



RESOLUTION NO. U-11489

1 A RESOLUTION related to Tacoma Rail, authorizing the reissuance of TMBL
2 8807 series freight switching and TMBL 6004 series demurrage tariffs
3 effective January 1, 2025; a switching tariff supplement effective January
4 1, 2026; and requesting that the City Council approve an ordinance
5 authorizing the same.

6 WHEREAS the Department of Public Utilities, Beltline Division ("Tacoma
7 Rail"), recommends Public Utility Board authorization to reissue the TMBL 8807
8 series freight switching and TMBL 6004 series demurrage tariffs for an effective
9 date of January 1, 2025; and a switching tariff supplement with an effective date
10 of January 1, 2026, and

11 WHEREAS Tacoma Rail's customers consist of local industries and
12 other railroads, and

13 WHEREAS the switching tariffs define the line haul and miscellaneous
14 switching charges allocated to the movement of railcars, and

15 WHEREAS Tacoma Rail's TMBL tariff rates associated with unit train
16 and other Tacoma interchanged line haul traffic were last updated in 2024
17 miscellaneous switching rates were last updated in 2023, and

18 WHEREAS Tacoma Rail's rates encapsulate cost of service practices,
19 and

20 WHEREAS line haul rates are charged to the BNSF Railway Co. or the
21 Union Pacific Railroad, unless the industry served or shipper elects to pay the
22 fees themselves, and
23
24
25
26



1 WHEREAS the switching tariff rate adjustments for 2025 include a
2 system average rate increase of 2.3% over current rates and a 3% increase to
3 all miscellaneous switching rates, and

4 WHEREAS the 2026 tariff supplement increases line haul traffic rates by
5 a system average of 2.3%, and

6 WHEREAS Tacoma Rail's demurrage tariff was last updated in 2023,
7 and

8 WHEREAS demurrage is a federal requirement for railroads to charge
9 for the undo detention of railcars, and

10 WHEREAS the proposed tariff increases the rate by \$5 per day, for a
11 total of \$70, and

12 WHEREAS Section 4.11 of the Tacoma City Charter requires that all
13 matters related to the fixing of rates and charges for utility services shall be
14 initiated by the Board and approved by the City Council, and

15 WHEREAS the proposed adjustments to the freight switching,
16 demurrage and line haul tariffs are just, fair and reasonable, and are in the best
17 interests of Tacoma Rail customers and the citizens of Tacoma; Now, therefore,
18 BE IT RESOLVED BY THE PUBLIC UTILITY BOARD OF THE CITY OF TACOMA:

19 Section 1. That the proposed reissuance of TMBL 8807 series freight
20 switching and TMBL 6004 series demurrage tariffs attached hereto as Exhibits
21 A and B and on file with the Clerk of the Board are hereby approved, effective
22 January 1, 2025, and a switching tariff supplement with an effective date of
23
24
25
26



Board Action Memorandum

TO: Jackie Flowers, Director of Utilities
COPY: Charleen Jacobs, Director and Board Offices
FROM: Alan Matheson, Superintendent, Tacoma Rail
MEETING DATE: October 23, 2024
DATE: October 11, 2024

SUMMARY: The Rail Division requests authorization to reissue the TMBL 8807 series freight switching and TMBL 6004 series demurrage tariffs for an effective date of January 1, 2025; and a switching tariff supplement with an effective date of January 1, 2026.

BACKGROUND: Tacoma Rail's customers consist of local industries and other railroads. The switching tariffs define the line haul and miscellaneous switching charges allocated to the movement of railcars. Tacoma Rail's TMBL tariff rates associated with unit train and other Tacoma interchanged line haul traffic were last updated in 2024; miscellaneous switching rates were last updated in 2023.

Tacoma Rail's rates encapsulate cost of service practices. Line haul rates are charged to the BNSF Railway Co. or the Union Pacific Railroad unless the industry served or shipper elects to pay the fees themselves. The switching tariff rate adjustments for 2025 include a system average rate increase of 2.3% over current rates and a 3% increase to all miscellaneous switching rates. The 2026 tariff supplement increases line haul traffic rates by a system average of 2.3%.

Tacoma Rail's demurrage tariff was last updated in 2023. Demurrage is a federal requirement for railroads to charge for the undo detention of railcars. The proposed tariff increases the rate by \$5 per day, for a total of \$70.

ARE THE EXPENDITURES AND REVENUES PLANNED AND BUDGETED? Yes.

IF THE EXPENSE IS NOT BUDGETED, PLEASE EXPLAIN HOW THEY ARE TO BE COVERED.

N/A.

IF THE ACTION REQUESTED IS APPROVAL OF A CONTRACT, INCLUDE LANGUAGE IN RESOLUTION AUTHORIZING \$200,000 INCREASE IN ADMINISTRATIVE AUTHORITY TO DIRECTOR? No.

ATTACHMENTS: TMBL 8807-L Switching Tariff Changes, TMBL 8807-L Switching Tariff, TMBL 8807-L Switching Tariff Supplement 1 Changes, TMBL 8807-L Switching Tariff Supplement 1, TMBL 6004-E Demurrage Tariff Changes, TMBL 6004-E Demurrage Tariff

CONTACT:

Primary Contact: Daniel McCabe, Rail Chief Information/Finance Officer, 253-396-3040
Supervisor: Alan Matheson, Superintendent, 253-502-8894



TO: Elizabeth Pauli, City Manager
FROM: Daniel McCabe, Division Manager, Tacoma Rail
Jackie Flowers, Director of Utilities, Tacoma Public Utilities
COPY: City Council and City Clerk
SUBJECT: Ordinance – Reissue Tacoma Rail Freight Tariff – November 5, 2024
DATE: October 11, 2024

SUMMARY AND PURPOSE:

TPU Rail requests authorization to reissue the TMBL 8807 series freight switching and TMBL 6004 series demurrage tariffs for an effective date of January 1, 2025 and a switching tariff supplement with an effective date of January 1, 2026.

BACKGROUND:

This Department's Recommendation is Based On: Tacoma Rail's customers consist of local industries and other railroads. The switching tariffs define the line haul and miscellaneous switching charges allocated to the movement of railcars. Tacoma Rail's TMBL tariff rates associated with unit train and other Tacoma interchanged line haul traffic were last updated in 2024; miscellaneous switching rates were last updated in 2023.

Tacoma Rail's rates encapsulate cost of service practices. Line haul rates are charged to the BNSF Railway Co. or the Union Pacific Railroad unless the industry served or shipper elects to pay the fees themselves. The switching tariff rate adjustments for 2025 include a system average rate increase of 2.3% over current rates and a 3% increase to all miscellaneous switching rates. The 2026 tariff supplement increases line haul traffic rates by a system average of 2.3%.

Tacoma Rail's demurrage tariff was last updated in 2023. Demurrage is a federal requirement for railroads to charge for the undo detention of railcars. The proposed tariff increases the rate by \$5 per day, for a total of \$70.

COMMUNITY ENGAGEMENT/ CUSTOMER RESEARCH:

Tacoma Rail's primary rate payers are BNSF Railway Co. and Union Pacific Railroad. Tacoma Rail provides railroad services to customers primarily in the Port of Tacoma area. The proposed rate policy changes have been communicated through public meetings.

2025 STRATEGIC PRIORITIES:

Equity and Accessibility: (Mandatory)

No direct positive or negative impacts on equity, equality, diversity, or inclusion are anticipated to result from enacting this legislation.

Economy/Workforce: Equity Index Score: Select Index Score.

Increase the number of infrastructure projects and improvements that support existing and new business developments.

Increase positive public perception related to the Tacoma economy.

Explain how your legislation will affect the selected indicator(s).

Mission: Tacoma Rail's employees work safely to provide reliable and environmentally sound services that are vital to our customers and community. Tacoma Rail supports new and existing business developments that utilize rail transportation. Rail infrastructure improvements and assets contribute to providing rail service for economic



growth and stability.

ALTERNATIVES:

Presumably, your recommendation is not the only potential course of action; please discuss other alternatives or actions that City Council or staff could take. Please use table below.

Alternative(s)	Positive Impact(s)	Negative Impact(s)
1. No rate adjustment	Lower rates in the short-term for mainline railroads and rail served business	\$2.8 million revenue shortfall will cause disruption in services and deferment of infrastructure maintenance, infrastructure improvements and locomotive replacements.
2.		
3.		

EVALUATION AND FOLLOW UP:

New Tacoma Rail tariffs will be published on its website and sent to all applicable railroads and customers per federal railroad requirements.

STAFF/SPONSOR RECOMMENDATION:

Tacoma Rail recommends approval of the proposed Tacoma Rail tariffs TMBL 8807-L and TMBL 6004-E with an effective date of January 1, 2025 and tariff supplement with an effective date of January 1, 2026 to ensure reliable rail services at cost of service rates.

