

**Military Surface Deployment and Distribution Command**  
**Customer/Carrier Advisory**  
**4 December 2012**  
**CA-12-12/04-0194**

**Subject:** TR-12 Fuel Rate Adjustment Policy Changes

**Purpose:** Update Transportation Service Providers (TSPs) and customers on changes to TR-12 Fuel Rate Adjustment (FRA) Policy.

**Be Advised:** FRA for freight-all-kinds (FAK) and transportation protective service (TPS) truckload (TL) shipments will be calculated using a mileage-based formula. The current percentage of line-haul formula will remain in effect for less-than-truckload (LTL) and Personal Property (PP) shipments. The percentage of line-haul increment factor will increase from \$.10 to \$.13. The baseline will remain at \$2.50. FRA will not be paid for negotiated freight shipments. However, SDDC reserves the right to include FRA on negotiated shipments on a case-by-case basis.

Changes to PP will become effective 15 May 2013. The mileage-based formula and the increment change will take effect 1 June 2013 for FAK and TPS.

The above changes will not apply to the Defense Transportation Coordination (DTC) contract or the Protective Security Service Freight Contract (PSSFC) for Defense Distribution Center, Warner Robins, GA (DDWG). Shipments for DTC and PSSFC DDWG will be calculated using a percentage of line haul formula with \$.10 increments. DTC baseline will remain at \$1.30 and PSSFC DDWG will remain at \$2.50.

SDDC will publish this change to the policy via the Federal Register no later than 10 December 2012 for industry comments.

Note: This advisory supersedes any previous advisory pertaining to FRA policy changes.

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**Expiration:** N/A