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Bid Receiving Public Works and Government
Services Canada/Réception des soumissions
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Canada
1713 Bedford Row
Halifax, N.S./Halifax, (N.É.)
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LETTER OF INTEREST
LETTRE D'INTÉRÊT

Title - Sujet NAVAL MARINE FUEL - WORLDWIDE	
Solicitation No. - N° de l'invitation W010A-145A01/A	Date 2014-12-02
Client Reference No. - N° de référence du client W010A-14-5A01	GETS Ref. No. - N° de réf. de SEAG PW-\$HAL-221-9393
File No. - N° de dossier HAL-4-73037 (221)	CCC No./N° CCC - FMS No./N° VME
Solicitation Closes - L'invitation prend fin at - à 02:00 PM on - le 2015-01-07	
Time Zone Fuseau horaire Atlantic Standard Time AST	
F.O.B. - F.A.B. Plant-Usine: <input type="checkbox"/> Destination: <input checked="" type="checkbox"/> Other-Autre: <input type="checkbox"/>	
Address Enquiries to: - Adresser toutes questions à: Gibson, Herb	Buyer Id - Id de l'acheteur hal221
Telephone No. - N° de téléphone (902) 496-5116 ()	FAX No. - N° de FAX (902) 496-5016
Destination - of Goods, Services, and Construction: Destination - des biens, services et construction: DEPARTMENT OF NATIONAL DEFENCE AS PER 942 CALL UP Canada	

Comments - Commentaires

Instructions: See Herein

Instructions: Voir aux présentes

Vendor/Firm Name and Address
Raison sociale et adresse du
fournisseur/de l'entrepreneur

Delivery Required - Livraison exigée See Herein	Delivery Offered - Livraison proposée
Vendor/Firm Name and Address Raison sociale et adresse du fournisseur/de l'entrepreneur	
Telephone No. - N° de téléphone Facsimile No. - N° de télécopieur	
Name and title of person authorized to sign on behalf of Vendor/Firm (type or print) Nom et titre de la personne autorisée à signer au nom du fournisseur/ de l'entrepreneur (taper ou écrire en caractères d'imprimerie)	
Signature	Date

Issuing Office - Bureau de distribution
Atlantic Region Acquisitions/Région de l'Atlantique
Acquisitions
1713 Bedford Row
Halifax, N.S./Halifax, (N.É.)
B3J 3C9
Nova Scot

Solicitation No. - N° de l'invitation

W010A-145A01/A

Amd. No. - N° de la modif.

File No. - N° du dossier

HAL-4-73037

Buyer ID - Id de l'acheteur

hal221

Client Ref. No. - N° de réf. du client

W010A-14-5A01

CCC No./N° CCC - FMS No/ N° VME

Please disregard the closing date contained herein, the revised closing date is 07 Jan 2015. This date supercedes and replaces the date of 17 December 2014.

OFFSHORE NAVAL FUELLING REQUIREMENTS, NON-CANADIAN PORTS

Client Department

Department of National Defence, Royal Canadian Navy.

Introduction

This Request for Information (RFI) is not a bidding opportunity but an opportunity to allow industry to provide information upon a potential requirement. Industry feedback is sought from potential suppliers on their ability to satisfy potential navy fuelling for requirements outside of Canada, before the issuance of a formal solicitation document. The intent of this effort is to allow feedback from industry to become a more 'informed buyer'.

This RFI is issued by Public Works and Government Services Canada (PWGSC) on behalf of the Canadian Department of National Defence (DND) to gather information to assist in forming a procurement strategy for fuelling naval vessels at various locations around the world. DND has a requirement to obtain offshore fuel (Naval Distillate and fuel support services) for the Royal Canadian Navy when other fuelling options are not utilized or available. The intended meaning of the terms "Supplier", "Contractor", "Industry" and "Industrial Partner" are interchangeable for the purposes of this RFI.

Suppliers are encouraged to provide ideas and suggestions on how the eventual solicitation (pricing, evaluation components, work scope ... etc.) might be structured. While this is not a bid document, it is an opportunity to help shape the resulting requirements by allowing supplier input and advice to PWGSC and DND (ie ... the Crown). No contract (or contractual instrument) will be awarded as a result of this RFI. This RFI, or any supporting information provided with this RFI, shall not constitute an authorization by the Crown to undertake any work that would result in any obligation or costs to the Crown.

