

**DEFENSE ENERGY SUPPORT CENTER
8725 JOHN J. KINGMAN ROAD SUITE 4950
FORT BELVOIR, VA 22060-6222**

**CONTRACT BULLETIN
SP0600-99-3000**

Solicitations SP0600-99-B-3000 And SP0600-99-R-0059

CUSTOMER ORGANIZED GROUP 3

**Virginia, Delaware, Maryland, District of Columbia
West Virginia, Tennessee, Kentucky, Ohio, Indiana**

PURCHASE PROGRAM 3.23

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DESCRIPTION OF THE BULLETIN

This contract bulletin is divided into six segments. Much of the data previously contained in the contract bulletin can now be found under the Contract Information System (CIS), located at DESC's Home Page. To access the Contract Information System, you must have Microsoft Internet Explorer 4.0. To review a specific contract clause, Click on "Doing Business with DESC", scroll down to the Ground Fuels Division section, click and you'll be at the Ground Fuels Home Page. Solicitation information can be found there as well as accessing the CIS. A description of each segment follows:

SEGMENT I POINTS OF CONTACT (contained in this document)

SEGMENT II SPECIAL NOTES.

SEGMENT III CONTRACT BULLETIN CLAUSES. Contains general information to ordering officers and all contract bulletin clauses **(contained in this document)**

SEGMENT IV SUPPLY LIST: ACCESS THE SCHEDULE OF SUPPLIES AT THE FOLLOWING WEB ADDRESS:
<http://ports.desc.dla.mil/cis.htm>

SEGMENT V CONTRACT CLAUSES/PROVISIONS (ACCESS THE COG 3 SOLICITATION AND AMENDMENTS AT THE DESC HOMEPAGE)

SUPPLIES & PRICES

DESCRIPTION/SPECIFICATIONS/STATEMENT OF WORK.

INSPECTION AND ACCEPTANCE.

DELIVERIES AND PERFORMANCE.

SEGMENT VI OTHER CONTRACTUAL INFORMATION.

SEE THE CONTRACTOR INFORMATION SYSTEM (CIS) AT THE DESC HOMEPAGE FOR THE INFORMATION BELOW.

ORDERING PERIOD.

FREE TIME AND DETENTION RATES.

DISCOUNTS FOR PROMPT PAYMENT.

TELEFACSIMILE INVOICING

DEGREE DAY SYSTEM TRUCKS. (In this document)

SMALL REFINERY SOURCE LIST (In this document)

SEGMENT I

DEPARTMENT OF DEFENSE**DESC CONTACT POINTS DURING DUTY HOURS**

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

	<u>PHONE</u>	<u>OFFICE</u>	<u>SEE BULLETIN CLAUSE 1</u>
Contractor Performance	Commercial 703-767-9508/9520 DSN 427-9508/9520	DESC-PEA	Para (e)
Price Changes	Commercial 703-767-9502/9522 DSN 427-767-9502/9522	DESC-PEA	Para (e)
Inspection, Acceptance, and Quality Problems	Commercial 703-767-8742 DSN 427-8742	DESC-BQ	Para (e)
Requirements/Resupply	All Navy DoD and Other Activities Commercial 703-767-9508 DSN 427-9508	DESC-PEA	Para (e)
	Army Activities Commercial 717-770-6886 DSN 977-6886	USAGMPA	
	Air Force Activities Commercial 210-925-0259 DSN 945-0259	SA ALC/SFRF (AFMC)	
Interfund Billing	Commercial 614-693-0703 DSN 869-0703	DFAS-CO-AFEA	
Payment Inquiries	Commercial 1-614-693-0617 DSN 869-0615	DFAS-CO-LFSC	

