

VOLUME II - PETROLEUM MANAGEMENT

CHAPTER 8 -- MANAGEMENT OF STORAGE AND DISTRIBUTION FACILITIES

A. GENERAL

1. Distribution System. The bulk petroleum distribution system includes a network of storage facilities (intermediate and base-level) required in support of worldwide military fuel requirements, and in some cases other Federal civil agency requirements. Sufficient tankage shall be available for peacetime and war reserve stocks. Planning for wartime petroleum requirements shall rely on host-nation support (HNS) when feasible.

2. Defense Fuel Support Points (DFSPs). Storage facilities are designated DFSPs wherein DLA-owned fuel is stocked for distribution to multiple military end user O&M accounts (e.g., aircraft, vehicles, ships or tanks, for which fuel is purchased through multiple O&M accounts). DFSPs range in size and scope from a single tank to a pipeline system with a network of multiple terminals. See volume V, appendix A57 for a list of DFSPs; tankage characteristics and shipping/receiving capabilities are reported in the "RCS 506 Report" managed by DESC-F.

3. Requirements. DESC shall review, analyze, and validate the extent of the bulk petroleum storage and distribution facilities required in support of the DLA bulk petroleum management mission. DESC shall validate such requirements in coordination with the Military Services and Unified Commands through an annual cyclic program. The program is designed to identify, fund and execute bulk storage and distribution facilities projects in support of DoD petroleum objectives.

4. Responsibilities. DLA/DESC shall establish and maintain a DoD bulk petroleum distribution system and related programs in coordination with the Military Services and Unified Commands. As defined further in this chapter, DLA/DESC, Military Services, and Unified Commands have interrelated responsibilities to plan, program, budget, and fund for the operation, maintenance, repair, military construction (MILCON), minor construction and environmental compliance of bulk storage and distribution facilities in support of the Military Service's bulk petroleum management mission.

B. TYPES OF BULK PETROLEUM STORAGE TERMINALS (or DFSPs)

1. Government-Owned Government-Operated (GOGO). Terminal owned by the U.S. Government and operated by Government employees.

2. Government-Owned Contractor-Operated (GOCO). Terminal owned by the U.S. Government and operated by a contractor.

3. Contractor-Owned Contractor-Operated (COCO). Terminal owned and operated by a contractor which provides storage and distribution services under contract with the U.S. Government.

4. Foreign Government (FG). Overseas petroleum storage/distribution services provided for U.S. Government use through a government-to-government MOU. FG DFSPs are: (1) owned and operated by foreign governments, (2) owned by foreign governments and operated by contractors, and (3) owned and operated by contractors.

5. North Atlantic Treaty Organization (NATO). Petroleum storage facilities overseas used in support of the U.S. Government as a member of NATO. These terminals are owned by NATO and operated by the host

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government or the Central European Operating Agency (CEOA) consistent with bilateral or multilateral user agreements. Cost of support furnished to the U.S. Government at these terminals is negotiated between the U.S. Government and the operating host government or apportioned by the Central Europe Pipeline Policy Committee.

6. Afloat Pre-positioning Force (APF) or Floating DFSPs. This chapter addresses only fixed, permanent facilities. See chapter 9 of this volume for discussion of floating DFSPs.

C. GOVERNMENT-OWNED GOVERNMENT (SERVICE) OPERATED (GOGO) DFSPs. Policy guidance and responsibilities for managing U.S. GOGO DFSPs are contained herein. As such, interservice support agreements are not required but may be used to document unique requirements and situations.

1. DESC shall:

a. Develop and provide inventory levels for GOGO DFSPs via the Inventory Management Plan (IMP) or extracts thereof. Inventory levels will be coordinated with the SCP.

b. Develop and provide procedures for reporting supply transactions, inventory data, and records of DLA-owned fuel.

c. Formulate bulk storage and distribution facility planning requirements with JPO/SAPO concurrence for overseas..

d. Plan, program, budget, and fund projects for maintenance, repair, minor construction, and environmental compliance for these facilities, in accordance with section L., below. Plan, program, budget and sponsor fuel MILCON projects for DLA funding for these facilities, in accordance with section L., below.

e. Coordinate design/construction projects with the Services (and the cognizant DER/DEO for overseas projects).

f. Upon request, DESC will provide support to Military Services in interpreting applicable environmental regulations and developing projects to bring terminals into compliance.

g. Fund environmental assessments/statements for proposed new construction projects as required by the National Environmental Policy Act and DoD Directive 6050.1.

h. See "notes" in paragraph C.2.a. and subparagraph C.2.f.(6), below.

i. Fund environmental permits and compliance requirements IAW section I., below.

2. Military Services shall:

a. Plan, program, budget and fund for operating costs of GOGO DFSPs used in support of the DLA bulk petroleum management mission; perform organizational maintenance such as grease valves, replace gaskets, clean/maintain equipment and supplies. NOTE: At the request of the Service, DESC will consider conversion of a Service-operated GOGO DFSP to a DESC-funded GOCO DFSP if economic benefit to DoD can be demonstrated by so doing. In addition, during the alteration of distribution processes, should economic benefit be demonstrated to accrue from increasing the mission at a GOGO, e.g., transshipment or alternate receipt of fuel, etc., costs of labor or other costs incurred by the Service related to that increased mission will be funded by DESC for the duration of the increased mission. Costs to be funded in this situation may be subject to negotiation.

b. Provide for complete receipt, storage, and delivery systems which will be maintained in good operating condition according to

Service standards and policy guidance in DoD Directive 4140.25 and DoD Directive 7150.5.

c. Program, design, budget, and fund for all operating costs, maintenance, repair, environmental compliance, and construction of facilities used solely in support of the military petroleum mission (facilities which do not support DLAs bulk petroleum mission, i.e., those facilities which hold Service-owned fuel). The Military Services shall retain authority to approve or reject such projects being funded with Service funds.

d. Execute and administer all facilities construction contracts for maintenance, repair, minor construction, environmental compliance and MILCON projects, and the inspection and acceptance of work accomplished under these contracts (see section L.).

e. Provide DESC-F with proposed MILCON requirements during the annual MILCON planning cycle outlined in paragraph L.6.a., below.

f. Provide DLA with the following support/services without reimbursement:

(1) Maintain inventory levels reported in the IMP.

(2) Receive, store, and issue DLA-owned bulk fuel IAW procedures in this manual.

(3) Maintain a quality surveillance program consistent with policy guidance in volume II, chapter 7 of this manual.

