

Phase III Business Rule Attachment

Section

Comment

General Comments

Domestic Small Shipment Market (dS2)

dS2 Rate Solicitation

Item 101

Prior to publishing, the Phase III Rules need an over-arching document explaining the scope of Phase III, the additions/changes to DP3 markets, the additions/changes to TSP classifications and the additions/changes to methods of TSP entries to the markets and TSP classifications. This information in the current Tenders of Service/Rate Solicitation and appendices is scattered and fragmented. It is sometimes conflicting, often missing and always confusing.

Item 105

"designated aerial/water ports" - In what instance other than Alaska shipments will this come into play?

Item 107 e

next to the last para, last line, I think the word "submit" should be inserted after "will"

Item 107 f

This should be stricken - No Me-Too in this program

Item 241

Who is the "Assistant Deputy Chief of Staff for Operations, Transportation Services?"

Shows the annual Cycle as "14 May to 15 May" this should read "15 May to 14 May".

Para a. declares that "TSPs must meet all SDDC Qualifications requirement for the dS2 market to file rates." And, para b. tells us "Common Financial and/or Administrative Control (CFAC) Policy: dS2 TSP's are required to declare CFAC relationships. TSP's in CFAC may not file rates in the same rate channel" —as in today's International Program. Yet, Appendix V.C.2, (the TSP Qualifications attachment to this tender) does not recognize a separate dS2 market (declaring it a subset of the domestic HHG market). And regarding CFAC, in Section 2.2.5, Para a.2, it says "Domestic TSPs must declare CFAC on the ETOSSS. While there is no restriction in the domestic program on TSPs participating in the same lane of traffic or same code of service, TSPs are nevertheless required to declare CFAC." The RS and the Qualifications Appendix are in conflict on both points.

RS Item 300, Rate Filing Prerequisites
Item 300 b

CFAC in place for this Domestic Program - Why?

"TSPs in the first (1st) Quality Band will receive 100% of the shipments. TSPs in the remaining quality bands will only receive shipments when the capacity of the TSPs in the preceding quality band is exhausted" - Does this mean when all TSPs have "Blacked Out"? Is this what signals when they are exhausted?

Item 401

Item 402 b

Bidding done by SFR

Item 402 c

"Provider's effective rate on file on the pick up date us applicable" - Unless the date is changes across the Annual Cycle???

Item 404	Weight is based on "Net Weight" not Gross Weight??? Is this true even for crated shipments?
Item 406	dS2 based on estimated weight "by the government to weigh less than 1,000 lbs at time of booking." What happens if the estimate is exactly 1000 lbs? Is it still eligible for dS2? What happens if the pre-move survey shows it to be well over 1000lbs?
Item 424	"PowerTrack" is used quite a bit in this document. Is that still a viable term? A number of shipment types that are said to not be booked through DPS are enumerated here. Aren't these types envisioned to be in DPS by the time dS2 is implemented?
Item 519	SIT rates are the same everywhere in CONUS. Is that viable?
Item 528	One linehaul table for the entire CONUS. Is this viable?
General Question	Are all shipments required to be crated? It doesn't appear that is the case. This is left up to the discretion of the TSP? Can a TSP pick the shipment up loose at residence and then bring it back to warehouse for crating or later pickup by linehaul carrier?
General Question	How are rates to be filed in dS2 - state to Region, GBLOC to GBLOC, state to state?
General Question	How ill a "competitive rate range be determined in the initial rate filing since no such program has ever existed?
General Question	How will the shipments be distributed to the TSPs in the first Quality Band? Will it be one at a time or five at a time or 50 at a time?
V.C.2 - TSP Qualifications	This shows the dS2 as a portion of the Domestic Program but isn't it a totally separate Market? Rates are filed differently and CFAC is in effect.
1.0	This section designates dS2 as a "separate 4th market" in DP3. Appendix V.C.2, (the TSP Qualifications attachment to this RS), Section 1, Introduction describes four markets one of which is "Domestic Personal Property Program—Interstate and Intrastate Shipments (to include dS2 shipments) within CONUS". Please delineate all markets. Is dS2 a new fourth market? Or fifth? Is NTS a sixth? Are dLM, iLM, and iCM additional markets? (See Appendix V.H. Paras A and B.) Or, is dS2 a subset of the current Domestic market, as described in Appendix V.C.2, Section 1? How many markets are there, really?
RS Item 101, Application and Scope	Recommendation: Please end this confusion--which extends to other draft Phase III Business Rule documents, by providing a comprehensive list of markets and required authorities to operate in those markets.

	<p>2.2.5.a.2 2.2.5.b Part I</p>	<p>This states that Domestic TSPs must declare CFAC on the ETOSS but there is "no restriction in the domestic program on TSPs participating in the same lane of traffic or same code of service." This is in conflict with the dS2 Rate Solicitation which states that CFAC TSPs CANNOT compete in the same channels! Will dS2 be considered as a separate market? It is not listed If a TSP is currently approved in the domestic Program will they have to apply for an expansion of their scope to enter the dS2 program even though it is considered part of the "Domestic" program? Is it separate from the Domestic program or is it not? "Competitive Range Methodology" - how can this be determined in the first year? The last paragraph uses "RR". Does this mean Rate Reasonableness?</p>
<p>V.D.2 - Rate Filing</p>	<p>5.0 1.0 & 2.16 2.16 2.17</p>	<p>"using the new domestic channels" - What are the channels in dS2?</p>
<p>V.E.2 - CSS</p>	<p>A - BVS</p>	<p>If Claims Scores (CS) are being used when dS2 is implemented will a TSPs "Domestic Market" CS be used in the BVS calculation for dS2? The "NOTE" seems to be a carry over from Phase II. We need to determine if dS2 is a Market unto itself or if it is part of the Domestic Program. It can't be both and depending where you look in the Business Rules it is categorized differently. Here dS2 is shown as a Market separate from dHHG If a TSP is not statistically valid for CSS will their score carry over, as stated, or will supplemental scores be added just as they are in currently under Phase II. This is a major departure from the lessons learned in the first 18 months of the DP3.</p>
<p>V.F.2 - BVS</p>	<p>Table 6.1 A.2</p>	<p>If a TSP is not statistically valid for CSS will their score carry over, as stated, or will supplemental scores be added just as they are in currently under Phase II. This is a major departure from the lessons learned in the first 18 months of the DP3.</p>
	<p>B.2.2.a</p>	<p>If a TSP is not statistically valid for CSS will their score carry over, as stated, or will supplemental scores be added just as they are in currently under Phase II. This is a major departure from the lessons learned in the first 18 months of the DP3.</p>
	<p>B.2.2.b</p>	<p>uses the term "neutral score". Is that now called a "supplemental score"? Why would they be added if the two sections above say the score will be carried over?</p>
	<p>B.2.2.b - "NOTE"</p>	<p>Will there be 6 Performance Periods or 4? The Table under "f" shows 6 Performance Periods.</p>
<p>V.G.2 - Electronic Bill and Payment</p>	<p>f. Performance Periods General Question General Question</p>	<p>Is the number of sections in this document consistent. I could not follow it. Will PowerTrack references be changed to US Bank or Syncada?</p>