DESC CONTACT POINT AFTER DUTY HOURS

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

FEDERAL CIVIL AGENCIES

DESC CONTACT POINTS DURING DUTY HOURS

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

	<u>PHONE</u>	<u>OFFICE</u>	<u>SEE BULLETIN CLAUSE 1</u>
Contractor Performance/ Payment Inquiries	Commercial 615-860-0615	DFAS-CO-LFSC	Para(e)
Price Changes	Commercial 703-767-9508/9520	DESC-PEA	Para (e)
Inspection, Acceptance, and Quality Problems	Commercial 703-767-8742	DESC-BQ	Para (e)
Requirements/Resupply	Commercial 703-767-9508	DESC-PEA	Para (e)

DESC CONTACT POINT AFTER DUTY HOURS

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

1. DESCH 4140.1 entitled "CUSTOMER GUIDE" is available from your respective service control points. This customer guide parallels and conforms with official directives and complements them by providing related guidance and training material in a convenient and readily understandable form. You are encouraged to obtain and use the guide.

2.

NOTICE

Hard copy (paper) price change modifications are no longer issued by DESC. Price changes are now accessible through the world wide web. You may access our web page at : <http://www.desc.dla.mil/main/deschome.htm> Go to "Doing Business with DESC" and the screen concerning contract prices will appear. You will be required to provide information. The purchase program number for COG 3 is 3.23. You will need the line item number. Questions or concerns about this change or problems associated with the web prices application can be directed to buying and administrative personnel listed on the DESC-PEA COG 3 Web Page.

Hard copies of the Bulletin will not be issued. In addition, much of the information formerly included in the Bulletin has been deleted, as most information required by Activities is available in DESC's Contractor Information System (CIS). The CIS can also be accessed at our web page and includes information on all contracts. All contract clauses (other than Bulletin Clauses) are also located elsewhere on the web, as the entire solicitation with amendments is available. You may access them by accessing the COG 8 Solicitation and Amendments.

3. **ATTENTION ARMY, NAVY & DOD ACTIVITIES:**

Within two working days of receipt of product, three copies of the appropriate SF 1449/DD Form 1155 or DD Form 250 must be forwarded to DESC, if the using activity is ordering product and validating receipt of product under the provisions of the Ordering clause (I211) and written submission of invoices and acceptance documents. For further details refer to bulletin clause number 7. If the using activity is subject to the **PORTS** system, please refer the Bulletin Supplement to be issued on the Web in the near future.

4. All items that have been awarded will be posted to the CIS. If a contract number is not listed for a particular item, it may not have been awarded yet. Please contact DESC-PEA if you need to verify information published in the CIS. Pending and new requirements will be included in the wrap-up solicitation to be issued on or about mid September 1999.

SEGMENT III

BULLETIN CLAUSE INDEX

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1. GENERAL INSTRUCTIONS (DESC MAY 1995)

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

- (b) Copies of contracts listed in this Bulletin are **NOT** available for distribution.
- (c) All contracts listed herein contain all clauses in this Bulletin.
- (d) The use of this Bulletin is mandatory upon all activities listed herein.
- (e) Inquiries and general correspondence.

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

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

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

Navy & Marines: DESC-PEA, Fort Belvoir, Alexandria, VA 22060-6222.

Air Force: SA ALC/SFRF (AFMC), Kelly AFB TX

2. PENDING AND TERMINATED ITEMS (DESC MAY 1995)

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

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

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

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

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

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

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

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

3. ORDERS (DESC SEP 1996)

- (a) Orders should be--
- (1) For firm quantities with specific delivery dates and times (except for Degree Day and Automatic Fill items);
 - (2) Placed separately for each individual delivery requirement;
 - (3) Within the scope of the Order Limitations clause;
 - (4) Annotated with the applicable appropriation or fund and conspicuous invoicing instructions; and
 - (5) Written (DD Form 1155 or SF 1449). Oral orders are permitted only if authorized in the Schedule. All oral orders must be confirmed by written order and mailed to the Contractor within 24 hours. The written confirmation order shall contain the following statement: "This confirms oral order placed on [enter date]."
- (b) Orders **must** be--
- (1) Received by the Contractor at least 48 hours prior to the requested delivery time to be enforceable (except for barge delivery items);
 - (2) Placed within the period specified on the cover page of this Bulletin and received by the Contractor on or before the last day of such period. Such orders shall require delivery no later than 30 days beyond such period; and
 - (3) For DESC-paid line items (Army, Navy, and other DoD components, except Air Force), signed and transmitted, in triplicate (DD Form 1155 or SF 1449), to--

