



Department of Energy
Strategic Petroleum Reserve Project Management Office
900 Commerce East
New Orleans, Louisiana 70123

NOTICE OF SALE
DE-NS96-24PO10000

Pursuant to the authority and direction of the Secretary of Energy, the Department of Energy is conducting a sale of Northeast Gasoline Supply Reserve (NGSR) petroleum for June delivery of 998,824 barrels of Gasoline CBOB/RBOB as provided for by Section 308 of the Consolidated Appropriations Act of 2024. "SEC. 308. (a) Notwithstanding sections 161 and 167 of the Energy Policy and Conservation Act (42 U.S.C. 6241, 6247), the Secretary of Energy shall draw down and sell one million barrels of refined petroleum product from the Strategic Petroleum Reserve during fiscal year 2024. (b) All proceeds from such sale shall be deposited into the general fund of the Treasury during fiscal year 2024. (c) Upon the completion of such sale, the Secretary shall carry out the closure of the Northeast Gasoline Supply Reserve." Contracts resulting from this sale shall be subject to contract price adjustment as set forth in the Supplements and Amendments to the Standard Sales Provisions (SSP). This Notice of Sale contains the terms and conditions of the sale and specific instructions for preparation and submittal of offers.

As stated in this Notice of Sale, offers must be submitted via email at RBOBSale@spr.doe.gov.

Offers are due by 11:00 a.m. Central Time, Tuesday May 28, 2024.

Please read this solicitation carefully. Questions regarding this Notice of Sale must be submitted via email by noon, Central Time, Friday May 24, 2024, to allow a reply to reach all prospective Offerors prior to submission of their offers. Any questions received after this date/time may not be answered prior to the date/time offers are due. Questions/Responses will be posted daily, by 5:00 p.m. Central Time at: <https://www.spr.doe.gov/gas/default.htm>. Questions must be addressed to:

<u>Contact</u>	<u>Telephone</u>	<u>E-Mail</u>
Mary C. Roark (Contracting Officer)	(504) 734-4195	mary.roark@spr.doe.gov

A handwritten signature in black ink, appearing to read "Kelly M. Gelé".

Date: May 21, 2024

Kelly M. Gelé
Director, Office of Acquisition and Sales

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INSTRUCTIONS

GENERAL REQUIREMENTS

1. Offer must be submitted via the email address (RBOBsale@spr.doe.gov) by the date/time specified in the Notice of Sale.
2. Offerors are required to submit an Offer Guarantee (See SSP B.12).

Failure to submit the above documents or to comply with material requirements of the Notice of Sale may be cause for rejection of the offer.

SALE-SPECIFIC REQUIREMENTS

The following sales requirements are established for this sale:

1. The sale will be by price competition and shall be conducted pursuant to Title 10 Code of Federal Regulations Part 625 [Appendix A](#), except as may be supplemented or amended by this Notice of Sale. While the location of the [Appendix A](#): Standard Sales Provisions has changed, the provision itself has not changed since 2005.
2. The intent of this sale is to award up to 998,824 barrels of Gasoline CBOB and RBOB. The product is held at 2 locations: Port Reading, New Jersey and South Portland, Maine. There are 900,000 barrels of Gasoline RBOB available at Port Reading and 98,824 barrels of Gasoline CBOB available at South Portland. All sales of Gasoline CBOB/RBOB will be conducted in-tank with the Buckeye Terminal for completed deliveries during the month of June 2024.
3. Final pricing will be indexed using the Gasoline RBOB NYMEX futures (July trading month). Final pricing will be the net of the 5 day average of the index from June 7, 2024 – June 13, 2024 and the applicable awarded differential for each successful line item (see Attachment F). Section 26 of this Notice of Sale has further details on calculation.
4. The Gasoline CBOB and RBOB, delivery modes, periods, and the quantities offered in this sale, as well as minimum contract quantities, are shown in [Attachment A](#).

Note: It is the responsibility of the Offerors to ensure that they are able to accept an in-tank transfer at the Buckeye before submitting a bid.

5. Offers MUST be received by 11:00 a.m. Central Time, Tuesday May 28, 2024; any offers received after 11:00 a.m. Central Time will be determined to be late and will be rejected, except as provided in SSP B.11, “Late Offers, Modifications of Offers, and Withdrawal of Offers.” Offers must be submitted to RBOBsale@spr.doe.gov.
6. **An electronic copy of the fully executed Offer Guarantee shall be emailed or efaxed. The e-fax number is (504) 818-5195 or e-mailed to mary.roark@spr.doe.gov AND MUST be received not later than the time/date for receipt of offers. An original hardcopy of the Offer Guarantee is not required for this Notice of Sale.**
7. Pursuant to SSP B.7, *State of Hawaii Access to SPR Petroleum*, by submission of a binding offer, the State of Hawaii, for this sale, is entitled to purchase up to three percent of the offered barrels. Pursuant to section 161(j)(4) of the Energy Policy and Conservation Act, 42 U.S.C. 624(j)(4), the quantity to be sold to the State of Hawaii may be adjusted upward or downward to match the full tanker load of approximately 30,000 barrels, or such lesser tanker capacity as may be designated by the State of Hawaii.
8. Pursuant to SSP B.9, Submission of Offers and Modifications of Previously Submitted Offers, paragraph (e), DOE will inform simultaneously all Offerors and other interested parties of the successful and unsuccessful Offerors and their offer data by means of a public “offer posting”. This offer posting will occur approximately one week after receipt of offers. This information will be provided by a posting on the Internet at the following address:
<https://www.spr.doe.gov/gas/default.htm>.

