

Commitment, Entitlement and Ordering Procedures

Section I: Mobilization Value (MV) Terms.

- (a) Allowable Cabin Load (ACL) is the weight of cargo, in short-tons, or the number of passengers at 400 pounds per passenger an aircraft can carry. This is also known as payload.
- (b) Base Aircraft is defined as the capability to transport 0.170469 Million Ton Miles of cargo or 0.71029 Million Passenger Miles of personnel.
- (c) Base Cargo Aircraft ACL is calculated by dividing 180,000 pounds (the average maximum total cargo weight the base aircraft can carry a minimum distance of 3,500 NM) by 2,000 pounds (the weight in one short-ton). The result, 90 short-tons is multiplied by 87 percent (the average percent of cargo actually carried on commercial aircraft during contingencies), resulting in 78 short-tons.
- (d) Base Passenger Aircraft ACL is calculated by dividing 130,000 pounds (the average maximum total passenger weight the base aircraft can carry a minimum distance of 3,500 NM) by a war planning passenger weight of 400 pounds (including full battle dress, duffel bag, etc.). The result is 325 passengers.
- (e) Block Speed is the calculated average true airspeed of an aircraft, in knots, from block-out to block-in.
- (f) Expansion awards refers to all requirements not included in the annual fixed awards and purchased via separate task orders.
- (g) Fixed awards (also known as Fixed Buy), refers to requirements purchased on a 12-month basis and awarded via Task Orders on 1 Oct of each Fiscal Year (FY).
- (h) Million Ton Mile (MTM) or Million Passenger Mile (MPM) per day is the result of multiplying ACL times Block Speed times Productive Utilization Rate divided by one million. The base aircraft MTM=0.170469 of cargo and MPM=0.71029 of passengers.
- (i) Mobilization Value Points (MVP) are points utilized in the entitlement process which are calculated based on aircraft Wide Body Equivalent (WBE) committed to the CRAF and allocated for certain aircraft in the International Segment.
- (j) Productive Utilization Rate (PUR) is the actual rate at which an aircraft is fully productive. The minimum daily utilization rate of 10 hours per day required for acceptance into CRAF is multiplied by the AMC airlift productivity factor resulting in a productive utilization rate. For all current types of operations, the productivity factor is 0.47, resulting in a PUR of 4.7 hours.
- (k) Productive Payload is defined as 75 percent of the maximum payload the aircraft is designed to carry.
- (l) Productive Payload Range (PPR) is, for aircraft assigned to the long-range section, the actual range that an aircraft can transport a productive payload
- (m) Wide Body Equivalent is the capability of an aircraft in relationship to the Base Aircraft. This is computed by dividing the MTM or MPM of the aircraft by the MTM or MPM of the Base Aircraft.

Section II: Aircraft Commitment Requirements.

- (a) Contractors shall maintain the Government's minimum CRAF capable aircraft commitment as outlined below and included on the Appendix 3A. CRAF capability is determined by compliance with the technical performance requirements identified in Section III below. Minimum aircraft commitment shall be maintained

during each two-year period of performance (i.e. entitlement interval). Contractor's fleet build/assignments may be reviewed annually for necessary adjustments based on fleet changes.

1. International capable Contractors shall maintain a minimum commitment of 40 percent (%) of the passenger fleet WBE AND 40% of the cargo fleet WBE included on the Contractor's FAA issued Operations Specification, paragraph D085, (Ops Spec D085, "Aircraft Listing") for aircraft meeting the performance criteria outlined in Section III below. WBEs may be satisfied by either one plane or a combination of planes.
 2. Contractors with both long-range and short-range international capability shall commit to the long-range international section. This commitment does not preclude a contractor from also committing its short-range aircraft in the short-range section to receive short-range entitlement.
 3. Contractors eligible for the International segment cannot offer commitment capable aircraft to the Domestic Services section
 4. Domestic only capable Contractors shall maintain 15% of the passenger fleet WBE included on the Contractor's Ops Spec D085 meeting the performance criteria outlined in Section III.
 5. Contractors with both passenger and cargo CRAF capable and lease conforming aircraft in their fleets shall commit to both elements.
- (b) Contractors shall maintain the minimum requirements for assignment to Stages I, II and/or III in the appropriate segment, section and element in the CRAF.
1. International Long Range Section. Contractors shall commit a minimum of one aircraft for assignment to Stage I.
 2. Contractors offering additional aircraft to Stage I will receive entitlement to available peacetime business under this contract.
 3. Contractors not offering additional aircraft for Stage I assignment will be considered "non-entitled Contractors" IAW the provisions of Section VII paragraph (b) below.
 4. In support of the Domestic Services Section of the National Segment of the CRAF, US air carriers with limited or no International authority are authorized to join the CRAF. Limited International authority is defined as possessing an Operations Specification Paragraph B050 allowing enroute operations limited to no more than the USA (including AK and HI), Canada, Mexico, Central America, the Gulf of Mexico, the Caribbean Sea/Islands, and Bermuda. US air carriers authorized to conduct operations beyond these limits will be assigned to the International Segment. US air carriers conducting operations solely within the same geographic area defined above will be assigned to the Domestic Services Section of the National Segment of CRAF. The Government's consideration regarding an Offeror's assignment to the International or Domestic segment will be made by the CRAF Program Management Office (PMO) and is not subject to dispute.
- (c) CRAF Aircraft Revalidation, Basic, and Performance Data Sheets (Data Sheets 81, 82, and 83, respectively, Attachments 8a, 8b, and 8c) and associated Computerized Flight Plan (CFP) and updated Appendix 3A shall be submitted not later than 1 Jul of each year, or as needed, for any changes from the Contractor's previous year's submission IAW Atch. 8. If there are no changes, resubmission of said documents is not required.
1. All aircraft listed in the Contractor's Appendix 3A shall be of United States registry, suitable for CRAF allocation and shall be subject to the Contractor's control as of the date of their initial offer and prior to the execution of any bilateral options.
 - i. The aircraft listed on Appendix 3A must be exclusive of those the Contractor has committed to other contracts for air transportation that overlap the effective dates of this contract. Outside contracts to

