

TACOMA RAIL

TACOMA PUBLIC UTILITIES

CUSTOMER'S GUIDE TO DEMURRAGE



DEMURRAGE

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Who to Contact for Demurrage, Switching and Other Miscellaneous Billing Questions

Demurrage Inquiries/Billing TMBL & TRMW

Kim Jackson – Operations Analyst
Demurrage
Office: 253-396-3293
Fax: 253-396- 3160
Email: kjackson@cityoftacoma.org

Switch/Lease Track Billing

Jim Clark / Manager of Customer Service and Marketing
Office: 253-396-3339
Fax: 253-396-3160
E-mail: jclark@cityoftacoma.org

Operational Inquiries – Special Switch Requests

Trainmaster
Office: 253-396-3161
Fax: 253-502-8908
E-mail: railoperations@cityoftacoma.org

Request for Lease Track/Private Equipment Storage Agreement:

Jim Clark / Manager of Customer Service and Marketing
Office: 253-396-3339
Fax: 253-396-3160
E-mail: jclark@cityoftacoma.org

Website Technology Support

Dan McCabe – CIO/CFO
Finance & Technology
Office: 253-396-3040
Cell: 253-405-9559
Fax: 253-922-9088
E-mail: dmccabe@cityoftacoma.org

The information contained herein is intended to serve as information only and does not supersede Tacoma Rail/TMBL Demurrage Tariff 6004-B or TMBL Freight Tariff 8807-F, available on Tacoma Rail's website at <http://www.tacomarail.com>.

Customer Profile

Information that affects your Demurrage

There are key pieces of data in each customer's profile that impacts demurrage.

These are the critical pieces of information that Tacoma Rail needs to know about your facility:

1. **Spot Capacity**: Used to verify maximum capacity to receive railcars. This impacts constructive placement of rail equipment held in Tacoma Rail's yard for placement to your facility.
 - Have you added track at your facility?
 - Have you removed track at your facility?
 - Have you changed your door configuration?

2. **Standard Industry Instructions**: This impacts the free flow of railcars into your facility.
 - Order-In Customer
 - Spot-On-Arrival Customer

If you have questions about how your facility is set up, contact Jim Clark at 253-396-3339.

ORDER IN OR SPOT ON ARRIVAL

The impact of “**Order-In**” status is a restricted inbound flow of railcars.

The impact of “**Spot-on-Arrival**” status is a free flow of inbound railcars.

Order-In: A customer who, by prior arrangement, has notified TMBL that railcars shall not be placed, or considered to be placed, for loading or unloading, until TMBL has received an order (switch request) for placement from said customer. Until such order for placement is received, railcars will be on constructive placement.

What this means: Railcars must be ordered to spot by the customer through the internet or via fax/phone if and when they are needed. Customers who cannot take all/any car(s) that arrive due to differences in product, railcar type, etc. must be Order-In. The customer is responsible for keeping track of railcars that have been Constructively Placed and selecting the oldest car(s) for placement to avoid excessive demurrage accruals.

Spot-on-Arrival: TMBL, without notification, will place railcars for loading or unloading immediately upon their availability for placement if the customer has capacity. Once capacity is met, remaining railcars held for spotting are Constructively Placed thus commencing demurrage debits.

What this means: Railcars are automatically ordered to spot to a customer’s facility when they arrive at the serving yard or destination, provided there is capacity. TMBL operates under the premise that Spot-on-Arrival customers will be kept full to capacity as space becomes available. Customers need to submit a release order to allow additional railcars to be spotted. This type of status is suitable for customers that receive one type of commodity/car and railcars do not require spotting to specific track spots. TMBL will make every attempt to spot the oldest railcars first, but if yard congestion and customer railcar volumes preclude efficiency of Rail Operations the most convenient railcars will be spotted.

