

# **Defense Energy Support Center**

**8725 John J. Kingman Road  
Suite 4950**

**Fort Belvoir, VA 22060-6222**

**Contract Bulletin SP0600-01-7000**

**Program No. 3.27**



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FEDERAL GOVERNMENT**

**Ordering Period: September 1, 2001 through August 31, 2004  
CUSTOMER ORGANIZED GROUP (COG) 7**

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**DESCRIPTION OF THE BULLETIN**

This contract bulletin is divided into six segments. Line Item Schedule, Successful Contractor Listing and Contract Clauses previously contained in Bulletins can not be found under the Contract Information System (CIS), located at DESC's Home Page <http://ports.desc.dla.mil/cis.htm>. To access the Contract Information System, you must have Microsoft Internet Explore 4.0 or Higher. To review specific data click CIS Server and then on either COG 7 on the map or on the left side of the screen, click continue and Current period, Click Solicitation and Bulletin Clauses, click DoD or Fed Civ Activity, as appropriate. Solicitation information can be found there as well as accessing the CIS. A description of each Bulletin Segment follows:

**SEGMENT I POINTS OF CONTACT. [Contained in this document]**

**SEGMENT II SPECIAL NOTES**

**SEGMENT III CONTRACT BULLETIN CLAUSES.** Contains general information to ordering officers and all contract bulletin clauses. **[Contained in this document]**

**SEGMENT IV SUPPLY LIST**

**SUPPLIES OR SERVICES AND PRICES/COSTS.** ACCESS THE SCHEDULE OF SUPPLIES AT THE FOLLOWING WEB ADDRESS: [http://ports2.desc.dla.mil/WEB\\_RM/main.htm](http://ports2.desc.dla.mil/WEB_RM/main.htm)

**SEGMENT V CONTRACT CLAUSES/PROVISIONS:**

DESCRIPTION/SPECIFICATIONS (C Clauses)

INSPECTION AND ACCEPTANCE (E Clauses)

DELIVERIES AND PERFORMANCE (F Clauses)

CONTRACT ADMINISTRATION (I Clauses)

**SEGMENT VI OTHER CONTRACTUAL INFORMATION.**

ORDERING PERIOD (In this Document)

LIST OF CONTRACTORS (CIS)

CONTRACTOR REMITTANCE ADDRESSES (In this Document)

FREE TIME AND DETENTION RATES (In this Document)

DISCOUNTS FOR PROMPT PAYMENT (CIS)

TELEFACSIMILE INVOICING (**DoD only**).

APPLIES TO ITEMS THAT ARE NOT YET PORTS ACTIVE

SMALL REFINERY SOURCE LIST (DOD SET-ASIDE ITEMS)

**SEGMENT I**

**DEPARTMENT OF DEFENSE**

**DESC CONTACT POINTS DURING DUTY HOURS**

THE FOLLOWING OFFICES AND TELEPHONE NUMBERS MAY BE CONTACTED IN EMERGENCIES FOR ASSISTANCE WHEN TIME DOES NOT PERMIT CORRESPONDENCE.

	<u>PHONE</u>	<u>OFFICE</u>	<u>SEE BULLETIN CLAUSE</u>
Contractor Performance	Commercial 703-767-9527 DSN 427-9526//9503//9527	DESC-PLC	1 Para (e)
Price Changes	DESC WEB / IF DOWN Commercial 703-274-9540 DSN 427-9540	DESC-PLC	1 Para (a)
Inspection, Acceptance, and Quality Problems	Commercial 703-767-8362 DSN 427-8362	DESC-BQ	6 Para (a)
Requirements/Resupply	All Navy DoD and Other Activities COG 7: Commercial 703-767-9524 DSN 427-9524	DESC-PLC	1 Para (e)
	Army Activities Commercial 717-770-6752/6758 DSN 977-6752/6758	USAGMPA	
	Air Force Activities Commercial 512-925-7613 DSN 945-7613	DET 29 SA ALC	
	Federal Civilian Activities Commercial 703-767-9524 DSN 427-9524	DESC-PLC	

**DESC CONTACT POINT AFTER DUTY HOURS**

COMMAND CONTROL CENTER (CCC)	Commercial 703-767-8420 DSN 427-8420 1-800-2TOPOFF
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**SEGMENT II**

**SPECIAL NOTES**

Hard copy (paper) price change modifications are no longer issued by DESC. Price changes are now accessible through the World Wide Web. You may access our web page at: <http://www.desc.dla.mil/>. Go to "Doing Business with DESC" and click. The heading "Price Adjustment" will be the first section on the page. You would then click on "Government Activity" to get to the "Price Change Supplement". You will be required to input your contract number and line item number. If your Internet access is down or if you are otherwise unable to obtain your prices as described above, you may call Pamela Jaeger at 703-767-9540.

Hard copies of this Bulletin will not be issued. In addition, much of the information formally found in the Bulletin has been included in DESC's Contractor Information System (CIS). The CIS can also be accessed at our web page and includes information on all contracts. All Contract Clauses and Bulletin Clauses are now located in the Contract Bulletin to make them easier to find and reference.

All items that have been awarded are posted to the CIS. If a contract number is not listed for a particular item, it has not been awarded yet and will show up as "pending".

## SEGMENT III

## BULLETIN CLAUSE INDEX

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**1. GENERAL INSTRUCTIONS (DESC JUN 1997)**

(a) The prices in this Bulletin have been verified with the contracts listed; the original contracts have been executed by both the Government and the Contractor. The use of this Bulletin for disbursing and inspection is hereby authorized. Activities having DESC funded items (reference Bulletin clause entitled PRICE CHANGES) need not contact DESC-PLC for price changes to these items. The basic contract unit price shall be used when ordering a DESC funded item.

(b) Copies of contracts listed in this Bulletin are **NOT** available for distribution.

(c) All contracts listed herein contain all clauses in this Bulletin.

(d) The use of this Bulletin is mandatory upon all activities listed herein.

(e) Inquiries and general correspondence.

(1) All inquiries and general correspondence (except Army) relating to postaward Contractor performance, price changes, or payment in accordance with the terms and conditions of the contract shall be forwarded directly to Defense Energy Support Center, ATTN: DESC-PLC, 8725 John J. Kingman Road, Fort Belvoir, VA 22060-6222. Military activities shall also forward an information copy to the appropriate office listed in paragraph (2) below; DESC-PLC replies will also include information copy to the same office.

(2) All other inquiries and correspondence shall be sent through channels to the following offices:

**Army:** All Army inquiries relating to postaward Contractor performance, price changes, or payment in accordance with the terms and conditions of the contracts shall be forwarded to Commander, U.S. Army Petroleum Center, ATTN: SATPC-L, New Cumberland Army Depot, New Cumberland, PA 17070-5008, with information copy to DESC-PLC.

**Navy & Marines:** DESC-PLC, 8725 John J. Kingman Road, Fort Belvoir, VA 22060-6222.

**Air Force:** Det 29, SA-ALC/SFRF (AFMC), Fort Belvoir, VA 22060-6222.

**2. PENDING AND TERMINATED ITEMS (DESC JUN 1997)**

(a) Wherever PENDING appears opposite any item number listed in the Contract Bulletin, and the activities have an immediate requirement for product--

(1) Army and Air Force activities shall contact their Service Control Point (SCP), who will contact DESC-PLC.

(2) Navy and DoD activities shall contact DESC-PLC directly at the telephone number indicated on page 1 of the Contract Bulletin. Federal/Civilian activities have immediate authority to locally purchase PENDING item requirements until notified that a DESC contract has been awarded. Until such time as contractual sources are established by DESC, the following procedures apply for PENDING items:

(i) When an item is listed in the bulletin or a supplement as PENDING, DESC shall acquire all DoD interim requirements on an as-needed basis for a period not to exceed 90 days, or until contractual sources are established.

(ii) If notification of a DESC contractual source for remaining PENDING items is not received within the 90 day period, DESC will evaluate the situation and take one of the following actions:

(A) The activity will be notified that an annual contractual source cannot be obtained and DESC will continue to purchase DoD requirements on an as-needed basis throughout the ordering period; or

(B) DESC, at its option, may grant Local Purchase Authority for the remaining PENDING items through the end of the ordering period.

(b) Wherever TERMINATED appears opposite any item number listed in the Contract Bulletin Supplement, DESC will attempt to repurchase the terminated quantity. At the earliest possible date after an item is terminated, DESC-PLC shall be contacted at the telephone number indicated on page 1 of the Contract Bulletin, for procurement of interim requirements, on an as-needed basis, until DESC awards a contract for the duration of the ordering period. Army and Air Force activities will process their requirements through their SCP.

**3. ORDERS (DESC SEP 1996)**

(a) Orders should be--

- (1) For firm quantities with specific delivery dates and times (except for Degree Day and Automatic Fill items);
- (2) Placed separately for each individual delivery requirement;
- (3) Within the scope of the Order Limitations clause;
- (4) Annotated with the applicable appropriation or fund and conspicuous invoicing instructions; and
- (5) Written (DD Form 1155 or SF 1449). Oral orders are permitted only if authorized in the Schedule. All oral

orders must be confirmed by written order and mailed to the Contractor within 24 hours. The written confirmation order shall contain the following statement: "This confirms oral order placed on [enter date]."

(b) Orders **must** be--

- (1) Received by the Contractor at least 48 hours prior to the requested delivery time to be enforceable (except for barge delivery items;
- (2) Placed within the period specified on the cover page of this Bulletin and received by the Contractor on or before the last day of such period. Such orders shall require delivery no later than 30 days beyond such period; and
- (3) For DESC-paid line items (Army, Navy, and other DoD components, except Air Force), signed and transmitted, in triplicate (DD Form 1155 or SF 1449), to--

**ATTN: DESC-FII  
DEFENSE ENERGY SUPPORT CENTER  
8725 JOHN J KINGMAN RD SUITE 4950  
FORT BELVOIR VA 22060-6222**

within two working days of executing the order. All orders for DESC-funded line items must be entered into the Defense Fuel Automated Management System (DFAMS) by the Defense Fuel Inventory Management Division (DESC-FII). DESC-FII's commercial telephone numbers are (703) 767-9390/9493 or DSN 427-9390/9493 and commercial facsimile numbers are (703) 767-9380/or DSN 427-9380/9397.

(c) Blanket orders for large quantities are not recommended but may be issued provided that--

- (1) They cover less than three months, or, for DESC-funded items, they cover no more than one calendar month; and
- (2) They specifically state actual amounts needed and specific delivery times during the contract delivery period.

(d) Modifications are required if the receipt quantity exceeds the allowable variation in quantity percentage stated in the VARIATION IN QUANTITY clause.

(e) Modifications to any order must also be submitted to DESC-FII for input into DFAMS.

(f) **For Degree Day and Automatic Fill items ordering procedures**, see the DEGREE DAY SYSTEM PROVISIONS and AUTOMATIC FILL-UP PROVISIONS contract clauses, respectively.(g) **For Barge items ordering procedures**, see the BARGE UNLOADING CONDITIONS contract clause.**4. ORDERING MOTOR GASOLINE (DESC FEB 1991)**

When ordering motor gasoline under this Bulletin, the Ordering Officer shall specify on the delivery order whether the gasoline being ordered is Unleaded, Midgrade, or Leaded Gasoline as determined by the award information shown in this Bulletin. Additionally, the same information shall be given to the Contractor by the Ordering Officer in any delivery order placed by telephone and then confirmed in the delivery order.

**5. APPROPRIATION DATA (DESC FEB 1991)**

- (a) All contracts listed in this Bulletin are requirements type contracts. Your attention is invited to the REQUIREMENTS and DELIVERY-ORDER LIMITATIONS clauses.
- (b) All contracts listed in this Bulletin for CONUS delivery for Army, Navy, Marine Corps, and other DoD (except stand-by items) are funded by Defense Energy Support Center (DESC) and all orders (DD Form 1155, Order for Supplies or Services) placed against these contracts will cite DESC's fund citation. All other contracts listed in this Bulletin have not been funded by DESC.
- (c) Account for which material is ordered will determine the appropriation or fund to be charged for the cost of the material in each case. The appropriation or fund and submission of invoice instructions as contained elsewhere in this contract and as applicable in each case will be conspicuously shown on each order issued hereunder.

**6. INSPECTION AND ACCEPTANCE (DESC JUN 1997)**

**(a) INSPECTION.**

(1) Government inspection, with the exception of aviation fuels and water-borne transportation (barge), will be performed by the receiving activity at the point of acceptance. Such inspection will normally be for identity and quantity. If there is evidence that deliveries are not in conformance with the contract, assistance, if required, should be solicited from the Service Inventory Control Point as follows:

ARMY:

ATTN: SATPC-L  
 U.S. ARMY PETROLEUM CENTER  
 NEW CUMBERLAND, PA 17070-5008  
 TELEPHONE: 717-770-7105/5873, DSN: 977-7105/5873

NAVY:

ATTN: NAVPET OFF, CODE FM  
 NAVY PETROLEUM OFFICE  
 8725 JOHN J. KINGMAN ROAD, SUITE 3719  
 FORT BELVOIR, VA 22060-6222  
 TELEPHONE: 703-767-7377, DSN: 427-7377

AIR FORCE:

ATTN: SA-ALC/SFTT  
 DIRECTORATE OF AEROSPACE FUELS  
 KELLY AIR FORCE BASE, TX 78241-5000  
 TELEPHONE: 512-925-7613, DSN: 945-7613

FEDERAL AGENCIES:

DEFENSE ENERGY SUPPORT CENTER  
 8725 JOHN J. KINGMAN ROAD, SUITE 4950  
 FORT BELVOIR, VA 22060-6222  
 TELEPHONE: (703) 767-8742, DSN 427-8742

(2) In the event field assistance is necessary, the cognizant DCMA office will be contacted by the ICP through DESC-BQ for action. When serious quality problems are reported, the Contracting Officer may change the inspection point from destination to origin by advising the Contractor in writing of the change. The cognizant DCMA office, upon notification by the Contracting Officer, will then become the office responsible for inspection at the origin loading or filling point. If the receiving activity at any time suspects that deliveries of less than contract quality or quantity are intentionally being made, the Contracting Officer shall be immediately notified by writing Defense Energy Support Center, ATTN: DESC-PLC, 8725 John J. Kingman Road, Fort Belvoir, VA 22060-6222, or calling 703-767-9551/9554 (DSN: 427-951/9554).

(3) Government inspection of aviation fuels will be performed at the location where the loading or filling takes place by the Field Inspection Office cognizant at such location.

(b) **ACCEPTANCE.** Acceptance by the Government of supplies ordered and furnished shall be at f.o.b. point.

**7. PROCESSING RECEIPT DOCUMENTS (DESC JUL 2000)****(a) DoD Agencies.**

(1) Army, Navy, Marine Corps, and other DoD components (excluding Air Force, except for capitalized items - see (b) below) that are part of the Single Point Payment Program for PC&S Petroleum Contracts are subject to Nav Comp 700.42 (Navy and Marine Corps) and USAPC (formerly USAGMPA) letter of instruction dated December 11, 1987 (Army, Corps of Engineers, National Guard). Questions or inquiries concerning these instructions should be directed to the appropriate activity (NAV PET, USAPC, DESC).

(2) **Noncapitalized Items.** Within two working days of receipt of product, receiving activities shall transmit a copy of the appropriate DD Form 1155, DD Form 250, DD Form 250-1 (for barge deliveries only), or SF 1449 to the below address for input into the Defense Fuel Automated Management System (DFAMS). DFAMS is the accounting system utilized to process Posts, Camps, and Stations (PC&S) fuel orders, shipments, and receipts and is also the system that initiates the billing process through the Defense Finance and Accounting Service, Columbus Center (DFAS-CO), for all DoD Agencies (except Air Force) and capitalized items (including Air Force capitalized items).

DESC-FII  
DEFENSE ENERGY SUPPORT CENTER  
8725 JOHN J KINGMAN RD SUITE 4950  
FORT BELVOIR VA 22060-6222

Commercial telephone: (703) 767-9393 or DSN 427-9393

Commercial facsimile: (703) 767-9380/9397 or DSN 427-9380/9397

(3) **Capitalized Items.** Within two working days of receipt of product, receiving activities shall input receipt information into the DFAMS via Fuels Control Center or other electronic systems installed at their activity. Copies of receipt documents shall be submitted to DESC-FII upon request.

(4) The DD Form 1155, DD Form 250, or SF 1449 shall reflect the net quantity received for all f.o.b. destination line items requiring volume correction. The gross quantity received shall be entered for all other destination line items. The terms and conditions of the DETERMINATION OF QUANTITY clause of this contract bulletin should be used to determine whether net or gross quantity should be entered on the receipt document.

(5) Modifications to any of the above listed documents must also be submitted to DESC-FII for input into DFAMS.

(6) The Contractor is responsible for preparation of the receiving report (DD Form 250-1) for barge deliveries. Preparation of receiving reports (DD Form 1155, DD Form 250, or SF 1449) for all other types of deliveries is the receiving activity's responsibility unless otherwise addressed in each Customer Organized Group (COG) contract bulletin.

**(b) Air Force and Federal Agencies.**

(1) Within two working days of receipt of product, receiving activities shall transmit a copy of the appropriate DD Form 1155, DD Form 250, DD 250-1 (for barge deliveries only), or SF 1449 to the paying office stated on the delivery order.

(2) The DD Form 1155, DD Form 250, or SF 1449 shall reflect the net quantity received for all f.o.b. destination line items requiring volume correction. The gross quantity received shall be entered for all other destination line items. The terms and conditions of the DETERMINATION OF QUANTITY clause of this contract bulletin should be used to determine whether net or gross quantity should be entered on the receipt document.

(3) Modifications to any of the above listed documents must also be submitted to the paying office.

(4) The Contractor is responsible for preparation of the receiving report (DD Form 250-1) for barge deliveries. Preparation of receiving reports (DD Form 1155, DD Form 250, or SF 1449) for all other types of deliveries is the receiving activity's responsibility unless otherwise addressed in each COG contract bulletin.

**8. PRICE CHANGES (DESC MAY 1998)**

(a) Prices shown herein are subject to escalation unless indicated as firm. In the event of any changes in prices that are subject to escalation (for other than DESC-funded items), the price changes will be included in price change supplements found on the DESC Web Page at [www.dfsc.dla.mil/main/deschome.html](http://www.dfsc.dla.mil/main/deschome.html) under "Doing Business with DESC." Other contractual information will be included in supplements as required.

(b) In those instances where a Contractor invoices at a price lower than that shown herein or in supplement hereto, payment may be made at such lower price.

(c) Payment shall be made at the price that, according to this Bulletin or supplements hereto, is in effect on the date of delivery. Payment for DESC-funded items will be in accordance with the SUBMISSION OF INVOICES FOR PAYMENT clause.

**9. TAXES (DESC JUN 1997)**

(a) **DIESEL FUEL, MOTOR GASOLINE, AND GASOHOL TAXES.** The fuel prices listed in this bulletin **DO NOT** include the Federal Excise Tax of \$0.244 per gallon on diesel fuel, \$0.184 per gallon on motor gasoline, or \$0.129 per gallon on gasohol. Fuel used off road may be sold by certain sellers without the Federal Excise Tax. If the activity is billed for the tax on diesel fuel, motor gasoline, or gasohol used off road, the activity may request reimbursement from the IRS by completing IRS Form 843. If the vehicle is used on the highway during any portion of a calendar quarter, any fuel used in that vehicle for that calendar quarter does not qualify for exemption. Additional information regarding Federal, State, and local taxes is stated in the FEDERAL, STATE, AND LOCAL TAXES (DEVIATION) and FEDERAL, STATE, AND LOCAL TAXES EXCLUDED FROM THE CONTRACT PRICE clauses contained in this bulletin.

(b) **HEATING FUEL TAX.** There is no Federal Excise Tax on fuel produced for heating purposes.

(c) **TAX EXEMPTION CERTIFICATES.** Procedures for requesting and processing tax exemption certificates are identified in the TAX EXEMPTION CERTIFICATES clause contained in this bulletin.

(d) The activity shall provide appropriate certifications of intended use as may be necessary to assist a Contractor in complying with IRS regulations regarding the tax-free sale of heating oils. However, it is the Contractor's responsibility to ensure compliance with IRS regulations. Questions regarding the procedures to be followed should be addressed to the IRS.

**10. DEFAULTING CONTRACTORS (DESC MAR 1992)**

(a) **PURCHASE AGAINST ACCOUNT.** Purchases cannot be made against the account of a defaulting Contractor until the Contractor's right to proceed on an individual delivery order, in default, has been formally terminated by the Government. The contractual right granted the Government, under the DEFAULT clause, to terminate such orders for default may be exercised only by the Contracting Officer. The procedures set forth below are detailed, and must be carefully followed if clear evidence of default and resultant excess costs, if any, are to be established.

(b) **REPORTS BY ORDERING OFFICERS.** When a Contractor has defaulted on deliveries under any order and the Ordering Officer considers it in the best interest of the Government to formally default the Contractor on such orders, the Ordering Officer shall report the following message to DESC with an information copy to the appropriate activity specified in paragraphs (e)(1) and (2) of Bulletin Clause 1:

ALPHA: DESC Contract number(s).

BRAVO: Item Number(s).

CHARLIE: Date written order was forwarded to Contractor.

DELTA: Probable date Contractor received written order.

ECHO: Order Number.

FOXTROT: Quantity ordered.

GOLF: Quantity, if any, actually received pursuant to such order.

HOTEL: Date delivery of quantity (in default) was to be made pursuant to order.

INDIA: Reason(s), if any, given by Contractor for the delay or non-delivery.

JULIET: Date replacement supplies are needed.

Message reports will refer to the above 10 categories by titles shown. After dispatch of such message, the ordering activity must refuse to accept any deliveries tendered on the subject order by the Contractor in default.

(c) **ACTION BY DESC.** Upon receipt of the message report from the Ordering Officer, DESC will (if advisable, based on information received) formally default the Contractor on the order(s) involved. DESC will advise the Ordering Officer that purchase action is being taken (by DESC) or that local purchase action against the Contractor's account is authorized. Since not all bulletin items are DESC-funded, the following applies to DESC-funded items only:

Whenever local purchase authority is granted by DESC and the ordering activity requires funding from DESC in the form of an obligation authority, the activity must request these funds. Funding authority should not be assumed to have been granted upon receiving authority to purchase locally. Receipt of authority from DESC-RF to cite DESC funds must be accomplished prior to ordering the product if DESC funds are to be used for the purchase.

(d) **ASSESSMENT OF EXCESS COSTS.** In order that a firm basis for assessment of excess costs against defaulting Contractors may be established, the following procedure must be strictly adhered to:

(1) Each requirement for product during the ordering period must first be ordered in writing from such defaulting Contractor.

(2) Each such order must then be formally terminated by the Contracting Officer if delivery against such order was not made.

(3) Replacement purchase orders/contracts for approximately similar quantities of the same product should be competitively solicited, whenever feasible. If competition is not obtained, the record of the purchase must be documented with appropriate justification. Purchase orders/contracts must then be issued to a new supplier. Ordering officers are reminded to be familiar with their signatory dollar limitations on repurchase actions.

(e) To provide substantiation for the excess costs to be assessed against the defaulting Contractor, it is essential that the Ordering Officer forward to DESC-PLC copies of all documentation, covering the competitive prices (or justification for single source) as quoted when soliciting under local purchase authority plus copies of all delivery orders placed with both the defaulting Contractor and the supplier who furnished the replacement product, delivery receipts under the repurchase contracts/orders, and payment vouchers. This documentation is required throughout the life of the contract for every line item default. Prompt action in furnishing this information allows the DESC contracting officer to make a proper claim that can be upheld in court if necessary. Copies of both delivery orders (with the defaulting Contractor and replacement Contractor) will also be forwarded to the appropriate activity specified in paragraph (e)(2) of Bulletin Clause 1, GENERAL INSTRUCTIONS.

