



DoD MANUAL 4140.25, VOLUME 7

DoD MANAGEMENT OF ENERGY COMMODITIES: MOBILITY ENERGY

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Approved by:	Robert H. McMahon, Assistant Secretary of Defense for Logistics and Materiel Readiness
Change 2 Approved by:	Dee Reardon, Deputy Assistant Secretary of Defense for Logistics

Purpose: This manual is composed of several volumes, each containing its own purpose. In accordance with the authority in DoD Directive (DoDD) 5134.12 and DoD Instruction (DoDI) 4140.25:

- The manual implements policy, assigns responsibilities, and provides procedures for the supply chain management, quality assurance and quality surveillance, and storage of energy commodities and related services.
- This volume:
 - Assigns responsibilities and provides procedures for the acquisition and management of energy commodities and services in support of the DoD.
 - Provides the procedures for energy commodity requirements submission, operating stock (OS), pre-positioned war reserve stock (PWRS), military specification (MILSPEC) fuels, aerospace energy, fuel additives, direct delivery, bulk storage and service contracts, afloat pre-positioning, transportation, international agreements, and financial operations.

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SECTION 1: GENERAL ISSUANCE INFORMATION

1.1. APPLICABILITY. This issuance applies to:

a. OSD, the Military Departments, the Office of the Chairman of the Joint Chiefs of Staff (CJCS) and the Joint Staff, the Combatant Commands (CCMDs), the Office of the Inspector General of the Department of Defense, the Defense Agencies, the DoD Field Activities, and all other organizational entities within the DoD (referred to collectively in this issuance as the “DoD Components”).

b. Non-DoD Federal Government agencies participating in the DoD supply chain management of energy commodities, referred to collectively in this volume as “Participating Agencies,” but only when and to the extent they adopt the conditions, terms, and requirements of this manual.

1.2. INFORMATION COLLECTIONS.

a. OS level worksheets and constituent data, referred to in Paragraph 4.2.b.(1)(a), do not require licensing with a report control symbol in accordance with Paragraph 1.b.(10) of Volume 1 of DoD Manual (DoDM) 8910.01.

b. DD Form 2913, “Missile Propellants Consolidation and Reporting of Sales,” referred to in this volume, does not require licensing with a report control symbol in accordance with Paragraph 1.b.(10) of Volume 1 of DoDM 8910.01.

c. DD Form 2916, “Forecast Sales Requirements - Missile Propellants and Pressurants,” referred to in this volume, does not require licensing with a report control symbol in accordance with Paragraph 1.b.(10) of Volume 1 of DoDM 8910.01.

d. DD Form 2924, “Monthly Inventory Transactions Report (Missile Propellants),” referred to in this this volume, does not require licensing with a report control symbol in accordance with Paragraph 1.b.(10) of Volume 1 of DoDM 8910.01.

e. DD Form 250, “Material Inspection and Energy Receiving Report (ERR)”; DD Form 250-C, “Material Inspection and ERR- Continuation Sheet”; and DD Form 250-1, “Material Inspection and ERR, Tanker/Barge,” referred to in this this volume, have been assigned Office of Management and Budget control number 0704-0248 in accordance with the procedures in Volume 2 of DoDM 8910.01. The expiration date of this control number is listed at <http://www.reginfo.gov/public/do/PRASearch>.

f. DD Form 1149, “Requisition and Invoice/Shipping Document,” referred to in this volume, has been assigned Office of Management and Budget control number 0704-0246 in accordance with the procedures in Volume 2 of DoDM 8910.01. The expiration date of this control number is listed at <http://www.reginfo.gov/public/do/PRASearch>.

1.3. SUMMARY OF CHANGE 2. This change is administrative and updates references and organizational titles in accordance with the reorganization begun by the July 13, 2018 Deputy Secretary of Defense Memorandum.

SECTION 2: RESPONSIBILITIES

2.1. UNDER SECRETARY OF DEFENSE FOR ACQUISITION AND SUSTAINMENT (USD(A&S)). In accordance with the authority in the January 5, 2018 Secretary of Defense Memorandum, the January 31, 2018 Deputy Secretary of Defense Memorandum, DoDD 5134.01, DoDI 4140.25, and DoDI 3110.06, the USD(A&S) establishes policy on all matters related to energy commodities and related services.

2.2. ASSISTANT SECRETARY OF DEFENSE FOR SUSTAINMENT (ASD(S)). Under the authority, direction, and control of the USD(A&S) and in accordance with DoDD 5134.12, the ASD(S) develops policy and provides guidance for management of energy commodities and related services.

2.3. DIRECTOR, DEFENSE LOGISTICS AGENCY (DLA). Under the authority, direction, and control of the USD(A&S), and in addition to Paragraph 2.7., the Director, DLA, consistent with DoDI 4140.25, computes inventory levels, publishes, and maintains a fully coordinated inventory management plan (IMP) for energy products.

2.4. UNDER SECRETARY OF DEFENSE (COMPTROLLER)/CHIEF FINANCIAL OFFICER, DEPARTMENT OF DEFENSE. The Under Secretary of Defense (Comptroller)/Chief Financial Officer, Department of Defense, reviews legal and fiscal (L&F) memorandum citing the authority under which a new international fuel agreement will be negotiated and verifies the availability of funds for the agreement.

2.5. GENERAL COUNSEL OF THE DEPARTMENT OF DEFENSE. The General Counsel of the Department of Defense reviews L&F memorandum citing the authority under which a new international fuel agreement will be negotiated and verifies the legal sufficiency for the agreement.

2.6. DOD COMPONENT AND PARTICIPATING AGENCY HEADS. The DoD Component and Participating Agency heads:

- a. Provide inputs for IMP development pursuant to DoDI 4140.25.
- b. Collaborate with the CCMDs on all changes to petroleum war reserve requirement (PWRR).
- c. Submit all changes to PWRR to the Joint Staff for review and validation.

SECTION 3: PROCEDURE REQUIREMENTS

3.1. GENERAL. This section prescribes procedures DoD Components and Participating Agencies will follow to submit requirements to the DLA Energy for management of energy commodities and related services. It also prescribes procedures for DLA Energy generated requirements.

3.2. PURCHASE PROGRAM CRITERIA.

a. A DoD Component or Participating Agency will determine the required location, identify potential sources for fuel support, provide fuel requirements to the CCMDs joint petroleum offices (JPO) as early as possible, and, as required, establish a single DoD activity address code (DoDAAC) or a DoDAAC for each participating service for ground fuel support prior to Combined Joint Task Force deployment.

b. DLA Energy collaborates with the military service control points (SCPs), CCMDs, JPOs, DLA Energy Regional offices, and Participating Agencies to obtain essential and realistic requirements data, including:

(1) Consumption requirements submitted by customer or partners at base or activity level through the DLA Enterprise External Business Portal (EEBP).

(2) Defense fuel support point (DFSP) projected storage changes such as initial fill of newly constructed tanks, converted storage tanks, or inventory drawdown for scheduled tank maintenance during the program delivery period.

(3) Projected inventory levels at the beginning of the program delivery period.

c. The DoD Component or Participating Agency validates requirements by identifying DFSP product receipt capability, potential increase of the product cost of future contracts, or supplier delivery problems, through DLA EEBP, such as:

(1) Restrictions to receipt capacities.

(2) Limited receipt capability for normal modes of transportation.

(3) Limited hours of operation.

3.3. BULK PETROLEUM REQUIREMENTS SUBMISSION.

a. New requirements. Customers will submit requirements worksheets to the CCMD for validation and CCMD will forward requirements to the appropriate DLA Energy Regional office.

(1) The JPO will validate and forward DoD Components' energy commodity requirements to support contingencies and Joint Chiefs of Staff (JCS)-sponsored exercises. JPOs may submit CCMD requirements through the DLA Energy Plans and Operations (DLA Energy-QED) in accordance with Volume 5 of this manual.

(2) Military Departments, federal agencies, and other federal acquisition offices identifying DLA Energy as a Government supply source in accordance with Federal Acquisition Regulation Part 51, may submit requirements to DLA Energy Customer Relationship Management.

(3) All other energy commodity and related services requirements will be submitted to the DLA Energy Regional office for validation and processing in accordance with DLA Instruction 4220.1.

b. Other energy commodity requirements will be submitted through the DLA EEBP collaboration processes using the Account Management and Provisioning System, for sourcing and solicitation.

(1) Participating Military Services or Participating Agencies submit requirements directly through DLA EEBP.

(2) SCPs will upon request assist DLA Energy in establishing AMPS roles for applicable activities and bases.

SECTION 4: PWRS AND OS PROCEDURES

4.1. OS.

a. OS. In conjunction with the supported CCMD JPO, DLA:

- (1) Maintains OS necessary to sustain daily worldwide military force operations.
- (2) Ensures bulk petroleum availability for sale.
- (3) Uses the DFSP stock to satisfy OS levels before stocking any other requirements.
- (4) Categorizes the available storage capacity as OS when available in-service storage capacity is less than calculated OS value.
- (5) May authorize reduction or increase to OS levels stored at DFSPs for a specific time based on regional operations, requirements, or economic factors whenever additional storage capability above the calculated OS level is available.

b. OS Computations.

(1) For DFSP management supply planning, DLA Energy Bulk Petroleum Inventory and Distribution Management Division (DLA Energy-LS):

(a) Provides proposed OS level worksheets and constituent data such as economic resupply quantity (ERQ), and safety level (SL) to the DoD Components and CCMD JPOs for review and comment.

(b) Reviews and resolves OS changes from the DoD Components before IMP publication.

(2) DoD Components:

(a) Review, validate, and determine, in accordance with Joint Publication 4-03, whether the proposed OS data may cause any unforeseen operational difficulties.

(b) Return recommended OS changes with justification to DLA Energy-LS.

c. Storage Capacity Data.

(1) DLA Energy-LS:

(a) Completes bulk petroleum storage capacity data updates simultaneously with annual OS level reviews.

(b) Ensures accurate storage capacity data for the IMP data by reporting in barrels with 1 barrel equal to 42 gallons.

(2) DFSPs complete and submit tank data. DFSPs:

(a) Provide storage tank data for new tank construction and tanks returned to active service from maintenance as events occur for inclusion in the next IMP change.

(b) Immediately identify any individual storage tank modification that results in:

1. New tank levels or changes to unobtainable inventory levels.
2. Changes to pipeline manifold and constant line fill quantities.

(c) Include in the tank data the tank identification number, tank shell capacity, safe fill level, and tank bottom.

(d) Provide individual storage tank in or out-of-service information with anticipated maintenance event dates.

(e) Submit storage tank data to the respective DoD Component if on military installations.

(f) Submit storage tank data directly to DLA Energy-LS if not on military installations.

(g) Ensure accurate storage information for the IMP data by reporting in barrels.

(3) DoD Components coordinate tank data submissions with the appropriate DLA's Regional Office.

d. OS Components.

(1) ERQ.

(a) A DFSP should attain, or slightly exceed, the maximum authorized level on receipt of an ERQ.

(b) DLA Energy-LS develops ERQs for each DFSP and determines the ERQ based on the most efficient and economical method of resupply possible given DFSP storage availability.

1. For DFSPs that receive ERQs by ocean tanker or barge, the ERQ will usually be the size of a fully loaded vessel.

2. For DFSPs that receive by pipeline, truck, and rail, the ERQ will vary between the median and maximum parcel size, depending on a variety of factors, including batch sizes, interface losses, truck availability, storage availability, and other operational issues.

(2) SL. DLA, in conjunction with the supported CCMD JPO:

(a) Computes the SL based on the supply chain supporting each DFSP.

(b) May reduce the SL to zero at DFSPs that store sufficient PWRS quantities to withstand historical variability.

(c) May modify SL computation methods as necessary, and will note any SL computation method deviation in the IMP forward narrative.

(3) SL Computation Factors. DLA Energy computes and calculates the SL, considering these seven supply network or individual DFSP operating conditions:

(a) The number of days it takes for delivery from manufacture source to DFSP.

(b) A DFSP that supports fleet operations with multiple mode receipts and issue operations when the ERQ is insufficient to satisfy combined tanker and oiler or multiple modes demands.

(c) A DFSP is resupplied by river barges with seasonal low water levels.

(d) A DFSP that has storage tanks equipped with floating pans or roofs and is not authorized PWRS, or the PWRS is insufficient to keep pans or roofs afloat.

(e) Sufficient product suppliers are unavailable to ensure reliable support.

(f) Season demand surges exist.

(g) Seasonally resupplied DFSPs, such as closed winter ports and delivery quantities must ensure adequate fuel availability between resupply seasons plus 30 days.

e. Working Ullage. DLA assigns working ullage to:

(1) Enable unscheduled oiler discharges at specified Navy DFSP locations.

(2) Enable DFSPs to manage storage tank space to comply with local procedures or regulations that do not fit in other use categories and that do not require additional fuel inventory.

4.2. PWRS.

a. General PWRS Procedures.

(1) A DoD Component:

(a) Submits request for PWRR location and product combinations to CCMD JPO annually or as directed for inclusion in the IMP.

(b) Stocks only the most demanding operation plan requirement subject to the availability of storage and funds.

(c) Views the classification category of any PWRR data elements for discussion as secret to sensitive compartmented information.

(d) Positions PWRS for other PWRR locations only at a DFSP with sufficient load out capability.

(e) Documents rationale for positioning PWRS that supports the intended use for PWRS, e.g., swing stocks and petroleum distribution plans.

(f) Positions PWRS subject to storage space and funds availability.

(g) Stores PWRS at a DFSP only after all OS requirements are satisfied.

(h) Stocks PWRS in addition to OS.

(i) Sizes, acquires, manages, and positions PWRS to:

1. Achieve the greatest practical flexibility and responsiveness to a full spectrum of regional contingencies.

2. Minimize DoD investment in unnecessary inventory.

3. Reduce reaction time and sustain forces.

(j) Bases PWRS on the most demanding operation plan (OPLAN) requirement for each location.

(k) Includes stocks to support deployment and combat operations.

(l) Sizes PWRS to meet requirements until resupply can be affected from a secure source.

(m) Uses PWRS as CCMD or joint task force theater reserve stocks during execution phases of any plan.

(2) DLA, in conjunction with the supported CCMD JPO, maintains PWRS until the Secretary of Defense rescinds the OPLAN or approves the CCMD's recommendation to change or omit all or some of the OPLAN requirement.

(3) The Joint Petroleum Planning community, which includes the JCS JPO, CCMD JPOs, and DLA Energy:

(a) Collaborates on PWRS annually as a group to determine adequate fuel quantities and storage locations to meet CJCS planning requirements.

(b) Uses sourcing assumptions and PWRS days of supply factors developed by the CJCS.

(c) Forwards the PWRS inventory management plan to the USD(A&S) for review and approval biennially.

b. Domestic PWRS Procedures.

(1) The DoD Component:

(a) Stores quantities to directly support an OPLAN.

(b) Identifies bulk petroleum quantities to satisfy:

1. Mobility requirements that are primarily for strategic lift, strategic air operations, and civil defense requirements when approved by the ASD(S).

2. Logistics requirements to support strategic operations, such as ship or vessel load-outs and aircraft in-flight refueling operations.

(2) Before approval, the CCMD JPO reviews all proposed alternate domestic storage locations when PWRS levels cannot be stored at the primary requirement location.

c. Overseas PWRS Procedures. The DoD Component:

(1) Stores quantities to directly support an OPLAN or other approved planning guidance.

(2) Stocks quantities for some commercial grade products:

(a) Which are routinely used, such as products purchased through into-plane, bunkers, and ground programs.

(b) Consistent with the responsibility to size, acquire, and manage stocks.

(c) To achieve flexibility and responsiveness while minimizing DoD expenses.

d. Wartime and Contingency Operations.

(1) A CCMD may request changes or deviation of PWRR procedures.

(2) The Joint Staff Logistics Directorate reviews and validates changes or deviations to PWRR and then submits to ASD(S).

(3) The ASD(S) reviews and approves changes or deviations at least biennially, but more frequently if necessary.

(4) The Joint Staff Logistics Directorate reviews and revalidates changes or deviations annually in support of the IMP development process.

(5) The CCMDs execute emergency action when required to protect life, property, or to ensure military success.

e. PWRS Categories. DoD Components fulfill PWRR petroleum inventory levels with assets in two categories: military stocks and host-nation support.

f. PWRS Positioning and Protection. The DoD Component will position PWRS storage as near to the point of intended use as is economical or practical to minimize transportation requirements and potential hostile disruption of supply lines. The classification category of any PWRS data elements for discussion will be viewed as unclassified information.

4.3. BULK PETROLEUM IMP AND INVENTORY.

a. General.

(1) DLA Energy-LS develops and coordinates the IMP with DoD Components, CCMD JPOs, DLA Energy regional offices, and field offices for annual publication.

(2) The IMP:

(a) Identifies required inventory levels and DFSP storage data to support OS, PWRR, and PWRS.

(b) Defines Defense Working Capital Fund (DWCF) bulk petroleum OS and wartime stock level objectives for which to budget and fund.

(c) Serves as a basis for approval and programming for military construction projects by the Fuel Installation Planning and Review Board.

