

# Defense Logistics Agency Energy

## Fiscal Year 2023 FACT BOOK



46<sup>th</sup> Edition

2023



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NOTE: Information provided is a snapshot of DLA Energy's facts and figures for FY23.

(Front cover: DLA Energy Americas supports 2023 Quartermaster Liquid Logistics Exercise June 2023 Back cover: photo by Navy Mass Communication Specialist 2nd Class Samuel Osborn)

# Foreword

The Defense Logistics Agency Energy Fact Book contains information about its business operations. The Fact Book reflects the operational status at the end of FY23, unless otherwise indicated.

The intent of this publication is for general information purposes only.

The digital Fact Book can be found on the DLA Energy website at [www.DLA.mil/Energy](http://www.DLA.mil/Energy)



**Providing  
Globally  
Resilient  
Energy  
Solutions**



# Mission and Vision

## Mission:

To enable mission readiness  
by providing globally resilient energy  
solutions to the Warfighter and  
Whole of Government

## Vision:

The trusted leader  
in innovative energy solutions  
aligned with the speed of change



## DLA Energy



# DLA Energy's History

DLA is America's combat logistics support agency responsible for sourcing and providing nearly every consumable item for our military forces worldwide. DLA Energy, a DLA major subordinate command, is responsible for providing globally resilient energy solutions to the Warfighter and Whole of Government.

DLA Energy's roots date back to World War II. Originally, it was an entity of the Department of Interior as the Army-Navy Petroleum Board with the mission of administering critical petroleum requirements during the war. In 1945, the organization was transferred to the War Department and became the Joint Army-Navy Purchasing Agency.

The organization underwent several name changes, but its mission of administering critical petroleum requirements remained essentially the same until 1962. At that time, it became a part of the consolidated military supply organization called the Defense Supply Agency. Today, that agency is known as the Defense Logistics Agency. In 1964, DLA Energy was renamed the Defense Fuel Supply Center and designated as a single entity to purchase and manage DOD's petroleum products and coal.

In 1973, DLA Energy progressed from a wholesale fuel central procurement activity to a comprehensive Integrated Materiel Manager for the DOD petroleum mission. Phase I of IMM added management of the acquisition, storage, distribution and sale of fuel with responsibility ending at the Service installation boundary. In 1991, Phase II expanded the ownership to include most bulk storage installations.

In 1990, DLA Energy's mission was expanded to include the supply and management of natural gas. Natural gas requirements were consolidated and centrally procured with the goal of providing direct supply natural gas to

customers when determined more economical than using gas from a local company.

In 1998, DLA Energy became the Defense Energy Support Center with a new mission to build an energy program aimed at moving the DOD out of the management of energy infrastructure and into the management of energy products. The initiative to deregulate electricity in the U.S. added another mission to DLA Energy's responsibilities. As states deregulated, DLA Energy pursued and awarded contracts for electricity services to DOD and federal civilian agency installations.

With the issuance of Defense Reform Initiative #49 in 1998, which directed the military services to privatize their utility systems, DLA Energy took the lead providing contracting expertise in support of the DRI goals. DLA Energy developed a core competency in utilities privatization and has become the single procurement organization for Navy, Army and Air Force utility services contracting.

In 2001, DLA Energy assumed a new mission from the U.S. Air Force to serve as the DOD's IMM for space and space-related products and services, providing support and business solutions to not only the DOD but also other federal agencies, government contractors and academia. The addition of this mission made DLA Energy a full service provider of all energy and energy-related products.

In 2002, DLA Energy assumed the mission to manage and perform the worldwide energy quality mission, consolidating functions previously performed by the Defense Contract Management Agency.

In 2004, the Secretary of Defense designated DLA as the Executive Agent for bulk petroleum. The authority was delegated to DLA Energy

with the responsibility to execute Supply Chain Management for all DOD bulk petroleum, with an emphasis on improving efficiency and minimizing duplication and redundancy within the supply chain.

In 2006, DLA Energy became the DOD IMM for both bulk Aviator's Breathing Oxygen and liquid nitrogen which were previously managed by DLA Aviation.

In 2009, DLA Energy's mission continued to expand, incorporating emerging areas of renewable and alternative energy sources. As the nation embraced conservation, environmental stewardship and energy security, DLA Energy's business units pursued solar power, hydrogen power, synthetic fuels and other alternative fuel and renewable energy sources as new procurement, research and development initiatives materialized.

In 2010, DLA Energy adopted its current name in support of DLA's "We Are DLA" initiative. DLA Energy supported a single-agency environment, internally and externally, building a sense of community and ownership for employees and creating a clearer and more definitive identity for customers and stakeholders.

In 2013, DLA Energy assumed responsibility for the U.S. Army Okinawa Petroleum Distribution System.

In February 2023, U.S. Transportation Command assumed the role as the DODs Single Manager for Global Bulk Fuel Management and Delivery. DLA Energy continues its IMM responsibilities for procurement, transportation, storage, distribution, ownership, accountability, budgeting, quality assurance and surveillance, and infrastructure sustainment, restoration, and modernization efforts.

# Commander's Update



In June, I was honored to assume command of DLA Energy – an organization staffed with world-class logistics professionals with a mission ever so critical to our nation's defense. A large portion of the Defense Department's ability to do its job on the ground, on the sea, in the air, or in space is accomplished because of the products, services and expertise of DLA Energy's people.

The team accomplished many significant milestones in FY23. One of the biggest was working with the Joint Task Force Red Hill to prepare and start the historic closure of the Red Hill fuel tanks in Hawaii, an 80-year-old underground fuel storage facility. From the development of the detailed closure plan to the extensive outreach with the community and stakeholders, the DLA Energy team set the stage for successful defueling and relocation of fuel to strategic locations throughout the Indo-Pacific region.

In February 2023, U.S. Transportation Command reached initial operating capability in its role as the DOD Single Fuel Manager per the 2022 National Defense Authorization Act. DLA Energy maintains its role as Integrated Materiel Manager for the DOD petroleum mission and is an actively supporting TRANSCOM with a Support Division at Scott Air Force Base, Illinois.

DLA Energy Europe and Africa continues to support the Ukrainian Defense with international agreement support, bulk petroleum products, and contracting actions that keep the European Theater moving. The team continues to evaluate and support the fuel requirements in the host nation and at Drawsko Pomorskie Training Area and Powidz Airbase, Poland.

As we work to expand our partnerships globally, our international agreements team continues to build relationships through our Fuels Exchange Agreements Forums. For the 18th year, DLA Energy Europe and Africa held a forum with more than 80 leaders from 14 European countries. In the Indo-Pacific region, the inaugural forum included more than 60 representatives with plans to grow participation next year.

Domestically, DLA Energy Americas leveraged their strong supply chain operations and interagency partnerships to support two significant Whole of Government missions early in the year: one for the U.S. Embassy and U.S. Agency for International Development in Port Au Prince, Haiti, and another for FEMA's response in the aftermath of Hurricane Ian. The team procured and delivered 120,000 gallons of diesel fuel to Haiti in less than five days and immediately deployed to support hurricane relief efforts in Georgia and Florida with fuel tank trucks and wagons. Only two of the many ways the Americas team rose to the challenge this year.

# Commander's Update

Throughout the year, DLA Energy Aerospace supported 16 DOD and NASA space launches with rocket propellants and hypergolic propellants. Missions included two classified National Reconnaissance Office spy satellites, three DOD satellites, and five NASA missions.

As we work to advance Climate Change efforts and meet clean energy goals, DLA Energy issued solicitations in December 2022 for the purchase of carbon pollution-free electricity to support DOD installations and federal agencies in two key regions. In Texas, the Electric Reliability Council of Texas, ERCOT, was selected as the deregulated pilot. For North and South Carolina, Duke Energy was selected as the regulated pilot. This is an important step forward in transforming how the U.S. government buys and manages electricity and putting the nation on a path to achieving a carbon pollution-free electricity sector by 2035.

To improve documentation and tracking of fuel transactions, DLA Energy Business Process Support implemented a new Electronic Point of Sale state-of-the-art system. EPoS replaces the existing Automated Fuel Service Station system used at more than 400 Defense Fuel Support Points with a more secure, automated and mobile system that enhances the agency's ability to respond to auditors in a timely manner. The application is currently in the full deployment phase, with full operational capability targeted in FY25.

For the seventh year in a row, the Department of Energy awarded DLA Energy Federal Energy and Water Management Awards for significant contributions to energy and water efficiency within the federal government. In addition, DLA Agency Energy Utility Services employees earned Army Civilian Service Achievement Medals for helping Fort Campbell, Kentucky, achieve essential upgrades of electrical, water and wastewater utilities in 2022.

Two prior DLA employees whose service left an enduring mark on the agency were inducted into the DLA Energy Hall of Fame this year. Ms. Jean Cox, former comptroller for DLA Energy Finance serving from 1985-2017, and Mr. James Young, former quality assurance representative specializing in aerospace products and propellants serving from 2007-2017, joined the other 25 members of the distinguished hall of fame.

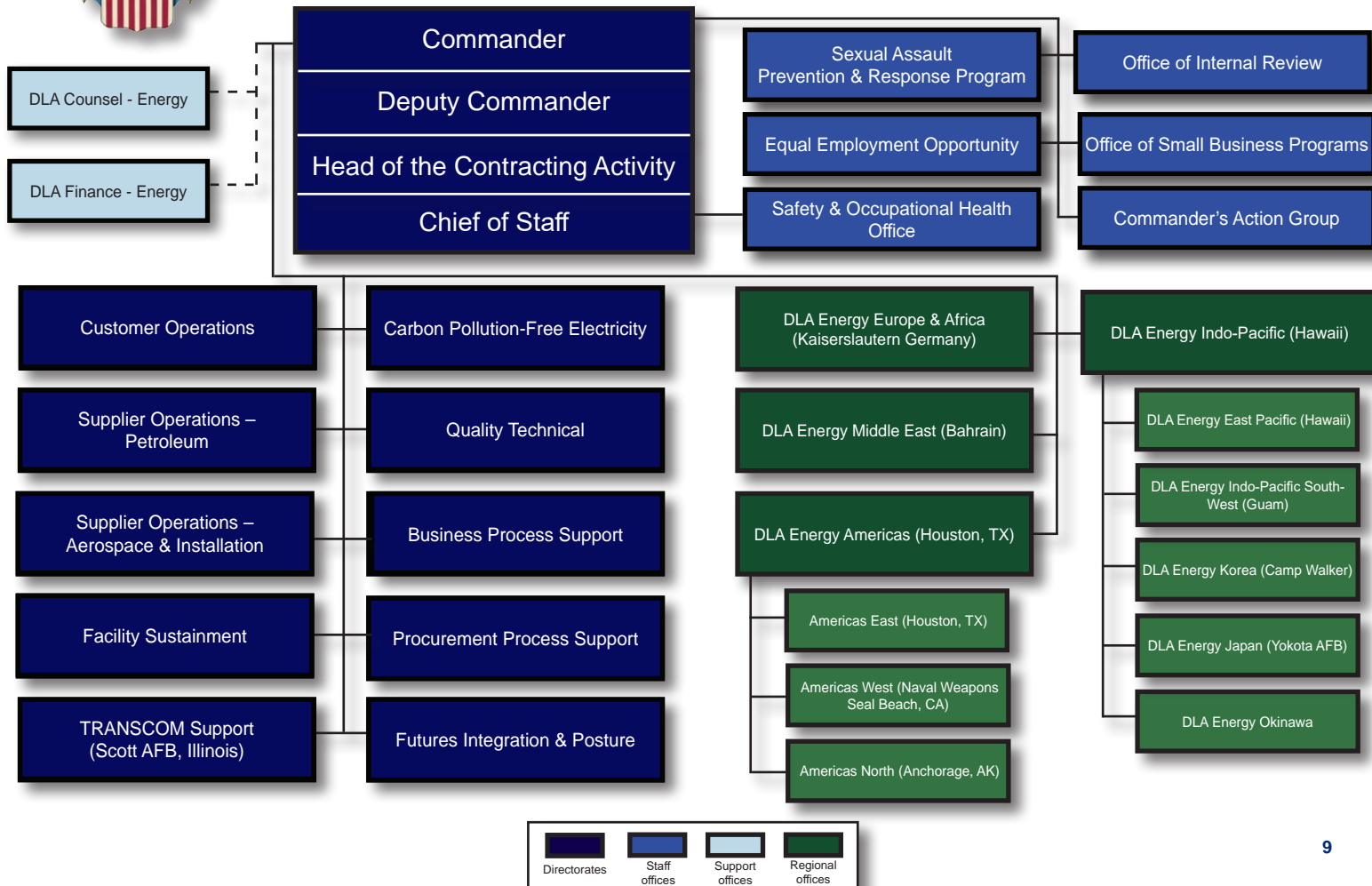
Working to improve industry engagement, DLA Energy hosted the Energy Industry Summit in Alexandria, Virginia, in May, where over 230 attendees networked and discussed "Energy Solutions for the Future." In April 2024, DLA Energy will host the Worldwide Energy Conference at the National Harbor, Maryland. The WWEC typically attracts over 2,000 attendees and 120 trade show vendors.

As always, we are proud of our workforce's commitment to providing globally resilient energy solutions to the Warfighter and Whole of Government. No matter what curveball is thrown our way, the team continues to prevail.

