

March 8, 2019

Honorable Chairman Ann Begeman
Vice Chairman Patrick Fuchs
Commissioner Marty Oberman
Mr. Alfred Forstall
U.S. Surface Transportation Board
395 E. Street SW
Washington, D.C. 20423

Not long ago, a major third party warehousing logistics company wrote to the Surface Transportation Board to alert the Board that the Norfolk Southern Railway's revisions to NS Demurrage Tariff 6004-D contained unreasonable revisions that would cause adverse financial conditions to all Shippers - Receivers. The Norfolk Southern Railway (the "NS") has again announced new revisions, effective April 1, 2019, that are not in the public interest, are unreasonable demurrage tariff rules and practices, defy common carrier obligation and are so "one sided" that it will be extremely difficult for any NS served Industry to avoid demurrage charges. We summarize the major revisions that will cause adverse financial impact below.

Item 200 Subsection 32 is designed so NS can Actually Place cars arbitrarily at any time on a Service Day solely at its convenience. The NS has carefully worded this Item so that *there is absolutely no guarantee* when the cars will be spotted. If the cars are spotted late in the day, or after hours, a Shipper or Receiver will not be able to schedule a work crew. Yet, the NS is hedge betting that cars will not be unloaded or loaded with twenty – four hours free time and will invariably result in demurrage charges.

In Item 950 Subsection 6, the NS makes *all days*, including weekends, demurrage accountable. For Shippers – Receivers that do not operate on Saturdays – Sunday's the NS is "force switching," leaving a Shipper – Receiver no other option than to absorb overtime costs for which it will not be compensated by its customer or pay the unjust demurrage charge. This will cause a distinct adverse financial impact on Shippers – Receivers because most loading – unloading charges are "flat charges" and do not take into consideration such special labor costs.

If a Shipper – Receiver receives five service days a week, meets its track capacity and causes no purposeful car delays, it will nevertheless be required to pay demurrage under this revised Demurrage Tariff. The NS is being totally unreasonable.

In Item 350 Subsection D, the NS is eliminating the right of a Shipper – Receiver to dispute valid, substantiated, demurrage charges. Item 350 Subsection D also eliminates the right of a Shipper – Receiver to instruct NS to not Actually Place cars on days when an Industry is not operating (Saturdays, Sundays and Holidays). Deviously worded, Item 350 Subsection D makes a Shipper – Receiver liable for *demurrage charges regardless of circumstances*.

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The NS specifically refers to CFR Section 1333 in Item 200, the definitions of demurrage liability contained in STB Decision EPC 707, knowing very well that Constructive Placement was not defined in STB Decision EPC 707.

The NS knows that the door is wide open for demurrage abuse and by its recent tariff revisions plans to take advantage of it.

The Board has already stated in previous correspondence to the NS Chairman that the NS should be "Commercially Fair" with its tariffs. None of these revisions effective April 1, 2019 is commercially fair.

In fact, the NS is abusing 49 USC 10746, the basic foundation for railroads being able to charge demurrage due to a nationwide need for an adequate car supply. 49 USC 10746 is weakened because of an abundance of cars in lease pools. In fact, with the Precision Scheduled Railroading that some major Class Ones are adopting to lower operating ratios and please Wall Street investors, railroads are storing cars.

Our only hope is that the Surface Transportation Board will investigate the NS and other railroads for abusive, unreasonable, "bullying" demurrage practices.

It is time, it is appropriate and it is in the Public's Interest to reign in the NS and all other railroads from monopolistic unreasonable tariff practices. All Shippers – Receivers that depend on rail transportation will suffer irreparable harm to the point jobs will be lost and in extreme cases, business will close. We thank you for your consideration.

Sincerely,

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March 1, 2019

Dear NS Customer, Rail Business Partner and NS Tariff Subscriber:

Effective April 1, 2019, Norfolk Southern (NS) will be making changes to the following tariffs:

- Demurrage and Storage Rules and Charges NS 6004-D
- Accessorial Service Rules and Charges Tariff NS 8002-A

Below is a brief description of the changes to the tariffs.

NS 6004-D, Demurrage and Storage Rules and Charges:

The revisions to this tariff are available for view on the NS website at:

<http://www.nscorp.com/content/nscorp/en/transportation-terms/other-requirements/demurrage-rules-and-charges.html>

- Item 200 – Glossary of Terms.
UPDATE definition 9. Credit Day: Credit Day: Non-chargeable day. Credits can only be earned on those cars released to carrier for further disposition, **and can only offset Car Days for cars with the same Per Car Daily Charge.**
NEW definition 26. **Per Car Daily Charge: The daily demurrage/storage charge applicable to a car.**
UPDATE definition 32: Service Window: The designated block of time within a service day that NS **anticipates it will** physically pull and place a customer's cars. **These times are not guaranteed and delivery outside of these projected times will not impact the obligation to pay demurrage and storage charges.**
- Item 350 – Notification to NS: **NEW paragraph (d): Any notice sent by any Consignor/Consignee indicating an intention to not pay otherwise applicable demurrage or storage charges hereunder, or instructing NS not to deliver railcars if NS intends to impose otherwise applicable demurrage or storage charges hereunder, shall be void and shall have no force or effect regardless of whether NS responds to such notice.**
- Item 750 – Rules Governing Merchandise Unit Train Detention: **UPDATE** Detention Rule 2: Charges are per Merchandise Unit Train and **are in lieu of demurrage and storage charges which might otherwise be payable under NS Demurrage and Storage Tariff 6004-D series, Items 1010 and 1012, or successor items.**
- Item 950 – Demurrage/Storage Rules: **UPDATE** Demurrage and Storage Rule #2: Credit Days and Car Days for Railroad Controlled cars held for unloading or other purposes will be kept separately from cars held for loading. **Except as otherwise provided in Item 1000,** Credit Days and Car Days for Private Cars for loading or unloading will be combined. Credits on Private Cars cannot be combined with credits on Railroad Controlled cars.
- Item 1000 – Demurrage/Storage Calculation: **UPDATE** Demurrage/Storage Calculation: **Credit Days and Car Days will be kept separately, and the following calculations will be made separately, for cars with different Per Car Daily Charges in Item 1010:**
 1. Total Car Days **with the same Per Car Daily Charge** per customer per location will be added. (Car/days are net of holidays (see Holidays, Item 200)).
 2. Total Credit Days for all cars **with the same Per Car Daily Charge** will be added.
 3. If total Credit Days equal or exceed total net Car Days with **the same Per Car Daily Charge**, demurrage/storage charges will not be assessed. **Any excess Credit Days cannot be applied to cars with different Per Car Daily Charges.**
 4. If total net Car Days exceed the total Credit Days **with the same Per Car Daily Charge**, calculation of charges will be made as follows:
 - (a) Subtract total Credit Days from total Car Days to determine chargeable days.
 - (b) The number of chargeable days will be assessed as shown in Item 1010 **(or Item 1012 for hazardous commodities).**

