

AMENDMENT OF SOLICITATION/MODIFICATION OF CONTRACT		1. CONTRACT ID CODE K	PAGE 1 OF 11
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2. AMENDMENT/MODIFICATION NO. 0004	3. EFFECTIVE DATE	4. REQUISITION/PURCHASE REQ. NO. SP0600-04-1371 & Amd 001; 1374 & Amd 001	5. PROJECT NO. (If applicable)
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6. ISSUED BY DEFENSE ENERGY SUPPORT CENTER 8725 JOHN J. KINGMAN ROAD, SUITE 4950 FT. BELVOIR, VA 22060-6222 BUYER/SYMBOL	CODE SP0600 P.P. 7.2, 7.4	7. ADMINISTERED BY (If other than Item 6) CODE SP0600
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8. NAME AND ADDRESS OF CONTRACTOR (NO., street,city,county,State,and ZIP Code) Phone: _____ Fax: _____ E-Mail: _____ DUNS: _____ Cage Code: _____ Bidder Code: _____	X	9a. AMENDMENT OF SOLICITATION NO. SP0600-04-R-0086
		9b. DATED (SEE ITEM 11) March 26, 2004
		10a. MODIFICATION OF CONTRACT/ORDER NO.
		10b. DATED (SEE ITEM 13)

11. THIS ITEM ONLY APPLIES TO AMENDMENTS OF SOLICITATIONS

[X] The above numbered solicitation is amended as set forth in Item 14. The hour and date specified for receipt of Offers [] is extended, [X] is not extended.

Offers must acknowledge receipt of this amendment prior to the hour and date specified in the solicitation or as amended, by one of the following methods: (a) By completing Items 8 and 15, and returning 1 copies of the amendment; (b) By acknowledging receipt of this amendment on each copy of the offer submitted; or (c) By separate letter or telegram which includes a reference to the solicitation and amendment numbers. **FAILURE OF YOUR ACKNOWLEDGMENT TO BE RECEIVED AT THE PLACE DESIGNATED FOR THE RECEIPT OF OFFERS PRIOR TO THE HOUR AND DATE SPECIFIED MAY RESULT IN REJECTION OF YOUR OFFER.** If by virtue of this amendment you desire to change an offer already submitted, such change may be made by telegram or letter, provided each telegram or letter makes reference to the solicitation and this amendment, and is received prior to the opening hour and date specified.

12. ACCOUNTING AND APPROPRIATION DATA (If required)

13. THIS ITEM APPLIES ONLY TO MODIFICATIONS OF CONTRACTS/ORDERS, IT MODIFIES THE CONTRACT/ORDER NO. AS DESCRIBED IN ITEM 14.

- A. THIS CHANGE ORDER IS ISSUED PURSUANT TO: (Specify authority) THE CHANGES SET FORTH IN ITEM 14 ARE MADE IN THE CONTRACT ORDER NO. IN ITEM 10A.
- B. THE ABOVE NUMBERED CONTRACT/ORDER IS MODIFIED TO REFLECT THE ADMINISTRATIVE CHANGES (such as changes in paying office, appropriation date, etc.) SET FORTH IN ITEM 14, PURSUANT TO THE AUTHORITY OF FAR 43.103(b)
- C. THIS SUPPLEMENTAL AGREEMENT IS ENTERED INTO PURSUANT TO AUTHORITY OF:
- D. OTHER (Specify type of modification and authority):

E. IMPORTANT: Contractor [] is not, [] is required to sign this document and return copies to the issuing office.

See pages 2 through 11

Except as provided herein, all terms and conditions of the document referenced in Item 9A or 10A, as heretofore changed, remain unchanged and in full force and effect.