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SUPPLEMENTS AND AMENDMENTS
TO THE STANDARD SALES PROVISIONS

For this sale only, the Standard Sales Provisions (SSPs) are supplemented or amended as follows:

1. Standard Sales Provision B.1, Requirements for a valid offer - caution to offerors, paragraphs (a) and (b) are deleted in their entirety and replaced with the following:
 - (a) Offerors are advised that the submission of an offer (Attachment F) via email is required. Submission of an offer via email will constitute a legal, binding offer.
 - (b) A valid offer to purchase SPR petroleum must meet the following conditions:
 - (1) The offer must be submitted via email at RBOBSale@spr.doe.gov.
 - (2) The offer must be received no later than the date and time set for receipt of offers;
 - (3) The offer guarantee must be received no later than the time set for the receipt of offers;
 - (4) Any amendments explicitly requiring acknowledgment of receipt must be properly acknowledged as specified in this Notice of Sale; and
 - (5) Submission of an offer in accordance with this provision constitutes agreement without exception to all provisions of the SSPs and this Notice of Sale.
2. Offerors are advised that the requirements of the “Jones Act” must be met for the marine delivery of Gasoline CBOB/RBOB purchased in this sale which is destined for U.S. ports. SSP B.4, *Requirements for Vessels-Caution to Offerors* and SSP C.7, *Application Procedures for “Jones Act” and Construction Differential Subsidy Waivers* are supplemented as follows:

The Secretary of the Department of Homeland Security has not issued a general (‘blanket’) waiver of the ‘Jones Act’ for the marine delivery of Gasoline RBOB

purchased in this sale. Consequently, it is necessary for an Apparently Successful Offeror (ASO) to follow the procedures of SSP C.7. Standard Sales Provision C.7 (a) is modified to provide the following address for submission of a Jones Act waiver request.

U. S. Customs and Border Protection
Office of International Trade/Regulations and Rulings
Chief, Cargo Security
Carriers and Restricted Merchandise Branch
U.S. Department of Homeland Security
Telephone No. (202) 860-7502
JonesActWaiverRequest@cbp.dhs.gov

For more information visit: <https://www.cbp.gov/trade/jones-act-waiver-request>

3. Standard Sales Provision B.5, “*Superfund*” Tax on SPR Petroleum-Caution to Offerors, is supplemented as follows:

The “Superfund” taxes and or Oil Spill Liability Trust Fund (OSLTF) taxes (*or any applicable increase/decrease as enumerated by the US government*) will be the responsibility for successful Awardees for any deliveries during the resultant delivery period if applicable, for all SPR petroleum streams/products and must comply with current OSLTF requirements if enacted by Congress. Additionally, purchasers are liable for: Coastal Protection fees, Waterway Navigation fees, state and local environmental fees, including the federal Harbor Maintenance Trust Fund fees, if applicable will be billable to purchasers. In regards to OSLTF, per the authoritative source:

https://www.uscg.mil/Mariners/National-Pollution-Funds-Center/About_NPFC/osltf/:

4. Standard Sales Provision B.6, Export Limitations and Licensing – Caution to Offerors, is removed in its entirety. Offerors are advised to review Division O, Section 101 of the Consolidated Appropriations Act, 2016 (Public Law 114-113) concerning the export of Gasoline RBOB/CBOB, and are required to comply with all U.S. export laws.
5. Standard Sales Provision B.12, *Offer Guarantee*, is amended as follows:

Exhibit C “Offer Standby Letter of Credit” is deleted and replaced with Attachment D of the NS. All references to Exhibit C shall mean Attachment D. Paragraph (c) is deleted in its entirety and replaced with:

The offer guarantee shall be in the amount of \$500,000. There will only be 1 offer guarantee required per bidder participating in this Notice of Sale.

Paragraph (d) is amended as follows:

The fourth sentence shall read “The depository institution must be an account holder with the Federal Reserve Banking system with permission to send Fedwires and must have Fedwire eligibility Funds status of either Eligible or Eligible – Settlement-only”.

Paragraph (g) is supplemented as follows:

For this sale the actual expiration date of the letters of credit furnished as offer guarantees will be June 30, 2024.

Paragraph (h) is amended as follows:

Offer guarantee letters of credit cancellation letters will be returned via e-mail only, if requested, in accordance with Attachment D - REQUEST FOR OFFER GUARANTEE RETURNS, to an unsuccessful Offeror 5 business days after expiration of the Offeror's acceptance period, and, except as provided in (i) of this provision, to a successful Offeror upon receipt of a satisfactory payment and performance letter of credit.

6. Standard Sales Provision B.17, *SPR Crude Oil Streams and Delivery Points*, is supplemented with the following information:

Crude Oil Streams is replaced with Gasoline CBOB and Gasoline RBOB. Minimum delivery lot sizes are 100,000 barrels at Port Reading, and 98,824 barrels at South Portland. All awards will be delivered via in-tank transfer. The Offerors are reminded that it is their responsibility to ensure that they are able to comply and or receive an in-tank transfer prior to bid submission and or successful award. The SPR will not be providing any tanks or transportation on the volumes offered in this Notice of Sale. See Attachment G for information on Buckeye Terminal to replace Exhibit B identified in the Standard Sales Provisions.

7. Standard Sales Provision B.18, *Notice of Sale Line Item Schedule – Petroleum Quantity, Quality, and Delivery Method*, paragraph (h) is supplemented with the following information:

The quality characteristics of the Gasoline CBOB and Gasoline RBOB volumes offered for sale are those found at Attachment A.

8. Standard Sales Provision B.19, Requirements for a valid *offer - Line item information to be provided in the offer*, is deleted in its entirety and replaced with the following:

(a) Each offeror, if determined to be an ASO on a DLI, agrees to enter into a contract under the terms of its offer for the purchase of petroleum in the offer and to take delivery of that petroleum.

(b) An offeror may submit an offer for any or all the MLIs offered.

(c) An offeror may submit an offer with multiple line item offers.

(d) The following information will be provided to DOE by the offeror on the SPR offer form:

(1) **Maximum MLI Quantity.** The offer shall state the maximum quantity of each crude oil stream Gasoline CBOB and Gasoline RBOB that the offeror is willing to buy.

(2) **Desired Qty.** The offer shall state the number of barrels that the offeror will accept on each DLI line item, i.e., by the delivery mode and during the delivery period specified. The quantity per MLI can exceed the total value of MLI volume available (i.e., tiered bids) and will constitute a single offer. Be advised that DOE will only award up to the MLI quantity.

(3) **Price.** The offer shall state the price per barrel for each DLI for which the offeror has designated a Desired Qty. Where offers have indicated multiple quantities and different price for one DLI, DOE will award the highest priced DLI first. If the offeror has the same price for two or more DLIs, it may indicate its first choice, second choice, etc., for award of those items; if the offeror does not indicate a preference, or indicates the same preference for more than one DLI, DOE may select the DLIs to be awarded at its discretion. Prices may be stated in four decimals (\$0.0001). DOE shall drop from the offer and not consider any numbers of less than one one-hundredth of a cent.

