



**Comptroller General
of the United States**

Washington, D.C. 20548

Decision

Matter of: Consolidated Freightways, Inc. -- Exclusive Use
File: B-236389
Date: July 25, 1990

DIGEST

The Military Traffic Management Command's Freight Traffic Rules Publication No. 1A precludes a carrier from assessing an additional charge for exclusive use of vehicle service when "per mile per vehicle used" rates apply.

DECISION

Consolidated Freightways, Inc., asks that we review a transportation audit settlement by the General Services Administration (GSA) denying the carrier's charges of \$1,890.90 for exclusive use of vehicle service as requested by the government. Consolidated states that Item 106 of the Military Traffic Management Command (MTMC) Freight Traffic Rules Publication Number 1A (MFTRP 1A), effective July 1, 1987, allows a carrier to charge a premium for exclusive use when a proper tender setting such a charge is filed. GSA contends that Item 106 in fact prohibits exclusive use charges when payment already is based on "per mile per vehicle used" (PM) rates, in which case the government is paying for the entire vehicle anyway.

We sustain GSA's settlement action.

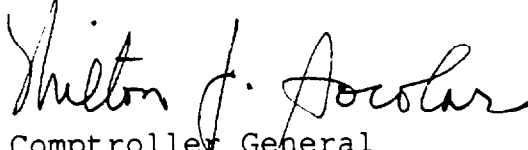
We addressed the precise issue involved here in our recent decision in Phoenix Motor Express, Inc. -- Exclusive Use, B-235886, June 4, 1990, where we agreed with GSA. We noted that Item 106, paragraph 1, provided for exclusive use of the vehicle at the shipper's request but that charges for it "will not be assessed when . . . tender rates are based on Rate Qualifiers [including] PM." We further noted the direction in Item 106, paragraph 2, that:

"Carriers desiring to offer exclusive use of vehicle, as an optional accessorial service . . . should complete Section F(2) of the DOD tender by entering an appropriate charge for EU(1). Carriers filing tenders with . . . one of the Rate Qualifiers [including] PM . . . should complete Section F(2) of the DOD tender by entering EU(1)\$ X X."

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We concluded that while these provisions of Item 106 permit a carrier to offer exclusive use as an additional service, they clearly preclude the carrier from assessing additional exclusive use charges when PM rates apply, i.e., when the government already is being charged per vehicle.

GSA's settlement action therefore is sustained.

for 
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of the United States