15A. NAME AND TITLE OF SIGNER (Type or print)		16A. NAME OF CONTRACTING OFFICER STEPHANIE R. PEREZ	
15B. NAME OF CONTRACTOR/OFFEROR BY _____ (Signature of person authorized to sign)	15C. DATE SIGNED	16B. UNITED STATES OF AMERICA BY _____ (Signature of Contracting Officer)	16C. DATE SIGNED

The following changes and corrections are hereby incorporated into Solicitation SP0600-04-R-0086:

1. For Line Item 2005 – Fort Sill, OK:

- a. The mainline receipt point for deliveries to Ft. Sill is West Pooling Area 2, East of Amber Pool at the CEGT/Upstream Pipeline connection to CenterPoint Energy/Arkla at Lawton, OK. See page 3 of this Amendment.
- b. Supply Index Price (SIP) Change: Column IV of the SIP Table “Pipeline where SIP is applicable” is hereby changed to read Panhandle Eastern Pipeline Co. Column V, “Location where SIP is applicable”, is hereby changed to read Texas, Oklahoma (mainline). See page 3 of this Amendment for a revised schedule page.
- c. Line Item 2005 Reminder: In accordance with Clause I174.03 – SUPPLY COMMITMENTS FOR SMALL BUSINESS CONCERNS (NATURAL GAS) (DESC AUG 2001), offerors on a small business set-aside must submit with their initial offer a supply commitment letter from a small business producer (s) in order to be considered for an award.

2. For Line Items 4051, 4052, and 4053 – Locations behind Northwest Pipeline (NWPL):

- a. For Subline item 405101, Fairchild AFB, the delivery point is hereby changed from Sumas to Citygate Avista (LDC).
- b. For Subline item 405102, McChord AFB, the delivery point is hereby changed from Sumas to Citygate Puget Sound Energy (LDC).
- c. Subline item 405201, Naval Station Everett, is hereby changed to subline item 405306, and the delivery point is hereby changed from Sumas to Citygate Puget Sound Energy.
- d. For Subline items 405301, 405302, 405303, 405304 and 405305, the delivery point is hereby changed from Sumas to Citygate of Cascade Natural Gas Corporation.
- e. The schedule pages and the consumption data pages are revised accordingly to reflect these changes and are found on pages 4 through 11 of this Amendment.

3. All offerors who will provide an offer on these line items must utilize the enclosed schedule pages.

Note: For all NWPL changes see the revised pages on pages 4 through 11 of this Amendment.

REMINDER: Receipt of facsimile offers will be accepted at the following two facsimile numbers:

(703) 767-8672 or (703) 767-8757

It is important that you contact one of the DESC representative listed below in the event you incur problems trying to submit your offers either by facsimile or emails for the scheduled closing dates.

Ms. Annie Gordon – (703) 767-3415
Ms. Jeannine Fairly – (703) 767-8563
Ms. Stephanie Perez – (703) 767-8561

In addition, request you call one of the individuals listed above to confirm receipt of your offer.

The closing date and time for this solicitation remains unchanged. Offers for the Oklahoma, Montana and Washington line items are due on May 11, 2004, at 1:00 p.m., local time, Fort Belvoir, VA.

PART II - SOUTH, WEST & NORTHWEST LOCATIONS

2005 FORT SILL, OK

NOTE 1: Line Item 2005 is set aside for exclusive Small Business participation.

Note 2: CenterPoint Energy Gas Transmission (CEGT) (Pipeline) requires the Contractor to add additional gas for fuel loss for the gas to be delivered to West Pooling Area 2.

NOTE 3: CenterPoint Energy Arkla holds the upstream capacity on CEGT for the customer. The Contractor is required to use the capacity for deliveries for Fort Sill. The customer is billed directly from CenterPoint for the pipeline capacity.

2005 Direct Supply Natural Gas to be delivered FOB West Pooling Area 2 Receipt Point via FIRM OR FIRM EQUIVALENT TRANSPORTATION WITH SUPPLY MANAGEMENT from October 01, 2004 to September 30, 2005.

TOTAL QUANTITY 1,005,487

	Estimated Quantity	Unit Price	Total Estimated Price
FIXED PRICE WITH EPA:			
2005 AA SUPPLY INDEX PRICE	1,005,487	*	*
FIXED PRICE WITH EPA:			
FIRM	1,005,487	*	*
2005 AD WINTER ADJUSTMENT FACTOR	755,930	\$ _____	\$ _____
2005 AE SUMMER ADJUSTMENT FACTOR	249,557	\$ _____	\$ _____

EQ	FOR ULTIMATE DELIVERY TO	MDQ	SUMMER QUANTITY	WINTER QUANTITY
200501	FORT SILL, OK FIRM	10,800	249,557	755,930

*

(1) The SIP Table is as follows:

I Item No.	II Delivery Point	III Publication/ Table	IV Pipeline where SIP is applicable	V Location where SIP is applicable	VI Applicable ceiling Provision	VII Supply Index Price
2005	West Pooling Area 2 Receipt Point	INSIDE FERC'S GAS MARKET REPORT	PANHANDLE EASTERN PIPELINE CO.	TEXAS, OK (MAINLINE)	ALT I	March, 2004

INSTALLATIONS BEHIND NORTHWEST PIPELINE - Line Items 4051, and 4053

The following notes apply to Line Items 4051, and 4053:

NOTE 1: Line Items 4051, and 4053 are for delivery to installations behind Northwest Pipeline and are tied together for evaluation and award.

NOTE 2: The Contractor shall deliver natural gas supplies for ultimate delivery to the Department of Defense installations, using his own Firm and Limited Interruptible transportation capacity for the customers that are situated behind the LDCs along the Northwest Pipeline Corporation interstate pipeline system (NWPL)

NOTE 3: The Contractor will be responsible for providing the limited interruptible transportation on NWPL for DESC's requirements with a minimum delivery percentage of eighty percent (80%). Upstream capacity constraints (such as curtailments on West Coast Pipeline) will not constitute legitimate excuses to performance.

NOTE 4: Estimated requirements for the Firm and Limited Interruptible loads do not include the NWPL in-kind fuel reimbursement fuel loss. The Contractor will be responsible for including the in-kind fuel loss quantities when submitting his monthly nominations.

NOTE 5: The offeror's price shall include transportation fuel-in-kind and supply management fees.

NOTE 6: The actual quantities of natural gas delivered will be priced using Inside FERCS Gas Market report price index. DESC will pay the Northwest Pipeline Corp. spot market price table, Canadian Border Index Price plus the applicable adjustment factor.

4051 FAIRCHILD AIR FORCE BASE and MCCHORD AIR FORCE BASE

4051 Direct Supply Natural Gas to be delivered FOB Sumas via **FIRM OR FIRM EQUIVALENT TRANSPORTATION WITH SUPPLY MANAGEMENT AND LIMITED INTERRUPTIBLE TRANSPORTATION WITH SUPPLY MANAGEMENT** from October 01, 2004 to September 30, 2005.

TOTAL QUANTITY		554,003		
			Estimated Quantity	Total Estimated Price
				Unit Price

	FIXED PRICE WITH EPA:			
4051 AA	SUPPLY INDEX PRICE		554,003	* * *
			Estimated Quantity	Total Estimated Price
				Unit Price

	FIXED PRICE WITH EPA:			
	FIRM		268,900	
4051 AD	WINTER ADJUSTMENT FACTOR		193,700	\$ _____
4051 AE	SUMMER ADJUSTMENT FACTOR		75,200	\$ _____
	LIMITED INTERRUPTIBLE		285,103	
4051 AG	WINTER ADJUSTMENT FACTOR		163,151	\$ _____
4051 AH	SUMMER ADJUSTMENT FACTOR		121,952	\$ _____

EQ	FOR ULTIMATE DELIVERY TO		SUMMER QUANTITY	WINTER QUANTITY

405101	FAIRCHILD AIR FORCE BASE FIRM	1,613	75,200	193,700
405102	MCCHORD AFB LIMITED INTERRUPTIBLE		121,952	163,151

* The following information is provided for Clause B700, ECONOMIC PRICE ADJUSTMENT - MARKET PRICE AND TRANSPORTATION, paragraph (e):

(1) The SIP Table is as follows:

I	II	III	IV	V	VI	VII
Item No.	Delivery Point	Publication/ Table	Pipeline where SIP is applicable	Location where SIP is applicable	Applicable ceiling Provision	Supply Index Price
4051	AVISTA/ PUGET SOUND ENERGY	INSIDE FERC'S GAS MARKET REPORT	Northwest Pipeline	Canadian Border	ALT I	March, 2004

4053 NAVY INSTALLATIONS BEHIND CASCADE NATURAL GAS CORPORATION (LDC) and NORTHWEST PIPELINE, WA

NOTE 1: One nomination will be provided to the marketer that consists of all installations behind Line Item 4053 which includes Cascade Natural Gas Corporation Local Distribution Company (LDC), and Puget Sound Energy (LDC). The subline item numbers that fall under Cascade are 405301, 405302, 405303, 405304, and 405305. The subline item number that falls under Puget Sound is 405306. The Contractor will place this monthly nomination to the appropriate LDC(s) and any necessary pipelines in accordance with the delivery order issued by the Ordering Officer. The Contractor shall adjust the nominations within the applicable swing percentages listed in the contract as necessary to keep the installations in balance.