V.J.2 - Shipment Management

B.4.D -SHORT FUSE SHIPMENTS

This a complete departure from the methodology used to distribute short fuse shipments. Theoretically the TSP with the highest BVS in a channel could move every short fuse shipment. Is this methodology envisioned for other Markets?

B.4.D -SHORT FUSE SHIPMENTS

DPM is mentioned in this section. Is DPM envisioned to still be available in Phase III?

Appendix V.J.2, Domestic Small Shipment (dS2) Shipment Management, Section 4, Storage-In-Transit (SIT):

This section requires ALL SIT to be approved by the PPSO. SIT should be handled as in the current DP3 program—where SIT is automatically approved when shipments arrive and the member has no destination address. In this case, the PPSO has no alternative to approval. There is no reason to create an approval step when the outcome is predetermined. Recommendation: Make SIT approval automatic for shipments with no delivery address, as in the current DP3 program.

C.4.c - converting SIT

"At this time, the **TSP** will become the agent for the property own and the shipment becomes subject to the rules, regulations, charges and liability of the **TSP**." Is the use of TSP correct in this sentence?

C.4.c - converting SIT

Shouldn't it read "warehouseman" in place of TSP?

Request that a phrase be added to indicate that the PPSO can never "back -date" the notice of conversion to member's expense.

C.4.e.2 - No Delivery Address at Destination

This section moves away from the established norms in Phase II.

This seems to indicate that if there is no delivery address at destination the PPSO must still be involved in SIT approval. Currently DPS issues a SIT number without PPSO intervention.

C.5.a.1

This seems to be in conflict with C.4.e.2. No PPSO intervention is mentioned

G.2

This appears to indicate that TSPs will have to file different sets of rates to/from Alaska for dS2 shipments dependant on the mode. Is that the case?

V.Q.2 - Quality Assurance

C.1

NTS not listed as a Market

C.3.a.1.vi.2

The term "Neutral Score" is used. Should that be "Supplemental Scores"? "A neutral score is equivalent to the median CSS"...shouldn't that be the "MEAN"?

C.3.a.1.vi.2.a

Are scores going to be carried over or are supplemental scores going to be added when a TSPs is not statistically valid.....EVERY Performance Period?

C.3.a.1.vi.2.b

Same issue. This is an OLD methodology. Are we going back to this?

C.5

How will CSS scores be determined at "initial startup"?

General Observation

The term "Neutral Score" is used through the document. Should that be "Supplemental Scores"?

V.H - TSP Ranking	A.1	No Performance Score element in the first year. That answers some previous questions but that means the program is COMPLETELY rate driven in the first year. This is not a Best Value procurement! This will depress rates in the first year and that will then set the "Competitive Rate Range" for the following years at rate levels below what a real Best Value program might indicate. Is there no alternative way to being a Performance element into these Markets? Many of these move types have been done previously. There must be some performance measures for at least a portion of the approved providers. This is being done in the NTS market....see section A.2! The term "Mean" has been added in this section rather than using "Median"!
	B.2	
	B.2	But....."administrative performance score carries over until an actual PS is achieved." Are we adding supplemental scores or not?
	B.4	Why are the BVS elements weighted differently in the first year?

Local Moves & Intra-Country Moves

Local Moves & Intra-Country Moves Tender of Service

Item 106a	"A domestic local move is defined as a move within 100 miles from the point of pickup within CONUS." Does this definition supercede State laws, example - In Virginia local moves are defined as shipments moving 30 miles or less from origin to destination. Anything over 30 miles is consider an Intrastate moves and is regulated byt the State. The mover must have a State governed Intra Virginia permit to move a move over 30 miles with origin and destination points within the state of Virginia. In the DP3 Phase III Business Rules, Intra-Country Moves (also described as Code C or iCM) appear to be an after thought adjunct to overseas local moves. Despite the title appearing on the Local Moves TOS, Intra-Country Moves are never entirely defined. The single attempt to define this new code of service describes iCM as " Code C Intra-Country Move: Movement of household goods in containers whereby a Transportation Service Provider provides complete through service from origin residence to the destination residence over land within the same country of origin. Movement of personal property within the borders of one country. Distance is defined in miles and payment in US Dollars. "
TOS, Item 106 2 nd Sub Para a, page 2	
Item 106b	Should this be 100 miles or be measured in KM as is noted in another section (Rate Filing, V.D.3 - 2.2.2.c.2) of the draft Business Rules?

