



SURFACE TRANSPORTATION BOARD

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SURFACE TRANSPORTATION BOARD ADOPTS FINAL RULE ESTABLISHING MINIMUM INFORMATION REQUIREMENTS FOR CLASS I RAILROAD DEMURRAGE INVOICES

The Surface Transportation Board today announced the adoption of a final rule in Demurrage Billing Requirements, Docket No. EP 759. The final rule establishes certain minimum information requirements for demurrage bills from Class I railroads, including among other things, billing cycle, shipment, car placement, and credit and debit information. The minimum information adopted in the final rule represents what the Board has determined will have the greatest impact on the ability of rail users to review and verify the accuracy of demurrage charges and facilitate the resolution of disputes between railroads and their customers. In addition, the final rule establishes a machine-readable data requirement to ensure that rail users have the option to access machine-readable data containing the minimum information. In the decision issuing the final rule, the Board reiterated its expectation that all carriers take reasonable actions to ensure the accuracy of their invoicing processes and that their demurrage charges are warranted.

The final rule issued today is an outgrowth of the Board's scrutiny of demurrage and accessorial charges conducted in Oversight Hearing on Demurrage & Accessorial Charges, Docket No. EP 754. In that proceeding, the Board held a two-day public hearing in May 2019 to allow rail users to express their concerns about changes made by Class I railroads in assessing demurrage and accessorial charges and to permit the railroads to respond. A common theme expressed during the hearing and in related comments was that Class I railroad demurrage invoices were confusing, difficult to verify, and lacking in basic information about the shipments covered. Rail users suggested that the Board consider setting basic standards for invoices to promote uniformity and transparency. The requirements set forth in the final rule, adopted following two rounds of public notice and comment, and with substantial input from Class I railroads and rail users alike, will improve the transparency, clarity, uniformity, and accessibility of demurrage invoices.

In adopting the final rule, Chairman Martin J. Oberman stated, "Today's rule, which the Board members adopted unanimously, represents a significant step toward ensuring basic transparency in demurrage bills and thereby helps to eliminate a source of unnecessary conflict between railroads and their customers. In this regard, I anticipate that the rule will reduce the need for litigation or further regulatory intervention related to what should be fairly straightforward and

routine commercial interactions. I further expect that the new rule will promote more productive dialogue between Class I railroads and rail users to either avoid unnecessary disputes over demurrage charges or hasten their resolution.”

The Board’s final rule in Demurrage Billing Requirements, Docket No. EP 759, may be viewed and downloaded [here](#).

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