

Request for Proposal (RFP) SP0600-01-R-9000-0005, Alaska PC&S, Purchase Program 3.9 is hereby issued to solicit the following requirement:

ITEM NUMBER	ESTIMATED QUANTITY	UI	
----- <b>UNITED STATES AIR FORCE</b> -----			
795	<b>SHEMYA</b>		
<p>AK, USAF, EARECKSON AIR STATION LOCATION NARRATIVE  ANCHOR CHARACTERISTICS: 1 MILE; BEACH CONDITION: 350 FT  DOCK AVAILABLE FOR MOORING AND CARGO OFF-LOADING.  WHEELED VEHICLES CAN BE USED. ROAD CHARACTERISTICS:  GOOD ACCESS ROAD FROM TERMINAL TO WAREHOUSE AREAS  WITHIN 1 MILE OF DOCK; POL DISCHARGE METHOD: NO PIPELINE  FOR MOGAS. MOGAS MUST BE TRUCKED. PIPELINE AVAILABLE  FOR JP8.</p>			
<p>NOT LOCATED IN A BOROUGH  DELIVERY DODAAC: FP5040  ORDERING OFFICE: 907-552-9993 OR 2941</p>			
795-901	TURBINE FUEL, AVIATION (JP8)	4,600,000	GL
<p>BARGE (BRG), PRODUCT WILL BE PIPELINED FROM THE  DOCK TO THREE TANKS INTO  2/2,300,000 GALLON ABOVE GROUND TANK(S) (SKID  MOUNTED)  1/1,000,000 GALLON ABOVE GROUND TANK(S)  ESTIMATED DELIVERY PERIOD:  20-30 SEP 2003  20-30 SEP 2004  NOTE: THERE WILL BE AN ADDITIONAL FREE TIME, NOT  TO EXCEED 4 HRS, FOR PRODUCT RECEIPT TESTING IN  ACCORDANCE WITH CLAUSE B1.05, SPECIAL NOTE #6.  THIS FUEL IS CAPITALIZED</p>			

ITEM NUMBER	ESTIMATED QUANTITY	UI
----- <b>UNITED STATES COAST GUARD</b> -----		
D98 <b>SITKA</b> AK, USCG, AIR STATION SITKA BOROUGH DELIVERY FEDAAC: Z20280 ORDERING OFFICE : (907) 966-5526 ALT ORDERING OFFICE: (907) 966-5527		
D98-24 GASOHOL, REG UNL (GUR)	4,000	GL
TANK WAGON (TW), INTO 1/250 GALLON ABOVE GROUND TANK(S) AT NEW FUEL FILLING STATION ANTICIPATE 0% ON HIGHWAY USE EST QTY IS FOR 2 YEARS ENDING SEP 30, 2004		
D98-28 GASOLINE, REG UNL (MUR)	4,000	GL
TANK WAGON (TW), INTO 1/250 GALLON ABOVE GROUND TANK(S) AT NEW FUEL FILLING STATION ANTICIPATE 0% ON HIGHWAY USE EST QTY IS FOR 2 YEARS ENDING SEP 30, 2004 NOTE: THIS IS AN ALTERNATE LINE ITEM FOR ITEM D98-24. AWARD WILL BE MADE AT THE OVERALL LEAST COST TO THE GOVERNMENT.		

Your facsimile offer is requested for the above item in accordance with Clause L2.11-2, FACSIMILE OFFERS. DESC's facsimile number is (703) 767-8506. The mailing address for the receipt of initial offers is: ATTN: DESC-CPC, Room 3729, Defense Energy Support Center, 8725 John J. Kingman Road, Suite 4950, Ft. Belvoir, VA 22060-6222.

The closing date and time for receipt of offers is **April 11, 2003, 3:00p.m. local time, Fort Belvoir, Virginia**. Please identify your offer by making reference to the RFP SP0600-01-R-9000-0005. Your offer shall include the statement that the offeror agrees to the terms and conditions of RFP SP0600-01-R-9000 and SP0600-01-R-9000-0001, as amended.