FISCAL IMPACT:

Rates herein are anticipated to increase the revenues of Tacoma Rail over the next biennium by approximately \$2,763,800.

Fund Number & Name	COST OBJECT (CC/WBS/ORDER)	Cost Element	Total Amount
1.Fund 4500		Rail Revenues	\$2,763,800
2.			
TOTAL			\$2,763,800

What Funding is being used to support the expense?

N/A

Are the expenditures and revenues planned and budgeted in this biennium's current budget?

NO, PLEASE EXPLAIN BELOW

Budgeted for the 2025/2026 biennium.

Are there financial costs or other impacts of not implementing the legislation?

YES



The \$2.8 million revenue shortfall will cause severe disruption in railroad services and deferment of infrastructure maintenance, infrastructure improvements and locomotive replacements.

Will the legislation have an ongoing/recurring fiscal impact?

YES

There are proposed tariff changes on January 1, 2025 and January 1, 2026.

Will the legislation change the City's FTE/personnel counts?

No

The proposed tariffs support the proposed 2025/2026 biennium budget which includes 120 FTE's/personnel.

ATTACHMENTS:

- TMBL 8807-L Switching Tariff Changes
- TMBL 8807-L Switching Tariff
- TMBL 8807-L Switching Tariff Supplement 1 Changes
- TMBL 8807-L Switching Tariff Supplement 1
- TMBL 6004-E Demurrage Tariff Changes
- TMBL 6004-E Demurrage Tariff

TACOMA MUNICIPAL BELT LINE RAILWAY

FREIGHT TARIFF TMBL 8807-~~KL~~
(Cancels Tariff TMBL 8807-~~JK~~)

**NAMING
SWITCHING AND OTHER TERMINAL CHARGES
AS PROVIDED IN SECTION 1 HEREIN**

**APPLYING AT ALL LOCATIONS ON THE
TACOMA MUNICIPAL BELT LINE RAILWAY
(TACOMA RAIL)**

This tariff is also applicable on intrastate traffic, except where expressly provided to the contrary in connection with particular items.

ISSUED: December 10, 202~~4~~

EFFECTIVE: January 1, 202~~3~~5

Dale W. King ~~Alan Matheson~~, Superintendent
2601 SR 509 North Frontage Road
Tacoma, WA 98421

<p>1.01</p>	<p>CANCELLATION NOTICE:</p> <p>Freight Tariff TMBL 8807-KL hereby cancels provisions formerly shown in Freight Tariff TMBL 8807-JK series for account the TMBL. Provisions formerly shown in Freight Tariff TMBL 8807-JK for account TMBL and not brought forward in Freight Tariff TMBL 8807-KL are hereby cancelled.</p>
<p>ITEM</p>	<p>RULES AND OTHER GOVERNING PROVISIONS. SPECIAL RULES AND REGULATIONS</p>
<p>10</p>	<p>REFERENCES TO TARIFFS, ITEMS, NOTES, RULES, ETC.:</p> <p>Where reference is made in this tariff to tariffs, items, notes, rules, etc., such references are continuous and include supplements to and successive issues of such tariffs and reissues of such items, notes, rules, etc.</p>
<p>20</p>	<p>STATION LISTS AND CONDITIONS:</p> <p>This tariff is governed by the Official List of Open and Prepay Railroad Stations, OPSL 6000 series, to the extent shown below:</p> <p style="text-align: center;">PREPAY REQUIREMENTS AND STATION CONDITIONS</p> <p>For additions and abandonment of stations, and except as otherwise shown herein, for prepay requirements, changes in the names of stations, restrictions as to the acceptance or delivery of freight and changes in station facilities. When a station is abandoned as of a date specified in the above named tariff, the rates from and to that station published in this tariff are inapplicable on or after that date.</p>
<p>30</p>	<p>METHOD OF ADDING, CHANGING OR DELETING ITEMS IN THIS TARIFF:</p> <ol style="list-style-type: none"> 1. As this tariff is supplemented; numbered items with letter suffixes cancel corresponding numbered items in the original tariff or in a prior supplement. Letter suffixes will be used in alphabetical sequence, starting with A. <ul style="list-style-type: none"> EXAMPLE: Item 5-A cancels Item 5 and Item 10-B cancels Item 10-A in a prior supplement, which; in turn, cancelled Item 10. 2. Unless otherwise indicated, latest publication of Item likewise cancels any prior publication of that Item. <ul style="list-style-type: none"> EXAMPLE: Item 2.20 in supplement 1 cancels Item 2.20 in the original publication. 3. Changes to this tariff will be made by issuing supplements. These supplements will show the action taken on each item by the following reference marks: <ul style="list-style-type: none"> [A] – Addition [I] – Increase [R] – Reduction [NC] – Brought forward without change [C] – Changes resulting in neither an increase nor a decrease <p>There will be only one supplement to this tariff in effect at any time. Any item contained in a prior supplement will be brought forward to subsequent supplements, showing the original effective date of the item.</p>

ITEM	RULES AND OTHER GOVERNING PROVISIONS. SPECIAL RULES AND REGULATIONS - UNLIMITED
100	BILLS OF LADING: Order Bill of Lading will not be issued to cover Intra-Terminal or Inter-Terminal switching movements.
110	CHARGE FOR HAUL OF EMPTY RAILCARS NOT USED FOR LOADING: When an empty railcar is ordered to be loaded and is returned empty, the charge is the same as if the railcar was interchanged as a load to the BNSF or UP.
130	CHARGES ON OVERLOADED RAILCARS: When an overloaded railcar is discovered in Intra-terminal, Inter-terminal, or Intra-plant switching service, the shipper will be given the opportunity to unload the excess at a charge of \$ 239 246.00 per railcar. The charge of \$ 239 246.00 per railcar will be in addition to all other applicable charges.
140	DETENTION CHANGES ON HEAVY DUTY FLAT RAILCARS: For detention and use charges on heavy duty flat railcars, see Item 270 of Tariff RIC 6740-series.
150	RETURN MOVEMENT OF RAILCARS PLACED FOR LOADING OR UNLOADING: Charges provided in this tariff include the return of empty railcars after unloading or placing of empty railcars for loading, except as provided herein.

160	TERMINAL AND OTHER CHARGES: 1. Railcar Rental Charges and Demurrage will be governed by tariffs or other instruments of individual carriers. 2. The switching rates shown in this tariff cover the charge for movement of railcar and lading contained therein only and do not include charge for any additional service such as, but not limited to, heating, icing, protection of property from frost or freezing, refrigeration nor any factors entering into the refrigeration service, such additional service shall be furnished by and at the expense of the shipper.
170	TURNING OF RAILCARS TO PERMIT LOADING OR UNLOADING: 1. In instances where it is desired that freight in a railcar load be placed on delivery tracks for loading at stop-off points or unloading at stop-off points or destinations from one particular side or end of a railcar, railcars must be properly placarded on both sides and notation made on bill of lading and waybills substantially as follows: NOTICE TO CARRIER Deliver railcar for loading at stop-off points or unloading at stop-off points or destinations from the door or railcar specified by placard. 2. On freight in carloads, not properly placarded on both sides of railcar to load or unload from one particular side or end of railcar, which shipper or consignee, after initial placement of railcar, directs carrier to turn and return to the same track for loading or unloading from opposite side or end of railcar, the following shall apply: CHARGES (Notes 1 and 2) A. If the railcar is turned at a Y or a turn-table within the confines of an industry, the Intra-Plant switching charge will apply. B. If the railcar is turned at a Y or turn-table within the same switching district but outside the confines of the industry, the Intra-Terminal switching charge will apply. C. If the railcar must be moved to a Y or a turn-table located outside the switching district and the round-trip distance to and from the Y or turn-table is: a. 100 miles or less - \$437450.00 per railcar. b. Over 100 miles - \$874900.00 per railcar, NOTE 1- If bill of lading carries notation that a railcar has been placarded and placard has disappeared before placement, the charge named herein will not apply. NOTE 2- If the line haul rate is lower than the charge for turning of the railcar, the line haul rate will be assessed.

