

VOLUME II - PETROLEUM MANAGEMENT

CHAPTER 4 -- ORDERING, REQUISITIONING, AND SLATING

A. GENERAL. This chapter prescribes supply procedures for ordering fuel direct from refineries and requisitioning fuel from intermediate DFSPs. Petroleum products supplied by contract bulletins such as motor gas, burner fuel oils, diesel, and kerosene are not discussed in this chapter. Note: See chapters 1 and 5 of this volume for into-plane requirements/supply procedures; see chapter 15 of this volume for SF 149 purchases; see chapter 2 for local purchase criteria.

B. DISTRIBUTION PLAN (DP)

1. DPs are prepared by DESC-B to advise DERs/DEOs of contract sources (refineries) and DFSPs scheduled to receive/ship fuel. DPs indicate the quantity contracted in support of each DFSP, the contractor name, contract number and mode of delivery.

2. In overseas areas with a military distribution system at ocean DFSPs, the DP shows only the source of supply for the coastal DFSP and not the associated base-level DFSPs.

3. DERs, DEOs, JPOs, and SAPOs shall monitor DPs for adequate support overseas and ensure DPs are aligned with JPOs, SAPOs, and Military Service components prepared inland petroleum distribution plans.

C. DISTRIBUTION PLAN AUTHORIZATION (DPA)

1. DPA Format/Control. DPAs are generated by DFAMS based on DESC indefinite quantity contracts and distributed by computer to DERs/DEOs who use DPAs to monitor contract data, prepare SIOATHs and control orders.

a. DPAs are structured by DER or DEO product code; outline contract data and quantitative requirements/ordering limitations per contract; and authorize DERs/DEOs to initiate SIOATHs.

b. DESC-B monitors contracts funded by DESC; prepares and controls fuel orders for ocean tankers with fuel acceptance at FOB origin (because of MSC arrangements), unless delegated to a DER/DEO. DERs/DEOs control all other shipments.

2. DPA Funding. Funds are reserved, committed, and obligated in DFAMS to cover orders for fuel from contractors (refineries).

a. DPAs initially fund bulk contract requirements consistent with the minimum guarantee clause (fixed percentage). Percentage may fluctuate due to funding constraints and/or changing requirements. The remaining percentage is usually added by DESC-B via DPA amendments just prior to the fourth quarter of the contract. Funds for the balance of the contract are reserved with DPA amendments, committed with SIOATHs, and obligated as orders are initiated and recorded in DFAMS.

b. DPAs may be amended to ensure adequate supply of fuel. Vigorous attention/response to supply problems are crucial because the balance of the contract is usually not funded until the last quarter of the contract. When contract status review reveals contract liftings exceed projected monthly prorated liftings by more than 10 percent, DESC-B shall promptly reconcile the problem with the DERs/DEOs.

3. Quantity Control. DFAMS generated DPA/ SIOATH control sheets, status reports and contract status inquiries are used to monitor and control quantities on order. Note, the most recent Contract Line Item Number (CLIN) price will be used in calculating increases and decreases. DFAMS ensures that the total DPA dollar value, contract quantity/dollars are not exceeded; and that the DPA is updated to coincide with the SIOATH. DPA line item quantities may be increased provided that:

- a. Another CLIN of the same contract and product is reduced by a quantity that offsets the increased dollar amount;
- b. The increased quantity does not cause the total contract quantity and dollars to be exceeded; and
- c. The contractor agrees to overlift and underlift line items consistent with paragraph E.11.b., below.

4. DPA Quantity Increases. If above procedure fails to provide the needed increase, DERs/DEOs may request additional quantity from DESC-B. DERs/DEOs shall indicate. "contracts have been reviewed and additional quantity required cannot be obtained by DPA or SIOATH adjustments." To substantiate requests, DERs/DEOs will include such data as:

- a. Increased consumption at (name location) is due to special exercises, conversion of equipment or facilities, added aircraft, etc.; note, if aircraft or vehicles relocated, indicate the losing location.
- b. Requirements increased due to emergencies, special events, unprogrammed demands for filling new or repaired tanks damaged by disasters such as fires and floods, unexpected vessels in the area.

5. DPA Identification. Sample (FD-JP4-92-01-00) is as follows:

- a. FD DEO having SIOATH responsibility.
- b. JP4 ... product code; see volume V, appendix A62.
- c. 92 fiscal year in which the DPA is issued.
- d. 01 serial number; indicates the number of basic DPAs issued to the DER/DEO during the FY beginning with 01.
- e. 00 amendment number; indicates the number of amendments issued to DPAs (begin with 00 for the basic DPA).