The terms and conditions of solicitation SP0600-01-R-9000-0001, as amended are hereby incorporated into this solicitation, except as indicated herein.

Under Clause **B19.19, ECONOMIC PRICE ADJUSTMENT**, the base reference date is **March 24, 2003**. The base reference price as of this date for item **795-901** is **\$895500**, item **D98-24** is **\$1.3564** and item **D98-28** is **\$1.3564**.

The following clauses are hereby deleted from solicitation SP0600-01-R-9000 and /or SP0600-01-R-9000-0001:

C16.64-3 TURBINE FUEL, AVIATION (JP8) (DESC SEP 2001) (REV)  
 F16.04 BARGE UNLOADING CONDITIONS (ALASKA PC&S) (DESC JAN 2002)  
 G150.11 SUBMISSION OF INVOICES BY FACSIMILE (DESC OCT 2001)  
 I1.03-9 CONTRACT TERMS AND CONDITIONS- COMMERCIAL ITEMS  
 (PC&S) (PORTS INTERNET APPLICATION) – ADDENDUM (DESC JUN 2001)  
 I28.02-2 FEDERAL, STATE, AND LOCAL TAXES/FEES EXCLUDED FROM CONTRACT  
 PRICE (DESC NOV 2001)  
 K15 RELEASE OF UNIT PRICES (DESC JUL 2002)

The following clauses are hereby added to solicitation SP0600-01-R-9000. Clauses listed below will be faxed under separate cover.

C16.64-3 TURBINE FUEL, AVIATION (JP8)(DESC NOV 2002)  
 F16.04 BARGE UNLOADING CONDITIONS (ALASKA PC&S)(DESC MAR 2003)  
 G150.11 SUBMISSION OF INVOICES BY FACSIMILE (DESC DEC 2001)  
 I1.03-9 CONTRACT TERMS AND CONDITIONS- COMMERCIAL ITEMS (PC&S)(PORTS  
 INTERNET APPLICATION) –ADDENDUM (DESC MAR 2002)  
 I28.02-2 FEDERAL, STATE AND LOCAL TAXES/FEES EXCLUDED FROM CONTRACT  
 PRICE (DESC APR 2002)  
 K15 RELEASE OF UNIT PRICES (DESC OCT 2002)

Due to the urgency of the requirement, the Government may award a contract on the basis of initial offers received, without discussions. The Government intends to award a contract to the responsible offeror whose offer conforming to the solicitation will be most advantageous to the Government, price and other factors specified elsewhere in the solicitation, considered. Accordingly, each offer should be submitted on the most favorable terms, from a price and technical standpoint.

If an Offeror Submission Package (OSP) was submitted under the master solicitation SP0600-01-R-9000, then an OSP is not required for this solicitation. However, your offer shall state, “The contractor’s certifications submitted under RFP SP0600-01-R-9000 remain valid.” Your offer must also include a statement that “None of the prohibitions under Clause K1.05, OFFEROR REPRESENTATIONS AND CERTIFICATIONS – COMMERCIAL ITEMS and K85, DISCLOSURE OF OWNERSHIP OR CONTROL BY THE GOVERNMENT OF A TERRORIST COUNTRY, included in solicitation SP0600-01-R-9000 are applicable.” Offerors who did not offer under the basic solicitation must submit the “OFFERORS SUBMISSION PACKAGE” provided with the basic solicitation. The basic solicitation can be accessed on the DESC Homepage at [www.desc.dla.mil](http://www.desc.dla.mil).

Point of contact for this acquisition is Predeen Aiyelawo, Contract Specialist or Michelle Smith, Contract Specialist, Defense Energy Support Center, at (703) 767-9512 or (703) 767-9533, respectively, or facsimile number (703) 767-8506.

KATHRYN R. RISO  
Contracting Officer  
Ground Fuels Division II  
Direct Delivery Fuels

**C16.64-3 TURBINE FUEL, AVIATION (JP8) (DESC NOV 2002)**

Aviation Turbine Fuel shall conform to MIL-DTL-83133E, dated April 1, 1999, modified as follows:

(a) **REFINERIES IN ALASKA.** For fuels refined in Alaska and delivered to Alaska locations, the total acid number specification limit is relaxed to 0.020 mg KOH/g maximum.

