

November 1, 2007

TO ALL TRANSPORTATION SERVICE PROVIDERS IN GSA'S CENTRALIZED HOUSEHOLD GOODS TRAFFIC MANAGEMENT PROGRAM:

This Request for Offers (RFO) transmits the issuance of the **2007-2008** Filing Cycle Special Instructions for the filing of rates in the General Service Administration's (GSA's) Centralized Household Goods Traffic Management Program (CHAMP) specific to the Filing Cycle for the period **January 1, 2008 through October 31, 2008**. These Special Instructions are in accordance with the Household Goods Tender of Service (HTOS) (refer to **Request for Offers (RFO) Section 2-4**). Transportation Service Providers who are approved to participate in CHAMP and have agreed to abide by the terms of the HTOS, supplements thereto and reissues thereof, are eligible to file rates in accordance with these instructions.

As a result of the Surface Transportation Board (STB) decision concerning collective rate making, GSA has adopted and ratified the 415-G tariff, as of **May 1, 2007, as the new Government Rate Tender (GRT) and has renamed it the GSA-01. Effective **January 1, 2008**, any reference to the 415-G tariff in this RFO and the HTOS shall be read as referencing the GSA-01 tariff. You can view the adoption supplement via the web at <http://www.gsa.gov/hhgrfo>**

1. The term Transportation Service Provider (TSP) will be used throughout this RFO in lieu of the word carrier or participant. A TSP has the same rights and authorities as the previous terms used. See **RFO Section 2-4.6**. for a complete definition.

2. NEW RATE FILES SUBMISSION PROCEDURES: If TSPs choose not to use the rate filing module within the Transportation Management Services Solution (TMSS) system to file rate offers under this RFO, then TSPs or their designated Rate Filing Service Provider (RFSP) must use the GSA supplied Java Upload Client (JUpload) function contained within TMSS. The JUpload function is different than the old FTP process used previously by GSA for the submission of rate offers. **GSA WILL NOT accept or process rate offers submitted via FTP.**

A. In order to access the new JUpload module, your TMSS Group Administrator must first designate who will have access to this module and grant them access via TMSS. The administrator can do this by selecting the "Account Info" link from the TMSS Main Screen. This will take them to the "Account Info – Update Profile" screen where they can select the "User List." They will then be able to select the applicable user(s) and check the "Allow Upload" toggle button from the available menu. They will also need to ensure the "Rate File" toggle button is checked. Once access has been granted and th

rate filing window has been opened, the specified user(s) will have the “Upload Rate File” link available from the Review/Edit HHG Rates screen within the HHG Rate Filing module.

B. When rates are ready for submission, the user will click on the “Upload Rate File” link. At that point, the module will load and bring the user to a login screen to authenticate to the server. NOTE. The user’s system must have Java installed to allow for proper loading of the module. If Java is not currently installed on the system, the user will be given a link that will take them to a site for free download.

C. At the login screen, the user will be asked to input a User Name and Password. This User Name and Password is the same as used for annual rate submissions via FTP. This is not the same userid and password used to log into TMSS. If you do not know your User Name and Password, please contact the Program Management Office (PMO) in Kansas City, MO.

D. Once the user has logged in, the easiest way to get acclimated with the module is to view the Help File. This will walk the user through the complete file upload process. Please review [RFO Section 7](#) for additional information.

3. Electronic Rate Filing: All rate offers must be transmitted electronically. The Government will not consider any rate offer that is not transmitted electronically. Further, electronic transmissions that do not conform to the formatting requirements specified in [RFO Section 6](#) will not be accepted.

4. Electronic Rate Offers: All rate offers submitted electronically must be in accordance with the time frames identified in [RFO Section 1-2.5](#).

A. Submission by JUpload Module: An automated process will search the rate files uploaded each day during the rate filing window and process them at 10:00am, 2:00pm, 6:00pm and 10:00pm CST. An e-mail confirmation acknowledging the receipt and processing of the rate file(s) will be sent to the TSP’s or RFSP’s e-mail address. The e-mail will identify the number of records added, rejected, and identified as suspect. If there are errors, an error file will be generated and will be kept under the same folder on the JUpload server where the TSP or RFSP originally uploaded the rate file(s). TSPs or RFSPs will need to use the “File Download” link from the TMSS Main screen to view and/or download any error files. TSPs and RFSPs may continue submitting corrections until all errors are corrected or until the closing date of **December 14, 2007**. TSPs and RFSPs will not have an opportunity to correct any errors detected in a file submitted during the 10:00pm CST validation on the closing date of **December 14, 2007**. These rate offers will be considered unacceptable and the firm will not be allowed to re-file.