**11. DISPUTES (DESC FEB 1995)**

Disagreements between the Contractor and the Ordering Officer or between the Contractor and the Quality Assurance Representative (QAR) should be referred to the Contracting Officer (CO) of the DESC (through the appropriate office specified in Bulletin Clause 1) for consideration under the contract Disputes clause. Each such matter referred to the CO should include a complete statement of the Ordering Officer's or the QAR's understanding of the circumstances surrounding the disagreement.

**12. FRAUD, WASTE, AND ABUSE (DESC FEB 1995)**

Any suspicion of wrongdoing or potential fraud should be reported to the DESC Contracting Officer or DESC Office of Counsel so that evidence can be collected against Contractors and timely investigations initiated, if appropriate. In the event you become aware of any investigation of a Contractor by criminal investigators, please advise the DESC Contracting Officer and DESC Office of Counsel. Such coordination will enable DESC to determine whether similar conduct is occurring at other locations where the Contractor may also be making deliveries.

**13. ASSIGNMENTS (DESC OCT 1969)**

Assignee banks will be advised at time of Contracting Officer's acknowledgment of notice of assignment that the assignee is responsible for notifying all applicable finance or disbursing officers. Such assignees also will be advised that photostat copies of the Contracting Officer's acknowledgment may be sent to such finance or disbursing officer.

**14. DELIVERIES/PERFORMANCE (DESC DEC 1991)**

(a) The DELIVERY CONDITIONS FOR TANK CARS, BOXCARS, TRUCKS, TRANSPORT TRUCK, TRUCK AND TRAILERS, TANK WAGONS, PIPELINE, AND LIGHTERS contract clause describes the general delivery conditions required on the Contractor. However, situations may occur during the contract period in which the Contractor may be unable to (1) meet the delivery date specified in the order and/or (2) deliver during normal delivery hours due to unusually severe weather conditions or other extenuating circumstances. If such is the case, the ordering activity may extend the delivery schedule, by amending the delivery order, to give the Contractor additional time to perform.

(b) The ordering activity is responsible for--

- (1) Providing the Contractor with reasonable access to the fuel tank fill pipes in order to accomplish the delivery. This includes accessibility and visibility of the fill pipes after a snowfall; and
- (2) Maintaining tanks in a technically acceptable conditions for receipt of product.

**15 AUTOMATIC FILL-UP AND DEGREE DAY REQUIREMENTS (DESC DEC 1991)**

(a) **RESPONSIBILITIES.** Under the provisions of the Automatic Fill-Up and Degree Day Systems clauses contained in Section F of the contract--

- (1) The Contractor is responsible for establishing a delivery system that will ensure that all tanks covered by such line items are never at less than 30 percent tank capacity.
- (2) The activity is responsible for--
  - (i) Supplying the Contractor with historical data upon which these systems are based; and
  - (ii) Providing the Contractor with timely notification of any changes or actions that would impact the delivery schedule. The notification should include all information necessary to revise the delivery schedule, e.g., estimated quantity changes, time periods, specific tanks/buildings. Such changes include--
    - (A) Changes in requirements resulting from operational changes;
    - (B) Removal of product from tanks for tank cleaning, repair, etc.;
    - (C) Quantities put into tanks by other than the incumbent Contractor; and
    - (D) Any action that would impact the Contractor's delivery schedule.

Failure by the activity to provide notification to the Contractor of information that may result in adverse impact on the automatic fill or degree day delivery schedule may jeopardize the Government's ability to pursue action in the event of a default or claim against the Contractor.

**(b) ORDERS.**

- (1) Monthly orders for estimated quantities are required and should be placed to ensure receipt by the supplier a minimum of 48 hours in advance of the commencement of the 30 day delivery period. The Contractor is not obligated to deliver until the estimated order is received.
- (2) At the end of the month, the order will be amended to reflect the actual quantity received.

**16. DELIVERY CONDITIONS FOR ALL GRADES OF MOTOR GASOLINE (DESC OCT 1992)**

For all truck-to-truck transfers or truck-to-drum delivery of motor gasoline, guidelines provided by the National Fire Protection Association (NFPA) and the State and local safety and environmental offices shall be adhered to at all times. Activities and Contractors shall comply with all safety and environmental regulations and the delivery conditions of the contract. Failure by the Contractor to meet the requirements of any of the above stated regulations and provisions should be reported to the DESC Contracting Officer.

**17. DELIVERY CONDITIONS FOR ALL GRADES OF MOTOR GASOLINE AND AVIATION FUELS (DESC OCT 1992)**

For all truck-to-truck transfers or truck-to-drum delivery of motor gasoline or aviation fuel, guidelines provided by the National Fire Protection Association (NFPA) and the State and local safety and environmental offices shall be adhered to at all times. Activities and Contractors shall comply with all safety and environmental regulations and the delivery conditions of the contract. Failure by the Contractor to meet the requirements of any of the above stated regulations and provisions should be reported to the DESC Contracting Officer.

**18. DELIVERY CONDITIONS FOR FUEL OIL, BURNER, GRADES 4, 4(LIGHT), 5(LIGHT), 5(HEAVY), AND 6 CONTAINING USED OIL (DESC MAR 1995)**

When Grade 4 through Grade 6 Burner Oils contain used oil or other recycled petroleum products, the Contractor shall adhere to Environmental Protection Agency (EPA) specifications for used oil. This requirement is spelled out in the SPECIFICATIONS clause of the contract. The Contractor has identified such product in its bid/offer and certifies that it is in compliance with EPA specifications. Supply of the oil has received prior approval by the DESC. The Contractor is required to submit test reports validating EPA used oil standards and/or state/local requirements for all deliveries under the line items identified. See PART 10, CONTRACTORS AUTHORIZED TO FURNISH USED OIL IN FUEL OIL, BURNER GRADES 4 THROUGH 6, for a listing of contracts and line items authorized to contain used oil. These test reports should be submitted by the Contractor to the receiving activity and maintained with other delivery receipt documentation. If you do not receive the test reports from the Contractor, notify DESC as soon as possible.

**19. CONTRACTOR FUEL SPILLS ON GOVERNMENT PROPERTY (DESC AUG 1996)**

Cleanup of any fuel spills caused by a Contractor on Government property is the responsibility of that Contractor. Upon concurrence of a spill, the activity should immediately contact DESC at Fort Belvoir, VA. DESC will in turn inform the Contractor of its responsibility. Army activities should concurrently inform the Army Petroleum Center. In addition, the activity shall provide to the Contractor a point of contact at the activity for reporting such spills. Please refer to the PROTECTION OF GOVERNMENT PROPERTY AND SPILL PREVENTION clause for details of the responsibilities of the activity and the Contractor.

**20. ACCOUNTING AND APROPRIATION (DESC FEB 1968)**

The account for which material is ordered will determine the appropriation or fund to be charged with the cost of the material in each case. The appropriation or fund as applicable in each case will be conspicuously shown on each order issued hereunder.

**21. EPA TESTING OF UNDERGROUND TANKS (DESC JAN 1992)**

If the "volumetric" method is used for annual EPA testing of underground tanks, the "topping off" of tanks for this test is outside the scope of DESC requirements contracts.

**SEGMENT IV  
SUPPLIES OR SERVICES AND PRICES/COSTS**

**B1.01-2 SUPPLIES TO BE FURNISHED (DOMESTIC PC&S) (PORTS INTERNET APPLICATION) (DESC MAR 1999)**

(a) The supplies to be furnished during the period specified in the REQUIREMENTS clause, the delivery points, methods of delivery, and estimated quantities are shown below. The quantities shown are best estimates of required quantities only. Unless otherwise specified, the total quantity ordered and required to be delivered may be greater than or less than such quantities. The Government agrees to order from the Contractor and the Contractor shall, if ordered, deliver during the contract period all items awarded under this contract. The prices paid shall be the unit prices specified in subsequent price change modifications issued in accordance with the ECONOMIC PRICE ADJUSTMENT clause.

(b) All items of this contract call for delivery f.o.b. destination unless the item otherwise specifies. The destination for each item is the point of delivery shown in the particular item.

(c) Oral orders may be issued but must be confirmed in writing via a PORTS-generated order within 24 hours or one business day. See the PAPERLESS ORDERING AND RECEIPT TRANSACTION SCREENS (PORTS) INTERNET APPLICATION clause.

(d) If any gasoline items are included in this document, they may require oxygenated fuel as a result of changes in environmental laws. See the SPECIFICATIONS (CONT'D) (COG 7) clause for a listing of counties, cities, and townships that require oxygenated gasoline during the period listed.

(e) Offers shall not be submitted for quantities less than the estimated quantities specified below for each line item.  
(DESC 52.207-9F00)

**THE DOD SCHEDULE OF SUPPLIES CAN BE FOUND IN THE CONTRACTOR INFORMATION SYSTEM (CIS) DETAILING LINE ITEMS, AWARDED/UPDATED PRICES, CONTRACT NUMBER AND CONTRACTOR CONTACT INFORMATION**

**PORTS ACTIVE ITEMS (DOD) WILL REFLECT "YES" IN THE PORTS COLUMN ON THE AWARD SHEET  
ALL DESC FUNDED ITEMS WILL EVENTUALLY BE PORTS ACTIVE IN THIS COG.**

**B1.01 SUPPLIES TO BE FURNISHED (DOMESTIC PC&S) (DESC MAR 1999)**

(a) The supplies to be furnished during the period specified in the REQUIREMENTS clause, the delivery points, methods of delivery, and estimated quantities are shown below. The quantities shown are best estimates of required quantities only. Unless otherwise specified, the total quantity ordered and required to be delivered may be greater than or less than such quantities. The Government agrees to order from the Contractor and the Contractor shall, if ordered, deliver during the contract period all items awarded under this contract. The prices paid shall be the unit prices specified in subsequent price change modifications issued in accordance with the ECONOMIC PRICE ADJUSTMENT clause.

(b) All items of this contract call for delivery f.o.b. destination unless the item otherwise specifies. The destination for each item is the point of delivery shown in the particular item.

(c) Written telecommunication (facsimile) is authorized for transmittance of a properly completed order. In an emergency, oral orders may be issued but must be confirmed in writing by an order within 24 hours.

(d) If any gasoline items are included in this document, they may require oxygenated fuel as a result of changes in environmental laws. See the SPECIFICATIONS (CONT'D) (COG 7) clause for a listing of counties, cities, and townships that require oxygenated gasoline during the period listed.

(e) Offers shall not be submitted for quantities less than the estimated quantities specified below for each line item.

(1) **IFBs.** Any bids received for less than the full quantity for each line item will be considered nonresponsive and will be rejected by the Government.

(2) **RFPs.** Any offers received for less than the full quantity for each line item will be rejected by the Government.  
(DESC 52.207-9F45)

**THE FEDERAL CIVILIAN SCHEDULE OF SUPPLIES CAN BE FOUND IN THE CONTRACTOR INFORMATION SYSTEM (CIS) DETAILING LINE ITEMS, AWARDED/UPDATED PRICES, CONTRACT NUMBER AND CONTRACTOR CONTACT INFORMATION**

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## REQUIRED REGULATORY COMMERCIAL ITEM PROVISIONS AND CLAUSES

### II.03-3 CONTRACT TERMS AND CONDITIONS - COMMERCIAL ITEMS (PC&S) (DESC MAR 2001)

#### (a) INSPECTION/ACCEPTANCE.

(1) The Contractor shall only tender for acceptance those items that conform to the requirements of this contract. The Government reserves the right to inspect or test any supplies or services that have been tendered for acceptance. The Government may require repair or replacement of nonconforming supplies or reperformance of nonconforming services at no increase in contract price. The Government must exercise its post-acceptance rights (i) within a reasonable time after the defect was discovered or should have been discovered; and (ii) before any substantial change occurs in the condition of the item, unless the change is due to the defect in the item.

(2) Also see the REQUESTS FOR WAIVERS AND DEVIATIONS clause in the Addendum.

(b) **ASSIGNMENT.** The Contractor or its assignee may assign its rights to receive payment due as a result of performance of this contract, may be assigned to a bank, trust company, or other financing institution, including any Federal lending agency in accordance with the Assignment of Claims Act (31 U.S.C. 3727). However, when a third party makes a payment (e.g., use of the Government-wide commercial purchase card), the Contractor may not assign its right to receive payment under this contract.

(c) **CHANGES.** Changes in the terms and conditions of this contract may be made only by written agreement of the parties.

(d) **DISPUTES.** This contract is subject to the Contract Disputes Act of 1978, as amended (41 U.S.C. 601-613). Failure of the parties to this contract to reach agreement on any request for equitable adjustment, claim, appeal or action arising under or relating to this contract shall be a dispute to be resolved in accordance with the clause at FAR 52.233-1, DISPUTES, which is incorporated herein by reference. The Contractor shall proceed diligently with performance of this contract, pending final resolution of any dispute arising under the contract.

(e) **DEFINITIONS.** The clause at FAR 52.202-1, DEFINITIONS, is incorporated herein by reference.

(f) **EXCUSABLE DELAYS.** The Contractor shall be liable for default unless nonperformance is caused by an occurrence beyond the control of the Contractor and without its fault or negligence, such as acts of God or the public enemy, acts of the Government in either its sovereign or contractual capacity, fires, floods, epidemics, quarantine restrictions, strikes, unusually severe weather, and delays of common carriers. The Contractor shall notify the Contracting Officer in writing as soon as it is reasonably possible after the commencement of any excusable delay, setting forth the full particulars in connection therewith, shall remedy such occurrence with all reasonable dispatch, and shall promptly give written notice to the Contracting Officer of the cessation of such occurrence.

(g) **INVOICE.** The Contractor shall submit an original invoice and three copies (or electronic invoice, if authorized) to the address designated in the contract to receive invoices. An invoice must include--

- (1) Name and address of the Contractor;
- (2) Invoice date;
- (3) Contract number, contract line item number, and, if applicable, the order number;
- (4) Description, quantity, unit of measure, unit price, and extended price of the item delivered;
- (5) Shipping number and date of shipment including the bill of lading number and weight of shipment if shipped on Government bill of lading;
- (6) Terms of any prompt payment discount offered;
- (7) Name and address of official to whom payment is to be sent; and
- (8) Name, title, and phone number of person to be notified in event of defective invoice.

Invoices will be handled in accordance with the Prompt Payment Act (31 U.S.C. 3903) and Office of Management and Budget (OMB) Circular A-125, Prompt Payment. Contractors are encouraged to assign an identification number to each invoice.

(h) **PATENT INDEMNITY.** The Contractor shall indemnify the Government and its officers, employees and agents against liability, including costs, for actual or alleged direct or contributory infringement of, or inducement to infringe, any United States or foreign patent, trademark or copyright, arising out of the performance of this contract, provided the Contractor is reasonably notified of such claims and proceedings.

(i) **PAYMENT.** Payment shall be made for items accepted by the Government that have been delivered to the delivery destinations set forth in this contract. The Government will make payment in accordance with the Prompt Payment Act (31 U.S.C. 3903) and Office of Management and Budget (OMB) Circular A-125, Prompt Payment. Prompt payment discount will be applied to the total amount of each invoice. If the Government makes payment by Electronic Funds Transfer (EFT), see 52.212-5(b) for the appropriate EFT clause. In the event electronic funds transfers cannot be processed, the Government retains the option to make payment under this contract by check. In connection with any discount offered for early payment, time shall be computed from the date the invoice was received. For the purposes of computing the discount earned, payment shall be considered to have been made on the date that appears on the payment check or the date on which an EFT was made.



**II.03-3 (CONT'D)**

(j) **RISK OF LOSS.** Unless the contract specifically provides otherwise, risk of loss or damage to the supplies provided under this contract shall remain with the Contractor until, and shall pass to the Government upon--

- (1) Delivery of the supplies to a carrier, if transportation is f.o.b. origin; or
- (2) Delivery of the supplies to the Government at the destination specified in the contract, if transportation is f.o.b.

destination.

(k) **TAXES.** See Addendum 2.

(l) **TERMINATION FOR THE GOVERNMENT'S CONVENIENCE.** The Government reserves the right to terminate this contract, or any part thereof, for its sole convenience. In the event of such termination, the Contractor shall immediately stop all work hereunder and shall immediately cause any and all of its suppliers and subcontractors to cease work. Subject to the terms and conditions of this contract, the Contractor shall be paid a percentage of the contract price reflecting the percentage of the work performed prior to the notice of termination, plus reasonable charges the Contractor can demonstrate to the satisfaction of the Government using its standard record keeping system, have resulted from the termination. The Contractor shall not be required to comply with the cost accounting standards or contract cost principles for this purposes. This paragraph does not give the Government any right to audit the Contractor's records. The Contractor shall not be paid for any work performed or costs incurred which reasonably could have been avoided.

(m) **TERMINATION FOR CAUSE.** The Government may terminate this contract, or any part hereof, for cause in the event of any default by the Contractor, or if the Contractor fails to comply with any contract terms and conditions, or fails to provide the Government, upon request, with adequate assurances of future performance. In the event of termination for cause, the Government shall not be liable to the Contractor for any amount for supplies or services not accepted, and the Contractor shall be liable to the Government for any and all rights and remedies provided by law. If it is determined that the Government improperly terminated this contract for default, such termination shall be deemed a termination for convenience.

(n) **TITLE.** Unless specified elsewhere in this contract, title to items furnished under this contract shall pass to the Government upon acceptance, regardless of when or where the Government takes physical possession.

(o) **WARRANTY.** The Contractor warrants and implies that the items delivered hereunder are merchantable and fit for use for the particular purpose described in this contract.

(p) **LIMITATION OF LIABILITY.** Except as otherwise provided by an express or implied warranty, the Contractor will not be liable to the Government for consequential damages resulting from any defect or deficiencies in accepted items.

(q) **OTHER COMPLIANCES.** The Contractor shall comply with all applicable Federal, State, and local laws, executive orders, rules, and regulations applicable to its performance under this contract.

(r) **COMPLIANCE WITH LAWS UNIQUE TO GOVERNMENT CONTRACTS.** The Contractor agrees to comply with 31 U.S.C. 1352 relating to limitations on the use of appropriated funds to influence certain Federal contracts; 18 U.S.C. 431 relating to officials not to benefit; 40 U.S.C. 327 et seq., Contract Work Hours and Safety Standards Act; 41 U.S.C. 51-58, Anti-Kickback Act of 1986, 41 U.S.C. 265 and 10 U.S.C. 2409 relating to whistle blower protections; 49 U.S.C. 40118, Fly American; and 41 U.S.C. 423 relating to procurement integrity.

(s) **ORDER OF PRECEDENCE.** Any inconsistencies in this solicitation or contract shall be resolved by giving precedence in the following order:

- (1) The schedule of supplies/services;
- (2) The Assignments; Disputes, Payments; Invoices; Other Compliances; and Compliance with Laws Unique to Government Contracts paragraphs of this clause;
- (3) The clause at 52.212-5;
- (4) Addenda to this solicitation or contract, including any license agreements for computer software;
- (5) Solicitation provisions if this is a solicitation;
- (6) Other paragraphs of this clause;
- (7) Standard Form 1449;
- (8) Other documents, exhibits, and attachments; and
- (9) The specification.

(FAR 52.212-4, **tailored**/DESC 52.212-9F50)

**THIS CLAUSE APPLIES ONLY TO DESC-FUNDED ITEMS ORDERED UNDER PORTS:****11.03-8 CONTRACT TERMS AND CONDITIONS - COMMERCIAL ITEMS (PC&S) (PORTS INTERNET APPLICATION)****(DESC AUG 1999)****(a) INSPECTION/ACCEPTANCE.**

(1) The Contractor shall only tender for acceptance those items that conform to the requirements of this contract. The Government reserves the right to inspect or test any supplies or services that have been tendered for acceptance. The Government may require repair or replacement of nonconforming supplies or reperformance of nonconforming services at no increase in contract price. The Government must exercise its post-acceptance rights (i) within a reasonable time after the defect was discovered or should have been discovered; and (ii) before any substantial change occurs in the condition of the item, unless the change is due to the defect in the item.

(2) Also see the REQUESTS FOR WAIVERS AND DEVIATIONS clause in the Addendum.

(b) **ASSIGNMENT.** The Contractor or its assignee's right to be paid amounts due as a result of performance of this contract, may be assigned to a bank, trust company, or other financing institution, including any Federal lending agency in accordance with the Assignment of Claims Act (31 U.S.C. 3727).

(c) **CHANGES.** Changes in the terms and conditions of this contract may be made only by written agreement of the parties.

(d) **DISPUTES.** This contract is subject to the Contract Disputes Act of 1978, as amended (41 U.S.C. 601-613). Failure of the parties to this contract to reach agreement on any request for equitable adjustment, claim, appeal or action arising under or relating to this contract shall be a dispute to be resolved in accordance with the clause at FAR 52.233-1, DISPUTES, which is incorporated herein by reference. The Contractor shall proceed diligently with performance of this contract, pending final resolution of any dispute arising under the contract.

(e) **DEFINITIONS.** The clause at FAR 52.202-1, DEFINITIONS, is incorporated herein by reference.

(f) **EXCUSABLE DELAYS.** The Contractor shall be liable for default unless nonperformance is caused by an occurrence beyond the control of the Contractor and without its fault or negligence, such as acts of God or the public enemy, acts of the Government in either its sovereign or contractual capacity, fires, floods, epidemics, quarantine restrictions, strikes, unusually severe weather, and delays of common carriers. The Contractor shall notify the Contracting Officer in writing as soon as it is reasonably possible after the commencement of any excusable delay, setting forth the full particulars in connection therewith, shall remedy such occurrence with all reasonable dispatch, and shall promptly give written notice to the Contracting Officer of the cessation of such occurrence.

(g) **INVOICE.** The Contractor shall submit an original invoice and three copies (or electronic invoice, if authorized) to the address designated in the contract to receive invoices. An invoice must include--

- (1) Name and address of the Contractor;
- (2) Invoice date;
- (3) Contract number, contract line item number, and, if applicable, the order number;
- (4) Description, quantity, unit of measure, unit price, and extended price of the item delivered;
- (5) Shipping number and date of shipment including the bill of lading number and weight of shipment if shipped on Government bill of lading;
- (6) Terms of any prompt payment discount offered;
- (7) Name and address of official to whom payment is to be sent; and
- (8) Name, title, and phone number of person to be notified in event of defective invoice.

Invoices will be handled in accordance with the Prompt Payment Act (31 U.S.C. 3903) and Office of Management and Budget (OMB) Circular A-125, Prompt Payment. Contractors are encouraged to assign an identification number to each invoice.

(h) **ELECTRONIC INVOICING.** See the CONTRACT TERMS AND CONDITIONS - COMMERCIAL ITEMS (PC&S) (PORTS INTERNET APPLICATION) - ADDENDUM clause in Addendum 2.

(i) **PATENT INDEMNITY.** The Contractor shall indemnify the Government and its officers, employees and agents against liability, including costs, for actual or alleged direct or contributory infringement of, or inducement to infringe, any United States or foreign patent, trademark or copyright, arising out of the performance of this contract, provided the Contractor is reasonably notified of such claims and proceedings.

(j) **PAYMENT.** Payment shall be made for items accepted by the Government that have been delivered to the delivery destinations set forth in this contract. The Government will make payment in accordance with the Prompt Payment Act (31 U.S.C. 3903) and Office of Management and Budget (OMB) Circular A-125, Prompt Payment. Prompt payment discount will be applied to the total amount of each invoice. If the Government makes payment by Electronic Funds Transfer (EFT), see 52.212-5(b) for the appropriate EFT clause. In the event electronic funds transfers cannot be processed, the Government retains the option to make payment under this contract by check. In connection with any discount offered for early payment, time shall be computed from the date the invoice was

**11.03-8 (CONT'D)**

received. For the purposes of computing the discount earned, payment shall be considered to have been made on the date that appears on the payment check or the date on which an EFT was made.

(k) **RISK OF LOSS.** Unless the contract specifically provides otherwise, risk of loss or damage to the supplies provided under this contract shall remain with the Contractor until, and shall pass to the Government upon--

- (1) Delivery of the supplies to a carrier, if transportation is f.o.b. origin; or
- (2) Delivery of the supplies to the Government at the destination specified in the contract, if transportation is f.o.b.

destination.