6. Firm-Funded Contract Release Letter (FFCRL). FFCRLs (instead of DPAs) are prepared by DESC-B for contracts or portions of contracts that are firm-funded (which means fixed price/quantity). Such letters are identified for DERs/DEOs as follows (sample: NE-JP4- 92-1X-00):

- a. FD DEO having contract/SIOATH responsibility.
- b. JP4 ... product code; see volume V, appendix A62.
- c. 92 fiscal year in which the letter is issued.
- d. 1X basic code; a two-digit code (begin with 1X through 9X) to indicate the consecutive number of basic release letters issued to the office during the fiscal year. The X in the second position is unique to serial numbers for Firm-Funded Contract Release Letters.
- e. 00 amendment number; a two-digit number to indicate amendments to the Firm-Funded Contract Release Letter. Numbers will begin with 00 (initial data) and 01, 02, 03, etc., for amendments.

7. Distribution Plan Authorization (DPA) Control Record. The DPA control record is automated by the DFAMS data bank (see volume V, appendix A19). DPA and associated SIOATH data are automatically recorded by the DPA control record. DESC-OI certifies the DPA data.

D. SOURCE IDENTIFICATION AND ORDERING AUTHORIZATION (SIOATH)

1. Purpose. The SIOATH is a supply document initiated and controlled by the DERs/DESC-B, which identifies supply sources (refineries and DFSPs), contract quantitative limitations, fund data, and authorize DERs/DEOs or military bases to order/requisition fuel. SIOATHs are consistent with DPA or FFCRL data. (In this chapter, DESC-BID functions as a DER/DEO for ordering tanker cargoes.)

2. Quantity. The total amount authorized for ordering product within DERs/DEOs shall not exceed the quantitative limit in the DPA or Firm Funded Contract Release Letter; nor will ordering units exceed SIOATH quantitative limitations. SIOATHs will be amended when over delivery occurs on the final order.

3. Preparing SIOATHs. Instructions for preparing SIOATHs associated with contractor sources (refinery) are provided in volume V, appendix A7 and a sample is provided in volume V, appendix A8.

a. SIOATHs with refineries as the direct source of supply to DFSPs are generated by DFAMS; SIOATH data may be adjusted by DERs/DEOs if additional data or circumstances warrant it. See volume V, appendix A9 for an automated prepared SIOATH.

b. SIOATHs with intermediate DFSPs as supply sources for base-level DFSPs are prepared by DERs/DEOs in accordance with the DP provided DESC-B.

c. SIOATHs are not prepared for overseas DFSPs. Instead, JPOs and SAPOs shall notify customers of DFSP and pipeline support.

d. SIOATHs will arrive at military base DFSPs 5 working days prior to the new ordering period, or in time to meet the minimum advance notice of the contract.

4. Special SIOATHs

a. Urgent Requirements. DERs/DEOs may provide SIOATHs which allow bases to order fuel prior to the ordering period of new contracts. See volume V, appendix A7, subsection A.9 for funding instructions.

b. Non-appropriated Units. SIOATHs will not designate such units as the ordering or receiving location. The sponsoring Military Service will requisition fuel for such units; requisitions will be charged to the SIOATH issued for that Military Service.

5. Ordering Time. Fuel will be scheduled in advance of required delivery dates (RDD) by the following criteria (unless the SIOATH indicates otherwise):

- a. Ocean tanker.....20 days.
- b. Barge and Pipeline.....15 days.
- c. Tank car/truck.....2 days (48 hours).

6. Status. SIOATH status is available via the DFAMS Menu Driven Inquiry System (MDIS) for contractor (refinery) sources of supply.

7. Imported Fuel. SIOATHs will indicate the quantity of fuel to be imported. DERs/DEOs will report imported fuel to DESC-F as follows: provide copy of DD 250-1 or indicate the offshore supplier (refinery), contract number, product code, quantity, date of tanker discharge, and the receiving DFSP within one week of the receipt. NOTE: BHP Petroleum Americas Refining Inc. (formerly Hawaiian Independent Refinery Inc (HIRI)) and Coastal Refining & Marketing (Corpus Christi) are in a foreign trade zone and are considered offshore (import) sources; report fuel from these companies as imported.

8. Distribution. SIOATHs issued by the DESC staff for ocean tanker deliveries are not routed to consignees; the weekly arrival schedule provides the required data. One copy of all other SIOATHs (initial and amendments) are distributed as follows:

- a. Contractor.
- b. QAR or QSR.
- c. DER/DEO originating office file.
- d. Ordering and receiving units.
- e. Alternate DER/DEO emergency relocation site.
- f. JPOs associated with tanker discharges overseas.
- g. Military transportation component overseas, as needed.
- h. Army/Navy/Air Force SCPs and major air command associated with the functional units stated in paragraph D.8.d., above.
- i. DER/DEO associated with the receiving unit, if other than the ordering DER/DEO.
- j. DESC-B automatically obtains copies via DFAMS central data bank. No additional copies of refinery SIOATHs are required. DESC requires one copy of each terminal's SIOATH prepared by the DER/DEO.

