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**Acquisition**

**DEFENSE PRODUCTION ACT  
TITLE I--DEFENSE PRIORITIES AND  
ALLOCATIONS SYSTEM**

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This instruction implements DoDD Directive 4400.1, "*Defense Production Act Programs*" and AFD 63-6, "*Industrial Resources*". It also explains how to implement the Department of Commerce (DOC) Defense Priorities and Allocations Systems (DPAS) Regulation (15 CFR 700). This instruction describes rated orders, the organizations responsible for implementing DPAS, and procedures for processing rated orders and obtaining Special Priorities Assistance (SPA). This guidance applies to Air Force System Program Offices, Air Logistics Centers, and Contracting Organizations. This instruction outlines specialized Air Force procedures as specified in the Department of Defense Manual 4400.1-M, "*Department of Defense Priorities and Allocations Manual*", February 2002.

**SUMMARY OF REVISIONS**

**This document is substantially revised and must be completely reviewed.**

This revision updates references, functional address symbols and several forms required for this program. The following forms are adopted: DD Form 691, *Application for Priority Rating for Production or Construction Equipment*, and BXA Form 999, *Request for Special Priorities Assistance*. Ensure that all records created by this AFI are maintained and disposed of IAW AFMAN 37-139, "*Records Disposition Schedule*."

**1. Purpose of DPAS :**

- 1.1. To assure the timely availability of industrial resources to meet national defense and emergency preparedness program requirements
- 1.2. To provide an operating system to support a rapid industrial response due to a national emergency. DPAS requires contractors to accept or reject a rated order and pass on the defense priority ratings to their subcontractors.

1.3. To meet production and delivery requirements, suppliers must give precedence to rated orders over lower-rated, unrated (commercial) orders they have previously or subsequently taken.

## **2. Rated Orders:**

2.1. A rated order is a prime contract, subcontract, or purchase order issued in support of an approved national defense program.

2.2. Upon procurement award, a rating system is applied to prioritize and allocate industrial resources (e.g., material weapon system components, services, or facilities). There are two kinds of rated orders: DX and DO.

2.2.1. The DX-rating is for programs of the highest national urgency. The Office of the Deputy Under Secretary of Defense for Industrial Policy (DUSD/IP) maintains a list of DX-rated programs in the Department of Defense.

2.2.2. All other DoD procurements are either DO-rated or unrated (commercial) orders. DO ratings are applied to programs critical to national defense.

2.2.3. DX-rated orders take priority over DO-rated orders. DO-rated orders take priority over commercial orders.

## **3. DPAS Priority Rating Limitations**

3.1. Priorities and allocations (P&A) authority extends only to contracts placed in any state, territory of the United States, and the District of Columbia. See DPAS Regulation Section 700.18 for general and jurisdictional limitations on priority ratings.

3.1.1. By special agreement, US defense program contractual agreements with Canadian producers contain the rating and program identification. Use the regular procedures outlined in DPAS Regulation, Section 700.55, to obtain special assistance for Canadian suppliers.

## **4. DPAS Priority Ratings for Acquisition of Construction Equipment**

4.1. Any prime contractor, subcontractor, or supplier who does not have the production equipment to fill a rated defense order files DD Form 691, "*Application for Priority Rating for Production or Construction Equipment*", requesting authority to use a rating to obtain the equipment from a US supplier.

4.1.1. The DPAS officers in each continental United States (CONUS) Air Force contracting activity advises the Principal Contracting Officers (PCO) or administrative contracting officers to instruct contractors on how and where to file DD Forms 691.

4.1.2. DD Form 691, "*Application for Priority Rating for Production or Construction Equipment*." Contractors or subcontractors who cannot fill a rated order because they lack the proper production equipment use this form to request a priority rating to obtain the equipment (DD Form 691 may authorize DO or DX rating, depending on the rating of affected contracts in the applicant's facility).

## **5. The Special Priorities Assistance (SPA) Process:**

5.1. SPA is a process that can be used to expedite product delivery at any level of the supply chain to meet a specific date or to accelerate delivery under a rated order due to a change in military urgency.

