The Defense Logistics Agency initiated the Fuels Automated System (FAS) program in FY96 to provide an automated, integrated, and responsive system for managing DoD fuels. FAS is designed to improve fuel inventory and consumption management at the Defense Fuel Supply Points, integrate automatic tank gauging and automated leak detection capabilities, provide a mechanism for specialized customer support through tailored terminal interfaces, and promote real-time data processing.

FAS consists of base and enterprise levels. The base level system provides transaction data at the fuel distribution terminal, whereas the enterprise level system handles procurement, supply, and financial functions. The base level system consists of 400 commercial off-the-shelf (COTS) microcomputer servers and 1,300 COTS microcomputer workstations deployed to 600 Service and Defense Logistics Agency locations. The enterprise level system comprises two major components: Oracle Government Financials provides accounts payable, general ledger, and accounts receivable functions; and Oracle Energy Downstream (a COTS package that Oracle acquired from British Petroleum) manages fuels contracts; movements; inventories; and invoice matching.

Since the completion of the base level system in FY97, the FAS Program Management Office has turned its attention to the enterprise level system. Throughout FY98 and FY99, implementation of the enterprise level system was delayed because the vendor failed to incorporate all requirements for prompt payment and price escalation into the government layer of the financial applications. During FY00 and FY01, the FAS Program Management Office implemented changes in the FAS software, established information transfer capability between all FAS users, conducted FAS developmental test, and provided training to FAS users.

The Joint Interoperability Test Command (JITC) conducted the IOT&E for the first enterprise level release (bulk fuels) in August and September 2001. The IOT&E results indicated that FAS was operationally suitable, but not operationally effective. The mission performance and interoperability critical operational issues did not meet the requirements. DOT&E directed that JITC conduct a follow-on operational assessment (OA) to re-evaluate the deficient areas after they are rectified. JITC conducted the follow-on OA in December 2001. The OA results showed that most of the deficiencies have been improved or fixed, except the problems associated with system access and audit log capabilities. However, workarounds implemented during the OA met the users’ needs and most users interviewed indicated they were satisfied with the progress made. In May 2002, FAS received full fielding approval for its bulk fuels release.

**TEST & EVALUATION ACTIVITY**
DOT&E approved an updated FAS Test and Evaluation Master Plan (TEMP) in August 2003.

JITC conducted follow-on test and evaluation (FOT&E) for the second enterprise level release (Posts, Camps, and Stations) in August through October 2003, in accordance with a DOT&E-approved TEMP, primarily in Customer Organization Group 8, the
Northwestern United States. During the FOT&E, FAS operated in parallel with the legacy system, Defense Fuels Automated Management System, the system of record during the test period.

**TEST & EVALUATION ASSESSMENT**

The test results for the second enterprise level release revealed that FAS provided adequate automated support to the materiel management of DoD fuel assets at the posts, camps, and stations. JITC was able to resolve four critical operational issues, including mission performance; interoperability; usability; and reliability, availability, and maintainability. However, the information assurance critical operational issue was not satisfactorily resolved. During the FOT&E, JITC noted many deficiencies in accordance with the recently released DoD Instruction 8500.2 on information assurance. DOT&E immediately mandated the program manager develop an action plan to correct the deficiencies. The Defense Logistics Agency plans to merge FAS with the Business Systems Modernization program. The FAS program funding will remain independent of the Business Systems Modernization program until the end of FY04.