9. Final (Closed) SIOATHs. DERs/DEOs will prepare and distribute an amended final SIOATH (refinery) that reports the actual quantity/fuel delivered within 45 days after the DPA/SIOATH terminates. Annotate last SIOATH with ... "This is the final SIOATH issued to indicate the actual quantity delivered." Final SIOATHs are issued for firm-funded contracts. Copies of the final SIOATH will be filed at DERs/DEOs and distributed to the contractor and overseas ordering unit.

10. SIOATH Control Record (DD Form 1886). DERs/DEOs will maintain DD Form 1886 for each CLIN in the SIOATH; records are the source for reporting the status of orders. For Government Furnished Material (GFM) fuel in support of defense contracts, records will be maintained by the Contracting Officer. Records will coincide with the SIOATH period. Forms will be prepared and maintained as indicated in volume V, appendix A16; see appendix A17 for sample. NOTE: Computer-generated records (which provide daily status of each order with actual and projected balances) may be used in lieu of DD Form 1886.

E. DD FORM 1155 - ORDERING FUEL FROM CONTRACTOR SOURCES (REFINERY)

1. General

a. Fuel supplied by DESC requirements contracts (Type D) are ordered on DD Form 1155. Storage space (ullage) is crucial in ordering fuel; sufficient ullage shall be available when placing orders.

b. Fuel supplied by DESC firm-funded, fixed-quantity, or definite delivery contracts (Type C or M) are processed by DESC as requisitions, not as obligatory documents; enter Firm-Funded in block 17 of DD Form 1155 with the requisition number, signal/fund code, and supplementary address (if any), and a confirming delivery schedule.

2. Centralized Ordering by DERs/DEOs. DER/DEO central ordering procedures cover all DFSPs.

a. DERs/DEOs shall:

(1) Prepare SIOATHs and indicate DER/DEO as ordering office.

(2) Maintain SIOATH control records via DFAMS output or DD Form 1886, SIOATH Control Record.

(3) Prepare DD Form 1155 orders/amendments for DFSPs; distribute copy to military base DFSPs within 1 working day.

(4) Report P10 and P20 transactions in DFAMS and monitor DFAMS for missing P20/P30 transactions.

(5) Report P30 transactions in DFAMS for FOB acceptance at destination shipments to non-DoD locations.

b. Military Base-Level DFSPs shall:

(1) Report monthly resupply quantity to DERs/DEOs by the 15th of the preceding month. Urgent requirements may be phoned or faxed.

(2) Schedule deliveries with the contractor based on the DD Form 1155 data provided by the DER/DEO.

(3) Promptly inform DERs/DEOs of changes in monthly resupply quantity. Reporting changes on time is crucial in amending delivery orders. Any change affecting the annual projected fuel requirement by more than 10 percent must be reported to the major command and SCP for subsequent submission to the DER/DEO and DESC as required.

3. Preparing DD Form 1155 Orders. See volume V appendix A10 for sample format and volume V, appendix A12 for further instructions.

a. Orders obligate the Bulk Petroleum Category, DLA Division, DWCF. Thus, care shall be exercised to ensure that data is accurate and consistent with the data/limitations indicated in the SIOATH. DERs/DEOs and DFSPs authorized to order fuel are indicated in the "Ship To" block of the SIOATH. See volume V, appendices A12 and C12 for numbering orders.

b. Orders may project daily, weekly, or monthly requirements.

c. Orders should arrive at the contractor IAW contract terms.

4. Distributing DD Form 1155. Orders and amendments will be distributed within 1 working day of preparation, as follows:

a. Contractor - original and two copies (one marked for QAR).

b. Originating office file - one copy.

c. DFAS-CO-SF one copy, omit if recorded in DFAMS.

d. Consignee - one copy.

e. DER/DEO or DICP - one copy to the unit designated to report P10 delivery order/amendment transactions. Note: Service/Agency units which order or amend orders on DD Form 1155 for bulk fuel under DLA contracts are not required to provide the DER/DEO or DICP a copy of the order when they report the P10 transaction code directly to DFAMS. Customers without DFAMS reporting capability will instruct the DER/DEO or DICP to report the P10. Notify DESC-F if assistance is required.