(4) Report supply transactions and inventory data IAW procedures prescribed in this manual.

(5) Maintain accountable records and investigate fuel losses exceeding DoD standard tolerance factors (perform/conduct causative research, prepare DD Form 200, SF 361, etc.).

(6) Fund operation and organizational maintenance costs (defined in paragraph L.3.f.) related to the day-to-day tasks needed to receive, store, and issue petroleum products including staffing and supplies associated therewith. (NOTE: DLA/DESC may fund the cost of contracted maintenance projects when the work is beyond the capability of Service-operating personnel and this work has traditionally been done by contract. DESC will consider contracting out additional functions if there can be demonstrated some economic advantage to so doing.)

(7) Operate deballasting and recovery systems when required to avoid losses and prevent environmental pollution damage.

(8) Execute environmental permits and compliance requirements in accordance with sections I. and L. Insure compliance with environmental requirements to include development and implementation of oil spill prevention control and countermeasure and facility fuel transfer operations requirements of the U.S. Coast Guard.

(9) Provide DESC-FQ a summary of costs associated with actions taken to remedy spills/contamination incidents.

(10) Notify DERs/DEOs and JPOs for overseas locations of DFSP tankage which is planned for removal or return to service and major facility repair which impacts mission capability. Copies of such plans/schedules will be sent to DESC-B/F in the RCS: 1884 Report.

D. GOCO DFSPs (PERMITTED AND LICENSED TO DLA). These DFSPs are owned by the Services and operated by contractors under contracts administered by DESC. Such terminals are permitted or licensed to DLA based on mutually agreed Real Property Permits issued by the Services. Policy guidance and responsibilities for managing such DFSPs are as follows:

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1. DESC shall:

- a. Provide terminal management.
- b. Plan, program, budget, and fund projects for maintenance, repair, minor construction, and environmental compliance for these facilities, in accordance with section L., below. Plan, program, budget and sponsor fuels MILCON projects for DLA funding for these facilities, in accordance with section L below.
- c. Execute environmental permits and compliance requirements.
- d. Develop and maintain the following documents for GOCO DFSPs contracted by DESC: Federal Facility Response Plan; Installation Spill Contingency Plan (ISCP) and Spill Prevention Control and Countermeasure Plan (SPCCP) as required by U.S. Codes and the Environmental Protection Agency; Oil Pollution Prevention Operations Manual (OPPOM) as required by the U.S. Coast Guard for coastal terminals; Research and Special Projects Administration (RSPA); oil discharge prevention and contingency plan as required under the Oil Pollution Act of 1990 (OPA 90); and implement DoD Directive 5030.41, DoD Instruction 4120.14 and DLAM 6050.1.

2. Military Services shall:

- a. Designate a host unit which will provide civil engineering services for the terminal, as required by DESC, to include real property maintenance activities based on reimbursement by DESC.
- b. Execute and administer all facilities construction contracts for maintenance, repair, minor construction, environmental compliance and MILCON projects, and the inspection and acceptance of work accomplished under these contracts (see section L., below).

E. GOCO DFSPs (NOT PERMITTED/ LICENSED TO DLA). These DFSPs are owned by the Military Services and operated by contractors under contracts administered by the Military Services.

1. DESC shall:

- a. Plan, program, budget, and fund for operating costs of IMM Phase I GOCOs (e.g., Diego Garcia, Kwajalein, etc.); the Services will continue to budget and fund for the operating costs of Phase II GOCOs (e.g., Randolph AFB, Sheppard AFB, etc.). At the request of the Service, DESC will consider funding operation of the Phase II GOCOs if economic benefit to DoD can be demonstrated by so doing.

- b. At both Phase I and Phase II GOCOs: Develop and provide inventory levels; develop and provide procedures for reporting supply transactions, inventory data, and records of DLA-owned fuel; formulate bulk storage and distribution facility planning requirements; and plan, program, budget, and fund for maintenance, repair, minor construction, environmental compliance and MILCON costs, as in paragraphs C.1.a. through C.1.i., above.

2. Military Services shall:

- a. Provide terminal management.
- b. Execute environmental permits and compliance requirements.
- c. Execute and administer all facilities construction contracts for maintenance, repair, minor construction, environmental compliance and MILCON projects, and the inspection and acceptance of work accomplished under these contracts (see section L., below).
- d. Provide DESC-F with proposed MILCON requirements during the annual MILCON planning cycle outlined in paragraph L.6.a., below.
- e. Provide DLA with the following support/ services without reimbursement:

- (1) Maintain inventory levels reported in the IMP.
- (2) Receive, store, and issue DLA-owned bulk fuel IAW procedures in this manual.
- (3) Maintain a quality surveillance program consistent with policy guidance in volume II, chapter 7 of this manual.
- (4) Report supply transactions and inventory data IAW procedures prescribed in volumes II and V of this manual.
- (5) Maintain accountable records and investigate fuel losses exceeding DoD standard tolerance factors (perform/conduct causative research, prepare DD Form 200, Financial Liability Investigation of Property Loss, SF 361, etc.).
- (6) Fund operating and organizational maintenance costs (defined in paragraph L.3.f.) for Phase II GOCOs related to the day-to-day tasks needed to receive, store, and issue petroleum products including staffing and supplies associated therewith. (Note, DLA/ DESC may fund the cost of contracted maintenance projects when the work is beyond the capability of Service operating personnel, and this work has traditionally been done by contract. DESC will consider contracting out functions if there can be demonstrated some economic advantage to so doing.)
- (7) Operate deballasting and recovery systems when required to avoid losses and prevent environmental pollution damage.
- (8) Execute environmental permits and compliance requirements in accordance with sections I and L. Ensure compliance with environmental requirements to include development and implementation of oil spill prevention control and countermeasure and facility fuel transfer operations requirements of the U.S. Coast Guard.
- (9) Provide DESC-FQ a summary of costs associated with actions taken to remedy spills/contamination incidents.
- (10) Notify DERs/DEOs and JPOs for overseas locations of DFSP tankage which is planned for removal or return to service and major facility repair which impacts mission capability. Copies of such plans/schedules will be sent to DESC-B/F in the RCS: 1884 Report.