NOTE 2: Delivery of natural gas is to be FOB Citygate Cascade and FOB Citygate Puget Sound via Northwest pipeline.

NOTE 3: The Contractor shall deliver natural gas supplies for ultimate delivery to the Department of Defense installations, using his own Firm and Limited Interruptible transportation capacity for the customers that are situated behind the LDCs along the Northwest Pipeline Corporation interstate pipeline system (NWPL).

NOTE 4: The Contractor will be responsible for providing the limited interruptible transportation on NWPL for DESC's requirements with a minimum delivery percentage of eighty percent (80%). Upstream capacity constraints (such as curtailments on West Coast Pipeline) will not constitute legitimate excuses to performance.

NOTE 5: Estimated requirements for the Firm and Limited Interruptible loads do not include the NWPL in-kind fuel reimbursement fuel loss. The Contractor will be responsible for including the in-kind fuel loss quantities when submitting his monthly nominations.

NOTE 6: The offeror's price shall include transportation fuel-in-kind and supply management fees.

NOTE 7: The actual quantities of natural gas delivered will be priced using Inside FERCS Gas Market Report price index. DESC will pay the Northwest Pipeline Corp. spot market price table, Canadian Border Index Price plus the applicable adjustment factor.

NOTE 8: Requirements quantities for NS Everett will fluctuate due to unpredictable Naval Ship schedules. Monthly quantities are based on historical data and could change due to mission activity.

NOTE 9: Line Items 4051 and 4053 will be tied together for evaluation and award.

NOTE 10: Line Item 4052 is hereby deleted.

4053 NAVY INSTALLATIONS BEHIND CASCADE NATURAL GAS CORPORATION (LDC) and NORTHWEST PIPELINE, WA

4053 Direct Supply Natural Gas to be delivered FOB CITYGATE Cascade Gas/Puget Sound via FIRM OR FIRM EQUIVALENT TRANSPORTATION WITH SUPPLY MANAGEMENT AND LIMITED INTERRUPTIBLE TRANSPORTATION WITH SUPPLY MANAGEMENT from October 01, 2004 to September 30, 2005.

TOTAL QUANTITY 2,154,191

	Estimated Quantity	Unit Price	Total Estimated Price
FIXED PRICE WITH EPA:			
4053 AA SUPPLY INDEX PRICE	2,154,191	*	*
FIXED PRICE WITH EPA:			
FIRM	241,602	*	*
4053 AD WINTER ADJUSTMENT FACTOR	100,385	\$ _____	\$ _____
4053 AE SUMMER ADJUSTMENT FACTOR	141,217	\$ _____	\$ _____
LIMITED INTERRUPTIBLE			
	1,912,589	*	*
4053 AG WINTER ADJUSTMENT FACTOR	1,027,026	\$ _____	\$ _____
4053 AH SUMMER ADJUSTMENT FACTOR	885,563	\$ _____	\$ _____

EQ	FOR ULTIMATE DELIVERY TO	MDQ	SUMMER QUANTITY	WINTER QUANTITY
405301	NAS WHIDBEY ISLAND LIMITED INTERRUPTIBLE		129,500	166,000
405302	NAVAL HOSPITAL BREMERTON LIMITED INTERRUPTIBLE		36,570	22,355
405303	NAVAL UNDERSEA WARFARE CENTER, KEYPORT FIRM	119	24,617	17,485
	LIMITED INTERRUPTIBLE		48,400	85,000
405304	NAVAL STATION BREMERTON LIMITED INTERRUPTIBLE		539,000	543,000
405305	NAVAL SUBMARINE BASE BANGOR FIRM	400	85,600	60,400
	LIMITED INTERRUPTIBLE		119,593	168,171
405306	NAVAL STATION EVERETT FIRM	161	31,000	22,500
	LIMITED INTERRUPTIBLE		12,500	42,500

