FROM:

Defense Logistics Agency - Energy DLA Energy-BEB, Room 2959

8725 John J. Kingman Road, Suite 4950 Ft. Belvoir, VA 22060-6222 USA

Fax: (703) 767-9044

DATE:

January 21, 2011

SUBJECT: Opening of Negotiations: WESTPAC Basic Solicitation SP0600-10-R-0077

- 1. Negotiations as to terms and conditions including price under the subject solicitation are hereby opened with all offerors effective today, **January 21, 2011.** Negotiations shall remain open until offerors receive separate notice of the closing date and time. Negotiations will be conducted via telephone, facsimile message and/or face-to-face as necessary or practical.
- 2. Please note that acceptance of the terms and conditions will be of the utmost importance.
- 3. For informational purposes, the following <u>reference prices</u>, effective February 01, 2010, apply to the subject solicitation. The Reference Date and referenced prices for the Final Proposal Revisions (FPRs) will be as stated below:

PRODUCT	REFERENCE PRODUCT (LOCATION)	REFERENCE PRICE/USG EFFECTIVE FEB 1, 2010
F76	ULSD (US Gulf Coast / Pipeline Subheading)	\$1.954940
F76	Gasoil 0.5%S (Asia / Singapore Subheading)	\$1.942643
F76	Gasoil (Arab Gulf, FOB)	\$1.884262
F76	Gasoil 0.1% (Cargoes FOB Med basis Italy)	\$1.884079
JP5	Jet Kerosene (Asia / Singapore Subheading)	\$1.972262
JP5	Kerosene (Arab Gulf, FOB)	\$1.917119
JP5	Jet Av. Fuel (Cargoes FOB Med basis Italy)	\$1.944005
JP8	Jet Kerosene (Asia / Singapore Subheading)	\$1.972262
JP8	Kerosene (Arab Gulf, FOB)	\$1.917119
JP8	Jet Av. Fuel (Cargoes FOB Med basis Italy)	\$1.944005
JA1	Jet Kerosene (Asia / Singapore Subheading)	\$1.972262
JA1	Kerosene (Arab Gulf, FOB)	\$1.917119
JA1	Jet Av. Fuel (Cargoes FOB Med basis Italy)	\$1.944005

4. The <u>U.S. Government's price positions</u> are shown below and are for products offered:

PRODUCT PRICES EFFECTIVE February 01, 20 (USD/USG)	
F76 (0000)	\$1.884079
JP5 (0100)	\$2.007610
JA1 (0200)	\$1.917119
JP8 (0300)	\$1.924761

NOTE: Offerors are cautioned that the price objectives neither constitute a counteroffer nor guarantee an award if met.

- 5. The number for facsimile transmissions is (703) 767-9044. If you experience any difficulties using this facsimile number, please contact the undersigned at (703) 767-9309.
- 6. Please acknowledge receipt of this message.

Contracting Officer - Overseas

Bulk Petroleum