NS 8002-A, Accessorial Services Rules and Charges:

<http://www.nscorp.com/content/nscorp/en/transportation-terms/other-requirements/accessorial-services-rules-and-charges.html>

- Item 5000, paragraph B.3. – **NEW 3. The first seven (7) days that a rail car is stopped and held as an overload is subject to the demurrage and storage provisions and applicable Per Car Daily Charges as published in tariff NS 6004-Series. On day eight (8) and thereafter, the Per Car Daily Charge is \$250.00 until corrective action is completed.**

Pricing Services
Norfolk Southern Corporation
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Norfolk Southern Railway Company
and Consolidated Subsidiaries

THE NS VISION:

BE THE SAFEST, MOST
CUSTOMER-FOCUSED, AND
SUCCESSFUL
TRANSPORTATION
COMPANY IN THE WORLD.



One line, infinite possibilities

Freight Tariff NS 6004-D

Cancels NS 6004-C and Supplements 1 through 5

Applying at all NS points in the United States and other
points as specifically provided herein.

Also at points on other roads
(See Item 40)

ISSUED BY:
Pricing Services
Norfolk Southern Railway Company
and Consolidated Subsidiaries
Three Commercial Place
Norfolk, VA 23510

Demurrage and Storage
Rules and Charges

Issued: March 1, 2019
Effective: April 1, 2019

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ITEM 20 - CANCELLATION NOTICE

This tariff cancels Rates, Rules, Regulations and Charges published in Demurrage Rules and Charges and Storage Provisions in the following Tariffs:

NS Tariff 6004-C and Supplements 1 through 5

ITEM 40 - LIST OF PARTICIPATING CARRIERS

ABBREVIATION	NAME OF CARRIER
NS	<p>Norfolk Southern Railway Company and Consolidated Subsidiaries Includes the following subsidiaries and affiliated carriers:</p> <ul style="list-style-type: none"> Norfolk Southern Railway Company Alabama Great Southern Railroad Company, The Camp Lejeune Railroad Company Chesapeake Western Railway Cincinnati, New Orleans and Texas Pacific Railway Company, The Central of Georgia Railroad Company Georgia Southern and Florida Railway Company State University Railroad Company Tennessee, Alabama & Georgia Railway Company Tennessee Railway Company
	<p>All NS Handling Line Stations on carriers named in note 3700 of The Official Railroad Station List OPSL 6000-series. (See Item 60 (See Note 1 this item))</p>

Note 1 - The provisions of this tariff will also apply on traffic to or from Norfolk Southern Handling Lines as defined in Note 3700 of OPSL 6000-Series when traffic is billed from or to the NS station numbers assigned to the handling line station. The carriers shown in Column 1 of Note 3700 are a party to this tariff except where pricing authorities provide for specific demurrage provisions.

ITEM 60 - APPLICATION OF REFERENCED PUBLICATIONS

The following publications contain rules, regulations, charges and allowances specifically referred to herein or that may apply directly or indirectly along with the terms of demurrage, storage and other matters that are covered in this publication.

- NS Conditions of Carriage #1-Series
- NS Conditions of Carriage #2-Series (Coal)
- NS 6306 series - Rules and Regulations for Handling Municipal Solid Waste, Contaminated Soil, Hazardous Materials, and Related Articles
- NS 8001 series - Switching
- NS 8002 series - Accessorial Services
- AAR 2 series - Hazardous Materials Shipping Descriptions (49-series STCC numbers)
- BOE 6000 series - Bureau of Explosives Rules
- RER 6411 series - Official Railway Equipment Register
- RPS 6007 series - Mileage Allowances and Rules
- RPS 6740 series - Heavy Duty Flat Car Charges
- OPSL 6000 series - Official Railroad Station List
- STCC 6001 series - Standard Transportation Commodity Code
- UFC 6000 series - Uniform Freight Classification

ITEM 80 - REFERENCE TO TARIFFS, ITEMS, NOTES, AND RULES

Where reference is made in this tariff to tariffs, items, notes, the glossary, rules, etc. such references are continuous and include supplements to and successive issues of such tariffs and reissues of such items, notes, the glossary, and rules.

ITEM 100 - CONSECUTIVE NUMBERS

Where consecutive numbers are represented in this tariff by the first and last numbers connected by the word "to" or a hyphen they will be understood to include both of the numbers shown. If the first number only bears a reference mark, such reference mark also applies to the last number shown and to all numbers between the first and last numbers.