(3) DLA Energy-LS provides initial IMP distribution to the DoD Components, CCMD JPOs, and DLA Regional Offices via the DLA Energy secure internet protocol router network web page. DoD Components in turn disseminate IMP data to the appropriate Military Service. DLA Energy-LS can provide additional inventory and management reports as requested.

b. Inventory Policy.

(1) **Inventory Build-up and Drawdown.**

(a) The DFSP will build-up or drawdown inventories to reach published levels as soon as economically possible; it must be completed not later than 60 days from the IMP publication date or posted change update.

(b) DFSPs may modify the prescribed timeframe due to operational considerations after coordination with the appropriate chain-of-command organizations and DLA Energy-LS.

(c) The DoD Components in the domestic CONUS or OCONUS CCMD JPOs will report circumstances that require early build-up or drawdown to DLA Energy-LS.

(2) **Maximum Level (ML).** DLA Energy:

(a) Coordinates all exceptions with the DoD Components and CCMD JPOs when warranted by economic or supply conditions.

(b) Evaluates all waiver requests that exceed 90 days in duration.

(c) May grant temporary waivers not to exceed 90 days for DFSPs to test high-level-emergency shutoffs, newly installed hydrant or storage systems, and other short-term operations.

(d) Coordinates with DoD Components in the CONUS or OCONUS CCMD JPOs on all related waiver decisions or actions.

(3) **Control Limit and ML Inventory Maintenance.** DLA Energy maintains inventory between the control limit and ML levels for each DFSP energy commodity during normal operations. DFSPs should meet or be slightly above the ML immediately after a receipt; otherwise, the DFSP incurs higher transportation costs due to more frequent deliveries and degrades adequate inventory levels to support OPLANs and maximize operational readiness.

(4) **Inviolate Levels.**

(a) Each DFSP will maintain the inviolate level of energy commodity as represented by:

1. The minimum energy commodity stored by a DFSP during normal operations to support assigned PWRS levels and to prevent possible stock depletion.

2. The aggregate sum of unobtainable inventory and PWRS.

(b) When a DFSP supports contingency operations, the appropriate CCMD JPO or DLA Energy field office may adjust the inviolate level and ML to provide justification for higher or lower inventories.

(c) The CCMD JPO or DLA Energy field office will coordinate circumstances and alternatives with the appropriate Military Service and DLA Energy-LS to enable the best resolution for contingency requirements.

(d) Whenever an inviolate level penetration of 72 hours or greater is anticipated or occurs:

1. In the CONUS, the DFSP:

a. Provides verbal notification and written confirmation within 24 hours to the supporting DLA Energy field office, DLA Energy-Americas, and respective Military Service.

b. Includes the energy commodity, penetration quantity, and expected recovery date in the notification and confirmation.

c. Receives receipt of the DFSP written notification from the DLA Energy field office.

d. Recovers emergency DFSP resupply only when the diminished DFSP inventory position adversely affects ongoing operations.

e. Continues to support daily operational requirements.

f. Reports changes in consumption that may further affect operations support capability.

2. In OCONUS, the DFSP:

a. Provides verbal notification to the supporting DLA Energy field office, sub-area petroleum offices (SAPOs), and respective Military Service with written confirmation within 24 hours.

b. Reports to the CCMD JPOs, DLA Energy regional offices, or respective Military Service in geographic areas where no DLA Energy field office or SAPO command structure exists.

c. Acknowledges receipt of the written notification with an information copy forwarded to the other pertinent offices and to DLA Energy-LS.

d. Requests emergency DFSP resupply only when the diminished DFSP inventory position adversely affects ongoing operations.

e. Continues to support daily operational requirements and report changes in consumption that may further affect operations support capability.

(e) Whenever a regional inviolate level penetration of 72 hours or more is anticipated or occurs:

1. The respective DLA Energy field office:

a. Monitors the regional inviolate level as the aggregate PWRS levels plus unobtainable inventory levels held within a region by energy commodity.

b. Reports to DLA Energy-LS and appropriate CCMD JPOs or SAPOs an inviolate level penetration whenever regional inventory of an energy commodity falls below the regional inviolate level for longer than 72 hours.

2. Each CONUS DLA Energy field office:

a. Maintains regional inviolate levels.

b. Provides verbal notification when penetrations of regional inviolate levels occur to DLA Energy-Americas.

c. Provides written confirmation within 24 hours to DLA Energy-Americas and an information copy to the respective Military Service and DLA Energy-LS.

d. Indicates the energy commodity, penetration quantity, expected recovery date, and DFSP locations involved.

3. Each CCMD JPOs and SAPO:

a. Identifies, monitors, and maintains CCMD inviolate levels in the overseas regions within their respective theaters, by energy commodity.

b. Provides written notification to DLA Energy-LS and the Joint Staff of CCMD regional inviolate level penetrations.

c. Indicates the energy commodity, penetration quantity, expected recovery date, and DFSP locations involved.

c. Security Classification and Declassification Guidance. Each DoD Component safeguards the IMP because it is classified SECRET. The ASD(S) provides sole direction regarding the classification of the IMP and related papers or documents in accordance with Volumes 1 and 3 of DoDM 5200.01 and DoDM 5200.45.

4.4. IMP EVENTS. Each DoD Component develops the IMP according to the schedule in Table 1. All cited dates indicate not-later-than dates.

Table 1. IMP Table of Events

Program Objective and Milestone Dates	
Program Objective	Not-later-than Milestone Dates
1. DLA Energy-LS informs the DLA Energy regional offices to begin updating the web-based storage worksheets.	Dec 1
2. Military planners begin development of demand sources for import into the integrated consumable item support (ICIS).	Dec 1
3. JCS designates approved OPLANS and the CCMD JPO responsible for their development.	Dec 1
4. DLA Energy-LS provides OS levels to DLA Energy regional offices, DoD Components, and CCMD JPOs for review and comment.	Jan 31
5. DLA's Regional Offices, DoD Components, and CCMD JPOs comment or provide recommended adjustments to OS levels to DLA Energy-LS.	Feb 28
6. DLA's Regional Offices are to have preliminary web-based storage worksheets updated.	Feb 28
7. The military planners forward their demand sources to their respective CCMD JPOs for entry into ICIS to develop the CCMD's time phased force deployment data.	Feb 28
8. The JCS-approved CCMD JPOs submit all associated OPLAN PWRR data to DLA Energy via a JCS-approved input into ICIS.	Apr 30

Table 2. IMP Table of Events, Continued

Program Objective and Milestone Dates	
Program Objective	Not-later-than Milestone Dates
9. DLA Energy-LS coordinates the draft IMP with the DoD Components, CCMD JPOs, and DLA's Regional Offices with a 15 day suspense for comments.	Jun 30
10. IMP published.	Aug 1
11. IMP effective date.	Oct 1

SECTION 5: STRATEGIC PETROLEUM RESERVE (SPR) PROCEDURES

In the event of a drawdown of the SPR pursuant to Section 6241(h) of Title 42, United States Code (U.S.C.), or Section 9149 of Public Law 102-396, also known as the Department of Defense Appropriations Act of 1993, and when directed, DoD Components facilitate the development and coordination of the national security findings associated with such a drawdown.

a. In coordination with the DoD Components, the ASD(S) develops the DoD national security findings and recommendations regarding the drawdown of the SPR.

b. The ASD(S):

(1) Assesses the effects of a potential SPR drawdown on DoD logistics and materiel movements.

(2) Determines SPR drawdown effects on DoD-related energy commodity shipping and ground transportation capacity and capability.

(3) Provides guidance and oversight to the Director, DLA, in determining DoD SPR allocation and distribution.

(4) Provides findings and recommendations to the USD(A&S).

c. When directed by the ASD(S), the Director, DLA:

(1) Coordinates with the Department of Energy on DoD SPR allocation in accordance with the July 22, 2010 Memorandum of Understanding between the Department of Energy and the Department of Defense.

(2) Review the effects of a potential SPR drawdown on the production and sale of required DoD energy commodity.

(3) Determines impacts to DoD war reserve stockpiles and swing stocks.

d. When requested, the Under Secretary of Defense for Policy assesses the effects of a potential SPR drawdown on domestic and regional security and submits recommendations to the ASD(S).

e. When requested, the CJCS assesses the ability of the DoD to support planned or ongoing military operations during a potential SPR drawdown and submits findings and recommendations to the ASD(S).

SECTION 6: MILSPEC FUELS PROCEDURES

6.1. BULK PETROLEUM REQUIREMENTS SUBMISSION.

a. Bulk Petroleum General. The DLA Energy-LS, SCPs, JPOs, DLA Energy regional offices, and Participating Agencies jointly determine projected annual bulk petroleum requirements. Requirements are submitted according to the contingency.

(1) Each JPO forwards its requirements to the DLA Energy Contingency Plans and Operations Division, to support contingencies and JCS-sponsored exercises. JPOs with JCS-approved OPLANS may also submit CCMD requirements through the DLA Energy Contingency Plans and Operations Division in accordance with Volume 5 of this manual.

(2) Each SCP forwards its requirement requests, to include those provided to DLA Energy Contingency Plans and Operations Division, to DLA Energy-LS for processing.

(3) Each Participating Agency forwards its requirements to the DLA's Regional Office which validates and forwards the requirements to DLA Energy-LS.

b. Specifications and Standards. The specifications and standards identified in accordance with the DLA Energy Handbook 4120.1 form a part of this volume, and to the extent specified in this volume, are cited in the solicitation of a contract.

c. Submission of Requirements. During the submission of requirements by DLA Energy customers to DLA Energy, DLA Energy ensures the applicability of procurement actions meets the acceptance criteria for establishing acquisition requirements and contract procurement procedures.

d. Quality Assurance. In conjunction with the other DoD Components, DLA Energy:

(1) Helps develop the standardization, technical review of procurement actions, and quality assurance procedures needed to effectively manage the identification and procurement of a supply source and its provider.

(2) Manages the end-to-end distribution of all energy commodities across the supply chain arena.

(3) Provides input to the quality surveillance procedures as it relates to the aggregate measures, i.e., stock rotation or sampling, to determine and maintain the quality of product receipts and insure these are suitable for their intended purpose and use.

6.2. FUNDING.

a. DLA Energy Funded Commodities and Services. The DoD Components fund energy commodities and related services through the DWCF according to the purchase programs and associated funding responsibility in DoDI 4140.25.

b. DLA Energy Non-Funded Commodities and Services.

(1) DoD Components and Participating Agencies directly fund:

(a) Energy Commodities to support the Military Assistance Program and Foreign Military Sales (FMS).

(b) Aircraft refueling service alongside aircraft refueling contracts at military installations.

(c) Energy commodities excluded from the DLA integrated materiel management inventory due to limited or unique military application.

(2) Participating Agencies directly fund ground fuel product requirements, such as motor gasoline, heating oil, diesel, and aviation gasoline purchased through the Posts, Camps, and Station (PC&S) Program. DLA Energy may fund certain Participating Agency requirements if specifically identified in agreements.

SECTION 7: AEROSPACE ENERGY COMMODITY PROCEDURES

7.1. GENERAL.

a. Pursuant to the authority delegated in this manual and the Federal Stock Class procedures in DoD 4100.39-M, DLA Energy is the DoD integrated materiel manager for all Federal Stock Class 9135, certain Federal Stock Class 6830, and Federal Stock Class 9130 items (e.g., liquid propellants, oxidizers and compressed, and liquefied gases) referred to in this volume as “aerospace energy products.”

(1) A DoD Component that requires aerospace energy products in the performance of Government contracts obtains those products from DLA Energy Aerospace Energy.

(a) A Participating Agency customer may request support from DLA Energy Aerospace Energy.

(b) A Commercial customers or an academic institutions that requires aerospace energy products and services may request support from DLA Energy Aerospace Energy under the authority of, and in accordance with, Section 50901 of Title 51, U.S.C., or DoDD 3210.06, as applicable.

(2) Each Contracting office is responsible for incorporating appropriate contract provisions into their contracts that require or permit U.S. Government contractors to obtain aerospace energy products from DLA Energy Aerospace Energy.

b. DoD Components and Participating Agencies use the forms in Table 2 to facilitate aerospace energy commodity processes and may substitute the forms in Table 2 with Military Service, agency-specific, or company-specific documents and forms only when specifically identified as allowable. The use of discontinued, rescinded, or superseded DLA Energy forms is prohibited.

Table 3. Table of DD Forms Used in Aerospace Energy

Form	Name	Purpose	Initiated by	When Prepared	Number of Copies	Distribution of Forms
DD Form 2908	Propellants Delivery and Services Task Schedule	Schedule missile propellant deliveries and ordering of transportation services or equipment.	DLA Energy Aerospace Energy	As Required	5	1-Contractor 1-Producing plant 1-Quality assurance representative (QAR) or Government representative 1-DLA Energy

Table 2. Table of DD Forms Used in Aerospace Energy, Continued

DD Form 2913	Missile Propellants Consolidation and Reporting of Sales	Consolidate and document sales.	DFSP	End of month	3	1-DLA Energy 1-DFSP document retention files 1-Receiving activity
DD Form 2914	Record of Receipts of Missile Propellants	Records receipts of propellants from all sources.	DFSP	As Required	1 for each product	1-DFSP document retention files
DD Form 2915	Propellant Servicing Unit Record	Control operations of each propellant unit.	DFSP	Daily	1	1-DFSP document retention files
DD Form 2916	Forecast Sales Requirements - Missile Propellants and Pressurants	Transmit requirements for budget development.	DFSP and customer	Annually, as required	3	1-DLA Energy, Aerospace Business Unit (DLA Energy-QEM) 1-SCP review or equivalent activity 1-DFSP document retention files
DD Form 2917	Physical Inventory (Fuels/Missile Propellants)	Records total amount of product in storage at each propellant unit.	DFSP	As of 0800 hours first working day of each month	1	1-DFSP document retention files
DD Form 2924	Monthly Inventory Transactions Report (Missile Propellants)	Used to record all transactions for 1 month period. Reflects gains and losses.	DFSP	As of 0800 hours first day of each month	2	1-DLA Energy 1-DFSP document retention files
DD Form 2925	Missile Fuels/Propellants Inventory Summary Sheet	Records total transactions for 1 month. Entries made daily.	DFSP	As of 0800 hours first day of each month	1 for each product	1-DFSP document retention files

c. Each DoD Component and Participating Agency selects and designates items for inclusion in the aerospace energy management category according to this criteria:

- (1) Items that are centrally procured and managed liquid or gaseous propellant fuels and oxidizers used in rockets, missiles, or spacecraft, as well as related items.
- (2) Items that are chemical products used in propellant loading and handling operations.
- (3) Other gas and chemical items authorized to be used with other governmental agencies.
- (4) DLA Energy local purchase items will be included in this management category.

d. Each DoD Component and Participating Agency follows the procedures in this volume for the storage, transportation, packaging, forecasting, inventory, and financial management of:

(1) Aerospace energy property, plant, and equipment (PP&E) that are financed by the DWCF.

(2) Aerospace energy product national stock numbers (NSN) that are available by contacting AerospaceEnergyInfo@dla.mil.

7.2. PROCEDURES.

a. Each DoD Component and Participating Agency uses the procedures in this volume for:

(1) DLA Energy Aerospace Energy DFSPs maintaining DWCF-owned inventory.

(2) Authorized DLA Energy Aerospace Energy customers who receive product issued from a DFSP or procured by DLA Energy.

(3) Authorized DLA Energy Aerospace Energy customers who receive product directly from the DLA Energy supplier as a customer direct sale.

b. DLA Energy:

(1) Maintains responsibility for the management oversight of DWCF-owned inventory of aerospace energy products, as well as functions related to providing total logistics support to customers for aerospace energy products, including requirements consolidation, demand management, procurement, packaging, and transportation.

(2) Provides DLA Energy Aerospace Energy customers with information relative to the submission of funding.

c. Each military SCP or major commands, higher headquarters of a Participating Agency, a headquarters of a commercial company, and the department head of an academic institution:

(1) Provides DLA Energy Aerospace Energy with timely information for determination of requirements and necessary supply action for customers.

(2) Monitors and controls any aspects of aerospace energy operations that fall under their jurisdiction, custody, or control.

d. DLA Energy Aerospace Energy customers:

(1) Track the drawdown of funds against a Military Interdepartmental Purchase Request that is accepted for funding.

(2) Verify that forecasts of projected requirements are as accurate as possible and submitted with applicable DoDAAC, federal activity address code (FEDAAC), or DLA commercial-DoDAAC.

(3) Will not procure requirements submitted to DLA Energy and awarded under a DLA Energy contract from other than the DLA Energy suppliers without written consent of the DLA Energy contracting officer.

(4) Are responsible to DLA Energy for payment of any valid contract claims resulting from the customer's action or inaction, or that of their employees, representatives, agents, or contractors.

e. The responsible officer (RO), terminal manager (TM), or DFSP manager:

(1) Provides complete oversight for the proper handling and accountability of DWCF-owned aerospace energy products in support of the DLA Energy Aerospace Energy accountable officer (AO).

(2) Confirms that individuals signing DLA Energy documents comply with this volume and applicable law and policies concerning inherently governmental functions.