DEMURRAGE DEFINITIONS

Constructive Placement: (CP'd)

When a railcar cannot be actually placed at the industry because of any condition created by the customer:

- 1) Customer has no track capacity to receive rail car
- 2) Customer is not ready to accept rail car
- 3) Customer track is not accessible, i.e.;
 - Blue or Red flag placed by customer or third party
 - Track blockage to a customer by a joint track user or 2nd customer on the same track
 - Customer's siding/spur is locked by customer or joint user
 - Customer's facility track is inaccessible due to safety issues or improper track condition

Debit: A chargeable demurrage day.

Credit: A non-chargeable demurrage day.

Demurrage Day:

A twenty-four (24) hour period (calendar day), or fraction thereof, commencing at the first 0800 hours (Pacific Standard Time) after actual or constructive placement until the car(s) is released and available to TMBL.

Common Causes of Demurrage And How You Can Reduce Your Exposure

What are common causes for Demurrage that are within your control?

- 1) Failure to communicate your needs to Tacoma Rail.

Use Tacoma Rail's website for your spotting and release requests or fax to Tacoma Rail Tower Operations at 253-922-5679. You may be contacted by phone to verify your requests. **Tacoma Rail's website is available to all customers at <http://www.tacomarail.com/customers>. To establish a personal log in for access, contact Dan McCabe at 253-396-3040 (Office) or 253-405-9559 (Cell).**

- 2) Changes to your switch needs.

Use Tacoma Rail's website for your spotting and release changes or fax to Tacoma Rail Tower Operations at 253-922-5679. You will be contacted by phone to verify your change.

- 3) Over ordering equipment.

Request rail equipment according to your production needs & ability to unload/load without incurring excess demurrage. Do not over order rail equipment from shipper and/or the BNSF/UPRR unless you are prepared to pay the demurrage accruing while on Tacoma Rail trackage.

- 4) Failure to release railcars in a timely manner.

Always load and unload quickly, and report your release immediately. Use Tacoma Rail's website or fax Tower Operations at 253-922-5679 to release. You will be contacted by phone to verify your release requests. If there are changes to your requests you will also be contacted for verification.

- 5.) Incorrect customer profile on record: Order In or Spot-On-Arrival.

Daily proactive monitoring of railcars assigned to you. This can be accomplished by the TMBL morning reports sent daily via email/fax or the data can be viewed on Tacoma Rail's website at <http://www.tacomarail.com/customers>.

The following steps should be followed for an efficient flow of your rail traffic which equates to lower demurrage liability:

For Rail Controlled & Private Marked Equipment:

- Confirm that your customer profile with Tacoma Rail is correct by calling Jim Clark at 253-396-3339.
- Order in and release railcars via Tacoma Rail's website or fax directly to Tower Operations at 253-922-5679.
- Daily proactive monitoring of inbound rail equipment: Tacoma Rail's website reports and/or Daily Morning Fax.
- Cancel equipment requests or not needed equipment before arrival to Tacoma Rail from BNSF/UPRR.
- Load and release equipment quickly.

For Private Marked Equipment for Storage/Lease Tracks:

In addition to the steps listed above, for Private Marked Equipment, make sure railcars on hand never exceed private storage and spot capacity.

Tacoma Rail's Failure to Switch Logic

MISSED SWITCH: When Tacoma Rail fails to switch your facility after 12:00 PM after receipt of your request, the Demurrage billing system will provide one additional credit for railcars requested and all others on hand, that have been constructively placed at time of request, per day, until switch has been completed. (EXCEPTIONS: Saturdays, Sundays, Holidays and Acts of God).

LATE SWITCH: When Tacoma Rail fails to switch your facility prior to 8:00 AM and before 12:00 PM after receipt of request.

- 1) Railcar is spotted to facility after 8:00 AM and before 12:00 PM. If customer releases railcar prior to the second 8:00 AM, **no additional credit will be given.**
- 2) Railcar is spotted to facility after 8:00 AM and before 12:00 PM. If customer is unable to release the railcar until after the second 8:00 AM, **additional credit will be given.**

EXCEPTION: Private marked railcars – When Tacoma Rail fails to spot your railcars prior to 8:00 AM, **additional credit will be given, provided request is received by 1:00 PM prior to the next 8:00 AM.**

For Clarification Purposes: Switches are not considered late if requests are not provided by 1:00 PM prior to the next 8:00 AM.