which an aircraft has been committed must document precedence of the CRAF contract and be made available upon request to the Contracting Officer.

- (d) After award, but prior to the next entitlement interval, carriers may only offer additional aircraft as replacements for aircraft removed from the CRAF fleet, either their own aircraft or a team member's aircraft. The contracting officer has final approval on replacement aircraft. Those aircraft shall be added to the Appendix 3A and MVP will be recalculated by the Government annually prior to the next period's performance start date. As part of the MV calculations, Flyer-Bonus points will be based on missions performed during a 12-month period without overlapping the period used to determine the prior year's Flyer-Bonus points. The revised points will be applied toward the next period's awards. In the case where a team is unable to replace their own lost capacity, the CRAF PMO will determine a suitable source for the replacement aircraft.
- (e) New contractors committing aircraft to the CRAF after the initial deadline for receipt of proposals, will be limited to one aircraft mandatorily assigned to Stages I, II and III for the International Long-Range segment and one aircraft mandatorily assigned to Stages II and III for the International Short-Range and Domestic-only segments, as appropriate. In addition, MVP will not be earned in the International Long-Range, Short-Range, and Domestic-only segments until the following option period.
- (f) Contractors must demonstrate by evidence of ownership, lease arrangements or lease purchase agreements that the aircraft identified by FAA registration number and included in their Appendix 3A (or any replacement aircraft satisfactory to the Air Force) are subject to its control for the duration of each 2-year period of performance, and prior to the execution of any subsequent bilateral option periods; plus the contract extension period in accordance with 52.217-8, if applicable; or the period of CRAF activation plus 6 months if applicable. Proof of aircraft control (lease arrangements or lease purchase agreements) shall be furnished if requested by the Contracting Officer. Control of aircraft will not be considered satisfactory if the lease or lease purchase agreement merely grants the right to the lessee to use subject to termination at will by the lessor or lessee. However, leases or agreements may be subject to cancellation and withdrawal of the aircraft if the lessee willfully breaches or fails to make rental or purchase payments, but in such case the lessee shall give notice in writing to the Contracting Officer no later than two (2) working days from receipt of cancellation notification or withdrawal of aircraft. Contractor shall submit with his offer a Statement of Offeror's Counsel dated as of the offer submission date in accordance with Statement of Lease Conformance and Statement of Offeror Regarding Lease Renewal/Purchase.

Section III: Aircraft Selection Criteria.

- (a) General. The Government will allocate aircraft to the CRAF to meet DoD emergency airlift requirements and subsequent anticipated taskings IAW the performance criteria outlined below (Stage assignment criteria is identified in Section IV below). The Government will award International Charter Airlift services IAW the performance criteria identified below and the categories identified in the Rates and Rules, Appendix A.
- (b) Aircraft selection criteria:
 1. Long Range International. Aircraft selected for allocation to this section are long-range aircraft, capable of flying a minimum distance of 3,500 nautical miles non-stop, while carrying a productive payload (75 percent of the maximum payload it is capable of carrying). Aircraft must be authorized to conduct Extended-range Twin-engine Operational Performance Standards (ETOPS). These aircraft are identified mainly for strategic airlift between the Continental US (CONUS) and overseas theaters of operation and must be equipped with navigation, communication, and life support systems/emergency equipment required for extended over-water operations in trans-oceanic airspace, and on international routes. Additionally, long-range aircraft must be equipped to operate in EUROCONTROL and North Atlantic Minimum Navigation Performance Specification airspace and possess the applicable very high frequency (VHF), secondary surveillance radar Mode-S, required navigation performance (RNP), and reduced vertical separation minimum (RVSM) communication and navigation capabilities.
 2. Short Range International. Aircraft selected for allocation to this section are medium-range, narrow-body aircraft unable to meet the range requirements of the International Long Range Section. Acceptable aircraft

must be capable of flying a minimum distance of 1,500 nautical miles non-stop while carrying a productive payload. These aircraft must be equipped for over-water operations and are used for strategic airlift from CONUS to short-range offshore destinations and for theater airlift within specific geographic areas. Other aircraft types may be considered for assignment given a compelling need by the government (i.e., a significant shortfall in meeting requirement(s)).