	<p>"Containers" are never defined for iCM. Are these containers the wooden liftvans described in the International Tender? Presumably, so but not stated.</p> <p>Recommendation: Containers for this code of service should be defined. Must these shipments be moved in "containers". Can they be moved loose in an enclosed truck just as they would in CONUS? This would be especially true if a direct delivery is planned.</p> <p>A 100 pound net minimum is TOO LOW for this type of shipment. We recommend a 1000 lb minimum!</p> <p>If 100 miles is the maximum then why would rates for longer distance be filed? Over 100 miles does not fit the Local Moves definition so they should be moved under a different Market.</p> <p>This should be further specified. It seems, due to further clarification in Part B, that this refers to only first or second floors. Please specify that in this section as well.</p> <p>How will PS be measured at Market inception?</p>
Item 106c	
Item 201	
Item 220	
Item 223.A.5	
Item 232.A.1	
Item 232, Best Value Score:	<p>This section talks to dLM and iLM markets but ignores iCM altogether. <u>Recommendation:</u> Address iCM best value methodology in this item.</p> <p>This section indicates that a PS will carry over if the TSP is not statistically valid. This is not the current rule. Supplemental Scores should be added at each Performance period if a TSP is not statistically valid.</p> <p>How will PS be measured at Market inception?</p>
Item 232.A.2.b	
Item 232..B (Note)	<p>How does a TSP qualify for this class of service? Are current TSPs with iHHG authority automatically qualified? Or, must they request this new authority? Conversely, may a new entrant apply for iLM and iCM authorities only?</p> <p>Recommendation: Clearly specify that iLM and iCM markets are a subset of the International Tender, and that only TSPs with international program authority are eligible for these markets.</p> <p>Can this designation have any effect on shipment distribution or "Transportation Service Acquisition"?</p> <p>Only dLM or iLM are noted in these sections. Does this cover Code C as well?</p>
TOS, Application and Scope, Page 1; Item 300, page 26: Appendix V.C.3, Section 1.1, page D-1; section 1.3.7, pages D-9, D-10 & D-11: Appendix V.C.3,section 1.6, pages D-15 & D-16:	
Item 302	
Item 400.b and Item 400.c	
Chapter 5 -General Requirements and Conditions - a.	<p>Why are codes of service referenced here that are not part of the Local Move or Intra-country Markets?</p> <p>Why are Italy and other European countries not included with Germany, Belgium and Netherlands?</p>
Item 502e	

Item 508g	<p>This section indicates that "If original packing materials are not available, flat screen television(s) may be crated for maximum protection upon PPSO approval." IF crating is authorized will the TSP be paid for the crating at the TOS rate? It seems that this would not be part of the TSPs SFR.</p>
Item 509b	<p>There is a HUGE discrepancy between the overseas rate and the other U.S. rates. This is UNFAIR and the overseas rate needs to be equalized with at least the CONUS rate. Just because this is the current practice does not make it correct.</p>
Item 513	<p>How can there be a Fuel Surcharge for a service performed in the U.S. but not one for the exact same service performed overseas?</p>
Item 1300	<p>Point of clarification...."There are currently 909 3-digit zip codes." Does this mean there are 909 possible "Drayage Zones" in the U.S.? Is Alaska in any way considered differently? The 3-digit zip code area can be much larger than 100 miles. How will that impact local moving?</p>
General Comment	<p>At the inception of these new Markets the accessorial and Linehaul table rates contained in the draft rules will be 2 to 3 years old. Can we expect all rates to be updated and brought in line with economic conditions as they exist at the time of Market inception?</p> <p>Must new TSP entrants in this market be companies domiciled in the US? Obviously, OCONUS local moves (iLM) and iCM comprise business that would interest companies that have no offices or personnel in the US. In some cases, these services are provided by OCONUS companies under local contracts in their country or region today. Are these companies eligible to apply for TSP status with those authorities?</p>
1.2.2	<p>Will the use of the term PowerTrack be deleted and replaced with US Bank or Syncada?</p> <p>Must new TSP entrants in this market be companies domiciled in the US? Obviously, OCONUS local moves (iLM) and iCM comprise business that would interest companies that have no offices or personnel in the US. In some cases, these services are provided by OCONUS companies under local contracts in their country or region today. Are these companies eligible to apply for TSP status with those authorities?</p>
V.C.3 - LM TSP Qualifications	Appendix V.C.3
	<p>Recommendation: Clearly specify that iLM and iCM markets are a subset of the International Tender, and that only TSPs with international program authority are eligible for these markets.</p>

the system requires that the completed package be submitted within 60 calendar days. This seems to conflict with what SDDC has stated at least for the next Open Season that the window for document submission will only be open for 30 days.

1.2.7

It is not clear whether or not Performance Bonds are necessary for the Local Move and Intra-country Move Markets. If so at what level for each? There are a number of sections that reference Performance Bonds but there is not a Performance Bond section in this section. These requirements for audited or reviewed financial statements are new requirements for the local move arena and this is a cost driver. This needs to be strongly considered if/when competitive rate ranges are determined for these Markets.

1.2.12

1.3.2.a

"TSPs declaring CFAC cannot compete in the same rate channel is the same code of service in the International Program." Does that mean that CFAC TSPs CAN compete in the same rate channels in the domestic local move Market? If so this means that DOD will go from one or two TSPs handling local moves in an area to literally hundreds.

1.3.7.b

If 100 miles is the maximum then why would rates for longer distance be filed? Over 100 miles does not fit the Local Moves definition so they should be moved under a different Market.

2.2.2.c.1

In neither the TOS nor the attachments to the tender is there a clear discussion of the rates to be filed for iCM moves. The TOS calls for drayage zone single factor rates for iLM moves, and has a provision for long haul rates for distances exceeding 161 kilometers. But there is no indication of any service channels for iCM moves. Must a TSP serving Italy file a single factor rate for Sigonella without knowing the destination (where costs might vary widely between Naples, Rome and Aviano)? Recommendation: Establish a requirement for Single Factor Rates for specific channels in the iCM market (from each drayage zone to all others within each country) and make all references to distance in miles for consistency and clarity. iCM moves in nations such as Greece and Japan might have a seaborne component. How does that factor into rates for iCM shipments? In Australia, the long haul rates might be a large component of the shipment cost. Will the traffic distribution rely on single factor rates for local move drayage zones, coupled with a standard long haul rate in areas as dispersed as Sydney, Perth and Woomera? Wouldn't the government wish to have competitive long haul rates? How does the TSP account for costs at unknown destinations in iCM moves?

