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PART 3195—HELIUM CONTRACTS

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General Information

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§ 3195.10 What is the purpose of these regulations?

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The purpose of these regulations is to establish procedures governing the sale of helium to Federal agencies with major helium requirements. In order to sell a major helium requirement to a Federal agency, a Federal helium supplier must be under contract with BLM to purchase from BLM an amount of crude helium equivalent to the amount of refined helium it has supplied to the Federal agency.

§ 3195.11 What terms do I need to know to understand this subpart?

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To understand this subpart you need to know that:

BLM means the Bureau of Land Management, Helium Operations, United States Department of the Interior, Amarillo, TX 79101.

Buyer means anyone who is purchasing refined helium for a Federal agency or Federal agency contractor.

Crude helium means a helium-gas mixture containing no more than ninety-nine (99) percent helium by volume.

Federal agency means any department, independent establishment, commission, administration, foundation, authority, board, or bureau of the United States, or any corporation owned, controlled, or in which the United States has a proprietary interest, as these terms are used in 5 U.S.C. 101–105; 5 U.S.C. 551(1); or in 18 U.S.C. 6, but does not include Federal agency contractors.

Federal helium supplier means a private helium merchant who has an In-Kind Crude Helium Sales Contract with an effective date of January 1, 1998, or later, with BLM, and who has helium available for sale to:

- (1) Federal agencies; or
- (2) Private helium purchasers for use in Federal Government contracts.

Helium means the element helium regardless of its physical state.

Helium use location means the location where the major helium requirement will be used.

Like (equivalent) amount of crude helium means the amount of crude helium measured at a pressure of 14.65 pounds per square inch absolute (psia) and a temperature of 60 degrees Fahrenheit (F), and rounded up to the nearest thousand (1,000) cubic feet, that is equivalent to a specified amount of refined helium measured at 14.7 psia and 70 degrees Fahrenheit.

Major helium requirement means an estimated refined helium requirement greater than 200,000 standard cubic feet (scf) of gaseous helium or 7510 liters of liquid helium delivered to a helium use location per year.

Standard cubic foot (SCF) means the volume of gaseous helium occupying one cubic foot at a pressure of 14.7 psia and a temperature of 70 degrees Fahrenheit. One liter of liquid helium is equivalent to 26.63 scf of gaseous helium. One U.S. gallon of liquid helium is equivalent to 100.8 scf of gaseous helium. One pound of liquid helium is equivalent to 96.72 scf of gaseous helium. If BLM approves, you may use appropriate gaseous equivalents of volumes of helium mixtures different from these figures.

§ 3195.12 What is an In-Kind Crude Helium Sales Contract?



It is a written contract between BLM and a Federal helium supplier requiring that whenever a supplier sells a major helium requirement to a Federal agency or its contractors, the supplier must purchase a like amount of crude helium from BLM.

§ 3195.13 If I am a Federal helium supplier or buyer, what reports must I submit to BLM?



In accordance with the In-Kind Crude Helium Sales Contract:

- (a) Federal helium suppliers and buyers must report the total itemized quarterly deliveries of major helium requirements within 45 calendar days after the end of the previous quarter (see §§3195.26 and 3195.33).
- (b) Federal helium suppliers must report the annual cumulative helium delivery report by November 15 of each year (see §3195.33).

§ 3195.14 How should I submit reports?



You must submit reports by:

- (a) Mail;
- (b) Fax;
- (c) E-mail; or
- (d) Any other method to which you and BLM agree.

Federal Agency Requirements

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§ 3195.20 Who must purchase major helium requirements from Federal helium suppliers?



- (a) The Department of Defense:
- (b) The National Aeronautics and Space Administration;
- (c) The Department of Energy;
- (d) Any other Federal agency; and
- (e) Federal agency contractors.

§ 3195.21 When must I use an authorized Federal helium supplier?



You must use an authorized Federal helium supplier for any major helium requirement.

§ 3195.22 When must my contractors or subcontractors use an authorized Federal helium supplier?



An authorized Federal helium supplier must be used whenever the contractor or subcontractor uses a major helium requirement in performance of a Federal contract.

§ 3195.23 How do I get a list of authorized Federal helium suppliers?



You must request the list from BLM in writing.

§ 3195.24 What must I do before contacting a non-Federal helium supplier for my helium needs?



