPLETE INFORMATION FOR BLUE SHADED CELLS				TOTALS FOR 6600A			
Project Name	I-84: Fifteen Mile Cr-US97: Spanish Hollow Cr - B207				Group No.	Total Gallons for Group	Total Adjustment
Contract No.	C14019				010	10,069.52	\$5,357.99
Adjustment Item	6600A				011	9,161.95	\$4,875.08
Current Date:	10/4/2010 10:42					0.00	\$0.00
Base Price Month & Year	March, 2009					0.00	\$0.00
Fuel Base Price	\$1.2212					0.00	\$0.00
Est. Number	5				Fuel Base Price Range	\$0.9159	\$1.5265
Est. Month	September, 2009				INSERT REVISION COMMENTS BELOW		
Current Average Fuel Price	\$2.0586						
PREPARED BY	DATE						
REVIEWED BY	DATE						
FUEL (ENGLISH 25%) ADJUSTMENT ITEM 6600A							
Project Name	I-84: Fifteen Mile Cr-US97: Spanish Hollow Cr - B207			Contract Number	Total	Adjustment Item	6600A
Bid Item	Group No.	Description	Unit Price	Amount	Quantity	Fuel Factor	Per Unit Gallons
0860	010	Level 3, 1/2 inch Dense Lime Treated HMAC	\$59.00	\$86,950.00	1473.72881	2.93	Gal/ton 4318.03
0860	011	Level 3, 1/2 inch Dense Lime Treated HMAC	\$59.00	\$86,950.00	1473.72881	2.93	Gal/ton 4318.03
0870	010	Level 4, 1/2 inch Dense Lime Treated HMAC	\$64.00	\$125,630.00	1962.96875	2.93	Gal/ton 5751.50
0870	011	Level 4, 1/2 inch Dense Lime Treated HMAC	\$64.00	\$100,236.00	1566.18750	2.93	Gal/ton 4588.93
0640	011	Reinforcement	\$1,000.00	\$25,000.00	25.00000	10.00	gal/1000 250.00
0650	011	Inject and Seal Cracks	\$1,000.00	\$500.00	0.50000	10.00	gal/1000 5.00
0660	011	General Structural Concrete, Class 3300	\$1,000.00	\$0.00	0.00000	10.00	gal/1000 0.00

You will now need to print out the FE 6600A Adjustment worksheet. The person preparing the adjustment will need to sign and date the document. The worksheet, which is now the “Source document” or “paynote” for the adjustment, will need to be checked by a second person. The reviewer/checker will also need to sign and date the document. Be sure to attach the hard copy of the MFP sheet to the FE Adjustment.


The FE Adjustment is now ready to be entered into CPS under the 6000 series. (Reference the CPS Manual, and The ODOT Construction Manual, Chapter 25 – Contractor Payments). Be sure to enter it as 6600A to correspond with the paynote. Remember to enter the FE adjustment for each group number separately. Use the following naming convention when entering the FE adjustment in CPS:

- Fuel Escalation, September 2009 – Use if the adjustment is positive (escalation)
- or
- Fuel De-Escalation, September 2009 – Use if the adjustment is negative (de-escalation)

The FE Workbook only has 26 tabs: 6600A – 6600Z. If you need more worksheets, you will need to start a new FE Workbook and rename the FE Adjustment tabs as 6601A – 6601Z. If you need assistance with this task, please contact either the RAS, or the contact person identified at the beginning of these instructions.