(4) **Accept Minimum Quantity.** The offeror must choose whether to accept only the Desired Qty (by deselecting the Accept Min Qty checkbox to indicate an unwillingness to accept less than the Desired Qty for that DLI) or, in the alternative, to accept any quantity awarded between the offer's Desired Qty and the minimum

contract quantity for the DLI (by leaving the Accept Min Qty checkbox selected). However, DOE will award less than the Desired Qty only if the quantity available to be awarded is less than the Desired Qty.

9. Standard Sales Provision B.22, *Procedures for Evaluation of Offers*, paragraphs (a) and (b)(8), is amended as follows:

(a) Award on each DLI will be made to the responsible offerors that submit the highest priced offers responsive to the SSPs and the NS, in addition to operational considerations, and that have provided the required payment and performance guarantee as required by Provision C.21

(b)(8) Exhibit D “Payment and Performance Letter of Credit” is deleted and replaced with Attachment E of the NS. All references to Exhibit D shall mean Attachment E.

10. Standard Sales Provision B. 27, *Contract Documents*, is amended as follows:

The third sentence is deleted in its entirety. The fourth sentence shall read: “The NS and the Provisions of the SSPs will be made applicable through incorporation by reference in the Notice of Acceptance (NA)”. The last sentence is deleted in its entirety.

11. Standard Sales Provision C.2, *Compliance with the “Jones Act” and the U.S. Export Control Laws*, is amended to delete all references to U.S. Export Control Laws. (See 4. above.)

12. Standard Sales Provision C.5, *Delivery and Transportation Scheduling*, is deleted in its entirety and replaced with the following:

(a) Scheduling of Gasoline CBOB/RBOB will be coordinated between the NGSR terminal (Buckeye) and a successful Offeror. Offerors may use the contacts below in Subsection (b) at Buckeye Terminal Port Reading and South Portland to coordinate logistics and or validate capability prior to bid.

Note: After in-tank transfer, Successful Offeror shall disposition, at their cost, the Gasoline RBOB/CBOB purchased from DOE to other tank, barge, pipeline or truck rack by June 30, 2024.

(b) Buckeye Partners contacts:

(i) **Jeremy Korth**
Office: 610.904.4045 Mobile: 610.663.2479
Email: jkorth@buckeye.com

(ii) **Paul Vasko**
Office: 610.904.4214 Mobile: 610.724.3305
Email: pvasko@buckeye.com

(c) All email correspondence between the SPR and ASOs must include the sales contract number, if available, or the offer number in the subject.

(d) ASOs shall adhere to the nomination process and requirements at the respective Buckeye Terminal location.

13. Standard Sales Provision C.8 through C.12 will not apply in this Notice of Sale. Purchaser will coordinate delivery with terminal after in-tank transfer is executed.

14. Standard Sales Provision C.13, *Title and Risk of Loss*, is deleted in its entirety and replaced with the following::

Title and Risk of Loss will pass to the Offeror in Buckeye tank(s) storing NGSR Gasoline once the in-tank transfer is executed. In-tank transfers will be documented by a Product Transfer Order (PTO) between the DOE, Purchaser, and Buckeye Terminal. This item will be issued by the Buckeye Terminal. The SPR will follow up with a CODR within 14 business days.

15. Standard Sales Provision C.16, *Price Adjustments for Quality Differentials*, is deleted in its entirety and replaced with the following:

Price adjustments for quality differentials will not apply in this Notice of Sale. All products will meet the specifications as noted in Attachment A with the product quality being warranted by the Buckeye Terminal. Gasoline CBOB/RBOB will be certified 24 hours prior to in-tank transfer.

16. Standard Sales Provision C.19, *Delivery Documentation, Appendix A to Part 625 – Standard Sales Provisions, Exhibit E*, is amended as follows:

The Strategic Petroleum Reserve Crude Oil Delivery Report Number (CODR) is changed to SPRPMO F-416.1-3.

Digital signature(s) shall be utilized for completion of SPRCODR.

SPR will provide a CODR for signature once the pricing can be finalized in accordance with this Notice of Sale. The volume indicated on the CODR will match the Product Transfer Order for the applicable contract of the contract.

17. Standard Sales Provision C.20, Contract Amounts is replaced in its entirety with the following:

The contract quantities and dollar value stated in the Notice of Acceptance (NA) are estimates. The per barrel unit price is subject to adjustment when calculated for the net value of Offer awarded delta (Δ), five (5) day average of the Gasoline RBOB NYMEX futures (July trading month) (same for Gasoline CBOB), from June 7, 2024 through June 13, 2024. Since all awards will be in-tank transfer fulfillments, there will not be any variance between the award and invoice volumes.

18. Standard Sales Provision C.21, *Payment and Performance Letter of Credit*, is amended as follows:

Exhibit D “Payment and Performance Letter of Credit” is deleted and replaced with Attachment E of the NS. All references to Exhibit D shall mean Attachment E.

Paragraph (a) is supplemented as follows:

The expiration date of the LOC will be provided in the ASO letter.

The last sentence of paragraph (a) is deleted and replaced with:

Letters of credit will be sent to the Contracting Officer via email orifax.

Paragraph (b) is amended as follows:

The second sentence shall read: “The depository institution must be an account holder with the Federal Reserve Banking system with permission to send Fedwires and must have Fedwire eligibility Funds status of either Eligible or Eligible – Settlement-only”.

19. Standard Sales Provision C.22, *Billing and Payment*, paragraphs (a) and (d) are deleted in their entirety and replaced with the following:

- (a) The Government will invoice the purchaser at the conclusion of pricing period as noted in the amended C.20 at item 17 of this Notice of Sale. The invoice will be based on the volume awarded and subsequently fulfilled by in- tank transfer.

(d) In the event that the bank refuses to honor the draft against the letter of credit, the purchaser shall be responsible for paying the principal and any interest, administrative costs and penalties due (see Provision C.24) from the due date.

20. Standard Sales Provision C.23, *Method of Payments*, paragraphs (a) and (d) are deleted in their entirety and replaced with the following:

(a) All amounts payable by the purchaser shall be paid by deposit to the account of the U.S. Treasury by wire transfer of funds using the Fedwire Funds Service. The information to be included in each wire transfer will be provided in the NS. All wire deposit electronic funds transfer costs will be borne by the purchaser.

