

AMENDMENT OF SOLICITATION/MODIFICATION OF CONTRACT			1. CONTRACT ID CODE	PAGE OF PAGES 1 23
2. AMENDMENT/MODIFICATION NO. 0003	3. EFFECTIVE DATE 02 OCT 03	4. REQUISITION/PURCHASE REQ. NO.	5. PROJECT NO. (If applicable)	
6. ISSUED BY DEFENSE ENERGY SUPPORT CENTER 8725 John J. Kingman Road, Suite 4950 Ft. Belvoir, VA 22060-6222 P. BURKE/DFSC-PLC/703-767-9503 FAX - 703-767-8506	CODE SP0600 P.P. 3.27	7. ADMINISTERED BY (If other than Item 6) CODE		
8. NAME AND ADDRESS OF CONTRACTOR (NO., street, city, county, State, and ZIP Code)		(✓) X	9A. AMENDMENT OF SOLICITATION NO. SP0600-01-R-0059-0002	
			9B. DATED (SEE ITEM 11) JUN 6, 2003	
			10A. MODIFICATION OF CONTRACT/ORDER NO.	
Bidder Code		CAGE Code		10B. DATED (SEE ITEM 13)
CODE	FACILITY CODE			
11. THIS ITEM ONLY APPLIES TO AMENDMENTS OF SOLICITATIONS				
<p>[X] The above numbered solicitation is amended as set forth in Item 14. The hour and date specified for receipt of Offers [X] is extended, [] is not extended SEE BLOCK 14</p> <p>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:</p> <p>(a) By completing Items 8 and 15, and returning <u>1</u> 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.</p>				
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.				
14. DESCRIPTION OF AMENDMENT/MODIFICATION (Organized by UCF section headings, including solicitation/contract subject matter where feasible).				
CUSTOMER ORGANIZED GROUP 7 – (COG 7) -- PURCHASE PROGRAM 3.27				
1. This is Amendment 0003 to the Solicitation. ACKNOWLEDGEMENT OF AMENDMENTS: All offerors must acknowledge receipt and acceptance of all amendments to the solicitation. You may do so by filling your name in Block 8 and signing and dating (blocks 15A, 15B, and 15C) of the Standard Form 30, and returning the amendment or by facsimile to (703) 767-8506.				
2. The offer closing date is hereby re-opened, to enhance competition on line items listed in paragraph 3 and				
Except as provided herein, all terms and conditions of the document referenced in Items 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 AND TITLE OF CONTRACTING OFFICER (Type or pr		
15B. CONTRACTOR/OFFEROR	15C. DATE SIGNED	16B. UNITED STATES OF AMERICA	16C. DATE SIGNED	
(Signature of person authorized to sign)		(Signature of Contracting Officer)		

to allow offers against newly established line items in COG 7, noted in revised Schedule B1.01 SUPPLIES TO BE FURNISHED in Paragraphs 4 a. & B. below. **Only new and/or revised offers for these specific items will be accepted. Solicitation is closed to other offers. The offer closing date for items listed within this Amendment in paragraphs 3 and 4 ONLY is hereby extended to 3:00 P.M. EST (local time Fort Belvoir, VA), 20 October 2003.**

3. Offers against the following items will be accepted under this Amendment:

LINE ITEM NO.	LOCATION	MODE OF DELIVERY	ESTIMATED QTY (USG)
065-12	Show Low, AZ	TW	24,000
751-13	Phoenix, AZ	TW	2,500
B30-69	Apache, AZ	TW	11,000
B32-69	Apache, AZ	TW	7,300
B36-24//28	Coconino, AZ	TW	18,000
B36-68	Coconino, AZ	TW	9,000
B36-94	Coconino, AZ	TW	3,000
B54-462	Apache, AZ	TW	18,000
C40-24//28	Yuma, AZ	TW	27,500
C40-68	Yuma, AZ	TW	900
C52-683	Yuma, AZ	FOB	33,000
N20-70	San Juan, UT	TW	9,000

4. A. Clause B1.01-2 SUPPLIES TO BE FURNISHED (DOMESTIC PC&S) (PORTS INTERNET APPLICATION) (DESC MAR 1999) is modified to add additional line items, as follows:

ITEM NUMBER ESTIMATED QUANTITY UI

 UNITED STATES AIR FORCE

 VANDENBERG AFB,
 CA, USAF, SPC, 30SUPF/ LGSF, STATE HWY #001
 SANTA BARBARA COUNTY
 DELIVERY DODAAC: FP4610
 BILLING DODAAC : FP4610
 ORDERING OFFICE: 805-606-6867
 ORDERING DODAAC : FP4610