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A very nice feature of the FE Workbook is the "FE SUMMARY" Tab. This summary page will automatically summarize the FE adjustments completed each month, (**NOTE:** *Normally, there should have already been FE worksheets for estimates 1-4, but for this example we are showing the first FE adjustment being paid on estimate #5*). This is what the FE Summary Sheet should look like after you have completed FE 6600A:


FUEL (ENGLISH 25%) SUMMARY SHEET		
Project Name	I-84: Fifteen Mile Cr-US97: Spanish Hollow Cr - B207	
Contract No.	C14019	
Current Date:	10/4/2010 10:37	
		
6600A		
Est. Number	5	
Est. Month	September, 2009	
Group No.	Total Gallons for Group	Total Adjustment
010	10,069.52	\$5,357.99
011	9,161.95	\$4,875.08
	0.00	\$0.00
	0.00	\$0.00
	0.00	\$0.00
	0.00	\$0.00
TOTALS:	19,231.48	\$10,233.07

**OREGON DEPARTMENT OF TRANSPORTATION
FUEL ESCALATION / DE-ESCALATION PROCESS**

**SECTION 5 – NO MONTHLY FUEL ESCALATION/DE-ESCALATION
ADJUSTMENT**

If the Monthly Fuel Price **does** fall within the price range, or if no eligible bid item work was performed during the month, then no monthly FE adjustment will be required for this month. However, you will still be required to process a “NO ADJUSTMENT” worksheet. By completing a worksheet for each month, either an adjustment or a no-adjustment paynote, verifies that the FE provisions were reviewed and calculated each month during the life of the contract.

Pull up the NO ADJUSTMENT worksheet from the tab at the bottom of the FE Workbook. The blank No Adjustment worksheet will look like this:

FUEL (ENGLISH 25%) NO ADJUSTMENT ITEM FOR ESTIMATE NUMBER									
COMPLETE INFORMATION FOR BLUE SHADED CELLS				TOTALS FOR NO ADJUSTMENT					
Project Name	I-84: Fifteen Mile Cr-US97: Spanish Hollow Cr - B207				Group No.	Total Gallons for Group	Total Adjustment		
Contract No.	C14019				010	0.00	\$0.00		
Adjustment Item	NO ADJUSTMENT				011	0.00	\$0.00		
Current Date:	10/4/2010 10:37					0.00	\$0.00		
Base Price Month & Year	March, 2009					0.00	\$0.00		
Fuel Base Price	\$1.2212					0.00	\$0.00		
Est. Number					Fuel Base Price Range	\$0.9159	\$1.5265		
Est. Month					REASON FOR NO ADJUSTMENT ITEM THIS MONTH				
Current Average Fuel Price					<input type="checkbox"/> CURRENT AVERAGE FUEL PRICE WITHIN NON-ADJUSTMENT RANGE				
PREPARED BY	DATE				<input type="checkbox"/> NO WORK PERFORMED ON ELIGIBLE BID ITEMS				
REVIEWED BY	DATE								
FUEL (ENGLISH 25%) NO ADJUSTMENT ITEM FOR ESTIMATE NUMBER									
Project Name	I-84: Fifteen Mile Cr-US97: Spanish Hollow Cr - B207			Contract Number	C14019	Adjustment Item	NO ADJUSTMENT		
Bid Item	Group No.	Description	Unit Price	Amount	Quantity	Fuel Factor	Per Unit	Gallons	
0860	010	Level 3, 1/2 inch Dense Lime Treated H/MAC	\$59.00	\$0.00	0.00000	2.93	Gal/ton	0.00	
0860	011	Level 3, 1/2 inch Dense Lime Treated H/MAC	\$59.00	\$0.00	0.00000	2.93	Gal/ton	0.00	
0870	010	Level 4, 1/2 inch Dense Lime Treated H/MAC	\$64.00	\$0.00	0.00000	2.93	Gal/ton	0.00	
0870	011	Level 4, 1/2 inch Dense Lime Treated H/MAC	\$64.00	\$0.00	0.00000	2.93	Gal/ton	0.00	
0640	011	Reinforcement	\$1,000.00	\$0.00	0.00000	10.00	gal/1000	0.00	
0650	011	Inject and Seal Cracks	\$1,000.00	\$0.00	0.00000	10.00	gal/1000	0.00	
0660	011	General Structural Concrete, Class 3300	\$1,000.00	\$0.00	0.00000	10.00	gal/1000	0.00	

Again, all of the data you entered on the FE Zero Estimate Worksheet is automatically transferred into the No Adjustment Worksheet. You will only be entering the data into the dark blue shaded fields.