Appendix V.D.3—entirety: Appendix V.J.3, Section 4:

V.D.3 - TSP Rate Filing

Appendix V.D.3

	2.3.1	Will Peak and Non-Peak rates be filed or will one rate be used for the entire year?
	3.2.2	Based on other portions of the Business Rules I believe this section is TOTALLY incorrect! It reads: "Methodology for calculating the rate score for LMs is the same as it is for the Domestic "D" code of service." This should read " <u>International</u> " not "Domestic"
V.F.3 - LM & iCM TSP BVS	3.3.2	"previous PS carries over" This is not the current process. Are you planning on moving back to this methodology in these new markets?
	3.5.3 Note	Where is the first year PS (CSS) going to be pulled from? "If a supplemental invoice is submitted, the thirty (30) day clock starts upon submission of the new invoice." If this means that the "30 day clock" starts at ZERO then this is incorrect. If the original invoice was correct then the clock starts with submission of the ORIGINAL invoice. The clock RESUMES with the submission of the supplemental invoice. The TSPs should not be penalized for an originally correct invoice being denied due to an error made by the PPSO or the system.
	5.2.16	To whom should a written request for "additional penalty payment" be made? What e-mail address, POC?
V.G.3 - LM TSP Electronic Bill and Payment	5.5.4.m	"With regards to disputed line items, the PPI clock stops and restarts at zero when the disputed has been resolved." Restarts at "zero"....why? The clock should resume from the point that it was stopped. This is totally incorrect!
	5.5.6.c	
	4.1.1	The Drayage Zones are defined here as being initially "established by using the DPM drayage zones in TOPS." This is not how they are described in the LM TOS. The TOS says "A domestic local move is defined as a move within 100 miles from the point of pickup within CONUS." Which is correct? Will one supercede the other? Chart - How was this distribution determined? Why is it different than the distribution model in other Markets? Table 2 above illustrates...
V.J.3 - LM TSP Shipment Management	4.2.1	No Table 2 attached? "for shipment allocations following the first year, see Item 314 in the LM TOS." When you look at the LM TOS all that it says is "Shipments will be distributed based on Best Value in accordance with business rules." I am not sure what that means? Will the distribution methodology change after the first year? If so based on what parameters?
	4.2.1	

4.2.1 "the PPSO is permitted to assign that shipment to the requested TSP in DPS regardless of Quality Band location." This brings up a huge number of questions! Does this mean that every service member could request the same TSP and that TSP would get every shipment? When a TSP reaches its maximum number of shipments for his Quality Band will that stop a member request from going to that TSP? The section also says "When it is the best interest of the government, the PPSO is permitted to assign" a shipment. Does lower cost mean "best interest of the government"? This opens up a huge "can of worms" and could lead to real inequities in the distribution of shipments. We totally disagree with allowing this to go forward!!!

4.2.1 Table 2 above illustrates...No Table 2 attached?

What is the difference between these sections. I see that the "reasons" used by the PPSO to override the system are different but in effect the same thing occurs. The next TSP in line is easily superseded by the PPSOs or member's choice. Everything can be considered a "Traffic management decision"! TOO EASY!!!! c. Quality Assurance (QA) action is pending against the TSP. Will the TSP be able to see this QA action pending in his work queue or how will he be advised.

4.3 vs. 4.3.1

4.3.3 This process is exactly like the proposed dS2 process for short fuse shipments which we are **vehemently** opposed to!

4.3.5 Weekend/Holiday Schedule....Will overtime rates be paid for weekend, Holiday, and after hours requests?

What about short fuse shipments when there is little time to perform a pre-move survey, especially when the member cannot be contacted. The shipment may be awarded only a day or two before pickup. If the member is not available why should the TSP be penalized? The section should not read...."The PPSO should take QA action". The word "may" should replace "should" and a caveat should also go along with it.

4.5.2

4.8 Local moves should be required to accept delivery the day of or day following loading depending on the time finished loading and the weight or Sit should be authorized automatically. LM TSP cannot be forced to keep shipment on trucks because a PPSO will not authorize SIT and thus tying up TSP equipment for an extended period of time.

4.9.1	How is TSP informed when these types of edits are done? It will be next to impossible to determine when a change is made if an e-mail notification isn't sent to the TSP or some DPS notation that a "change in status" has occurred. A TSP should not be forced to look at every shipment they have to see if a change has occurred. This currently is the case in DPS.
4.9.3	"the TSP receives notification of the changes via DPS." HOW?????
4.9.4	"the TSP receives notification of the changes via DPS." HOW????? This section requires SFRs to be valid for weights as low as 100 pounds. 100 pounds is far too low, and could skew rates upward. A 1,000 pound minimum would allow TSPs to file SFRs that cover all costs while still being reasonable for large shipments. A 100 pound minimum forces TSPs to file rates that will incur losses on all small shipments or file rates that are far too high for large shipments.
TOS, Item 201, Minimum Weight	All rates in this TOS need to be updated to with the current DP3 rates to avoid unnecessary invoicing complexities. <u>Recommendation:</u> Before publishing Phase III Tenders of Service/Rate Solicitations, insure that schedules of rates and charges are standardized for all DP3 markets.
TOS, Section 5:	OCONUS Drayage Zones for iLM are incomplete. Some major installations are ignored (Naples, IT and Aviano, IT for instance). In many instances the national capital is lumped into the same drayage zone as a military installation in a relatively rural area where costs are widely variant (Ankara, TU and Incirlik AB, TU). National capitals tend to be large cities with higher costs, and thus need specific local drayage zones to get a reasonable SFR. Item 304.a requires TSPs to be available to perform LMs in the entire rate area; while Item 1301 sometimes defines OCONUS drayage zones as vast geographic areas. (Australia has only two, and Turkey is defined as a single drayage zone).
TOS, Item 1301 (and Item 304.a):	Section 1.2.7 refers to a TSP "request to perform LMs." Yet in section 1.6, the list of new authorities that TSPs may apply for in open season, dLM, iLM and iCM shipments are not mentioned. <u>Recommendation:</u> Clear up this confusion with a comprehensive listing of markets and authorities required to service those markets. This listing should appear in each Qualifications appendix.
Appendix V.C.3, LM and iCM TSP Qualifications, Sections 1.2.7 and 1.6:	

Appendix V.J.3, Section 4.2.1, Table 1:

This table describes a traffic distribution pattern of 20-5-2-1. This distribution is skewed too far toward the first quartile, and will have the effect of discouraging bids from TSPs with mid-range quality scores as they realize they will get very few shipments and have little chance to improve their scores.

NTS

Non Temporary Storage (NTS) Tender of Service (TOS) and attachments:

TOS Part 1.B.1 Pre-Move Survey:

Beginning on page 4 and extending through page 6, the TOS makes use of first person pronouns (I, my, me) that appear to be residue from previous documents and create confusion in this one.

Recommendation: Delete all first person pronouns.

TOS Part 1.H.8.d:

This section speaks to legal liability insurance, and calls out a deductible of not greater than \$100 per occurrence. This deductible is too restrictive, and makes insurance policies unnecessarily expensive. These expenses will necessarily be reflected in the NTS TSPs' rates. A deductible of up to \$5,000 would lower the insurance expense significantly and protect the government's interest adequately.