7.3. AUTHORIZED CUSTOMERS.

a. DLA Energy Aerospace Energy customers may receive products from either existing DWCF-owned inventory stored at, and distributed from, a DLA Energy Aerospace Energy DFSP or shipped directly from the DLA Energy supplier as a customer direct sale.

b. An authorized customer includes:

(1) All DoD Components.

(2) Participating Agencies.

(3) Participating FMS customers.

(4) Those customers who have an existing, properly executed sales contract with DLA Energy pursuant to specific statutory or regulatory authority, including:

(a) U.S. Government contractors authorized in accordance with Part 51 of the Federal Acquisition Regulation.

1. Commercial companies are authorized if they are purchasing DLA Energy Aerospace Energy products or services in support of a Government contract with the contracting agency and contract number for which the product or service will support.

2. DLA Energy must receive a request and authorization from the contracting office pursuant to Part 51 of the Federal Acquisition Regulation.

(b) U.S. companies in the space and space-related industries as permitted in accordance with Title 51, U.S.C.

1. The commercial company is an authorized customer if the request for products or services from DLA Energy Aerospace Energy is supporting specific space or space-related programs.

2. Additional documentation may be required before supplies or services are provided under a DLA Energy contract if it is not clear that the company is a U.S. company.

(c) Commercial companies, pursuant to Chapter 5 of Title 40, U.S.C. and Part 102-38 of Title 41, Code of Federal Regulations (CFR); additional documentation may be required for the specific programs they are supporting.

(d) Educational institutions performing under federal grants.

7.4. CUSTOMER FORECASTS OF AEROSPACE ENERGY COMMODITY REQUIREMENTS.

a. DLA Energy:

(1) Provides authorized customers an information copy of the DLA Energy annual request to customers.

(2) Annually contacts existing customers to request submission of their forecast for each aerospace energy product that the customer will require.

b. Each DoD Components and Participating Agency:

(1) Plans future contract actions.

(2) Places orders under existing contracts.

(3) Submits requirements in two broad categories.

(a) Potential requirements that could possibly materialize from existing or future programs.

(b) Firm requirements for existing programs.

(4) Forecasts for all aerospace energy items with a minimum of 3 years of requirements, should be listed monthly.

(5) Prepares annual forecasts for aerospace energy products and services, and submits those forecasts on a DD Form 2916, see Appendix 7A.

(a) Submits quantities, in accordance with the unit of issue, for the applicable product and NSN, as catalogued in the DLA Logistics Information Service.

(b) Enters the program or project name or number in the “Program Supported” block of the DD Form 2916. Identifies the requirement as either a known, existing program requirement or a future, potential program requirement.

(c) Includes any relevant information or clarification, such as a brief explanation concerning any major changes to requirements from previous years, an explanation that certain requirements are based on anticipated contract awards, a discussion of any host nation agreements relating to imposition of taxes or duties, etc.

(d) For commercial and educational institution customers, provides a concise explanation of the intended specific use of the product. Uses continuation sheets for additional information, if necessary.

(e) Provide the Sold-to and Bill-to, if different, DoDAAC, FEDAAC, or DLA Commercial DoDAAC.

(f) Provides the Ship-to DoDAAC. Fully describes the shipment information, to include the specific ship to address, point of contact name, telephone number, and e-mail address.

1. If the Ship-to address is to a specific building, identifies the installation by its full address along with the specific building number.

2. If the individual who can provide specifics relative to the requirement is different than the individual who will be receiving the shipment, provides the point of contact name, telephone number, and e-mail address for that individual.

(g) Provides the method of delivery required and the type of containerization, such as a bulk trailer.

(h) Provides information regarding any additional services required, such as cylinder maintenance and repair or hot fill of tanks. Include information on storage requirements, either customer-furnished or those to be furnished under contract by the DLA Energy supplier.

(i) Submits one form for each individual product at each customer location. As an example, one DD Form 2916 is required to submit liquid oxygen requirements for facility X, a separate DD Form 2916 is required to submit helium requirements for facility X, and another DD Form 2916 is required to submit helium requirements for facility Y. Consolidation of requirements is not required.

(6) Submits the DD Form(s) 2916 through the applicable SCP, DoD Component headquarters, or Participating Agency.

c. A Participating Agency administrator:

(1) Carefully reviews requirements, eliminates duplications, and ensures funds availability.

(2) Completes the forecast form with a program description, financial accounting information, DoDAAC, DLA Commercial DoDAAC or FEDAAC, and fund code.

(3) Forwards an electronic copy or paper copy of forecasts on a timely basis to DLA Energy with a letter of transmittal stating that it has reviewed and approved the customer's forecast.

d. Where the customer will be supported out of a DFSP located on a Government or commercial customer facility, the assigned RO or DFSP manager:

(1) Reviews the requirements forecasts for all aerospace energy products to be supplied to all customers out of the DFSP.

(2) Establishes procedures for all organizations supported by the DFSP, including tenants, to submit their requirements for consolidation and reporting to the appropriate:

(a) SCP or major command.

(b) Participating Agency administrator.

(c) Commercial organization headquarters.

e. A customer must notify DLA Energy immediately of any cancellations, reductions, increases, or changes in requirements. Report any revisions to previously submitted forecasts by electronic transmission, either by facsimile or e-mail, and clearly reference the earlier forecast submission in sufficient detail to permit identification of the forecast being revised.

7.5. APPLICATION OF FORECAST OF AEROSPACE ENERGY COMMODITY REQUIREMENTS.

a. DLA Energy will review individual customer forecasts and compare them to the customer's historical usage in order to ensure that estimated requirements are not under- or over-estimated. If requested, the customer will provide additional information regarding the estimated quantities shown on the DD Form 2916.

b. In order to achieve the economies of scale from a centralized procurement process, DLA Energy will consolidate customer forecasts for the same or similar aerospace energy products for the solicitation and award of DLA Energy contracts.

c. A Customer requesting a specific delivery date for aerospace energy products or services must contact DLA for scheduling.

7.6. FINANCIAL MANAGEMENT. Reimbursement to the DWCF for materiel sold will be at the established price for the respective product based on the shipment date for each category of customer.

7.7. CUSTOMER BILLING FOR AEROSPACE ENERGY COMMODITY REQUIREMENTS.

a. Aerospace Energy operates on a reimbursable basis.

b. DLA bills:

(1) DoD customers once a week in accordance with the Military Standard Billing System procedures in Volume 2 of Defense Logistics Manual 4000.25.

(2) Participating Agencies in accordance with the intra-governmental payment and collection systems found in Chapter 11, Volume 5, DoD 7000.14-R.

(3) Non-federal customers via a Standard Form (SF) 1080, "Voucher for Transfers Between Appropriations and/or Funds," monthly.

7.8. INDIVIDUALS RESPONSIBLE FOR THE ACCOUNTABILITY OF DWCF-OWNED DLA ENERGY AEROSPACE ENERGY COMMODITY INVENTORY.

a. The DLA Energy Aerospace Energy AO is responsible for the overall accountability and management oversight of all DWCF-owned DLA Energy Aerospace Energy product inventory in a DFSP. The AO may appoint, in writing, a representative to help with program management responsibilities. The AO is responsible for worldwide inventories of DWCF-owned DLA Energy Aerospace Energy products.

b. The DFSP may segregate duties:

(1) For internal control to reduce risk of error and minimize the potential for a single individual to affect DWCF-owned DLA Energy Aerospace Energy inventory management accuracy and integrity.

(2) Into three key areas:

(a) **Physical Asset Custody.** The individual at the DLA Energy Aerospace Energy DFSP who has physical asset custody is called the DWCF inventory operator or handler.

(b) **Transaction Processing.** The individual who records the transactions at the DFSP is the DWCF inventory transaction recorder.

(c) **Transaction Approval.** The individual approving the transactions is the DWCF inventory transaction approver and adjustment authority.

(3) Personnel who perform any one of the functions identified in DLA Energy-P11, Paragraph 6. b. (2) at a DLA Energy Aerospace Energy DFSP that stores and distributes DWCF-owned DLA Energy Aerospace Energy products, will not be responsible to perform either of the others, unless otherwise granted a waiver, as discussed in DLA Energy-P11 paragraph 6. b. (4).

(4) DLA Energy Aerospace Energy AOs confirm each DFSP has an assigned DWCF-owned inventory operator or handler, a DWCF-owned inventory transaction approver and adjustment authority, as well as a DWCF-owned inventory transaction recorder.

(5) A DFSP that cannot comply with this segregation of duties policy due to operational constraints will request a waiver, in writing, from the DLA Energy Aerospace Energy AO. The DFSP will provide information on the method of risk mitigation that the DFSP will undertake in order to ensure proper accountability of DWCF DLA Energy Aerospace Energy inventory. Both the DFSP and the DLA Energy Aerospace Energy AO will retain a copy of the memorandum on file in accordance with Volume 2 of this manual.

c. The same appointment procedures that apply to ROs and TMs who manage DWCF-owned bulk petroleum products, as detailed in Volume 6 of this manual, also apply to aerospace energy ROs and TMs. They serve as extensions of the DLA Energy Aerospace Energy AO in ensuring proper accountability and oversight of DWCF-owned products at DLA Energy Aerospace Energy DFSPs.

(1) For a DFSP located at a commercial customer facility, a principal of the commercial company will appoint a DFSP manager, in writing, which will have the same responsibilities and perform the same functions as an RO, unless otherwise noted in this volume.

(2) The AO will maintain a complete list of RO and DFSP manager appointments, as well as individuals designated as TMs under DLA Energy contracts that have DFSP responsibility as a contractual requirement.

d. The RO, the TM, and the DFSP manager support the DLA Energy-QEM AO with regard to proper on-site, day-to-day accountability of DWCF-owned aerospace energy products.

(1) Each DFSP will follow the procedures in Volume 6 of this manual for an RO and a TM under a DLA Energy contractor-owned, contractor-operated production facility as stated in Volume 6 of this manual.

(2) As it pertains to the DFSP's segregation of duties:

(a) The RO, TM, or DFSP manager, serving as the DWCF-owned inventory transaction approver and adjustment authority:

1. Signs documents to approve DWCF-owned aerospace energy inventory quantities or quality adjustments.

2. Approves transaction submissions.

3. Approves end-of-month book and physical inventory reconciliation and operating gain or loss calculations.

4. Initiates operating gain and loss investigations as required by DLA Energy policy.

5. Observes and confirms DWCF-owned aerospace energy physical inventories.

(b) The DWCF-owned inventory transaction recorder for aerospace energy:

1. Reconciles DWCF-owned inventory transaction documents with transaction data entries on all inventory and sales documents.

2. Calculates DWCF product inventory quantities.

3. Prepares trial reconciliation of end-of-month DWCF book and physical inventories.

4. Calculates DWCF-owned DLA Energy Aerospace Energy inventory operating gain or loss.

(c) The DLA Energy Aerospace Energy DWCF-owned inventory operator or handler:

1. Provides overall operational handling of DWCF-owned aerospace energy product inventories.

2. Receives, stores, transfers, and issues DWCF-owned aerospace energy product inventory.

3. Ensures procedural compliance to achieve accurate DWCF-owned aerospace energy product inventory quantity determinations.

(3) The installation's DoD Component or Participating Agency contract administration office will ensure compliance under the contract with the procedures contained in this section when the DFSP is located on a Government installation and is managed by a contractor under a base operation services and support or similar-type contract.

(4) The DLA Energy will include terms and conditions in the contract for the DFSP TM to adhere to this section when the DFSP is located on a DLA Energy contractor-owned, contractor-operated facility.

(5) DLA Energy supports commercial customers involved in space and space-related industries, and may have a DFSP at the commercial customer location. In such instances, the DFSP manager is the individual at the commercial customer location performing RO or TM duties and responsibilities.

(a) DLA will establish an agreement with commercial customers for a DFSP site that stores and distributes DLA Energy Aerospace Energy DWCF-owned product. The agreement will incorporate this manual's policies and procedures, and require the DFSP manager to adhere to these. On a case-by-case basis, the DFSP Agreement may be included as part of the DLA Energy sales contract with the commercial customer.

(b) In addition to this manual, other specific responsibilities of the DFSP manager may be delineated in the DFSP Agreement between DLA Energy and the commercial customer.

(c) If the commercial customer's requirement for DWCF-owned aerospace energy products is under the terms and conditions of an existing Government contract with the DoD Component or a Participating Agency, the contract holder will incorporate this manual by reference into its U.S. Government contract.

(d) In addition, the contract administration office is responsible for ensuring that its contractor exercises proper management and oversight of DWCF-owned inventory stored at and sold from DFSPs located at the commercial customer facility.

(6) Whenever there is a change in RO, TM, or DFSP manager at a DFSP, the DoD Component will transfer accountability for DWCF-owned DLA Energy Aerospace Energy products from the outgoing RO, TM, or DFSP manager to the incoming RO, TM, or DFSP manager.

(a) Both the outgoing and incoming RO, TM, or DFSP manager:

1. Verifies the physical inventory for fuels and missile propellants taken on the effective date of the change, and then completes and signs the DD Forms 2917, and DD Forms 2925.

2. On completion of the transfer of account, provides copies of the DD Form 2917 and the DD Form 2925 to the DLA Energy-QEM AO.

(b) The outgoing RO, TM, or DFSP manager:

1. Prepares the monthly transaction report with a DD Form 2924 for missile propellants to cover all transactions since the last day of the previous month.

2. Jointly verifies the existing inventory records.

3. Completes the necessary documentation encompassing all transactions.

4. Forwards all documents to DLA Energy-QEM.

e. When the management and operation of the DFSP has been contracted out, the DoD Component or Participating Agency for the installation will appoint a property administrator for DWCF-owned DLA Energy Aerospace Energy products. The DoD Component or Participating Agency who let the U.S. Government contract that encompasses DWCF-owned aerospace energy products at a commercial customer DFSP will appoint a property administrator in accordance with applicable agency regulations.

f. The accountable property officer (APO) for PP&E is the DLA Energy Aerospace Energy property specialist when appointed by an authorized DLA Energy Aerospace Energy official.

(1) The APO will appoint an APO representative (APOR) at any location that utilizes PP&E.

(2) At the DoD Component or Participating Agency DFSP, the RO will concurrently serve as APOR.

(3) At all other locations, the APOR will be determined and appointed on a case-by-case basis.

(4) The accountability of DWCF-owned DLA Energy Aerospace Energy PP&E is governed by DoDI 5000.64, as well as the DLA Instruction 4202.

g. Each DoD Component and Participating Agency will appoint a property administrator for DWCF-owned aerospace energy PP&E at the DoD Component installation or Participating Agency facility if the management and operation of the DFSP has been contracted out. Although there is no property administrator requirement at commercial customer locations that utilize DWCF-owned aerospace energy PP&E, either the DFSP Agreement or sales agreement with the customer will outline the customer's duties and responsibilities with regard to DWCF-owned aerospace energy PP&E.

7.9. GENERAL DWCF-OWNED PRODUCT INVENTORY ACCOUNTABILITY PROCESSES AND PROCEDURES.

a. To aid in the proper management and oversight of DWCF-owned inventory, DLA Energy:

(1) Establishes detailed record-keeping and reporting for DFSPs to trace losses or to the specific cause, such as DLA Energy contractor delivery, handling, or static.

(2) Develops forms to assist DFSP personnel and DLA Energy to analyze gains or loss trends, determine whether those trends need further investigation of item records, physical inventories, equipment, or procedures.

b. The RO, TM, or DFSP manager, in support of the DLA Energy Aerospace Energy AO:

(1) Establishes a monthly document control folder for each month's activities as they occur.

(2) Includes written documentation and copies of applicable forms for all activities pertaining to DWCF-owned inventory.

(a) Completes the DD Form 2915 with a daily record of operations for each product and documents the number of sales and credits handled by each DFSP.

(b) Uses the DD Form 2915 as the record to compile data relative to the efficiency and effectiveness of each unit and provide early detection of abnormal losses for immediate corrective action.

(3) Ensures all required forms are completed from data obtained from the source documents daily.

(4) Includes product receipts, sales from inventory, product returns to inventory, shipments, transfers between DFSPs, and inventory adjustments involving DWCF-owned DLA Energy Aerospace Energy products in the monthly document control folder.

(5) Uses the DD Form 1149 to schedule DWCF-owned DLA Energy Aerospace Energy product deliveries into a DFSP.

(6) Uses the DD Form 2908 to schedule aerospace energy product deliveries that are not DWCF-owned into a DFSP.

7.10. RECEIVING AEROSPACE ENERGY PRODUCTS.

a. The DLA Energy QAR or Government representative will perform inspection and acceptance at DLA Energy contractor production facilities and fill plants for all free on board (FOB) origin contracts.

b. The RO, DFSP manager, or authorized representative of the customer direct sale will serve as the individual authorized to accept product or services on receipt for deliveries against FOB destination contracts.

c. The RO, DFSP manager, or authorized representative of the customer direct sale will perform an inspection of all products received to ensure that identity, conditions, and status as reflected on the applicable receiving document are correct.

(1) The DWCF inventory transaction recorder will use DD Form 250 or commercial equivalent to record receipts of missile propellants on the DD Form 2914 and DD Form 2925 for products received at DFSPs.

