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Surface Transportation Board  
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Washington, DC 20423

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Docket No. EP 707

As an assignment for my Business Law and Ethics class, I was tasked to take a look at a proposed regulation related to the Uniform Commercial Code. I stumbled upon Docket No EP 707, which is in reference to who is responsible for demurrage liability beyond the “free time” allotted on the party’s governing tariff. While I have no ties to the railroad industry, I do understand the concept of demurrage and understand why it is a valuable tool to keep the railroad industry running smoothly. I work for the Department of Defense as a Contracting Officer, in which we utilize similar type rules to ensure that delays are kept to a minimum.

I can see that demurrage liability can be a delicate topic when it is unclear who is liable. I agree with the proposed rule to hold the person receiving rail cars from a rail carrier for loading or unloading liable for any time beyond the “free time” allotted on the governing tariff. I think the proposed rule is worded appropriately with respect to notification, but noticed it did not give a clear deadline that notification had to be given. As stated in the docket though, most communications regarding these parties is done electronically already, so I’m sure the industry would establish a reasonable timeframe to abide by.

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