3. Domestic. Cargo aircraft selected for allocation to this section, are medium-range aircraft, capable of flying a minimum distance of 1,500 nautical miles non-stop, while carrying a minimum payload of 32,000 pounds. Passenger aircraft allocated to this section are medium-range aircraft, capable of flying a minimum distance of 1,500 nautical miles non-stop, while carrying a minimum of 75 passengers (each passenger planning weight is 400 pounds, equivalent to a 30,000 pound payload).
4. All cargo aircraft must be capable of accommodating 108" x 88" (standard military) 463L compatible pallets. However, upon the discretion of the PMO, aircraft not 463L pallet compatible may be acceptable for CRAF assignment when there is a shortage of 463L compatible aircraft. Contractors possessing both 463L pallet compatible and non-compatible aircraft must offer all compatible aircraft ahead of non-compatible aircraft to fulfill the minimum offer requirement specified on the Appendix 3A. If there is a shortage of 463L compatible aircraft, Contractors possessing only non-compatible aircraft may be considered and will be required to offer the same minimum percentage of their aircraft.

Section IV: Determining WBE Value of CRAF Aircraft and CRAF Assignment.

- (a) WBE, which is representative of the performance capability of each CRAF aircraft, will be calculated by the CRAF PMO to three decimal places based on the following factors:
 1. WBE values will be calculated for all aircraft in the Contractor's fleet identified on the Contractor's Data Sheets 82 and 83 and CFPs applicable to the period of performance being considered (i.e. Option Period 1, Option Period 2).
 2. MVP will be allocated for certain aircraft in the International Segment based on the calculated WBE in the following manner:
 - i. International Long-Range: Stage I, Stage II and Stage III-assigned aircraft of carriers that have offered more than the one aircraft minimum for Stage I assignment will be allocated MVP.
 - ii. International Short-Range: Stage II and Stage III-assigned aircraft will be allocated MVP.
 3. WBE Calculation Procedures:
 - i. Identify the payload (PL) weight limit to be used for calculation - PL. This is the lesser of the following two values: (1) the weight limited payload as calculated on the CRAF Aircraft Basic Data Sheet; or (2) the payload weight at the required standard range as determined using the Range/Payload Graph on the CRAF Aircraft Performance Data Sheet
 - ii. Passenger Aircraft Calculations.
 - (a) Identify the number of company-standard seats from the CRAF Aircraft Basic Data Sheet.
 - (b) Divide the PL as determined above by 400 (the specified weight of a DoD combat passenger with personal gear), resulting in the maximum number of DoD passengers the aircraft can carry. The creditable number of passengers the aircraft can carry is the lesser of the number of company standard seats and the calculated passenger load capability.
 - iii. Cargo Aircraft Calculations. Divide the PL as determined above by 2,000 (the number of pounds in one short-ton), resulting in the number of short-tons the aircraft can carry. Multiply this result by 87

percent (the average percent of cargo actually carried on commercial aircraft during contingencies). This yields the payload used for further calculations.

iv. Computing Average Block Speed (BS).

- (a) Using data derived from the CFP supplied by the carrier, the CRAF Office will calculate the average true airspeed of an aircraft, from point of takeoff to the point of landing, for the standard distance its aircraft is contracted to fly (either 1,500 or 3,500 nautical miles).
- (b) Using the average true airspeed, the CRAF office determines the amount of time it takes to fly the contracted distance, and then adds 20 minutes for block-out, taxi, and block-in.
- (c) After 20 minutes has been added, the CRAF office recalculates the average true airspeed, the result of which becomes the average block speed.

v. MV Formula.

