

Procurement of Fuel using the DESC Bunkers Contract

The Bank One Fleet Master Card is not authorized for procurement of fuel under the DESC Bunkers Contract. The contract spells out specifically that the only authorized method of procurement is through a standard form, the SF1449 or SF44.

- Cutters greater than 175' in length must use only the SF1449.
- Cutters 175' or less may use either the SF1449 or the SF44.

Since the Bank One Fleet Master Card is a commercial procurement card, all purchases with the card are considered commercial purchases. Therefore, any fuel order greater than or equal to \$2500.00 must have 3 bids - regardless of its source. Additionally, in many instances, DESC Bunkers Contract providers charge greater than the DESC Bunkers standard price when they are paid using the Bank One Fleet Master Card. This price difference, often 20% or more, significantly affects the balance of fuel funds available Coast Guard-wide.

Cutter EOs and Supply Officers/Petty Officers are also reminded that the DESC Bunkers fuel contract is the mandatory source of NPD MGO. Refer to the link: <http://www.desc.dla.mil/PublicPages/p/specialt/bunkers/bltngate.cfm> and select either "Domestic Contract Locations" or "Overseas Contract Locations" to determine if there is a DESC Bunkers Contract in the port where you intend to fuel. Note that DESC contract provisions can cause the Coast Guard to pay damages to a DESC Bunkers Contractor if they are not utilized in a port where their services are available.

DESC maintains an aggressive fuel quality program with their Bunker Contractors. The overall quality of the DESC Bunker Contract fuel has been very high and Customer Complaints generated from Coast Guard In-Line Fuel Sampling Program have resulted in improved quality at locations where quality had not met the requirements of the Naval Purchase Description.

Please address fuel procurement questions to your MLC fuel procurement specialists:
PAC - Mr. John Porter/CWO Brian Clark
LANT - CWO Dale Kendrick.