841-E8 FUEL ETHANOL (E85) (E8) 200,000 GL
 PORTS ACTIVE

TANK WAGON (TW), INTO
 1/10,000 GALLON BELOW GROUND TANK LOCATED AT
 BLDG 10726
 ANTICIPATE 0% ON HIGHWAY USE
 DELIVERY HOURS: 0800-1100
 1300-1600
 TRUCKS REPORT TO BLDG 1705.
 200,000 GALS IS AN ESTIMATED ONE YEAR QTY (SEP 01,
 2003 THRU AUG 31, 2004)
 THIS FUEL IS CAPITALIZED

ITEM
NUMBER

ESTIMATED
QUANTITY UI

AIR FORCE NATIONAL GUARD

DELLE
UT, AFNG, DELLE RADAR SITE, BETWEEN SALT LAKE CITY AND WENDOVER ON
I80
TOOELE COUNTY
DELIVERY DODAAC: FP6441
BILLING DODAAC : FP6441
ORDERING OFFICE: 801-245-2355

925-32 DIESEL FUEL #1 (DF1) 330 GL
PORTS ACTIVE

TANK WAGON (TW), INTO
1/500 GALLON ABOVE GROUND TANK(S)
ANTICIPATE 0% ON HIGHWAY USE
DELIVERY HOURS: 0700-1500 MONDAY THRU FRIDAY
EXCLUDING HOLIDAYS
DELIVERIES RANGE BETWEEN 100 - 300 GALS.
ESCORT REQUIRED - CALL 801-777-9321 OR CELL NUMBER
801-891-2818 PRIOR TO DELIVERY
THIS FUEL IS CAPITALIZED
EST QTY IS FOR ONE YEAR (SEP 01, 2003 - AUG 31, 2004)

FARMINGTON
UT, AFNG, FRANCIS PEAK RADAR SITE, 14 MI NE OF FARMINGTON (PORTIONS
OF ROAD ARE UNPAVED)
DAVIS COUNTY
DELIVERY DODAAC: FP6441
BILLING DODAAC : FP6441
ORDERING OFFICE: 801-245-2355

929-32 DIESEL FUEL #1 (DF1) 3,300 GL
PORTS ACTIVE

TANK WAGON (TW), INTO
2/2,000 GALLON ABOVE GROUND TANK(S)
1/500 GALLON ABOVE GROUND TANK(S)
ANTICIPATE 0% ON HIGHWAY USE
DELIVERY HOURS: 0600-1500 MONDAY THRU FRIDAY
EXCLUDING HOLIDAYS
ESCORT REQUIRED - CALL 801-777-9321 OR CELL NUMBER
801-891-2818 PRIOR TO DELIVERY
THIS FUEL IS CAPITALIZED
EST QTY IS FOR ONE YEAR (SEP 01, 2003 - AUG 31, 2004)

4. B. Clause B1.01 SUPPLIES TO BE FURNISHED (DOMESTIC PC&S) (DESC MAR 1999) is modified to add additional line items, as follows:

<u>ITEM NUMBER</u>	<u>ESTIMATED QUANTITY</u> <u>UI</u>
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 DEPARTMENT OF ENERGY

PHOENIX
 AZ, DOE, WESTERN AREA POWER ADMIN, DESERT SOUTHWEST REGION, 615
 SOUTH 43RD AVE
 MARICOPA COUNTY
 DELIVERY FEDAAC: 899401
 ORDERING OFFICE: 602-352-2502/2504

B86-BD	BIODIESEL B20 (BDI) FUEL MUST BE PRE-BLENDED PRIOR TO DELIVERY INTO STORAGE TANK(S) TANK TRUCK (TT), INTO 1/15,000 GALLON BELOW GROUND TANK ANTICIPATE 0% ON HIGHWAY USE DELIVERY HOURS: 0700-1530 MONDAY THRU FRIDAY DELIVERY WILL BE TWICE YEARLY FOR APPROX 8,000 GALS EACH (FULL TRUCK LOAD) EST QTY IS FOR ONE YEAR (AUG 2003 - SEP 2004)	16,000 GL
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 DEPARTMENT OF AGRICULTURE

BIG CREEK,
 CA, DA, FOR SVC, SIERRA NATIONAL FOREST, HIGH SIERRA RANGER
 DISTRICT, BIG CREEK STATION, 65 MI NE OF FRESNO
 FRESNO COUNTY
 DELIVERY FEDAAC: 129AMH
 ORDERING OFFICE: 209-297-0706 EXT 4836

D42-BD	BIODIESEL B20 (BDI) TANK WAGON (TW), INTO 1/500 GALLON ABOVE GROUND TANK(S) ANTICIPATE 90% ON HIGHWAY USE EST QTY IS FOR ONE YEAR (SEP 01, 2003 - AUG 31, 2004)	1,500 GL
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 DEPARTMENT OF AGRICULTURE