180

DEFINITION OF INTRA-PLANT, INTRA-TERMINAL AND INTER-TERMINAL SWITCHING:

1. For the purpose of the application of rates in this Tariff the terms Intra-Plant, Intra-Terminal, and Inter-Terminal switching are defined as follows:
 - A. **INTRA-PLANT SWITCHING** - A switching movement from one track to another, or from one location to another location on the same track within the same plant or industry, and only when the physical movement is performed entirely within the confines of the plant or industry. (Same Industry)
 - B. **INTRA-TERMINAL SWITCHING** - A switching movement (other than Intra-Plant switching) from one track to another of the same road, or from one location to another location on the same track within the switching limits of one station or industrial switching district. (Same Road)
 - C. **INTER-TERMINAL SWITCHING** - A switching movement from a track of one road to a track of another road when both tracks are within the switching limits of the same station or industrial switching districts. (Road to Road)

ITEM	SECTION 1 SWITCHING
1000	<p>APPLICATION:</p> <p>Switching rates and charges named in this section will apply for account TMBL as follows:</p> <ul style="list-style-type: none"> A. Applicable at all points on the TMBL unless specified by written agreement. B. Intra-Terminal, Inter-Terminal and Intra-Plant service as described in Item 180, Intra-Terminal, Inter-Terminal and Intra-Plant services are applicable in connection with line haul traffic. Rates do not include wharfage, loading, unloading or other terminal expenses and apply only to freight loaded or unloaded by consignor or consignee within the switching limit of this section, except as otherwise authorized. C. Reciprocal Switching – A switch movement from an industry or firm on TMBL to interchange tracks of connecting carrier or vice versa, on line haul traffic (for rate to apply, see item 1010). The switching charge applicable, whether absorbed in whole or part, will be the charge in effect on the date of the actual physical interchange of the loaded railcar. D. Rates named herein include only the performance of normal switching service by and at the convenience of the carrier (TMBL). Normal switching contemplates only one switch per day and only on those days when the TMBL has regularly scheduled switching service at the plant site or industry, except the TMBL may, at its discretion only, make additional switches when deemed appropriate by the TMBL. E. The switching charge (unless otherwise specified) applies on the movement of a railcar loaded in one direction an empty in the other direction between the points named. If a railcar is loaded in both directions, the charge will be made for each loaded movement. Switching charges (unless otherwise specified) includes the spotting of a railcar one time at a designated spot within the plant site or industry or storage location. If an additional movement is necessary, on request of the industry, the applicable switch charge will be assessed. F. Special Switching – If requested by an industry or connecting carrier special switching will be performed at the sole discretion of the TMBL at the following charges. Such charges are in addition to all other applicable charges and switching rates named in this tariff. Special Switching charge will be assessed and billed to the industry or connecting carrier authorizing or requesting the special switching service (notes 1 and 2): <ul style="list-style-type: none"> 1. Monday through Sunday, exclusive of holidays, charge is \$600618.00 per hour with a minimum of two hours (\$1,2001,236.00). Time in excess is computed to next half hour. 2. Holidays, (note 2) subject to an application for such service in advance; charge is \$800824.00 per hour with a minimum of four hours (\$3,2003,296.00). Time in excess is computed to next half hour. <p>NOTE 1 - Charges for intra-plant, intra-terminal or inter-terminal switching as the case may be, will be billed and assessed separately, and will not be usable as credits for special switching service charges.</p> <p>NOTE 2 - Holidays are identified as New Years Day, Washington’s Birthday, Memorial Day, <u>Juneteenth</u>, Independence Day, Labor Day, Thanksgiving and Christmas Day.</p>

<p>1010</p>	<p>LINE HAUL SWITCHING RATES AND CHARGES IN DOLLARS AND CENTS FOR RAILCARS:</p> <ol style="list-style-type: none"> 1. A charge of \$6365.00 per platform (See Note 1) for each loaded or empty intermodal railcar (See Note 2) between interchange with BNSF or UP; and an Intermodal Terminal (See Note 3). 2. The following charges are per railcar for each loaded railcar interchanged with the BNSF or UP, other than intermodal railcars or unit trains (See Note 5), and other than railcars required to be placarded as carrying a hazardous commodity. (See Note 4) <ol style="list-style-type: none"> a. \$350358.00 for railcars interchanged in Tacoma b. \$647660.00 for railcars interchanged in locations other than Tacoma 3. The following charges are per railcar for each loaded railcar interchanged with the BNSF or UP, other than intermodal railcars, required to be placarded as carrying a hazardous commodity. (See Note 4) <ol style="list-style-type: none"> a. \$407417.00 for railcars interchanged in Tacoma b. \$647660.00 for railcars interchanged in locations other than Tacoma 4. A charge of \$262270.00 for each loaded railcar in a unit train (See Note 5) to a facility which can unload or load the unit train in its entirety. (See Note 4) 5. A charge of \$350358.00 for each loaded railcar in a unit train (See Note 5) to a facility which cannot unload or load the unit train in its entirety. (See Note 4) <p>NOTE 1 – A platform is a location within a railcar, used for loading, that is separated by articulations.</p> <p>NOTE 2 – A loaded intermodal railcar is defined as having any number of containers on the railcar, regardless whether the containers are loaded or empty.</p> <p>NOTE 3 – Intermodal terminals are identified as follows:</p> <ol style="list-style-type: none"> A) North Intermodal Yard – NIM B) South Intermodal Yard – SIM C) Hyundai Intermodal Yard – HIM aka WUT D) Pierce County Terminal – PCT <p>NOTE 4 – When a non-intermodal shipment is made using railcars that are articulated, each articulation shall be counted as an additional railcar for purposes of applying this rate.</p> <p>NOTE 5 – A unit train is defined as a train consisting of more than 90 railcars, other than intermodal, all destined to a single facility.</p>
<p>1020</p>	<p>INTRA-PLANT SWITCHING:</p> <p>The charge is \$47152.00 per railcar, for railcars loaded or empty, for Intra-Plant switching service as defined in Item 180.</p>
<p>1040</p>	<p>RAILCARS, OLD, FOR SCRAPPING ONLY, MOVING ON OWN WHEELS:</p> <p>FROM – Interchange point of BNSF or UP in Tacoma, WA.</p> <p>TO – Scrapping plants or storage on the TMBL</p> <ol style="list-style-type: none"> 1. Charge is \$324334.00 per railcar. Intra-terminal Switch Charges in item 1160 will apply for movement from storage to plant or plant to storage.

<p>1060</p>	<p>RAILCARS, FOR REPAIRS ONLY, MOVING ON OWN WHEELS:</p> <p>BETWEEN - Interchange points of BNSF or UP in Tacoma, WA.</p> <p>AND – Designated shop on TMBL</p> <p>OR – Staging track of designated shop on TMBL</p> <p>1. Charge is \$324334.00 per railcar.</p> <p>Charge applies for round trip movement of railcars from point of Interchange to shop site or staging and return and will be assessed on the initial movement.</p>
<p>1070</p>	<p>CRANES AND LOCOMOTIVES OWNED BY SCHNITZER STEEL:</p> <p>FROM – Any track on Schnitzer Steel property located at 1902 Marine View Drive, Tacoma, WA.</p> <p>TO – Any other track on Schnitzer Steel property located at 1902 Marine View Drive, Tacoma, WA.</p> <p>Charge is \$324334.00 per unit.</p>
<p>1090</p>	<p>LOCOMOTIVES, OLD FOR SCRAPPING ONLY, MOVING ON OWN WHEELS:</p> <p>FROM - Interchange point of BNSF or UP in Tacoma, WA</p> <p>TO – Scrapping plant or storage locations on the TMBL</p> <p>1. Charge is \$324334.00 per individual unit.</p> <p>Intra-terminal Switch Charges in item 1160 will apply for movement from storage to plant or plant to storage.</p>
<p>1110</p>	<p>LOCOMOTIVES, OLD, FOR REPAIRS ONLY, MOVING ON OWN WHEELS:</p> <p>FROM – Interchange point of BNSF or UP in Tacoma, WA.</p> <p>TO – Repair plants or storage locations on the TMBL.</p> <p>1. Charge is \$324334.00 per individual unit.</p> <p>Charge applies for round trip movement of locomotive between interchange and plant or storage location and will be assessed on the initial movement. Intra-terminal Switch Charges in item 1170 will apply for movement from storage to plant or plant to storage.</p>
<p>1120</p>	<p>ERROR DELIVERY AND SETBACK CHARGE:</p> <p>When loaded or empty railcars are delivered to TMBL in error by connecting carriers, and are returned to the same carrier without being loaded or emptied on TMBL, a charge per railcar will be assessed to the connecting carrier equal to that carrier’s charge to TMBL for the same type of railcar movement. Charges for BNSF will be those specified for Interchange Error as provided in tariff BNSF 8005 series. Charges for UP will be those specified for Setback Charges as provided in tariff UP 6004 series. TMBL will not be responsible for car hire on these railcars, and will reclaim all car hire assessed from the connecting carrier.</p> <p>When loaded or empty railcars are delivered to the TMBL by connecting carriers due to an error by the Customer, any charges incurred by the railcar from the connecting carrier will be charged to the Customer by Tacoma Rail with a 10% administration fee in addition to any applicable Tacoma Rail charges.</p>

