

2017

DEFENSE LOGISTICS AGENCY

ENERGY

Fiscal Year 2017 Fact Book



Table of Contents

Foreword	1
DLA Energy's History.....	2
Mission and Vision.....	3
Commander's Update	4
DLA Energy Organization.....	5
Worldwide Locations	6
DLA Energy Senior Leadership	7
Commander, DLA Energy Biography.....	8
Deputy Commander, DLA Energy Biography	9
Organizational Missions and Functions.....	10
Civilian and Military End Strengths.....	23

Fiscal 2017 Facts and Statistics: Financial Results

Energy Summary.....	24
Statement of Financial Conditions.....	25
Statement of Sales	26
Net Sales by Category.....	27
Product Cost.....	28
Purchases by Category	29
Worldwide Bulk Fuel Ending Inventory.....	30

Fiscal 2017 Facts and Statistics: Contracts

Contract Action Data.....	31
Environmental Contracts	32
Testing Contracts.....	33
Alongside Aircraft Refueling	34
Into-Plane Contracts.....	35
Ships' Bunkers Contracts	36
Posts, Camps and Stations Contracts.....	37
Energy Savings Performance Contracts	38
Utility Services Contracts.....	39
Aerospace Energy Contracts.....	40

Fiscal 2017 Facts and Statistics: Business Unit Programs

Storage and Distribution Services	41
DWCF Optimization Program Overview	42
Defense Fuel Support Points.....	43
Sustainment, Restoration and Modernization.....	44
SRM Commitments and Obligations	45
Worldwide Bulk Product Transportation	46
Transportation Expenses.....	47
Small Business Program Achievements.....	48
Strategic Policy and Programs Achievements.....	49
Worldwide Agreements Snapshot	51
Coal Program	52
Natural Gas Program.....	53
Electricity - Demand Response Program	54
Electricity Program	55
Renewable Energy Program	56
Mobility Fuels Customer Support	58
Mobility Fuels Demand Planning Support	59
Whole of Government Support	60
U.S. Government AIR Card®	61
DOD Fleet Card.....	62
DOD SEA Card System®	63
DOD Swipe SEA Card®	64
Petroleum Quality	65
Technical Information System.....	65
Research and Development Product Support.....	66
Alternative Energy R&D Product Support.....	67
Cataloging and Standardization	68
Quality Investigations	69
DOD Quality Assurance/Surveillance Standard Practice	70
Quality Assurance Training & Certification	71
DLA Supply Chain Sustainability & HAZMIN Team	72
Aerospace Energy Customer Profile.....	73
Major Programs Supported	75
Hazardous Material Shipments	76
Major Annual Exercises	77
Acronyms.....	78

NOTE: The organization chart, regional locations, biographies and unit roles and missions are all current as of December 2017. Information after the Financial Results section is a snapshot of DLA Energy's facts and figures for fiscal year 2017.

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 fiscal 2017, unless otherwise indicated.

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

The Fact Book can be found on the DLA Energy website at <http://www.dla.mil/Energy>.



**Providing
Energy
Solutions
Worldwide**

DLA Energy's History

The Defense Logistics Agency is America's combat logistics support agency responsible for sourcing and providing nearly every consumable item used by our military forces worldwide. DLA Energy is a DLA major subordinate command responsible for providing the Department of Defense and other government agencies with comprehensive energy solutions in the most effective and efficient manner possible.

DLA Energy's roots date back to World War II. Originally, the organization 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 more comprehensive mission as the 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 of bulk petroleum products to include most bulk storage installations.

In 1990, DLA Energy's mission was expanded to include the supply and management of natural gas in addition to basic petroleum and coal products. Natural gas requirements were consolidated and centrally procured with goal of providing direct supply natural gas to customers when determined more economical than using gas from a local distribution 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 aggressive DRI goals. DLA Energy developed a core competency in utilities privatization and has become the single procurement organization for 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, had a renewed awareness of environmental impact and sought 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 greater sense of community and ownership for employees and creating a clearer and more definitive identity for customers and stakeholders.

In 2012, DLA Energy set new standards for disaster relief efforts following Super Storm Sandy with the delivery of more than 9 million gallons of fuel to New York, New Jersey and Connecticut.

In 2014, DLA Energy transitioned from the Energy Convergence program to the DLA Enterprise Business System, which standardized processes, transactions and normalized service measures applying DLA Material Supply Chains evaluations to DLA Energy products and services.

In 2016, DLA Energy awarded its largest energy savings performance contracts to date at Tinker Air Force Base. The \$243-million facility modernization project will save at least \$20 million annually in energy and operational costs over the 25-year life of the contract.

DLA Energy implemented additional capabilities in strategic locations in the Middle East when the Defense Fuel Support Point Salalah, Oman, opened in 2017. The new facility improves the Naval Central Command operational reach and is the first step in increasing logistics capabilities outside the Arabian Gulf.

In 2017, DLA issued a directive outlining command relationships, responsibilities and reporting. The Command and Control initiative fundamentally changed the way regional commands and major subordinate commands interface with customers. One commander now acts as the DLA interface for customers in each region (DLA Central and Special Operations Command, DLA Europe & Africa, and DLA Pacific).

Through evolution in mission and name changes, DLA Energy is committed to providing world class support to the warfighter.

Mission and Vision

Mission:

To provide the Department of Defense and other government agencies with comprehensive energy solutions in the most effective and efficient manner possible.

Vision:

Our customers' first choice for energy solutions



Commander's Update



In fiscal year 2017, Defense Logistics Agency Energy streamlined our processes and aggressively sought ways to find innovative energy solutions for our customers who span across 2,060 posts in 35 countries.

We reintroduced the Worldwide Energy Conference in May 2017 to provide a forum for energy industry leaders from the private and public sectors to discuss critical industry and consumer issues. More than 100 sessions were presented with topics ranging from supply chain services and environmental issues to alternative fuels as well as a trade show and training opportunities for our customers and suppliers. The next biennial conference will be held in May 2019.

DLA Energy and DLA Energy Americas responded to not one, but three major hurricanes that struck within a thirty-day time span. While DLA Energy employees were in place across the nation to support response efforts, Task Force Americas was on the ground in the impacted areas supporting the Federal Emergency Management Agency. As response efforts shifted from Texas to Florida and then to Puerto Rico, so did the fuel, supplies and personnel. By the end of the fiscal year, we had provided more than 350,000 gallons of gasoline and 1.8 million gallons of diesel for FEMA and other federal agencies working relief operations.

Not only are we proud of the support we provided to FEMA, but we are also proud to say that our efforts with small business are paying off. During the fiscal year, our small business contracts stayed at 24.2 percent overall, which exceeded the federal government's goal of 23 percent of prime contracts.

Another nod to our strong partnerships and customer support is how DLA Energy is supporting a resilient and redundant energy supply chain. DLA Energy manages more than 13 million MWhs of electricity valued at over \$750 million under multiple year contracts. It also has Energy Savings Performance contracts at multiple locations saving our customers an estimated \$30 million annually. In fact, DLA Energy won the 2017 Federal Energy Water Management Award in the contracting category for the first DOD solar and wind renewable energy contract awarded at Fort Hood, Texas. The project is expected to save the Army at least \$168 million over the 29-year contract.

During the fiscal year, a new directive was issued for command relationships, responsibilities and reporting. The directive unifies DLA operations in each combatant command area of responsibility under the command of the DLA Regional Commander. This directive creates efficiencies in setting priorities for support requirements and exercise planning, flattening the organization so there is a single person interacting with the geographic combatant commander.

Also in 2017, the Agency released the Strategic Plan 2018-2026. The plan directly supports DOD's priorities and features five lines of effort that DLA will leverage to provide global, end-to-end supply chain solutions: Warfighter First, Global Posture, Strong Partnerships, Whole of Government and Always Accountable. The plan isn't a fundamental shift in how we conduct business, but rather it is a rearticulation of what is important.

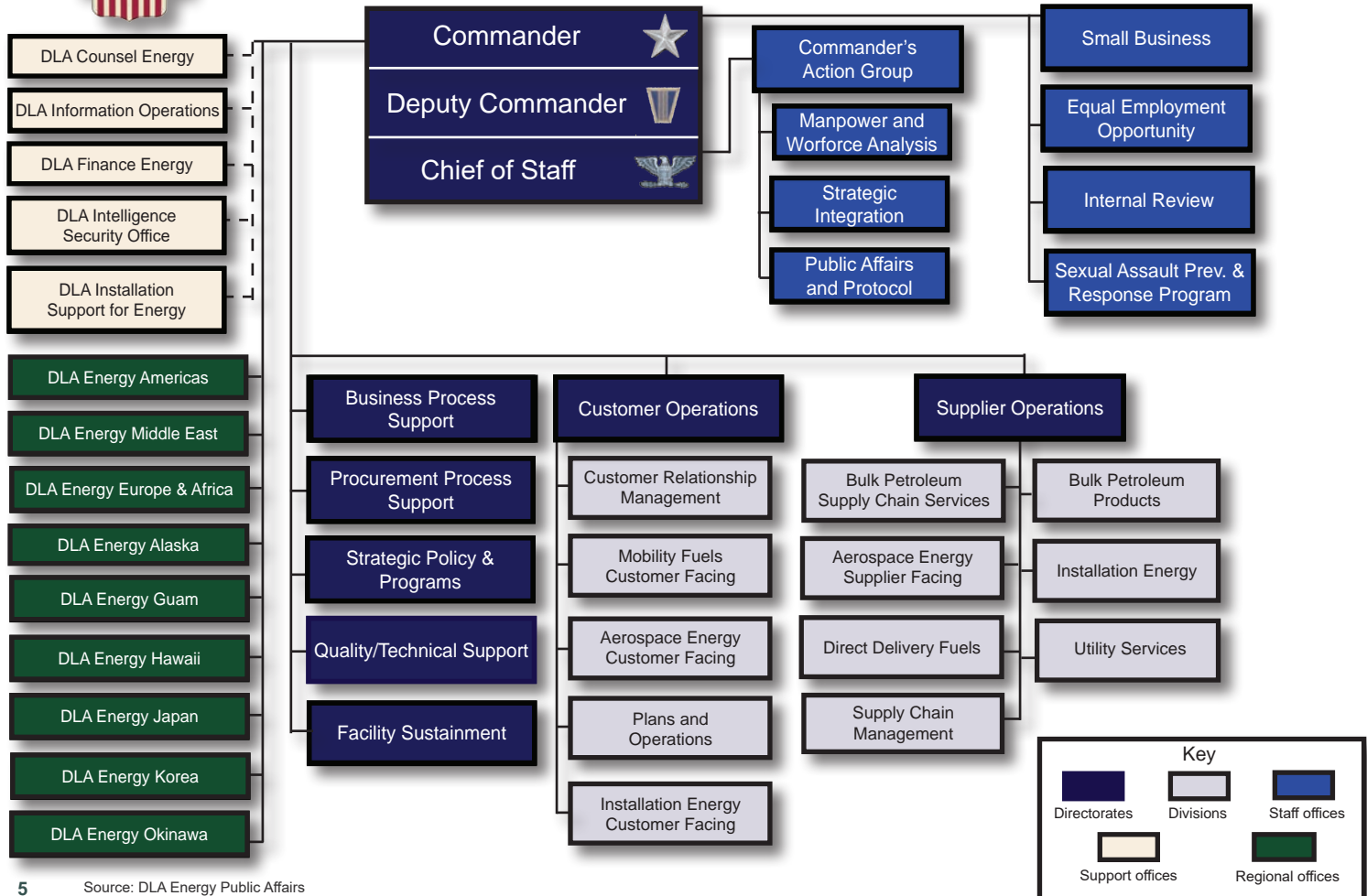
As we continue to improve our processes and maximize our resources to provide efficient and effective energy solutions for our customers, I want to remind everyone that DLA Energy's success is owed to the great people and culture of this organization. Every DLA Energy employee has a dynamic, strategic role in making a stronger and more streamlined DOD.

I want to thank all of the hard-working DLA Energy team members for making this such a great place to work. I look forward to our continued success into the new year.