B. Submission Via TMSS: Rate offers that are submitted via the TMSS Rate Filing Module can be viewed for accuracy by the TSP under the “View Rates” option. TSPs may also download a copy of their rate files using this function. To obtain a receipt for rates submitted and received, TSPs can select the “Rate Receipt” option and TMSS will send a receipted e-mail to the TSP verifying the rates have been received. This function can be done as many times as requested by the TSP.

C. Continuation of Existing TMSS Rate Offers: All rates included in the TMSS system expire **December 31, 2007**. If a TSP wants to use the rate filing capabilities within TMSS to file their rates or have their existing rates carry over into the next filing window effective **January 1, 2008**, TSPs must have access to the rate filing module within TMSS. (To obtain access to the rate filing module, please contact your firm’s group administrator.) The continuation of existing rates button will be displayed as a pop-up screen. The message will prompt TSPs to either accept or reject all rate offers to be carried over to the next rate filing cycle.

- If a TSP accepts the continuance of rate offers, TMSS will display a statement that all rates will be copied over during the nightly batch process. TMSS will also display a message to the TSP identifying the number of records that were carried over.
- If a TSP wishes to change an existing rate or add a new rate after submitting the request to carry over all current rates, the TSP may go into the rate filing module the following day and do so.
- If a TSP rejects the continuance of rate offers, the rate filing module screens will be displayed. The TSP may then go in and add new rates or edit existing rates for the **January 1, 2008** effective date.
- Existing tenders that have not been prompted by the TSP to be carried over during the initial filing window for the next rate cycle will be deleted from TMSS effective **December 31, 2007**. Rate offers effective during the supplemental filing of **May 1, 2008** do not require a change. However, TSPs have the option to modify existing rates or add rates.

5. New Non-Alternating, Agency Specific Code and Changes to Existing Codes: Rate offers for a new non-alternating, agency-specific code (DOSBG) are being requested for the Department of State. (See RFO Section 3-6) In addition, changes have been made to the existing non-alternating, agency-specific codes of DOSDC and DOSDD. (See RFO Sections 3-4 and 3-5)

6. International Increase to Tables: Effective with this RFO, international base line rate tables identified in RFO Section 2-7.2.2.6.1.1. are increased by 2%.

7. Item 225 Warehouse Handling Charges for Storage-in-Transit (SIT) Shipments: Charges for domestic warehouse handling (Item 225) will no longer be calculated for

SIT shipments on the TMSS household goods query screen. SIT charges will include first day charges, additional days of storage for SIT, and pickup/delivery charges as identified in Items 210/410 of the GSA-01. The bottom line discount will apply to Item 225 when shipments are delivered to a mini-warehouse or self storage unit per the approval of the RTO and relocating employee.

8. Fuel Surcharge for Unaccompanied Air Baggage Shipments: A TSP may charge as a separate line item a fuel surcharge for UAB shipments, excluding State Dept. shipments. (RFO Section 3-4.2.1.) TSPs must provide a copy of the original airway bill to the agency for reimbursement. Any excessive costs charged by foreign or overseas air carriers will be negotiated and paid at the discretion of the agency.

9. Change to Household Good Tender of Service (HTOS), Section 1-1.4.1.
Description of Freight, Freight Included: GSA has updated language in the HTOS Section 1-1.4.1 to reflect clarification that boats and trailers are included as household good effects. This item is excluded on Department of State shipments.

Effective September 2002, an amendment to the Federal Travel Regulations (FTR) gave Federal agencies the authority to ship boats of reasonable size and removed the 14-foot restriction. A weight additive is to be added for all shipments of boats (see definition of weight additive in FTR Amendment #108, issued September 13, 2002.)

- Domestic: In the Household Goods tariff there is a table that identifies weight additives. To qualify for the weight additive and before charges are assessed for a boat domestically, the boat must be identified in the said section of the tariff.
- International: GSA's CHAMP currently has no specific applicable weight additive to ship boats of reasonable size internationally. A one-time-only (OTO) issued by an agency can be used to ship a boat to an international location.