ITEM 200 - GLOSSARY OF TERMS

1. **Actual Placement:** When a car is placed in an accessible position for loading or unloading or at a point designated by Consignor or Consignee.
2. **Assignee:** A shipper who has requested and has been assigned cars to a specific pool of cars for their use.
3. **Assigned Car:** A car of any ownership specifically requested and assigned to a shipper from a pool of assignment service cars.
4. **Car Days:** A twenty four (24) hour period or fraction thereof commencing 0000 hours (Local Time) after actual or constructive placement until the car is released and available to NS.
5. **Closed Gate:** When a car cannot be placed on Consignee's siding at time of arrival due to siding having a locked gate, door and/or standing instructions not to place any cars unless the Consignee first contacts NS for placement instructions. All cars are constructively placed at time of arrival.
6. **Consignee:** The party to whom a shipment is consigned or the party entitled to receive the shipment. For purposes of this tariff, Consignee includes any person who receives railcars from a rail carrier for unloading, as more specifically described in 49 CFR Part 1333.
7. **Consignor:** The party in whose name cars are ordered. For purposes of this tariff, Consignor includes any person who receives railcars from a rail carrier for loading, as more specifically described in 49 CFR Part 1333.
8. **Constructive Placement:** When a car cannot be actually placed because of any condition attributable to the Consignor or Consignee, such car will be held at an available hold point and notice will be given the Consignor or Consignee that the car is held awaiting instructions. However, cars actually placed on customer siding will be considered constructively placed and no notification provided. Car Days will begin if instructions to NS are not received before 0000 hours (see Car Days) of day following notification.
9. **Credit Day:** Non-chargeable day. Credits can only be earned on those cars released to carrier for further disposition, and can only offset Car Days for cars with the same Per Car Daily Charge.
10. **Cutoff Time:** The designated time prior to a service window in which a switch request must be submitted in order to be fulfilled for the Consignor/Consignee to receive a switch during that service window.
11. **Electronic Means:** Any approved electronic device (i.e. *AccessNS*, email, telephone (facsimile) used to communicate to Operations & Service Support (OSS) the disposition of a car.
12. **Forwarding Instructions:** A bill of lading or other suitable order containing all the necessary information to transport the shipment to final destination. Bill of lading or other suitable order must be given to NS via electronic data interchange or facsimile to the Agency Operations Center at 1-800-580-6092.
13. **Holidays:** The following days will be considered NS Holidays: New Year's Eve Day, New Year's Day, President's Day, Good Friday, Memorial Day, Independence Day, Labor Day, Thanksgiving Day, The Day After Thanksgiving, Christmas Eve Day, Christmas Day.
14. **Hold Point:** The rail station where Assigned Cars are made available to the shipper.
15. **Lease Track:** Track (s) assigned to a user by written agreement. Lease Track will be treated the same as private track.
16. **Loading:** The complete or partial loading of a car in conformity with NS loading and clearance rules, and the furnishing of forwarding instructions.
17. **LOPA:** Local Operating Plan Adherence (LOPA) measures the compliance to the instructions in the customer work order. In the event of non-compliance in the form of a car specific service interference attributed to issues for which the customer is responsible, the customer will receive a LOPA failure notification.



18. **Merchandise Unit Train:** A railway train with a minimum of 50 cars that is permitted and approved by NS to move in Merchandise Unit Train service and where all of the customer's railcars are moving from a single origin to a single destination.
19. **NOPA:** A courtesy notification that a consignee's rail car has arrived to the serving yard and is either available for ordering in (closed gate) or will be placed on the following service day (open gate).
20. **NS Track:** All tracks which NS provides for its own uses and purposes and other tracks located inside of its right-of-way or yards and terminals.
21. **Open Gate:** When a Consignee does not place any restrictions (physical or otherwise) on NS to place cars on their siding upon arrival.
22. **Origin Turnover:** Origin Turnover occurs when a car is loaded, and Consignor authorizes the carrier to accept shipping instructions from another party, while the car is still at origin.
23. **Ordered Placed:** The date and time that a car is to be placed on a private track.
24. **NS Original ETA:** Following interchange or release of shipment and complete billing to final destination, the first reported movement on Norfolk Southern Railway Company (NSR) will generate the NSR Original Estimated Time of Availability (ETA). Though the time of availability may change during transit due to delays or advances en route, it is the original NSR ETA against which an early or late shipment will be measured. NSR Original ETAs are accessible to the customer via *AccessNS*.
25. **Originating Storage:** Originating storage occurs when a private car has been pulled loaded and is held on railroad owned tracks awaiting forwarding instructions.
26. **Per Car Daily Charge:** The daily demurrage/storage charge applicable to a car.
27. **Private Car:** A car bearing other than railroad reporting marks and which is not a Railroad Controlled Car.
28. **Private Track:** Trackage assigned for individual use including privately owned or leased tracks.
29. **Public Delivery Track:** Any accessible track open to the general public for loading or unloading.
30. **Railroad-Controlled Cars:** A car with railroad reporting marks.
31. **Reload:** When the same car is completely unloaded and then replaced with a revenue load. Reloading will be expressed (with cars unloading demurrage) from the date of tender to the date forwarding instructions are received.
32. **Service Window:** The designated block of time within a service day that NS anticipates it will physically pull and place a customer's cars. These times are not guaranteed and delivery outside of these projected times will not impact the obligation to pay demurrage and storage charges.
33. **Stopped in Transit:** When cars are held en route because of any condition attributable to the Consignor or Consignee, or owner of the lading.
34. **Storage Day:** A 24 hour period, or part thereof.
35. **Tender:** When NS gives notification that a car is available for unloading or loading by either actual or constructive placement to Consignor or Consignee.
36. **Time:** Local time is applicable. Time is expressed on the basis of the 24-hour clock. (EXAMPLE: 12:01 AM is expressed as 0001 hours.)
37. **Unloading:** The complete unloading of a car and notice from the Consignee that the car is empty and available to NS.