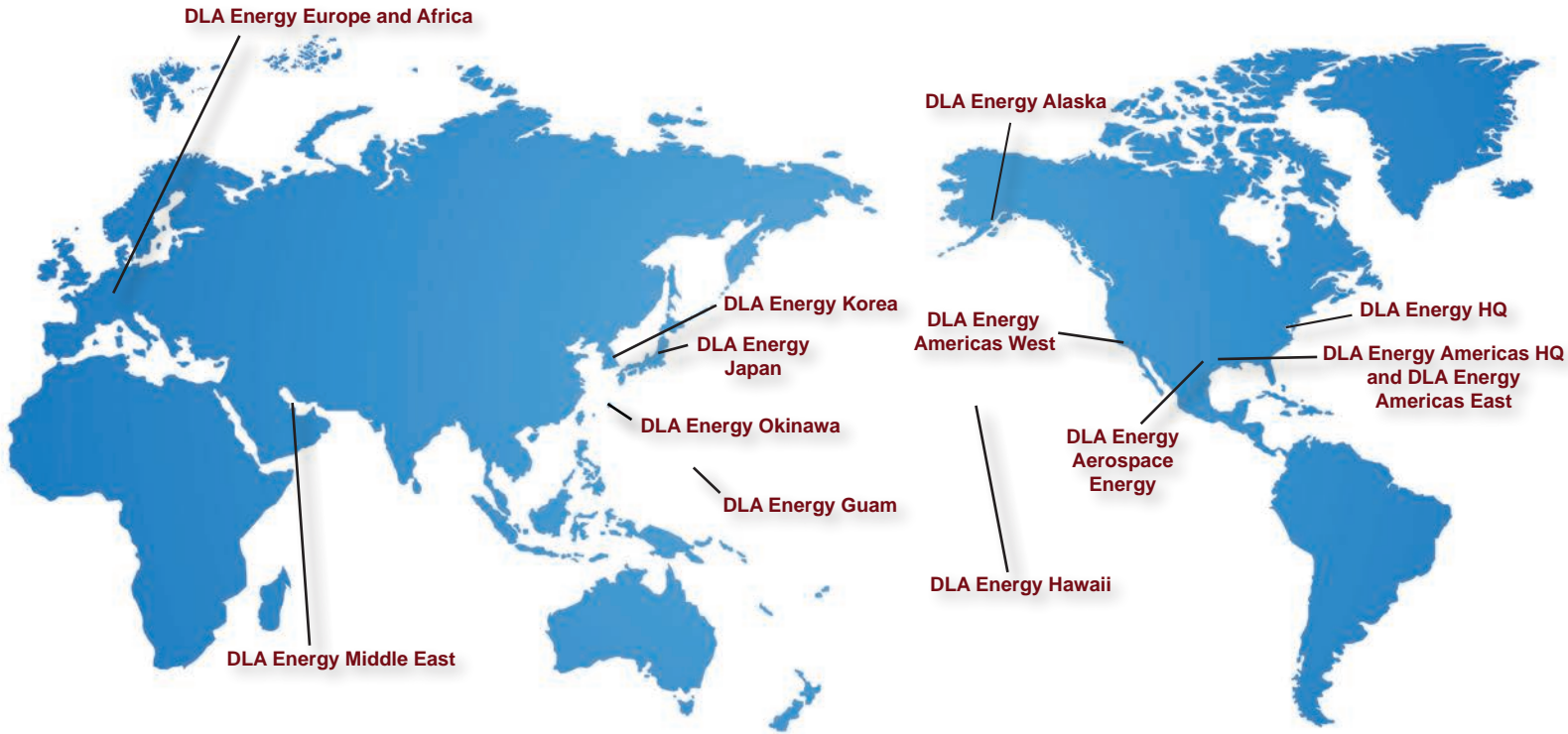
- Brig. Gen. Martin Chapin



DLA Energy Organization



Worldwide Locations



DLA Energy Senior Leadership



Deputy Commander
Guy Beougher



Commander
Brig. Gen. Martin Chapin, USAF



Chief of Staff
Col. Doug Henry, USA



Customer Operations
Col. John Martin, USAF



Supplier Operations
Gabriella Earhardt



Facility Sustainment
Capt. Chris Light, USN



Procurement Process Support
Bruce Blank



Strategic Policy & Programs
Regina Gray



Strategic Policy & Programs
Col. Mark Tate, USAF



Business Process Support
James Mandziara



Americas Commander
Col. Craig Simonsgaard, USA



Europe & Africa Commander
Lt. Col. Dennis Williams, USA



Middle East Commander
Lt. Col. Henry Brown, USA



DLA Finance Energy
Richard Sninsky



Counsel
Kathleen Murphy



DLA Installation Support for Energy
DJ Junio



Quality Tech Support
Pam Serino



Hawaii Commander (Acting)
Ralph Wells



Guam Commander
Cdr. Bruce Kong, USN



Korea Commander
Lt. Col. Faith Chamberlain, USA



Japan Commander
Lt. Col. Kevin Campbell, USAF



Okinawa Commander
Maj. Jarrett Weiblen, USAF



Alaska Commander
Lt. Col. Rick Mueller, USAF

Commander, DLA Energy Biography



Air Force Brig. Gen. Martin Chapin

U.S. Air Force Brig. Gen. Martin Chapin assumed his current position as the commander of the Defense Logistics Agency Energy, a major subordinate command of DLA at Fort Belvoir, Virginia, July 22, 2016. As commander, he is responsible for providing the Department of Defense and other government agencies with comprehensive energy solutions in the most effective and efficient manner possible.

Prior to his arrival to DLA Energy, Brig. Gen. Chapin served as the Deputy Director of Operations for the United States Transportation Command, Scott Air Force Base, Illinois. He was responsible to the director for planning, coordinating and monitoring all air, land and sea transportation provided by the command's three components, Air Mobility Command, Military Surface Deployment and Distribution Command and Military Sealift Command for Office of the Secretary of Defense, the Joint Staff, unified combatant commands and the services.

Brig. Gen. Chapin earned his commission as a Distinguished Graduate of the Reserve Officer Training Corps program at Oregon State University in June 1990. His career has encompassed a variety of operational, command and staff assignments to include command of the 458th Airlift Squadron, Scott Air Force Base, Illinois, and the 621st Contingency Response Wing, at both Joint Base McGuire-Dix-Lakehurst, New Jersey, and Travis Air Force Base, California. His staff assignments include Air Mobility Command and United States Transportation Command.

Brig. Gen. Chapin's education includes a Bachelor of Science degree in business administration, Oregon State University, Corvallis; and a Master of Science degree in national security and strategic studies (graduated with highest distinction), Naval War College, Newport, Rhode Island. He is a designated Joint Qualified Officer.

Brig. Gen. Chapin is rated as a senior pilot and his awards and decorations include the Defense Superior Service Medal, Legion of Merit with oak leaf cluster, the Defense Meritorious Service Medal, the Meritorious Service Medal with two oak leaf clusters, the Air Force Commendation Medal with two oak leaf clusters, the Combat Readiness Medal, Armed Forces Expeditionary Medal with bronze star device, the Southwest Asia Service Medal with bronze star device, the Iraq Campaign Ribbon with two bronze star devices, the Global War on Terrorism Service Medal, Humanitarian Service Medal and Air Force Expeditionary Service Ribbon with gold border and oak leaf cluster.

Deputy Commander, DLA Energy Biography



Guy Beougher

Guy Beougher is the deputy commander of the Defense Logistics Agency Energy, a major subordinate command of DLA at Fort Belvoir, Virginia. As deputy commander, he is responsible for providing the Department of Defense and other government agencies with comprehensive energy solutions in the most effective and efficient manner possible.

Previously, he served as the executive director of Operations in DLA's Logistics Operations in March 2013 where he coordinated and synchronized day-to-day current operations of DLA's worldwide logistics, acquisition and technical support services in support of Combatant Commands, military services, federal, state, and civil agencies, and foreign governments.

His other assignments include assistant deputy chief of staff for Logistics Directorate, U.S. Army Forces Command, Fort Bragg, North Carolina; civilian deputy to the Deputy Commanding General for Support, U.S. Forces Afghanistan, Kabul, Afghanistan; division chief, Concepts and Opportunities, Defense Logistics Agency J3; senior research fellow, Center for Joint and Strategic Logistics, National Defense University, Washington, D.C.

Beougher has two Masters of Science degrees; national resource strategy from National Defense University, Washington, DC; and the other, in materiel acquisition management from Florida Institute of Technology, Fort Lee, Virginia. He has a Bachelor in Science in business administration from Emporia State University, Emporia, Kansas. Other significant training includes U.S. Army Command and General Staff College, Ft. Leavenworth, Kansas.

His civilian and military awards include: Superior Civilian Service Medal (two awards), Global War on Terrorism Civilian Service Medal; Army Distinguished Service Medal, Legion of Merit Medal (three awards), Bronze Star Medal, Meritorious Service Medal (six awards) and Army Commendation Medal (five Awards).

Beougher is certified in Life Cycle Logistics at Level III under the Defense Acquisition Workforce Improvement Act.

His published work includes, Improving Division and Brigade Logistics in the Modular Force, Army Logistician, May-June 2006, Volume 38, Issue 3.

Organizational Missions and Functions

Supplier Operations Directorate

DLA Energy Aerospace Energy Supplier Division

manages the worldwide acquisition 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 via aggregation and award of government contracts for supplies and services that support customers worldwide ranging from those in theater – helium to aerostats, aviator breathing oxygen to fighter jets, and hydrazine to the F16s for their emergency power units – to those in the continental U.S. – DOD, space launch, cruise missiles, DHS, NASA, as well as federally funded research and development at universities. Streamlined acquisition strategies combined with industry knowledgeable staff enable Aerospace Energy to support several short-notice contingency operations with timely contract awards, ensuring critical mission requirements are successfully supported. Aerospace Energy facilitates one-on-one meetings with industry to discuss acquisition strategies, supply chain capabilities and standard industry practices to determine how to promote effective competition, meet growing customer requirements, control costs throughout the supply chain and increase small business subcontracting opportunities, all while simultaneously implementing industry recommendations into its procurement processes to achieve these goals. Finally, Aerospace Energy participates in job fairs to increase veteran and Hispanic hiring opportunities throughout DLA. POC: (210) 925-4455.

DLA Energy Bulk Petroleum Products Division provides contract support for the bulk petroleum supply chain, including worldwide bulk fuels requirements (JAA, JP8, JP5, F76) and transportation services. The fuels are acquired through four major purchase programs: Inland East Gulf Coast; Rocky

Mountain/West Coast; Atlantic, European, Mediterranean; and Western Pacific. The transportation services are required for distribution of petroleum products to the military services and other authorized customers in various locations throughout the continental United States, Europe, Western Pacific and the Middle East. Bulk Petroleum Products also purchases bulk fuel system icing inhibitor additive (drummed FSII is handled by DLA Aviation in Richmond, Virginia), bulk lubricants and alternative fuels. POC: (703) 767-9544.*

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 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. POC: (703) 767-3541.*



Organizational Missions and Functions

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 division supports short-notice provisioning of fuel to the warfighter for worldwide contingency operations and humanitarian relief efforts, provides the full range of contract administration activities and technical support using automated information systems, and provides information technology and fuel card acquisition and support services.
POC: (703) 767-8500.*

DLA Energy Installation Energy Division provides acquisition support for facility energy commodities and services including coal, natural gas, 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 the centralized program manager for DOD’s Natural Gas Program.
POCs: (703) 767-9404 or (703) 767-8328.*

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 and natural gas) to public, private or municipal entities under the authority of Title 10 U.S.C. §2688. It also acts as the procurement, program management, and technical liaison with the Deputy Under Secretary of Defense Installations and Environment for utility services contracting performed in support of the Services’ utilities privatization program. POC: (703) 617-1529.*

DLA Energy Supply Chain Management Division provides enterprise-level management for both DFSP operations and the DLA-owned bulk petroleum inventory. Supply Chain Management has three branches: Inventory Accountability, Inventory Management and Terminal Operations.
POC: (703) 767-0702.*

DLA Energy Inventory Accountability Branch manages the capitalization/de-capitalization, accountability and reconciliation of DLA Energy’s petroleum inventory, both in-place and in-transit. This division is responsible for development and implementation of inventory policy, procedures, oversight compliance programs, management controls over inventory reporting and auditability of the Defense Working Capital Fund petroleum inventory. The



Organizational Missions and Functions

branch develops and oversees organizational, regional and DFSP level performance based metrics including inventory gains and losses, in and out of tolerance accounts, transactional/reconciliation timeliness and petroleum accounting. The Inventory Accountability Branch also directs or conducts fuel liability investigations for and provides disposal or redistribution instructions for off-specification DWCF fuel. POC: (703) 767-9388.*

Inventory and Distribution Management Branch develops supply plans for bulk petroleum products, oils, lubricants and product additive purchase; monitors inventory levels and alters these levels as operational or market conditions dictate. This branch manages bulk petroleum, oils, lubricants, product additive inventories and distribution worldwide. It administers, formulates, and evaluates transportation and traffic management plans, policies, programs, procedures, systems and performance measurement standards to ensure efficient and economical distribution of DLA Energy-managed items. In addition, this branch manages the ocean tanker program to support the petroleum distribution plan. POC: (703) 767-8407.*

Terminal Operations Branch provides executive-level program management and advice to senior DLA Energy leaders on worldwide fuel facility and contracted service operations. This branch conducts short- and long-term assessments and performs optimization studies for capitalized locations to develop best-fit solutions to operate and maintain DOD petroleum storage and distribution systems. In addition, the Terminal Operations Branch establishes requirements, planning, coordinates resources, assists in acquisition, and provides technical oversight for DLA Energy funded Fuel Storage and Terminal Operations Service Programs. POC: (703) 767-8068.*

Customer Operations Directorate

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. It supports federal academic research programs, as requested. The division provides centralized customer requirements aggregation, product distribution and transportation and inventory management of all assigned products. It also provides services in support of customer requirements, as requested, as well as support during the research and development phase of customers' space and launch programs. It drafts sales contracts with commercial space and launch companies under the authority of the Commercial Space Launch Act. The division provides technical support for the safe transportation of assigned products as well as other hazardous materials. It hosts technical conferences for the exchange of ideas within customer groups and participates in industry forums to



Organizational Missions and Functions

optimize support. It serves as the accountable officer for all Defense Working Capital Fund-owned product stored and distributed from 12 defense fuel support points worldwide. The division manages property, plant and equipment in support of assigned commodities procured on a free on board origin basis and serves as the accountable property officer and property administrator for commodity-related, DLA-owned Property Plant and Equipment. POC: (210) 925-4455.

DLA Energy Customer Relationship Management Division is the first touch point for federal agency and other 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. The division provides direction for the establishment and monitoring of agreements for the sale of energy products to federal agencies and other non-DOD customers. CRM has established sales agreements with more than 460 customers representing approximately \$540 million in annual sales. It ensures sales to federal customers use U.S. Treasury Intergovernmental Payment and Collection processes. The CRM team also conducts customer

outreach, marketing and education to DLA Energy customers. The division supports common functions supporting DLA's enterprise CRM processes. POC: (703) 767-1608.*

DLA Energy Mobility Fuels Demand Planning Division provides a wide variety of customer support functions for DOD, federal civilian and other authorized foreign government customers in the areas of customer account management, demand planning and fuel card program management. As a customer advocate and liaison, the focus is to solve or coordinate the resolution of customer order/support problems, integration, customer service improvements and implementing guidance. Customer Account Management is the primary customer-facing point of contact for customer order fulfillment of mobility fuels. Demand planning includes statistical forecasting for short- and long-range demand to support required aggregation, supply planning and acquisition. The Government Fuel Card Program Management Office performs overall program management responsibilities, training and support for DLA's customer purchasing tools used worldwide: Aviation Into-plane Reimbursement Card-AIR Card®, Ships' Bunkers Easy Acquisition Card, SEA Card®, Swipe SEA Card® and DOD Fleet Card. The card program office works directly with the DOD Purchase Card program officials, 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 component program managers. POC: (703) 767-8420.*



Organizational Missions and Functions

DLA Energy Plans and Operations Division provides seamless, end-to-end planning and operations support for DOD-wide 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. POC: (703) 767-8420.*

Quality Technical Support Directorate

Provides quality assurance, quality surveillance, product technology, measurement, cataloging, standardization and laboratory support for all products managed by DLA Energy. It serves as the lead standardization activity for Federal Supply Classes 91GP, 9110, 9130 and 9140. It also represents DLA Energy on quality and technical-related issues with military service technical offices, customers, suppliers, foreign government partners and national and international industry standardization organizations and regulatory agencies. The office is responsible for quality and technical policy, procedures, guidance and information systems related to the acquisition, storage and distribution of DLA Energy-managed

products. Additionally, it provides training for quality personnel and technical expertise for alternative fuels, renewable energy, and science and technology projects.
POCs: (703) 767-8363 or (703) 767-8736.*

DLA Energy Quality Operations Division provides integrated supply chain support and solutions for the DLA Energy worldwide quality mission. Quality Operations develops policy, programs and procedures for implementing DLA Energy quality assurance (center, contract and depot) functions. The office integrates quality into the strategic level business aspects of contracting, supply, transportation and facility areas. Specifically, it provides support and oversight of the quality assurance areas to business units, regions and service partners. It maintains liaison with industry and government agencies to resolve quality assurance issues related to fuels, lubricants, additives, propellants, cryogenics and coal. Additionally, it serves as the focal point for DLA Energy related Customer/Depot Complaints and Quality Notifications. The division develops and maintains quality assurance provisions in support of all Energy business unit programs. Quality Operations develops requirements