For this example, let's enter information for the next pay estimate (6):

Estimate Number - Enter the estimate number. For this example, we will use estimate 6.

Estimate Month – Enter the estimate month. Remember, this is the month in which the work was performed, not the month in which it is processed, or uploaded. For this example, we will use October, 2009.

**OREGON DEPARTMENT OF TRANSPORTATION
FUEL ESCALATION / DE-ESCALATION PROCESS**

Current Average Fuel Price – Enter the Monthly Fuel Price listed on the ODOT website for the month of October, 2009. In this case it is \$1.8800.


Amount – Enter the amount of eligible bid item work performed, in dollars, in this field. For this example, we are showing that no eligible bid item work was performed. Therefore all amount fields are \$0. So, even though the Monthly Fuel Price falls well outside of the Fuel Base Price Range, and the Contractor would normally be eligible for positive FE adjustment, no eligible work was performed so no FE Adjustment is made for this month.

Print out the No Adjustment worksheet. Be sure to attach a copy of the MFP sheet. The person preparing the adjustment will need to sign and date the document. A second person will need to check the document and sign/date when their review is complete. You will notice that there is no box included for the RAS signature and date. Since there are no pay calculations to check, the RAS does not need to sign/date the document. The RAS will review to ensure the No Adjustment worksheet is on file and may initial the document, but a signature is not required.

The hard copy No Adjustment worksheet will need to be kept with the FE Adjustments along with the FE 6600 paynotes.

**** NOTE: Do not enter “No Adjustment” worksheets in CPS – These are \$0 pay items and cannot be entered. Place a hard copy in the adjustment file only!**

The completed No Adjustment worksheet should look like this:

FUEL (ENGLISH 25%) NO ADJUSTMENT ITEM FOR ESTIMATE NUMBER 6										
COMPLETE INFORMATION FOR BLUE SHADED CELLS					TOTALS FOR NO ADJUSTMENT					
Project Name		I-84: Fifteen Mile Cr-US97: Spanish Hollow Cr - B207					Group No.	Total Gallons for Group	Total Adjustment	
Contract No.		C14019					010	0.00	\$0.00	
Adjustment Item		NO ADJUSTMENT				011	0.00	\$0.00		
Current Date:		10/4/2010 10:27					0.00	\$0.00		
Base Price Month & Year		March, 2009					0.00	\$0.00		
Fuel Base Price		\$1.2212					0.00	\$0.00		
Est. Number		6			Fuel Base Price Range		\$0.9159		\$1.5265	
Est. Month		October, 2009			REASON FOR NO ADJUSTMENT ITEM THIS MONTH					
Average Fuel Price		\$1.8800			<input type="checkbox"/> CURRENT AVERAGE FUEL PRICE WITHIN NON-ADJUSTMENT RANGE					
PREPARED BY		DATE			<input checked="" type="checkbox"/> NO WORK PERFORMED ON ELIGIBLE BID ITEMS					
Thomas J. Smith, CAS		11-7-09								
REVIEWED BY		DATE								
Sandy Sanderson, EES		11-8-09								
FUEL (ENGLISH 25%) NO ADJUSTMENT ITEM FOR ESTIMATE NUMBER 6										
Project Name		I-84: Fifteen Mile Cr-US97: Spanish Hollow Cr - B207		Contract Number	C14019	Adjustment Item	NO ADJUSTMENT			
Bid Item	Group No.	Description	Unit Price	Amount	Quantity	Fuel Factor	Per Unit	Gallons		
0860	010	Level 3, 1/2 inch Dense Lime Treated H/MAC	\$59.00	\$0.00	0.00000	2.93	Gal/ton	0.00		
0860	011	Level 3, 1/2 inch Dense Lime Treated H/MAC	\$59.00	\$0.00	0.00000	2.93	Gal/ton	0.00		
0870	010	Level 4, 1/2 inch Dense Lime Treated H/MAC	\$64.00	\$0.00	0.00000	2.93	Gal/ton	0.00		
0870	011	Level 4, 1/2 inch Dense Lime Treated H/MAC	\$64.00	\$0.00	0.00000	2.93	Gal/ton	0.00		
0640	011	Reinforcement	\$1,000.00	\$0.00	0.00000	10.00	gal/1000	0.00		
0650	011	Inject and Seal Cracks	\$1,000.00	\$0.00	0.00000	10.00	gal/1000	0.00		
0660	011	General Structural Concrete, Class 3300	\$1,000.00	\$0.00	0.00000	10.00	gal/1000	0.00		