Participation in this RFI is not a pre-qualification for procurement, nor a prerequisite to participation in any subsequent solicitation (ie ... Request For Proposals - RFP) from PWGSC.

Intent

The feedback from vendors resulting from this RFI will assist the Crown in its understanding of the viability of procurement strategies being contemplated currently and allow revision if the industry operates differently. The feedback is also an opportunity to enlighten Government officials on how the industry currently operates and what capacity and what possibilities exist. The RFI may assist the Crown to:

- Determine whether to proceed with the requirements/strategy as currently planned, and if so, further developing internal planning, approval and solicitation documents that may potentially lead to a solicitation;

- Refine or alter the procurement strategy, cost estimate, timelines, requirements definition, and other aspects of the requirement;
- Become a more "informed buyer" with an enhanced understanding of industry offerings in the areas of interest, and;
 - Assess potential alternative solutions that would meet the requirement.

Request for Information

As expressed previously, this RFI is entirely optional and is not a pre-qualification for procurement, nor a prerequisite for participation in any future solicitation or Request For Proposal (RFP) from PWGSC.

If suppliers would like to provide feedback in response to this RFI, the following questions are provided as a general guideline. Submitters can respond in a 'freestyle' form if they so choose, there is no compulsory format.

1. Please explain generally how industry currently provides this service/commodity to commercial vessels and for other government navies or fleets. How is payment structured and how does the typical financial transaction take place? Is there an administration fee based on the amount of fuel required? A set fee or a percentage mark-up? Who is responsible for provision of hoses, fittings/couplings, hose handling, cranes/gantry ... etc. Please provide some insight on how these transactions occur?
2. Please provide current pricing structures for this service. Keeping in mind that the government's mandate is to provide 'value for money' and obtaining 'fair and reasonable' pricing. How will suppliers guarantee that the best price (or at least 'fair and reasonable' pricing) has been obtained for each requirement? Can pricing be competed in an effective and timely manner? Are rate publications (daily, weekly ... etc.) such as 'Platts' used? If yes, which ones and how are they utilized?
3. What is a reasonable turn-around time from fuelling request to delivery? Are there any industry norms? How does a typical transaction transpire – steps, exchanges, communication norms, who (brokers or traders) is involved, what ports are serviced ... etc. Do vendors have any impressions on whether one contract instrument should be issued per zone or one contract instrument issued to provide worldwide coverage? If zones make more sense, what zones covering the entire world would seem appropriate?
4. The current intent is to separate the fuelling requirement from the other services/goods provided by firms providing logistic support services. As a result of this, there would be two separate contractual instruments. Is this a viable methodology?
5. Currently, a worldwide strategy is being contemplated, is this a viable strategy? Can individual firms provide worldwide service? Is it more viable to partition this? Why?

6. What capacities exist within industry that may benefit the Canadian Government? Can hedging strategies be beneficial to Canada? Can economies of scale advantages be exploited to the benefit of Canada? What are the associated costs or risks to hedging scenarios? If so, what is the common cost/risk associated?

7. In the event of only one viable source vendor/supplier of fuel being available (perhaps due to the location of operating area of ship), what can the service provider reasonably provide in the form of 'fair and reasonable' pricing support, and from the perspective of value for money'?

8. How do individual transactions occur? What info is exchanged? What is the information needed from the Government? What is the typical timing? What other requirements are there – insurance, payments guarantees, quality control/assurance, certificates ... etc.?

9. What is the audit visibility of offering firms? What would be reasonable for a Government financial or profit audit to review, based on the typical records and information maintained on individual transactions? What can be offered by suppliers with respect to this?

10. The Government of Canada is committed to Environmental Stewardship. What assurances does Canada have that the supplier is following sound environmental stewardship policies, i.e., MARPOLs?

11. What qualifications or experience does your company have with supplying marine distillate to naval vessels?

12. What security situations do you foresee with fuelling naval ships? What security clearances do you currently encounter, and what can the Government of Canada reasonably expect from industry currently?

13. If respondents desire to add additional information in their response, please feel free to do so. General information of the offering industry (fuel brokers/traders, deployed logistics) is also encouraged. If respondents wish to proffer how they envision the resultant procurements should be structured, feel free to do so.