(b) **ADDITIVES.** Additives are required for deliveries of JP8 per MIL-DTL-83133E, unless addition is excluded by specific solicitation line item, applicable contract clause, or other contractual requirements.

(1) Metal deactivator additive shall not be used in JP8 unless the supplier has obtained written consent from the Procuring Activity.

(2) For JP8 containing hydrogen treated blendstocks, the following applies: Where a finished fuel consists of a blend of hydrogen treated and nonhydrogen treated components, the requirement for mandatory addition of antioxidant (MIL-DTL-83133E, paragraph 3.3.1) applies only to the portion of the blend that has been hydrogen treated. In such cases, the percentage of the blend that has been hydrogen treated shall be reported.

(3) The CI/LI additive(s) used shall be of the type and concentration cited in QPL 25017-19, dated March 15, 2001.

(4) When required, Fuel System Icing Inhibitor (FSII) shall conform to MIL-DTL-85470B, dated June 15, 1999, at a concentration of 0.10 to 0.15 volume percent, unless otherwise stated in the Schedule.

(5) Static Dissipator Additive (SDA) is required to be added to all JP8 shipped directly to an end user without passing through a terminal. SDA is not permitted in shipments to/through a fuel terminal that supplies an end user unless authorized in the Schedule. When SDA is required by this contract, it shall be added proportionately to obtain a conductivity range of 150 to 450 picosiemens per meter. The new formulation of STADIS 450 (active ingredient dinonylnaphthylsulfonic acid (DINNSA)) shall be used when SDA is required.

(6) Line injection of additives (FSII, corrosion inhibitor, and SDA) from shipping tank to delivery conveyance or other f.o.b. point is permitted under the following conditions:

(i) A laboratory hand blend containing the required additives and jet fuel must be tested to verify compliance with the required specification. (Micro-Separometer (MSEP) can be performed without SDA present.)

(ii) Additives must be proportionately injected throughout the entire loading process to ensure the additive is homogeneously blended into the jet fuel. The Contractor shall maintain records evidencing the homogeneous blending of all line injected additives. Such methods may include meter or tank gauge readings or test results taken at intervals to provide confidence in the injection process.

(iii) When FSII is line injected, additive concentration (refer to MIL-DTL-83133E specification for test methods permitted) must be verified based on a representative shipment sample(s).

(c) **TESTING.**

(1) **PARTICULATE CONTAMINATION (PC) TESTING AND FILTRATION TIME (FT) TESTING.**

(i) **PC/FT TESTING.** A minimum sample size of one gallon shall be filtered. Use of two membrane filters (a test membrane filter and a control membrane filter) is not required. Use of a single filter is acceptable.

(ii) **FT TESTING.** Round upwards when reporting the filtration time, in minutes. For example, a filtration time of 10 minutes, 18 seconds, would be reported as 11 minutes.

(2) **WATER SEPARATION INDEX MODIFIED (WSIM)/MSEP RATING LIMITS.**

(i) Refer to MIL-DTL-83133E.

(ii) Prior to initial production under this contract, the Contractor shall elect, on a one-time basis, which MSEP limit will be met for the balance of the contract. If the Contractor introduces FSII, CI, and/or SDA after verification of product conformance with the MSEP requirement, the product is not required to meet a fixed limit on subsequent MSEP tests.

(iii) If the Contractor elects to verify conformance with the MSEP requirement on a sample of product that does not contain FSII and CI, an additional MSEP test shall be performed on a hand blend containing jet fuel, FSII, CI, and AO (AO only if required). The FSII shall be included in this handblend at a concentration of 0.10 to 0.15 volume percent and the amount of the CI included shall be within the concentration ranged specified in QPL

(ii) 25017. The MSEP result of this hand blend is a REPORT ONLY requirement, and shall be recorded on the DD Form 250-1 and on the Standardized Report Form (see Attachment \_\_\_\_\_) as item 750X. This result shall be recorded with an asterisk next to it and a footnote below stating "MSEP result is a report only requirement." Original result of \_\_\_\_\_ on product containing the following additives applies:

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(3) **THERMAL STABILITY.** The thermal stability test (JFTOT), ASTM D 3241-98, shall be performed according to either Option A or B described below:

(i) **OPTION A.** In addition to the thermal stability testing requirements of MIL-DTL-83133E, an additional JFTOT shall be performed with the temperature of the test being 275 degrees Celsius (530 degrees Fahrenheit) in lieu of the normal 260 degrees Celsius (500 degrees Fahrenheit).