ITEM 300 - NOTIFICATION TO CUSTOMERS BY NS

1. The following notifications (including by Electronic Means) will be furnished as indicated:

Cars to be Delivered to Private Tracks

- (a) Notification of constructive placement on all cars held on NS tracks due to any condition attributable to Consignee or Consignor.
- (b) Delivery of car upon Consignee tracks will constitute notification.
- (c) Delivery upon industrial interchange tracks of Consignee or party entitled to receive same will constitute notification.

Cars to be Delivered to Public Tracks

Notice of arrival will be given to party entitled to receive notification when car is actually placed.

Refused Carload Freight

When advised of refusal of car at destination, notice will be sent or given to Consignor or owner of the lading.

2. Notification information provided:

- (a) Car Initial and Number
- (b) If contents transferred en route, NS will furnish car initial and number of the original car and replacement car.

3. Methods and procedures for notification:

Notification may be sent or given by telephone communication or Electronic Means, (see Electronic Means, Item 200). When Consignor or Consignee utilizes an electronic or mechanical device (either in written, oral or keyed data form) notification left on such device will be considered as having been given to Consignor or Consignee, as of the date and time transmitted.

The Consignor/Consignee is responsible for providing NS with the correct contact or contacts for notification purposes.

ITEM 350 - NOTIFICATION TO NS

- (a) After Constructive placement Consignor/Consignee will have until 0000 hours (see Car Days, Item 200) of the next day to furnish required instructions or information.
- (b) If the Consignor/Consignee receives a local operating plan adherence (LOPA) failure notification, the Consignor/Consignee then must resubmit order/release instruction.
- (c) Notification by Electronic Means (see Electronic Means, Item 200) will be considered as having been received by NS at date and time Consignee or Consignor furnishes forwarding instructions or notification that car is available for movement.
- (d) Any notice sent by any Consignor/Consignee indicating an intention to not pay otherwise applicable demurrage or storage charges hereunder, or instructing NS not to deliver railcars if NS intends to impose otherwise applicable demurrage or storage charges hereunder, shall be void and shall have no force or effect regardless of whether NS responds to such notice.

ITEM 400 - SITUATIONS WHEN RELIEF IS PERMISSIBLE

Relief may be requested online through *AccessNS* if the accrued car days are disputed by the fifth (5th) calendar day of the month following the date the cars are released.

- 1. **Weather Interference:** When because of earthquakes, tornadoes, hurricanes, floods or heavy snow, the operations of the Consignor or Consignee are disrupted, the demurrage/storage calculations will be adjusted to account for the disruption, provided the disruption exceeds (2) days in duration. Any cars under Constructive Placement (PCON) on the day of a disruption will also have car days adjusted to account for the disruption, if the disruption is affecting the ability to actually place the car that is under PCON.
- 2. **Frozen or Congealed Lading:** When at the time of placement, lading is frozen or congealed so as to require heating, thawing, or loosening to unload, Railroad will grant 1 credit for each day a car under actual placement that has its lading heated, thawed or loosened, with a maximum of 2 credits. All cars under Constructive Placement (PCON) at the time the lading contained in a car that has been actually placed is heated, thawed or loosened will receive an adjustment to car days to correspond with the cars that are actually placed, to the extent that the car(s) under PCON are in that status due to insufficient space at customer's facility.

A Consignee desiring additional credits for unloading shall, prior to the expiration of (10) car days, after the date on which the car was released, send or give NS a written statement certifying the car initial and number, that the lading required heating, thawing or loosening. NS will not provide relief for the day on which a car was actually unloaded as certified.

- 3. **Strike Interference:** When it is impossible to load or unload or receive cars from or make cars available to NS because of strike interference at the point where the loading, or unloading or receipt of cars is to be accomplished, demurrage days will be charged at the rate of \$30.00 per day during the period of strike interference, provided:
 - (a) The disruption exceeds five (5) days in duration during one calendar month; and
 - (b) No Management personnel or reduced work force is available to perform work.

The provisions of this item will not apply to Cars for unloading when waybills are dated four (4) days after the beginning of strike interference, and Cars for loading when ordered after the beginning and prior to the ending of strike interference.

ITEM 450 - CARS AWAITING CUSTOMS INSTRUCTIONS, PAYMENT OF DUTIES

Cars delayed on carriers' tracks longer than forty-eight (48) hours, awaiting completion of customs documentation or payment of duties will begin to accrue normal demurrage and/or storage charges.

ITEM 500 - CARS SUBJECT TO DEMURRAGE

GENERAL APPLICATION (See Exception)

All Railroad Controlled Cars held for or by Consignors or Consignees for any purpose are subject to demurrage rules and charges described in this tariff, except as follows:

1. Demurrage provisions in this tariff will not apply when demurrage rules are provided in contracts or other private agreements.
2. Private cars are not subject to demurrage rules except when placed on Public Delivery Tracks for loading or unloading.
3. Assigned cars returned empty (auto parts racks allowed) to point of assignment while subject to storage rules.
4. If a car is rejected within 24 hours of actual placement, empty cars found to be unsuitable for loading.

Exception: Empty Multi-Level Cars will not be subject to demurrage rules and charges

ITEM 550 - CARS SUBJECT TO STORAGE

APPLICATION: This item applies to:

1. Loaded Private Cars and empty Private Cars held on NS tracks under constructive placement after notice of arrival is given to the Consignee or Consignor. Time accrues until the car is "ordered placed" (see Item 200) on private tracks.
2. Loaded Private Cars held on NS tracks waiting forwarding instructions from the Consignor. (see note)

Note: Private Cars loaded and turned over to a third party at the same origin will be governed by this rule. Shippers may invoke this rule by tendering an ORIGIN TURNOVER FORM to Norfolk Southern. This form is available at the Norfolk Southern web site www.nscorp.com or by calling the Norfolk Southern Agency Operations at 800-854-2780. If such third party declines responsibility for storage payments, this note does not apply and Shipper retains responsibility for payment of storage charges.