During this collaboration stage of the procurement, PWGSC may pose questions to the vendors providing submissions. If vendors desire to engage in further communications on this matter, they are encouraged to submit their contact details. However, it should be noted, there is no guarantee that contact will be made to any/all of the submitting firms by Government personnel. PWGSC reserves the right to structure the requirement, procurement, or any resulting contract; in a manner that is appropriate to satisfy our objectives and concerns.

Attached find the fuel specification for F-75 & F-76 types of naval distillate, which is permissible for use in RCN ships. In Canada, HMC ships are fuelled with Naval Distillate Fuel conforming to the specification CGSB-3.11-2010 under NATO Code F-76. In ports outside Canada, our vessels seek F-76 or F-75 fuel conforming to the specifications of other NATO Navies. Where no F-76 or F-75 fuel is available, marine gas oil meeting the requirements of ISO 8217 DMS is generally suitable for HMC ships. The specific properties of the batch of fuel

offered are required for review in advance of the placement of any order for fuel. Fuel with high sulfur content (>1.0%), high viscosity (>4.5 cSt @ 40°C) dye or fatty acid methyl ester above a de minimis level is not acceptable for HMC Ships.”

Submissions will be reviewed beginning 17 Dec 2014, so it is suggested that you present your submission on or before this date.

Questions during the RFI posting can be directed to Herb Gibson, at either herb.gibson@pwgsc.gc.ca or by facsimile submission to 902-496-5016.

This PWGSC office (Halifax, Nova Scotia) provides procurement services to the public in English.

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NATO STANDARD

AFLP-1385

**GUIDE SPECIFICATION (MINIMUM
QUALITY STANDARDS) FOR NAVAL
DISTILLATE FUELS (F-75 AND F-76)**

Edition A



NORTH ATLANTIC TREATY ORGANIZATION

ALLIED FUELS AND LUBRICANTS PUBLICATION

Published by the
NATO STANDARDIZATION AGENCY (NSA)
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NORTH ATLANTIC TREATY ORGANIZATION (NATO)

NATO STANDARDIZATION AGENCY (NSA)

NATO LETTER OF PROMULGATION

March 2014

1. The enclosed Allied Fuels and Lubricants Publication AFLP-1385, GUIDE SPECIFICATION (MINIMUM QUALITY STANDARDS) FOR NAVAL DISTILLATE FUELS (F-75 AND F-76) which has been approved by the nations in the AC/112, is promulgated herewith. The agreement of nations to use this publication is recorded in STANAG 1385.
2. AFLP-1385 is effective upon receipt.
3. No part of this publication may be reproduced, stored in a retrieval system, used commercially, adapted, or transmitted in any form or by any means, electronic, mechanical, photo-copying, recording or otherwise, without the prior permission of the publisher. With the exception of commercial sales, this does not apply to member nations and Partnership for Peace countries, or NATO commands and bodies.
4. This publication shall be handled in accordance with C-M(2002)60.

Dr. Cihangir Aksit
Director NATO Standardization Agency

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SECTION 1	GENERAL	1-1
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SECTION 1 GENERAL

0101. It is agreed that nations' specifications shall comply with these minimum requirements before the subjects of these specifications are accepted as standardized products under NATO Code Numbers F-75 or F-76.

0102. It is agreed that in order to promote product development, any nation's specifications may include additional tests or improved quality requirements to those in the guide specification.

0103. It is agreed that this guide specification shall be subject to review with the object of improving product quality as required by operational use.

0104. STANAG 1135, Annex C, lists under NATO Code Numbers F-75 and F-76, national specifications which have been agreed as interchangeable.

0105. The quality standards contained in this document are to be used by Member Nations (MNs) in the preparation and maintenance of their individual procurement specifications and standards. A MNs' individual procurement document may be more stringent depending upon its equipment. This STANAG is not designed to be used in the direct procurement of products.