(ii) **OPTION B.** The thermal stability test shall be performed with the temperature of the test being 275 degrees Celsius (530 degrees Fahrenheit). If the fuel fails the JFTOT at this temperature, a second test will be performed at 260 degrees Celsius (500 degrees Fahrenheit). If both tests are performed, the results of the test at 260 degrees Celsius (500 degrees Fahrenheit) will be the basis for acceptance or rejection of the fuel.

(4) **EXISTENT GUM.** The preferred vaporizing medium for aviation turbine fuel is steam, however, the existent gum test (ASTM D 381-01) may be performed using air as the vaporizing medium at the following operating temperatures: Bath: 232 to 246 degrees Celsius; Test well: 229 to 235 degrees Celsius.

(5) **TOTAL WATER CONTENT.** The total water content of each shipment of JP8 shall be determined in accordance with ASTM D 6304, Procedure A or Procedure C on a sample taken at the custody transfer point that is representative of the entire delivery. The only exception to this sampling location is for deliveries by truck or railcar, in which case the test shall be performed on a representative sample taken from the sales tank. **No maximum limit applies to test results obtained for this fuel property.** This data is required for information purposes only.

(3) **WORKMANSHIP.** The workmanship criteria in MIL-DTL-83133E, paragraph 3.4, is revised to read, "At the custody transfer point, the finished fuel shall be visually free from undissolved water, sediment, or suspended matter in accordance with ASTM D 4176, Procedure 2, with a result of Rating 1, maximum. If the sample fails ASTM D 4176 only because it contains visible sediment or particulate matter, but meets the particulate matter requirements of 1.0 mg/L maximum as stated in MIL-DTL-83133E, Table I, the workmanship criteria is met. However, in case of dispute as determined by sample results taken at the custody transfer point, the fuel shall be clear and bright at 21 degrees Celsius (70 degrees Fahrenheit) and shall contain no more than 1.0 mg/L of particulate matter as required in MIL-DTL-83133E, Table I. The sample in dispute shall be taken into an area where the sample is permitted to slowly equilibrate to 21 degrees Celsius (70 degrees Fahrenheit).

(d) **REPORTS.**

(1) Refer to the MATERIAL INSPECTION AND RECEIVING REPORT clause (52.246-9FG1) for additional reporting requirements.

(2) Regardless of which option is chosen (Option A or B above), the test temperature and the results of the JFTOT shall be recorded on the DD Form 250-1 and on the Standardized Test Report Form. When completing the Standardized Test Report Form, the results obtained at 260 degrees Celsius shall be reported using series "B" for item numbers 601, 602, and 603. The results obtained at 275 degrees Celsius shall be reported using series "A" for item numbers 601, 602, and 603. A separate report form is not required for the 275 degrees Celsius test result.

(3) The DD Form 250-1 for marine shipments shall cite the type, name and amount of additives added to the fuel.

(4) The total water content of each batch of fuel supplied to the Government shall be reported in mg/kg as Item 781B on the Standard Report Format. In cases where a custody transfer point sample is used to determine the total water content, test reports for each batch tank used in the shipment will record the total water content from the custody transfer point sample analysis. **The total water content of JP8 is to be reported, NOT LIMITED.**

(DESC 52.246-9FNW)

**F16.04 BARGE UNLOADING CONDITIONS (ALASKA PC&S) (DESC MAR 2003)**

On items calling for delivery f.o.b. destination by barge (the term **barge** shall include tankers)--

(a) **ORDERING PROCESS.** Ordered supplies shall be delivered, all transportation charges paid (to include wharfage fees for public docks), to the destination specified in the Schedule. Unless otherwise specified in the Schedule, orders placed under this contract calling for delivery f.o.b. destination by barge will be furnished to the Contractor at least 15 days, plus the normal barge running time from point of loading to the destination, in advance of the date on which delivery is to be made, which date will be referred to in this clause as the **scheduled delivery date**. Each order will specify the quantity to be delivered and the scheduled delivery date.