F. CONTRACTOR-OWNED CONTRACTOR-OPERATED (COCO) DFSPs

1. Operating Costs. DESC shall plan, program, budget and fund for operating costs.
2. Favorable Fuel Market Strategies. DLA/DESC may contract for additional storage facilities, within budgetary constraints, to take advantage of favorable fuel prices. Such acquisition will be coordinated with the Military Services and Unified Commands before execution.
3. Floating Roofs/Pans. Tanks with floating roofs/pans shall be acquired for highly volatile fuels, such as JP-4 and gasoline, wherever feasible.
4. Long-Term Contracts. In accordance with 10 USC 2388, DLA/DESC may contract for the storage, handling, and distribution of petroleum products for periods of not more than five years, with options to renew for additional periods of not more than 5 years each, but not more than a total of 20 years. Long term contracts may include a Government option to purchase the storage facility.
5. Multi-Year Requirements. Multiyear contracts may be awarded (currently up to 5 years) consistent with provisions of the FAR/DFARS and relevant statutes.

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6. This section excludes tariff agreements; for discussion of tariff agreements. See volume II, chapter 6, subsection F.4., of this manual.

G. FOREIGN GOVERNMENTS (FG) DFSPs

1. Foreign Agreements. Beneficial use of FG/NATO storage facilities as DFSPs, in support of fuel requirements indicated in the WISP, may be obtained by agreements negotiated by the Unified Commands or DESC. DESC may negotiate and conclude such agreements as indicated in volume 1, chapter 1, subsection D.7., of this manual.

2. Foreign DFSPs for which the U.S. Government has beneficial occupancy under a government-to-government MOU shall be governed by the following policy:

a. DESC shall plan, program, budget, and fund operating, maintenance and repair, and environmental compliance costs for DFSPs used in support of the DLA bulk petroleum management mission IAW the provisions of the MOU.

b. Terminal operators shall provide support services in accordance with the terms of the MOU.

c. The MOU designee shall provide terminal management.

H. INSPECTIONS

1. GOCO/COCO DFSPs. DESC shall arrange for periodic inspections of contractor-operated DFSP fuel storage facilities.

2. GOGO DFSPs. DESC shall visit GOGO DFSPs to assess the integrity and structure of such facilities for project validation and other facilities assistance as required in support of the DLA DWCF. Visits shall be coordinated with the associated command (or CINC-JPO for overseas locations), and the SCP, at least 30 days in advance (unless circumstances dictate otherwise). Reports of findings shall be documented in coordination with the associated command or CINC-JPO. Copies of the report will be provided to the DFSP, SCP and its command or the appropriate CINC-JPO.

3. FG/NATO DFSPs. DESC shall arrange for inspections of FG/NATO fuel facilities when authorized by operating agreements and when annual audit of NATO/host-nation DFSPs are not adequate.

I. ENVIRONMENTAL PROTECTION PROGRAM

1. General. The Military Services and DLA/DESC shall:

a. Ensure that all necessary actions are taken to prevent, control, and abate environmental pollution related to fuel facilities, activities, and programs in the Defense Department.

b. Assess the environmental impact of major fuel related actions which affect the quality of the human environment to the extent required by the National Environmental Policy Act of 1969 and subsequent laws.

c. Assure that all fuel products obtained and used conform to local, state, Federal, and foreign regulations which relate to the protection of the environment.

2. Pollution Control

a. DESC/Military Services shall take necessary action to comply with applicable air, water, noise, solid waste, and hazardous waste standards IAW DLAM 6050.1 for DFSPs storing DLA-owned product.

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b. In addition, Military Services storing DLA-owned fuel in Service DFSPs shall comply with respective Service directives in reporting environmental deficiencies and maintaining pollution control programs.

3. Environmental Impact Assessment

a. DESC shall prepare environmental assessments on major fuel related actions for which DLA has the lead action (i.e., at GOCO terminals permitted to DLA) IAW DLAR 1000.22 and DLAR 1000.29.

b. Military Services shall prepare environmental assessments on major fuel related actions for which they have the lead action (i.e., at GOGO terminals operated by the Services and GOCO terminals administered by the Services) IAW respective Service directives.

4. Environmental Compliance

a. Definition. The provisions in this section apply to bulk POL facilities which stock/distribute DLA-owned fuel. Types of environmental compliance are as follows:

(1) Recurring. Operations and services which accomplish "must do" environmental actions which relate directly to storage and distribution of DLA-owned product, such as permits and fees, waste disposal, UST testing, environmental impact analysis process (EIAP), etc. Costs are defined as recurring if they recur annually or more frequently (monthly, bimonthly, etc.). Costs recurring less frequently shall be addressed as nonrecurring projects/services.

(2) Nonrecurring. Projects/services that: (a) address conditions currently out of compliance are level 1, (b) shall be done to meet a deadline are level 2, and (c) are important but not related to an imminent compliance deadline are level 3.

b. DESC Responsibilities for Compliance Procedures

(1) Ensure that requirements and specifications for bulk petroleum products and coal are IAW applicable Federal, state, and local environmental regulations which govern sulfur content, oxygen content, vapor pressure, etc.

(2) Develop/implement procedures for the compliance of fuel procurement, transportation, and storage with all applicable Federal, state and local air, water, pesticide, solid waste, and noise abatement standards in accordance with DoD Directive 5100.50 and DoD Instruction 4120.14.

c. GOGO and Service-operated GOCO DFSPs. Ultimate responsibility for environmental compliance associated with POL facility operations remains with the installation commander.

d. Overseas DFSPs. In accordance with the procedures set forth in DoDD 6050.16 and DoDD 5100.5, DFSPs located outside the United States, its territories and possessions, shall comply with the Final Governing Standards issued for the host nation where they are located. Where no such Final Governing Standards have been issued, such DFSPs shall comply with the criteria under the Overseas Environmental Baseline Guidance Document (Oct 92), applicable treaties (and other international agreements), and substantive host nation pollution control laws of general applicability under Executive Order 12088 (Oct 13, 1978).

J. WORLDWIDE INVENTORY AND STORAGE PLAN (WISP)

1. Program Document. The WISP is developed and distributed by DESC-F as required; it is a DoD integrated storage plan, used in analyzing storage requirements for MILCON projects/COCO locations.

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2. Preparation

a. When requested, the Services and CINC-JPOs (for overseas bases) shall report the following data to DESC-FI:

(1) Planned base-level BPWRS storage projects for the current, budget, and Program Objective Memorandum (POM) years.

(2) Suggested COCO DFSP actions for the POM years.

(3) Suggested HNS initiatives.

b. DESC-F will distribute the WISP to DUSD (L), Joint Staff, Military Services, Unified Commands, DERs/DEOs, and DLA-MMDI. The WISP includes the results of the DESC IPRB review (bulk storage tank projects only) and POM petroleum requirements.