*(1) The SIP Table is as follows:

I Item No.	II Delivery Point	III Publication/ Table	IV Pipeline where SIP is applicable	V Location where SIP is applicable	VI Applicable ceiling Provision	VII Supply Index Price
4053	CITYGATE CASCADE GAS/PUGET SOUND	INSIDE FERC'S GAS MARKET REPORT	Northwest Pipeline	Canadian Border	ALT I	March, 2004

SP0600-04-R-0086 Consumption Data

LINE ITEM NUMBER 200501
 INSTALLATION FORT SILL, OK
 TRANSPORTATION F

MONTH	Total Quantity	Curtailment Days per Month	EPA Estimated Quantity	Monthly Buy
JANUARY	204,079	0	204,079	
FEBRUARY	142,285	0	142,285	
MARCH	133,377	0	133,377	
APRIL	74,355	0	74,355	
MAY	30,937	0	30,937	
JUNE	27,425	0	27,425	
JULY	26,802	0	26,802	
AUGUST	28,598	0	28,598	
SEPTEMBER	25,830	0	25,830	
OCTOBER	35,610	0	35,610	
NOVEMBER	108,719	0	108,719	
DECEMBER	167,470	0	167,470	

LINE ITEM NUMBER 405301
 INSTALLATION NAS WHIDBEY ISLAND
 TRANSPORTATION LI

MONTH	Total Quantity	Curtailment Days per Month	EPA Estimated Quantity	Monthly Buy
JANUARY	36,000	6	36,000	
FEBRUARY	31,000	6	31,000	
MARCH	34,000	6	34,000	
APRIL	26,500	6	26,500	
MAY	23,000	6	23,000	
JUNE	15,000	6	15,000	
JULY	13,000	6	13,000	
AUGUST	13,000	6	13,000	
SEPTEMBER	13,500	6	13,500	
OCTOBER	25,500	6	25,500	
NOVEMBER	29,000	6	29,000	
DECEMBER	36,000	6	36,000	

SP0600-04-R-0086 Consumption Data

LINE ITEM NUMBER 405302
 INSTALLATION NAVAL HOSPITAL BREMERTON
 TRANSPORTATION LI

MONTH	Total Quantity	Curtailment Days per Month	EPA Estimated Quantity	Monthly Buy
JANUARY	4,772	6	4,772	
FEBRUARY	3,971	6	3,971	
MARCH	4,329	6	4,329	
APRIL	5,004	6	5,004	
MAY	5,340	6	5,340	
JUNE	6,742	6	6,742	
JULY	6,719	6	6,719	
AUGUST	6,236	6	6,236	
SEPTEMBER	2,772	6	2,772	
OCTOBER	3,757	6	3,757	
NOVEMBER	4,436	6	4,436	
DECEMBER	4,847	6	4,847	

LINE ITEM NUMBER 405303
 INSTALLATION NAVAL UNDERSEA WARFARE CENTER, KEYPORT
 TRANSPORTATION F

MONTH	Total Quantity	Curtailment Days per Month	EPA Estimated Quantity	Monthly Buy
JANUARY	3,566	0	3,566	
FEBRUARY	3,336	0	3,336	
MARCH	3,566	0	3,566	
APRIL	3,451	0	3,451	
MAY	3,566	0	3,566	
JUNE	3,451	0	3,451	
JULY	3,566	0	3,566	
AUGUST	3,566	0	3,566	
SEPTEMBER	3,451	0	3,451	
OCTOBER	3,566	0	3,566	
NOVEMBER	3,451	0	3,451	
DECEMBER	3,566	0	3,566	

SP0600-04-R-0086 Consumption Data

LINE ITEM NUMBER 405303
 INSTALLATION NAVAL UNDERSEA WARFARE CENTER, KEYPORT
 TRANSPORTATION LI

MONTH	Total Quantity	Curtailment Days per Month	EPA Estimated Quantity	Monthly Buy
JANUARY	22,500	6	22,500	
FEBRUARY	15,000	6	15,000	
MARCH	12,500	6	12,500	
APRIL	12,500	6	12,500	
MAY	7,000	6	7,000	
JUNE	5,000	6	5,000	
JULY	4,000	6	4,000	
AUGUST	3,400	6	3,400	
SEPTEMBER	5,000	6	5,000	
OCTOBER	11,500	6	11,500	
NOVEMBER	15,000	6	15,000	
DECEMBER	20,000	6	20,000	