SPA can be used to resolve delivery conflicts between various rated orders, place additional rated orders, locate suppliers, verify information supplied by customers and vendors, request rating authority for items not automatically ratable (e.g., a commercial item), and ensure compliance with DPAS.

5.1.1. If you cannot obtain materials or components to fill a program order on schedule through established contracting methods, present a rated contract or order to one or more selected suppliers or manufacturers qualified to produce the item (FAR 11.6 and 12.6, <http://farsite.hill.af.mil/vtools.html>). This mandatory acceptance order must contain:

5.1.1.1. The rating.

5.1.1.2. The required delivery date.

5.1.1.3. Any statements and certification specified in 15 Code of Federal Regulations (CFR) 700.12.

5.1.1.4. A cover letter stating that the mandatory requirements of the Defense Production Act and DPAS Regulation (CFR 700) apply and request that the supplier furnish in writing any reasons for rejecting the order.

5.1.2. If the rated contract/order is rejected, prepare Department of Commerce Form BXA-999, “*Request for Priorities Assistance*”, to request SPA with a copy of the letter of refusal attached and send it through the normal administrative channels to AFRL/ML (see section 7.3.3.).

5.1.3. All Air Force contracting activities, prime contractors, subcontractors, or vendors unable to find a supplier for, or obtain timely delivery of, materials, components, or assemblies needed for an authorized defense program or a defense rated order, should request SPA using Form BXA-999 (see [Attachment 2](#) for preparation instructions). A printable copy of this form is available from the Department of Commerce web site (<http://www.bxa.doc.gov/defenseindustrialbaseprograms/OSIES/DPAS/>).

## 6. Special Priorities Assistance (Overseas):

6.1. DoD policy states that contractors undertaking defense projects for friendly foreign countries under the Arms Export Control Act and the International Security Assistance Act of 1977 may receive equal SPA consideration as contractors working on US military projects. Send individual requests to DUSD/IP.

6.2. DUSD/IP and DOC approve DPAS support for overseas contractors on a negotiated, program-by-program basis. Each program receives specific guidance when it is approved.

## 7. Organizations Responsible for DPAS Implementation:

7.1. SAF/AQRE:

7.1.1. Establishes Air Force policies and procedures for implementing DPAS.

7.1.2. Administers the Air Force DPAS Program:

7.1.2.1. Designates the Defense Production Act Title I Program Office (AFRL/ML) as the office of primary responsibility for Air Force DPAS management.

7.1.2.2. Delegates, in writing, DPAS authority for applying DX and DO ratings to contracts and delivery orders pursuant to Secretary of the Air Force Order 615.3, “*Delegation of Prior-*

*ities and Allocations Authorities: DO and DX Ratings, Allotment Authority and Rescheduling of Delivery Authority”* (<http://www.safaa.hq.af.mil/aax/safos.htm>) to Defense Production Act Title I Program Office (AFRL/ML).

7.1.2.3. Requests Title I DPAS Program Office review the Department of Defense DX-rated Program List and provide recommended updates.

7.1.2.4. Coordinates and submits the final Air Force position on proposed DX-rated Program Listing additions and deletions to DUSD/IP for approval.

7.1.2.5. Brokers DX-rating and SPA requests for weapon system programs between the air staff and the Office of the Deputy Under Secretary of Defense for Industrial Policy (DUSD/IP).

7.1.2.6. Assists in resolving DPAS violations and interagency conflicts.

7.1.2.7. Represents the Air Force at the Department of Defense DPAS Council meetings and associated Priorities and Allocations of Industrial Resources Task Force activities.

## 7.2. Contracting Organizations:

7.2.1. Ensures a process is in place so that all contracts and purchase orders meet the requirements of Federal Acquisition Regulation (FAR) Subpart 11.6 (Priorities and Allocations). All ratable contracts and orders processed by contracting organizations must insert the provisions described in FAR Subpart 11.604 or statement at FAR Subpart 12.603 (c) (2) (xiv)

(<http://farsite.hill.af.mil/VFFAR1.htm>):

FAR 52.211-14. Notice of Priority Rating for National Defense Use (Sep 1990). Any contract awarded as a result of this solicitation will be a [insert DX or DO] rated order certified for national defense use under the Defense Priorities and Allocations System (DPAS) (15 CFR 700), and the Contractor will be required to follow all of the requirements of this regulation [Contracting Officer check appropriate box].