5. Placing Delivery Orders. Orders will be placed in advance of required delivery dates (RDD) IAW the time criteria in subsection D.5., above, unless otherwise indicated in the SIOATHs.

a. Urgent orders and amendments may be submitted to suppliers by telephone, facsimile; such action will be confirmed by DD Form 1155 by close of business the following workday. Urgent orders by phone or message will include the order number; and billing data (supplementary address, signal/fund codes) for non-DoD requirements.

b. Orders for shipments to terminals via tanker, barge, and pipeline require one order number for each shipment. When multiple shipments are made in the same month under the same CLIN, up to four orders may be placed on a single DD Form 1155; but, each order will be assigned a different order number. See volume V, appendix A14 for an example of a single DD Form 1155.

c. Single orders should be placed for incremental delivery quantities that conform to the contract MIN/MAX quantity clause. When it is mutually acceptable to the Government and contractor to exceed the MIN/MAX quantity clause of the contract, orders may be adjusted if requirements substantiate the need.

6. Signing Orders. Names and signatures of persons authorized to sign orders will be provided to the contractor. Orders will be signed (no stamp signature) as follows:

a. Officials authorized by the DER/DEO commander.

b. Ordering fuel for defense contractors as GFM fuel will be signed by a Government official designated as the ordering officer by the Contracting Officer or by the official designated in the contract.

7. Amending Orders. Quantity amendments will be consistent with quantitative provisions of the contract (min/max clause, percentage allowed). DD Form 1155 will be used to amend orders already placed with a contractor; see volume V, appendix A12 for instructions. Enter the original (basic) contract price. Amendments are required to document the following:

a. To reduce part of the quantity ordered but no longer required; such amendments must be agreed to by the contractor at no cost to the Government. If the contractor does not accept, the ordering officer will promptly notify the DESC Contracting Officer. Changes to contract volumes can only be accomplished under the authority of the Contracting Officer.

b. Over Deliveries. Deliveries where the difference between the total quantity ordered and the total quantity delivered/accepted exceeds PLUS 10 percent of the order. These delivery orders require prior approval from the ordering office and if the increased quantity exceeds the authorized SIOATH amount, approval of the DER/DEO must be obtained before the amendment is issued. Note, no amendment is required when the difference is 10 percent or less of the total order and the variance is caused by conditions of loading or shipping; this applies to each individual order.

c. Under Deliveries. Deliveries where the difference between the total ordered and the total quantity delivered/accepted exceeds MINUS 10 percent of the total order. These delivery orders require an amendment to reduce the order to the amount accepted with the following stipulations:

(1) If the amount delivered is considered acceptable by DERs/DEOs or ordering officers overseas, an amendment is required to decrease the ordered quantity to the amount accepted. See subsection E.8., below, for limitation of the Government to cancel order in part.

(2) If the contractor fails to deliver a portion of an order and the undelivered quantity is still required, the order will remain open. This allows the Government to either obtain the remaining quantity through legal action or hold the contractor liable for any increased costs incurred in obtaining the undelivered quantity from alternate sources. In any event, amendments will not be issued to decrease quantities under the condition of this paragraph unless directed by DESC.

(3) If the contractor fails to deliver the entire order by the end of the delivery period and product is no longer required nor is there any intent to hold the contractor liable, an amended order will be issued to reduce the order to the quantity delivered.

8. Canceling Delivery Orders. Although orders obligate the Government to accept the product, contractors are willing to cooperate when unexpected circumstances prevent accepting delivery by extending the delivery date or stop delivery without any cost to the Government. Thus, it is in the best interest of the Government, to give contractors equal consideration in the event of delivery supply problems. See volume II, chapter 2, paragraph C.6.e. for further cancellation instructions.

a. Canceling orders may have an impact on the contractor, especially if the product is ready to be delivered. Thus, mutual cooperation is required between the contractor and ordering officer.

b. In the event circumstances prevent accepting product as ordered, every effort shall be made to postpone the delivery date. By mutual agreement, the delivery date can be extended by amendment of the order to allow for delivery of the quantity previously ordered prior to additional orders being placed. Additionally, the amendment of the delivery date is applicable to all orders placed prior to the last month of the contract period. If such efforts fail and cancellation is still required, attempt will be made to have the contractor agree to a no-cost-cancellation. In the event a no-cost agreement is reached, an amended order will be issued to the contractor. Amended orders will contain a special notice in block 19 of the DD Form 1155 as explained in volume V, appendix A12. The authority to cancel, in whole or in part, an order under a no-cost agreement is delegated to the ordering officer. In the event no such agreement can be reached with the contractor, see paragraph E.8.d., below, for instructions.

c. Care will be taken by ordering officers in dealing with contractors to prevent jeopardizing the rights of the Government under the Termination for Convenience Clause. When termination for convenience of the Government is the only alternative, promptly notify the Contracting Officer at DESC-B (bulk fuel requirements) or DESC-P (PC&S fuel requirements), as appropriate, with the following data: (1) contract number, (2) order number, (3) date of order, (4) quantity and product code, (5) delivery date requested, (6) destination of shipment, (7) reason for termination, and (8) summary of the actions taken by the ordering officer.

