

Carrier Performance Evaluation Process

Proposed update to the Military Freight Traffic Unified Rules Publication -1 section A, V., B. SERVICE ELEMENTS, CARRIER PERFORMANCE MODULE (CPM) AND STANDARDS

Proposed new enterprise performance language (in red) would be added after item 5 on page 69.

Provide comments by January 1, 2017 via SDDC's Docketing System.

5. SDDC will monitor TSPs' overall performance and determine when a pattern of non-use actions and service failures documented by shipper(s) warrants further non-use or disqualification. "G" code service failures will be evaluated on a case by case basis for determining performance actions.

6. SDDC will conduct quarterly reviews to monitor and evaluate TSP performance nationwide. The enterprise performance standard will be 90% and is calculated by comparing shipments to service failures entered into CPM. As an example, a TSP with 20 awarded shipments for the quarter and 2 service failures would be at the 90th percentile. LOCs, LOWs and/or non-use actions will be issued each quarter as outlined below:

Performance Scale & Compliance Rates	Period of Performance			
	1 st Quarter	2 nd Quarter	3 rd Quarter	4 th Quarter
90 – 100%	Good Standing	Good Standing	Good Standing	Good Standing
80 – 89%	LOC	LOC	LOW	Up to 10 Day Non-use
70 – 79%	LOC	LOW	Up to 15 Day Non-use	Up to 30 Day Non-use
Below 70%	LOW	Up to 30 Day Non-use	Up to 60 Day Non-use	90 Day/Disqualification

Evaluations will be based on a continuous four quarter cycle. TSPs will have the ability to appeal SDDC decisions and/or present their case during a Transportation Review Board (TRB) in situations where disqualification is considered. Note SDDC reserves the right to place TSPs in nonuse and/or disqualification outside the table for egregious one-time incidents.

It's encouraged TSPs actively review their performance in CPM and remedy the cause of any failures. TSPs are also reminded to annotate their remarks of reported incidents in CPM as both shipper and TSP remarks are important as SDDC uses them to adjudicate disagreements.

TSPs should not contest service failures and associated shipper actions directly with SDDC without first attempting to resolve the alleged service failure/action with the responsible shipper. Shippers and TSPs should address issues with SDDC when parties cannot come to an agreement.