(l) **TAXES.** See Addendum 2.

(m) **TERMINATION FOR THE GOVERNMENT'S CONVENIENCE.** The Government reserves the right to terminate this contract, or any part thereof, for its sole convenience. In the event of such termination, the Contractor shall immediately stop all work hereunder and shall immediately cause any and all of its suppliers and subcontractors to cease work. Subject to the terms and conditions of this contract, the Contractor shall be paid a percentage of the contract price reflecting the percentage of the work performed prior to the notice of termination, plus reasonable charges the Contractor can demonstrate to the satisfaction of the Government using its standard record keeping system, have resulted from the termination. The Contractor shall not be required to comply with the cost accounting standards or contract cost principles for this purposes. This paragraph does not give the Government any right to audit the Contractor's records. The Contractor shall not be paid for any work performed or costs incurred which reasonably could have been avoided.

(n) **TERMINATION FOR CAUSE.** The Government may terminate this contract, or any part hereof, for cause in the event of any default by the Contractor, or if the Contractor fails to comply with any contract terms and conditions, or fails to provide the Government, upon request, with adequate assurances of future performance. In the event of termination for cause, the Government shall not be liable to the Contractor for any amount for supplies or services not accepted, and the Contractor shall be liable to the Government for any and all rights and remedies provided by law. If it is determined that the Government improperly terminated this contract for default, such termination shall be deemed a termination for convenience.

(o) **TITLE.** Unless specified elsewhere in this contract, title to items furnished under this contract shall pass to the Government upon acceptance, regardless of when or where the Government takes physical possession.

(p) **WARRANTY.** The Contractor warrants and implies that the items delivered hereunder are merchantable and fit for use for the particular purpose described in this contract.

(q) **LIMITATION OF LIABILITY.** Except as otherwise provided by an express or implied warranty, the Contractor will not be liable to the Government for consequential damages resulting from any defect or deficiencies in accepted items.

(r) **OTHER COMPLIANCES.** The Contractor shall comply with all applicable Federal, State, and local laws, executive orders, rules, and regulations applicable to its performance under this contract.

(s) **COMPLIANCE WITH LAWS UNIQUE TO GOVERNMENT CONTRACTS.** The Contractor agrees to comply with 31 U.S.C. 1352 relating to limitations on the use of appropriated funds to influence certain Federal contracts; 18 U.S.C. 431 relating to officials not to benefit; 40 U.S.C. 327 et seq., Contract Work Hours and Safety Standards Act; 41 U.S.C. 51-58, Anti-Kickback Act of 1986, 41 U.S.C. 265 and 10 U.S.C. 2409 relating to whistle blower protections; 49 U.S.C. 40118, Fly American; and 41 U.S.C. 423 relating to procurement integrity.

(t) **ORDER OF PRECEDENCE.** Any inconsistencies in this solicitation or contract shall be resolved by giving precedence in the following order:

- (1) The schedule of supplies/services;
- (2) The Assignments; Disputes, Payments; Invoices; Other Compliances; and Compliance with Laws Unique to Government Contracts paragraphs of this clause;
- (3) The clause at 52.212-5;
- (4) Addenda to this solicitation or contract, including any license agreements for computer software;
- (5) Solicitation provisions if this is a solicitation;
- (6) Other paragraphs of this clause;
- (7) Standard Form 1449;
- (8) Other documents, exhibits, and attachments; and
- (9) The specification.

(FAR 52.212-4, **tailored**/DESC 52.212-9F51)



**11.04 CONTRACT TERMS AND CONDITIONS REQUIRED TO IMPLEMENT STATUTES OR EXECUTIVE ORDERS - COMMERCIAL ITEMS (FEB 2001)**

(a) The Contractor shall comply with the following FAR clauses, which are incorporated in this contract by reference, to implement provisions of law or Executive orders applicable to acquisitions of commercial items:

- (1) 52.222-3, Convict Labor (E.O. 11755);
- (2) 52.233-3, Protest After Award (31 U.S.C. 3553).

(b) The Contractor shall comply with the FAR clauses in this paragraph (b), that the Contracting Officer has indicated as being incorporated in this contract by reference to implement provisions of law or Executive orders applicable to acquisitions of commercial items or components:

**[Contracting Officer must check as appropriate.]**

52.203-6, Restrictions on Subcontractor Sales to the Government, with Alternate I (41 U.S.C. 253g and 10 U.S.C. 2402).

52.219-3, Notice of Total HUBZone Set-Aside (Jan 1999).

52.219-4, Notice of Price Evaluation Preference for HUBZone Small Business Concerns (Jan 1999) (if the offeror elects to waive the preference, it shall so indicate in its offer).

52.219-5, Very Small Business Set-Aside (Pub. L. 103-403, section 304, Small Business Reauthorization and Amendments Act of 1994).  Alt I.  Alt II.

52.219-8, Utilization of Small Business Concerns (15 U.S.C. 637(d)(2) and (3)).

52.219-9, Small Business Subcontracting Plan (15 U.S.C. 637 (d)(4)).

52.219-14, Limitations on Subcontracting (15 U.S.C. 637(a)(14)).

52.219-23, Notice of Price Evaluation Adjustment for Small Disadvantaged Business Concerns (Pub. L. 103-355, section 7102, and 10 U.S.C. 2323) (if the offeror elects to waive the adjustment, it shall so indicate in its offer).  Alt I.

52.219-25, Small Disadvantaged Business Participation Program - Disadvantaged Status and Reporting (Pub. L. 103-355, section 7102, and 10 U.S.C. 2323).

52.219-26, Small Disadvantaged Business Participation Program - Incentive Subcontracting (Pub. L. 103-355, section 7102, and 10 U.S.C. 2323).

52.222-19, Child Labor – Cooperation with Authorities and Remedies (E.O. 13126).

52.222-21, Prohibition of Segregated Facilities (Feb 1999).

52.222-26, Equal Opportunity (E.O. 11246).

52.222-35, Affirmative Action for Disabled Veterans and Veterans of the Vietnam Era (38 U.S.C. 4212).

52.222-36, Affirmative Action for Workers with Disabilities (29 U.S.C. 793).

52.222-37, Employment Reports on Disabled Veterans and Veterans of the Vietnam Era (38 U.S.C. 4212).

**11.04 (CONT'D)**

- 52.223-9, Estimate of Percentage of Recovered Material Content for EPA-Designated Products (42 U.S.C. 6962(c)(3)(A)(ii)).  Alt I (42 U.S.C. 6962(i)(2)(C)).
- 52.225-1, Buy American Act - Balance of Payments Program - Supplies (41.U.S.C. 10a - 10d).
- 52.225-3, Buy American Act - North American Free Trade Agreement - Israeli Trade Act - Balance of Payments Program (41 U.S.C 10a - 10d, 19 U.S.C. 3301 note, 19 U.S.C. 2112 note).  Alt I.  Alt II.
- 52.225-5, Trade Agreements (19 U.S.C 2501, et seq., 19 U.S.C. 3301 note).
- 52.225-13, Restriction on Certain Foreign Purchases (E.O.'s 12722, 12724, 13059, 13067; 13121, and 13129).
- 52.225-15, Sanctioned European Union Country End Products (E.O. 12849).
- 52.225-16, Sanctioned European Union Country Services (E.O. 12849).
- 52.232-33, Payment by Electronic Funds Transfer -- Central Contractor Registration (31 U.S.C. 3332).
- 52.232-34, Payment by Electronic Funds Transfer -- Other than Central Contractor Registration (31 U.S.C. 3332).
- 52.232-36, Payment by Third Party (31 U.S.C. 3332).
- 52.239-1, Privacy or Security Safeguards (5 U.S.C. 552a).
- 52.247-64, Preference for Privately Owned U.S.-Flag Commercial Vessels (46 U.S.C. 1241).  Alt I.

(c) The Contractor shall comply with FAR clauses in this paragraph (c), applicable to commercial services, which the Contracting Officer has indicated as being incorporated in this contract by reference to implement provisions of law or executive orders applicable to acquisitions of commercial items or components:

**[Contracting Officer must check as appropriate.]**

- 52.222-41, Service Contract Act of 1965, as amended (41 U.S.C. 351, et seq.).

**Subcontracts for certain commercial services may be exempt from coverage if they meet the criteria in FAR 22.1103-4(c) or (d) (see DoD Class Deviation number 2000-O0006).**

- 52.222-42, Statement of Equivalent Rates for Federal Hires (29 U.S.C. 206 and 41 U.S.C. 351 et seq.).
- 52.222-43, Fair Labor Standards Act and Service Contract Act - Price Adjustment (Multiple Year and Option Contracts) (29 U.S.C. 206 and 41 U.S.C. 351 et seq.).
- 52.222-44, Fair Labor Standards Act and Service Contract Act - Price Adjustment (29 U.S.C. 206 and 41 U.S.C. 351 et seq.).
- 52.222-47, SCA Minimum Wages and Fringe Benefits Applicable to Successor Contract Pursuant to Predecessor Contractor Collective Bargaining Agreement (CBA) (41 U.S.C. 351 et seq.).
- 52.222-50, Nondisplacement of Qualified Workers (E.O. 129333).

**II.04 (CONT'D)**

(d) **COMPTROLLER GENERAL EXAMINATION OF RECORD.** The Contractor shall comply with the provisions of this paragraph (d) if this contract was awarded using other than sealed bid, is in excess of the simplified acquisition threshold, and does not contain the clause at 52.215-2, AUDIT AND RECORDS - NEGOTIATION.

(1) The Comptroller General of the United States, or an authorized representative of the Comptroller General, shall have access to and right to examine any of the Contractor's directly pertinent records involving transactions related to this contract.

(2) The Contractor shall make available at its offices at all reasonable times the records, materials, and other evidence for examination, audit, or reproduction, until 3 years after final payment under this contract or for any shorter period specified in FAR Subpart 4.7, Contractor Records Retention, of the other clauses of this contract. If this contract is completely or partially terminated, the records relating to the work terminated shall be made available for 3 years after any resulting final termination settlement. Records relating to appeals under the DISPUTES clause or to litigation or the settlement of claims arising under or relating to this contract shall be made available until such appeals, litigation, or claims are finally resolved.

(3) As used in this clause, records include books, documents, accounting procedures and practices, and other data, regardless of type and regardless of form. This does not require the Contractor to create or maintain any record that the Contractor does not maintain in the ordinary course of business or pursuant to a provision of law.

(e) Notwithstanding the requirements of the clauses in paragraphs (a), (b), (c) and (d) of this clause, the Contractor is not required to include any FAR clause, other than those listed below (and as may be required by any addenda to this paragraph to establish the reasonableness of prices under Part 15), in a subcontract for commercial items or commercial components:

52.222-26, Equal Opportunity (E.O. 11246);

52.222-35, Affirmative Action for Disabled Veterans and Veterans of the Vietnam Era (38 U.S.C. 4212); and

52.222-36, Affirmative Action for Workers with Disabilities (29 U.S.C. 793).

52.247-64, Preference for Privately Owned U.S.-Flag Commercial Vessels (46 U.S.C. 1241) (flow down not required for subcontracts awarded beginning May 1, 1996).

(FAR 52.212-5)

**II.05 CONTRACT TERMS AND CONDITIONS REQUIRED TO IMPLEMENT STATUTES OR EXECUTIVE ORDERS APPLICABLE TO DEFENSE ACQUISITIONS OF COMMERCIAL ITEMS (MAR 2000)**

(a) The Contractor agrees to comply with any clause that is checked on the following list of DFARS clauses which, if checked, is included in this contract by reference to implement provisions of law or executive orders applicable to acquisitions of commercial items or components.

- |                                     |              |  |
|-------------------------------------|--------------|--|
| <input type="checkbox"/>            | 252.205-7000 | Provision of Information to Cooperative Agreement Holders (10 U.S.C. 2416)   |
| <input type="checkbox"/>            | 252.206-7000 | Domestic Source Restriction (10 U.S.C. 2304)   |
| <input checked="" type="checkbox"/> | 252.219-7003 | Small, Small Disadvantaged, and Women-Owned Small Business Subcontracting Plan (DoD Contracts) (15 U.S.C. 637)                         |
| <input type="checkbox"/>            | 252.225-7001 | Buy American Act and Balance of Payments Program (41 U.S.C. 10a-10-d, E.O. 10582)  |
| <input checked="" type="checkbox"/> | 252.225-7007 | Buy American Act -Trade Agreements Act - Balance of Payments Program (41 U.S.C. 10a-10d, 19 U.S.C. 2501-2518, and 19 U.S.C. 3301 note) |
| <input type="checkbox"/>            | 252.225-7012 | Preference for Certain Domestic Commodities  |
| <input type="checkbox"/>            | 252.225-7014 | Preference for Domestic Specialty Metals (10 U.S.C. 2341 note)   |
| <input type="checkbox"/>            | 252.225-7015 | Preference for Domestic Hand or Measuring Tools (10 U.S.C. 2241 note)  |
| <input type="checkbox"/>            | 252.225-7021 | Trade Agreements (19 U.S.C. 2501-2518 and 19 U.S.C. 3301 note)   |
| <input type="checkbox"/>            | 252.225-7027 | Restriction on Contingent Fees for Foreign Military Sales (22 U.S.C. 2779)   |

**II.05**

**(CONT'D)**

- [ ] 252.225-7028 Exclusionary Policies and Practices of Foreign Governments (22 U.S.C. 2755)
- [ ] 252.225-7029 Preference for United States or Canadian Air Circuit Breakers (10 U.S.C. 2534(a)93)
- [X] 252.225-7036 Buy American Act - North American Free Trade Agreement Implementation Act - Balance of Payments Program ( [ \_\_\_ ] Alt I) (41 U.S.C. 10a-10d and 19 U.S.C. 3301 note)
- [ ] 252.227-7015 Technical Data Commercial Items (10 U.S.C. 2320)
- [ ] 252.227-7037 Validation of Restrictive Markings on Technical Data (10 U.S.C. 2321)
- [X] 252.243-7002 Requests for Equitable Adjustment (10 U.S.C. 2410)
- [ ] 252.247-7023 Transportation of Supplies by Sea ( [ \_\_\_ ] Alt I), ( [ \_\_\_ ] Alt II) (10 U.S.C. 2631)
- [ ] 252.247-7024 Notification of Transportation of Supplies by Sea (10 U.S.C. 2631)

(b) In addition to the clauses listed in paragraph (e) of the CONTRACT TERMS AND CONDITIONS REQUIRED TO IMPLEMENT STATUTES OR EXECUTIVE ORDERS -- COMMERCIAL ITEMS clause of this contract (Federal Acquisition Regulation 52.212-5), the Contractor shall include the terms of the following clauses, if applicable, in subcontracts for commercial items or commercial components, awarded at any tier under this contract.

- [ ] 252.225-7014 Preference for Domestic Specialty Metals, Alternate I (10 U.S.C. 2241 note)
- [ ] 252.247-7023 Transportation of Supplies by Sea (10 U.S.C. 2631)
- [ ] 252.247-7024 Notification of Transportation of Supplies by Sea (10 U.S.C. 2631)

(DFARS 252.212-7001)

**ADDENDUM #2 – POSTAWARD SOLICITATION PROVISIONS**

**C1 SPECIFICATIONS (DESC JAN 1997)**

Product to be supplied shall fully meet the requirements of the applicable specification(s) as indicated in the Supply Schedule, except as modified elsewhere in this contract. Unless otherwise indicated by the Contractor, prior to award and in accordance with the EVALUATION OF OFFERS clause, the product offered will be assumed to fully meet the applicable specification(s).  
(DESC 52.246-9FT5)

**C1.02 DODISS SPECIFICATIONS (DESC AUG 2000)**

Unless otherwise specified, the issues of Federal and Military specifications, standards, and related standardization documents and those non-Government standards adopted for Department of Defense use, which are cited in this solicitation/contract, are those listed in the Department of Defense Index of Specifications and Standards (DODISS) dated July 1, 2000.  
(DESC 52.246-9FT1)

**C16.69 FUEL SPECIFICATIONS (PC&S) (DESC SEP 2000)**

Supplies delivered under this contract shall conform to all Federal, State, and local environmental requirements applicable to the geographic location of the receiving activity on the date of delivery. The list of such requirements contained in this contract is not intended to be a complete list, and the Contractor shall be responsible for determining the existence of all such requirements at the time deliveries are made. Selected regional environmental requirements are highlighted in the SPECIFICATIONS (CONT'D) clause. In the event that a Federal, State, or local environmental requirement is more stringent than a specification contained in this contract, the Contractor shall deliver product that complies with the more stringent requirement. Product that fails to meet the more stringent requirement will be considered to be a nonconforming supply. Product(s) to be supplied shall fully meet the requirements of the applicable specification(s) as cited below.

**NOTE:** Gasoline gasohol and reformulated gasoline Reid Vapor Pressure (RVP) specification requirements are seasonal and vary geographically throughout the United States. Therefore, Contractors are expected to know the local, State, or Federal RVP requirements of areas being supplied and comply with those requirements.

(a) **GASOLINE, AUTOMOTIVE, UNLEADED, GRADES REGULAR, MIDGRADE, AND PREMIUM.** Product shall conform to ASTM D 4814, as modified below.

(1) **OCTANE REQUIREMENTS.**

(i) *Unleaded automotive gasoline shall meet the Anti-Knock Index (AKI) requirements shown in the table below.*

<u>NATIONAL STOCK NUMBER</u>	<u>PRODUCT NOMENCLATURE (6)</u>	<u>AKI. MINIMUM</u>
9130-00-148-7103	Gasoline, Regular Unleaded	87
9130-01-272-0983	Gasoline, Midgrade Unleaded	89
9130-00-148-7104	Gasoline, Premium Unleaded	91

(ii) Reductions for altitude and seasonal variations are allowed for all AKI values in accordance with figures X1.2 and X1.3 of ASTM D 4814.

(iii) *For regular unleaded gasoline, in addition to an AKI of 87 minimum, the MON must not be less than 82.*

(2) **OXYGENATE REQUIREMENTS.**

(i) *In order to achieve minimum/maximum oxygen content limits specified per Federal, State, and local environmental requirements, supplies shall only include oxygenates that are permitted by environmental regulations applicable to the time and place of delivery.*

(ii) *Blending of oxygenates into gasoline to meet oxygenated fuel requirements shall be accomplished by mechanical mixing or agitation in a tank, or by in-line blending, prior to loading the product into transport equipment, and the resultant product must meet contract requirements.*

(3) See the SPECIFICATIONS (CONT'D) clause for additional regional gasoline requirements.

**Clause C16.69 Cont**

(b) **GASOHOL, AUTOMOTIVE, UNLEADED, GRADES REGULAR, MIDGRADE, AND PREMIUM.** Products shall conform to Commercial Item Description (CID) A-A-52530 dated October 10, 1995, as modified below. In accordance with Executive Order 12261 of January 5, 1981, "Gasohol in Federal Motor Vehicles," Gasohol may be considered an acceptable substitute for Unleaded Gasoline. The Unleaded Gasoline items that permit the substitution of Gasohol are identified in the Schedule. Contractors are required to state, for each line item in their offer, whether Gasohol will be provided. Contractors will not be permitted to substitute Unleaded Gasoline under line items awarded as gasohol. Also, Contractors are not permitted to substitute gasohol for gasoline under line items awarded as gasoline, except when Government regulations mandate use of fuel containing an oxygenate for control of carbon monoxide pollution.

(1) **OCTANE REQUIREMENTS.**

(i) *Unleaded automotive gasohol shall meet the AKI requirements shown in the table below.*

<u>NATIONAL STOCK NUMBER</u>	<u>PRODUCT NOMENCLATURE</u>	<u>AKI, MINIMUM</u>
9130-01-090-1093	Gasohol, Regular Unleaded	87
9130-01-355-2393	Gasohol, Midgrade Unleaded	89
9130-01-090-1094	Gasohol, Premium Unleaded	91

(ii) Reductions for altitude and seasonal variations are allowed for all AKI values in accordance with figures X1.2 and X1.3 of ASTM D 4814.

(iii) *For regular unleaded gasohol, in addition to an AKI of 87 minimum, the MON must not be less than 82.*

(2) **OXYGENATE REQUIREMENTS.**

(i) *Ethanol concentration shall be between 9 and 11 volume percent.*

(ii) Blending of ethanol into gasoline to make gasohol shall be accomplished by mechanical mixing or agitation in a tank, or by in-line blending, prior to loading the product into transport equipment, and the resultant product must meet contract requirements.

(3) See the SPECIFICATIONS (CONT'D) clause for additional regional requirements affecting gasohol.

(c) **REFORMULATED GASOLINE, AUTOMOTIVE, UNLEADED, GRADES REGULAR, MIDGRADE, AND PREMIUM.** Product shall conform to ASTM D 4814, as modified by the Environmental Protection Agency (EPA) requirements detailed in 40 CFR Part 80 - "Regulation of Fuels and Fuel Additives; Standards for Reformulated and Conventional Gasoline; Final Rule," published in the February 16, 1994 Federal Register. In part, these regulations mandate that Phase II complex model reformulated gasoline must meet three emissions performance requirements when compared to the baseline gasoline marketed by a refiner in 1990: a 27 percent reduction in emissions of volatile organic compounds (VOCs), a 22 percent reduction in emissions of toxic pollutants, and a 7 percent reduction in emissions of oxides of nitrogen (NOx). Further, these regulations mandate that Phase II complex model reformulated gasoline must meet three compositional requirements: 1.5 weight percent minimum oxygen; 1.3 volume percent maximum benzene; and no heavy metals (lead and manganese are examples of such metals).

(1) **OCTANE REQUIREMENTS.**

(i) *Reformulated gasoline shall meet the AKI requirements shown in the table below.*

<u>NATIONAL STOCK NUMBER</u>	<u>PRODUCT NOMENCLATURE</u>	<u>AKI, MINIMUM</u>
9130-01-388-4080	Reformulated Gasoline, Regular	87
9130-01-388-4513	Reformulated Gasoline, Midgrade	89
9130-01-388-4524	Reformulated Gasoline, Premium	91

(ii) Reductions for altitude and seasonal variations are allowed for all AKI values in accordance with figures X1.2 and X1.3 of ASTM D 4814.

(2) **OXYGENATE REQUIREMENTS.**

(i) *In order to achieve minimum/maximum oxygen content limits specified per Federal, State; and local environmental requirements, suppliers shall only include oxygenates that are permitted by environmental regulations applicable to the time and place of delivery.*

**Clause C16.69 Cont**

(ii) Blending of permissible oxygenate into reformulated gasoline shall be accomplished by mechanical mixing or agitation in a tank, or by in-line blending, prior to loading the product into transport equipment, and the resultant product must meet contract requirements.

(3) See the SPECIFICATIONS (CONT'D) clause for additional regional reformulated gasoline requirements.

(d) **DIESEL FUEL.** ALL FACILITIES REQUIRING DIESEL FUEL FOR ON-HIGHWAY USE SHALL BE SUPPLIED PRODUCT WITH A MAXIMUM SULFUR CONTENT OF 0.05 WEIGHT PERCENT.

(1) **APPLICABLE TO ALL DIESEL GRADES.**

(i) **ADDITIVES.**

(A) *A fuel stabilizer additive conforming to MIL-S-53021 may be blended into the fuel to improve the suitability of fuel for long term storage. Permissible additive concentrations are specified in the latest revision of QPL-53021.*

(B) A corrosion inhibitor/lubricity improver additive may be blended into the fuel to inhibit corrosion and improve fuel lubricity. Permissible additive concentration limits are specified in the latest revision of QPL-25017.

(C) A fuel system icing inhibitor may be blended into the fuel to purge small quantities of water from the fuel and prevent the formulation of ice crystals. The additive concentration shall not exceed 0.15 volume percent when tested in accordance with the ASTM method D 5006.