(d) Notwithstanding any other contract provision, DOE may, via a draft message, request a wire transfer of funds against the standby letter of credit at any time for payment of monies due under the contract and remaining unpaid in violation of the terms of the contract. These would include but not be limited to interest, administrative costs, penalties, liquidated damages, demurrage, amounts owing for any services provided under the contract, and the difference between the contract price and price received on the resale of undelivered petroleum as defined in Provision C.25.

In addition, Government payments to gasoline purchaser(s) will be in accordance with VIPERS instructions.

21. Standard Sales Provision C.24, *Interest*, is deleted in its entirety and replaced with the following:

C.24 Interest, Administrative Costs and Penalties

(a) Amounts due and payable by the purchaser or its bank that are not paid in accordance with the provisions governing such payments shall bear interest, which will be indexed with the Current Value of Funds rate, from the day the invoice is mailed or transmitted to the purchaser until the date payment is received by the Government.

(b) Administrative Costs will be charged monthly to cover the expense of collecting delinquent debt. The current rate is \$7.25/month.

(c) A penalty will be assessed at the rate of 6% per year. The penalty charge accrues from the day the invoice is mailed or transmitted to the purchaser,

and is assessed on any portion of the debt that is outstanding for more than 90 days, including any interest and administrative costs.

22. Standard Sales Provision C.32, *Disputes*, is amended as follows:

Paragraph (c) “\$50,000” is changed to “\$100,000”, and the following language is added to the last sentence of the certification: and that I am duly authorized to certify the claim on behalf of the purchaser.

23. Standard Sales Provisions Exhibit C, *SAMPLE -- OFFER GUARANTEE STANDBY LETTER OF CREDIT*, is replaced by Attachment D of this NS. Instructions for Offer Letter of Credit are included in Attachment D of this NS.

24. Standard Sales Provision Exhibit D, *SAMPLE -- PAYMENT AND PERFORMANCE LETTER OF CREDIT*, is replaced by Attachment E of this NS. Instructions for Payment and Performance Letter of Credit are included in Attachment E of this NS.

25. By submission of an offer, the Offeror certifies that the Offeror, and any entity owned or controlled by the Offeror, does not engage in any activity prohibited under applicable U.S. export control and sanctions laws and regulations.

26. Contract Price Adjustment

(a) The unit price for petroleum product under the contract shall be the Delivery Reference Price (DRP) adjusted by the Price Adjustment Factor (PAF) as provided in this provision, subject to any additional adjustments provided for elsewhere in the contract. All prices will need to be converted to a per barrel price (42 US gallons per barrel). Table below for example purposes:

USC/USG	\$	270.50
Convert to per gallon price	\$	2.705
Gallons per Barrel		42.00
Price per barrel	\$	113.61

Final price for 1 barrel of RBOB is \$113.61

(b) The terms used in this provision are defined as follows:

Base Reference Price (BRP)

- (1) The BRP for all Gasoline CBOB and Gasoline RBOB offered for sale is the average (to the \$0.0001) of the Daily Index Prices as computed by the Government from prices for the most recent five days on which trading activity occurred, ending two trading days before the date of the Notice of Sale. The applicable index is Gasoline RBOB NYMEX futures (July trading month).
- (2) For this Notice of Sale, the BRP is **\$105.1390** for all Gasoline CBOB streams.
- (3) For this Notice of Sale, the BRP is **\$105.1390** for all Gasoline RBOB streams.

Daily Index Price (DIP)

The DIP applicable to **RBOB** stream offered for sale is the “Gasoline RBOB NYMEX Futures Settlement (July)” (to the \$0.0001) for all trading day transactions assessed for the June delivery month. The DIP applicable to **CBOB** stream offered for sale is the “Gasoline RBOB NYMEX Futures Settlement (July)” (to the \$0.0001) for all trading day transactions assessed for the June delivery month. Reference pricing streams associated with offered crude oil are shown below.

Gasoline RBOB Stream	Reference Gasoline RBOB Stream
RBOB	Gasoline RBOB NYMEX Futures settlement (July)
CBOB	Gasoline RBOB NYMEX futures settlement (July)

Delivery Reference Price (DRP) - The DRP is the average (to the \$0.0001) of the Daily Index Prices for the five trading days beginning June 7, 2024 through June 13, 2024 and "price date" as stated in Block 7, "PRICE DATE", on the Strategic Petroleum Reserve Crude Oil Delivery Report: SPRPMO F-416.1-3 will be indicated as June 11, 2024 for reporting purposes only.

The "five trading days surrounding the price date" means the following five days: The midday, day three, is the price date as determined above the two days preceding the midday of the five day period on which trading activity occurred and the two days succeeding the midday on which trading activity

occurred.

Price Adjustment Factor (PAF) - The PAF is the purchaser's offered price or Δ minus the Base Reference Price (BRP). The PAF may be either positive or negative.

GENERIC EXAMPLES:

Delivery Reference Price + Price Adjustment Factor = Unit Price per Barrel
(subject to any additional adjustments provided for elsewhere in the contract):

Example 1:

Assume:

Offered Price	\$113.2534	
BRP	\$111.0015	(5 day average specified in the NS)
PAF	\$2.2519	
DRP	\$115.5055	(5 day average surrounding price date)
Add: PAF	\$2.2519	
Unit Price/bbl	\$117.7574	

Example 2:

Assume:

Offered Price	\$110.7564	
BRP	\$111.0015	(5 day average specified in the NS)
PAF	\$(0.2451)	
DRP	\$115.5055	(5 day average surrounding price date)
Add: PAF	\$(0.2451)	
Unit Price/bbl	\$115.2604	

ATTACHMENT A
 PETROLEUM PRODUCTS GASOLINE - (RBOB) QUANTITIES OFFERED FOR SALE
 U. S. DEPARTMENT OF ENERGY - STRATEGIC PETROLEUM RESERVE (NGSR)

Note: It is the responsibility of the Offerors to ensure that they are able to accept an in-tank delivery at the Buckeye Terminals before submitting a bid.