(2) The RO, DFSP manager, or authorized representative of the customer direct sale:

(a) Uses DD Form 250, DD Form 250-C, or commercial equivalent, to reflect acceptance of the product in accordance with Appendix F-301 of Defense Acquisition Regulation Supplement.

(b) Includes the date of receipt, the printed name of the personnel verifying receipt of the product as well as the duty telephone number.

(c) Includes the printed name of the vendor delivery personnel with office telephone number and any necessary remarks.

(d) Reports any deviations from the delivery schedules or delivery orders by telephone and follow-up with an e-mail directly to the applicable DLA Energy customer account specialist.

(e) Oversees the segregation and storage by stock number at the DFSP of all DWCF-owned aerospace energy products or Government-owned or leased containers containing DWCF-owned aerospace energy product.

(f) Segregates containers of different ownership by adequate spacing or in delineated areas.

(g) Does not commingle non-DWCF-owned products with DWCF aerospace energy product under any circumstances.

7.11. RECORDING PRODUCT RECEIPT AT A DFSP.

a. The DWCF fuel accountant will prepare a DD Form 2914 for each product received at the DFSP during a 24-hour period, that is, from 0800 hours one day to 0800 hours the next day.

b. The DWCF fuel accountant will support the DD Form 2914 with:

(1) The DD Form 250 or 250-C or a commercial equivalent document for each receipt.

(2) When applicable, the commercial bills of lading for each receipt.

(3) When applicable, the carrier's delivery ticket or other documentation.

c. The RO, TM, or DFSP manager will ensure that the transportation documents in Paragraph 2.b., DLA Energy-P1, are also provided to the base, installation, or facility transportation office, if applicable.

d. The DWCF fuel accountant:

(1) Annotates the totals per the DD Form 2914 on the applicable DD Form 2925.

(2) Supports the DFSP monthly inventory transaction report (MITR) with corrected receiving documents.

(3) Includes a copy of the applicable DD Form 250, DD Form 250-C, or commercial equivalent document with the DFSP MITR in support of the receipt of product at the DFSP.

(4) Submits a corrected DD Form 250, DD Form 250-C, or commercial equivalent to the RO, TM, or DFSP manager after the submission of the DFSP MITR.

e. The RO, TM, or DFSP manager contacts the applicable customer account specialist for direction.

f. The RO, TM, or DFSP manager:

(1) Provides DLA Energy-QEM with corrected copies of the DFSP MITR package to process the corrections, once the corrected documents are resolved.

(2) Before submission to DLA Energy:

(a) Verifies the quantities shipped as shown on supporting DD Form 250, DD Form 250-C, or commercial equivalent to ensure they have been correctly entered on the DD Forms 2914 and 2925.

(b) Provides a written explanation of the possible reasons for any quantity discrepancies between what was actually received at the DFSP versus what the DD Form 250, DD Form 250-C, or commercial equivalent document shows.

(3) After all DD Form 250, DD Form 250-C, or commercial equivalent documents have been entered and verified as correct on the DD Form 2914:

(a) Enters in the “Quantity Received” column on each DD Form 250, DD Form 250-C, or commercial equivalent the quantity shown in the quantity shipped column for FOB origin shipments, and the quantity actually received for FOB destination shipments.

(b) Keeps a copy of each receipt document for processing to DLA Energy with the DD Form 2924.

(4) Verifies the DD Form 250, DD Form 250-C, or the commercial equivalent against the entries previously made on DD Form 2914. If the quantity shipped on the DD Form 250, DD Form 250-C, or commercial equivalent differs from the quantity reported on the DD Form 250, DD Form 250-C, or commercial equivalent, The RO, TM, or DFSP manager will immediately notify DLA Energy Aerospace Energy.

(5) Verifies the entries on DD Form 2914 for the consolidated receipts both individually and in total when a DD Form 250, DD Form 250-C, or commercial equivalent consolidates more than one receipt at the DFSP. The RO, TM, or DFSP manager attaches one copy to the DD Form 2914 along with the original documents received and retains the remaining copy to document the quantity received.

g. When the DLA Energy supplier provides corrected copies of the DD Form 250, DD Form 250-C, or commercial equivalent because of an error in the designated quantity delivered, the DWCF transaction recorder (as applicable):

(1) Ensures all copies of the corrected documents are clearly marked “Corrected Copy.”

(2) Enters the difference in the DD Form 2914 under the column headed “Quantity Declared Shipped” for the day on which the RO or DFSP manager received the corrected DD Form 250, DD Form 250-C, or commercial equivalent.

(3) Circles the quantity on the DD Form 2914 to be sure the quantity is subtracted when the totals are computed if the difference is a decrease. No entry will be made in the column headed “Quantity Received.”

(4) Attaches the corrected DD Form 250, DD Form 250-C, or commercial equivalent to the DD Form 2914 on which the adjustment is made.

7.12. SHIPMENTS OF PRODUCT BETWEEN DFSPS.

a. Each DFSPs:

(1) Handles a shipment of product between DFSPs as the transfer of product from one DFSP to another.

(2) Transfers accountability for the shipped product from one RO, TM, or DFSP manager to another RO, TM, or DFSP manager.

(3) Handles as a transfer out from the losing DFSP and a transfer in to the gaining DFSP when product is shipped from one DFSP to another DFSP.

(4) Completes the DD Form 1348-7, "DoD Military Standard Petroleum System DFSP Shipment and Receipt Document," to document shipments between DFSPs.

b. The Customer Account Specialist coordinates and approves transfer of DWCF-owned aerospace energy products between DFSPs before the shipment of any product.

c. The DWCF transaction recorder at the DFSP that is losing the product prepares the DD Form 1348-7 for signature by the RO, TM, or DFSP manager when the product isn't shipped to a DFSP. Two copies of DD Form 1348-7 will accompany the shipment with the appropriate bills of lading.

7.13. TRANSPORTATION DISCREPANCIES IN VENDOR DELIVERIES AND SHIPMENT RECEIPTS.

a. The DFSP processes transportation discrepancies in DLA Energy supplier deliveries sent through the Defense Transportation System and shipments within the CONUS shipped by DLA Energy-designated commercial carriers in accordance with Part II of the Defense Transportation Regulation (DTR) 4500.9-R.

b. The RO, DFSP manager, or authorized representative of the customer direct sale:

(1) Reports shipping or packaging discrepancies to the DLA Energy Aerospace Energy AO on the SF 364, "Report of Discrepancy."

(2) Prepares and distributes the SF 364 in accordance with Defense Logistics Manual 4000.25.

(3) Mails, facsimiles, or e-mails a copy of the completed SF 364 within 24 hours or the next duty day to the DLA Energy AO at:

Attn: DLA Energy Aerospace Energy
1014 Billy Mitchell Blvd.
Bldg. 1621
San Antonio, TX 78226-1859

(4) Contacts DLA Energy at (210) 925-4842 for the e-mail address or facsimile number of the current AO.

(5) Advises the major command of the discrepancy, if the DFSP is on a military installation.

7.14. AUTHORIZED SALES FROM A DFSP. To ensure proper accountability of DWCF-owned aerospace energy products, each DFSP:

a. Conducts all sales from a DFSP-storing, DWCF-owned aerospace energy products only to customers authorized to receive product.

b. Uses the identaplates and imprinter provided by DLA Energy to document the DD Form 1898, "Energy Sale Slip."

(1) Separates all DD Forms 1898 or DD Forms 1149 issued during the month by individual customers.

(2) Consolidates for the month on the DD Form 2913 and DD Form 2924.

(3) Records the total consumption by individual customers on the DD Form 2913 and submit the DD Form 2913 with the DD Form 2924.

c. Identifies the end project, program and contract at the time of issue of the liquid, and completes the sale under the liquid stock number for the quantity of product issued for conversion to gaseous state. In some instances, nitrogen and hydrogen are received in the liquid form and the liquid is converted by various means into the gaseous state for end use.

7.15. RETURN AND SUBSEQUENT RE-SALE OF PRODUCT TO A DFSP.

a. A customer must contact DLA Energy, in advance, to obtain approval for the return of excess product to a DFSP. Before the request, the customer must provide copies of laboratory analysis of the excess product to DLA Energy and parent organization, as applicable.

b. DLA Energy will arrange for transportation for all DLA-owned or leased containers as well as customer-owned containers used in returning excess product to the DFSP.

c. The activity initiating the return will fund the cost of transporting the excess or returned product.

d. DLA Energy may accept return of customer-owned product and provide credit to the customer under these circumstances:

(1) If after the sale of product to one customer based on a previously submitted forecast, the mission requirements of that customer change and the product is no longer required but still determined to be on-specification or can be reprocessed under an existing DLA Energy contract.

(2) The cost of reprocessing may be deducted from the credit allowed, if product returned requires reprocessing to bring the product to within specification.

(a) The customer will be responsible for any additional expenses incurred, e.g., laboratory services and overhead costs.

(b) If the product is not required by DLA Energy or if reprocessing costs or steps would be too costly, DLA Energy may recommend that the customer seek other disposition options rather than returning it to DLA Energy.

(3) Products not ordered, non-acceptable substitutes, or received off-specification product, provided the responsibility for the oversight is determined not to be that of the DFSP or end use customer.

e. Returned products that do not meet the criteria for credit as mentioned in Paragraph 7.15.d., may be accepted at no credit to the customer.

7.16. RECORDING A RETURN OF PRODUCT TO A DFSP.

a. DFSPs record the return of product to a DFSP on a DD Form 1898 to document the credit for the product to be returned.

b. In recording returns for credit, the DWCF transaction recorder:

(1) Identifies the product being returned, unit of issue, customer, original date of sale, and the quantity returned to inventory on the DD Form 1898 and the DD Form 2913.

(2) Documents the credit transaction using DD Form 1898 and submits the credit on the DD Form 2913.

(3) Records the quantity returned as a determinable gain on the DD Form 2924 and DD Form 2925 for returned product where no credit is provided to the customer.

(4) Returns on-specification, excess product as a return and subsequent re-sale of product to a DFSP.

c. The issuing DFSP:

(1) Processes a credit transaction for the quantity returned, not to exceed the amount as identified on the original DD Form 2913.

(2) Reflects the original date of the sale in the remarks column of the DD Form 2913 for the authorized return of product to a DFSP.

(3) Includes the DLA Energy-QEM AO's approval authorization.

7.17. CERTIFIED PIPELINE INVENTORY. Each DFSP:

- a. Accounts for the pipeline inventory carried in the pipeline system of a location.
- b. Obtains the inventory of a full line using the mathematical computation furnished by the certified civil engineer for the installation, if applicable, or by DLA Energy.
- c. Includes product in a pipeline is part of the overall DWCF-owned inventory.
- d. When an operating pipeline exists, includes the DWCF-owned product in the pipeline in the inventory record of DD Form 2917.
- e. Retains a copy of the certified pipeline inventory.

7.18. DFSP PHYSICAL AND BOOK INVENTORY PROCESSES.

- a. The RO, TM, or DFSP manager:
 - (1) Conducts a weekly physical inventory of product in all active DLA Energy Aerospace Energy bulk storage tanks, rail cars, trailers, drums, cylinders, dewars, or tube trailers.
 - (2) Includes active components in the weekly physical inventory where a transaction (e.g., issue, receipt, credit, or transfer) has occurred within the past 24 hours.
 - (3) Inventories the physical inventory with the actual total on hand quantity of each grade of product stored at the DFSP.
 - (4) Includes in the monthly inventory:
 - (a) Inactive components where a transaction has not occurred within the past 24 hours.
 - (b) Inactive aerospace energy product storage equipment.
 - (c) When a transaction occurs.
 - (5) Records the physical inventory on the DD Form 2917 and DD Form 2925 as of 0800 hours, as applicable. The RO, TM, or DFSP manager uses the previous month's closing physical inventory as the beginning inventory for the next month.
- b. The DWCF transaction recorder uses the DD Form 2917 in conjunction with the DD Form 2925 to document the physical inventory of aerospace energy products at the DFSP. The DWCF transaction recorder:
 - (1) Verifies appropriate quantities in the pipelines, if applicable.
 - (2) Enters the totals of all quantity columns.

- (3) Enters the totals by product on the DD Form 2925 for the previous month's record.
- (4) Signs the DD Form 2917 and DD Form 2925.

c. The DFSP:

- (1) Keeps a book inventory, with the calculated inventory that should be on hand for each grade of DWCF-owned aerospace energy product stored at the DFSP.
- (2) Reflects the summary of the beginning physical inventory, all receipts, transfers in and determinable gains minus all sales, transfers out, and determinable losses in the book inventory.
- (3) Uses the DD Form 2925 to document the book inventory.
- (4) Reconciles resulting variances between physical inventory and book inventory for the specific grade of DWCF-owned aerospace energy product in accordance with Paragraph 7.19.
 - (a) Accounts for gain in inventory as a positive variance.
 - (b) Accounts for a loss in inventory as a negative variance.

d. The RO, TM, or DFSP manager:

- (1) Maintains a written inventory listing of all DLA-owned or leased shipping containers in their possession by serial number.
- (2) Includes in the physical inventory the quantity shipped as the amount of product in the container if the individual container's seal is unbroken and there is no evidence of leakage.
- (3) Includes in the physical inventory the actual quantity remaining in the container, as determined by industry standards, if the seal has been broken or there is evidence of leakage.
- (4) Performs a daily visual inspection of aerospace energy product storage vessels or containers for signs of leakage.
- (5) Performs a physical count the first day of each month to ensure that all aerospace energy products and storage vessels are secure, safe, and accounted for.
- (6) Files one copy of each document covering determinable losses or gains in the monthly document control folder.
- (7) Sends a copy of the documentation covering the determinable losses or gains to the DLA Energy AO with a copy of the DFSP MITR.

7.19. VARIANCES OF DWCF-OWNED INVENTORY.

a. The DFSP may consider some inventory variances as unavoidable and expected to occur under normal storage and handling conditions of propellants, oxidizers, pressurants, and related items.

b. The assigned RO or DFSP manager will calculate the monthly inventory variances on all DWCF-owned inventories. In doing so, the RO or DFSP manager:

(1) Determines the inventory variance between the ending book inventory and ending physical inventory.

(2) Determines the beginning inventory from the sum of the beginning physical inventory and receipts, transfers in, retrograde increases, and determinable gains.

(3) Uses the formula in Figure 1 to determine the monthly inventory variance:

Figure 1. Variance Formula

inventory variance	÷	The sum of the beginning physical inventory and receipts and transfers in.	X	100	= monthly inventory variance
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(4) Considers historical inventory variances with allowable standard tolerance factors.

(a) Hypergols (all grades or types of hydrazines and dinitrogen tetroxide): 0.30 percent.

(b) Rocket propellant -1 and 2, and JP-10: 0.25 percent.

(c) Unreported DFSP inventory variances for cryogenics and gases and prorated losses to the consuming customers for that month as shown in Table 3.

(5) Considers variance percentages exceeding these established tolerances as excessive.

c. For all other aerospace energy commodities, the RO or DFSP manager:

(1) Establishes a local inventory variance tolerance factor by conducting a 2-year operating gain or loss trend analysis.

(2) Determines an average gain or loss factor that will be applied as the allowable inventory variance tolerance factor for that DFSP and commodity.

(3) Provides the local trend analysis and determined tolerance factor to the DLA Energy AO, in advance, for approval.

Table 4. Computing Prorated Losses

Example	Losses for 1 month were 21 tons. Customer A used 50 tons, customer B used 80 tons, and customer C used 10 tons. Total usage was 140 tons. The losses are divided by the total usage to obtain a percentage (21 tons divided by 140 tons = 15%). A factor of 15% is applied to the usage for each customer.					
	Customer	Use	x	Factor Applied	=	Prorated loss
	A	50 tons	x	15%	=	7.5 tons
	B	80 tons	x	15%	=	12.0 tons
	C	10 tons	x	15%	=	1.5 tons
Total						21.0 tons
	Customer	Use	+	Prorated loss	=	Amount Charged For
	A	50 tons	+	7.5 tons	=	57.5 tons
	B	80 tons	+	12.0 tons	=	92.0 tons
	C	10 tons	+	1.5 tons	=	11.5 tons
Total						161.0 tons

d. For DFSPs located at contractor-owned, contractor-operated production facilities as part of the DLA Energy Contract, DLA Energy will conduct the trend analysis with resulting allowable standard tolerance factors stated as part of the DLA Energy contract terms and conditions.

e. The RO, TM, or DFSP manager or authorized representative managing a DFSP:

(1) Researches excessive inventory variances to determine the cause of the inventory discrepancy.

(2) Submits to the DLA Energy AO a DD Form 1348-8, “DoD Military Standard Petroleum System: DFSP Inventory and End-of-Month Report,” describing the investigation methodology for the variance, the conclusion, and recommendations.

f. DLA Energy will monitor all reported variances to ensure they are within approved limits. If the RO or DFSP manager’s investigation reveals that excessive losses are the result of negligence, willful misconduct, or deliberate unauthorized use, DLA Energy may seek a determination of responsibility through the appropriate commanding officer or contract officer.