<p>1160</p>	<p>INTRA-TERMINAL/INTER-TERMINAL RAILCAR SWITCHING:</p> <p>Charges shown in this item apply for Intra-Terminal or Inter-Terminal switching, (except as otherwise shown in this section), as defined in Item 180. Charges do not apply on railway equipment as described in Item 1170. Intermodal rates are per platform. A platform is a location within a railcar, used for loading containers, that is separated by articulations.</p> <ol style="list-style-type: none"> 1. Intra-Terminal Charges <ol style="list-style-type: none"> a. Non-intermodal - \$303312.00 b. Intermodal - \$8386.00 2. Inter-Terminal Charge - Rates in Item 1010 will apply
<p>1170</p>	<p>INTRA-TERMINAL/INTER-TERMINAL RAILWAY EQUIPMENT SWITCHING:</p> <p>Charges shown in this Item apply per railcar and only on Railway Equipment, moved on own wheels, but not under own power.</p> <p>Locomotives, Locomotive Tenders or Locomotives and Tenders combined.</p> <p>Steam Shovels, Steam Derricks or Locomotive Cranes.</p> <p>Charges for Idlers (NOTE 1)</p> <ol style="list-style-type: none"> 1. Intra-Terminal Charge - \$524540.00 2. Inter-Terminal Charge - \$629648.00 <p>NOTE 1 – Charges for idler railcars used in transportation of Locomotives or Tenders, Steam Derricks, Steam Shovels or Locomotive Cranes will be charged at rates named in Item 1160 for each railcar so used.</p>
<p>1180</p>	<p>LOADED OR EMPTY RAILCARS RELEASED AND NOT READY</p> <p>A charge of \$1069 per railcar will be assessed for each Customer railcar released and not available to be pulled or accepted by the TMBL. This charge is in addition to any applicable demurrage charges or other applicable charges.</p>
<p>1200</p>	<p>LATE PAYMENTS:</p> <p>Late Payments: Invoices are due and payable thirty (30) days following the date of the invoice.</p>
<p>1220</p>	<p>FUEL SURCHARGE:</p> <p>All loaded railcars will have a per railcar fuel surcharge applied in addition to the switch charge in item 1010-series.</p> <p>NOTE 1 – The fuel surcharge will be reviewed and adjusted quarterly.</p> <p>NOTE 2 – Adjustments to the fuel surcharge will reflect any rate changes to Tacoma Rail’s current fuel price above \$2.50 per gallon at the time of review. The Fuel Surcharge Rate will also include 10% to cover taxes and administrative costs.</p> <p>NOTE 3 – Fuel surcharge collected above or below actual cost of fuel over the previous three months will offset the new fuel surcharge rate appropriately. If the offset applied to the fuel surcharge drops below \$0.00, no fuel surcharge will apply.</p>

99999

EXPLANATION OF ABBREVIATIONS AND REFERENCE:

BNSF - BNSF Railway Company
UP - Union Pacific Railroad Company
FT - Freight Tariff
TMBL - Tacoma Municipal Belt Line Railway and all lines served by it

[A] - Addition
[I] - Increase
[R] - Reduction
[NC] - Brought forward without change
[C] - Changes resulting in neither an increase nor a decrease

-END-

TACOMA MUNICIPAL BELT LINE RAILWAY

FREIGHT TARIFF TMBL 8807-KL Supplement #1

(This supplement contains all changes to Tariff TMBL 8807-KL)

NAMING SWITCHING AND OTHER TERMINAL CHARGES AS PROVIDED IN SECTION 1 HEREIN

APPLYING AT ALL LOCATIONS ON THE TACOMA MUNICIPAL BELT LINE RAILWAY (TACOMA RAIL)

This tariff is also applicable on intrastate traffic, except where expressly provided to the contrary in connection with particular items.

ISSUED: December 10, ~~2023~~2025

EFFECTIVE: January 1, ~~2024~~2026

~~Dale W. King~~Alan Matheson, Superintendent
2601 SR 509 North Frontage Road
Tacoma, WA 98421

ITEM	SECTION 1 SWITCHING
<p>1010 [I]</p>	<p>LINE HAUL SWITCHING RATES AND CHARGES IN DOLLARS AND CENTS FOR RAILCARS:</p> <ol style="list-style-type: none"> 1. A charge of \$63.00 per platform (See Note 1) for each loaded or empty intermodal railcar (See Note 2) between interchange with BNSF or UP; and an Intermodal Terminal (See Note 3). 2. The following charges are per railcar for each loaded railcar interchanged with the BNSF or UP, other than intermodal railcars or unit trains (See Note 5), and other than railcars required to be placarded as carrying a hazardous commodity. (See Note 4) <ol style="list-style-type: none"> a. \$350367.00 for railcars interchanged in Tacoma b. \$647669.00 for railcars interchanged in locations other than Tacoma 3. The following charges are per railcar for each loaded railcar interchanged with the BNSF or UP, other than intermodal railcars, required to be placarded as carrying a hazardous commodity. (See Note 4) <ol style="list-style-type: none"> a. \$407428.00 for railcars interchanged in Tacoma b. \$647669.00 for railcars interchanged in locations other than Tacoma 4. A charge of \$262278.00 for each loaded railcar in a unit train (See Note 5) to a facility which can unload or load the unit train in its entirety. (See Note 4) 5. A charge of \$350367.00 for each loaded railcar in a unit train (See Note 5) to a facility which cannot unload or load the unit train in its entirety. (See Note 4) <p>NOTE 1 – A platform is a location within a railcar, used for loading, that is separated by articulations.</p> <p>NOTE 2 – A loaded intermodal railcar is defined as having any number of containers on the railcar, regardless whether the containers are loaded or empty.</p> <p>NOTE 3 – Intermodal terminals are identified as follows:</p> <ol style="list-style-type: none"> A) North Intermodal Yard – NIM B) South Intermodal Yard – SIM C) Hyundai Intermodal Yard – HIM aka WUT D) Pierce County Terminal – PCT <p>NOTE 4 – When a non-intermodal shipment is made using railcars that are articulated, each articulation shall be counted as an additional railcar for purposes of applying this rate.</p> <p>NOTE 5 – A unit train is defined as a train consisting of more than 90 railcars, other than intermodal, all destined to a single facility.</p>
<p>99999 [NC]</p>	<p>EXPLANATION OF ABBREVIATIONS AND REFERENCE:</p> <p>BNSF - BNSF Railway Company UP - Union Pacific Railroad Company FT - Freight Tariff TMBL - Tacoma Municipal Belt Line Railway and all lines served by it</p> <p>[A] – Addition [I] – Increase [R] – Reduction [NC] – Brought forward without change [C] – Changes resulting in neither an increase nor a decrease</p> <p>-END-</p>

TACOMA MUNICIPAL BELT LINE RAILWAY

FREIGHT TARIFF TMBL 6004-DE

Supersedes and Cancels TMBL 6004-ED (including all supplements)

WWW.TACOMARAIL.COM

NAMING DEMURRAGE RULES AND CHARGES

APPLYING AT ALL LOCATIONS ON THE
TACOMA MUNICIPAL BELT LINE RAILWAY (TMBL)
and
~~TACOMA RAIL MOUNTAIN DIVISION (TRMW)~~

This tariff is also applicable on export, import, interstate and intrastate traffic;
except where expressly provided to the contrary in connection with particular
items.

ISSUED: December 1, 202~~2~~4

EFFECTIVE: January 1, 202~~3~~5

Dale W. King, Superintendent
2601 SR 509 North Frontage Road
Tacoma, WA 98421

TABLE OF CONTENTS

DESCRIPTION	ITEM NUMBER
Section 1: General Information	1-150
• Cancellation Notice	1
• Change in Provisions of Tariff	2
• Participating Carrier(s)	5
• General Tariff Rules and Regulations.....	10-150
Section 2: General Demurrage Rules	200-260
• Railcars Held for Loading	210
• Railcars Held for Unloading.....	220
• Railcars Held for Other Purposes.....	230
• Railcars Held for Loading and not Used.....	240
• Private Railcars Held on Railroad Tracks.....	250
• Refused Loaded Railcars and Railcars Rejected as being Unsuitable for Loading.....	260
Section 3: Demurrage Plan 1 – Mixed – Application & Charges	300-310
• Application	300
• Demurrage Plan and Prices.....	310
Section 4: Demurrage Plan 2 – Straight – Application & Charges.....	400-410
• Application	400
• Demurrage Plan and Prices.....	410
Section 5: Demurrage Disputes and Permissible Relief	800-830
• Application	800
• Demurrage Disputes & Claim Handling	810
• Credits Permissible for Relief of Demurrage Charges.....	820
• Credits Not Permissible for Relief of Demurrage Charges.....	830
Section 6: Glossary, Abbreviations & Reference	900-999
• Glossary of Terms	900
• Explanation of Abbreviations and Reference	999

