

CBP Responds to Industry Concern about Transponder Renewal Problems *Contingency Plan Put in Place to Avoid Border Delays*

The Canadian Trucking Alliance says that a contingency plan for implementation of a new US Customs and Border Protection Agency (CBP) system for renewing the transponder technology used by most truckers to pay US border crossing fees appears workable, but needs to be monitored.

"We are pleased that CBP has introduced a contingency plan to give themselves and the industry some time to ensure the smooth implementation of the new system and most importantly to avoid tie-ups at the border that we are sure would have started on January 1st unless something was done," says CTA's chief executive officer, David Bradley. "However, the contingency plan is only in effect from January 1st to January 31st, 2009, so we will need to monitor how things go in the New Year to make sure things are working." Bradley said he is also pleased that CBP has agreed that the plan could be extended beyond the end of January if required.

Over the past week to ten days CTA has worked closely with the American Trucking Associations, the Canadian embassy in Washington, the US embassy in Ottawa, and CBP to come up with a contingency plan. "It's unfortunate that it always seems that these things have to be resolved at the 11th hour, but better that the outcome be positive than no contingency plan at all," said Bradley.

The new system, called the Decal and Transponder Online Procurement System (DTOPS), was to have been introduced in September 2008. However, implementation was delayed twice due to problems uncovered during testing and was not introduced until November 17th – a mere seven weeks before the end of the year renewal deadline. Generally, it takes anywhere from 8 to 12 weeks for the application and renewal process to be completed.

CTA and ATA had warned with the backlog of applications that CBP had to process, and ongoing technical problems, tie-ups at the Canada-US border starting January 1st were inevitable.

After meeting with CTA and ATA officials last week, CBP informed the industry that a contingency plan has been put in place to deal with the situation. The plan is as follows:

- A truck with a 2008 transponder, but no 2009 transponder **will not** have to pay at the border. 2008 transponders will remain active.
- A truck without a 2008 transponder, but with proof of application/payment for 2009 **will not** have to pay the per-crossing fee. "Proof" is a DTOPS receipt or a National Finance Centre receipt for paper applications. If the DTOPS receipt function is not working, other messages sent by the system will be accepted, such as "application pending".
- A truck without a 2008 transponder, and without proof of application for a 2009 transponder **will** have to pay the per-crossing \$10.75 USD.

Carriers are advised to ensure their drivers keep their receipts of application for the 2009 transponder with them when crossing. Drivers with paperwork that is not accepted will be sent to secondary where they should request to see a supervisor.

Instructions will be issued to CBP field staff on Monday, December 15th. For additional information, go to the CBP web site www.cbp.gov or call the DTOPS help desk 317-298-1245 which will be open until 8 p.m. Should CTA members experience problems at the border, they should first attempt to deal with it by asking for a supervisor at the port and then contact CTA's Assistant Vice President, Customs, Jennifer Fox at 416-249-7401 ext. 248 or Jennifer.fox@cantruck.ca who will forward the concern to the CBP Office of Trade Relations.