LINE ITEM NUMBER 405304
 INSTALLATION NAVAL STATION BREMERTON
 TRANSPORTATION LI

MONTH	Total Quantity	Curtailment Days per Month	EPA Estimated Quantity	Monthly Buy
JANUARY	122,000	6	122,000	
FEBRUARY	124,000	6	124,000	
MARCH	111,000	6	111,000	
APRIL	108,000	6	108,000	
MAY	93,000	6	93,000	
JUNE	88,000	6	88,000	
JULY	67,000	6	67,000	
AUGUST	62,000	6	62,000	
SEPTEMBER	60,000	6	60,000	
OCTOBER	61,000	6	61,000	
NOVEMBER	83,000	6	83,000	
DECEMBER	103,000	6	103,000	

SP0600-04-R-0086 Consumption Data

LINE ITEM NUMBER 405305
 INSTALLATION NAVAL SUBMARINE BASE BANGOR
 TRANSPORTATION F

MONTH	Total Quantity	Curtailment Days per Month	EPA Estimated Quantity	Monthly Buy
JANUARY	12,400	0	12,400	
FEBRUARY	11,200	0	11,200	
MARCH	12,400	0	12,400	
APRIL	12,000	0	12,000	
MAY	12,400	0	12,400	
JUNE	12,000	0	12,000	
JULY	12,400	0	12,400	
AUGUST	12,400	0	12,400	
SEPTEMBER	12,000	0	12,000	
OCTOBER	12,400	0	12,400	
NOVEMBER	12,000	0	12,000	
DECEMBER	12,400	0	12,400	

LINE ITEM NUMBER 405305
 INSTALLATION NAVAL SUBMARINE BASE BANGOR
 TRANSPORTATION LI

MONTH	Total Quantity	Curtailment Days per Month	EPA Estimated Quantity	Monthly Buy
JANUARY	35,682	6	35,682	
FEBRUARY	31,426	6	31,426	
MARCH	35,484	6	35,484	
APRIL	26,349	6	26,349	
MAY	21,663	6	21,663	
JUNE	14,806	6	14,806	
JULY	11,525	6	11,525	
AUGUST	9,265	6	9,265	
SEPTEMBER	12,403	6	12,403	
OCTOBER	23,582	6	23,582	
NOVEMBER	28,758	6	28,758	
DECEMBER	36,821	6	36,821	

SP0600-04-R-0086 Consumption Data

LINE ITEM NUMBER 405306
 INSTALLATION NAVAL STATION EVERETT
 TRANSPORTATION F

MONTH	Total Quantity	Curtailement Days per Month	EPA Estimated Quantity	Monthly Buy
JANUARY	4,500	0	4,500	
FEBRUARY	4,500	0	4,500	
MARCH	4,500	0	4,500	
APRIL	4,500	0	4,500	
MAY	4,500	0	4,500	
JUNE	4,500	0	4,500	
JULY	4,000	0	4,000	
AUGUST	4,500	0	4,500	
SEPTEMBER	4,500	0	4,500	
OCTOBER	4,500	0	4,500	
NOVEMBER	4,500	0	4,500	
DECEMBER	4,500	0	4,500	

LINE ITEM NUMBER 405306
 INSTALLATION NAVAL STATION EVERETT
 TRANSPORTATION LI

MONTH	Total Quantity	Curtailement Days per Month	EPA Estimated Quantity	Monthly Buy
JANUARY	9,600	6	9,600	
FEBRUARY	7,900	6	7,900	
MARCH	10,800	6	10,800	
APRIL	5,500	6	5,500	
MAY	1,600	6	1,600	
JUNE	300	6	300	
JULY	100	6	100	
AUGUST	300	6	300	
SEPTEMBER	900	6	900	
OCTOBER	3,800	6	3,800	
NOVEMBER	5,800	6	5,800	
DECEMBER	8,400	6	8,400	