9. Delivery Delays (Special Considerations)

a. When contractors fail to deliver product as ordered IAW the contract required delivery schedule, the ordering officer will determine the immediate or potential impact and take action as outlined in chapter 2, subsection C.6., of this volume. Factors to be determined by the ordering officer include: (1) the effect of delays in delivery on prescribed minimum inventory levels or day-to-day support capability, and (2) possible increased costs to the Government resulting from such delays.

b. When a location is receiving product from two or more contract sources, the ordering officer will prorate liftings according to the monthly volume of each contract. Minor deviations may be made to meet fluctuation in requirements; however, arrangements for overlifting will be agreeable to the contractor. When a contractor falls behind on deliveries to the extent that another contractor has to deliver ahead of his/her contract quota by 10 percent or more, the receiving location shall bring the matter to the attention of the DER/DEO.

c. Orders shall be placed consistent with contract terms. Reference section F, "Deliveries or Performance," of the solicitation/contract, as appropriate. The following guidance shall be considered in placing orders:

(1) When a contractor has failed to deliver one or more times and it appears that default action may be requested, orders will be limited to not more than a 1-week supply, unless directed otherwise by the DER/DEO. If it is necessary to request default action, this will permit processing without delay.

(2) Because the Government is obligated to honor the original order, changes in delivery schedules or quantity ordered must be in accordance with the terms of the contract.

d. When default action is requested against an order, ordering officers will refuse to accept further deliveries of that order. However, new weekly orders will continue to be placed against the contract for a pro rata share of the contract; such orders will indicate that no fuel will be accepted if delivered after the close of the week or the time period indicated in the order. If the contractor fails to fulfill new orders, take action as indicated in chapter 2, subsection C.6., of this volume.

10. Contract Flexibility. The following procedures may be exercised if ordering and delivery procedures under DESC contracts are consistent with the related contract; if not, the contract terms and conditions take precedence.

a. SIOATH Form. If contract provisions are not available to take advantage of the flexible procedures discussed below, so indicate on the SIOATH form.

b. Quantity Transfers Between Line Items. A contract line item may be "overlifted" if another line item for the same grade of product on the same contract will be "underlifted" by a compensating quantity and the contractor agrees to such action. NOTE: Quantity transfers to and from DPA contract line items involving ocean tankers require approval of DESC-B.

c. Overlifting Final Order. Final order for delivery by ocean tanker, barge, or pipeline may be increased by 50,000 barrels (7950 cubic meters) or the monthly ratable quantity, whichever is less. Contract items reduced under the provisions outlined in subsection 10.b., above, and contracts for lube oils may not use this overlift provision.

d. Ordering Delivery Prior to the New Contract Period. Bulk contracts usually allow orders from date of award through a specified delivery period with the first day of

the delivery period set by the contract schedule. Occasionally, it is necessary to order/accept deliveries from new contracts prior to the beginning date of the new period, rather than request supplemental procurement for the current contract period. Requests to order fuel under such circumstances will be submitted to DERs/DEOs for approval and usually will be limited to advances of no more than 30 days. For advance deliveries, ordering officers shall forward request to DESC-B for issuance of purchase request issuance of a contract modification.

e. Ordering Delivery Beyond the Contract Period. Contractors are required to deliver up to 30 days beyond the contract period, if orders are placed during the contract period; contractors may accept orders during the contract period for delivery during a reasonable time beyond the 30-day extension. The DER/DEO must obtain DESC-BIB and the Contracting Officer's approval prior to placing orders that require delivery outside the normal contract/carryover period. Purpose of these Government options is to assure continuous supply of fuel. Examples of situations where such actions are advantageous are when new contracts are not available to provide support.

