

248823

ENTERED
Office of Proceedings
November 6, 2019
Part of
Public Record

EP 759
Demurrage

The railroads charge for demurrage regardless of why the transit times causing the demurrage were affected. If transit times are affected due to issues that are out of the shippers' and receivers' control, the railroad still charges the receivers for demurrage, even when the demurrage time was caused or contributed to by the railroad or factors which are more within the railroads' control than that of the shipper/receiver, including charging demurrage on cars re-routed by the railroad for weather delays, derailments, congestion, etc..

The railroads leave it up to the facility to log into the railroads' websites to dispute demurrage in cases and more often than not, decline the claim, often due to the receiver's inability to identify specific cars by shipper and the car's constructively placed date. In fact, because the car numbers and/or shipper information is not specified on the invoices, transit times due to re-routes by the railroad are not considered when the railroad is demurrage billing shippers and receivers. In cases where the shipper has agreed to be responsible for demurrage charges, the receiver often does not have the information from the railroad invoices needed in order to pass on those charges to the shipper.

Ultimately, if the origin, waybill date, car numbers, and constructively place date were on the invoices, all parties involved would be better able to identify transit time fluctuations and would have the data needed to evaluate demurrage charges and allocate them to the appropriate party.

Yvette Longonje

1100 Louisiana

Houston, TX 77002

ymlongonje@eprod.com