ITEM	SECTION 1: GENERAL INFORMATION
1	<p>CANCELATION NOTICE:</p> <p>This tariff cancels tariff FT TMBL 6004-B, including all previous supplements, as of the effective date of this tariff. Provisions not carried forward are hereby cancelled.</p>
2	<p>CHANGE IN PROVISIONS OF TARIFF:</p> <p>Tacoma Rail reserves the right at any time to change the provisions of this publication; provided, however, any such change shall be effective only with regard to any transportation services provided under the publication for freight tendered after the effective date of the changes. Tacoma Rail will make available on its web site this publication in the latest amended form. Shipper(s) should review this publication before tendering freight to Tacoma Rail. Revisions to this publication will be made from time to time by reissuing the publication in its entirety. Notification via email and / or US mail will be sent to notify customers of updates and changes. There will be only one supplement to this tariff in effect at any time. Any item contained in a prior supplement will be brought forward to subsequent supplements. Charges published herein are subject to increase by republication.</p>
5	<p>PARTICIPATING CARRIERS:</p> <p>TACOMA MUNICIPAL BELT LINE RAILWAY Abbreviation: TMBL</p> <p>TACOMA RAIL MOUNTAIN DIVISION Abbreviation: TRMW</p> <p>Provisions of this tariff apply to all stations of the above carriers, except when an item refers to only specific carriers or stations.</p>
10	<p>REFERENCE TO TARIFFS, ITEMS, NOTES, RULES, ETC.</p> <p>This publication is available on the Internet for viewing or printing at www.tacomarail.com. All customers shipping with Tacoma Rail should review the publications posted on the website before tendering freight to or from the railroad as revisions to the publications will be made from time to time by supplement or reissuing the publications in its entirety.</p> <p>If you are not equipped to obtain a copy of this publication from Tacoma Rail's web site, a hard copy will be mailed to you, provided you furnish, to the address shown below, a formal written request for a printed copy specifying the specific tariff number. This formal request is required on an annual basis in accordance with the Surface Transportation Board's policy decision under Ex Parte 528, Disclosure, Publication and Notice of Change of Rates and Other Service Terms for Rail Common Carriage.</p> <p>An administration fee of \$25.00 will be assessed for those who wish to receive a hard copy.</p> <p>Tacoma Rail Attn: Demurrage Administration – Tariff Requests 509 North Frontage Road Tacoma, WA 98421</p> <p>Where reference is made in this tariff to other tariffs, items, notes, rules, etc.; such references are continuous and include supplements to and successive issues of such tariffs, and reissues of such items, notes, rules, etc.</p>

	<p>The Surface Transportation Board (STB) decision amends the Code of Federal Regulations Title 49 to indicate that any person receiving railcars from a rail carrier, for loading or unloading in the United States, may be held responsible for asset use charges. Examples of such "person" include warehouses, distribution centers, care of parties, third parties, Ports, etc. As set forth in Appendix A to the decision, the regulations (<u>49 C.F.R. 1333</u>) provide that:</p> <p><i>"Any person receiving rail cars from a rail carrier for loading or unloading who detains the cars beyond the period of free time set forth in the governing demurrage tariff may be held liable for demurrage if the carrier has provided that person with actual notice of the demurrage tariff providing for such liability prior to the placement of rail cars. The notice required by this section shall be in written or electronic form."</i></p> <p>The decision is available for review on the STB's website: http://www.stb.dot.gov</p>
<p>20</p>	<p>STATION LISTS AND CONDITIONS</p> <p>This tariff is governed by the Official List of Open and Prepay Railroad Stations, OPSP 6000 series, to the extent shown below:</p> <p>PREPAY REQUIREMENTS AND STATION CONDITIONS</p> <p>For additions and abandonment of stations, and except as otherwise shown herein, for prepay requirements, changes in the names of stations, restrictions as to the acceptance or delivery of freight and changes in station facilities. When a station is abandoned as of a date specified in the above named tariff, the rates from and to that station published in this tariff are inapplicable on or after that date.</p>
<p>30</p>	<p>CONSECUTIVE NUMBERS</p> <p>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 the numbers shown.</p>
<p>40</p>	<p>CAPACITIES AND DIMENSIONS OF RAILCARS</p> <p>For marked capacities, lengths, dimensions and cubical capacities of railcars, refer to The Official Railway Equipment Register published quarterly by the R.E.R. Publishing Corporation.</p>
<p>50</p>	<p>NATIONAL SERVICE ORDER TARIFF</p> <p>This tariff is subject to the provisions of the various Surface Transportation Board Service Orders and General Permits as shown in National Service Order Tariff STB NSO 6100 series.</p>
<p>60</p>	<p>CURRENCY & PAYMENT TERMS</p> <p>Charges published herein are stated in United States Dollars. Charges that accrue per this tariff are due and payable 30 days from date of invoice. ACH is the preferred method of payment. Please contact demurrage administrator for current ACH banking information.</p>
<p>85</p>	<p>TRANSPORTATION</p> <p>Tacoma Rail agrees to transport shipments with reasonable dispatch according to a pre-determined service schedule. Bunching and run around will not be considered railroad error and no allowance will be made.</p>

<p>90</p>	<p>GENERAL APPLICATION</p> <p>Applicable at all points/stations on Tacoma Rail (TMBL & TRMW) for all railcars constructively or actually placed on or after the effective date of this tariff.</p> <p>Rates in this tariff apply in addition to otherwise applicable freight charges lawfully published or on file, and shall accrue solely to the carrier participating in this tariff. This publication takes precedence over any other domestic interstate, intrastate, export or import publication containing rules, regulations and charges on demurrage for the account of Tacoma Rail.</p> <p>The disposition of a railcar at its point of detention determines the purpose for which the railcar is held and the demurrage rules to be applied. Railcars subject to demurrage will fall into one of the following transaction types:</p> <ul style="list-style-type: none">• Railcars held for loading - See Item 210• Railcars held for unloading - See Item 220• Railroad cars held for other purposes - See Item 230• Empty railcars ordered and not used - See Item 240• Private railcars held on railroad tracks - See Item 250• Refused loaded railcars and railcars rejected as being unsuitable for loading – See Item 260 <p>Demurrage will be calculated each calendar month for railcars released during the month.</p>
<p>100</p>	<p>RAILCARS SUBJECT TO DEMURRAGE</p> <p>This applies to all customers served by Tacoma Rail and covers all railroad and private marked freight railcars(s), including idler railcars, delivered or held for or by customer(s) EXCEPT as follows:</p> <ul style="list-style-type: none">A. Railcars for loading or unloading of Tacoma Rail company material while held on Tacoma Rail tracks or private sidings of carrier.B. Railcars covered by separate storage agreement.C. Railcars of railroad ownership, leased for storage of commodities, while held on lessee's tracks.D. Loaded or empty private railcars on private owned or leased tracks.E. Railcars used for the purpose of testing loading or unloading procedures, new types of dunnage, or new types of equipment, as authorized by Tacoma Rail.F. All uni-level, bi-level and/or tri-level railcars used in the transportation of motor vehicles.G. Railcars used for shipment of containers or trailers on flat cars (TOFC/COFC).H. Empty railcars ordered and rejected as unsuitable for loading after 48 hours following order date, constructive placement date, or actual placement date.I. The time period in which railcars are deemed under repair after interchange and before tender.
<p>110</p>	<p>NOTIFICATION PROVIDED BY TACOMA RAIL TO CUSTOMER</p> <p>Daily: Notification will be given either electronically, verbally, or in writing, and will contain the following information at a minimum:</p> <ul style="list-style-type: none">• Railcar initials and number

	<ul style="list-style-type: none"> • Commodity • Location • Date and time of interchange
<p>120</p>	<p>NOTIFICATION PROVIDED BY CUSTOMER TO TACOMA RAIL</p> <p>Tacoma Rail personnel and/or electronic systems are on duty 24 hours a day, seven days a week, to receive forwarding instructions, empty release information, or other disposition of railcars. Notification may be provided via internet, fax or telephone. The notification date and time is recorded and will govern any applicable demurrage charges.</p> <p>Notice may be provided to Tacoma Rail as follows:</p> <ol style="list-style-type: none"> 1. Preferred method of contact is by internet at: http://www.tacomarail.com 2. Alternative method of contact is by fax at: 253-922-5679 3. As a last resort, contact may also be made by telephone at: 253-396-3290 <p>Tacoma Rail records will govern all disputes for telephone communication. It is recommended that all phone requests be followed up with a fax.</p> <p>When a customer releases a railcar, all doors must be secured, all dock plates removed, all hoses, chutes, or pipes removed, all chains tied or removed, all banding removed and railcar is in general working order. If, upon inspection by Tacoma Rail personnel, this is not done, the railcar will not be considered released for demurrage purposes. A release of the railcar will be interpreted as confirmation that the railcar is safe and in proper position to move by Tacoma Rail train crews.</p>
<p>130</p>	<p>EARLY RELEASE OF RAILCAR PLACED FOR LOADING OR UNLOADING</p> <p>When Tacoma Rail receives notification that a railcar is ready to be released and Tacoma Rail is unable to remove the railcar(s) because the loading or unloading of the railcar(s) has not been completed, or for other reasons not attributable to Tacoma Rail, the railcar(s) will remain on demurrage as if the release had not been instructed.</p>
<p>140</p>	<p>DEMURRAGE ADMINISTRATOR CONTACT INFORMATION</p> <p>Email: kjackson@cityoftacoma.org or the latest email available at www.tacomarail.com</p> <p>Fax: 253-396-3160</p> <p>Mail: Tacoma Rail Attn: Demurrage Administration – Tariff Requests 509 North Frontage Road Tacoma, WA 98421</p>
<p>150</p>	<p>DEMURRAGE PLAN SELECTION</p> <p>All customers default to Demurrage Plan 1 - Mixed. Demurrage plan changes can be made through notification to the Demurrage Administrator more than twenty (20) days prior to the beginning of a month in which the new plan is to take effect. Only one demurrage plan will be active during any given month. The active demurrage plan is applied to railcars on railroad receipt.</p>