Organizational Missions and Functions

for laboratory support, provides oversight of DLA Energy and service partner managed laboratories, and acts as the technical representative to submit commercial laboratory support requests. The division develops and maintains a training and certification program for all DLA Energy quality personnel on staff and in the field, and develops and teaches critical courses in support of that program. POC: (703) 767-8738.*

DLA Energy Product Technology and Standardization Division provides technical support to DLA Energy for various products and services. This includes standardization, engineering support, acquisition support, logistics data (cataloging), science and technology, environmental compliance and partnering with industry technical experts. It reviews proposed specification/standardization documents and addresses issues covering general fuels, lubricants, waxes, solid fuels and petroleum-based liquid propellants. It provides technical engineering advice on aspects of product applications, production, refining, storage and transportation. Additionally, the division develops and maintains procurement specification clauses/provisions for all assigned commodity items and assesses accuracy of technical and engineering data submitted by offerors on DLA Energy solicitations. It coordinates environmental requirement matters and provides technical guidance to DOD and federal agencies. The division maintains liaison with industry and government agencies to resolve technical issues related to fuels, lubricants and additives. Moreover, it performs product cataloging functions for DLA Energy-managed products and services. The office manages DLA Energy's research and development program to oversee and conduct projects to support the Class III Bulk Petroleum supply chain. POC: (703) 767-8740.*

Facility Sustainment Directorate

Serves as principal advisor and assistant to the DLA Energy commander and deputy commander in sustaining, restoring and modernizing the capitalized portion of DOD's petroleum, oil and lubricant infrastructure to insure maximum operational readiness and compliance with environmental and other applicable regulations. FSD maintains, repairs and upgrades POL facilities to meet emerging warfighter needs and provides enterprise level sustainment, restoration and modernization management for supported Defense Fuel Support Points. POC: (703) 767-4415.*



Organizational Missions and Functions

Business Process Support Directorate

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 DLA supply chain and provide best value support to DLA Energy's customers. The Business Process Support Directorate partners with DLA Energy functional champions, DLA Enterprise Process owners, DLA Enterprise business cycle owners and the military service partners to ensure that the DLA Enterprise Business System and Base-Level Support Application provides coherent, integrated business solutions for all of DLA Energy's supply chains.



The directorate provides policy and procedural support to DLA Energy operational areas including order fulfillment (inventory management and order management); demand and supply planning; technical/quality; human performance; real property; and reports and analysis processes pertaining to DLA Energy's various missions and supply chains. While not all DLA Energy process leads reside within the directorate, the directorate has the mission and role to fully integrate all the processes to ensure a coherent, end-to-end business process solution.

The directorate provides coordination for DLA Energy to DLA Information Operations to ensure a responsive framework to DLA Energy business endeavors. The directorate is responsible for the design, test, evaluation, implementation and sustainment of EBS and BLSA. This includes the automated systems and related business process reengineering. It prepares, oversees and administers training on new systems and conducts change management activities to educate users and promote their acceptance of and commitment to EBS and BLSA. It provides business process analyst support to end users of both EBS and BLSA. The directorate provides research, review and analysis of data, operational procedures, systems and performance. It conducts studies on complex operational changes affecting any of the DLA Energy supply chain's performance, and provides recommendations, suggests business process improvements, and develops plans for implementing recommended improvements. The directorate's analysts extract data, run reports and monitor metrics and key performance indicators for all DLA Energy supply chains, tracking and analyzing trends and underlying data. This directorate maintains fully trained EBS business process analysts.
POC: (703) 617-1535.*

Organizational Missions and Functions

Procurement Process and Support Directorate

Advises the commander and the acquisition community on all procurement-related matters. It provides oversight for each directorate to ensure quality and integrity of procurement functions. It consists of the Procurement Planning and Support Division, EProcurement Division, Procurement Functional Support Division, Acquisition Support Division, Auditability and Sustainment Division, Acquisition Workforce Development Division and Market Research Division. The directorate implements contracting plans, procedures and instructions; assesses impact of proposed legislation affecting DLA Energy and recommends position; leads Acquisition Review Boards and Acquisition Strategy Review Boards; directs the DLA Energy Federal Procurement Data System and Purchase Card Program; implements Energy Convergence for procurement to integrate the energy supply chain into DLA's Enterprise Business System; provides functional support to the vendor direct and supply chain commodities; manages auditability for the Procure-to-Pay business cycle; and is responsible for employees in the Pathways Recent Graduate and Intern programs for the contracting, quality and supply series. POC: (703) 767-9363.*

Strategic Policy & Programs Directorate

Manages most strategic pursuits that impact the DLA Energy mission and serves as the DLA Energy focal point for Enterprise Process Management implementation to ensure seamless audit sustainment compliance across DLA. It performs these changes through four supporting offices bringing a broad level of logistics control, support and oversight to the accomplishment of the DLA Energy mission. POC: (703) 767-9355.*

DLA Energy Auditability and Sustainment Office provides audit sustainment, business process assertion support, internal control testing, local risk mitigation and evidential matter management.

DLA Energy Strategic Initiatives Office programmatically implements enhancements and department-delegated Executive Agent responsibilities of the DOD Bulk Petroleum supply chain and provides structure and direction to the DOD EA Component Steering Group. It also focuses on centrally managed studies, projects, and business case analyses that have DLA Energy-wide mission implications.

DLA Energy Strategic Management and Process Improvement Office leads DLA Energy governance initiatives related to strategic planning. It also oversees the collection, analysis, and presentation of progress against transformational initiatives and internal business unit metrics and reviews. It advises DLA Energy leadership on Enterprise Process Management, champions continuous process improvement tools and methods, and serves as the point of contact for culture surveys across DLA Energy.

DLA Energy Policy and Procedures Office plans, implements, and maintains policy and procedures for the management of energy commodities in support of DOD and federal agency requirements. It also provides situational awareness and currency for DLA issuances that affect non-energy aspects of DLA Energy's mission.

Organizational Missions and Functions

Staff Offices

DLA Energy Internal Review Office provides non-partisan, value-added reviews and assessments that improve the stewardship of resources and promote the effectiveness and efficiency of local programs and operations. The office provides independent assessments and shares ideas of best practices for improving internal controls, processes and procedures, risk management and performance for DLA Energy business processes to DLA Energy commander and stakeholders. In addition, the office serves as a central office of record for the DLA Enterprise Hotline Program and the Command Complaint Programs. The office provides independent investigations of any allegations of fraud, waste,

abuse or mismanagement. The office promotes the efficiency, economy, effectiveness and integrity of DLA programs and operations. Lastly, the office provides efficient and effective liaison support for the External Audit Program by coordinating activities with external audit agencies, to include the DOD Inspector General, Government Accountability Office, and military services audit organizations. POC: (703) 767-1340.*

DLA Energy Small Business Office is responsible to the DLA Energy commander for the management and administration of small business programs. The Small Business Office assists the DLA Energy contracting workforce in an effort to meet small business contracting goals established by DLA headquarters. DLA Energy's Small Business Office also manages the subcontracting plan review program, ensuring that applicable large businesses comply with plan efforts to subcontract with small businesses. POC: (703) 617-1452.*

DLA Energy Equal Employment Opportunity & Diversity Program aims to foster an environment free of unlawful discrimination and sexual harassment, and ensure fair treatment for DLA Energy employees and applicants without regard to race, color, religion, sex, national origin, age, physical or mental disability, genetic information or reprisal for engaging in EEO protected activity. The program also informs leadership at all levels of their responsibilities under the Model Equal Employment Opportunity Program areas of Commitment, Integration, Management and Accountability, Pro-Active Prevention, Efficiency and Legal Compliance with Affirmative Employment, Discrimination Complaint Processing, Reasonable Accommodations and Special Emphasis Programs. POC: (703) 767-1123.*



Organizational Missions and Functions

Commander's Action Group is a cross-functional team directly supporting the DLA Energy commander. The following three components are within the CAG to support the entire DLA Energy workforce, while working closely with the commander to manage operational goals, special projects and organizational challenges. POC: (703) 767-8415.*

DLA Energy Public Affairs Office is the commander's principal advisor for public affairs matters. It is responsible for media relations, public information programs and public affairs policy development. The office develops and publishes informational products including the Energy Source quarterly magazine, strategic communication plans and internal and corporate trifold brochures. It is responsible for the DLA Energy internal and external websites, as well as the DLA Energy Commander's Blog. The staff researches, writes and publishes articles highlighting the efforts of DLA Energy's workforce. It reviews and edits briefings, presentations and publications intended for public distribution in accordance with the Associated Press style of journalism and DOD regulations. POC: (703) 767-5042.*

DLA Energy Manpower and Workforce Analysis provides centralized manpower analysis and career development support to the commander, staff and region offices. It acts as the control point for all personnel actions and issues between DLA Energy directorates, staff, region offices and Human Resources Services in liaison with DLA, specified and unified commands, military service components and government agencies. It develops and manages a comprehensive DLA Energy Human Capital Management program to include personnel forecast, recruiting, employee development, workforce representation, mentor/protégé opportunities, survey tools and leadership enhancement. Provides administrative support for DLA Energy leadership. POC: (703) 767-9432.*

DLA Energy Strategic Integration Office coordinates and synthesizes information and data. The SIO has to understand senior leadership's intent in order to produce programs and products that integrate data from multiple sources to aid in the commander's decision making process. It works closely with public affairs and other DLA Energy teams to integrate a sight picture for use in the commander's strategic communication to executive senior leadership internal and external to DLA. It also coordinates, develops and implements the commander's special projects and programs to promote creativity and innovative solutions for the organization's workforce development and DLA Culture Survey. Serves as the focal point for the DLA Enterprise Task Management Tracker by executing suspense and task completion visibility to the director's staff group. Orders supplies for the DLA Energy headquarters and manages mail and shipments. POC: (703) 767-5413.*



Organizational Missions and Functions

Support Offices

DLA Installation Support for Energy provides engineering technical support and construction quality assurance; environmental program management; property, plant and equipment accountability; safety and occupational health support and physical security-related services for DLA Energy and its facilities. POC: (703) 767-5482.*

DLA Finance–Energy obtains and allocates resources, analyzes execution and provides fiscal guidance and advice to support the DLA Energy business area in accomplishing its mission in a manner which provides the best return on investment to the taxpayer through a highly motivated team of dedicated financial professionals who are innovative, well-trained, and committed to uncompromising customer support. POC: (703) 767-9486/8591.*

DLA Counsel–Energy provides the full range of legal support to the commander and his staff. The chief counsel serves as DLA Energy's deputy designated agency ethics official. DLA Counsel-Energy represents the agency before the Armed Services Board of Contract Appeals, the Government Accountability Office, the Equal Employment Opportunity Commission and the Merit Systems Protection Board. It also works with the Department of Justice on all court litigation involving DLA Energy and serves as DLA Energy's Alternative Dispute Resolution specialist. It is responsible for DLA Energy's Legislative Affairs program and is the DLA Energy contact for all congressional inquiries. In addition, DLA Counsel-Energy manages DLA Energy's Freedom of Information Act and Privacy Act programs, as well as DLA Energy's fraud, waste and abuse program. POC: (703) 767-5020.*

DLA Intelligence–Energy provides the full range of security support to the commander and his staff. The DLA Intelligence security manager for DLA Energy serves as the principal overall management and coordination of the DLA Energy Operations Security, Information Security, Industrial Security and the Foreign Visit programs. The program manager also ensures DLA Energy is in compliance with DOD and DLA policies, plans, programs and budgets for implementation and maintenance of the security programs. The program manager also provides guidance and awareness training for all DLA Energy personnel, to include regional offices. DLA Intelligence is committed to full security support. POC: (703) 767-5277.*



Organizational Missions and Functions

Regional Offices

DLA Energy Americas provides comprehensive energy support and solutions to the various departments and agencies of the U.S. government, as well as international partners. DLA Energy Americas is one of four DLA Energy regional offices responsible for the receipt, storage, and distribution of various energy products to DLA Energy customers. The region's area of responsibility consists of North, Central and South Americas, plus the Caribbean Island states and territories; a total of 16,632,233 square miles encompassing the 48 contiguous United States and 39 additional countries/



territories. DLA Energy Americas is divided into two sub-regional offices and associated areas: DLA Energy Americas at Houston, Texas, and DLA Energy Americas at San Pedro, California. In order to accomplish the DLA Energy Americas mission, a dedicated workforce of federal employees and active duty military personnel provide uninterrupted fuel management and support to the warfighter at more than 400 Army, Air Force, Navy, Marine and Coast Guard installations. Strategic energy and fuel management support includes distribution,

inventory accountability and quality assurance functions of bulk fuel (aviation), bunkers (marine), direct delivery fuels (ground and installation), into-plane (aviation), missile/cryogenic, lube oil and coal. Bulk fuel storage and distribution support includes contract administration and inventory management. DLA Energy Americas supports five combatant commands: Northern Command, Southern Command, Strategic Command, Transportation Command and Special Operations Command. DLA Energy Americas also partners with the FEMA and contingency contractors for bulk petroleum support for natural or man-made disasters occurring in the U.S. POC: (713) 754-9503.

DLA Energy Europe & Africa provides comprehensive energy solutions in the U.S. European Command and U.S. Africa Command areas of responsibility. The office serves as the theater item manager for bulk fuel distribution and storage in Europe and Africa, as well as additional forces to include NATO, former Soviet Bloc nations and most forces operating in the former Yugoslavia, including those operating under the auspices of the United Nations. The geographic responsibility includes 55.8 million square miles, covering 103 nations in all of Europe and Africa, parts of Asia and North America, and extends from 500 miles off the Atlantic coast of the United States to the Pacific coast of Russia. It includes two-thirds of the Earth's coastlines, spanning 18 time zones. To aid in oversight of the responsibility area, the office has liaison officers at European Command, Africa Command, USAREUR, U.S. Air Force Europe, Naval Europe, Italy, Spain and Turkey. Additionally, a robust quality management program is in place. DLA Energy Europe & Africa provides energy solutions to all warfighters operating within the EUCOM and AFRICOM areas of responsibility, and will continue to provide fuel for today's fighting forces and energy solutions for tomorrow's missions. POC: 011-49-631-411-2030/2031.