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

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

- (c) Blanket orders for large quantities are not recommended but may be issued provided that--
- (1) They cover less than three months, or, for DESC-funded items, they cover no more than one calendar month; and
 - (2) They specifically state actual amounts needed and specific delivery times during the contract delivery period.
- (d) Modifications are required if the receipt quantity exceeds the allowable variation in quantity percentage stated in the VARIATION IN QUANTITY clause.
- (e) Modifications to any order must also be submitted to DESC-FII for input into DFAMS.
- (f) **For Degree Day and Automatic Fill items ordering procedures**, see the DEGREE DAY SYSTEM PROVISIONS and AUTOMATIC FILL-UP PROVISIONS contract clauses, respectively.
- (g) **For Barge items ordering procedures**, see the BARGE UNLOADING CONDITIONS contract clause. (CONTRACT CLAUSES MAY BE FOUND UNDER THE SOLICITATION SP0600-99-B-3000 LOCATED AT <http://www.desc.dla.mil/main/p/grfuels/reg3.htm> ON DESC'S HOME PAGE)

4. ORDERING MOTOR GASOLINE (DESC FEB 1991)

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

5. APPROPRIATION DATA (DESC FEB 1991)

(a) All contracts listed in the Contract Information System are requirements type contracts. Your attention is invited to the REQUIREMENTS and DELIVERY-ORDER LIMITATIONS clauses.

(CONTRACT CLAUSES MAY BE FOUND UNDER THE SOLICITATION SP0600-99-B-3000 or SOLICITATION SP0600-99-R-0059 LOCATED AT <http://www.desc.dla.mil/main/p/grfuels/reg3.htm> ON DESC'S HOME PAGE)

(b) All contracts listed in the Contract Information System for CONUS delivery for Army, Navy, Marine Corps, and other DoD (except stand-by items) are funded by Defense Energy Supply Center (DESC) and all orders (DD Form 1155, Order for Supplies or Services) placed against these contracts will cite DESC's fund citation. All other contracts listed in the Contract Information System have not been funded by DESC.

(c) Account for which material is ordered will determine the appropriation or fund to be charged for the cost of the material in each case. The appropriation or fund and submission of invoice instructions as contained elsewhere in this contract and as applicable in each case will be conspicuously shown on each order issued hereunder.

6. INSPECTION AND ACCEPTANCE (DESC MAY 1995)**(a) INSPECTION.**

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

ARMY:

U.S. Army Petroleum Center
ATTN: SATPC-L
New Cumberland, PA 17070-5008
Telephone: 717-770-7105/5873, DSN: 977-7105/5873

NAVY:

Navy Petroleum Office
ATTN: Code 40
Fort Belvoir VA 22060-6222
Telephone: 703-767-9546, DSN: 427-9546

AIR FORCE:

Directorate of Aerospace Fuels
ATTN: SA-ALC/SFTT
Kelly Air Force Base, TX 78241-5000
Telephone: 512-925-7613, DSN: 945-7613

FEDERAL AGENCIES:

Defense Energy Support Center
8725 John J. Kingman Road, Suite 4950
Fort Belvoir, VA 22060-6222
Telephone: (703) 767-8742, DSN 427-8742

In the event field assistance is necessary, the cognizant DCMA office will be contacted by the ICP through DESC-B for action. When serious quality problems are reported, the Contracting Officer may change the inspection point from destination to origin by advising the Contractor in writing of the change. The cognizant DCMA office, upon notification by the Contracting Officer, will then become the office responsible for inspection at the origin loading or filling point. If the receiving activity at any time suspects that deliveries of less than contract quality or quantity are intentionally being made, the Contracting Officer shall be immediately notified by writing Defense Energy Support Center, ATTN: DESC-PEA, Ft. Belvoir VA 22060-6222, VA or calling 703-767-9508(DSN: 427-9508).