ITEM	SECTION 2: GENERAL DEMURRAGE RULES
210	<p>RAILCARS HELD FOR LOADING</p> <p>COMPUTATION: Demurrage time will be computed from the first 8:00 am after tender until release.</p> <p>TENDER: Railcars are considered tendered to the customer upon either notification, actual placement, or constructive placement of an empty railcar(s).</p> <p>RELEASE: The date and time forwarding instructions are received by Tacoma Rail, will constitute an Operational Release and a Demurrage Release.</p> <p>Railcars found to be improperly loaded or overloaded will not be considered released until the load has been adjusted properly.</p> <p>When the same railcar is unloaded and reloaded, empty release information must be furnished. On reloaded railcars, time will be computed from the first 8:00 am after notification is received that the railcar is empty until released as a load. If not furnished, demurrage will continue until forwarding instructions are received.</p> <p>CREDITS: Two (2) credits will be allowed for each railcar.</p>
220	<p>RAILCARS HELD FOR UNLOADING</p> <p>COMPUTATION: Demurrage time will be computed from the first 8:00 am after tender until release.</p> <p>TENDER: Railcars are considered tendered to the customer upon either notification, actual placement, or constructive placement of an empty railcar(s).</p> <p>RELEASE: The date and time forwarding instructions are received by Tacoma Rail will constitute an Operational Release and a Demurrage Release.</p> <p>In order for a railcar to be considered empty, all dunnage and packing material must be removed from the car, all load securing devices must be properly stored and all doors, gates, and hatches must be closed and secured.</p> <p>CREDITS: Three (3) credits will be allowed for each railcar.</p>
230	<p>RAILCARS HELD FOR OTHER PURPOSES</p> <p>Applicable to railcars held:</p> <ul style="list-style-type: none"> • On orders of Tacoma Rail’s customer. • While awaiting disposition from Tacoma Rail’s customer. • As a result of conditions attributable to Tacoma Rail’s customer. <p>COMPUTATION: Demurrage time will be computed from the first 8:00 am after tender until release.</p> <ul style="list-style-type: none"> • After tender until release on railcars including, but not limited to: <ul style="list-style-type: none"> ○ Railcars held empty for loading, ordered, and not used (other than rejected railcar(s)) ○ Diverted, reshipped, re-consigned, stopped in transit, or partially unloaded ○ Railcars held awaiting payment of accrued charges at origin or destination ○ Railcars held for official grading or inspection ○ Railcar(s) held for any other purpose, except as covered in items 210, 220, 240, 250 and 260, not attributable to Tacoma Rail.

	<ul style="list-style-type: none">• After railcars are received by Tacoma Rail until date of disposition on:<ul style="list-style-type: none">○ Railcars received from connecting carriers.○ Private railcars returned to railroad tracks. <p>TENDER: Railcars are considered tendered to the customer upon either notification, actual placement, or constructive placement of a railcar(s).</p> <p>RELEASE: The date and time forwarding instructions are received by Tacoma Rail will constitute an Operational Release and a Demurrage Release.</p> <p>CREDITS: No credits will be allowed.</p>
240	RAILCARS HELD FOR LOADING AND NOT USED <p>This item does not apply to empty railcars rejected by customer as unfit for loading, provided Tacoma Rail has been notified within 24 hours of tender (see item 260).</p> <p>COMPUTATION: Time will be computed from the first 8:00 am after tender until release.</p> <p>TENDER: Railcars are considered tendered to the customer upon either notification, actual placement, or constructive placement of an empty railcar(s).</p> <p>RELEASE: The date and time forwarding instructions are received by Tacoma Rail will constitute an Operational Release and a Demurrage Release.</p> <p>CREDITS: No credits will be allowed.</p>
250	PRIVATE RAILCARS HELD FOR LOADING ON RAILROAD TRACKS <p>COMPUTATION: Time will be computed from the first 8:00 am after tender until placement upon private tracks.</p> <p>TENDER: Railcars are tendered upon constructive placement of a railcar on track owned or leased by Tacoma Rail and not considered private track.</p> <p>RELEASE: Placement of railcar on private track will constitute a Demurrage Release.</p> <p>CREDITS: Two (2) credits will be allowed for each railcar.</p>
255	PRIVATE RAILCARS HELD FOR UNLOADING ON RAILROAD TRACKS <p>COMPUTATION: Time will be computed from the first 8:00 am after tender until placement upon private tracks.</p> <p>TENDER: Railcars are tendered upon constructive placement of a railcar on track owned or leased by Tacoma Rail and not considered private track.</p> <p>RELEASE: Placement of railcar on private track will constitute a Demurrage Release.</p> <p>CREDITS: Two (2) credits will be allowed for each railcar.</p>
260	REFUSED LOADED RAILCARS AND RAILCARS REJECTED AS BEING UNSUITABLE FOR LOADING <p>COMPUTATION: Time will be computed from the first 8:00 am after tender until release. Release notification must be provided within one (1) demurrage day, otherwise item 210 or item 220 applies.</p> <p>TENDER: Railcars are considered tendered to the customer upon either notification, actual placement, or constructive placement of an empty railcar(s).</p>

	<p>RELEASE: The date and time forwarding instructions are received by Tacoma Rail will constitute an Operational Release and a Demurrage Release.</p> <p>CREDITS: One (1) credit will be allowed for each railcar.</p>
ITEM	SECTION 3: DEMURRAGE PLAN 1 – MIXED – APPLICATION & CHARGES
300	<p>APPLICATION</p> <p>This Section applies as the default demurrage plan. It can apply to both Order In or Spot on Arrival customers.</p> <p>Except where otherwise provided herein, Demurrage Charges contained in this section apply to all railroad or privately owned or controlled railcars held by or for Tacoma Rail customers for any purpose.</p>
310	<p>DEMURRAGE PLAN AND PRICES</p> <p>Settlement of charges will be made on a monthly basis on all railcars released during each calendar month. Demurrage will be assessed at the rate of \$6570.00 per demurrage day.</p> <p>Demurrage on all railcars will be assessed against the customer located on Tacoma Rail and depending upon the railcar's disposition. The customer shall be solely responsible for payment of charges. Any redistribution of the costs to third parties shall be the responsibility of Tacoma Rail's customer.</p> <p>The demurrage rate in effect on a railcar's release date will be used in calculating demurrage.</p> <p>Credits earned and demurrage days accrued by customers having facilities at separate stations cannot be combined.</p> <p>APPLICABLE CREDITS:</p> <p>Credits earned and demurrage days accrued will be calculated separately for the following transactions:</p> <ol style="list-style-type: none"> 1. Railcars held for loading (Item 210) 2. Railcars held for unloading (Item 220) 3. Railcars held for other purposes (Item 230) 4. Railcars held for loading and not used (Item 240) 5. Private railcars held on railroad tracks (Item 250) 6. Refused loaded railcars and railcars rejected as being unsuitable for loading (Item 260) <p>If rail service is three (3) days or less per week (Sunday – Saturday) one extra credit will be provided above the standard demurrage credit.</p> <p>Excess credits earned for one demurrage transaction cannot be used to offset demurrage days on another type of demurrage transaction. Excess credits earned in one calendar month may not be used to offset demurrage days in another calendar month. Excess credits earned cannot be used to offset demurrage between loading and unloading demurrage days.</p> <p>CALCULATION OF CHARGES:</p> <ol style="list-style-type: none"> 1. Total demurrage days for all railcars released will be added to determine total demurrage days. 2. Total credits for all railcars released will be added, including credits for Sundays, holidays and extra credits granted for missed switches or other reasons authorized by Tacoma Rail.

3. If total credits exceed total demurrage days, demurrage charges will not be assessed.
4. If total demurrage days exceed the total credits, calculation of charges will be made as follows:
 - a. Subtract number of total credits from total demurrage days to determine chargeable days.
 - b. The number of chargeable days will be assessed \$6570.00 per day.

