

DEFENSE LOGISTICS AGENCY

Established 1961



DLA Energy Support to Non-DoD Customers

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THE NATION'S LOGISTICS COMBAT SUPPORT AGENCY



- ❖ **Defense Logistics Agency (DLA) Energy** is a Major Subordinate Command of DLA headquartered at Fort Belvoir, VA.

- ❖ **Mission:**
 - To enable mission readiness by providing globally resilient energy solutions to the Warfighter and Whole of Government

- ❖ **Funding:**
 - We are a Defense Working Capital Fund activity – no appropriations
 - We must recover our operating costs within the pricing for products and services we provide.
 - We are not permitted to make a profit or take a loss



❖ **Non-DoD Customers include:**

- US Government, Agencies, Bureaus, etc. including all branches of Government
- DoD Contractors
- Federal Contractors
- Commercial Space Launch
- Foreign Government
- Others (limited authority for state/local governments, aircraft visiting military facilities, humanitarian needs and emergency conditions)



❖ Federal Acquisition Regulation:

- Federal Acquisition Regulation (FAR) Subpart 51.1, "Contractor Use of Government Supply Sources"

❖ Others:

- 10 USC § 2922e: Acquisition of certain fuel sources; authority to waive contract procedures; acquisition by exchange; sales authority
 - Public Interest Determination
 - Case by case determination
 - May include State, Local governments or other unique situations



❖ DoD Contractors:

- Sold at DoD Standard Price
- Moving Average Price (Map)

❖ Federal Contractors:

- Sold at MAP + Cost Plus Rate (CPR)
- CPR for FY26 is \$0.09/Gallon

❖ Other:

- Fuel is sold at a variable cost depending on circumstances



❖ **Authority:** FAR Part 51

- DLA Energy supports DoD and Federal Contracting Offices as the “Sponsors” of the Contractors

❖ **Two petroleum methods of support for DoD and Federal Contractors**

- Fuel received at military bases by Contractor Aircraft, ships, vehicles
- Fuel delivered by DLA Energy Contractors to Contractor owned or controlled tanks



❖ Authority: FAR Part 51

- If in the Government's interest, and if supplies or services required in the performance of a Government contract are available from Government supply sources, contracting officers may authorize contractors to use these sources
 - Government Cost-Reimbursement Contracts
 - Other types of negotiated contracts when the agency determines that a substantial dollar portion of the contractor's contracts are of a Government cost-reimbursement nature
 - A contract under 41 U.S.C. chapter 85, Committee for Purchase from People Who Are Blind or Severely Disabled*

FAR Part 51 Sponsoring Contract Officer Role



❖ Before issuing an authorization to a contractor to use Government Supply Sources:

- Contracting Agency must agree to sponsor the Contractor
- Request an Activity Address Code(2ABxxx) through DLA
- Provide a copy of the FAR Section 51.102(e) letter
- Provide a copy of the Contract incorporating appropriate clauses



FAR Part 51 Sponsoring Contract Officer Role(Cont.)

- Provide a copy of MOD executing Option periods(if applicable)
- Provide a Billable DoDAAC with Signal & Fund Codes or (S)LOA of funding source
- Ensure SAM and CAGE codes of Contractor are valid and up to date
- If aircrafts are involved, validate and request Fuel Identaplates



❖ Before issuing an authorization to a contractor to use Government Supply Sources:

- Ensure suitability of items and QTY are available through the Government Supply Sources
- Establish and provide key Points of Contact
 - Billing Representatives
 - Operations or Site Representatives
- Establish a Pay.gov account for electronic fund transfer
 - **Late payment(s) will result in cancellation or prohibit issuance of an authorization**

FAR Part 51

Sponsoring Contract Officer Role



❖ **After** DLA issues the authorization to a contractor to use Government Supply Sources:

- Sponsoring Agency shall ensure Contractor(s) comply with the terms of the authorization and that supplies obtained from the Government are properly used

- Sponsoring Agency, in writing, submits:
 - Address changes of the Contractor
 - Additions/Deletions of Aircraft
 - Any MOD of the contract to include Option Period execution
 - Notification of Contract completion/termination

FAR 51 Package Requirements



- ❖ FAR 51 Template:
 - Signed by both Contractor and Contracting Officer

- ❖ Copy of the authorization letter IAW FAR 51.102e (authorization for gov't supply sources)

- ❖ Copy of Contract pages citing clauses:
 - FAR Clause 51.251-1
 - DFARS Clause 252.251-7000
 - FAR Clause 52.216-22(d) if applicable

- ❖ If required, Aviation Fuel Cards request form
 - Identaplate (DD-Form 1896)



❖ Clean Finance/ Credit Report:

- No balance owed over 90 days
 - Shall include other associated AACs assigned to the Contractor

❖ Payment Oversight

- Sponsoring Agency should monitor and direct contractors to make payments promptly upon receipt of bill(s)
- **Sponsoring Agency is responsible for any indebtedness incurred for supplies if not satisfied by the Contractor**
- If there are disputes, report them promptly
 - bsmedhdatamgmt@dla.mil

FAR 51 Payment Requirements(Cont.)



- ❖ DLA Energy highly recommends using **www.pay.gov**:
 - Free and secure service
 - Available online 24/7, including holidays
 - Types of Payments:
 - Credit Cards – Visa, Mastercard, American Express, Discover, etc.(limited to **\$24,999.99**)
 - Personal/Business Bank Accounts – Savings, Checking, General Ledger (**No Max limit**)
 - Digital Wallet – Amazon, Paypal (limited to \$10,000.00)
 - ACH Credit – Businesses only (limited to **\$99,999,999.99**)

Public Interest Determination 10 USC 2922e(d)



❖ Authority: 10 USC 2922e(d)

- Secretary of Defense may sell fuel when deemed in the public interest
- **Public interest is NOT**
 - Competing with reasonably available commercial sources
 - Providing bulk petroleum deliveries
 - Based on providing lower cost fuel
- Customers have included emergency aircraft landings, DoD and Federal contractors without FAR Part 51 clauses, locations where only the DoD operates, foreign governments, others



- ❖ DLA Non-Fuel Purchase Authorization Division
 - Located Fort Belvoir, VA
 - NOT 24/7 – 0630 to 1600 (EST)
 - DLAEnergyFPA@dla.mil

- ❖ DLA Customer Interaction Center (CIC)(24/7):
 - Routine Energy Questions
 - 1-800-446-4950
 - Energy.helpdesk@dla.mil

- ❖ Operations Duty Officer (24/7)
 - DSN 392-8420 or 571-767-8420
 - Dla.energy.ccc@dla.mil



Questions