7.20. DFSP REPORTING PROCEDURES.

a. A DFSP will provide a DD Form 2924 summarizing transactions for each applicable product, by NSN or specification.

b. The DWCF transaction recorder:

(1) Prepares the DD Form 2924 covering transactions from the first day of the month through the close of business of the last day of the month.

(2) Submits the original copy, by the tenth of each month, to:

Attn: DLA Energy Aerospace Energy
1014 Billy Mitchell Blvd.
Bldg. 1621
San Antonio, TX 78226-1859

c. All OCONUS DoD installations will prepare the report with a copy mailed to their respective SCP. A DD Form 2924 is required even if there was no activity or a zero inventory status exists.

(1) Prorate losses within tolerance for all cryogenics and gases at DFSPs such as, liquid nitrogen, liquid oxygen, gaseous nitrogen, liquid hydrogen, and gaseous hydrogen. Use the procedures in Table 3 as an example of how to compute prorated losses each month for the consuming customer(s).

(2) Permit where possible, a minimum maintenance inventory standard required for maintenance of the tanks.

d. Each DFSP:

(1) Prepares the DD Form 2913 to document, consolidate, and report sales on a monthly basis for customer billing and inventory accountability.

(2) Prepares a separate DD Form 2913 for each customer by individual NSNs.

(3) Attaches a copy of DD Form 2913 to the DD Form 2924 submitted to DLA Energy-QEM.

(4) Forwards a copy of the DD Form 2913 to the applicable customer.

(5) Maintains one copy of the DD Form 2913 as an official file, and issues the form only to authorized customers as identified on the authorized customer list provided by the aerospace energy resolution specialist.

(6) Uses the authorized sales from the DFSP customer list, to identify the current customer code, customer address, program, funding document number, nomenclature, quantity, and customer billing address.

(7) Submits corrections to the DD Forms 2913, if necessary, within 3 months of the original DD Form 2913 submission.

(8) Submit requests for adjustments to DD Forms 2913 older than 3 months to the DLA Energy AO.

e. DLA Energy updates the authorized customer list as required and concurrently generates the customer's identaplate.

f. The RO or DFSP manager will review sales to identify any product issued to unauthorized customers.

g. The DFSP will reimburse DLA Energy for any issue of DWCF aerospace energy-managed products to unauthorized customers.

h. The DFSP must contact DLA Energy when a customer requests return of product to DWCF inventory before accepting the return.

i. The DLA Energy AO will review and provide approval, if appropriate, for return of any product to DWCF-owned inventory.

j. If a the return and subsequent credit is allowed, the DFSP will prepare the DD Form 2913 and the DD Form 1898 to reflect the quantity returned, the appropriate customer to apply the credit to, and the original date of sale.

k. The DFSP will attach a copy of the original DD Form 2913 to the corrected DD Form 2913 and applicable DD Form 1898.

7.21. REGRADED OR CONVERTED DWCF-OWNED PRODUCTS. Each DFSP:

a. Identifies any DWCF-owned product that was being reported under one NSN but was then regarded or converted to another NSN.

b. When a regrade or conversion occurs, documents the change on DD Form 2925 for each NSN, and records the regrade or conversion out of the losing NSN under "Products Issues shipments out from DFSPs."

c. Records the regrade or conversion into the gaining NSN under receipts of shipments from DFSPs, column F quantity received.

d. Completes a DD Form 2925 for each NSN.

e. Records the regrade or conversion on the DD Form 2924.

f. Records the reggraded or converted NSN as a decrease to DWCF inventory using item number 8 on the DD Form 2924.

g. Records the gaining NSN as an increase using item number 4 on the DD Form 2924.

7.22. ACCOUNTING FOR DWCF-OWNED OFF-SPECIFICATION OR EXCESS PRODUCT. Each DFSP:

- a. Accounts for any product that is awaiting disposition on the DD Form 2924.
- b. Identifies the quantity reported as either off-specification or excess in an explanatory note.
- c. Accounts for shipments to another DFSP as a shipment out using a DD Form 1348-7.
- d. Accounts for the product quantity shipped to DLA Disposition Services or contractor location for reprocessing under the DLA Energy contract as a loss with appropriate explanatory note.
- e. Ships the product when directed by the DLA Energy AO.
- f. Forwards a copy of the shipment documentation to the DLA Energy AO.
- g. Submits the DD Form 2924 reflecting the loss to DLA Energy Aerospace Energy.

7.23. REPROCESSING OF CUSTOMER-OWNED HYPERGOLIC PRODUCTS.

- a. A DoD Component or Participating Agency that receives off specification product will:
 - (1) Contact DLA Energy Aerospace Energy for potentially reprocessing of the customer-owned hypergols previously procured from DLA Energy.
 - (2) Submit a copy of the laboratory analysis to DLA Energy to confirm the customer-owned product is not contaminated.
 - (3) Dispose of the product with DLA Energy assistance if the DLA Energy supplier does not have the ability to reprocess under the current contract.
- b. DLA Energy:
 - (1) Reviews customer requests for reprocessing of hypergols to determine availability of reprocessing methods.
 - (2) Bills the customer for all applicable costs for reprocessing of customer-owned product if reprocessing is feasible and otherwise allowable under the DLA Energy contract.
 - (3) Returns the product to the customer for use, and provides no credit if reprocessed.

7.24. TRANSPORTATION PROCEDURES FOR SHIPMENT, RETURN, OR MOVEMENT OF EMPTY, EMPTY WITH RESIDUE, PARTIAL, AND FULL CONTAINERS.

- a. DoD Components and Participating Agencies use DLA Energy Government-owned or leased containers for shipment of DLA Energy procured products to a DFSP or to a customer's delivery location.
- b. DLA Energy establishes management and oversight procedures to ensure proper accounting of the receipt, handling, storage, inventory, or shipment of DLA containers.
- c. The aerospace energy transportation office arranges for transportation of all containers whether empty, empty with energy product residue, partially full, or full of aerospace energy products.
- d. DLA Energy ships the containerized products for CONUS customers.
- e. For OCONUS customers who have a valid DoDAAC with a point of contact to physically accept the commodity, DLA Energy:
 - (1) Ships the containerized product from the DLA Energy contractor's fill plant to the OCONUS address designated in the transportation account code of the customer's DoDAAC.
 - (2) Ships the product to the customer-designated CONUS port of embarkation, if the OCONUS customer does not have a valid DoDAAC or a point of contact to physically accept the product delivery.
 - (3) Delivers to the port of embarkation or freight forwarder for FMS customers.
- f. A DoD Component or Participating Agency that has received aerospace energy product:
 - (1) Receives and returns containers through the local installation transportation office for CONUS DoD installations.
 - (2) Receives and returns containers as directed by DLA Energy for OCONUS DoD installations as well as non-DoD customers.
- g. For receipt of containers, the DFSP or direct sale customer, as applicable, will:
 - (1) Verify the containers' serial numbers as listed on the commercial bill of lading (CBL) as compared to the serial numbers on the containers actually received.
 - (2) Identify any discrepancies in the serial numbers, as listed, to the aerospace energy transportation office.
 - (3) Provide a receipt of shipment using the Form 2914 to the aerospace energy transportation office via facsimile or e-mail within 24 hours or by the next duty day of the receipt of a container used in shipping aerospace energy product.

(4) Complete the receipt of shipment notice with:

- (a) CBL number, if applicable.
- (b) Carrier tracking number.
- (c) Transportation control number.
- (d) Receipt date.
- (e) Quantity and container type.

(5) Immediately notify the aerospace energy transportation office if the container appears damaged upon receipt.

(6) Store the damaged container until the aerospace energy transportation office provides disposition instructions.

h. For on-site storage and handling of containers, a DFSP or direct sale customer will:

(1) Provide storage and handling of containers.

(2) Provide a monthly listing sorted by product and container serial number for each Government-owned or leased container that is held at their location for more than 30 days to DLA Energy.

(3) Document and identify any DLA container that is no longer usable due to loss, damage, or destruction on a DD Form 1348-1A, "Issue Release/Receipt Document," directly to the aerospace energy transportation office immediately on discovery.

i. The DLA Energy AO or the DLA Energy APO for PP&E:

(1) Requests the RO, TM, DFSP manager, or APOR to initiate a report of survey action.

(2) Bases the report of survey on whether the container was empty, empty with residue, partial, or full of aerospace energy product.

(3) Forwards a copy of the investigation report of property loss or a DD Form 200, "Financial Liability Investigation of Property Loss," to the DLA Energy AO or DLA Energy APO.

(4) Bills the customer for the costs of DLA containers that are no longer usable when DLA Energy determines that willful misconduct or negligence of the DFSP or customers has occurred.

(5) Customers may not destroy or otherwise dispose of any DLA container without prior approval from the aerospace energy transportation office.

j. For customer return of containers:

(1) A customer will not ship containers regardless of whether empty, empty with residue, partial, or full, without advance approval from the aerospace energy transportation office. This encompasses any movement of the container beyond the normal delivery area for the receiving customer location for direct sale customers.

(2) The customer must contact the DLA Energy customer account specialist for disposition and return of the product before shipment when returning containers with product, regardless of whether the containers are full or partial, Government-owned, leased, or customer-owned. Contact information can be found in Paragraph j.(4)(d).

(3) The aerospace energy transportation office:

(a) Provides shipping and disposition instructions before shipment of any container.

(b) Authorizes the movement of the empty, empty with residue, partial, or full containers within CONUS.

(c) Provides the fund cite and all specific transportation instructions related to the shipment of the container.

(4) The customer or its transportation office:

(a) Documents the shipping and disposition instructions on the DD Form 1149 and CBL.

(b) Annotates each container's serial number on the DD Form 1149, DD Form 1348-1A, and CBL.

(c) Provides a report to the aerospace energy transportation office of all applicable shipping and documentation in advance of the customer's anticipated shipping date. The report of shipment includes the:

1. CBL number.

2. Carrier.

3. Ship date.

4. Estimated time of arrival.

5. Quantity and container type.

(d) Provides copies of the CBL to the driver, and mails one copy to:

Attn: DLA Energy Aerospace Energy
1014 Billy Mitchell Blvd.
Bldg. 1621
San Antonio, TX 78226-1859

k. DLA Energy:

(1) Does not charge customers a monthly container rental fee when product is sold and shipped to the customer in the container that is kept at the customer's facility no longer than 3 months.

(2) Encourages customers to promptly return Government-owned or leased containers so that DLA Energy can maintain a sufficient inventory to support all customer requirements. This will preclude costly purchase of additional containers, keeping the cost of supporting all DLA Energy customers as low as possible.

(a) If a customer has a requirement for long-term storage of product (i.e., more than 3 months), the customer should notify DLA Energy to discuss various options for storage of product or to obtain advance approval to use the container as storage.

(b) If the customer has not obtained advance approval to use a container for an extended period of time, the customer may be charged the replacement costs of the container.

(3) Charges the customer for the actual lease costs for use of the container beyond 3 months when DLA Energy leases the shipping container.

(4) Charges a rental fee for use of cylinders on a monthly basis in the event a customer requires use of an empty DLA cylinder in which product was not sold and shipped to the customer. The fee is effective on delivery of the empty cylinder to the customer. Determine the monthly rental fee for use of other types of empty containers on a case-by-case basis.

l. Each CONUS activity is responsible for detention charges at its facility for delay of a carrier's equipment in excess of carrier's tariff or tender allowable free time, unless the customer can provide evidence that the carrier itself caused the delay.

(1) The aerospace energy transportation office provides the transport equipment delay certificate, which the customer must complete to show time and date the carrier arrived and departed, as well as any reasons for the delay, including dates and times.

(2) Both the driver and the loading or unloading personnel at the customer location must sign and validate the delay certificate.

m. The customer must provide a copy of the signed delay certificate to:

(1) The aerospace energy transportation office.

(2) The driver for submission with an invoice for certification of payment.

7.25. SUSTAINMENT, RESTORATION, AND MODERNIZATION (S/RM) AT A DLA ENERGY AEROSPACE ENERGY DFSP. Each DoD Component and Participating Agency:

- a. Uses the DWCF to budget for and provide S/RM funds to DoD activities that store and distribute bulk DWCF-owned products from a DFSP for use by all DLA Energy customers, not just those otherwise supported by the DFSP, e.g., aerospace energy hypergol products, bulk hydrazine, or dinitrogen tetroxide.
- b. Uses the guidelines, processes, and procedures in Volume 8 of this manual for any DLA Energy Aerospace Energy DFSP whose S/RM projects are funded by DLA Energy, except that any prioritization of projects will only be with other hypergol projects, not with bulk petroleum projects.

APPENDIX 7A: MOCK SAMPLE DD FORM 2916

FORECAST OF SALES REQUIREMENTS MISSILE PROPELLANTS AND PRESSURANTS				REPORT CONTROL SYMBOL DD-AT&L(A)2250	
1. REPORTING ACTIVITY/DFSP NAME AND DoDAAC					
a. OFFICE:			e. REPORTING ACTIVITY CODE:		
b. ADDRESS:			f. PHONE:		
c. CITY:			g. FAX:		
d. APO-FPO/COUNTRY -					h. POC:
			i. E-MAIL:		
2. PROGRAM DATA					
a. PROGRAM NAME:			f. PROGRAM ACRONYM:		
b. PROGRAM OFFICE:			g. PHONE:		
c. ADDRESS:			h. FAX:		
d. CITY:			i. PROGRAM MANAGER:		
e. APO-FPO/COUNTRY -					j. E-MAIL:
3. FUNDING DATA					
a. P.O./MIPR:		b. CIC:		c. SC:	
4. SHIPMENT DATA					
a. SHIP TO:			f. RECEIVING ACTIVITY CODE:		
b. BUILDING/SITE:			g. PHONE:		
c. ADDRESS:			h. FAX:		
d. CITY:			i. POC:		
e. APO-FPO/COUNTRY -					j. E-MAIL:
k. MARK FOR:					
l. PRODUCT NOUN:			m. NSN:		n. UNIT OF ISSUE:
o. AVAILABLE STORAGE:					
p. PACKAGING REQUIREMENT(S)/CONTAINER(S) SIZE/CAPACITY/TURN AROUND:					
5. SALES FORECAST					
POTENTIAL					
a. METHOD OF COMPUTATION:					
b. YEAR					
JAN					
FEB					
MAR					
APR					
MAY					
JUN					
JUL					
AUG					
SEP					
OCT					
NOV					
DEC					
c. TOTAL \$					
6.a. PREPARED BY:			b. PHONE:		c. DATE (YYYYMMDD)
7.a. APPROVED BY:			b. PHONE:		c. DATE (YYYYMMDD)

APPENDIX 7A: MOCK SAMPLE DD FORM 2916 INSTRUCTIONS

INSTRUCTIONS FOR PREPARING FORECAST OF SALES REQUIREMENTS
<p>Forecast of Sales Requirements will be prepared on DD Form 2916. This form is designed to be self-explanatory. Unless otherwise designated, contact DESC-MIC at (210) 925-4842 for general guidance. Additional information and explanations for certain segments follow.</p>
<p>GENERAL INFORMATION REQUIRED</p>
<p>Every data block provided should be filled in to give as complete a picture of your sales requirements as possible. Annotate with a TDB if you will have details to supply later, or just leave blank and we will contact you later if needed.</p> <p>Completion and submission of this form does not constitute a request for delivery of product. Data provided will be used in a forecast model for planning purposes only.</p>
<p>SPECIAL INSTRUCTIONS TO CONTROLLED STORAGE POINTS</p>
<p>Do not forecast for replenishment inventory, rather forecast anticipated usage (sale or issue) of product. Do provide your storage capacity for the product being forecasted, minimum and maximum levels included.</p>
<p>ITEM DESCRIPTIONS</p>
<p>1. REPORTING ACTIVITY (DFSP). This is the office from which the forecast is prepared and submitted. Data provided in this segment will be used to address all future correspondence issued by this Directorate and is viewed as the primary point of contact for all support issues.</p> <p>d. APO-FPO/COUNTRY - STATE/ZIP CODE. This format will allow overseas customers the ability to complete their mailing address. Example: APO AE 08645-4900 vs. US customer - CA 92518.</p> <p>e. REPORTING ACTIVITY CODE. This block is reserved for your four letter Reporting Activity Code, or DoDAAC.</p> <p>f. PHONE. The format will allow 800, DSN or Commercial numbers. Example: (800) or (DSN) or (210) 999-9999.</p> <p>2. PROGRAM DATA. This information is commonly used to validate the customer as one in which we can legally support with product and service assets procured with Air Force Working Capital Funds.</p> <p>a. PROGRAM NAME. Identify the Program, Project, or Application for the product.</p> <p>f. PROGRAM ACRONYM. Identify the Program, Project, or Application acronym.</p> <p>i. PROGRAM MANAGER. Identify the Program or Project Manager.</p> <p>3. FUNDING DATA. Product and/or services provided will be reimbursable to the Air Force Working Capital Fund. Data supplied in this segment is usually for an existing or newly established program.</p> <p>a. P.O./MIPR. When known, provide Purchase Order or Military Interdepartmental Purchase Request from which you plan to order product and/or services.</p> <p>b. CIC. The Customer Identification Code is issued prior to customers ordering product and services. Issuance of a CIC occurs after receipt of a P.O. or MIPR.</p> <p>c. SC. Sales Code identifies the funding organization. Example: Army, Navy, or NASA. Fill in if known.</p> <p>4. SHIPMENT DATA. Supply the location data where the product will be issued or consumed.</p> <p>f. RECEIVING ACTIVITY CODE. This block is reserved for your four letter Reporting Activity Code or DoDAAC.</p> <p>k. MARK FOR. Supplemental delivery instructions for shipment processing and notifications.</p> <p>o. AVAILABLE STORAGE. Provide your storage capacity for the product being forecasted, minimum and maximum levels included.</p> <p>p. PACKAGING REQUIREMENT(S)/CONTAINER(S) SIZE/CAPACITY/TURNAROUND. Provide the type of container you will require. This will include any special fittings or adapters for transfer of product. The turnaround applies to your anticipated time that a container will be in your possession.</p> <p>5. SALES FORECASTS. Forecasts provided are for Sales only.</p> <p>All forecasts will be considered Firm unless the box next to "Potential" is marked.</p> <p>a. METHOD OF COMPUTATION. This is an optional text field to be completed with mathematical computations, which will add value and comprehension to your forecasts.</p>

SECTION 8: FUEL ADDITIVES PROCEDURES

8.1. PACKAGED ADDITIVES.

a. A DFSP will:

(1) Purchase packaged fuel additives, including:

- (a) Drummed inhibitors.
- (b) Packaged fuel system icing inhibitor (FSII).
- (c) Corrosion inhibitors.
- (d) Static dissipater additive.
- (e) Conductivity additive.
- (f) Anti-static additive.