NON-APPLICATION: Private Car storage provisions do not apply to Private Cars located on private or leased tracks.

ITEM 600 - RULES GOVERNING CARS HELD FOR LOADING

Release: (See Notes 1 and 2 below)

- (a) A car is released as of the date and time NS receives advice that the car is available and forwarding instructions are provided.
- (b) When Consignor does its own switching, the time a car is held for loading will commence once empty car(s) are placed on interchange tracks, and will continue until (i) car(s) are returned to an industrial interchange track, and (ii) NS receives forwarding instructions.
- (c) Cars found to be overloaded or improperly loaded while at origin will not be considered released until the load has been adjusted.

Note 1: Railroad Controlled Cars loaded and turned over to a third party at the same origin will be governed by this rule. Shippers may invoke this rule by tendering an ORIGIN TURNOVER FORM to Norfolk Southern. This form is available at

the Norfolk Southern web site www.nscorp.com or by calling the Norfolk Southern Agency Operations Center at 800-854-2780.

Note 2: The Consignor/Consignee shall adhere to the established cutoff times and have all switch requests submitted accordingly.

Computation:

- (a) Car Days will be computed from the first 0000 hours (see Car Days, Item 200) after Tender (i) until released with forwarding instructions for Railroad Controlled Cars, or (ii) until placement is made for Private Cars. In the case of Private Cars, the separate calculation for originating storage charges will be computed from the time that the loaded car is pulled and held on railroad controlled tracks by NS without forwarding instructions to time of receipt of required forwarding instructions.
- (b) On cars placed prior to date for which ordered, Car Days will be computed from the first 0000 hours of the day for which the car was ordered until the car is released.
- (c) Empty cars placed without being ordered, will be considered as having been ordered and actually placed on that day.

Credits:

- (a) One (1) Credit Day will be earned for each Railroad controlled car released for which forwarding instructions have been received.
- (b) Zero (0) Credit Days will be earned for each empty private car under constructive placement.
- (c) Zero (0) Credit Days will be earned for each loaded private car pulled for which forwarding instructions have not been received.

ITEM 650 - RULES GOVERNING CARS HELD FOR UNLOADING

Release: (See Note below)

- (a) A car is released as of the date and time NS receives advice that the car is empty, and is available.
- (b) Cars placed on interchange tracks of a Consignee that performs its own switching must also be returned to the same industrial interchange track for release.
- (c) A car is released when the same car is unloaded and reloaded, when forwarding instructions are received.
- (d) If a customer advises NS that an empty car is available to be pulled, but when NS arrives to pull the car and a release order has not been provided by customer, the empty pull timestamp represents release.

Note 1: The Consignor/Consignee shall adhere to the established cutoff times and have all switch requests submitted accordingly.

Computation: Car Days will be computed from the first 0000 hours (see Car Days, Item 200) after tender until release.

Credits:

- (a) One (1) Credit Day will be earned for each Railroad controlled car released from unloading.
- (b) One (1) additional Credit Day will be provided when the same car is reloaded with a revenue load. (Ex: When car is held for revenue loading after being emptied, in one continuous transaction, a total of two (2) Credit Days will be earned.

ITEM 700 - RULES GOVERNING CARS HELD FOR PURPOSES OTHER THAN LOADING OR UNLOADING

This Item applies to cars held:

- (a) On orders of the Consignor or Consignee.
- (b) While awaiting Disposition from the Consignor or Consignee.
- (c) As a result of conditions attributable to the Consignor or Consignee.

Note: Does not apply to origin turnovers.

Disposition: That information, which allows NS to either tender or release the car from the Consignor's or Consignee's account.

Release: Date and time that NS receives advice that the car is released and forwarding instructions are given on cars.

Computation: Car Days will be computed from the first 0000 hours: (see Car Days, Item 200).

- (a) After Tender until Release, on cars: (1) Partially unloaded. (2) Reconsigned.
- (b) After Tender until date of refusal on refused loaded cars (Consignee).
- (c) After arrival at final online destination until date of credit approval/received payment on non-credit cars.

Credits: No Credit Days will be earned for a car that is released.

ITEM 750 - RULES GOVERNING MERCHANDISE UNIT TRAIN DETENTION

Merchandise Unit Trains as defined in Item 200, shall be subject to the following provisions:

1. Merchandise Unit Train service will be performed at the convenience of railway and only for those facilities located on NS, or a short line that interchanges with NS.
2. NS will provide an electronic notice as outlined in Item 300.

Cars Held for Unloading Computation:

Hours will be computed from actual notice of arrival (i) until the last railcar of the unit is empty, released and available for Railroad-Controlled Cars; or (ii) until Actual Placement is made for Private Cars.

Cars Held for Loading Computation:

Hours will be computed from the actual notice of arrival (i) until NS receives advice that the last railcar of the unit is available and forwarding instructions are provided for Railroad-Controlled Cars; or (ii) until Actual Placement is made for Private Cars.

Free Time:

- For purposes of this Item, "Free Time" is defined as the period of time allowed to load or unload cars before Merchandise Unit Train Detention Charges begin to accrue.
- Merchandise Unit Trains consisting entirely or partially of Railroad-Controlled Cars will have 24 hours Free Time.
- Merchandise Unit Trains consisting entirely of Private Cars will have zero (0) Free Time after notice of arrival and while held on railway owned tracks.