$$\frac{PL \times BS \times PUR}{1,000,000} = \text{MTM/day or MPM/day}$$

$$\frac{\text{Specific Aircraft MTM/day or MPM/day}}{\text{Base Aircraft MTM/day or MPM/day}} = \text{WBE}$$

$$\text{Specific Aircraft WBE} \times 10 = \text{MVP}$$

4. Examples of a 40 percent International and 15 percent Domestic CRAF commitment:

- i. International Contractor A has a 61.36 WBE cargo fleet. Forty percent of 61.36 is equal to 24.544. Contractor A must commit enough aircraft to equal or exceed 24.544 WBE.
 - ii. Domestic Contractor B has a 12.77 WBE passenger fleet. Fifteen percent of 12.77 is equal to 1.916. Contractor A must commit enough aircraft to equal or exceed 1.916 WBE.
- (b) Capability Requirements. Set forth below are the Joint Chiefs of Staff (JCS) airlift capability requirements in terms of million-ton-miles (MTM) and million-passenger-miles (MPM) and converted to WBEs for the three Stages of CRAF as described in Attachment 1, PWS, Appendix 5. The international long- and short-range passenger and cargo requirements are expressed in terms of wide-body equivalents for all Stages. The domestic requirements are expressed in terms of individual aircraft. AMC will endeavor to meet these requirements in accordance with the criteria set forth below as close as practicable when accepting aircraft.

LONG-RANGE REQUIREMENTS

	<u>Stage I</u>	<u>Stage II</u>	<u>Stage III</u>
Cargo MTM/WBE	2.56 / 15	12.79 / 75	23.87 / 140
Passenger MPM/WBE	11.36 / 16	61.80 / 87	73.87 / 104

SHORT-RANGE REQUIREMENTS

	<u>Stage II</u>	<u>Stage III</u>
Cargo MTM/WBE	0.68 / 4	2.22 / 13
Passenger MPM/WBE	24.86 / 35	24.86 / 35

DOMESTIC REQUIREMENTS

	<u>Stage II</u>	<u>Stage III</u>
Cargo Aircraft	15	25
Passenger Aircraft	19	30

1. Offer of Aircraft. When Contractors offer aircraft to CRAF, they are agreeing to allow said aircraft to be assigned to CRAF Stages II and III as deemed necessary by the CRAF PMO. They also agree that a minimum of one (1) aircraft, which the Contractor may nominate, will be assigned to CRAF Stage I. The Contractor may identify additional aircraft, by tail number or quantity/type, for possible Stage I assignment. Aircraft accepted into the program will be assigned to the segment/section/element best matching the aircraft's capabilities.
- (c) Assignment of Aircraft. After aircraft are offered and determined eligible for CRAF assignment, they are assigned to the CRAF stages, completing segments, sections, and elements independently of each other, by the CRAF PMO. When the total offered WBE exceeds the requirements specified in the above paragraph (b), assignments are made to fulfill the requirements to as close to the specified level as is reasonably possible. Stage assignments are final and not subject to dispute. The CRAF PMO reserves the right to assign aircraft, when necessary, to meet CRAF requirements, to include maintaining an appropriate mix of aircraft types for all stages. This maximizes CRAF planning and operational flexibility.

1. International

- i. Stage I. For the long-range international section of CRAF, a minimum of one (1) aircraft from each Contractor, suitably equipped with required communication and navigation capabilities, and required life support systems/emergency equipment required to operate in trans-oceanic airspace and on international routes, will be assigned to Stage I. This aircraft will typically be the most capable aircraft, established by WBE or other characteristic as determined by the PMO. The Contractor may nominate an aircraft for Stage I assignment for CRAF PMO consideration. Contractors who desire additional aircraft assigned to Stage I, above the minimum as stated above, must indicate so on the Appendix 3A, List of Aircraft identifying the additional aircraft by tail number or quantity/type, they are offering for assignment. After the minimum of one (1) aircraft from each Contractor has been assigned to Stage I, additional aircraft required to fulfill the requirement will be selected only from those specifically offered to Stage I as described above. The PMO will rank order the eligible carriers from highest WBE Stage I offer to lowest. The PMO will then select additional aircraft from those offered for Stage I assignment, alternating among the Contractors in the rank-ordered sequence in a "bricklaying" process, selecting the most capable remaining aircraft from each carrier. This process will continue until the requirement has been fulfilled or the available pool has been exhausted. Maximum flexibility is required in CRAF planning; therefore, in long-range international segment aircraft assignment considerations, Stage I passenger section should have a minimum of 80 percent wide body aircraft and Stage I cargo a minimum of 60 percent wide body aircraft. In order to limit the overreliance on any single carrier, the PMO retains the right to apply a cap to the amount of the Stage I requirement that any one carrier can fulfill. The cap will be determined by the CO based on the best interests of the Government.
- ii. Stage II. The long-range international section of Stage II will be filled first by all aircraft in Stage I, and the remainder of Stage II will be filled utilizing a "bricklaying" process similar to that described in long-range Stage I above, but based on each carrier's total aircraft offer. Stage II short-range international section will be filled utilizing procedures similar to those above, with a minimum of one (1) aircraft assigned from each carrier. There is no "volunteerism" structure supporting short-range international.
- iii. Stage III: The international section (long and short-range) of Stage III will be filled first by all aircraft in Stages I and II, as appropriate. The remainder of Stage III will be filled by aircraft selected from those aircraft not yet stage assigned utilizing the "bricklaying" process previously described. Stage III will be filled to approximately 105% of the requirement specified in Section IV(b).
- iv. Contractors receiving IDIQ awards after the initial submission deadline, will be limited to one (1)

aircraft mandatorily assigned to Stages I, II and III, as appropriate, and will not earn MVP until the following option period.