(b) **SCHEDULED DELIVERY DATE.** Unless otherwise stated in the Contractor's offer and award document, the Contractor shall deliver ordered supplies during the delivery window specified in the Schedule. The Contractor shall provide a projected barge schedule/arrival date to the Ordering Officer in order to coordinate deliveries between the Contractor and the receiving activity. The scheduled delivery date can only be changed upon approval of the Ordering Officer. If an agreement on a new scheduled delivery date cannot be reached, the previous scheduled delivery date will be maintained.

(c) **EXPECTED TIME OF ARRIVAL.** The Contractor shall issue a first notice to the point of contact listed on the delivery order a minimum of one week prior to the expected date and time of arrival. A second notice shall be issued 48 hours prior to the expected date and time of arrival and a third notice shall be issued 24 hours prior to the expected date and time of arrival. If the point of contact cannot be reached 48 hours prior to arrival, the Contractor shall notify the Ordering Officer. The Contractor shall retain a record of each failed notification.

(d) **NOTICE OF READINESS.** Within 6 hours after issuance of the Notice of Readiness (NOR) from the Master or Mate of a tug or of a self-propelled barge to the receiving activity, the Government will provide, free of cost, a reachable safe berth for the tug and tow or self-propelled barge to be afloat at all times at the unloading port.; UNLESS the berth is a public dock, in which case, the Contractor is responsible for making all arrangements for use of the dock, including payment of any costs. If the receiving activity does not receive a NOR by the latest approved scheduled delivery date, the Government will be allowed 6 hours after receipt of a NOR to provide a berth, if the berth is a Government dock, or to prepare for offloading the barge if the berth is a public dock..

(e) **LAYTIME.**

(1) Unless otherwise provided in the contract, the Government shall be allowed a minimum of 72 hours of laytime in which to complete unloading for each delivery order under the contract.

(2) Laytime shall commence either--

- (i) At the expiration of the notice period prescribed by (d) above, berth or no berth; or
- (ii) Immediately upon the barge's arrival at berth (i.e., all fast), with or without notice of readiness, whichever occurs first.

Laytime shall continue 24 hours a day, 7 days a week, without interruption from its commencement, unless Port Authority regulations require differently, until unloading of the barge is completed and the hoses have been disconnected.

(f) **LAYTIME/DEMURRAGE EXCEPTIONS.**

(1) Notwithstanding any other provisions of the contract or this clause to the contrary, the following time shall not count as used laytime or, if the barge is on demurrage, as time on demurrage:

(i) When the barge is delayed in reaching its berth after the expiration of the 6 hour period following receipt of the NOR and the delay is caused by the fault of the barge.

(ii) If regulations of the owner or operator of the barge prohibit unloading at any time.

(iii) Delays after commencement of laytime attributed to any condition of the barge.

(2) Notwithstanding any other provisions of the contract or this clause to the contrary, the following time shall count as half laytime or, if the barge is on demurrage, be charged at half the demurrage rate:

(i) If regulations of the Port Authority prohibit unloading at any time.

(ii) Delays after commencement of laytime attributed to causes beyond the control, and without the fault or negligence, of the Contractor or the Government.

(3) If any delays are attributed to the Government and they cause the total allowed laytime to be exceeded, the Contractor may bill for demurrage charges in accordance with paragraph (l) below. Evidence of such delay must be provided to the Ordering Officer.

(g) **BREAKDOWN.** In the event of breakdown of Contractor's equipment, which will prohibit unloading for at least two hours, the Contractor will be required to remove the equipment from the Government-provided berth, unless permission is granted by the Government to allow the equipment to remain on berth. When the Government grants permission for the Contractor equipment to remain on berth, the Contractor will be responsible for reimbursing the Government for any cost incurred by the Government for furnishing personnel to remain with the barge during repair. If the Contractor removes the equipment from the Government-provided berth, a NOR to unload will again be required, as provided in (d) above, prior to reberthing.