Merchandise Unit Train Detention Charges:

A charge per Merchandise Unit Train of \$800.00 for each hour, or fraction thereof, that a railcar or railcars contained in a Merchandise Unit Train are detained beyond the Free Time, or the extended Free Time (as outlined in Detention Rule 6 below) will be assessed, as applicable.

Detention Rules:

1. The charges stated above are in addition to any applicable locomotive charges.
2. Charges are per Merchandise Unit Train and are in lieu of demurrage and storage charges which might otherwise be payable under NS Demurrage and Storage Tariff 6004-D series, Items 1010 and 1012, or successor items.
3. Merchandise Unit Train charges will be accrued and billed separately from any charges for single cars. Cars in Merchandise Unit Trains will not earn Credit Days.
4. Remaining Free Time from one Merchandise Unit Train cannot be used for a different Merchandise Unit Train.
5. All days count including Saturday, Sunday and holidays.
6. In the event that a shipment cannot be unloaded because of frozen commodity and Consignees so notify NS, then the unloading Free Time for that shipment will be extended by an additional twenty-four (24) hours. A shipment that is held in excess of the extended Free Time will be subject to the Merchandise Unit Train Detention Charges referenced above, or a one-time frozen commodity charge of \$12,000.00, whichever is less.

ITEM 760 - RULES GOVERNING MERCHANDISE UNIT TRAINS STOPPED IN TRANSIT

Merchandise Unit Trains stopped in transit due to the customer being unable to receive the train shall be subject to stoppage charges as follows:

- (a) Merchandise Unit Trains shall be subject to a stoppage charge of \$5,000.00.

- (b) In addition to the stoppage charge, if disposition or release on the stopped train has not been received by NS after 24 hours following the time the train was stopped, then Merchandise Unit Train Detention Charges and terms shall apply. Such charges shall accrue until the stop is lifted by the customer and NS is cleared to move the train towards destination.

ITEM 800 - RULES GOVERNING STORAGE OF ASSIGNED CARS

1. **NOTICE OF ARRIVAL:** Notice will be given assignee within 24 hours after arrival of car at Hold Point. (see Hold Point, Item 200)
2. **STORAGE DAYS:** Chargeable storage days will commence from the first 0000 hour (see Time, Item 200) following notice of arrival and continue until the car is placed on demurrage status or is released from the assignment.
3. **STORAGE RULES:**
 - (a) Storage charges will be assessed against assignee.
 - (b) Storage arrangements will be maintained individually by pool assignment number.
 - (c) Settlement of charges will be made on a monthly basis on all cars released from storage during each calendar month.
 - (d) One (1) Credit Day is given on each car placed in storage. Thereafter, storage charges accrue until the car is placed into service.
 - (e) Chargeable storage rate is \$20.00 per day.

ITEM 850 - RULES GOVERNING ORIGIN TURNOVERS

Origin Turnover:

An origin turnover occurs when a notification, submitted at origin by the party responsible for loading a railcar, informs NS that the party responsible for loading has completed the loading and is 'turning over' the railcar and its lading to another party. The party designated on the Origin Turnover becomes the Consignor and will be responsible for submitting final destination forwarding instructions to Norfolk Southern before the railcar is pulled. (See publication NS 8002-A, Item 6030). The party responsible for loading may submit an Origin Turnover using Norfolk Southern's internet based Diversion and Reconsignment application. Origin Turnovers will also be accepted via facsimile or in writing at the address shown below:

Norfolk Southern OSS Administration - Origin Turnovers
1200 Peachtree Street, NE
Box 118
Atlanta, Georgia 30309
Phone: (404) 589-6108
FAX: (404) 589-6682

There is no charge for origin turnovers submitted through Norfolk Southern's internet based Diversion and Reconsignment application. When submitted via facsimile or in writing, the charge will be \$198.00 per car which will be due from the party executing the origin turnover.

ITEM 900 - STORAGE OF RAILWAY EQUIPMENT MOVING ON OWN WHEELS

1. **APPLICATION:**

This item applies to railway equipment held on NS tracks that will or has moved on its own wheels, as freight, subject to transportation charges.
2. **STORAGE DAYS WILL COMMENCE:**
 - (a) At origin or en route: From the first 0000 hours (see Time, Item 200) following receipt of the equipment and continuing until a document is given to NS containing all necessary information to forward the equipment.

- (b) At destination: From the first 0000 hours (see Time, Item 200) after notice of arrival is given to Consignee and continuing until equipment is released from hold tracks. (Notice of arrival will be given Consignee within 24 hours after arrival of equipment at hold point).

3. STORAGE RULES:

- (a) Unless otherwise advised, charges will be assessed to Consignor, if delays occurred at origin or en route, or Consignee if storage delays occurred at destination.
- (b) Settlement of charges will be made on an individual basis for equipment released from storage during each calendar month.
- (c) Zero (0) Credit Days will be allowed on each car released from storage.
- (d) Chargeable storage rate is \$60.00 per day.

ITEM 950 - DEMURRAGE / STORAGE RULES

Billing will be rendered on a monthly basis for all cars released during a calendar month. Billing will be made per customer per station.