The Gasoline RBOB streams, delivery mode and periods, daily maximum delivery capability, and quantities of Gasoline RBOB offered in this sale, under emergency conditions, are as follows:

- MLI = Master Line Item/Petroleum Stream
- DLI = Mode of Delivery (in this Notice of Sale only In-Tank transfer is available)
- MIN Qty. = Minimum Contract Quantity Per for PTO Execution
- MB = Thousands of Barrels
- DLI QTY= Available on applicable DLI as identified in table

MLI NGSR Stream (Gasoline RBOB)	DLI - Mode of Delivery	Period	MLI QTY (barrels)	DLI QTY (barrels)	MIN QTY (barrels)
Port Reading			900,000		
	DLI - Tank: in tank transfer	June 2024		900,000	100,000

MLI NGSR Stream (Gasoline CBOB)	DLI - Mode of Delivery	Period	MLI QTY (barrels)	DLI QTY (barrels)	MIN QTY (barrels)
South Portland			98,824		
	DLI - Tank: in tank transfer	June 2024		98,824	98,824

ATTACHMENT - B

INSTRUCTIONS FOR FEDWIRE FUNDS TRANSFERS TO THE DEPARTMENT OF ENERGY

Please provide the following instructions to your Financial Institution for Fedwire funds transfers to the Department of Energy at the U.S. Treasury:

Item Number	Fedwire Field Tag	Length	Fedwire Field Name	Required Information
1	{1510}	4	Type/Subtype	1000
2	{2000}	12	Amount	<i>Enter payment amount</i>
3	{3100}	9	Sending ABA number	<i>Sender ABA-number</i>
4	{3320}	16	Sender Reference	<i>Filled by sender</i>
5	{3400}	9	Receiver ABA number *	021030004
6	{3400}	18	Receiver Short Name	TREAS NYC
7	{3600}	3	Business Function Code	CTR (or CTP)
8	{4200}	34	Beneficiary Identifier (account number)	89000001
9	{4200}	35	Beneficiary Name	DEPARTMENT OF ENERGY
10	{5000}	35	Originator Name	<i>Enter the (company) name of the originator of the payment</i>
11	{6000}	35	Originator to Beneficiary Information – Line 1	<i>Enter Contract Number</i>
11	{6000}	35	Line 2	<i>Enter Cargo Number</i>
11	{6000}	35	Line 3	<i>Enter Invoice Number</i>
11	{6000}	35	Line 4	

*** The financial institution address for Treasury's routing number is:**

**Federal Reserve Bank of New York
33 Liberty Street
New York, NY 10045**

Attachment C RBOB Specifications

REFORMULATED REGULAR GASOLINE BLENDSTOCK (RBOB) PRODUCT SPECIFICATIONS FOR BLENDING WITH 10% DENATURED FUEL ETHANOL (92% PURITY) AS DEFINED IN ASTM D4806.

This RBOB may not be combined with any other RBOB except RBOB having the same requirement for oxygenate type and amount.

All parameters must be met after blending with denatured fuel ethanol unless noted.

ALL F GRADE REQUIREMENTS (SEGREGATED AND FUNGIBLE)

<u>Product Property</u> (vol%)	<u>ASTM Test Method</u>	<u>Test Results</u>		<u>Note</u> Benzene
		<u>Minimum</u>	<u>Maximum</u>	
Octane RON	D3606		1.30	
MON	D2699	Report		
(R+M)/2	D2700	82.0		
		87.0		
*Oxygen Content, weight %	D5599 (See Note)			1,2,7,8
*Aromatics (vol%)	D5769, D5599 (See Note)	50		2
E200 (vol%)	D86	30	70	
E300 (vol%)	D86	70	100	
Olefins (vol%)	D1319		25	
Sulfur (ppmwt)	D2622		80	9
Non-VOC Controlled Requirements				
RVP (psi)	D5191			3
<u>Grades</u>				
F3,3F (Non-VOC Controlled)			11.5	
F4,4F (Non-VOC Controlled)			13.5	
F5,5F (Non-VOC Controlled)			15.0	
VOC Controlled Requirements				
(Grades F1,F2,1F,2F, only)				2
RVP (psi)	D5191		Report	3
*Emissions Performance Reductions				
Region 1 (Grades F1,1F)	Origin:		-28.0%	11
	Delivery:		-27.0%	
			-25.0%	
Region 2 (Grades F2,2F)	Origin:		-26.4%	11
	Delivery:		-25.4%	
			-23.4%	
Corrosion (Cu) 3 hrs @122°F (50°C)	D130		1	
*Corrosion (Ag) 3 hrs @122°F (50°C)	D4814 Annex A1		1	
Doctor test or	D4952		Negative (sweet)	5

Attachment C RBOB Specifications

Mercaptan sulfur, wt.%	D3227	0.002	
Existent Gum mg/100 ml	D381	4	
Gravity °API at 60°F	D287,D1298, D4052	Report	7
Oxidation stability-minutes	D525	240	
Phosphorous, gms/gal	D3231	0.004	
*Nace Corrosion	TM0172	B+ (Origin)	7
<u>Volatility:</u>			
Driveability Index	D4814	See Chart	

<u>Product Property</u>	<u>ASTM Test</u>	<u>Test Results</u>				<u>Note</u>	
	<u>Method</u>	<u>Minimum</u>		<u>Maximum</u>			
Distillation, °C (°F) @ %Evap.	D86						
Vapor/Liquid Ratio (V/L), °C (°F) @ 20						6	
		D5188 (See Note 6)					
		Driveability	10 vol%	50 vol%	90 vol%	End Pt.	V/L <u>Grades</u> <u>Index</u>
		<u>Max</u>	<u>Min</u>	<u>Max</u>	<u>Max</u>	<u>Max</u>	<u>Min</u> F1,F2 1250
		70(158)	77(170)	121(250) 190(374)	221(430)	56(133)	
F3		1230	60(140)	77(170) 116(240)	185(365)	221(430)	51(124)
F4		1220	55(131)	66(150) 113(235)	185(365)	221(430)	47(116)
F5		1200	50(122)	66(150) 110(230)	185(365)	221(430)	41(105)

NOTES (Apply to Fungible and Segregated):

This is a base gasoline, not for sale to the ultimate consumer.

Heavy Metals are not allowed to be present.

Any gasoline exhibiting an offensive odor and/or poses a personal health hazard will not be accepted for shipment. Any gasoline containing more than 0.50 wt. % of dicyclopentadiene will not be accepted for shipment.