K. BULK PETROLEUM STORAGE FACILITIES REPORT, RCS: DD-P&L(A)506

1. Policy. DESC-F shall control, maintain, and publish the "506 Report" which documents tankage data and receiving/shipping capability input by DoD Components for:

a. Bulk petroleum storage facilities of 500 barrels (79.5 cubic meters) or more capacity (military, federal, or contracted; includes active, inactive, or empty tanks at: petroleum terminals, tank farms, pipeline breakout tankage, and military bases).

b. Banks of manifolded, small, fixed tanks which collectively have a total capacity of 500 barrels (79.5 cubic meters) or more for a single product.

2. Format

a. The 506 Report is issued in four volumes (the overseas supplement is classified) - annually as of 1 October. Copies are distributed to DUSD(L)MRM, Joint Staff/J4, Military Services, DERs/DEOs, CINC, JPOs, HQ DLA, and to other Federal Agencies, as requested.

b. The Overseas Supplement Report to Volume 2 (Bulk Petroleum Storage Facilities), volume 4 (Receipt and Shipment Capability), and associated worksheets/papers/documents, are classified CONFIDENTIAL. See volume V, appendix A41 of this manual for security classification guidance.

3. Purpose. The 506 Report provides a database for analyzing storage capabilities and associated petroleum products worldwide in support of both the peacetime and contingency bulk petroleum mission.

4. Updating Procedures. Changes in tankage/receiving/shipping capability data shall be reported to DESC when they occur as follows:

a. DFSPs (base-level/intermediate) shall input data directly to the DFAMS data bank; see paragraph K.4.c., below, for handling classified data.

b. DFSPs without direct access to the DFAMS data bank shall input data via worksheets to the DER/DEO to access the DFAMS data bank (copy to JPO/SAPO for OCONUS). DERs/DEOs shall then provide such DFSPs with updated computer printouts.

c. Classified data for the 506 Overseas Supplement Report will be input via classified worksheets as indicated in paragraph K.4.b., above. The DERs/DEOs shall mail the worksheets to DESC-F. NOTE: Classified data is prohibited in the DFAMS data bank.

d. See volume V, appendices A41 through A41b of this manual for updating instructions via work-sheets or automated input to the DFAMS data bank.

L. MILITARY CONSTRUCTION (MILCON), MAINTENANCE, REPAIR, MINOR CONSTRUCTION, AND ENVIRONMENTAL COMPLIANCE PROGRAMS

1. General. The following provides guidance on the planning, programming, budgeting, funding, design and construction of DLA/DESC sponsored Maintenance and Repair (M&R), Minor Construction (MC), Military Construction (MILCON), and Environmental Compliance (EC) projects (and other environmental costs).

2. Background. DoD 7000.14-R provides for DWCF to be used in.

3. Definitions

a. Military Construction (MILCON). A military construction project is a single undertaking at a military installation that includes all construction necessary to produce a complete and usable facility at an approved cost equal to or greater than the amount specified by law (currently greater than \$300,000).

(1) Current Mission MILCON - These projects revitalize the existing facility plant by replacing or upgrading existing facilities and by alleviating long-standing deficiencies not generated by new missions.

(2) Incidental MILCON in Support of New Mission - Upgrades of a fuel facility which are part of a larger conversion or other Service initiative are to be funded and accomplished by the Service as part of the larger initiative. For example, if extensive facility construction is required in conjunction with a new weapons system, part of which is the associated fuel facilities, the fuel facilities construction will be programmed and executed by the Service as part of the overall MILCON for construction of the support facilities associated with the new weapons system.

(3) Unspecified/Urgent Minor MILCON - Unspecified Minor Construction authority is to be used for projects which require accomplishment sooner than would be possible if delayed for inclusion in the next regular MILCON program. This authority provides for projects formerly called Exigent Minor Military Construction and includes self-amortizing projects. These construction projects fall within the range of greater than \$300,000 but less than \$1,500,000.

(4) Environmental MILCON - MILCON projects with one or more environmental improvement projects combined to satisfy environmental compliance objectives.

b. Minor Construction (MC). A minor construction project is a single undertaking at a military installation that includes all construction necessary to produce a complete and usable facility or a complete and usable improvement to an existing facility, with a total cost less than the specified MILCON threshold authorized by law (currently equal to or less than \$300,000).

(1) Examples of minor construction projects include erection, installation or assembly of a new facility; the addition, expansion or extension of an existing facility; the conversion or replacement of an existing facility; or the relocation of a facility from one site to another.

(2) Alteration of a facility associated with an increase in mission is considered construction.

c. Maintenance. The recurrent, daily, periodic or scheduled work required to preserve a facility by preventing its deterioration.

(1) Examples of maintenance include tank interior/exterior coatings, pipeline painting, cleaning, pigging pipelines, painting

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fences, maintenance dredging, disposal of bottom sediment and waste waters, etc.

(2) The installation of cathodic protection on an existing real property facility shall be processed as maintenance provided the requirement for cathodic protection was identified after the facility had been placed in service.

d. Repair. The restoration of a real property facility to such condition that it may be effectively utilized for its designated purpose by overhaul, reprocessing or replacement of constituent parts or materials that have deteriorated by action of the elements or usage and have not been corrected through maintenance.

(1) Facility upgrades to comply with environmental, safety, fire protection and electrical codes may be classified as repair.

(2) Repair projects may replace constituent parts of a facility, i.e., piping, electrical wiring, etc., in order to comply with current standards or modern accepted engineering practice. However, if during a repair by replacement of a constituent part of a facility, increase in size, capacity, etc., is due solely to mission change, the difference in cost between "repair by replacement" and the cost of the upgrade is construction.

(3) In general, repair must not exceed 50 percent of the replacement cost of the facility without approval from DLA (e.g., the cost of repairing a fuel pier by replacing piles, decking, etc., must not exceed 50 percent of the cost to build a replacement pier).

(4) The installation of cathodic protection incident to the repair of a real property facility shall be processed as part of the repair project.

e. Environmental Compliance. Environmental compliance for POL facilities is defined by the following, each of which will be funded by DLA/DESC as required, after October 1, 1992. Note that ultimate responsibility for environmental compliance associated with POL facility operations remains with the installation commander. The Services can appeal decisions made by DLA/DESC pertaining to environmental compliance and restoration responsibilities. Appeals will be directed to the Commander, DESC, and will then be routed through the Director of DLA for review and comment, and forwarded to ODUSD/L/MRM for resolution.

