



IN REPLY
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DESC-BQ

19 Jun 1998

MEMORANDUM FOR MILITARY SEALIFT COMMAND (P511D)
DEFENSE CONTRACT MANAGEMENT COMMAND
DEFENSE ENERGY REGIONS/OFFICES

SUBJECT: DESC-BQ-98-01 Policy for Vessel's Carrying DESC Cargoes -- Cleaning/Gas Freeing Inspecting and Quantity Variations and Quality Requirements for Bulk Fuel Contracts

The enclosed Policy has been agreed to by the Defense Energy Support Center (DESC) and Military Sealift Command (MSC) and supersedes DFSC-BQ-97-01. MSC contracts require vessel owner to warrant that their vessel is suitable for carrying the cargo designated. MSC will have this new policy reflected in the vessel cleaning and certification requirements for MSC chartered vessels. This policy supplements current cleaning requirements as identified in MSC contracts for Quality Assurance Acceptance of MSC-chartered vessels. DESC Contracts and MIL-HDBK-200, *Quality Surveillance Handbook for Fuels, Lubricants, and Related Products* will be amended to reflect these changes. This Policy Memorandum will remain in effect until these documents have been changed to reflect this change in Policy

Petroleum Quality Assurance Representatives (QARs) and Quality Surveillance Representatives (QSRs) may implement these procedures immediately. QARs/QSRs will inspect vessels prior to the first DoD product loaded on time chartered vessels, on vessels that have not maintained segregated ballast conditions, or on vessels that have been in dry dock or had repairs done to their cargo system. MSC will provide notification to the QAR/QSR prior to loading regarding vessels which have been in dry dock or had repairs done to their cargo system. QARs/QSRs shall validate that vessels present the required certificate stating that cargo tanks are clean and suitable to accept the intended cargo. This certificate shall be made part of the official loading documentation package. Additional procedural guidance may be provided/issued after receipt of MSC guidance to its vessel contractors.

QARs/QSRs shall notify DESC-BQ of all non-conformances found upon loading or discharge. DESC-BQ shall process all validated claim actions to MSC, after appropriate investigations have been performed.

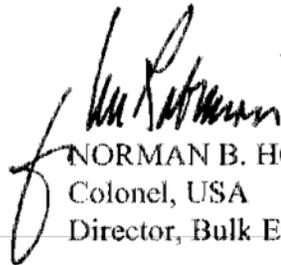
QARs/QSRs shall report all incidents to DESC and the Defense Energy Region/Office (DER/DEO) in the following situations. The QAR/QSR should immediately advise DESC-BQ/BZ and DER/DEO personnel during normal duty hours. During DESC non-duty hours, the QAR/QSR should immediately contact the DESC Command and Control Center at (703) 767-8420 or DSN 427-8420:



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- a. Product quality problems that prevent loading of the vessel to within the quantity tolerances as permitted by contract clauses.
- b. Product availability problems that would prevent loading of the vessel to within the quantity tolerances permitted by contract clauses.
- c. Problems which would result in delay of the vessel beyond the authorized laytime.

Point of Contact for this office is Robert Koeller, DSN 427-8744/Commercial 703-767-8744.


NORMAN B. HODGES III
Colonel, USA
Director, Bulk Energy's

Attachment

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1. Scope. The following Policy, which amends and supersedes the January 9, 1997 policy letter (DESC-BQ-97-01) sub, applies to Vessel Cleaning/Gas Freeing, Inspecting, and Quantity Variations between the Military Sealift Command (MSC) and Defense Energy Support Center (DESC), and has been coordinated with the Defense Contract Management Command (DCMC). This Policy applies only to MSC time chartered vessels, the current cleaning requirements shall remain in effect for voyage chartered vessels. This Policy supplements current vessel cleaning requirements as identified in MSC contracts for Quality Assurance Acceptance for DESC-procured products. It also waives DESC procurement clause E1, Contractor Inspection Responsibilities, Table V, Guide for the Preparation of Tanker Cargo Tanks, and replaces cleaning requirements for U.S. Government-owned fuel as identified in MIL-HDBK-200, *Quality Surveillance Standard for Fuels, Lubricants, and Related Products*, Table V, Minimum Requirements for the Preparation of Tanker Cargo Tanks. This Memorandum will remain in effect until the above documents have been changed to reflect this change in Policy.

2. Responsibility. Vessel owners/operators are responsible for providing vessels suitable to load and deliver the intended cargo, and determining the need-to-clean vessel cargo tanks, based on monitoring vessel cargo history and the cargo to be loaded. The process for monitoring cargo history and identifying when vessel cargo tanks will require cleaning will be developed by vessel owners/operators for each vessel. Copies of the DD Form 250-1, including test reports, will be forwarded to vessels by the loading Quality Assurance Representative (QAR) or Quality Surveillance Representative (QSR) should early departure preclude obtaining a copy.