10. Motorized Vehicle Shipments - International: An internal combustion engine, self-propelled vehicle, or mechanized equipment containing an internal combustion engine may be subject to hazardous material identification requirements per 49CFR. Privately owned vehicles (POVs) with an empty fuel tank, run to stall, and transported by vessel do not need to be identified as hazardous material. POVs not run to a stall must comply with 49CFR. Under all circumstances, a POV cannot be shipped with more than one quarter of a tank of flammable fuel. (RFO Section 2-7.2.2.5.2)

11. Special Agency Provisions – Alternating & Non-Alternating: In addition to offers for general transportation rates, TSPs have the option to file:

A. Alternating Rate Offers: TSPs may file alternating, agency-specific rates as identified in RFO Section 5-1. Alternating rate offers will specifically apply to those Federal agencies/locations identified in Section 5-1 and may alternate with any other accepted rate offer.

B. Non-Alternating Rate Offers: TSPs may file non-alternating, agency specific rates as identified in [RFO Section 3](#) and [Section 5-1](#). Non-Alternating rate offers will apply specifically to those Federal agencies/locations identified in [RFO Section 3](#) and [Section 5-1](#) and will not alternate with any other accepted rate offer. TSPs MUST review [RFO Section 3](#) to determine the special requirements associated with each agency specific request for rate offers.

12. Application of Industrial Funding Fee (IFF): The IFF is due on the total net transportation charges billable to the government excluding fees for storage-in-transit (SIT) (to include first day of storage, each additional day of storage, warehouse handling, and pickup and delivery (drayage)). GSA's IFF will be assessed only against the household goods element of the net transportation charge (excluding SIT). An IFF is not assessed against POV and UAB shipments unless an agreement has been developed.

A. Domestic: The IFF will be 2.50% of the net shipment charges of a household goods surface shipment, to include the line-haul, accessorial, packing charges, fuel surcharges, etc. Storage in transit (SIT) fees are excluded. The method of collection will remain the same, where TSPs will continue to collect and remit the appropriate IFF to GSA based on 2.50% of the net charges. (please refer to [RFO Section 2-7.6](#) for a further explanation and information on how the IFF applies on multiple element shipments.)

B. International: The IFF will be 1.50% of the net shipment charges of a household goods surface shipment, to include the line-haul, accessorial, packing charges, fuel surcharges, etc. Storage in transit (SIT) fees are excluded. The method of collection will remain the same, where TSPs will continue to collect and remit the appropriate IFF to GSA based on 1.50% of the net charges. (please refer to [RFO Section 2-7.6](#) for a further explanation and information on how the IFF applies on multiple element shipments.)

13. Verification of Industrial Funding Fee (IFF): To ensure that the GSA IFF for every shipment is properly accounted for and appropriately applied to the quarter for which the submission is received, GSA is requesting in [RFO Section 2-7.6](#) that TSPs furnish shipment identifying information either on or attached to the IFF check.

14. Failure to Submit IFF: Failure to submit the Industrial Funding Fee due GSA for household goods shipments handled, will result in immediate placement of the TSP in temporary non-use status pending revocation of the TSP's approval.

15. International Fuel Surcharge: An international TSP can only be compensated for a fuel surcharge on that portion of the shipment which was handled under traffic in the conterminous United States to the port of debarkation and from the port of embarkation to a location in the conterminous United States. The fuel surcharge shall be calculated in accordance with Item #21 of this letter.

16. Calculation of Unaccompanied Air Baggage Charges: Unaccompanied air baggage shipments will be post-audited based on the following formula: dimension of container divided by 166 (converts to volume kilogram) x 45.36 x base line rate x TSP percentage. Volume weight is defined as the length, times the width, times the height (in inches), divided by 166 and multiplied by 0.4536. Where gross weight exceeds volume weight, TSP must charge for gross weight.

17. International Performance Bond: All TSPs approved to provide International General Transportation and Move Management Services are required as part of its filing to furnish a performance bond, in accordance with the HTOS (Section 2-4.7) and subject to the provisions of **RFO Section 1-4**. The performance bond MUST clearly identify that the bond is in force for the period **January 1, 2008, through October 31, 2008**, or later. A Certification of Continuation of Bond is acceptable. **A performance bond or Certification of Continuation of Bond currently on file does not satisfy this requirement and copies will not be accepted.** TSPs filing international rate offers are also required to adhere to the performance bond provisions outlined in **RFO Section 1.4.1.3.1**. Performance bonds must be submitted before the closing date of the rate filing window identified in **RFO Section 1-2.5**.

18. Basis for Determining Applicable Distance/Mileage: The following provision of this RFO supersedes all mileage references in the HTOS, with regard to determining applicable mileage/distance or Governing Publications. Per this RFO, auditing of household goods shipments handled pursuant to the HTOS will be based on mileage provided by ALK Technologies, Inc., Version **21** (coincides with PC*Miler **21**). The TSP industry will be notified of any future Version updates. Below is the basis for construction of mileage within the conterminous United States:

- GENERAL: borders closed, shortest mileage, ferry on

For a full description of Default Settings, please refer to:

<http://dtod-mtmc.belvoir.army.mil>

Once there, click on "industry" and then on "PC*Miler Default Settings."