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

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

THE FOLLOWING CLAUSE 7 IS APPLICABLE TO DEPARTMENT OF DEFENSE INSTALLATIONS NOT RELYING ON PORTS ONLY:

7. PROCESSING RECEIPT DOCUMENTS (DESC SEP 1996)

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

(b) Within two working days of receipt of product, receiving activities shall transmit three copies of the appropriate DD Form 1155, DD Form 250, or SF 1449 to the following address:

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

Commercial telephone: (703) 767-9390/9493 or DSN 427-9390/9493

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

(c) The DD Form 1155, DD Form 250, or SF 1449 shall reflect the net quantity shipped and the net quantity received for all f.o.b. destination contracts. If the net quantity shipped and the net quantity received are the same, this shall be reflected on the forms submitted.

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

8. PRICE CHANGES (DESC MAR 1995)

(a) Prices shown herein are subject to escalation unless indicated as firm. In the event of any changes in prices which are subject to escalation (for other than DESC-funded items), the price changes will be posted to the web at: <http://www.desc.dla.mil>. Other contractual information will be included in supplements as required.

(b) In those instances where a Contractor invoices at a price lower than that shown on the web, payment may be made at such lower price.

(c) Payment shall be made at the price which is in effect on the date of delivery. Payment for DESC-funded items will be in accordance with the SUBMISSION OF INVOICES FOR PAYMENT clause.

(CONTRACT CLAUSES MAY BE FOUND UNDER THE SOLICITATION SP0600-99-B-3000 OR SOLICITATION SP0600-99-R-0059 LOCATED AT <http://www.desc.dla.mil/main/p/grfuels/reg3.htm> ON DESC'S HOME PAGE)

9. TAXES (DESC APR 1994)

(a) **DIESEL FUEL, MOTOR GASOLINE, AND GASOHOL TAXES.** The fuel prices listed in this bulletin **DO NOT** include the Federal Excise Tax of \$0.244 per gallon on diesel fuel, \$0.184 per gallon on motor gasoline, or \$0.13 per gallon on gasohol. Fuel used off road may be sold by certain sellers without the Federal Excise Tax. If the activity is billed for the tax on diesel fuel, motor gasoline, or gasohol used off road, the activity may request reimbursement from the IRS by completing IRS Form 843. If the vehicle is used on the highway during any portion of a calendar quarter, any fuel used in that vehicle for that calendar quarter does not qualify for exemption. Additional information regarding Federal, State, and local taxes is stated in the FEDERAL, STATE, AND LOCAL TAXES (DEVIATION) and FEDERAL, STATE, AND LOCAL TAXES EXCLUDED FROM THE CONTRACT PRICE clauses contained in the solicitation at DESC's home page (<http://www.desc.dla.mil/main/p/grfuels/reg3.htm>).

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

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

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

10. DEFAULTING CONTRACTORS (DESC MAR 1992)

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

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

ALPHA: DESC Contract number(s).

BRAVO: Item Number(s).

CHARLIE: Date written order was forwarded to Contractor.

DELTA: Probable date Contractor received written order.

ECHO: Order Number.

FOXTROT: Quantity ordered.

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

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

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

JULIET: Date replacement supplies are needed.

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

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

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

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

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

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

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

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

11. DISPUTES (DESC FEB 1995)

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

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

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

13. ASSIGNMENTS (DESC OCT 1969)

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

14. DELIVERIES/PERFORMANCE (DESC DEC 1991)

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

(b) The ordering activity is responsible for--

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

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

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

(1) The Contractor is responsible for establishing a delivery system that will ensure that all tanks covered by such line items are never at less than 30 percent tank capacity.