Appendix V.D.1 (NTS Rate Filing) Section 2.3:

This section says that NTS TSPs may adjust their rates 6 times a year and lists 6 performance periods. However, the TOS in Part II.A.2 says rates may be adjusted 4 times per year and lists 4 performance periods. The TOS reflects current DP3 practice.

Appendix V.F.1 [NTS Best Value Score (BVS)] Section 1.1:

This section indicates that a Warehouse Inspection Score (WIS) will comprise 25% of the Performance Score (PS) which in turn comprises 70% of the BVS score. Recommend elimination of the WIS. Warehouse inspections contribute little to customer satisfaction, and in the DP3/FRV environment contribute little to overall quality.

Appendix V.H (dS2, LM, iCM, and NTS TSP Ranking) Section A.2:

This section declares that in the first year, NTS TSPs' Performance Scores (PS) will be composed entirely of their Warehouse Inspection Scores (WIS). Recommend elimination of WIS. Warehouse inspections contribute little to customer satisfaction, and in the DP3/FRV environment contribute little to overall quality.

	<p>Appendix V.H (dS2, LM, iCM, and NTS TSP Ranking) Section B.4:</p>	<p>This section declares that in a new entrant's first year, NTS TSPs' Performance Scores (PS) will be composed entirely of their initial Warehouse Inspection Score (WIS). Recommend elimination of WIS. Warehouse inspections contribute little to customer satisfaction, and in the DP3/FRV environment contribute little to overall quality.</p>
	<p>Appendix V.J.1 (NTS Shipment Management) Section 2.1:</p>	<p>This section lists 6 performance periods. However, the TOS (in Part II.A.2) lists 4 performance periods. The TOS reflects current DP3 practice.</p>
	<p>Appendix V.J.1 (NTS Shipment Management) Section 2.3:</p>	<p>This section describes a process where 100% of shipments will be awarded to NTS TSPs in the top (first quartile) quality band. Placing all shipments with the TSPs in quality band one will discourage many companies from bidding for this market, as they realize that companies with mid-range quality scores will receive no shipments. Moreover, a distribution that provides zero shipments for TSPs outside the top quality band allows no method for TSPs to move up to the top quality band via good survey scores.</p>
	<p>2.2 Warehouse Inspection Score (WIS) 2.2 Warehouse Inspection Score (WIS)</p>	<p>The paragraph indicates "the RSMO shall inspect each NTS facility twice a year". This is not currently occurring due to cut backs in staff at the RSMO. What will happen if the RSMO does not meet this requirement? If some TSP's are inspected 2 times and some are inspected 1 time on 0 times in a year, this could have a big impact on scores and ability to participate in the program. "0 Points results in an "A" rating" - suggest 0-2 = A rating</p>
<p>TOS</p>	<p>Appendix V.E.1 - 1.4.1 Page 4, Part1.(B)1c</p>	<p>Will shipments in storage upon startup of phase III be scored when delivered out or will only shipments booked with a TSP after startup be eligible for a score? The above paragraph mentions Phase II, should that be Phase III? Will Deployment shipments be included in the CSS? Will it be a separate score? If a TSP is involved with a large deployment, this could involve 100 (or more) small shipments of customers shipping out. These customers will not be completing a survey. That will be the last thing on their mind. So this TSP will receive a lot of neutral scores for providing services on deployment shipments. This will negatively impact the TSP.</p>
<p>TOS</p>	<p>Page 4, Part1.(B)3</p>	<p>Why does the TSP have to now advise about trigger locks. Egg Crates and Totes prohibited.....Does the member need to unpack christmas decoration so we can repack in cartons? Totes are allowed in the Code 4 program.</p>

TOS	Page 6, Part1(B)5 8th line	C-2(e) states drayage to the NTS TSP approved warehouse. Part1(5) states only drayage to the warehouse. Is there a reason that they removed "NTS TSP approved" warehouse?
TOS	Page 7 Part 1(B)9(d)	...the TSP may place the shipment or any part thereof that was not delivered into storage....Is this commercial storage at the owners expense? Liability on pieces not able to deliver changes to the warehousemans liability instead of FRV?
TOS	Page 9 Part 1(C)9	Reference should change from C-2c(2) to Part 1,B(3)b....Reference needs correcting
TOS	Page 9 Part 1,C10	Reference should change from paragraph (i) to Part1,C(9) above.....Reference needs correcting
TOS	Page 9 Part 1,C13a	Reference should change from C-5 to "E" section...Reference needs correcting
TOS	Page 9 Part 1,C13b	New Language - Why does a company official need to verify by sight that the firearem were received at the whse. Our crew packed it.....This makes no sense as we must unpack the shipment to locate the gun to verify. We already use a firearm inventory. TOS page 18 Part1,F(i) states "the NTS TSP shall be responsible for ensuring that firearms are...stored in the center of the vault." Who pays to pack, unpack, verify and repack for each gun?
TOS	Page 10 Part 1,D.1e(3)	New language - sentence states "Does not have a flat continuous floor, and" (seems they forget to complete the sentence).....Sentence not finished.
TOS	Page 11 Part 1.D.2a	Servicing includes securing all loose and moving parts of washing machines (to include front load washers...Added front load washer language.) Including the servicing in the rate is new. Who pays when member does not have the bolts?
TOS	Page 12 Part 1.D.6	Expensive Items "When items are declared by the customer to be expensive and valuable and the customer determines the services are provided for herein are not adequate, special handling shall be provided at the request of the customer and additional charges, if any, for such special handling shall be at the expense of the customer."Does this give us the right to bill appliance servicing to the customer such as GF clock servicing and front load washer servicing?
TOS	Page 12 Part 1.D.9(b)	Reference should change from C-7c to Part 1,H.3.....Reference needs correcting