(1) Design and construction of pollution abatement projects. DLA/DESC will fund projects to upgrade POL facilities to control emissions and discharges to meet environmental regulatory standards. Also included are projects needed for POL facilities to achieve regulatory compliance to continue to operate. Requirements to meet such standards will be identified and prioritized by Service or project proponents. Candidate projects and estimated costs will be identified by activities/project proponents using a DD Form 1391 or equivalent.

(2) POL waste site assessment and cleanup. DLA/DESC will fund the identification, assessment and remediation costs of fuel spills/leaks which occur after October 1, 1992. Activities will identify these sites and estimated costs using procedures outlined in subsection L.7. All past POL contamination sites resulting from activities conducted prior to Oct 1, 1992 will remain a Service funding responsibility.

(3) Recurring environmental costs to maintain POL facility compliance. These include costs of the following, as applicable to the DLA/DESC fuel storage and distribution mission:

(a) Operating permits (tanks, fill stands, NPDES, etc.).

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(b) Operational documents (OPPOM, ISCP, etc.): DESC shall fund that portion of the documents applicable to bulk petroleum facilities.

(c) Sampling and testing of emissions and discharges.

(d) Removal and disposal of hazardous and other POL wastes.

(e) Fines and penalties: DESC will be responsible for payment of fines and penalties levied by regulatory agencies for environmental noncompliance of bulk petroleum facilities previously identified by the Services to DESC and for those conditions beyond the control of the Services, unless such fines or penalties result from a lack of timely action by the Services.

(f) Operations and Organizational Maintenance. The costs of operations and organizational maintenance of GOGO (Service-operated) facilities will not be funded by DLA/DESC. Broadly speaking this would include personnel cost, housekeeping (grease valves, replace gaskets, clean/maintain equipment, etc.) and related supplies. In most cases, grounds maintenance (mowing grass, trimming bushes, etc.) is organizational maintenance; however, DESC funding will be considered on a case-by-case basis if grounds maintenance required exceeds the capabilities of onsite personnel and contract labor is the economic solution. Operations and organizational maintenance are Service responsibilities and must be budgeted for and funded by the owning Service. DESC shall, however, fund for repair or replacement of component parts of systems, where economies can be demonstrated to accrue by so doing.

4. Project Eligibility for DLA/DESC Funding

a. For a project to be eligible for DLA/DESC sponsorship for M&R, MC, EC or MILCON, it must directly support the DLA bulk petroleum management mission. Only fixed, permanent facilities will be eligible for DLA/DESC M&R, MC and EC project funding.

b. One or more of these criteria must be addressed in the project documentation, if they are not inherently obvious.

(1) Facility must store or distribute DLA-owned product.

(2) Project necessary to assure environmental compliance with Federal, state and local standards.

(3) Project necessary to protect DLA-owned product from loss or contamination (e.g., fire protection systems, cleaning tanks, repair pipelines and tanks, etc.).

(4) Project of economic benefit to DLA/DESC (e.g., reduced tanker laytime).

(5) Project directed by DLA/DESC (e.g., tank conversion).

(6) Project necessary to meet minimum DLA/DESC inventory level requirements.

c. DLA/DESC will not fund the cost of DFSP operations or base-level organizational maintenance (i.e., routine operation and maintenance, see paragraph L.3.f., for definition of organizational maintenance). DLA-DBOF is not authorized to pay for direct support of Government personnel salaries at DFSPs. DLA/DESC shall fund the cost of contracted maintenance projects when the work is beyond the Service's operating personnel's capability, and the work has not historically been executed by the Service operating personnel. If work which has historically been performed by Military Service personnel is proposed for DLA/DESC funding, clear documentation must be presented which justifies this change.

5. Development of Project Documentation

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a. MILCON. Each project must be thoroughly researched and documented because it will compete with other projects at the DESC Installation Planning and Review Board (IPRB), the DLA Installation Planning Review Functional Panel (IPRFP) and various OSD and Congressional level reviews. It is mandatory that each MILCON project be supported by the following documentation:

(1) DD Form 1390, FY 19_ Military Construction Program for each installation (guidance in DLAM 4270.1, IAW DoDI 7040.4).

(2) DD Form 1391, Military Construction Project Data, (guidance in DLAM 4270.1, IAW DoDI 7040.4).

(3) Facilities Study (guidance in DLAM 4270.1).

(4) Economic Analysis (guidance in DLAM 4270.1). The economic analysis must either justify the project solely on the basis of economics (Type I or primary analysis), or demonstrate the lowest cost alternative in order to fulfill operational requirements (Type II or secondary analysis). Recommend the use of ECONPAK software, available from the US Army Corps of Engineers, Huntsville District; to obtain, call (205) 895-1838, DSN 788-1838, fax (205) 895-1557, DSN 788-1557, or write:

Commander USAED - Huntsville P.O. Box 1600 Huntsville, AL 35807-4301

(5) Scope and Detailed Cost Estimate (verified by cognizant Corps of Engineers or NAVFAC Engineering Field Division, NAVFAC Public Works Center, Air Force Base Engineering Function (using AF Form 1178), or activities Public Works Departments).

(6) For overseas terminals, a statement of proponent's attempt to secure host-nation support for the project, clearly demonstrating that such support is unavailable, impractical, unfeasible, or uneconomical.

(7) An assessment of potential environmental impact. The Air Force may use their Standard Certificate of Environmental Compliance; other Services may use equivalent documents.

(8) A site approval, verified by cognizant Corps of Engineers, NAVFAC Engineering Field Division, or Air Force Civil Engineering Activity.

(9) Other supporting documents which depict specific deficiencies or deterioration (e.g., photographs, notices of violation, etc.).

b. Maintenance/Repair (M&R), Minor Construction (MC) and Environmental Compliance (EC). To ensure expeditious review for funding approval, each project submission MUST contain the following documentation:

(1) DD Form 1391, Military Construction Project Data. Other project documentation may be suitable, if such documentation provides project scope, justification and cost estimate; documentation substitution must be reviewed and approved by DESC.

(2) Detailed cost estimate (verified by Public Works Center, Air Force Base Civil Engineer, Army District Engineer, NAVFAC Engineering Field Division, or Public Works Department). Verification must be noted on cost estimate.

(3) In addition, project submissions should include as much supporting documentation as possible. The following are recommended:

(a) Facilities study (one or two page document addressing questions outlined in DLAM 4270.1, appendix E).