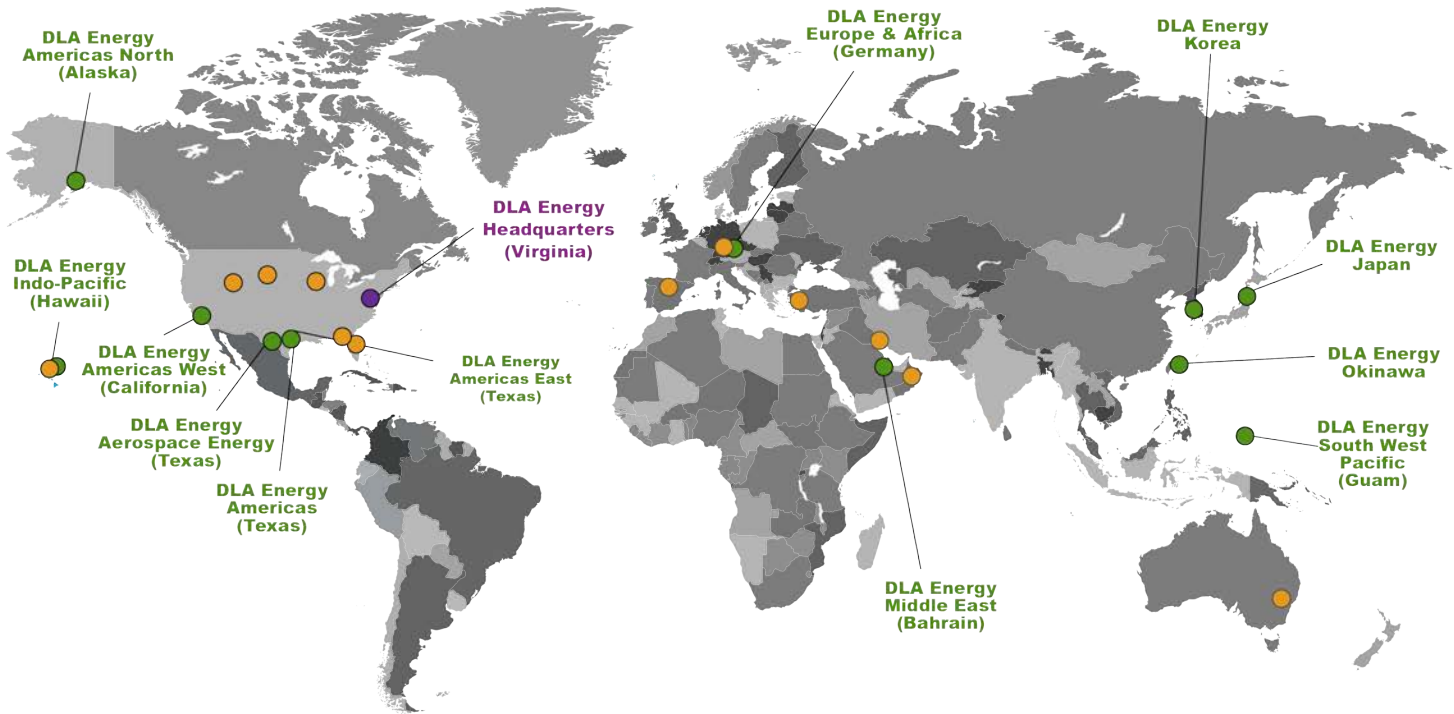




# DLA Energy Organization



# Worldwide Locations



 HEADQUARTERS

 REGIONAL OFFICE

 DLA ENERGY LIAISON

# DLA Energy Senior Leadership



Commander  
RDML (select) Brian Anderson, USN



Deputy Commander  
David R. Kless



Head of the Contracting Activity  
Gabriella Earhardt



Chief of Staff  
COL Benjamin Kilgore, USA

## STAFF OFFICES



Sexual Assault  
Response Coordinator  
Ella Warren



Equal Employment  
Opportunity  
Dominica Gay



Office of Internal  
Review  
Maria Spicer

## DIRECTORATES



Customer  
Operations  
Col Mike Boswell, USAF



Supplier Operations  
Aerospace & Installation  
Kevin Ahern



Supplier Operations  
Petroleum  
Keith Sylvia



Facility  
Sustainment  
CAPT Bill Jakubowicz, USN



U.S. Transportation  
Command Support  
Col Jared Gude, USAF



Quality  
Technical  
Patricia Wilkins



Safety  
Manager  
Andre Remy



Commander's  
Action Group  
Rachel Dunlap



Office of Small  
Business Programs  
Greg Thevenin

## SUPPORT OFFICES



DLA Counsel  
Energy  
Scott Romans



Business Process  
Support  
Tom Turets



Procurement  
Process Support  
Jake Moser



Carbon Pollution-  
Free Electricity  
Col Jennifer Neris, USAF



Futures Integration &  
Posture  
Bob Gagnon

## REGIONAL OFFICES



Americas  
COL Josielyn Carrasquillo  
USA



Indo-Pacific  
Director  
Scott Thomas



Europe & Africa  
LTC Leslie Shipp  
USA



Middle East  
LTC Jamie Pittman  
USA



DLA Finance  
Energy  
Richard Sninsky



Americas East  
LTC Thad Douthitt  
USA



Americas West  
CDR Anas Maazouzi  
USN



Americas North  
Lt Col Daniel Moritz  
USAF



Hawaii-East Pacific  
CDR Konrad Krupa  
USN



Indo-Pacific South-West  
CDR Scott McCarthy  
USN



Korea  
LTC Dennis Han  
USA



Japan  
Lt Col James Smith  
USAF



Okinawa  
Maj Kevin Knutson  
USAF

# Commander, DLA Energy Biography



## **Navy RDML (select) Brian Anderson**

RDML (select) Brian Anderson assumed his current position as the commander of the Defense Logistics Agency Energy, a major subordinate command of DLA at Fort Belvoir, Virginia, June 29, 2023. As the commander, he is responsible for enabling mission readiness by providing globally resilient energy solutions to the Warfighter and Whole of Government.

Prior to his arrival to DLA Energy, RDML (select) Anderson served as the Assistant Commander (ACOM) of Supply Chain Management, Policy & Performance at Naval Supply Systems Command in Mechanicsburg, PA. The ACOM for Supply Chain Management Policy & Performance provides policy, direction and oversight to NAVSUP Enterprise global logistics operations, ensuring that Navy Supply Systems provide responsive logistics support to fleet and shore commands both in peacetime and wartime.

Enlisting in the Navy in 1992, he attended Recruit Training at RTC Great Lakes, Illinois. His initial assignment was to USS WHITE PLAINS (AFS 4) home ported in Guam. In 1995 he attended Officer Candidate School in Pensacola, Florida, where he was commissioned an Ensign in the Supply Corps. He attended Saint Michael's College, graduating with a Bachelor of Science Degree in Business Administration. He received a dual MBA in Supply Chain Management and Human Resource Management from the Broad Graduate School of Management at Michigan State University in 2007.

RDML (select) Anderson's awards include the Legion of Merit (four awards), the Defense Meritorious Service Medal (two awards), Meritorious Service Medal (two awards), Navy Commendation Medal (three awards), Navy Achievement Medal (three awards) and various other unit and campaign awards.

# Deputy Commander, DLA Energy Biography



## David R. Kless

David R. Kless is the Deputy Commander, Defense Logistics Agency Energy, located at Fort Belvoir, VA. Mr. Kless enables mission readiness by providing globally resilient energy solutions (from fuel for airplanes, ships, and equipment, to rocket propellants, cryogenics, alternative energy, natural gas, and electricity) to the DOD and other government agencies.

Prior to his current position, Mr. Kless served as the Executive Director, DLA Operations, responsible for coordinating and synchronizing DLA's day-to-day worldwide logistics, acquisition, and technical support services in support of combatant commands, military services, federal, state, and civil agencies and foreign governments.

Mr. Kless was selected into the Senior Executive Service in 2018. He has over 34 years in combined military and civilian service. He served in the U.S. Navy performing multiple logistics and operational assignments within the logistics and acquisition communities. As a civilian, Mr.

Kless served DLA as the Division Chief for Whole of Government Support in Logistics Operations and later as DLA's Deputy Chief of Staff.

Mr. Kless holds a Bachelor of Science degree in Political Science from the U.S. Naval Academy, Master of Science degree in Operations Research from the Navy Postgraduate School and Master of Arts degree in National Security and Strategic Studies from the U.S. Naval War College. He is certified as an Acquisition Professional after successfully completing certification requirements at Life Cycle Logistics Advanced.

Mr. Kless' awards include the Exceptional Civilian Service Award and three Meritorious Civilian Service Awards. His military awards include Defense Superior Service Medal; Meritorious Service Medal, two awards; Best Retail Sales and Service Award; Navy and Marine Association Peer Selected Leadership Award; Navy Battle Efficiency Award; Admiral Stanley R. Arthur Award for Logistics Excellence; and Navy & Marine Corps Commendation Medal, four awards.

# Head of the Contracting Activity Highlights



## **Gabby Earhardt**

FY23 proved to be another busy year for the DLA Energy acquisition workforce in supporting our customers' worldwide energy requirements. In 2023, DLA Energy acquisition professionals procured and managed energy products and services valued at more than \$15 billion.

In the fiscal year, the Acquisition Workforce Development Division hosted an Acquisition Workforce Symposium for employees in the DLA Energy Headquarters location. The symposium provided an opportunity for participants to expand self-awareness and personal growth which will enhance DLA Energy's ability to provide unparalleled support to the warfighter.

DLA Energy hosted an Industry Summit from May 24-25, 2023. We were well represented with industry representatives from across the energy supply chain. The two-day event focused on current and emerging challenges and included an interactive networking session that allowed industry partners to provide DLA Energy feedback on the information provided throughout the summit.

Our team continued to expand the Contracting Officer Mentor Program during its sixth cycle. The sixty-three front-line contracting officers participated in the program were coached in identifying skill gaps, developing leadership and management skills and best practices used in dealing with contracting challenges. I couldn't be more proud of how the team stepped up to the opportunities presented during this program.

The DLA Energy Acquisition Workforce continued its trend in meeting all their continuous learning points requirements. Once again, our delinquencies and waivers remained at zero, demonstrating the team's commitment to lifelong learning.

The next DLA Energy Worldwide Energy Conference will be from April 22-24, 2024, at the Gaylord National Hotel, National Harbor, Maryland. Our theme is Warfighter Readiness through Stronger Partnerships. We look forward to seeing you there!



# Organizational Missions and Functions

## Supplier Operations

**DLA Energy Aerospace Energy Supplier Division** provides worldwide acquisition, inventory accountability, and supply planning of missile and rocket fuels, propellants for systems to include satellites and aerostats, as well as aviator's breathing oxygen, and other bulk industrial gases. Aerospace Energy provides centralized, cradle-to-grave contracting support through aggregation and award of government contracts for supplies and services that support DOD and FedCiv customers worldwide. Provides inventory accountability and supply planning for products stored by Aerospace Energy supplies and service include, but are not limited to, helium for aerostats, aviator breathing oxygen and liquid nitrogen for various airframe, hydrazine for F16 emergency power units, support to the USN nuclear-powered attack submarine program, DOD, space launch fuels and oxidizers, and tomahawk and cruise missile fuel.

**DLA Energy Bulk Petroleum Products Division** provides the Military Services, DOD activities and designated federal agencies with worldwide comprehensive Class III Bulk Petroleum acquisition support. The fuels (JAA, JP8, JP5, and F76) are acquired through four major purchase programs: Inland/East/Gulf Coast; Rocky Mountain/West Coast; Atlantic/European/Mediterranean; and Western Pacific. The business unit also procures bulk additives, bulk lubricants, thermally stable aviation turbine fuel and various services.

**DLA Energy Bulk Petroleum Supply Chain Services Division** provides contract support for the bulk petroleum supply chain, including worldwide acquisition of fuel-related services such as government-owned, contractor-operated defense fuel support points, contractor-owned and operated defense fuel support points, alongside aircraft fuel contracted delivery, lab testing and environmental compliance, assessment and remediation. Bulk Petroleum Supply Chain Services is also the single source for drafting, negotiating, concluding and amending international fuel agreements with foreign governments supporting worldwide DOD operations.

**DLA Energy Direct Delivery Fuels Division** provides worldwide acquisition and integrated materiel management of commercial fuels delivered directly to military and federal civilian customers. This includes the procurement of commercial specification aviation fuel at commercial airports, commercial ship propulsion fuels at commercial seaports and commercial ground fuels (diesel, gasoline and "green" products) at posts, camps and stations worldwide. In addition, the business unit supports humanitarian relief efforts, provides contract administration support, and provides fuel card acquisition services.



Red Hill DOD photo by U.S. Army Spc. Matthew Mackintosh

# Organizational Missions and Functions

**DLA Energy Installation Energy Division** provides acquisition support for facility energy commodities and services including coal, natural gas, electricity/carbon pollution-free electricity, renewable energy, energy savings performance contracts and long-term renewable energy project development. The business unit also serves as coordinator and facilitator for the DOD's participation in electricity demand response programs and is the centralized program manager for DOD's Natural Gas Program.

**DLA Energy Utility Services Division** manages the utility services contracting mission supporting the Utilities Privatization programs of Service partners. It provides specialized pre- and post-award contracting and technical expertise to support the Services' conveyance of government-owned utility systems (water, wastewater, electric, natural gas and thermal) to public, private or municipal entities under the authority of Title 10 U.S.C. §2688. It also is the procurement, program management, and technical liaison with the Office of the Deputy Assistant Secretary of Defense for Environment and Energy Resilience utility services contracting performed in support of the Services' utilities privatization program.

**DLA Energy Supply Chain Management Division** provides enterprise-level management for both defense fuel support point operations and the DLA Energy-owned bulk petroleum inventory. The division supports the acquisition and logistics of petroleum products worldwide and performs supply chain integration for the Directorate of Supplier Operations. It also conducts analysis of supply activities to identify potential shortfalls and develops recommendations to mitigate or resolve shortfalls. Supply Chain Management has three branches: Inventory Accountability, Inventory Management and Terminal Operations.

## Customer Operations

**DLA Energy Customer Relationship Management Division** provides program management for DLA Energy's petroleum support to the Whole of Government and authorized non-DOD customers. The division implements and manages agreements for the sale of energy products to these customers ensuring integration of customer requirements with the most appropriate petroleum supply chain. Agreements have been established with 418 organizations with approximately \$1.1 billion in annual sales. The team works with DLA Finance and customers to collect payment information and resolve payment issues. The division participates in outreach, marketing, and education to supported customers. The division is also the first touch point for non-DOD customers to access DLA Energy's products and services, determines customer eligibility to purchase from DLA Energy, and guides customers through the appropriate process to obtain support.



Courtesy photo from DLA Energy Americas

# Organizational Missions and Functions

**DLA Energy Customer Support Division** provides enterprise-level management for DLA Energy customer account teams worldwide. The division is responsible for development and implementation of customer direct policy, procedures, standardization, and oversight to support DOD, federal civilian and other authorized customers. It also provides defense support to civil authorities by partnering with the Federal Emergency Management Agency during disasters.

**DLA Energy Customer Account Management Division** supports non-DOD customer and approved commercial entities access to DLA products and ensures integration of customer requirements for DLA Energy's Direct Delivery Fuels. The division guides customers through system resolution issues, conducts various customer training/outreach, and manages sales of energy products to its customers. The division provides program execution support of fuel purchase authorization for DLA Energy's petroleum support to authorized non-DOD customers. The division implements and manages these authorization of products for authorized customers to access the appropriate petroleum supply chain.

**DLA Energy Demand Planning Division** actively engages with DLA Energy customers and supply planners to meet medium and long-term operational petroleum and aerospace requirements. This is done by managing key master data inputs such as customer collaboration and sales forecasting performed on a planning cycle for all DLA Energy petroleum and aerospace sales to federal civilian agencies, DOD and other authorized customers. Demand forecasts are used to support supply planning, acquisition and finance.

**DLA Energy Plans and Operations Division** provides seamless, end-to-end planning and operations support for DOD bulk petroleum and other energy support to the Office of the Secretary of Defense, Department of Homeland Security,

Joint Chiefs of Staff, combatant commands, military services' missions, DLA contingency support teams and DOD exercises.

**DLA Energy Card Program Office** performs overall program management responsibilities, training and support for DLA Energy's customer purchasing tools used worldwide: Aviation Into-plane Reimbursement Card (AIR Card®), Ships' Bunkers Easy Acquisition Card (SEA Card®), Swipe SEA Card®, Logistics Fuel Card and DOD Fleet Card. The office works directly with the General Services Administration SmartPay® Program Office, GSA Contracting Office, Office of Management and Budget and Inspector General officials to coordinate all government-wide charge card guidance and support to more than 70,000 card holding customers and their Service component program managers. The Card Program Office also is responsible for gathering customer commercial fuel requirements, related to the fuel card programs, while ensuring purchasing support is delivered.

**DLA Energy Aerospace Energy Customer Facing Division** supports DOD, federal civilian and commercial space and launch programs worldwide with liquid propellants, bulk cryogenics, chemicals, compressed and liquefied gases and associated services by aggregating customer requirements, managing customer orders and transportation services, and maintaining specialized real property containers.

## Carbon Pollution-Free Electricity

Plans, coordinates and executes DOD and Whole of Government CFE procurements. The CFE Program Management Office ensures compliance with Executive Order 14057, "Catalyzing Clean Energy Industries and Jobs Through Federal Sustainability," conducts market research and pricing analysis, and engages with service component. The CFE Acquisition Office is the lead procurement execution agent.

# Organizational Missions and Functions

## Quality Technical

**DLA Energy Quality Operations Division** provides integrated supply chain support and solutions for the DLA Energy quality mission. The Division develops policy, programs and procedures for implementing quality assurance (contract and depot) functions and provides support and oversight of the quality assurance areas to business units, regions and service partners. It resolves quality issues related to fuels, lubricants, additives, propellants, cryogenics and coal, and serves as the focal point for DLA Energy-related Customer/Depot Complaints and Quality Notifications. Manages Disposition Requests for DLA-owned product, plus Product Quality Discrepancy Reports in the Product Deficiency & Reporting System for Service-owned product. Supports standardization activity with industry and government agencies.