FAR 52.211-15. Defense Priority and Allocation Requirement (Sep 1990). This is a rated order certified for national defense use, and the Contractor shall follow all the requirements of the Defense Priorities and Allocations System regulation (15 CFR 700).

7.2.1.1. Ensures that all ratable contracts and orders:

7.2.1.1.1. Contain a required delivery date.

7.2.1.1.2. Contain the appropriate rating symbol and program identification symbol (DO-AI, DX-A2, etc.) as found in 15 CFR 700 Schedule 1: Approved Programs and Delegate Agencies.

7.2.2. Trains purchasing activity personnel in procedures for applying the proper DO or DX-rating to contracts/purchase orders.

7.2.3. Requests DPAS and SPA information and assistance from local DPAS Officers or AFRL/ML (see paragraph 7.3.3. for the address).

## 7.3. AFRL/ML (Title I DPAS Program Office):

7.3.1. Is the office of primary responsibility for management of DPAS for all Air Force weapon systems programs. Responsibilities include administering SPA; educating contractors and Gov-

ernment personnel about the requirements, obligations, and benefits of DPAS; and conducting DPAS compliance reviews at contractors' facilities.

7.3.2. Reviews and recommends DPAS policies and procedures for all Air Force activities.

7.3.3. Ensures that AFMC Centers, System Program Offices, and Air Logistics Centers appoint a DPAS officer and alternate and send their names, telephone numbers (Defense Switched Network (DSN) and commercial), and mailing addresses to the Title I DPAS Program Office, AFRL/ML, Bldg 2977 "P" St., Bldg 653, Room 302, WPAFB, OH 45433-7739.

7.3.4. Reviews the DX-rated Program Listing to ensure programs are current and accurate.

7.3.5. As requested by SAF/AQRE, develops a listing of all weapon systems or other items recommended to be added to, retained on, or deleted from the DX-rated Program Listing.

7.3.6. Recommends a consolidated Air Force position to SAF/AQRE on proposed DX-rated Program Listing revisions with accompanying justification.

7.3.7. Processes all SPA requests from Air Force activities and contractors.

7.3.8. Trains DPAS personnel at field activities and contractor locations annually.

7.3.9. Helps all Air Force activities comply with DPAS.

7.3.10. Supports DoD DPAS council activities.

#### **7.4. AFMC Centers:**

7.4.1. Appoints a Center DPAS officer and alternate and sends their names, addresses, and DSN and commercial phone numbers to AFRL/ML to the address in [7.3.3.](#) above.

#### **7.5. AFMC Center DPAS Officer:**

7.5.1. Serves as the field activity focal point for all material priorities/program allocations.

7.5.1.1. Helps review the DX-rated Program Listing to ensure that programs are current and accurate.

7.5.1.2. Provides assistance to Title I DPAS Program Office in resolving SPA Form BXA-999 cases.

7.5.1.3. Schedules training for appropriate center personnel.

7.5.1.4. Provides educational materials to the Center's Engineering, Contracting, and other functional organizations when appropriate.

7.5.2. Maintains an effective DPAS program at the field level.

7.5.2.1. Assists in preparing and reviewing any Forms BXA-999 that are generated by their center. Returns all invalid Form BXA-999 applications or those that can be resolved by other means to the submitting office with a letter of explanation.

7.5.2.2. Keeps a record of SPA cases initiated by the center's personnel, the actions taken, and the resolution of each case, numbering the cases by calendar year (02-001, 02-002, and so on).

7.5.2.3. Processes requests for SPA filed by Air Force activities and contractors.

7.5.2.3.1. Explores options to resolve priority and allocation problems with SPA applicant (e.g., offering premium handling, soliciting other possible suppliers, checking defense inventories).