MARIPOSA
 CA, DA, FOREST SVC, SIERRA NATL FOREST, BSS LAKE RANGER DISTRICT,
 JERSEYDALE STATION, 12 MI NE
 MADERA COUNTY
 DELIVERY FEDAAC: 129ABJ
 BILLING FEDAAC : 129ABJ
 ORDERING OFFICE: 559-297-0706 EXT 4836

G20-08	RFG REGULAR UNLEADED (MRR) TANK WAGON (TW), INTO 1/1,000 GALLON TANK ANTICIPATE 0% ON HIGHWAY USE EST QTY IS FOR ONE YEAR (SEP 01, 2003 - AUG 31, 2004)	4,300 GL
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6. *E8 – 85% Ethanol // 15% Gasoline will escalate under Clause B19.27-3 ECONOMIC PRICE ADJUSTMENT – MARKET PRICE (PC&S) (ETHANOL) DESC JUN 2002, included in full text in this Amendment. For purposes of offering the applicable gasoline posting OPIS LA CARB has been used to establish the Base Reference Price. Vendors will be required to notify the contracting officer of all price changes, including copies of supplier’s price change notifications or other documentation to support price increases/decreases. OPIS publication may be stipulated as the basis for escalation (as in Clause B19.19 for all other products) and then the price on the day of delivery will be used to determine the E85 Contract unit price. Successful Offeror would be required to give notice of date of delivery and applicable OPIS posting to the Contracting Officer for use in escalating the E8 price.

7. The following clauses are new clauses that apply to this Solicitation and that are included in full text:

- A. Clauses B19.27 ECONOMIC PRICE ADJUSTMENT – MARKET PRICE (PC&S) (ETHANOL) (DESC JUN 2003)
- B. Clause C16.14 FUEL, ETHANOL (PC&S) (DESC FEB 2003)

8. The following versions of the listed clauses are hereby deleted from the Solicitation. Revised versions apply and are included in full text; except Clause I171.01-2 that was Incorporated by Reference (IBR) in the solicitation and the revised version remains IBR. An index follows to clarify where new/revised versions are located.

- A. Clause I1.03-8 CONTRACT TERMS AND CONDITIONS – COMMERCIAL ITEMS (PC&S) (PORTS INTERNET APPLICATION) (DESC DEC 2001)
- B. Clause B19.19 ECONOMIC PRICE ADJUSTMENT (PC&S) (DESC JUL 1999)
- C. Clause C16.27 FUEL, BIODIESEL (B20) (DESC JUN 2003)
- D. Clause C16.69-7 SPECIFICATIONS (CONT’D) (C0G 7) (DESC FEB 2002)
- E. Clause G150.06 SUBMISSION OF INVOICES FOR PAYMENT (DOMESTIC PC&S) (DESC JAN 2002)
- F. Clause G150.11 SUBMISSION OF INVOICES BY FACSIMILE (DESC DEC 2001)
- G. Clause I28.02-2 FEDERAL, STATE, AND LOCAL TAXES AND FEES (DESC APR 2002)
- H. Clause I171.01-2 SMALL BUSINESS SUBCONTRACTING PLAN (ALT II) (OCT 2000/OCT 2000)

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11.03-8 CONTRACT TERMS AND CONDITIONS - COMMERCIAL ITEMS (PC&S) (PORTS INTERNET APPLICATION) (DESC SEP 2002)

(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, 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 contracting parties.

Clause II.03-8 Continued

(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 reasonable 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.**

(1) 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--

(i) Name and address of the Contractor;

(ii) Invoice date and number;

(iii) Contract number, contract line item number, and, if applicable, the order number;

(iv) Description, quantity, unit of measure, unit price, and extended price of the item delivered;

(v) Shipping number and date of shipment, including the bill of lading number and weight of shipment if shipped on Government bill of lading;

(vi) Terms of any prompt payment discount offered;

(vii) Name and address of official to whom payment is to be sent;

(viii) Name, title, and phone number of person to be notified in event of defective invoice.

(ix) **Taxpayer Identification Number (TIN).** The Contractor shall include its TIN on the invoice only if required elsewhere in this contract; and

(x) **Electronic funds transfer (EFT) banking information.**

(A) The Contractor shall include EFT banking information on the invoice only if required elsewhere in this contract.