**DLA Energy Product Technology and Standardization Division** provides technical support to DLA Energy for various products and services including standardization, engineering support, acquisition support, logistics data (cataloging), science and technology, environmental compliance and partnering with industry technical experts. The division liaises with industry and government agencies to resolve technical issues related to fuels, lubricants and additives, and manages DLA Energy's research and development program that supports the Class III Bulk Petroleum supply chain.

**DLA Energy Quality Policy and Training Division** provides quality policy and training guidance to the contracting, supply, transportation, and facility functions of DLA Energy. The division manages the directorate's audit efforts and DLA Energy and military services quality and technical automation requirements. It manages the Quality Assurance Specialist Trainee program, Commodity Certification Program, J-Course curriculum and serves as DLA Energy expert for DAWIA

coordination. The division manages Quality Assurance Provisions for inspection acceptance and Contract Quality Assurance requirements for product and service contracts. It manages the directorate's coordination and governance of policy documents and efforts. The division develops and maintains a training and certification program for all DLA Energy Quality personnel.

## Facility Sustainment

**DLA Energy Program Management Division** is responsible for sustaining, restoring and modernizing 75% of the DOD's fixed fuels infrastructure at 563 sites across 391 installations worldwide that store DLA Energy-owned petroleum, oil and lubricants. The \$900 million per year program provides enterprise level Sustainment (maintenance and repair activities to keep facilities in good working order over their expected service lives), Restoration (repairs required to return degraded facilities to good condition) and Modernization (maintenance and repair required to keep facilities functioning beyond their expected service lives or to meet new requirements) at DLA Energy capitalized fuel facilities. The objective of the program is to meet operational and emerging Warfighter requirements.

**DLA Energy Engineering, Environmental, Property Division** provides comprehensive engineering, environmental, security and property accountability for DLA Energy's supported infrastructure worldwide. The division ensures fixed fuel infrastructure containing DLA-owned fuel meets DOD standards and environmental regulations. The team oversees planning, design and execution of DLA Energy fuels infrastructure Military Construction Projects worldwide through the DOD Construction Agents. The division also provides environmental services management and technical oversight for all Service requested environmental compliance and restoration requirements.



# Organizational Missions and Functions

## Procurement Process Support

On behalf of DLA Energy and in support of DLA Acquisition and higher-level directives, PPSP advises the Commander, the Head of the Contracting Activity and the acquisition community on procurement-related matters and provides oversight for business units to ensure the quality and integrity of procurement functions. The directorate implements contracting plans, procedures and instructions and disseminates policy; provides program management and execution of the Contract Quality Review, Contracting Officer Representative Appointment, Contracting Officer Warrant, and the Acquisition Workforce Certification programs; supports the acquisition portion of the Agency Management Review; assesses impact and makes recommendations for proposed legislation affecting DLA Energy; leads Acquisition Review Boards and Acquisition Services Review Boards; supports directorates with the Service Requirements approval process internally and submission to the DLA Senior Services Manager; oversees submissions to the federal contracting reporting systems and the Purchase Card and Travel Charge Card Programs; serves as the DLA Energy focal point for procurement processes within the DLA Enterprise Business System (EBS); provides functional support to the vendor direct and supply chain commodities; provides market research and intelligence to the organization; manages auditability, process health and data cleansing efforts for the Procure-to-Pay business cycle; and is responsible for acquisition workforce development and talent management related programs to include the DLA Pathways Program for DLA Energy.

## Business Process Support

Maximizes the efficiency and effectiveness of DLA Energy's business processes and business cycles, coordinating the alignment of DLA Energy to the Enterprise Process Management tenets, and implementing the Enterprise Business System and Base-Level Support Application systems to execute the supply chain and provide best value support to DLA Energy's customers. The directorate provides policy and procedural support to DLA Energy operational areas including order fulfillment (inventory management/order management); demand and supply planning; technical/quality; human performance; and reports and analysis processes pertaining to DLA Energy's various missions and supply chains.



Photo by DLA photographer Chris Lynch

# Organizational Missions and Functions

## Futures Integration & Posture

Leads the long-term strategic assessment of future changes across the energy landscape and ensures DLA Energy provides agile and innovative support. The DLA Energy Joint Integration Management Division synchronizes strategic initiatives across the Joint Petroleum Enterprise and DLA Energy's overall mission. It manages all DLA Energy supply chain policies and procedures and oversees DLA Energy's Knowledge Management program for the Bulk Petroleum Supply Chain. The Plans Division manages contingency and campaign plans, wargaming, and exercises for DLA Energy. It prioritizes long-range efforts as directed by the National Defense Strategy, the Contingency Planning Guidance, Joint Strategic Campaign Plan, and other DOD authoritative documents.

## DLA Energy Support – U.S. Transportation Command

Co-located with TRANSCOM at Scott Air Force Base, Illinois, this office is responsible for coordinating and synchronizing DLA Energy Integrated Materiel Management activities, policies, and strategies with U.S. Transportation Command's Global Bulk Fuel Management mission. Within the Global Bulk Fuel Management structure, the office provides warfighter focused and globally responsive integration support to TRANSCOM.

## Support Offices

**DLA Finance–Energy** obtains and allocates resources, analyzes execution, provides fiscal guidance to support the DLA Energy business areas in accomplishing their mission and provides the best return on investment to the taxpayer through a highly motivated team of dedicated financial professionals who are well-trained and committed to customer support.

**DLA Counsel–Energy** provides the full range of legal support to the Commander and staff. The Chief Counsel serves as DLA Energy's Deputy Designated Agency Ethics Official. The office closely coordinates with personnel to provide legal reviews on acquisitions conducted to support the Warfighter. It works to review and resolve EEO, labor and employee relations issues and represents the agency before the Armed Services Board of Contract Appeals, the Government Accountability Office, the EEO Commission and the Merit Systems Protection Board. It works with the Department of Justice on court litigation involving DLA Energy and serves as DLA Energy's Alternative Dispute Resolution specialist. In addition, DLA Counsel–Energy manages DLA Energy's fraud, waste and abuse program.

## Staff Offices

**DLA Energy Equal Employment Opportunity, Diversity and Inclusion Program** advises and assists the Commander in developing, executing and evaluating the EEO Program. The office develops, coordinates and executes specific actions to meet Special Emphasis Programs, the Federal Women's Program, the Hispanic Employment Program and the Disability Program and Diversity Management Program objectives. It also assists with EEO-specific training for the workforce such as Prevention of Sexual Harassment, No FEAR Act and Reasonable Accommodations for Managers and Supervisors.

**DLA Energy Safety & Occupational Health Office** advises and assist the DLA Energy Commander and its directorates on safety and health programs. The SOH Office assures Energy functions are performed in a manner that safeguards human health and provides a safe and healthful working environment for all employees. It assures the organization complies with applicable laws, regulations, and policies.



# Organizational Missions and Functions

**DLA Energy Office of Internal Review** is an independent, objective assurance and consulting activity designed to add value and improve operations. It brings a systematic, disciplined approach to evaluate and improve the effectiveness of risk management, control, and governance processes. It advises and assists the DLA Energy Commander and Deputy Commander in making informed decision to use resources effectively and efficiently by conducting impartial and unbiased internal reviews/evaluations, hotline investigations, internal complaints investigations, and is DLA Energy's focal point for internal/external audits and agency management reviews.

**DLA Energy Sexual Assault Prevention & Response Program** aims to prevent sexual assault and support victims when an assault is reported. Services are confidential and available 24/7 via the DLA SAPR hotline at 1-800-841-0937.

**DLA Energy Office of Small Business Programs** is responsible to the DLA Energy Commander for the management and administration of small business programs. The office assists the DLA Energy contracting workforce in meeting small business contracting goals established by DLA headquarters. DLA Energy's Office of Small Business Programs manages the subcontracting plan review program, ensuring that applicable large businesses comply with DOD mandated efforts to subcontract to small businesses.

**DLA Energy Commander's Action Group** synchronizes and communicates the Commander's vision and intent to support DLA Energy's strategic vision. The CAG manages the Commander's programs that align with the DLA Strategic Plan and DLA Energy's Operating Plan. The CAG includes the following DLA Energy offices: Business Management, Command Culture, Public Affairs, Command Programs, Command Strategic Support, Special Engagements, Talent Management, Command Analysis, Administrative Support, Civilian Support and Military Support.

## Regional Offices

DLA Energy regional offices are located around the world to support combatant commanders execute their concept of operations and intent.

**DLA Energy Americas** is located in Houston, Texas, with an area of responsibility that includes the North, Central and South Americas, plus the Caribbean Island states and territories. DLA Energy Americas is divided into three regions: Americas East, Americas West, and Americas North. DLA Energy Americas' primary mission is managing a bulk fuel supply chain supporting Combatant Commands, Homeland Defense, and Whole of Government partners. It supports the Federal Emergency Management Agency providing fuel for first responders and critical infrastructure during natural or man-made disasters within the U.S. for Defense Support of Civil Authorities requirements.

**DLA Energy Americas East** operates out of Houston, Texas, to enable the receipt, quality testing, delivery, and further distribution of 3.5 billion gallons of fuel and customer direct energy products supporting DOD and federal agency customers at 295 locations within 37 states east of the Rocky Mountains, Washington D.C., Mexico, and six countries in Central and South America, and the Caribbean.

**DLA Energy Americas West** operates out of Naval Weapons Station Seal Beach, California, to perform exercise and real-world contingency support, energy logistics and quality functions for the delivery and distribution of 617 million gallons of bulk fuel and customer-direct energy products supporting 114 bases within 11 states in the western region of the U.S.

# Organizational Missions and Functions

**DLA Energy Americas North** supports both U.S. Indo-Pacific Command and U.S. Northern Command requirements and serves as primary coordinator for Energy matters in the region. The Anchorage-based team is the customer support agent for 118 Whole of Government locations supplying energy solutions in the far north, spanning a geographic area 2,980 miles wide across the U.S. and Canada.

**DLA Energy Europe & Africa** provides resilient energy solutions to the U.S. European Command and U.S. Africa Command areas of responsibility. Forward-positioned in Kaiserslautern, Germany, the region covers all of Europe and Africa, extending from 500 miles off the Atlantic coast of the U.S. to the Pacific coast of Russia, spanning 18 time zones.

**DLA Energy Middle East** supports U.S. Central Command and other government activities operating in the USCENCOM area of responsibility. Forward-positioned in Manama, Bahrain, the region encompasses the Middle East and Central Asia. The team focuses on providing wartime effectiveness and peacetime efficiency.

**DLA Energy Indo-Pacific** integrates DLA Energy policies, strategy, and guidance across the five DLA Energy Indo-Pacific regional offices and acts as the technical expert and primary advisor on all Energy-related matters in the region. The Joint Base Pearl Harbor Hickam based office acts as the single point of contact for customers and synchronizes DLA Energy operations across the Indo-Pacific.

**DLA Energy Korea** supports U.S. Indo-Pacific Command, U.S. Forces Korea and the United Nations Sending States. The team continually monitors and oversees millions of gallons of fuel while directing a large network of accounts and hundreds of thousands of transactions annually.

**DLA Energy Hawaii-East Pacific** supports the U.S. Indo-Pacific Command, Pacific Fleet, Pacific Air Force, U.S. Army Pacific, Marine Forces Pacific, Special Operations Command Pacific, U.S. Coast Guard, and National Oceanic and Atmospheric Administration. The Pearl Harbor based team executes DLA Energy's integrated materiel management and logistics of bulk petroleum products within the Indo-Pacific's East subregion.

**DLA Energy Japan** supports U.S. Indo-Pacific Command as well as U.S. Forces Japan providing inventory management, quality surveillance and theater transportation support of fuel.

**DLA Energy Okinawa** supports U.S. Indo-Pacific Command while remaining stewards of the Okinawan environment.

**DLA Energy South-West Pacific** is forward-positioned in Guam, Singapore, and Australia, to support the U.S. Indo-Pacific Command, Pacific Fleet, Pacific Air Force, U.S. Army Pacific, Marine Forces Pacific, Commander Task Force 73, Joint Region Marianas and other operational units in the South-Western Pacific.



U.S. Air Force Photo by Airman 1st Class Erin V. Currie



# FY23 Facts and Statistics: Financial Results

Photo by U.S. Air Force Staff Sgt. Dwane R. Young



# Enterprise FY23 Snapshot

## Military Fuel

Inventory	51.8 million barrels*
Storage Locations	596
Transactions	5.4 million
Barrels Sold	79.5 million
Fuel Card Sales	\$1.5 billion
Aerospace Energy Sales	\$58.2 million

## Expanding Energy Solutions\*\*

Natural Gas	\$350 million
Electricity	\$805 million
Coal	\$104 million
Renewable Energy	\$825 million
Energy Savings Performance	\$3.26 billion
Utilities Privatization	\$679.3 million

## Petroleum Net Sales: All Customers

Fiscal Year	Barrels (in millions)	Dollars (in billions)
2018	96.1	\$10.5
2019	94.2	\$12.1
2020	87.1	\$10.3
2021	87.2	\$8.8
2022	82.6	\$11.7
2023	79.5	\$13.3
Foreign Military Sales		
FY23 Net Sales	0.4 MM barrels	\$49.3 million
Bulk Contract Awards	2.0 MM barrels	\$156.5 million

## Forward Presence

Co-located: 3 Service Control Points  
9 geographic regions: 281 personnel

## Personnel On Board

Civilians	1,123
Military	76

\* 42 gallons = 1 barrel

\*\* Total estimated contract value



# Energy Summary

(U.S. dollars in millions)	FY21	FY22	FY23
<b>Energy Expenses<sup>(1)</sup></b>	\$9,217.5	\$11,265.4	\$12,849.9
<b>Net Sales<sup>(2)</sup></b>	\$8,966.3	\$11,927.0	\$13,574.1
<b>Ending Inventory<sup>(3)</sup></b>	\$4,313.0	\$6,492.5	\$6,539.2

<sup>(1)</sup> Includes expenses for petroleum, aerospace energy products, Federal Excise Tax, transportation, facilities, DLA Energy operations and headquarters

<sup>(2)</sup> Includes net sales for petroleum and aerospace energy products

<sup>(3)</sup> Includes petroleum and aerospace energy inventory and transportation expense

**Note:** Defense Department Reporting System Journal Vouchers are excluded from the data presented



Red Hill DOD photo by U.S. Army Spc. Matthew Mackintosh



# Statement of Financial Conditions

## Petroleum and Aerospace Energy (U.S. dollars in millions)

Assets	FY21	FY22	FY23
Accounts receivable	\$387.1	\$653.3	\$908.0
Inventories	\$4,313.0	\$6,492.5	\$6,539.2
Fund balance with treasury	\$1,883.7	\$2,345.2	\$2,946.9
Other assets	\$388.5	\$243.9	\$238.8
<b>Total assets</b>	<b>\$6,972.3</b>	<b>\$9,735.0</b>	<b>\$10,632.9</b>
Liabilities			
Accounts payable	\$674.6	\$1,054.2	\$1,370.82
Advances from others	\$0.0	\$0.0	\$0.00
Custodial liabilities	\$0.8	\$1.5	\$0.00
Other liabilities	\$25.3	\$26.0	\$26.83
Estimated clean-up cost	\$1,249.8	\$612.1	\$311.5
<b>Total liabilities</b>	<b>\$1,950.4</b>	<b>\$1,693.8</b>	<b>\$1,709.16</b>
Net position			
Accumulated operating results	\$5,021.9	\$8,041.2	\$8,923.8
<b>Total capital</b>	<b>\$5,021.9</b>	<b>\$8,041.2</b>	<b>\$8,923.8</b>
<b>Total liabilities and capital</b>	<b>\$6,972.3</b>	<b>\$9,735.0</b>	<b>\$10,632.94</b>

