

C1. CHAPTER 1

PETROLEUM PRODUCT REQUIREMENTS

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## C1.1. GENERAL.

This chapter describes processes and procedures whereby DoD Components, through the respective Combatant Command (CCMD) Joint Petroleum Office (JPO) and Federal agencies, submit requirements to the Defense Logistics Agency (DLA) Energy for petroleum products and related services. It also describes DLA Energy-generated requirements. Defense Energy Support Center Instruction (DESCI) 4220.1 (Reference (u)) provides detailed and specific petroleum requirements submission schedules and Chapter 14 of this Volume provides additional guidance regarding support to civil authorities.

## C1.2. FUNDING

C1.2.1. DLA Energy Funded Commodities. The Defense Working Capital Fund funds bulk petroleum products in accordance with Reference (u) for purchase programs and associated funding responsibility.

C1.2.2. DLA Energy Non-Funded Commodities. DoD Components and Federal agencies shall fund:

C1.2.2.1. Petroleum products used to support the Military Assistance Program and Foreign Military Sales.

C1.2.2.2. Petroleum products excluded from the DLA Integrated Material Management program due to limited or unique military application.

C1.2.2.3. Federal agency ground fuel product requirements such as motor gasoline, heating oil, diesel, and aviation gasoline purchased through the Posts, Camps, and Stations (PC&S) Program. DLA Energy may fund certain Federal agency requirements on an exception basis.

## C1.3. PURCHASE PROGRAM CRITERIA

C1.3.1. DLA Energy develops worldwide purchase programs structured to satisfy CCMD and Federal agency requirements. The design of the purchase program is to reflect market and resource capabilities to achieve the lowest possible unit cost. Timely requirements, as stated in Reference (u) and submitted by the CCMD and Federal agencies, are crucial to achieve economic goals. The requirements shall include tenant organization requirements and projected fuel sales to transient units. The DLA Energy bulk petroleum and DLA direct delivery fuels directorates shall collaborate with the CCMDs, Service Control Points (SCPs), JPOs, Defense Energy regions (DERs), and Federal agencies to obtain essential and realistic requirements data to include:

C1.3.1.1. Annual consumption requirements by purchase program, product grade, and location.

C1.3.1.2. Defense fuel support point (DFSP) projected storage changes such as initial fill of newly constructed tanks, converted storage tanks, or inventory drawn down for scheduled tank maintenance during the program delivery period.

C1.3.1.3. Projected inventory levels at the beginning of the program delivery period.

C1.3.2. DoD Components and Federal agencies shall validate prepared requirements worksheets and identify any delivery restrictions to the DER that reduces DFSP product receipt capability, potentially increases product costs of future contracts, or causes supplier delivery problems such as:

C1.3.2.1. Restrictions to receipt capacities.

C1.3.2.2. Limited receipt capability for normal modes of transportation.

C1.3.2.3. Limited hours of operation.

#### C1.4. PETROLEUM REQUIREMENT SUBMISSIONS

C1.4.1. Bulk Petroleum. The DLA Energy Inventory and Distribution Management Division (DLA Energy-BI), SCPs, JPOs, DERs, and Federal agencies jointly determine projected annual bulk fuel requirements. Requirements data initiated and collected by DLA Energy-BI represent projected consumption and storage fill by individual bulk purchase program. JPOs submit petroleum requirements for Joint Chiefs of Staff (JCS)-sponsored exercises and CCMD contingency requirements to the DER, which will in turn be forwarded to DLA Energy-BI and DLA Energy Contingency Plans and Operations Division (DLA Energy-DL). The requirement will be processed and supported in accordance with Chapter 14 of this Volume. JPOs shall forward bulk fuel requirements to include those provided to DLA Energy-DL to DLA Energy-BI for processing in accordance with Reference (u). Federal agencies shall forward requirements to the DER, which will be validated and forwarded to DLA Energy-BI. DLA Energy-BI will consolidate and validate all bulk fuel requests prior to forwarding data for procurement.

C1.4.2. PC&S, Into-Plane, and Bunker Requirements. Fuels procured through the PC&S Program include gasoline, diesel fuel, heating oil, and some aviation gasoline and jet fuel when direct vendor delivery into storage tanks is required. The DLA Energy Ground Fuels Divisions I, II, and III (DLA Energy-PE/PL/PI), SCPs, JPOs, DERs, and Federal agencies jointly determine annually projected PC&S requirements using the timeline stated in Reference (u). JPOs submit PC&S petroleum requirements for JCS-sponsored exercises and CCMD contingencies to the DER, which shall forward the requirements to DLA Energy-PE/PL and DLA Energy-DL to process and procure in accordance with Chapter 14 of this Volume. DoD Components and Federal agencies shall submit requirements through the requirements data call (RDC). The RDC notifies JPOs by e-mail that an activity has submitted requirements and forwards Federal agencies' requirements directly to DLA Energy. Federal agencies that wish to establish new requirements should contact any DLA Energy-PE/PL/PI. The SCPs, JPOs, DERs,

and Federal agencies shall forward aviation fuel into-plane requirement worksheets to the DLA Energy Mobility Fuels/Card Programs Division (DLA Energy-PH). DoD Components shall forward all bunkers requirements through the CCMD JPO for marine gas oil, marine diesel fuel, fuel naval distillate, and intermediate fuel oils to DLA Energy-PH.

C1.4.2.1. The RDC is a web-based application DLA Energy uses to gather PC&S Program ground fuel requirements at domestic and overseas locations and to post requirements data sheets on the internet, which enables activities to review, change, and validate information. JPOs shall complete final validation and coordination prior to transferring DoD Components' requirements information to the PC&S direct delivery requirements manager database. Federal agencies shall forward requirements directly to DLA Energy.