(ii) **BLENDING.** *Blending one grade of diesel fuel with another grade, or other compatible components, to produce a different grade or a variation within a grade is permitted. However, such blending shall be accomplished by mechanical mixing or agitation in a tank, or in-line blending, prior to loading the product into transport equipment, and the resultant product must meet all the requirements of the desired fuel.*

(iii) **CLOUD POINT.** Unless a more restrictive cloud point limit is specified in the contract schedule, the cloud point shall be equal to or lower than the tenth percentile minimum ambient temperature specified in Appendix X4 of ASTM D 975.

(iv) **DYE.** *As a means of identification, the Internal Revenue Service (IRS) requires that a red dye, identified as Solvent Red 164 (alkyl derivatives of azo benzene azo naphthol), must be added to all nontaxable diesel and all nontaxable kerosene used for purposes other than military jet fuel. The definitions of diesel and kerosene are provided in 26 CFR Section 48.4081-1. The minimum concentration is provided in 40 CFR Part 80.*

(2) **APPLICABLE TO GRADES DL2, DL1, DLS, DLW, DF2, AND DF1 ONLY.** Product shall conform to the Commercial Item Description A-A-52557, Fuel Oil, Diesel, For Posts, Camps, and Stations, dated January 2, 1996. Fuel stabilizer additive, corrosion inhibitor/lubricity improver, and fuel system icing inhibitor are not mandatory additives. Product classification is shown below.

**LOW SULFUR GRADES**

<u>NATIONAL STOCK NUMBER</u>	<u>PRODUCT NOMENCLATURE</u>	<u>DESC PRODUCT CODE</u>	<u>MAXIMUM SULFUR CONTENT</u>	<u>RED DYE</u>
9140-00-000-0184	Grade Low Sulfur No. 2-D	DL2	0.05 wt%	No
9140-00-000-0185	Grade Low Sulfur No. 1-D	DL1	0.05 wt%	No
9140-01-413-7511	Grade Low Sulfur No. 2-D	DLS	0.05 wt%	Yes
9140-01-412-1311	Grade Low Sulfur No. 1-D	DLW	0.05 wt%	Yes

**Clause C16.69 Cont**

**HIGH SULFUR GRADES**

<u>NATIONAL STOCK NUMBER</u>	<u>PRODUCT NOMENCLATURE</u>	<u>DESC PRODUCT CODE</u>	<u>MAXIMUM SULFUR CONTENT</u>	<u>RED DYE</u>
9140-00-286-5294	Grade No. 2-D	DF2	0.50 wt%	Yes
9140-00-286-5286	Grade No. 1-D	DF1	0.50 wt%	Yes

(3) **APPLICABLE TO GRADES LS2, LS1, LSS, LSW, HS2, AND HS1 ONLY.** Product shall conform to ASTM D 975. In accordance with this specification, product shall be visually free of undissolved water, sediment, and suspended matter. Product classification is shown below:

**LOW SULFUR GRADES**

<u>NATIONAL STOCK NUMBER</u>	<u>PRODUCT NOMENCLATURE</u>	<u>DESC PRODUCT CODE</u>	<u>MAXIMUM SULFUR CONTENT</u>	<u>RED DYE</u>
9140-01-398-0697	Grade Low Sulfur No. 2-D	LS2	0.05 wt%	No
9140-01-398-1130	Grade Low Sulfur No. 1-D	LS1	0.05 wt%	No
9140-01-413-4919	Grade Low Sulfur No. 2-D	LSS	0.05 wt%	Yes
9140-01-413-7494	Grade Low Sulfur No. 1-D	LSW	0.05 wt%	Yes

**HIGH SULFUR GRADES**

<u>NATIONAL STOCK NUMBER</u>	<u>PRODUCT NOMENCLATURE</u>	<u>DESC PRODUCT CODE</u>	<u>MAXIMUM SULFUR CONTENT</u>	<u>RED DYE</u>
9140-01-398-1395	Grade No. 2-D	HS2	0.50 wt%	Yes
9140-01-398-1422	Grade No. 1-D	HS1	0.50 wt%	Yes

(4) **APPLICABLE TO DIESEL GRADE #1 ONLY.** DESC frequently requires #1 diesel fuel grades when it is anticipated that the fuel may be exposed to temperatures below 10 degrees Fahrenheit (-12 degrees Celsius). This product shall conform to ASTM Specification D 975 or CID A-A-52557. Contractors electing to deliver kerosene to meet #1 diesel fuel requirements must--

(i) Provide certification to the Contracting Officer prior to 1 October of each year that the kerosene will meet #1 diesel fuel specifications, including specifically, viscosity and cetane index; **AND**

(ii) For each delivery, submit relevant documents (delivery tickets, bills of lading, etc.) indicating that #1 diesel fuel is being delivered.

(e) **FUEL OIL, BURNER, GRADES 1, 2, 4(LIGHT), 4, 5(LIGHT), 5(HEAVY), AND 6 (VIRGIN FUEL OILS).** Product shall conform to ASTM D 396, as modified by the requirements of paragraphs (1) through (7) below. Product classification is shown in the table below.

**Clause C16.69 Cont**

<u>NATIONAL STOCK NUMBER</u>	<u>PRODUCT NOMENCLATURE</u>	DESC <u>PRODUCT CODE</u>	<u>RED DYE</u>
9140-00-247-4366	Fuel Oil, Burner 1	FS1	Yes
9140-00-247-4365	Fuel Oil, Burner 2	FS2	Yes
9140-01-107-6139	Fuel Oil, Burner 4 (Light)	FL4	Yes
9140-00-247-4360	Fuel Oil, Burner 4	FS4	No
9140-01-058-4431	Fuel Oil, Burner 5 (Light)	FL5	No
9140-00-247-4359	Fuel Oil, Burner 5 (Heavy)	FS5	No
9140-00-247-4354	Fuel Oil, Burner 6	FS6	No

(1) These residual grades of burner fuel oil (Grades 4, 4(Light), 5(Light), 5(Heavy), and 6) shall consist of fossil-derived hydrocarbon stock. They may not contain used oil or other recycled petroleum components.

(2) **SULFUR REQUIREMENT.** Refer to the Schedule for the maximum allowable sulfur content of Burner Oil, Grades 4, 4(Light), 5(Light), 5(Heavy), and 6. The maximum allowable sulfur content for Burner Oil, Grades 1 and 2, shall be 0.5 weight percent or State/local environmental requirements, whichever is more stringent.

(3) **NITROGEN REQUIREMENT.** The nitrogen content shall be tested using ASTM D 3228, Total Nitrogen in Lubricating Oils and Fuel Oils by Modified Kjeldahl Method, or ASTM D 4629, Trace Nitrogen in Liquid Petroleum Hydrocarbons by Chemiluminescence Detection. The nitrogen content is used to determine nitrous oxide (NOx) emissions in boiler systems as determined by State/local environmental agencies. The requirement applies for line items with burner oil #4, burner oil #5 (heavy), burner oil #5 (light), and burner oil #6. The Contractor is required upon request from the Government to provide a copy of the test report, within two working days, that states the actual nitrogen content of fuel delivered.

(4) Blending of various compatible grades of burner oil to produce an intermediate grade is permitted; however, such blending shall be accomplished by mechanical mixing or agitation in a tank, or by in-line blending, prior to loading the product into transport equipment, and the resultant product must meet all the requirements the grade produced.

(5) The maximum allowable ash content for Burner Oil, Grade 6, shall be .50 weight percent using ASTM D 874, Standard Test Method for Sulfated Ash from Lubricating Oils and Additives.

(6) Under United States regulations, Grades No. 1, 2, and 4 (Light) are required by 40 CFR Part 80 to contain a sufficient amount of the dye Solvent Red 164 so its presence is visually apparent. At or beyond terminal storage tanks, they are required by CFR Part 48 to contain the dye Solvent Red 164 at a concentration spectrally equivalent to 3.9 pounds per thousand barrels of the solid dye standard Solvent Red 26.

(7) **APPLICABLE TO FUEL OIL, BURNER, GRADE #1 ONLY.** This product shall conform to ASTM D 396. Contractors electing to deliver kerosene (red dye) to meet #1 burner oil requirements must--

(i) Provide certification to the Contracting Officer prior to 1 October of each year that the kerosene will meet #1 burner oil specifications, including specifically, viscosity, distillation, density and pour point; AND

(ii) For each delivery, submit relevant documents (delivery tickets, bills of lading, etc.) indicating that #1 burner oil is being delivered.

(iii) All kerosene delivered to meet #1 burner oil must be tax free, i.e., dyed in accordance with IRS regulations.

(f) **FUEL OIL, BURNER, CONTAINING RECYCLED USED OILS, GRADES 4, 4(LIGHT), 5, 5(LIGHT), AND 6.** Product shall conform to ASTM D 396, as modified by the requirement of paragraphs (1) through (7) below. Product classification is shown in the table below.

**Clause C16.69 Cont**

<u>NATIONAL STOCK NUMBER</u>	<u>PRODUCT NOMENCLATURE</u>	<u>DESC PRODUCT CODE</u>	<u>RED DYE</u>
9140-01-468-9083	Fuel Oil, Burner 4 (Light)	R4L	Yes
9140-01-468-9135	Fuel Oil, Burner 4	RF4	No
9140-01-468-9157	Fuel Oil, Burner 5 (Light)	R5L	No
9140-01-468-9147	Fuel Oil, Burner 5 (Heavy)	RF5	No
9140-01-468-9164	Fuel Oil, Burner 6	RF6	No

(1) **SULFUR REQUIREMENT.** Refer to the Schedule for the maximum allowable sulfur content of Burner Oil, Grades 4, 4(Light), 5(Light), 5(Heavy), and 6. The maximum allowable sulfur content for Burner Oil, Grades 1 and 2, shall be 0.5 weight percent or State/local environmental requirements, whichever is more stringent.

(2) **NITROGEN REQUIREMENT.** The nitrogen content shall be tested using ASTM D 3228, Total Nitrogen in Lubricating Oils and Fuel Oils by Modified Kjeldahl Method, or ASTM D 4629, Trace Nitrogen in Liquid Petroleum Hydrocarbons by Chemiluminescence Detection. The nitrogen content is used to determine nitrous oxide (NOx) emissions in boiler systems as determined by State/local environmental agencies. The requirement applies for line items with burner oil #4, burner oil #5 (heavy), burner oil #5 (light), and burner oil #6. The Contractor is required upon request from the Government to provide a copy of the test report, within two working days, that states the actual nitrogen content of fuel delivered.

(3) These residual grades of burner fuel oil (Grades 4, 4(Light), 5(Light), 5(Heavy), and 6) shall consist of fossil-derived hydrocarbon stock. The product shall meet the following additional requirements:

<u>ALLOWABLE CONSTITUENT/PROPERTY</u>	<u>TEST METHOD</u>	<u>REQUIRED DETECTION LIMIT</u>	<u>MAXIMUM LEVEL</u>
1. Arsenic	EPA SW-846 6010 <sup>2,3,4</sup>	0.5 ppm max	5 ppm max
2. Cadmium	EPA SW-846 6010 <sup>2,3</sup>	0.2 ppm max	2 ppm max
3. Chromium	EPA SW-846 6010 <sup>2,3</sup>	1.0 ppm max	10 ppm max
4. Lead	EPA SW-846 6010 <sup>2,3</sup>	10 ppm max	100 ppm max
5. Total Halogens	EPA SW-846 5050/9056 <sup>5</sup>	NA	1000 ppm max
6. Flash Point	ASTM D 93	NA	100°F (38°C) min

**NOTES:**

1. Choose the appropriate sample preparation method as outlines in EPA SW-846, in order to achieve required detection limits.
2. Background correction must be performed for test method 6010. Laboratory control sample(s) (LCS) containing target analytes must be run for each Quality Control (QC) batch. The LCS must be matrix matched and made with commercially available National Institute of Standards and Technology (NIST) traceable organo-metallic standards. LCS recovery must fall between 80-120 percent. Adherence to all required method QC must be documented and available for review.
3. If the required detection limit of 0.5 ppm cannot be achieved by test method 6010, test method 7060 may be used in order to achieve that requirement. Background correction must be performed. Zeeman or Smith-Hieftje interference correction will be used. Deuterium interference correction will not be accepted under any circumstance.

**Clause C16.69 Cont**

An analytical spike must be performed for each sample. LCS must be prepared and analyzed as outlined in Note 2 above. Adherence to all required method QC must be documented and available for review.

4. Test method 6020 may be used in place of test method 6010. LCS must be prepared and analyzed as outlined in note 2 above. Adherence to all required method QC must be documented and available for review.

5. A bomb blank must be run and analyzed for each QC batch. A LCS of an NIST traceable organic chloride must be run with each QC batch. LCS recovery must fall between 80-120 percent. Adherence to all required method QC must be documented and available for review.

(4) The above specification requirements reflect the Federal EPA specifications for used oil contained in 40 CFR Parts 266 and 279. If State or local requirements for used oil are more stringent, the fuel oil offered will be required to comply with such. Copies of SW-846 (Test Method for Evaluating Solid Waste) can be obtained from the U.S. Government Printing Office, Washington, DC 20422, stock number 955-001-00000-1. Test methods must be run by a State certified laboratory.

(5) The supply of off-specification used oil as described in EPA regulations, 40 CFR Parts 266 and 279, is not acceptable.

A CONTRACTOR WILL NOT BE PERMITTED TO SUPPLY PRODUCT CONTAINING USED OIL UNLESS (1) IT DISCLOSED IN ITS OFFER THAT PRODUCT WOULD CONTAIN USED OIL, AND (2) THE SUPPLY OF PRODUCT CONTAINING USED OIL IS APPROVED BY THE CONTRACTING OFFICER. CONTRACT AWARD DOCUMENT WILL SERVE AS THE CONTRACTING OFFICER'S APPROVAL TO SUPPLY USED OIL.

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The offeror represents that it will provide certified test reports with associated QC documents validating EPA used oil standards, contained in 40 CFR Parts 266 and 279, or State/local requirements, whichever is more stringent, for all contract deliveries under the line items identified above to--

ATTN: DESC-BPE ROOM 2954  
DEFENSE ENERGY SUPPORT CENTER  
8725 JOHN J KINGMAN ROAD SUITE 4950  
FORT BELVOIR VA 22060-6222

Offeror's EPA Identification Number: \_\_\_\_\_

**Clause C16.69 Cont**

(6) Blending of various compatible grades of burner oil to produce an intermediate grade is permitted; however, such blending shall be accomplished by mechanical mixing or agitation in a tank, or by in-line blending, prior to loading the product into transport equipment, and the resultant product must meet all the requirements of the grade produced.

(7) The maximum allowable ash content for Burner Oil, Grade 6, shall be .50 wt %, using ASTM D 874, Standard Test Method for Sulfated Ash from Lubricating Oils and Additives.

(g) **KEROSENE.** Product shall conform to ASTM D 3699. Classification of product is shown below.

**LOW SULFUR GRADES**

<u>NATIONAL STOCK NUMBER</u>	<u>PRODUCT NOMENCLATURE</u>	<u>DESC PRODUCT CODE</u>	<u>MAXIMUM SULFUR CONTENT</u>	<u>RED DYE</u>
9140-01-292-4460	Kerosene, Grade No. 1-K	KS1	0.04 wt% max	No
9140-01-461-3989	Kerosene, Grade No. 1-K	KSR	0.04 wt% max	Yes

**HIGH SULFUR GRADES**

<u>NATIONAL STOCK NUMBER</u>	<u>PRODUCT NOMENCLATURE</u>	<u>DESC PRODUCT CODE</u>	<u>MAXIMUM SULFUR CONTENT</u>	<u>RED DYE</u>
9140-00-242-6748	Kerosene, Grade No. 2-K	KSN	0.30 wt% max	Yes

**NOTE:** The IRS requires taxation of No. 1-K and No. 2-K kerosene upon removal from the terminal unless the kerosene is indelibly (cannot be removed) dyed or used for military jet fuel. These requirements, part of 26 CFR 48 - Manufacturers and Retailers Excise Taxes, were published in the July 1, 1998, Federal Register. Only undyed (taxable) No. 1-K kerosene is suitable for use in nonflued (unvented) kerosene burner appliances. No. 2-K kerosene (dyed or undyed) is unsuitable for nonflued (unvented) kerosene burner appliances.

The color test requirement is deleted if red dye has been added in compliance with IRS regulations; however, the resulting fuel/dye blend must have a red tint.

(DESC 52.246-9FW5)

**C16.69-7 SPECIFICATIONS (CONT'D) (COG 7) (DESC JUL 2000)**

(a) **CALIFORNIA FEDERAL/STATE REFORMULATED GASOLINE REQUIREMENTS.** In accordance with the preceding SPECIFICATIONS clause, facilities in the locations listed below shall be supplied reformulated gasoline that conforms to applicable Federal and State regulations. The requirements compiled below are based on information published by the U.S. Environmental Protection Agency (EPA) and by the California Air Resources Board (CARB) and reflect the impact of Federal and State regulations. These requirements are subject to change before or during the contract performance period.

(1) **GASOLINE REQUIREMENTS FOR ALL CALIFORNIA LOCATIONS.** All facilities in California shall be supplied reformulated gasoline year round that conforms to ASTM D 4814 as modified by the CARB Phase II gasoline requirements stated below:

**Clause C16.69-7 Cont**

<u>TEST</u>	<u>REQUIREMENTS</u>
Vapor Pressure	7.0 ppsi maximum
Total Sulfur content	80 ppm maximum by weight
Aromatic content	30 vol % maximum
Benzene content	1.20 vol % maximum
Olefin content	10.0 vol % maximum
Distillation temperature @ 50%	104°C (220°F) maximum
@ 90%	165°C (330°F) maximum

Oxygen content is limited seasonally and geographically as described in paragraph (2) below.

(2) **CALIFORNIA STATE OXYGENATION REQUIREMENTS.** The purpose of the oxygenated fuel program is to reduce carbon monoxide emissions from gasoline powered vehicles in the control area through the wintertime use of oxygenated gasolines. **Control area** means an area in which only oxygenated gasoline under the oxygenated gasoline program may be sold or dispensed. **Control period** means the period during which oxygenated gasoline must be sold or dispensed within the control area. The data shown below denote the oxygenated fuel requirements of the fuel for the receiving activity based on the control period specified. These requirements are subject to change before or during the contract performance period.

<u>CONTENT</u>	<u>LOCATION</u>	<u>PERIOD</u>	<u>OXYGEN</u>
<b>CALIFORNIA COUNTIES</b>			
	Amador, Calaveras, Del Norte, El Dorado (part), Humboldt, Lake, Lassen, Los Angeles (part), Mariposa, Mendocino, Modoc, Monterey, Nevada, Orange, Placer (part), Plumas, Riverside (part), San Benito, San Bernardino (part), Santa Cruz, Sierra, Siskiyou, Sonoma (part), Tuolumne, Trinity, and Ventura	Oct 1 – Feb 29 Mar 1 - Sep 30	1.8 Wt % min. - 2.7 Wt% max. 2.7 Wt% max.
	Alameda, Alpine, Butte, Colusa, Contra Costa, El Dorado (part), Fresno, Glenn, Inyo, Kern (part), Kings, Madera, Marin, Merced, Mono, Napa, Placer (part), Sacramento, San Francisco, San Joaquin, San Mateo, Santa Clara, Shasta, Solano, Sonoma (part), Stanislaus, Sutter, Tehama, Tulare, Yolo, and Yuba	Oct 1 - Jan 31 Feb 1 - Sep 30	1.8 Wt % min. - 2.7 Wt% max. 2.7 Wt% max.
	Imperial, Kern (part), Los Angeles (part), Riverside (part), San Bernardino (part), San Diego, San Luis Obispo, and Santa Barbara	Nov 1 – Feb 29 Mar 1 - Oct 31	1.8 Wt% min. - 2.7 Wt% max. 2.7 Wt% max.

(b) **CALIFORNIA DIESEL REQUIREMENTS.** In accordance with the preceding SPECIFICATIONS clause, facilities in California shall be supplied diesel fuel that conforms to Federal, State, and local regulations. CARB regulations stipulate that all diesel fuel (for both on-highway and off-highway use) supplied to facilities in California must conform to the following additional requirements:

- (1) **SULFUR CONTENT:** 0.05 weight percent maximum.
- (2) **AROMATIC CONTENT:**
  - (i) Shall be 10 percent maximum if product is sourced from a large refiner; or
  - (ii) Shall be 20 percent maximum if product is sourced from a small refiner; or
  - (iii) Product shall conform to a formulation certified by CARB.

**Clause C16.69-7 Cont**

(c) **GASOLINE REQUIREMENTS OUTSIDE OF CALIFORNIA.** In accordance with the preceding SPECIFICATIONS clause, facilities in the locations listed below shall be supplied either gasoline or gasohol that conforms to Federal, State, and local regulations for minimum oxygen content. The oxygenated gasoline requirements compiled below are based on information published by the EPA in the Federal Register (40 CFR Part 81.305) and reflect the impact of Federal, State, and local regulations. These requirements are subject to change before or during the contract performance period.

(1) **OXYGENATED GASOLINE REQUIREMENTS.** The purpose of the oxygenated fuel program is to reduce carbon monoxide emissions from gasoline powered vehicles in the control area through the wintertime use of oxygenated gasolines. **Control area** means an area in which only oxygenated gasoline under the oxygenated gasoline program may be sold or dispensed. **Control period** means the period during which oxygenated gasoline must be sold or dispensed within the control area. The data shown below denote the oxygenated fuel requirements of the fuel for the receiving activity based on the control period specified. These requirements are subject to change before or during the contract performance period.

<u>CONTENT</u>	<u>LOCATION</u>	<u>PERIOD</u>	<u>OXYGEN</u>
<b>ARIZONA COUNTIES</b>			
	Tucson	Oct 1 - Mar 31	1.8 Wt% minimum 5.7 to 10 vol % (ethanol)
<b>NEVADA COUNTIES</b>			
	Clark (part) including the hydrographic basins containing the Las Vegas Valley, the El Dorado Valley, the Ivanpah Valley, the Boulder City limits, and any area within three (3) miles of any such hydrographic basins and which is within Clark County	Oct 1 – Mar 31	3.5 Wt % minimum
The area of Clark County must also meet the below requirements from Nov 1 - 31 Mar:			
	Aromatics	30 vol % maximum	
	Sulfur	80 ppm maximum	
	Washoe	Oct 1 - Jan 31	2.7 Wt% minimum
<b>UTAH COUNTIES</b>			
	Utah	Nov 1 – Feb 29	3.1 Wt% minimum (ethanol only)

(2) **REFORMULATED GASOLINE REQUIREMENTS.** Reformulated gasoline is designed to reduce air toxins and volatile organic compound emissions (VOCs) by decreasing the amount of toxic compounds such as benzene, lowering the evaporation rate, and increasing the amount of oxygenate blended with the fuel. The Arizona counties listed below for reformulated gasoline must meet the below Arizona Cleaner Burning Gasoline requirements year round.

**Clause C16.69-7 Cont**

LOCATION

**ARIZONA COUNTIES**

Maricopa, Yavapai

<u>ROUND)</u>	<u>TEST</u>	<u>REQUIREMENTS (YEAR</u>
	Sulfur	500 ppm max. by weight
	Aromatic content	50 vol % max.
	Olefin content	25 vol % max.
	Vapor Pressure	Oct 1 to Mar 31 - 9.0 ppsi max. April - 10 ppsi max. May - 9 ppsi max. June 1 to Sep 30 - 7.0 ppsi max.
	Oxygen content	limited seasonally
	Nov 1 - Mar 31	3.5 Wt% min. (ethanol)
	Apr 1 - Oct 31	no oxygen content

**NOTE:** Beginning in the winter months of 2000 (Nov 1 - Mar 31), no other oxygen other than ethanol can be used to attain any oxygen requirements that may be required for the oxygenated or reformulated programs.

(DESC 52.246-9FAA)

THE FOLLOWING CLAUSE, WHEN USED IN CONUS AND ALASKA POSTS, CAMPS, AND STATIONS SOLICITATIONS, APPLIES TO PRODUCT DELIVERED BY BARGE. WHEN USED IN DOMESTIC BUNKERS SOLICITATIONS, IT APPLIES TO DISTILLATE PRODUCTS (F76, DF2, AND MGO) DELIVERED BY ALL MODES, BUT DOES NOT APPLY TO LOCATIONS IN ALASKA, PUERTO RICO, VIRGIN ISLANDS, AND AMERICAN SAMOA (PAGO PAGO).