1. Billing cannot be combined for customers having facilities at separate stations.
2. Credit Days and Car Days for Railroad Controlled cars held for unloading or other purposes will be kept separately from cars held for loading. Except as otherwise provided in Item 1000, Credit Days and Car Days for Private Cars for loading or unloading will be combined. Credits on Private Cars cannot be combined with credits on Railroad Controlled cars.
3. Customer having two or more facilities at the same station with NS may combine the accounts into one if requested in writing.
4. Credit Days earned in one calendar month cannot be carried over to another month.
5. Demurrage/Storage charges will be assessed to Consignor at origin or to Consignee at destination as applicable.
6. All days count including Saturday and Sundays. Eleven (11) holidays will not be subject to demurrage (see Holidays, Item 200)
7. Demurrage/storage will be suspended while Cars are in bad order, pull turn, or pull weigh status.
8. Except for shipments of 45 or more cars moving under one Bill of Lading or Waybill, two (2) credits will be applied for each day for loaded railcars where NSR Original ETA is not met. Credits may be applied for early or late loaded arrivals. Combined total credits pursuant to Item 1010 and Item 950 will be limited to ten (10) per car per shipment. Credits will not be carried over to subsequent months.
9. Disputes concerning demurrage or storage charges or computations (a "Demurrage Dispute") must be submitted online through **AccessNS** by the fifth (5th) calendar day of the month following the accrual closing event in order to avoid the charge described in the next sentence. If a Demurrage Dispute is not received within the time frame described above or is received by a method other than online through **AccessNS**, a non-refundable handling charge of \$500.00 will be assessed to the party submitting the Demurrage Dispute. The time limit for submitting a Demurrage Dispute is 30 days from the demurrage/storage invoice date (the "Time Limit"). Any Demurrage Disputes received after the Time Limit will be rejected.
10. If NS offers scheduled local service less than five (5) days per week, then NS will apply demurrage/storage credits for the difference between five (5) days and the Offered Service Days. These credits are in addition to the standard demurrage credits. When Offered Service Days is equal to or greater than five (5) days per week, then standard demurrage/storage credits apply.
Example: If the Offered Service Days=3 and standard demurrage credits=1, then every railcar will get 3 credits (5-3+1=3).

ITEM 1000 - DEMURRAGE / STORAGE CALCULATION

Credit Days and Car Days will be kept separately, and the following calculations will be made separately, for cars with different Per Car Daily Charges in Item 1010:

1. Total Car Days with the same Per Car Daily Charge per customer per location will be added. (Car/days are net of holidays (see Holidays, Item 200)).
2. Total Credit Days for all cars with the same Per Car Daily Charge will be added.
3. If total Credit Days equal or exceed total net Car Days with the same Per Car Daily Charge, demurrage/storage charges will not be assessed. Any excess Credit Days cannot be applied to cars with different Per Car Daily Charges.

4. If total net Car Days exceed the total Credit Days with the same Per Car Daily Charge, calculation of charges will be made as follows:
- (a) Subtract total Credit Days from total Car Days to determine chargeable days.
 - (b) The number of chargeable days will be assessed as shown in Item 1010 (or Item 1012 for hazardous commodities).

ITEM 1010 - DEMURRAGE / STORAGE APPLICATION

Demurrage Application	Loading Credits	Unloading Credits	Per Car Daily Charge
Railroad Controlled Cars, Except Below	1	1	\$ 150.00
Covered Coil Cars, Centerbeam Flatcars, Refrigerated Cars, Heavy-Duty Flatcars	1	1	\$ 250.00

Cars Held	Origin/Destination Credits	Per Car Daily Charge
For Purposes Other than Loading or Unloading	0	\$ 100.00

Storage Application	Loading Credits	Unloading Credits	Per Car Daily Charge
Private Cars	0	0	\$ 60.00
Assigned Cars	1	0	\$ 20.00

ITEM 1012 - HAZARDOUS COMMODITIES

With respect to unloading credits, this provision applies in lieu of item 1010 for commodities listed below.

	Unloading Credits	Per Car Daily Charge
Hazardous Material other than TIH	0	\$ 100.00 (see Item 1015)
TIH Material identified in Note 1	0	\$ 2,000.00 (see Item 1015)

Note 1:

TIH STCC codes: 4821019, 4821261, 4821722, 4830030, 4904209 - 4904211, 4904879, 4907409, 4907434, 4909306 - 4909307, 4910370, 4916138, 4918180, 4918505, 4918507, 4920101 - 4920113, 4920115 - 4920116, 4920122, 4920135, 4920160, 4920164 - 4920165, 4920167, 4920173 - 4920175, 4920178, 4920180 - 4920181, 4920183 - 4920184, 4920187 - 4920189, 4920195 - 4920196, 4920300 - 4920325, 4920331, 4920337, 4920342 - 4920344, 4920346 - 4920349, 4920351 - 4920360, 4920368 - 4920369, 4920371,

4920373, 4920375, 4920378 - 4920383, 4920392, 4920394 - 4920396, 4920398 - 4920399, 4920502 - 4920505, 4920508 - 4920511, 4920513, 4920515 - 4920518, 4920522 - 4920523, 4920526 - 4920528, 4920530 - 4920531, 4920534 - 4920536, 4920547, 4920550, 4920556, 4920559, 4920570 - 4920571, 4920715, 4921000, 4921003 - 4921004, 4921006, 4921008 - 4921010, 4921016, 4921019 - 4921020, 4921023 - 4921024, 4921028, 4921063, 4921202, 4921207, 4921211, 4921213, 4921216, 4921239, 4921245, 4921248, 4921251 - 4921252, 4921254 - 4921255, 4921275, 4921287 - 4921288, 4921304, 4921401 - 4921402, 4921404 - 4921405, 4921413 - 4921414, 4921420, 4921438, 4921473, 4921487, 4921495, 4921497, 4921558, 4921587, 4921695, 4921722, 4921727, 4921730, 4921741 - 4921742, 4921744 - 4921746, 4921756, 4923113, 4923117, 4923209, 4923298, 4927004, 4927006 - 4927012, 4927014, 4927018 - 4927019, 4927022 - 4927028, 4927099, 4930024, 4930030, 4930050, 4930204, 4930260, 4931201, 4932010, 4932352, 4932385, 4933327, 4935231, 4936106, 4936110, 4936565

ITEM 1015 - STORAGE OF EXPLOSIVES, HAZARDOUS MATERIALS, SUBSTANCES OR WASTE

(Subject to publication BOE 6000 - hazardous materials regulations of the Department of Transportation)

The hazardous material charge shown in Item 1012 will be in addition to demurrage and storage charges provided in Items 1010 and 1100.