(B) If EFT banking information is not required to be on the invoice, in order for the invoice to be a proper invoice, the Contractor shall have submitted correct EFT banking information in accordance with the applicable solicitation provision, contract clause (e.g., 52.232-33, Payment by Electronic Funds Transfer - Central Contractor Registration, or 52.232-34, Payment by Electronic Funds Transfer - Other Than Central Contractor Registration), or applicable agency procedures.

(C) EFT banking information is not required if the Government waived the requirement to pay by EFT.

(2) Invoices will be handled in accordance with the Prompt Payment Act (31 U.S.C. 3903) and Office of Management and Budget (OMB) prompt payment regulations at 5 CFR part 1315.

(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 OMB prompt payment regulations at 5 CFR part 1315. In connection with any discount offered for early payment, time shall be computed from the date of the invoice. For the purposes of computing the discount earned, payment shall be considered to have been made on the date which appears on the payment check or the specified payment date if an electronic funds transfer payment is 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.

Clause I1.03-8 Continued

(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 purpose. 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 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)

B19.19 ECONOMIC PRICE ADJUSTMENT (PC&S) (DESC MAR 2003)

(a) **WARRANTIES.** The Contractor warrants that--

- (1) The unit prices set forth in the Schedule do not include allowances for any portion of the contingency covered by this clause;

and

- (2) The prices to be invoiced hereunder shall be computed in accordance with the provisions of this clause.

(b) **DEFINITIONS.** As used throughout this clause, the term--

(1) **Base price** means--

- (i) The unit price offered for an item and included in the contract award schedule; or

(ii) During any subsequent program year, either the effective contract price as of the start of the subsequent program year, or the price agreed upon as of the start of the subsequent program year.

Clause B19.19 Continued

(2) **Base reference price** means the preselected reference price for an item as published on 19 May 2003. In the event one or more applicable reference prices are not (or were not) published on the date shown, then the term **base reference price** means the preselected reference price for an item as published on the date nearest in time prior to the date shown.

(3) **Reference price** means that published reference price or combination of published reference prices preselected by the Government for price adjustment for individual items by product, market area, and publication as specified in (f) below.

(4) **Date of delivery** means--

(i) **FOR TANKER OR BARGE DELIVERIES.**

(A) **F.O.B. ORIGIN.** The date and time vessel commences loading.

(B) **F.O.B. DESTINATION.** The date and time vessel commences discharging.

(ii) **FOR ALL OTHER TYPES OF DELIVERIES.** The date product is received on a truck-by-truck basis.

(5) **Calendar week** means a consecutive seven-day period, beginning with whichever day of the week is specified in (c)(1) below.

(c) **ADJUSTMENTS.** Contract price adjustments shall be provided via notification through contract modifications and/or posting to the DESC web page under the heading **Doing Business with DESC** to reflect any price change pursuant to this clause.

(1) **DAY OF PUBLICATION.**

(i) **PLATT'S BUNKERWIRE AND BUNKERFUELS REPORT.** For items employing Platt's Bunkerwire or Bunkerfuels Report as an escalator, the reference price in effect on the date of delivery shall be that item's preselected reference price that is published on the **Tuesday** of the calendar week in which the delivery is made, or, in the event there is no publication on Tuesday of that week, it shall be the item's preselected reference price published on the previous Tuesday.

(ii) **OTHER PUBLICATIONS.** Except for items employing Platt's Bunkerwire or Bunkerfuels Report as an escalator, the reference price in effect on the date of delivery shall be that item's preselected reference price that is published on the **Monday** of the calendar week in which the delivery is made, or, in the event there is no publication in that week, it shall be the item's preselected reference price as last previously published.

(2) **CALCULATIONS.** The prices payable hereunder shall be determined by adding to the award price the same number of cents, or fraction thereof, that the reference price increases or decreases, per like unit of measure. All arithmetical calculations, including the final adjusted unit price, shall be carried to six decimal places, truncated.

(i) If averages are published within a given publication, then these averages will be used.

(ii) If averages are not available within a given publication, manually calculated averages will be used.

(3) **REVISION OF PUBLISHED REFERENCE PRICE.** In the event--

(i) Any applicable reference price is discontinued or its method of derivation is altered substantially; or

(ii) The Contracting Officer determines that the reference price consistently and substantially failed to reflect market

conditions--

the parties shall mutually agree upon an appropriate and comparable substitute for determining the price adjustments hereunder. The contract shall be modified to reflect such substitute effective on the date the reference price was discontinued, altered, or began to consistently and substantially fail to reflect market conditions. If the parties fail to agree on an appropriate substitute, the matter shall be resolved in accordance with paragraph (d), Disputes, of the CONTRACT TERMS AND CONDITIONS - COMMERCIAL ITEMS clause of this contract.

