

SDDC-PP Advisory 16-0081

Date: 25 March 2016

From: AMSSD-PP Scott AFB, IL 62225

To: Military Service Headquarters Representatives, Worldwide Personal Property Shipping Offices (PPSOs) and DOD Approved Transportation Service Providers (TSPs)

Subject: 2016 Defense Personal Property Program (DP3) Peak Season Message for Movement of Department of Defense (DOD) Personal Property Shipments

This message provides information to help PPSOs and TSPs prepare for and manage the 2016 Summer Peak Season. PPSOs are encouraged to provide this message to all counselors, booking/shipping technicians, quality assurance and other transportation office personnel involved in moving DOD personal property.

1. **TIME SENSITIVE INFORMATION:**

A. **Traffic Distribution Lists (TDLs):** TDLs for booking shipments with a pickup date of 15 May 2016 and later became available for use on 9 March 2016, allowing 10 weeks lead time to plan for the movement of these shipments. When the TDL became available the worldwide backlog of shipments was under 3,500 which is a much smaller figure than previous years. In addition, details on these shipments were provided to industry to help them plan and allocate their capacity and use the Defense Personal Property System (DPS) blackout capabilities. Finally, TSP rankings were made available to industry for preview for 3 days to allow TSPs to assess rankings, plan internal resources, and make capacity decisions.

B. **No Refusals and Short Fuse Window Expansion** will continue to be in place for the 2016 peak season. PPSOs and TSPs should be prepared for both increased TSP granular blackout-use and Quality Assurance (QA) actions. For information on this decision, see Paragraph 4.C and 4.E of this message under the heading "Peak Season Tools."

2. **PEAK SEASON COMMUNICATION:** HQ SDDC will conduct weekly telephone conference calls with Military Services and industry to provide and synchronize peak season information flow and help determine if any adjustments are needed. PPSOs/TSPs should review the processes and procedures in Part IV of the Defense Transportation Regulation (DTR), especially Chapters 402 and 405, the 2016 400NG Tariff and International Tender located at <http://www.sddc.army.mil/PP/default.aspx>.

3. **PERSONAL PROPERTY COUNSELING:**

A. **Prompt shipment creation/flexibility:** Customers should be strongly encouraged to create their shipment in DPS as soon as possible after receiving orders. Advise customers of the challenges with moving during the summer season, especially between peak moving timeframe of 15 June to 31 July. Encourage customers to schedule their move before or after the "peak", whenever possible, and be flexible in arranging their pack/pickup dates.

B. **Confirmed Moving Dates:** Ensure customers know their application can't be processed until supporting documents have been provided to the Counseling Office/PPSO and understand their dates are not confirmed until they have been contacted by a TSP to finalize the actual pack, pickup and required delivery date (RDD). PPSOs should inform the customer the RDD on their DD Form 1299/1797 is only an estimate and the actual RDD will be on the printed BL provided by the TSP. See DTR Part IV, Chapter 402, Paragraph F.8.a.

**NOTE:** TSPs are reminded that RDD changes must be agreed upon between the customer and TSP during the Pre-move survey. Any changes to this date without the customer or PPSOs approval are not authorized. The government approved transit times are located in the DTR, Part IV, Appendices L thru N as well as the SDDC website.

C. **Origin Storage-in-Transit (SIT):** See Paragraph 4.G of this message for additional guidance on Origin SIT. Origin SIT can be considered for customers who know they will require storage at destination or those without a direct delivery address. Customers should be counseled to contact their origin (preferred) or destination PPSO when they have a delivery address so the PPSO can order delivery from SIT IAW Paragraph 4.G. This is critical as it will allow the Origin PPSO to process release of SIT, stop payment of SIT, and provide a new RDD to the customer.

D. **Personally Procured Moves:** Request/Anticipate that Service Headquarters develop procedures for PPPOs to capture information on why customers elect to perform a full PPM, specifically when this decision is driven by DP3 being unable to accommodate their requested move dates. This information can be collected by SDDC, through Service Headquarters, following peak season to help gauge program effectiveness.

E. **Supporting Documents:** PPPOs should ensure robust procedures to provide required supporting documentation to PPSOs are in place and effective. PPPOs and PPSOs providing counseling services must ensure orders are valid and lines of accounting accurately transcribed into DPS to support successful booking and invoicing of shipments.