(b) Other supporting documents such as sketches and/or photographs, notices of violations, etc.

c. Project Prioritization.

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(1) To assist in assessing the relative importance of projects within a given funding program (i.e., MILCON, M&R/MC/EC), the forwarding correspondence must include a prioritized list of projects being submitted. DESC will consider each project's content and the submitter's justification, and develop a consolidated priority list containing all projects proposed for a given fiscal year. The priority list for MILCON projects will be used by the DESC IPRB in determining priority of the fuels slate. DESC will provide the Service/Major Command/CINC-JPO a copy of the MILCON project priority list following the DESC IPRB and again following the DLA IPRFP with the estimated funding cut-off indicated. DESC will provide the Service/Major Command a copy of the overall M&R/MC/EC prioritization list with the estimated funding cut-off indicated.

(2) DESC-proposed changes to a submitter's M&R/MC/EC priorities will be discussed with the submitter for resolution. The Services/Commands may request/justify adjustment of project priorities when an "essential" project is not projected to be funded. The submitter's request should provide a brief statement for each project which may be at variance with the DESC priority system justifying the priority assigned, in order to expedite this resolution. Changes to submitters' MILCON priorities will be resolved at the IPRB.

(3) The following criteria should be used to develop a justification statement; these criteria are not necessarily listed in priority order.

(a) Mission Essential. The activity cannot or will not, by a specific date, be able to perform its fueling mission.

(b) Required to Comply with Environmental, Safety, Fire Protection or Other Regulations or Laws. The specific regulation or law being violated must be specified and synopsisized as part of the justification.

(c) Protection of Product from Loss or Contamination. The justification should address how the project will protect DLA product from contamination or loss.

(d) Economic Payback. The project will result in an economic payback in a specified period of time (e.g., 2 years, 5 years, 10 years, etc.). The pay-back period must be supported by the economic analysis provided as part of the project documentation.

(e) Directed by DLA/DESC or Other Higher Authority. If the requirement for the project was directed by DLA or DESC, the correspondence providing direction should be referenced.

(f) Improve Efficiency of Operation. The justification statement must describe how the project will improve operational efficiency. If cost savings are to be incurred (manpower, materials, etc.), these should be described and enumerated.

6. Submittal of Project Documentation. It is essential that field activities submit the proposed project documentation within the timeframe specified. Projects submitted after the date prescribed may not be included in the intended fiscal year program. However, emergency projects that meet the provisions of subsection L.10., will be accepted at any time, as will requests for funding remediation of POL spill/leaks (see paragraph L.7.d). The data call, project aggregation, approval and feedback process will occur as noted in the following timetable. A graphic explanation of the timetable is provided in figures [8-1](#) and [8-2](#).

a. MILCON Cycle - Annual

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(1) October. DESC calls for MILCON submissions for a 5-year fiscal year period beginning 5 years from the FY in which the data call occurs (e.g., in October 1993, the data call will require MILCON submissions for the 5-year period FY 98-02 which includes the program year of FY98). Submissions for outyear projects (after the program year) may consist of preliminary documents. Submissions will be made to DESC-FE via the appropriate chain of command.

(2) February. CINC-JPOs and SCPs, as determined to be the appropriate component review/ approval chain, will review, validate projects, and develop consolidated project priority lists.

(3) March. CINC-JPOs and SCPs will forward candidate POL MILCON projects and consolidated project priority lists to DESC.

(4) March to May. DESC reviews and validates all candidate MILCON projects submitted by the SCPs and CINC-JPOs in conjunction with DESC candidate projects.

(5) May. DESC formulates a proposed slate of POL MILCON projects for consideration at the DESC IPRB and will notify the SCPs and CINC-JPOs concerning the status of the proposed slate.

(6) July. The DESC IPRB will meet to review, endorse and prioritize projects for submission to DLA. The Board includes representatives of JCS, CINC-JPOs, Service energy offices and DESC-DD/F/O/R as voting members who formulate the consolidated slate of proposed projects. Results of the meeting will be provided to all interested parties.

(7) August to April. DLA will review and endorse or reject the DESC project submission at the DLA IPRFP.

b. Maintenance/Repair/Minor Construction/Environmental Compliance Cycle - Annual

(1) October

(a) Projects. DESC will call for M&R, MC, and EC project nominations for a 2-year period beginning with the budget year (e.g., in October 1993, the data call will require M&R, MC and EC project submissions for the 2-year period beginning in FY 95 and ending FY 96). Full documentation is required for the first year and line item listings are required for the second year. The data call shall be sent directly to CINC-JPOs and SCPs, as determined to be the appropriate component review/approval chain. CINC-JPOs and SCPs will relay data call to field activities with appropriate submission timetable to forward project submission to DESC NLT February 1.

(b) Recurring Environmental Costs. Installations, through their SCPs, shall supply DLA/ DESC with anticipated recurring environmental compliance costs for the program year plus one outyear, as with the M&R projects. This information will be requested by DESC in the M&R data call. Guidance for summarizing/reporting individual installation budgets will be provided by DESC-FQ. Activities shall provide justification if anticipated costs are significantly different from the previous year's request.

(2) January

(a) Projects. SCPs and CINC-JPOs shall review, validate projects and develop consolidated project priority list. Overseas projects will be prioritized by the Unified Commands vice the Service components. Project documentation and consolidated priority list will be forwarded to DESC-FE no later than February 1. SCPs and CINC-JPOs shall inform field activities which projects were selected and which projects were not forwarded to DESC and the reasons why the projects were not forwarded.

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(b) Recurring Environmental Costs. CINC-JPOs and SCPs shall assemble budget request data from activities and forward to DESC-FQ no later than February 1.

(3) February to April. DESC will review, validate, program and budget for approved projects.

(a) Projects. DESC shall review, validate, program and budget for approved projects.

(b) Recurring Environmental Costs. Budget information submitted to DESC-FQ shall be reviewed and validated, and used as the basis for initiating/updating interservice support agreements (ISAs) for recurring environmental compliance support (see paragraph L.7.c., below).

(4) May

(a) Projects. DESC will provide a consolidated list of approved projects to CINC-JPOs and SCPs with projected funding dates. Design funding may be available upon approval of the project.

(b) Recurring Environmental Costs. ISA updates continue.

(5) October

(a) Projects. Upon request, DESC will provide funding for approved projects directly to the responsible offices designated by field activities having jurisdiction over POL facilities. Data call for next year is issued.

(b) Recurring Environmental Costs. ISA updates continue. Data call for next year is issued.