Organizational Missions and Functions

DLA Energy Middle East provides comprehensive fuel management support to Central Command and other government activities operating in the CENTCOM area of responsibility. Through use of a robust and flexible petroleum distribution network, the employment of strategically dispersed bulk petroleum facilities, and synchronization and maintenance of multiple support arrangements, DLA Energy Middle East enables component commanders the flexibility to execute combatant command-directed combat operations and theater engagement. The area of responsibility encompasses the Middle East and Central Asia. Countries included are: Bahrain, Saudi Arabia, Kuwait, Qatar, Oman, United Arab Emirates, Yemen, Syria, Lebanon, Egypt, Jordan, Iraq, Iran, Afghanistan, Pakistan, Kazakhstan, Kyrgyzstan, Tajikistan, Turkmenistan and Uzbekistan. Operating seven days a week from a forward-positioned headquarters in Bahrain, the region provides comprehensive energy solutions to the warfighter in real-time, focusing on wartime effectiveness and peacetime efficiency. POCs: Commander, +973-1785-4661 or deputy director, +973-1785-4654. DSN 318-439-4661/4654.

DLA Energy Alaska provides multiple energy products to support a diverse customer base that includes Air Force, Army, National Guard, Coast Guard, Federal Aviation Administration, Bureau of Indian Affairs (which incorporates several Alaska Native villages) and other federal agencies. The office has petroleum professionals with expertise in facilities and environmental, supply, quality assurance, and petroleum lab operations. POC: (907) 552-3949.

DLA Energy Guam supports the Pacific Command Joint Petroleum Office as the Sub Area Petroleum Office Western Pacific, with a primary goal of providing effective and efficient supply operations to enable the projection and sustainment of joint bulk petroleum in theater. DLA Energy Guam fulfills this

responsibility with a skilled team of experts in the areas of fuel operations, inventory management and quality management in support of 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 Western Pacific. POC: (671) 366-7764.

DLA Energy Japan provides U.S. Forces and government agencies in Japan with the most effective and efficient petroleum support possible through dedicated partnership with the U.S. Forces Japan J4, its customers and its suppliers. The team provides inventory management, quality surveillance, and theater transportation support to ensure the annual movement of more than \$1.8 billion worth of petroleum and cryogenic products and 41 percent of PACOM's total petroleum inventory to 16 defense fuel support points and 158 locations throughout Japan. POC: 011-81-311-755-2671.

DLA Energy Korea provides wholesale bulk petroleum supply, distribution and quality management for U.S. Forces in the Republic of Korea during armistice and contingency operations. DLA Energy Korea's team continually monitors and maintains oversight of more than 320 million gallons of fuel valued at \$1.2 billion while directing a network of 47 accounts with a volume of more than 350,000 fuel transactions annually. POC: 011-82-505-764-0302.

DLA Energy Okinawa provides support to customers with Class IIIB expertise in operations, maintenance, inventory management and quality surveillance. The team's focus is to sustain operational effectiveness of the warfighter while remaining vigilant stewards of the pristine Okinawan environment and to continue to be good ambassadors to its hosts. POC: 011-81-311-75-5463.

Civilian and Military End Strengths

Fiscal Year	Civilian	Military
	Onboard	Onboard
2017	1,179	69
2016	1,259*	74
2015	1,238*	67
2014	1,278*	67
2013	1,333*	78
2012	1,339*	71
2011	1,202*	63
2010	1,148	63
2009	1,033	63
2008	920	59
2007	880	60
2006	760	69
2005	722	62
2004	743	61

* Includes 250 transformed employees from DLA Finance, DLA Installation Support, and DLA Information Operations



Fiscal 2017 Facts and Statistics:

Financial Results

Energy Summary

U.S. dollars in millions

	Fiscal 2015	Fiscal 2016	Fiscal 2017
Energy Expenses	\$13,200.4	\$11,920.2	\$10,723.6 ⁽¹⁾
Net Sales	\$14,808.0	\$10,028.3	\$9,494.3 ⁽²⁾
Ending Inventory	\$5,291.6	\$3,991.5	\$4,127.4 ⁽³⁾

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

(2) Includes net sales for petroleum and aerospace energy products.

(3) Includes petroleum and aerospace energy product inventory.



Statement of Financial Conditions

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

Assets	Fiscal 2015	Fiscal 2016	Fiscal 2017
Accounts receivable	\$1,167.1	\$1,856.2	\$742.3
Inventories	\$5,289.0	\$3,991.5	\$4,127.4
Fund balance with treasury	\$1,738.1	\$528.3	\$659.6
Other assets	\$1,276.5	\$1,698.4	\$1,549.8
Total assets	\$9,470.7	\$8,074.4	\$7,079.1
Liabilities			
Accounts payable	\$773.2	\$1,881.5	\$767.5
Advances from others	\$0.0	\$0.0	\$0.0
Custodial liabilities	\$13.1	\$4.7	\$4.1
Other liabilities	\$40.9	\$43.0	\$44.4
Estimated clean-up cost	\$1,268.2	\$1,333.4	\$1,385.1
Total liabilities	\$2,095.4	\$3,262.6	\$2,201.1
Net position			
Accumulated operating results	\$7,375.3	\$4,811.8	\$4,878.0
Total capital	\$7,375.3	\$4,811.8	\$4,878.0
Total liabilities and capital	\$9,470.7	\$8,074.4	\$7,079.1

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)

Note:

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

Customer	Fiscal 2015	Fiscal 2016	Fiscal 2017
U.S. Army	\$1,364.5	\$916.2	\$947.1
U.S. Navy	\$4,285.9	\$2,967.0	\$2,812.2
U.S. Air Force	\$7,903.9	\$5,280.0	\$4,911.0
U.S. Marine Corps	\$67.1	\$41.2	\$36.4
Other DOD	\$163.7	\$14.7	\$45.9
Total DOD	\$13,785.1	\$9,219.0	\$8,752.6
Other government agencies	\$404.0	\$315.9	\$366.5
Subtotal	\$14,189.1	\$9,534.9	\$9,119.1
Foreign government	\$674.0	\$472.0	\$334.3
State government	\$1.0	\$0.7	\$0.5
Local government	\$0.5	\$0.3	\$0.1
Commercial	\$308.8	\$265.6	\$285.5
Morale, Welfare and Recreation	\$7.1	\$5.0	\$5.1
Total gross sales	\$15,180.5	\$10,278.5	\$9,744.6
Less:			
Price reduction of sales	\$0.0	\$0.0	\$0.0
Material returns credits applied	\$372.5	\$250.2	\$250.4
Allowance for retail stock loss	\$0.0	\$0.0	\$0.0
Total net sales	\$14,808.0	\$10,028.3	\$9,494.2

Net Sales by Category

Petroleum and Aerospace Energy

Category	Fiscal 2015	Fiscal 2016	Fiscal 2017
Petroleum (thousands of barrels) Bulk and Posts, Camps and Stations:			
AVGAS	14	19	15
Distillates and diesel	16,762	17,378	18,167
Gasohol	330	463	542
JP4, JAB, JAA and JA1	34,553	34,385	33,741
JP5	9,869	9,615	9,760
JP8, JPTS	27,913	25,779	26,849
Lube oils	22	21	19
Motor gasoline, leaded and unleaded	1,151	1,036	1,146
Residuals	404	214	210
Subtotals	91,018	88,911	90,449
Into-Plane	5,026	4,831	4,149
Bunkers	2,117	1,356	1,634
Local purchase	3,641	4,223	2,135
Total petroleum	101,803	99,321	98,367
Aerospace Energy (millions of dollars)	\$62.0	\$42.1	\$42.1

Note:

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

Product Cost

Petroleum and Aerospace Energy

Note:

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

Product	Fiscal 2015	Fiscal 2016	Fiscal 2017
Petroleum (U.S. dollars in millions) Bulk and Posts, Camps and Stations:			
AVGAS	\$4.3	\$4.6	\$3.3
Distillates and diesel	\$1,309.7	\$919.4	\$1,118.6
Gasohol	\$31.2	\$32.9	\$43.9
JP4, JAB, JAA and JA1	\$4,402.4	\$2,924.2	\$3,271.7
JP5	\$920.3	\$636.3	\$804.4
JP8, JPTS	\$868.0	\$688.0	\$974.5
Lube Oils	\$4.0	\$3.7	\$3.9
Motor gasoline, leaded and unleaded	\$91.6	\$83.6	\$88.8
Residuals	\$26.0	\$7.1	\$7.6
Bulk subtotals	\$7,657.4	\$5,359.8	\$6,316.7
Into-Plane	\$596.7	\$440.6	\$429.0
Bunkers	\$193.5	\$124.8	\$137.1
Local purchase	\$944.3	\$846.5	\$617.2
Total petroleum	\$9,392.0	\$6,771.8	\$7,500.0
Aerospace energy	\$15.9	\$28.7	\$32.2

Purchases by Category

Petroleum

Category	Fiscal 2015	Fiscal 2016	Fiscal 2017
Petroleum (thousands of barrels)			
Bulk and Posts, Camps and Stations:			
AVGAS	15	21	13
Distillates and diesel	15,357	15,491	15,692
Gasohol	327	454	546
JP4, JAB, JAA and JA1	51,742	49,197	48,842
JP5	10,646	11,323	11,137
JP8, JPTS	10,122	10,980	10,884
Lube oils	21	21	20
Motor gasoline, leaded and unleaded	1,040	1,067	1,037
Residuals	319	142	134
Subtotals	89,589	88,696	88,305
Into-Plane	5,022	4,750	4,075
Bunkers	1,639	1,712	1,664
Local purchase	6,075	7,849	4,225
Total petroleum	102,325	103,007	98,269

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	Fiscal 2015		Fiscal 2016		Fiscal 2017	
	Barrels	Dollars	Barrels	Dollars	Barrels	Dollars
AVGAS	0.002	\$0.420	0.003	\$0.695	0.002	\$0.352
Distillates and diesel	9.577	\$886.755	10.361	\$633.723	8.213	\$528.589
JP4 (JP4, JAB, JAA and JA1)	17.644	\$1,394.236	20.499	\$1,191.101	19.158	\$1,282.868
JP5	14.527	\$1,537.597	15.297	\$1,176.225	15.017	\$1,237.425
JP8, JPTS	13.845	\$1,415.289	11.685	\$872.806	10.297	\$967.422
Lube oils	0.009	\$1.831	0.009	\$1.597	0.009	\$2.022
Motor gasoline and gasohol (leaded and unleaded)	0.149	\$15.764	0.139	\$11.189	0.125	\$11.377
Residuals	0.174	\$11.307	0.167	\$9.025	0.190	\$10.625
Additives	0.017	\$13.468	0.016	\$3.077	0.014	\$2.942
Total on-hand and in transit	55.944	\$5,276.666	58.176	\$3,899.437	53.025	\$4,043.582
Aerospace energy		\$14.925		\$92.079		\$83.860

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



Fiscal 2017 Facts and Statistics: Contracts

Contract Action Data

Business Unit	Total Business Unit Award Dollars	Contract Actions
Bulk Petroleum Products	\$5,635,775,883.60	4,803
Bulk Petroleum Supply Chain Services	\$360,205,685.23	1,106
Ground Fuels Division	\$1,046,763,469.61	38,308
Mobility Fuels Division	\$501,407,271.78	186,304
Installation Energy	\$52,041,777.85	320
Utility Services	\$394,180,848.20	491
Aerospace Energy	\$49,485,139.91	4,010
Total	\$8,039,860,076.18	235,342

Note: Dollar values include all reported fiscal 2017 awards and modifications. All data is pulled from FPDS unless otherwise noted. This data does not include non-WCF funded contract actions or dollars in Installation Energy. Mobility Fuels actions and dollars include data from a third party source.

Environmental Contracts

Locations

- 14 contracts for specific locations (Point Loma, CA; Norwalk, CA; San Pedro, CA; Ozol, CA; Eielson, AK; Whittier, AK; Ft. Hood, TX; Melville, RI; Verona, NY; Tampa, FL; Jacksonville, FL; Charleston, SC; Norfolk, VA; Hunter, GA)
- Four contracts for specific services (OPA 90 training and Environmental Documents) covering multiple locations (120 sites for the spill response training and over 30 sites for Environmental Documents)
- \$50.4 million approximate annual value to date

Active multi-year contract data as of Sept. 30, 2017

Testing Contracts



Alongside Aircraft Refueling



31 locations

- 30 contracts
- \$123.5 million award amount
- \$43.3 million approximate annual value

Active multi-year contract data as of Sept. 30, 2017

Into-Plane Contracts

Domestic

- 315 locations supported
- 320 contracts
- \$1.8 billion contract value
- 11.5 million barrels

Overseas

- 142 locations supported in 90 countries
- 42 contracts
- \$577 billion contract value
- 5.9 million barrels

Active multi-year contract data as of Sept. 30, 2017



Ships' Bunkers Contracts



Domestic

- 72 ports supported
- 20 contracts
- \$442 million contract value
- 3.2 million barrels

Overseas

- 53 ports supported in 28 countries
- 243 contracts
- \$1.85 billion contract value
- 13 million barrels

Active multi-year contract data as of Sept. 30, 2017

Posts, Camps and Stations Contracts

Domestic

- 204 contracts
- 1,645 activities supported
- \$5.1 billion contract value
- 45 million barrels

Overseas

- 96 contracts
- 428 activities supported in 84 countries
- \$4.96 billion contract value
- 38 million barrels

Active multi-year contract data as of Sept. 30, 2017



Energy Savings Performance Contracts

DLA Energy is partnered with various energy service companies to complete energy savings projects on behalf of Defense Department installations. The 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.