In addition, in the event that customer causes cars to be held on NS property in violation of 49 CFR 174.14, customer shall indemnify NS against (1) any governmental fines incurred as a result of such violation and (2) any costs or losses arising from any release from such cars caused by (i) defects in the cars, (ii) commodities being stored in rail cars beyond car-tolerance limits, or (iii) acts of God, such as hurricanes, tornados, earthquakes, fires, floods, etc., that occur while such cars are being held in violation of 49 CFR 174.14.

Application: This item applies to all cars held on NS tracks (excluding leased tracks) containing: (see note)

- (a) Class A, B or C Explosives, named in Part 172 Commodity List, Publication BOE 6000.
- (b) Hazardous materials, substances, or wastes requiring the use of 4-digit identification number on shipping document, placards or panels, as named in Part 11 Section 172.101, Publication BOE 6000.
- (c) In all cases, tariff NS 6306 applies.

Note: Private Cars loaded and turned over to a third party at the same origin will be governed by this rule. Shippers may invoke this rule by tendering an ORIGIN TURNOVER FORM to Norfolk Southern. This form is available at the Norfolk Southern web site www.nscorp.com or by calling the Norfolk Southern Agency Operations at 800-854-2780.

ITEM 1100 - LEASE TRACK OVERAGE

In the event a customer makes arrangements with Norfolk Southern to have a lease track agreement at a certain location, and the number of private cars described in the lease track agreement at that location exceeds the capacity of the track space allotted pursuant to the applicable, lease track agreement, an overage charge of \$50.00 per car will be assessed on all cars exceeding the lease limit. The overage charge will be applied on all overage cars commencing at 00:00 the day following the day the lease limit was exceeded. A car is considered in lease track status if after notification of arrival, the car is not ordered before the beginning of the next Service Window. No Free Time or credits will be allowed. Lease track excess is not provided relief against NS holidays. Also an intra-terminal switch charge will be assessed when the cars are requested to be spotted, or moved from the plant to the lease track for forwarding.

SUMMARY OF REVISIONS

Issued: March 1, 2019

Effective: April 1, 2019

PAGE(S)	ITEM	ITEM DESCRIPTION	DESCRIPTION (CHANGES IN RED)
4	200	GLOSSARY OF TERMS	<p>Addition to definition Credit Day:</p> <p>9. Credit Day: Non-chargeable day. Credits can only be earned on those cars released to carrier for further disposition, and can only offset Car Days for cars with the same Per Car Daily Charge.</p>
5	200	GLOSSARY OF TERMS	<p>New definition Per Car Daily Charge:</p> <p>26. Per Car Daily Charge: The daily demurrage/storage charge applicable to a car.</p>
5	200	GLOSSARY OF TERMS	<p>Addition to definition Service Window:</p> <p>32. Service Window: The designated block of time within a service day that NS anticipates it will physically pull and place a customer's cars. These times are not guaranteed and delivery outside of these projected times will not impact the obligation to pay demurrage and storage charges.</p>
6	350	NOTIFICATION TO NS	<p>New paragraph (d):</p> <p>(d) Any notice sent by any Consignor/Consignee indicating an intention to not pay otherwise applicable demurrage or storage charges hereunder, or instructing NS not to deliver railcars if NS intends to impose otherwise applicable demurrage or storage charges hereunder, shall be void and shall have no force or effect regardless of whether NS responds to such notice.</p>
9	750	RULES GOVERNING MERCHANDISE UNIT TRAIN DETENTION	<p>Update Detention Rules:</p> <p>2. Charges are per Merchandise Unit Train and are in lieu of demurrage and storage charges which might otherwise be payable under NS Demurrage and Storage Tariff 6004-D series, Items 1010 and 1012, or successor items.</p>
11	950	DEMURRAGE / STORAGE RULES	<p>Update Demurrage / Storage Rules:</p> <p>2. Credit Days and Car Days for Railroad Controlled cars held for unloading or other purposes will be kept separately from cars held for loading. Except as otherwise provided in Item 1000, Credit Days and Car Days for Private Cars for loading or unloading will be combined. Credits on Private Cars cannot be combined with credits on Railroad Controlled cars.</p>

11-12	1000	DEMURRAGE / STORAGE CALCULATION	<p>Credit Days and Car Days will be kept separately, and the following calculations will be made separately, for cars with different Per Car Daily Charges in Item 1010:</p> <ol style="list-style-type: none"> 1. Total Car Days with the same Per Car Daily Charge per customer per location will be added. (Car/days are net of holidays (see Holidays, Item 200)). 2. Total Credit Days for all cars with the same Per Car Daily Charge will be added. 3. If total Credit Days equal or exceed total net Car Days with the same Per Car Daily Charge, demurrage/storage charges will not be assessed. Any excess Credit Days cannot be applied to cars with different Per Car Daily Charges. 4. If total net Car Days exceed the total Credit Days with the same Per Car Daily Charge, calculation of charges will be made as follows: <ol style="list-style-type: none"> (a) Subtract total Credit Days from total Car Days to determine chargeable days. (b) The number of chargeable days will be assessed as shown in Item 1010 (or Item 1012 for hazardous commodities).
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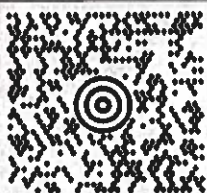
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