(2) Purchase packaged fuel additives from:

- (a) Contracts administered by the Defense Supply Center Richmond located in Richmond, Virginia.
- (b) The respective region in which the DFSP is assigned via e-mail, telephone, or facsimile.

b. Fuel additives will be injected before the base level DFSP receives the product:

(1) At the intermediate DFSP that will supply the base level where either:

- (a) The intermediate DFSP is contracted by DLA Energy.
- (b) The intermediate DFSP is Government-run and the additives have been approved through DLA Energy, the intermediate DFSP, and the SCP. Approval must be secured with enough time to procure and install additives capability at the intermediate DFSP through established DLA-Energy-funded SRM or MILCON program.

(2) At the industry source when delivered directly to the base level DFSP.

(3) By the pipeline operator when delivery is made by common carrier multiproduct pipeline.

c. DLA Energy funding for fuel additives will be made available for product not owned or bought by DLA Energy or DWCF, such as fuel exchange agreements (FEA), or “free fuel” situations.

8.2. BULK FUEL ADDITIVES.

a. DLA Energy regional offices facilitate DFSPs to ensure adequate supply is available to satisfy requirements.

b. A DFSP notifies the DLA Energy regional office when delivery delays will adversely affect mission capability.

c. DLA Energy regional offices assist the DFSP to acquire lateral support from another DFSP and will contact DLA Energy-LS for assistance if lateral support is not available within the theater.

(1) DoD Components should contact their DLA Energy regional office inventory or traffic management specialist to order bulk fuel additives for DWCF-owned product.

(2) DLA Energy regional offices coordinate bulk fuel additive requirements with DLA Energy-LS.

d. DLA Energy centrally funds bulk and packaged fuel additives through the DWCF.

8.3. REQUISITIONING FUEL ADDITIVES.

a. The DLA Energy regional office and Service-operated DFSP requisition packaged fuel additives to achieve appropriate on hand stock levels at the DFSP. The DFSP's accountant follows up a requisition request to determine product availability and to ensure projected delivery dates will not adversely affect mission support capabilities.

b. In instances where projected delivery dates could degrade mission support, the DFSP will contact its DLA Energy regional office for assistance.

(1) The DLA Energy regional office will assist the DFSP in acquiring lateral support from another DFSP.

(2) If the lateral support is not available within theater, the DLA Energy regional office will contact DLA Energy-LS for assistance.

c. Ordering activities will not create duplicate requisitions or excessive back orders that result in excessive procurement actions, expiration of product shelf life, product quality degradation, environmental concerns, and hazardous waste disposition issues.

d. DLA stocks items based on a recurring demand rate. To ensure fuel additives are available when required, a DFSP should not "stockpile" fuel additives. For example, if a DFSP requires 60 drums of FSII during a 6 month period, the DFSP should place an order for 10 drums per month to establish the demand level of 10 drums of FSII a month.

e. On fuel additive shipment arrival, the DFSP will verify the NSN, the unit of issue, quantity, and the requisition number on the shipping document.

SECTION 9: DIRECT DELIVERY FUELS PROCEDURES

9.1. PURCHASE PROGRAM CRITERIA. The DoD Component, SCP, CCMD, JPO, DLA Energy regional office, or Participating Agency will submit its requirements to DLA Energy-FEP to obtain essential and realistic requirement data, including:

a. Annual consumption requirements by purchase program, product grade, and location. DLA Energy-FEP centrally purchases commercial energy commodities (domestic or overseas) above an annual volume threshold as described in Section 3 of this manual. The thresholds are:

- (1) PC&S. Procure ground fuel products for purchases that exceed 10,000 gallons annually.
- (2) Into-Plane. Procure aviation fuels for purchases that exceed 50,000 gallons annually.
- (3) Bunkers. Procure ship propulsion fuels for purchases that exceed 84,000 gallons or 267 metric tons annually.

b. Identification of any delivery conditions or restrictions that may cause supplier delivery problems.

9.2. REQUIREMENT SUBMISSIONS.

a. PC&S Purchase Program. Participating Agencies:

(1) DLA Energy will gather PC&S program ground fuel requirements at CONUS and OCONUS locations and update the master data in the Traders and Schedulers Workbench system, if needed.

(2) Customers will use DLA Form 2053, "DLA Energy Fuel Requirements Worksheet," or DLA EEBP online system to submit requirements data and review, change, and validate delivery information.

(3) DoD Components must obtain authority to locally purchase energy commodities in excess of the annual thresholds under PC&S purchase programs. DoD Components will contact the DLA Energy contracting officer supporting their activity regarding local purchase requests. A Participating Agency is not required to obtain local purchase authority.

b. Into-Plane Purchase Program.

(1) A DoD Component:

(a) Requests DLA Energy to contract for aviation fuel at commercial airports when military aircraft missions necessitate refueling at such locations.

(b) Uses available contracts at commercial airports.

(c) Uses the Aviation Into-Plane Reimbursement Card®, as needed, without requesting DLA Energy authorization when the commercial airport if the merchant accepts the Aviation Into-Plane Reimbursement Card®, if a DLA Energy Into-Plane contract is not available at the commercial airport.

(2) A Participating Agency submits:

(a) Requirements to its respective SCP to request DLA Energy to contract for aviation fuel when military aircraft missions necessitate refueling at commercial airports in excess of 50,000 gallons annually.

(b) The validated requirements information to the DLA Energy Mobility Fuels and Card Program Division (DLA Energy-FEPE) Into-Plane fuels requirements manager using a DLA Form 2053.

(3) The SCP completes final review and coordination with the DoD Components.

(4) The Participating Agency forwards requirements directly to the Mobility Fuels Division using a DLA Form 2053.

c. Bunkers Purchase Program.

(1) A DoD Component or Participating Agency submits requirements for bunkers fuel to DLA Energy through their SCPs.

(2) An SCP completes final review and coordination with the DoD Components and forward requirements information to the Mobility Fuels Division, DLA Energy-FEPE bunkers fuels requirements manager using a DLA Form 2053.

(3) A Participating Agency forwards requirements directly to the Mobility Fuels Division.

(4) Local purchase is authorized for DoD Components and Participating Agencies requiring bunkers fuel at any port or location where there is no current DLA Energy bunkers contract in place for the product or delivery method required, or where the quantity required is less than the minimum order as specified in the DLA Energy bunkers contract.

SECTION 10: AFLOAT PREPOSITIONING PROCEDURES

10.1. GENERAL.

a. The Military Sealift Command (MSC) provides ships and operating support under three afloat pre-positioning force (APF) categories:

(1) Maritime prepositioning ships to carry equipment and supplies for the U.S. Marine Corps.

(2) Navy, DLA, and Air Force tankers and dry cargo ships loaded with DWCF energy commodities, Marine Corps aviation support equipment, and Air Force and Navy munitions.

(3) Army prepositioned stocks to carry equipment and supplies for U.S. Army heavy brigade, combat support, and service support elements.

b. Current APF ship inventory has PWRS stored on maritime prepositioning ships vessels only.

10.2. ACCOUNTABILITY. The ship master or authorized designee:

a. Executes accountability of PWRS stored on APF vessels in accordance with Volume 6 of this manual and Military Standard 3004.

b. Maintains a clear and accurate audit trail of PWRS inventory records and related transactional data. The PWRS and bunkers fuel inventory records will be maintained separately.

c. Forwards inventory accounting documentation on completion of receipt, sale, transfer, or physical inventory to MSC Prepositioning Program for processing.

10.3. DOCUMENTATION.

a. The onshore QAR or Government representative:

(1) Witnesses and assists the ship master in filling out the appropriate DD Form 250 series document and other supporting documentation related to PWRS.

(2) Assists MSC with in-transit gain or loss investigations for PWRS that exceed allowable tolerance factors, as specified in the procedures in Volume 6 of this manual, for ship to shore and shore to ship transfers, including a clear explanation and the cause of the discrepancy. Provide all related information to the receiving DFSP RO.

b. The APF ship master or designee:

(1) Maintains PWRS quality, inventory, accountable transaction records, source documents, and data in compliance with this manual to ensure a clear audit trail.

(2) Maintains an MSC and contractor personnel workforce, who is trained on all procedural and software changes to DLA Energy inventory account processing applications and required to maintain accurate DWCF accounts.

(3) Implements all necessary software upgrades and data entries into the DLA Energy system of record.

(4) Obtains complete loading documents, including the DD Form 250-1, DD Form 1149, ullage reports, and product quality test reports.

(5) Completes discharge documents to include DD Form 1149 and ullage reports.

(6) Completes product transfer documents (e.g., billing data for each sale between APF ships, from APF ships to Navy ships, and APF ship onboard use) and quality certificates for tests performed on board the APF vessel.

(7) Provides copies of completed load and discharge ullage reports to the onshore QAR or Government representative before terminal departure.

(8) Performs in-depth investigations, provides explanations, and reports any loss or gain where fraud, waste, theft, negligence, or willful misconduct is evident or that exceed the stated tolerance criteria of Volume 11 of this manual.

(9) Conducts in-transit gains or losses investigations when the variance exceeds allowable tolerance in accordance with Volume 6 of this manual for ship to shore transfers to include a clear explanation and cause. The APF ship master or designee provides related information to the receiving DFSP RO.

(10) Accounts for and informs DLA Energy-Logistics Operations Directorate (DLA Energy-L) of DWCF motor gasoline intermodal container inventory and storage location of containers removed from a ship due to ship overhaul or repair.

(11) Advises DLA Energy by message, e-mail, or telephone of fuel receipts from commercial or foreign government sources, whether provided with or without charge.

(12) Advises DLA Energy of any product release or spill of DLA Energy-owned product by e-mail to dla.energy.spillreports@dla.mil.

10.4. QUALITY AND QUANTITY CERTIFICATION PROCEDURES.

a. Shore to Ship Transfers. The onshore QAR or Government representative:

(1) Verifies cargo quality and quantity for all transfers.

(2) Measures net quantities at 60° Fahrenheit (F) in U.S. gallons, net quantities at 15° Centigrade (C), or in liters at 20° C.

(3) Records the quantity loaded on a DD Form 250-1 as the net shore quantity at 60° F, 15° C, or 20° C.

(4) Records the quantity received on ullage reports as the net ship quantity at 60° F, 15° C, or 20° C, adjusted to trim corrections.

b. Ship to Shore Transfers. The onshore QAR or Government representative:

(1) Verifies cargo quality and quantity for all transfers.

(2) Records the quantity discharged on ullage reports as the net ship quantity at 60° F, 15° C, or 20° C, adjusted to trim corrections.

(3) Records the quantity received on a DD Form 250-1 as the net shore quantity at 60° F, 15° C, or 20° C.

c. Shore to Barge to Ship Transfers.

(1) The onshore QAR or Government representative:

(a) Records the shore to barge quantity on a DD Form 250-1 as the net shore quantity at 60° F, 15° C, or 20° C.

(b) Records the barge to ship quantity as the net ship quantity at 60° F, 15° C, or 20° C, adjusted to trim corrections.

(c) Records quantity on both the barge and ship ullage reports.

(d) Verifies cargo quality and quantity by visually watching shore to barge and barge to ship transfers.

(2) When the onshore QAR or Government representative is only present for shore to barge transfers, the vessel APF master certifies barge to ship transfers.

d. Ship to Barge to Shore Transfers.

(1) The onshore QAR or Government representative:

(a) Records the ship to barge quantity as the net ship quantity at 60° F, 15° C, or 20° C, adjusted trim corrections, on both the ship and barge ullage reports.

(b) Records the barge to shore quantity on the DD Form 250-1, as the net shore quantity at 60° F, 15° C or 20° C.

(c) Verifies cargo quality and quantity when present at the barge to shore transfer.

(2) The ship master certifies the ship to barge transfer.

e. Ship to Ship. The ship master or designated representative must:

- (1) Be present to certify cargo quality and quantity for all transfers.
- (2) Record quantity transferred as the net quantity at 60° F, 15° C, or 20° C, adjusted to trim corrections, on applicable MSC 4020 series reports and associated ullage reports.
- (3) Mutually agree with representatives from both ships on the net transfer quantity.
- (4) Make quantity determinations by the discharge ship ullage readings for instances of unresolved issues or disagreement.

f. Ship to Navy Fleet Oiler or Ship. The ship master will use the procedures in Volume 6 of this manual for specific ship to Navy fleet oiler or ship shipments and sales instructions.

g. Ship to Retail Unit Aboard Ship. The ship master or designated representative:

- (1) Must be present to certify cargo quality and quantity for all transfers.
- (2) Records the quantity issued as the net vessel quantity at 60° F, 15° C, or 20° C, adjusted to trim corrections, on applicable MSC 4020 series reports.

h. Ship to Temporary Holding or Storage. The ship master or designated representative may transfer product stored in intermodal containers to temporary holding storage areas or warehouses during ship refitting. MSC is responsible for product safekeeping and accountability during temporary storage.

10.5. QUALITY SURVEILLANCE.

a. The organization that owns or controls an APF vessel with onboard PWRS provides quality surveillance of that product while it is in its custody. Shore facilities that ship or receive product from an APF vessel will establish and execute quality surveillance programs and procedures for product in their custody using the quality surveillance procedures in Volume 4 of this manual and in MIL-STD-3004.

(1) DLA Energy Quality Operations Division (DLA Energy-DQA) provides quality surveillance management oversight of all PWRS on board APF vessels.

(2) MSC normally contracts for APF vessels to store PWRS. MSC will coordinate with DLA Energy to incorporate operator quality surveillance requirements and responsibilities into these contracts to ensure each APF vessel operator has an adequate quality control plan.

b. The APF implements a stock rotation program in accordance with the procedures in Volume 9 of this manual.

c. The APF conducts weekly inventory ullage, temperature, and water readings on all cargo compartments.

d. APF vessel personnel draw all required samples for delivery to a DLA Energy-approved laboratory designated by MSC. MSC may request samples be sent to a DoD laboratory, listed in

Volume 4 of this manual, to perform required tests. MSC may use a DLA Energy contract laboratory on when MSC submits requirements and DLA Energy-DQA concurs. The APF vessel personnel will complete PWRS product sample and test requirements aboard APF vessels:

- (1) Sample each cargo compartment on arrival at APF ship station and at 90-day intervals thereafter.
 - (a) An individual all-level sample for each cargo compartment and an all-level composite sample for each product on board are required.
 - (b) The volume of individual all-level samples is one quart and the composite sample is two gallons.
- (2) Tag each sample with the date the sample was taken, sample number, source, sample type, product sampled, and required tests, for delivery to the nearest DLA Energy-approved laboratory.
- (3) Conduct laboratory tests on each sample in accordance with Volume 4, DoDM 4140.25 requirements.
- (4) Send laboratory results by vessel name, product, and cargo compartment number to the APF vessel, DLA Energy-DQA, DLA Energy regional office, JPO, and loading and receiving DFSPs.
- (5) Following the transfer from one cargo compartment to another on the same APF vessel, test an individual compartment sample for gravity and appearance before further transfer or issue. Do not transfer off-specification product without prior approval of DLA Energy-QA.

10.6. APF DECOMMISSIONING. The APF ship master or designee:

- a. Provides DLA Energy-L with a written request to close all DLA Energy-managed DWCF energy commodities accounts before ship decommissioning.
- b. Coordinates with DLA Energy-L before decommissioning to properly close-out all affected ship accounts in accordance with the procedures in Volume 6 of this manual.
- c. Confirms that the disposition of all DWCF energy commodities is coordinated with DLA Energy-L before decommissioning for return to a shore DFSP.
- d. Posts accountable records with the disposition of DWCF energy commodities, and completes appropriate documentation in accordance with the procedures in Volume 6 of this manual.
- e. Returns all equipment, accounting source documentation, and electronic data storage devices to DLA Energy in accordance with the procedures in Volume 6 of this manual.

