

**JUSTIFICATION FOR OTHER THAN FULL AND OPEN COMPETITION  
UNDER CONTRACT SP0600-09-D-1545  
UNDER AUTHORITY OF 10.U.S.C. 2304(c)(1)**

**1. Summary and Introduction:** This justification is executed by the Defense Logistics Agency (DLA) Energy, Aerospace Energy BU, as the contracting activity. The action being approved is for delivery of gaseous bulk helium under Linde LLC (Linde) Contact SP0600-09-D-1545. The period of performance of the action is July 11, 2011 through October 2, 2011. The estimated dollar value \$100,000.00. This justification is issued under the Statutory Authority of 10 U.S.C. 2304 (c)(1), only one responsible source and no other supplies or services will satisfy agency requirements.

**2. Description of Agency's Need (10 U.S.C. 2304 (f) (3) (A)):**

**a. Background:** DLA Energy is the DoD Integrated Material Manager for bulk helium. On September 18, 2009, DESC competitively awarded a two-year indefinite quantity indefinite delivery (IDIQ) type contract for f.o.b. origin delivery of bulk helium to Linde LLC (Linde) under Contract SP0600-09-D-1545. The contract was awarded based on the lowest laid down cost evaluation of all known customer requirements to each transfill location proposed by all offerors. All of DLA Energy's requirements, as contained in the competitive solicitation, were awarded to Linde. Linde's contract encompasses nine (9) transfill locations located throughout CONUS.

**b. Description of the New Requirement:** The Long Endurance Multi-Intelligence Vehicle (LEMV) is one of two new manned Airships deploying to Afghanistan. Northrop Grumman, the US Army Contractor who is developing the LEMV, had indicated to the LEMV Program Manager that it would obtain all the helium and required containers for the initial fill of the LEMV at its facility in Lakehurst, NJ [the LEMV is being filled with helium in CONUS and will be flown to Afghanistan in Jan/Feb 2012 after First Article Testing]. Since the LEMV was still in the conception phase in September 2009, when DLA Energy awarded the Linde Contract, its CONUS' initial fill requirements were not provided to DLA Energy and therefore, not included in the solicitation that led to Linde's existing CONUS bulk helium contract. However, on July 10, 2011, the LEMV Program Manager advised DLA Energy that Northrop Grumman could not obtain the helium and/or the large number of bulk containers needed for its initial fill and as such, required emergency support from DLA Energy. Based on LEMV's huge gaseous helium requirements, the initial fill, which would be accomplished on August 10, 2011, would require 800,000 standard cubic feet (scf) of helium. This large quantity would require at least eight (8) bulk containers to be delivered in a matter of weeks to Lakehurst, NJ. The only way to support the requirement was to pull existing ISO containers that were otherwise immediately available. The only containers immediately available were five (5) bulk containers that were either already in the purging process at Linde's Otis, KS, transfill or in the queue to be filled at their Otis, KS, transfill. In addition, three (3) jumbo tube bank trailers had just been filled at Linde's City of Industry, CA, transfill facility.

**3. Authority for Soliciting from a Single Source:** The authority is 10 U.S.C. 2304(c)(1), Only one responsible source and no other supplies or services will satisfy agency requirements. The only way to fulfill the LEMV initial fill requirement by the required delivery date was to

provide these eight (8) containers that were either already filled, in the process of being filled, or in the process of being purged, in support of the LEMV initial fill. To not have utilized these existing containers would have caused mission failure for the LEMV Program.

**4. Price/Cost Considerations (10 U.S.C. 2304 (f) (3) (C)):** Linde's existing transfill locations were competitively determined as having the lowest laid down cost of all previously proposed transfills under the solicitation that led to Contract SP0600-09-D-1545. Linde's contract prices were determined fair and reasonable based on adequate price competition, specifically, FAR 15.403-1(c)(1)(i).

**5. Market Research/Efforts to Obtain Competition (10 U.S.C. 2304 (f) (3) (D) & (E)):** LEMV's sustainment requirements are included in the ongoing competitive CONUS bulk gaseous helium procurement, SP0600-11-R-0320. The DLA Energy Contracting Officer conducted extensive market research as part of the competitive bulk helium procurement that will lead to the follow-on to the current Linde contract. It is anticipated that excellent competition will exist.

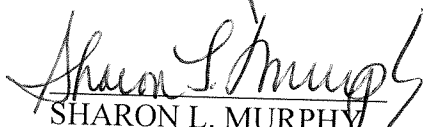
**6. Actions Being Taken to Overcome Barriers to Competition (10 U.S.C. 2304 (f) (3) (F)):** DLA Energy is conducting the follow-on contract for the LEMV's sustainment requirements, aggregated with all other bulk gaseous helium customer requirements, on a full and open competitive basis.

I hereby certify that the data, which forms the basis for this Justification, are accurate and complete.

  
BARBARA M. PETERSON

Contracting Officer

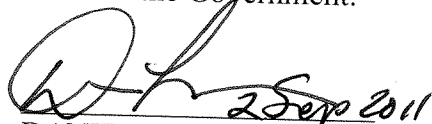
Date: 2 Sep 2011

  
SHARON L. MURPHY

Acting Chief, Contracting Division

Date: 2 Sep 11

I hereby certify that the data which forms the basis for this justification is accurate and complete and that the purchase request covers only the minimum requirements to satisfy the needs of the Government.

  
DANIEL LERMA

Chief, Logistics Management Division