

**Margin-Over-Rack Agreement For Delivery of Home Heating Oil To
Certified Clients Of The DHCD
Low Income Home Energy Assistance Program**

Agreement for the delivery of #2 residential heating oil pursuant to the Massachusetts Department of Housing and Community Development/Division of Community Services (DHCD/DCS, hereafter) Low Income Home Energy Assistance Program (the Program, hereafter) made this _____ day of _____, 2_____, by and between _____ (hereafter Agency), and _____ (hereafter Vendor).

In consideration of the mutual promises hereafter stated, the Agency and Vendor agree as follows:

1. Vendor will, in each case where a delivery to one of its customers certified as eligible under the Program (hereafter Certified Customer) is authorized by Agency:
 - submit a bill to the Agency at the posted price per gallon charged to non-certified similarly situated customers, including those discounts for Certified Customers who are members of an established co-operative;
 - apply payments received against current deliveries only, and not bills incurred prior to November 1st of the program year;
 - until the Certified Customer's benefits under the Program are exhausted or until April 30th of the contract year, whichever occurs earlier, bill the Certified Customer directly only for total accounts receivable covering bills incurred prior to November 1st and/or other non-heating oil expenses not eligible for payment under the Program. The Certified Customer will not be billed in any amount for gallons of oil delivered under the Program and paid for by the Agency pursuant to this Agreement.
 - not discriminate against the Certified Customer on any basis prohibited by law, including, without limitation, offering deferred payment, level payment, credit, discount, budget, advance payment or other credit plans;
 - make current deliveries to Certified Customers regardless of debt arrearage status, or will hold harmless the Agency for arranging oil delivery by another oil vendor; and
 - not disclose to any individual or entity the Certified Customer's participation in the Program, except as authorized in writing by the Certified Customer and Agency for Program purposes.
2. If requested by Agency, the Vendor will provide, at no cost to the Agency or Certified Customer, an annual oil cost and consumption record for each Certified Customer, within a time frame specified by the Agency.
3. The Vendor will make deliveries in accordance with established business practice and within a delivery schedule negotiated with the Certified Customer, and accordingly secure the Certified Customer's signature on the metered delivery ticket. If the customer is not available, representative will sign/initial the ticket. With each delivery, Vendor will provide a copy of the metered delivery ticket to the Certified Customer. No deliveries, except those agreed to by the Vendor and the Agency, will be required on Saturdays,

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Sundays, or Holidays. Except in the case of emergency the Agency agrees to give the Vendor twenty-four (24) hours advance notice of requested delivery. Minimum delivery authorized shall be one hundred (100) gallons unless otherwise agreed on by Vendor and Agency and subject to the Certified Customer's maximum benefit level.

4. The Vendor will submit a metered delivery slips (or legible copy) the 15th of the month for the preceding month's billing showing Certified Customer's name and address, date of delivery, number of gallons delivered, Vendor's posted price with adjustments for oil co-op, established discount and/or pre-paid discount prices on date of delivery, total delivery cost, and signed by the Certified Customer or authorized Vendor representative in accordance with industry practice, or will submit a computerized invoice showing Certified Customer name and address, date of delivery, number of gallons delivered, posted price on that day with adjustments for oil co-op, established discount and/or pre-paid discount prices, and total cost of the delivery, by the 15th of the month for preceding month's billing. Within thirty (30) days of the date on which the invoice is received by the Agency, the Agency will mail payment to the Vendor unless the Agency has not received funds from DHCD/DCS sufficient to cover such payment. Vendor will submit final billing by July 15th of the program year.
5. For each and every gallon of oil delivered to a Certified Customer under the Program, the Agency will reimburse the Vendor the amount which equals the lesser of the Vendor's posted price on the date of delivery with adjustments for oil-cop, established discount and/or pre-paid discount prices or the price calculated adding a margin of twenty-eight and one-half (28.5) cents to a weekly average rack price based on "Oil Price Information Service (OPIS) Rack Fax" for _____ as calculated by DHCD.

Balance billing of the differential between retail gallons delivered and gallons paid for by the Agency is not allowed.

6. The Agency and Vendor agree that in the event of unusual oil market volatility resulting in significant changes in the wholesale pricing of #2 home heating oil, DHCD/DCS may, at its discretion, suspend temporarily or otherwise the pricing method set forth in paragraph 5 above, in order to provide emergency relief to participating vendors. Such suspension may include, without limitation, an adjustment or change in the method of calculating the rack price to which the margin is added. The Agency will notify the Vendor concerning any such suspension following written notification to the Agency from DHCD/DCS.
7. Agency will promptly notify Vendor of the eligibility of each Certified Customer in writing within seven (7) days of certification of eligibility.
8. Except in the case of an emergency, the Vendor agrees to deliver #2 heating oil to Certified Customers as authorized by the Agency within a delivery schedule negotiated with the Certified Customer.
9. The Vendor agrees to defend, reimburse, indemnify, and hold harmless the Agency and the Commonwealth from any and all claims, debts, losses, causes of action and liabilities arising from any default or any negligent or wrongful act or omission of the Vendor, its agents, employees, or sub-contractors.

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- 10. The Vendor agrees to allow representatives of the Agency and the Commonwealth of Massachusetts (including without limitation DHCD), upon reasonable notice, access to all of its books and records for the purpose of verifying compliance with this Agreement. Vendor Monitoring procedures by DHCD/DCS and the Agency will include examination, during site visits to Vendor, of delivery tickets/invoices for both Certified Customers and non-fuel assistance customers, to ensure pricing uniformity, correctness of billing, and compliance with applicable Massachusetts laws.
- 11. The Agency may terminate this Agreement in writing and cease immediately making any further payments under the program to the Vendor in the event that the Vendor violates any material provision of this Agreement.
- 12. Any amendments to this Agreement must be in writing, signed by both Vendor and Agency, and must receive prior written approval by DHCD/DCS.

AGENCY:	_____	Vendor:	_____
	<i>Signature</i>		<i>Signature</i>
Name:	_____	Name:	_____
Title	_____	Title:	_____
Date:	_____	Date:	_____