The referee method for oxygenates will be based on a gas chromatograph test.

Delivery test results may vary by the smaller of ASTM reproducibility for a given test or any test tolerance as allowed by state or EPA regulations at the point of delivery.

1. All F grades may not contain oxygenates, such as ethers and alcohols. The use of non-hydrocarbon blending components in these grades is prohibited. Origin maximum MTBE .25 vol.%.
Delivery maximum MTBE .50 vol. %.
2. Refer to test methods published in 40 CFR Chapter 1, Part 80.46. Alternative aromatics and oxygenates test methods, ASTM D1319 and ASTM D 4815, may be used according to federal and state regulations.
3. For products blended to meet EPA or state imposed summer VOC requirements, tests must be performed in accordance with the procedures described in 40 CFR, Part 80.
4. Emissions reductions must be calculated using EPA guidelines.
5. Mercaptan Sulfur waived if fuel is negative by Doctor test.
6. Computer and Linear methods may be used to determine V/L value. D5188 will be the referee method
7. Specifications must be met before blending of denatured fuel ethanol.
8. Oxygen content must meet a minimum of 1.7 wt.% and a maximum of 4.0 wt.% after blending of denatured fuel ethanol.
9. Refer to 40 CFR Part 80.195 (d)(2). Alternative sulfur test methods, ASTM D 5453 and D 7039, may be used according to federal and state regulations.
10. Woodbury and Linden facilities will only allow shipments of region 2 fuels.
Any Region 1 fuels shipped downstream of Aberdeen will be comingled with region 2 fuels
11. Refer to Colonial's current RVP schedule for cycle numbers.

Attachment C CBOB Specifications

CONVENTIONAL REGULAR GASOLINE BLENDSTOCK (CBOB) PRODUCT SPECIFICATION FOR BLENDING WITH 10% DENATURED FUEL ETHANOL (PURITY) AS DEFINED IN ASTM D4806.

This CBOB may not be combined with any other CBOB except CBOB having the same requirement for oxygenate type and amount.

All parameters must be met after blending with denatured fuel ethanol unless noted.

ALL A GRADE REQUIREMENTS (SEGREGATED AND FUNGIBLE)

Product Property	ASTM Test Method	Test Results		Note		
		Minimum	Maximum			
Octane	RON	D2699	Report			
	MON	D2700	82.0			
	(R+M)/2		87.0			
Oxygen Content, weight %	D4815, D5599		0.1	1,2,7		
RVP (psi)	D5191			3		
Grades						
A1,1A			8.8			
A2,2A			10.0			
A3,3A			12.5			
A4,4A			14.5			
A5,5A			15.5			
<p>A1,1A, the RVP of this blendstock/gasoline for oxygenate blending does not exceed 7.8 psi A2,2A, the RVP of this blendstock/gasoline for oxygenate blending does not exceed 9.0 psi Gasoline designed for gasoline-ethanol blends in accordance with 40 CFR 80.27(d)(2) Suitable for the special RVP provisions for ethanol blends that contain 9 and 10 vol % ethanol.</p> <p>The use of this gasoline to manufacture a gasoline-ethanol blend containing anything other than between 9 and 10 volume percent ethanol may cause a summertime RVP violation.</p>						
Benzene (vol%)	D3606		3.8			
Color			Undyed			
Corrosion (Cu) 3 hrs @122°F (50°C)	D130		1			
Corrosion (Ag) 3 hrs @122°F (50°C)	D7667,D7671		1			
Doctor test	D4952		Negative (sweet)	5		
or						
Mercaptan sulfur, wt.%	D3227		0.002			
[W] Existent						
Solvent Washed Gum mg/100 ml	D381		4			
Gravity °API at 60°F	D287,D1298, D4052	Report		7		
Oxidation stability-minutes	D525	240		7		
Phosphorous, gms/gal	D3231		0.004			
Sulfur (ppmw)	D2622		80	8		
	or equivalent					
Nace Corrosion	TM0172	B+ (Origin)		7		
Volatility:						
Driveability Index	D4814		See Chart			
Distillation, °C (°F) @ %Evap.	D86					
Vapor/Liquid Ratio (V/L), °C (°F) @ 20				6		
	D5188 (See Note 6)					
Driveability	10 vol%	50 vol%	90 vol%	End Pt.	V/L Grades	Index
Max	Min	Max	Max	Min A1,A2	1250	70(158)
66(150)		121(250)	190(374)	221(430)	50 (122)	

Attachment C CBOB Specifications

A3	1230	60(140)	66(150)	116(240)	185(365)	221(430)	47(116)
A4	1220	55(131)	66(150)	113(235)	185(365)	221(430)	42(107)
A5	1200	50(122)	66(150)	110(230)	185(365)	221(430)	39(102)

NOTES (Apply to Fungible and Segregated):

This is a base gasoline, not for sale to the ultimate consumer.

Heavy Metals are not allowed to be present.

Any gasoline exhibiting an offensive odor and/or poses a personal health hazard will not be accepted for shipment. Any gasoline containing more than 0.50 wt. % of dicyclopentadiene will not be accepted for shipment.

The referee method for oxygenates will be based on a gas chromatograph test.

Delivery test results may vary by the smaller of ASTM reproducibility for a given test or any test tolerance as allowed by state or EPA regulations at the point of delivery.

1. All A grades may not contain oxygenates, such as ethers and alcohols. The use of non-hydrocarbon blending components in these grades is prohibited.
2. Refer to test methods published in 40 CFR Chapter 1, Part 80.46. Alternative aromatics and oxygenates test methods, ASTM D1319 and ASTM D 4815, may be used according to federal and state regulations
3. For products blended to meet EPA or state imposed summer VOC requirements, tests must be performed in accordance with the procedures described in 40 CFR, Part 80.
4. Reserved
5. Mercaptan Sulfur waived if fuel is negative by Doctor test.
6. Computer and Linear methods may be used to determine V/L value. D5188 will be the referee method
7. Specifications must be met before blending of denatured fuel ethanol.
8. Refer to 40 CFR Part 80.195 (d)(2). Alternative sulfur test methods, ASTM D 5453 and D 7039, may be used according to federal and state regulations.

Heavy Metals are not allowed to be present.