You must make an initial determination about the annual helium demand for each helium use location for the expected life of the purchase order/contract. If the annual helium demand for a helium use location is a major helium requirement, it must be supplied by a Federal helium supplier.

§ 3195.25 What information must be in my purchase order/contract for a major helium requirement?



A purchase order/contract must state each helium use location and whether the anticipated demand exceeds the amount defined as a major helium requirement at each helium use location.

§ 3195.26 What information must I report to BLM?



In accordance with the In-Kind Crude Helium Sales Contract, within 45 days of the end of each quarter, you must report to BLM (see §3195.13) the following:

- (a) The name of the company from which you purchased a major helium requirement;
- (b) The amount of helium you purchased and the date it was delivered; and
- (c) The helium use location.

§ 3195.27 What do I do if my helium requirement becomes a major helium requirement after the initial determination has been made?



As soon as you determine that your forecasted demand of helium for a particular helium use location will become a major helium requirement, you must purchase your helium (for that helium use location) from an authorized Federal helium supplier for the remainder of the purchase order/contract as a major helium requirement.

Federal Helium Supplier Requirements



§ 3195.30 How do I apply to become a Federal helium supplier?



In order to become a Federal helium supplier,

- (a) You must be a private helium merchant and demonstrate to BLM in writing that you have:
- (1) Adequate financial resources to pay for BLM helium and helium related services;
- (2) Adequate facilities and equipment to meet delivery schedules and quality standards required by Federal helium buyers; and
- (3) A satisfactory record of performance in the distribution of helium or other compressed gases.
- (b) You must fill out and execute BLM's In-Kind Crude Helium Sales Contract and submit it to BLM for approval.

§ 3195.31 What are the general terms of an In-Kind Crude Helium Sales Contract?



A BLM helium In-Kind Crude Helium Sales Contract requires you to:

- (a) Deliver helium to a Federal agency specified helium use location;
- (b) Purchase crude helium from BLM equivalent to the amount of refined helium you sold to Federal agencies;
- (c) Report to BLM the amount of refined helium you sold to Federal agencies; and
- (d) Maintain records for inspection and audit by BLM in accordance with 30 U.S.C. 17.13(b).

§ 3195.32 Where can I find a list of Federal agencies that use helium?



You must request from BLM in writing the list of Federal agencies that have purchased a major helium requirement during the past year.

§ 3195.33 What information must I report to BLM?



- (a) In accordance with the In-Kind Crude Helium Sales Contract, within 45 days of the end of each quarter, you must report to BLM (see §3195.13) the following:
- (1) The name of the Federal agency to which you supplied helium;
- (2) The amount of helium you delivered and the date you delivered it; and
- (3) The helium use location.
- (b) In accordance with the In-Kind Crude Helium Sales Contract, by November 15 of each year, you must report to BLM (see §3195.13) the following:
- (1) The name of the Federal agency to which you supplied helium; and
- (2) The cumulative amount of helium delivered during the previous fiscal year for each Federal agency.

§ 3195.34 What happens to my Helium Distribution Contracts?



Helium Distribution Contracts between BLM and a helium distributor have been terminated. You must execute an In-Kind Crude Helium Sales Contract before you sell a major helium requirement to a Federal agency.

§ 3195.35 What happens if I have an outstanding obligation to purchase refined helium under a Helium Distribution Contract?



If you were obligated to buy refined helium under a Helium Distribution Contract, your In-Kind Crude Helium Sales Contract requires you to buy an equivalent amount of crude helium in lieu of that obligation.

§ 3195.36 What happens if there is a shortage of helium?



If there is a shortage of helium (either company specific or industry wide) which would cause you to defer helium shipments to a buyer, you must, in accordance with your In-Kind Crude Helium Sales Contract, give the United States priority over non-government requirements.

§ 3195.37 Under what circumstances can BLM terminate me as an authorized Federal helium supplier?



BLM has the authority to terminate you as an authorized Federal helium supplier for:

- (a) Nonpayment for a like amount of crude helium;
- (b) Not reporting helium deliveries according to your In-Kind Crude Helium Sales Contract and these regulations;

(c) Not taking delivery of a purchase of a like amount of crude helium not covered by a valid helium storage contract; or
(d) Any other breach of contract or violation of these regulations.