**E4 INSPECTION AND ACCEPTANCE (DESC NOV 1991)**

(a) **INSPECTION.** When Government inspection is required, it will be performed by the Quality Representative assigned responsibility over the location where loading takes place. In order that such inspection can be accomplished, the Contractor will provide the Quality Office, upon receipt of an order, with the following information, at least 24 hours prior to delivery (5 days, if possible):

- (1) Contract number and order number;
- (2) Specification and nomenclature of product;
- (3) Date and time of shipment;
- (4) Name and location of refinery of supplies ordered and furnished;
- (5) Identity of conveyance and consignee; and
- (6) Quantity to be shipped.

(b) **ACCEPTANCE.**

- (1) Acceptance by the Government of supplies ordered and furnished shall be at origin on f.o.b. origin deliveries.
- (2) Acceptance by the Government of supplies ordered and furnished shall be at destination on f.o.b. destination

deliveries.

(c) **QUALITY OFFICES AND AREAS.** A List of Quality Offices and Areas will be furnished to successful offerors.



**E12 POINT OF ACCEPTANCE (DESC MAY 1969)**

On f.o.b. origin deliveries, acceptance of the supplies furnished hereunder will take place at origin, notwithstanding that inspection by the Government may take place elsewhere prior to acceptance. On f.o.b. destination deliveries, acceptance of the supplies furnished hereunder will take place at destination, notwithstanding that inspection by the Government may take place elsewhere prior to acceptance.

(DESC 52.246-9FQ1)

**E18.01 INSPECTION SYSTEM (DESC DEC 1993)**

(a) Records on product supplied to the U.S. Government by the Contractor or subcontractor (including supplier) shall be kept complete and available to the Government during the performance of this contract and for such longer period as may be specified elsewhere in this contract. The Government reserves the right to perform Quality Inspection at all times and places. The Federal Acquisition Regulation requires that such records be maintained for a period of four years if this contract contains any of the following clauses: AUDIT - SEALED BIDDING; AUDIT - NEGOTIATION; or EXAMINATION OF RECORDS BY THE COMPTROLLER GENERAL.

(b) The Contractor shall furnish hereunder, from time to time, samples of each product or grade of product to be furnished under this contract at the request of, and in the manner and to the place designated by, the Quality Representative; PROVIDED, however, that in no event shall the Contractor be required to furnish during the period of this contract more than five 1-gallon samples of each product or grade of product from each facility from which such product is shipped to the Government. Such samples shall be furnished without charge to the Government and shall be packed, marked, and shipped by the Contractor, shipping expense prepaid, in containers and shipping boxes furnished by the Contractor.

(DESC 52.246-9F95)

**E35.02 REQUESTS FOR WAIVERS AND DEVIATIONS (DESC JUL 2000)**

(a) The following procedures apply to requests for specification waivers.

(1) Requests for waivers and deviations shall be submitted by the Contractor to the Contracting Officer with a copy to the Quality Representative (QR). Each request shall provide the following information: Contractor name; contract number; contract line item and product, if applicable; clause number, paragraph and subparagraph, as appropriate; the nature of the request; the reason for the request; the corrective action being taken by the Contractor to correct and prevent recurrence of the condition(s) causing the nonconformance; and equitable price adjustment offered over the administrative fee. In extraordinary situations, the Contractor may initially submit the request for a deviation or waiver through the cognizant QR to the Contracting Officer or the Contracting Officer's Representative (COR) in the Bulk Fuels Business Unit, Product Technical and Standardization Division, Defense Energy Support Center (DESC). Extraordinary situation requests shall be submitted formally to the Contracting Officer prior to close of business of the next DESC normal workday. As used in this clause, the term "extraordinary situation" means the matter cannot await resolution until the DESC normal workday (0800 to 1630 hours), Monday through Friday - Federal holidays excluded. In addition, if either the Contracting Officer or the COR cannot be reached, the Duty Officer shall be contacted and provided the necessary information to forward to the proper individuals as soon as possible. The Duty Officer's telephone number is (800) 286-7633, (703) 767-8420, or DSN 427-8420.

(2) If the waiver is granted, the contract will be modified to provide an equitable price reduction or other adequate consideration commensurate with the waiver being granted. If the situation dictates, a waiver may be granted without prior agreement on price adjustment or other consideration subject to agreement by the Contractor, or its representative, to subsequent negotiation. Such agreement shall be documented on the receiving document or other appropriate correspondence. After negotiations, failure to agree on adequate consideration shall be a dispute concerning a question of fact within the meaning of paragraph (d), Disputes, of the CONTRACT TERMS AND CONDITIONS -- COMMERCIAL ITEMS clause of this contract.

(3) If the waiver is granted and the nonconforming supplies are accepted, then in no event will consideration be less than \$250 to cover administrative costs, plus any additional cost of Government inspection or tests if reinspection or retest is necessary.

(4) If the waiver is granted modifying this contract but the supplies accepted are nevertheless determined to be in conformity with contract specifications, the Contractor shall still be obligated to pay the consideration originally agreed upon in support of the waiver. If, however, this consideration exceeds \$500, a second contract modification shall be issued reducing the Contractor's obligation to \$500 (the administrative cost of issuing the two required modifications).

**Clause E37 Cont**

(b) When notification of nonconforming supplies is received after the supplies have been accepted, and the Government determines not to exercise its right to require repairs or replacement of nonconforming supplies or reperformance of nonconforming services at no increase in contract price under the INSPECTION OF SUPPLIES – FIXED-PRICE clause or the CONTRACT TERMS AND CONDITIONS - COMMERCIAL ITEMS clause, then in no event will consideration be less than \$250 to cover administrative costs. This \$250 fee is in addition to--

- (1) Consideration commensurate with the extent of nonconforming supplies; and
- (2) Cost of Government inspection or tests if reinspection or retest is necessary.

The administrative fee will apply to each claim letter issued for off-specification product delivered to an activity.

(DESC 52.246-9FR1)

**E37 SOURCE RESTRICTION AND SOURCE INSPECTION (PC&S) (DESC JAN 1992)**

**(a) SOURCE RESTRICTION.**

(1) If the Contractor delivers any product that is determined to be off-specification, the Contracting Officer (CO) shall thereafter have the right, upon giving 10 days' written notice, to require the Contractor to designate a single source of supply for each destination set forth in the contract.

(2) In addition to the name of a single source of supply, the Contractor must provide the address of the terminal or loading point to be used in drawing the requirements for each item in the contract.

(3) The Contractor may change suppliers only after requesting and receiving the express written approval of the CO.

**(b) SOURCE INSPECTION.**

(1) If serious quality problems arise or if a quality problem recurs, for which the Contractor was supposed to have taken corrective action, the CO shall, in addition to Source Restriction, have the right to change the inspection point from destination to origin by advising the Contractor in writing of the change.

(2) At the time the change becomes effective--

(i) All appropriate clauses relating to origin inspection shall be incorporated into the contract for the item(s) involved;

(ii) Source Restriction, if not already in force, will be invoked for all items involved, in accordance with (a) above; and

(iii) The cognizant DCMC office, upon written notification by the CO, will become the office responsible for inspection at the origin loading or filling point and for providing necessary field assistance.

(c) Failure to provide the information requested or to take prompt corrective action may result in the item(s) and/or contract being terminated for default.

(DESC 52.246-9F55)

**F1.01-1 DELIVERY CONDITIONS FOR TRANSPORT TRUCKS, TRUCKS AND TRAILERS, AND TANK WAGONS (DESC APR 1997)**

**IMPORTANT NOTE on EPA TESTING OF UNDERGROUND TANKS.** If the "volumetric" method is used for annual EPA testing of underground tanks, the "topping off" of tanks for this test is outside the scope of DESC requirements contracts.

(a) **F.O.B. ORIGIN.** On items calling for delivery at Contractor's refinery, terminal, or bulk plant f.o.b. transport truck, truck and trailer, or tank wagon--

(1) Supplies ordered hereunder shall be delivered, at Contractor's expense, into equipment specified in the Schedule.

(2) Unless otherwise specified in the Schedule, all deliveries shall be made on the day specified in the delivery order unless otherwise authorized by the receiving activity during normal working hours of such activity, provided that the Contractor shall have received the order at least 48 hours prior to the day so specified.

(b) **F.O.B. DESTINATION.** On items calling for delivery f.o.b. destination by means of transport truck, truck and trailer, or tank wagon--

(1) The Contractor shall not be required to deliver by transport truck or truck and trailer a quantity less than a full load nor into more than one storage tank, with the following exceptions:

**Clause F1.01-1 Cont**

(i) An order placed under an item of this contract calling for delivery by transport truck of motor gasoline, fuel oil, diesel fuel, or kerosene, or, if this procurement is for Central America only, jet fuel, may require delivery of a quantity as low as 5,200 gallons whenever the activity is restricted either by a tank capacity or by a directive from receiving a larger quantity; and

(ii) Where the Schedule provides for multiple drop delivery, the Contractor may be required to deliver into more than one storage tank. Where truck and trailer is the method of delivery specified, the Contractor may, at its option, make delivery by transport truck. In the case of deliveries in Alaska, where truck and trailer or transport truck is the method of delivery specified, the Contractor may, at its option, make delivery by tank wagon.

(2) Unless otherwise specified in the Schedule, all deliveries shall be made on the day specified in the delivery order unless otherwise authorized by the receiving activity during normal working hours of such activity, provided that the Contractor shall have received the order at least 48 hours prior to the day so specified.

(3) The Contractor shall not be required to deliver by tank wagon a quantity of less than 575 liters (or 150 gallons) but, at the Government's option, may be required to deliver into more than one storage tank.

(4) When delivery is made by tank wagon, such wagon shall be equipped with pump, meter, and a minimum of 100 feet (30 meters) of hose. Where delivery is made by transport truck or truck and trailer, such delivery equipment shall be equipped with a minimum of 15 feet of hose.

(5) When delivery is made by tank wagon, transport truck, or truck and trailer to a Government facility, the Contractor shall present delivery equipment and product in such condition at destination so as to permit complete off-loading within the prescribed free time.

(6) Unless otherwise provided in the Schedule, free time for unloading trucks, transport trucks, or trucks and trailers shall be unlimited.

(7) When delivery is made by tank wagon, transport truck, or truck and trailer to a Government facility—

(i) The Contractor shall provide properly maintained delivery equipment and properly trained delivery personnel to reasonably assure that delivery can be made without damage to vegetation and asphalt pavement adjacent to storage facilities being filled. The Contractor's delivery personnel who have not exercised reasonable care and delivery equipment that is poorly maintained may be refused entrance to the installation by the installation Commander.

(ii) The Contractor shall present delivery equipment and product in such condition at destination so as to permit complete off-loading within the prescribed free time. (DESC 52.247-9FH5)

**F1.09-1 ANNOTATION OF SHIPPING DOCUMENTS (DESC AUG 1999)**

(a) **Trucks with temperature-compensating meters.** For deliveries when temperature compensating meters are used to determine quantity, the shipping document (truck's metered ticket) shall be annotated with the API gravity (or density), net quantity, and a statement that a temperature compensating meter was used to determine quantity.

(b) **Trucks without temperature-compensating meters.** For deliveries when quantity is determined without volume correction to 60°F (15°C) as permitted in the DETERMINATION OF QUANTITY clause, paragraph (b), the shipping document (truck's metered ticket) shall be annotated with the API gravity (or density), gross quantity, and a statement that volume correction was not required.

(c) **For all other deliveries, including those using a loading rack meter ticket as the shipping document.** The shipping document shall be annotated with the gross and net gallons (or gross and net liters), the observed and corrected API gravity (or density), and the temperature at which the product was measured.

(DESC 52.211-9FB1)

**F1.09-2 DETERMINATION OF QUANTITY (PC&S) (DESC MAY 2000)**

(a) **QUANTITY.** The quantity of supplies furnished under this contract shall be determined as follows:

**(1) DELIVERIES INTO OR BY TANKER/BARGE.****(i) F.O.B. ORIGIN.**

(A) On items requiring delivery at the Contractor's refinery, terminal, or bulk plant on an f.o.b. origin basis, the invoice quantity shall be determined (at the Contractor's option) on the basis of--

- (a) Shore tank measurements; or
- (b) Calibrated meter.

(B) The Government will have the right to have a representative present to witness the measurement of quantity.

**(ii) F.O.B. DESTINATION.**

(A) On items requiring delivery on an f.o.b. destination basis, the invoice quantity shall be determined on the basis of--

- (a) Calibrated meter if the delivery conveyance is so equipped; otherwise--
- (b) Gauging the receiving shore tank; or
- (c) Gauging the tanker/barge before and after delivery.

(B) The Contractor has the right to have a representative present to witness the delivery and measurement of quantity.

**(2) DELIVERIES INTO OR BY TANK TRUCK/TRUCK AND TRAILER/TANK WAGON.****(i) F.O.B. ORIGIN.**

(A) On items requiring delivery at the Contractor's refinery, terminal, or bulk plant on an f.o.b. origin basis, the invoice quantity shall be determined (at the Contractor's option) on the basis of--

- (a) Certified capacity tables of the conveyance loaded;
- (b) Calibrated meter; or
- (c) Weight, using calibrated scales.

(B) The Government has the right to have a representative present to witness the measurement of quantity.

**(ii) F.O.B. DESTINATION.** On items requiring delivery on an f.o.b. destination basis, the invoice quantity shall be determined as follows:

(A) If the narrative requires a tank truck with meter, a truck and trailer with meter, or tank wagon (which is always equipped with a meter), that meter shall be used to determine invoice quantity at time of delivery. The quantity shall be read directly from the meter; otherwise--

(B) The Government may elect to determine invoice quantity at the receiving activity at the time of delivery on the basis of--

- (a) Weight, using calibrated scales; or
- (b) A calibrated meter on the receiving tank system.

(C) If the Government does not require method (a)(2)(ii)(A) above and does not elect to use method (a)(2)(ii)(B) above, the Contractor may then elect to provide equipment that enables the Government and the Contractor to determine invoice quantity at destination at the time of delivery by one of the following methods:

(a) A calibrated meter on the delivery conveyance. The quantity shall be read directly from the meter; or

(b) Gauging the delivery conveyance. The certified capacity tables must be made available at the time of delivery. This method may not be used in areas where environmental restrictions prohibit the opening of dome hatches; or

(c) Certified tank calibration markers. Certified tank calibration markers will not be accepted unless the conveyance is full to the marker and the entire quantity is off-loaded at the receiving activity. This method may not be used for deliveries to Army activities or in areas where environmental restrictions prohibit the opening of dome hatches.

(d) Provide the receiving activity with the net quantity determined at the loading point by a calibrated loading rack meter or calibrated scales. This quantity must be mechanically imprinted on the loading rack meter ticket that is generated by the loading rack meter or scales.

(D) The Contractor has the right to have a representative present to witness the delivery and measurement of quantity.

**F1.09-2 (CONT'D)**

(iii) **WATER BOTTOMS.**

- (A) Every delivery must be free of all water bottoms prior to discharge; and
- (B) The Contractor is responsible for their removal and disposal.

(b) **VOLUME CORRECTION TO STANDARD TEMPERATURE.** To convert gross measured quantities to net quantities of gallons at 60°F (or liters at 15°C), use Volume Correction Factors and the API gravity (or density at 15°F) (see (c)(1) below). Volume correction to a standard temperature of 60°F (or liters at 15°C) is required for--

- (1) All product volumes measured in storage (receiving) tanks, tankers, and barges;
- (2) All product volumes measured by meters on the (receiving) tank system;
- (3) All product volumes determined by weight using a calibrated scale;
- (4) All product volumes determined by loading rack meter;
- (5) All product volumes of residual fuels measured in tank trucks or truck and trailers. For this purpose, residual fuels are any products with a viscosity equal to or greater than a regular (not light) No. 4 Fuel Oil (ASTM D 396); and
- (6) All other product volumes measured in tank trucks or truck and trailers that are in excess of 5,000 gallons except for deliveries where the meter on the delivery conveyance is used to determine quantity. If the meter on the delivery conveyance is used to determine invoice quantity, volume correction shall not be performed unless the meter is equipped to volume correct automatically. The invoice quantity shall be determined directly from the meter reading.

(c) **MEASUREMENT STANDARDS.** All measurements and calibrations made to determine quantity shall be in accordance with the most recent edition of the API Manual of Petroleum Measurement Standards (MPMS). Outside the United States, other technically equivalent national or international standards may be used. **Certified capacity tables** shall mean capacity tables prepared by an independent inspector or any independent surveyor. In addition, the following specific standards will be used as applicable:

(1) **API MPMS Chapter 11.1, Volume Correction Factors** (API 2540/ASTM D 1250/IP 200/ISO 91-1). Either the printed version or the computer subroutine versions of the standard may be used. In case of disputes, the computer subroutine will be the referee method.

- (i) For all fuels and fuel oils, Volume II, Tables 5B and 6B (or Volume VIII, Tables 53B and 54B), shall be used to determine the volume correction factor.
- (ii) Volume XII, Table 52 shall be used to convert cubic meters at 15°C to barrels at 60°F, except when this method is restricted by foreign law. Convert liters at 15°C to cubic meters at 15°C by dividing by 1,000. Convert gallons at 60°F to barrels at 60°F by dividing by 42. Should foreign law restrict conversion by this method, the method required by law shall be stated in the offer.
- (iii) If the original measurement is by weight and quantity is required by U.S. gallons, then--
  - (A) Volume XII, Table 58, shall be used to convert metric tons to U.S. gallons at 60°F. Convert kilograms to metric tons by dividing by 1,000.
  - (B) Volume XI, Table 8, shall be used to convert pounds to U.S. gallons at 60°F.

(2) **API MPMS Chapter 4, Proving Systems.** All meters used in determining product volume shall be calibrated using this standard with the frequency required by local regulation (foreign or domestic). If no local regulation exists, then the frequency of calibration shall be that recommended by the meter manufacturer or every 6 months, whichever is more frequent.

(DESC 52.211-9FA5)

**F3 TRANSPORT TRUCK AND/OR TRUCK AND TRAILER FREE TIME AND DETENTION RATES (PC&S/COAL) (DESC FEB 2001)**

(a) Upon arrival of Contractor's transport truck or truck and trailer, the receiving activity shall promptly designate the delivery point into which the load is to be discharged. Contractor shall be paid for detention beyond free time for delays caused by the Government. A minimum of one hour free time is required.

- (1) Free time for unloading a transport truck, excluding multiple drop deliveries, or truck and trailer in excess of one hour: \_\_\_\_\_.
- (2) Rate for detention beyond free time: \_\_\_\_\_.

The above will not be considered in the evaluation of offers for award.

(b) Notwithstanding the above, the Government is entitled to at least as much free time as is allowed by the common carrier or that the Contractor normally allows its regular commercial customers, whichever is greater. In addition, the Government will not pay more in detention rates than the actual rate charged by the common carrier or the rate the Contractor normally charges its regular commercial customers, whichever is lower.

UNLESS OFFEROR INDICATES OTHERWISE, FREE TIME WILL BE CONSIDERED UNLIMITED.

**Clause F3 Cont**

(c) **DETENTION COSTS.** Detention costs, allowable only on tank truck deliveries (not applicable to multiple drop tank truck or any tank wagon deliveries) and barge/tanker, will be the sole responsibility of the activity incurring them. Invoices for detention costs will be submitted by the Contractor directly to the activity receiving the product. These provisions are applicable to DLA-owned/capitalized as well as non-DLA-owned/noncapitalized products.

(DESC 52.247-9FK1)

**F4 DELIVERY AND ORDERING PERIODS (DESC AUG 1976)**

(a) The period of this contract during which the Ordering Officer may order and the Contractor shall deliver, if ordered, will be as follows unless the Schedule specifies otherwise:

(1) Ordering period begins: **Date of Award** and ends: **31 August, 2004.**

(2) Delivery period begins: **48 hours after the beginning of the ordering period** and ends: **September 30, 2004.**

(b) Notwithstanding the foregoing, deliveries prior to the delivery period, made at the option of the Contractor and pursuant to an order by the Government, shall be deemed to have been made under this contract at the applicable contract price(s).

(DESC 52.242-9F75)

**F98 DELIVERY CONDITIONS FOR ALL GRADES OF MOTOR GASOLINE AND AVIATION FUELS (DESC OCT 1992)**

(a) The Contractor shall comply with National Fire Protection Association (NFPA) standards and any other Federal, State, or local safety measures and environmental requirements applicable to the geographic location of the receiving activity. Special attention should be given to the safety measures required for items calling for truck-to-truck or truck-to-drum delivery of motor gasoline or aviation fuels (section 5 of the NFPA 30 standards for such measures as static protection, bonding/grounding procedures, etc.).

(b) The Contractor shall be responsible for using delivery conveyances that carry vapor recovery systems compatible with the storage/equipment used to receive motor gasoline or aviation fuel at the receiving activity. Further, the vapor recovery system on each conveyance shall be in compliance with the regulations promulgated by the U.S. Environmental Protection Agency or any other responsible State or local authority having jurisdiction over recovery of gasoline vapors.

(DESC 52.242-9FC1)

**G3 INVOICE NUMBERING REQUIREMENTS (DESC AUG 1998)**

Each invoice submitted for payment under this contract shall be identified by an individual invoice number. The number shall not be duplicated on subsequent invoices. Duplicate invoice numbers or invoices that do not include numbers may be rejected.

(DESC 52.211-9FH5)

**G3.01 PAYMENT DUE DATE (DESC OCT 1988)**

When payment due date falls on a Saturday or Sunday, or on a United States Official Federal holiday, payment will be due and payable on the following workday.

(DESC 52.232-9F45)

**G9.06 ADDRESS TO WHICH REMITTANCE SHOULD BE MAILED (DESC DEC 1999)**

Remittances shall be mailed only at the Government's option or where an exception to payment by Electronic Funds Transfer (EFT) applies. (See the PAYMENT BY ELECTRONIC FUNDS TRANSFER - CENTRAL CONTRACTOR REGISTRATION or the PAYMENT BY ELECTRONIC FUNDS TRANSFER - OTHER THAN CENTRAL CONTRACTOR REGISTRATION clause.)

Offeror shall indicate below the complete mailing address (including the nine-digit zip code) to which remittances should be mailed if such address is other than that shown in Block 15a (Standard Form (SF) 33) for noncommercial items or Block 17a (SF 1449) for commercial items. In addition, if offeror did not incorporate its nine-digit zip code in the address shown in Block 15a of the SF 33 or in Block 17a of the SF 1449, the offeror shall enter it below:

**Clause G9.06 Cont**

(a) Payee Name (Contractor): \_\_\_\_\_  
(DO NOT EXCEED 25 CHARACTERS)

(b) Check Remittance Address:  
\_\_\_\_\_  
\_\_\_\_\_  
\_\_\_\_\_  
\_\_\_\_\_

(DO NOT EXCEED 30 CHARACTERS PER LINE)

(c) Narrative Information (special instructions).  
\_\_\_\_\_  
\_\_\_\_\_  
\_\_\_\_\_  
\_\_\_\_\_  
\_\_\_\_\_

(DO NOT EXCEED 153 CHARACTERS)

(DESC 52.232-9F55)

**THIS CLAUSE APPLIES ONLY TO DESC-FUNDED ITEMS.**

**G9.07 ELECTRONIC TRANSFER OF FUNDS PAYMENTS - CORPORATE TRADE EXCHANGE (DESC JUN 2000)**

(a) The Contractor shall supply the following information to the Contracting Officer no later than 5 days after contract award and before submission of the first request for payment.

