

Revoking Exemptions (EP 704)

Several years ago, the Surface Transportation Board (STB) held a hearing regarding the exemption of certain commodities. A number of shippers came to the STB suggesting that the commodities they ship have market characteristics different from the ones that existed when the commodities had been exempted some time ago and that the STB should consider revoking the blanket exemption that had been given to those commodities.

Exemption 5

We examined the CWS Exemption 5 to determine the revenues and costs associated with commodities that the railroads have shipped Exemption 5. There are a number of ways to group the commodities but the way in which they are grouped relative to exemption status is by the Standard Transportation Commodity Code (STCC). The STCC has seven digits in it and different results from looking at the data will emerge depending on how many digits are used for designating the commodity.

The regulations that identify exempted commodities tend to identify those exemptions by commodity and by service type. Exemption 5

There are some cases for which a commodity identified at the STCC5 level will contain several sub-categories at the STCC7 level, some of which are exempt and some of which are not. For example, the STCC5 32952, Light Weight Aggregates, Clays or Slags, contains a number of STCC7 groups, only one of which is actually exempted. The remaining STCC7 groups in the 32952 category remain nonexempt.

Exemption 5

Exemption 5

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Exemption 5

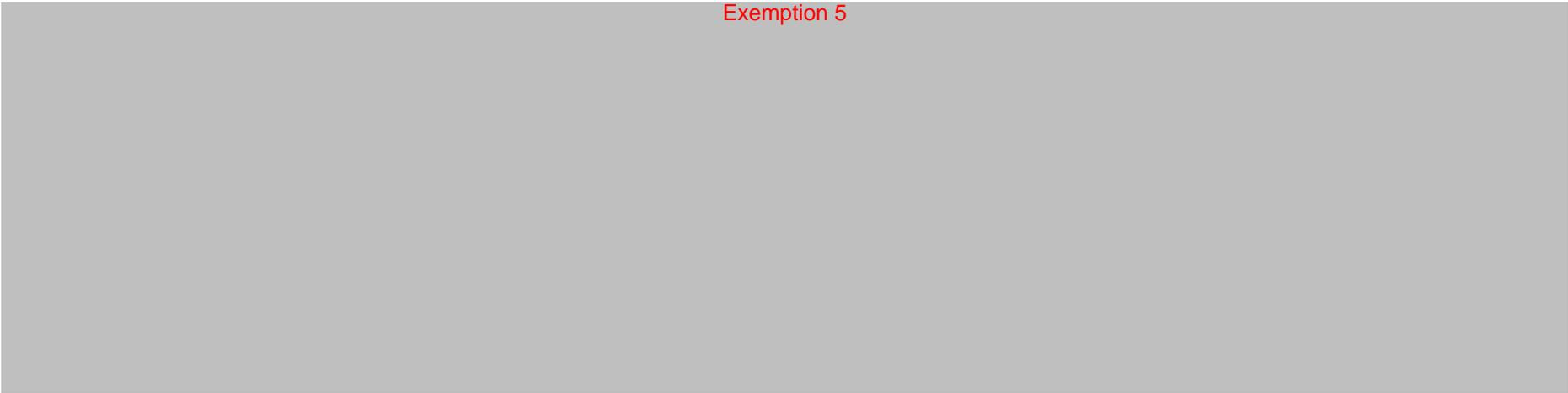
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Exemption 5

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Exemption 5



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