TOS	Page 14 Part 1.D.12	<p>New language "12.Extra pickup or delivery. If authorized, portion of a shipment may be drayed at one or more places of origin, destination or en route.....What do we get paid for this extra pick up or delivery? On a delivery, how do we get paid for sorting and segregating the items for each stop?</p> <p>New language "Customer is authorized to retain all cartons and containers and may elect to surrender all ... Debris removal of such cartons and containers for up to 30 days after delivery must be approved by the PPSO."What do we get paid for this debris pick up?</p>
TOS	Page 14 Part 1.D.13b paragraph 2	<p>"When it is determined by the PPSO that these articles require special handling which the NTS TSP is unable to perform, the PPSO may authorize the NTS TSP to utilize a professional 3rd party.....Assume this will cover GF clocks, pool table slates, hot tub serving, front load washer servicing, dis-assembly and reassembly of gym equip, schranks, surround sound home entertainment systems.</p>
TOS	Page 14 Part 1.D.14	<p>In conjunction with the customer (deleted or authorized agent).....About 25% of NTS deployments are done by an agent. Why was authorized agent language removed?</p>
TOS	Page 15 Part 1.E.1	<p>New language adding need to designate Pro gear of the member and the spouse. This whole section is new.....Why was this added for NTS when it was not part of the current program. There is currently no Pro Gear allowance in the NTS program. Is this changing or are they just assuming some of it will go out Code 4 so it must be done on all NTS? ProGear by its nature should be with the deployed service member, not stored. There is no where to report the total weight of pro gear.</p>
TOS	Page 15 Part 1.E.2	<p>Reference Attachment 4 is wrong. Should be page 42 & page 43 or attachment 2.....Reference needs correcting</p>
TOS	Page 15 Part 1.E.3	<p>Reference Attachment 5 is wrong. Should be page 46 & page 43 or attachment 4.....Reference needs correcting</p>
TOS	Page 15 Part 1.E.5	<p>Reference Attachment 5 is wrong. Should be page 46 & page 43 or attachment 4.....Reference needs correcting</p>
TOS	Page 19 part 1.G.3	<p>New Language - Containers (vaults) that have been packed by customers without inspection or inventory by the TSP so as to ensure that hazardous materials are not present shall not be stored within the facilities approved under this TOS. TSP will document their inspection.....No PBO or self storage shipments will mean many CONUS agents can not participate. Can not have in whse commercial moves unless the TSP pack it. Do we have to repack and re-inventory any code 4 that is converting as we (the NTS TSP) have not packed it or store it in a different whse.</p>

TOS	Page 25 part II.A.2	NTS TSP can file rates up to 4 times a year. 1/1 - 5/14, 5/15 - 7/31, 8/1 - 9/30, 10/1 - 12/31.....Currently can change rates monthly. If you are outside the zone of reasonableness, 1st & 2nd attempt, you may not be able to participate for months. As rates will no longer be public, no idea how the zone will be determined.
TOS	Page 27 part II.B2	When the PPSO determines that the customer is no longer entitled to storage of personal property at govt expense, the PPSO shall give the NTS TSP a 30 day notification of such determination. The PPSO shall deliver to the customer the ORIGINAL copy of the Whse Receipt for the personal property and the NTS TSP shall thereafter recognize the customer as the depositor....Need language that FVR coverage ends in this section and liability for any loss or damage discovered after the conversion to commercial storage would be at the warehouseman's released value.
TOS	Page 27 part II.B.4	Except to the extent of service order issued hereunder, the TOS shall nto obligate Government funds in any way.....What is the purpose of #4.
TOS	Page 31 part II.F.1	The NTS TSP is liable to the owner, or to the military service that contracted for the shipment, for loss or damage that occurs to the owners personal property.....If it is converted to commercial storage, it should not be a FRV unless the member purchases additional insurance. Need language added.
TOS	Page 31 part II.F.1.c	On all other loss and damage claims asserted against the NTS TSP, the NTS TSP maximum liability will be limited to \$1.25 times the net weight of the shipment in pounds.....Good language for a conversion, but need language that allows for various liabilities from 10 cents to \$1.25 per pound per article if the member does not purchase supplemental coverage at conversion.
TOS	Page 38 part II.J.s	Reference should change from C-7d to Part 1,H.4.....Reference needs correcting
Rate Filing App V.D.1	2. Annual Rate Filing	If the new rates pass the competitive range check.....Define this parameter.

Rate Filing App V.D.1

2. Annual Rate Filing

If the TSP wants to re-file rates for that AOR for the second performance period and if the new rates pass the competitive range check at the beginning of the next performance period, the TSP will then be included in that AOR and be available for shipments.....As I understand this, a TSP that did not fall within the competitive range in the 1st round or 2nd round will be given a chance to re-file and be eligible for shipment award in the second performance period thus possibly placing that TSP ahead of other TSP's who did file their rates competitively the 1st or 2nd round and that TSP may remain more competitive for the remainder of the year? This logic seems to penalize the TSPs who landed in a competitive range in the 1st or second round. Why even bother with rate reasonableness? If a TSP desires to file rates high, they will be in the 4th quartile and not receive any work anyway.

Rate Filing App V.D.1

2.2 Top of Pg 6

The rates filed for items (1) packing, (3) Drayage, (4) H/I, (5) Storage, (6) Handle Out, (7) Delivery and (8) Unpacking will be used as one amount to calculate the TSP Rate Score.....How does DPS determines the rate score? Do they use the estimated anticipated time in storage such as a rate of \$2.00 ncwt per month times 6 months estimated deployment so \$12.00 ncwt plus all the other charges per ncwt to get to one estimated rate per ncwt? or just one month stg or 12 months stg. If rates are not public, formula should be public.

Rate Filing App V.D.1

2.3

NTS TSPs can file or adjust rates up to six (6) times a year. The newly filed rates will become valid at the beginning of the next performance period. There are six performance periods. The annual rate cycle is from 15 May of the current year to 14 May of the following year. During annual rate filing, TSPs are required to re-file rates even if they currently have rates for the AORs they are participating in. If the TSP does not file rates at the annual rate filing, the TSP will not be available for lots within the first performance period of the annual rate cycle. A performance period is the period over which TSPs will be evaluated for purposes of quartile ranking and shipment allocation. DPS will rack and stack NTS TSP prior to the start of each performance period. The performance periods are.....Why use a different rate filing criteria for Deployment shipments vs. standard shipments. If DPS has the ability to file rates 6 times a year under deployments, why not allow 6 times for standard NTS shipments? Also there seems to be no rate reasonableness criteria.