11. Reporting Contract Underlifts. Normally, an underlift cannot be forecast until at least 90 days of the contract period has elapsed. If circumstances indicate that orders for the contract period will be underlifted, action will be taken as follows:

a. Ordering officers will review projected requirements with balances on SIOATHs and promptly notify DERs/DEOs when it appears that the CLIN will be underlifted as of the end of the contract period by 15 percent or more. DERs/DEOs in turn will monitor liftings by each contract at least monthly. When the cumulative lifting of a CLIN is less than the cumulative quota, DERs/DEOs will determine the anticipated cumulative liftings for the entire contract period. If underlifts of a CLIN are at least 15 percent or more of the contract quantity and cannot be transferred to another item for lift IAW paragraph E.11.b., below, DERs/DEOs will prepare an amended SIOATH reducing the item by the underlift quantity. The amended SIOATH will be mailed by cover letter to the units in subsection D.7. Using DFAMS printouts, DESC-B shall amend the DPA by the amount indicated on the amended SIOATH.

b. DERs/DEOs may underlift quantity to adjust for overlifts at another location not initially supported by the contract only if all of the following conditions are fulfilled:

(1) The diversion will result in a cheaper laid down price for the alternate location.

(2) The diversion would result in a more equal underlift for all applicable suppliers in the original location.

(3) For the alternate location, the diversion will not result in underlift quantities for the contracts in that location.

F. REQUISITIONING FUEL FROM INTERMEDIATE DFSPs

1. Supply Sources

a. CONUS/Alaska. DERs/DEOs shall notify military base-level DFSPs of designated supply sources via SIOATHs with a copy to the DFSP supply source. SIOATHs will be modified as follows:

(1) Provide data on DFSP source (in lieu of refinery).

(2) Blocks that call for contract data will be blank.

(3) Check the block on the SIOATH form that indicates "release of product from terminal stocks" under remarks for item 1.

(4) The block that indicates "the maximum quantity that will be called for" may be left blank.

b. Overseas. JPO/SAPO in coordination with DER/DEO will notify overseas bases. No recurring notice will be issued; unless otherwise informed, bases will assume their source of supply is the same as it was for the preceding period.

2. Requirements/Requisitions. Base-level DFSPs shall submit 30-day requirements for fuel in writing to the DFSP designated as their supply source. Base-level DFSPs may requisition (schedule) fuel by phone, fax, etc., from their supply source DFSP as follows:

a. Requisitions may be placed for single or multiple deliveries for requirements not exceeding a calendar month.

b. Requisitions will remain active until the total quantity requested is shipped or amended by the base-level DFSP to adjust the quantity to the total quantity shipped or cancel the unfilled balance.

c. Intermediate DFSPs may request base-level DFSPs to amend requisitions when the remaining quantity to be supplied is less than a tank truck/car load.

3. Requisition Time. Requisitions must be submitted to intermediate DFSPs in advance of required delivery dates IAW subsection D.5 criteria. Request for shipside deliveries may be less than 20 days if such improves strategic operations or prevents vessel movement delays.

4. Redistribution Order (RDO) Between DFSPs

a. DLA inventories are redistributed between DFSPs (intermediate and base-level) via RDO numbers. RDO numbers are documented on DD Form 250-1, Tanker/Barge Material Inspection and Receiving Report, or DD Form 1348-7, DoD MILSPETS Single Line Item Requisition/Receipt Document, by the DFSP releasing the fuel; note, multiple shipments to the same DFSP in support of the same requirement (product, date, etc.) will be documented with a single RDO number and no suffix numbers.

b. RDO numbers are provided by CONUS DERs/DEOs and DERs/SAPOs overseas to intermediate DFSPs to direct the shipment of product between DFSPs (intermediate or base-level) and pipelines. RDO numbers may be provided by phone/fax. DERs/SAPOs shall maintain a register of the RDOs and associated data; and may issue blocks of RDO numbers to shipping DFSPs when shipments between DFSPs are frequent. Shipping DFSPs shall maintain RDO registers with at least the following minimum data: RDO number, grade of product, quantity, delivery mode, date of shipment, and consignee.

c. RDOs between intermediate DFSPs will provide at least the following data: RDO number (14 position document number), DODAAC/RIC of the shipping and receiving DFSPs, grade/national stock number of the product, quantity, mode of delivery, and required delivery date.

d. Shipments between intermediate DFSPs will include the RDO number in record positions 30-43 of DD Form 1348-7, documentation of Requisition/ Redistribution Order/Release Order or the RDO number along with the annotation "DLA-OWNED PRODUCT" in block 21 of the DD Form 250-1. Copies of the DD Form 250-1 shall be mailed to the QSR for GOCO/ COCO DFSPs or to the RO for GOGO intermediate DFSPs.

e. RDOs shall be locally assigned by DFSPs when the DFSPs are collocated at the same military location such as an Air Force DFSP and the Air National Guard DFSP.

f. RDOs will not be used to redistribute fuel at terminals which are part of the same DFSP complex.