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SECTION 2 NATO GUIDE SPECIFICATION FOR NAVAL DISTILLATE FUEL NATO CODE F-75

SER	PROPERTY	UNIT	METHOD ⁽¹⁾	LIMIT
1.	F-75 composition:			
1.1	Exclusive base materials			Distillate from crude oil or from blends of hydrocarbon distillates derived from crude oil and approved ⁽⁶⁾ synthetic fuel derived from biomass. Approved additives, type and concentration shall be declared. Vegetable oils or fatty acid methyl esters ⁽⁴⁾ are limited. Max. 0.1
1.2	Additives			
1.3	Non petroleum based products FAME ⁽⁴⁾ content	%v/v	EN 14078	
2.	Appearance		Visual Examination or ASTM D4176	Clear and bright, free from impurities and separated water at temperatures between 10 °C and 25 °C
3.	Density at 15 ° C	kg/m ³	ISO 3675	800.0-880.0
4.	Colour	-	ISO 2049	Max. 3.5
5.	Ash content	% m/m	ISO 6245	Max. 0.010
6.	Carbon residue:			
6.1	Carbon residue, Ramsbottom (on 10% distillation residues) or	% m/m	ISO 4262	Max. 0.2
6.2	Carbon residue, Conradson	% m/m	ISO 10370	Max. 0.16
7.	Copper corrosion (3hr at 100 ° C)	class	ISO 2160	Max. 1
8.	Cloud point	° C	ISO 3015	Max. -12
9.	Pour point	° C	ISO 3016	Max. -18
10.	Flash point, closed cup	° C	ISO 2719	Min. 60
11.	Ignition quality ⁽⁸⁾ :	-	-	
11.1	Cetane number or		ISO 5165	Min. 40
11.2	Cetane index		ASTM D976	Min. 43
12.	Sulphur content ⁽³⁾	% m/m	ISO 8754 ⁽²⁾ or ISO 14596 ⁽²⁾ ASTM D4294 ⁽²⁾ or ASTM D5453 ⁽²⁾	Max. 1.00
13.	Distillation:		ISO 3405	
13.1	5% recovered	° C		Report
13.2	10% recovered	° C		Report
13.3	50% recovered	° C		Report
13.4	90% recovered	° C		Max. 357
13.5	Final Boiling Point	° C		Max. 385
13.6	Residue plus loss at FBP	% v/v		Max. 3

F-75

SER	PROPERTY	UNIT	METHOD ⁽¹⁾	LIMIT
14.	Viscosity, kinematic (40 ° C)	mm ² /s	ISO 3104	1.700 – 4.300
15.	Neutralisation:			
15.1	Acid number	mg KOH/g	ISO 6618	Max. 0.5
15.2	Inorganic acidity	mg KOH/g	IP 182	Nil
16.	Water and sediment by centrifuge	% v/v	ISO 3734	Max. 0.05
17	Storage stability:			
17.1	Oxidation stability of middle-distillate fuels or	g/m ³	ISO 12205	Max. 15
17.2	Distillate Fuel Storage Stability at 43°C (110°F)	mg/100 ml	IP 378 ASTM D4625	Max. 10
18.	Water separation:			
18.1	Demulsibility or	minutes	ISO 6614	Max. 10
18.2	Water reaction	ml	Def. Stan. 91-4/8 Annex A	Max. 2.0
19.	Lubricity ⁽⁵⁾ : Wear scar diameter	µm	ISO 12156-1	If Sulphur content ≤500 ppm: Max 520
20	Particulate contamination ⁽⁷⁾ or Filter Blocking Tendency ⁽⁷⁾ Test	mg/l ml	ASTM D6217 or ASTM D5452 IP 387 procedure A ASTM D2068	Max. 15 Min. 150

Note nr. Description

- 1 Where possible, an international standard test method is listed for the specified fuel properties. A national standard test method may also be listed, but in all cases, each nation is free to use their own equivalent national test method.
- 2 Test method ISO 14596 is recommended for the sulphur content range below 0,2 %wt, ISO 8754 for the sulphur content range 1.00 %wt to 0,2 % wt. ASTM D4294 is recommended for the sulphur content range 0,015 to 1.00 % wt, ASTM D5453 is recommended for the sulphur content range 0.0001 to 0.015 % wt. The following other test methods may be used: ASTM D1552, depending on the sulphur content range.
- 3 NATO navies prefer to use fuel of lower sulphur content, but due to operational necessity this may not always be the case.
- 4 The FAME contamination is limited to FAME specified by EN 14214 and/or ASTM D6751.
- 5 The Lubricity requirement is dependent on the Sulphur content.
- 6 Approved synthetic fuels: derived from hydro processing animal fat, plant oil or algal oil triglycerides (esters and fatty acids) within approved concentration limits as set in National specifications. Any synthetic blend components must be tested to and certified to existing National standards.
- 7 The Particulate Contamination test and the Filter Blocking Tendency test are separate tests of which the results do not correlate. Each Nation specifies the test to be used in the national specification(s). For the Filter Blocking Tendency test both procedures A and B are permitted.
- 8 The Ignition Quality limits are based on F-75 fuel not containing cetane improvers.