Rate Filing App V.D.1	5. Competitive Range	<p>All rates filed are subject to a competitive range check. Acceptable ranges for each service item performed by AOR are established in DPS to be used in competitive range check of TSP filed rates.....Do they advise which rates are outside the competitive range. Concern is that unpacking and delivery have never been part of the calculation in the old program. Most TSP's therefore have deflated the packing and drayage in rates and significantly inflated the unpacking and delivery out rates. The rates are currently very lopsided so what basis are they going to use.</p>
NTS Qualifications App V.C.1	2.1.4 ETA Registration	<p>An ETA account is required for TSP's seeking qualification approvals.....Does this mean each employee who will be working on NTS for our agency must get another ETA account or can the NTS TSP also show up in the shipping agent drop down along with all the code 4 carriers?</p>
NTS Qualifications App V.C.1	2.1.5 Digital Identity Certificate Requirements	<p>After the implementation date, commercial users will not be able to access DoD systems without a digital certificate. Each ETA user ID may have only one unique certificate.....I have four ETA accounts already without NTS. So CEO's could need six or more digital certificates?</p>
NTS Qualifications App V.C.1	2.1.7 NTS TSP Submission Requirements	<p>Additional Requirements - TSP must submit the following documents as electronic attachments in DPS.....If RSMO already has this info for all currently approved NTS TSP's are we going to have to resubmit it again?</p>
NTS Qualifications App V.C.1	2.1.6 Qualification Timeline	<p>TSPs not meeting the qualification requirements have seven (7) calendar days from the date of notification via the TSP's work queue, email or telephone to correct deficiencies. If deficiencies have not been corrected in DPS after seven (7) days, the TSP will not be approved and DPS will send a notification to the appropriate RSMO. Rejection or acceptance notification is indicated in DPS and forwarded via email to the TSPs. TSPs that receive a notice of rejection, may re-apply.....7 days may not be sufficient to resolve requirement deficiencies. I suggest 20 days. If a rejection notice is issued and the TSP desires to re-apply, how soon may it do so? Will it have to wait for an open window or can a TSP enter this market at any time?</p>

NTS Qualifications App V.C.1	2.1.7	<p>d.) Financial Data/Statements for the current year plus the previous two (2) years must be submitted by the TSP's independent Financial Representative or CPA, who should certify that the statements truly and fully set forth the financial condition of the TSP.....This language is much stronger than the current NTS process and seems to require an audit vs. the review required on domestic qualifications. Is the 2-year requirement only for initial approval or each year? Not sure why you would need to submit 2 years each year?</p>
NTS Qualifications App V.C.1	2.1.7.7	<p>h.) Letter of reference from bank.....This seems to be a new requirement. What is a Letter of reference? What is the benefit of this letter? If the letter states "this company opened an account yesterday and deposited \$1000 and we are pleased to have them as a customer" Is that a sufficient letter of reference? What defines an DPS shall require the NTS TSPs to identify the counties, cities, and/or states for which they have operating authority. It is also the NTS TSPs responsibility to identify the deregulated counties, cities, and/or states in which they operate.....As I understand DPS, it currently has the capability to enter States for which a TSP holds operating authority. The above seems to indicate that DPS will be adjusted to allow every County and city to be entered as well as the State. Is that correct?</p>
NTS Qualifications App V.C.1	2.2	<p>The results of an inspection determine the eligibility of a warehouse. If a warehouse is found to be ineligible, the RSMOS will place the TSP in an ineligible status in DPS. New NTS lots will not be awarded to the TSP in an ineligible status, but ineligible TSPs will be allowed to file NTS rates during rate filing. Once corrective action has been submitted in DPS by the TSP and accepted by the RSMO, the warehouse facilities will be returned to eligible status (non-grayed out).....Can the TSP see his status in DPS (ineligible / eligible)? If a TSP is placed in ineligible status, does that apply to SIT also?</p>
NTS Qualifications App V.C.1	2.7	<p>In accordance with Part I, H-9, of the TOS, the NTS TSP shall not contract with other persons or firms for the performance of any service ordered, unless prior written approval has been received from the RSMO.....Does this mean you cannot have a contract driver or labor service a NTS shipment without approval from RSMO?</p>

NTS CSS App V.E.1	1.4 Statistical Validity Table 1	<p>Required number of surveys - # of shipments 10 must have 9 CSS, 30 shipments must have 22 CSS.....The return rates in the Intl program have been under 25%. How is any TSP going to meet the requirements. Most in HI have less than 100 lots in storage so not possible to get half scored if they all delivered in a 12 month period. Minimum survey requirements needs to be reduced for most AOR's.</p>
NTS CSS App V.E.1	1.7.2 - last page	<p>Updating customers contact info.....Over 95% of the customers do not update their info as they have no idea how to get back into DPS after 6 - 12 months deployed. If they call to schedule the delivery with the TSP, we will not be able to update this info or able to schedule the delivery in DPS until the member call the base to have them update DPS with the current contact info. If they call the base to update the info, right now, there is no automatic email to tell the TSP that info in DPS has changed.</p>
NTS QA App V.Q.1	D Shipment Eval Actions(2)b.1	<p>The RSMO must remove the NTS TSP from the TDL in GBLOC which the shipment was refused. ... DPS monitors the NTS TSP response to shipment offers to ensure they are accepted within 24 hours after shipment is assigned. This language conflicts with the TOS page 27 C-Service Orders which allows for verbal acceptance of shipments and verbal declines. This section of the Draft TOS does not mention blacking out or accepting in DPS.</p>
NTS QA App V.Q.1	<p>D Shipment Eval-7.(c) -Repeat Suspensions Due to shipment Refusals</p>	<p>Short-Fused Shipments- Shipments that require pickup in 5 business days or less. Failure to accept a short fused shipment is nto grounds for a suspension. NTS TSP's are notified of short-fused shipments simultaneously by quality band via DPS. <u>The first NTS TSP to accept the shipment in DPS receives that shipment as a bonus.....</u>This language does not match Appendix V.J.1 - NTS Shipment Management which states in 3.2.4 "First DPS will send out the short-fuse shipment request to TSP in quality band one in the AOR. Four duty hours after the notification is sent out, DPS will check if any TSP form quality band one have indicated interest in the shipment. <u>If there are multiple interested TSP's, the shipment will be awarded to the TSP with the highest BVS.</u></p>
NTS QA App V.Q.1	<p>D - Shipment Eval -10 TSP Appeal(e)(3) RSMO review of Performance Period BVS Scores</p>	<p>Comprehensive BVS scores calculated at the end of each of the <u>six performance periods</u> may not be...Are there four performance periods or six?</p>