F. **Claims Counseling:** PPSOs are reminded that IAW DTR Chapter 401 they must counsel members/employees on Inconvenience Claim and DPS Loss or Damage/Full Replacement Value (FRV) claim programs. See Paragraphs 11 and 12 of this message for additional information as well as the accompanying DP3 Inconvenience Claim Pamphlet.

4. **PEAK SEASON TOOLS:** Every Summer moving season causes stress to the moving industry due to challenges in volume and capacity. The tools mentioned here represent options for SDDC and the Services to collectively leverage available capacity as much as possible; however, we expect that the successful employment of these tools will vary across DOD sites. SDDC will remain flexible and adaptive and will issue revised guidance on the use of these tools as required.

A. **Code 2 Domestic Shipments:** Code 2 (containerized) services provide a way to potentially find additional capacity. Portable Moving and Storage Containers (PMSCs), also referred to as commercial do-it-yourself containers, have continued to increase in the commercial marketplace.

During the 2015 peak season, DOD used Code 2 (containerized) services to move as high as 9.7% of peak season domestic shipments. This represented an increase over 2014 peak season where less than three percent of all peak season shipments moved as Code 2.

For 2016 the following criteria should be utilized to assist in determining if a domestic shipment should be booked Code 2 and applies to Army, USMC, and USCG, although other Services may provide unique booking guidance:

1. Shipments estimated at **7,000 lbs. or less**
2. Shipments **without** a direct delivery address at the time of booking
3. Shipments traveling **long distances (800 miles or more)**. (C/J)/PPSOs can verify the mileage using the DP3 SIT – Transit Times Mileage Guide located on the SDDC website under the Personal Property Link

4. Shipments that **DO NOT contain extra-large items** that won't fit in a Standard Type II container

Note 1: Extra large/bulky items must be noted in remarks of DD 1299

Note 2: Preapproval for additional crating must be authorized before service is performed. See the latest iteration of the 400NG Tariff and International Tender for guidance.

PPSOs should note many best value Code 2 TSPs have rates on file that are similar to, or in many cases, lower in cost than Code D. For cost comparisons, remember estimated costs in DPS shipment management are average cost over selected channel-COS. These costs do NOT take into consideration which TSP would be offered the next shipment based on which quartile a PPSO is booking in, and/or what TSP blackouts are in place.

**NOTE:** TSPs have the flexibility to utilize PMSCs for any domestic (Code D or 2) shipment, however they are required to containerize Code 2 shipments at the residence and SIT must be in a DOD approved storage facility.

B. **Direct Procurement Method (DPM):** PPSOs should consider use of DPM for shipments estimated at less than 1,000 pounds net. Any significant required increase in use of DPM should be reported through the chain of command for discussion during Peak season telecoms.

C. **TSP Blackouts:** Use of this tool by TSPs to identify capacity limitations is a key enabler for a successful peak season. DPS allows TSPs to make real-time updates to blackout dates in 21 different combinations (11 for international) in order to prevent shipment offerings. Granular blackout capability is a tool available in DPS which allows TSPs to avoid the 'large scale blackouts' that led to unpredictability (e.g. GBLOC, Channel, COS, or Market) in shipment awards prior to the addition of blackout capability. By providing a combination of the previous blackouts (e.g., GBLOC-Channel-COS) as well as adding a fifth blackout type (Zip3 -CONUS ONLY), and allowing for all five types to be combined, TSPs have the ability to identify areas where no capacity exists.

**KEY:** DP3 allows for TSPs to negotiate pack and pickup dates with a customer. DPS looks at pack and pickup dates to determine a TSP's availability and provides concurrent pickup date and pack dates to the TSP based on the desired pickup date and the weight of a shipment. As a reminder, DPS blackout functionality considers all the pack and pickup dates to determine TSP availability and will offer the shipment if any of the consecutive dates are not blacked out.

D. **PPSO "No Capacity Report":** In order to monitor capacity challenges SDDC is providing the attached "No Capacity Report" and requesting that PPSOs use it to document instances of shipments which cannot be booked due to complete blackout at the Channel-COS level. We are requesting PPSOs provide this information weekly at usarmy.scott.sddc.mbx.pp-ops@mail.mil NLT Wednesday 1530 CDT to assist SDDC and Industry identify capacity challenges and potential solutions. We ask that PPSOs only provide reports when PPSOs verify they received an "Allocations Error" screen in DPS. PPSOs can also use the report to document any short fuse shipments not accepted as referenced in Paragraph 4.F.