2. Domestic: Contractor's shall maintain a minimum commitment of 15 percent of their CRAF capable aircraft to the Domestic Services Section of the National Segment of CRAF. The number of aircraft allowed in CRAF, shall not exceed 120% of the requirement as specified in paragraph (b) above. For example, for the domestic passenger requirement of 30 aircraft, the number accepted into the program would be 36. New entrants will be allowed to enter the program during the year, and stage assignments for all domestic carriers will be adjusted as required to maintain specified levels. Outlined below is the formula for calculating each carrier's contribution to CRAF.

- i. Step one: Determine the percent of each carrier's offer in relationship to all domestic aircraft offered. Example: Carrier "A" offers 35 aircraft. The total number of aircraft offered by all participating carriers is 58. Carrier A's 35 aircraft divided by 58 total aircraft equals 60.34%, which is Carrier A's percent of the total.
- ii. Step two: Multiply the total number of passenger aircraft allowed in the CRAF (36) by each carrier's percent of the total number of aircraft offered.

Example: The total number of aircraft allowed (36) multiplied by 60.34% (Carrier A's percent of the total number of 58 aircraft offered) equals 21.72 aircraft. Therefore, allowing for whole number of aircraft, the DoD will assign only 22 of carrier A's aircraft to the CRAF.

3. The following conditions will apply to acceptance of aircraft:

- i. Aircraft failing to meet the control of aircraft requirements listed in Attachment 1, PWS, Section 4, Paragraph 4.1 will not be accepted into the CRAF program or will be removed from the CRAF program if the aircraft does not meet the criteria during the contract period of performance. This includes completed aircraft that have not actually been delivered to the Contractor and placed in active daily utilization. The carrier is responsible for notifying the CO immediately when (1) an aircraft is placed in storage and reaches a status such that it cannot be returned to mission capable status within 24 hours, (2) when an aircraft is projected to be or has been taken out of service for maintenance, repair and overhaul (MRO) or modification exceeding 90 consecutive calendar days, or (3) when an aircraft has not been airborne under its own power for 90 consecutive calendar days.
- ii. Eligible leased aircraft may have a lower acceptance priority in meeting the Stage I and II requirements. Aircraft wet leased to other U.S. Contractors with International Airlift contracts will be considered for mobilization base acceptance from the lessor only if the leases contain recapture provisions satisfactory to the Government, enabling the offering Contractor to recover the aircraft in a timely manner consistent with the contract requirements in the event of CRAF activation. Aircraft wet leased to other U.S. Contractors with International Airlift contracts will not be considered for AMC mobilization base acceptance from the lessee. Aircraft dry leased to other U.S. Contractors with International Airlift contracts will be considered for mobilization base acceptance from the lessee only if the lease does all of the following:
 - (a) Gives the lessee exclusive control of the aircraft.
 - (b) Provides that the leasing agreement includes a provision providing the lessee control of the aircraft in the event of a CRAF activation the entire period of the activation plus up to six (6) months thereafter.
 - (c) Specifies that the lessor shall not offer the aircraft for AMC mobilization base acceptance for any contract year during the life of the lease that the aircraft is being offered by the lessee.
 - (d) Provides that the lease must extend for the entirety of the two-year contract periods, as applicable, including the six (6) month option.

- iii. Aircraft dry leased from a foreign entity without a recapture clause and bearing U.S. registration may be considered for mobilization base acceptance if the lease gives the lessee exclusive control of the aircraft. Also, the lease must provide that if CRAF is activated during the period of the lease, then the lease shall be extended for so long as the CRAF is activated plus up to six (6) months thereafter.
 - iv. Aircraft wet leased to foreign entities may be given full MV credit for such aircraft to the lessor only if the lease contains recapture provisions satisfactory to enable the offering carrier to recover the aircraft in the event of CRAF activation. The wet leases must be submitted to USTRANSCOM/TCAQ-C for review and approval at least 90 days prior to the start of each entitlement period.
 - v. Aircraft dry leased or wet leased without recapture provisions are not eligible for acceptance into the CRAF.
- (d) MVP Bonuses: For international long-range carriers meeting the identified prerequisites, MVP is earned on aircraft assigned to Stage I, Stage II and Stage III based on the relative value of aircraft compared to a base aircraft as defined in Section I above. Bonuses are computed as outlined below:
- 1. Eligible long-range international assigned aircraft will receive additional range/payload MVP credit relative to each aircraft's capability to transport 75% of the maximum ACL beyond the minimum distance of 3,500 NMs, referred to as Productive Payload Range (PPR). Capability is determined by using aircraft performance data provided by the carrier and the aircraft manufacturer. Bonus results are determined by the CRAF PMO and all calculations are final. Range/payload bonus formula is as follows:

$$\text{MVP} \times (\text{PPR} - 3500) \times 0.00013334$$
 - 2. Cargo and passenger aircraft offered and accepted for International Long-Range Passenger or Cargo Stage I will receive five (5) times MVP credit after any, and all, bonuses have been applied.
 - 3. Cargo and passenger aircraft offered and accepted for Stage II will receive two and a half (2.5) times MVP credit after any, and all, bonuses have been applied.
 - 4. Cargo and passenger aircraft offered and accepted for Stage III will receive one (1) times MVP credit after any, and all, bonuses have been applied.
 - 5. International Long-Range Flyer Bonus Computation:
 - i. Designed to reward carriers that perform peacetime business under this contract.
 - ii. Contractors will receive a flyer-bonus based on the number of long-range passenger and cargo missions performed during the 12-months prior to the month the RFP closed. To determine the flyer-bonus for the base period (year one) Fixed award, Legacy (e.g., Scheduled Service) and charter aircraft will receive a flyer-bonus of 0.30 times the number of long-range missions. To determine the flyer-bonus points for subsequent years, the Government will recalculate the points annually, approximately 60 days prior to the anniversary date of award, based on the previous 12-month period which does not overlap with prior flyer bonus calculations. The factor will be added to the carrier's baseline MV to determine the carrier's final MVP.

Section V: Use or Transfer of MVP.

- (a) Contractors may elect to use MVP transferred from another carrier.
- (b) Contractors using MVP transferred from another carrier, must be eligible to earn MVP by committing their own aircraft to satisfy mandated minimum levels (i.e. at least 40 percent of their passenger and/or cargo fleets in wide body equivalents), and, if International Long-Range capable, offer more than one aircraft for Stage I assignment. Contractors operating both cargo and passenger aircraft must satisfy the requirements of each

category. The Contractor shall submit a NOTICE OF USE (Section K). The use of MVP is solely for a Contractor flying missions to increase its total MVP for determining peacetime fixed and expansion business award eligibility. MVP must be transferred for the entire active two-year contract period (and updated annually to reflect any adjustments in entitlement), including any exercised Option Periods. Transferred MVP cannot be redistributed during the contract period.

Contractors eligible to earn MVP are permitted to transfer those MVP to another Contractor eligible for peacetime business, with or without joining a team. This transfer is limited to the use of the points, and in no way affects the Seller's aircraft commitment to CRAF and/or any other contractual obligations. In order to transfer MVP, the Contractor shall submit a NOTICE of TRANSFER OF MVP (Section K) to the Contracting Officer. The transfer shall be irrevocable for the entirety of the applicable active two year period of performance.

- (c) Contractors shall not pay a commission associated with their mission revenues with a value in excess of 5% of the Government payments actually received by the Contractor from performance of fixed or expansion missions (less Euro-control) which are awarded based in any part on the MVP Entitlement of the Seller.

Section VI: Determining Entitlement.

- (a) Long-range and short-range MVP calculations for entitlement purposes will be determined separately on an annual basis prior to the start of the next period of performance. The Government will recalculate MVP approximately 60 days prior to the onset of any option period performance start date and issue contract modifications accordingly. As part of option period MV calculations, Flyer-Bonus points will be based on missions performed during a 12-month period without overlapping the period used to determine the previous-year Flyer-Bonus points.
- (b) Entitlement for missions less than 2,350 nautical miles will be based on short-range MVP with the following exceptions. Entitlement for short-range missions requiring long-range aircraft will be based on long-range MVP. Entitlement for long-range missions requiring short-range aircraft will be awarded using short-range MVP.
- (c) Each Contractor's total Entitlement will be computed by adding its total MVP for long-range or total MVP for short-range and/or flyer bonus. A Contractor's MVP will be prorated by category multiplying the percent of business in each category by a Contractor's total points. Award percentages are established based on each Contractor's category total divided by the category grand total. A Contractor must have aircraft committed to CRAF in a category in order to receive entitlement/business in that category. For example, in order for a Contractor to be entitled to business in the Large Passenger category, it must have aircraft committed to CRAF in that category. The percentages are then used to establish the category entitlement dollars. Aircraft offered for fixed award missions must meet the minimum ACL requirements as solicited.
 1. After allocating aircraft to the appropriate international CRAF stages and calculating total MVPs for all offerors, the Government will determine each carrier's "entitlement" to the various categories of airlift business (i.e., medium cargo, medium passenger, large I MFE cargo, large I cargo, large II cargo and large passenger). A Contractor may participate in one or more categories depending on their aircraft capability. The following steps would be used to assess the entitlement percentages and allocate the appropriate fixed buy requirements.
 2. The first step is to determine the total mobility value points available in each category and assess the points associated with each carrier in those categories. Once the overall points are assessed, the applicable level of business is calculated by dividing the overall points in that category by the points per carrier. In the following example Carrier A would receive 25% of the business in the applicable category.