Any gasoline exhibiting an offensive odor and/or poses a personal health hazard will not be accepted for shipment. Any gasoline containing more than 0.50 wt. % of dicyclopentadiene will not be accepted for shipment.

The referee method will be based on a gas chromatograph test.

Delivery test results may vary by the smaller of ASTM reproducibility for a given test or any test tolerance as allowed by state or EPA regulations at the point of delivery.

Attachment D

SAMPLE - OFFER GUARANTEE STANDBY LETTER OF CREDIT

**BANK LETTERHEAD
IRREVOCABLE STANDBY LETTER OF CREDIT**

Date: _____

To: U.S. Department of Energy
Strategic Petroleum Reserve
900 Commerce Road East
New Orleans, LA 70123

Attn: (Mary Roark)

AMOUNT OF LETTER OF CREDIT: U.S. \$ _____ (_____)
CONTRACTOR: _____
NOTICE OF SALE NO: _____
OFFER NO: _____
LETTER OF CREDIT NO: _____
EXPIRATION DATE: **June 30, 2024** _____
AMERICAN BANKERS ASSOCIATION (ABA) NO: _____

To whom it may concern:

We hereby establish in the U.S. Department of Energy's favor our irrevocable standby Letter of Credit effective immediately for the account of our customer in response to the above U.S. Department of Energy's Notice of Sale, including any amendments thereto, for the sale of Strategic Petroleum Reserve petroleum (Gasoline CBOB/RBOB). This Letter of Credit expires at least 30 calendar days after the date set for receipt of offers.

This letter of credit is available by your draft/s at sight, drawn on us and accompanied by a manually signed statement that the signer is an authorized representative of the Department of Energy, and the following statement:

“THIS DRAWING OF U.S. \$ _____ (_____) AGAINST YOUR LETTER OF CREDIT NUMBERED _____, DATED _____, IS DUE THE U.S. GOVERNMENT BECAUSE OF THE FAILURE OF (CONTRACTOR) TO HONOR ITS OFFER TO ENTER INTO A CONTRACT FOR THE PURCHASE OF SPR PETROLEUM FROM THE STRATEGIC PETROLEUM RESERVE, IN ACCORDANCE WITH THE U.S. GOVERNMENT'S NOTICE OF SALE NO. _____, INCLUDING ANY AMENDMENTS THERETO.”

Attachment D

Drafts must be presented for payment on or before the expiration date of this Letter of Credit at our bank. The Government may make multiple drafts against this Letter of Credit.

Upon receipt of the U.S. Department of Energy's demand by hand, mail express delivery, or other means, at our office located at _____, we will honor the demand and make payment, by 3 p.m. Eastern Time of the third business day following receipt of the demand by wire transfer of funds as a deposit to the account of the U.S. Treasury over the Fedwire Funds Service. The information to be included in each transfer will be as provided in the above referenced Notice of Sale.

This Letter of Credit is subject to the Uniform Customs and Practice for Documentary Credits (2007 Revision, International Chamber of Commerce Publication no. 600) and except as may be inconsistent therewith, to the Uniform Commercial Code in effect on the date of issuance of this Letter of Credit in the state in which the issuer's head office within the United States is located.

We hereby agree with you that all drafts drawn under and in compliance with the terms of this Letter of Credit will be duly honored upon presentation and delivery of the above documents for payment at our bank on or before the expiration date.

In the event of a bankruptcy filing by the applicant prior to the expiration date of this letter of credit, the expiration date of this letter of credit will automatically be extended by one hundred twenty (120) calendar days from the expiration date.

Address all communications regarding this Letter of Credit to (name and phone number).

Very truly yours,

(Authorized Signature)

(Typed Name and Title)

Attachment D

INSTRUCTIONS FOR OFFER GUARANTEE LETTER OF CREDIT

1. The depository institution must be an account holder with the Federal Reserve Banking system with permission to send Fedwires and must have Fedwire eligibility Funds status of either Eligible or Eligible – Settlement-only.
2. Letter of Credit must not vary in substance from this attachment. Provide a copy of this attachment to your bank.
3. Banks shall fill in blanks EXCEPT those in the drawing statement. **The drawing statement is in bold print.**
4. The information to be included and format to be used for a wire transfer are noted in Attachment B of this Notice of Sale.
5. Type name and title under authorized signature and provide documentation of authorized signature.

Attachment D

REQUEST FOR OFFER GUARANTEE RETURNS

If you elect to have a letter of cancellation returned to you via e-mail only for cancellation of your Offer Letter of Credit, please provide information below:

Send a signed authorization to cancel the Offer LOC to the following point of contact via e-mail address: _____

Contact Phone Number: _____

**SAMPLE - PAYMENT AND PERFORMANCE LETTER OF CREDIT
BANK LETTERHEAD
IRREVOCABLE STANDBY LETTER OF CREDIT**

Date: _____

To: U.S. Department of Energy
Strategic Petroleum Reserve
900 Commerce Road East
New Orleans, LA 70123
Attn: (Mary Roark)

AMOUNT OF LETTER OF CREDIT: U.S.\$ _____ (_____)

CONTRACTOR: _____

CONTRACT NO: _____

LETTER OF CREDIT NO: _____

EXPIRATION DATE: _____

AMERICAN BANKERS ASSOCIATION (ABA) NO: _____

To whom it may concern:

We hereby establish in the U.S. Department of Energy's favor our irrevocable standby Letter of Credit effective immediately for the account of our customer's above contract with the U.S. Department of Energy for the sale of Strategic Petroleum Reserve petroleum (Gasoline CBOB/RBOB).

This letter of credit is available by your draft/s at sight, drawn on us and accompanied by a manually signed statement that the signer is an authorized representative of the Department of Energy, and one or both of the following statements:

- a. **"THIS DRAWING OF U.S. \$ _____ (_____) AGAINST YOUR LETTER OF CREDIT NUMBERED _____, DATED _____, IS DUE THE U.S. GOVERNMENT BECAUSE THE GOVERNMENT HAS DELIVERED SPR PETROLEUM (GASOLINE CBOB/RBOB) UNDER THE TERMS OF CONTRACT NUMBER _____, INCLUDING ANY AMENDMENTS THERETO, AND (CONTRACTOR) HAS NOT PAID UNDER THE TERMS OF THAT CONTRACT."**

- b. **"THIS DRAWING OF U.S. \$ _____ (_____) AGAINST YOUR LETTER OF CREDIT NUMBERED _____, DATED _____, IS DUE THE U.S. GOVERNMENT BECAUSE (CONTRACTOR) HAS FAILED TO TAKE**

DELIVERY OF SPR PETROLEUM UNDER THE TERMS OF CONTRACT NUMBER _____, INCLUDING ANY AMENDMENTS THERETO.”