**OREGON DEPARTMENT OF TRANSPORTATION
FUEL ESCALATION / DE-ESCALATION PROCESS**

SECTION 6 – MAKING CHANGES TO A PREVIOUSLY ENTERED/PAID ADJUSTMENT


There may be instances where you will need to make an adjustment to a previously entered / paid FE Adjustment. If there is an overpayment or underpayment discovered for any of the eligible FE bid items, you will need to correct the eligible bid item quantity in CPS, and the FE adjustment will need to be corrected (if one was made).

There are two different methods you can use to correct a previously paid FE Adjustment:

METHOD #1 – Delete (zero out) the previously paid FE Adjustment, and recalculate the adjustment using the corrected bid item quantity. Example:

A FE Adjustment is prepared for work completed in September 2009. There was no payment made for BI 0660 – General Structural Concrete, Class 3000. The total FE Adjustment 6600A was \$10,233.07:

Original FE Adjustment 6600A


FUEL (ENGLISH 25%) ADJUSTMENT ITEM 6600A											
COMPLETE INFORMATION FOR BLUE SHADED CELLS					TOTALS FOR 6600A						
Project Name	I-84: Fifteen Mile Cr-US97: Spanish Hollow Cr - B207					Group No.	Total Gallons for Group		Total Adjustment		
Contract No.	C14019					010	10,069.52		\$5,357.99		
Adjustment Item	6600A					011	9,161.95		\$4,875.08		
Current Date:	10/4/2010 10:26						0.00		\$0.00		
Base Price Month & Year	March, 2009						0.00		\$0.00		
Fuel Base Price	\$1.2212						0.00		\$0.00		
Est. Number	5					Fuel Base Price Range	\$0.9159		\$1.5265		
Est. Month	September, 2009					INSERT REVISION COMMENTS BELOW					
Current Average Fuel Price	\$2.0586					Total Adjustment Est #5 = \$10,233.07					
PREPARED BY	John Smith, CAS			DATE		9-4-09					
REVIEWED BY	Stacy Obliger, QCS			DATE	9-5-09						
FUEL (ENGLISH 25%) ADJUSTMENT ITEM 6600A											
Project Name	I-84: Fifteen Mile Cr-US97: Spanish Hollow Cr - B207			Contract Number	Total	Adjustment Item	6600A				
Bid Item	Group No.	Description	Unit Price	Amount	Quantity	Fuel Factor	Per Unit	Gallons			
0860	010	Level 3, 1 1/2 inch Dense Lime Treated H/MAC	\$59.00	\$86,950.00	1473.72881	2.93	Gal/ton	4318.03			
0860	011	Level 3, 1 1/2 inch Dense Lime Treated H/MAC	\$59.00	\$86,950.00	1473.72881	2.93	Gal/ton	4318.03			
0870	010	Level 4, 1 1/2 inch Dense Lime Treated H/MAC	\$64.00	\$125,630.00	1962.96875	2.93	Gal/ton	5751.50			
0870	011	Level 4, 1 1/2 inch Dense Lime Treated H/MAC	\$64.00	\$100,236.00	1566.18750	2.93	Gal/ton	4588.93			
0640	011	Reinforcement	\$1,000.00	\$25,000.00	25.00000	10.00	gal/1000	250.00			
0650	011	Inject and Seal Cracks	\$1,000.00	\$500.00	0.50000	10.00	gal/1000	5.00			
0660	011	General Structural Concrete, Class 3000	\$1,000.00	\$0.00	0.00000	10.00	gal/1000	0.00			

Now, in October 2009 it is discovered that \$18,000 worth of Class 3300 Concrete was in fact installed on the Project, but not paid for. The Contractor and Inspector both agree that this material needs to be paid for on estimate #6. In this case you will need to make corrections to BI 0660 for the Class 3300 Structural Concrete, and make the correction to the FE Adjustment item 6600A.