**Note:**

Defense Department Reporting  
System Journal Vouchers are  
excluded from the data presented

# Statement of Sales

## Petroleum and Aerospace Energy (U.S. dollars in millions)

Customer	FY21	FY22	FY23
U.S. Army	\$780.3	\$866.2	\$1,022.7
U.S. Navy	\$2,764.6	\$3,925.1	\$4,499.0
U.S. Air Force	\$4,508.0	\$5,721.5	\$6,547.8
U.S. Marine Corps	\$30.9	\$40.4	\$52.2
Other DOD	\$63.4	\$84.7	\$86.1
<b>Total DOD</b>	<b>\$8,147.2</b>	<b>\$10,637.8</b>	<b>\$12,207.8</b>
Other government agencies	\$503.8	\$782.6	\$747.1
<b>Subtotal</b>	<b>\$8,651.0</b>	<b>\$11,420.4</b>	<b>\$12,954.9</b>
Foreign government	\$242.2	\$439.7	\$480.3
State government	\$0.2	\$0.3	\$0.3
Local government	\$0.004	\$0.042	\$0.027
Commercial	\$300.8	\$368.7	\$484.1
Morale, Welfare and Recreation	\$5.2	\$7.8	\$6.8
<b>Total gross sales</b>	<b>\$9,199.4</b>	<b>\$12,237.0</b>	<b>\$13,926.5</b>
<b>Less:</b>			
Price reduction of sales	\$0.0	\$0.0	\$0.0
Material returns credits applied	\$233.1	\$310.0	\$352.4
Allowance for retail stock loss	\$0.0	\$0.0	\$0.0
<b>Total net sales</b>	<b>\$8,966.3</b>	<b>\$11,927.0</b>	<b>\$13,574.1</b>

# Net Sales by Category

## Petroleum and Aerospace Energy Material

**Note:**

Defense Department Reporting  
System Journal Vouchers are  
excluded from the data presented

Category	FY21	FY22	FY23
<b>Bulk and Posts, Camps and Stations:</b> (thousands of barrels)			
AVGAS	5	5	5
Distillates and diesel	17,230	17,856	16,838
Gasohol	486	405	385
JAA and JA1	31,329	30,977	29,650
JP5	8,999	9,797	9,324
JP8, JPTS	20,798	15,878	15,017
Lube oils	18	18	18
Motor gasoline, leaded and unleaded	1,226	1,211	1,164
Residuals	70	(66)*	161
<b>Subtotals</b>	<b>80,161</b>	<b>76,082</b>	<b>72,562</b>
Into-Plane	4,080	4,015	4,183
Bunkers	1,259	1,147	1,272
Local purchase	1,662	1,328	1,524
<b>Total petroleum</b>	<b>87,161</b>	<b>82,571</b>	<b>79,542</b>
<b>Aerospace Energy</b> (millions of dollars)	<b>\$96.0</b>	<b>\$75.0</b>	<b>\$60.6</b>

\* Negative value includes credits from Fuel Oil Reclaimed to Point Loma for DLA Disposition Services San Diego

# Product Cost

## Petroleum and Aerospace Energy (U.S. dollars in millions)

Product	FY21	FY22	FY23
<b>Bulk and Posts, Camps and Stations:</b>			
AVGAS	\$0.9	\$1.1	\$1.2
Distillates and diesel	\$1,389.5	\$2,257.8	\$2,360.0
Gasohol	\$43.1	\$56.4	\$49.4
JAA and JA1	\$3,150.1	\$5,937.5	\$5,160.8
JP5	\$724.0	\$1,408.0	\$1,426.2
JP8, JPTS	\$574.4	\$495.4	\$473.2
Lube Oils	\$5.3	\$6.4	\$7.4
Motor gasoline, leaded and unleaded	\$124.1	\$164.1	\$155.1
Residuals	\$1.6	\$2.2	\$0.4
<b>Bulk subtotals</b>	<b>\$6,012.9</b>	<b>\$10,328.9</b>	<b>\$9,633.7</b>
Into-Plane	\$454.6	\$712.8	\$715.0
Bunkers	\$106.8	\$170.5	\$186.9
Local purchase	\$328.6	\$655.5	\$449.5
<b>Total petroleum</b>	<b>\$6,902.8</b>	<b>\$11,867.7</b>	<b>\$10,985.0</b>
<b>Aerospace Energy</b>	<b>\$36.0</b>	<b>\$36.1</b>	<b>\$35.9</b>

**Note:**

Defense Department Reporting  
System Journal Vouchers are  
excluded from the data presented

# Purchases by Category

## Petroleum (thousands of barrels)

Category	FY21	FY22	FY23
<b>Bulk and Posts, Camps and Stations:</b>			
AVGAS	5	5	5
Distillates and diesel	17,623	16,447	17,785
Gasohol	480	405	386
JAA and JA1	45,190	44,090	41,212
JP5	9,372	10,325	10,695
JP8, JPTS	5,655	3,294	2,852
Lube oils	18	18	18
Motor gasoline, leaded and unleaded	1,232	1,139	1,164
Residuals	19	17	3
<b>Subtotals</b>	<b>79,593</b>	<b>75,741</b>	<b>74,120</b>
Into-Plane	4,076	3,968	4,219
Bunkers	1,256	1,133	1,296
Local purchase	1,850	3,239	2,047
<b>Total petroleum</b>	<b>86,775</b>	<b>84,080</b>	<b>81,681</b>

**Note:**

Defense Department Reporting  
System Journal Vouchers are  
excluded from the data presented

# Worldwide Bulk Fuel Ending Inventory

(Millions of barrels and U.S. dollars in millions)

Product	FY21		FY22		FY23	
	Barrels	Dollars	Barrels	Dollars	Barrels	Dollars
AVGAS	0.001	\$0.264	0.001	\$0.304	0.002	\$0.374
Distillates and diesel	8.555	\$570.186	8.225	\$986.771	8.982	\$1,031.209
JAA and JA1	18.918	\$1,465.707	19.297	\$2,653.387	19.55	\$2,459.291
JP5	13.621	\$1,200.765	13.118	\$1,635.956	13.15	\$1,793.714
JP8, JPTS	10.588	\$1,004.211	10.602	\$1,166.506	9.923	\$1,203.279
Lube oils	0.009	\$2.871	0.009	\$3.360	0.009	\$3.853
Motor gasoline and gasohol (leaded and unleaded)	0.130	\$16.150	0.142	\$22.838	0.135	\$20.751
Residuals	0.034	\$3.171	0.056	\$3.907	0.044	\$3.459
Additives	0.010	\$3.634	0.012	\$5.043	0.011	\$4.631
<b>Total on-hand and in transit</b>	<b>51.865</b>	<b>\$4,266.959</b>	<b>51.463</b>	<b>\$6,478.074</b>	<b>51.806</b>	<b>\$6,520.561</b>
<b>Aerospace Energy</b>		<b>\$46.043</b>		<b>\$14.468</b>		<b>\$18.657</b>





# **FY23 Facts and Statistics:**

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# **Contracts & Programs**

Photo by U.S. Army National Guard Staff Sgt. Tawny Kruse



# Contract Action Data

Business Unit	Total Business Unit Award Dollars	Contract Actions
Bulk Petroleum Products	\$16.6 billion	6,594
Bulk Petroleum Supply Chain Services	\$503.7 million	445
Ground Fuels Division	\$11.5 billion	30,159
Mobility Fuels Division	\$2.2 billion	150,407
Installation Energy	\$1.3 billion	346
Utility Services	\$2.4 billion	1,097
Aerospace Energy	\$163.1 million	3,849
Local Support (Europe, Africa, Middle East, Pacific)	\$18,085	3
<b>Totals</b>	<b>\$33.1 billion</b>	<b>192,918</b>

Note: All data is pulled from Federal Procurement Data System unless otherwise noted. This data does not include non-working capital fund funded contract actions or dollars in Installation Energy.

# Small Business Program Achievements

	FY21			FY22			FY23		
Small Business Preference Program	Targets	Performance	Dollars (millions)	Targets	Performance	Dollars (millions)	Targets	Performance	Dollars (millions)
<b>Total Small Business eligible dollars</b>			<b>\$5,326</b>			<b>\$9,960</b>			<b>\$8,802</b>
Small Business awards	25.0%	32.17%	\$1,713	28.0%	26.02%	\$2,592	27.0%	27.88%	\$2,453
Small Disadvantaged Business awards	5.0%	9.52%	\$507.1	11.0%	8.14%	\$810.9	8.0%	7.87%	\$692.6
Woman-Owned Small Business awards	5.0%	1.05%	\$56.1	5.0%	0.70%	\$68.8	5.0%	0.63%	\$55.0
Hubzone Small Business awards	3.0%	9.95%	\$530.2	3.0%	7.01%	\$698.3	3.0%	8.45%	\$743.5
Service-Disabled Veteran-Owned Small Business awards	3.0%	0.88%	\$47.0	3.0%	1.04%	\$104.0	3.0%	0.59%	\$52.0

\* FY23 data pulled December 2022 and subject to change. Final achievements TBD around Feb 2024.

# Bulk Petroleum Products

DLA Energy Bulk Petroleum Products Division provides contract support for the bulk petroleum supply chain, primarily worldwide commercial and military specification fuel requirements, including JAA, JP8, JP5, and F76. These fuels are acquired through four major purchase programs: Inland/East/Gulf Coast; Rocky Mountain/West Coast; Atlantic/European/Mediterranean; and Western Pacific.

The Bulk Petroleum Products Division is also responsible for the purchase of bulk additives, such as fuel system icing inhibitor, corrosion lubricity additive and lubricity improver additive, bulk lubricants, such as L40, LA6, BLB, LO6 and LTL, thermally stable aviation turbine fuel, and various transportation services to U.S. military customers worldwide.

DLA Energy bulk petroleum solicitations are available on the System for Award Management, or SAM. Go to <https://www.sam.gov> and under the Contract Opportunities heading select Search Contract Opportunities and enter "SPE602" in the Keywords box.

## Purchase Programs

The four major acquisition purchase programs for bulk petroleum and corresponding periods of performance are listed below. Dates may be subject to change.



Photo by DLA Energy SRM

Atlantic/Europe/ Mediterranean	July 1 - June 30
Inland/East/Gulf Coast	April 1 - March 31
Rocky Mountain/West Coast	Oct. 1 - Sept. 30
Western Pacific	Jan. 1 - Dec. 31



Photo by DLA Energy Public Affairs

Source: DLA Energy Bulk Petroleum Products



# Into-Plane Contracts

## Domestic

- 302 locations supported
- 303 contracts
- \$2.0 billion contract value
- 15.6 million barrels

## Overseas

- 121 locations supported in 69 countries
- 42 contracts
- \$642 million contract value
- 5.7 million barrels

Active multi-year contract data as of Sept. 30, 2023



U.S. Air Force photo by Airman 1st Class Julia Lebens

# Ships' Bunkers Contracts



Courtesy photo

## Domestic

- 33 ports supported
- 13 contracts
- \$306 million contract value
- 2.6 million barrels

## Overseas

- 65 ports supported in 23 countries
- 23 contracts
- \$302 million contract value
- 3.5 million barrels

Active multi-year contract data as of Sept. 30, 2023

# Posts, Camps and Stations Contracts

## Domestic

- 181 contracts
- 1,566 activities supported
- \$2.8 billion contract value
- 27.5 million barrels

Active multi-year  
contract data as  
of Sept. 30, 2023

## Overseas

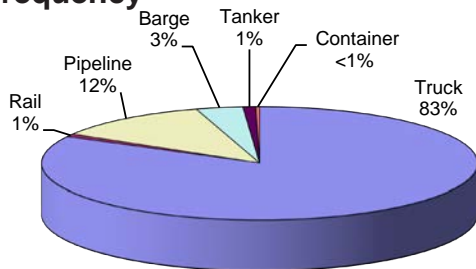
- 74 contracts
- 252 activities supported in 55 countries
- \$1.95 billion contract value
- 24.7 million barrels



U.S. Air Force Photo by Airman 1st Class Sterling Sutton

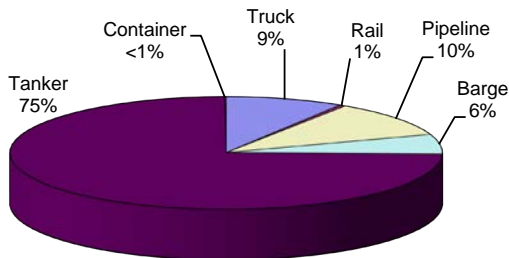
# Worldwide Bulk Product Transportation

**Frequency**



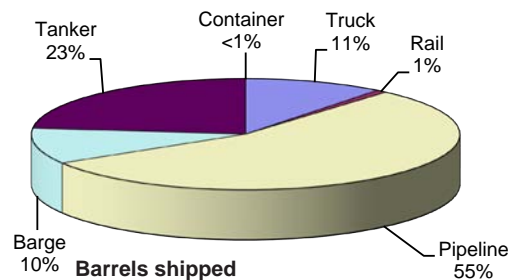
Number of shipments

**Cost**



Transportation costs

**Volume**



Barrels shipped

FY23		Truck	Rail	*Pipeline	Barge	Tanker	Seavan	Total
Within the Continental United States	Shipments	16,927	63	2,142	628	59	-	19,819
	Cost (millions)	68.0	2.1	84.5	39.8	228.5	-	422.9
	Barrels (millions)	9.7	0.4	39.1	10.5	9.5	-	69.2
Outside the Continental United States	Shipments	2,949	138	670	204	168	68	4,197
	Cost (millions)	3.4	1.5	-	5.9	374.0	0.8	385.6
	Barrels (millions)	1.6	0.5	19.9	0.7	15.5	0.01	38.2
Total	Shipments	19,876	201	2,812	832	227	68	24,016
	Cost (millions)	71.4	3.6	84.5	45.7	602.5	0.8	808.5
	Barrels (millions)	11.3	0.9	59.0	11.2	25.0	0.0	107.4

\* Costs associated with OCONUS pipeline shipments are funded under an International Agreement and have been excluded to avoid duplicate information

# Transportation Expense

(U.S. dollars in millions)

Worldwide Petroleum Fuel	FY21	FY22	FY23
AVGAS	\$0.0	\$0.0	\$0.0
Distillates and diesel	\$76.8	\$122.5	\$139.9
JAA and JA1	\$197.0	\$328.4	\$324.2
JP5	\$40.9	\$76.9	\$84.1
JP8, JPTS	\$24.7	\$24.5	\$22.4
Lube oils	\$0.1	\$0.1	\$0.1
Motor gasoline (leaded and unleaded)	\$7.5	\$11.5	\$12.2
Residuals	\$0.0	\$0.1	\$0.0
<b>Total</b>	<b>\$346.9</b>	<b>\$564.2</b>	<b>\$583.1</b>
<b>Worldwide Aerospace Energy</b>	<b>\$3.5</b>	<b>\$2.4</b>	<b>\$3.0</b>

**Note:** Defense Department Reporting System Journal Vouchers are excluded from the data presented



# DWWCF Optimization Program Overview

The Defense-Wide Working Capital Fund Optimization Program performs studies that identify optimal storage, operational and infrastructure solutions for an installation. These studies often reduce government-owned infrastructure by incorporating best commercial practices while minimizing a service component's investment in Class III (B) supply chain management.