7. Funding. DLA/DESC is responsible for the planning, programming, budgeting, and funding of current mission and environmental MILCON, minor construction, maintenance, repair, and environmental compliance (including design) to include emergency projects.

a. MILCON

(1) When MILCON projects are approved and funding is authorized by Congress, DLA will provide the funds via Military Interdepartmental Purchase Request (MIPR) (DD Form 448) and an accompanying DD Form 448-2, Acceptance of MIPR, to the activity designated by the Military Service as the office in charge of executing the project. The designated activity must accept or reject the basic MIPR/MIPR amendment by returning the signed DD Form 448-2 to DLA within 30 days of the MIPR receipt date.

(2) The authority to fund MILCON projects expires within two years if the earmarked funds for that authorized fiscal year are not obligated.

(3) DLA is responsible for obtaining funding through reprogramming if necessary. In those instances where the level of funding falls short of the project programmed amount, DLA will be required to seek Congressional action supported by full justification. If Congress disapproves additional funding, the project will be canceled or reprogrammed. Funds received in excess of requirements cannot be used without Congressional approval.

b. Maintenance and Repair (M&R), Minor Construction (MC) and Environmental Compliance (EC).

(1) DESC shall approve and fund M&R, MC and EC projects through the DWCF. Funds for the approved projects will be provided via Military Interdepartmental Purchase Request (MIPR) (DD Form 448) and an accompanying Acceptance of MIPR (DD Form 448-2) to the activity designated by the Military Service as the office in charge of executing the project. The designated activity must accept or reject the basic

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MIPR/MIPR amendment by returning the signed DD Form 448-2 to DLA within 30 days of the MIPR receipt date.

(2) The DWCF is nonexpiring; therefore, the funding authority provided on the MIPR is valid from the date of acceptance to project completion. A MIPR citing the DWCF appropriation can be carried over from one fiscal year to the next.

(3) The CINC-JPO or SCP will be provided written notification of all MIPR and MIPR amendments issued.

c. Recurring Environmental Compliance Permits and Fees

(1) Interservice Support Agreement (ISA). DESC shall negotiate an ISA with each activity (supplier) providing recurring environmental compliance support. The ISA will specify the type and estimated cost of support the activity will provide. Such support is envisioned to include the costs of permitting, sampling, testing, removal and disposal of POL wastes, etc., which directly relates to storage and distribution of DLA-owned product. Costs are defined as recurring if they recur annually or more frequently (monthly, bi-monthly, etc.).

(a) Activities requesting funds for recurring environmental expenses will be supplied an ISA (DD Form 1144), partially completed by DESC, as required. Each activity must complete Part 8 (Supplying Component) of the form, and return it to DESC-RLO.

(b) Upon receipt of the completed ISA, DESC shall furnish each activity with a MIPR for the estimated reimbursement agreed upon in the ISA and an Acceptance of MIPR (DD Form 448-2). The supplier must accept or reject the MIPR/MIPR amendment by returning the signed DD Form 448-2 to DESC within 30 days of the MIPR receipt date. The funding authority provided on this MIPR will expire on September 30 of the fiscal year in which it was issued.

(c) The level of funding required will be tailored to each installation. Where the actual recurring costs exceed the budgeted amount for a given fiscal year, the activity can request an amendment to the MIPR, citing the additional cost. DESC will review the request and prepare the amendment as appropriate.

(d) The management of these funds will be the responsibility of the activity commander, and the activity will be responsible for accounting for these funds prior to replenishment. The ISA will require the activity to provide DESC with a monthly accounting of all funds drawn on this budget.

d. POL Spill Reporting/Funding. The following procedures describe actions to be taken following a POL spill of DLA-owned fuel after October 1, 1992.

(1) A timely spill incident report must be provided to DESC and the appropriate DER/DEO. This may be accomplished by including DESC and the DER/DEO as addressees on the spill incident reports required by individual Services or CINCs.

(2) The "on-the-scene" incident commander is assumed the best able to make appropriate judgments as to immediate actions required. Contractor costs resulting from these emergency actions may be submitted to DESC subsequent to the action for reimbursement.

(3) After immediate spill cleanup actions have been taken, there may be in-depth remediation required, such as cleaning contaminated soil. The plan for remediation and estimated costs should be submitted to DESC prior to commitment. DESC shall review the plan and provide funds as appropriate for the remediation. Delay in determination of remediation required can result in more extensive contamination and more costly cleanup. Activities shall consult DESC-FQ

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as soon as possible after the incident for assistance in determining methodologies for the most expeditious, cost-effective cleanup of long-term problems if this expertise is required.

e. Emergency Funding Reimbursement. DESC has procedures for funding emergency projects which are outlined in subsection L.10. (message to DESC describing requirement and anticipated costs; expedited funds, same day or next day; the Service activity then follows with project documentation to DESC). In the event of an emergency, the installation commander has the authority to obligate funds necessary to remain in compliance with legal or regulatory environmental strictures with subsequent reimbursement by DLA/ DESC.

8. Design

a. Applicable Guidance. All POL facilities must be designed using guidance provided in subsection L.2., above, applicable Service type specifications, American Petroleum Institute (API), and National Fire Protection Association (NFPA) Standards. In addition, POL facility designs shall conform to Occupational Safety and Health Administration (OSHA) requirements (or Service equivalent), applicable Codes of Federal Regulations (CFR), and EPA, state, and local environmental regulations.

b. DLA/DESC Oversight. While Service petroleum facility design standards are generally to be used on DLA/DESC-funded projects (if deemed appropriate), in accordance with OASD July 31, 1989 memorandum, subject: Follow-up on OIG Report No. 88-06, Defense Management of Wholesale Fuels, DLA/DESC maintains the ultimate discretion over all DLA/DESC-funded project designs including any design required for construction change orders. In addition, DLA/DESC maintains the right to choose and assign design and/or construction agents for any or all projects. If differences arise between user and agents, activities shall contact DESC-FE for resolution.

c. Document submission. It is important that, if requested, DLA, DESC, CINC-JPOs and SCPs be provided copies of the design review documents from conceptual stages through the final design for any project. Project documents (plans, specifications, and cost estimates) MUST be submitted to DESC when individual repair project cost is \$750,000 or greater.

