



**BUILDING AMERICA®**

November 1, 2018

The Honorable Ann D. Begeman, Chairman  
Surface Transportation Board  
395 E Street, SW  
Washington, DC 20423-0001

The Honorable Deb Miller, Vice Chairman  
Surface Transportation Board  
395 E Street, SW  
Washington, DC 20423-0001

Dear Chairman Begeman and Vice Chairman Miller:

To keep you apprised of our progress with implementing our new operating plan, I want to share with you a few changes we are making commercially to support our Unified Plan 2020. We are evaluating all aspects of our business, including changes to our accessorial tariffs to incentivize greater rail car and asset utilization across both our unit and manifest train networks. In addition, we have already canceled or consolidated several accessorial charges and expect to roll out the new and improved tariff by the end of the year.

#### **Unit Train Tariff Changes**

We are standardizing and simplifying our unit train tariff to include:

- Requirement of forecasts to be made 30 days in advance, and any changes to those forecasts within 48 hours will result in a fee to redistribute our resources
- Utilization fee for locomotives needed in excess of 24 hours for loading or unloading
- Lay down fee for customers who stop their unit trains en route

#### **Other Tariff Changes**

Additional tariff changes will be made to increase our private empty car storage rate and reduce the time to unload a rail car before demurrage charges begin to accrue. Moreover, if we are unable to pick up or deliver a rail car to a customer's facility due to the customer's action, then we will assess a charge.

#### **Continued Customer Engagement**

We will work proactively with our customers to help them clearly understand these tariff changes and avoid any charges by planning their shipments and using their equipment more efficiently.

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I appreciate this opportunity to provide the Board with advance information about the changes we are making to improve the utilization of rail car assets and increase the reliability and efficiency of our service product.

Sincerely,