Carrier A: 2000 points=	25%
Carrier B: 3000 points=	37.5%
Carrier C: 3000 points=	37.5%

3. The next step in the process would be to determine the overall value of the required airlift to be flown in the fixed buy. In the following example \$100M in a category (i.e., large passenger) will be divided based on the level of entitlement as described above.

Sample Large Passenger Category level: \$100M

Carrier A: \$25M	(25% of the large passenger level)
Carrier B: \$37.5M	(37.5% of the large passenger level)
Carrier C: \$37.5M	(37.5% of the large passenger level)

4. This process is consistently repeated for each category of airlift business to determine each carrier's entitlement. The same entitlement percentages are also used to award expansion business. For teaming arrangements (TA), entitlement is determined by the cumulative MVPs of all offerors in the team—not the individual offerors. For example, Carrier A is comprised of Carrier 1 (500 MVPs), Carrier 2 (500 MVPs) and Carrier 3 (1000 MVPs); total of Team A's MVPs is 2000 which is the total MVPs to be used for all categories of business in which the team has capability. After determining the team's percentage of entitlement for the various categories of business, the process is repeated for each category of airlift business to determine the dollar value of entitlement. The same entitlement percentages are also used to award expansion business.
- (d) In cases where a carrier's entitlement is so small that it does not equate to an entire mission, the carrier will be offered one (1) mission. The Government will attempt to award a mission with the value that over-entitles the carrier by the least amount.
 - (e) In cases where a range is given for requirement purposes (i.e., 240-260 seats), payment will be based on the maximum requirement or the standard ACL of the aircraft, whichever is less, regardless of seat pitch or aircraft seating configuration.
 - (f) Any carrier not in possession of a facility clearance (FCL) will not receive entitlement. Once the FCL is active, the carrier will receive entitlement in the next MV calculation.
 - (g) After contract award and on an annual basis thereafter, the CO will provide copy of the ACAS Segment Report and Entitlement spreadsheet denoting each carrier's fleet structure and entitlement percentages.
 - (g) For purposes of awarding Expansion business, Entitlement resets to the Contractor's full percentage each month. At the discretion of the Contracting Officer, the Government may carry entitlement (in whole or part) forward one additional month where Entitlement was lost due to unforeseen Government-caused circumstances. The CO will attempt to make awards commensurate to every Contractor's entitlement each month; however, the Government is not obligated to ensure individual Contractors meet or exceed their entitlement each month.

Section VII: Ordering

- (a) Task Orders. Offerors shall submit offers for task orders as instructed in the Government's request for proposal. An offer submitted by a Contractor is considered a firm offer that, when accepted by the Government, becomes binding. Notification to submit a schedule serves as Government acceptance of the Contractor's offer. Task orders shall set forth (1) the services being ordered, (2) performance date, (3) price, (4) fund cite, and (5) any other pertinent information.
- (b) Scheduling: For the purpose of this paragraph "Schedules" shall mean detailed arrangements regarding date and time of day of flight operations necessary to perform air transportation services required for contracts awarded from this solicitation. Schedules not specified in this solicitation shall be established by agreement between the Contractor and the CO or the COR in accordance with the provisions of this paragraph. Scheduling for international missions will be accomplished by 618 Air Operations Center (AOC) Tanker Airlift Control Center (TACC).

Fixed

- (a) Contractors shall submit their offer for fixed award missions in response to the Government's solicitation.
- (b) Negotiations will take into consideration factors serving the best interests of the Government and the Commander's intent to maintain CRAF readiness through modern, fuel efficient aircraft. Several examples: Contractors offering to perform USTRANSCOM peacetime business only during off peak commercial seasons (i.e., passenger services only between September through May), offering only on specific routes considered to be prime business, or offering only on one-way routes, may not be awarded business or may only be awarded a portion of such business. If two Contractors offer modern, fuel efficient aircraft on the same date, award will be based on entitlement. Aged aircraft (i.e. DC-8, DC-10, and B747-100/200/300) will be considered if modern, fuel efficient aircraft are not available.
- (c) The Government will provide proposed schedules for Contractor coordination at the conclusion of negotiations (approximately 30 calendar days prior to the month of operation for cargo missions and approximately 90 calendar days prior to the month of operation for passenger missions). Contractor shall provide the following in writing to the appropriate planner/planning directorate in 618 AOC (TACC) within three (3) working days after verbal or other notification of the proposed 618 AOC (TACC) schedule;
 - (a) Confirmation of proposed schedule; or
 - (b) A proposed alternative schedule.