(2) The activity is responsible for--

- (i) Supplying the Contractor with historical data upon which these systems are based; and
- (ii) Providing the Contractor with timely notification of any changes or actions that would impact the delivery schedule. The notification should include all information necessary to revise the delivery schedule, e.g., estimated quantity changes, time periods, specific tanks/buildings. Such changes include--
 - (A) Changes in requirements resulting from operational changes;
 - (B) Removal of product from tanks for tank cleaning, repair, etc.;
 - (C) Quantities put into tanks by other than the incumbent Contractor; and
 - (D) Any action that would impact the Contractor's delivery schedule.

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

(b) **ORDERS.**

(1) Monthly orders for estimated quantities are required and should be placed to ensure receipt by the supplier a minimum of 48 hours in advance of the commencement of the 30 day delivery period. The Contractor is not obligated to deliver until the estimated order is received.

(2) At the end of the month, the order will be amended to reflect the actual quantity received.

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

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

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

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

18. ACCOUNTING AND APPROPRIATION (DESC FEB 1968)

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

19. EPA TESTING OF UNDERGROUND TANKS (DESC JAN 1992)

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

SEGMENT IV

SUPPLIES OR SERVICES AND PRICES/COSTS

SUPPLIES TO BE FURNISHED

(a) The supplies to be furnished during the period specified in the REQUIREMENTS clause, the delivery points, methods of delivery, estimated quantities, and award prices are shown below. The quantities shown are only best estimates of required quantities. Unless otherwise specified, the total quantity ordered and required to be delivered may be greater than or less than such quantities. The Government agrees to order from the Contractor, and the Contractor shall, if ordered, deliver during the contract period, at the unit prices agreed upon in accordance with the ECONOMIC PRICE ADJUSTMENT clause, the total actual requirements for the products at the locations listed.

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

(c) In an emergency, oral orders may be issued but must be confirmed in writing by a DD Form 1155 within 24 hours.

THE SCHEDULE OF SUPPLIES CAN BE FOUND IN THE CONTRACTOR INFORMATION SYSTEM.

SEGMENT V

CONTRACT CLAUSES AND PROVISIONS

CONTRACT CLAUSES AND PROVISIONS CAN BE FOUND ON THE GROUND FUELS HOME PAGE UNDER SOLICITATION SP0600-99-B-3000 AND SP0600-99-R-0059.

OTHER CONTRACTUAL INFORMATION

ORDERING PERIOD

The period of this contract during which the ordering officer may order, unless the item otherwise specifies, is August 1, 1999, through July 31, 2002.

ITEMS AWARDED WITH SMALL DISADVANTAGED BUSINESS EVALUATION PREFERENCE/SMALL REFINERY SOURCE LIST

(a) For those items awarded with a Small Disadvantaged Business (SDB) preference, the Government pays a premium of up to 10 percent above market price. SDB Contractors receiving a premium (preference) are required to deliver product manufactured by a small business refinery. Additionally, contracts awarded as a partial set-aside for small business participation must provide product from a small refiner. The Defense Energy Support Center (DESC) is monitoring those contracts, which have been awarded line items under the SDB preference program or as set-sides for small business.

(b) In conjunction with the monitoring of items awarded with the SDB preference, delivery documents for each delivery under the line items listed below should be examined to determine that the authorized supply source was used. If the delivery documents indicate that the product was obtained from other than the authorized supply source, the Contracting Officer should be promptly notified and a copy of the delivery documents forwarded to DESC.

(c) Records of all deliveries for the line items listed below should be kept readily accessible for review by DESC if necessary.

(d) The items listed below were awarded with the preference or as a set-aside. The contract number, name of Contractor and the small refinery source are provided.

<u>ITEM NO.</u>	<u>CONTRACT NO.</u>	<u>CONTRACTOR</u>	<u>AUTHORIZED SMALL REFINERY SOURCE</u>
	<u>SP0600-99-D</u>		
M01-46	4220	Phoenix Petroleum	Primary Corporation