

NOTICE OF SALE

Northeast Home Heating Oil Reserve (NEHHOR)

DE-FB01-_____ (DayMonYr (XX MON, XXXX))

Posted: _____ (Month Year)

To Prospective Purchasers:

In accordance with Title II of the Energy Act of 2000 (Public Law 106-469), the U.S. Department of Energy (DOE) is conducting a sale of _____ **barrels of ULSD heating oil** from the U.S. Government's Northeast Home Heating Oil Reserve storage sites. You are invited to submit bids to purchase lots of ULSD heating oil in multiples of 50,000 barrels from the heating oil reserve.

Bids must be received by the Department via email (heatingoil@hq.doe.gov) by _____ (xx:xx am/pm), Eastern Standard Time (EST), _____ (DayMonYr (XX MON, XXXX)).

The sale will be competitive, with quantities of ULSD heating oil awarded according to price as submitted in the bids. More detailed guidelines for the sale can be found in:

- a. The Department of Energy's Petroleum Distillate Sales Provisions (PDSPs) which are available from the Department of Energy's Northeast Home Heating Oil Reserve website.
- b. The Department of Energy's Northeast Heating Oil Distribution Plan which contains specific information for each storage terminal and can be obtained from the DOE Home Heating Oil Reserve website.

This Notice of Sale contains:

- a. Specific terms and conditions of the sale,
- b. Instructions for preparing and submitting bids, and
- c. Instructions and forms for financial transactions.

Specific Terms and Conditions of Sale

1. The Department of Energy is offering _____ **barrels of ULSD Heating Oil** for sale with delivery to successful bidders over a 10-day delivery period from the date of the award. Deliveries may begin earlier, provided that the Department of Energy has received full payment for the awarded quantities. The commodity to be sold is ULSD Heating Oil and is offered at the following locations:

LOCATION	QUANTITY (BBL)
<u>New England</u>	<u>1,001,127</u>
Buckeye - Port Reading, NJ Terminal	300,000
Buckeye – New Haven/Groton, CT Terminals	300,347
Global - Chelsea, MA Terminals	200,780
Sunoco Midstream – S. Portland, ME Terminal	200,000

2. The bidder will state the quantity of barrels desired (minimum 50,000, or multiples thereof) and the corresponding unit price per gallon. For this Notice of Sale, the day of bidding and award is _____ **(DayMonYr (XX MON, XXXX))**.
3. Delivery of ULSD Heating Oil sold from the Northeast Home Heating Oil Reserve will be made on a prepaid basis only. Successful bidders are required to wire payment to the U.S. Treasury over the Fedwire Deposit System Network prior to taking delivery and no later than **COB** _____ **(DayMonYr (XX MON, XXXX))**. Instructions for Fedwire funds transfers to the Department of Energy are contained in Attachment A. Information to be included in the wire transfer will be provided with the award notification.

Title to and risk of loss will occur at vessel loading flange or when the product passes the custody measurement point for pipelines, trucks, inter- and intra-terminal transfers, as specified in the DOE Northeast Home Heating Oil Distribution Plan. All deliveries must be completed by **COB** _____ **(DayMonYr (XX MON, XXXX))**.

4. All product purchased under this solicitation is subject to the terms of the DOE Northeast Home Heating Oil Distribution Plan. The Distribution Plan guarantees product will be delivered FOB across the contractor's docks or truck racks in a reasonable time frame. It specifies the custody transfer point, provides sampling requirements, and describes third party inspector and DOE Quality Surveillance Representatives duties in monitoring quality and quantity of the ULSD heating oil delivered.

Adjustment amounts owed by the purchaser will be due 14 days after receipt of invoice.