(4) **FAILURE TO DELIVER.** Notwithstanding any other provisions of this clause, no upward adjustment shall apply to product scheduled under the contract to be delivered before the effective date of the adjustment, unless the Contractor's failure to deliver according to the delivery schedule results from causes beyond the Contractor's control and without its fault or negligence within the meaning of paragraphs (f), Excusable Delays, and (m), Termination for Cause, of the CONTRACT TERMS AND CONDITIONS - COMMERCIAL ITEMS clause of this contract, or is the result of an allocation made in accordance with the terms of the ALLOCATION clause of this contract, in which case the contract shall be amended to make an equitable extension of the delivery schedule.

(5) **UPWARD CEILING ON ECONOMIC PRICE ADJUSTMENT.** The Contractor agrees that the total increase in any contract unit price pursuant to these economic price adjustment provisions shall not exceed **60%** percent of the base price in any applicable program year (whether a single year or a multiyear program), except as provided hereafter.

(i) If at any time the Contractor has reason to believe that within the near future a price adjustment under the provisions of this clause will be required that will exceed the current contract ceiling price for any item, the Contractor shall promptly notify the Contracting Officer in writing of the expected increase. The notification shall include a revised ceiling the Contractor believes is sufficient to permit completion of remaining contract performance, along with an appropriate explanation and documentation as required by the Contracting Officer.

(ii) If an actual increase in the reference price would raise a contract unit price for an item above the current ceiling, the Contractor shall have no obligation under this contract to fill pending or future orders for such item, as of the effective date of the increase, unless the Contracting Officer issues a contract modification to raise the ceiling. If the contract ceiling will not be raised, the Contracting Officer shall so promptly notify the Contractor in writing.

Clause B19.19 Continued

(d) **EXAMINATION OF RECORDS.** The Contractor agrees that the Contracting Officer or designated representatives shall have the right to examine the Contractor's books, records, documents, or other data the Contracting Officer deems necessary to verify Contractor adherence to the provisions of this clause.

(e) **FINAL INVOICE.** The Contractor shall include a statement on the final invoice that the amounts invoiced hereunder have applied all decreases required by this clause.

(f) **PUBLICATIONS:** The following publication(s) is (are) used:

OPIS – Oil Price Information Service PAD Reports – Average price fore the city and product noted in Petroleum Market Areas and City listings in Clause B19.19, basic 0059-0002 Solicitation.

(DESC 52.216-9F27)

B19.27-3 ECONOMIC PRICE ADJUSTMENT - MARKET PRICE (PC&S) (ETHANOL) (DESC JUN 2002)

(a) **WARRANTIES.** The Contractor warrants that--

(1) The unit prices set forth in this contract do not include allowances for any portion of the contingency covered by this clause;

and

(2) The prices to be invoiced hereunder for listed items shall be computed in accordance with the provisions of this clause.

(b) **DEFINITIONS.** As used throughout this clause, the term--

(1) **Award price** means the unit price accepted by the Government for the item of supply identified by the item number.

(2) **Base market price** means the industry publication, Contractor's posted price, or the Contractor's supplier's price to be used in determining an economic price adjustment of the award price of an individual product for the market area and time period specified in this clause. The base market price is shown in paragraph (g), Column V of the Market Indicator Table and is the price from which economic price adjustments are calculated pursuant to this clause. The Contractor will propose a base market price which is subject to review by the Government to ensure it accurately reflects market conditions.

(3) **Adjusting market price** means the market price in affect on the date of delivery and that will be used to determine the change from the base market price (see Column V of the Table below).

(4) **Date of delivery** means--

(i) **FOR TANKER OR BARGE DELIVERIES.**

(A) **F.O.B. ORIGIN.** The date and time the vessel commences loading.

(B) **F.O.B. DESTINATION.** The date and time the vessel commences discharging.

(ii) **FOR ALL OTHER TYPES OF DELIVERIES.** The date the product is received on a truck-by-truck basis.

(c) **PRICE ADJUSTMENTS.** The Contractor's price change notification shall be submitted in writing within 5 calendar days of such change. Any resultant price changes shall be provided via notification through contract modifications and/or postings to the DESC web page at <http://www.desc.dla.mil> under the heading **Doing Business with DESC.**

(1) **CHANGE IN SUPPLIER'S PRICE.** The price change notification shall include a copy of the Contractor's supplier's notice or invoice, which clearly shows the supplier's name, the increase/decrease in price or invoice, the applicable product, and the effective date of the change.

(2) **CHANGE IN CONTRACTOR'S POSTED PRICE.** The price change notification documentation shall be sufficient to justify such change and shall include, but not be limited to, the actual supplier-published fuel prices (rack, terminal, truck, etc.) clearly annotated for the fuel type to be procured and the effective date of the price change.

