STB Chairman Expresses Concern Over International Intermodal Supply Chain Issues; Requests Information From Class I Railroads

Surface Transportation Board Chairman Martin J. Oberman today sent a letter to all Class I railroads expressing his concern over persistent problems with congestion in the international intermodal supply chain and significant container storage fees that some shippers are being required to pay in order to receive their containers. The Chairman asked that the Class I railroads provide certain information about the extent of congestion at key container terminals and their policies and practices for assessing storage charges.

The Chairman’s request is designed to help the Board better understand the magnitude of container congestion, the purpose and effect of storage fees, and whether receivers are afforded relief when they lack the ability to facilitate the release of their containers.

“The Board has received numerous reports related to the length of time that containers are being held in rail yards, and the sizeable storage fees (‘demurrage’) some customers have been required to pay in order to obtain release of containers bearing their shipments,” Chairman Oberman said. “The Board’s principal concerns are helping to mitigate the congestion problems at intermodal yards caused by the unprecedented economic situation, improve network fluidity, and provide relief to shippers and receivers who are not in a position to reasonably avoid onerous and potentially business-threatening storage charges.”

The Chairman’s letter to Class I CEOs may be located here.

The Board’s policy statement on the imposition of demurrage charges, Policy Statement on Demurrage & Accessorial Rules & Charges, EP 757 (STB served Apr. 30, 2020), may be located here.