ITEM	SECTION 4: DEMURRAGE PLAN 2 – STRAIGHT – APPLICATION & CHARGES
------	--

400	<p>APPLICATION</p> <p>This Section applies when customer chooses Demurrage Plan 2 – Straight Demurrage. The Straight Demurrage plan is only applicable to Order In customers.</p> <p>Except where otherwise provided herein, Demurrage Charges contained in this section apply to all railroad or privately owned or controlled railcars held by or for Tacoma Rail customers for any purpose.</p>
------------	---

410	<p>DEMURRAGE PLAN AND PRICES</p> <p>Settlement of charges will be made on a monthly basis on all railcars released during each calendar month. Demurrage will be assessed at the rate of \$6570.00 per demurrage day.</p> <p>Demurrage on all railcars will be assessed against the customer located on Tacoma Rail and depending upon the railcar’s disposition. The customer shall be solely responsible for payment of charges. Redistribution of the costs to third parties shall be the responsibility of Tacoma Rail’s customer.</p> <p>The demurrage rate in effect on a railcar’s release date will be used in calculating demurrage. Credits earned and demurrage days accrued by customers having facilities at separate stations cannot be combined.</p> <p>APPLICABLE CREDITS:</p> <p>Credits earned and demurrage days accrued will be calculated separately for each railcar under the following transactions:</p> <ol style="list-style-type: none"> 1. Railcars held for loading (Item 210) 2. Railcars held for unloading (Item 220) 3. Railcars held for other purposes (Item 230) 4. Railcars held for loading and not used (Item 240) 5. Private railcars held on railroad tracks (Item 250) 6. Refused loaded railcars and railcars rejected as being unsuitable for loading (Item 260) <p>If rail service is three (3) days or less per week (Sunday – Saturday) one extra credit will be provided above the standard demurrage credit.</p> <p>CALCULATION OF CHARGES:</p> <ol style="list-style-type: none"> 1. Demurrage days for each railcar released will be offset by applicable credits per railcar. 2. If credits exceed demurrage days for each railcar released, demurrage charges will not be assessed. 3. If demurrage days for any railcar exceeds its credits, calculation of charges will be made as follows:
------------	--

	<ol style="list-style-type: none"> a. Subtract number of credits from demurrage days to determine chargeable days for each railcar. b. The number of chargeable days will be assessed at \$6570.00 each.
ITEM	SECTION 5: DEMURRAGE DISPUTES AND PERMISSIBLE RELIEF
800	<p>APPLICATION</p> <p>This Section applies to both Section 3 and Section 4 demurrage plans and prices.</p>
810	<p>DEMURRAGE CLAIM DISPUTES & CLAIM HANDLING</p> <p>In the event that a customer disputes demurrage charges received in an invoice, the following procedures must be followed in order to be granted relief:</p> <ol style="list-style-type: none"> 1. The claim must be presented to Tacoma Rail, in writing, within thirty (30) days of the invoice billing date with supporting documentation. If a dispute is not received within this time, the bill will be considered valid and must be paid by the invoice due date. Claims filed after this date will be declined. 2. The dispute must be specific in nature, identifying contested railcars or groups of railcars by initial, number, and location. Also, the claim must fully state the conditions for which relief is claimed and must be related to time of actual or constructive placement, release, or application of the rules contained in this tariff. 3. The dispute is required to be submitted on the approved Tacoma Rail form contained in this tariff, and submitted by email, letter or fax to the demurrage administrator. 4. Customer must pay the entire invoiced amount by the due date to avoid late penalties. 5. Tacoma Rail will respond within 30 days of dispute receipt. If the dispute is invalid, Tacoma Rail will supply supporting documentation. If the dispute is found to be valid, or Tacoma Rail fails to respond in 30 days, credits will be issued.
820	<p>CREDITS PERMISSIBLE FOR RELIEF OF DEMURRAGE CHARGES</p> <p>In order to be allowed relief as indicated, the proper documentation must be submitted to Tacoma Rail thirty (30) days from the issue date of the invoice in question. Disputes filed after thirty (30) days will be declined. The dispute must contain a comprehensive explanation of why relief is claimed.</p> <ol style="list-style-type: none"> 1. Railroad Error: If, through railroad error, demurrage charges are assessed, demurrage will be adjusted to the amount that would have accrued but for such error. Run around and bunching of cars will not be considered as a railroad error. 2. Weather Interference: In situations where Tacoma Rail is precluded from reaching customer's siding/facility due to ACTS of GOD, including but not limited to: earthquakes, tornadoes, hurricanes, floods, heavy snow, or other severe weather or climatic conditions, and the operations of Tacoma Rail are disrupted, demurrage will be waived, provided the disruption exceeds two (2) days in duration. 3. Strike Interference: When it is impossible to load or unload or receive cars from or make cars available to Tacoma Rail because of strike interference, at the point where the loading or unloading is to be accomplished, demurrage days will be charged at the rate of \$30.00 per day during the period of strike interference, provided: <ol style="list-style-type: none"> a. The disruption exceeds five (5) days in duration during one calendar month.

	<p>b. The provisions of this item will not apply to:</p> <ul style="list-style-type: none"> • Railcars for unloading when waybills are dated four (4) days after the beginning of strike interference. • Railcars for loading when ordered after the beginning and prior to the ending of strike interference. <p>4. Switching Delays: Credit(s) will be calculated and applicable for missed switches and late switches. Late switch credits will be applicable for railcars actually placed on the order day requested. Switch requests must be submitted by 1:00 pm the prior day in order to qualify for a Switching Delay. Missed switch credits will be applicable to all demurrage tendered railcars for all day(s) after the requested placement order day, but not including the day for which the railcar is actually placed.</p>
<p>830</p>	<p>CREDITS NOT PERMISSIBLE FOR RELIEF OF DEMURRAGE CHARGES</p> <p>In order to be allowed relief, proper documentation must be submitted to Tacoma Rail within thirty (30) days of the issue date of the invoice in question. The dispute must contain a comprehensive explanation of why relief is claimed. The following items do not qualify for relief:</p> <ol style="list-style-type: none"> 1. Spot on arrival customers allow Tacoma Rail to choose which cars to spot to their industry based upon available capacity; therefore, credits will not be warranted when newer cars are spotted ahead of older cars. 2. If, for any reason, a customer's facility / siding is in disrepair, not cleared of ice, snow, or other debris and if for any reason whatsoever, or in the event of a labor strike, Tacoma Rail is unable to perform switching to/from the customer's siding no relief of demurrage is warranted. 3. Disputes filed after thirty (30) days.
<p>ITEM</p>	<p>SECTION 6: GLOSSARY, ABBREVIATIONS & REFERENCE</p>
<p>900</p>	<p>GLOSSARY OF TERMS</p> <p>The following definitions define and govern the provisions outlined in this tariff.</p> <p>ACT OF GOD – An act occasioned by violence of nature which no reasonable human foresight, care, or diligence can anticipate or prevent.</p> <p>ACTUAL PLACEMENT – When a railcar is placed in an accessible position for loading or unloading, or at a point designated by the shipper, consignor, consignee, or party loading or unloading the railcar.</p> <p>AMERICAN ASSOCIATION OF RAILROADS (AAR) – An industry sponsored organization whose primary purpose is to set standards and rules for the North American Railroad Industry.</p> <p>ASSIGNED RAILCAR(S) – The assignment of a railcar(s) to a given shipper at a specific location as defined in AAR Car Service Rule 16 and AAR Car Hire Rule 22 as published in the Official Railway Equipment Register (ORER).</p> <p>BILL OF LADING – A carrier's contract and receipt for goods specifying that the carrier has received certain goods which it agrees to transport from one place to another, and to deliver to a designated person or assignee for such compensation and upon such conditions as are specified therein. Ladings are designated "Straight" and "Order Specify."</p>

BUNCHING – The accumulation and tender of railcars for loading or unloading, in excess of orders, shipped on different days contrary to customer’s schedule. Since Tacoma Rail does not control the flow of inbound cars from connecting railroads, no allowance can be made in demurrage charges for bunching.

CARE-OF-PARTY – The party to whom railcar placement is to be made pursuant to the bill of lading, if other than the consignee at destination. When the bill of lading indicates a Care-of-Party, said party will be responsible for all demurrage, storage, and hazardous storage charges.

CONSIGNEE – The party designated on the bill of lading as the entity entitled to receive delivery of the goods/shipment from the carrier. The consignee may also be the unloader, care-of-party, warehouseman or transloader.

CONSIGNOR or SHIPPER – The party designated on the bill of lading as the entity which has caused the goods to be shipped or who furnishes forwarding directions. The consignor may also be the loader/unloader, warehouseman, or transloader.

CONSTRUCTIVE PLACEMENT (PCON) – When a railcar(s) cannot be actually placed due to any of the following conditions:

1. Customer has no track capacity to receive railcar
2. Customer is not ready to accept railcar
3. Customer has not requested railcar when designated as an “Order-In” customer
4. Customer track is not accessible, for example:
 - 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
 - Railcar is not suitable for movement: hoses attached to railcars, hatches open, etc.

CUSTOMER (PATRON) – The shipper, consignor, loader, consignee, unloader, care-of-party, or other party who resides within Tacoma Rail’s service territory and controls the disposition of a railcar. The customer is responsible for the payment of demurrage, detention, storage, or other charges specified in this tariff.