Edition A Version 1

SECTION 3 NATO GUIDE SPECIFICATION FOR NAVAL DISTILLATE FUEL NATO CODE F-76

SER	PROPERTY	UNIT	METHOD ⁽¹⁾	LIMIT
1. 1.1	F-76 composition: Exclusive base materials			Distillate from crude oil or from blends of hydrocarbon distillates derived from crude oil and approved ⁽⁶⁾ synthetic fuel derived from biomass. Approved additives, type and concentration shall be declared. Vegetable oils or fatty acid methyl esters ⁽⁴⁾ are limited. Max. 0.1
1.2	Additives			
1.3	Non petroleum based products FAME ⁽⁴⁾ content	%v/v,	EN 14078	
2.	Appearance		Visual Examination or ASTM D4176	Clear and bright, free from impurities and separated water at temperatures between 10 and 25 °C
3.	Density at 15 ° C	kg/m ³	ISO 3675	800.0-880.0
4.	Colour	-	ISO 2049	Max. 3.5
5.	Ash content	% m/m	ISO 6245	Max. 0.010
6. 6.1	Carbon residue: Carbon residue, Ramsbottom (on 10% distillation residues) or	% m/m	ISO 4262	Max. 0.2
6.2	Carbon residue, Conradson	% m/m	ISO 10370	Max. 0.16
7.	Copper corrosion (3hr at 100 ° C)	class	ISO 2160	Max. 1
8.	Cloud point	° C	ISO 3015	Max. -1
9.	Pour point	° C	ISO 3016	Max. -6
10.	Flash point, closed cup	° C	ISO 2719	Min. 60
11. 11.1	Ignition quality ⁽⁸⁾ : Cetane number or	-	ISO 5165	Min. 40
11.2	Cetane index	-	ASTM D976	Min. 43
12.	Sulphur content ⁽³⁾	% m/m	ISO 8754 ⁽²⁾ or ISO 14596 ⁽²⁾ ASTM D4294 ⁽²⁾ or ASTM D5453 ⁽²⁾	Max. 1.00
13. 13.1	Distillation: 10% recovered	° C	ISO 3405	Report Report Max. 357 Max. 385 Max. 3
13.2	50% recovered	° C		
13.3	90% recovered	° C		
13.4	Final Boiling Point	° C		
13.5	Residue plus loss at FBP	% v/v		
14.	Viscosity, kinematic (40 ° C)	mm ² /s	ISO 3104	1.700 – 4.300

F-76

SER	PROPERTY	UNIT	METHOD ⁽¹⁾	LIMIT
15	Neutralisation:			
15.1	Acid number	mg KOH/g	ISO 6618	Max. 0.5
15.2	Inorganic acidity or	mg KOH/g	IP 182	Nil
15.3	Neutrality	mg KOH/g	ASTM D1093	Neutral
16	Water and sediment by centrifuge	% v/v	ISO 3734	Max. 0.05
17	Storage stability:			
17.1	Oxidation stability of middle-distillate fuels or	g/m ³	ISO 12205	Max. 25
17.2	Distillate Fuel Storage Stability at 43°C (110°F)	mg/100 ml	IP 378/ASTM D4625	Max. 10
18	Water separation:			
18.1	Demulsibility or	minutes	ISO 6614	Max. 10
18.2	Water reaction	ml	Def. Stan. 91-4/8 Annex A	Max. 2.0
19	Lubricity: Wear scar diameter ⁽⁵⁾	µm	ISO 12156-1	If Sulphur content ≤500 ppm: Max 520
20	Particulate contamination ⁽⁷⁾ or Filter Blocking Tendency ⁽⁷⁾ Test	mg/l ml	ASTM D6217 or ASTM D5452 IP 387 procedure A ASTM D2068	Max. 15 Min. 150

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- 8 The Ignition Quality limits are based on F-76 fuel not containing cetane improvers.

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