NTS QA App V.Q.1	E. Full Replacement Valuation 1.(c)	<p>"For damages discovered after the delivery date, customer must complete Notice of Loss or Damage AT delivery via DPS with 75 days. ... The actual form must not be used by the customer unless they are filing claim with the Claims office and not in DPS.....Why do we have to give the member this form (DD1851) printed- wasting paper- if they must file in DPS? 11 January to 14 May.....I think this should read 1 January not 11 January</p>
NTS QA App V.Q.1	C. TSP ASSESSMENT PROGRAM	<p>(1) At the end of each performance period DPS calculates a PS for each NTS TSP using a rolling 12-months of data. First DPS calculates the total number of shipments picked-up, released or delivered to a residence by each NTS TSP over the past 12 months. DPS then calculates the number of surveys completed over the past 12 months based on data in DPS at the end of each performance period.....DPS should not consider "released" shipments to a linehaul carrier when calculating the total number of shipments. A TSP will only be able to be evaluated on shipments picked up and on shipments delivered to a residence by the NTS TSP. These should be the only shipments counted otherwise; the number of neutral score assigned to a TSP will increase without cause and lower the TSP ranking.</p> <p>The performance period has 6 periods.....Are there four performance periods or six?</p>
NTS QA App V.Q.1	(e) CSS Validity	
NTS Shipment Management App V.J.1	2.1 Initial Ranking at Startup	
NTS Shipment Management App V.J.1	2.4	<p>DPS allows a Regional Storage Management Office (RSMO) to place a TSP in non-use status and reinstate the TSP to the eligible list. DPS also provides the RSMO the capability to enter comments explaining ineligible and reinstatement actions.....Is this limited to RSMO or can a TMO exercise these actions?</p>
NTS Shipment Management App V.J.1	2.5	<ul style="list-style-type: none"> • <u>Ineligible</u> – Temporary suspension, generally an operational or administrative problem, cannot receive new shipments. Typically for a thirty (30) day period.....Will the system remove on 31st day or is this a manual process by RSMO? Will shipments be pulled back from a TSP when suspended? What is the dispute resolution process and will there be makeup tonnage if the suspension is deemed inappropriate?
NTS Shipment Management App V.J.1	3.2	<p>DPS offers the NTS lot to the selected TSP by notifying the TSP in its DPS work queue when new or updated booking requests and cancellations are posted..... How much time will a TSP have to accept the shipment in DPS? If they do not accept the shipment within a certain amount of time will it then be offered to the next ranked TSP? Will there be any penalty for non-response to offers or refusals?</p>

NTS Shipment Management App V.J.1	3.2.4 Short Fuse NTS Lots	Awarding language in this section must match language in QA Short Fuse section.....First to accept gets shipment or best BVS of those interested gets shipment.
NTS Shipment Management App V.J.1	3.2.9	DPS generates a Service Order number at the time the NTS lot is awarded. The service order number includes the origin DODAAC + the 2 digit Fiscal Year, + G + 6 digit sequences, i.e. W73BFY04G346400. Neither the PPSO nor the TSP can print the Service Order, DD Form 1164 – <i>Service Order for Personal Property</i> , until the TSP has: (1) entered the actual agreed upon dates and (2) entered the estimated weight. DPS can query on the NTS service order number, TOS number, and lot number. PPSOs can update an existing Service Order (e.g., pickup and/or storage expiration dates, weight, lot number, customer pickup address) in DPS.....How will a TSP assign a LOT number within DPS? Will firearms be noted when shipment is booked?
NTS Shipment Management App V.J.1	3.3 NTS Lot Conversion	DPS allows the PPSO to convert a NTS lot from govt expense to customers expense. When converted to customers expense, DPS issues a supplemental Service Order (DD1164) with final charges for storage at govt expense for the NTS lot. <u>Handle out, delivery and unpacking are authorized at govt expense in accordance with the service policy.....</u> Does this mean that we deliver to the whse floor for an NTS conversion or are they authorizing the eventual delivery 5 years after conversion when the member finally decides to stop paying the storage and get his stuff delivered?
NTS Shipment Management App V.J.1	3.4 Refusal of NTS Lot Awards	If a TSP refuses a NTS lot, the PPSO may recommend placing the TSP in an ineligible status for a period of 30 days.....This language conflicts with the awarding language in the TOS. This is very subjective. One TSP may refuse a shipment without action by the PPSO and the next one refuses a shipment and the PPSO recommend placing the TSP in ineligible status. This is extremely dangerous policy. I suggest the notice of refusals be sent to the RSMO for action not PPSO and this be further defined.
NTS Shipment Management App V.J.1	3.9 Costs	DPS automatically requests a reweigh when shipments are over the weight entitlement and informs the PPSO and the TSP via their work queues.....What do we get paid for a R/W and never seen one in 20 years on an NTS shipment.

NTS Shipment Management App V.J.1

3.10

If the requested changes are made after the TSP has performed the pre-move survey and the Service Order has been printed, the PPSO modifies the existing Service Order by making the necessary changes and sends notification to the TSP via DPS to reprint Service Order.....If changes are made to a shipment after the service order has been printed and the TSP does not agree with the changes (ie. Date, boat, extra services outside the agreed upon scope) can the TSP return the shipment for reassignment without penalty?

If a customer has not previously provided a delivery address for the shipment, the customer can enter that in DPS.....Customer rarely if ever enter the delivery address. We are told the NTS program will not allow the TSP to enter this info, so means the TO must do it. How do we know when the delivery address has been updated?

NTS Shipment Management App V.J.1

3.12 Delivery

The NTS TSP submits an invoice for the quarterly storage services through PowerTrack. If the line item cost matches, but is less than the Services' maximum price threshold, PowerTrack automatically approves payment to the TSP. However if all the line item costs match, but is over the Services' maximum price threshold, then manual PPSO approval is required in PowerTrack. Once the PPSO has approved the item, PowerTrack will pay the TSP.....Please explain this process in more detail. Currently, the PPSO issues a quarterly statement for the TSP to review and sign off on. As I understand the above paragraph, the TSP will input one line item for quarterly storage per TOS per PPSO and that amount will be verified / validated by who? What is the "maximum price threshold"? Is there a time limit for the PPSO to manually approve items over the maximum price threshold?

V.G.1

2.5.2 Quarterly Storage Invoicing