CREDIT – A unit of value assigned to a railcar for the relief of a demurrage day. Credits are utilized to offset accrued debits.

DEBIT – See demurrage day definition below.

DEMURRAGE – Demurrage is a charge for detaining a railcar. Railroads charge demurrage as an incentive for customers to load and unload railcars promptly, to prevent congestion in railroad terminals caused by idle railcars, and ultimately to improve the utilization of a valuable asset.

The Code of Federal Regulations 49 U.S.C. § 10746 states: A rail carrier providing transportation subject to the jurisdiction of the Board under this part shall compute demurrage charges and establish rules related to those charges, in a way that fulfills the national needs related to:

1. Freight car use and distribution and
2. Maintenance of an adequate supply of freight cars to be available for transportation of property.

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 railcar(s) is released and available to Tacoma Rail.

DEMURRAGE RELEASE – Date and time demurrage ceases based upon notification by the customer.

DISPOSITION – Information, including forwarding instructions or release, which allows Tacoma Rail to either tender or release the railcar(s) from the customer's account.

DIVERSION – An order provided by the shipper or consignee instructing that a railcar(s) be delivered to a location other than the one indicated on the original forwarding instructions.

EMPTY RAILCAR(S) ORDERED AND NOT USED – Empty railcar(s), placed for loading as ordered, and subsequently released without being used in transportation service.

EMPTY RELEASE INFORMATION – Advice by the customer, to authorized personnel of Tacoma Rail, that the railcar(s) is unloaded and available. This information must include the identity of the customer, name of party furnishing information, railcar(s) initial and number, and date and time. Release will be effective on date and time advice is received by Tacoma Rail.

FORWARDING INSTRUCTIONS – Shipping instructions provided to Tacoma Rail at the point of loading, containing all of the necessary information to transport the shipment to its final destination. Appropriate connecting railroad must be identified.

FREE DAY / TIME – A free day is a day of grace, a particular day of the week, or a holiday where you are not charged demurrage. When a holiday falls on a weekend, Saturday holidays will be observed on the previous Friday and Sunday holidays will be observed on the following Monday. Free days are Saturdays, Sundays, and holidays as follows:

New Year's Day – January 1
Martin Luther King Day – Third Monday of January
Presidents Day – Third Monday of February
Memorial Day – Last Monday of May
Juneteenth – June 19
Independence Day – July 4
Labor Day – First Monday of September
Thanksgiving Day – Fourth Thursday of November
Christmas Eve – December 24
Christmas Day – December 25
New Year's Eve – December 31

IDLER RAILCAR – An empty railcar used to protect overhanging loads or used between railcars loaded with long material.

LATE SWITCH – A switching delay where it is Tacoma Rail's failure to provide switch service to a customer on their scheduled service day prior to 8:00 AM. Service provided after 12:00 PM is considered a missed switch.

LEASE TRACK – Any track(s) assigned to a user through written lease agreement. Lease track(s) will be treated the same as private tracks for purposes of applying the terms of this tariff.

LOADED RAILCAR – A railcar that is completely or partially loaded.

LOADER – Tacoma Rail's customer responsible for physically loading freight into the railcar or the party physically loading the railcar.

LOADING – The complete or partial loading of a railcar in conformity with Tacoma Rail and/or BNSF/UP loading and clearance rules, advice the railcar is available for movement, and the furnishing of forwarding instructions.

MISSED SWITCH – A switching delay where it is Tacoma Rail's failure to provide switch service to a customer on their scheduled service day prior to 12:00 PM. **MIXED DEMURRAGE** – Excess credits earned on a railcar can be used to offset excess debits on another railcar within same category only. Categories are defined as private railcars for unloading, private railcars for loading, foreign railcars for unloading, and foreign railcars for loading. Excess demurrage credits do not carry over to the next month.

NOTIFICATION – When required, notification will be furnished electronically, in writing or verbally, to all parties entitled to receive notification that the railcar(s) is available for loading, unloading, or otherwise impacted by demurrage provisions.

OPERATIONAL RELEASE – The notification received from a customer that loading or unloading of a railcar(s) has been completed and the railcar is available for movement.

ORDER IN DATE – The date that the customer requires placement of railcar(s) at facility or industry from Tacoma Rail.

ORDER IN CUSTOMER – Customer who, by prior arrangement, has notified Tacoma Rail that railcars shall not be placed for loading or unloading, until Tacoma Rail has received an order (switch request) for placement from said customer.

OTHER THAN PUBLIC DELIVERY TRACK – Any tracks assigned for individual use, including privately owned or leased track.

PARTIAL UNLOADING – The partial unloading of a railcar(s) and furnishing of the proper forwarding/handling instructions.

PRIVATE RAILCAR(S) – Railcar(s) bearing other than railroad reporting marks and which is not owned or leased by a railroad.

PRIVATE TRACK – Any tracks which are not owned or leased by Tacoma Rail, including track leased by Tacoma Rail to other entities.

RAILROAD CONTROLLED RAILCAR(S) – Any railcar(s) other than a private railcar.

RECONSIGNMENT – An order from the customer to bill a railcar(s) to other than the original customer, said order being received after the railcar(s) is delivered to its original destination. (An order to turn the railcar over to another party, that does not require an additional movement of the railcar, is not a re-consignment.)

REFUSED LOADED RAILCAR(S) – An original loaded railcar(s) refused at destination without being unloaded.

REJECTED EMPTY RAILCAR(S) – Empty railcar(s) determined to be unfit for loading.

RELEASE – The notification received from a customer that loading or unloading of a railcar(s) has been completed and the railcar(s) is available for movement and forwarding instructions have been received, if applicable. The date and time notification is received by Tacoma Rail, will constitute both an Operational Release and a Demurrage Release.

RELOADING – When a railcar(s) is held for loading after being released empty.

RESHIPMENT – A new document by which the entire original shipment is forwarded in the same railcar to another destination.

RUN AROUND – Railcar(s) tendered to customer for loading or unloading that are actually placed ahead of railcars previously tendered for loading or unloading.

SHIPPER OR CONSIGNOR – The party designated on the bill of lading as the entity which has caused the goods to be shipped. The consignor may also be the loader.

SPOT ON ARRIVAL CUSTOMER – Tacoma Rail, without notification, will place railcar(s) for loading or unloading upon availability. Spot On Arrival customers allow Tacoma Rail to choose which railcars to place based upon available customer capacity; therefore, credits will not be warranted when newer railcars are spotted ahead of older railcars.

STRAIGHT DEMURRAGE – Straight demurrage rules provide for an allowance of a set amount of credits for the loading or unloading of railcars and for a definite charge by the day for each railcar held beyond the allotted applied credits. Excess credits on one railcar cannot be utilized to offset excess debits on another railcar.

TACOMA RAIL – City of Tacoma, Department of Public Utilities, Beltline Division dba: Tacoma Municipal Beltline Railway

TACOMA RAIL MOUNTAIN DIVISION – City of Tacoma, Department of Public Works dba Tacoma Rail Mountain Division

TENDER – Railcars are considered tendered to the customer upon either notification, actual placement, or constructive placement of empty or loaded railcar(s).

TIME – Local time is applicable, Pacific Time Zone. Time is expressed on the basis of the 24-hour clock. (Example: 12:01 AM is expressed as 0001 hours).

UNLOADER – Tacoma Rail’s customer responsible for physically unloading freight from the railcar.

UNLOADING – The complete unloading of a railcar and advice from customer to Tacoma Rail that the railcar is empty and available, or a railcar has been reloaded with empty release info furnished on loaded railcar and forwarding instructions are received.

999	<p>EXPLANATION OF ABBREVIATIONS AND REFERENCE</p> <p>AAR Association of American Railroads</p> <p>NSO National Service Order, Western Trunk Line Committee, Agent</p> <p>OPSL Official List of Open and Prepay Stations, Station List Publishing Company, Agent</p> <p>RER The Official Railway Equipment Register, R.E.R. Publishing Company, Agent</p> <p>RPS Railroad Publication Services, Agent</p> <p>STB Surface Transportation Board</p> <p>STCC Standard Transportation Commodity Code</p> <p>TMBL Tacoma Rail, Tacoma Municipal Belt Line Railway</p> <p>TRMW Tacoma Rail Mountain Division</p> <p>UFC Uniform Freight Classification, Uniform Freight Classification Committee, Agent</p> <p>WA State of Washington</p> <p> </p> <p>END</p>
------------	--

Demurrage Dispute Form

Enter the requested information for each car (or group of cars 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:



Email: efayk.jackson@cityoftacoma.org or the latest email available at www.tacomarail.com

Fax: 253-396-3160

Mail: Tacoma Rail
 Attn: Demurrage Administration – Tariff Requests
 509 North Frontage Road
 Tacoma, WA 98421

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

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

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