NAME OF RECEIVING BANK: \_\_\_\_\_  
(DO NOT EXCEED 29 CHARACTERS)

CITY AND STATE OF RECEIVING BANK: \_\_\_\_\_  
(DO NOT EXCEED 20 CHARACTERS)

AMERICAN BANKERS ASSOCIATION NINE DIGIT IDENTIFIER OF RECEIVING BANK: \_\_\_\_\_

ACCOUNT TYPE CODE: (Contractor to designate one)

[ ] CHECKING TYPE 22

[ ] SAVINGS TYPE 32

**Clause G9.07 Cont**

RECIPIENT'S ACCOUNT NUMBER ENCLOSED IN PARENTHESES: \_\_\_\_\_  
(DO NOT EXCEED 15 CHARACTERS)

RECIPIENT'S NAME: \_\_\_\_\_  
(DO NOT EXCEED 25 CHARACTERS)

STREET ADDRESS: \_\_\_\_\_  
(DO NOT EXCEED 25 CHARACTERS)

CITY AND STATE: \_\_\_\_\_  
(DO NOT EXCEED 25 CHARACTERS)

**NOTE:** Additional information may be entered in **EITHER** paragraph (b) **OR** paragraph (c) below. Total space available for information entered in (b) **OR** (c) is 153 characters.

**(b) SPECIAL INSTRUCTIONS/OTHER IDENTIFYING DATA:**

\_\_\_\_\_  
\_\_\_\_\_  
\_\_\_\_\_  
\_\_\_\_\_

(DO NOT EXCEED 153 CHARACTERS)

OR

**(c) THIRD PARTY INFORMATION:** Where payment is to be forwarded from the receiving bank to another financial institution for deposit into Contractor's account, the following information **must** be supplied by the Contractor: Second Bank Name, City/State and/or Country, Account Number, and Account Name.

\_\_\_\_\_  
\_\_\_\_\_  
\_\_\_\_\_  
\_\_\_\_\_

(DO NOT EXCEED 153 CHARACTERS)

**(d) CONTRACTOR'S DESIGNATED OFFICIAL SUBMITTING ELECTRONIC FUNDS TRANSFER INFORMATION.**

NAME: \_\_\_\_\_  
(DO NOT EXCEED 25 CHARACTERS)

TITLE: \_\_\_\_\_  
(DO NOT EXCEED 25 CHARACTERS)

**Clause G9.07 Cont**

TELEPHONE NUMBER: \_\_\_\_\_  
(DO NOT EXCEED 25 CHARACTERS)

SIGNATURE: \_\_\_\_\_

(e) Any change by the Contractor in designation of the bank account to receive electronic transfer of funds in accordance with this clause must be received by the Contracting Officer no later than 30 days prior to the date the change is to become effective.

(f) The electronic transfer of funds does not constitute an assignment of such funds in any form or fashion.

(g) In the event corporate trade exchange (CTX) payments cannot be processed, the Government retains the option to make payments under this contract by check.

**(h) NOTICE TO FOREIGN SUPPLIERS.**

(1) Payment may be made through the Federal Reserve Wire Transfer system. The bank designated as the receiving bank must be located in the United States and must be capable of receiving Automated Clearing House (ACH) transactions. The appropriate American Bankers Association nine-digit identifier must be supplied in order for payments to be processed through CTX.

(2) If your account is with a foreign bank that has an account with a bank located within the United States, the U.S. bank may be designated as the receiving bank. The recipient's name and account number shall identify the foreign bank, and transfer instructions to supplier's account must be specified in (b) and (c) above.

(3) The Third Party Information supplied in (c) above will be located in the first RMT segment of the CTX payment information sent to the receiving bank.

(i) Notwithstanding any other provision of the contract, the requirements of this clause shall control.

(DESC 52.232-9FJ1)

**G9.09-1 PAYMENT BY ELECTRONIC FUNDS TRANSFER - OTHER THAN CENTRAL CONTRACTOR REGISTRATION (MAY 1999)**

**(a) METHOD OF PAYMENT.**

(1) All payments by the Government under this contract shall be made by electronic funds transfer (EFT), except as provided in paragraph (a)(2) of this clause. As used in this clause, the term EFT refers to the funds transfer and may also include the payment information transfer.

(2) In the event the Government is unable to release one or more payments by EFT, the Contractor agrees to either-

(i) Accept payment by check or some other mutually agreeable method of payment; or

(ii) Request the Government to extend payment due dates until such time as the Government makes payment by EFT (but see paragraph (d) of this clause).

**(b) MANDATORY SUBMISSION OF CONTRACTOR'S EFT INFORMATION.**

(1) The Contractor is required to provide the Government with the information required to make contract payment by EFT (see paragraph (j) of this clause). The Contractor shall provide this information directly to the office designated in this contract to receive that information no later than 5 days after award. If not otherwise designated in the contract, the payment office is the designated office for receipt of the Contractor's EFT information. If more than one designated office is named for the contract, the Contractor shall provide a separate notice to each office. In the event that the EFT information changes, the Contractor shall be responsible for providing the updated information to the designated payment office(s).

(2) If the Contractor provides EFT information applicable to multiple contracts, the Contractor shall specifically state the applicability of this EFT information in terms acceptable to the designated office. However, EFT information supplied to a designated office shall be applicable only to contracts that identify that designated office as the office to receive EFT information for that contract.

(c) **MECHANISMS FOR EFT PAYMENT.** The Government may make payment by EFT through either the Automated Clearing House (ACH) network, subject to the rules of the National Automated Clearing House Association, or the Fedwire Transfer System. The rules governing Federal Payments through the ACH are contained in 31 CFR Part 210.

**(d) SUSPENSION OF PAYMENT.**

(1) The Government is not required to make any payment until after receipt, by the designated office, of the correct EFT information from the Contractor. Until receipt of the correct EFT information, any invoice or contract financing request shall be deemed not to be a proper invoice for the purpose of prompt payment under this contract. The prompt payment terms of the contract regarding notice of any delays in accrual of interest penalties apply.

**G9.09-1 (CONT'D)**

(2) If the EFT information changes after submission of correct EFT information, the Government shall begin using the changed EFT information no later than the 30 days after its receipt by the designated office to the extent payment is made by EFT. However, the Contractor may request that no further payments be made until the changed EFT information is implemented by the payment office. If such suspension would result in a late payment under the prompt payment terms of this contract, the Contractor's request for suspension shall extend the due date for payment by the number of days of the suspension.

**(e) LIABILITY FOR UNCOMPLETED OR ERRONEOUS TRANSFERS.**

(1) If an uncompleted or erroneous transfer occurs because the Government used the Contractor's EFT information incorrectly, the Government remains responsible for--

- (i) Making a correct payment;
- (ii) Paying any prompt payment penalty due; and
- (iii) Recovering any erroneously directed funds.

(2) If an uncompleted or erroneous transfer occurs because the Contractor's EFT information was incorrect or was revised within 30 days of Government release of the EFT payment transaction instruction to the Federal Reserve System, and--

- (i) If the funds are no longer under the control of the payment office, the Government is deemed to have made payment and the Contractor is responsible for recovery of any erroneously direct funds; or
- (ii) If the funds remain under the control of the payment office, the Government shall not make payment and the provision of paragraph (d) shall apply.

(f) **EFT AND PROMPT PAYMENT.** A payment shall be deemed to have been made in a timely manner in accordance with the prompt payment terms of this contract if, in the EFT payment transaction instruction released to the Federal Reserve System, the date specified for settlement of the payment is on or before the prompt payment due date, provided the specified payment date is a valid date under the rules of the Federal Reserve System.

(g) **EFT AND ASSIGNMENT OF CLAIMS.** If the Contractor assigns the proceeds of this contract as provided for in the assignment of claims terms of this contract, the Contractor shall require as a condition of any such assignment, that the assignee shall provide the EFT information required by paragraph (j) of this clause to the designated office, and shall be paid by EFT in accordance with the terms of this clause. In all respects, the requirements of this clause shall apply to the assignee as if it were the Contractor. EFT information that shows the ultimate recipient of the transfer to be other than the Contractor, in the absence of a proper assignment of claims acceptable to the Government, is incorrect EFT information within the meaning of paragraph (d) of this clause.

(h) **LIABILITY FOR CHANGE OF EFT INFORMATION BY FINANCIAL AGENT.** The Government is not liable for errors resulting from changes to EFT information provided by the Contractor's financial agent.

(i) **PAYMENT INFORMATION.** The payment or disbursing office shall forward to the Contractor available payment information that is suitable for transmission as of the date of release of the EFT instruction to the Federal Reserve System. The Government may request the Contractor to designate a desired format and method(s) for delivery of payment information from a list of formats and methods the payment office is capable of executing. However, the Government does not guarantee that any particular format or method of delivery is available at any particular payment office and retains the latitude to use the format and delivery method most convenient to the Government. If the Government makes payment by check in accordance with paragraph (a) of this clause, the Government shall mail the payment information to the remittance address in the contract.

(j) **EFT INFORMATION.** The Contractor shall provide the following information to the designated office. The Contractor may supply this data for multiple contracts (see paragraph (b) of this clause). The Contractor shall designate a single financial agent per contract capable of receiving and processing the EFT information using the EFT methods described in paragraph (c) of this clause.

- (1) The contract number (or other procurement identification number).
- (2) The Contractor's name and remittance address, as stated in the contract(s).
- (3) The signature (manual or electric, as appropriate), title, and telephone number of the Contractor official authorized to provide this information.
- (4) The name, address, and 9-digit Routing Transit Number of the Contractor's financial agent.  
contract, and account number at the Contractor's financial agent.
- (5) The Contractor's account number and the type of account (checking, savings, or lockbox).
- (6) If applicable, the Fedwire Transfer System telegraphic abbreviation of the Contractor's financial agent.
- (7) If applicable, the Contractor shall also provide the name, address, telegraphic abbreviation, and 9-digit Routing Transit Number of the correspondent financial institution receiving the wire transfer payment if the Contractor's financial agent is not directly on-line to the Fedwire Transfer System and, therefore, not the receiver of the wire transfer payment.

(FAR 52.232-34)

**G9.11 DESIGNATION OF OFFICE FOR GOVERNMENT RECEIPT OF ELECTRONIC FUNDS TRANSFER INFORMATION (MAY 1999)**

(a) As provided in paragraph (b) of the PAYMENT BY ELECTRONIC FUNDS TRANSFER - OTHER THAN CENTRAL CONTRACTOR REGISTRATION clause, the Government has designated the office cited in paragraph (c) of this clause as the office to receive the Contractor's electronic funds transfer (EFT) information, in lieu of the payment office of this contract.

(b) The Contractor shall send all EFT information and any changes to EFT information to the office designated in paragraph (c) of this clause. The Contractor shall not send EFT information to the payment office or any other office than that designated in paragraph (c). The Government need not use any EFT information sent to any office other than that designated in paragraph (c).

**(c) DESIGNATED OFFICE.**

Name: Defense Energy Support Center

Mailing Address: 8725 John J. Kingman Road, Suite 4950  
ATTN: DESC-PLC, Contracting Officer  
Fort Belvoir, VA 22060-6020

Telephone Number(s): (703) 767-9511, (703) 767-9524, (703) 767-9503

Person(s) to Contact: Kathryn Riso, Valerie Andricos, or Patti Burke

Electronic Address: [kriso@desc.dla.mil](mailto:kriso@desc.dla.mil), [vandricos@desc.dla.mil](mailto:vandricos@desc.dla.mil), [pburke@desc.dla.mil](mailto:pburke@desc.dla.mil)

(FAR 52.232-35)

**G150.03-1 PAPERLESS ORDERING AND RECEIPT TRANSACTION SCREENS (PORTS) INTERNET APPLICATION (DESC DEC 2001)****APPLICABLE TO DoD ACTIVITIES ONLY.**

(a) **CONTRACTOR PASSWORD.** The Contractor will furnish an email distribution list to the DESC Contracting Officer providing name(s), email address(es), phone and facsimile number(s) for all those individuals that may need to receive email notification of orders. The DESC Contracting Officer will furnish the Contractor with a password. Supplementing the "user name" (bidder code), the Contractor shall use this password to access contract-specific web pages and the Paperless Ordering and Receipt Transaction Screens (PORTS) Internet application. This includes access to electronically signed written orders (SF 1449), as described in (b) below. The Contractor shall also use the password to access PORTS for transmitting receipt documents to the Activity and for transmitting invoices to the payment office, as identified in (d) below.

**(b) PREPARATION AND TRANSMISSION OF ORDERS AND CALLS AGAINST ORDERS.**

(1) The Government may issue an order for a specific delivery or a series of deliveries (e.g., several deliveries during a week). The Government may also elect to issue an order covering a longer period (including monthly orders) and make periodic calls against these orders designating specific delivery dates, times, and quantities.

(2) Orders, and calls against orders, may be issued orally or in writing. An oral delivery order for fuel shall be considered issued by the Government when it is verbally assigned a delivery order number. For all orders, the appropriate ordering office/officer will provide the Contractor, via the PORTS Internet application, with an electronically signed written order, SF 1449, within 24 hours or one business day after issuing the oral order. (Once the Ordering Officer has completed the web page order, an email will be sent to the Contractor to provide notice that the order is available on the contract-specific web page. The order will also be submitted to the payment office.) An oral order shall provide the required advance notice to the Contractor and the following information: Order number; contract number; item number; quantity; delivery location; any applicable taxes, which should be billed as a separate item on the invoice; and the required delivery date. Regardless of the unit price cited on the written order, the office designated to make payments on the written order will pay the applicable unit price in effect under the ECONOMIC PRICE ADJUSTMENT (PC&S) clause.

(3) Calls against previously issued orders must be confirmed in writing within 24 hours or one business day via email message. The email confirmation will reference the previously issued order number and item number and designate specific delivery location, dates, and quantity to be delivered against that order.

**Clause G150.03-1 Cont**

(4) The Contractor's nonreceipt of a written or electronic confirmation of an oral order or oral call against a written or electronic order does not itself relieve the Contractor from its obligation to perform in accordance with the oral order or oral call against a written or electronic order. The Contractor should contact the DESC Contracting Officer if problems are experienced with receipt of the electronic or written confirmation.

**(c) COMMERCIAL RECEIPTS.**

(1) The Contractor shall provide a commercial receipt (bill of lading, metered ticket, or delivery ticket) upon completing delivery. The Government representative may date and sign the commercial receipt and will be provided with a legible copy. The following information shall be stated on the commercial receipt:

- (i) Item number;
- (ii) Order number;
- (iii) Type of fuel delivered;
- (iv) Date of the delivery into the Government's tank(s);

(v) Delivered quantity and, if volume correction is required in accordance with the DETERMINATION OF QUANTITY (PC&S) clause, the fuel temperature and API gravity. If temperature compensating meters are used, only the API gravity and delivered quantity are recorded;

(vi) Tank identifier determined by the base; and

(vii) Any other required information specified in the narrative of the Schedule for the item.

(2) The Contractor will maintain all signed receipts as evidence of delivery and will provide them to the Government upon request, as dictated by the CONTRACT TERMS AND CONDITIONS - COMMERCIAL ITEMS (PC&S) (PORTS INTERNET APPLICATION) clause. The records will be annotated with "NONTAXABLE USE ONLY. PENALTY FOR TAXABLE USE" where applicable.

**(d) PREPARATION AND TRANSMISSION OF THE MATERIAL INSPECTION AND RECEIVING REPORT (DD FORM 250)/INVOICE.** At the time of each delivery of supplies or services under this contract, the Contractor shall prepare and furnish to the Government a Material Inspection and Receiving Report in the manner and to the extent required by Appendix F of the Defense FAR Supplement, Material Inspection and Receiving Report, except as noted in this clause. The Contractor, or its designee, shall key the following information from the commercial receipt(s) into the contract-specific web pages for generation of the continuation page and the first page of the DD Form 250 document upon accessing the web screens per the instructions to be provided on the DESC homepage.

(1) On the first page of the web screen for creating a new DD Form 250, the Contractor will select the appropriate line item and order/amendment number from a pull-down list (which already depicts the associated contract number, requisition number, and mode of delivery). The Contractor must insert the shipment date reflecting the date fuel was actually delivered. On the next screen, the Contractor will enter a unique invoice number, confirm the escalated unit price (which may also be corrected if applicable) and any discount terms offered other than net 30 days, and select the appropriate method of quantity determination (either loading rack method or nonloading rack method). The loading rack method is selected if the quantity delivered is determined based on loading rack meter tickets from the terminal; the nonloading rack method is selected if quantity determination is based on any other method as specified in the DETERMINATION OF QUANTITY (PC&S) clause.

(2) On the next screen, the Contractor will enter sequentially the following information from each commercial ticket, which will be depicted in three columns on the DD Form 250 continuation page:

- (i) The commercial ticket number;
- (ii) The quantity indicated on the commercial receipt, (system will round quantity up or down),

determined in accordance with the DETERMINATION OF QUANTITY clause; and

(iii) The tank identifier determined by the Activity (such as a building number). This tank identifier is required only for auto-fill items.

The total volume delivered to the Activity as input by the Contractor will automatically be entered into Block 17 of the DD Form 250 as a whole number; the required sequential shipment number under the order will automatically be entered into Block 2. If there is disagreement between the Contractor and the Government as to the quantity delivered, the DESC Contracting Officer will be promptly notified. (See the CONTRACT TERMS AND CONDITIONS – COMMERCIAL ITEMS (PC&S) (PORTS INTERNET APPLICATION) clause.)

**Clause G150.03-1 Cont**

(3) Upon completion of the DD Form 250/invoice web screen document, the Contractor or designee will key the submission for processing, which automatically triggers two actions:

(i) An email message to the Activity. The email message will request approval of the DD Form 250 and inform the Activity to access the web page to accomplish this by electronic signature or it will specify order number, shipment date and number, item, quantity shipped and all delivery tickets that apply.

(ii) An electronic submission to the payment office and Contractor notification of that invoice submission. The invoice transaction must be received no later than 5:30 p.m. to be considered received that day. Invoices received after 5:30 p.m. shall be considered received the next United States Government business day.

(4) **AIR FORCE ONLY:** The Government's Authorized Representative will either—

(i) Verify the invoiced amount and return an email message confirming the quantity invoiced. The Contractor will receive an email message from the activity that the invoiced amount has been confirmed; OR

(ii) Dispute the quantity being invoiced. Advise the Contractor by email of the reason (such as shipment date or quantity error). In this case, the Contractor will then submit a revised DD Form 250/invoice to the Activity (and to the payment office) via PORTS; the Contractor need only key in the data field(s) requiring correction and resubmit for processing. The DD Form 250 must be resubmitted within 24 hours or one business day of the Activity's notification. If the Contractor disagrees with the Activity's notification of disagreement, the Contractor may contact the DESC Contracting Officer. (See the CONTRACT TERMS AND CONDITIONS – COMMERCIAL ITEMS (PC&S) (PORTS INTERNET APPLICATION) clause.

(iii) If any errors are discovered on the Contractor's DD Form 250 after submission to the Activity, but before either confirmation or notification of disagreement, the Contractor will promptly correct by clicking on the **“Correct Submitted DD Form 250/invoice”** key and entering corrections of any prior errors. When submitted to the Activity for verification/confirmation, the DD Form 250/invoice document is automatically labeled with the words **“CORRECTED COPY.”** As in (d)(4)(i) and (ii) above, the Contractor is notified with automatic posting of the electronic transmission to the payment office.

(5) **OTHER DoD ONLY:** The Government's Authorized Representative will either—

(i) Approve or accept the DD Form 250 document by electronic signature and submit the document via the PORTS Internet application to the payment office. The Contractor will receive an email message via the Internet application that the document has been approved and submitted to the payment office; OR

(ii) Reject the DD Form 250 document, advising the Contractor by email of the reason for rejection (such as shipment date or quantity error). In this case, the Contractor will then submit a revised DD Form 250/invoice to the Activity (and to the payment office) via PORTS; the Contractor need only key in the data field(s) requiring correction. If the Contractor fails to submit a revised DD Form 250 within 24 hours or one business day of the Activity's rejection notification based on discrepancy in quantity or shipment date, in order to avoid potential delays in payment the Activity may proceed to change either the quantity or shipment date to that which the Activity had asserted. These changes will be forwarded to both the payment office and the Contractor. If the Contractor still disagrees with the Activity's change(s), the Contractor may contact the DESC Contracting Officer. (See the CONTRACT TERMS AND CONDITIONS – COMMERCIAL ITEMS (PC&S) (PORTS INTERNET APPLICATION) clause.)

(iii) If any errors are discovered on the Contractor's DD Form 250 after submission to the Activity, but before either approval or rejection, the Contractor will promptly advise the Activity by either telephone or email in order that the document can be rejected with an accurate notation and then revised (see (d)(5)(ii) above) as soon as possible.

(iv) Upon signature of approval/acceptance on the DD Form 250 by the Government representative, any corrections to the document must be performed via the web page. The Contractor will click on the **“Correct Submitted DD Form 250/Invoice”** key and enter corrections of any prior errors. When submitted to the Activity for approval, the DD Form 250/invoice document is automatically labeled with the words **“CORRECTED COPY.”** As in (d)(5)(i) and (ii) above, the Contractor is notified, with automatic posting of the electronic transmission to the payment office.

(6) Invoices will be handled in accordance with the Prompt Payment Act (31 U.S.C. 3903) and Office of Management and Budget (OMB) Circular A-125, Prompt Payment.

(7) The Government will not be liable to the Contractor for any incidental or consequential damages resulting from any delay, omission, or error in the transmission or receipt of invoices under the Internet application.

(8) Electronic data transmitted by the Internet application will be admissible as evidence on the same basis as customary paper documents. The parties will be legally bound by the electronic documents.

**Clause G150.03-1 Cont****(e) REQUIRED USE OF PORTS INTERNET APPLICATION.**

(1) Use of PORTS, as described above, is required except in the cases indicated in (g) below and as identified exceptions to electronic invoicing under the CONTRACT TERMS AND CONDITIONS – COMMERCIAL ITEMS (PC&S) (PORTS INTERNET APPLICATION) – ADDENDUM clause.

(2) In the event there is an interruption of PORTS service, fax/paper invoices may be submitted to DFAS Columbus only after the Contractor has contacted the DESC Contracting Officer and is given authorization to do so. A four-digit confirmation code will be provided by the DESC Contracting Officer and must be inserted (handwritten or typed) on each fax/paper invoice. DFAS Columbus will return any fax/paper invoice that does not contain the four-digit confirmation code. Fax/paper invoices must contain information required for a proper invoice per instructions contained in the CONTRACT TERMS AND CONDITIONS – COMMERCIAL ITEMS (PC&S) (PORTS INTERNET APPLICATION) clause. Once the difficulties with PORTS has been resolved, the Contractor must revert to using PORTS to invoice.

**(f) PAYMENT.**

(1) Payment shall be made in accordance with the terms as stated in the CONTRACT TERMS AND CONDITIONS - COMMERCIAL ITEMS (PC&S) (PORTS INTERNET APPLICATION) clause. Notwithstanding any permissible variation percentage between the ordered and delivered quantity, payment is authorized for a percentage not to exceed 120 percent of the ordered quantity.

(2) Payment terms for an invoice received via electronic PORTS submission by the payment office will be net 30 days from date of receipt of a proper invoice. See (d)(3) above. Payment terms for invoices other than by the electronic PORTS transmission will also be net 30 days from receipt of a proper invoice unless a discount is offered and accepted by the payment office.

**(g) INVOICING DETENTION AND DEMURRAGE COSTS.** Detention costs, allowable only on tank truck deliveries (not applicable to multiple drop tank truck or any tank wagon deliveries), and demurrage costs for barge/tanker deliveries will be the sole responsibility of the Activity incurring them. The Contractor will submit invoices for detention or demurrage costs directly to the Activity receiving the product. These provisions are applicable to DLA -owned/capitalized as well as non-DLA-owned/noncapitalized products. If the receiving activity is an Army activity, a copy of the detention/demurrage cost invoice must also be furnished to the following address:

COMMANDER US ARMY PETROLEUM CENTER  
SATPC-L  
NEW CUMBERLAND PA 17070-5008

(DESC 52.232-9FH6)

**G150.06.100 SUBMISSION OF INVOICES FOR PAYMENT (DOMESTIC PC&S) (DESC FEB 2001)**

**NOTE 1:** **FOR FACSIMILE INVOICING,** see the SUBMISSION OF INVOICES BY FACSIMILE clause.

**NOTE 2:** See paragraph (c) for invoicing for DETENTION/DEMURRAGE costs.

**NOTE 3:** INVOICES WILL REFLECT QUANTITIES IN WHOLE NUMBERS AND SHALL BE ROUNDED AS APPLICABLE. Example: 7,529.4 = 7,529 or 7,529.5 = 7,530.

