PD Teesport Update – 6th June 2016
Solas Regulations – Container Verified Gross Mass (VGM)

System

PD Teesport are in the process of testing the latest version of Navis Terminal Operating System (TOS), incorporating important VGM functionality.

In addition, we are working with both our Software vendor and MCP Destin8 with a view to receiving and transmitting VGM information direct to and from the Shipping Lines/Carriers via MCP, utilising our direct EDI link between both systems.

The VGM can, in addition, be transmitted by way of a Standard EDIFACT messaging, such as VERMAS, BAPLIE or COPRAR. Any customers wanting to use these must contact PD Teesport as soon as possible.

We are therefore on track to have the necessary VGM functionality ready for the 1st July.

Any non-MCP customers should make contact with ourselves to discuss alternative methods of transmission as soon as possible.

Weighing Solution

PD Teesport weighing solution is thus:-

- PD Teesport have purchased suitably calibrated weighing equipment for fitment to 6 of our fleet of Container Handling Reachstackers, covering both TCT1 and TCT2, to provide a Terminal VGM weighing service to our Customers.

Process

In terms of process, as at the launch date of the 1st July, below will apply:-

Option1.

Pre Existing VGM - For trucks arriving at the gate with a laden export container and with a VGM pre-existing in Navis:-

- **For pre-existing VGM, the truck will be booked in and allowed to proceed unhindered to the storage location.**

Option 2.

VGM To Follow - For trucks arriving at the gate with a laden export container, without a VGM existing in Navis, *but* with an MCP Destin8 Verifier of "SL", denoting that a VGM is intended to be provided at a later time:-

Trucks will be booked in and allowed to proceed unhindered to the storage location.

Note: In order to prevent any unnecessary delays to ship planning and/or ship loading, Option 2 will not be possible for cargo intended to be delivered within <24 hours of the booked vessel ETA. Option 1, 3 or 4 will be the only permitted ways for late running units to enter the port.

Option 3.

VGM Documentation - For trucks arriving at the gate with a laden export container with paperwork evidence of VGM at the gate:-

- **Drivers providing suitable documentary evidence of VGM will be processed via our Resolution desk.**

Note: However, if either a VGM, SL or TL Verifier exist (Options 1, 2 or 4), paperwork <u>cannot</u> be accepted at the gate.

Evidence of VGM documentation presented at the gate, where allowed, must have the **VGM value specifically denoted as the VGM and/or have the FTA approved stamp denoting the VGM and responsible party**. Electronic means such as tablets, smartphones, etc. will not be accepted.

Option 4.

Terminal Weighing Request. Where an MCP Destin8 Verifier of "TL", denoting a request for the Terminal to weigh the container, exists prior to in-gate, following applies.

- **Trucks will enter our Resolution Area and be diverted to a weighing capable reachstacker.**
- **The export unit will be weighed in a dedicated weighing area.**
- **The VGM will be entered into the Navis TOS, and the truck booked in.**
- **The truck will then proceed to the storage location.**
- **<u>A charge will be levied at this point to the Requester Badge Code held within Destin8. All invoicing will be via MCP.</u>**

Options 5.

No VGM, No Paperwork and No Advice of Intention - **For trucks arriving at the gate with a laden export container against a valid export booking but with no VGM, VGM paperwork or EDI information as to Carriers intention. ie. No Verifier code:-**

    a. **Rather than reject the delivery against a valid export booking, the assumption will be made that this unit requires weighing.**
    b. **Trucks will be weighed as per Option 4.**
    c. **The weight will be 'held' until such time as:-**
        I. **A VGM is received electronically**
        II. **A Terminal Weighing Request is received via MCP.**
    d. **A Charge will be levied to the Requester Badge Code, via MCP, where a Terminal Weighing Request is received.**

Important: Option 5 will equally apply to Generic Export Bookings, received without VGM paperwork, whereby it is impossible to transmit any VGM information or Verifier codes electronically against a non-unit specific generic booking.

The above processes will equally apply, as appropriate, for any units being transferred internally from other non-LoLo operations, such as Roro and/or Rail.

For option 1, 2 & 3, PD Teesport will not automatically check-weigh any unit which already has a VGM held within the system, or is intended to be provided at a later time.

Cargo Cut-Off

Where no VGM has been received, or a Terminal Weighing Request received, within 24 hours of the booked vessel ETA, the unit will not be able to be planned to the booked vessel.

This is to prevent unnecessary delays to ship planning and/or ship loading.

Should any unit miss the cut off for the booked vessel for reasons of VGM, PD Teesport reserve the right to charge a 'Renomination charge' to cover the transfer to a subsequent vessel, in line with our published Container Terminals Schedule of Rates and Charges.

Charging

PD Teesport will charge only upon receipt of a Terminal Weighing Request via MCP for the provision of a VGM.

- **The charge for provision of a Terminal VGM will be £17.00 per Container.**

A separate and higher charge will also be levied for:-

a. Any specific request via MCP for weighing <u>post in-gate</u>, for any unit received under Options 1, 2 or 3.

- **The charge for providing any Terminal VGM _after_ entering our storage areas, under Option 1, 2 or 3 will be £60.79 per Container/Unit, which incorporates removal from stack, shunting to the weigh station, weighing and return to stack.**

Invoicing account for weighing will be applied thus:-

- All weighing charges will be for the account of the MCP Requester Badge Code identified within the MCP Terminal Weighing Request EDI message.
- Invoices will be raised via MCP.

Should you have any further questions, please do not hesitate to contact me.

Yours sincerely,

PD PORTS

A Brookfield Ports Company

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F.A.Q

Can a VGM for export consignments be submitted to the Terminal via Destin8 before the 1st July?

- PD Teesport will be able to receive VGM information via Destin8 from the 12th June.

Can PD Teesport charge the Shipping Line/Carriers Customers direct using the information contained within Destin8.

- Yes, if the shipper is shown as the Badge Code holder in the MCP Terminal Weighing Request.
- PD Teesport will however charge whomever is shown as the badge holder contained within the MCP Terminal Weighing Request.

Why do you have a 24hr cut-off for provision of a VGM?

- In order to ensure a seamless preparation for ship loading, it is essential that all cargo stows are prepared in advance. The Port must have sufficient time to weigh, if requested, any containers which are booked and intended to be shipped on the planned and imminent vessel.
- Adhering to the cut-off will avoid potential Renomination charges in the event that the unit does not ship.
- Higher charges can be avoided if information/EDI is provided as per processes and in a timely manner.

What documentation will you accept at the gate as evidence of VGM?

- We will accept documentation where the VGM value is specifically denoted as being the VGM and/or there is an approved Freight Transport Association (FTA) stamp on the paperwork denoting the VGM and responsible party. Copies will be retained for audit.
- We will not accept paperwork where the VGM weight is unclear, nor can we accept the VGM provided via electronic devices, tablets, phones etc.

How has the charging rate been calculated.

- PD Teesport will invest a significant amount in weighing equipment, system upgrades and development plus ongoing operational, calibration and maintenance costs. The charging rates have been calculated based on certain assumptions to cover both the investment and ongoing operational costs.

Will PD Teesport be levying an 'infrastructure charge' for all containers.

- There are no plans for an infrastructure charge at the present time.