3. Required Cargo Tank Cleaning. The following MSC vessel cleaning requirements shall remain in effect. Exceptions to these requirements will be coordinated with DESC-BQ prior to the proposed cargo loading:

- a. The vessel cargo tanks held ballast between the prior cargo discharge and the scheduled follow-on cargo;
- b. The cargo to be loaded is JP-5, and the previous cargo was other than JP-5;
- c. The cargo to be loaded is JP-8/AN-8, and the previous cargo was other than JP-8 or JP-5;
- d. The initial loading of a spot charter;
- e. The vessel has been in dry dock, or repairs have been performed on the cargo tanks.
- f. The cargo to be loaded is MOGAS, and the previous cargo was F-76.
- g. The cargo to be loaded is other than MOGAS, and the previous cargo was MOGAS.

4. Inspection Requirements. DESC and DCMC Quality Representatives will inspect vessels that are loading their first DoD cargo under any MSC charter, or that have not maintained segregated ballast conditions, or that have been dry docked or had repairs made to their cargo system. MSC will provide notification to the QAR/QSR prior to loading regarding vessels which have been in dry dock or had repairs done to their cargo system. Other internal cargo tank inspections shall be made by request as follows:

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- a. Any party may request inspection prior to a vessel loading, provided that their request is accompanied by written justification. Justification may be formal documentation (i.e. DD-250-1's, test reports, etc.) or a narrative explanation citing the reason(s) why an inspection should be performed.
 - b. When an inspection request is initiated by MSC, the request will be coordinated with DESC-BQ. If an inspection is deemed necessary, MSC will notify the vessel and the appropriate DESC/DCMC Field Office and quality representative of the inspection requirement and the reason for the inspection.
 - c. When an inspection request is initiated by a DESC or DCMC Field Office, the request will be coordinated with DESC-BQ, who will in turn submit it to MSC. If an inspection is deemed necessary, MSC will notify the vessel and the appropriate DESC/DCMC Field Office and quality representative of the inspection requirement and the reason for the inspection. Notification will be done prior to the intended cargo, with adequate time to allow for Quality Representatives to be present for an internal tank inspection. Otherwise no internal cargo tank inspection will be performed by DCMC or DESC.
 - d. In all cases, when internal cargo tank inspection is deemed necessary, the vessel operator will present the QAR/QSR a "gas-free certificate" that indicates the cargo tanks are safe for entry.
- 5. Suitability to Load.** Vessels will arrive at the required port ready to load the intended cargo. Vessels will certify the cargo tanks are suitable for loading the intended cargo by including this statement in the Notice of Readiness: "ALL compartments, lines, and pumps to be used are suitable for loading and delivering the intended cargo." Vessels will also provide the Quality Representative with soundings of product / water onboard, and validated onboard quantities (OBQ) prior to loading.
- 6. Quantity Variation.** Investigations will be conducted by MSC and DCMC/DESC Quality personnel for variations exceeding the following (shore-to-shore, loading to final destination): 0.2% for cargoes not requiring cleaning, gas-freeing, drop/strip; 0.3% for cargoes requiring drop/strip; 0.5% for cargoes requiring gas-freeing and cleaning. API Manual for Petroleum Measurement Standard, Chapter 17.5, Guidelines for Cargo Analysis and Reconciliation, will be used.
- 7. Responsibility for Off-Specification Cargo.** Vessel owner/operators are responsible for off-specification product cargoes, when the vessel is identified at fault. The Vessel owner / operator will be given the opportunity to secure the services of an independent petroleum surveyor in the event a discrepancy is suspected or identified. A representative sample taken at the custody transfer point shall be used as the principal factor in determining the source of the contamination and the responsible party.
- 8. DESC Suggestions.** The following suggestions are provided to MSC and Vessel owner/operators for incorporation into their Monitoring Process: that Cargo Tank Cleaning, Gas-Freeing, or Drop/Strip **not** be required as a matter of routine preparation by segregated

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ballast tankers going from like-cargoes to like-cargoes, such as: JP-5 to JP-5; JP-8 to JP-8; F-76 to F-76; JP-5 to JP-8; and JP-5 to F-76. Because of differences in Flash Point, DESC suggests that Drop/Strip be required when going from JP-8 to F-76. Finally, suggest that (OBQ) be expanded to include such quantities as trim corrected and non-trim corrected results. DESC will continue to provide MSC guidance on product quality issues.