**(a) INVOICING OF ORDERS PLACED BY DoD ACTIVITIES PAID BY DFAS COLUMBUS:**

(1) **PAYING OFFICE.** Invoices for product paid with Defense Logistics Agency/Defense Energy Support Center (DESC) funds, as cited on the order, will be paid by DESC and should be mailed to--

DEFENSE FINANCE AND ACCOUNTING SERVICE - COLUMBUS CENTER  
STOCK FUND DIRECTORATE  
FUELS ACCOUNTING AND PAYMENTS DIVISION  
ATTN: DFAS-FVSFC/CO  
P.O. BOX 182317  
COLUMBUS, OH 43218-6252

**Clause G150.06.100 Cont****(2) CERTIFICATION OF RECEIPT.**

(i) Receiving activity personnel will certify the receipt of fuel by preparing and signing one of the following documents:

- (A) Standard Form 1449, Solicitation/Contract/Order for Commercial Items; or
- (B) DD Form 1155, Order for Supplies or Services; or
- (C) DD Form 250, Material Inspection and Receiving Report; or
- (D) DD Form 250-1, Tanker/Barge Material Inspection and Receiving Report (for tanker and barge deliveries

only).

(ii) Payments to the Contractor will be based on the receipt of the "paying copies" of the receiving report to DESC-FII, Fort Belvoir, VA, and payment will be made in accordance with the terms of the contract.

**(iii) PC&S DELIVERIES.**

(A) Overbillings--

(a) That are less than or equal to 0.5 percent of the quantity listed on the receiving document will be paid as originally invoiced by the Contractor when the overbilled quantity is solely a result of a difference in measurement techniques.

(b) That exceed 0.5 percent of the quantity listed on the receiving document will be paid based on the corrected quantity as determined by the activity and annotated on the activity's receiving document.

(B) Underbillings will be paid as invoiced.

(C) Notwithstanding any permissible variation percentage, payment is authorized for a percentage not to exceed 120 percent of the ordered quantity. Payment shall be made for quantity within this allowable variation listed on the receiving document as received and accepted by the activity and invoiced by the Contractor.

(iv) The receiving activity will transmit one paying copy of the applicable form listed in (i) above to DESC-FII, Fort Belvoir, VA, within two working days after receipt of product.

**(3) SUBMISSION OF INVOICES.**

(i) The Contractor shall submit an invoice for each item for no more or less than the total daily delivered quantity at a particular activity.

(ii) Invoices submitted for payment shall be submitted in duplicate. The submission shall include an original invoice clearly marked **ORIGINAL** and one copy clearly marked **INVOICE COPY**. A carbon copy may be submitted as an original provided it is clearly marked **ORIGINAL** as stated above.

**(iii) COURIER DELIVERY OF INVOICES.**

(A) Couriers, acting on behalf of Contractors, must deliver Contractor invoices being submitted for payment to the following mailroom street address:

DEFENSE FINANCE AND ACCOUNTING SERVICE - COLUMBUS CENTER  
ATTN: DFAS-FVSFC/CO  
3990 EAST BROAD STREET, BLDG 21  
COLUMBUS, OH 43213-1152

(B) Invoices submitted by courier to the above address will be handled in a timely manner.

(b) **INVOICING OF ORDERS PLACED BY ALL OTHER FEDERAL AGENCIES**, including DoD activities paid by paying offices other than DFAS Columbus.

(1) **PAYING OFFICE.** Invoices shall be forwarded to the applicable paying office in accordance with instructions contained on the order.

(2) **SUBMISSION OF INVOICES.** On orders placed by activities of Federal Departments other than those covered under (a) above, invoices for all deliveries shall be prepared and submitted as instructed by those activities on the order by the Ordering Officer. Such activities placing orders under this contract will furnish the Contractor with the name and proper address of the activity to whom invoices shall be rendered. Such activities will also indicate the procedures for processing tax exemption certificates.

(c) **INVOICING DETENTION/DEMURRAGE COSTS.** Detention/demurrage costs, allowable only on tank truck deliveries (not applicable to multiple drop tank truck or any tank wagon deliveries) and barge/tanker deliveries, will be the sole responsibility of the activity incurring them. Invoices for detention/demurrage costs will be submitted by the Contractor directly to the activity receiving the product. These provisions are applicable to DLA owned/capitalized as well as non-DLA owned/noncapitalized products. If the receiving activity is an Army activity, a copy of the detention/demurrage cost invoice must also be furnished to the following address:

**Clause G150.06.100 Cont**

COMMANDER, US ARMY PETROLEUM CENTER  
 ATTN: SATPC-L  
 NEW CUMBERLAND PA 17070-5008

(DESC 52.232-9F90)

**G150.06-2 SHIPMENT NUMBER TO BE IDENTIFIED ON INVOICES (PC&S) (DESC OCT 2001)**

(a) For purposes of this clause and the contract, “**shipment number**” for PC&S deliveries is defined as a seven position alpha-numeric number.

(1) All invoices processed electronically using the PAPERLESS ORDERING RECEIPTS TRANSACTION SCREENS (PORTS) for PC&S deliveries will contain a Julian date shipment number. A Julian date is defined as **Position one (1) is the year and the last three (3) digits are the day of the year (i.e., 1159 represents June 8, 2001)**. The electronic system will automatically generate the Julian date shipment number based on the **date shipped** inserted by the Contractor.

(i) The **date shipped** for all f.o.b. destination contract line items must be the date fuel was actually **received** by the activity. The date should never be the date the Contractor loaded its delivery conveyance unless the **activity receives the product** on the same day.

*(ii) For f.o.b. origin items, the Julian date shipment number will be the date the activity picked up product from the Contractor's f.o.b. origin point/terminal.*

*(2) All invoices processed manually must contain a Julian date shipment number based on the provisions stated in subparagraphs (i) and (ii) above.*

(b) The first three positions of the Julian date shipment number shall always consist of the alpha characters "PCS". The remaining four positions shall consist of the Julian date based on the provisions stated in subparagraphs (i) and (ii) above.

(c) The Contractor must identify the shipment number on each invoice submitted for payment. The **SAME** shipment number shall be used for multiple deliveries under the same contract line item on the same calendar day. The Contractor shall convey the appropriate shipment number to the receiving activity.

(DESC 52.232-9F85)

**G150.11.100 SUBMISSION OF INVOICES BY FACSIMILE (DESC FEB 2001)**

**NOTE 1: FOR GROUND FUELS (PC&S) CONTRACTS:** This clause applies only to items paid by DFAS Columbus for DoD activities.

**NOTE 2:** See paragraph (c) for facsimile invoicing for DETENTION/DEMURRAGE costs.

**NOTE 3:** INVOICES WILL REFLECT QUANTITIES IN WHOLE NUMBERS AND SHALL BE ROUNDED AS APPLICABLE. Example: 7,529.4 = 7,529 or 7,529.5 = 7,530.

(a) **IMPORTANT NOTICE:** Contractors who select the facsimile (FAX) method of invoicing prior to award in accordance with the FACSIMILE INVOICING or the FACSIMILE OR ELECTRONIC INVOICING provision must do so for all invoices. Failure to comply with the requirements of this clause will result in revocation of the Contractor's right to submit invoices by the FAX method.

(b) **INSTRUCTIONS FOR SUBMITTING INVOICES VIA FACSIMILE.**

(1) When the Contractor has elected to transmit invoices by FAX, it is responsible for validating receipt of its FAXed invoice. Because DFAS-FVS/CO cannot be held accountable for transmissions not received, the Contractor must verify transmission/receipt of its FAX by telephoning Customer Service (DFAS-CO-TLS) at **(800) 756-4571 (Options 2 and 2)**. Personnel are available to verify receipt of FAXed transmissions between 8 a.m. and 5 p.m., EST/EDT, Monday through Friday, excluding Federal holidays.

(2) The DFAS-FVS/CO FAX number is **(614) 693-0670/0671/0672**.

(3) The Contractor shall include its FAX number on each document transmitted.

(4) After transmitting the original invoice, the Contractor shall mark that invoice “**ORIGINAL INVOICE - FAXED**” and retain it. The hard copy is **not** required for payment and shall **not** be mailed to the payment office unless DFAS-CO-TLS specifically requests it.

**Clause G150.11.100 Cont****(5) F.O.B. DESTINATION DELIVERIES.****(i) CERTIFICATION OF RECEIPT.**

(A) Receiving activity personnel will certify the receipt of fuel by preparing and signing one of the following documents:

- (a) The SF 1449, Solicitation/Contract/Order for Commercial Items; or
- (b) The DD Form 1155, Order for Supplies or Services; or
- (c) The DD Form 250, Material Inspection and Receiving Report; or
- (d) The DD Form 250-1, Tanker/Barge Material Inspection and Receiving Report (for tanker and barge deliveries only).

(B) Payments to the Contractor will be based on the receipt of the "paying copies" of the receiving report to DESC-FII, Fort Belvoir, VA, and payment will be made in accordance with the terms of the contract.

**(ii) PC&S DELIVERIES.****(A) Overbillings--**

(a) That are less than or equal to 0.5 percent of the quantity listed on the receiving document will be paid as originally invoiced by the Contractor when the overbilled quantity is solely a result of a difference in measurement techniques.

(b) That exceed 0.5 percent of the quantity listed on the receiving document will be paid based on the quantity as determined by the activity and annotated on the activity's receiving document.

**(B) Underbillings will be paid as invoiced.**

(C) Notwithstanding any permissible variation percentage, payment is authorized for a percentage not to exceed 120 percent of the ordered quantity. Payment shall be made for quantity within this allowable variation listed on the receiving document as received and accepted by the activity and invoiced by the Contractor.

**(6) F.O.B. ORIGIN DELIVERIES - RECEIVING REPORTS.**

(i) When FAXing an **invoice** for f.o.b. origin deliveries, the Contractor shall also FAX a copy of the applicable receiving report to DESC-FII, Room 2933, Fort Belvoir, VA, for GROUND FUELS (PC&S) DELIVERIES. DESC-FII's FAX number is (703) 767-9380. The receiving report shall be transmitted no later than two working days after each delivery.

(ii) The following forms, signed by the Quality Representative (QR), are acceptable receiving reports for f.o.b. origin deliveries:

- (A) DD Form 250 (Material Inspection and Receiving Report); or
- (B) DD Form 250-1 (Tanker/Barge Material Inspection and Receiving Report).

(iii) The signed copy, which certifies acceptance by the QR of the product prior to submission of the invoice, will have the following information stamped, printed, or typed on it: "**ORIGINAL RECEIVING REPORT FOR PAYMENT OF INVOICE.**"

(c) **INVOICING DETENTION/DEMURRAGE COSTS VIA FACSIMILE.** Detention/demurrage costs, allowable only on tank truck deliveries (not applicable to multiple drop tank truck or any tank wagon deliveries) and barge/tanker, will be the sole responsibility of the activity incurring them. Invoices for detention/demurrage costs will be submitted by the Contractor via facsimile directly to the activity receiving the product. These provisions are applicable to DLA owned/capitalized as well as non-DLA owned/non-capitalized products. If the receiving activity is an Army activity, a copy of the detention/demurrage cost invoice must also be furnished to the following address:

COMMANDER US ARMY PETROLEUM CENTER  
ATTN SATPC-L  
NEW CUMBERLAND PA 17070-5008

(DESC 52.232-9FG5)

**11.01-1 DEFINITIONS (DESC FEB 1998)**

As used throughout this contract, the following terms shall have the meanings set forth below.

(a) **Quality Representative (QR)** includes the terms Quality Assurance Representative (QAR) and Quality Surveillance Representative (QSR).

(1) The QAR is a Government Representative authorized to represent the Contracting Officer to assure the Contractor complies with the contractual requirements in furnishing petroleum products and services.

(2) The QSR is a Government Representative authorized to represent the Contracting Officer to assure the Contractor complies with the contractual requirements in furnishing services.

(b) **Ordering Officer** means whichever of the following or their designated representatives is applicable: (1) the Commander, Defense Energy Support Center; (2) the Commander, Defense General Supply Center; (3) the Commander, U.S. Army Petroleum Center; (4) the Commanding Officer, U.S. Navy Petroleum Office; (5) the Director of Air Force Aerospace Fuels; (6) the Chief of the Air Force Aerospace Fuels Office; (7) the Officer in charge of the Federal Government activity encompassing any delivery point indicated in the Schedule; (8) the Commanding Officer or the Master of the vessel to be bunkered; (9) any Government Contractor furnishing evidence of authority to order under this contract; (10) the head of any Federal Government agency; (11) the pilot, the flight commander, the aircraft commander or the crew chief of the U.S. designated aircraft authorized to place orders against into-plane contracts; (12) the Contracting Officer; (13) the individual in charge of ordering coal at the receiving Government activity; (14) the driver of a Federal vehicle or boat, or the pilot of a Federal aircraft authorized to place orders under a service station contract; (15) the Navy Fleet Commanders; (16) the Defense Attaché Officer; (17) the authorized ship manager (contractor) for the Maritime Administration who is ordering ships' bunkers on behalf of Maritime Administration vessels; (18) the ships' husbanding agent, furnishing evidence of contractual authority, who passes the order (verbal or written) on behalf of the requesting government vessel.

(c) The acronym **TK** means tanker, **B** means barge, **TC** means tank car, **T** means truck, **TT** means transport truck, **TTR** means truck and trailer, **TW** means tank wagon, **P** means pipeline, and **MSS** means Marine Service Station. The acronyms or terms **TT** or **transport truck** and **TTR** or **truck and trailer** mean tank truck equipment, whereas the acronym or term **T** or **truck** means truck equipment for hauling drummed or packaged supplies. The acronym **SW** means supplier's works, **CFD** means Contractor-furnished drum, and **GFD** means Government-furnished drum.

(DESC 52.202-9F10)

**THIS CLAUSE APPLIES ONLY TO DESC-FUNDED ITEMS ORDERED UNDER PORTS:****11.03-9 CONTRACT TERMS AND CONDITIONS - COMMERCIAL ITEMS (PC&S) (PORTS INTERNET APPLICATION) – ADDENDUM (DESC AUG 1999)**

**Use of electronic invoicing via PORTS is mandatory under the resultant contract.** Therefore, in lieu of the invoicing procedures outlined in (g) of the CONTRACT TERMS AND CONDITIONS - COMMERCIAL ITEMS (PC&S) (PORTS INTERNET APPLICATION) clause, the Contractor shall submit its invoices in accordance with the PAPERLESS ORDERING AND RECEIPTS TRANSACTION SCREENS (PORTS) INTERNET APPLICATION clause.

(a) **Exceptions** to the use of electronic invoicing are limited to the following:

(1) Instances in which the PORTS Internet application is not available or accessible and the Contractor informs the DESC Contracting Officer of this fact by facsimile message.

(2) Instances in which retroactive price changes and/or unit price errors result in money due the Contractor.

(b) In the event of an exception to invoicing identified above, the Contractor shall--

(1) Fax its invoice to DFAS-CO-LSFC at the following fax number: **(614) 693-0670**. For faxed invoices, the Contractor is responsible for verifying transmission/receipt of the fax by telephoning Customer Service (DFAS-CO-LSFC) at **1-800-453-5014**. If local (Columbus Metro Area), the Customer Service number is **(614) 693-4994**. Personnel are available to verify receipt of faxed transmissions between 8 a.m. and 5 p.m. EST/EDT, Monday through Friday, excluding Federal holidays.

(2) Include the Contractor's fax number on each document transmitted.

(3) After transmitting the original invoice, the Contractor shall mark that invoice "**ORIGINAL INVOICE - FAXED**" and retain it. The hard copy is not required for payment and shall not be mailed to the payment office unless DFAS-CO-LSFC specifically requests it.

(DESC 52.212-9F52)

**II.20-1 CLAUSES AND PROVISIONS INCORPORATED BY REFERENCE (DESC NOV 1999)**

(a) This clause incorporates contract clauses and solicitation provisions by reference with the same force and effect as if they were given in full text. Upon request, the Contracting Officer will make their full text available.

(b) The full text of any FAR, DFARS, or DLAD solicitation clause or provision may be accessed electronically at these addresses:

- FAR/DFARS:** <http://farsite.hill.af.mil>
- FAR/DFARS:** <http://www-far.npr.gov>
- DLAD:** <http://www.procregs.hq.dla.mil/icps.htm>

(c) **All DESC clauses and provisions are contained in full text in this document.**

(d) **Solicitation Provisions Only.** The offeror is cautioned that the solicitation provisions listed in (e)(1) below may include blocks that must be completed by the offeror and submitted with its quotation or offer. As long as the offeror identifies the solicitation provision by number, the offeror may simply complete those paragraphs requiring fill-in information to submit with its quotation or offer. In addition to the solicitation provisions listed in (e)(1) below, the contract clauses listed in (e)(2) below shall apply to any resultant contract but do not require the submission of additional offer information.

(e) The following FAR/DFARS/DLAD contract clauses and solicitation provisions are hereby incorporated by reference in addition to those listed in the CONTRACT TERMS AND CONDITIONS REQUIRED TO IMPLEMENT STATUTES OR EXECUTIVE ORDERS - COMMERCIAL ITEMS and the CONTRACT TERMS AND CONDITIONS REQUIRED TO IMPLEMENT STATUTES OR EXECUTIVE ORDERS APPLICABLE TO DEFENSE ACQUISITIONS OF COMMERCIAL ITEMS clauses:

CONTRACT CLAUSE NUMBER	REGULATORY NUMBER	CLAUSE TITLE
E5	FAR 52.246-2	INSPECTION OF SUPPLIES - FIXED-PRICE
E40	DFARS 252.246-7000	MATERIAL INSPECTION AND RECEIVING REPORT
F105	FAR 52.211-16	VARIATION IN QUANTITY (b) <u>10</u> Percent increase <u>10</u> Percent decrease This increase or decrease shall apply to <u>each delivery order</u> .
I1.07	DFARS 252.204-7004	REQUIRED CENTRAL CONTRACTOR REGISTRATION
I11.04	FAR 52.242-13	BANKRUPTCY
I27	FAR 52.203-3	GRATUITIES
I33	FAR 52.232-17	INTEREST
I237	FAR 52.219-9F30	NOTICE OF PARTIAL SMALL BUSINESS SET-ASIDE (DEVIATION)

(DESC 52.252-9F08)

**III.01-2 ADMINISTRATIVE COST OF TERMINATION FOR CAUSE -- COMMERCIAL ITEMS (DESC FEB 1996)**

(a) In the event this contract is terminated for cause, in whole or in part, the Government will incur administrative costs.

(b) The Contractor agrees to pay all administrative costs associated with a contract termination action. The minimum amount the Contractor shall pay for each termination action is \$500. This payment for administrative costs is in addition to any excess procurement costs and any other remedies or damages resulting from the termination.

(c) The term **termination action**, as used herein, means the termination for cause, including any associated procurement effort, involving--

- (1) Any single order or any group of orders terminated together;
- (2) Any item or group of items terminated together; or
- (3) The entire contract.

(DESC 52.249-9F20)

**128.01 FEDERAL, STATE, AND LOCAL TAXES (DESC NOV 1993) (DEVIATION)**

(a) As used in this clause--

**Contract date** means the date set for bid opening or, if this is a negotiated contract or a modification, the date set for best and final offers.

**All applicable Federal, State, and local taxes and duties** means all taxes and duties that the taxing authority, including Puerto Rico and other possessions of the United States, are imposing and collecting on the transactions or property covered by this contract pursuant to written ruling or regulation in effect on the contract date.

**After-imposed tax** means any new or increased Federal, State, or local excise tax or duty, except social security or other employment taxes, on the transactions or property covered by this contract that the Contractor is required to pay or bear the burden of as the result of legislative, judicial, or administrative action taking effect after the contract date.

**After-relieved tax** means any amount of Federal, State, or local excise tax or duty, except social security or other employment taxes, that would otherwise have been payable on the transactions or property covered by this contract, but which the Contractor is not required to pay or bear the burden of, or for which the Contractor obtains a refund or drawback, as the result of legislative, judicial, or administrative action taking effect after the contract date.

(b) The contract price includes all applicable Federal, State, or local taxes and duties, except as may be otherwise provided. (For petroleum contracts, see the FEDERAL, STATE, AND LOCAL TAXES EXCLUDED FROM CONTRACT PRICE clause.)

(c) The contract price shall be increased by the amount of any after-imposed tax if the Contractor states in writing that the contract price does not include any contingency for such tax.

(d) The contract price shall be decreased by the amount of any after-relieved tax.

(e) The contract price shall also be decreased by the amount of any excise tax or duty, except social security or other employment taxes, that the Contractor is required to pay or bear the burden of, or does not obtain a refund of, through the Contractor's fault, negligence, or failure to follow instructions of the Contracting Officer.

(f) The Contractor shall promptly notify the Contracting Officer of all matters relating to any excise tax or duty that reasonably may be expected to result in either an increase or decrease in the contract price and shall take appropriate action as the Contracting Officer directs.

(g) The Government shall, without liability, furnish evidence appropriate to establish exemption from any Federal, State, or local tax when the Contractor requests such evidence and a reasonable basis exists to sustain the exemption.

(DESC 52.229-9F15)

**128.02-2 FEDERAL, STATE, AND LOCAL TAXES AND FEES (DESC NOV 2001)**

(a) **FEDERAL EXCISE TAXES EXCLUDED.** Contract prices for fuel and fuels oils furnished under this contract exclude Federal Excise Taxes (FET). Contractors shall invoice applicable FET as follows:

(1) **GASOLINE/GASOHOL.** Include the FET as a separate item on the Contractor's invoice.

<u>FET PER GALLON</u>	<u>GASOLINE/GASOHOL</u>	<u>PERCENTAGE OF ALCOHOL</u>
\$0.184	Gasoline	
\$0.15379	5.7% Gasohol	At least 5.59% but less than 7.55%
\$0.14319	7.7% Gasohol	At least 7.55% but less than 9.8%
\$0.131	10% Gasohol	At least 9.8% but less than 10%

(2) **AVIATION GASOLINE.** Include the FET of \$0.194 per gallon as a separate item on the Contractor's invoice.

(3) **FUEL OIL (BURNER GRADES) NUMBERS 1, 2, 4, 4 (LIGHT), 5 (LIGHT), 5 (HEAVY), AND 6.** There is no FET on fuel oils (burner grades). Lighter grades (numbers 1, 2, and 4 (light)) must be dyed. Contractors are responsible for obtaining fuel oils (burner grades numbers 1, 2, and 4 (light)) meeting Internal Revenue Service (IRS) dyeing requirements.

(4) **DIESEL AND NONAVIATION GRADE KEROSENE FUEL.**

(i) **UNDYED DIESEL AND UNDYED NONAVIATION KEROSENE FUEL.** Include the FET of \$0.244 per gallon as a separate item on the Contractor's invoice.

(ii) **DYED DIESEL AND DYED NONAVIATION KEROSENE FUEL.** There is no FET on dyed diesel and dyed nonaviation kerosene fuel.

(5) **JET FUEL.** Include the FET of \$0.219 per gallon as a separate item on the Contractor's invoice.

(6) **BIODIESEL (B-20).** Include the FET of \$0.244 per gallon as a separate item on the Contractor's invoice.

**Clause I28.02-2 Cont**

(7) **E85 (QUALIFIED ETHANOL).** Tax is imposed on delivery into the fuel supply tank of the vehicles, unless DESC furnishes a written statement to the Contractor stating entire quantity for fuel is for a nontaxable use (bulk sales rule). The FET on E85 is \$0.1305 per gallon.

