



Surface Transportation Board  
Washington, D.C. 20423-0001

March 20, 2026

Mr. Eric R. Byer  
President and Chief Executive Officer  
Alliance for Chemical Distribution  
4201 Wilson Boulevard, Suite 0515  
Arlington, VA 22203

Dear Mr. Byer,

Thank you for your recent letter raising concerns about potential surcharges that could be imposed by freight rail carriers on shippers. We appreciate your engagement with the Board, and we are committed to enforcing applicable law as appropriate, maintaining open communication with rail carriers, shippers, and other stakeholders, and conducting active oversight of the freight rail network.

First, with regard to rail fuel surcharges, as you know, the Board has held that such surcharges covering traffic subject to the Board's jurisdiction must have "a reasonable nexus to fuel consumption." Rail Fuel Surcharges, EP 661, slip op. at 9 (STB served Jan. 26, 2007). Second, as you point out, changes in common carrier service terms are subject to the 20-day notice requirement under 49 U.S.C. § 11101(c). Third, the Board is committed to ensuring that carriers engage in reasonable rules and practices under 49 U.S.C. § 10702 and uphold their common carrier obligation to provide "transportation or service on reasonable request" under 49 U.S.C. § 11101(a). Fourth, with respect to demurrage and accessorial charges in particular, the Board continues to be guided by its policy statement on the principles the agency would consider in evaluating the reasonableness of such charges, including the clarification that the purpose of demurrage is not fulfilled if a rail user cannot avoid the charges. Policy Statement on Demurrage & Accessorial Rules and Charges, EP 757 (STB served April 30, 2020).

The Board's Office of Public Assistance, Governmental Affairs, and Compliance (OPAGAC) will engage informally with the Class I railroads to ensure the Board remains informed of any surcharges and any changes thereto rail carriers may impose. The Board also will continue monitoring the quarterly rail fuel surcharge data received from the Class I carriers under 49 C.F.R. § 1243.3 to assess the impacts of international events on rail fuel surcharges. Consistent with the rail transportation policy of the United States at 49 U.S.C. § 10101, the Board is committed to the fair and expeditious handling and resolution of all proceedings required or permitted to be brought under statute and regulation, including requests concerning the application of its regulatory authority. OPAGAC's Rail Customer and Public Assistance is also available to provide informal assistance, should your members have questions about specific surcharges.

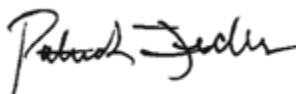
We appreciate your sharing the Alliance for Chemical Distribution's concerns. As you note, rail is the safest mode of transportation for hazardous materials, including chemicals that much of the country relies on for agriculture, public safety, transportation, and other purposes. Reliable rail transportation is critical to the safe and efficient distribution of chemical products, and we understand the effects of fluctuations in freight rail surcharges on your member companies.

A copy of your letter and this reply have been placed on the Board's website as Non-Docketed Public Correspondence. If you or your members have any questions, please contact Ms. Janie Sheng, Director of OPAGAC, at 202-245-0238.

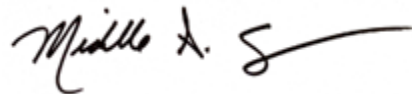
Sincerely,



Karen J. Hedlund  
Member



Patrick J. Fuchs  
Chairman



Michelle A. Schultz  
Vice Chairman