E. **Shipment Refusals:** Reference DTR Part IV, Chapter 402, Paragraph C.4.and F.2., shipment refusals are NOT be allowed during the 2016 peak season. Shipments that time-out are also considered a refusal.

**NOTE:** TSPs are reminded that the blackout functionality in DPS provides TSPs flexibility to manage workload. The following are key points:

1. PPSOs should maintain active oversight by monitoring shipment refusals/time-outs and issuing punitive action when necessary.

2. DTR, Part IV, Chapter 405, Paragraph D.2.c, states a “standard” shipment refusal is grounds for a 30 day “Immediate BLOC-Market Suspension”. PPSOs should NOT wait until the end of peak season to take punitive actions. Capacity is limited but fluid, and there are many TSPs who are engaged and will move DOD shipments.
3. PPSOs traffic management decisions should consider both the TSPs overall shipment acceptance/refusals/blackouts as well as the severity of the violation, impact on the DOD customer, the quality of the TSP’s past performance, and the actions the TSP may have taken to correct the deficiencies.
4. SDDC will monitor for program wide blackout trends and will provide a report weekly on observations.
5. PPSOs must monitor the DPS “Pending Suspensions” queue on a daily basis for shipment refusals/time-outs and initiate appropriate action when warranted.
6. When creating a suspension in DPS, a DD Form 1814 hyperlink will appear. The PPSO must enter pertinent information in the remarks screen such as “Time-out or Refusal, channel, customer’s name” and any additional information to help identify the reason for the suspension. Once entered the PPSO must save the DD Form 1814 (portable document file) and forward to the TSP. These steps are critical and will help ensure program visibility for actions taken on shipment refusals/time-outs.
7. TSP corrective action (e.g., evidence of having added a blackout(s) to prevent future unserviceable or unwanted shipments) is required for removal of the 30 day Market-BLOC suspension.
8. These critical steps will help provide awareness of overall program suspension actions.

F. **Short Fuse Window Changes:** Short fuse shipments are defined as those with requested pick up dates within five (5) government business days of the shipment offer. The 2015 Peak Season saw a decrease in short fuse shipments during the busiest peak times as well as an increase in TSP lead time. Despite these improvements, summer peak season capacity always becomes difficult to access in certain channels and timeframes. To help offset the capacity shortage, SDDC has the option to expand the short fuse shipment window. Keeping short fuse shipments to a minimum better aligns with DP3’s goal to award shipments to those TSPs who have worked for higher performance scores and overall higher “Best Value Scores.” SDDC and the Services will monitor peak season developments and if the need arises to expand the short fuse window, then SDDC will take appropriate action. (Ref DTR Part IV, Chapter 402, Par. F.4).

Not allowing TSPs to refuse shipments for the 2016 Peak Season, as well as close monitoring of the “No Capacity Report,” will help keep short fuse shipments down and assist SDDC in timing any needed DP3 short fuse expansion. PPSOs should continue to manage short fuse shipments not accepted by any TSP by either contacting the customer for alternate dates, using DPM, or recommending the customer conduct a personally procured move (PPM).

**KEY:** PPSOs should document any occurrences of short fuse shipments not being picked up in the “No Capacity Report” in Paragraph 4.D and then report through the chain of command for discussion at peak season telecons. This process will assist SDDC and the Services in identifying what changes may be needed to the program. (e.g., input to selective refusals guidance).

G. **Origin Storage-In-Transit (SIT):** TSPs must request pre-approval for origin SIT through the PPSO prior to the pickup date. Origin SIT can be considered for customers who know they will require storage at destination or those without a direct delivery address. PPSO decision to approve origin SIT should consider the customer entitlement for storage and not be made to solely assist the TSP with capacity as it requires additional oversight to ensure timely movement during peak season. PPSOs are required to monitor their SIT queues to ensure SIT is discontinued and a final RDD adjustment is made when the customer requests delivery. PPSOs should also monitor their queues for any requests or entitlement expirations until shipments are requested for delivery. For shipments that will soon convert to customer’s expense, PPSO should, at the

customer's request and before converting, direct the TSP to move shipment to destination and subsequent placement into SIT at destination if the customer cannot accept delivery. When a shipment is placed into SIT at origin location, TSPs should be careful not to submit this request as destination SIT in DPS.