## Conducted 13 studies in FY23 in the following areas:

- » Contractor-owned, contractor-operated (COCO)
- » Government-owned, contractor operator (GOCO)
- » Hybrid (COCO/GOCO)
- » Current Operations

## FY23 Highlights:

- » Reviewed and evaluated 15 approved contract efforts
- » Updated DLA Energy Defense-Wide Working Capital Fund Optimization Programming Policy to capture current policy guidelines



U.S. Air Force Photo by Airman 1st Class Sterling Sutton

# Defense Fuel Support Points

Type of operation	Army	Navy	Air Force	DLA	Total
Government-Owned, Government-Operated	95	44	106	3	248
Government-Owned, Contractor-Operated	15	8	29	130	182
Contractor-Owned, Contractor-Operated	0	0	0	51	51
Commercial Pipeline	0	0	0	34	34
Floating Storage	0	64	0	0	64
Foreign Government	0	0	0	17	17
<b>Total</b>	<b>110</b>	<b>116</b>	<b>135</b>	<b>235</b>	<b>596</b>

NOTES: All DFSPs contain DLA Energy Capitalized (DWCF) Product.

**Government-Owned, Government-Operated:** Facility owned and operated by Military Service

**Government-Owned, Contractor-Operated:** Facility owned by Military Service, operated by Contractor

**Contractor-Owned, Contractor-Operated:** Facility owned/operated by DLA Energy Contractor

**Commercial Pipeline:** Facility/pipeline commercially owned/operated IAW Military Freight Traffic Unified Rules Publication (MFTURP), pipeline tender and/or Tariff

**Floating Storage:** Vessel owned, contracted, and/or operated by Navy or Military Sealift Command (MSC)

**Foreign Government:** Facility owned by foreign government, operated under a DLA Energy International Agreement/NATO Agreement

# Storage and Distribution Services

## Types of storage and distribution services:

- Government-owned, government-operated
- Government-owned, contractor-operated
- Contractor-owned, contractor-operated
- Foreign government
- North Atlantic Treaty Organization

Expenditures in FY23: **\$424M**



Photo courtesy of DLA Energy Americas

Source: DLA Energy Supply Chain Management

# Alongside Aircraft Refueling

U.S. Air Force photo by Senior Airman Emily Batchelor



## 29 locations

- 29 contracts
- \$449.2 million award amount (Base & Options)
- \$47 million approximate annual value

Active contract data  
as of Sept. 30, 2023

# Worldwide Agreements Snapshot

## U.S. Northern Command (2)

### Canada

Air Force DBA  
Navy FEA

## U.S. Central Command (2)

### Bahrain

FSA – Bulk Product Agreement

### United Arab Emirates

Joint FEA

## U.S. European Command (24)

### NATO

FSA – Central European Pipeline System

### Belgium

Joint FEA

### Germany

Joint FEA

### United Kingdom

FSA – Exolum Pipeline System

Air Force FEA

Navy FEA

FSA – Scotland Depots

### Poland

Navy FEA

### Greece

Air Force FEA

Navy FEA

FSA – Souda Bay Depot

### Italy

Navy FEA

Air Force FEA

FSA – Sigonella Pipeline

FSA – Augusta/Gaeta Depot

### Spain

Air Force FEA

Navy FEA

FSA – Spanish Pipeline System

### Turkey

Air Force FEA

Navy FEA

FSA – Turkish NATO Pipeline System

### Romania

Joint DBA

### Lithuania

Joint DBA

### Estonia

Joint DBA

## U.S. Indo Pacific Command (8)

### Australia

Joint FEA

### India

Joint DBA

### Japan

Joint FEA

### Korea

FSA – Kunsan Pier Service Agreement

FSA – South North Pipeline Service Agreement

Joint FEA

### New Zealand

Joint DBA

### Singapore

FSA – Senoko Depot (UK)

## U.S. Southern Command (4)

### Chile

Navy FEA

Air Force FEA

### Honduras

Air Force FEA

### Peru

Navy FEA

Agreement Type	Agreements	FY23 Financial
Fuel Support Agreements – product/service	12	\$233 million
Fuel Exchange/Direct Bill Agreements – sales/purchases	28	\$576 million
Stand-alone ACSA Orders – sales/purchases	26	<u>\$165 million</u>
		Total: \$974 million



# Testing Contracts



# Environmental Contracts

- 13 contracts for specific locations (Point Loma, CA; Norwalk, CA; two at San Pedro, CA; Ozol, CA; Eielson Air Force Base, AK; Whittier, AK; Ft. Hood, TX; Verona, NY; Tampa, FL; Jacksonville, FL; Charleston, SC; Hunter Army Air Field, GA) with a total estimated value of \$184.1 million
- Two contracts for specific services: Spill Response training in accordance with the Oil Pollution Act of 1990, supporting 121 sites worldwide; and environmental documents, which can be utilized by DLA and the Military Services for compliance documents with a total estimated value of \$2.7 million
- Awarded Task Orders/Modifications on existing contracts for continued environmental services totaling \$26 million in FY23

Active contract data as of Sept. 30, 2023

# Aerospace Energy Contracts

- 92 national stock numbers
  - » 28 different products
  - » Three product classes: liquid propellants, cryogenics and compressed gases
- 89 active contracts
  - » 95% requirements-type contracts
  - » Normally multi-year, 3-5 years
  - » Both free on board origin and destination
- “Cradle to grave” (pre-award to contract closeout)
- Lowest price technically acceptable & trade off process
- Strategic supplier engagements
- Requirements posted to [www.sam.gov](http://www.sam.gov)
- Growing supplier base
- Every product supports a DOD major weapon system or DOD space application



Photo by United Launch Alliance

Source: DLA Energy Aerospace Energy Supplier Operations

# Hazardous Material Shipments

Product	Cylinders/ Drums	Bulk
Helium	0	195
Hydrazine	75	0
JP10/PF1	6	23
Dinitrogen Tetroxide (N <sub>2</sub> O <sub>4</sub> )	55	9
RP1 and RP2	0	14
Hydrogen	0	14
<b>Total</b>	<b>146</b>	<b>278</b>

# Energy Savings Performance Contract Program

DLA Energy has partnered with various energy service companies to complete energy savings projects on behalf of DOD installations. The energy service company (ESCO) conducts a comprehensive energy audit and identifies improvements to save energy. In consultation with DLA Energy and the installation, the ESCO designs and constructs a project that meets the installation's needs and arranges the necessary funding. The ESCO guarantees that the improvements will generate energy cost savings to pay for the project over the term of the contract (up to 25 years). After the contract ends, all additional cost savings accrue to the installation.

## DLA Energy ESPC Portfolio:

- Army: 99th Regional Support Command, Fort Hamilton, Fort Cavazos, Fort Jackson, Fort Meade, U.S. Army Garrison Sembach
- Air Force: Arnold AFB, Cannon AFB, JB Charleston, Eglin AFB, Hurlbert Field, Hill AFB, Kadena AB, Keesler AFB, Kirtland AFB, Kunsan AFB, Langley AFB, JB McGuire Dix Lakehurst, Misawa AB, Moody AFB, Oklahoma City Air Logistics Command, Osan AB, Robins AFB, JB San Antonio, Seymour Johnson AFB, Yokota AB
- Other DOD: Defense Intelligence Agency
- Federal Civilian: United States Coast Guard Petaluma Training Center (TRACEN)

DLA Energy ESPC Program Summary						
Fiscal Year	Project Investment (millions)	Guaranteed Cost Savings (millions)	Contract Price (millions)	Average Period of Performance (years)	Annual Energy Savings (btu x 10 <sup>6</sup> )	Cumulative Energy Savings (btu x 10 <sup>6</sup> )
2001-2023	\$1,504.6	\$3,326.8	\$3,260.6	20	3,445,889	73,960,899

# Coal Program

DLA Energy supports two installations in the State of Alaska with sub-bituminous coal: These locations include Fort Wainwright and Eielson Air Force Base.

## **FY23 Coal Program Summary:**

400,000 tons of coal, valued at \$36.6 million under contract in support of these customers.



Photo by Air Force Senior Airman Willard Grande



# Natural Gas Program

DLA Energy serves as DOD's centralized procurement agent to competitively acquire direct supply natural gas on an assisted acquisition basis. The program includes over 20 industry suppliers delivering in excess of 50 million dekatherms annually to +200 DOD and federal civilian customers. DLA Energy is actively managing ~106 million dekatherms valued at \$374.8 million under multiple-year contracts.

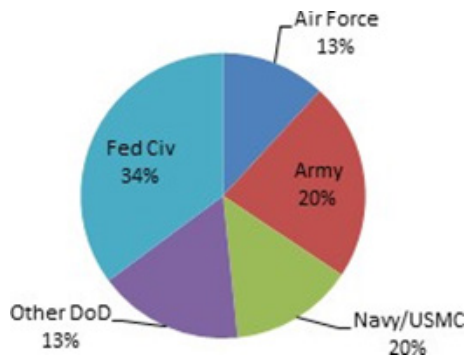
## FY23 Program Summary

Component	Customers per Component	Dekatherms Awarded (millions)	Contract Value* (millions)
Army	52	28.3	\$95.7
Navy/Marines	49	26.8	\$96.5
Air Force	36	20.4	\$67.7
Other DOD	8	1.2	\$4.5
Federal Civilian	69	29.7	\$110.4
<b>Total</b>	<b>214</b>	<b>106.4</b>	<b>\$374.8</b>

\* Represents value at DLA Energy indexed contract rates. Contracts typically have performance periods of 24 months in duration.

# Electricity Program

Percentage of Total Contract Value

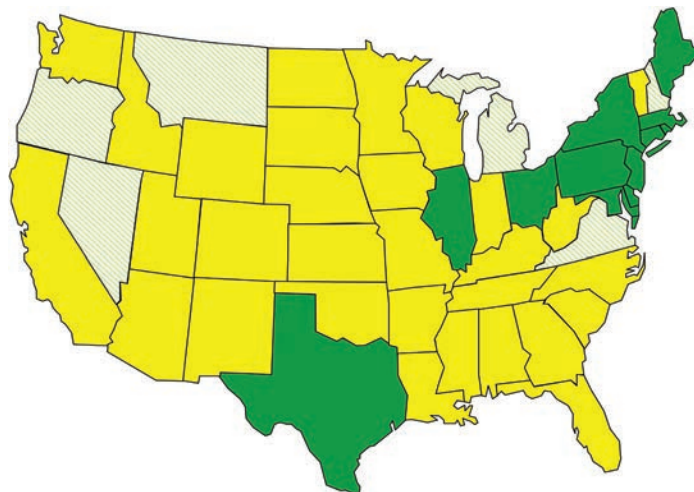


DLA Energy is actively managing roughly 18 million megawatt hours of electricity valued at \$1,123 million under multiple-year contracts. DLA Energy has experience in all states in which deregulation/restructuring has occurred and in which customer requirements have been received

- Retail access implemented, DLA Energy awarded contracts
- Retail access implemented, DLA Energy solicited, no awards
- Retail access pending, DLA Energy monitoring market

FY23 Electricity Program Summary

Program	kWh Awarded	Contract Value
PJM Portfolio	6,561,391,045	\$362,516,855
PJM	5,514,339,899	\$467,164,063
PJM Navy	1,603,537,440	\$69,604,413
Fermi	832,467,000	\$37,078,080
New England	859,000,266	\$46,206,602
Texas (ERCOT)	1,301,180,110	\$61,057,548
Texas (ERCOT) Air Force	905,607,215	\$43,668,380
MISO	253,717,768	\$16,438,895
New York	209,035,657	\$17,517,387
Strategic Petro Reserve	17,164,200	\$1,453,636
<b>Total</b>	<b>18,057,440,600</b>	<b>\$1,122,705,859</b>



Source: DLA Energy Installation

# Electricity - Demand Response Program

The Demand Response Program provides incentives to curtail demand and reduce load during peak periods in response to system reliability or market conditions.

## FY23 Program Overview

Component	Number of Demand Response Installations	States (current enrollment)	Kilowatts Enrolled	Savings*	Savings Since Inception (FY 2008 - 2023)
Air Force	8	MD, TX, OH, MA, NY	16,000	\$600,000	\$5,169,760
Army	2	MD, TX	2,500	\$64,000	\$4,770,137
Navy/USMC	3 (includes 8 separate locations in DC)	DC, VA, MD	~48,000	\$154,000	\$14,217,182
Other DOD	4	VA, DC, MD	~33,000	\$1,800,000	\$8,259,525
Fed. Civilian	18**	DC, MD, NJ, VA, NY	~39,000	\$2,000,000	\$15,938,752
Total	32		~138,500	\$4,618,000	\$48,355,356

\*Additional savings from FY23 performance period will continue to be realized during FY24.

\*\* Represents account holders per installation, may have multiple addresses

# Renewable Energy Program

**Renewable Power:** Any source of energy that is continually available or that can be renewed or replaced. The Energy Policy Act of 2005 defines “renewable energy” as electric energy generated from solar, wind, biomass, landfill gas, ocean (including tidal, wave, current and thermal), geothermal, municipal solid waste or new hydroelectric generation capacity achieved from increased efficiency or additions of new capacity at an existing hydroelectric project.

## FY23 Renewable Energy Program

Installation	Service	Renewable Technology	Size (MW)	On-site / Off-site	Est. Annual Delivery (MWh)	Contract Term	Contract Award Date	Estimated Dollar Value (in millions)
Vandenberg AFB	Space Force	Solar	28.2	On-site	53,530	26 years	Jan 2017	\$96.2
Fort Cavazos	Army	Solar/Wind	65	On- and off-site	430,000	29 years	Jan 2016	\$377.5
Fort Detrick	Army	Solar	14.6	On-site	24,240	25 years	Mar 2015	\$61.8
Fort Drum	Army	Biomass	28	On-site	147,000	20 years	Sep 2014	\$288.9
<b>Totals</b>			<b>135.8</b>		<b>654,770</b>			<b>\$824.4</b>



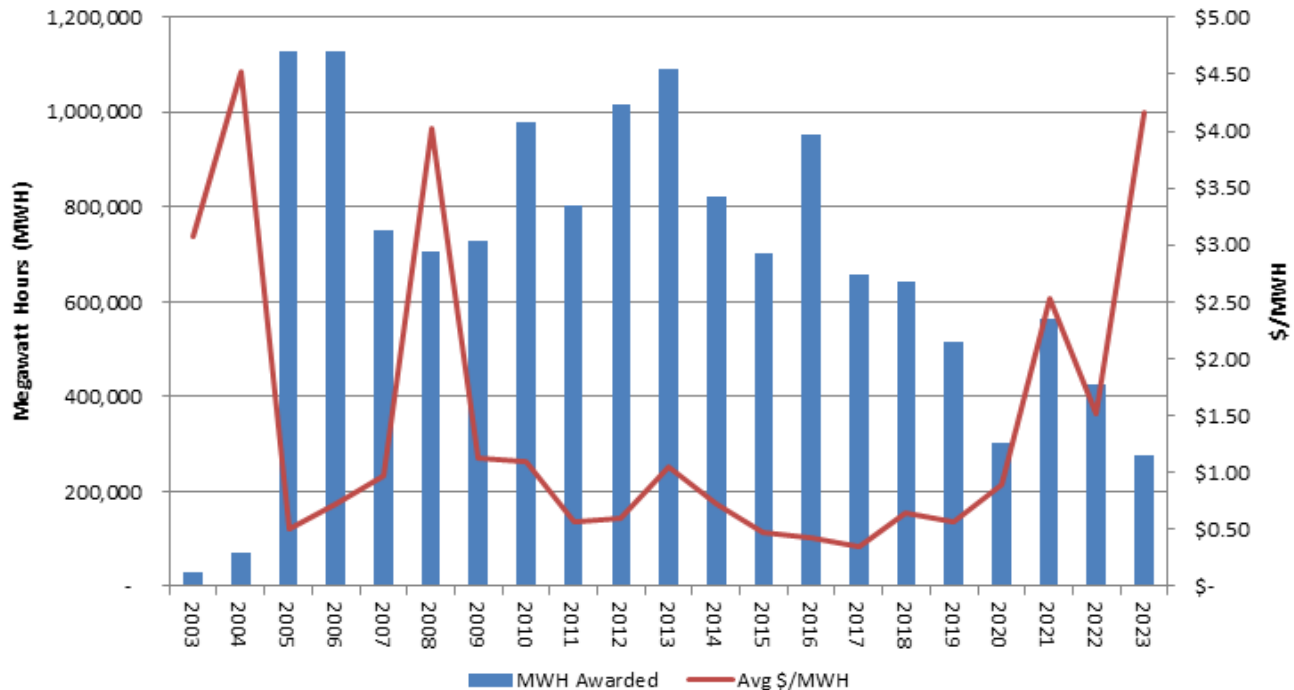
Photo courtesy of Vandenberg Air Force Base

Source: DLA Energy Installation Energy

# Renewable Energy Program (cont.)

**Renewable Energy Certificates:** A REC is a tradable, non-tangible energy commodity in the United States that represents proof that one megawatt-hour of electricity was generated from an eligible renewable energy (solar, wind, biomass, ocean, geothermal, municipal solid waste or “new” hydroelectric generation) resource.