7.5.2.3.2. Contacts the applicant to determine the minimum quantity needed to fill an order and latest required delivery date needed to support the contractor's delivery to the customer.

7.5.2.3.3. Contacts the problem supplier to verify the situation and to emphasize the urgency of the program.

7.5.2.3.4. Investigates whether the contractor's purchase order has the appropriate rating and asks the contractor to request a formal rating amendment to the order if necessary.

7.5.2.3.5. Explores defense inventories and alternate suppliers to find sufficient materials or components to satisfy the contractor's requirement.

7.5.2.3.6. If sufficient SPA cannot be obtained and the urgency remains, the AFMC Center DPAS Officer documents the measures taken and sends the Form BXA-999, SPA request, to AFRL/ML at the address in paragraph 7.3.3. for further action with the following:

7.5.2.3.6.1. All pertinent information obtained during investigation of the request in Form BXA-999, or in a letter of transmittal accompanying the form.

7.5.2.3.6.2. The latest feasible delivery date, explaining why meeting that date is vital. Fax extremely urgent requests to the Title I program office (DSN 986-4420).

7.5.3. Reviews all DD Forms 691, *"Application for Priority Rating for Production or Construction Equipment."*

7.5.3.1. Approves (fully or partially) or denies the request as specified on the form, based on factual knowledge of the contractor and an assessment of the contractor's formal statements.

7.5.3.2. Sends the original and two copies of the form to the principal contracting officers (PCO) overseeing the contract to get final approval or denial. In cases involving several defense contracts, the AFMC Center DPAS Officer sends the forms to the PCO with the largest total cost contract.

7.5.3.3. Notifies the contractor to use the rating authorization identified on the approved copy of the DD Form 691.

**8. Forms Adopted :**

8.1. BXA-999, *"Request for Special Priorities Assistance"* and DD Form 691, *"Application for Priority Rating for Production or Construction Equipment"*.

DR. MARVIN R. SAMBUR  
Assistant Secretary of the Air Force for Acquisition

**Attachment 1****GLOSSARY OF REFERENCES AND SUPPORTING INFORMATION*****References***

**DoDD 4400.1**, "*Defense Production Act Programs*," October 2001

**DoD 4400.1-M**, "*Priorities and Allocations Manual*," February 2002

**DPAS Regulation, Subpart C, Section 700.8**. The definitions specified in this DPAS Regulation apply to this instruction.

**Secretary of the Air Force Order (SAFO) 615.3**, "*Delegation of Priorities and Allocations Authorities: DO and DX Ratings, Allotment Authority and Rescheduling of Delivery Authority*", October 1997.

**AFPD 63-6**, "*Industrial Resources*", 28 March 1994

***Abbreviations and Acronyms***

**DOC**—Department of Commerce

**DPA**—Defense Production Act

**DPAS**—Defense Priorities and Allocations System

**DSN**—Defense Switched Network

**DUSD/IP** —Deputy Under Secretary of Defense, Industrial Policy

**PAM**—Priorities and Allocations Manual

**PK**—Contracting

**OPR**—Office of Primary Responsibility

**SAF/AQRE**—Assistant Secretary of the Air Force for Acquisition, Deputy Assistant Secretary (Engineering and Technical Management Division)

**SPA**—Special Priorities Assistance

**HQ AFRL/ML**—Title I DPAS Program Office

## Attachment 2

### FILLING OUT FORM BXA-999 ENTRIES

**A2.1. General Information.** Air Force field activities obtain Form BXA-999 through their Publications Distribution Office. For each form, restrict entries to:

A2.1.1. One applicant.

A2.1.2. One supplier.

A2.1.3. One type of material, component, assembly, or subassembly.

**A2.2.** One purchase-order line item. *EXCEPTION:* When you include two or more line items that conform to [A2.1.1.](#) through [A2.1.3.](#) on one request, enter "See Attachment" on Blocks 2 and 5 if necessary. Include the requested and promised dates for each item on the attachments for Block 2 and 5. Label the schedule for each item with the appropriate item identification.

