



DEFENSE LOGISTICS AGENCY
DEFENSE ENERGY SUPPORT CENTER
8725 JOHN J. KINGMAN ROAD, SUITE 4950
FORT BELVOIR, VIRGINIA 22060-6222

IN REPLY
REFER TO DESC-PEB

DEC 11 2003

Dear Bunkers Offeror:

The Defense Energy Support Center (DESC) would like to invite you to submit an offer for bunker fuel. DESC is the centralized fuel procurement agency for the Federal Government. My team writes bunker contracts for U.S. vessels in ports around the world.

We are issuing a solicitation very soon and would like you to consider submitting an offer. Solicitation **SPO600-04-R-0114** is for the procurement of distillates and residuals for the Southern Domestic Ships' Bunker Program 3.7B. The total estimated quantities are: 74,163,340 US Gallons (GL) of Marine Gas Oil (MGO), 10,072,520 GL of Intermediate Fuel Oil (IFO) 180, 12,096,444 GL of IFO 380, 230,000 GL of Diesel Fuel Grade 2 (DF# 2) and 7,094,170 GL of Fuel Naval Distillate (B76). These are two-year estimated quantities and the ordering period is April 01, 2004 through March 31, 2006. **We have added a new clause to allow the unilateral extension of these contracts for three additional one-year periods. The offers will be evaluated on the price of the first two-year period only**, as the Economic Price Adjustment (EPA) escalator should adjust contract prices to keep up with any future petroleum cost increases caused by market conditions.

The fuel is to be delivered as ships' bunkers at various locations, into U.S. vessels by various methods. These are Requirement Type, Fixed Price with Economic Price Adjustment contracts. Award is anticipated by April 01, 2004. **Offers under this solicitation are due by January 08, 2004 @3:00 PM Local Fort Belvoir Time.** Facsimile offers are acceptable; our facsimile number is (703) 767-8506. Any offers received after this date and time will be treated as a late offer.

This solicitation may be downloaded from the DESC website <http://www.desc.dla.mil> on or about December 15, 2003. Once the solicitation has been posted to the web, you should continue to check the web site for any amendments or new information pertaining to the solicitation. If you have an email address, please provide that information with any correspondence.

Any questions pertaining to the solicitation should be addressed to Mr. Charles Willis at (703) 767-8462. Request for hard copies of the solicitation must be submitted in writing. DESC invites all interested and responsible sources to submit an offer under this solicitation.

Sincerely,

MATTHEW R. SHUSTER
Contracting Officer
Direct Delivery Fuels