**Summary of DLA Energy Renewable Energy Certificate purchases (2003-2023)**



For FY23, the Energy Policy Act of 2005 requires that not less than 7.5% of total electricity consumed by the federal government come from renewable energy

# Engineering Programs

The Engineering Team provides fuel technical support for DLA Energy-funded fuel assets worldwide.

Installation Planning and Review Board (IPRB): A DLA Energy program that prioritizes fuels infrastructure construction projects supporting DOD's Global Energy supply chain.

Operational Technology & Automation Initiative: This program provides increased capabilities in monitoring and control of fuel facilities, while ensuring accountability and accuracy of fuels inventory levels and early identification of potential system fuels leaks.

FY23 Automation Budget Execution: \$74,234,839

	Energy	NON-Energy	Other (P&D / UMC)	Total
<b>FY18</b>	\$177,000	\$0	\$23,012 / \$2,039	\$202,051
<b>FY19</b>	\$94,300	\$101,900	\$49,805 / \$17,366	\$263,371
<b>FY20</b>	\$200,900	\$144,800	\$27,000 / \$16,736	\$389,436
<b>FY21</b>	\$232,300	\$18,000	\$0 / \$9,726	\$260,026
<b>FY22</b>	\$105,400	\$0	\$26,000 / \$6,130	\$137,530
<b>FY23</b>	\$129,000	\$0	\$61,702	\$190,702

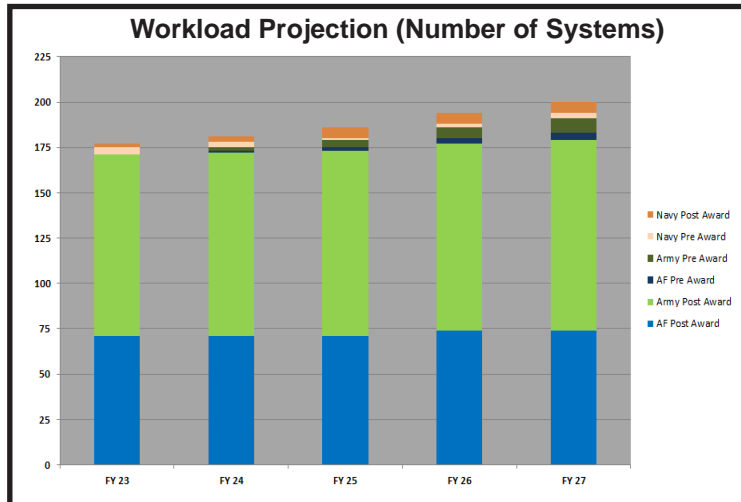
**Note:** Source of figures as of October 2, 2023



# Utility Services Contracts

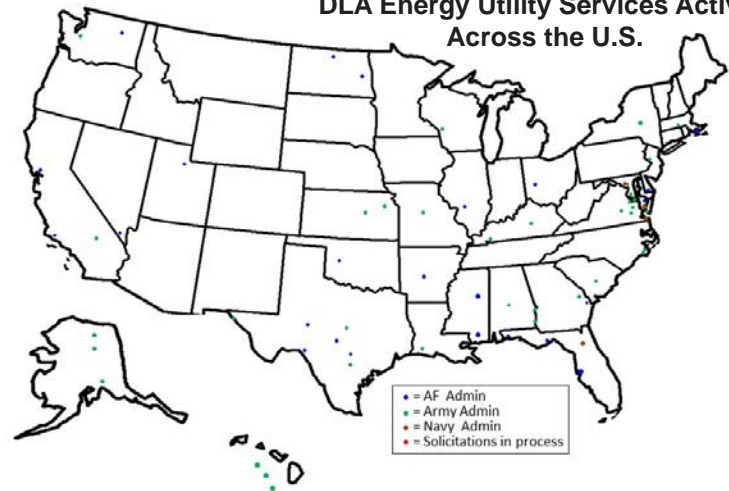
## Utility Services Contract Award Summary

- 74 locations supported
- 180 systems
- Types of contracted support
  - » Water distribution
  - » Wastewater collection
  - » Electrical distribution
  - » Central heat and power plant
  - » Natural gas distribution
  - » Water plant
  - » Wastewater plant
- \$30.7 billion contract award value through FY23
- Active multi-year contract data as of Sept. 30, 2023



Source: DLA Energy Utility Services

## DLA Energy Utility Services Activity Across the U.S.



## FY23 Utility Services Contract Awards

Location	System(s)	Total Value
Patuxent River Naval Station, MD	Water/Wastewater	\$348,993,609
Total		\$348,993,609

## FY23 Services Legacy Contract Transfers

Location	System(s)	Total Value
Fort Campbell, KY	Natural Gas	\$44,793,176
Fort Knox, KY	Storm/Sewer	\$73,199,088
Fort Knox, KY	Electric	\$209,538,112
Fort McCoy, WI	Electric	\$2,805,523
Total		\$330,335,899

# Petroleum Quality Information System

## Purpose:

- Implemented by the Office of the Secretary of Defense 1989 directive to facilitate the collection and dissemination of standardized fuel quality data
- Allows for a proactive approach in identifying and monitoring product acquisition quality trends across a wide spectrum
- Largest publication of fuel quality information worldwide
- Used by customers, foreign governments, NATO and commercial industry (TWA 800 crash investigation, General Electric engine development, trends, etc.)
- Provides a first look at alternative fuel quality properties
- The raw data used to create the PQIS report can be queried through a custom query system
- System allows for tracking of specific fuel properties over any period of time

Submit requests for PQIS information to:  
DLA Energy Quality Technical Directorate  
8725 John J Kingman Road  
Fort Belvoir, VA 22060  
or [pqis@dla.mil](mailto:pqis@dla.mil)



Photo courtesy of DLA Energy Americas

PQIS includes quality data for aviation fuel (AN8, JP5, JP8, JA1, F24, JPTS and TS1), marine fuel (F76, MGO and RME180), propellants (JP10 and PF1, RP1 and RP2), lubricants (LTL, LO6, LA6 and CLB), fuel system icing inhibitor (FSII) additive, and alternative fuels including hydrotreated renewable fuels (HRF76, HRJ5 and HRJ8), alcohol to jet (ATJ8 and ATJ5), direct sugar to hydrocarbon (DSH76) and hydroprocessed depolymerized cellulosic diesel (HDCCD76)

# Research and Development Product Support



- Program manager for DLA Energy-funded projects
- Establishes and implements long-term projects and studies to resolve issues impacting the Class III (B) supply system, and petroleum product/additive specification requirements and allowances
- Partners with commercial industry, military services and federal agencies

## Projects include:

Test and Evaluation of Alternative Rocket Fuels	Development of Field Portable Device for Detecting Fuel Additives
Fuel Accountability in Collapsible Fuel Tanks, Accuracy and Precision Measurements and Improved Reporting Procedures	Development of New Ground Vehicle Fuel Contamination Limits Compatible with High Pressure Common Rail Engines
Method Comparison for Quantification of Nitrogen Content in Mobility Fuel	Jet Fuel Thermal Stability Heater Tube Evaluation
	Energy Readiness Program (ERP)
Trace Metals and their Prevalence, Removal, and Impacts on Thermal Stability	Investigation of Waste-Based Feedstocks for Sustainable Aviation Fuel Production
MIL-PRF-17331 2190 TEP Lubricating Oil Supply Chain Study	Condition Based Maintenance and Calibration of Fuel Flow Meters
Woody Biomass Conversion to Liquid Hydrocarbon Fuels	Arctic Fuel System Supply Point Study

Source: DLA Energy Quality Technical

# Alternative Energy R&D Support

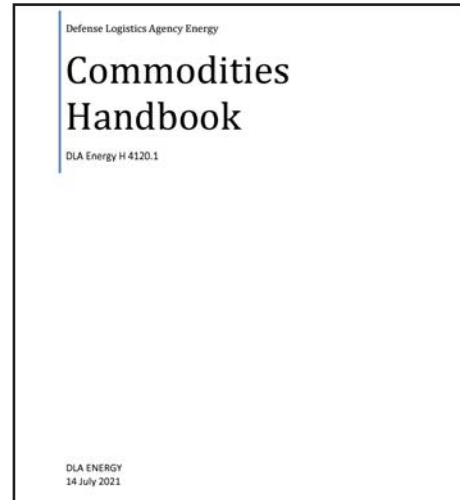
- Provides expertise for technical and administrative actions for research and development projects and congressional earmarks relating to alternative and mobility fuels and renewable energy products
- Participates in the source selection team for all energy-related research and development proposals
- Provides input to strategies and policies concerning research and development and alternative or renewable energies within the agency
- Partners with commercial industry, Military Services and federal agencies:
  - » **Commercial Aviation Alternative Fuels Initiative**
  - » **Federal Aviation Administration Aviation Sustainability Center of Excellence**
  - » **Lends technical support to the Sustainable Aviation Fuel Grand Challenge**
    - U.S. DOE, DOT, USDA, other federal agencies, industry, and academia developing a comprehensive strategy & roadmap to produce Sustainable Aviation Fuel (SAF) at commercial scale supporting goals of 3 and 35 billion gallons per year of domestic SAF production by 2030 and 2050 respectively
- Projects include:
  - » **Defense Production Act Title III Commercial Biorefinery Development Support**
    - Technical expertise/support to two awardees for production of commercial and military specification drop-in fuels
  - » **Co-production of Liquid Hydrocarbon Fuels and Materials from Woody Biomass**
    - Develop the co-production of liquid hydrocarbon fuels (suitable to meet DOD bulk fuel requirements), chemicals & wood fiber products from cellulosic (woody) biomass
  - » **Scale-up and Optimization of Advanced Pyrolysis Oil from Woody Biomass Material**
    - Develop a continuous-process system to scale-up the production of fast pyrolysis oil (PO) into advanced pyrolysis oil (APO™) for further processing renewable transportation meeting commercial/military specifications and reducing lifecycle greenhouse gas emissions



U.S. Air Force Photo by Airman 1st Class Sterling Sutton

# Cataloging and Standardization

- Lead standardization activity for federal supply group for fuels, lubricants, oils and waxes
- Lead standardization activity for liquid propellant fuels
- Market research and specification analysis
- Responsible for the creation, deletion and maintenance of national stock numbers
- Manages and maintains Defense Logistics Agency Energy Commodities Handbook



# Quality Assurance/Surveillance Program

- Provides quality-related support and direction to the Bulk Petroleum Products, Bulk Petroleum Supply Chain Services, Direct Delivery and Aerospace Energy business units, as well as DLA Installation Support for Energy and divisions involved in alternative fuels
  - » Develops and recommends appropriate quality inspection requirements for DLA Energy solicitations and contracts
  - » Evaluates and recommends acceptability of contractor exceptions, deviations and waiver requests
  - » Evaluates and determines technical acceptability of prospective contractors' technical proposals prior to contract award
- Develops and implements quality assurance and surveillance policy for DLA Energy headquarters and regions
- Investigates and resolves customer and depot complaints involving quality of products and services
- Provides disposition recommendations for off-specification fuel in concert with Service Partners, DFSP Management, DLA Energy regional offices, DLA Energy Inventory Accountability, and DLA Energy Finance
- Maintains quality metrics
- Manages the commercial laboratory program
- Evaluates and determines acceptability of marine vessels offered by Military Sealift Command for transporting DLA Energy product
- Provides support for secure fuels and processes secure fuels commercial lab invoices



# DOD Standard Practice Quality Assurance

## DOD Standard Practice Quality Assurance for Bulk Fuels, Lubricants and Related Products (MIL-STD-3004-1A)

The current edition is MIL-STD-3004-1A dated January 20, 2022. This standard:

- Develops and assures implementation of DOD Standard Practices in conjunction with the Military Services
- Provides DOD policy, general instructions, and minimum procedures to be used by the Military Services and DLA, worldwide, in performing quality assurance/surveillance of fuels, lubricants and related products purchased by the DOD
- Covers quality assurance where applicable (e.g., direct delivery to customers, destination acceptance, etc.)
- The standard also contains intra-governmental receipt limits for U.S. government-owned fuels
- Details about Packaged Products are included in MIL-STD-3004-2 published by DLA Aviation



U.S. Navy Photo by Mass Communication Specialist 3rd Class Hannah Kantner

# Quality Assurance Training & Certification

- Develops, maintains and implements the DLA Energy Quality Assurance Specialist and QAS Supervisors Training and Certification Program
- Develops, maintains, and implements training and certification program requirements for DLA Energy quality personnel worldwide, in accordance with applicable DOD and DLA guidance. As part of those requirements, the program determines the minimum course and on-the-job training necessary for a wide range of commodity-specific disciplines
- Determines course requirements for this program in order to develop the lesson plans and course content, as well as provide the sponsorship and classroom instruction for the following core commodity-specific courses:
  - J07: Quality Assurance of Into-plane Servicing Contracts
  - J15: Specification Testing of Aviator's Breathing Oxygen
  - J20: Petroleum Quality Assurance
  - J22: Maritime Confined Space Entry
- The U.S. Air Force provides the following training for DLA Energy quality personnel:
  - J03: Specification Testing of Propellants
  - J15: ABO training alignment
- Determines course requirements in order to develop the lesson plans and course content, as well as provide the classroom instruction for the following overview course for non-QAS:
  - J10: Petroleum Quality Assurance – General
- Administers the DLA Energy Quality Pathways to Career Excellence Program (PaCE) which develops a cadre of highly qualified QAS capable of performing at a journeyman level, with a high degree of technical competence and a broad understanding of the total DLA organization and mission.

# DLA Supply Chain Sustainability & HAZMIN Team

U.S. Army National Guard photo by Staff Sgt. Samantha Hircock



## **DLA Energy is the liaison to the DLA Supply Chain Sustainability and Hazardous Minimization team**

The HAZMIN team promotes the procurement and use of “green” products as classified below:

- Recovered or recycled content
- Environmentally preferable
- Energy efficient
- Bio-based
- Alternative fuels & alternative-fueled vehicles

DLA Energy supports customers in going “green” with the procurement of flex fuels such as blends of biodiesel or ethanol with petroleum. The agency also provides insight and information pertaining to other alternative fuels including sustainable aviation fuel and renewable diesel.

The team educates users and establishes Environmental Attribute Codes for B20 and E85 to assist customers in identifying and ordering environmentally preferable alternative fuels. E85 is a flex fuel gasoline mixed with 51-83% ethanol and designed to operate Flex Fuel Cars. B20 is a blend of 20% biodiesel and 80% conventional diesel.