Customers requesting additional credits – contact Kim Jackson 253-396-3293.

Tacoma Rail's Substitution Logic

When Tacoma Rail spots a railcar to the facility that is not the oldest or the specific railcar ordered by the industry, provided that railcar is on hand, credits will be issued to offset the debits on the oldest car(s). The exception is Spot-on Arrival customers who will allow TMBL to choose which railcars to spot to their industry based upon available capacity and railcar volumes on hand.

Demurrage Chart

The number of (Free Days) Credits reflected apply to RR Marked Equipment only.

Rail Demurrage - Applies to all Freight Railcars Actually or Constructively Placed for Loading or Unloading.

CARS FOR	Mon	Tue	Wed	Thu	Fri	Sat	Sun	Mon	Tue	Wed	Thu	Fri	Sat	Sun
Unloading					\$60			\$60	\$60	\$60	\$60	\$60		
Loading				\$60	\$60			\$60	\$60	\$60	\$60	\$60		
Unloading								\$60	\$60	\$60	\$60	\$60		
Loading					\$60			\$60	\$60	\$60	\$60	\$60		
Unloading								\$60	\$60	\$60	\$60	\$60		
Loading								\$60	\$60	\$60	\$60	\$60		
Unloading								\$60	\$60	\$60	\$60	\$60		
Loading								\$60	\$60	\$60	\$60	\$60		
Unloading									\$60	\$60	\$60	\$60		
Loading									\$60	\$60	\$60	\$60		
Unloading										\$60	\$60	\$60		
Loading										\$60	\$60	\$60		
Unloading											\$60	\$60		
Loading											\$60	\$60		
Unloading												\$60		
Loading												\$60		

Legend	
	Placed or Constructively placed after 0800
	Free Day

Note 1 - Demurrage charges will accrue on all days except Saturday, Sundays and Holidays. (See Tariff for listing of Holidays)

Note 2 - Under the demurrage tariff Debit Days can be offset - One Credit to offset one Debit.

Note 3 - Demurrage calculation on private railcar equipment ceases upon placement on trackage within the industry or on "Leased" tracks. Two (2) Free Days (Credits) are allowed for all Private rail equipment.

Note 4 - Private railcars stored on "Leased" tracks on the TMBL or on private tracks within the industry compound are not subject to demurrage.

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Miscellaneous Switching

Definitions

- 1) **Intra-Plant Switching** – A switching movement performed within the plant or industry (e.g. from one track to another or between two points on the same track).
- 2) **Intra-Terminal Switching** – A switching movement performed in handling a railcar from one track to another track of the same carrier when both tracks are within the switching limits of Tacoma Rail. Charge can also be assessed to railcars which are prematurely released loaded or empty.
- 3) **Inter-Terminal Switching** – A switching movement of railcars from an Industry located on Tacoma Rail to an industry on another carrier within the same switching district.



Demurrage Dispute Form

Enter the requested information for each railcar (or group of railcars if all data is the same). Attach documentation whenever possible, and can be submitted by email to the demurrage administrator, by FAX, or by certified U.S. mail, return receipt requested to:

TACOMA RAIL
TACOMA PUBLIC UTILITIES

Tacoma Rail, ATTN: Demurrage Dispute, 2601 SR 509 N. Frontage Road, Tacoma, WA 98421

Date:		Company:	
RR Demurrage Month:		Submitted by:	
RR Invoice Number:		Phone:	
		E-mail:	

Car Number(s)						
Dates	Constructive Placement	Actual Placement	Release	Demurrage Days	Credits	Net
As Billed:						
Customer Record:						
Explanation:						
Documentation:						Attached? <input type="checkbox"/>
Resolution (for TMBL use)						

Car Number(s)						
Dates	Constructive Placement	Actual Placement	Release	Demurrage Days	Credits	Net
As Billed:						
Customer Record:						
Explanation:						
Documentation:						Attached? <input type="checkbox"/>
Resolution (for TMBL use)						

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