Drafts must be presented for payment on or before the expiration date of this Letter of Credit at our bank. The Government may make multiple drafts against this Letter of Credit.

Upon receipt of the U.S. Department of Energy’s demand by hand, mail express delivery, or other means, at our office located at _____, we will honor the demand and make payment, by 3 p.m. Eastern Time of the third business day following receipt of the demand by wire transfer of funds as a deposit to the account of the U.S. Treasury over the Fedwire Funds Service. The information to be included in each transfer will be as provided in the above referenced contract.

This Letter of Credit is subject to the Uniform Customs and Practice for Documentary Credits (2007 Revision, International Chamber of Commerce Publication no. 600) and except as may be inconsistent therewith, to the Uniform Commercial Code in effect on the date of issuance of this Letter of Credit in the state in which the issuer’s head office within the United States is located.

We hereby agree with you that all drafts drawn under and in compliance with the terms of this Letter of Credit will be duly honored upon presentation and delivery of the above documents for payment at our bank on or before the expiration date.

In the event of a bankruptcy filing by the applicant prior to the expiration date of this letter of credit, the expiration date of this letter of credit will automatically be extended by one hundred twenty (120) calendar days from the expiration date.

Address all communications regarding this Letter of Credit to (name and phone number).

Very truly yours,

(Authorized Signature)

(Typed Name and Title)

INSTRUCTIONS FOR PAYMENT AND PERFORMANCE GUARANTEE LETTER OF CREDIT

1. The depository institution must be an account holder with the Federal Reserve Banking system with permission to send Fedwires and must have Fedwire eligibility Funds status of either Eligible or Eligible – Settlement-only.
2. Letter of Credit must not vary in substance from this attachment. Provide a copy of this attachment to your bank.
3. Banks shall fill in blanks EXCEPT those in the drawing statements. **The drawing statements are in bold print.**
4. The information to be included and format to be used for a wire transfer are noted in Attachment B of this Notice of Sale.
5. Type name and title under authorized signature and provide documentation of authorized signature.

Attachment F

Offer Form

Offer Number/Identifier (bidder provided):

Line Item	MLI	Delivery Mode	Min QTY (barrels)	DLI QTY (barrels)	Terminal Name	Accept		Pref (Y/N)	Unit Price (per barrel)
						Min QTY (Y/N)	Desired QTY (barrels)		
1		In Tank							
2		In Tank							
3		In Tank							
4		In Tank							
5		In Tank							

NGSR Site Code (MLI and Terminal)

PR Port Reading, NJ
SP South Portland, ME

Delivery Modes

In Tank In tank transfer

Please note min/max QTY as noted on Attachment A of this Notice of Sale

Attachment G

Terminal Information Supplementing Exhibit B from Standard Sales and Provisions

Name: Buckeye Terminals, LLC	Terminal Contact: Jeremy Korth
Terminal: Port Reading Terminal	Manager: Jeremy Korth
Location: 750 Cliff Road, Port Reading, NJ 07064-2201	Tel. No.: 610.904.4045
Waterfront Loc.: Arthur Kill	Fax No.: 732.692.5214
Owner: Buckeye Terminals, LLC	E-mail: JKorth@Buckeye.com
Operator: Buckeye Terminals, LLC	
Hours of Operation: 24 hours / 7 days	

Delivery Modes:

Tanker Docks

Dock #	Max. Loading Rate (bbls/hr)	Max. LOA(ft)	Max. Beam (ft)	Max. Draft (ft)	Max. DWT
North Dock	15,000	900	150	36.8	100,000 MT
South Dock	15,000	750	150	36.6	100,000 MT

Barge Docks

Dock #	Max. Loading Rate (bbls/hr)	Max. LOA(ft)	Max. Beam (ft)	Max. Draft(ft)	Max. DWT
FOOB	7,000	350	70	21	
South Bulkhead	5,000	300	40-70*	19	
*no south slip use					

Pipelines

Name	Size (in)	Receipt Rate (bbls/hr)	Issue Rate (bbls/hr)
Buckeye 605 (BE)	16	N/A	7,000
Buckeye 604 (BE)	8	N/A	4,500
Colonial (CPL)	12	8,500	4,500

Truck Loading Racks

Hours of Operation: 24 hours / 7 days	
Top-loading Positions: 2	Max. Loading Rate/Truck: 800 GPM
Bottom-loading Positions: 4	Max. Loading Rate/Truck: 800 GPM

Attachment G

Terminal Information Supplementing Exhibit B from Standard Sales and Provisions

Name: Buckeye Terminals, LLC	Terminal Contact: Paul Vasko
Terminal: South Portland Terminal	Manager: Paul Vasko
Location: 170 Lincoln Street South Portland, ME 04106	Tel. No.: 610.904.4214
Waterfront Location: Fore River	Fax No.: 207.767.3253
Owner: Buckeye Terminals, LLC	E-mail: Pvasko@Buckeye.com
Operator: Buckeye Terminals, LLC	
Hours of Operation: 24 hours / 7 days	

Delivery Modes:

Tanker Docks

Dock #	Max. Loading Rate (bbls/hr)	Max. LOA (ft)	Max. Beam (ft)	Max. Draft (ft)	Max. DWT
N/A					
N/A					

Barge Docks

Dock #	Max. Loading Rate (bbls/hr)	Max. LOA(ft)	Max. Beam (ft)	Max. Draft (ft)	Max. DWT
N/A					

Pipelines

Name	Size (in)	Receipt Rate (bbls/hr)	Issue Rate (bbls/hr)
755 Line	6	550	550

Truck Loading Racks

Hours of Operation: 24 hours / 7 days	Four (4) CBOB Bays
Top-loading Positions: N/A	Max. Loading Rate/Truck: N/A
Bottom-loading Positions: 7	Max. Loading Rate/Truck: 600 GPM