**1. Monitoring Origin SIT:** PPSOs should closely monitor customer's delivery requests so the SIT can be terminated and a new RDD can be provided for the customer. Left unmonitored, Origin SIT extends the Peak Season as many customers may not receive their property in a timely manner. Normally, shipments remaining in TSP origin facilities on or after the RDD are grounds for an "immediate suspension" (Ref DTR Part IV, Chapter 405, Par. D.2.c.). Because shipments approved for Origin SIT and subsequent requested release will have adjusted RDDs, it is critical PPSOs terminate the SIT and provide a new RDD to the customer as indicated below.

**2.** Once a customer has provided a requested delivery address, either in DPS or to a PPSO, terminate the SIT at Origin as follows:

- a. If the shipment is not removed from storage by the 5th (dHHG/iHHG) or 3rd (iUB) working day (excluding Saturday, Sunday and holidays) after the requested delivery date(s), storage charges will cease to accrue after such date. Put a note in DPS showing end date of SIT for additional days of storage. Reference 2016 400NG, Item 17 and 2016 International Tender, Items 518 & 519.
- b. If the shipment is removed from storage prior to the 5th (dHHG/iHHG) or 3rd (iUB) working day after the requested delivery date(s), storage charges will cease to accrue the day the shipment is removed. Reference 2016 400NG, Item 17 and 2016 International Tender, Items 518 & 519

H. **Volume Moves (VM):** Volume moves provide SDDC and the TSPs the ability to plan and provide an incentive for industry to secure capacity in support of a large scale movement between common points. Movements that may qualify as Volume moves are listed below. PPSOs responsible for an AOR with a VM should submit a request through DPS to SDDC with the appropriate information. SDDC will review the VM request and submit it for bids. DPS will email all eligible TSPs with rates on file for the Channel-Code of Service combination selected, and who are eligible (not in a suspension or non-use status) to move HHG throughout the VM. To participate in the VM, TSPs must log into DPS and submit a rate that is lower than their rate on file for the same Channel-Code of Service.

**VM Criteria:** Movement of household goods totaling 200,000 pounds or more, or unaccompanied baggage totaling 50,000 pounds or more from one origin city (within 75 miles) to one destination city (within 75 miles). Movement is normally within a 90-day period and the minimum number of pounds to be handled by each bidding TSP is normally 40,000 lbs. per day.

**5. QUALITY ASSURANCE (QA):** Quality assurance is a critical component of DP3 and supports the best value concept. PPSOs should conduct on-site inspections and take the appropriate quality control action when warranted. PPSOs should not wait until after peak season to take action. Per Chapter 405, Par D.2.c Immediate Suspension, subparagraph (1).(a), an immediate BLOC Market suspension may be issued for refusal of standard shipment award (see also DTR Chapter 402, Par C.4 and F.2). See Par 5.D of this message for further details on how to handle shipment refusals. PPSOs may take punitive action based on validated Customer Satisfaction Survey (CSS) comments (DTR Chapter 405). When creating the DD Form 1814; PPSOs should start the notes with "BASED ON CSS". This step will help ensure all stakeholders track actions taken based on the CSSs.

A. **Turn-Backs:** A turn-back occurs when the TSP notifies the origin PPSO that they are unable to service a shipment previously accepted. PPSOs should issue an "Immediate 30 day BLOC-Suspension IAW the

DTR Part IV, Chapter 405, Par D.2.c.1(b) for turn-backs. In particular, turn-backs initiated 1 or 2 days before the scheduled pickup date should result in immediate action.

- i. SDDC anticipates minimal turn-backs during the peak season. Initiating punitive action when shipment turn-back occurs will help ensure that TSPs use the DPS blackout capabilities, which in-turn will allow other available TSPs to service moves.
- ii. Turn-backs do not populate in the DPS "Pending Suspensions" queue; therefore PPSOs must notify their Quality Assurance personnel to ensure the appropriate punitive actions are completed in DPS.
- iii. When performing turn-back/pull-back actions in DPS, please enter the word "TURN-BACK" followed by the reason for the turn-back (i.e., TSP unable to meet members requested pickup dates or TSP cannot service shipment) in the Pull-back justification notes in DPS.