(3) In the event the Contracting Officer determines the justification is insufficient to warrant such a change in the supplier's price or the Contractor's posted price, the Contractor will be notified within 3 working days of DESC's receipt of the price change notification. The Contractor shall continue performance under this contract until the situation is resolved in accordance with paragraph (d), Disputes, of the CONTRACT TERMS AND CONDITIONS - COMMERCIAL ITEMS clause of this contract.

Clause B19.27-3 Continued

(4) **CHANGE IN INDUSTRY PUBLICATION PRICE.** In the event that there is a change in the industry publication price used to effect a change in base market price, the Contractor will notify the Contracting Officer in writing and include substantiating documentation.

(5) **CALCULATIONS.** The prices payable hereunder shall be determined by adjusting the award price by the same number of cents, or fractions thereof, that the base market price increases or decreases per like unit of measure between the date shown in Column V of the Table below and the date of delivery. All arithmetical calculations, including the final adjusted unit price, shall be carried to six decimal places, truncated.

(6) **DECREASES.** If the Contractor fails to notify the Contracting Officer of any decrease in the base market price within the allotted 5-day period, such decrease shall apply to deliveries made on or after the effective date of such decrease. However, if any overpayment is made to the Contractor as a result of the Contractor's failure to give timely notice to the Contracting Officer of any decrease from the base market price, the Contractor shall be charged interest on such overpayment from the date of the overpayment to the date reimbursement is received from the Contractor for the overpayment in accordance with paragraph (d), Disputes, of the CONTRACT TERMS AND CONDITIONS - COMMERCIAL ITEMS clause of this contract.

(7) **INCREASES.** Any increase in award price as a result of an increase in the base market price shall apply to all deliveries made on or after the date of receipt by the Contracting Officer of written notification from the Contractor of such increase in accordance with paragraph (c) above. However, no notification incorporating an increase in an award price shall be executed pursuant to this clause until the increase has been verified by the Contracting Officer.

(8) **FAILURE TO DELIVER.** Notwithstanding any other provisions of this clause, no upward adjustment shall apply to product scheduled under the contract to be delivered before the effective date of the adjustment, unless the Contractor's failure to deliver according to the delivery schedule results from causes beyond the Contractor's control and without its fault or negligence, within the meaning of paragraphs (f), Excusable Delays, and (m), Termination for Cause, of the CONTRACT TERMS AND CONDITIONS - COMMERCIAL ITEMS clause of this contract, or is the result of an allocation made in accordance with the terms of the ALLOCATION clause of this contract, in which case the contract shall be amended to make an equitable extension of the delivery schedule.

(9) **UPWARD CEILING ON ECONOMIC PRICE ADJUSTMENT.** The Contractor agrees that the total increase in any award price shall not exceed 60% percent of the award price in any applicable program year (whether it is a single year or a multiyear program), except as provided hereafter:

(i) If at any time the Contractor has reason to believe that within the near future a price adjustment under the provisions of this clause will be required that will exceed the current contract ceiling price for any item, the Contractor shall promptly notify the Contracting Officer in writing of the expected increase. The notification shall include a revised ceiling the Contractor believes is sufficient to permit completion of remaining contract performance, along with an appropriate explanation and documentation as required by the Contracting Officer.

(ii) If an actual increase in the base market price would raise an award price for an item above the current ceiling, the Contractor shall have no obligation under this contract to fill pending or future orders for such item, as of the effective date of the increase, unless the Contracting Officer issues a contract modification to raise the ceiling. If the contract ceiling will not be raised, the Contracting Officer shall so promptly notify the Contractor in writing.

(d) **REVISION OF MARKET PRICE INDICATOR.** If any applicable market price indicator (industry publication price, supplier's price, or Contractor's posted price) is discontinued, its method of derivation is altered substantially, or the Contracting Officer determines that the market price indicator consistently and substantially failed to reflect market conditions, the parties shall mutually agree upon an appropriate and comparable substitute and the contract shall be modified to reflect such substitute effective on the date the indicator was discontinued, altered, or began to consistently and substantially fail to reflect market conditions. If the parties fail to agree on an appropriate substitute, the matter shall be resolved in accordance with paragraph (d), Disputes, of the CONTRACT TERMS AND CONDITIONS -- COMMERCIAL ITEMS clause of this contract.

(e) **EXAMINATION OF RECORDS.** The Contractor agrees that the Contracting Officer or designated representatives shall have the right to examine the Contractor's books, records, documents, and other data the Contracting Officer deems necessary to verify Contractor adherence to the provisions of this clause.

(f) **FINAL INVOICE.** The Contractor shall include a statement on the final invoice that the amounts invoiced hereunder have applied all decreases required by this clause.

