

September 1, 2009

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

This Request for Offers (RFO) transmits the issuance of the 2009-2010 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 November 1, 2009 through October 31, 2010. 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 (TSP) 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.

New International Countries/City Points: Effective November 1, 2009, points in Australia have been broken out for specific cities and Australia all other points. Refer to Section 5 of the RFO to view the changes.

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 **November 1, 2009, through October 31, 2010**, 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 prior to the transmission of rate offers as the system will not validate submitted rate offers without a valid bond on file.

Unaccompanied Baggage Transit Times: In lieu of Section 5-6.4.1 of the Household Goods Tender of Service, the transit time for Unaccompanied Air Baggage will be 18 days, unless waived by the RTO in writing.

Continuation of Existing TMSS Rate Offers: All rates included in the TMSS system expire October 31, 2009. 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 November 1, 2009, 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 November 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 October 31, 2009. Rate offers effective during the supplemental filing of May 1, 2010 do not require a change. However, TSPs have the option to modify existing rates or add rates.

Domestic Industrial Funding Fee 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.)

International Industrial Funding Fee: 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.)

Fuel Surcharge Effective November 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.

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 TSP can only be compensated for a fuel surcharge on that portion of the shipment handled under traffic in the conterminous United States to the port or from the port to a point in the conterminous United States. The fuel surcharge shall be calculated in accordance with the fuel surcharge policy that became effective November 1, 2008. In the event the shipment is transported from origin to port or port to destination on an ocean line through bill of lading, the TSP is not entitled to the GSA fuel surcharge calculation and can only pass through any fuel surcharge that may be generated from the ocean line. The TSP must provide a copy of the original bill to the agency for reimbursement.

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 **\$2.499** 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 **\$2.50**.

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 \$2.499.

Example

DOE Fuel \$4.595	Miles 750
$750/5 = 150$ gallons	$\$4.595 - 2.499 = 2.09$
$\$2.09 \times 150 = \313.50	Fuel surcharge = \$313.50

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 \$4.711	$\$4.711 - \$2.499 = \$2.212$	\$2.21 will be used
DOE price \$4.686	$\$4.686 - \$2.499 = \$2.187$	\$2.18 will be used

Calculation

$\$2.21 \times 237.40 = \524.654	\$524.65 will be used
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\$2.18 X 256.60 = \$559.388

\$559.38 will be used

POV Fuel Surcharge: If the POV is transported on the same truck with the household goods, the TSP is not entitled to charge a separate fuel surcharge for the POV. If the POV is not going to be transported with the household goods, then prior to the commencement of loading the TSP must notify the Federal agency and receive written approval for the alternate mode and identify that a surcharge maybe required. If the POV is transported via a car hauler and the car hauler charges a fuel surcharge, that surcharge can be passed through to the Federal agency as a separate line item. The TSP must provide a copy of the original bill to the agency for reimbursement. If the POV is transported via a separate household goods trailer, the TSP may calculate a surcharge using the standard fuel surcharge calculation that went into effect November 1, 2008.

Fuel Surcharge for Unaccompanied Air Baggage Shipments: A TSP may charge as a separate line item a fuel surcharge for UAB shipments.. 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. Please reference Section 3 for Department of State requirements. There is no fuel surcharge calculation for land transportation for UAB.

Fuel Surcharge on Domestic SIT: Calculation of the fuel surcharge for SIT will take place in the same manner as the fuel surcharge that went into effect November 1, 2008. At billing, the TSP will need to provide documentation of the distance between the SIT facility and the shipment origin (for SIT at origin) or the distance between the SIT facility and the shipment destination (for SIT at destination), using the billable mileage as currently identified by ALK Technologies and the applicable Household Goods Request for Offers. The TSP must also provide documentation identifying the date of the pickup to SIT or delivery out of SIT.

Bunker Fuel Surcharges: A TSP may charge as a separate line item a fuel surcharge for bunker charges on International shipments and/or Alaskan water charges. The TSP must provide a copy of the original bill to the agency for reimbursement. Please reference Section 3 for Department of State requirements.

Special provisions applicable for LCD, LED, and Plasma Televisions : For domestic shipments, please refer to Item 105 of the GSA01 Tariff for provisions applicable to these items, effective November 1, 2009. For international shipments, please refer to Section 2-7.2.2.1.2 for provisions applicable to these items, effecting November 1, 2009.

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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