**OREGON DEPARTMENT OF TRANSPORTATION
FUEL ESCALATION / DE-ESCALATION PROCESS**

For this method of making a FE Adjustment correction, you will make the corrections required to the FE Adjustment item 6600A in the FE Worksheet, and include an explanation in the revision comment box. As you can see when the new amount of \$18,000 for BI 0660 Class 3300 Structural Concrete is added, it changes the FE Adjustment 6600A from \$10,233.07 to \$10,328.84, which is an increase of \$95.77.

Revised FE Adjustment 6600A

FUEL (ENGLISH 25%) ADJUSTMENT ITEM 6600A										
COMPLETE INFORMATION FOR BLUE SHADED CELLS					TOTALS FOR 6600A					
Project Name	I-84: Fifteen Mile Cr-US97: Spanish Hollow Cr - B207					Group No.	Total Gallons for Group	Total Adjustment		
Contract No.	C14019					010	10,069.52	\$5,357.99		
Adjustment Item	6600A					011	9,341.95	\$4,970.85		
Current Date:	10/4/2010 10:23						0.00	\$0.00		
Base Price Month & Year	March, 2009						0.00	\$0.00		
Fuel Base Price	\$1.2212						0.00	\$0.00		
Est. Number	6					Fuel Base Price Range	\$0.9159	\$1.5265		
Est. Month	October, 2009					INSERT REVISION COMMENTS BELOW				
Current Average Fuel Price	\$2.0586					10-4-09: FE Adj 6600A amount corrected. Original 6600A deleted on Est #6 (-\$10,233.07). FE Adjustment item 6600A recalculated to include \$18,000 for BI 0660 Class 3300 Structural Concrete which was omitted on Est #5. Total revised Adjustment 6600A Est #6 = \$10,328.84				
PREPARED BY	John Smith, CAS			DATE						
REVIEWED BY	Stacy Obliger, QCS			DATE	10-5-09					
FUEL (ENGLISH 25%) ADJUSTMENT ITEM 6600A										
Project Name	I-84: Fifteen Mile Cr-US97: Spanish Hollow Cr - B207				Contract Number	Total	Adjustment Item	6600A		
Bid Item	Group No.	Description	Unit Price	Amount	Quantity	Fuel Factor	Per Unit	Gallons		
0860	010	Level 3, 1/2 inch Dense Lime Treated H/MAC	\$59.00	\$86,950.00	1473.72881	2.93	Gal/ton	4318.03		
0860	011	Level 3, 1/2 inch Dense Lime Treated H/MAC	\$59.00	\$86,950.00	1473.72881	2.93	Gal/ton	4318.03		
0870	010	Level 4, 1/2 inch Dense Lime Treated H/MAC	\$64.00	\$125,630.00	1962.96875	2.93	Gal/ton	5751.50		
0870	011	Level 4, 1/2 inch Dense Lime Treated H/MAC	\$64.00	\$100,236.00	1566.18750	2.93	Gal/ton	4588.93		
0640	011	Reinforcement	\$1,000.00	\$25,000.00	25.00000	10.00	gal/1000	250.00		
0650	011	Inject and Seal Cracks	\$1,000.00	\$500.00	0.50000	10.00	gal/1000	5.00		
0660	011	General Structural Concrete, Class 3300	\$1,000.00	\$18,000.00	18.00000	10.00	gal/1000	180.00		

OREGON DEPARTMENT OF TRANSPORTATION FUEL ESCALATION / DE-ESCALATION PROCESS

For auditing purposes, you will need to make sure you clearly show exactly what took place when the correction was made. Even though the original 6600A paynote is being deleted, you should clearly mark it as "DELETED" and keep it in the adjustment file with the new 6600A paynote. Mark the deleted paynote something like this:

Deleted FE Adjustment 6600A


FUEL (ENGLISH 25%) ADJUSTMENT ITEM 6600A										
COMPLETE INFORMATION FOR BLUE SHADED CELLS					TOTALS FOR 6600A					
Project Name	I-84: Fifteen Mile Cr-US97: Spanish Hollow Cr - B207					Group No.	Total Gallons for Group	Total Adjustment		
Contract No.	C14019					010	10,069.52	\$5,357.99		
Adjustment Item	6600A					011	9,161.95	\$4,875.08		
Current Date:	10/4/2010 9:18						0.00	\$0.00		
Base Price Month & Year	March, 2009						0.00	\$0.00		
Fuel Base Price	\$1.2212						0.00	\$0.00		
Est. Number	5					Fuel Base Price Range				
Est. Month	September, 2009					\$0.9159 \$1.5265				
Current Average Fuel Price	\$2.0586					INSERT REVISION COMMENTS BELOW				
PREPARED BY				DATE		Total adjustment Est #5: \$10,233.07 <i>10-4-09 Paynote Deleted. Corrected 6600A paynote paid on Estimate #6: +\$95.77</i>				
	John Smith, CAS			9-4-09						
REVIEWED BY				DATE						
	Stacy Obliger, QCS			9-5-09						
FUEL (ENGLISH 25%) ADJUSTMENT ITEM 6600A										
Project Name	I-84: Fifteen Mile Cr-US97: Spanish Hollow Cr - B207			Contract Number	Total	Adjustment Item	6600A			
Bid Item	Group No.	Description	Unit Price	Amount	Quantity	Fuel Factor	Per Unit	Gallons		
0860	010	Level 3, 1 1/2 inch Dense Lime Treated HVMC	\$59.00	\$86,950.00	1473.72881	2.93	Gal/ton	4318.03		

**OREGON DEPARTMENT OF TRANSPORTATION
FUEL ESCALATION / DE-ESCALATION PROCESS**

METHOD #2 – In this method for correcting a FE Adjustment, you will not delete the original FE Adjustment paynote, but just correct it. Example:

A FE Adjustment is prepared for work completed in September 2009. There was no payment made for BI 0660 – General Structural Concrete, Class 3000. The total FE Adjustment 6600A was \$10,233.07:

Original FE Adjustment 6600A

FUEL (ENGLISH 25%) ADJUSTMENT ITEM 6600A										
COMPLETE INFORMATION FOR BLUE SHADED CELLS					TOTALS FOR 6600A					
Project Name	I-84: Fifteen Mile Cr-US97: Spanish Hollow Cr - B207					Group No.	Total Gallons for Group	Total Adjustment		
Contract No.	C14019					010	10,069.52	\$5,357.99		
Adjustment Item	6600A					011	9,161.95	\$4,875.08		
Current Date:	10/4/2010 9:09						0.00	\$0.00		
Base Price Month & Year	March, 2009						0.00	\$0.00		
Fuel Base Price	\$1.2212						0.00	\$0.00		
Est. Number	5					Fuel Base Price Range	\$0.9159	\$1.5265		
Est. Month	September, 2009					INSERT REVISION COMMENTS BELOW				
Current Average Fuel Price	\$2.0586					Total adjustment Est #5: \$10,233.07				
PREPARED BY	John Smith, CAS			DATE		9-4-09				
REVIEWED BY	Stacy Obliger, QCS			DATE	9-5-09					
FUEL (ENGLISH 25%) ADJUSTMENT ITEM 6600A										
Project Name	I-84: Fifteen Mile Cr-US97: Spanish Hollow Cr - B207			Contract Number	Total	Adjustment Item	6600A			
Bid Item	Group No.	Description	Unit Price	Amount	Quantity	Fuel Factor	Per Unit	Gallons		
0860	010	Level 3, 1/2 inch Dense Lime Treated HMA/C	\$59.00	\$86,950.00	1473.72881	2.93	Gal/ton	4318.03		
0860	011	Level 3, 1/2 inch Dense Lime Treated HMA/C	\$59.00	\$86,950.00	1473.72881	2.93	Gal/ton	4318.03		
0870	010	Level 4, 1/2 inch Dense Lime Treated HMA/C	\$64.00	\$125,630.00	1962.96875	2.93	Gal/ton	5751.50		
0870	011	Level 4, 1/2 inch Dense Lime Treated HMA/C	\$64.00	\$100,236.00	1566.18750	2.93	Gal/ton	4588.93		
0640	011	Reinforcement	\$1,000.00	\$25,000.00	25.00000	10.00	gal/1000	250.00		
0650	011	Inject and Seal Cracks	\$1,000.00	\$500.00	0.50000	10.00	gal/1000	5.00		
0660	011	General Structural Concrete, Class 3300	\$1,000.00	\$0.00	0.00000	10.00	gal/1000	0.00		