Exception: GSA has determined that all surface household goods shipments between any point in the conterminous United States and a Canadian province will be based on Rand-McNally mileage.

19. Terms and Conditions for Bills of Lading Issued for Government Shipments: The following provision of this RFO supersedes any reference to the term "Government Bill of Lading" within the HTOS. Per this RFO, all Government shipments handled pursuant to the HTOS will be subject to the terms/conditions of 41 CFR 102-117 and 102-118. For a complete description of the terms/conditions, go to <http://www.gsa.gov>, look under "Policy" and "Transportation Management" and follow links to "41 CFR 102-117 Transportation Management" or "41 CFR 102-118 Transportation Payment and Audit."

20. Separate Billings: All Federal agency household good billings must be billed to the appropriate Federal agency separately, one per voucher. Any agency owing payment to a TSP for a shipment of household goods, UAB, and/or a POV must be billed separately for each element of the shipment.

21. Fuel Surcharge – Effective January 1, 2008: On the first Monday of each calendar month, the national U.S. average price per gallon of diesel fuel will be determined based on the price stated by the U.S. Department of Energy (DOE) Energy Information Administration's survey of Retail On-Highway Diesel Prices. If the first Monday of the calendar month is a Federal holiday, the price will be determined based on the stated DOE price available on the next subsequent business day. Information on the current average price of diesel fuel can be obtained at www.eia.doe.gov or (202) 586-6966.

The DOE fuel price obtained will apply for shipments loaded beginning on the 15th day of the month and will remain in effect through 14th day of the following month.

For shipments picked up between January 1, 2008 and January 14, 2008, calculation of the surcharge will be based on the December 3, 2007 DOE Fuel Price

Effective with shipments picked up on or after January 1, 2008, the calculation of the Fuel Surcharge on domestic and international shipments will be calculated based on the shipment's origin and destination, and if applicable, the distance for delivery in or delivery out of storage in transit (SIT), using the billable mileage as currently identified by ALK Technologies.

For international relocations, the fuel surcharge can only be calculated on the portion of the shipment which was handled under traffic in the conterminous United States to the port of debarkation and from the port of embarkation to a location in the conterminous United States.

For origins and/or destinations in Canada, Rand-McNally mileage will be used in lieu of ALK Technologies. Rand-McNally will also be used for mileage between the gateways on Alaskan shipments traveling by land through Canada.

When the cost of diesel fuel exceeds **\$1.949** as identified by the DOE on the first Monday of the month, with an effective date of the 15th of the same month, the Transportation Service Provider (TSP) may calculate a fuel surcharge based on the difference between the DOE price and the trigger price of **\$1.95**.

To determine the fuel surcharge, the TSP must divide the billable miles **by five (5)** to determine the number of gallons of fuel used. The total gallons will then be

multiplied by the cost difference between the DOE price and \$1.949.

Example

| | |
|--------------------------------|------------------------------|
| DOE Fuel \$2.893 | Miles 750 |
| $750/5 = 150$ gallons | $\$2.893 - \$1.949 = \$0.94$ |
| $\$0.94 \times 150 = \141.00 | Fuel surcharge = \$141.00 |

To eliminate rounding issues, calculations will be truncated at 2 decimals for the gallons consumed, the difference in the cost of fuel, and the calculation of the charge. No rounding up or down will take place.

Gallons Consumed

| | |
|------------|-------------------|
| 1187 miles | $1187/5 = 237.40$ |
| 1283 miles | $1283/5 = 256.6$ |

Fuel Cost

| | | |
|-------------------|-------------------------------|---------------------|
| DOE price \$2.794 | $\$2.794 - \$1.949 = \$0.845$ | \$0.84 will be used |
| DOE price \$2.925 | $\$2.925 - \$1.949 = \$0.976$ | \$0.97 will be used |

Calculation

| | |
|------------------------------------|-----------------------|
| $\$0.84 \times 237.40 = \199.416 | \$199.41 will be used |
| $\$0.97 \times 256.60 = \248.902 | \$248.90 will be used |

Any questions or comments may be directed to Brian Kellhofer at (816) 823-3646 or via e-mail at brian.kellhofer@gsa.gov

Sincerely,

/s/ Robyn L. Bennett

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Enclosure