(h) **EQUIPMENT.** Hoses for unloading the barge shall be provided by the Contractor. However, the Government shall be responsible for connecting and disconnecting the hoses at the flange of the Government receiving line.

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(i) **TITLE.** Title to the supplies delivered, and risk of loss thereof, shall pass from the Contractor to the Government when the supplies pass the flange of the Government receiving line.

(j) **PERMITS.** The Contractor is responsible for obtaining at its own cost all such permits and licenses from proper operating authorities as may be required to make predelivery site visits, operate its equipment, and/or provide delivery of fuels, including landing, land use, and highway permits, as needed.

(k) **DOCUMENTATION.**

(1) Receipt of product shall be recorded on a Government receiving document DD Form 250-1 for DoD activities. For other than DoD activities, receipt of product shall be recorded on the Contractor's invoice.

(2) Government personnel shall not sign the receiving documentation until all fuel has been delivered into the final tankage. If multiple deliveries are anticipated, the Contractor shall state such multiple deliveries in its proposed delivery schedule submitted to the Ordering Officer. Separate orders may be issued for each multiple delivery as determined by the Ordering Officer.

(l) **BARGE LAYTIME AND DEMURRAGE CHARGES IN EXCESS OF MINIMUM LAYTIME.**

(1) The laytime determined in accordance with paragraph (e) above will be specified for each item below. The demurrage rate payable per hour by the Government for the detainment of the Contractor's barge will be specified below. The demurrage payable to the Contractor shall in no event exceed the actual demurrage expense incurred by the Contractor's barge. Unless the offeror indicates otherwise, laytime will be unlimited.

	<u>LAYTIME ALLOWED IN EXCESS</u>	<u>DEMURRAGE BEYOND FREE TIME</u>		
<u>ITEM</u>	<u>OF MINIMUM TIME</u>	<u>BARGE</u>	<u>TUG</u>	<u>OTHER</u>

(2) Notwithstanding the above, the Government will not pay more than the actual rate charged by the barge carrier or the rate the Contractor normally charges its regular commercial customers, whichever is lower. Laytime specified in paragraph (l)(1) above is in addition to the minimum allowed laytime for unloading as provided in this clause.

(DESC 52.247-9FF6)

**G150.11 SUBMISSION OF INVOICES BY FACSIMILE (DESC DEC 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-BVDP/CC cannot be held accountable for transmissions not received, the Contractor must verify transmission/receipt of its FAX by telephoning Customer Service (DFAS-BVDP/CC) 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-BVDP/CC FAX number is **(614) 693-0670/0671/0672**.

(2) 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-BVDP/CC specifically requests it.

**(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 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:

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

(DESC 52.232-9FG5)

**11.03-9 CONTRACT TERMS AND CONDITIONS - COMMERCIAL ITEMS (PC&S) (PORTS INTERNET APPLICATION) - ADDENDUM (DESC MAR 2002)**

**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-BVD/FP/CC 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-BVD/FP/CC) 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-BVD/FP/CC specifically requests it.

(DESC 52.212-9F52)

**128.02-2 FEDERAL, STATE, AND LOCAL TAXES AND FEES (DESC APR 2002)**

(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.

(7) **E85 (QUALIFIED ETHANOL).** Include the FET of \$0.1305 per gallon as a separate item on the Contractor's invoice.

(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)

**K15 RELEASE OF UNIT PRICES (DESC OCT 2002)**

The Defense Energy Support Center (DESC) will continue to release unit prices of successful offerors after the contract award pursuant to 10 U.S.C. 2305(g)(2), FAR 15.606(d)(2) and 32 CFR 286h-3. Unit prices are the bottom-line price per unit of product and may include the total contract price. They do not include any breakout of costs, such as transportation or overhead, and do not disclose the offeror's anticipated profit or any pricing factors.

(DESC 52.224-9F25)