(8) **EXEMPT SALES.** Sales of jet fuel and aviation gasoline for military aircraft are tax exempt. Sales to the Army National Guard (for their exclusive use) and the District of Columbia government are also exempt. Contractors authorized by the IRS to sell tax-free gasoline, undyed diesel fuel, and undyed nonaviation kerosene tax-free should obtain tax exemptions certificates for these sales and not invoice the FET.

(b) **STATE AND LOCAL TAXES EXCLUDED.** All contract prices exclude State and local excise taxes on fuels (including gasoline taxes, motor fuel taxes, diesel fuel taxes, special fuel taxes, aircraft fuel taxes, jet fuel taxes, heating oil taxes, kerosene taxes, lubricating oil taxes, and naphtha, solvent, benzol, and benzine taxes). Contractors should include any applicable taxes (for which no exemption applies) as a separate item on the Contractor's invoice in accordance with the terms of this contract.

(c) **CALIFORNIA SALES AND USE TAX.** All contract prices exclude the California State Sales and Use Tax. Sales to the United States are exempt from these taxes.

(d) **KENTUCKY SALES AND USE TAX.** All contract prices exclude the Kentucky Sales and Use Tax. Tax exemption certificates will be issued by the ordering activity.

(e) **ENVIRONMENTAL AND OIL SPILL TAXES AND INSPECTION FEES.** Unless an exemption applies, all contract prices INCLUDE State and local environmental and oil spill taxes and inspection fees.

(f) **NATIONAL OILHEAT RESEARCH ALLIANCE (NORA) ASSESSMENT FEE.** All contract prices exclude the NORA assessment fee on certain fuel used for heating purposes. The Contractor's invoice shall include the NORA assessment fee as a separate line item on fuel oil (burner grades) numbers 1 and 2, dyed high sulfur diesel fuels, and dyed nonaviation kerosene (2-K) if applicable to the end user (Federal Civilian activities only) and if applicable in the state where delivery is made.

(g) **CONNECTICUT PETROLEUM PRODUCTS GROSS EARNINGS TAX.** All contract prices exclude the Connecticut Petroleum Products Gross Earnings Tax. The Contractor should include this tax as a separate item on the Contractor's invoice only if no exemption applies.

(h) **TEXAS PETROLEUM PRODUCTS FEE.** All contract prices exclude the Texas Petroleum Products Fee. The Contractor should include this fee as a separate item on the Contractor's invoice.

(i) **LICENSES** Federal, State, and local licenses or other requirements necessary to establish Contractor's entitlement to do business and/or to make tax-exempt sales under this contract are the Contractor's responsibility. Failure to obtain appropriate licenses or to follow required procedures shall preclude the reimbursement of taxes that would otherwise be exempt.

(DESC 52.229-9F25)

**I28.03-2 TAX EXEMPTION CERTIFICATES (DESC NOV 2001)**

(a) Unless an exemption applies, all sales of motor gasoline, undyed diesel fuel, or nonaviation kerosene must include the applicable Federal, State, and local excise taxes as a separate item on the invoice.

**(b) FEDERAL, STATE, AND LOCAL EXCISE TAX EXEMPTIONS FOR AIR FORCE AND AIR NATIONAL GUARD ACTIVITIES.**

*(1) Tax exemption certificates for the Federal Excise Tax (FET) will not be issued for Air Force and Air National Guard activities. DFAS Columbus will pay the FET and apply to the Internal Revenue Service (IRS) for any applicable refund.*

(2) All Air Force and Air National Guard activities will issue tax exemption certificates for State and local excise taxes. Contractors shall forward requests for tax exemption certificates covering any Federal, State and local excise taxes or Kentucky Sales and Use Tax for motor gasoline, undyed diesel fuel, or undyed nonaviation kerosene excluded from the contract price pursuant to the terms of this contract with Contractor's invoices or as otherwise indicated by the Ordering Officer.

**(c) FEDERAL, STATE, AND LOCAL EXCISE TAX EXEMPTIONS FOR ARMY, ARMY NATIONAL GUARD, AND NAVY ACTIVITIES.**

(1) Tax exemption certificates for FET will not be issued for the Army National Guard activities sharing facilities with the regular Army, or for Army and Navy activities. DFAS Columbus will pay the FET and apply to the IRS for any applicable refund.

**Clause I28.03-2 Cont**

(2) Army and Navy activities will issue tax exemption certificates for State and local excise taxes. The Army National Guard will issue tax exemption certificates for Federal, State and local excise taxes (where fuel is for their exclusive use, i.e., not sharing facilities with the regular Army). Contractors shall forward requests for tax exemption certificates covering any Federal, State, and local excise taxes or Kentucky Sales and Use Tax for motor gasoline, undyed diesel fuel, or undyed nonaviation kerosene excluded from the contract price pursuant to the terms of this contract to the Ordering Officer for these activities. If the ordering activity fails to provide tax exemption certificates requested by the Contractor, the Contractor shall notify the DESC Contracting Officer and an exemption certificate will be issued, if applicable. The DESC Contracting Officer may authorize payment of the tax if the Ordering Officer refuses to issue the tax exemption certificate.

**(d) FEDERAL, STATE, AND LOCAL EXCISE TAX EXEMPTIONS FOR FEDERAL CIVILIAN AGENCIES.**

Contractors shall forward requests for tax exemption certificates covering all Federal, State, and local excise taxes or Kentucky Sales and Use Tax for motor gasoline, undyed diesel fuel, or undyed nonaviation kerosene excluded from the contract price pursuant to the terms of this contract *with* Contractor's invoices or as otherwise indicated by the Ordering Officer.

**(e) GOVERNMENT OPTION TO DEDUCT TAX AND FURNISH TAX EXEMPTION CERTIFICATES (NOT APPLICABLE TO AIR FORCE AND AIR NATIONAL GUARD ACTIVITIES AND ARMY NATIONAL GUARD ACTIVITIES AT SHARED FACILITIES).** If this contract provides that the Contractor should invoice for the FET, the supplies under contract are intended for a taxable purpose. However, where the invoice for any item includes the FET and tax exemption can be claimed, the Government may deduct the applicable tax from the order or the invoice and furnish a tax exemption certificate in lieu of paying the tax. The Ordering Officer will issue these tax exemption certificates.

(DESC 52.229-9F45)

**THE FOLLOWING CLAUSE APPLIES ONLY TO UNRESTRICTED ITEMS AND, IF APPLICABLE, ANY TOTAL SMALL BUSINESS SET-ASIDE ITEMS.**

**184 REQUIREMENTS (OCT 1995)**

(a) This is a requirements contract for the supplies or services specified, and effective for the period stated in the Schedule. The quantities of supplies or services specified in the Schedule are estimates only and are not purchased by this contract. Except as this contract may otherwise provide, if the Government's requirements do not result in orders in the quantities described as "estimated" or "maximum" in the Schedule, that fact shall not constitute the basis for an equitable price adjustment.

(b) Delivery or performance shall be made only as authorized by orders issued in accordance with the ORDERING clause. Subject to any limitations in the ORDER LIMITATIONS clause or elsewhere in this contract, the Contractor shall furnish to the Government all supplies or services specified in the Schedule and called for by orders issued in accordance with the ORDERING clause. The Government may issue orders requiring delivery to multiple destinations or performance at multiple locations.

(c) Except as this contract otherwise provides, the Government shall order from the Contractor all the supplies or services specified in the Schedule that are required to be purchased by the Government activity or activities specified in the Schedule.

(d) The Government is not required to purchase from the Contractor requirements in excess of any limit on total orders under this contract.

(e) If the Government urgently requires delivery of any quantity of an item before the earliest date that delivery may be specified under this contract, and if the Contractor will not accept an order providing for the accelerated delivery, the Government may acquire the urgently required goods or services from another source.

(f) Any order issued during the effective period of this contract and not completed within that period shall be completed by the Contractor within the time specified in the order. The contract shall govern the Contractor's and Government's rights and obligations with respect to that order to the same extent as if the order were completed during the contract's effective period; PROVIDED, that the Contractor shall not be required to make any deliveries under this contract after **September 30, 2004**.

(FAR 52.216-21)

**THE FOLLOWING CLAUSE APPLIES ONLY TO SET-ASIDE ITEMS.****184.01-2 REQUIREMENTS - MULTIYEAR (SET-ASIDE) (DESC OCT 1999)**

(a) This is a requirements contract for the supplies or services specified, and effective for the period stated in the Schedule. The quantities of supplies or services specified in the Schedule are estimates only and are not purchased by this contract. Except as this contract may otherwise provide, if the Government's requirements do not result in orders in the quantities described as "estimated" or "maximum" in the Schedule, that fact shall not constitute the basis for an equitable price adjustment.

**(b) ORDERING.**

(1) Delivery or performance shall be made only as authorized by orders issued in accordance with the ORDERING clause. Subject to any limitations in the ORDER LIMITATIONS clause or elsewhere in this contract, the Contractor shall furnish to the Government all supplies or services specified in the Schedule and called for by orders issued in accordance with the ORDERING clause. The Government may issue orders requiring delivery to multiple destinations or performance at multiple locations.

(2) **MULTIPLE AWARDS.** In the event multiple awards to two or more suppliers are made for any one item, the Government may choose between any of the Contractors in placing any particular order. However, the Government will make every effort to allocate successive orders to maintain as close a balance as is reasonably practicable between the total quantities ordered from all Contractors.

(3) The Government's requirements for each item or subitem of supplies or services listed in the SET-ASIDE QUANTITIES clause are being purchased through one non-set-aside contract and one set-aside contract. Therefore, the Government shall order from each Contractor approximately one-half of the total supplies or services specified in the Schedule that are required to be purchased by the specified Government activity or activities. The Government may choose between the set-aside Contractor and the non-set-aside Contractor in placing any particular order. However, the Government shall allocate successive orders, in accordance with its delivery requirements, to maintain as close a ratio as is reasonably practicable between the total quantities ordered from the two Contractors.

(4) The Government is not required to purchase from the Contractor requirements in excess of any limit on total orders under this contract.

(5) If the Government urgently requires delivery of any quantity of an item before the earliest date that delivery may be specified under this contract, and if the Contractor will not accept an order providing for the accelerated delivery, the Government may acquire the urgently required goods or services from another source.

(6) Any order issued during the effective period of this contract and not completed within that period shall be completed by the Contractor within the time specified in the order. The contract shall govern the Contractor's and Government's rights and obligations with respect to that order to the same extent as if the order were completed during the contract's effective period; PROVIDED, that the Contractor shall not be required to make any deliveries under this contract after **September 30, 2004**.

(DESC 52.216-9F75)

**186.03 DELIVERY-ORDER LIMITATIONS (PC&S) (DESC MAY 1996)**

This clause is applicable only to tank truck and tank wagon deliveries.

(a) **MINIMUM ORDER.** The Contractor shall not be obligated to honor any order under this contract for less than the minimum quantity applicable to the method of delivery called for by the item(s) as specified in the DELIVERY CONDITIONS FOR TRANSPORT TRUCKS, TRUCKS AND TRAILERS, AND TANK WAGONS clause.

(b) **MAXIMUM ORDER.** Unless otherwise stated in the Schedule, the Contractor shall not be obligated to honor any order for a single item/a combination of items/a series of orders from the same ordering office, within any given 30-day period, in excess of whichever of the following is applicable:

(1) If the total estimated contract quantity is 100,000 gallons or less, the Contractor shall not be required to deliver a quantity in excess of the total estimated contract quantity of the item/all the items/all the items on all the orders;

(2) If the total estimated contract quantity is between 100,000 and 500,000 gallons, the Contractor shall not be required to deliver a quantity in excess of 50 percent of the total estimated contract quantity of the item/all the items/all the items on all the orders, or 100,000 gallons, whichever is greater; or

(3) If the total estimated contract quantity is greater than 500,000 gallons, the Contractor shall not be required to deliver a quantity in excess of 35 percent of the total estimated contract quantity of the item/all the items/all the items on all the orders, or 250,000 gallons, whichever is greater.

(c) The Government is not required to order a part of any one requirement from the Contractor if that requirement exceeds the maximum-order limitations in (b) above.

**Clause I86.03 Cont**

(d) Notwithstanding the foregoing, the Contractor shall honor any order received that exceeds the maximum order limitations set forth above unless the Contractor verbally notifies the Ordering Officer within two workdays, followed by the return of the written orders to the ordering office, that he does not intend to make shipment of the items called for and the reasons therefore. When the Government has received this verbal notice, the Government may secure the supplies from another source.

(e) Nothing in either (b) or (c) above shall be construed to require a Contractor to furnish supplies in excess of the quantity directed to be supplied by the Department of Energy, in the event of a directed allocation, pursuant to the ALLOCATION clause.

(DESC 52.216-9FK1)

**I179 ALLOCATION (DESC JUL 1995)**

(a) **REDUCED SUPPLIES.** If, for any cause beyond the control and without the fault or negligence of the Contractor, the total supply of crude oil and/or refined petroleum product is reduced below the level that would have otherwise been available to the Contractor, the Contractor allocates to its regular customers its remaining available supplies of crude oil or product, then the Contractor may also allocate to the U.S. Government supplies to be delivered under this contract, PROVIDED--

(1) Prompt notice of and evidence substantiating the necessity to allocate and describing the allocation rate for all the Contractor's customers are submitted to the Contracting Officer;

(2) Allocation among the Contractor's regular customers is made on a fair and reasonable basis (except where allocation on a different basis is required by a governmental authority, agency, or instrumentality); and

(3) Reduction of the quantity of product due the Government under this contract shall not exceed the pro rata amount by which the Contractor reduces delivery to its other customers similarly situated.

(b) **ADDITIONAL SUPPLIES.** If, after the event causing the shortage of crude oil and/or refined petroleum product as described in (a) above, additional supply becomes available to the Contractor, the Contracting Officer may choose any one of the following three possible courses of action:

(1) Accept an updated pro rata reduction as outlined in (a) above;

(2) Determine that continuance of the contract with the quantities as originally stated in the Schedule is in the best interests of the Government; or

(3) Terminate the contract as permitted in (d) below.

(c) **REDUCED DELIVERIES.** If the Contractor believes that a law, regulation, or order of a foreign government requires the Contractor to deliver less than the quantity set forth in the Schedule for any location within that country, the Contractor may request allocation in accordance with (a) above. In addition to the criteria in (a) above, the Contractor's request shall cite--

(1) The law, regulation, or order, furnishing copies of the same;

(2) The authority under which it is imposed; and

(3) The nature of the Government's waiver, exception, and enforcement procedure.--

The Contracting Officer will promptly review the matter and advise the Contractor whether or not the need to allocate has been substantiated. If the law, regulation, or order requiring the Contractor to reduce deliveries ceases to be effective, the Contractor shall resume deliveries in accordance with the original Schedule.

(d) If, as a result of reduced deliveries permitted by (a), (b), or (c) above, the Contracting Officer decides that continuation of this contract is no longer in the best interests of the Government, the Government may terminate this contract or any quantity thereunder, by written notice, at no cost to the Government. However, the Government shall not be relieved of its obligation to pay for supplies actually delivered to and accepted by it.

(e) Except as otherwise stated in (b) above, any volumes omitted pursuant to (a) or (b) above shall be deleted from this contract, and the Contractor shall have no continuing obligation, so far as this contract is concerned, to make up such omitted supplies.

(f) For Posts, Camps, and Stations contracts, Department of Energy priority orders and allocation regulations will take precedence over any conflicting provisions of this clause.

(g) For Bulk Fuels contracts, the provisions contained in (a) above shall be inoperative when the Secretary of Defense makes a written determination that it is essential to the National Defense that the Defense Energy Support Center be provided contract volumes exceeding the amount of product to which it would otherwise be entitled.

(DESC 52.249-9F05)

**I186 PROTECTION OF GOVERNMENT PROPERTY AND SPILL PREVENTION (DESC MAY 1978)**

(a) The Contractor shall use reasonable care to avoid damaging or contaminating existing buildings, equipment, asphalt pavement, soil, or vegetation (such as trees, shrubs, and grass) on the Government installation. If the Contractor fails to use reasonable care and damages or contaminates any such buildings, equipment, asphalt pavement, soil or vegetation, or other Government facilities, he shall replace the damaged items or repair the damage at no expense to the Government and to the satisfaction of the Government. Further, if, as a result of the failure of the Contractor to comply with the requirements of this contract, Government buildings, equipment, asphalt pavement, soil or vegetation, or other Government facilities become damaged or destroyed, the Contractor shall replace or repair the damage at no expense to the Government, and to the satisfaction of the Government. Should the Contractor fail or refuse to make such repairs or replacements, the Government may have the said repairs or replacement accomplished, and the Contractor shall be liable for the cost thereof which may be deducted from the amounts which become due under this contract. Informal agreement with the Contractor upon replacement, repairs, or costs to be deducted shall first be attempted by the Installation Commander or Ordering Officer. If disagreement persists, the matter shall be referred to the Contracting Officer. Unless approved by the Contracting Officer, no costs shall be deducted from amounts due or owing without the Contractor's consent.

(b) The Contractor shall take all measures as required by law to prevent oil spills (including, but not limited to, any spilling, leaking, pumping, pouring, emitting, emptying or dumping into or onto any land or water). In the event the Contractor spills any oil (including, but not limited to, gasoline, diesel fuel, fuel oil, or jet fuel), the Contractor shall be responsible for the containment, cleanup, and disposal of the oil spilled. Should the Contractor fail or refuse to take the appropriate containment, cleanup, and disposal actions, the Government may do so itself. The Contractor shall reimburse the Government for all expenses incurred including fines levied by Federal, State, or local Governments.

(DESC 52.223-9F10)

**I190.06 MATERIAL SAFETY DATA SHEETS -- COMMERCIAL ITEMS (DESC MAR 2000)**

(a) The Contractor agrees to submit to the Contracting Officer, upon request, a Material Safety Data Sheet (MSDS) that meets the requirements of 29 CFR 1910.1200(g) and the latest revision of Federal Standard No. 313 for all requested contract items. MSDSs must cite the contract number, the applicable CAGE code of the manufacturer, and, where so identified, the National Stock Number (NSN).

(b) The data on the MSDSs must be current and complete, reflecting the final composition of the product supplied. Should the description /composition of the product change in any manner from a previously submitted MSDS, the Contractor shall promptly provide a new MSDS to the Contracting Officer.

(DESC 52.223-9F06)

**I209.09 EXTENSION PROVISIONS (PC&S) (DESC OCT 1994)**

(a) The DESC Contracting Officer reserves the right to unilaterally extend this contract on the same terms and conditions one or more times for a total of no more than six months. Notice of contract extension will be furnished to the Contractor 30 days prior to expiration of this contract or any extension thereof. However, nothing in this clause precludes the Contractor from agreeing to an extension of the contract if the DESC Contracting Officer fails to issue the notice within the 30 day time frame.

(b) The foregoing extension may be exercised by the DESC Contracting Officer where continued performance is required until a follow-on contract is awarded or, in the event a follow-on contract has been awarded, until a succeeding Contractor is positioned to commence performance.

(c) Extension of this contract shall be considered to have been accomplished at the time the DESC Contracting Officer provides written notification to the Contractor by facsimile or by mail.

(DESC 52.217-9F20)

**I211 ORDERING (OCT 1995)**

(a) Any supplies and services to be furnished under this contract shall be ordered by issuance of delivery orders or task orders by the individuals or activities designated in the Schedule. Such orders may be issued from Date of Award through August 31, 2004.

(b) All delivery orders or task orders are subject to the terms and conditions of this contract. In the event of conflict between a delivery order or task order and this contract, the contract shall control.

(c) If mailed, a delivery order or task order is considered "issued" when the Government deposits the order in the mail. Orders may be issued orally, by facsimile, or by electronic commerce methods only if authorized in the Schedule.

(FAR 52.216-18)

## SEGMENT VI -- OTHER CONTRACTUAL INFORMATION

### ORDERING PERIOD

The period of this contract during which the ordering officer may order, unless the item otherwise specifies, is **DATE OF CONTRACT AWARD THROUGH AUGUST 31, 2004.**

### CONTRACTOR REMITTANCE ADDRESS

CONTRACT NO. (SP0600-01-D- )	REMITTANCE ADDRESS
4535	C. L. Bryant, Inc. P.O. Box 3343 Modesto, CA 95353-3343
4536	Eagle Aviation, Inc. 690 N. Meridian, Suite 108 Kalispell, MT 59901
4537	Falcon Fuels, Inc. P.O. Box 347 Paramount, CA 90723-0347
4538	Horkley Oil Co. P.O. Box 781 Rexburg, IOD 83440
4539	Mansfield Oil Company P. O. Box 530100 Atlanta, GA 30353-0100
4541	Rebel Oil Co., Inc. 2200 South Highland Drive Las Vegas, NV 89102
4542	River City Petroleum P.O. Box 235 West Sacramento, CA 95692-0235
4543	Truman Arnold Companies P. O. Box 1481 Texarkana, TX 75504-1481
4544	Union Distributing Co., Inc. 622 South 56 <sup>th</sup> Avenue Phoenix, AZ 85043
4545	Hunt & Sons, Inc. P.O. Box 277670 Sacramento, CA 95827-7670
4546	Patten Energy Enterprises 8939 S. Sepulveda Blvd., Suite 514 Los Angeles, CA 90045
4547	Ed Staub & Sons Petroleum, Inc. P. O. Box 1684 Alturas, CA 96101-1684
4548	Odgers Petroleum, Inc. P.O. Box E El Portal, CA 95318



**CONTRACTOR REMITTANCE ADDRESS CONTINUED**

<b>CONTRACT NO. (SP0600-01-D- )</b>	<b>REMITTANCE ADDRESS</b>
4552	Bay Area Diablo Petroleum Co. Dba Golden Gate Petroleum P.O. Box 44550 San Francisco, CA 94144-5749
4553	Allied Washoe P.O. Box 6930 Reno, NV 89513-6930
<b>CONTRACT NO. (SP0600-02-D- )</b>	
4500	Trans-Tec Services, Inc. 700 S. Royal Poinciana Blvd Suite 800 Miami Springs, FL 333136
4501	Cross Petroleum, Inc. P.O. Box 492200 Redding, CA 96049-2200
4502	Bosco Oil Inc. dba Valley Oil Co. P.O. Box 326 Mountain View, CA 94042
4503	Phoenix Fuel Co., Inc. P.O. Box 52400 Phoenix, AZ 85072-2400
4504	PRO Petroleum P.O. Box 6761 Phoenix, AZ 85009

**TRANSPORT TRUCK AND/OR TRUCK AND TRAILER (TT/TTR)**  
**FREE TIME AND DETENTION RATES (F3)**

<b>CONTRACT NO. SP0600-01-D-</b>	<b>FREE TIME</b>	<b>DETENTION RATE</b>
4535	None	\$75.00 per hour
4536	None	\$75.00 per hour
4537	None	\$29.00 per ¼ hour
4538	None	\$125.00 per hour
4539	None	\$75.00 per hour
4542	None	\$15.00 per ¼ hour

4543	None	\$50.00 per hour
4544	None	\$22.00 per ¼ hour

**TRANSPORT TRUCK AND/OR TRUCK AND TRAILER (TT/TTR)**  
**FREE TIME AND DETENTION RATES (F3) CONTINUED**

<b>CONTRACT NO. SP0600-02-D-</b>	<b>FREE TIME</b>	<b>DETENTION RATE</b>
4504	None	\$12.50 per 1/4 hour
4503	None	\$60.00 per hour
4501	None	\$25.00 per 1/4 hour

**PARTIAL SET-ASIDE ITEM – SMALL REFINERY SOURCE LIST**

<b>Contract/ Line Item Number</b>	<b>Delivery Location</b>	<b>SMALL REFINERY SOURCE</b>
SP0600-01-D-4537 562-689 791-139	China Lake, CA Edwards AFB, CA	Kern Oil Refining Co., 4424 E. Panama Lane Bakersfield, CA 93307-9210

These items should be ordered alternately with the unrestricted line item portions awarded at these two locations. The contractor is required to use the above Small Refinery Source to deliver product against these line items.