Expansion

- (a) The Government will award expansion requirements based on entitlement to the extent practicable and based on the best interests of the Government using the following criteria. An offeror's monthly entitlement is the most important factor, but the Government may also consider other evaluation factors such as timeliness of submission, type and weight capacity of aircraft offered, date of availability, location of offered aircraft in relation to the requirement's origin and destination location, total cost of offer, and past performance (e.g. contractor reliability and violation status). When two or more members of a TA submit acceptable offers for the same expansion requirement, the TA agent will determine which Contractor receives the award.
- (b) Awards will take into consideration factors serving the best interests of the Government and the Commander's intent and the National Defense Authorization Act's (NDAA) direction to utilize modern, fuel efficient aircraft to the maximum extent possible. If more than one non-entitled Contractor offers on an expansion requirement, award will be made to the Contractor who has committed the most aircraft in wide body equivalents to the CRAF.
- (c) All trips ordered under peacetime expansion provisions will be scheduled no later than three (3) working days after notice of order. The Government will coordinate with carriers until acceptance is received. Schedules may be revised upon request of either the Government or the Contractor, provided the requester provides a minimum of twelve (12) hours prior to the scheduled departure of the trip involved and the requested change is mutually agreed upon.

Outsized Cargo Service or Service into Restricted Areas or Remote Locations.

- (a) The process for award of expansion airlift for outsized cargo and/or service into restricted areas or remote locations will be as follows:
 1. Requirements will be competed on a mission-by-mission basis. Contractors shall submit a proposal in response to the solicitation requirements. Award will be made on a best value basis among offers that meet mission requirements based on the type and weight capacity of the aircraft offered and date of availability. Factors used to determine best value include schedule, price, past performance (e.g. contractor reliability and violation status), and timeliness of offer submission. Schedule is considered approximately equal to price, and schedule and price are significantly more important than the other factors, which are of equal

value. The Government intends to award, where possible, to offers made within the stated mission need dates, but reserves the right to award on alternate dates if it is determined that such an award represents the best value to the Government, schedule and price and other factors considered. Any proposed alternate mission dates falling outside the solicited mission dates will be considered only if acceptable to the Government; in such a case, the CO will provide other offerors the opportunity to propose against the alternate mission dates. The Government reserves the right to split requirements among offerors after receipt of offers if advantageous to the Government.

2. If only one offer is received, award will be subject to the CO's determination of whether the price is fair and reasonable IAW FAR 15.404-1.
- (b) Terms and conditions of the that will NOT apply to outsized cargo service or service into restricted areas or remote locations are:
1. Entitlement
 2. USTRANSCOM Negotiated Uniform Rates and Rules.
 3. Reimbursables CLINS.
 4. Attachment 3 concerning ferry certification.
 5. Cancellation fees as described in PWS paragraph 1.2.7, Trip Cancellation.
 6. Joint and Several Liability
- (c) Remote Locations. For a mission flying into a remote location where ground handling equipment is not available, the mission may be analyzed to compare the cost of a U.S. Flag carrier landing at another nearby airfield which has ground handling equipment and trucking the cargo to the remote location or purchasing an aircraft equipped with a crane and/or mechanized loading system (i.e. AN-124) and flying directly into the remote location.

Door to Door Airlift Service.

- (a) The process for award of door to door airlift services will be as follows:
1. Requirements will be competed on a mission-by-mission basis as the time specific routes and dates become available. Contractors shall submit a proposal in response to the solicitation requirements. Award will be made on a best value basis among offers that meet mission requirements. The determination of whether an offer meets mission requirements will be based upon the type and weight capacity of the aircraft offered and date of availability. Factors used to determine best value include schedule, price, past performance (e.g. contractor reliability and violation status), and timeliness of offer submission. Schedule is considered approximately equal to price, and schedule and price are significantly more important than the other factors, which are of equal value. The Government intends to award, where possible, to offers made within the stated mission need dates, but reserves the right to award on alternate dates if it is determined that such an award represents the best value to the Government, schedule and price and other factors considered. Any proposed alternate mission dates falling outside the solicited mission dates will be considered only if acceptable to the Government; in such a case, the Contracting Officer will provide other offerors the opportunity to propose against the alternate mission dates. The Government reserves the right to split requirements among offerors after receipt of offers, if advantageous to the Government.
 2. If only one offer is received, award will be subject to the contracting officer's determination of whether the price is fair and reasonable, IAW FAR 15.404-1.
- (b) Terms and conditions of this contract that WILL apply to the airlift portion of the door to door airlift service missions are:
1. Entitlement
 2. USTRANSCOM Negotiated Uniform Rates and Rules
 3. Reimbursables CLINS
 4. Attachment 3 concerning ferry certification

5. Cancellation fees as described in PWS paragraph 1.2.7, Trip Cancellation
6. Reliability
7. Fuel adjustments