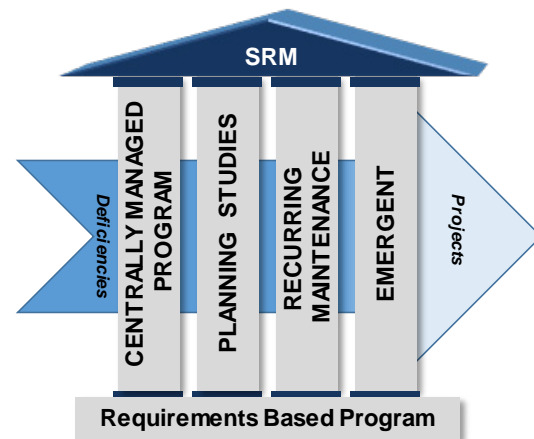
# Sustainment, Restoration and Modernization

**Sustainment:** Maintenance and repair activities

**Restoration:** Repairs required to return degraded facilities to good condition

**Modernization:** Maintenance to keep facilities functioning beyond expected service lives or to meet new requirements

Program funds **75%** of DOD **fixed-fuel infrastructure** through Service Construction Agents

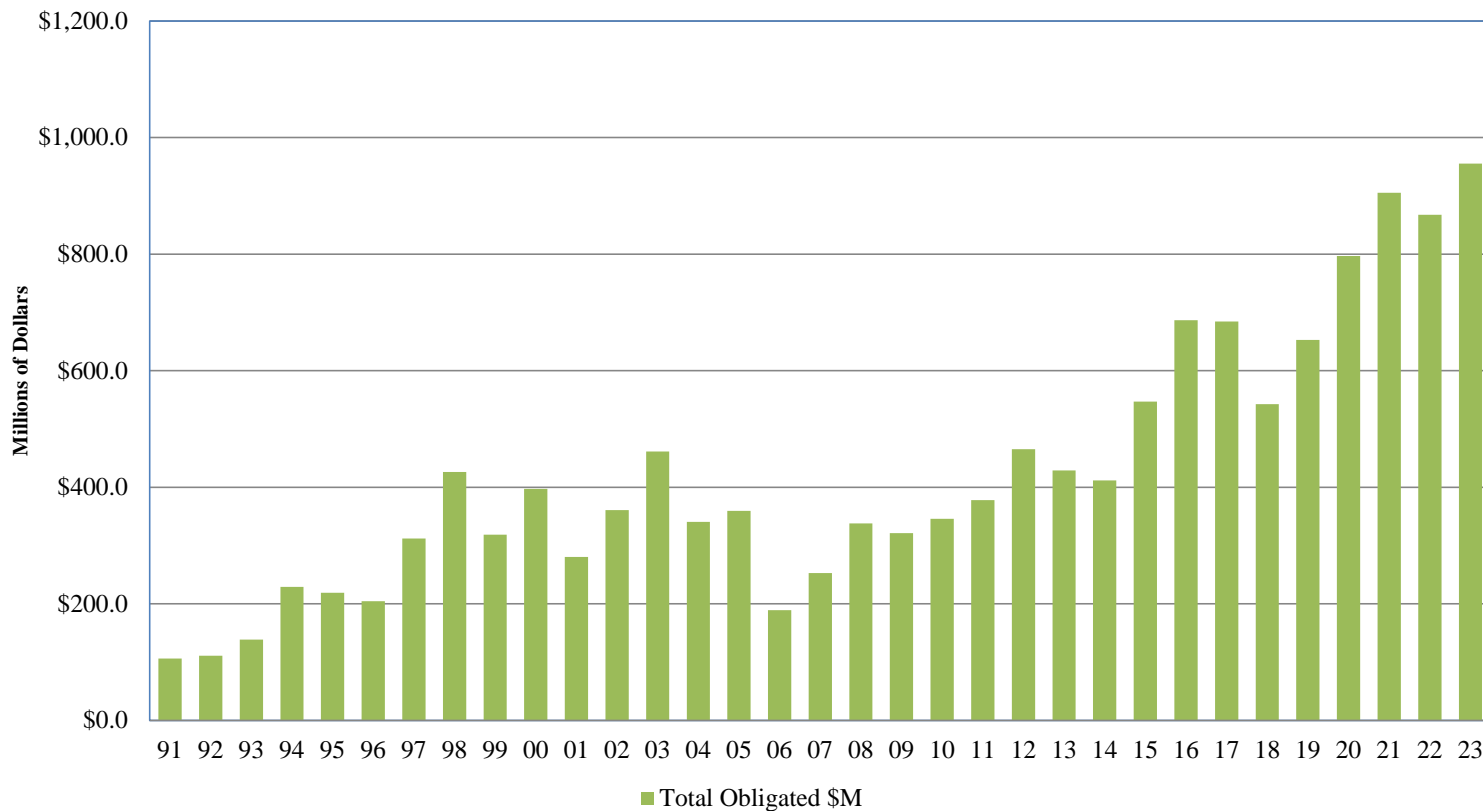


	FY19	FY20	FY21	FY22	FY23
Return-to-Operator Tank Count	112	121	97	95	104
Installations using the Reoccurring Maintenance Program	522	519	518	518	518
Total Projects	1,637	1,325	1,282	1,892	2,110
Projects related to Emergent Requirements	13%	12%	11%	12%	12%
Total Obligated (in millions)	\$652.7	\$796.8	\$905.4	\$867.7	\$955.5

***From Fixing to Maintaining Infrastructure***

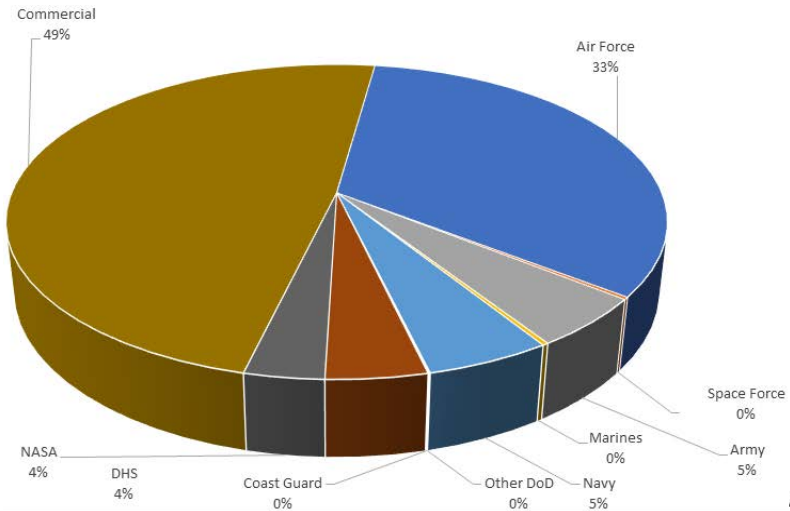
# Sustainment, Restoration and Modernization

**Total Obligated \$M**

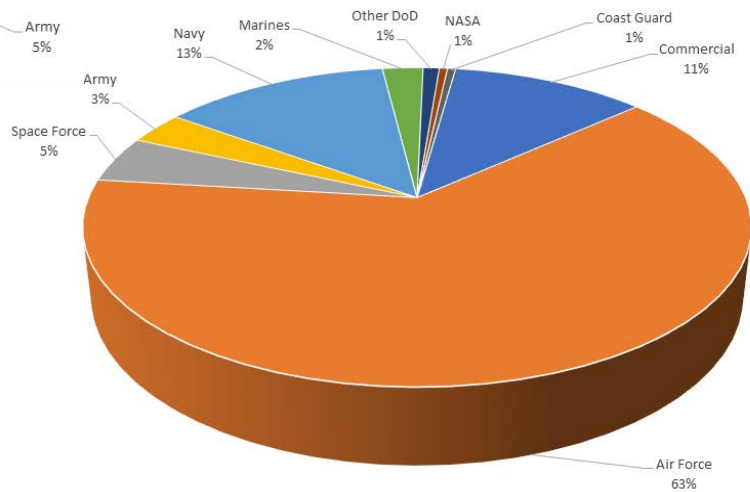


# Aerospace Energy Customer Profile

**By total sales: \$57.8 million**



**By number of customers: 213**





# Aerospace Energy Product Line Overview

## Compressed gases

- Helium
- Nitrogen
- Argon
- Hydrogen

## Propellants

- Hypergolic
  - » Hydrazine fuels
  - » Dinitrogen tetroxide
- Non-hypergolic
  - » Rocket propellant – Grades 1 and 2
  - » JP10
- Cryogenic
  - » Liquid oxygen
  - » Liquid hydrogen

## Non-propellant cryogenics

- Aviator's breathing oxygen
- Liquid nitrogen
- Liquid argon
- Liquid helium
- Liquid carbon dioxide



# Aerospace Programs Supported

- DOD National Security Space Launch missions
- F-16 emergency power unit
- F-15/F-16 air intercept missile, Avenger, Sidewinder
- Cruise missiles – Navy Tomahawk, Harpoon, and USAF ALCM
- Surface to Air Stinger missile
- DOD depot level production operations and maintenance facilities
- Air Force and Army research and development programs
- Army Terminal High Altitude Area Defense (THAAD) missile
- U.S. Navy nuclear-powered attack submarine program
- DOD and Department of Homeland Security Border Patrol Aerostats programs
- DOD missile early warning and secure communication satellites
- Air Force Ground Based Strategic Deterrent Program
- NASA exploratory and science-based satellites
- NASA International Space Station cargo resupply missions
- NASA Space Launch Systems rocket and Orion manned spacecraft missions
- Department of Homeland Security Border Patrol Aerostats programs



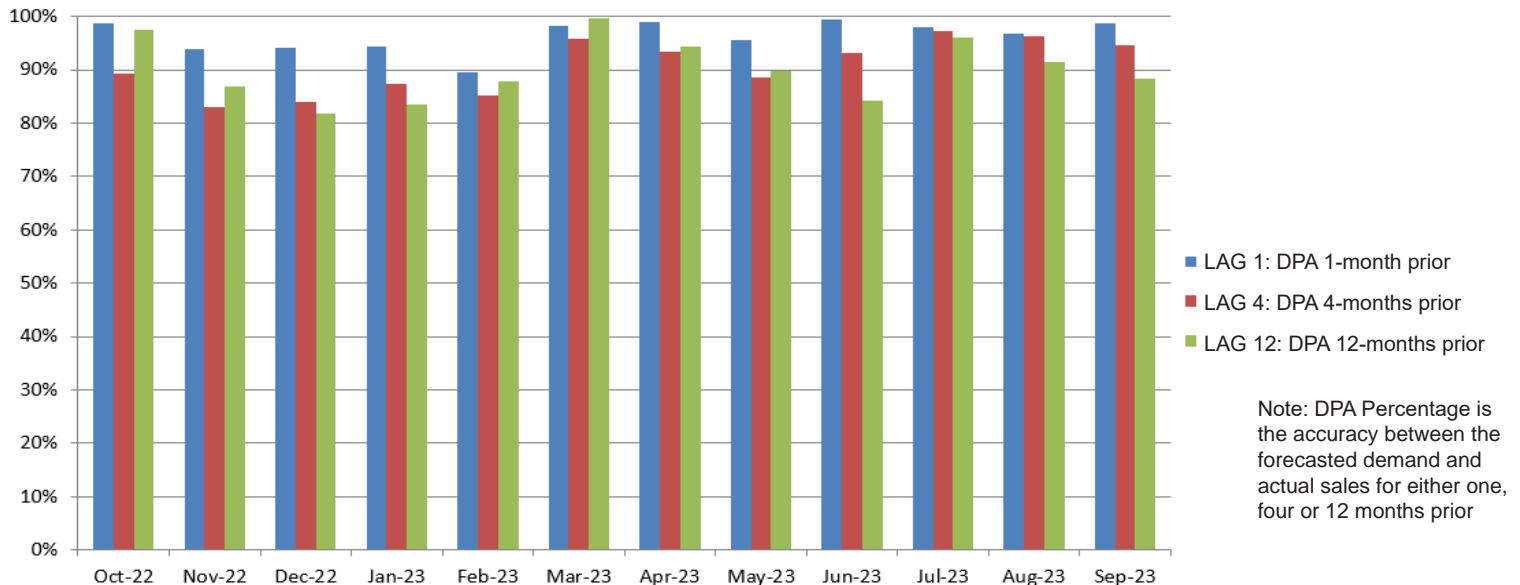
Photo courtesy of United Launch Alliance

# Demand Planning Support

- Manages customer collaboration for petroleum requirements at both into-stock and customer direct locations
- Maintains demand data for 568 into-stock and 3,047 customer direct locations
- Produces demand plans from historical data, statistical modeling and interactive collaboration
- Coordinates demand plans and customer requirements with supplier operations to plan and perform acquisition actions
- Conducts demand/supply alignment meetings with services/customers and internal DLA Energy stakeholders

## DLA Worldwide Demand Plan Accuracy

Aggregate DPA for FY23 – LAG 1 = 96.39%, Lag 4 = 90.67%, Lag 12 = 90.12%



Source: DLA Energy Demand Planning

# Whole of Government Support

	<b>Whole of Government</b> (Federal Agencies, DOD 4th Estate, U.S. Government Contractors)
<b>Number of Agreements</b>	418
<b>Top Sales</b>	USCG \$218M, TRANSCOM Contractors \$372M, AAFES \$29M
<b>Total Sales</b>	\$1.1B

**Note:** Primarily managed by DLA Energy Customer Relationship Management Team



U.S. Coast Guard photo courtesy of Resolute

# U.S. Government AIR Card®

Established in 1997, the U.S. Government Aviation Into-plane Reimbursement (AIR) Card® Program provides the military services and federal civilian agencies a means to procure aviation fuel, fuel-related supplies and approved ground services worldwide at both DLA Energy contract locations and commercial airports.

## Warfighter benefits

- Supports over 20,000 aircraft in procuring commercial aviation fuel and ancillary services
- Supports DOD installation and DLA Energy into-plane contract refueling
- Accepted at more than 3,000 commercial airports worldwide

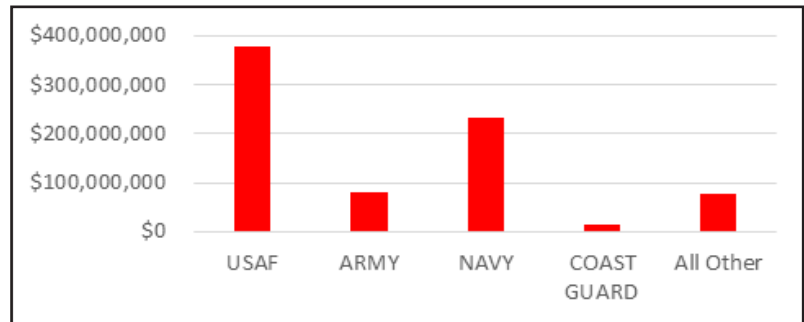
## Fiscal stewardship

- FY23 AIR Card® fuel purchases rebate is \$1.14 million
- Strategic Sourcing Report: Identifies contract locations where the AIR Card® customer purchases retail fuel

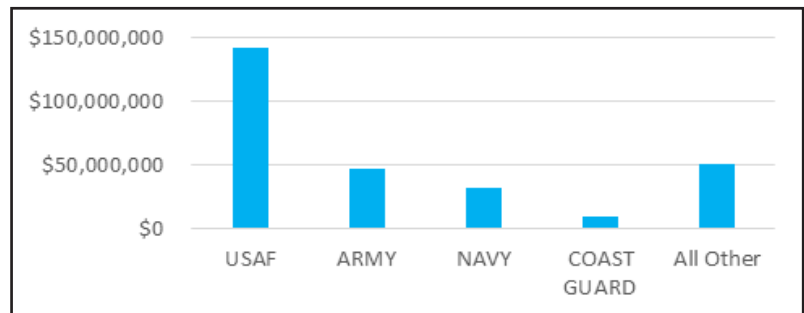
## FY23 sales data

- \$782 million in AIR Card® contract fuel purchases
  - » 174 million gallons
  - » 234,000 transactions
- \$283 million in AIR Card® retail fuel purchases
  - » 56 million gallons
  - » 80,000 transactions

## AIR Card® contract fuel purchases



## AIR Card® retail fuel purchases



Note: "Other" pertains to federal and DOD agencies

# DOD Fleet Card

Established in 2005, the DOD Fleet Card Program uses a fuel charge card to provide the DOD and U.S. Coast Guard a means to procure ground fuel, parts, maintenance and roadside assistance at commercial service stations in CONUS while conducting official government business. The DOD Fleet card is limited to vehicles owned or dry-leased by the DOD.