Clause B19.27-3 Continued

(g) MARKET INDICATOR TABLE.

I	II	III	IV	V
<u>Item no.</u>	Name of company/ <u>publication</u>	If company - name of product; If publication - heading under which market price is published <u>and name of product</u>	Location where market price is applicable	Base market price as of 19 May 2003 (base market date) <u>excludes all taxes</u>
841-E8	OPIS		Los Angeles, CA	\$1.1034

(DESC 52.216-9FS6)

C16.14 FUEL, ETHANOL (PC&S) (DESC FEB 2003)

Product shall conform to ASTM D 5798. ASTM D 5798 covers fuel blends for nominally 75 to 85 volume percent denatured fuel, ethanol, and 25 to 15 additional volume percent hydrocarbons. Fuel, ethanol, must meet all requirements of ASTM D 5798 specification, including the requirement that the minimum percentage of ethanol must be seasonally and geographically adjusted in accordance with Tables 1 and 2 of ASTM D 5798. The purpose of adjusting the ratio of ethanol to hydrocarbons is to ensure suitable vehicle operation under varying ambient temperature conditions applicable to the time and place of delivery. The National Stock Number applicable to this product grade is shown below.

NATIONAL STOCK NUMBER

9130-01-470-2024

PRODUCT NOMENCLATURE

Fuel Ethanol for Automotive Spark-Ignition Engines

(DESC 52.246-9FFG)

C16.27 FUEL, BIODIESEL (B20) (DESC SEP 2003)

Offered product shall conform to the following requirements that define a fuel suitable for use in automotive diesel engines.

(a) **PRODUCT COMPOSITIONAL REQUIREMENTS.** Product shall consist of a blend of 20 percent (plus or minus one percent) virgin vegetable oil blendstock conforming to the requirements of ASTM D 6751 and 80 percent minimum low sulfur diesel fuel oil conforming to ASTM D 975, grade low sulfur number 1-D or grade low sulfur number 2-D.

Clause C16.27 Continued

(b) **PRODUCT PERFORMANCE REQUIREMENTS.** The finished biodiesel blend shall conform to the following requirements:

<u>TEST</u>	<u>METHOD</u>	<u>VALUE</u>
1. Appearance	ASTM D 4176, Procedure 1	Clear & Bright
2. Acid Number, mg KOH/g	ASTM D 664	0.2 max.
3. Density @ 15°C, kg/L or API Gravity @ 60°F	ASTM D 4052 ASTM D 1298	Report
4. Viscosity, mm/S at 40°C	ASTM D 445	1.3 - 4.1
5. Flashpoint, °C Oct - Mar: 38 min.	ASTM D 93	Apr - Sep: 52 min.
6. Cloud point, °C OR Cold Filter Plugging Point, °C	ASTM D 2500 ASTM D 6371	see (c) below see (c) below
7. Sulfur Content, mass % ASTM D 2622	0.05 max.	
8. Distillation Temperature, °C 10% point, °C 50% point, °C 90% point, °C, evaporated	ASTM D 86	Report Report 338 max.
9. Carbon Residue on 10% bottoms, mass %	ASTM D 524	0.35 max.
10. Cetane Number	ASTM D 613	40 min.
11. Ash Content, mass%	ASTM D 482	0.01 max.
12. Water and Sediment, volume%	ASTM D 2709	0.05 max.
13. Copper Corrosion, 3 hours @ 50°C	ASTM D 130	No. 3 max.

(c) **PRODUCT LOW TEMPERATURE PERFORMANCE.** The lower temperature performance of the B20 shall be defined by one of the following two properties: Cloud Point or Cold Filter Plugging Point (CFPP). Unless a more restrictive cloud point limit is specified in the contract schedule, the cloud point tested in accordance with ASTM D 2500 shall be equal to or lower than the tenth percentile minimum ambient temperature in the geographical area and seasonal timeframe in which the B20 is to be used, as specified in Appendix X4 of ASTM D 975. Unless a more restrictive CFPP limit is specified in the contract schedule, the maximum CFPP of the B20 shall be a minimum of 10 degrees Celsius below the tenth percentile minimum ambient temperature in the geographical area and seasonal timeframe in which the B20 is to be used, when tested in accordance with ASTM D 6371.

(d) **BLENDING.** Blending of diesel fuel and virgin vegetable oil to produce B20 shall be accomplished by one of the methods below.

- (1) Mechanical mixing or agitation in a tank;
- (2) In-line blending, prior to loading the product into transport equipment, i.e., tank wagon, tank truck, or tractor trailer; or
- (3) Blending via truck manifold which allows blending of the B20 components as they are offloaded if compartmentalized trucks

are used.

