

Port of Houston Authority (PHA) SOLAS Update

We are pleased to provide information on PHA processes at Barbour's Cut Terminal (BCT) and Bayport Container Terminal (Bayport) effective July 1, 2016 for:

- Handling and weighing containers; and
- Assisting with the management of SOLAS Regulation VI/2 (SOLAS), which will require as of July 1, 2016 that shippers provide export container VGMs to the vessel master and terminal representative.

1. Background.

- a. PHA currently provides management, labor, gate infrastructure, and technology solutions for processing and handling containers at BCT and Bayport. PHA licenses Navis N4 software as its Terminal Operating System (TOS) to manage gate, yard, vessel, EDI messages, and billing events.
- b. For many years PHA has transmitted the gross container weight of export loads received into its terminals through the truck in-gate process to ocean carriers via industry-standard EDI 322 messages. PHA also transmits the same gross container weights to vessels via the industry-standard BAPLIE electronic file. PHA's TOS provides these capabilities.
 - Navis, PHA, other marine terminal operators using Navis software, and ocean carriers calling BCT and Bayport have developed additional capabilities within the existing EDI and BAPLIE sets to accommodate VGM messaging, in anticipation of the July 1, 2016 SOLAS effective date.

2. PHA's SOLAS Process.

- a. When a truck transporting a container arrives at the terminal gate, the gross weight of the truck power unit (tractor), container, and intermodal chassis will be obtained, using scales calibrated in accordance with applicable requirements.
- b. The TOS will calculate gross container weight data by subtracting information on the chassis weight and tractor weight from the gross weight obtained at the gate.
 - Information on tractor weight and chassis weight may be derived from (i) standard, average weights for tractor and chassis; (ii) weights previously registered in the TOS; (iii) weights provided at the gate by the truck driver; or (iv) weights stenciled or placarded on the equipment.
- c. PHA's TOS will then transmit the gross container weight data directly to the vessel operator via a standard BAPLIE electronic file, for use in stowage planning.

- PHA understands that the U.S. Coast Guard has determined that this gross container weight data would be equivalent to the VGM under SOLAS. *See:*

https://www.uscg.mil/msib/docs/009_16_4-28-2016.pdf

- The gross container weight, so derived and transmitted, is obtained on behalf of the shipper, but neither the shipper nor the terminal operator signs any document or electronic message accompanying the transmission.
 - *On June 28th, PHA staff will seek Port Commission approval of new tariff subrules that state that a shipper is deemed to appoint the PHA as its agent for the purpose of weighing the container and supplying this gross container weight data, which the shipper is deemed to accept, represent, and designate as the VGM.*
- d. Shippers will not be required to designate PHA’s gross weight data as the VGM and may submit their own VGM to PHA via an EDI 301 or VERMAS message through the ocean carrier.
- e. PHA will require that a VGM submitted by an ocean carrier be received by PHA prior to the container processing through PHA’s in-gate. *Loaded container stack management in PHA’s container yards mandates this requirement.*
- PHA’s container yard stacks are stowed to the same standard as most container ships calling at BCT and Bayport: “no inversion of weights” for container stacks. If shipper VGMs were received after stowage in the container yard, any variance from the weight obtained at the in-gate would require rehandling of containers in the container yard prior to or during vessel operations.

3. No Additional Charges for Supplying Weight Data. PHA will not impose any additional charges for the services described in paragraph 3(a) through (c) above.

- However, PHA’s *Booking Roll/Storage Fee for Export Containers* (Tariff 14, Subrule 093 and Tariff 15, Subrule 095) will be assessed for storage exceeding seven days in the event of any SOLAS-related delay, including when a container received into the container yards misses its intended vessel.

4. A Common Process is Under Development. PHA expects that its process will be equivalent to the Terminal Weighing Approach to providing VGM under development by the Ocean Carrier Equipment Management Association (OCEMA) and six publicly-operated ports, including the PHA. *See:*

<http://www.portofhouston.com/inside-the-port-authority/communications/business-news/ocema-and-six-east-gulf-coast-ports-to-develop-common-terminal-weighing-app/>

PHA looks forward to its shipping customers taking advantage of this common process.