**B. Pull-Backs:**

- i. **After suspension:** DPS will provide the PPSO the option to pull-back shipments following suspensions for shipment refusals. PPSOs should consider all available information and whether or not the TSP has the ability to service shipments in question before shipments are pulled-back. In most cases SDDC does not see a need to pull-back shipments in these cases.
- ii. **Pull-back (general):** When performing pull-back actions in DPS for Government convenience, enter the word "PULL-BACK" followed by the reason (i.e., shipment cancelled by customer, etc.).

C. **RDD:** PPSOs and TSPs are reminded that RDDs are established based on the government approved transit times located in the DTR Part IV, Appendices L thru N, as well as on the SDDC website. RDD may be changed if agreed upon between the customer and TSP during the Pre-move survey. Any changes to this date without the customer's or PPSO's approval are not authorized.

D. **Channel-COS Suspension (Less Restrictive Option):** PPSOs are reminded they have the flexibility to use channel-COS suspensions, which are less restrictive than "BLOC Market" suspensions. A separate message may be issued with guidance on issuance of "Channel-COS" suspensions.

6. **NON-TEMPORARY STORAGE RELEASE (NTSR):** For shipments released from NTS, PPSOs must add "NTSR" at the beginning of the NTS warehouse address. This informs the TSP that the pickup address is a storage facility and will assist HQ SDDC in identifying NTSR customer satisfaction surveys (CSS). PPSOs must comply with Service regulations before a NTSR is placed into SIT at destination.

7. **UPDATING SHIPMENT STATUS:** In order for the Quality Assurance (QA) to perform their duties and assist the customer, the TSP must update shipment status as it changes. QA sections should run daily reports to monitor arrivals in their areas and plan accordingly for inspections. The destination PPSO cannot identify a shipment in DPS until it is updated into an in-transit status. In addition, TSPs are required to "Arrive" a shipment in DPS when it arrives at destination, and subsequently must enter a "first available delivery date". Failure to do so also eliminates the PPSOs ability to confirm the customer's availability for delivery. **PPSOs must request a reweigh for shipments exceeding a customer's JTR weight allowance.** This must be properly requested IAW DTR Part IV, Chapter 402, D. 7.a.

8. **SHIPMENT ARRIVALS:** TSPs coordinate delivery directly with the customer when a shipment arrives at the destination. TSPs must "Arrive" shipments in DPS only after they have arrived at destination and must ensure the customer is aware their personal property is available for delivery. If the customer is unable to take delivery on the first available delivery date, the TSP is authorized SIT. PPSOs may utilize DPS SIT reports or customer contact information reports to validate the shipment arrival process. TSPs in violation may be subject to punitive action.

## 9. DESTINATION STORAGE IN TRANSIT (SIT):

A. **Prompt Review/Process:** PPSOs are reminded that prompt approval of SIT is a very important process affecting the timely pickup and delivery of customers' shipments, especially with the large volume of moves during peak season. TSPs are responsible for contacting customers and offering shipments for delivery prior to requesting SIT. TSPs may use any DOD-approved SIT facility listed in DPS (subject to PPSO approval). TSPs are required to enter the shipment arrival date in DPS on the actual day it occurs. PPSOs should be monitoring shipment arrivals to ensure this action by the TSPs is occurring. When the shipment goes into storage, DPS will notify customers of the storage location; however, TSPs should communicate with the customer and make every effort to meet the customer's expectations when they request delivery.

B. **SIT First Day:** SIT cannot begin prior to the arrival date or before the "first available delivery date" If the customer can accept delivery on or before the first available delivery date, SIT is not authorized. TSPs are required to enter a shipment's arrival date on the actual day it occurs.

C. **Direct Deliveries:** Origin SIT should not apply. TSPs move the shipment to destination as no SIT is required on a direct delivery. If customer cannot accept delivery on or before the first available delivery date, IAW allotted free waiting time, the TSP may request SIT through the destination PPSO in accordance with 400NG or IT.