G. REQUISITIONING FUEL ADDITIVES

1. Packaged Additives. Drummed inhibitors, packaged fuel system icing inhibitor (FSII), corrosion inhibitors, and static dissipator additive (SDA) (or conductivity additive) - also termed as electrical conductivity additive (ECA) or anti-static additive (ASA) are supplied by "DSCR" - Richmond, VA.

a. Intermediate GOGO DFSPs shall submit MILSTRIP requisitions directly to DSCR (see volume V, appendix A15).

b. For Contractor-Operated Intermediate DFSPs, DERs/DEOs shall initiate requisitions to DESC-FG via phone, fax, etc. (see volume V, appendix A15).

c. The Military Services shall submit requisitions for packaged additives from DSCR to the appropriate Military Service-operated-onbase storage facility.

2. Injecting Additives. In general, additives shall be injected prior to the base-level tankage receiving the fuel; additives shall be injected:

a. at intermediate DFSPs that supply base-level DFSPs.

b. at the industry source when fuel is delivered direct to the base-level DFSP.

c. by the pipeline operator when delivery is made by common carrier multiproduct pipeline.

3. Funding Additives. DESC funding for additives will be made available for fuel not owned or bought by DESC/DWCF (RIK, FEAs, "free fuel" situations, etc.). The Military Services retain full logistics responsibility to order and inject additives funded by DESC. DESC reserves the right of review and approval of these situations, in order to avoid uneconomical decisions.

H. STOCK DISTRIBUTION BETWEEN BASE- LEVEL DFSPs

1. Economic Distribution. Stock distribution between base-level DFSPs will be used in support of the DLA integrated management mission for bulk petroleum products. Base-level DFSPs will be used as central distribution points in support of other base-level DFSPs when it is cost effective in relation to the overall distribution pattern. DESC will coordinate the feasibility (storage availability and receiving/shipping facilities) of such distribution with the base DFSP and SCPs in CONUS and JPOs overseas.

2. Transportation. DERs/DEOs shall provide routing instructions to the transportation office of the shipping DFSP. Shipping DFSPs shall: (1) schedule transportation (tank trucks) for loading/shipping the fuel, (2) prepare Government Bills of Lading (GBLs), and (3) coordinate shipping schedules with the receiving DFSPs.

3. Funding. DESC shall fund the transportation costs such as GBL shipments. Intransit losses described under conditions indicated in chapter 5, section F. of this volume will be sustained by the DLA Division of DWCF.

4. DFAMS. Shipments will be reported as fuel transfers.

I. SLATING PROGRAM

1. General. Fuel requirements at ocean terminals are resupplied by ocean tankers via a program called "slating."

a. The slating program is designed to provide timely resupply of fuel at minimum costs. Slates are reported by DERs/DEOs and JPOs to DESC-B for developing cargo schedules in coordination with Military Sealift Command (MSC). Thus, consolidated requirements are developed by DESC for ocean tanker deliveries.

b. Slating represents current and future requirements at ocean DFSPs. All slating activities shall calculate requirements for 4 months (current plus 3 months).

2. Scope

a. Ocean terminals and commercial pipelines under pipeline operating agreements that receive fuel by ocean tanker or barge; bulk petroleum products in FSC 9130, 9140, and 9150.

b. DERs/DEOs, JPOs, DESC, DCMC and MSC; a concerted effort among these DoD Components is crucial in achieving satisfactory results.

3. Slating Responsibilities

a. Applicability. DERs/DEOs in CONUS and JPOs/ SAPOs overseas (unless coordinated otherwise) shall plan, prepare and submit slating requirements for their regions/theaters and ensure that the slates represent the coordinated requirements of the Military Services. DESC-B shall schedule product for Greenland in coordination with SPACECOM. Special tanker requirements for Antarctica will also be scheduled in coordination with the National Science Foundation or the designated representative.

b. Planning

(1) Careful planning is vital in calculating accurate delivery requirements. Avoiding changes in slated requirements is crucial in maintaining an efficient operation. Shipping and ordering arrangements are normally made 30 to 60 days in advance of delivery dates. This means shipping instructions for the current and following month will have been issued prior to the receipt of the current slate. Therefore, a maximum effort must be made to ensure changes in slated requirements for the first 2 months be reduced to a minimum consistent with operational necessity.

(2) Besides reporting requirements for DESC-B "slated" tanker deliveries, slates should provide scheduled delivery data from other sources (i.e., pipeline or barge) when such is the case. Such data is essential in developing optimum tanker distribution.