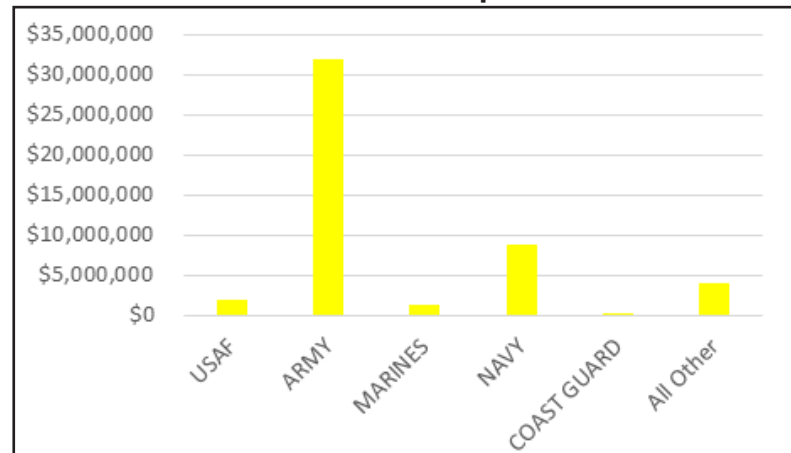
## Warfighter benefits

- Supports more than 440,000 vehicle fueling transactions annually
- Provides minor maintenance and roadside assistance support
- Accepted at more than 450,000 commercial locations
- Enables standard unit pricing
- FY23 Fleet Card fuel purchases rebate is \$909,000

## FY23 sales data

- \$48 million in DOD Fleet Card fuel purchases
  - » 12 million gallons
  - » 475,000 transactions

**DOD Fleet Card fuel purchases**



Note: "Other" pertains to Federal and DOD agencies

# Logistics Fuel Card

Established in 2022, the Logistics Fuel Card Program is a dual platform card solution that provides the DOD and Federal Civilian agencies with a means to procure fuel only worldwide at commercial service stations for storage tanks in support of official government business.

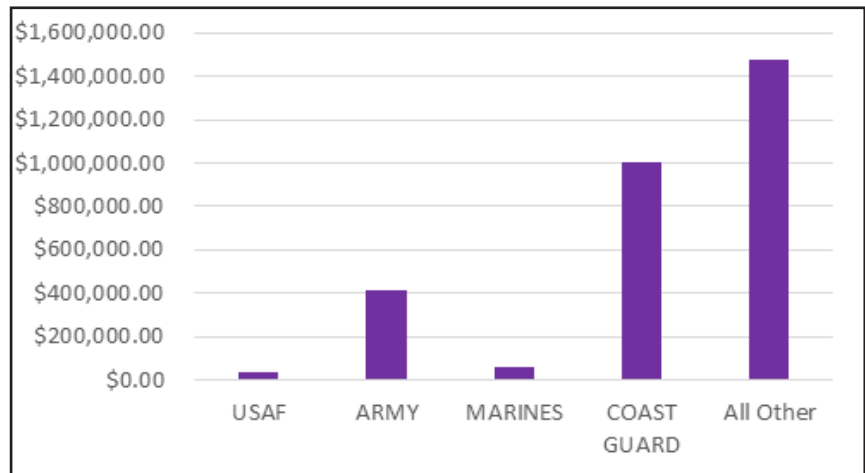
## Warfighter benefits

- More than 66 accounts established
- Supports FUEL ONLY customer tank refueling/s not supported by another DLA Energy solution
- Accepted at more than 500,000 commercial locations Worldwide
- Enables standard unit pricing
- FY23 Logistics Card fuel purchases rebate is \$29,000

## FY23 sales data

- \$3 million in Logistics Fuel Card fuel purchases
  - » 769,000 gallons
  - » 2,103 transactions

**Logistics Fuel Card fuel purchases**



Note: "Other" pertains to Federal and DOD agencies



# DOD SEA Card System®

Established in 2005, the Ships' bunkers Easy Acquisition (SEA) Card® program uses the SEA Card® Order Management System, known as SEA Card® Online, to allow military services, U.S. Coast Guard and authorized federal agency vessels to purchase fuel from commercial ship refueling merchants at ports worldwide.

## Warfighter benefits

- Total online order management system supporting ships' bunker refueling
- Electronically connects DLA Energy bunkers merchant to vessel ordering officials
  - » Eliminates inefficient manual paper process
- FY23 DOD SEA Card® fuel purchases rebate is \$575,000

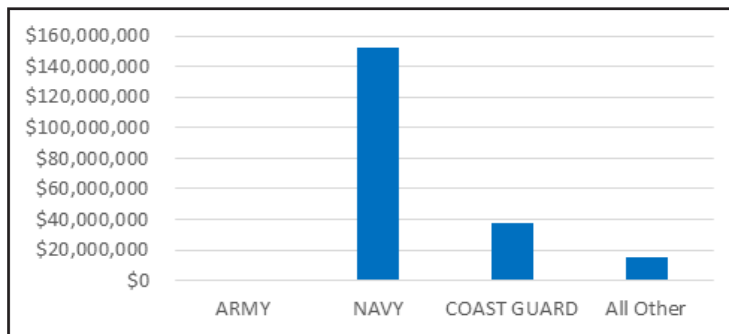
## Global support

- More than 780 DOD vessels registered
- 24/7 fuel ordering
- Contract support at more than 170 bunker contract ports
- Open market support at more than 2,000 commercial ports

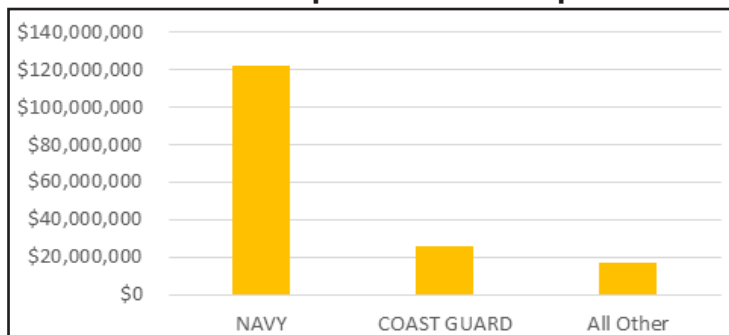
## FY23 sales data

- \$206 million contract fuel
  - » 52 million gallons
  - » 1,021 transactions
- \$165 million non-contract fuel
  - » 42 million gallons
  - » 692 transactions

## DOD SEA Card® contract fuel purchases



## DOD SEA Card® open market fuel purchases



Note: "Other" pertains to Federal and DOD agencies

# DOD Swipe SEA Card®

Established in 2010, the Swipe SEA Card® program provides the military services and federal agency users with a credit card to purchase fuel up to the simplified acquisition threshold of \$250,000. The card is intended for use at marinas where small boats can “gas and go.”

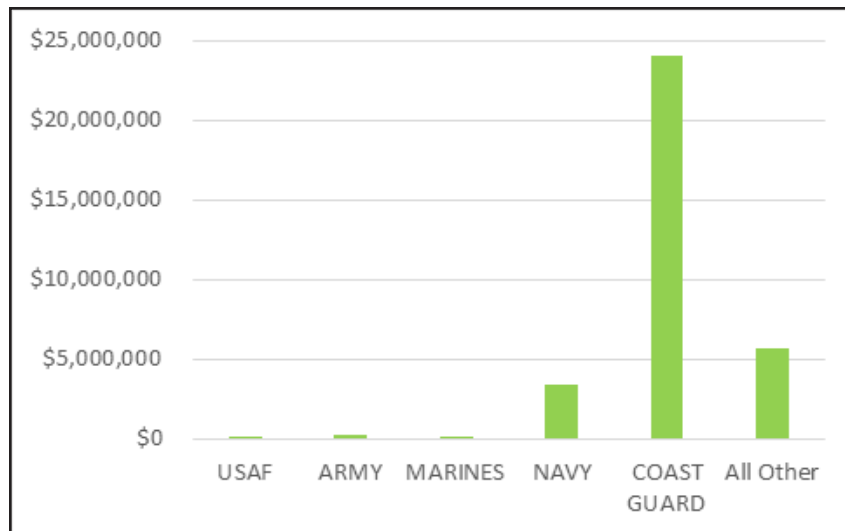
## Warfighter benefits

- More than 1,900 DOD small vessels registered
- The card is accepted at locations worldwide for fuel only
- Enables standard unit pricing
- FY23 Swipe SEA Card® fuel purchases rebate is \$178,000

## FY23 sales data

- \$33 million in DOD Swipe SEA Card® fuel purchases
  - » 8 million gallons
  - » 24,000 transactions

## DOD Swipe SEA Card® fuel purchases



Note: “Other” pertains to Federal and DOD agencies

# Futures Integration & Posture

## Strategic Initiatives Office

- From Feb 6-10, 2023, DLA Energy hosted the Joint Petroleum Week at the McNamara HQC including the annual Joint Petroleum Seminar, the Executive Agent Component Steering Group Meeting, the Joint Petroleum Working Group Meeting, and the Installation Planning Review Board meeting. The week brought together DOD Senior Leaders and over 200 DOD petroleum subject matter experts for in-person meetings for the first time since 2020. The theme was “Changes in Global Bulk Fuel Management” and featured several presentations and discussions of TRANSCOM’s new role as Single Fuel Manager for DOD. The Joint Petroleum Seminar on Feb 6-7, provided an opportunity for TRANSCOM to continue socializing their new role as single manager with the broader DLA Energy team, Combatant Command Joint Petroleum Offices, and Service Control Point representatives.
- In FY23, DLA Energy successfully executed the Joint Petroleum Course, a pivotal achievement. Over eight, in-person sessions were held at Fort Gregg-Adams, VA, and a total of 117 students completed the course and graduated. Notably, the process to secure accreditation for this significant offering has been set in motion, marking a substantial step forward in our pursuit of excellence.

## Policy & Procedures Management Office

- Published a DLA Energy policy for management of Non-DOD Fuel Purchase Authorizations with non-DOD organizations that require DLA Energy as a U.S. Government supply source for petroleum products available in the Defense-Wide Working Capital Fund.
- Published a DLA Energy policy outlining responsibilities for Defense-Wide Working Capital Fund fuel inventory and Government Property.
- Updated DODM 4140.25 in accordance with National Defense Authorization Act, Section 352.

# Futures Integration & Posture

## **Audit & Sustainment Office**

- Provided responses to 144 provided-by-client requests from the Independent Public Auditor with a 100% on-time response. Coordinated and executed three Business Process Overviews/Process Walkthroughs held onsite with a virtual option.
- For the End-of-Year Inventory effort, DLA Energy accompanied the IPA to six Defense Fuel Support Points to conduct 100% physical inventories of all DLA-owned products on site; 44 fuel tanks were manually gauged and the inventories of 34 pieces of rolling stock were verified.
- DLA Energy provided 523 documents to the IPA to support the End-of-Year Inventory effort.
- Led DLA Energy's efforts to document the End-to-End processes of several business areas by producing flowcharts/process maps, Business Process Narratives, and Risk and Control Matrices. These products and efforts helped support the DLA Energy mission in financial audit requirements. The processes documented include, Fuel Exchange Agreement, Fuel Card Program, Afloat Inventory, and Pipelines.

## **Strategic Management & Process Improvement Office**

- This division's functions realigned within DLA Energy during FY23. The Strategic Management Energy Governance team transferred to the Commander's Action Group while the Continuous Process Improvement team remained in the Directorate to support the Enterprise Risk Management team.

## **Records Management**

- Processed 132 boxes of records from the Defense Fuel Support Points and shipped them to the Federal Records Center.

# Acronyms

ACSA .....	Acquisition and cross-servicing agreement
AOR .....	Area of responsibility
AVGAS .....	Aviation gasoline
CENTCOM .....	U.S. Central Command
COCO .....	Contractor-owned, contractor-operated
COCOM .....	Combatant command
CONUS .....	Continental United States
DBA .....	Direct Bill Agreements
DFSP .....	Defense fuel support point
DHS .....	Department of Homeland Security
DLA .....	Defense Logistics Agency
DOD .....	Department of Defense
Dths .....	Dekatherms
DWWCF .....	Defense-Wide Working Capital Fund
EBS .....	Enterprise Business Systems
ECM .....	Energy conservation measures
EPS .....	Energy performance services
ESCO .....	Energy service company
EUCOM .....	U.S. European Command
FEA .....	Fuel exchange agreement
FEMA .....	Federal Emergency Management Agency
FMS .....	Foreign military sales
FOB .....	Free on board
FSA .....	Fuel Support Agreements
FY .....	Fiscal year
GOCO .....	Government-owned, contractor-operated
GOGO .....	Government-owned, government-operated
HAZMAT .....	Hazardous Materials
HAZMIN .....	Hazardous Minimization
IMM .....	Integrated Materiel Management

# Acronyms

INDOPACOM .....	U.S. Indo-Pacific Command
JIATF-S .....	Joint Interagency Task Force - South
JP .....	Jet petroleum (JP5, JP8, JP10, Jet A1, etc.)
JPTS .....	Jet Propellant Thermally Stable
LNO .....	Liaison officer
MGO .....	Marine gas oil
MOA .....	Memorandum of agreement
MOGAS .....	Motor gasoline
MOU .....	Memorandum of understanding
MSC .....	Military Sealift Command
MWh .....	Megawatt hour
NASA .....	National Aeronautics and Space Administration
NATO .....	North Atlantic Treaty Organization
NAVEUR .....	U.S. Naval Forces Europe-Africa
NAVFAC .....	Naval Facilities Engineering Command
NDAA .....	National Defense Authorization Act
NSN .....	National Stock Number
OCONUS .....	Outside the Continental United States
OPA-90 .....	Oil Pollution Act of 1990
OPDS .....	Offshore petroleum discharge system
OPLAN .....	Operational plans
OSD .....	Office of the Secretary of Defense
PC&S .....	Posts, camps and stations contract
POL .....	Petroleum, oil and lubricants
POTUS .....	President of the United States
PP&E .....	Plant, property and equipment
PQDR .....	Product quality deficiency report
PQIS .....	Petroleum Quality Information System
QA .....	Quality assurance
QAR .....	Quality assurance representative

# Acronyms

QAS .....	Quality assurance specialist
QS .....	Quality surveillance
R&D .....	Research and development
REC .....	Renewable energy certificate
ROK .....	Republic of Korea
RP .....	Rocket propellant
SEA .....	Ships' Bunkers' Easy Acquisition
SOCOM .....	U.S. Special Operations Command
SOUTHCOM .....	U.S. Southern Command
SRM .....	Sustainment, Restoration and Modernization
TRANSCOM .....	U.S. Transportation Command
USA .....	U.S. Army
USAF .....	U.S. Air Force
USAFE .....	U.S. Air Force Europe
USAR .....	U.S. Army Reserve
USFK .....	U.S. Forces Korea
USMC .....	U.S. Marine Corps
USN .....	U.S. Navy





# Defense Logistics Agency

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