The resultant product must meet all contract requirements of the desired fuel. Splash blending of B20 is not permitted in receipt tank.

(DESC 52.246-9FEL)

C16.69-7 SPECIFICATIONS (CONT'D) (COG 7) (DESC SEP 2003)

(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:

<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>LOCATION</u>	<u>PERIOD</u>	<u>OXYGEN CONTENT</u>
CALIFORNIA COUNTIES		
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.

Clause C16.69-7 Continued

(3) Starting December 31, 2003, the California Phase 3 Reformulated Gasoline (CaRFG3) regulations prohibit the production of California gasoline with methyl tertiary butyl ether (MTBE). Beginning January 1, 2004, supply of gasoline or reformulated gasoline containing MTBE is no longer permitted.

(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.

(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>LOCATION</u>	<u>PERIOD</u>	<u>OXYGEN CONTENT</u>
ARIZONA COUNTIES		
Area B (stipulated by Arizona Revised Statutes 49-541)	Oct 1 - Mar 31	1.8 Wt% minimum 5.7 to 10 vol % (ethanol)

NEVADA COUNTIES

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
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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

Clause C16.69-7 Continued

<u>LOCATION</u>	<u>PERIOD</u>	<u>OXYGEN CONTENT</u>
UTAH COUNTIES		
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.

LOCATION

ARIZONA COUNTIES

Area A (stipulated by Arizona Revised Statutes 49-541)

<u>TEST</u>	<u>REQUIREMENTS (YEAR ROUND)</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)

G150.06 SUBMISSION OF INVOICES FOR PAYMENT (DOMESTIC PC&S) (DESC JUL 2003)

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 NON-PORTS (PAPERLESS ORDERING AND RECEIPT TRANSACTION SCREENS) ORDERS PLACED BY ARMY, NAVY (including Marines), AIR FORCE, AND OTHER DoD ACTIVITIES (including Alaska, and Hawaii).

(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-BVD/FP/CC
P.O. BOX 182317
COLUMBUS, OH 43218-6252

(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 (the Contractor will prepare and the activity responsible for signing will acknowledge receipt of fuel 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.

Clause G150.06 Continued

(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-BVDFP/CC
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.**

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

(2) **SUBMISSION OF INVOICES (except for the United States Postal Service).** 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. Tax exemption certificates shall be processed in accordance with procedures stated in the TAX EXEMPTION CERTIFICATES clause.

(c) **SUBMISSION AND CERTIFICATION OF INVOICES FOR THE UNITED STATES POSTAL SERVICE. Certification of Invoice.** The Contractor agrees that submission of an invoice to the Government for payment is a certification that the invoiced quantities have been delivered in accordance with instructions issued by the United States Postal Service's Supply Management Offices. The Contractor shall submit the invoices for United States Postal Service activities to the designated United States Postal Service Certifying Facility stated in the contract (this is typically the delivery location for fuel, unless otherwise noted). The United States Postal Service Certifying Facility will verify and certify that the invoice quantities and price are accurate for payment. Upon certification, the United States Postal Service Certifying Facility will submit the invoice to the applicable Paying Office (the San Mateo Accounting Service Center). The payment due date will be 30 days after the United States Postal Service Certifying Facility has received the invoice. If the designated United States Postal Service Certifying Facility fails to annotate the invoice with the actual date of receipt, the invoice payment due date shall be the 30th day after the date of the Contractor's invoice.

(d) **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. Invoices for detention costs will be submitted by the Contractor directly to the activity receiving the product. If the receiving activity is an Army activity, a copy of the detention or 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 52.232-9F90)

G150.11 SUBMISSION OF INVOICES BY FACSIMILE (DESC JUN 2003)

NOTE 1: FOR GROUND FUELS (PC&S) CONTRACTS: This clause applies only to items paid by DFAS – Columbus Center 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.

Clause G150.11 Continued

(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-BVDF/CC cannot be held accountable for transmissions not received, the Contractor must verify transmission/receipt of its FAX by telephoning Customer Service (DFAS-BVDF/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-BVDF/CC FAX numbers are—

(i) **(614) 693-2473** for DFAS-BVDFB/CC; and

(ii) **(614) 693-2537** for DFAS-BVDFP/CC.

(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-BVDF/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)

128.02-2 FEDERAL, STATE, AND LOCAL TAXES AND FEES (DESC FEB 2003)

(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	
\$0.15436	5.7% Gasohol	At least 5.59% but less than 7.55%
\$0.14936	7.7% Gasohol	At least 7.55% but less than 9.8%
\$0.132	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) **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.

(d) **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.

(e) **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.

(f) **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.

(g) **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)