(3) Slates indicate the time period when resupply is required and the amount of product required for the terminal. DESC-B uses this data in calculating transportation requirements. If feasible, slates should report the amount of fuel which can be received at a terminal in full shipload increments. Amount will vary depending on the contract award pattern and ships projected for use; it will be expressed as the order quantity for the fuel. Order quantity will be scheduled by DESC-O in coordination with the DER/JPO. Negative slate balances should be accounted for in the next slate (see paragraph I.3.e., below).

c. Reporting. Slates will be reported on a monthly basis calculated to ensure its arrival at DESC on or before the 10th calendar day of each month, IAW the Bulk Petroleum Product slate, RCS: DLA(M)1881-(DESC). Detail procedures for reporting and transmitting slates to DESC via the AUTODIN system are in volume V, appendix

A27. JPOs/DERs/DEOs shall report consolidated slates in support of military requirements overseas via AUTODIN or by other available electronic means such as facsimile. CONUS slates are input via DFAMS.

d. Delivery Requirements. The delivery requirements for each ocean terminal will be by product code for each of the months reported. Each month requirement may be further refined by requesting delivery during: (1) the 1st through the 10th of the month; (2) the 11th thru the 20th of the month; or (3) the 21st thru the end of the month; however, this refinement should only be used if delivery is required in a specific period of the month. Due to the many variable elements involved in resupply of bulk fuel by ocean tankers, the quantities and times of deliveries may not coincide exactly with those slated. Any requirement that has priority for firm delivery of quantity or date must be highlighted by footnotes to slates (see paragraph I.3.f., below). Anticipated delivery method will be indicated as follows:

(1) Method 1 - MSC, Washington controlled tanker/ barge.

(2) Method 2 - Commercially controlled tankers making FOB destination shipments.

(3) Method 3 - Pipeline, tank car, tank truck, and barge deliveries arranged by other than MSC.

e. Requirement Balances. Requirement balances are used to account for the difference between slated and delivered amounts. Such balances are maintained by DESC-BI, DERs/DEOs, and JPOs. As mentioned in the preceding paragraph, some variations are expected between slated and actual deliveries, thus, the need for requirement balances. Such balances are computed as the variance between the quantity slated for tanker delivery during a calendar month and the quantity received by tankers (with DESC cargo number designations) during that month. For slating purposes, the requirement balance reported is the cumulative total of the requirement balance (plus, minus, or zero) carried forward from the beginning of the prior month and the requirement balance (plus, minus, or zero) computed at the end of the prior month. Such balances will be reported for the beginning of the current month only. Products received by means other than DESC-numbered cargoes will not be considered in computing requirement balances but will be taken into account when computing quantities desired. The requirement balance must be considered in the following manner when preparing a slate:

(1) If a negative requirement balance is shown for the close of the month prior to the first month on the slate, the slating unit shall review the next month projected resupply position.

(2) If the negative balance is already scheduled, no further action is required.

(3) If the negative balance is not scheduled, disregard it. JPOs/DERs should compute the slate by starting even and reflect current ullage and anticipated demands (issues). NOTE: Ullage should be available to accept the quantity of a negative requirements balance on the first day of the current month. If ullage is not available, the negative balance will be adjusted to the quantity for which ullage is available; explain such variance in footnote. A plus requirements balance will be counted in the next slate if it serves to fill a requirement in the first month of the new slate.

f. Footnotes to Slates. Footnotes will be used to report data not included in the basic slate format, such as the following:

(1) Changes in storage capacities resulting from tank cleaning, maintenance, repair, new construction, or abandonment.

(2) Significant changes in requirements explaining the reason for revised estimates.

(3) Special requirements, restrictions, or limitations relative to ullage, receiving capability, pipeline distribution schedules, safety regulations, periods of possible port facilities congestion and depth of waterways which could affect tanker operations.

(4) Product shuttled by tankers/barges controlled by MSC outside of Washington, DC must be identified by footnotes.

(5) Delivery data from other sources (e.g., pipeline).

(6) Any data deemed crucial, needed, or appropriate.

g. Unforeseen Changes. Unforeseen changes in storage capacities, issue demands, or other factors affecting delivery requirements during the first 2 months of the current slate shall be reported through CONUS DER/DEOs and CINC-JPOs/DERs/DEOs overseas, as appropriate, to DESC-B by the most expeditious means available. Such changes require prompt submission of a slate change.

h. Response to Slated Requirements. DESC-B will attempt to meet slated requirements in the time-frames and quantities requested. To provide CONUS DER/DEOs and JPOs with tanker arrival data, DESC-B provides a daily tanker schedule by facsimile. Additionally, the weekly arrival schedule (WAS) is provided by message to the DERs/JPOs and other info addresses. Both list cargoes scheduled to arrive at DFSPs. As daily changes occur, DESC-B updates the preceding WAS by message. DERs/DEOs and JPOs will review the schedule and changes thereto and advise DESC-B if it does not adequately meet requirements.