Now, in October 2009 it is discovered that \$18,000 worth of Class 3300 Concrete was in fact installed on the Project, but not paid for. The Contractor and Inspector both agree that this material needs to be paid for on estimate #6. In this case you will need to make corrections to BI 0660 for the Class 3300 Structural Concrete, and make the correction to the FE Adjustment item 6600A.

So, for this method of correcting a FE Adjustment, you will create a 6600A-1 paynote which is calculated using the correct amount for BI 0660 Class 3300 Structural Concrete, of \$18,000. The adjustment now calculates to \$10,328.84. The adjustment to the Contractor under the original 6600A was \$10,233.07. The difference between the two is \$95.77. This is the amount that will need to be posted on estimate #6, under FE Adjustment Item 6600A-1.


NOTE: You will not be able to change the adjustment number in the worksheet itself. You will need to hand-write the "-1" after the 6600A label on the printed copy of the adjustment.

**OREGON DEPARTMENT OF TRANSPORTATION
FUEL ESCALATION / DE-ESCALATION PROCESS**

Once you make the correction to 6600A in the worksheet, the original information will be overwritten and only the revised 6600A information will show up on the FE Summary Sheet. Therefore it is very important that you make sure to have printed copies of both the original 6600A and the revised 6600A-1 adjustment paynotes to show exactly what changes were made.

Remember to manually label the revised FE 6600A adjustment as "6600A-1"

REVISED
FE Adjustment
6600A

FUEL (ENGLISH 25%) ADJUSTMENT ITEM 6600A - 1										
COMPLETE INFORMATION FOR BLUE SHADED CELLS					TOTALS FOR 6600A - 1					
Project Name	I-84: Fifteen Mile Cr-US97: Spanish Hollow Cr - B207					Group No.	Total Gallons for Group	Total Adjustment		
Contract No.	C14019					010	10,069.52	\$5,357.99		
Adjustment Item	6600A - 1					011	9,341.95	\$4,970.85		
Current Date:	10/4/2010 8:57						0.00	\$0.00		
Base Price Month & Year	March, 2009						0.00	\$0.00		
Fuel Base Price	\$1.2212						0.00	\$0.00		
Est. Number	6					Fuel Base Price Range	\$0.9159	\$1.5265		
Est. Month	October, 2009					INSERT REVISION COMMENTS BELOW 10-4-09: FE Adj 6600A amount corrected. Original 6600A paynote did not include \$18,000 for BI 0660 - Class 3000 Structural Concrete. Original 6600A amount = \$10,233.07. Revised 6600A-1 amount = \$10,328.84. Difference of \$95.77 calculated using September 2009 Monthly Fuel Price. Total Additional payment of \$95.77 as calculated on Adjustment 6600A-1 paid on Estimate #6.				
Current Average Fuel Price	\$2.0586									
PREPARED BY	John Smith, CAS			DATE		10-4-09				
REVIEWED BY	Stacy Obliger, QCS			DATE	10-5-09					
FUEL (ENGLISH 25%) ADJUSTMENT ITEM 6600A - 1										
Project Name	I-84: Fifteen Mile Cr-US97: Spanish Hollow Cr - B207			Contract Number	Total	Adjustment Item	6600A - 1			
Bid Item	Group No.	Description	Unit Price	Amount	Quantity	Fuel Factor	Per Unit	Gallons		
0860	010	Level 3, 1/2 inch Dense Lime Treated HMA	\$59.00	\$86,950.00	1473.72881	2.93	Gal/ton	4318.03		
0860	011	Level 3, 1/2 inch Dense Lime Treated HMA	\$59.00	\$86,950.00	1473.72881	2.93	Gal/ton	4318.03		