Installation	Energy Efficiency Investment	Total Cost Savings	Energy Savings (in MBTU)	Greenhouse Gas Reductions (Tons of CO ₂)
99th Regional Support Command	\$25,495,025	\$60,828,211	1,354,206	176,155
Carlisle Barracks	\$9,359,579	\$12,165,560	407,313	24,389
Fort Hamilton (TO 1)	\$2,451,630	\$4,964,200	256,951	18,725
Fort Hamilton (TO 2)	\$16,584,118	\$27,536,889	597,531	56,880
Fort Hood (TO 1)	\$3,847,202	\$12,190,813	604,630	118,251
Fort Hood (TO 2)	\$11,593,095	\$38,863,830	1,254,136	174,119
Fort Hood (TO 3)	\$9,086,313	\$33,463,023	1,116,109	172,934
Defense Intelligence Agency	\$12,011,882	\$23,130,338	510,281	96,201
Fort Jackson	\$38,129,098	\$111,154,697	3,860,284	458,475
USAG Rheinland-Pfalz (CHP)	\$7,567,025	\$26,525,137	1,192,956	783.034
Oklahoma City Air Logistics Command	\$243,016,917	\$650,678,353	14,289,393	1,468,954
Totals	\$379,141,884	\$1,001,501,051	25,443,790	2,765,866*

* Equivalent to 6,403,564 barrels of oil (per EPA Greenhouse Gas Equivalencies Calculator)

Technical categories of energy conservation measures include:

- Boiler/chiller plant improvements
- Building automated systems/energy management control
- Heating, ventilating and air conditioning
- Lighting improvements
- Building envelope modifications
- Chilled water, hot water and steam distribution systems
- Electrical peak shaving/load shifting
- Energy cost reduction through rate adjustments
- Electric motors and drives
- Refrigeration
- Distributed generation
- Renewable energy systems
- Energy/utility distribution systems
- Water and sewer conservation systems
- Energy-related process improvements
- Commissioning and advanced metering systems

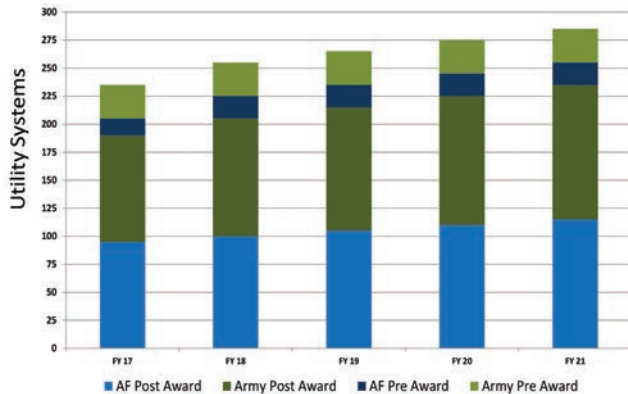
Utility Services Contracts

- 57 locations supported
- 130 systems
- Types of contracted support
 - » Water distribution
 - » Wastewater collection
 - » Electrical distribution
 - » Central heat and power plant
 - » Natural gas distribution
 - » Water plant
 - » Wastewater plant
 - » Stormwater collection
- \$16.3 billion contract value through fiscal 2017
- Active multi-year contract data as of Sept. 30, 2017

DLA Energy Utility Services Activity Across the U.S.



Workload Projection (Number of Systems)



Fiscal 2017 Utility Services Contract Awards

Location	System(s)	Total value
Blue Grass/Campbell, Kentucky	Electric	\$371,451,986
Joint Base San Antonio, Texas	Electric/Gas	\$248,444,440
Little Rock, Arkansas	Water	\$55,196,823
Riley, Kansas	Electric	\$332,875,191
Riley, Kansas	Water/Wastewater	\$601,350,292
West Point, New York	Electric	\$315,040,119
Wright-Patterson, Ohio	Gas	\$13,744,400
Wright-Patterson, Ohio	Water/Wastewater	\$490,367,177
Total		\$2,428,470,428

Aerospace Energy Contracts



- 114 national stock numbers
 - » 29 different products
 - » Three product classes: liquid propellants, cryogenics and compressed gases
- 158 active contracts, 3,843 contract line item numbers
 - » 95 percent requirements-type contracts
 - » Normally multi-year three to five years
 - » Both free on board origin and destination
- “Cradle to grave” – pre-award to contract closeout
- Every product supports a DOD major weapon system or DOD space application



Fiscal 2017 Facts and Statistics:

Business Unit Programs

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



DLA Energy-funded terminal operations worldwide: **258**

Expenditures: **\$395 million** annually

DWCF Optimization Program Overview

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.

- 14 ongoing studies resulting in the following recommendations:
 - » Contractor-owned, contractor-operated (COCO): 1
 - » Government-owned, contractor operated (GOCO): 1
 - » Hybrid (COCO/GOCO): 1
 - » Current Operations: 6
 - » Still under assessment: 5
- \$12.2 million projected Net Present Value savings over a 20-year contracted period

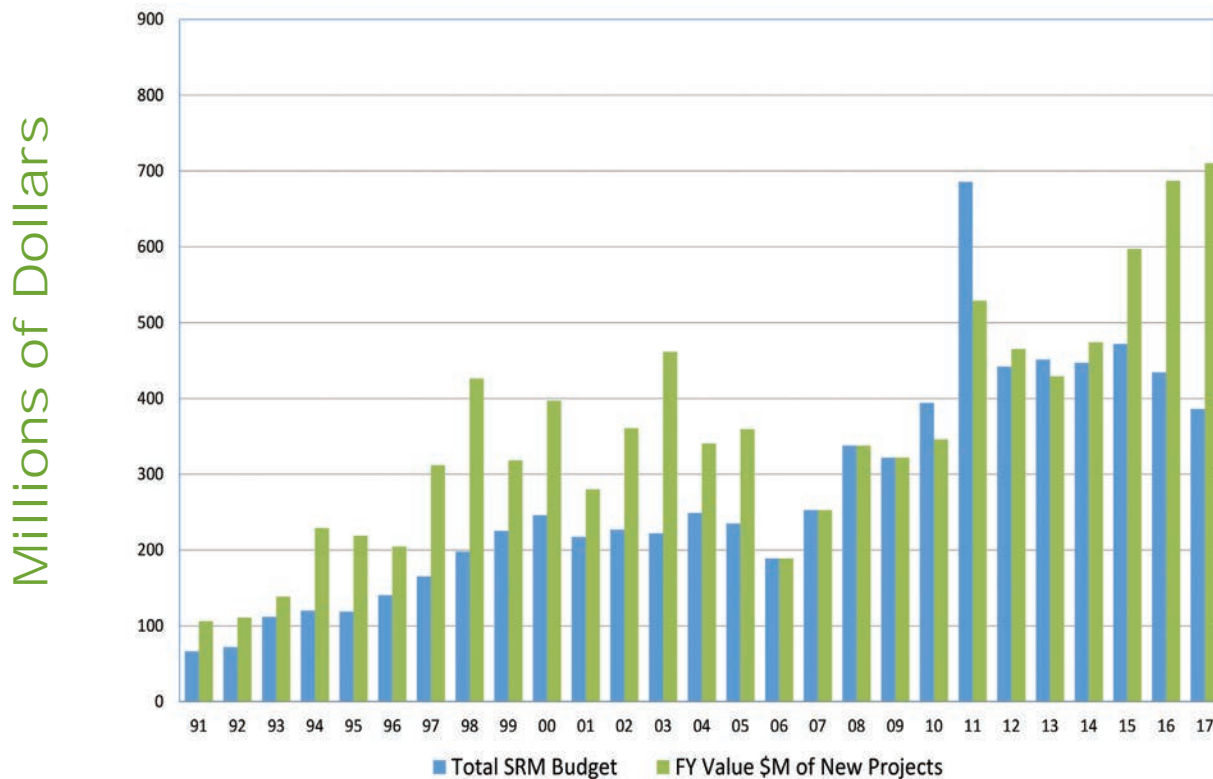
Active multi-year contract data as of Sept. 30, 2017



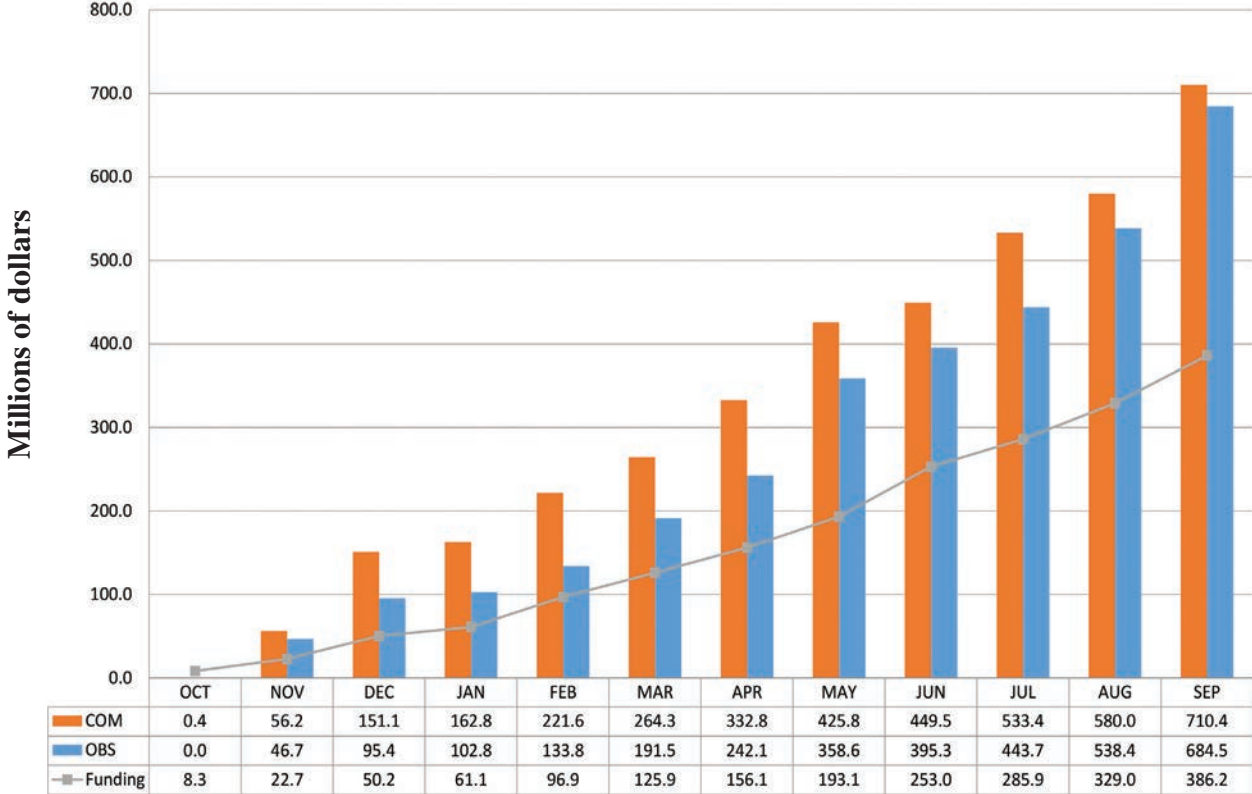
Defense Fuel Support Points

Type of operation	Army	Navy	Air Force	DLA	Total
Government-owned, government-operated	95	45	108	3	251
Government-owned, contractor-operated	18	8	26	132	184
Contractor-owned, contractor-operated	2	1	1	45	49
North Atlantic Treaty Organization	0	0	0	6	6
Commercial pipeline	0	0	0	43	43
Floating storage	0	61	0	0	61
Foreign government	0	0	3	7	10
Total	115	115	138	236	604

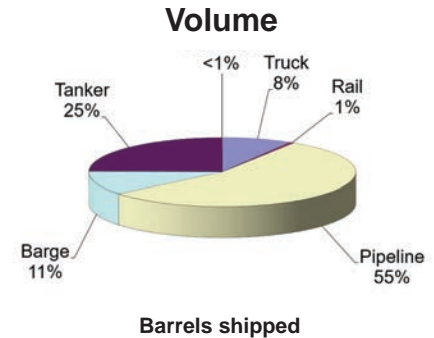
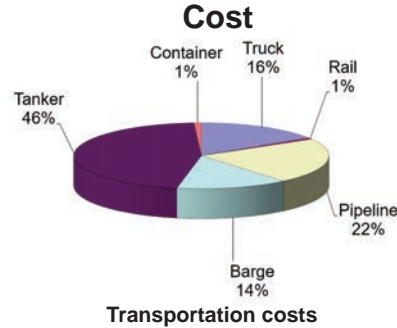
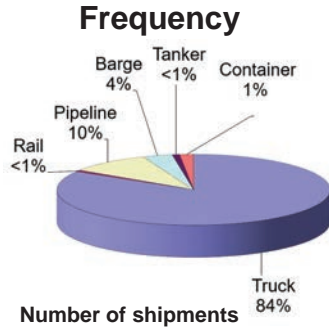
Sustainment, Restoration and Modernization



SRM Commitments and Obligations



Worldwide Bulk Product Transportation



		Truck	Rail	*Pipeline	Barge	Tanker	Seavan	Total
Within the Continental United States	Shipments	17,855	84	1,954	723	60	-	20,676
	Cost (\$ millions)	52.8	1.8	79.1	48.2	41.6	-	223.5
	Barrels (millions)	10.1	0.3	49.8	12.3	8.3	-	80.8
Outside the Continental United States	Shipments	3,338	109	496	168	155	424	4,690
	Cost (\$ millions)	3.3	1.1	-	1.9	121.5	3.3	131.1
	Barrels (millions)	1.1	0	23.0	2.4	24.3	0.1	51.3
Total	Shipments	21,193	193	2,450	891	215	424	25,366
	Cost (\$ millions)	56.1	2.9	79.1	50.1	163.1	3.3	354.6
	Barrels (millions)	11.2	0.7	72.8	14.7	32.6	0.1	132.1

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

Transportation Expenses

U.S. dollars in millions

Worldwide Petroleum Fuel	Fiscal 2015	Fiscal 2016	Fiscal 2017
AVGAS	\$0.1	\$0.1	\$0.1
Distillates and diesel	\$93.5	\$76.1	\$70.0
JP4, JAB, JAA and JA1	\$315.1	\$241.8	\$218.0
JP5	\$64.8	\$55.6	\$49.7
JP8, JPTS	\$61.6	\$54.0	\$48.6
Lube oils	\$0.1	\$0.1	\$0.1
Motor gasoline, leaded and unleaded	\$8.3	\$7.5	\$7.1
Residuals	\$1.9	\$0.7	\$0.5
Total	\$545.5	\$435.9	\$394.1
Worldwide aerospace energy products	\$1.3	\$2.0	\$2.0

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

Small Business Program Achievements

Small Business Preference Program	Fiscal 2015			Fiscal 2016			Fiscal 2017		
	Targets	Performance	Dollars (millions)	Targets	Performance	Dollars (millions)	Targets	Performance	Dollars (millions)
Total Small Business eligible dollars			\$5,691			\$4,584			\$6,022
Small Business awards	21.3%	24.9%	\$1,418	21.29%	24.9%	\$1,016	21.29%	25.91%	\$1,560
Small Disadvantaged Business awards	5%	6.1%	\$346.6	5%	5.6%	\$254.7	5%	6.1%	\$367
Section (8)a (Subset of SDB – no separate target)	N/A	0.02%	\$1.3	N/A	0.05%	\$2.3	N/A	0.005%	\$0.298
Woman-Owned Small Business awards	5%	0.4%	\$28.0	5%	0.59%	\$27.2	5%	0.87%	\$52.3
Hubzone Small Business awards	3%	0.4%	\$21.4	3%	1.95%	\$87.4	3%	4.26%	\$256.8
Service-Disabled Veteran-Owned Small Business awards	3%	1.0%	\$57.7	3%	0.37%	\$28.8	3%	1.02%	\$61.3

Strategic Policy and Programs Achievements

FY17 Accomplishments - Executive Agent:

- Performed a Global Risk Assessment on Commercial Products and Infrastructure for the DOD Operational Energy Board
- Completed a joint initiative with the Office of the Assistant Secretary of Defense for Logistics & Materiel Readiness and Joint Staff Logistics to develop a DOD fuels additization Concept of Operations
- Sponsored and oversaw a research and development analysis of Defense Fuel Support Point Data Capture & Manual Processes to determine where automation can drive improvements

Strategic Policy and Programs Achievements

FY17 Accomplishments - Audit and Sustainment:

Completed control testing, appraised/revalidated DLA Energy's Process Cycle Memorandums, complied with independent public auditor requests, conducted audit readiness and IPA requested site visits and more

- Statement of Assurance for FY17 completed and submitted
- OMB A-123 internal control compliance testing conducted at sampled DFSPs
- IPA Site Visits (Wave 1 – 58 DFSPs; Wave 2 – 73 DFSPs)
- Updated DLA Energy Inventory Process Cycle Memorandum and retested manual key control
- Updated DLA Energy Card Programs' Process Cycle Memorandum and retested automated/manual key controls
- Updated DLA Fuel Exchange Agreements' Process Cycle Memorandum and retested automated/manual key controls
- Addressed/Closed Corrective Action Plans/Deficiencies created as a result of Card Program and Energy

2865	Federal Excise Tax Claim	2972	Batch Job Processing Failure
2875	Reconciliation Utility Documentation Update	2973	SEA Check and Validation Failure
2613	Fuel Card Error Resolution	2971	Card Program Customer Validation
2641	Card Program Error Resolution Documentation	2609	ATG Verification
2871	EBS System Documentation	2977	Card Program OF-INT-35055 Validation Failure
2611	Card Program Invoice Receipt Processing	2978	Card Program Product Code Linkage
2651	Card Program Invoice Receipt Error Resolution	2697	Regrade Gain and Loss Transactions (closure package submitted)
2604	Card Sale Reversals	2750	Energy Sustainment RFCs (closure package submitted)
2608	Aerospace Reconciliation	2868	iRAPT Customer Direct Receipting (closure package submitted)
2642	Untimely Recognition of Revenue		

Worldwide Agreements Snapshot

U.S. Northern Command (2)

Canada

Air Force FEA
Navy FEA

U.S. Central Command (4)

Bahrain

FSA - Product Agreement

Egypt

AOA – Acquisition Only Agreement

Oman

FSA - Product/Service Agreement

United Arab Emirates

Joint FEA

U.S. European Command (23)

NATO

FSA - Central European Pipeline System

Belgium

Joint FEA

Germany

Joint FEA

Greece

Air Force FEA
Navy FEA
FSA - Souda Depot

Italy

Navy FEA
Air Force FEA
FSA - Northern Italian Pipeline system
FSA - Sigonella Pipeline
FSA – Augusta/Gaeta Depot

Poland

Navy FEA

Portugal

FSA - Lajes Storage

Spain

Air Force FEA
Navy FEA
Rotaza FEA
FSA - Spanish Pipeline System

Turkey

Air Force FEA
Navy FEA
FSA - Turkish NATO Pipeline System

United Kingdom

FSA – CLH Pipeline System
Air Force FEA
Navy FEA

U.S. Pacific Command (9)

Australia

Joint FEA

India

Navy DBA

Indonesia

Navy FEA

Japan

Joint FEA

Korea

FSA - Kunsan Pier
FSA - South North Pipeline
Joint FEA

New Zealand

Joint DBA

Singapore

FSA - Senoko Depot (UK)

U.S. Southern Command (4)

Argentina

Navy FEA

Chile

Navy FEA

Honduras

Air Force FEA

Peru

Navy FEA

Agreement Type	Agreements	Financial
Fuel Support Agreements - product/service	14	\$109 million
Fuel Exchange/Direct Bill Agreements – sales/purchases	28	\$417 million
Stand-alone ACSA Orders – sales/purchases	24	<u>\$294 million</u>
		Total: \$820 Million

Coal Program

Locations supported with bituminous coal:

U.S. Capital Building Power Plant,
Washington, D.C.

Marine Corps Air Station Cherry Point
and Joint Systems Manufacturing Center
Lima

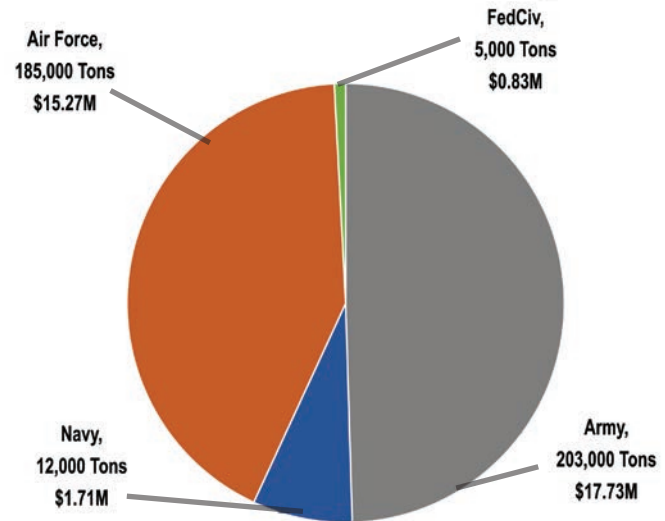
Locations supported with sub-bituminous coal:

Fort Wainwright and Eielson Air Force
Base

FY17 Coal Program Summary:

405,000 tons of coal for various
DOD locations in the U.S. valued at
\$35,545,000

FY17 Summary of the Coal Program
(dollars in millions)



Natural Gas Program

DLA Energy serves as DOD's central procurement agency to competitively acquire direct supply natural gas. The program includes more than 20 industry suppliers delivering approximately 40 million dekatherms annually to more than 200 DOD and federal civilian customers.

Fiscal 2017 Program Summary

Component	Customers per component	Fiscal 2017 dekatherms delivered (in millions)	Fiscal 2017 expenditures* (in millions)	Fiscal 2017 cost avoidance** (in millions)	Fiscal 2017 percent savings vs. utility	Fiscal 1991-2017 cost avoidance (in millions)
Army	48	11.7	\$44.1	\$11.0	26%	\$329.1
Navy/Marines	40	9.3	\$35.0	\$16.9	33%	\$344.4
Air Force	34	8.6	\$31.8	\$9.1	25%	\$199.7
Other DOD	12	1.6	\$6.7	\$1.2	15%	\$44.1
Fed. Civilian	71	12.2	\$48.5	\$11.8	22%	\$289.6
Total	205	43.4	\$166.1	\$50.1	26%	\$1,207.0

* Includes deliveries to the utility and deliveries directly off the pipeline.

** Represents cost avoidance at DLA Energy indexed contract rates.

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.

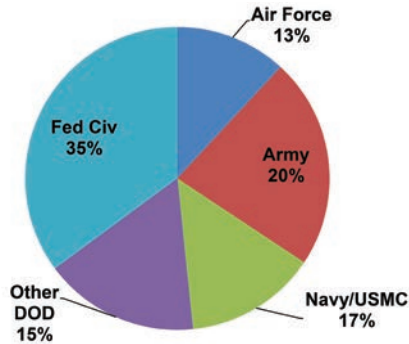
Fiscal 2017 Program Overview

	Number of DR installations in fiscal 2017	States (current enrollment)	KW enrolled in fiscal 2017	Savings in fiscal 2017*	Savings since inception (fiscal 2008 - 2017)
Air Force	5	NY, TX, VA, WV	10,000	\$235,554	\$3,306,493
Army	4	MD, PA, VA, WV	20,000	\$288,375	\$4,269,987
Navy/USMC	9	DC, MD, NJ, VA	50,000	\$321,748	\$13,246,744
Other DOD	6	MD, VA	10,000	\$33,839	\$5,319,561
Fed. Civilian	15	DC, IL, MD, NJ, NY, VA, WV	25,000	\$278,533	\$9,208,794
Total	39		115,000	\$1,158,049	\$35,351,579

*Additional savings from fiscal 2017 performance period will continue to be realized during fiscal 2018.

Electricity Program

Percentage of Total Contract Value

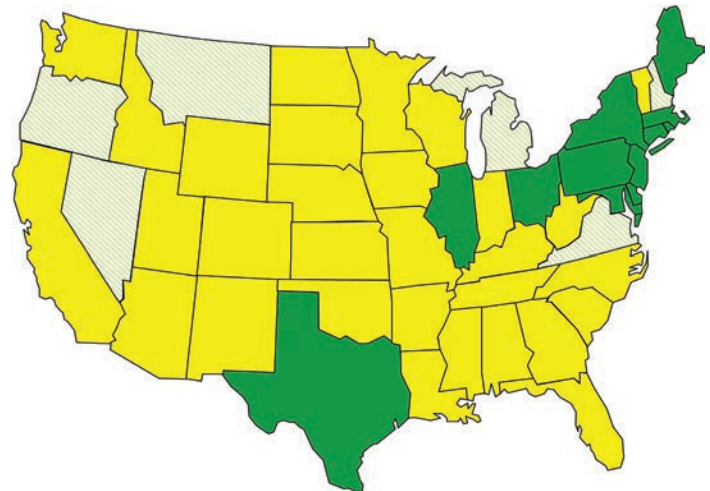


DLA Energy is actively managing more than 13 million megawatt hours of electricity valued at more than \$750 million under multiple-year contracts. DLA Energy has experience in all states in which deregulation/restructuring has occurred and in which requirements have been received.

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

Fiscal Year 2017 Electricity Program Summary

Program	kWh Awarded	Contract Value
PJM Portfolio	5,820,430,505	\$363,253,050
PJM Small	175,470,538	\$9,884,148
PJM Large	4,958,317,180	\$257,215,846
New England	307,803,457	\$20,322,417
Texas	934,458,139	\$33,130,788
Illinois	866,450,856	\$44,641,353
MISO	417,859,509	\$18,271,750
New York	211,632,617	\$9,834,411
Wyoming	20,750,810	1,479,117
Total	13,713,173,611	\$758,032,883



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 at an existing hydroelectric project.

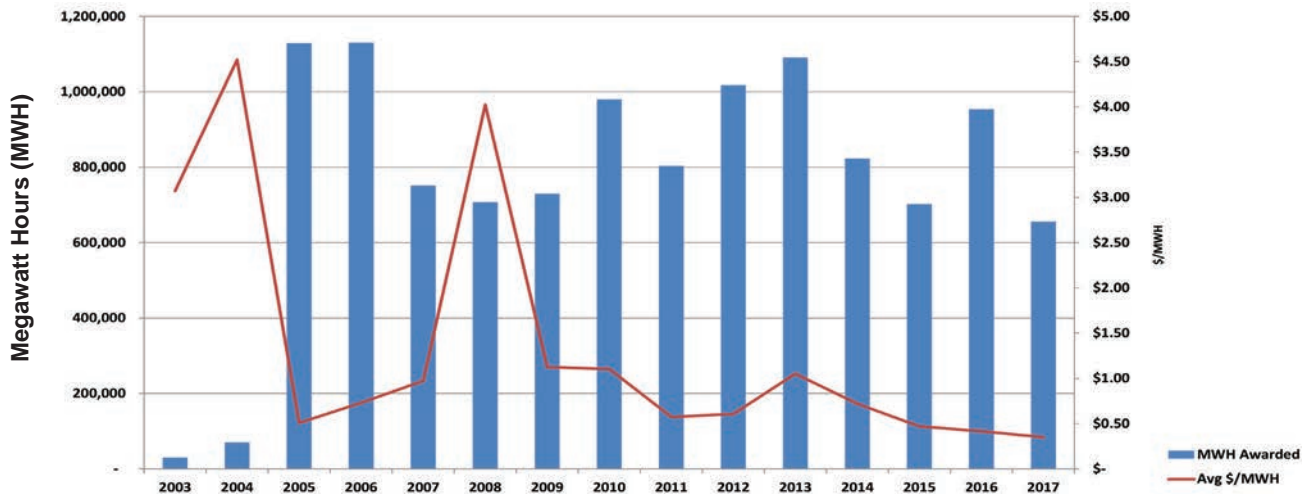
Fiscal 2017 Renewable Energy Program Awards

Installation	Service	Renewable technology	Size (MW)	On-site/ Off-site	Est. annual delivery (MWh)	Contract term (estimated)	Contract Award Date	Estimated Dollar Value (in millions)
Vandenberg AFB	Air Force	Solar	28	On-site	53,530	26 years	Jan 2017	\$96.20
Fort Detrick	Army	Solar	14.6	On-site	24,240	25 years	Mar 2015	\$61.85
Fort Drum	Army	Biomass	28	On-site	147,0000	20 years	Sep 2014	\$288.92
Fort Hood	Army	Solar/Wind	65	On-site/ Off-site	430,000	29 years	Jan 2016	\$377.50
Totals			135.6		1,977,770			\$824.47

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 (2003-2017)



For fiscal year 2017, the Energy Policy Act of 2005 requires that not less than 7.5 percent of total electricity consumed by the federal government come from renewable energy.

Mobility Fuels Customer Support

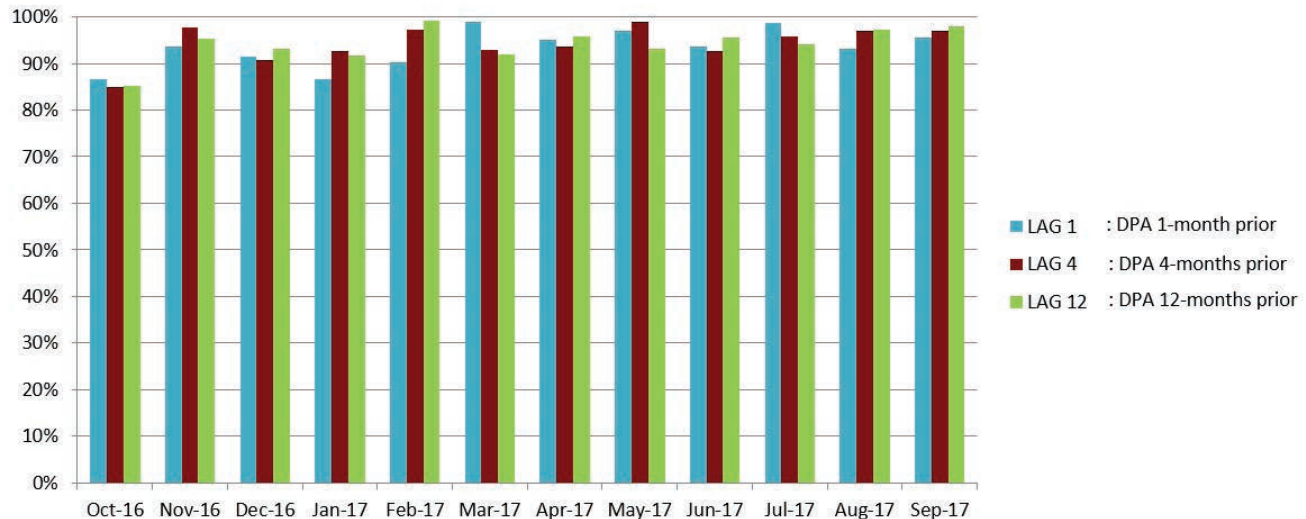
- Serves as the primary customer-facing point for DOD, federal civilian and other authorized customers at 2,235 delivery locations for petroleum products
- Informs customers of new and existing DLA Energy services and processes
- Coordinates and processes customer requirements and maintains customer data
- Monitors the overall customer relationship with DLA Energy
- Assists in performing expeditious action on ordering and material acceptance processes
- Solves or coordinates timely resolution of customer fuel support issues

Mobility Fuels Demand Planning Support

- Manages customer collaboration for petroleum requirements at both into-stock and customer direct locations
- Maintains demand data for 730 into-stock and 3,500 customer direct locations
- Produces demand plans from historical data, statistical modeling and interactive collaboration
- Coordinates demand plans and customer requirements with supplier operations to supply, 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 FY17 – Lag 1 = 93.40%, Lag 4 = 94.29%, Lag 12 = 94.22%



Note: DPA Percentage is the accuracy between the forecasted demand and actual sales for either one, four or 12 months prior.