10. **REWEIGHS:** The 2016 International Tender and 400NG Tariff Items 505 and 4 indicate that "Invoices for shipments pending reweigh will be disputed or denied until the reweigh is performed. TSPs must be cognizant of reweigh requests and must accomplish requested reweighs prior to the actual commencement of unloading of the shipment for delivery or into storage." TSPs can avoid disputes by reviewing the reweigh queue in DPS prior to executing delivery or placement into storage. These requirements were added to DP3 for shipments picking up after 14 May 2016 to help ensure that DP3 pre-payment audit screening includes controls for when reweighs are requested. These additions are intended to help decrease post pay audit concerns and rework of invoices which are DP3 and DODIG interest items.

**KEY:** Proper oversight of reweighs requires prudent traffic management discretion for containerized shipments. To minimize re-handling of property, PPSOs may accept a reweigh of the "gross weight" for containerized household goods (Code 4/T, and Code 2). In order to determine whether to approve, dispute, deny, or require the TSP re-bill services using the lower weight, PPSOs may decide the new net weight determination is equal to the new gross minus the shipment original tare weight. Subsequent completion of the reweigh (new tare weight) can be obtained later and supplemental invoice/reimbursements may follow. Reference IT-16 and 400NG Tariff for additional detail.

11. **INCONVENIENCE CLAIMS:** Customers may submit an inconvenience claim directly to the TSP when their shipment fails to be picked up on time (agreed upon date) or delivered on or before the required delivery date (RDD) as reflected on the BL. When the shipment fails to be picked up on time (agreed upon date) or delivered on or before the required delivery date (RDD), TSPs are encouraged to initiate the inconvenience claim process with the customer. Destination PPSOs should be prepared to assist customers in filing an inconvenience claim IAW the TOS. If a TSP denies a claim the PPSO should review the customer's claim and on behalf of the customer can submit the claim to the TSP with the request that the claim be resolved. When necessary the PPSO should be prepared to advise the customer on TSP requirements and settle disputes between the customer and TSP. For further guidance refer to DTR Chapter 401 G.4.f page 10 and Appendix B TOS B. 13 page 6. . The inconvenience claim pamphlet (provided with this message); [www.sddc.army.mil/PP](http://www.sddc.army.mil/PP) and [move.mil](http://move.mil) provides additional inconvenience claim information.

**A. Eligibility:** PPSOs should advise customers to retain and provide copies of receipts for out-of-pocket expenses and any other pertinent data or document(s) to support their claim. PPSOs should ensure out of pocket expenses are for items purchased or rented in order to “relieve a hardship” when the shipment isn’t picked up on time or is late. PPSOs should also check if the shipment went into storage-in- transit (SIT), or was offered for delivery by the TSP on or before the RDD. PPSOs should also review if the items were purchased before the due date of the shipment. Items purchased before the due date of the shipment will not be part of the inconvenience claim and will be deleted.

**B. Appeals:** If the TSP denies the customer and PPSOs request for reimbursement, the PPSO should send the claim details, as well as supporting documentation to SDDC with accompanying memorandum from the PPSO as to the reasonableness of the claim, to include the total number of days the shipment was late as well as supporting documentation and details associated with the claim. SDDC will make a final determination and advise the TSP and PPSO.

12. **DPS CLAIMS:** Customers needing to file a claim in DPS should be counseled to work directly with their TSP to resolve their claim. [WWW.MOVE.MIL](http://WWW.MOVE.MIL) has guidance (video/slides) for the customer on how to file a claim in DPS. Customers with questions on the claims process should be directed to their local Military Claims Office for assistance. As a reminder, customers MUST notify the TSP through DPS of loss and damage within 75 days of delivery. The date of delivery does not count toward the 75 day limit. In order for the customer to notify the TSP within the 75 day limit, the shipment status must be updated in DPS by the TSP to be in a “delivered complete” status.

Point of contact for this message is HQ SDDC Operations Team, EMAIL: [ARMY.SDDC.SAFB.PPOPS@MAIL.MIL](mailto:ARMY.SDDC.SAFB.PPOPS@MAIL.MIL) or [USARMY.SCOTT.SDDC.MBX.PPOPS@MAIL.MIL](mailto:USARMY.SCOTT.SDDC.MBX.PPOPS@MAIL.MIL)

This message was approved for release by Lt Col Todd Jensen, Director Personal Property, HQ SDDC.