If you have any questions about how to correctly post a correction to a previously-paid AE Adjustment, contact your RAS. The RAS will be able to guide you through the process and help you decide which revision method, either Method #1 or Method #2, makes the most sense to use given the project-specific information.

**OREGON DEPARTMENT OF TRANSPORTATION
FUEL ESCALATION / DE-ESCALATION PROCESS**

**SECTION 7 – MAKING CHANGES TO FE PROVISIONS AFTER CONTRACT
AWARD**

Changes may be made to Section 00195.11 after the Contract has been awarded by CCO. However, these changes will be eligible for federal participation **only** under the following circumstances:

a. If a fuel factor for any of the eligible Pay Items listed in 00195.11 is incorrect, the factor may be corrected by CCO only if the Contract contains the 00195.11 provisions. This correction would be eligible for federal participation. The current fuel factors are shown on the [Fuel Escalation Worksheet](#).

b. If an eligible Pay Item listed in 00195.11 does not match the Pay Item listed in the Schedule of Items, the Pay Item may be corrected by CCO and any FE payments made on this Pay Item would be eligible for federal participation.

Example: 00195.11 lists Level 3 HMAC, but the schedule of items lists the Pay Item as Level 4 HMAC. The CCO would correct the Pay Item in 00195.10 to Level 4 HMAC.

c. If an eligible Pay Item (Level 4 HMAC), which was eligible for FE under 00195.11 is replaced via CCO by a similar Pay Item (Level 3 HMAC), the new Pay Item will also be eligible for AE and federal participation. The condition for eligibility is that the replacement Pay Item must be the same type of Work as the Pay Item being replaced.

d. If **new Work** items are added to the Contract by CCO, and the Work items were not included in the original Contract, but the 00195.11 provisions are included in the Contract, the Work items being added by CCO will be eligible for FE **if** the Work items meet the minimum qualifiers and the Work will not be done in a short period of time. The new Work would be eligible for federal participation if all conditions are met, and could use either the existing Base Fuel Price (“Base Price”) or a new Base Price effective on the date of execution of the CCO, depending upon project-specific circumstances.

Remember that FE is intended to adjust for the fluctuations in fuel price between the time the Work is bid and when the Work is completed. When providing quotes for CCO Work, the Contractor essentially bids the Work at the time of the CCO. Therefore, assuming that the CCO Work will not be performed in a short time period, any FE that would apply to the CCO Work would need to start at the time the CCO is executed and stop when the CCO Work is completed.

The following changes to 00195.11 are **not eligible** for federal participation:

a. If the original Contract does not include the 00195.11 FE provisions, and these provisions are later added to the Contract by CCO, none of the FE payments are eligible for federal participation. Alternate funding must be used for these payments.

b. If an item of Work is typically eligible for FE, but is not listed in the Contract under 00195.11, the item of Work can be added to the Contract by CCO, but will not be eligible for federal participation. Alternate funding must be used to pay for any AE payments related to this item of Work.

Example: If the Pay Item “General Excavation” was included in the Schedule of Items, and was also included on the Fuel Escalation Worksheet as an eligible Pay Item (meeting the minimum qualifiers), but did not get listed under 00195.11, it can be added to the Contract by CCO, but must be coded as non-participating and paid for with state or local funds.

If you have any questions regarding whether or not a change made to 00195.11 will be eligible for federal participation, or if you encounter a situation that does not exactly fit one of the scenarios listed above, contact the Region Assurance Specialist (RAS), or the Contract Administration Unit for guidance **before** making the change.