5. The Secretary may not sell the product for less than the fair market value, or with a loss of revenue or value to the United States.
6. The Secretary shall only sell the product in the Reserve to entities customarily engaged in the sale and distribution of petroleum product. By submission of a bid, a bidder certifies that he meets this requirement.
7. No bidder, including affiliates, if any, will be awarded more than 40 percent of the heating oil offered. The Parent company, if different than the specified Company Name, must be identified in the line provided on the DOE Northeast Home Heating Oil Reserve Registration Form.
8. Each bidder must submit a bid guarantee of \$250,000 via Fedwire funds transfers to the Department of Energy at the U.S. Treasury using the information in Attachment A. Bid guarantees must be received **no later than** _____ **(xx:xx am/pm), EST,**
_____ **(DayMonYr (XX MON, XXXX))**.

Information needed by the Government for return of bid guarantees to unsuccessful bidders and to bidders who withdraw their bids prior to the time set for receipt of bids is contained in Attachment B.

Failure to include any of this information could lead to delays in crediting the payment to your account, and thus possible rejection of your bid or default of your contract.

Submitting Bids

Purchasers must submit their bids using the pages posted at the Northeast Home Heating Oil Reserve website. Bids are to be submitted via email to heatingoil@hq.doe.gov. The subject line should be: **(Company Name) – Heating Oil Bid**. Users may continue to submit bids until the deadline expires. Only one bid will be accepted. If a company submits more than one bid. The most recent bid, received closest to the deadline, will be the one that is reviewed and accepted. No other previous bids will be entertained. In the case of an exception and the sale must be conducted by alternative means, purchasers should follow the submission instructions provided separately by the Department of Energy.

DOE Point of Contact

Should you have any questions on this Notice of Sale, please contact:

POC Name- _____

Phone- _____

Email: _____

Written questions or comments concerning this solicitation may also be submitted by email to: **ProductReserve@hq.doe.gov** no later than _____ **(DayMonYr (XX MON, XXXX))** at _____ **(xx:xx am/pm)** EST.

ATTACHMENT A
INSTRUCTIONS FOR WIRE TRANSFER OF FUNDS TO THE
DEPARTMENT OF ENERGY

INSTRUCTIONS FOR FEDWIRE FUNDS TRANSFERS TO THE
DEPARTMENT OF ENERGY

Please provide the following instructions to your Financial Institution for Fedwire Funds Service 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

** UserName is as you chose when you registered online or specified to the Contracting Officer if you were unable to register online.

**ATTACHMENT B
BID GUARANTEE RETURN FORM**

**UNITED STATES DEPARTMENT OF ENERGY
STRATEGIC PETROLEUM RESERVE
900 COMMERCE ROAD EAST
NEW ORLEANS, LA 70123-3406**

BIDDER/CONTRACTOR BANKING DATA

PRIVACY ACT STATEMENT The following information is provided to comply with the Privacy Act of 1974 (P.L. 93-579). All information collected on this form is required under the provisions of 31 U.S.C. 3322 and 31 CFR 210. This information will be used by the U.S. Treasury Department to transmit payment data by electronic means to offeror's/contractor's financial institution. Failure to provide the requested information may delay or prevent the receipt of payments through the Automated Clearing House Payment System.

Name of Company: _____

Street Address or P.O. Box: _____

City: _____ State: _____ Zip: _____

Solicitation/Contract/Purchase Order Number: _____

Name of Bank: _____

City and State of Bank: _____

American Bankers Association (ABA) Number (9 digits): _____

Automated Clearinghouse (ACH) Bank Account Number: _____ Checking { } Savings { }

Taxpayer Identification Number (**REQUIRED**): _____

Dun & Bradstreet Number (if one exists): _____

E-mail address for payment notification: _____

(Signature) (Date) (_____) (Phone Number)

Please complete and return ASAP via fax to: (504) 818-5969

Or mail to: U.S. Department of Energy
Attn: Finance, FE-4452
900 Commerce Road East
New Orleans, LA 70123-3406

PLEASE COMPLETE A NEW FORM AND FORWARD IMMEDIATELY WHENEVER ANY OF THE ABOVE INFORMATION IS CHANGED.

Please direct questions to Richard Webre at (504) 734-4969 or e-mail richard.webre@spr.doe.gov or sprfinance@spr.doe.gov