Whole of Government Support

	Whole of Government	U.S. Government Contractors	Other Authorized Customers
Number of Agreements	97	283	51
Top Sales (in millions)	USCG (\$135) CBP (\$44) GSA (\$32) USDA (\$25)	Atlas Air (\$85) Kalitta Air (\$34) Omni Air International (\$27)	United Airlines Kwajalein (\$.6) RAF Charitable Trust (\$.3) Island Mechanical (\$.1)
Total Sales (in millions)	\$376	\$242	\$8

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



U.S. Government AIR Card®

Warfighter benefits

- Supports DLA Energy into-plane contract refueling at more than 434 locations
- Accepted at more than 4,000 non-contract locations worldwide
- DLA supported over \$4.3 million in non-contract Direct Bill fuel sales, for a total of 1.3 million gallons under 10,546 transactions (State/Local First Responders and Canadian Government)

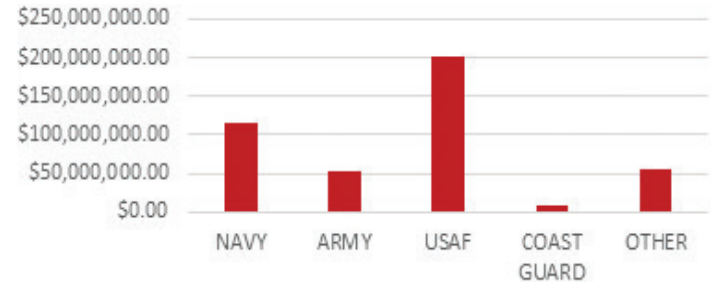
Fiscal stewardship

- Fiscal 2017 non-contract rebate is \$366,309
- Strategic Sourcing Report: Identifies potential contract locations and the units buying non-contract fuel where contract fuel is available

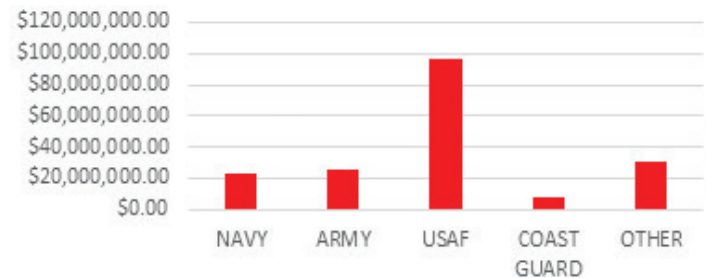
Fiscal 2017 sales data

- \$432 million in contract fuel
 - » 171 million gallons
 - » 267,00 transactions
- \$184 million in non-contract fuel
 - » 53 million gallons
 - » 105,000 transactions

Contract



Non-Contract



Note: "Other" pertains to federal and DOD agencies.

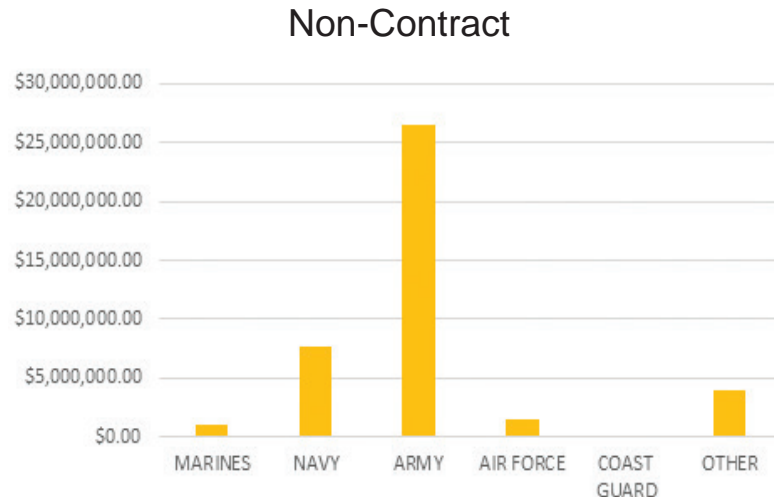
DOD Fleet Card

Warfighter benefits

- Supports more than 528,000 vehicle fueling transactions annually
- Provides minor maintenance and roadside assistance support
- Accepted at more than 200,000 commercial locations
- Not a credit card – enables standard unit pricing
- \$159,004 in fiscal 2017 rebates

Fiscal 2017 sales data

- \$40.6 million in non-contract fuel
 - » 17 million gallons
 - » 683,000 transactions



Note: "Other" pertains to federal and DOD agencies.

DOD SEA Card System®

Warfighter benefits

- Total online order management system supporting ships' bunker refueling
- Electronically connects DLA Energy bunkers merchant to vessel ordering officers
 - » Eliminates inefficient manual paper process
- Fiscal 2017 non-contract rebate \$73,480

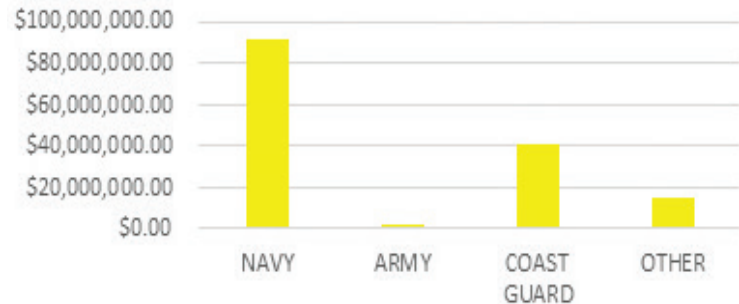
Global support

- More than 700 Defense Department vessels registered
- 24/7 fuel ordering/customer service support
- Contract support at more than 250 bunker contract ports
- Open Market support at more than 2,000 non-contract ports

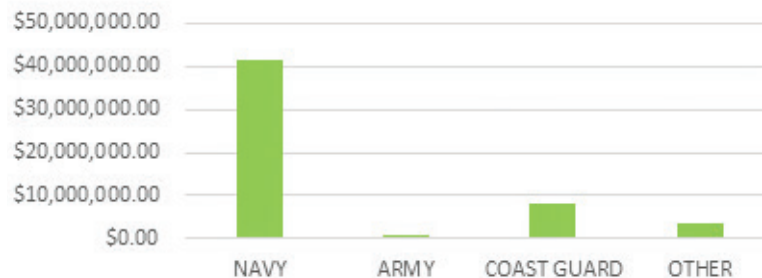
Fiscal 2017 sales data

- \$150 million contract fuel
 - » 67 million gallons
 - » 2,770 transactions
- \$54 million non-contract fuel
 - » 24 million gallons
 - » 701 transactions

Contract



Non-Contract



Note: "Other" pertains to federal and DOD agencies.

DOD Swipe SEA Card®

Warfighter benefits

- More than 200 DOD small vessels registered
- The card is accepted at locations worldwide for fuel only
- The card is authorized up to the Simplified Acquisition Threshold of \$150,000
- Provides interfund billing through DLA Energy
- \$55,940 in fiscal 2017 rebates

Fiscal 2017 sales data

- \$7 million non-contract fuel
 - » 3 million gallons
 - » 8,442 transactions



Note: "Other" pertains to federal and DOD agencies.

Petroleum Quality Technical 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, General Electric engine development and trends)
- Provides a first look at alternative fuel quality properties
- The raw data used to create the Petroleum Quality Annual Report which is able to be queried through a custom query system
- Effective with FY14 data, distribution of information collected in the PQIS shall be for DOD components only. Requests by others can be submitted to DLA Energy-DQ, 8725 John J Kingman Road, Suite 2843, Fort Belvoir, VA 22060 or pqis@dla.mil
- This system allows for tracking of specific fuel properties over any period of time



PQIS publication includes quality data for aviation fuel (AN8, JP4, JP5, JP8, JA1, Jet A, JPTS and TS1) marine fuel (F76, marine gas oil and RME180), propellants (JP10 and PF1, RP1 and RP2), lubricants (LTL, LO6 and LA6), 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 (HDCD76).

Research and Development Product Support



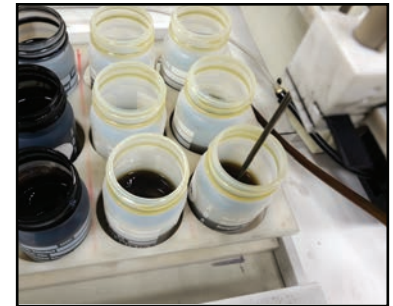
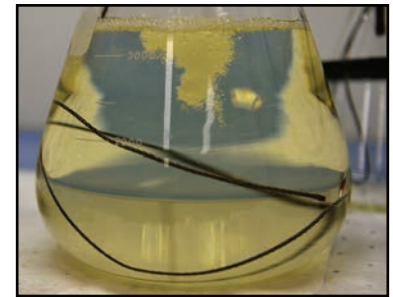
- Program manager for DLA Energy-funded projects
- Establishes and implements long-term projects and studies to resolve issues impacting the Class III (B) supply system, and petroleum product/additive specification requirements and allowances
- Partner with commercial industry, military services and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

Projects include:

- Rocket Propellant Study to Evaluate Composition on Thermal Stability Properties
- Combustor Operability with Alternative and Referenced Fuels
- Improved Testing of Alternative Fuels on O-Ring Performance
- Logistical and Cost Benefit Analysis of Conversion from F-76 to MGO Marine Distillate Fuel
- Effect of Alternate Jet Fuels on Combustor Operability Limits
- Improved Analytical Method for the Quantitation and Identification of Alkyl Nitrate Based Cetane Improver Additives
- Development of Analytical Protocols for Improved Fuel Diagnostics and Characterization
- Woody Biomass Conversion to Liquid Hydrocarbon Fuels
- Comparison of Fuel Storage Stability Test Methods
- Significance of Organosulfur and Organonitrogen Compounds in Fuel to Promote GUM and Sediment Formation
- Evaluation of Hand Blended Fuel in M978A4 Heavy Expanded Mobility Tactical Truck (HEMTT) Tankers
- Military Diesel Fuel Lubricity Tester
- Expeditionary Fuel Support Research and Development/ DLA Contracted Consolidation
- Survey of Jet A (F-24) Aviation Turbine Fuel Trace Composition Within the Continental United States
- Microbial Tester and Evaluation Methods and Limits for DOD Storage Facilities

Alternative Energy R&D Product 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**
 - Continued development and implementation of alternative fuels in partnership with the commercial aviation industry
 - » **Aviation Sustainability Center of Excellence**
 - Contributed towards research efforts in the areas of aviation emissions reductions and alternative fuel certification requirements
- Projects include:
 - » **Direct Sugar to Hydrocarbon Aviation Fuel (Synthesized Iso-Paraffins)**
 - Procurement of DSH8 to support the Army's program to certify DSH8 as a JP8 blend component
 - » **Catalytic Hydrothermal Conversion Synthetic Aviation and Marine Diesel Fuel**
 - Procurement of CHCJ5 and CHCD76 to support the Navy's alternative fuels certification program
 - » **Defense Production Act Title III**
 - Provided technical expertise and support in evaluating proposals for the Department of the Navy, Department of Agriculture and Department of Energy Biorefinery DPA Title III initiative, which resulted in the award of government funds to three enterprises for the construction of commercial facilities to produce military grade biofuels
 - » **Co-production of Liquid Hydrocarbon Fuels**
 - Focus on solutions to develop innovative industrial practices for the co-production of liquid hydrocarbon fuels (suitable to meet DOD bulk fuel requirements), chemicals, and wood fiber products. The research may include the development of practices for additional co-product items determined to be economically viable with the production of liquid hydrocarbon fuels



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
- Works with the DLA Standardization Executive Agent
- Responsible for the creation, deletion and maintenance of national stock numbers
- Manages and maintains DESCH 4120.1, “Defense Logistics Agency Energy Commodities Handbook”

Quality Investigations

- **Non-Routine POL Quality Investigations:**
 - » Fuel Stability: to address jet fuel thermal stability and diesel storage stability, DLA Energy works in coordination with Service Control Points
 - » Potential Fatty Acid Methyl Ester contamination of jet fuel: to address laboratory results indicating FAME in jet fuel, plus to resolve discrepancies between allowed test methods
- **Coordinating Research Council Fuel Stability Panel:** the panel consists of government, industry, and academia experts formed to address aviation fuel thermal stability issues seen downstream of the refinery, mainly when aviation fuel is shipped through multi-product pipeline systems. Over the past few years, DLA Energy and commercial industry have seen several incidents with the potential to impact supply of aviation fuel to airports and military installations. The panel continues to develop a statement of work for the project along with details pertaining to sampling and testing of various fuels in order to identify root cause and potential solutions
- **DOD Fuels Stability Steering Group:** addresses issues related to fuel stability of aviation fuel and marine diesel experienced by DOD over the past several years. The scope of this group is larger than that of the CRC Fuel Stability Panel and focuses on logistics, sampling, testing, chemistry and analytics. The group develops and implements action plans to determine and validate root cause and contributing factors for current issues. Members include representatives from DLA Energy, Air Force, Army and Navy

DOD Quality Assurance/Surveillance Standard Practice

The current edition is MIL-STD-3004D with change 1 was dated March 28, 2016, this standard:

- Develops and assures implementation of MIL-STD-3004 “Department of Defense Standard Practice – Quality Assurance/Surveillance for Fuels, Lubricants and Related Products” in conjunction with the military services
- Provides DOD policy 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.)
- Includes policy and responsibilities derived from DOD Directive 5101.8, “DOD Executive Agent for Bulk Petroleum,” Aug. 11, 2004, which designates the director of DLA as the DOD Executive Agent for Bulk Petroleum, with authority to re-delegate to DLA Energy
- The standard also contains intra-governmental receipt limits for U.S. government-owned fuels
- During 2017, the MIL-STD-3004 will be split into two parts, Part I for Bulk Petroleum managed by DLA Energy and Part II for Packaged Products managed by DLA Aviation

Quality Assurance Training & Certification

- Develops, maintains and implements the QAS and QAS Supervisors Training and Certification Program for DLA Energy
- This program develops, maintains, and implements the training and certification 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
- In addition to determining the other course requirements for this program, the DLA Energy staff develops the lesson plans and course content, as well as provides the sponsorship and classroom instruction, for the program's core commodity-specific courses:
 - » J07: Quality Assurance of Into-plane Servicing Contracts
 - » J08: Quality Assurance of Coal
 - » J10: Petroleum Quality Assurance - General
 - » J20: Petroleum Quality Assurance
- The U.S. Air Force provides additional commodity-specific courses under the program:
 - » J03: Specification Testing of Propellants
 - » J15: Specification Testing of Aviator's Breathing Oxygen
- This program also forms the basis for the DLA Energy QAS Development Program, which is designed to produce fully qualified QASs to fill field quality positions throughout DLA Energy and will be augmented by normal hiring practices

DLA Supply Chain Sustainability & HAZMIN Team



DLA Energy is the liaison to the DLA Supply Chain Sustainability and Hazardous Minimization team, or HAZMIN team.