**A2.3.** Do not include classified information on Form BXA-999. If you are asked for classified information enter "classified" and provide the information or requested data on a separate sheet of paper attached to the Form BXA-999. Be sure you handle and transmit all classified information properly.

**A2.4.** Be sure to submit a copy of both the contract face page and the contract delivery page with Form BXA-999. Encourage contractors submitting Form BXA-999 to include a copy of the purchase order to the problem supplier.

#### **A2.5. Required Entries:**

Block 1a -- Enter the name and address of the activity requesting SPA.

Block 1b -- If applicant is not the end-user, enter the applicant's customer (i.e., procuring Government agency, prime contractor). If the prime contractor experiences delays, you may enter DoD CAS or the purchasing activity. Include the telephone number, name of contact, and include the prime contract number if known. This information is vital to quickly determine urgency and various expediting alternatives.

Block 2 -- Indicate the product being produced or service to be performed by the applicant.

Block 3 -- Be sure that the "Quantity" amount corresponds to the "number of units" identified in Block 5. Respond in as much detail as possible to assist in the search for alternate sources and materials. Complete all sections.

Block 4a -- Enter the supplier with whom the applicant is experiencing the delay. Give the name of the highest official in the company who is directly involved with the applicant, including title, telephone and FAX numbers, if known.

Block 4b -- Enter applicant's purchase order number to supplier, date issued and priority rating.

Block 5a -- Be sure that all rated orders contain a required delivery date or schedule and number of units/items required. Specify the delivery date and quantity currently required by applicant.

Block 5b -- Indicate the quantity of units/items and delivery schedule currently promised by the supplier. If this differs significantly from the quantity and schedule provided in the original contract/purchase order, provide the original schedule and quantity in the Continuation Block.

Block 6 -- State the reasons given by the supplier explaining why the required delivery (Block 5a) cannot be met. Attach any pertinent written correspondence to the form.

Block 7 -- Explain the effect the delay in receipt of the item(s) in Block 3 will have on delivery of the item(s) in Block 2 (production stoppage, shipment delay, etc.). Describe in-house efforts and steps you have taken with the supplier to resolve the critical item shortage.

Block 8 -- The DPAS officer of the DoD activity, or authorized representative of a private company filing the Form BXA 999, completes and signs the certification required in this block.

Block 9 -- Sponsoring US Government Agency -- Agency which issued a contract or order for which applicant's material is needed. Complete sponsor activity information.

a. Self-explanatory.

b. Self-explanatory.

c. Self-explanatory.

d. Describe any other factors that may justify special assistance. Indicate the likely consequences if you cannot obtain the priorities assistance you are requesting.

e. Show how you are coordinating with the applicant. Include a description of what the sponsoring DPAS officer has done to resolve the problem, verify the facts, and recommend actions for higher headquarters to take. Describe the actions you have taken with other major commands or other services to resolve the shortage.

f. Self-explanatory.

### Attachment 3

#### DPAS AUTHORITY

**A3.1.** The Defense Production Act (DPA) of 1950, Title I, Section 101 (a), as amended, authorizes the President to:

A3.1.1. Require that contracts or orders relating to certain approved defense or energy programs take precedence over all other contracts and orders.

A3.1.2. Allocate materials and facilities to promote approved programs for the national defense.

**A3.2.** By Executive Order (EO), the Federal Emergency Management Agency (FEMA):

A3.2.1. Oversees all departments and agencies that implement the P&A authority.

A3.2.2. Coordinates production, distribution, priorities, and allocation programs essential to meeting national defense needs.

**A3.3.** The United States Department of Commerce, Office of Strategic Industries and Economic Security, implements rules, regulations, orders, and directives to enforce industry compliance with the DPAS (<http://www.bxa.doc.gov/defenseindustrialbaseprograms/OSIES/DPAS/>).

**A3.4.** The EO also delegates to the DoD the responsibility for certifying which national defense programs (military production and construction, military assistance to any foreign nation, stockpiling, and directly related activities) P&A Authority may support.

**A3.5.** Federal Acquisition Regulation 11.6 requires all DoD departments to comply with DOC regulations and DoD Directive 4400.1 (October 2001).