9. Construction

a. Coordination of Construction Work. The construction manager (Resident Officer in Charge of Construction (ROICC), Resident Engineer, U.S. Property and Fiscal Officer (USFPO), or Base Civil Engineer) will coordinate all construction with the Installation Fuels Management Officer or his duly authorized representative. This will ensure that POL construction work is performed in harmony with terminal operation requirements. Terminal operation requirements will normally have priority over construction work and should be covered by special clauses in the contract.

b. Change Orders. In the case of contract work deviations the ROICC shall obtain prior approval/disapproval from the CINC-JPO or SCP who, in turn, will coordinate with DLA/DESC for all necessary project change orders and funding approval.

c. DLA/DESC Oversight. In accordance with OASD (P&L) memorandum, July 31, 1989, Subject: "Follow-up on OIG Report No. 88-06, Defense Management of Wholesale Fuels", DLA/DESC maintains the right to choose and assign design and/or construction agents for any or all projects. If differences arise between user and agents, activities shall contact DESC-FE for resolution.

10. Emergency Projects

a. Description. Emergency projects are projects which are urgently needed to restore or repair an existing facility or equipment to its normal operation in the event of sudden malfunction or failure. Examples of emergency projects are a leaking pipeline, pump/motor stoppage, storage tank failures, etc.

b. Notification and Justification. An emergent funding request can be made by message with follow-up transmittal of DD Form 1391, together with cost estimates and photos, if available. Justification for emergency projects shall explain the nature of the emergency and its impact on operations or on the environment. It is imperative that the nature of the accident be accurately described for DLA/DESC approval.

c. Funding. The application of funding for repair projects shall be processed as soon as possible after the malfunction or failure occurs. In the event of an emergency, the installation commander has the authority to obligate funds necessary to remain in compliance with legal or regulatory environmental strictures with subsequent reimbursement by DLA/DESC.

d. Emergency MILCON. Submission of emergency projects for the DLA MILCON program must be made in accordance with DLAM 4270.1, paragraph 3202.

e. POL Spills. See paragraph L.7.d., above, for discussion of spill incident reporting and funding.

11. Actions/Responsibilities

a. DFSPs shall:

(1) Identify deficiencies by reviewing and evaluating activity master plans, Annual Inspection Summaries, IG findings, recommendations made during inspections/visits by Service inspection components or other governmental agencies (i.e., EPA, Coast Guard, etc.).

(2) Use criteria provided in subsection L.4. to determine whether DLA/DESC is the appropriate funding sponsor.

(3) Determine appropriate type of project (MILCON, M&R, MC) using the definitions provided in subsection L.3. and guidance found in DLAM 4270.1.

(4) Develop project documentation in accordance with subsection L.5. This documentation must inherently show or explain in detail why DLA/DESC sponsorship is appropriate.

(5) Submit project documentation IAW subsection L.6. and figures 8-1 and 8-2. This documentation should be submitted via the appropriate chain of command. In addition to project documentation, this submittal shall include a priority list of projects (see paragraph L.5.c.) and the addresses and contact points of the responsible office or the Contracting Officer that will accept the MIPR.

(6) Ensure that the MIPR is processed in accordance with subsection L.7.

(7) Review design plans and specifications and construction procedures to ensure they conform to references in subsection L.2., above, other standards addressed in subsection L.8., and are appropriate to geographical location, intended operational requirements, and facility purpose.

(8) Forward a copy of design plans and specifications, if requested, to DESC, CINC-JPO and SCPs for review and comment.

(9) Forward copies of construction change orders, if requested, to DESC, CINC-JPO and SCPs for review and comment.

(10) Encourage attendance of applicable major claimants at predesign conference, construction contract preaward and final acceptance meeting.

b. CINC Joint Petroleum Offices shall:

(1) Coordinate DESC data calls with DFSPs/Military Service components within their command chain.

(2) Review project documentation to ensure that it is prepared in accordance with subsection L.5. and that sponsorship justification is adequately addressed.

(3) Develop consolidated project priority list using guidance found in paragraph L.5.c.

(4) Forward projects to DESC via the appropriate chain of command.

(5) Represent theater major claimants/commands at the DESC IPRB, as required.

(6) Encourage attendance of applicable major claimants at predesign conference, construction contract preaward and final acceptance meeting.

(7) If required, review design plans and specifications to ensure they conform to references in subsection L.2., above, and other standards addressed in subsection L.8.

(8) If required, review and comment on construction change orders.

c. Service Control Points shall:

(1) Coordinate the DLA/DESC data call with appropriate activities.

(2) Review project documentation to ensure that it is prepared in accordance with subsection L.5., and that sponsorship justification is adequately addressed.

(3) Develop consolidated project priority list for CONUS projects using guidance found in paragraph L.5.c.

(4) Forward projects to DESC.

(5) Review, as necessary, all POL design plans and specifications to ensure they conform to references in subsection L.2. and other standards addressed in subsection L.8.

(6) Provide technical assistance to activities, CINC-JPO, major claimants/commands, DESC and DLA upon request.

(7) Encourage attendance of appropriate representatives at the predesign conference, construction contract preaward, and final acceptance meetings.

d. Defense Energy Regions (PAC and EUR) shall:

(1) Assist CINC-JPO in project validation during project aggregation/prioritization phase.

(2) Validate and inspect selected projects during construction phase of facility maintenance and repair program to ensure appropriate expenditure of funds in accordance with subsections L.4. and L.7.

e. DESC shall:

(1) Receive, validate, and approve project documentation and provide design funding, upon request, to designated design agent.

(2) Review proposed construction plans, specifications, and cost estimates, validate (with the assistance of DERs/DEOs and SCPs) project necessity, approve, and provide funding for proposed M&R, MC and EC projects.

(3) Assure (through review of randomly selected projects by the DERs/DEOs) that projects, as constructed, are in accordance with

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approved scope, fulfill a valid wholesale requirement, and result in the most economic solution to the existing problem.

(4) Assure that projects are in accordance with facility requirements as outlined in regional fuel support master plans, as these plans are developed. Plans are to be developed in coordination with the Services and final copies provided to SCPs.

(5) Provide a detailed accounting of criteria used in DESC prioritization process to aid CINCs/Services in their respective prioritizations. Route GOCO projects through CINC-JPOs for in-theater prioritization where appropriate.

(6) Ensure that the bulk fuels program complies with all environmental regulatory requirements.

f. DLA shall:

(1) Support valid funding requirements for the DLA/DESC M&R program and environmental compliance costs.

(2) Review project documents and approve/disapprove funding requests for repair projects greater than \$750,000.

(3) Receive, validate, prioritize and support valid requirements for bulk fuels MILCON projects. Budget and fund for these MILCON projects. Provide project management during design and construction.