SECTION 11: TRANSPORTATION PROCEDURES

11.1. GENERAL. Each DoD Component and Participating Agency will use the procedures in Volume 12 of this manual to resolve in-transit product losses and quantity discrepancies and for ocean tanker resupply and scheduling procedures. DLA Energy, DoD Components, Military Surface Deployment and Distribution Command (SDDC), and MSC will use the procedures in this section for transportation of bulk petroleum shipments.

11.2. PROCEDURES.

a. The DLA Energy regional office:

(1) Provide bulk petroleum transportation services through arrangements with SDDC, MSC, and commercial carriers in accordance with Part II of the DTR 4500.9-R and Military Surface Deployment and Distribution Command Military Freight Traffic Unified Rules Publication – 1.

(2) Provide traffic management technical direction and assistance to shippers to ensure safe and efficient bulk petroleum distribution in accordance with Part II of the DTR 4500.9-R and Volume 2 of Defense Logistics Manual 4000.25.

(3) Appoint a military member or civilian employee, as the transportation officer to execute DoD traffic management policy and procedures to obtain transportation services. The region commander will appoint the designated individual using the procedures in Part II of the DTR 4500.9-R.

b. SDDC provides DLA Energy regional offices carrier routing data for bulk petroleum shipments through the Global Freight Management (GFM) system.

c. The DLA Energy regional offices:

(1) Evaluate shipping points and receiving activity loading and receiving capabilities and constraints to avoid detention or demurrage charges when developing routing data.

(2) Authorize shipments by providing routing instructions to all shippers.

d. Shippers coordinate delivery schedules with receiving activities.

e. DFSPs:

(1) Schedule deliveries with suppliers in accordance with contract or source identification and ordering authorization instructions issued by the DLA Energy regional office.

(2) Process shipments using GFM system data.

f. DLA Energy-L, and each DLA Energy regional office, and SCP:

(1) Performs an annual quantity review 9 months before the projected contract award to identify shipping and receiving capabilities or limitations for each individual DFSP.

(2) Uses the review objective to:

- (a) Identify delivery restrictions and review transportation nodes and shipping arcs.
- (b) Ensure shipping modes are consistent with individual DFSP product handling capabilities.
- (c) Include justification for sole delivery modes, such as pipeline only.

11.3. CARRIER DEMURRAGE AND DETENTION.

a. MSC Controlled Vessels Worldwide.

- (1) MSC operates and bills cargo sponsors based on daily per diem rates.
- (2) MSC processes and pays demurrage claims submitted by carriers that provide spot or term charter services and rebills DLA Energy in accordance with Part II of the DTR 4500.9-R.
- (3) Sponsors such as DLA Energy or other activities may initiate claims against contractors and non-DoD agencies that cause vessel loading or discharge delays in excess of allowed vessel lay time.

b. Tank Trucks, Tank Cars, Inland and Coastal Tankers, or Barge Worldwide.

- (1) DLA Energy funds and pays carrier demurrage or detention at FOB origin contract loading or discharge operations and other facilities that store DWCF energy commodities.
- (2) For other than water movements, the appropriate DLA Energy regional office reviews claims from the carrier and approves valid carrier demurrage and detention in accordance with the procedures in Part II of the DTR 4500.9-R.

11.4. LOADING AND RECEIVING CAPABILITIES.

a. Each DFSP:

- (1) Reports shipping and receiving capabilities to DLA Energy regional office through site visits and routine contacts.
- (2) Notifies DLA Energy regional office whenever changes or restrictions occur.
- (3) Provides data for use during the annual bulk purchase program node and arc reviews.

b. A CONUS or OCONUS supplier:

(1) Submits an offer information sheet to the appropriate DLA Energy Bulk Petroleum contracting division.

(2) Identifies specific shipping details by product grade and transportation mode.

11.5. COMMON CARRIER PIPELINES.

a. The DLA Energy regional offices will notify DLA Energy-LS when a carrier refuses to negotiate suitable quality control procedures.

b. DLA Energy-LS will conduct a risk assessment, in coordination with the DLA Energy regional office, when considering a potential waiver to the quality control requirement.

c. A DFSP will not implement further requirements that affect carrier rates. The DFSP will forward additional requirements through the DLA Energy regional offices to DLA Energy-LS for analysis and potential negotiation action.

d. A DFSP that uses pipeline as its primary receipt mode will maintain an alternate resupply mode in the event the pipeline service is disrupted. A DFSP without sufficient alternate receipt capability will submit proposed projects through an SCP to DLA Energy for evaluation and funding consideration.

e. DLA Energy-L will coordinate the proposed service with the appropriate SCP, DoD Component, and Participating Agency, when it is advantageous to the Government to consider new pipeline service.

f. The DoD Component or Participating Agency will forecast requirements for new pipeline service:

(1) With demand adequate to support the projected investment and an acceptable property agreement or easement that authorizes the pipeline to cross the installation.

(2) To identify pipeline custody transfer points. These must be in a written format, such as a contract or pipeline shipper's guide.

(3) Following the funding and operating procedures in Volume 8 of this manual for OCONUS commercial pipelines as well as CONUS and OCONUS U.S. Government-owned pipelines.

g. Where the forecast appears feasible and advantageous, DLA Energy-LS will solicit pipeline service through SDDC.

11.6. BARGE SHIPMENTS.

a. CONUS.

(1) DLA Energy Americas authorizes routing of all commercial barge shipments by coastal, inland, or intercoastal waterways through the SDDC GFM system or United States Transportation Command awarded barge service contracts.

(2) MSC arranges oceangoing barge shipments with a capacity greater than 2,100,000 gallons (i.e., 50,000 barrels or 7,950 cubic meters) or when DLA Energy tanker scheduling requirements exceed the MSC controlled tanker fleet capability.

b. OCONUS.

(1) The CCMD JPO designates U.S. military units to receive bulk petroleum shipments by military barge and commercial barge shipments.

(2) The CCMD JPO designates military unit requests and receives obligation authority from the DLA Energy Bulk Petroleum Products (DLA Energy-FEB) before a shipment.

(3) MSC and CCMD JPO designated military units will not enter into competition or duplicate services. MSC and the military unit will designate by mutual agreement one or the other to perform contracting services and functions.

(4) The DLA Energy-FEB arranges or coordinates all commercial barge shipments of DWCF energy commodities through MSC, including:

(a) From one port area to another for ocean transportation.

(b) Between MSC-controlled tankers and shore facilities on mutual DLA Energy and MSC agreement regarding the appropriate loading or discharging method.

11.7. SHIPMENT REJECTIONS. The receiving DFSP:

a. Notifies the cognizant DLA Energy regional office for instructions when shipments require rejection or are undeliverable.

b. Receives disposition instructions as requested through the DLA Energy regional office, and the field QAR or Government representative, in accordance with MIL-STD-3004, from DLA Energy and either:

(1) The Air Force Petroleum Office;

(2) The Army Petroleum Center; or

(3) The Naval Supply Systems Command Energy Office.

c. Informs the major command.

d. Contacts the Customer Interaction Center in Battle Creek, Michigan, for support outside of business hours at 1-800-2TOPOFF or 1-800-286-7633.

11.8. CONUS AND OCONUS INLAND TRANSPORTATION.

a. DLA's Regional Offices and OCONUS commands submit estimated annual requirements to DLA Energy-FEPE to support requests for transportation funds. Each DLA's Regional Office or OCONUS command provides transportation requirements with the:

- (1) Origin or destination by DoDAAC.
- (2) NSN.
- (3) Quantity in U.S. gallons.
- (4) Transportation mode and any restrictions.
- (5) Estimated cost in U.S. dollars.

b. An OCONUS DLA Energy regional office pays commercial transportation charges when a commercial carrier ships DWCF bulk petroleum and requests payment in accordance with Title 40, CFR.

c. Use of freight warrants or similar shipping documents is acceptable when the commercial carrier is not a user as specified in Title 40, CFR.

d. DLA Energy provides a funding document to the OCONUS military unit assigned transportation responsibility.

e. The DFSP will e-mail a detailed monthly transportation expense report using a worksheet provided by DLA Energy-L for issued freight warrants to DLA Energy-L.

11.9. MSC.

a. Tanker Requirements Forecast. DLA Energy-FEB:

- (1) Provides long-range bulk lift requirements forecasts to MSC.
- (2) Submits the annual forecast 5 months before the start of the fiscal year.
- (3) Updates the forecasts whenever significant changes in distribution patterns occur.
- (4) Analyzes projected requirements to determine future bulk petroleum shipments that will likely require MSC tanker delivery.
- (5) Identifies probable procurement source areas.

b. Funding. DLA Energy funds all bulk tanker cargo deliveries.

c. Dead Freight. DLA Energy-FEB may accept dead freight due to operational necessity.

11.10. FUNDING TRANSPORTATION COSTS.

a. DLA Energy funds:

- (1) Industry shipments to DFSPs.
- (2) Shipments between DFSPs.
- (3) Shipping and related charges assessed by common carriers.
- (4) Costs not chargeable to DLA Energy by carriers, but required for product delivery such as U.S. Government switch engine use funded by the DoD Components.
- (5) Transportation costs for commercial energy commodities by tank truck or barge to Navy vessels at dockside or adjacent anchor.

b. The DoD Component or Participating Agency funds:

- (1) Underway replenishment shipments.
- (2) Costs associated with energy commodities ordered but not received for reasons that are not attributable to DLA Energy or the carrier.

11.11. REPLENISHMENT.

a. A fleet or theater command funds underway replenishment transportation costs for fleet oilers or MSC-controlled tankers that refuel ship bunkers at sea.

b. MSC will refuel APF ship bunkers while in port with MSC-controlled tankers that are funded by:

- (1) MSC for bunkers fuel supplied to APF vessels for which the CCMD or Military Service provides reimbursement.
- (2) DLA Energy or reimbursed to MSC for any PWRS loaded aboard APF vessels.

11.12. CONSOLIDATED CARGO (CONSOL).

a. MSC-controlled tankers supply energy commodities to fleet oilers at sea with CONSOL in three categories.

(1) **Charger LOG IV.** The Navy or JPO will request transfer of a product to the fleet oiler from DLA Energy-LS. When the Navy or JPO has not completed a prearranged Charger LOG IV nor received approval from DLA, and the circumstances justify, an emergency CONSOL may be initiated to fill the requirement.

(2) **Scheduled CONSOL.** MSC tanker cargo support specific to Navy requirements with scheduled CONSOL replenishment at sea. Fleet units typically load at a shore based DFSP. Direct delivery to the fleet achieves cost avoidance associated with fleet oiler round trips to a DFSP and replenishment costs for DFSPs drawn down by Navy oilers. The Navy or JPO will request CONSOL scheduling to DLA Energy-LS a minimum of 20 days in advance of the required CONSOL date.

(3) **Emergency CONSOL.** DLA Energy-LS will schedule an emergency CONSOL on receipt of an approved request from Naval Supply Systems Command Energy-Petroleum Office at Fort Belvoir, Virginia for a certified Navy requirement during a confirmed emergency condition that prevents routine fulfillment.

b. DLA Energy will fund and reimburse MSC for all or partial CONSOL transportation costs as follows:

(1) **Charger LOG IV.** DLA Energy will fund tanker diversions when the tanker diversion transit time is less than 24 hours.

(a) The Navy will fund tanker diversions for more than 24 hours.

(b) The Navy and DLA will calculate tanker diversion time as the difference between actual tanker transit times from the last loading port to the first discharge port. This will include time-on-station during the Charger LOG IV, minus the normal transit time between the last loading port and the first discharge port.

(2) **Scheduled CONSOL.** CONSOLs minimize both DLA Energy and Navy costs. Each share half the full per diem costs of the complete CONSOL cargo cycle when a tanker is on station for fewer than 72 hours. The Navy will pay the additional tanker per diem when the CONSOL tanker remains on station for more than 72 hours.

(3) **Emergency CONSOL.** DLA Energy funds emergency CONSOL transportation costs.

(4) **CONSOL Nominations.** All CONSOL nominations will include appropriate funding documents with copies forwarded to MSC and DLA Energy-LS before the proposed scheduled CONSOL date. CONSOL cost estimate data is available from DLA Energy-LS on request.

SECTION 12: INTERNATIONAL FUEL AGREEMENT PROCEDURES

12.1. GENERAL. Pursuant and subject to Section 112b of Title 1, U.S.C., Part 181 of Title 22, CFR, DoDD 5134.12, Chairman of the Joint Chiefs of Staff Instruction 2120.01D, Chairman of the Joint Chiefs of Staff Instruction 2300.01D, and DoDD 5530.3, DLA Energy, as delegated by the DoD and with subsequent approval from either the cognizant CCMD or USD(A&S), will draft, negotiate, conclude, and amend international fuel agreements. DLA Energy, with support from other DoD entities, executes the international fuel agreement program.

12.2. TYPES OF FUEL AGREEMENTS. DLA establishes agreements with provisions for all types of energy commodities and related services that may benefit a single CCMD, Military Service, or multiple Services. DLA Energy will tailor each agreement based on the needs of the DoD customers, DLA Energy, and the foreign government. DLA Energy categorizes its international fuel agreements based on the type of transactions contemplated under the agreement.

a. FEA. DLA Energy:

(1) Establishes an FEA between DLA Energy and foreign militaries to provide reciprocal refueling of military aircraft, ships, vehicles, and equipment on land, at sea, or air-to-air.

(2) May authorize bulk exchanges, such as within pipeline systems or storage depots in accordance with the terms and conditions of the FEA.

(3) Documents and exchanges with the foreign military all transactional data for validation. Periodically, DLA Energy and the foreign military will reconcile the accounts; DLA Energy will agree to settle the account with the country monetarily or with a product.

(4) During reconciliation, off-sets transactions on a gallon-for-gallon basis to determine a net balance owed to DLA Energy or the foreign military.

b. Direct Bill Agreements (DBA). DLA Energy:

(1) Establishes DBA's between DLA Energy and a foreign military to provide for reciprocal refueling of military aircraft, ships, vehicles, and equipment on land, at sea, and air-to-air.

(2) May authorize bulk exchanges, e.g. within pipeline systems or storage depots, in accordance with the terms and conditions of the DBA.

(3) Documents transactions and bills individually or monthly at the discretion of the parties.

(4) Specifies monetary payments for all reciprocal purchases monetarily based on invoices submitted by the other party, unless other arrangements are mutually agreed to in advance in accordance with the terms and conditions of the DBA.

c. Fuel Support Agreements. DLA Energy:

- (1) Establishes fuel support agreements with a foreign military to provide DLA Energy with energy commodities and related services, throughput, port services or quality surveillance support, when needed.
- (2) Through the terms and conditions of the agreement, identifies if the foreign military contracts out provision of these energy commodities and related services.
- (3) Adds product deliveries to the DWCF inventory.
- (4) Reports all transactions to the DLA Energy regional office.
- (5) Establishes storage locations as needed on-base, off-base, or as an integral part of a host nation energy commodity distribution system.

12.3. INTERNATIONAL FUEL AGREEMENT PROCESS.

- a. The DoD Component or Participating Agency requiring energy commodity support and related services from a foreign government will provide its requirements, in sufficient time to allow for processing and negotiation, via the respective CCMD JPO and supporting DLA's Regional Office. The DLA Energy regional office will forward the agreement requirements to the DLA Energy, Bulk Petroleum Supply Chain Services, International Agreements Division at Fort Belvoir, Virginia.
- b. A DLA Energy regional offices may also receive fuel agreement requests from the CCMD for forwarding to DLA Energy.
- c. DLA Energy:
 - (1) Develops an L&F memorandum for each validated requirement citing the authority under which the agreement will be negotiated and verification of the availability of funds for the agreement.
 - (2) Processes the L&F memorandum for signature by the Office of the General Counsel of the Department of Defense and the DLA Energy Comptroller as required.
 - (3) Analyzes each requirement, in the interests of efficiency, effectiveness, and risk.
 - (4) Determines the appropriate support mechanism for an international fuel agreement or a Federal Acquisition Regulation contract with a commercial contractor.
 - (5) Will request negotiation authority from the Office of the Under Secretary of Defense for Acquisition and Sustainment (OUSD(A&S)) or the appropriate CCMD J4 Multi-National Logistics Acquisition Cross Servicing Agreement (ACSA) Program Manager, when developing fuel agreements. Implementing arrangements under the appropriate ACSA will be used as the

primary authority for fuel agreements when possible. The following documents may be required as part of the request package:

- (a) The draft international fuel agreement after coordinating with DLA Energy Commodity Business Units, Counsel, and Regional Offices.
 - (b) Summary Statement of Intent used for agreements or amendments being routed to OUSD(A&S) for approval to negotiate or conclude.
 - (c) The L&F memorandum outlining legal and budget authority for the agreement.
 - (d) Staff Summary Sheet summarizing the requirement or need for the agreement.
- (6) After DLA Energy receives OUSD(A&S) or CCMD (if using acquisition and cross servicing agreements authority) approval to negotiate an international fuel agreement:
- (a) Opens formal negotiations with a foreign government.
 - (b) During negotiations the draft may be coordinated internally within DLA Energy numerous times until the draft is considered complete by DLA Energy and the foreign military. DLA Energy will coordinate the draft agreement with the applicable DLA Regional Office, DLA Counsel Energy, DLA Finance Energy, DLA Energy Commodity Business Units, Military Service(s), and the applicable CCMD.
- (7) When negotiations are complete and the agreement is in final draft, DLA Energy submits a cover letter, a final draft agreement illustrating any changes, a revised summary statement of intent, and an L&F memorandum, requesting OUSD(A&S) or CCMD approval for the DLA Energy commander to conclude or sign the agreement or amendment.
- (8) Once the agreement is signed, DLA Energy submits to DLA Energy Counsel for staffing to the Office of the General Counsel of the Department of Defense and the Department of State, when required, in accordance with Section 112b of Title 1, U.S.C., also known and referred to in this issuance as, “The Case-Zablocki Act.”
- (9) DLA Energy provides an original signed version of the agreement to the foreign ministry of defense or foreign military as appropriate.