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

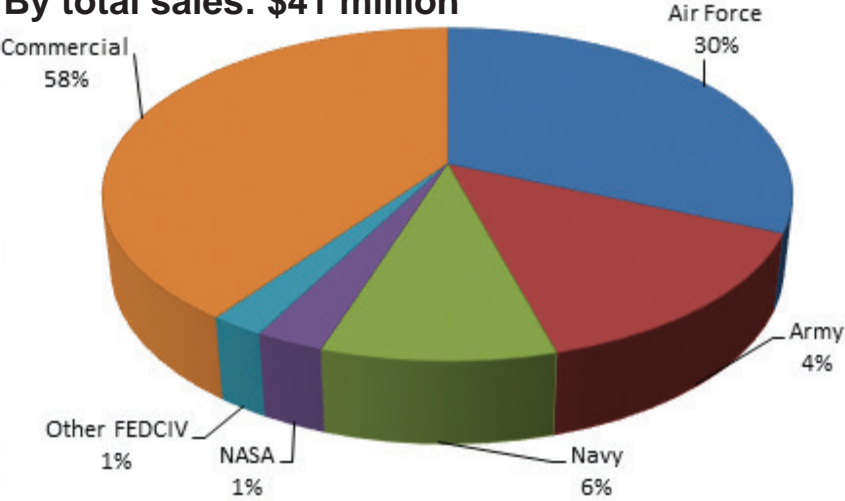
- Recovered or recycled content
- Environmentally preferable
- Energy efficient
- Bio-based
- Alternative fuels and alternative fueled vehicles

DLA Energy supports customers in going “green” with the procurement of E85, biodiesel and “green diesel,” renewable jet fuels from various feedstocks (camelina, algae and tallow) and other synthetic fuels.

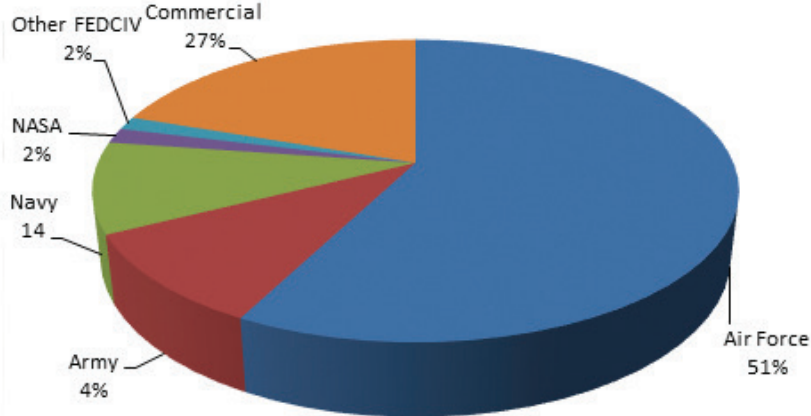
The team educates users and establishes Environmental Attribute Codes for B20 and E85 to assist customers in identifying and ordering environmentally preferable alternative fuels.

Aerospace Energy Customer Profile

By total sales: \$41 million



By number of customers: 397



Aerospace Energy Product Line Overview



Compressed gases

- Helium
- Nitrogen
- Argon
- Hydrogen
- Deuterium
- Nitrogen trifluoride
- Fluorine
- Xenon
- Krypton
- Neon

Propellants

- Hypergolic
 - » Hydrazine fuels - six grades
 - » Dinitrogen tetroxide - seven grades
 - » Inhibited red fuming nitric acid
- Non-hypergolic
 - » Rocket propellant - Grades 1 and 2
 - » Isopropyl alcohol
 - » Hydrogen peroxide
 - » JP10
 - » Priming fluid
 - » Methanol
- Cryogenic
 - » Liquid oxygen
 - » Liquid hydrogen
 - » Liquid methane

Non-propellant cryogenics

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



Major Programs Supported

- Commercial evolved expendable launch vehicle - United Launch Alliance Atlas V, Delta II and Delta IV
- Commercial launch vehicles – SpaceX Falcon and Orbital Sciences Antares
- F-16 emergency power unit
- F-15/F-16 air intercept missile, Avenger, Sidewinder
- Cruise missiles - Navy Tomahawk, Harpoon, and USAF air launched cruise missile and air cruise missile
- AIM-9 and Stinger missiles
- Research and development programs
- Army terminal high altitude area defense
- DOD aircraft life support and maintenance
- U.S. Air Force continental airships programs
- Outside the continental U.S. DOD aerostat programs
- Military and commercial satellites
- International Space Station
- Drug Enforcement Agency drug interdiction
- DOD laser programs
- Department of Homeland Security Border Patrol Aerostat Program
- National Oceanic and Atmospheric Administration
- National Weather Service
- U.S. Department of Energy
- U.S. Navy nuclear-powered attack submarine program



Hazardous Material Shipments

Product	Cylinders/Drums	Bulk
Helium	429	4317
Argon	787	N/A
Hydrazine	262	6
JP10/PF1	112	33
Dinitrogen Tetroxide (N ₂ O ₄)	119	N/A
RP1 and RP2	1	62
Nitrogen	55	N/A
Hydrogen	N/A	39
JP-7	N/A	2
Methane	N/A	8
Total	1,765	467

Major Annual Exercises

Northern Command	
QLLEX	Quartermaster Liquid Logistics Exercise: The largest annual Army petroleum and water transportation exercise in the continental U.S.
Vigilant Shield	NORAD and USNORTHCOM Tier 1 Command Post exercise focused on N-NC Homeland Defense and Homeland Security missions and staff processes.
Ardent Sentry	NORAD and USNORTHCOM Tier 1 exercise focused on Defense Support of Civil Authority.
UNITAS	Southern Command and U.S. Navy exercise promoting maritime interoperability.
Red Flag	The U.S. and up to 31 allied forces exercise capabilities from Nellis Air Force Base, Nevada.
Central Command	
Eager Lion	A multi-lateral exercise in support of global contingency operations held in Jordan.
Inherent Resolve	Ongoing operation that provides support to a comprehensive strategy in degrading and defeating Islamic State of the Iraq and Levant.
Invincible Sentry	The command and control exercise during regional crisis and contingencies held in Oman.
Pacific Command	
Balikatan	Annual multi-service exercise to strengthen interoperability between the Armed Forces of the Philippines and U.S. Forces.
Cobra Gold	Combined Joint Chiefs of Staff-funded exercise to enhance security and stability in Asia-Pacific region held in Thailand.
Pacific Sentry	PACOM directed Tier 1 Command Post exercise.
Ulchi Freedom Guardian	An exercise to demonstrate support of the Republic of Korea.
Talisman Sabre	Biennial multi-service/multi-national exercise to enhance interoperability and contingency support with Allied Nations. It is conducted in Australia.
Key Resolve	CJCS-funded exercise for joint and combined warfare held in Korea.
Keen Sword/Keen Edge	An exercise to strengthen interoperability of Japanese Self Defense Forces and PACOM held in Japan.
Africa Command	
JTF-Horn of Africa	Operation that aims at countering violent extremist organizations in East Africa.
SOCFWD-WA	Special Operations exercise designed to improve interoperability, communication and humanitarian response capabilities between nations of West Africa. It is conducted at 14 forward operating bases in the AFRICOM AOR.
African Lion	Annual bilateral exercise between U.S. and Moroccan forces designed to improve interoperability and mutual understanding of each nation's tactics, techniques, and procedures.
European Command	
Altantic Resolve	Operation that demonstrates U.S. commitment to the collective security of NATO and to enduring peace and stability in Europe.
Saber Strike	An exercise aimed at improving the cooperation and capabilities of the participating nations for future contingency operations amongst European nations.
Thracian Star	Bilateral, total force training exercise aimed at enhancing interoperability with the Bulgarian Air Force and to bolster readiness to conduct combined air operations.
Sea Breeze	Multinational maritime exercise hosted by Ukraine conducted in the Black Sea to strengthen regional security in Europe.

Acronyms

ACM	Air cruise missile
ACSA	Acquisition and cross-servicing agreement
AFRE	Alternative fuel and renewable energy
AIM	Air-to-air missile (Sidewinder)
AIT	Automatic identification technology
ALCM	Air-launched cruise missile
ANG	Air National Guard
AOR	Area of responsibility
AVGAS	Aviation gasoline
B	Billion
BCS3-NM	Battle Command Sustainment Support System-Node Management
BPCOP	Bulk petroleum common operating picture
BSM-E	Business Systems Modernization-Energy
CDC	Customer/depot complaint
CES	Constellation energy source
CHPP.....	Central heat and power
COCO	Contractor-owned, contractor-operated
COCOM	Combatant command
COG	Customer orientation group
CONUS	Continental United States
CSM	Customer support management
DESC	Defense Energy Support Center
DES	DLA Enterprise Support
DFSP	Defense fuel support point
DHS	Department of Homeland Security
DLA	Defense Logistics Agency
DOD	Department of Defense
DOD-SCOMS	DOD-SEA Card Order Management System

Acronyms

DPK	Dual purpose kerosene
Dths	Dekatherms
DWCF	Defense Working Capital Fund
DWT	Dead weight ton
EA	Executive Agent
EBS	Enterprise Business Systems
ECM	Energy conservation measures
EELV	Evolved expandable launch vehicle
EPS	Energy performance services
ESC	Expeditionary Sustainment Command
ESCO	Energy service company
ESOH	Environmental safety and occupational health
FAME	Fatty acid methyl ester
FEA	Fuel exchange agreement
FEMA	Federal Emergency Management Agency
FES	Fuels Enterprise System
FG	Foreign government
FISC	Fleet and industrial supply center
FMS	Foreign military sales
FOB	Free on board
FPDS-NG	Federal Procurement Data System-Next Generation
FSD	Facility Sustainment Directorate
FY	Fiscal year
GHP	Geothermal heat pump
GIA	Guam International Airport
GOCO	Government-owned, contractor-operated
GOGO	Government-owned, government-operated
GSHP	Ground source heat pump
HAZMAT	Hazardous Materials

Acronyms

HRJ	Hydrotreated renewable jet
HVAC	Heating, ventilating and air conditioning
IA	Inventory accountability
IMM	Integrated Materiel Management
IRFNA	Inhibited red fuming nitric acid
ISR/SSR	Individual contracts/summary subcontract report
IT	Information technology
JIATF-S	Joint Interagency Task Force-South
JP	Jet petroleum (JP4, JP5, JP8, JP10, Jet A1, Jet B, etc.)
JPO	Joint Petroleum Office
JQO	Joint qualified officer
K	Thousands
LNO	Liaison officer
LSA	Lead Standardization Activity
LSS	Lean Six Sigma
M	Million
MGO	Marine gas oil
MISO	Midcontinent Independent System Operator
MND	Ministry of National Defense
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
NAVAIR	Naval Air Systems Command
NAVEUR	Naval Command Europe
NAVFAC	Naval Facilities Engineering Command

Acronyms

NLSA	National logistics staging area
NPV	Net present value
NSN	National Stock Number
OCONUS	Outside the Continental United States
OEF	Operation Enduring Freedom
OIF	Operation Iraqi Freedom
OPA-90	Oil Pollution Act of 1990
OPDS	Offshore petroleum discharge system
OPLAN	Operational plans
OSD	Office of the Secretary of Defense
P/L	Pipeline
PATSA	Petro America Terminal, SA
PC&S	Posts, camps and stations
POL	Petroleum, oil and lubricants
POM	Program objective memorandum
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
QAS	Quality assurance specialist
QLLEX	Quartermaster Liquid Logistics Exercise
QS	Quality surveillance
R&D	Research and development
REC	Renewable energy certificate
RIE	Rapid improvement event
ROK	Republic of Korea
RP	Rocket propellant

Acronyms

RSC	Regional Support Command
SAP	System analysis and program development
SEA	Ships' Bunkers' Easy Acquisition
SK	South Korean
SOAR	Subcontracting orientation and assistant review
SRM	Sustainment, Restoration and Modernization
SRM-E	Sustainment, Restoration and Modernization Energy
STS	Ship-to-ship
TACM	Temperature and API correcting meter
UESC	Utility energy service contracts
UFG	Ulchi Freedom Guardian
UK MOD	United Kingdom Ministry of Defense
UMCS	Utility monitoring control system
USA	U.S. Army
USAF	U.S. Air Force
USAFE	U.S. Air Force Europe
USAR	U.S. Army Reserve
USCENTCOM	U.S. Central Command
USEUCOM	U.S. European Command
USFK	U.S. Forces Korea
USMC	U.S. Marine Corps
USPACOM	U.S. Pacific Command
USSOCOM	U.S. Special Operations Command
USSOUTHCOM	U.S. Southern Command
USTRANSCOM	U.S. Transportation Command
VFD	Variable frequency drives

Defense Logistics Agency Energy

8725 John J. Kingman Road

Fort Belvoir, Virginia 22060



Available online at: www.dla.mil/Energy

www.facebook.com/dla.mil