12.4. INTERNATIONAL FUEL AGREEMENT GUIDE.

a. DLA Energy, Bulk Petroleum Supply Chain Services, International Agreements Division (DLA Energy FESC). DLA Energy FESC is the office of primary responsibility for the DLA Energy International Agreement Program in support of energy commodities and related services.

b. DLA Regional Office. Acts as the focal point within their area of responsibility to oversee regional efforts for agreement development, negotiation, and day-to-day management.

The regional POC will coordinate agreement issues with the responsible DLA Energy FESC representative.

c. DLA Finance Energy. Manages the financial aspects of the agreements to include:

- (1) Funding.
- (2) Establishing payment thresholds.
- (3) Reconciliation and cross-servicing of accounts.
- (4) Transaction processing.
- (5) Repayment and settlement.
- (6) ACSA Order settlement and completion.
- (7) Validation and certification of fuel invoices.
- (8) Assisting with the development and review of supporting financial documentation.

d. DLA Counsel Energy. Transmits copies of executed International Fuel Agreements to the Office of the General Counsel of the Department of Defense or Department of State when required. Except as requested otherwise by the CCMD or OUSD(A&S), transmit copies of executed International Fuel Agreements to the Department of State in compliance with the Case-Zablocki Act.

GLOSSARY

G.1. ACRONYMS.

ACSA	acquisition and cross-servicing agreement
AO	accountable officer
APF	afloat pre-positioning force
APO	accountable property officer
APOR	accountable property officer representative
ASD(S)	Assistant Secretary of Defense for Sustainment
C	centigrade
CBL	commercial bill of lading
CCMD	Combatant Command
CFR	Code of Federal Regulations
CJCS	Chairman of the Joint Chiefs of Staff
CONSOL	consolidated cargo
CONUS	continental United States
DFSP	defense fuel support point
DLA	Defense Logistics Agency
DLA Energy-DQA	Defense Logistics Agency Quality Operations Division
DLA Energy-FEB	Defense Logistics Agency Energy Bulk Petroleum Products
DLA Energy-FEPE	Defense Logistics Agency Energy Mobility Fuels and Card Program Division
DLA Energy FESC	Defense Logistics Agency Energy, Bulk Petroleum Supply Chain Services, International Agreements Division
DLA Energy-L	Defense Logistics Agency Energy Logistics Operations Directorate
DLA Energy-LS	Defense Logistics Agency Energy Bulk Petroleum Inventory and Distribution Management Division
DLA Energy-QED	Defense Logistics Agency Energy Plans and Operations
DLA Energy-QEM	Defense Logistics Agency Energy Aerospace Business Unit
DoDAAC	DoD activity address code
Leave a space between acronyms beginning with a different letter.	
DoDD	DoD directive
DoDI	DoD instruction
DoDM	DoD manual
DTR	Defense Transportation Regulation
DWCF	Defense Working Capital Fund
EEBP	Enterprise External Business Portal
ERR	energy receiving report
ERQ	economic resupply quantity
F	Fahrenheit

FEA	fuel exchange agreement
FEDAAC	federal activity address code
FMS	foreign military sales
FOB	free on board
FSII	fuel system icing inhibitor
GFM	Global Freight Management
ICIS	integrated consumable item support
IMP	inventory management plan
JCS	Joint Chiefs of Staff
JPO	joint petroleum office
L&F	legal and fiscal
MILSPEC	military specification
MITR	monthly inventory transaction report
ML	maximum level
MSC	Military Sealift Command
NSN	national stock number
OCONUS	outside the continental United States
OPLAN	operational plan
OS	operating stock
OUSD(A&S)	Office of the Under Secretary of Defense for Acquisition and Sustainment
PC&S	posts, camps, and station
PP&E	property, plant and equipment
PWRR	petroleum war reserve requirement
PWRS	pre-positioned war reserve stocks
QAR	quality assurance representative
RO	responsible officer
S/RM	sustainment, restoration, and modernization
SAPO	sub-area petroleum office
SCP	service control point
SDDC	Military Surface Deployment and Distribution Command
SF	standard form
SL	safety level
SPR	strategic petroleum reserve

TM	terminal manager
U.S.C.	United States Code
USD(A&S)	Under Secretary of Defense for Acquisition and Sustainment

G.2. DEFINITIONS. These terms and their definitions are for the purpose of this volume and will serve as standard terminology for DoD supply chain materiel management of energy commodities and services.

book inventory. The calculated inventory that should be on hand for each grade of DWCF-owned aerospace energy product stored at the DFSP.

build-up. Increase of inventory levels to support all OPLAN contingencies.

cargo cycle. The transportation billing costs calculated from vessel arrival at the initial loading port to vessel arrival at the first loading port for the next cargo.

Charger LOG IV. An opportune CONSOL by which fleet oilers meet with an MSC tanker along a prearranged route from loading port to discharge port to refuel at sea. The transfer of fuel to the fleet oiler must be either prearranged or approved by DLA Energy-LS. When a Charger LOG IV is not prearranged or approved and the circumstances justify, an emergency CONSOL may be initiated to fill the requirement

commercial barge shipments. Includes shipments by inland and waterways and shipments between terminals within a port area that are not suitable for movement by the available MSC-controlled vessel fleet.

common carrier pipeline. A pipeline company that transports petroleum product for the public for a fee.

commingle. The storing of products of different ownership in the same container, storing containers holding products of different ownership in the same general storage area, or storing non-DWCF-owned product with DWCF-owned product.

CONSOL. MSC-controlled tankers that supply fuel to fleet oilers at sea with three categories: Charger LOG, scheduled CONSOL, and emergency CONSOL.

containerization. A system of intermodal freight transport using intermodal containers (also called shipping containers and ISO containers) made of weathering steel.

containers. Trailers, tube trailers, rail tank cars, drums, cylinders, or dewars in which a petroleum product is shipped.

control limit. The unclassified petroleum level used to monitor status at individual locations, on a regional basis, and on a CCMD basis. Inventory maintained between the maximum authorized inventory and the control limit with resupply being made in ERQ quantity.

CONUS. The States, less Alaska and Hawaii, but including the District of Columbia.

converted DWCF-owned product. Any product reported under one NSN but is then regarded or converted to another NSN.

direct bill agreement. Agreements between DLA Energy and a foreign government where transactions are documented and billed individually or monthly and are paid in cash based upon the invoices submitted by the provider. DBAs are generally the preferred method for reimbursement.

dead freight. Charge payable on space booked on a ship but not used by the charterer or the shipper. It is imposed at full freight rates, less loading and handling charges.

DFSP. A capitalized energy commodity facility that receives, stores, and issues Defense Working Capital Fund-owned energy commodities.

demurrage and detention. Charges billed for holding a ship, freight car, or other cargo conveyance during loading or unloading beyond the scheduled time of departure.

DLA Regional Offices. Offices that provide regional oversight for petroleum logistic support for DFSPs worldwide, a single point of contact to the DFSP. The offices maintain effective control over DWCF inventory and operations at the DFSP. DLA Regional Offices ensure that DFSPs and Military Service customers have a continuous and reliable source of fuel. The CONUS DLA's Regional Offices are: Inland East Gulf Coast, Houston, Texas; and Rocky Mountain West Coast, San Pedro, California. The OCONUS DLA Regional Offices are: Atlantic Europe and the Mediterranean, Kaiserslautern, Germany; and Western Pacific, Honolulu, Hawaii.

DLA Energy FESC. Its function includes policy oversight, agreement development, agreement negotiation, development of priorities, obtaining DoD approval, and issuance of guidance that aids in ensuring legal compliance and financial stewardship.

drawdown. A reduction in the size or presence of a military force and of inventory levels for peacetime.

emergency CONSOL. A certified Navy fuel requirement during a confirmed emergency condition that prevents routine fulfillment.

ERQ. The quantity that a DFSP can receive that ideally balances economic and operational requirements. The usual methodology used is full tanker or barge, and for pipeline, truck, and rail, the ERQ will vary between the median and maximum parcel size.

FEA. An agreement that provides for reciprocal refueling of military aircraft, ships, vehicles, and equipment on land, at sea, and air-to-air. The FEA allows the parties to offset fuel and settle the account balance in cash or fuel.

free fuel. Fuel provided by a host nation or government at no cost to the United States.

free water. Water that can be removed from the fuel by mechanical means.

fuel support agreement. A fuel agreement whereby a foreign military provides DLA Energy with fuel and fuel related services, such as terminal services, throughput, port services, or quality surveillance support.

host-nation support. At overseas locations, host nations or treaty organizations frequently specify in written agreement or alliance policy petroleum quantities that theater commanders may reasonably expect to be available. Host nation or ally commitment to provide fuel from refineries or civilian stocks may contribute to satisfy contingency fuel support requirements. U.S. charter aircraft and ship or vessel contingency movement through civil locations can benefit significantly from host-nation support agreements to support contingency plans.

IMP. A plan with the military specification fuel management by product type on a terminal and regional basis that provides a basis to support the budget allocation for appropriated, stock-funded fuel and CCMD requirement support plans.

inactive component. Where a transaction has not occurred within the past 24 hours.

intermodal container. A delivery device consisting of a tank with a capacity ranging from 4,500 to 6,500 gallons (17,000 to 24,700 liters) nestled in a steel frame cage and able to be transported by wheel, rail, or water. Intermodal containers are normally used for delivery of bulk products (e.g., lube oils, FSII, and aviation gasoline) where the total requirements and parcel sizes are small and where delivery from supplier to user cannot otherwise be made by a single transportation mode.

international fuel agreement. Any agreement between the U.S. Government with a foreign government (including their agencies, instrumentalities, political subdivisions, or international organizations) and signed and agreed to by the DLA Energy Commander that signifies the intention of the parties to be bound in international law or has any legal consequence to DLA Energy. Such agreements are classified as international fuel agreements whether denominated by a performance based agreement, contract, arrangement, statement of intent, letter of intent, statement of understanding, or any other name connoting a similar legal consequence that involves the authorized signature of the foreign government and DLA Energy.

inventory transaction. Any event that affects or changes the DWCF-owned aerospace energy account ledger e.g., product receipts, sales, credits, shipments, transfers, determinable gains or losses, physical inventory adjustments, and end-of-month gain or loss adjustments.

inviolable level. Represents the minimum petroleum product grade stored by a DFSP during normal operations to support assigned PWRS levels and to prevent possible stock depletion. The inviolable level is the aggregate sum of unobtainable inventory and PWRS.

military stocks. Petroleum quantities specifically stored as PWRS at military installation DFSPs.

ML. The largest amount of inventory that a specified location and product should achieve immediately following the receipt of a shipment. It is calculated as the sum of the CL plus ERQ and working ullage. While DFSPs should not usually exceed this value, it can be exceeded with concurrence of DLA Energy.

negative variance. A loss in inventory level.

new requirement. Defined as not currently sourced or included in DLA energy demand planning forecasts.

OCONUS. The states of Alaska and Hawaii, the Commonwealths of Puerto Rico and the Northern Mariana Islands, American Samoa, Guam, Midway and Wake Islands, the U.S. Virgin Islands, any other territory or possession of the United States, and all locations outside the United States.

OPLAN. Any plan for the conduct of military operations prepared in response to actual and potential contingencies.

opportune. Cargo product and quantity that is available for delivery but was not scheduled for delivery, e.g., a Navy fleet oiler has an opportunity to receive DWCF fuel from the MSC tanker.

OS. Fuel required to sustain daily operations and ensure fuel availability to the Military Services worldwide. OS was formerly known as peacetime operating stock.

other requirements. Previously sourced requirements with historical DLA Energy Demand Planning forecasts.

packaged additives. Drummed inhibitors, packaged FSII, corrosion inhibitors, and static dissipater additive and or conductivity additive; also known as electrical conductivity additive or anti-static additive.

Participating Agencies. Non-DoD Federal Government agencies that participate in the DoD supply chain management of energy commodities, but only when and to the extent they adopt the conditions, terms, and requirements of this manual.

physical inventory. The actual total on hand quantity of each grade of product stored at the DFSP.

pipeline inventory. Inventory carried in the pipeline system of a location.

positive variance. A gain in inventory level.

purchase program. DLA Energy-FEP develops worldwide purchase programs structured to satisfy the DoD Components and the Participating Agencies' energy commodities requirements. The design of the purchase program is to reflect market and resource capabilities to achieve the lowest possible unit price. DoD Components and Participating Agencies submit energy commodities requirements that include tenant organization requirements to achieve goals for cost effectiveness.

PC&S purchase program. Energy commodities procured through the PC&S purchase programs include gasoline, diesel fuel, heating oil, alternative energy commodities, and some aviation jet fuel when direct vendor delivery into storage tanks is required. SCPs, JPOs, DLA Regional Offices and Participating Agencies will collaborate with DLA Energy Ground Fuels

Division I, II, and III to submit annual projected PC&S requirements. JPOs and DLA Regional Offices will submit PC&S energy commodity requirements to support contingencies and Joint Chiefs of Staff-sponsored exercises to DLA Energy-QED, which will forward the requirements to DLA Energy Ground Fuels Division for processing.

PWRR. Fuel inventory level required in support of Secretary of Defense planning guidance positioned before hostilities at or near the point of planned use. PWRR is designed to reduce reaction time and to ensure adequate support of military forces during the early stages of war until stocks can be replenished.

PWRS. Fuel held by a DFSP to support war reserve requirements.

quality assurance. A system of activities that provide to the producer and user of a product, measurement or service the assurance that it meets the defined standards of quality with a stated level of confidence and includes quality planning and quality control. A planned and systematic pattern of all actions necessary to give confidence that adequate technical requirements are established; products and services conform to established technical requirements; and satisfactory performance is achieved.

quality surveillance. A subset of QA encompassing the program of inspections, sampling, testing, quantity measurement and control, and documentation established to monitor the quality and quantity of product being received, stored and issue within the Government supply chain.

RO. An individual who is directly responsible for all Government property and oversees all aspects of the DFSP operation, must be a U.S. citizen and Government employee, either military or civilian, and must be duly appointed by proper authority to provide diligent care, custody, and protection of government property at U.S. Government operated DFSPs. Refer to paragraph 3.3.c. of Volume 6 of this manual for additional information.

sale. An issue that can be identified to a specific end-use customer.

scheduled CONSOL. A scheduled replenishment at sea where all or part of the MSC tanker cargo is to support specific Navy requirements. Fleet units typically load at a shore-based DFSP. Direct delivery of fuel to the fleet achieves cost avoidance associated with fleet oiler round trips to a DFSP and replenishment costs for DFSPs drawn down by Navy oilers.

shipment out. When product is shipped from one DFSP to another DFSP, it will be handled as a transfer out from the losing DFSP.

SL. The fuel inventory level in the OS formula that compensates for time and demand variability during the resupply cycle to protect DFSPs from stock depletion.

system maximum fill capacity. The sum of DFSP storage tank shell capacities less unusable vapor space plus unobtainable inventory that represents all available storage space within a DFSP.

TM. An individual who is directly responsible and accountable for all Government property in accordance with contract requirements and oversees all aspects of the DFSP operation. The TM

established and maintains a property control system to control, protect, preserve, and maintain government property at contractor operated DFSPs. Refer to Paragraph 3.3.d. of Volume 6 of this manual for additional information.

time-on-station. Begins on MSC-controlled tanker arrival at the CONSOL location and ends when the fleet releases the tanker.

ullage. The volume of available space in a container unoccupied by contents.

unobtainable inventory. The fuel quantity required for tank bottoms, manifold fill, and constant line fill that is unavailable for issue during routine DFSP operations.

underway replenishment. Fleet oilers or MSC-controlled tankers that refuel ship bunkers at sea.

unusable vapor space. The storage space within the system maximum fill capacity that accommodates structural objectives, provides adequate vapor expansion, prevents inadvertent high-level alarm activation, complies with regulatory guidance, and other reasons that prevent filling storage space.

working ullage. The available storage tank space required to maximize efficient terminal operations. Ullage is assigned to allow for an unscheduled oiler offload at designated Navy locations. Permits bases to allocate tankage for use to comply with local procedures or regulations that do not fit in other categories but that do not require additional inventory.

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